Goodwill

Economic & Fiscal Impact Model

User Handbook

February 2017

Prepared by:

Elliott D. Pollack & Company
7505 E. McClintock Dr.
Scottsdale, AZ 85251

GOODWILL
ECONOMIC & FISCAL IMPACT MODEL
HANDBOOK

TABLE OF CONTENTS

GOODWILL
ECONOMIC & FISCAL IMPACT MODEL
HANDBOOK

1.0 Introduction

This handbook is designed as a technical manual for the Goodwill Economic & Fiscal Impact Model. The model has been developed by Elliott D. Pollack & Company (EDPCo) to provide Goodwill organizations throughout U.S. a method to calculate the economic and fiscal impacts of job placements in the regional economy and various company operations.

The model is a custom web-based application. The most recent set of multipliers from the Minnesota IMPLAN Group are used to calculate all the economic impacts of jobs placed in specified industries as well as Goodwill company operations. The results from the economic impact analysis are used to compute the impact on revenues of relevant government entities.

The Goodwill Model by EDPCo has three parts:

(1) The economic & fiscal impact of placing people in jobs
(2) The economic & fiscal impact of Goodwill operations
(3) The economic & fiscal impact of construction of new buildings or renovation of existing buildings.

Goodwill ***can*** claim the operations and construction impacts as their own direct impacts on the economy.

In terms of part (1), the model is a tool that quantifies the impact of employees that have been placed by Goodwill. The user should not claim the results as Goodwill's impact. The user can state that their Goodwill placed X number of people in jobs and the economic impact of those jobs is X. Thus, Goodwill does not explicitly claim ownership of the impacts, they are merely stating the economic impacts of employees that they helped place. Indeed, Goodwill did not create these impacts; they helped train and link the employees to jobs that then create an impact.

This handbook is composed of the following major sections. The introduction; an overview of economic impact analysis; an overview of fiscal impact analysis; an overview of getting started; a description of the model; a description of the output tables and a glossary of terms. An appendix is included to describe the Goodwill Community of Interest Reporting Guidelines as well as additional reporting tutorials.

2.0 Overview of Economic Impact Analysis

Economic impact analysis examines the regional implications of an activity in terms of three basic measures: output, earnings and job creation. The Economic & Fiscal Impact Model calculates the impact of business operations based on the number of workers placed in those businesses as well as direct company operations.

It is important to note that caution should be taken when publicizing employment impacts from job placement. While Goodwill's company operations are their own direct impact, employees placed into jobs should be interpreted separately. Goodwill can report the total number of jobs placed. The model then helps determine the economic and fiscal impact of those jobs. Thus, Goodwill should not explicitly claim ownership of these impacts, but simply illustrate the economic impacts of employees that they helped place. Indeed, Goodwill did not create these impacts; they helped train and link the employees to jobs that then create an impact in the economy.

2.1 Economic Impact Analysis

The model computes the impact of either a portion of a business (based on the number of jobs placed), direct Goodwill operations or the impact of the value of construction initiated by a Goodwill organization.

(1) Economic impact of job placement – The economic impact of job placement determines the output, jobs, and payroll supported by the direct employment placed in various industries as well as spin-off impacts. The model allows the user to input up to twenty industries of job placement data and can be differentiated between different pay levels, between part and full-time employment and by length of retention.

(2) Economic impact of Goodwill operations – The economic impact of Goodwill operations determines the output, jobs and payroll supported by various operations of the company. These include operations such as commercial services, office administration, merchandise stores, security services, charter schools, home visitation, and placement services operations. The model allows the user to input taxable purchase and sales revenue data in addition to employment and wages.

(3) Economic impact of construction –Construction phase impacts are generally short-term effects related to onsite and offsite construction employment and other industries that support the construction. The model allows the user to enter the total dollar value of construction initiated by a Goodwill organization and the resulting economic and fiscal impact will be calculated.

2.2 Economic Impact Model Overview

Economic impact analysis starts with the type of industry an employee is generally classified into, and employment (number of direct jobs). The user has a choice of industries (see Table 1). With this information, the multiplier effects are determined. When the user changes the industry, the corresponding average annual salary and set of multipliers are automatically selected. If the

user input wages for the job(s) placed, then the wages will be used instead of those that are generated automatically from the set of multipliers. Additional data can be used to indicate the number of months an individual or group of individuals have been working (or is projected to work) in the placed employment and whether it is part-time or full-time employment.

The multiplier effects are separated into indirect and induced impacts. Indirect impacts are new jobs, output and income that will be generated by industries that supply goods and services directly to the company. Induced impacts consist of the jobs, output and personal income in industries that serve the direct and indirect employees and their families. The induced impact includes not only the end-use consumer products but also any locally purchased intermediate products that were used in producing the consumer goods and services.

The results of the economic impact analysis include a breakdown of direct, indirect and induced impacts in terms of employment, output, and wages.

Table 1 provides a list of the industry breakdown for which the user would organize placements by industry. All industries are represented in the following list and grouped according to a suggested Implan sorting scheme. The NAICS codes are provided in parenthesis for ease of differentiating industry placements.

Table 1: IMPLAN Aggregation of Industries (NAICS codes)

Agriculture, Mining, Construction	**Financial Activities**
Farm and agricultural services (111-115)	Monetary authorities (521-523)
Mining and Mining Services (211)	Insurance carriers & related (524)
Construction, maintenance & repair (23)	Funds, trusts, and other financial vehicles (525)
Manufacturing	Real estate (531)
Food, Beverage & tobacco (311-312)	Rental & leasing services (532)
Textiles & leather (313-317)	Lessors of nonfinancial intangible assets (533)
Wood, paper & printing (321-323)	**Trade**
Petroleum and chemical (324-325)	Wholesale trade(42)
Plastics and non-metal minerals (326-327)	Retail trade (442-454)
Metal manufacturing (331-332)	**Services**
Machinery Manufacturing (333)	Professional, computer, scientific services (541-559)
Computer & other electronic equipment (334-336)	Admin support services (561)
Miscelleneous manufacturing (including furniture) (337-339)	Waste management and remediation services (562)
Transportation and Public Utilities	Educational services (611)
Transport industries - air, rail, water, truck (481-484)	Ambulatory health care (6211-6219)
Transit and ground passenger transportation (485)	Hospitals (622)
Pipeline transportation (486)	Nursing & residential care (623)
Sightseeing transportation (487-488)	Social assistance (624)
Couriers & messengers (492)	Performing arts & spectator sports (711)
Warehousing & storage (493)	Museums & similar (712)
Utilities (22)	Amusement- gambling & recreation (713)
Information	Accomodations (721)
Publishing industries (511)	Food services & drinking places (722)
Motion picture & sound recording (512)	Repair & maintenance (811)
Internet publishing and broadcasting (516)	Personal & laundry services (812)
Telecommunications (517)	**Religious, Private and Government**
Data processing, hosting, and related services (518)	Religious- grantmaking- & similar orgs (8131-8139)
Other information services (519)	Private households (814)
	Government & non NAICs (491 & other n.a.)

Specific multiplier sets are provided for the Goodwill Operations section of the model. The following list provides the NAICS codes under which Goodwill operates, though not all states will perform all functions.

Table 2: Industry Selections for Goodwill Operations (NAICS codes)

Goodwill Operations Industries
GW Commercial Services - Miscellaneous Manufacturing (337-339)
Used clothing and merchandise stores (45331)
E-Commerce (454)
Supply chain (493)
Other miscellaneous services - including translation (54193)
Administrative, business, and management services (561110)
Security services (5616)
Janitorial Services (5617)
Charter schools (6111)
Home visitation (621610)
Individual and family services (624110)
Self help organizations (624190-624310)
GW Commercial Services - Repair & Maintenance (811)

3.0 Overview of Fiscal Impact Analysis

Fiscal impact analysis determines the public revenues that are generated by a particular economic activity. The primary revenue sources (i.e. taxes and fees) of local, county, and state governments are determined in order to examine how an activity may affect the various jurisdictions. Fiscal effects within this model occur as a result of spending by workers directly or indirectly supported by a company as well as direct Goodwill operations activity. For instance, governing entities benefit from the spending of employees on housing and retail goods and services. Examples of these types of fiscal impacts that will be generated include State income taxes paid on wages and sales taxes paid on retail goods. Fiscal tax categories (and calculations) will vary by state. An appendix is included with this handbook describing each state's respective tax structure.

3.1 Fiscal Impact Analysis

The fiscal impact analysis is set up in a similar manner as the economic impact analysis (see Section 2.0 in this handbook). The Economic & Fiscal Impact Model calculates the impact of employee placement and direct company operations on an annual basis.

(1) Fiscal impact of placements – This portion of the model computes the fiscal impact of each employee placed by Goodwill into any number of industries. The model provides the secondary fiscal impact of each employee placed as well as spin-off effects that occur throughout the regional economy as a result of the directly placed job. The fiscal impact includes the impacts of a new employee in terms of sales taxes, income taxes, property taxes or other revenues supported by the operations of the company (taxes vary by state).

