Chapter 14
SaskBuilds and Procurement—Monitoring the Implementation of IT Projects

1.0 MAIN POINTS

As government IT systems age, large-scale IT business application projects are often launched to improve efficiency, security, and service delivery. These complex projects carry risks—such as inadequate governance or poor planning—that can cause significant budget overruns, missed timelines, or unmet needs.

The Ministry of SaskBuilds and Procurement centrally monitors the health of such IT projects for government ministries and certain government agencies (its clients). Timely and effective monitoring can help keep projects on track and within budget.

We audited the Ministry's processes for monitoring the implementation of IT business application projects and found it had effective processes except the Ministry needs to:

➢ Formalize sufficient reporting requirements to ensure IT governance bodies receive detailed and timely data on each project's scope, costs, and schedules to appropriately assess individual IT projects. Reporting should also include metrics to track overall success of IT business application projects (e.g., percentage of projects on time and within budget) to support responsible IT investment and oversight.

➢ Ensure timely submission of monthly project progress reports for IT governance bodies and follow up when not received from clients to allow for complete and accurate project status information. We found the Ministry did not consistently receive progress reports from clients for two of four projects tested, even though both projects were running late and overbudget.

➢ Sufficiently analyze client-submitted IT project reports to identify project management issues and centrally report them. The Ministry did not document its analysis of the reports. Of 20 IT business application projects, we found eight overbudget and 12 delayed.

➢ Continuously assess key IT project risks and risk mitigation strategies reported by clients so it can provide timely advice and support. We found the Ministry did not assess completeness of client-reported risks or consider appropriateness of their risk mitigation plans. For example, one client spent more than $4 million before cancelling a project due to the vendor's inability to meet the client's requirements. Timely risk analysis can help to support early intervention and save resources.

> ➤ Require lessons learned to share with other government agencies implementing similar IT projects. For example, at March 2025, the Ministry projected a $130 million budget overrun and 2.5-year delay in its Enterprise Business Modernization Project (EBMP). A comprehensive lessons learned report at the end of projects would help to identify successes and challenges throughout implementation, and inform improvements for future projects.

2.0 INTRODUCTION

Under *The Ministry of SaskBuilds and Procurement Regulations*, the Ministry of SaskBuilds and Procurement centrally coordinates and delivers IT, project management, procurement, and other support services to its clients (e.g., ministries—see **Section 5.0** for a list of clients).

The Ministry's clients spent about $84 million on IT capital in 2024–25 and planned to spend about $62 million in 2025–26, including for IT business application projects monitored by the Ministry.[1,2] In addition, clients may spend part of their annual operating funding to support their IT projects.

2.1 Ministry Monitoring of IT Business Application Projects

Governments need modern IT business applications to efficiently and effectively provide services to the public. Modern applications can reduce time to enter, process, and analyze data to support decision-making, improve data security and privacy, as well as provide timely information to the public. Projects to implement IT business applications are often large in scope and complex given the extent of services, changes, and approvals needed.

To help manage the risks associated with these large, complex projects, many organizations use central offices to help monitor projects across the organization, in addition to the processes used by project teams to manage individual projects. The Ministry of SaskBuilds and Procurement, through its Portfolio Management Office, helps to centrally monitor the health of its clients' IT business application projects.

The Portfolio Management Office maintains an inventory of the IT business application projects it helps monitor. As shown in **Figure 1**, between April 2024 and March 2025, the inventory included 20 IT business application projects forecast to cost about $40 million in total.[3] For example, these projects include new IT applications at the Ministries of Health for administering medical service claims; Highways for coordinating its equipment fleet; and Corrections, Policing and Public Safety for managing bail supervision. In 2024–25, the Portfolio Management Office spent about $0.4 million (2025–26 budget: $0.6 million) to support monitoring and other processes (e.g., assisting clients developing business cases) for IT projects.[4]

---

[1] IT business applications are the computer hardware and software used to manage business functions such as processing applications or requests, managing client cases, paying employees and vendors, or preparing financial reports.
[2] Government of Saskatchewan, *Budget 2025–26*, p. 60.
[3] Per Ministry of SaskBuilds and Procurement records.
[4] Ibid.

The Enterprise Business Modernization Project (EBMP), while not a part of the Ministry's inventory, is also led and monitored separately by the Ministry, through the Ministry's EBMP steering committee.[5] EBMP is a complex and large-scale project, which includes implementing an IT business application system that will be used by all ministries to complete many administrative and financial processes such as procurement, payment, payroll, budgeting, and financial reporting. At March 31, 2025, the Ministry projected the system to cost about $260 million to implement (see **Figure 1**).

Figure 1—IT Business Application Projects Monitored by the Ministry of SaskBuilds and Procurement Between April 1, 2024, and March 17, 2025

Project original expected cost category	Total forecasted cost at March 31, 2025 (in millions)	Total Projects	Active Projects	Closed or Cancelled Projects[A]
Monitored by the Ministry's Portfolio Management Office				
< $1 million	4.9	11	6	5
$1 million to $5 million	13.2	7	4	3
$5 million to $20 million	21.8	2	--	2
Subtotal	**$39.9**	**20**	**10**	**10**
Monitored by the Ministry's Enterprise Business Modernization Project (EBMP) steering committee				
> $20 million (EBMP)	260.6	1	1	--
Total	**$300.6**	**21**	**11**	**10**

Source: Adapted from Ministry of SaskBuilds and Procurement records.
[A] One project was cancelled during 2024–25.

