

EXECUTIVE ANNUAL REPORT

2016/2017

Table of Contents

| | |
|----------------------------------|----|
| Table of Contents..... | 2 |
| Executive Summary..... | 3 |
| Computer Distribution | 4 |
| Client Groups | 5 |
| Schools | 5 |
| Non-profit Organizations | 5 |
| First Nations | 6 |
| Low Income Individuals..... | 6 |
| Incoming Computer Donations..... | 8 |
| Human Resources | 9 |
| TWEP | 9 |
| Students | 9 |
| Volunteers..... | 9 |
| Technical Volunteers..... | 9 |
| Board of Directors..... | 10 |
| Staff | 10 |
| Revenue and Expenditures | 10 |
| Conclusion..... | 11 |

Executive Summary

BC Technology for Learning Society incorporated in 1995 as a registered Canadian charity with a stated purpose to 'enhance the education of British Columbia students by improving the accessibility and utilization of learning technologies in schools and the community'.

The heart of what we do is computer refurbishment through the **Computers for Schools (CFS)** program with distribution going to schools, non profit organizations, public libraries, and First Nations communities. Over the past three years we embarked on new projects to support individuals accessing technology in their homes, launching **Computers for Students** in 2014, supporting Syrian families through the **#WelcomeRefugees** initiative in 2015, and finally announcing **#InternetforGood (Connect to Compete)** in 2016 in partnership with TELUS.

Computer equipment is donated to us from the Federal and local municipal governments, businesses, and individuals.

The computers are primarily refurbished by hardware technicians participating in the **Technical Work Experience Program** which helps increase their IT skills set and improves our production and quality controls. Additionally, several volunteers, high school, and practicum students contribute their time and skills in refurbishing computers.

BC Tech relies on the ongoing leadership of Innovation, Science & Economic Development Canada (ISED, formerly Industry Canada) and our peers across the country in the national delivery of **Computers for Schools**. Together, our work supports the Government of Canada's policies and strategies relating to digital inclusion, youth employment, and responsible handling of electronic waste through effective reuse. We also recognize and appreciate the financial contributions of the Government of Canada.

Since incorporating in 1995, BC Technology for Learning Society has delivered on its mission **to improve learning and protect the environment by refurbishing technology**, and has distributed 158,494 computers across the Province of British Columbia.

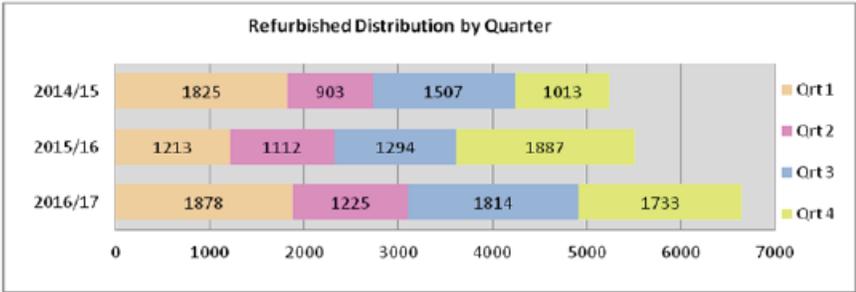
Highlights of 2016/2017

- Distributed **8419** computers
- Provided **673** computers directly to individuals
- Received over **\$1.6 million** worth of donated computer equipment
- Hired **15** youth technicians, **3** warehousemen and **1** marketing students
- Launched **#Internet for Good** in partnership with TELUS
- Celebrated the delivery of our **150,000th** computer!

Computer Distribution

The **Computers for Schools** program is the flagship program by which we provide refurbished equipment back to the community. A total of 6650 computers were refurbished at our Burnaby warehouse during the fiscal year, which exceeded the target goal by 650 machines and represents our best year since FY2011.

This chart demonstrates the distribution of refurbished computers only, across all programs, by quarter for the past three years, and denotes a 20% increase over FY 2016 output.



The increase is partially due to ISED’s relaxation on past restrictions for some potential client groups (i.e. seniors centres) as eligible recipients of CFS branded equipment, continued interest by immigrant settlement agencies to support new Canadian families, and the launch of the **Internet for Good** initiative which deployed another 673 computers directly to low income family homes.

