



2025 Report V2: Stronger Oversight and Reporting of Government IT Projects Needed

Improvements needed in governance reporting, risk management, and project analysis given significant IT project overruns and delays

REGINA—December 9, 2025: In her **2025 Report – Volume 2**, Chapter 14, Provincial Auditor Tara Clemett examined how the Ministry of SaskBuilds and Procurement monitors large-scale IT business application projects across government. These projects are critical to modernizing aging systems, improving efficiency, and enhancing service delivery—but they carry significant risks, including cost overruns and delays. Failure to deliver expected IT projects on time and on budget can be extremely costly to public resources. She made **five recommendations**.

Between April 2024 and March 2025, the Ministry monitored 20 IT projects with a combined forecast cost of about \$40 million. Eight of these projects ended up overbudget and 12 projects were delivered late.

The audit found that while the Ministry has generally effective processes for monitoring IT projects, improvements are needed to strengthen oversight and support timely interventions. The Ministry lacks formal reporting requirements (e.g., percentage of projects on time and on budget, scope changes, summary of major risks and issues across projects and by project) as well as performance targets for large-scale IT projects, potentially leaving governance bodies without critical data on costs, timelines, and risks. Without clear expectations on what to report and when, decision makers may lack data to fully assess project health or overall success, increasing the risk of overruns and delays.

Key recommendations also include analyzing client-submitted reports to identify and respond to issues; continuously assessing IT project risks and mitigation strategies; and requiring lessons learned at the conclusion of projects to inform future IT projects.

- For two of four projects tested, the Ministry did not receive timely progress reports and the projects ended up running late and overbudget
- One client spent more than \$4 million before cancelling the project outright due to the vendor's inability to meet the client's requirements
- Ministry clients spent about \$84 million on IT capital in 2024–25 and planned to spend about \$62 million in 2025–26, including for IT projects monitored by the Ministry

For example, the Ministry also leads and monitors the Enterprise Business Modernization Project (EBMP), a government-wide initiative projected to cost \$260 million to fully implement after facing a \$130 million budget overrun and a 2.5-year delay at March 31, 2025. This underscores the need for stronger planning, ongoing risk management and effective project analysis. Poor project risk management can lead to delaying necessary changes such as canceling a vendor contract timely where the expected result is not achievable or not responding proactively to keep an IT project on track.

"Modern IT systems are essential for efficient and secure government operations," said Tara Clemett. "Strengthening monitoring processes will help ensure IT projects are delivered on time, within budget, and meet their intended objectives—ultimately supporting better public services and responsible use of taxpayer dollars."

The full Provincial Auditor's 2025 Report – Volume 2 available online at auditor.sk.ca.

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