(2) Fiscal impact of operations – This portion of the model computes the fiscal impact of Goodwill business operations such as operating a new store, a job placement center or executive and administrative operations. For the fiscal impact of operations, the direct employees are the employees that work for Goodwill. The model produces primary fiscal impacts of operations such as direct sales taxes generated as well as the secondary impact of the direct, indirect and induced employees in terms of sales taxes, income taxes, property taxes or other revenues (these tax categories vary by state).

(3) Fiscal impact of construction – This portion of the model computes the revenues generated during any construction initiated by the Goodwill organization. Similar to the operations impact, the direct, indirect and induced employees generate sales taxes, incomes taxes, etc. The direct construction sales tax may also be calculated if the Goodwill organization is not exempt (must select "yes" on the inputs page).

3.2 Fiscal Impact Model Overview

All revenue projections are in current dollars and, thus, not inflated. Revenues are based on current tax rates. The revenue impacts are revenues generated directly by the employees of a company based on data supplied by the user. This information includes the most applicable industry, direct jobs, wages, months worked in a given year, and type of employment (part-time or full-time). Additional revenues generated by related indirect and induced jobs and supported residents are included in the indirect and total impact results.

4.0 GETTING STARTED

4.1 System Requirements

Minimum hardware requirements

Processor: 450 MhZ or faster

Memory: 128MB of memory or more

Software Requirements

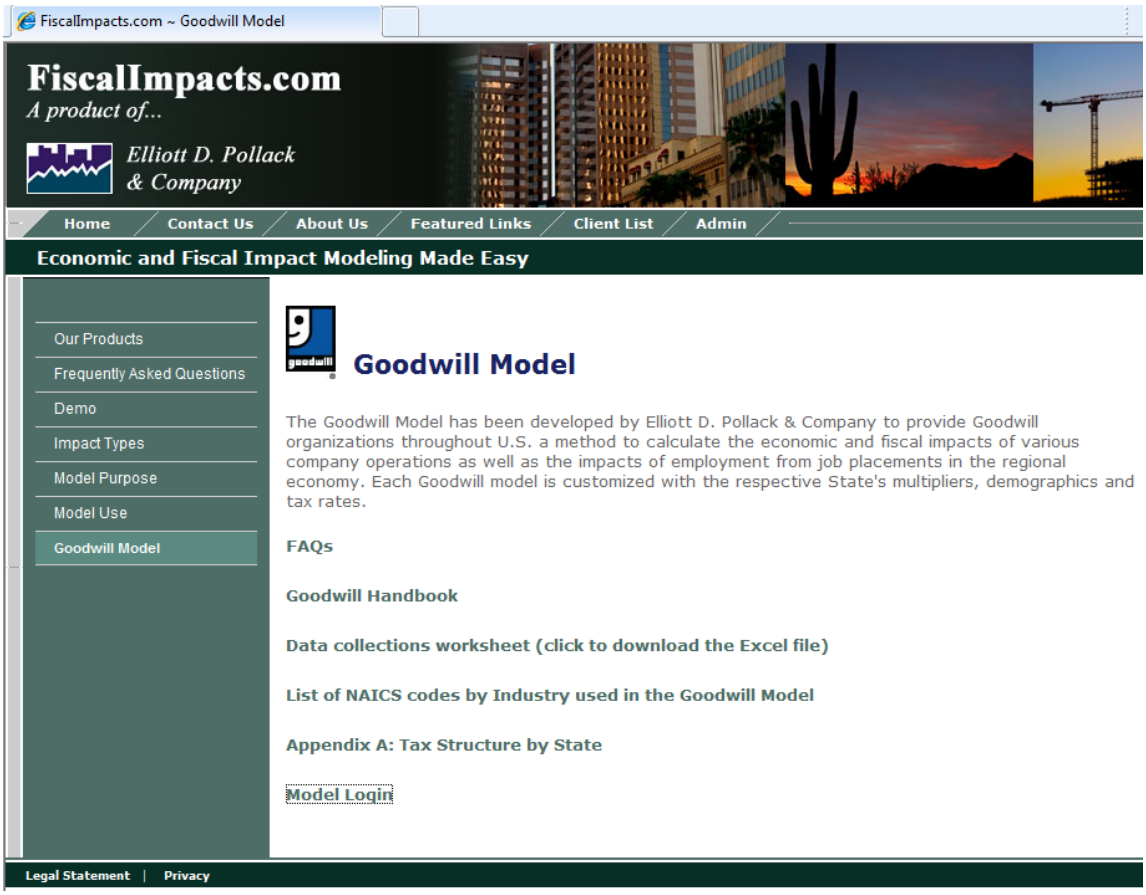
Internet Explorer 7.0 or higher

Preferred Monitor Resolution

1024 x 768

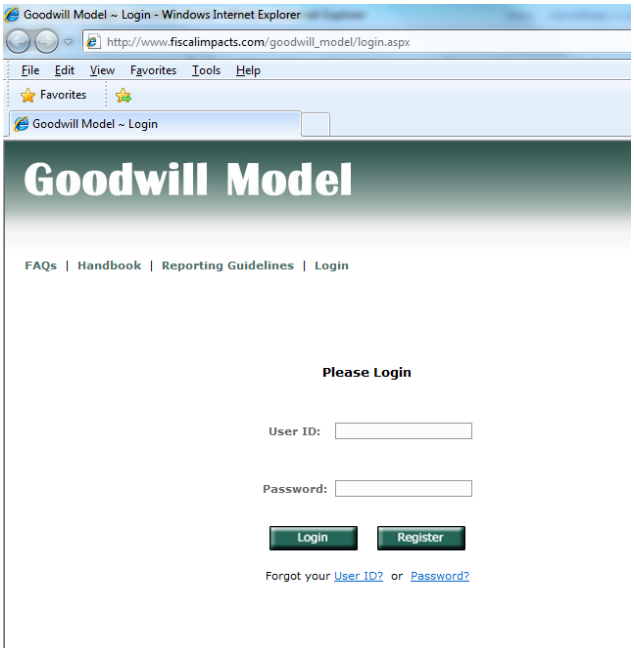
4.2 Model Access

Access to the model is found at www.fiscalimpacts.com/goodwill_model.aspx
From this site the user has access to frequently asked questions, the Goodwill Handbook, the Data Collections Worksheet (an Excel based worksheet that aids the user in collecting the data to enter in the model), tax structures along with the model login.



4.3 Model Login

In order to login, you must first register. Registering is easy and free, but will setup the user with an associated email address that the reports can be emailed to when the model is run.



5.0 Description of Model

The Economic & Fiscal Impact Models is designed to be used by Goodwill and its members. This section will describe the components of the model, the data inputs and results of the analysis.

5.1 Model Design

The Economic & Fiscal Impact Model is comprised of three major sections:

1. Placements impact inputs tab
2. Operations impact inputs tab
3. Construction impact inputs tab

The model calculates economic and fiscal impacts based on data entered in the Inputs tabs.

5.2 Model Functions

There are a number of functions available to the user prior to entering the data.