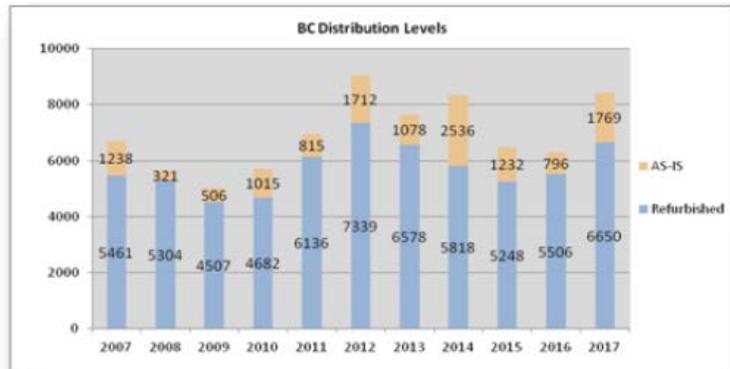
The provision of free level equipment is an important issue for ISED and one brought into greater prominence in Q4. We must stay attuned to it as CFS program moves into program renewal. It’s important to note 2434 computers, or 29% of our total distribution was provided for free.

Some of the free equipment provided is through community transfers, in areas outside the Lower Mainland. In other instances, unrefurbished low end computers are provided to other reuse organizations such as Free Geek Vancouver. These “as-is” computers make up a sizeable portion of our efforts to support reuse across BC and are a value-added service to federal departments when surplussing assets.

We have undertaken ‘summer sales’ since 2010 with the goal of moving inventory and keeping our technicians busy while schools are closed. The equipment is usually at the Package B level and reduced in price from \$50 to \$10-25. These sales works better in some years when a shift in technology is more evident.

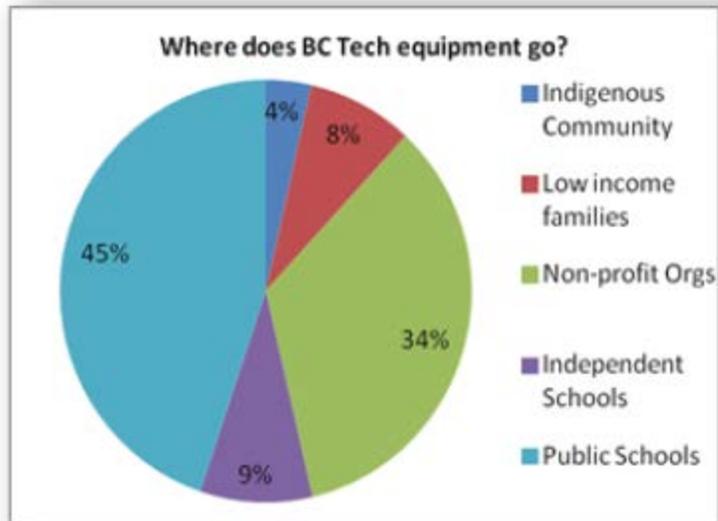
This chart provides a glimpse of the distribution of both refurbished, and as-is equipment over the past 10 years.

Our goal for FY2018 is to distribute 8000 refurbished computers. We will have our work cut out to source both sufficient donors and client groups to make another 20%



Client Groups

BC Tech provides refurbished computer equipment to **5** broad recipient groups; **public** and **independent schools, non-profit organizations, First Nations communities, and low-income family homes**. This chart depicts how equipment was distributed to those recipients.



Schools

Schools remain the priority of our outreach. On a percentage basis, distribution to public schools increased 5% from FY2016 but a 16% drop for independent schools was noted. This is a historic low for independent schools. Outreach to FISA and other independent school support groups will be done in FY18.

The Vancouver, Langley, Gulf Islands, Surrey, and Bulkley Valley School Districts were the top 5 using districts, taking 32% of our total distribution. FY2016 was the first time urban schools resourced more CFS equipment than rural schools, and this repeated in FY2017.

| Top 5 School Districts | Qty |
|------------------------|-------------|
| Vancouver | 999 |
| Langley | 527 |
| Gulf Islands | 394 |
| Surrey | 357 |
| Bulkley Valley | 314 |
| Total | 2591 |

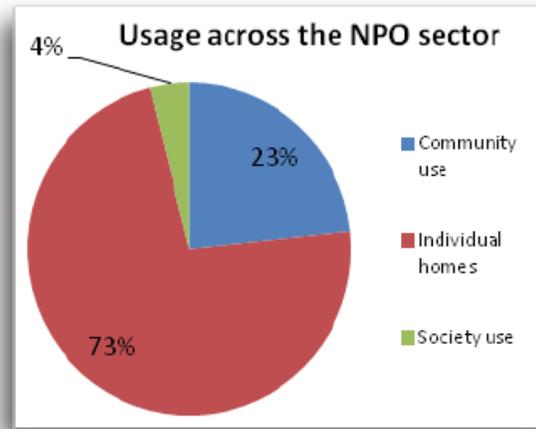
Schools placed 383 orders, requesting an average of 14 computers for a total distribution **3617 computers**. The biggest request was for 215 summer sale computers! Independent schools accepted 715 computers.

