

2019

ANNUAL REPORT



Savings | Choice | Service





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ABOUT OECM

OECM is a trusted not-for-profit collaborative sourcing partner for Ontario's education sector, broader public sector, and other not-for-profit organizations. We contract with innovative, reputable suppliers to offer a comprehensive **choice** of quality products and services, generate significant **savings**, and deliver responsive and consistent **service** for our customers.



We are shaped by our mission, vision, and values, which guide our actions and demonstrate who we are and what we do. Collaboration is the foundation of our business, enabling us to build a bridge amongst and between our customers and supplier partners.

OUR MISSION

Generate savings to support excellence in education by unlocking the potential of collaborative strategic sourcing.

OUR VISION

Be the premier customer-driven supply management partner for Ontario's education sector.

OUR VALUES

Collaboration: We are committed to working together to achieve common goals.

Responsiveness: We deliver on our promises in a timely way.

Integrity: We are open, honest, and accountable.

Innovation: We pursue creative solutions to foster an exceptional customer experience.

Respect: We listen to and value everyone's ideas and opinions in a fair, open, and attentive way.

Halton District School Board Northern
College Dufferin-Peel Catholic District School
Board Superior North Catholic District
School Board London District Catholic
School Board Centennial College Ottawa
Catholic District School Board Conseil
scolaire de district catholique des Aurores
boréales Conseil scolaire catholique de
district des Grandes Rivières Catholic District
School Board of Eastern Ontario Ryerson
University Niagara Catholic District School
Board Collège Boréal Algonquin Lakeshore
Catholic District School Board University of
Toronto York Catholic District School Board
Limestone District School Board Georgian
Brown College Brant Haldimand Norfolk
Catholic District School Board University of
Ontario Institute of Technology Brock
College Northeastern Catholic District School
Board Conseil Scolaire Catholique
MonAvenir Conseil scolaire public du Nord-
Est de l'Ontario Fanshawe College Waterloo
Region District School Board Hamilton
Wentworth Catholic District School Board
Bluewater District School Board St. Clair
Catholic District School Board Seneca
College Niagara College Loyalist College St.
Clair College Ottawa Carleton District School
Board Humber College Algoma District
School Board Confederation College La Cité
College Lambton College OCAD University
Hamilton Wentworth District School Board
Lakehead University Upper Grand
School Board Thames Valley District School
Board University of Windsor St. Lawrence
Greenstone District School Board Bruce
Region District School Board St. Lawrence
College Rainbow District School Board
Conseil scolaire public du Grand Nord de
L'Ontario Durham District School Board
Conseil scolaire catholique Franco-Nord
Upper Canada District School Board Conseil
scolaire Viamonde Bruce-Grey Catholic
District School Board Renfrew County
Catholic District School Board University of
Ottawa Lambton Kent District School Board
Northwest Catholic District School Board
Renfrew County District School Board Trent
University Trillium Lakelands District
School Board York University University of Windsor
Sault College Brock University Kean
Patricia District School Board Peterborough
Catholic District School Board Peterborough
Victoria Northumberland Clarington
Catholic District School Board Conseil
scolaire catholique Providence Peel District
School Board Mohawk College Kenora
Catholic District School Board Grand Erie
District School Board Laurentian University
Nipissing University Toronto Catholic District
School Board Sheridan College Simcoe
County District School Board Carleton
University Hastings and Prince Edward
District School Board Conseil des écoles
catholiques du Centre-Est Georgian College
McMaster University Conestoga College

We Offer...

SAVINGS

By unlocking the power of collaborative sourcing, OECM provides opportunities to minimize costs, and generate savings and efficiencies on products and services purchased through OECM's Marketplace.

CHOICE

OECM offers a wide range of collaboratively-sourced and competitively-priced products and services, provided by over 200 (and growing) supplier partners, through OECM's Marketplace.

SERVICE

OECM promises to deliver service that is consistent, accessible and responsive, supporting a customer-centric service delivery model.



MESSAGE FROM THE CHAIR

Arnold (Arnie) Strub

Chair, Board of Directors, OECM

This past year, which was marked by transformation and new challenges for Ontario's education sector, was also one of opportunity for sector collaboration and collaborative sourcing success. In 2019, the Board of Directors continued to work together with an even stronger emphasis on strategic priorities that form the foundation of OECM's success and performance as an organization. We are very proud to celebrate another year marked by exceptional collaboration, growth and record institutional spend.

Ensuring the success, sustainability and best interests of OECM's customers continues to take precedence and we have made good progress against several strategic planning initiatives that focus on these priorities, this past year. Included in this report are examples of initiatives, endorsed and guided by the Board, that highlight this progress. In 2019, we realized the first-ever Ontario Education Sector Collaborative Networking Symposium, made excellent inroads into the development and socialization of OECM's new Strategic Direction, and approved a \$2.25 million funding provision for the Education Sector Success Sharing reserve – funds which are re-invested into the three education sectors -- School Boards, Colleges and Universities -- to facilitate opportunities for collaboration.

In her 2018 Annual Report, Ontario's Auditor General, Bonnie Lysyk, once again referenced OECM as a collaborative sourcing partner to Ontario's

education sector and emphasized the need for educational institutions to leverage opportunities for collaboration as a path towards identifying greater efficiencies and cost savings. We're proud to see OECM consistently included as an example of collaborative sourcing best practice.

As we look ahead to 2020, the Board is committed to maintaining strong partnerships with government and stakeholders in the education sector and broader public sector. This includes support for the rollout of the Province's proposed Supply Chain Centralization Initiative and related Modernization Strategy. Key to our customer-centric model is continued focus on, and support for, our Customer Council Committee as it provides strategic input towards OECM's service delivery strategy. Enhancing OECM's customer and supplier relationship management offering to ensure it is consistently in line with customer expectations and needs, remains the Board's key oversight for management.

I would like to acknowledge the hard work of the entire OECM team over the last year. I would also like to thank the Board of Directors for their productive collaboration and oversight of OECM. We will continue to work together to oversee the implementation of OECM's business priorities and to serve the best interest of Ontario's education sector, broader public sector and not-for-profit community.

MESSAGE FROM THE CEO

John Sabo

President & Chief Executive Officer, OECM



I am pleased to share this report on OECM's achievements in 2019, an exceptional year that saw long-awaited initiatives as well as new and exciting milestones come to fruition. This past year we completed 14 new strategic sourcing initiatives and expanded our Marketplace to provide customers with even greater choice in over 70 categories of products and services, available through numerous supplier agreements. We once again topped OECM's historical benchmark, facilitating a collaborative spend of \$471.5 million, a 21.3% increase year-over-year.

OECM continues to foster strong alliances and relationships with our stakeholders, suppliers and customers. This approach to collaborative partnerships, augmented by our robust customer-centric service delivery framework, has led to significant growth. Since 2015, OECM's customer base has more than doubled and total customer spend has tripled. We have also facilitated \$1.82 billion in accumulated collaborative spend, since inception. According to an independent review of OECM's savings and value framework, undertaken by Deloitte in April 2019, we helped our customers achieve approximately 37% in savings in 2018. We are pleased to share Deloitte's complete findings and more about OECM's growth milestones in this report.