2.2 Risks Associated with IT Business Application Projects

Large-scale projects to implement IT business applications are inherently complex, expensive, and pose risks that can cause project failures such as significant budget overruns and missed timelines. Failure of these projects often result from inadequate governance, poor planning (e.g., ill-defined requirements), or absence or lack of clear agreement with clients on service standards.[6]

Failure to deliver expected IT projects can be costly.[7] Both public and private sector organizations globally continue to struggle with the challenges of delivering successful IT business application projects.[8] For example, at March 2025, the Saskatchewan Health Authority forecast its new business-wide IT system (called Administrative Information Management System [AIMS]) would be completed five years late at over 300% of its $86 million planned cost.[9] Also, in 2025, Manitoba Public Insurance cancelled its IT overhaul project without completion after spending nearly twice its $86 million budget.[10]

---

[5] The EBMP steering committee membership includes the Deputy Ministers of Finance, SaskBuilds and Procurement, Highways, and Corrections, and Policing and Public Safety, as well as the Chair of the Public Service Commission.
[6] www.canada.ca/en/shared-services/corporate/publications/2013-14/what-prevents-large-it-projects-from-being-successful.html (29 July 2025).
[7] www.ratcliff.it/news/5-famous-it-project-failures-and-how-you-can-avoid-their-pitfalls (29 July 2025).
[8] www.cio.com/article/278677/enterprise-resource-planning-10-famous-erp-disasters-dustups-and-disappointments.html (31 July 2025).
[9] *2025 Report – Volume 2*, Chapter 6.
[10] www.cbc.ca/news/canada/manitoba/mpi-project-nova-shut-down-spending-review-1.7553145 (29 July 2025).

Timely and effective monitoring of IT business application projects reduce the risk of implementation failure and increase the chances of achieving desired outcomes, benefits, and value. It helps keep projects on track and within budget by identifying necessary adjustments, optimizing resource use, and enabling continuous improvement.

Ineffective project monitoring increases the risk of IT business application implementation delays, cost overruns, uncontrolled scope increases, missed deliverables, or failure to meet client needs. It also impacts resources available to deliver other key projects or programs.

3.0 AUDIT CONCLUSION

We concluded the Ministry of SaskBuilds and Procurement had effective processes to monitor the implementation of IT business application projects for the period ended March 31, 2025, except the Ministry needs to:

➢ **Formalize sufficient requirements for reporting to IT project governance bodies**

➢ **Follow up when monthly IT project progress reports are not received**

➢ **Sufficiently analyze IT project reports from clients**

➢ **Continuously assess key IT project risks and risk mitigation strategies**

➢ **Require and compile lessons learned**

Figure 2—Audit Objective, Criteria, and Approach

Audit Objective:

To assess whether the Ministry of SaskBuilds and Procurement had effective processes to monitor the implementation of IT business application projects for the period ended March 31, 2025.

For the purposes of this audit, IT business application projects included those where the Ministry signed the related IT project contracts (often on behalf of clients) or completed the project internally.

Audit Criteria:

Processes to:

1. **Assess status of IT business application projects**
   - Appropriately track project work completed, and resources used
   - Regularly analyze project progress compared to plans (e.g., scope, cost, schedule, quality)
   - Evaluate project progress to identify lessons learned

2. **Coordinate risk management of IT business application projects**
   - Proactively assess risk throughout projects
   - Support effective mitigation strategies (e.g., contingency planning, revisit contracts, communicate timely)
   - Maintain regular communication with project teams

3. **Report on IT business application project performance to appropriate IT governance bodies**
   - Regularly report progress compared to plans, along with explanations
   - Facilitate timely responses to address changing conditions or emerging project issues
   - Recommend changes to IT project management practices based on lessons learned

---

> **Audit Approach:**
>
> To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry of SaskBuilds and Procurement's processes, we used the above criteria based on our related work, review of relevant literature including reports of other auditors, and consultation with management. Ministry management agreed with the above criteria.
>
> We examined the Ministry's processes, procedures, and other key documents related to monitoring the implementation of IT business application projects. We interviewed Ministry staff responsible for monitoring the implementation of IT business application projects and we assessed guides and other documentation used to communicate with the IT business application project teams (i.e., Ministry clients). We tested a sample of IT projects and analyzed project reports to verify the Ministry followed its established procedures.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 IT Governance Bodies in Place

The Ministry of SaskBuilds and Procurement supports central IT governance bodies responsible for coordinating strategic decision-making for IT investments and recommending which IT projects to pursue at which time.

In addition to the steering committees its clients (e.g., Ministry of Highways, Saskatchewan Housing Corporation) establish to oversee their IT business application projects, the Ministry has an IT governance structure that centrally oversees all IT projects undertaken by its clients. The IT governance structure is meant to provide an enterprise view of all IT projects and support a coordinated, collaborative, and strategic approach to IT investments across government.[11]

Each IT business application project must pass through multiple layers of approval before detailed planning and execution begins. The Ministry's clients first internally select their proposed IT business application projects. The Ministry then oversees those project requests through its IT governance structure (see **Figure 3**), which assesses IT investments from a government-wide perspective. The projects must also go through various approvals as part of the Government's annual capital budgeting process. Once a project receives all required approvals, a project team is responsible to complete the work to implement the IT business application, under the direction of its project steering committee. Each project must also report to the Ministry for central IT governance oversight.

As shown in **Figure 3**, the IT governance structure supported by the Ministry involves three central governance bodies to support government-wide decision making for IT initiatives/projects. The Ministry's Portfolio Management Office supports these central governance bodies as well as reports on the status and long-term benefits of the IT projects overall.[12]

---

[11] taskroom.saskatchewan.ca/services-and-support/information-technology/it-services/it-governance (29 July 2025).
[12] Ibid.