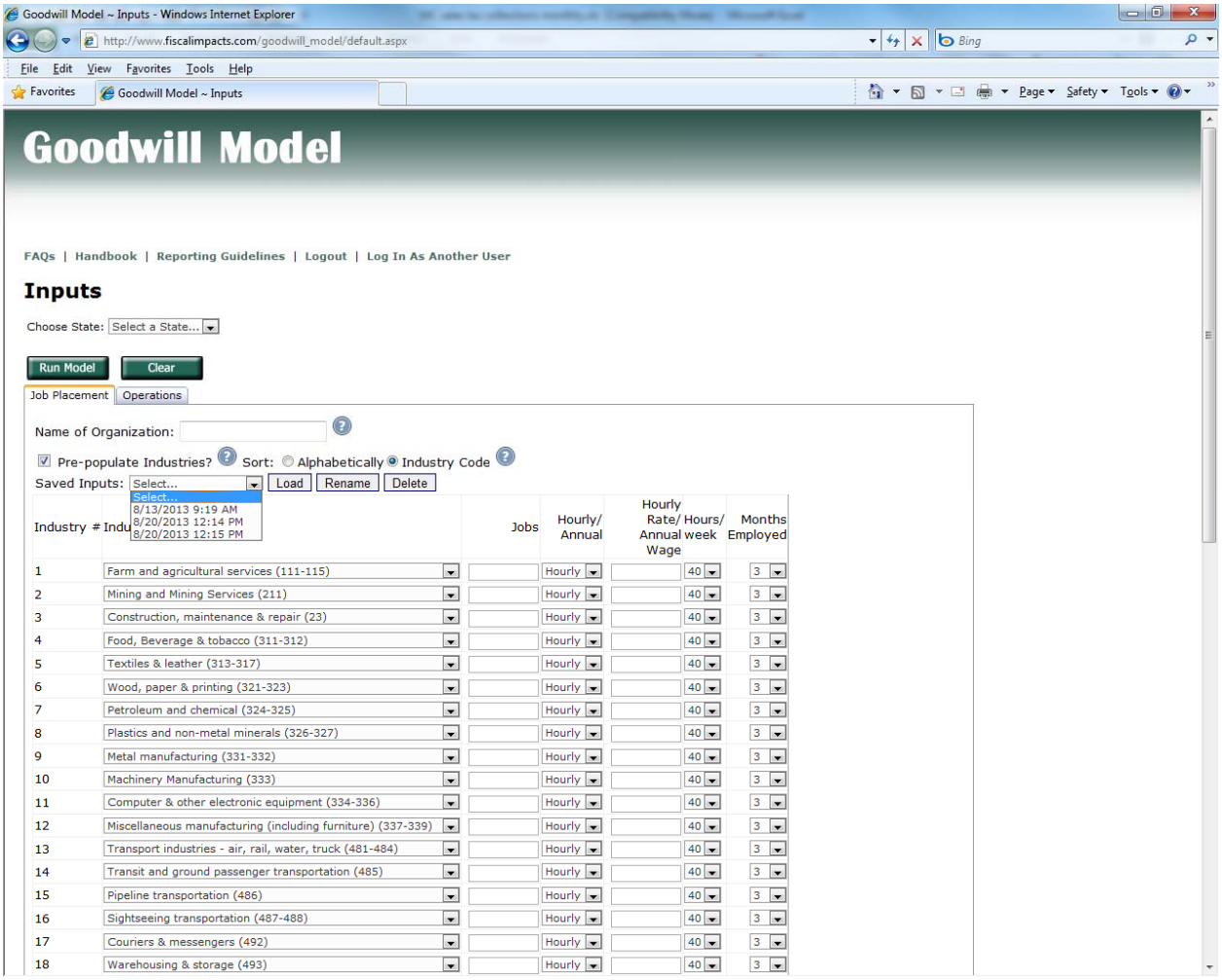
Prepopulate the industries – The user can request that the drop down boxes are prepopulated and therefore the user does not have to select each industry as they are entering the data. The default for the prepopulated industries is to sort by NAICS industry code. The user may also choose to sort the industries alphabetically. However, once the user has started to enter data, they cannot switch between sorting options (as the entered data will not sort with the change).

Select # of industries - If the user chooses not to prepopulate the industries, they may select the number of drop down boxes they need in order to enter their data.

Save Inputs Function – After each model run, the inputs are saved with the date and time of the model run. Additionally, prior to closing the model, the user may choose to save their inputs for future use. This allows the user to first give the inputs a particular name, and then recall these specific inputs in the future. To later recall these inputs, the user can go to the "Saved Inputs" drop down box and then select "load" (see screen shot below).

The save inputs functions can be managed in additional ways. The option to "rename" the inputs is available by using the drop down box to select the saved input the user wishes to change and select the "rename" button. A new box will appear to enter the new name, and the user must select "save changes" at that point.

The option to "delete" saved inputs is also available to reduce the number of inputs that are saved (again, the inputs are saved with a time stamp, each time the user runs the model). In order to delete saved inputs, select the saved input from the drop down box and then choose the "delete" button to the right of the drop down box.


Goodwill Model ~ Inputs - Windows Internet Explorer
http://www.fiscalimpacts.com/goodwill_model/default.aspx
File Edit View Favorites Tools Help
Favorites
Goodwill Model ~ Inputs
Page Safety Tools
Goodwill Model
FAQs | Handbook | Reporting Guidelines | Logout | Log In As Another User
Inputs
Choose State: Select a State...
Run Model
Clear
Job Placement
Operations
Name of Organization:
Pre-populate Industries?
Sort: Alphabetically Industry Code
Saved Inputs: Select...
Load
Rename
Delete
Select...
8/13/2013 9:19 AM
8/20/2013 12:14 PM
8/20/2013 12:15 PM
Industry # Indu
Jobs
Hourly/ Annual
Hourly Rate/ Annual Wage
Hours/ week
Months Employed
1 Farm and agricultural services (111-115)
2 Mining and Mining Services (211)
3 Construction, maintenance & repair (23)
4 Food, Beverage & tobacco (311-312)
5 Textiles & leather (313-317)
6 Wood, paper & printing (321-323)
7 Petroleum and chemical (324-325)
8 Plastics and non-metal minerals (326-327)
9 Metal manufacturing (331-332)
10 Machinery Manufacturing (333)
11 Computer & other electronic equipment (334-336)
12 Miscellaneous manufacturing (including furniture) (337-339)
13 Transport industries - air, rail, water, truck (481-484)
14 Transit and ground passenger transportation (485)
15 Pipeline transportation (486)
16 Sightseeing transportation (487-488)
17 Couriers & messengers (492)
18 Warehousing & storage (493)
Hourly
40
3

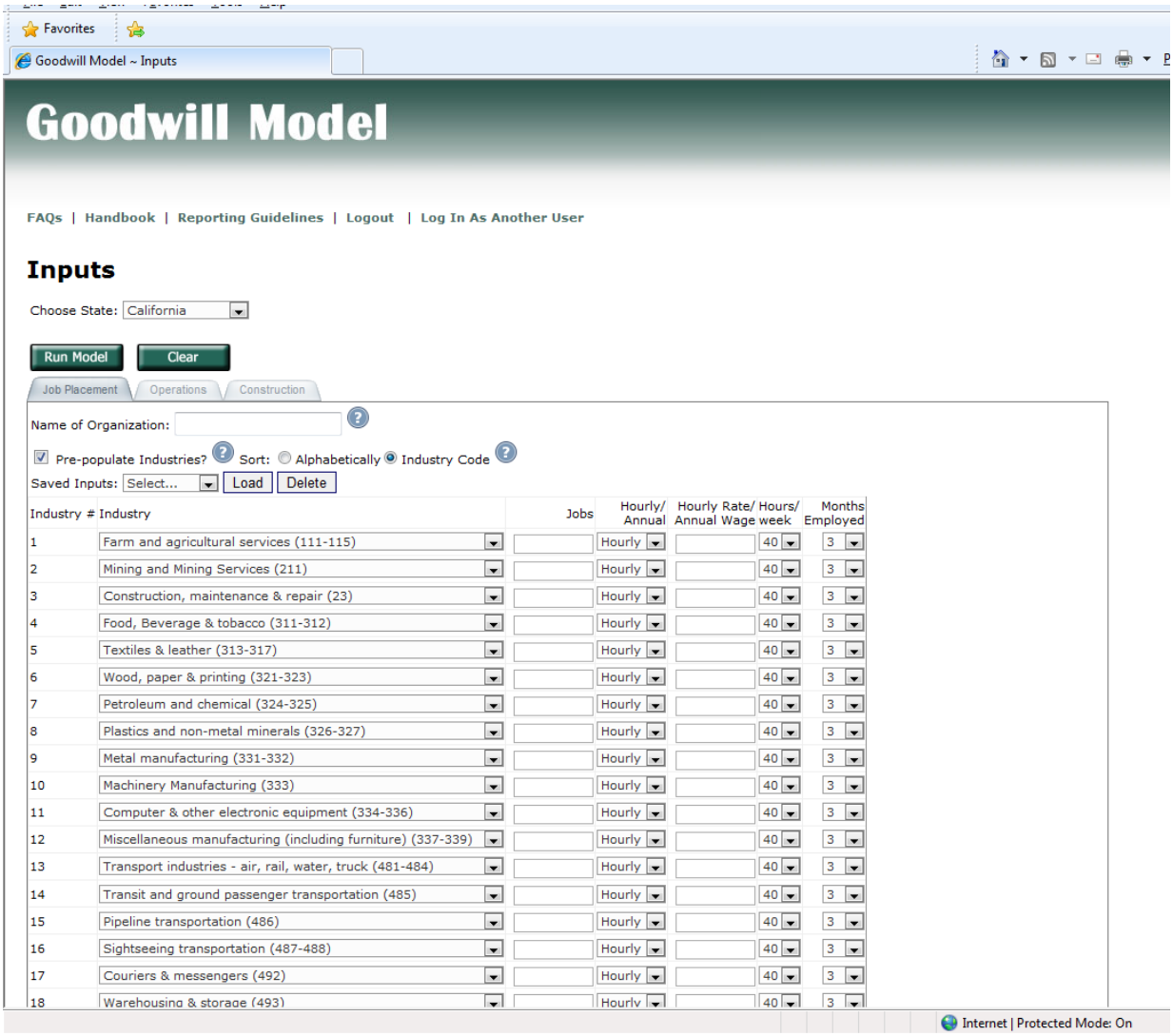
5.3 Model Inputs

The Economic & Fiscal Impact Model allows for different industry job placement categories on the Inputs tab. An explanation of the required inputs can be found on the following page. Not all inputs need to be entered in order to calculate the company's economic and fiscal impact.