We continue to have 100%, all 116 Ontario educational institutions, participating and collaborating in one or more of OECM's agreements. OECM is proud to also provide the same savings and value to a growing base of broader public sector (BPS) customers. We currently work with 663 agencies and organizations in the broader public

sector including municipalities and other not-for-profit entities.

In early 2019, OECM launched a brand-new Student Information System (SIS) Agreement in partnership with Fujitsu Consulting (Canada) Inc. – building on the Auditor General's 2018 directive for greater collaboration between the Ministry of Education and school boards for the realization of potential cost savings and efficiencies via a centralized SIS offering. OECM now has 38 district school boards participating in this agreement – a noteworthy achievement for our organization and a testament to our commitment to facilitating collaboration amongst and between our education sector partners.

Our customers' success is in our hands and I am confident in our team of dedicated professionals who are well-poised to rise to the challenges ahead. We will continue to draw on our solid customer-centric service delivery model and offerings, our track record of delivering value for money through innovative and cost-effective collaborative sourcing initiatives, and our leadership and expertise in strategic sourcing, contract and supplier relationship management to build on these results and to set new strategic priorities.

I'd like to thank our customers, supplier partners, champions and allies for your continued support and commitment to OECM. We invite you to follow OECM's progress through our recently launched quarterly newsletter, The OECM Connection, and on Facebook and Twitter. Join us as we look forward to another year of growth and shared success.

Board of Directors

As at May 29, 2019 - December 31, 2019

For more information about OECM's Board of Directors, visit <https://oecm.ca/about-us/governance/board-directors>



Arnie Strub

Chair, Board of Directors
Member, Strategic Planning Steering Committee
Ex Officio, Customer Council Committee
Ex Officio, Audit and Finance Committee
Ex Officio, Governance and Human Resources Committee



Kevin Kobus

Chair, Customer Council Committee
Member, Audit and Finance Committee
Member, Strategic Planning Steering Committee



Dr. F. Haider Alvi

Vice-Chair, Board of Directors
Chair, Strategic Planning Steering Committee
Member, Audit and Finance Committee
Member, Governance and Human Resources Committee



Kathy Pozihun

Member, Customer Council Committee



Eitan Dehtiar

Member, Audit and Finance Committee



Anne-Marie Renaud

Member, Governance and Human Resources Committee



Rani K. Dhaliwal

Chair, Governance and Human Resources Committee
Member, Customer Council Committee
Member, Strategic Planning Steering Committee



Andrew Szende

Chair, Audit and Finance Committee
Member, Governance and Human Resources Committee
Member, Strategic Planning Steering Committee



John T. Dinner

Member, Governance and Human Resources Committee



Lesley Cornelius

Member, Customer Council Committee



Carol Strachan

Member, Customer Council Committee



Jodie Lobana

Member, Audit and Finance Committee

Customer Council Committee

As December 31, 2019

For more information about OECM's Customer Council Committee, visit <https://oecm.ca/about-us/governance/customer-council-committee>



Arnie Strub
Board Member Ex-Officio
Chair, Board of Directors



Kevin Kobus
Board Member
Chair, Customer Council Committee



Rani K. Dhaliwal
Board Member



Kathy Pozihun
Board Member



Lesley Cornelius
Board Member



Carol Strachan
Board Member



Tony De Sciscio
College Sector
Manager, Purchasing, Risk
Management and Printing,
Georgian College of Applied Arts
and Technology



David Neale
College Sector
Executive Director, Campus Services,
Seneca College of Applied Arts and
Technology



Kim Watkins
College Sector
Chief Financial Officer,
Mohawk College



Daniel Del Bianco
School Board Sector
Associate Director of Education,
Corporate Services, Dufferin-Peel
Catholic District School Board



Carlene Jackson
School Board Sector
Associate Director, Operations and
Service Excellence,
Toronto District School Board



Matthew Gerard
School Board Sector
Coordinating Superintendent, Business
Services and Treasurer of the Board,
Waterloo Region District School Board



Dino Miele
School Board Sector
Chief Information Officer (CIO),
District School Board of Niagara



Carol McAulay
University Sector
Vice-President, Finance and
Administration, York University



Tariq Al-Idrissi
University Sector
Associate Vice President,
Information Technology,
Trent University



Renata Faverin
University Sector
Director, Procurement Services,
University of Toronto



OUR PEOPLE

At OECCM, our people are at the root of our success.

Our people are talented individuals with a shared passion for achieving results through teamwork and collaboration. We know that it is our differences that makes us stronger; creating a dynamic and engaging workplace.

OECCM is an organization that truly values diversity. It is evident in our inclusive hiring practices, the diversity of our workforce, and the willingness of staff to openly embrace their culture in the workplace. In 2019, we conducted a staff poll to gather information about the languages spoken by employees in the organization. We were amazed to learn that there are 24 languages being spoken at OECCM!

OECCM embraces diversity by encouraging opportunities for staff to showcase and educate others about their culture. For example, at a staff potluck lunch, employees were invited to share a dish representing their culture. OECCM staff had a wonderful time sampling food from around the world and learning about different traditions and customs.

OECCM continues to uphold the five defining pillars of our Board-approved People Strategy – Total Rewards, Leadership and Talent: Acquisition and Development, High Performance Culture of Excellence, Workforce Planning, and Operational Excellence. In 2019, this resulted in our employees enjoying even greater access to a revitalized rewards and compensation strategy, new staff training and professional development programs, and much more.

We look forward to celebrating more of our diverse workplace culture and exceptionally talented people in 2020.

2019 BUSINESS HIGHLIGHTS


In 2019, OECM continued to have 100% (all 116 Ontario educational institutions) participating and collaborating in one or more of OECM's agreements.

In addition to our education sector customers we now have more than 660 other Broader Public Sector and Not-For-Profit organizations using OECM's Marketplace.

\$471M Total collaborative spend (in millions)
 **21.3%** Increase in total spend over 2018

Collaborative Spend (2019 vs. 2018)

Collaborative spend provides the ultimate measure of participation and support of OECM by its customers. In 2019, OECM had a total of \$471.5 million in collaborative spend, a record-breaking increase of \$82.8 million over 2018, or 21.3%.


\$132 Spend per student in Ontario
 **5.5%** Increase in spend per student over 2018

Per student spend in the Education sector totalled \$132 per student, an increase of \$6, or 5.5%, from \$126 per student in 2018.