Figure 3—IT Governance Structure

Role	Responsibilities	Members	Composition
Central IT Governance Bodies			
Information Technology Governance Committee (ITGC)	Provides strategic direction for IT and recommends IT capital budget requests to support development of the Government's Capital Plan Meets quarterly or as required	11	Co-Chair: 2 deputy ministers (to the Premier, SaskBuilds and Procurement) Voting: 6 deputy ministers or chief executive officers Secretariat and Technology Advisor: 3 staff from PfMO
Information Management Advisory Council (IMAC)	Recommends enterprise IT programs, projects, standards, and policies to ITGC Meets quarterly or as required	13	Co-Chair: 2 assistant deputy ministers Voting: 8 assistant deputy ministers or executive directors Secretariat and Technology Advisor: 3 staff from PfMO
Innovation Tables - Government Support - Economic Development and Sustainability - Citizen, Health, Safety and Education - Information Technology	Ensures IT business application proposals and cases align with government strategies and are adequately developed to support further evaluation and priority setting at an enterprise level; recommends IT projects to IMAC Each table (four in total) meets monthly or as required	18 to 25 members for each table	Chair: 1 assistant deputy minister from IMAC Voting: 6 to 8 executive directors Supported by: 10 to 15 Ministry of SaskBuilds and Procurement representatives from IT Division, Procurement, Information Management and Privacy Secretariat:1 PfMO strategic portfolio manager
IT Governance Support			
Portfolio Management Office (PfMO), Ministry of SaskBuilds and Procurement	Reviews and recommends IT initiatives to ITGC and IMAC, monitors status of IT projects, and escalates project concerns to IMAC and ITGC	9	Director: 1 Portfolio manager: 1 Business analyst: 2 Strategic portfolio manager: 5
Project Management Committees			
Enterprise Business Modernization Project (EBMP) Deputy Minister Executive Steering Committee[A]	Approves major project decisions impacting scope, schedule, or budget; resolves escalated risks and issues; provides advice, guidance, and strategic direction for the project Meets bi-weekly or as required	8	Chair: Deputy Minister of Highways (formerly Deputy Minister of SaskBuilds and Procurement) Voting: Deputy Ministers of Finance, SaskBuilds and Procurement, and Corrections, Policing and Public Safety, and the Chair of the Public Service Commission Supported by: Ministry of SaskBuilds and Procurement representatives – Executive Sponsor (ADM), Executive Program Director, Executive Project Director
Client Project Steering Committees	Approves (or recommends to ITGC or IMAC) project priorities, budgets, timelines, and changes; monitors project progress; and manages project risks Meeting frequency varies by agency and project but commonly is bi-weekly	Varies by agency and project	Chair: 1 member of client's senior management or a project manager from the Ministry of SaskBuilds and Procurement Voting: representatives from client management and business unit(s) that will use the new IT business application; 1 member of IMAC or delegated PfMO strategic portfolio manager Supported by: client project team and PfMO strategic portfolio manager

Source: Adapted from Ministry of SaskBuilds and Procurement guidelines.
Grey shaded areas were not included in the scope of this audit.
[A] The EBMP steering committee is supported by a committee made up of Assistant Deputy Ministers responsible to provide business context, expertise, and guidance to the project team; ensure capacity and appropriate prioritization; escalate issues for the project team; support communication across government; and participate in risk and issue management and project decision making. Members come from the Ministries of SaskBuilds and Procurement, Finance, and Highways, and the Public Service Commission.

The Information Technology Governance Committee (ITGC) is expected to provide corporate oversight for IT across the Government including helping ensure IT resources are invested responsibly, monitoring performance of IT projects, and providing advice if expected outcomes are not met. The Information Management Advisory Council (IMAC) is expected to provide recommended IT initiatives for consideration by ITGC and oversee the Government's IT initiatives.

IT governance bodies help organizations make strategic IT decisions that align with business goals, use resources efficiently, and reduce risks.

4.2 Sufficient Requirements Needed for Reporting to Central IT Governance Bodies

The Ministry of SaskBuilds and Procurement lacks sufficient and formalized requirements about what IT business application project information needs to be reported to the central IT governance bodies, including how often and by whom, to support informed decision making. Reporting requirements should expect detailed data on each project's scope, costs, and schedules to sufficiently assess each IT business application project status, as well as performance targets to measure overall success across projects (e.g., percentage of projects expected to be on budget and on time) and help assess effectiveness of project monitoring practices.

4.2.1 Clear Expectations Needed for Which IT Projects Require Reporting

The Ministry of SaskBuilds and Procurement has not formally determined which IT business application projects must be reported to the central IT governance bodies.

As noted in **Figure 3**, the Ministry's Portfolio Management Office is responsible to monitor the status of IT projects and escalate concerns to the central IT governance bodies (IMAC and ITGC). However, it is not clear which IT projects this includes. For example, we noted the Portfolio Management Office did not receive status updates about the Enterprise Business Modernization Project (EBMP) that the Ministry leads. While the EBMP team reported regularly to its steering committee about project status, it did not routinely report to IMAC and ITGC.[13] The Ministry also helps some agencies (e.g., Financial and Consumer Affairs Authority of Saskatchewan, Saskatchewan Liquor and Gaming Authority) coordinate meetings with IMAC and ITGC about IT projects where the Ministry has no monitoring responsibilities (i.e., does not receive reports from the agency or report to IMAC or ITGC about the status of the project).

Ministry management advised us that since the inception of central IT governance practices in 2015, IT project monitoring and reporting practices have been evolving, becoming part of the Ministry in 2020. Thus, large IT projects impacting multiple agencies, like EBMP, were not fully considered when implementing the Ministry's monitoring practices. Additionally, the Ministry did not explicitly exclude from its reporting and monitoring practices some other government agencies such as the Saskatchewan Health

---

[13] ITGC members may have received some EBMP status information as part of annual capital budgeting processes that were not part of our audit. Some members of ITGC also received some EBMP status information through their separate role on the EBMP steering committee (e.g., Deputy Minister to the Premier and Deputy Ministers of SaskBuilds and Procurement and Highways).

Authority and Crown Investments Corporation of Saskatchewan and its subsidiaries.[14] The Ministry does not have a formal policy setting out which IT projects should be included within its purview, or the procedures for approving any future exceptions.

We noted during 2024–25, IMAC discussed how schedule overruns on EBMP impact other IT projects that will eventually integrate with the new IT system and requested regular updates about the project. Ministry management advised us that it expected to provide quarterly updates on EBMP to IMAC in 2025–26; however, at March 2025 the project was not included on the Ministry's central dashboard that shows the status of each IT business application project it monitors (see **Section 4.2.3** for further discussion about the dashboard).

We found the Ministry followed the same practices for all IT projects it monitors, regardless of size or risk profile. As smaller projects (e.g., less than $100,000) may have less extensive and complex information due to their nature, the Ministry may need to consider adjusting some reporting requirements to ensure efficiency and to help focus on projects with the greatest risk to government (i.e., some projects may require more frequent or extensive reporting than others to support effective monitoring).

Without clear expectations defining which government agencies and specific IT projects should report to the Ministry, and to what level of detail, decision makers may not have complete and appropriate information to support responsible IT investment and oversight.