Table 2

Explanation of Data Inputs

Input Item	Command	Use
Name of Organization	Enter name of company or report	Will be provided on all output tables. The user should use this box to distinguish each run of the model (ex. Jan. 2009 or Goodwill So Cal).
Industry	Select an industry from the drop down box	Provides information on correct multipliers to run the model. The list of categories contain the NAICS category in parenthesis.
Jobs	Enter the number of jobs in each industry	The number of jobs will be used to determine the level of impact on the economy.
Hourly/Annual	Select whether the employee is paid an Annual salary or an Hourly wage.	This decision leads to the following input box to enter an hourly rate or annual wage.
Hourly Rate/ Annual Wage	Enter either the total salary earnings of an employee or their hourly wage.	If left blank, the model will use a regional industry average wage for the selected job type.
Hours/Week	Choose from a drop-down menu the number of hours per week an employee works.	40 hours per week is considered full-time. There is no option to insert more than full-time. Less than full-time workers will be assigned lower impacts than full-time workers.
Mos. Employed	Choose from a drop-down menu the number of months an employee worked up to the present	The model is designed to calculate annual impacts. If a worker has been placed for more than 12 months, their impact would be a multiple of the full annual impact. Otherwise, employees working less than the full year will be assigned less than the annual impact.
ADDITIONAL GOODWILL OPERATIONS IMPACTS		
Input Item	**Command**	**Use**
Direct taxable sales at outlet	Enter the taxable sales (if any) by the company over the operations period	Sales taxes will be generated by this figure. It is important to only enter TAXABLE sales by the company.
Taxable purchases (supplies)	Enter the value of taxable purchases made in the region.	Sales taxes will be generated by this figure. It is important to only enter TAXABLE purchases.
CONSTRUCTION IMPACTS		
Input Item	**Command**	**Use**
Dollar value of construction	Enter the value of hard construction during the year.	The model will calculate the direct, indirect and induced jobs and economic output along with the fiscal revenues from supported employees.
Taxable Construction Sales Tax?	Select Yes or No if the Goodwill organization is subject or exempt	Construction sales taxes will be included in the fiscal impact results if the Goodwill organization is not exempt from the construction sales tax.



Once all inputs entered, the "Run Model" button must be selected in order for the table menu to appear. Reporting guidelines and tutorials are available in the appendix of this handbook.

5.4 Output Tables & Exporting

The Job Placement Impacts provide the economic and fiscal impacts by industry and aggregated based on inputs entered in the Inputs Worksheet. There are four separate tables. Goodwill Operations Impacts Tables are also separated into three major tables and the Goodwill Construction Impacts have two tables. In addition, a *Placement, Operations & Construction Summary* table is available that provides the economic and fiscal impacts for the entered data.

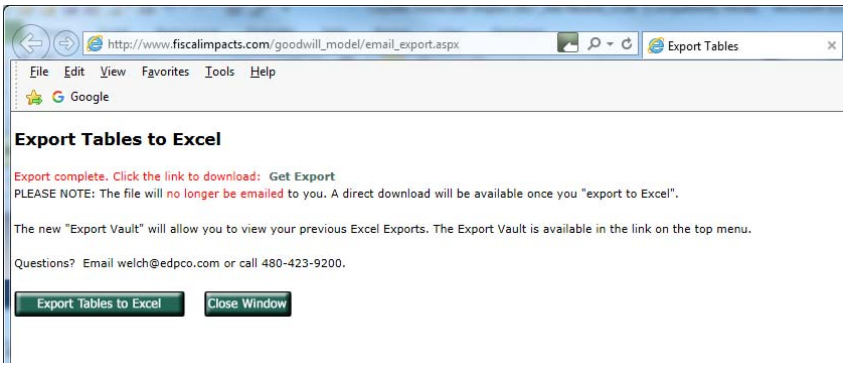
For a description of each table and its values, see Section 6.0 of this handbook.

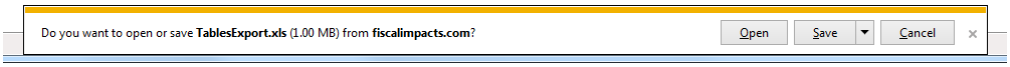
Change Inputs

If the user needs to make any changes to the Inputs Worksheet once the user has selected to run the model, the menu of tables allows the user to return to the Inputs Worksheet by selecting the "Return to Inputs" button.

Export Function

The "Export Tables to Excel" button allows the user to save the impact tables. As of 2017, the file is available for instant download (and no longer emailed). Once the user has selected "Export to Excel" the following explanation will be provided. Selecting "Export to Excel" will then bring you to the page for instant download. Once the file has been created, the "Get Export" link will allow the user to open or save the Excel document.





Export Vault

All exports are saved in the "Export Vault" available on the main menu of the model. Exports are listed by date and may be recalled for future download.

6.0 Description of Output Tables

6.1 Economic Impact by Industry Table

The Economic Impact by Industry table lists jobs, wages and output generated from day to day operations of the company at which the placed employee is working. This data is described by type of impact (direct, indirect and induced).

Economic impacts are based on IMPLAN multipliers and are regional in nature and, thus, provided for the multiplier set as a whole.

For a list of definitions associated with this table, see the glossary of this handbook.

June 1, 2010

ABC Services
Economic Impact by Industry Selected State

Impact Type	Jobs	Wages ($mil)	Economic Output ($mil)
Professional, computer, scientific services (541-559)			
Direct	100	$3.7	$7.7
Indirect	18	$0.9	$2.6
Induced	27	$1.2	$3.8
Total	145	$5.9	$14.2
Total Impact			
Direct	100	$3.7	$7.7
Indirect	18	$0.9	$2.6
Induced	27	$1.2	$3.8
Total	145	$5.9	$14.2

NOTES

1 The total may not equal the sum of the impacts due to rounding.
2 All dollar figures are in 2010 dollars. Inflation has not been included in these figures.

Source: Goodwill; Elliott D. Pollack & Company; IMPLAN.

6.2 Fiscal Impact by Industry Table

This table estimates the direct, indirect and induced fiscal impact on the economic region(s). Fiscal impact analysis studies the public revenues associated with a particular economic activity. The primary revenue sources of local, county, and state governments (i.e. taxes) are analyzed to determine how an activity may affect the various jurisdictions.

The revenue impact for each category is net of any shared revenues. For a description of the tax categories, see the appendix of this handbook. For a list of definitions associated with this table, see the glossary of this handbook.

June 1, 2010

ABC Services
Fiscal Impact of Operations
State

	Seconary Impact from Employees					
Impact Type	Employees Spending Sales Tax	Income Tax	Vehicle License Tax	Unemp. Tax	HURF Tax	**Total Revenues**
Professional, computer, scientific services (541-559)						
Direct Revenues	$57,700	$59,500	$6,500	$18,900	$7,700	**$150,300**
Indirect Revenues	$12,200	$16,900	$1,200	$3,400	$1,400	**$35,100**
Induced Revenues	$17,100	$21,000	$1,700	$5,000	$2,000	**$46,800**
Total Revenues	**$87,000**	**$97,400**	**$9,400**	**$27,300**	**$11,100**	**$232,200**
Total Impacts						
Direct Revenues	$57,700	$59,500	$6,500	$18,900	$7,700	**$150,300**
Indirect Revenues	$12,200	$16,900	$1,200	$3,400	$1,400	**$35,100**
Induced Revenues	$17,100	$21,000	$1,700	$5,000	$2,000	**$46,800**
Total Revenues	**$87,000**	**$97,400**	**$9,400**	**$27,300**	**$11,100**	**$232,200**

NOTES

1 The total may not equal the sum of the impacts due to rounding.
2 All dollar figures are in 2010 dollars. Inflation has not been included in these figures.
3 The figures for the State do not include revenues distributed to counties, cities, and towns.
4 All of the above figures are representative of the major revenue sources for the State.
The figures are intended only as a general guideline as to how the State could be impacted by the construction.
5 The above figures are based on the current economic structure and tax rates of the State.

Source: Elliott D. Pollack & Company; IMPLAN; Department of Revenue; Tax Research Association.

6.3 Summary by Industry

The Summary by Industry table estimates the direct, indirect and induced economic and fiscal impact on the region. The table details the number of jobs created throughout the economy along with their respective economic output. In addition, a total fiscal benefit is illustrated. The following table lists each industry separately. For a list of definitions associated with this table, see the glossary of this handbook.