117 New OECM customers in 2019
 **17.7%** Increase in OECM customers over 2018

Customers (2019 vs. 2018)

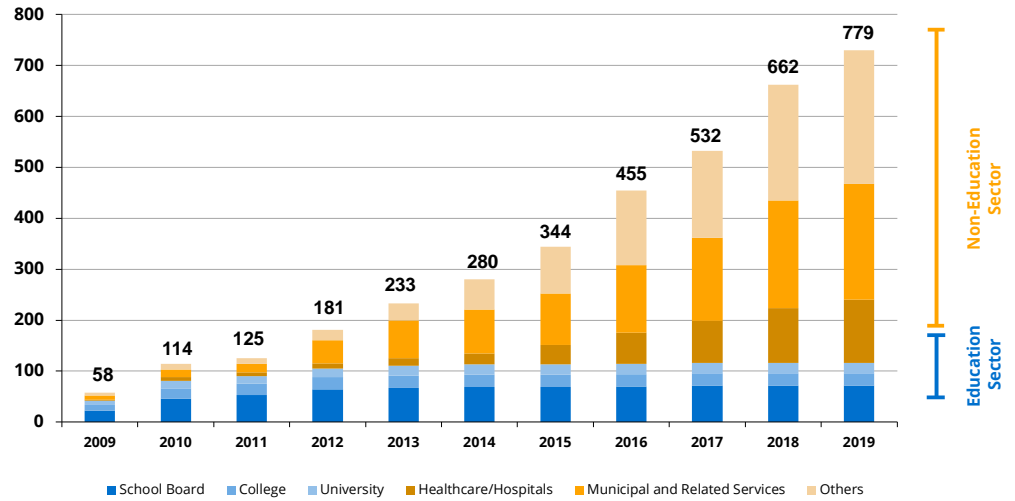
OECM is a customer-based organization to whom we provide savings, choice, and service. In 2019, we had an increase of 117 customers, up 17.7% from the previous year to a total of 779 customers.

70 Total products & services categories in 2019
 **4.4%** Increase in total products & services categories over 2018

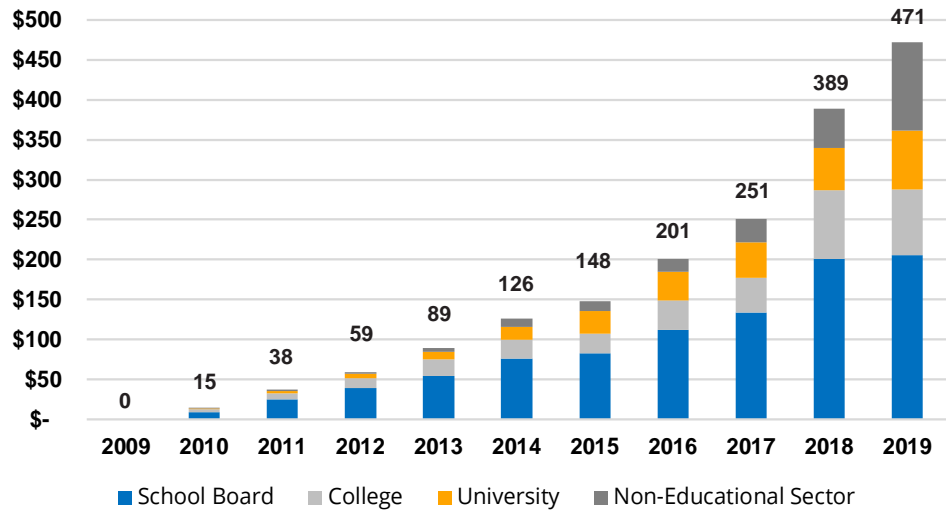
Products & Services (2019 vs. 2018)

OECM offers products and services that can be facilitated best through collaboration. In 2019, we saw an 4.4% increase in the categories of products and services, with a major focus on facility-based agreements.

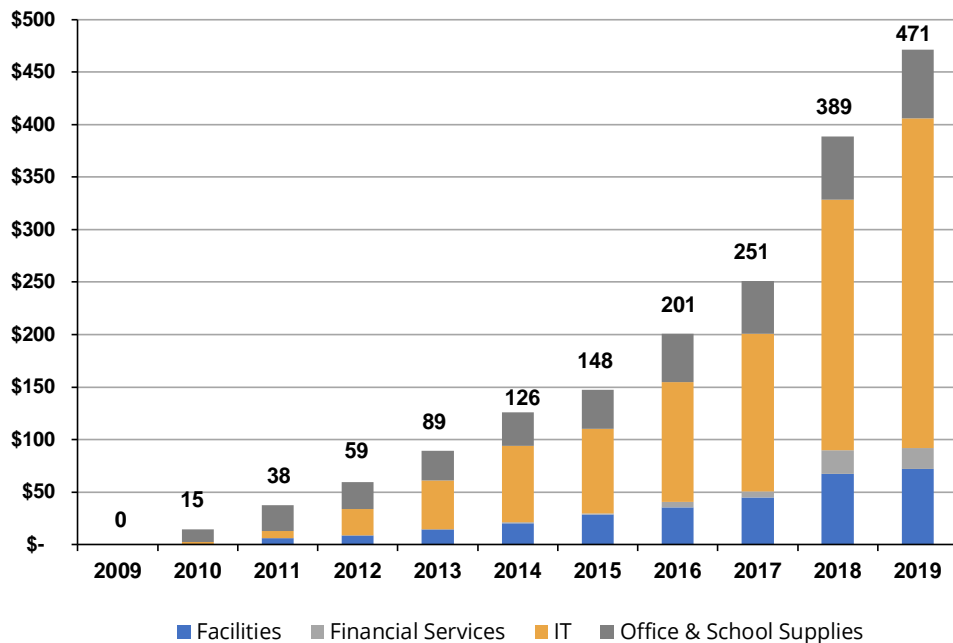
Total No. of Customers



Collaborative Spend by Sector (millions)



Collaborative Spend by Category (millions)



2019 BUSINESS HIGHLIGHTS

OECM'S STRATEGIC DIRECTION

In early 2019, OECM began development of a new Strategic Plan and vision for shaping the future of collaborative procurement in Ontario.

Working closely with the Board of Directors and an independent agency (StrategyCorp Inc.), OECM has developed an integrated procurement value chain model that leverages our proven ability to drive savings, choice and service. Our vision is also deeply aligned with the Ministry of Government and Consumer Services' (MGCS) objectives for their new Supply Chain Centralization (SCC) Initiative. We are working collaboratively on the SCC Initiative with the Ministry of Government and Consumer Services (MGCS) and other stakeholders including our Education Sector partners.

OECM has begun implementing a socialization plan to further engage with key stakeholders, including employees, customers, suppliers and government, inform them of OECM's new strategic direction and provide updates on progress and amendments to our strategic planning initiative as developments arise. With this engagement plan in progress, we look forward to uncovering even more opportunities for transformation and collaboration in 2020 and beyond.

OECM & SUPPLY CHAIN CENTRALIZATION INITIATIVE

In early 2019, the government of Ontario announced plans to deliver a Supply Chain Centralization (SCC) Initiative for Ontario Public Service and Broader Public Service (BPS) organizations, beginning with the implementation of several Interim Measures.

OECM, in our position as an integral part to this undertaking, continues to closely follow the provincial government's plans and progress towards the implementation of this new initiative. OECM has participated in consultations with government, stakeholders and partners in the education sector and BPS and we continue to ingrain ourselves in the process, sharing our collaborative sourcing expertise and knowledge, promoting the value of our offerings and supplier relationships, and supporting the needs and interests of our customers at every turn. OECM has been working closely with the Ministry of Government and Consumer Services (MGCS) to provide information and updates to our customers. We are also working collaboratively with the Ministry of Education (MEDU), the Ministry of Training, Colleges and Universities (MTCU), and other Education Sector partners to explore how our strengths and practices can be leveraged to support this new initiative.