Non-profit Organizations

Non-profits accessed 34% of our equipment, up from the consistent 25% seen across past years. The increase is attributed to ongoing work supporting immigrant service societies such as *MOSAIC*, *ISSofBC*, and *Vancouver Island Intercultural Society* where computers are being placed in family homes. This not only benefits new Canadian families but us as well as it provides an outlet for our lower end equipment that is not readily utilized by schools, and assists with better inventory management. As mentioned earlier, some equipment is also sent unrefurbished to *Free Geek* and *Literacy Now Cowichan* who teach local residents how to fix computers and who are then able to take those computers home. In both cases, learning opportunities are being created which aligns with our mission statement. Non-profits placed 234 orders of 1 –40 computers each for a total of 1924 computers.

Across our non-profit applications, intended usage has been captured across three broad categories; used by the society, its community clientele, or redistributed to individual homes. Having delved deeper into the non-profit distribution (see chart to right) we are shocked with the high numbers of computers presumed to have been redeployed to family homes. The conservative estimate is ~1100 computers!

105 non-profits accepted 1 –40 computers each at a total of 2779 computers.



First Nations

First Nations distribution either occurs through computer delivery to a band office, or to a non profit organization focussing on indigenous persons. Database design only captures delivery to the band office, which shows 197 computers, however when including distribution through non profit organizations, such as *Aboriginal Mother Centre Society*, *Victoria Native Friendship Centre* and *Akisqnuq Community Learning Centre*, another 172 computers were shipped. Regardless, there was a decrease in distribution to First Nations people from FY2016 when 513 computers were shipped.

Low Income Individuals

had access to equipment one of four ways; through *non-profit organizations*, the *Computers for Students program*, or one of two new pilot programs in partnership with *TELUS*, and the *Ministry of Children and Families*.

As mentioned above, distribution to non-profit organizations directly supporting families accepted upwards of 1100 computers. Utilizing community partners dedicated to alleviating poverty reduces a lot of administrative work and moves equipment through the facility better.

The **Computers for Students** program launched in 2014 and has remained underutilized with 344 computers shipped. Progress was impeded when the *Internet for Good* initiative launched and we halted the program to reduce confusion and equalize the programs. Now the key difference is the use of the unique access code versus staff having to inspect personal information to ascertain income qualifications. There is greater benefit for families to work through another non-profit organization as their personal information is kept private, and they have access to free computers under the Computers for Schools.



TELUS Internet for Good

The Trudeau government announced the #WelcomeRefugees initiative in December 2015 with goals to assist incoming Syrian refugee families adapt to Canadian society, and support the acquisition of language and technology skills. BC Tech was contracted to provide 648 computers to Syrian families through partner organizations including MOSAIC and ISSofBC. This project coincided with the revival of Computers for Success Canada, the national non-profit arm of the Computers for Schools program. Through their outreach, Syrian families also received gift bags filled with information service brochures from CIBC and other companies with TELUS donating cell phones and calling cards. We completed our deliverables in September 2016 and continue to support immigrant settlement organizations with computers for the other new Canadian families that continue to arrive and need support.

TELUS's Connect to Compete (C2C) or Internet for Good initiative was announced in October 2016. Through the support of the Province of British Columbia, letters with unique access codes were sent to 18,000 families on income or disability assistance. The launch of the initiative made for an incredibly busy time due to the high volume of phone inquiries. The C2C initiative distributed 329 computers, a number well below the hoped for uptake. The families that received computers were grateful for the initiative and some calls and cards of thanks have been received.