June 1, 2010

ABC Services
Impact of Job Placement
Summary by Industry
State

Industry	Professional, computer, scientific services (541-	Textiles & leather (313-317)	Warehousing & storage (493)	Machinery Manufacturing (333)						
Total jobs placed	100	50	40	150	N/A	N/A	N/A	N/A	N/A	N/A
Economic Impact										
Total jobs created	145	78	47	286	N/A	N/A	N/A	N/A	N/A	N/A
Total economic impact	$14,150,730	$12,862,458	$2,371,307	$61,322,997	N/A	N/A	N/A	N/A	N/A	N/A
Fiscal Impact										
State	$232,200	$118,100	$53,000	$575,900	N/A	N/A	N/A	N/A	N/A	N/A

Industry										
Total jobs placed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Economic Impact										
Total jobs created	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total economic impact	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiscal Impact										
State	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES
1 The total may not equal the sum of the impacts due to rounding.
2 All of the above figures are based on current tax rates.
The figures are intended only as a general guideline as to how the area could be impacted.
Source: Elliott D. Pollack & Company; IMPLAN; Department of Revenue; Tax Research Association.

6.4 Summary of Placements Table

The Summary of Placements Table estimates the total direct, indirect and induced economic and fiscal impact of employees. The economic impact portion of the table details the number of jobs created throughout the economy along with their respective wages and economic output. Fiscal impact analysis studies the public revenues associated with a particular economic activity. The primary revenue sources of local, county, and state governments (i.e. taxes) are analyzed to determine how an activity may affect the various jurisdictions.

For a description of the tax categories, see the appendix of this handbook. For a list of definitions associated with this table, see the glossary of this handbook.

June 1, 2010

ABC Services
Impact of Job Placement
Summary Total
State

Economic Impact	
Jobs	
Jobs Placed	340
Indirect jobs	101
Induced jobs	114
Total Jobs Impacted	555
Wages ($mil)	
Direct wages	$13.8
Indirect wages	$6.2
Induced wages	$5.2
Total wages	$25.3
Economic Output ($mil)	
Direct output	$55.4
Indirect output	$18.9
Induced output	$16.4
Total output	$90.7
Fiscal Impact	
State	
Direct	$551,600
Indirect	$226,200
Induced	$201,400
Total revenues	$979,200

NOTES

1 The total may not equal the sum of the impacts due to rounding.

2 All of the above figures are based on current tax rates.

Source: Elliott D. Pollack & Company; IMPLAN

6.5 Economic Impact of Operations (Goodwill)

The Economic Impact of Operations table estimates the direct, indirect and induced economic impact on the region. This data is described by type of impact (direct, indirect and induced) and relate to the impact of direct Goodwill operations. There are a number of industry operations to choose from such as used clothing stores, administrative and management operations, interpretation services, e-commerce, charter school, Goodwill commercial services, family services and self help services.

Economic impacts are based on IMPLAN multipliers and are regional in nature and, thus, provided for the multiplier set as a whole.

For a list of definitions associated with this table, see the glossary of this handbook.

Economic Impact of Operations

Impact Type	Jobs	Wages ($mil)	Economic Output ($mil)
Used clothing and merchandise stores (45331)			
Direct	100	$1.7	$3.3
Indirect	5	$0.2	$0.6
Induced	11	$0.5	$1.5
Total	116	$2.4	$5.4
Administrative, business, and management services (561110)			
Direct	40	$4.2	$9.4
Indirect	21	$1.0	$2.9
Induced	31	$1.3	$4.1
Total	91	$6.5	$16.3
Total			
Direct	140	$5.9	$12.6
Indirect	26	$1.2	$3.6
Induced	42	$1.7	$5.6
Total	208	$8.8	$21.8

NOTES

1 The total may not equal the sum of the impacts due to rounding.

2 All dollar figures are in 2010 dollars. Inflation has not been included in these figures.

Source: Goodwill; Elliott D. Pollack & Company; IMPLAN. Fiscal Impacts Model® Version 2.01

6.6 Fiscal Impact of Operations (Goodwill)

The Fiscal Impact of Operations Table estimates the direct, indirect and induced fiscal impact on the region. Primary revenues include taxable sales at Goodwill stores and taxable purchases made by the company. Secondary revenues relate to the impacts of employees and the various taxes they pay within the economy.

Fiscal Impact of Operations

	Primary Revenues		Secondary Impact from Employees					
Impact Type	Direct Sales Tax	Supplies & Materials Taxes	Employees Spending Sales Tax	Income Tax	Vehicle License Fees	Unemp. Tax	Motor Vehicle Tax	**Total Revenues**
Used clothing and merchandise stores (45331)								
Direct Revenues	$0	$0	$46,422	$77,700	$7,500	$43,100	$18,500	**$193,222**
Indirect Revenues	N/A	N/A	$3,800	$13,400	$400	$2,100	$900	**$20,600**
Induced Revenues	N/A	N/A	$3,700	$28,800	$900	$4,900	$2,100	**$40,400**
Total Revenues	**0**	**0**	**$53,922**	**$119,900**	**$8,800**	**$50,100**	**$21,500**	**$254,222**
Administrative, business, and management services (561110)								
Direct Revenues	$0	$0	$58,602	$258,100	$3,000	$17,200	$7,400	**$344,302**
Indirect Revenues	N/A	N/A	$17,100	$61,700	$1,600	$9,000	$3,900	**$93,300**
Induced Revenues	N/A	N/A	$15,400	$77,300	$2,300	$13,200	$5,700	**$113,900**
Total Revenues	**0**	**0**	**$91,102**	**$397,100**	**$6,900**	**$39,400**	**$17,000**	**$551,502**
TOTAL								
Direct Revenues	$0	$0	$105,024	$335,800	$10,500	$60,300	$25,900	**$537,524**
Indirect Revenues	N/A	N/A	$20,900	$75,100	$2,000	$11,100	$4,800	**$113,900**
Induced Revenues	N/A	N/A	$19,100	$106,100	$3,200	$18,100	$7,800	**$154,300**
Total Revenues	**$0**	**$0**	**$145,024**	**$517,000**	**$15,700**	**$89,500**	**$38,500**	**$805,724**

NOTES

1 The total may not equal the sum of the impacts due to rounding.
2 All dollar figures are in 2010 dollars. Inflation has not been included in these figures.
3 The figures for the State do not include revenues distributed to counties, cities, and towns.
4 All of the above figures are representative of the major revenue sources for the State.
The figures are intended only as a general guideline as to how the State could be impacted.
5 The above figures are based on the current economic structure and tax rates of the State.

Source: Elliott D. Pollack & Company; IMPLAN; Various Tax Associations

Fiscal Impacts Model® Version 2.01

6.7 Summary of Operations Table

The Summary of Operations Table estimates the total direct, indirect and induced economic and fiscal impact of Goodwill Operations. The economic impact portion of the table details the number of jobs created throughout the economy along with their respective wages and economic output. Fiscal impact analysis studies the public revenues associated with a particular economic activity. The primary revenue sources of local, county, and state governments (i.e. taxes) are analyzed to determine how an activity may affect the various jurisdictions.

For a description of the tax categories, see the appendix of this handbook. For a list of definitions associated with this table, see the glossary of this handbook.

Impact of Goodwill Operations
Summary Total
State

Economic Impact	
Jobs	
Jobs Placed	162
Indirect jobs	26
Induced jobs	42
Total Jobs Impacted	230
Wages ($mil)	
Direct wages	$5.9
Indirect wages	$1.2
Induced wages	$1.7
Total wages	$8.9
Economic Output ($mil)	
Direct output	$12.4
Indirect output	$3.5
Induced output	$5.6
Total output	$21.5
Fiscal Impact	
State	
Direct	$546,555
Indirect	$111,800
Induced	$154,600
Total revenues	$812,955

NOTES

1 The total may not equal the sum of the impacts due to rounding.

2 All of the above figures are based on current tax rates.

Source: Elliott D. Pollack & Company; IMPLAN Fiscal Impacts Model® Version 1.05

6.8 Economic Impact of Construction

The Economic Impact of Construction table estimates the direct, indirect and induced economic impact on the region. This data is described by type of impact (direct, indirect and induced) and relates to the impact of dollar value of construction entered.

Economic impacts are based on IMPLAN multipliers and are regional in nature and, thus, provided for the multiplier set as a whole.

Economic Impact of Construction

Impact Type	Jobs	Wages ($mil)	Economic Output ($mil)
Direct	26	$1.7	$4.0
Indirect	10	$0.7	$1.8
Induced	19	$0.9	$2.8
Total	55	$3.3	$8.6

NOTES

1 The total may not equal the sum of the impacts due to rounding.

2 All dollar figures are in 2011 dollars. Inflation has not been included in these figures.

Source: Goodwill; Elliott D. Pollack & Company; IMPLAN. Fiscal Impacts Model® Version 4.0

6.9 Fiscal Impact of Construction

The Fiscal Impact of Construction Table estimates the direct, indirect and induced fiscal impact on the region. Primary revenues include construction sales tax generated by the project. Secondary revenues relate to the impacts of employees and the various taxes they pay within the economy.