4.2.2 No Policy or Targets Set for IT Project Reporting Requirements

The IT governance bodies (ITGC and IMAC, as described in **Figure 3**) each have a draft terms of reference created in 2020, and updated in 2023; however, they had not approved these terms as of March 2025. While the terms of reference set out the roles and responsibilities of each committee, expected membership, and meeting frequency, these do not set out reporting expectations of Ministry management. The Ministry also does not have a policy setting out reporting requirements for IT business application projects. In addition, neither the Ministry nor the central IT governance bodies have established performance targets to help monitor the effectiveness of IT project management practices.

Good reporting for governance oversight would highlight key insights and information related to IT project status, risks, and opportunities, as well as effectiveness of project management practices. **Figure 4** sets out some examples of good practice for reporting on IT projects.

Figure 4—Examples of Good Practice for Reporting on IT Projects

- **Overall success:** Targets and actual results for monitoring performance (e.g., percentage of projects expected within budget and on time within an established threshold, percentage of projects within original and approved revised scope)
- **Budget variances:** Planned and actual cost comparisons in total and by project, with explanations for significant differences
- **Project timelines:** Planned and actual timeline comparisons by project, with explanations for significant differences
- **Scope changes:** Changes to scope by project with explanations

---

[14] The Saskatchewan Health Authority's Administrative Information Management System (AIMS) project faced persistent overruns, delays, and implementation issues. (*2024 Report – Volume 2*, Chapter 8, pp. 45–50).

- **Risks:** Summary of major risks and issues across projects and by project (including the number of defects found during quality assurance testing), with relevant mitigation strategies
- **Critical decision items**: Critical decisions requiring executive attention (e.g., requested project changes, requested changes to IT project management policies)

Source: Adapted from Donato, Hannah (2025), *Project Status Reporting Made Simple (with Templates & Tools).*

IT reporting requirements should drive the amount and type of analysis the Ministry completes as part of its monitoring and reporting practices. For example, the requirements should set acceptable thresholds for when analysis and explanations for differences between planned and actual results are expected. We found certain IT project information not sufficiently reported and assessed.

While we found ITGC and IMAC met at least quarterly as required by their terms of reference during 2024–25 (ITGC six times, IMAC 17 times), they received insufficient reporting that did not cover all areas of good practice. The IT governance bodies did not receive written reports, such as a status overview of all current IT projects, until later in 2024–25. Rather, Portfolio Management Office staff provided verbal updates on change requests and issues, with clients joining the meetings to support their projects' change requests.

When ITGC and IMAC each received a written report later in 2024–25, these reports did not compare planned to actual costs and timelines with explanations for differences, highlight where scope changes and risks existed, or provide overall results compared to targets such as percentage of IT projects on budget and on time. Ministry staff continued to present about IT projects with changes (see description of change management processes in **Section 4.6**) or risks requiring immediate decisions by the IT governance bodies.

Without sufficient and formalized reporting requirements (e.g., variances between planned and forecasted budgets and timelines, changes to project scope), the Ministry may not identify and report relevant IT project risks and opportunities to support IT governance bodies or may not support delivery of high-quality IT projects on time and within budget. Reporting requirements clarify who needs to report, what, when, and how to enable efficient analysis for effective decision making.

> 1. **We recommend the Ministry of SaskBuilds and Procurement formalize sufficient reporting requirements to support effective monitoring of IT business application projects by central IT governance bodies.**

### 4.2.3   Project Dashboard Evolving But Needs Enhancement

Although no formal documented reporting requirements exist, the Ministry of SaskBuilds and Procurement created an interactive dashboard showing the status of each IT business application project it monitors. The dashboard automatically updates as new information is entered into the system and allows users to obtain details about a group of projects or an individual project. Members of the central IT governance bodies (IMAC and ITGC) have ongoing access to the dashboard.

Meeting minutes showed the Ministry and its clients provided the governance bodies updates about various IT projects throughout 2024–25, as well as the Ministry presented the IT project dashboard once to each governance body late in 2024–25. Ministry management indicated it plans to present a status update via the dashboard at each meeting in 2025–26 based on initial feedback from the governance bodies.

We found the IT project dashboard included information as expected by good practice (see **Figure 4**). For example, the dashboard included the percentage of IT projects within budget, schedule, and scope (including approved changes), and highlighted the number of projects requiring attention (see example in **Figure 5**). It also summarized information about each project. We found dashboard users can select a particular project to see detailed reports submitted by project teams including original and revised budget and schedules, as well as actual costs and percentage completed to date. However, these reports did not calculate differences between planned and revised budgets and schedules (e.g., how much the projected amounts were overbudget or late) to help to easily identify issues and risks, or explain these differences.

Figure 5—Example Excerpt of the Ministry of SaskBuilds and Procurement's IT Project Dashboard
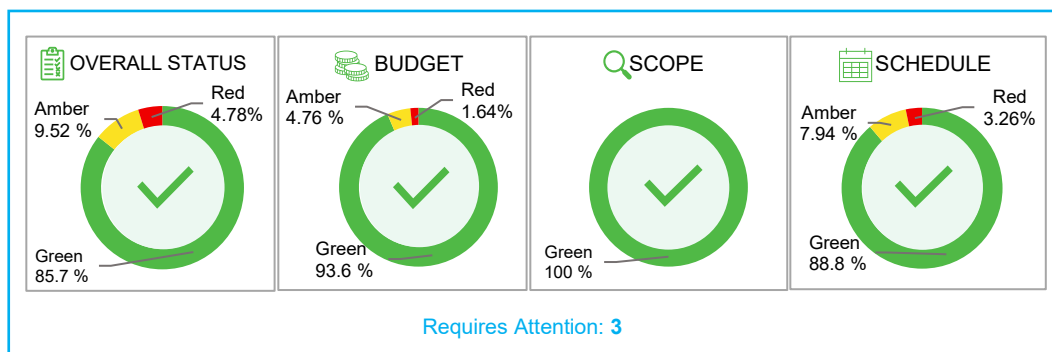
Source: Adapted from the Ministry of SaskBuilds and Procurement records.