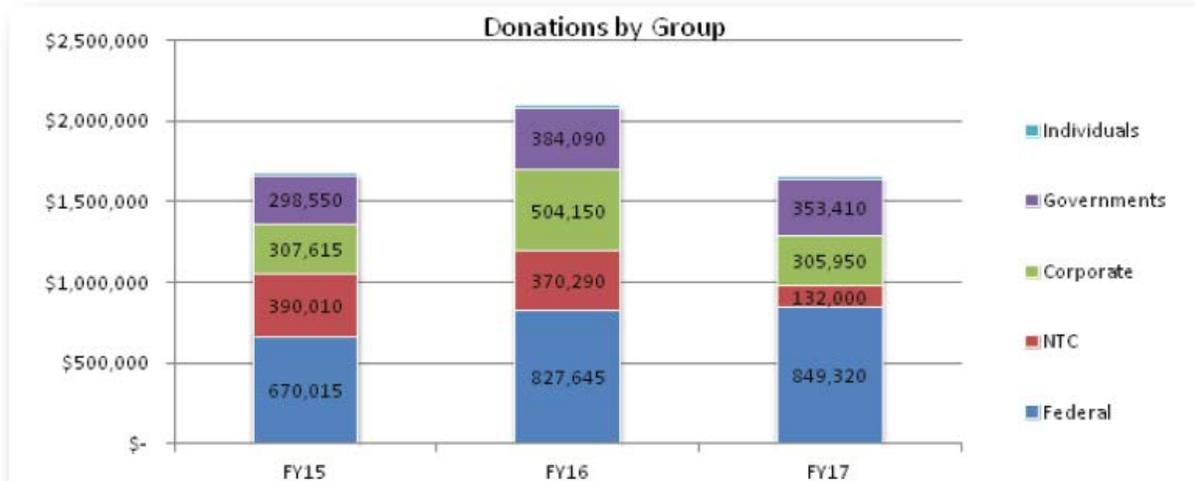
Outreach to the Ministry of Children and Families to support foster children, aging out of government care, began in 2015. Negotiations began in Q4 FY2017 resulting in 32 computers being shipped to the University of Vancouver Island and Langara College. The purpose is to ensure that these more vulnerable youth have their own computer and are not restricted to loan-programs or library hours. This was marked as a pilot program and was received with great enthusiasm by Ministry staff, however we were again hampered by a lack of laptops. By the end of March, the Ministry had secured partnerships with IBM to provide new laptops, and TELUS to provide smartphones with a very generous data package.

There is great variety in demand and a changing landscape on where our equipment is being deployed. Sourcing adequate numbers of the 'right' equipment remains a key objective so that we can best support those that need access to newer computer equipment, or their first computer.

Incoming Computer Donations

BC Tech received 241 donations from 119 donors valued at \$1,661,080 during the FY17.

The chart below depicts the levels of support from each donor group: the Federal government, the National Technology Centre, local corporations, governments*, and individuals.



*Governments include municipal governments, Crown corporations and post-secondary institutions

This was a lower donation year than FY16, but aligns with the expected pattern. While we can anticipate a ‘bumper’ year in FY18, better outreach to source new donors will be done. It was also interesting to note that while we achieved our target goal to source 10 new donors, their collective donations were fair market valued at only \$33,740. The lesson is to be vigilant is recognizing and retaining current long term donors who provide great assets while seeking new ones.

Donor solicitation and retention is an important piece of the marketing and external communications we deliver. We’ve worked towards building an online presence, particularly through Twitter, with content focused on environment, sustainability, reuse vs. recycle, learning, education, and cyber security. A campaign on showing impact statements (see right) is also used featuring recent shipments to clients. The goal is to stay top of mind for times when companies have available equipment and encourage them to choose to reuse.

BC Tech had 354 followers on @ReuseTechBC and 275 followers on @CFSBC at March 31st. We also use Facebook and LinkedIn platforms and overlap content.

*Example of an Impact Statement



A post-card mail out was done in January 2017 to coincide a fiscal quarter when companies are more likely to be upgrading computer assets. 1000 cards were sent to businesses in Vancouver's downtown core.

TOP 10 DONORS FOR FY17:

Our 2017 top 10 donor organizations provided 76% of our total donations. The values listed below are the Fair Market Values assigned to their donations.

| | | | | | |
|---------------------|----|---------|-----------------------|----|--------|
| Federal Government* | \$ | 849,320 | Capilano University* | \$ | 54,285 |
| TELUS* | \$ | 166,575 | Metro Vancouver* | \$ | 46,050 |
| BC Hydro* | \$ | 138,030 | Coast Capital Savings | \$ | 45,990 |
| La Balance (NTC)* | \$ | 132,560 | University of BC* | \$ | 37,880 |
| Langara College* | \$ | 67,140 | Britco | \$ | 19,410 |

* Those donors marked with an asterisk were also on the top ten list for FY16

Human Resources

TWEP

The *Technical Work Experience Program* (TWEP) allows BC Tech to offer paid work experience placements for up to 20 youth per year. The program is funded through Employment & Social Development Canada's Youth Employment Strategy and is the vehicle through which we deliver refurbished computers. Now in its 20th year, the TWEP program is tied to the CFS program and has supported over 6000 youth across Canada.

In FY2017, BC Tech hired the 16 hardware technicians, a marketing intern and 3 warehousemen through TWEP funding. Youth are employed to refurbish computers while developing their skills set. In addition to the hardware refurbishment, youth become adept at trouble-shooting, Microsoft and Linux installation, inventory management, cleaning/quality controls, as well as peer learning, support and mentorship. Most of the youth this year returned to school rather than securing new jobs upon completing their contracts.