Fiscal Impact of Construction

	Primary Revenues	Secondary Impact from Employees				
Impact Type	Direct Sales Tax	Employees Spending Sales Tax	Income Tax	Unemployment Insurance Tax	Gas Tax	**Total Revenues**
Direct Revenues	$290,000	$43,347	$80,600	$6,300	$3,800	**$424,047**
Indirect Revenues	N/A	$16,600	$33,400	$2,400	$1,400	**$53,800**
Induced Revenues	N/A	$25,700	$33,600	$4,500	$2,700	**$66,500**
Total Revenues	**$290,000**	**$85,647**	**$147,600**	**$13,200**	**$7,900**	**$544,347**

NOTES

1 The total may not equal the sum of the impacts due to rounding.
2 All dollar figures are in 2011 dollars. Inflation has not been included in these figures.
3 The figures for the State do not include revenues distributed to counties, cities, and towns.
4 All of the above figures are representative of the major revenue sources for the State.
The figures are intended only as a general guideline as to how the State could be impacted.
5 The above figures are based on the current economic structure and tax rates of the State.

Source: Elliott D. Pollack & Company; IMPLAN; Various Tax Associations

Fiscal Impacts Model® Version 4.0

6.10 Summary of Placements, Operations & Construction Table

The Summary of Placements, Operations & Construction Table summarizes all impacts from the run of the model. The results in this table are also found in the individual summary tables but are provided here for an overall synopsis of total impacts. For a list of definitions associated with this table, see the glossary of this handbook.

Impact of Goodwill
Placements, Operations and Construction

	Placements	Operations	Construction	Total
Economic Impact				
Jobs				
Direct jobs	110	140	30	280
Indirect jobs	35	26	11	72
Induced jobs	26	42	17	85
Total Jobs Impacted	172	208	59	439
Wages ($mil)				
Direct wages	$2.9	$5.9	$1.50	$10.3
Indirect wages	$1.5	$1.2	$0.70	$3.4
Induced wages	$1.1	$1.7	$0.80	$3.6
Total wages	$5.6	$8.8	$2.90	$17.3
Economic Output ($mil)				
Direct output	$11.9	$12.6	$4.00	$28.5
Indirect output	$4.6	$3.6	$1.90	$10.1
Induced output	$3.5	$5.6	$2.30	$11.4
Total output	$20.0	$21.8	$8.20	$50.0
Fiscal Impact				
State				
Direct	$319,800	$537,524	$279,500	$1,136,824
Indirect	$146,000	$113,900	$12,500	$272,400
Induced	$111,200	$154,300	$15,600	$281,100
Total revenues	$577,000	$805,724	$307,600	$1,690,324

NOTES

1The total may not equal the sum of the impacts due to rounding.

2 All of the above figures are based on current tax rates.

Source: Elliott D. Pollack & Company; IMPLAN

7.0 Glossary of Terms

GOODWILL
Economic & Fiscal Impact Model
Glossary of Terms

Construction Impact Construction phase impacts are generally short-term effects related to onsite and offsite construction employment and other industries that support the construction. The model allows the user to enter the total dollar value of construction initiated by a Goodwill organization and the resulting economic and fiscal impact will be calculated.

Direct Impact Direct employees consist of the employees placed in the respective industry. Direct revenues are the revenues generated by the spending of the direct employees or revenues generated by the operations of Goodwill.

Economic impact Examines the economic implications of an activity in terms of sales or output, earnings, and employment. The different types of economic impacts are known as direct, indirect, and induced, according to the manner in which the impacts are generated.

Export Vault All exports are saved in the "Export Vault" available on the main menu of the model. Exports are listed by date and may be recalled for future download.

Fiscal Impact Fiscal impact analysis studies the public revenues associated with a particular economic activity. The primary revenue sources of local, county, and state governments (i.e. taxes) are analyzed to determine how an activity may affect the various jurisdictions.

IMPLAN The Minnesota IMPLAN Group developed the multipliers used in this model. The IMPLAN multipliers are used to estimate the impacts of project expenditures on a region (gross receipt or sales), earnings (the sum of wages and salaries, proprietors income, and other labor income), and employment (number of jobs).

Indirect Impact The jobs, wages and output created by businesses that provide goods and services essential to the direct company. Also referred to as "supplier" impacts. These businesses range from manufacturers (who make goods) to wholesalers (who deliver goods) to janitorial firms who clean the buildings.

Induced Impact The spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services creates induced employment in all sectors of the economy. Also referred to as the "consumer" impacts.

Industry An industry refers to the job category that the employee or group of employees was placed. A list of the industry breakdown by the Minnesota IMPLAN Group can be found on page 3 of the handbook.

Inputs Worksheet The first page of the model which allows the user to input the necessary data to calculate the output tables. Not all inputs need to be entered in order to calculate the company's economic and fiscal impact.

Jobs Jobs, or employment, refers to total wage and salary and self employed jobs in a region. Jobs include both part time and full time workers.

Operations Impact Determines the output, jobs, and payroll supported by the operations of the company as well as the fiscal impact. The operational phase impacts are generally considered the long-term consequences of a company.

Output Output, also referred to as sales or activity, relates to the gross receipts for goods or services generated by the company's operations.

Total Impact Total impacts are a sum of the direct, indirect and induced impacts (whether economic or fiscal), but may not always be exact due to rounding.

Total Revenues A sum of all estimated revenues. The total may not be an exact sum due to rounding.

Wages Personal income, or earnings/wages, refers to the total wage and salary payments as well as benefits including health and life insurance, retirement payments and any other non-cash compensation.

Appendix A: Reporting Guidelines

ECONOMIC AND FISCAL IMPACTS OF JOB PLACEMENTS – THE GOODWILL MODEL

The Goodwill Model has been developed by Elliott D. Pollack & Company to provide Goodwill organizations throughout U.S. with a method to calculate the economic and fiscal impacts of various company operations as well as the impacts of employment from job placements in the regional &/or local economy. Each Goodwill model is customized with the respective State's multipliers, demographics and tax rates. Once purchased, the model can be utilized by any Goodwill organization within the state to run the model for its own purposes (e.g. city council meetings, zoning committee hearings etc). The results from each Goodwill organization within the state can be aggregated to create a comprehensive state-wide impact. When local Goodwill members make formal presentations at all levels of government, social/fiscal impact data can add credibility and weight to advocacy efforts on a wide variety of public policy issues. Finally, the general public's appreciation of the value of Goodwill workforce services can also be enhanced by using impact data in press releases, annual reports, direct mail campaigns and mission-focused public service announcements.

The following definitions and descriptions provide an overview of each section of the model and guidance as to how the data should be considered.

Reporting Period:
When gathering data to enter into the model, all data gathered should be based on calendar-year reporting.

Types of Placements:
Generally, a placement is an entry into employment during the reporting year that results from the actions of a Goodwill Agency who serves that individual.

Placements are divided into two categories:
A Community Placement is any entry into employment during the reporting year of a person served where the wage is paid by an entity other than the serving Goodwill. (Employment means working for a wage). The phrase "...the wage is paid by an entity other than Goodwill…." is taken to mean that the check or direct deposit of the individual's remuneration is processed by any agency other than the serving Goodwill.

Some special examples of community placements are those accomplished under programs administered by AARP or Ayuda (in California). In these programs, the Goodwill agency serves the individual by finding employment for that person within the agency itself. However, even though the individual is "working" within a Goodwill agency, the external agency (e.g. AARP or Ayuda) actuals pays the individual's wages.

A Goodwill Operational Placement is any entry into employment during the reporting year of a person served, where the wage is paid by Goodwill revenues. The phrase "...the wage is paid by Goodwill revenues…" is taken to mean that the check or direct deposit of the individual's remuneration is processed by Goodwill regardless of the source of funds used to pay that remuneration.

Note that it is recommended that the operations section of the model be calculated based on the year-census of total employment for the agency and not just the "placements" that occurred during the specific year being analyzed. This census would, by definition, include "operational placements" as defined above.

Some special examples of operational placements are those cases where the fees for the individual are paid through a pass-through grant. For example, a Goodwill may place an individual into employment at a local company, receiving grant funds from the government to cover the cost of this individual's salary. Even though the funds covering the individual's salary originate with some granting organization, the monies still pass through Goodwill's accounting structure and Goodwill writes the check or direct deposit to the individual.

Special Variations on Placements
A placement into a temporary staffing service is any entry into employment during the reporting year of a person served where the individual is hired by an agency that specializes in finding work assignments of their non-administrative staff with other companies. This category does not count the various work assignments on which these individuals are sent. Note that these placements can fit into either Community or Operational categories.
Tracking Impact from Staffing Service Businesses.

For Staffing Services Operated by Goodwill Members:
DO NOT COUNT PLACEMENTS AS DEFINED ABOVE. Instead, consult workers compensation data to determine the amount of work done in each occupational category.
If WC data track hours, convert the hours worked in each occupational category into FULL TIME EQUIVALENTS by dividing hours by 2080. Enter this quotient into a separate run of the impact model using 12 month retention. You can add the results of this separate model to your other impact runs to calculate full economic impact.

If WC data track wages, an additional step is necessary to calculate FTE's. Calculate or estimate average per hour for each occupational category among temporary workers. Divide WC total wages paid within each category by the average wage per hour for that category. The quotient of this calculation will be the estimated hours worked within that category which can then be used as noted above.