As described in **Section 4.2.2**, the dashboard did not include performance targets or trend analysis showing how well IT projects overall were completed on time, within budget, within scope, and in meeting all planned deliverables, with explanations for missed targets or changes in trends.

Sufficient IT project dashboard reports include adequate detail and explanations for differences between planned and forecasted budgets and timelines, changes to project scope, and comparisons of overall targets to actual results to help identify risks and opportunities so IT projects are completed on time and within budget (see **Recommendation 1**).

4.2.4 EBMP Follows Own Reporting Practices

The Ministry of SaskBuilds and Procurement monitors the Enterprise Business Modernization Project (EBMP) separately through its EBMP steering committee and was not part of the Ministry's IT project dashboard or central reporting to IMAC and ITGC.

We found, although the EBMP team routinely reported status updates to its steering committee, it did not include all expected information. It used its own tools to report on project activities, schedule, milestones, risks, issues, and application testing results. We found the project team did not clearly report the variances between the original and revised deadlines (i.e., go live dates) in its project status reports.

The EBMP team also used separate reports to update its steering committee about the project's financial status. While the financial reports provided information about amounts spent to date, they did not provide information in a consistent format to help users readily interpret the information. In addition, these reports did not routinely compare budgets (original and revised) to actual and forecasted costs, or explain associated variances. As of March 2025, EBMP had an expected cost overrun of over $130 million and was projected to be about 2.5 years late—key information needed to respond timely and effectively to address project risks.

Appropriate reporting requirements (e.g., variances between planned and forecasted project budgets and timelines, changes to project scope) help to ensure decision makers have sufficient information to assess whether IT project management practices support responsible IT resource investment, efficient IT project delivery, and adequate achievement of promised outcomes (see **Recommendation 1**).

4.3   Follow Up Needed for Monthly IT Project Reports Not Received

The Ministry of SaskBuilds and Procurement communicated its requirement for clients to provide it with monthly progress reports for all IT business application projects but did not routinely follow up when it did not receive reports as expected.

The Ministry requires clients to report monthly on the status and progress of IT business application projects underway, such as updates related to project cost, schedule, scope, risks, and activity. Clients use a reporting application with specific fields for various required information, which automatically feeds into the Ministry IT project dashboard (see **Section 4.2.3**). The Ministry expects the monthly report to summarize information readily available from reports the Ministry's clients provide to their individual steering committees.

The Ministry maintained a user guide to communicate its expectations to clients and help them to use its reporting application. It improved the guide in February 2025 and shared this with its clients in late March 2025. We found the changes clarified some expectations such as adding more examples (like how to calculate percentage of the project completed) and requiring information about impact, probability, and mitigation plans for key risks.

We found the Ministry sent out monthly reminders about these reporting requirements to its clients, with a link to its user guide. However, the Ministry did not routinely follow up with its clients if they did not submit their monthly reports as expected. Further, the user guide allowed clients discretion around reporting to the Ministry if there was no IT project activity, inhibiting the Ministry's ability to know whether follow-up is warranted. As a result, the Ministry did not always know whether its dashboard had accurate and complete information to support monitoring and decision making by the central IT governance bodies.

For two of four IT projects tested, we found clients did not consistently submit expected reports to the Ministry each month. These two projects had challenges; more timely reporting may have helped inform decisions to address the challenges or to provide support for the project teams. For the two projects lacking reports:

➢ Both projects were not completed on time—nine months late and at least two months late (without a revised expected completion date reported as of March 31, 2025)

➢ One project increased its scope and then tripled its expected project cost

➢ One project was headed overbudget with no indication of how much more funding may be required (project used entire budget by February 2025 but had not reported again as of July 2025 to update its forecasted cost)

Without processes to follow up when reports are not received timely, the Ministry may not have complete and accurate information to inform its analysis and subsequent reporting on risks and issues to the central IT governance bodies. Quality information is key to timely and effective decision making.

> **2. We recommend the Ministry of SaskBuilds and Procurement follow up when it does not receive monthly progress reports from client IT business application project teams as expected.**

4.4 More Robust Analysis of IT Project Reports Needed

The Ministry of SaskBuilds and Procurement did not complete sufficient analysis of IT business application project reports submitted by its clients to identify issues that may lead to project cost overruns, missed deadlines, or poor-quality IT systems.

The Ministry did not have documented requirements for analyzing IT project information submitted by its clients, rather the Ministry's Portfolio Management Office staff used informal practices.

Weekly, these staff review progress reports that client project teams submit into the Ministry's dashboard reporting application (EBMP is not included in this reporting). The review focuses on projects reporting potential issues such as risks in meeting budget or deadlines. Staff then meet weekly with the Portfolio Management Office manager to discuss any issues or risks identified before the weekly whole Office meeting to discuss statuses of all projects.[15] Office staff did not retain formal documentation of its analysis or of decisions made at these weekly meetings, although the Ministry began to keep some brief notes starting in February 2025. Sufficiently analyzing project progress to inform risk assessment and decision making is important given most (15 of 20) IT business application projects monitored by the Ministry's Portfolio Management Office were expected to be overbudget and/or late as of March 2025 (see **Figure 6**).

---

[15] At March 2025, the Ministry of SaskBuilds and Procurement's Portfolio Management Office had nine employees.

Figure 6—IT Business Application Projects Monitored by the Ministry of SaskBuilds and Procurement's Portfolio Management Office at March 2025 [A]

Original expected cost category	Total original expected cost	Total expected cost at March 31, 2025	Projects[A]	Projects Over Budget[B]	Late Projects[B]
	(in millions)				
< $1 million	3.2	4.9	11	6	5
$1 million to $5 million	15.1	13.2	7	1	5
$5 million to $20 million	17.8	21.8	2	1	2
Total	**$36.1**	**$39.9**	**20**	**8**	**12**

Source: Adapted from Ministry of SaskBuilds and Procurement records.
[A] EBMP excluded as it is not included in the Ministry's Portfolio Management Office monitoring practices.
[B] Columns may not add as projects may be both or neither late and/or overbudget. Late projects include one cancelled project.