Hamilton District School Board Northern
College Dufferin-Peel Catholic District
School Board Superior North Catholic
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Confederation College La Cite College
Lambton College OCAD University
Hamilton Wentworth District School
Lakehead University Upper Grand Di
School Board Thames Valley District
School Board University of Windsor
Superior Greenstone District School
York Region District School Board St.
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District School Board Trent University
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York University University of Waterlo
Sault College Brock University Keewa
Patricia District School Board Halton
Catholic District School Board
Peterborough Victoria Northumberland
Clarington Catholic District School Bo
Conseil scolaire catholique Providenc
Peel District School Board Mohawk C
Kenora Catholic District School Board

DELOITTE SAVINGS METHODOLOGY & VALUE FRAMEWORK

OECM engaged Deloitte LLP (Deloitte) as an independent third party to develop a Savings Methodology (calculation methods) and Value Framework that is both robust and sustainable. During this undertaking, Deloitte developed a value reporting framework which includes value tracking metrics that demonstrates to our customers the value and significance of collaborating with OECM and using our products and services. The new Framework also includes guidelines for OECM to measure and report total value and savings generated by our services such as contract management, streamlined RFP/procurement processes, access to a broader range of vendors, cost efficiencies and more.

Based on the validated quantifiable spend agreements, Deloitte concluded that OECM helped its customers achieve significant savings -- approximately 37% (\$126,736,999) in 2018. In addition, in 2018, OECM customers avoided approximately in excess of \$5.4M of procurement costs through collaborative sourcing, contract and supplier management.

37% = \$127M Savings generated in 2018 **\$5.4M** Value of costs avoided in 2018

EDUCATION SECTOR SUCCESS SHARING

OECM established the Education Sector Success Sharing (ESSS) reserve as an opportunity for surplus funds, generated through collaborative spend on OECM contracts and not required by OECM for operational expenditures, to be set aside and invested back into the three education sectors -- School Boards, Colleges and Universities -- to facilitate opportunities for collaboration. Earlier in 2019, OECM's Board of Directors approved a funding provision of \$1.5 million, with an additional \$750,000 approved on December 18, 2019, resulting in a total amount of \$2.25 million to be reinvested into Ontario's education sector.

The funds, available to Ontario's school boards, colleges and universities through their respective business administration coordinating groups: Council of Senior Business Officials (COSBO), Administrative Services Coordinating Committee (ASCC) and Council of Senior Administrative Officers (CSAO), will be allocated proportionate to sector participation in OECM contracts and spend. Available resources are intended to be used to support and facilitate collaboration amongst and between the various institutions in the education sectors.

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School Board Superior North Cath
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Catholic District School Board of East
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Catholic District School Board Collège
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Board St. Clair Catholic District Scho
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Loyalist College St. Clair College Ott
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College Algoma District School Boar
Confederation College La Cite College
Lambton College OCAD University
Hamilton Wentworth District School
Lakehead University Upper Grand Di
School Board Thames Valley District
School Board University of Windsor
Superior Greenstone District School
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Board Conseil scolaire public du Gra
Nord de L'Ontario Durham District S
Board Conseil scolaire catholique
Franco-Nord Upper Canada District
Board Conseil scolaire Viamonde Bru
Grey Catholic District School Board
Renfrew County Catholic District Sch
Board University of Ottawa Lambton
District School Board Northwest Cat
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Trillium Lakelands District School Bo
York University University of Waterlo
Sault College Brock University Keewa
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Clarington Catholic District School Bo
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Peel District School Board Mohawk C
Kenora Catholic District School Boar

ONTARIO EDUCATION SECTOR COLLABORATION NETWORKING SYMPOSIUM

Over two days in February 2019, OECM hosted the first-ever Ontario Education Sector Collaboration Networking Symposium at the Blue Mountain Inn in Collingwood, Ontario.

A first for the province's education sector, the Symposium offered a unique opportunity for senior leaders, from and associated with Ontario's 116 educational institutions – school boards, colleges & universities – to meet face-to-face, share

ideas and discuss opportunities for collaboration with each other and amongst the three sectors.

Over 160 key decision makers from Ontario's education sector, 14 session co-facilitators, 5 "Collaboration Champion" panelists, and 2 keynote speakers, Dr. Dave Williams, Canadian astronaut, aquanaut, physician, and author, and Bonnie Lysyk, Auditor General of Ontario, participated in the two-day Symposium.



Collaboration is the fuel of any business, whether it is between employees, partners or customers. It is a driving force for continued efficiency among everyday tasks and a necessity for improving the outcomes of many business activities."

Brian Honigman,
The Unexpected Value of Business Collaboration

Five sub-themes were explored over the course of the event:

1. *Current Levels of Collaboration & Future Opportunities*
2. *Barriers to Collaboration & Solutions to Overcome*
3. *Quantifying the "Value" generated from Collaboration*
4. *Models for Sharing in the Success of Collaboration*
5. *Provincial Mandates/Directives re: Collaboration*

For a full breakdown of the Symposium agenda, please view the [Event Program](#).

The Symposium was intended to provide a forum for senior leaders, including CEO's, CIO's, CFO's and other senior representatives from Finance & Administration, Facilities, Information Technology and Purchasing to network and discuss opportunities for partnerships and pathways to collaboration. It was also established as an opportunity to identify issues and trends that may be impacting current and future opportunities for collaboration amongst and between the province's school boards, colleges and universities.

For a detailed overview of the Symposium proceedings and a summary of key highlights, please review the [What We Heard report](#).

Building on the success of this event and to highlight even greater opportunities for education sector collaboration, OECM plans to host the second Ontario Education Sector Collaboration Networking Symposium in February 2021.



From top left corner: OECM Chair Arnie Strub facilitating his group through collaboration discussions; Symposium attendees discussing topics about collaboration; Dr. Dave Williams delivering keynote presentation "An Out of This World Perspective on Collaboration"; CCC member Carol McAulay asking questions to the panel; Auditor General Bonnie Lysyk delivering keynote presentation "An Auditor's Perspective on Collaboration"; Symposium attendees discussing topics about collaboration; former CCC member Kyle Robinson presenting workshop discussions; OECM's Karen Owen introducing workshop co-facilitators; Symposium attendees networking; Board Member and CCC Chair Kevin Kobus moderating the panel discussions; Symposium attendees participating in discussions; Symposium attendees listening to workshop findings presented by Ian Smith.

2019 BUSINESS HIGHLIGHTS



STRATEGIC SOURCING INITIATIVES

OECM's Strategic Sourcing Solutions department continues to implement processes and methodologies that allow the function to become leading class, creating strategic value for our organization, suppliers and customers. The department underwent a structural reorganization to include two new Senior Manager positions and the establishment of the Continuous Improvement and Quality Assurance Unit.

OECM conducts procurements in a fair, transparent and competitive manner, compliant with the Trade Agreements as well as the BPS Procurement Directive. All OECM sourcing projects are managed using comprehensive Lean Project Management methodologies, thereby increasing effectiveness and efficiency. Projects also include rigorous and direct supplier engagement to encourage more diverse vendor participation, including tapping into specific Subject Matter Experts and regional/local suppliers from across Ontario.