For Placements into External Staffing Agencies
NOT OPERATED BY THE GOODWILL MEMBER:

Each member will request the staffing agency to provide the following data for each Goodwill-placed individual:
- Name
- Occupational Category by position (e.g. receptionist, secretary, accountant) and by department (e.g. professional, legal, technical, light industrial)
- Starting date of employment
- Starting wage per hour
- Any pay rate changes
- Still employed?
- Ending date of employment

- Reason for employment terminating
- If temp to perm, starting date and wage of permanent position.

Member Goodwills seeking this data should send the external staffing agency a simple, easily completed, standard form containing the above information items for all placements made by Goodwill. The single page form should include all names placed listed vertically down the left side of the page with the required information items listed horizontally across the top of the page. To capture accurate retention data, these forms should be sent to the staffing agency every 3 months.

Retention:
Retention is the amount of time an individual remains in a job once placed. Since the economic impact model presumes each placement to be an FTE, it is important to account for retention of less than a full year.

Retention may be considered of two types:
Actual, which is based on follow-up contacts that track individuals and assesses continued employment.

Attributed, which takes know retention averages and applies these average to cases where retention is unknown. When attributing retention to an individual where there is no actual data to support the attribution, model users should input 6 months.

Appendix B: TUTORIAL

Following is an excerpt from a PowerPoint presentation that explains the use of the model.

Synopsis:

1) You input basic data

The Model
(2) Uses multipliers to calculate economic activity
(3) Applies tax rates to activity to calculate tax revenues
(4) Internalizes everything to make it less complex
- Multipliers
- Consumer Expenditure Survey
- Tax Rates (specific to region)
- Demographic factors
- Drive-time models

Where do I start?
Download the Data Collections Worksheet.xls
(The model is intended to enter all placements within an industry on one line)
The Data Collection Worksheet.xls allows the user to enter placements on an individual basis and calculate the weighted average of the wages).

Data Collection Worksheet:
- Placements Worksheet
- Operations Worksheet

Placements:
Enter the data for each job and their hourly rate, then calculate the weighted average hourly rate and hours / week.

Date	Industry	Jobs	Hourly / Annual	Hourly Rate / Annual Wage	Hours/week	Months Employed
Jan-09	Retail trade (442-454)	1	Hourly	$12.00	20	6
	Retail trade (442-454)	1	Hourly	$9.00	40	3
	Retail trade (442-454)	1	Hourly	$8.50	40	3
	Retail trade (442-454)	1	Hourly	$14.25	40	12
WEIGHTED	Retail trade (442-454)	4	Hourly	$10.94	35	6

Calculating the weighted average:

2	A	B	C	D	E	F	G
3	Date	Industry	Jobs	Hourly / Annual	Hourly Rate / Annual Wage	Hours/week	Months Employed
4	Example:						
5	Jan-09	Used clothing and merchandise stores (45331)	3	Hourly	$12.00	20	6
6		Used clothing and merchandise stores (45331)	15	Hourly	$9.00	40	3
7		Used clothing and merchandise stores (45331)	10	Hourly	$8.50	40	3
8		Used clothing and merchandise stores (45331)	6	Hourly	$14.25	40	12
9	WEIGHTED	Used clothing and merchandise stores (45331)	34	Hourly	$10.04	38	5

Weighted average formula:

Hourly rate/Annual Wage =SUMPRODUCT(E5:E8*$C5:$C8)/$C9
Hours/week =SUMPRODUCT(F5:F8*$C5:$C8)/$C9
Months employed =SUMPRODUCT(G5:G8*$C5:$C8)/$C9

NOTE: You can only calculate the weighted average if all jobs are either hourly or annual.
To convert hourly to annual, multiply the hourly rate by 2,080 (and vice versa)

Months employed:
FAQ: What if the job seeker is placed in December, how many "months employed" do we enter?

Because we are calculating the total impact of all job seekers placed during the year, you will want to enter the estimated number of months they will work, even if it bleeds into following year.

OPERATIONS:
Similar to the placements impact entries, but the months employed.

Date	Industry	Jobs	Hourly / Annual	Hourly Rate / Annual Wage	Hours/week	Months Employed
Example:						
2010	Used clothing and merchandise stores (45331)	15	Hourly	$9.00	20	12
2010	Used clothing and merchandise stores (45331)	20	Hourly	$12.00	40	12
2010	Used clothing and merchandise stores (45331)	10	Hourly	$14.00	40	12
2010	Used clothing and merchandise stores (45331)	1	Hourly	$19.23	40	12
WEIGHTED	Used clothing and merchandise stores (45331)	46	Hourly	$11.61	33	12

NOW WHAT?
Login and enter the weighted averages into the model and run the impact for your own organization.

LOGIN
www.fiscalimpacts.com/goodwill_model/login.aspx

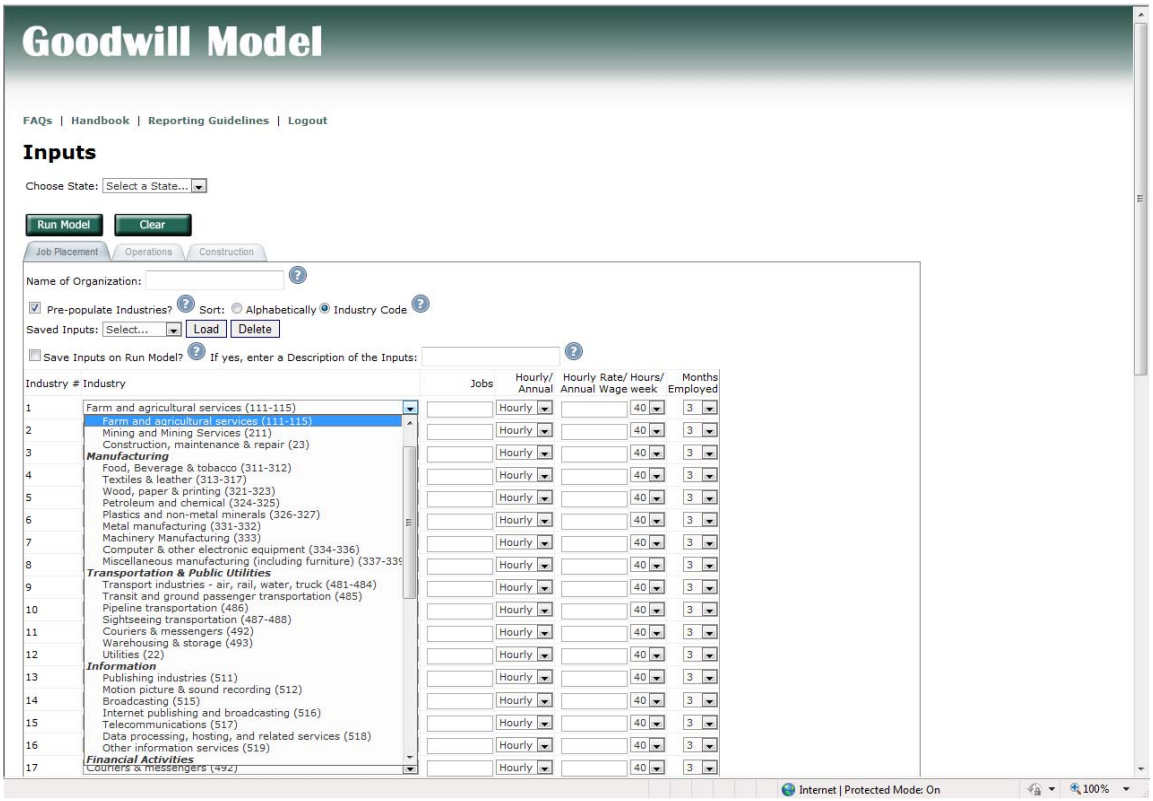
MODEL FUNCTIONS:
Prepopulate the industries – The user can request that the drop down boxes are prepopulated and therefore the user does not have to select each industry as they are entering the data. The default for the prepopulated industries is to sort by NAICS industry code. The user may also choose to sort the industries alphabetically. However, once the user has started to enter data, they cannot switch between sorting options (as the entered data will not sort with the change).

Select # of industries - If the user chooses not to prepopulate the industries, they may select the number of drop down boxes they need in order to enter their data.