The Ministry discusses issues with client project teams to determine whether changes to project information in the reporting system are needed, including to a project's budget, schedule, or scope once requested for approval by the central IT governance bodies. We found only appropriate Ministry staff have access to update approved changes to a project's budget, schedule, or scope in the reporting application. Ministry management indicated it does not change other information in its reporting application unless directed by a client project team.

We observed the Ministry appropriately locked the baseline information (e.g., budget and deadlines) in its reporting application for the four projects we tested. Restricting the ability to change baseline information is good practice and reduces the risk of errors or data manipulation. We also tested six change requests and found the Ministry appropriately updated this information.

For four projects tested, we found when clients submitted reports, information included planned and actual work completed and funds spent, status, and key decisions. However, we were unable to identify what analysis the Ministry completed for these reports and also found little evidence of issues identified or actions planned, except for within the brief notes from the Portfolio Management Office's weekly meetings.

We also did not see evidence the Ministry analyzed project reports to identify root causes of reported issues or potential lessons learned. For example, we observed projects with significant cost increases but little change in percentage of the project completed, with no explanation by clients for discrepancies. Without further analysis, it is unclear what caused the higher costs. For example, some common causes of IT overages include potentially poorly-defined user requirements, poor control over changes to project scope, or insufficient vendor capacity to complete the work. Requesting clients to identify root causes of issues and lessons learned in monthly reports could help the Ministry to gather and assess this information across all projects to establish mitigation strategies to improve other projects.

For all four projects tested, we saw cases where data appeared inconsistent with other data reported (e.g., unusual discrepancy between percentage of project completed compared to percentage of budget spent) or different than previous periods (e.g., percentage of project completed or budget spent decreased rather than increased as expected, or fluctuated significantly). We did not see evidence the Ministry identified these

issues. The Ministry indicated it does not routinely look for these types of issues. Using automated analysis and defined indicators (e.g., evaluating whether percentage of project completed differs by an established threshold from percentage of budget spent) could help the Ministry to efficiently identify these types of issues for follow up.

Not sufficiently analyzing IT project data submitted by clients limits the Ministry's ability to identify and centrally report on issues in IT project management. If issues go unaddressed and root causes are not identified, IT business application projects may continue to be overbudget, miss deadlines, and inadequately meet user needs. Insufficient analysis also increases the risk the Ministry may not fulfill its role to contribute to better IT project management in government.

> 3. **We recommend the Ministry of SaskBuilds and Procurement sufficiently analyze IT business application project information reported by clients.**

4.5 Risk Mitigation Strategies Lacking and Risks Not Addressed Timely

The Ministry of SaskBuilds and Procurement did not sufficiently assess client risk mitigation strategies for IT business application projects or address all key risks for the Enterprise Business Modernization Project (EBMP) timely.

Client project teams are responsible to manage risks related to their IT business application projects. The Ministry requires clients to provide information about key risks as part of their monthly project progress reports, as outlined in its user guide. The Ministry uses the risk information to report to the central IT governance bodies (e.g., ITGC) for decision making as well as to support the project teams by sharing its experience and expertise from working with project teams across government.

The Ministry reviews risk data as it is entered by clients as part of its monitoring of the monthly IT project progress reports. The Ministry did not assess completeness of the risks reported or consider appropriateness of clients' risk mitigation plans. While the Ministry may become aware of individual project risks through its Information Management Advisory Council (IMAC) representatives on individual project steering committees, stronger risk mitigation may be achieved by applying experience across government projects and leveraging expertise of its Portfolio Management Office staff.

While the Ministry required clients to report key risks on a monthly basis, it did not have a formal process for clients to report urgent or emerging key risks that may arise between the monthly reports. Establishing a clear process would help clients to know how to report such risks to support timely action and proper documentation.

For the four projects tested, we found:

➢ Three projects did not report consistently about their risks during 2024–25. These reports also lacked sufficient detail (e.g., did not include risk impact or mitigation plan) to help to identify whether the Ministry needed to follow up.

➢ The remaining project did not report any risks during 2024–25, so follow up may have helped to ensure there were no key risks missed in the reporting.

We found no evidence the Ministry's Portfolio Management Office analyzed the project risk information or identified any areas for follow up with its clients. We also did not find any evidence of whether the Office considered whether additional risks (e.g., uncontrolled changes to scope, vendor delays) existed and what project teams should watch for based on the Office's oversight knowledge from monitoring all client projects. Timely analysis of key risks can help to support earlier mitigation actions to reduce IT project failures as illustrated by the case noted in **Figure 7**.

Figure 7—Example of Risk Resulting in IT Project Failure

In October 2021, a Ministry of SaskBuilds and Procurement client started an IT business application project to replace an aging, key operational IT system with a new system that could modernize its business processes and provide better services. It expected to complete the project by August 2023 at a cost of about $5.2 million.

During 2024–25, the client reported a risk related to the vendor's ability to deliver a viable solution.

Over a year after the original project deadline, the project was cancelled in November 2024. It was estimated to be 40% complete and had already cost nearly 90% of the project's initial budget. Following this cancellation, additional funds had to be spent to keep the existing system operational until a new solution to replace its aging system can be determined.

Based on the client's reporting, challenges that led to the eventual project cancellation included a lack of clear understanding of the user requirements for the new system and not clearly communicating these requirements to the vendor contracted to help implement the new system. Risk mitigation strategies included working with the vendor to try to resolve the issues, which was not successful and led to continued project costs before finally cancelling the project. Lessons learned from this project failure should be tracked to reduce the risk of similar project failures in the future.

Better understanding of project risks could have saved significant public funds and time for determining alternative options to meet business needs years earlier. For example, for a complex system requiring extensive customization, closer monitoring of deliverables may have been warranted to identify issues with meeting user requirements. Analyzing the project's completion rate compared to actual spend and time remaining compared to the project's deadline could have helped to take earlier action to address this risk. The project reports also showed the budget was mostly expended early into the project's build, indicating an issue existed that required attention.

Source: Adapted from Ministry of SaskBuilds and Procurement records.

For EBMP, we found the Ministry tracks and prioritizes identified risks and issues using an IT system (different from the reporting application used for other IT projects). To support timely monitoring and action, the IT system automatically alerts relevant members of the EBMP team when a new risk is added, or a critical or high risk is changed. The project team is required to assign a due date to risks and issues when identified. The team reviews critical and high risks and issues weekly to monitor that timely response occurs.