In 2019, OECM launched 14 sourcing projects:

1. Digital Signage
2. HVAC Facilities Commissioning
3. Professional Services Environmental
4. Solar Developer
5. Professional Services Mechanical and Electrical
6. Student Information System
7. Electrical Vehicle Charging Stations
8. Audio Visual System Solutions
9. Residence Furniture and Mattress
10. Student Transportation and Routing Management Software
11. Graduation Gowns
12. Fine Copy Paper
13. Software Licence products and services
14. General Hand Tools

A number of exciting sourcing projects are underway for 2020. These include *Enterprise Resource Planning (ERP) Systems*, *Electronic Document and Records Management System*, and *Cashless Transaction Management Solution and Related Services*, among others.

For a complete overview of OECM sourcing projects coming soon, visit <https://oecm.ca/sourcing/sourcing-projects-coming-soon>.



SUPPLIER RELATIONSHIP MANAGEMENT

In February 2019, OECM's Business Relationship Group was renamed the Supplier Relationship Management Group, a change that better represents OECM's commitment to strengthening supplier relationships to effectively manage contracts and provide enhanced services for both our customers, and our supplier partners. The team continues to implement a variety of programming to proactively manage supplier relationships throughout the agreement lifecycle, including the Supplier Code of Conduct and a new Supplier Recognition Program (piloted in 2019), contributing towards additional savings and value for customers.

SUPPLIER RECOGNITION PROGRAM

In late 2018, OECM's Supplier Relationship Management Group began work on the development and implementation of a new Supplier Recognition Program (SRP). An integral first step in strengthening OECM's relationships with supplier partners and fostering collaboration to drive greater performance and enhanced customer satisfaction, the program was piloted between June 1 and December 31, 2019.

As part of the program pilot, OECM developed an objective scoring framework that evaluates supplier partner performance using an open, fair, and transparent methodology. The methodology takes into consideration savings, supplier performance, agreement performance, client satisfaction, business potential and growth. Suppliers were

evaluated against a stringent set of quality performance evaluation criteria resulting in their recognition as Platinum, Gold, Silver or Bronze Supplier Partner award recipients. Depending on the level of achievement, OECM supplier partners will be referenced as SRP recipients through the OECM Marketplace and in OECM customer communications.

For more information about the 2019 SRP Pilot program, visit <https://oecm.ca/suppliers/supplier-recognition-program-pilot>.

The Supplier Recognition Program will continue to be implemented in 2020 as a way for OECM to acknowledge and provide performance incentives for top performing suppliers and to help our customers recognize the value of our suppliers.

Empowering female students in learner-driven experiences that broaden their knowledge with STEM.



GIRLS WHO GAME

In support of our mandate towards furthering excellence in education, OECM announced a \$30,000 funding commitment to support the Ontario faction of the 2019 Girls Who Game (GWG) Program, a joint Dell Technologies and Microsoft initiative that focuses on empowering female students in grades 4-6 in learner-driven experiences that broaden their knowledge, skills and dispositions within Science Technology Engineering Math (STEM)-related fields.

The GWG program and contest are deeply aligned with OECM's core values of collaboration and innovation. OECM committed to support the 2019 program by funding the outright purchase of brand new Dell products for the five participating Ontario District School Boards (DSBs) allowing the GWG teams to extend the program after the official close of the cohort to support continued development and learning in the years ahead. OECM also provided funding for Girls Who Game: School of the Future Challenge with a contest prize covering the cost of an Interactive Display for the highest scoring winner in Ontario.

OECM recognizes the value in programs, such as GWG, that present excellent opportunities for DSBs to collaborate and learn from each other and we look forward to seeing more school boards participate in future iterations of this exciting initiative.





CUSTOMER RELATIONSHIP MANAGEMENT

In 2019, OECM's Customer Service and Engagement department also underwent a strategic structural and name change to better support OECM's Customer-Centric Service Delivery program and establish greater integration between Sourcing, SRM, and CRM processes for customer-related activities.

The new Customer Relationship Management department is focused on customer relations, marketing and communications and strategic projects, which includes the establishment of a dedicated customer relationship team, internal customer responsive KPIs, a customer outreach program, an enhanced website and social media program as well as implementation of new CRM technology to support the Customer Relationship Management program.

CUSTOMER-CENTRIC SERVICE DELIVERY FRAMEWORK

OECM continues to uphold the Customer-Centric Service Delivery Framework that supports our strategic priority of focusing on delivering unparalleled customer-centric services that position OECM as a Premier Collaboration Partner for the education sector, broader public sector and other publicly funded organizations. Implemented in 2017, this framework has seven key elements, which have proven successful in driving high levels of customer satisfaction, loyalty, and advocacy in delivering accurate, consistent, high-quality solutions to our customers.



CUSTOMER SUPPORT MODEL

To support our customer-centric service delivery framework, in 2019 OECCM launched a new Customer Support Model (CSM), designed to give customers a better experience at every touchpoint working with OECCM. Anchored by a dedicated customer response team, the model offers tiered customer support following specific service level standards. A dedicated OECCM Customer Support email, customersupport@oeccm.ca and phone number, 1-844-OECCM-900 (1-844-632-6900), ensures a “one-window in” approach to managing and resolving customer inquiries and needs.

Since our February 2019 launch, we have seen a significant increase in positive customer engagement and continue to steadily move forward with our goal of becoming a customer-centric organization.



OECCM ON SOCIAL MEDIA

As an essential piece of OECCM’s overall corporate marketing and communications strategy, in 2019 we were excited to extend our social media presence to include the launch of OECCM on Facebook and Twitter, in addition to revamping our corporate profile on LinkedIn.

Through increased activity and dedicated OECCM content on these social media platforms, OECCM has been able to:

- Better connect with our diverse audiences
- Increase awareness about our corporate brand, and keep us ‘top of mind’ among Customers and Supplier Partners
- Boost our leads, customer participation, and establish our position as thought leaders
- Learn more about our Customers and Suppliers, while staying on top of Industry and Government news

Featuring a cross-section of news items and business announcements, details on collaborative campaigns as well as staff and office news, OECCM’s social media presence has been steadily gaining traction and interest amongst OECCM customers, supplier partners and stakeholders.



NEWSLETTER: THE OECM CONNECTION

As well as building our social media presence, in the fall of 2019 OECM's Marketing and Communications team revamped our existing monthly newsletter to launch The OECM Connection: Unlocking the Potential of Collaboration. The quarterly newsletter is now also available via the OECM website and distribution has been expanded to include a broader audience of OECM supplier partners, customers and others interested in collaborative sourcing and OECM.

To bring a fresh perspective to this initiative and maximize communication opportunities, OECM developed a new strategy for the newsletter, enhancing it with revamped "news segments" such as feature articles, Customer Council Committee spotlights, and other sourcing, SRM, and corporate updates. The newsletter will provide ongoing updates about OECM Marketplace activities, current and upcoming sourcing projects and major initiatives, supplier partner highlights, customer success stories and OECM expertise including best practices and agreements. The inaugural issue of The OECM Connection was launched in the fall of 2019.