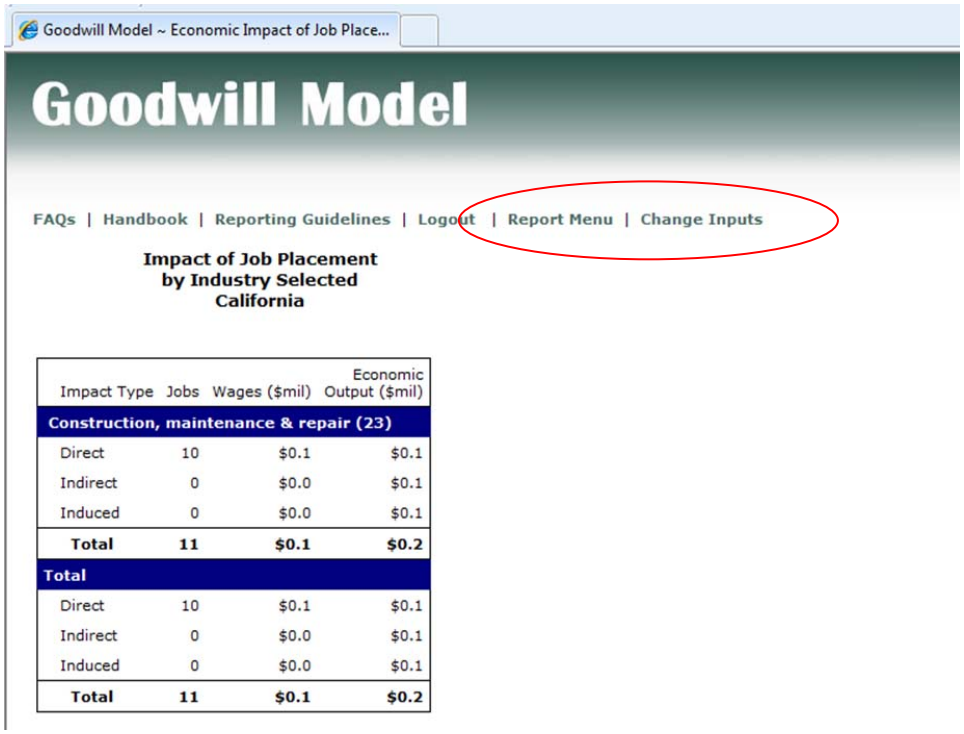
Save inputs on Run Model – prior to closing the model, the user may choose to save their inputs for future use. This allows the user to first give the inputs a particular name, and then recall these specific inputs for future use. To later recall these inputs, the user can go to the "Saved Inputs" drop down box on the inputs page and then select "load".

REQUIRED INPUTS:
- Industry (drop down box)
- Jobs placed in that industry
- Average wage

The Tables Menu allows you to enter

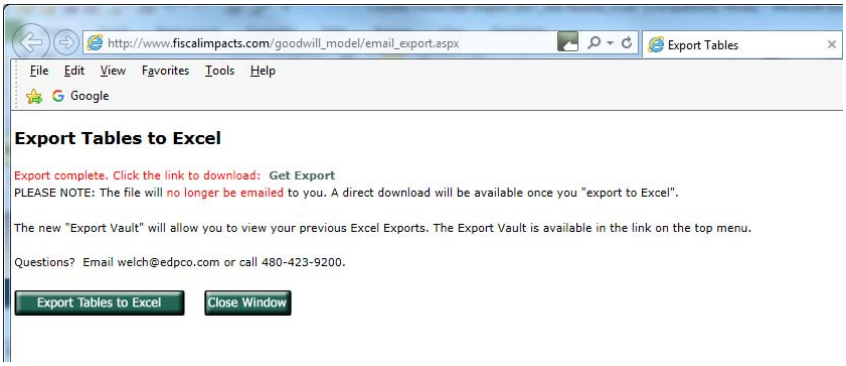


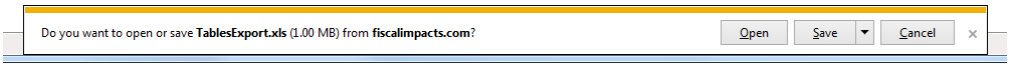
When viewing a table, you can choose to go back to change the inputs or go back to the report menu:



Impact Type	Jobs	Wages ($mil)	Economic Output ($mil)
Construction, maintenance & repair (23)			
Direct	10	$0.1	$0.1
Indirect	0	$0.0	$0.1
Induced	0	$0.0	$0.1
Total	**11**	**$0.1**	**$0.2**
Total			
Direct	10	$0.1	$0.1
Indirect	0	$0.0	$0.1
Induced	0	$0.0	$0.1
Total	**11**	**$0.1**	**$0.2**

The "Export Tables to Excel" button allows the user to save the impact tables. As of 2017, the file is available for instant download (and no longer emailed). Once the user has selected "Export to Excel" the following explanation will be provided. Selecting "Export to Excel" will then bring you to the page for instant download. Once the file has been created, the "Get Export" link will allow the user to open or save the Excel document.

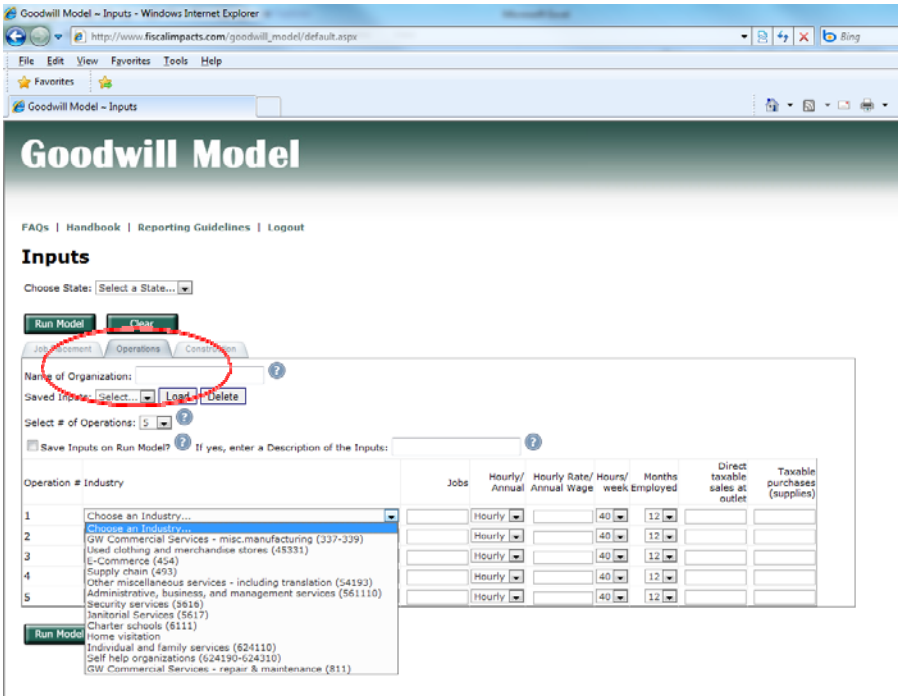




All exports are saved in the "Export Vault" available on the main menu of the model. Exports are listed by date and may be recalled for future download.

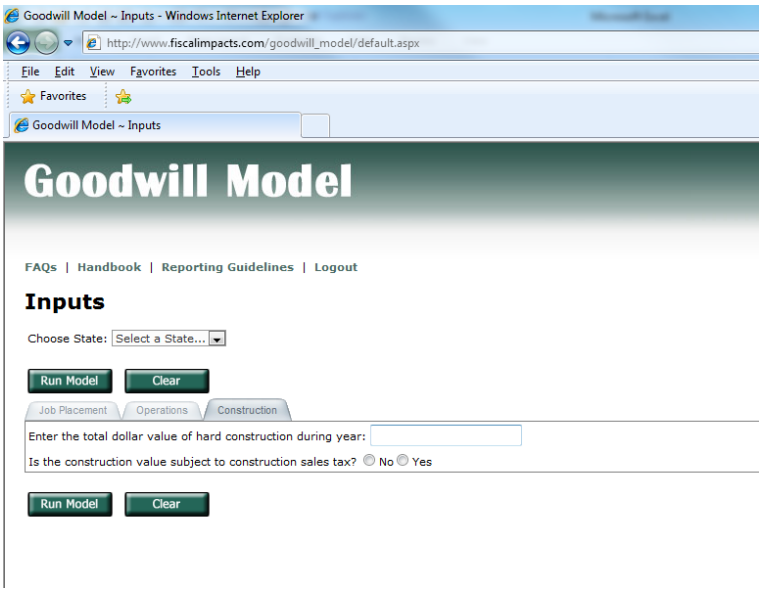
Entering Operations Data:

To enter operations data, the user can click on the Operations Tab. Data entries here are similar to the placement inputs, but allow for Goodwill specific industries.



Entering Construction Data

In order to calculate the economic and fiscal impact of Goodwill initiated construction, the user must enter the total dollar value of hard construction costs during the year. The user must also specify if the construction value is subject to construction sales tax or if they are exempt.


Goodwill Model ~ Inputs - Windows Internet Explorer
http://www.fiscalimpacts.com/goodwill_model/default.aspx
File Edit View Favorites Tools Help
Favorites
Goodwill Model ~ Inputs
Goodwill Model
FAQs | Handbook | Reporting Guidelines | Logout
Inputs
Choose State: Select a State...
Run Model
Clear
Job Placement
Operations
Construction
Enter the total dollar value of hard construction during year:
Is the construction value subject to construction sales tax? No Yes
Run Model
Clear