We found the Ministry followed its processes to address risks for EBMP; however, 44 out of over 270 critical or high priority risks and issues were not assigned a due date or closed timely (up to about 500 days after the risk or issue was identified). At March 2025, there were 42 critical or high priority risks and issues outstanding for EBMP, with some of them outstanding for over 700 days.

Without sufficient assessment of risks, the Ministry may not provide timely support to help IT business application project teams implement effective risk mitigation strategies. The Ministry may also not report timely about risks to IT governance bodies to support decisions that may prevent or manage project failures, cost overruns, or delays.

4. We recommend the Ministry of SaskBuilds and Procurement continuously assess key IT business application project risks to support effective risk mitigation strategies.

4.6   Appropriately Managing Changes in IT Projects

The Ministry of SaskBuilds and Procurement used reasonable procedures to manage changes to IT business application projects.

The Ministry has documented procedures for managing changes to projects. Typically, clients submit change requests to the Ministry through the monthly reports and the Ministry works with the clients to receive all required documentation for review of the change requests. The Ministry includes changes for discussion at the next central IT governance body meeting (e.g., IMAC). For urgent changes, the Ministry emails the governance body to expedite the approval process. The Ministry advises clients of outcomes (i.e., approved, rejected, modified) for each change requested.

Typical project changes may include a project extension for more time to complete application development and testing or a change in scope to add a feature or functionality not originally identified (e.g., new calculation or ability to approve transactions online), which often results in additional project costs.

For the six changes tested, we found the changes were adequately documented, supported, and approved as required by the Ministry's change management procedures.

In February 2025, the Ministry updated its change management procedures to further align with good practice, including adding a priority level to the changes to improve efficiency. The new procedures allow the Ministry's Portfolio Management Office to:

➢   Process small, low risk changes (up to 25% of budget), which are later reported to IMAC and ITGC

➢   Present medium, moderate risk changes (up to 40% of budget) to IMAC or ITGC for review

➢   Present along with clients large, higher risk changes (more than 40% of budget) to IMAC or ITGC for review

The Enterprise Business Modernization Project (EBMP) also uses similar formal change practices. A change committee reviews and monitors change requests and a manager can approve emergency changes later reported to the change committee. Overall, EBMP had over 130 changes during 2024–25. For the 11 changes tested, we found the changes followed expected procedures.

Appropriate processes to manage changes to IT projects can help to control project scopes and meet budgets and deadlines.

4.7 Not Consistently Requiring and Tracking Lessons Learned

The Ministry of SaskBuilds and Procurement did not require or track lessons learned from IT business application projects, although it received lessons learned from some client project teams.

The Ministry did not have a policy requiring clients to provide a lessons learned report at the end of each IT business application project; although during 2024–25, the central IT governance bodies requested the Ministry to develop a formal process to share lessons learned from IT projects. The Ministry drafted lessons learned practices for other types of IT projects that it expects to also adopt for IT business application projects, once completed.

While the Ministry did not have an established practice to track lessons learned for IT business application projects, the Ministry or IT governance bodies sometimes requested a specific project team to prepare lessons learned during or at the end of an IT project. None of these lessons learned reports related to the 21 projects included in our audit scope. We observed about 10 other projects reported their lessons learned in 2024–25. For example, these lessons learned identified the following areas for improvement:

➢ Upgrade business applications annually to reduce size and complexity of IT projects

➢ Plan resources to better support peak testing cycles

➢ Plan for consistent dedicated IT project resources

➢ Use of IT project team daily check-in meetings

➢ Formal tracking of warranty issues

➢ Allocating sufficient time and resources to IT projects

We also found the EBMP team started identifying some interim lessons learned, although these were not shared centrally within the Ministry. In addition, the EMBP team had considered lessons learned at the Saskatchewan Health Authority from a similar financial and administrative system project (AIMS) implementation.

Identifying lessons learned can help future projects to avoid mistakes that can result in more costly, delayed, and lower-quality public services.

In addition to monitoring the completion of lessons learned from IT business application projects, the Ministry may want to consider centrally obtaining and assessing lessons from other projects or agencies (e.g., CIC, other jurisdictions) and sharing this knowledge within the government to avoid similar issues with other projects. Good practice suggests the Ministry could also use lessons learned collected for other purposes (e.g., vendor management). Collecting, reporting, and sharing such information can help to avoid system implementation failures on similar projects—removing potential impediments before they happen.

Without clear requirements to complete and share lessons learned at the end of all IT business application projects, the Ministry's clients may repeat mistakes that result in other project cost overruns, delays, or unmet user needs. While IT business application projects are inherently risky, the Ministry can reduce risks of future projects by taking the initiative to learn from past project failures and successes and more effectively use public funds.

> 5. **We recommend the Ministry of SaskBuilds and Procurement formally track lessons learned from IT business application projects.**

4.8 Lessons Learned Needed for Enterprise Business Modernization Project

The Enterprise Business Modernization Project (EBMP) has faced numerous budget and schedule challenges. A robust evaluation of lessons learned from the EBMP team is critical at the end of the project to help better manage future large-scale and complex IT business application projects.

In 2019, the Government assessed the qualitative and quantitative value that a modernized enterprise resource planning system could bring to human resource, finance, and supply chain functions within ministries to increase efficiency and effectiveness of service delivery. A modernized IT business application would allow for the transition to more current IT systems given existing systems are reaching end of life (when vendors no longer provide security and other updates to protect the system). In the 2021 EBMP business case, expected outcomes included:

➢ $158.8 million in total quantitative benefits over 10 years, largely driven from enhanced productivity or process efficiencies and revenue generation

➢ Enhanced client experience with greater system usability

➢ Enhanced direct access capabilities to the IT system

➢ Access to a consistent reporting environment that reduces manual effort and leverages data analytics to support evidence-based decision making

➢ Centralized solution to substantially reduce the number of IT business applications

➢ Support Government goals for improved productivity and innovation

The 2021 business case estimated EBMP implementation would cost about $100.4 million, generating $51.5 million in net quantitative benefits over 10 years after considering all costs related to the project. After completing more detailed planning, the Government approved a $127.5 million project budget. By March 31, 2025, the estimated cost of the project increased substantially to $260.6 million, exceeding the approved project budget by over $130 million. In addition, the expected $51.5 million in net quantitative benefits will not be achieved over 10 years due to the budget overages.