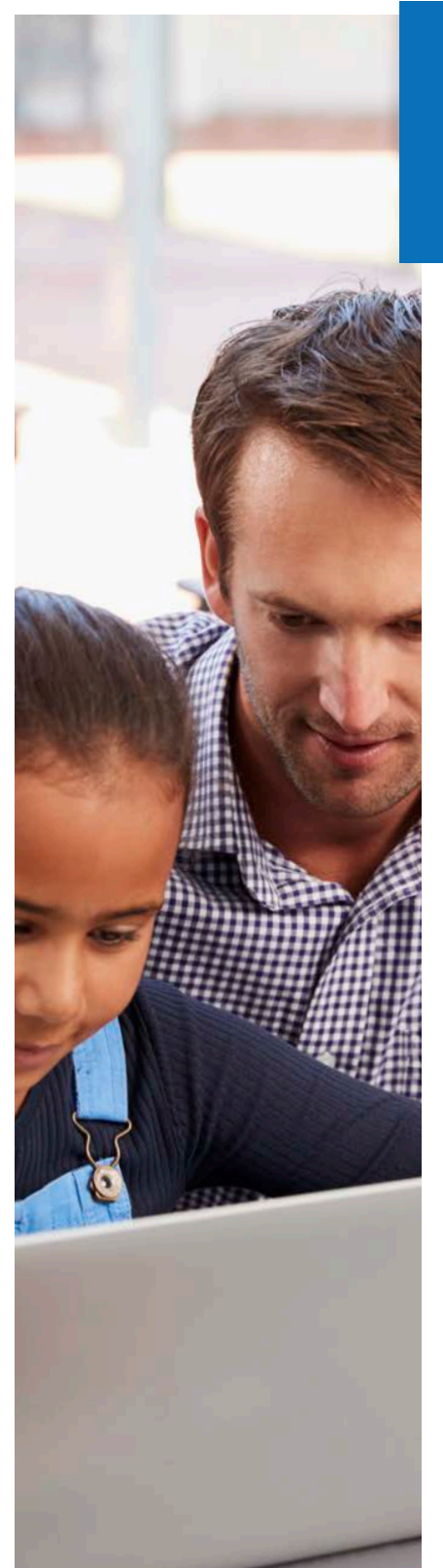
STUDENT INFORMATION SYSTEM AGREEMENT ACHIEVEMENT

In January 2019, OECM launched a brand-new Student Information System (SIS) and Related Services Agreement, choosing Fujitsu Consulting (Canada) Inc., in partnership with Follett of Canada, as the dedicated Supplier Partner for this service.

Following up on the Auditor General of Ontario's 2018 directive for greater collaboration between government and district school boards towards using a centralized SIS offering to realize potential cost savings and efficiencies, OECM's SIS Agreement quickly hit a major milestone.

Within just nine months of the launch, OECM had 38 Ontario district school boards participating in this agreement – an achievement that highlights the dedication and commitment of Fujitsu, a trusted and reliable OECM supplier partner, in creating value for Ontario school boards by driving efficiencies and savings and ultimately improving staff, parent and student experiences.

For more information about the SIS agreement: <https://oecm.ca/student-information-system-and-related-services>.



DEEP DIVE PROJECTS

Coming together is a beginning; keeping together is progress; working together is success.



HUMBER COLLEGE

In the fall of 2017, the OECM Board of Directors began discussions around an emerging concept for a Deep Dive project with an initial goal to investigate how the education sector could leverage collaborative spend more effectively.

With the support and endorsement of Rani Dhaliwal, Senior Vice-President, Transformation and Strategic Partnerships at Humber College, OECM identified Humber College as the first volunteer participant in this collaborative initiative.

Working collaboratively, OECM and Humber College conceptualized the Humber Deep Dive Pilot Project as a joint endeavor to assist in identifying growth opportunities that would further enhance collaboration in the education sector – in particular, the identification of outcomes and opportunities that augment administrative processes and business results.

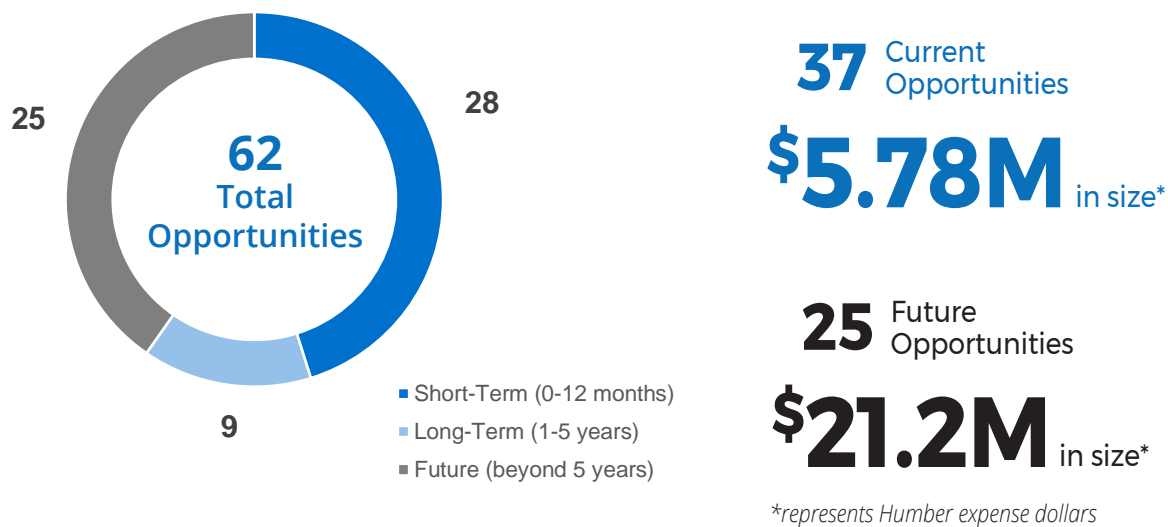
As a result of this joint initiative, the Humber Deep Dive resulted in an increase of \$2.16M in spend through six (6) new opportunities successfully executed, representing an estimated \$324,000 in savings for Humber College. OECM and Humber College also identified 62 additional opportunities for collaboration, including short-term opportunities (1-5 years) and long-term opportunities (beyond 5 years).

Moving forward, the guiding principles that have been established through this collaboration will lay the foundation for a strengthened partnership between OECM and Humber College. The Humber Deep Dive Pilot Project has provided OECM with much-needed insight and key learnings that will prove invaluable as we continue to establish a strong customer-centric approach to our business, services, and product offerings.

"The Deep Dive was successful in showing us gaps in current supplier agreement utilization, while also pinpointing opportunities for further collaboration between Humber and OEMC and helping us realize greater savings and increased value, specific to our needs."

Rani Dhaliwal
Senior Vice-President, Transformation and Strategic
Partnerships, Humber College

HUMBER SUMMARY OF OPPORTUNITIES



LAKEHEAD UNIVERSITY

In August 2019, with the endorsement of OEMC Board Director and Lakehead University's Vice-President, Administration and Finance, Kathy Pozihun, Lakehead University volunteered to participate in a Deep Dive project with OEMC.

