



# GOODWILL

Industries of Santa Cruz, Monterey  
& San Luis Obispo Counties, Inc.

*Our Business is Changing Lives!*

April 25, 2012,

County of San Luis Obispo  
Auditor-Controller's Office  
Attn: Matthew Purkiss, Auditor Analyst  
1055 Monterey Street, Room D-220  
San Luis Obispo, CA 93408

**Response to: WORKFORCE INVESTMENT ACT FISCAL AND PROCUREMENT  
REVIEW DRAFT MONITORING REPORT PROGRAM YEAR 2011-12**

Dear Mr. Matthew Purkiss:

Goodwill Industries has received your draft monitoring report dated March 21, 2012. It is our understanding that this fiscal review observation doesn't rise to the level of a "Finding", that we are operating within line item budgets and all costs are allowable. However, you observed that Goodwill will exceed the line item budget for rent if we continue to invoice at the same rate. With that understanding, Goodwill Industries will not exceed the approved line item budget without written permission to do so from the Department of Social Services. In the future, Goodwill will clearly identify budget proposal costs for which we are expected to be reimbursed during the fiscal year covered by the contract.

Goodwill will seek written permission from DSS to exceed this budgeted line item. We believe this should be granted due to the shared cost of ADA compliance agreed to at the contract's inception that was expected to be paid to Goodwill outside the contract. Subsequently, DSS asked us to include this cost inside the contract. We addressed it in the narrative and omitted it from the line item budget as an oversight.

Thank you,

Michael J. Paul  
President/CEO

Cc: John Collins - Senior VP, Shoreline Workforce Development Services  
Nick Andrews - Finance Director, Goodwill Industries, Santa Cruz  
Bill Barker - Finance Manager, Goodwill Industries, San Luis Obispo