Students

We had three **practicum students** provide a total of 1235 unpaid hours. One student was hired as a TWEP technician in April 2017.

21 **high school students** volunteered their time and provided a combined total of 667 hours. Each student volunteered for one week as part of their graduation requirements to complete work experience. Students continue to be initially partnered with technicians and follow the same duties and responsibilities in refurbishing computers and prepping the equipment for shipment.

Volunteers

Technical Volunteers

Three **community volunteers** donated 500 hours of their time and skills to refurbish equipment.

Board of Directors

Our Board of Directors donated 154 hours of time for meetings and other consultations. The 2016/17 board comprised of:

| | |
|-------------------------------------|---------------------------|
| Chad Leaman – Chair | Bev Collins – director |
| Kevin Amboe – Vice Chair | Mark Kurschner - director |
| Neal Jennings - Secretary-Treasurer | HB Teo - director |

Thank you to our Volunteers for being so generous with your time and skills. We really appreciate it!

Staff

Executive Director Mary-Em Waddington has 18 years experience with BC Tech and oversees the organization’s human resources, finances, policies, and liaises with the Board and ISED.

Technical Supervisor Robert Nguyen has 9 years with BC Tech and is responsible for coordinating the work of the techs and volunteers.

Client Services Matthew Derksen has 3 year experience with BC Tech and is responsible for communicating with applicant schools, maintaining our Marketplace site, hard drive wiping and providing additional supervision to the technicians.

Administration & Bookkeeping is now done by Steve Tang who joined our team in August 2016. He was also the lead for all the Internet for Good phone calls.

Warehouseman Thomas Leech was hired permanent full time in July 2015 as our principal warehouseman, responsible for workflow and data entry of incoming donations/inventory.

Project Technician Evania Tong was hired in 2015 to assist with projects not supported by ISED and where TWEP labour should not be used.

Revenue and Expenditures

BC Tech had a financially successful year, with revenues coming in 7% higher than budgeted and presenting with a healthy surplus. The numbers below are based on our 2017 Review Engagement from Rolfe Benson and are strictly cash based, not including the donations of computer equipment.

| | | | |
|----------------------|------------------|----------------------|--------------------|
| 2016 Revenue | | 2017 Revenue | |
| ISED | 535,140 | ISED | 560,008 |
| Computer Sales | 239,856 | Computer Sales | 325,127 |
| Upgrade Parts | 25,331 | Upgrade Parts | 80,945 |
| Misc Revenue | 75,141 | Misc Revenue | 106,578 |
| | <u>875,468</u> | | <u>\$1,072,658</u> |
| 2016 Expenses | | 2017 Expenses | |
| Salaries & Benefits | 435,399 | Salaries & Benefits | 458,884 |
| Operational Costs | 443,520 | Operational Costs | 499,132 |
| | <u>\$878,919</u> | | <u>\$958,016</u> |

Conclusion

The great thing about compiling this report is going through all our data and finding new pictures and stories to tell. Often our impressions from conversation and anecdote do not match the actual realities once data is collected and new stories emerge through the analysis. I'm pleased that BC Tech had another successful year as evidenced through the computer distribution and the financial surplus. I'm shocked to uncover how many computers are actually being deployed to family homes! This speaks to the tremendous impact we continue to have as we work towards bridging the last places the digital divide remains.

BC Tech is in a strong position to move forward through the challenges which will surface in FY2018, a year of transition and possible transformation. We need to renegotiate our lease, revise our Bylaws, and will be hosting our Computers for Schools counterparts in October for national meetings. The greatest challenge will be to see how the *Computers for Schools* program looks once the brand refresh is completed. It is also the year our current Contribution Agreement expires, and nationally we work towards program renewal. Given these changes, the national meeting agenda will be full, and dialogue rich!

An opportunity lies in the 2018 federal budget which noted funding for a new program called **Affordable Access** to be delivered by Computers for Success/Computers for Schools. This provides assurance that our work is still needed by the government as we continue to evolve and maintain our relevance Canadians.

We can see that how we began this fiscal year will likely not be the way we finish it and there will be many challenges to our organization to work through. I'm grateful that BC Tech is on firm financial footing and that we have a good team in place to meet the challenges that are coming. I'm also excited by the opportunity to work with a new, expanded, and revitalized board of directors to help steer us through this year. Together we will build a stronger BC Tech and continue to serve schools, non-profit organization and many, many individuals.



Mary-Em Waddington
Executive Director