The project, which aligns with Lakehead University's 2018-2023 Strategic Plan priorities, aims to strengthen collaborative engagement between Lakehead University and OEMC and enhance the collective understanding of the requirements of geographically diverse customers, such as Lakehead University, located in Thunder Bay, Ontario.

With representation from across multiple areas of business, OEMC and Lakehead

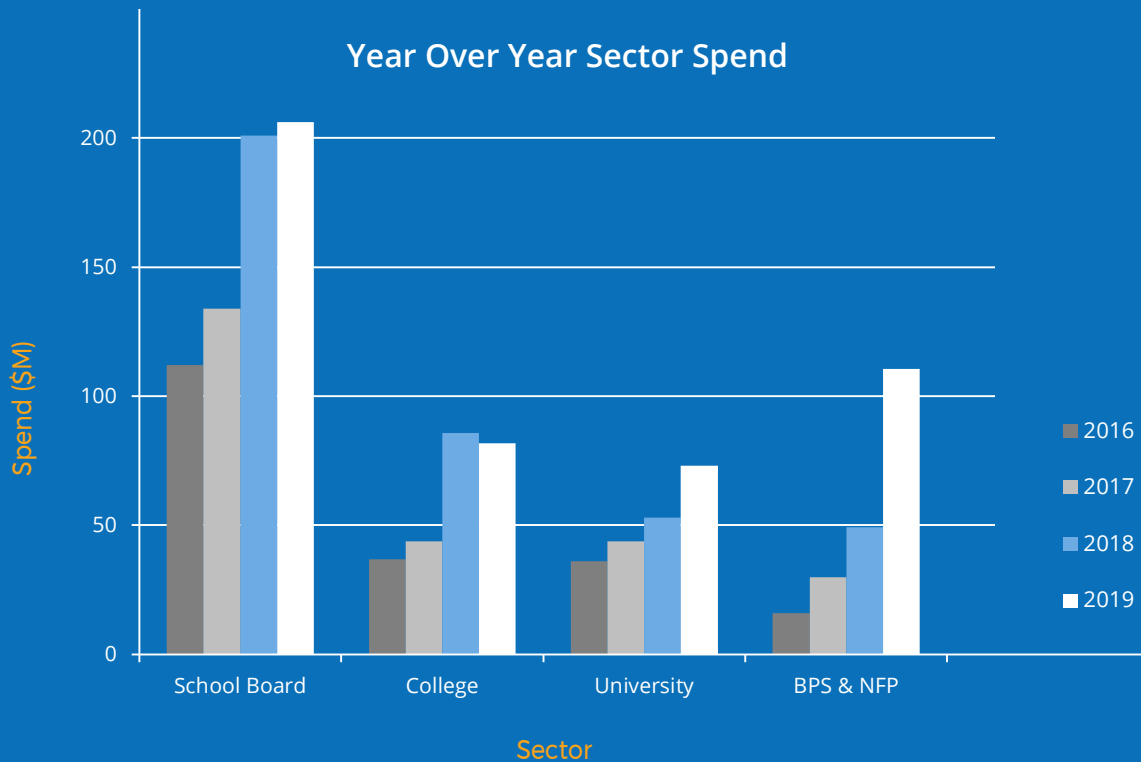
University are committed to identifying opportunities that improve efficiencies across the University and increase value within the University's procurement function.

The Lakehead University Deep Dive Project will be instrumental in establishing a customer engagement model that increases the awareness of OEMC across the University and educates end-users of the value of collaborative sourcing.

Looking ahead in 2020, OEMC plans to conduct more Deep Dive projects with other institutions across the education sector, with a focus on expansion to school boards and other high-potential customers.

YEAR OVER YEAR SPEND

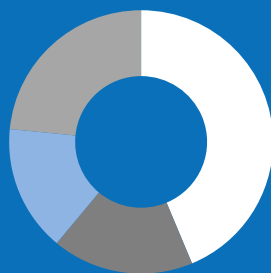
While the education sector remains a key area of focus, there was a 126% growth in procurement from other BPS and NFP organizations, with sector spend of \$110.5 million in 2019 compared to \$49.0 million in 2018.



PARTICIPATION BY SECTOR ON ALL PRODUCTS AND SERVICES

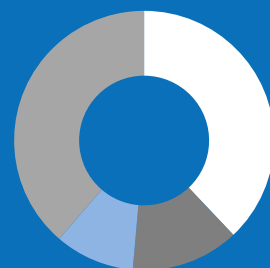
OECM's total collaborative spend is driven by our customer participation across 70 categories of products and services. In 2019, OECM achieved total collaborative spend of \$471.5 million through 3467 Customer-Supplier Agreements (CSA), with the greatest participation from the school boards sector, followed by the Colleges, Universities, and BPS & NFP sectors.

Total Spend by Sector



| | |
|---------------|----------------------|
| School Boards | \$206,016,868 |
| Colleges | 81,793,400 |
| Universities | 73,120,800 |
| BPS and NFP | 110,548,269 |
| Total | \$471,479,337 |

Total CSAs by Sector



| | |
|---------------|--------------|
| School Boards | 1,316 |
| Colleges | 466 |
| Universities | 344 |
| BPS and NFP | 1,341 |
| Total | 3,467 |

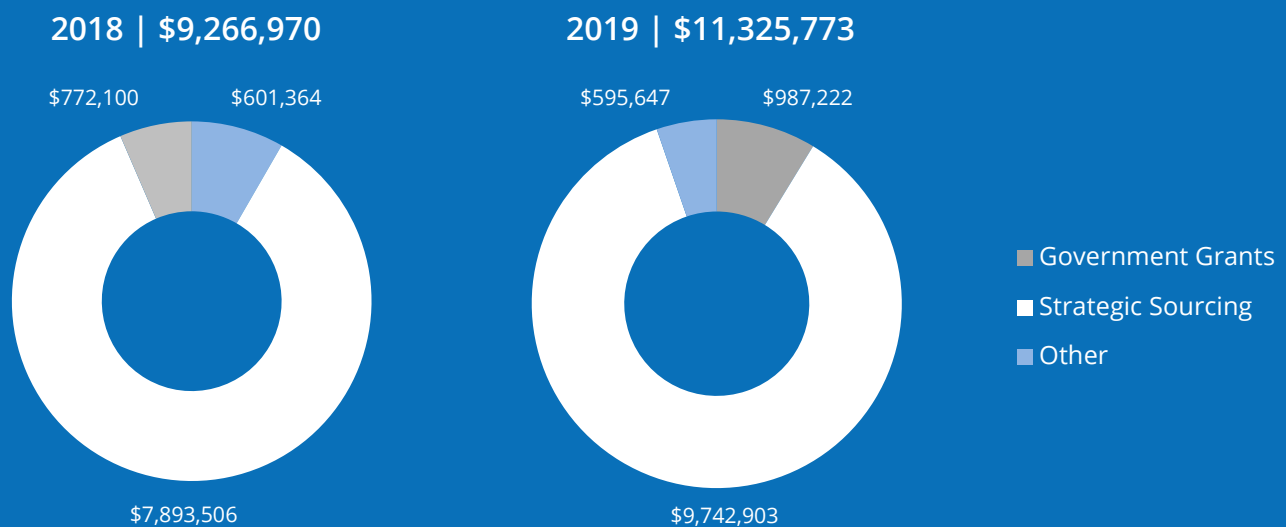
REVENUES AND EXPENSES

OECM's primary source of revenue is earned as Ontario's institutions (School Boards, Colleges, Universities, and other BPS and NFP organizations) purchase goods and services through OECM's Marketplace. The supplier of goods and service will remit a cost-recovery fee to OECM, based on the amount of spend generated by these institutions.