While the quantitative benefits may not be realized, the qualitative benefits may still be achieved by implementing a viable, supported, and secure system to deliver public services. It will be important for the project team to continue to manage key risks and complete sufficient testing and other readiness steps to ensure the system is ready before it is implemented to avoid costly operational issues once the system goes live.

EBMP development officially started in November 2021, with plans to implement the system through two main releases—finance and supply chain in April 2023 and human resources in July 2023, with some functionality such as business intelligence and analytics expected in September 2023. During the project, various challenges and issues set the project back, leading to multiple delays in the expected release dates. At March 31, 2025, the Ministry expects the first release of the finance and supply chain function to occur in November 2025, with the next release of the human resources function following four to six months later.

Given the magnitude of the expected cost overrun at March 31, 2025, it is important the Ministry consider the contributing factors including those related to planning and monitoring of EBMP. For example, the Ministry may want to consider whether additional analysis may have reduced the risk of optimistic funding estimates.

One good practice for estimating funding uses an independent cost assessment based on a validated pricing model (see example in **Figure 8**) to help with setting more realistic cost estimates at the start of IT projects as well as assessing costs estimates during project execution. In the past two years, two IT projects ran significantly overbudget—estimates indicate EBMP will be overbudget by about $130 million and AIMS will be overbudget by about $195 million (the Ministry's Portfolio Management Office was not involved in planning or monitoring of either project).[16] We suggest the Ministry of SaskBuilds and Procurement consider the need for independent cost assessments based on a validated pricing model for significant IT business application projects.

Figure 8—Example of an Independent Pricing Validation Model
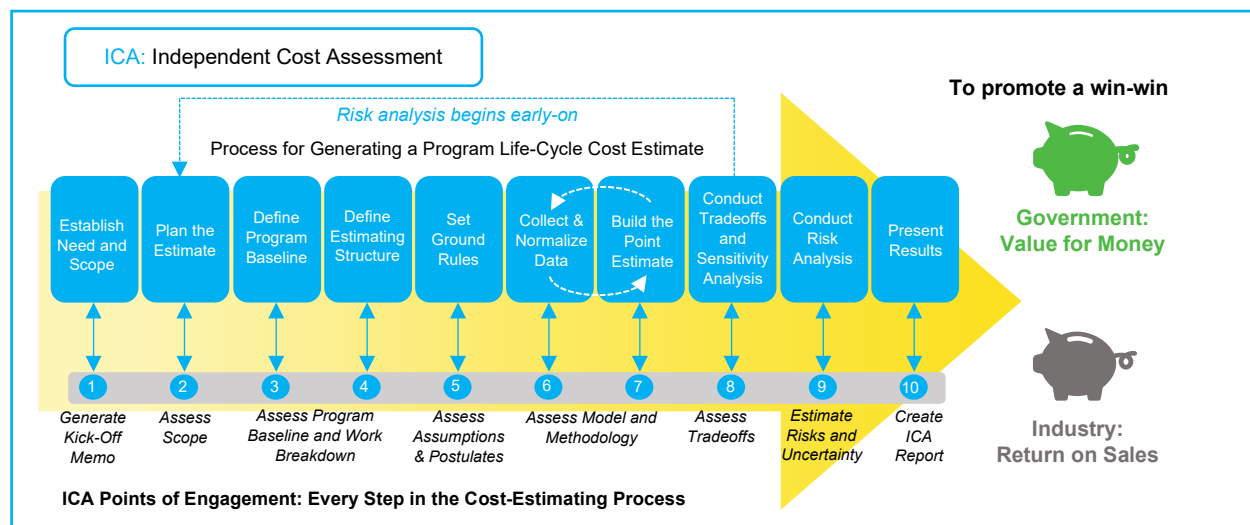
Source: Canadian Audit & Accountability Foundation presentation by Technomics Canada.

---

[16] *2025 Report – Volume 2*, Chapter 6.

In addition, evaluating the lessons learned from EBMP at the end of the project could be instrumental in avoiding similar pitfalls for comparable projects (see **Recommendation 5**). As described in **Section 4.7**, the lessons learned should be tracked in a central repository to support easier access to this information across project teams, over time, and in comparison, to other IT projects.

5.0 LIST OF IT PROJECT MONITORING CLIENTS AT MARCH 2025

Ministries:

Executive Council
Ministry of Advanced Education
Ministry of Agriculture
Ministry of Corrections, Policing and Public Safety
Ministry of Education
Ministry of Energy and Resources
Ministry of Environment
Ministry of Finance
Ministry of Government Relations
Ministry of Health

Ministry of Highways
Ministry of Immigration and Career Training
Ministry of Justice and Attorney General
Ministry of Labour Relations and Workplace Safety
Ministry of Parks, Culture and Sport
Ministry of SaskBuilds and Procurement
Ministry of Social Services
Ministry of Trade and Export Development
Public Service Commission

Agencies:

Apprenticeship and Trade Certification Commission
Global Transportation Hub Authority
Saskatchewan Crop Insurance Corporation

Saskatchewan Firearms Office
Saskatchewan Housing Corporation
Saskatchewan Public Safety Agency

Source: Ministry of SaskBuilds and Procurement.

6.0 SELECTED REFERENCES

Project Management Institute, Inc. (2021). *A Guide to the Project Management Body of Knowledge (PMBOK Guide) – Seventh Edition and The Standard for Project Management*. Pennsylvania, USA: Author.

Provincial Auditor of Saskatchewan. (2015). *2015 Report – Volume 2*, Chapter 37, *Saskatchewan Liquor and Gaming Authority—Managing Projects with Significant IT Components.* Regina: Author.

Shared Services Canada. (2013). *What prevents large IT projects from being successful?: A synthesis of common risk factors and lessons learned.* Ottawa: Author.