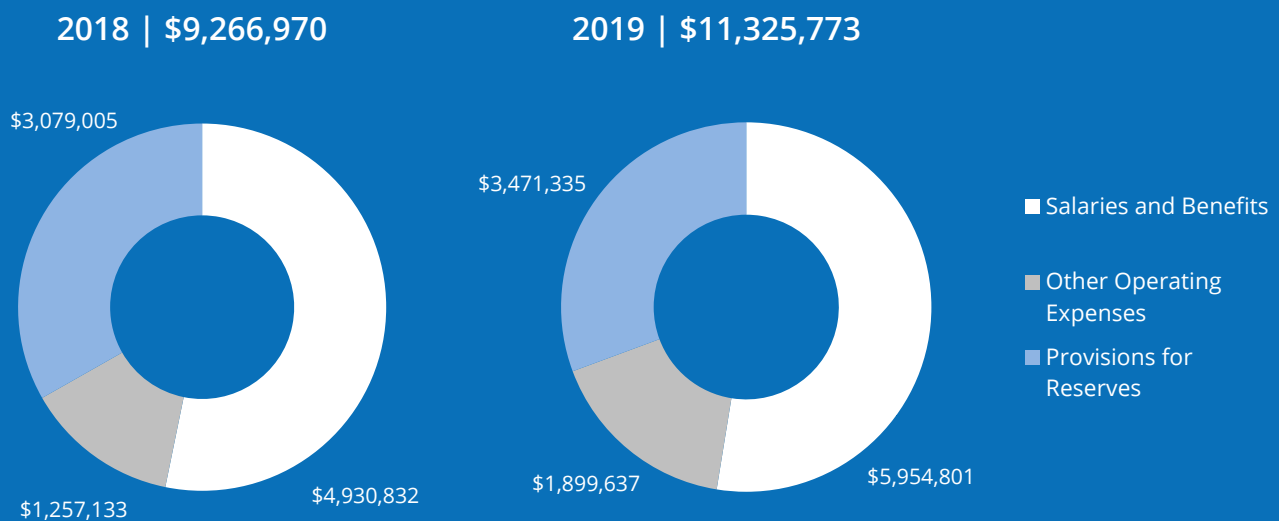
As a not-for-profit organization, all revenues are reinvested in OECM to create additional benefits for Ontario's institutions. Although OECM has maintained financial self-sufficiency since 2015, there is, on occasion, provincial funding received for projects that will create additional benefits for Ontario's publicly funded institutions, such as our School Bus Rider Safety Training Program and our Accelerate to Market initiative.

The 2019 Audited Financial Statements are subject to approval by the Board of Directors at the May 29, 2020 Annual General Meeting and will be available upon request.

Revenues



Expenses



TOP 10 PRODUCTS AND SERVICES, AND PARTICIPATING SUPPLIER PARTNERS

In 2019, the top ten agreements based on collaborative spend had significant participation from our supplier partners. For a detailed list of all categories of products and services offered, visit the [OECM Marketplace](#).

- 1. End-User Computing Devices and Services**
CDW Canada Corp. | Compugen Inc. | Dell Technologies
- 2. Office Supplies**
Grand & Toy Ltd. | Staples Business Advantage
- 3. Software License Products and Related Services**
CDW Canada Corp. | Softchoice Canada Inc. | TeraMach Technologies Inc.
- 4. Office and Production Multi-Function Devices**
Canon Canada Inc. | Kyocera Document Solutions Canada Ltd./ 4 Office Automation Ltd. PrintersPlus Ltd. | Ricoh Canada Inc. | Sharp Electronics of Canada Ltd. | Xerox Canada Ltd.
- 5. Custodial Supplies and Equipment**
Bunzl Canada Inc. | Flexo Products Limited | Mister Chemical Ltd. | Reliable Window Cleaners (Sudbury) Ltd. | Staples Business Advantage | Superior Solutions Ltd. Swish Maintenance Limited | Weber Supply Company Inc.
- 6. Chrome Devices and Services**
Compugen Inc. | Northern Micro Inc.
- 7. Software Defined Wide Area Network (SDWAN) Solutions**
Applied Computer Solutions Inc. | Cloud Managed Networks | Compugen Inc. FatPipe Networks Inc. | IBM Canada | INSA Corp. | Integra Data Systems Corporation Softchoice Canada Inc. | TeraMach Technologies Inc.
- 8. Educational Furniture and Related Services**
Accent Environments | Alpha-Vico Inc. | Alumni Classroom Furniture Inc. Grand & Toy Limited | Patrick Cassidy and Associates Inc. | Scholar's Choice Schoolhouse Products Inc. | Staples Business Advantage | Ven-Rez Products Ltd. Wintergreen Learning Materials
- 9. Fine Copy Paper**
Grand & Toy Ltd. | Staples Business Advantage
- 10. Networking Switches, Routers, Firewalls and Related Services**
Aurora Solutions | Compugen Inc. | Dell Technologies | Long View Systems Corporation Open Decisions Inc. | TeraMach Technologies Inc.

LOOKING AHEAD

In 2020, OECM will move forward as a leader in facilitating collaboration amongst and between our customers. We continue to assist our customers in Ontario's education sector and Broader Public Service (BPS) sectors, responding to ever-increasing service pressures and demands on resources by building an effective, efficient and sustainable supply management system, comprised of our core business offering of collaborative sourcing solutions, customer relationship management, and supplier relationship management.

We aim to build upon our new Strategic Direction to deliver on a significant trajectory of business growth and transformation over the next five years. OECM is working towards a new integrated procurement value chain service which is aligned with the Province's vision for centralized procurement. We will continue to service a growing number of education sector, publicly funded organizations,

not-for-profit and municipal customers while we focus on building and strengthening the strategic enablers of OECM's business model to provide the foundation for long-term sustainability. Our new strategic plan also has the added value of allowing us to strengthen relationships with our supplier partners.

We plan to build our business in 2020, investing in technology resources such as Customer Relations Management (CRM) and Supplier Relationship Management (SRM) systems, and a new website with interactive capabilities for both our customers and suppliers. In addition, we will focus on process improvements, enhancing our analytics and business intelligence, and upholding our established "People Strategy", further enhancing the customer experience and enabling the development of OECM as a Centre of Excellence.



OECM's Senior Executive Team. From left to right:
 Len Scavuzzo, Fadina Previlon, Rupa Gill, Belinda Yu, Pooja Nagra, Karen Owen, John Sabo, Sonia Gallo

2019 **ANNUAL REPORT**

