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# Audit of Project Management Governance

Audit Report

Office of Audit and Evaluation  
March 2015



Shared Services  
Canada

Services partagés  
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## TABLE OF CONTENTS

Executive Summary .....	3
What we examined.....	3
Why it is important.....	3
What we found .....	3
Background.....	5
Objective .....	6
Scope .....	6
Methodology.....	6
Statement of Assurance.....	6
Detailed Findings and Recommendations .....	7
Project Management Governance .....	7
Management of Project Management Framework Documentation .....	8
The Governance Structure .....	9
Project Information .....	12
Conclusion .....	14
Management Response and Action Plans.....	15
Annex A: Audit Criteria.....	20
Annex B: Project Governance Framework.....	21
Annex C: Acronyms .....	22

## Executive Summary

### What we examined

Effective project management is critical for Shared Services Canada (SSC) to deliver on its mandate. To mitigate vulnerabilities in project management, the SSC Project Management Centre of Excellence (PMCoE) defined and implemented SSC's Project Management Framework (PMF). A primary component of the PMF was the Project Management (PM) Directive.

This audit provides assurance as to whether appropriate systems, processes and controls for managing projects were in place at SSC to support the achievement of SSC's mandate.

The scope of the audit included SSC's project management systems, processes and controls, including the application of these systems, processes and controls from August 1, 2012, to October 31, 2013.

### Why it is important

SSC's organizational priorities include the maintenance and streamlining of information technology infrastructure, the launching of a single email solution, and the consolidation of data centres and networks. The achievement of these priorities will depend on the successful management of a variety of projects.

When SSC was created, approximately 1,500 projects were transferred to the Department. An extensive review process resulted in the identification of about 700 projects to be continued by SSC. The remaining projects were determined to be operational requests, were grouped with other projects, placed on hold or cancelled. The PMCoE has stated that 52 new projects have been started since August 2011.

SSC was established by transferring selected staff and resources from 43 other federal organizations in August 2011. Merging project staff and processes from many different organizations with varying levels of experience presented a challenge for SSC's project management approach. There was a strong need to effectively communicate and implement this horizontal approach.

### What we found

SSC's PMF was compliant with the Treasury Board *Policy on the Management of Projects*; however, there were gaps in the PMF documentation, tools and templates in terms of completeness and consistency of information.

Roles and responsibilities for project oversight and approval bodies for all project tiers and accountability for project outcomes were documented in the PM Directive. Although some oversight was taking place, some of the oversight mechanisms were not functioning as intended.

There were issues with the Enterprise Portfolio System data completeness and accuracy. The system may not provide accurate and complete information for reporting and decision making to senior management or for adequate project monitoring and governance.

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**Yves Genest**  
**Chief Audit and Evaluation Executive**

## Background

1. The Government of Canada established Shared Services Canada (SSC) on August 4, 2011, to modernize how the federal government manages its information technology (IT) infrastructure in order to better support the delivery of programs and services to Canadians.
2. According to SSC's 2013-14 Report on Plans and Priorities (RPP)<sup>i</sup>, effective project management is critical in order to deliver on its mandate and is a key priority area of focus. SSC's organizational priorities include maintaining and streamlining IT infrastructure, launching a single email solution and consolidating data centres and networks. As stated in the RPP, to mitigate vulnerabilities in project management, SSC's Project Management Centre of Excellence (PMCoE) defined and implemented a Project Management Framework (PMF) in the spring of 2013.
3. When SSC was created, approximately 1,500 projects were transferred to the Department. An extensive review process resulted in the identification of about 700 projects to be continued by SSC. The remaining projects were determined to be operational requests, grouped with other projects, placed on hold or cancelled. The PMCoE has stated that 52 new projects have been started since August 2011. Based on information available, project values ranged from \$800 to \$146M.
4. SSC was created by transferring IT and internal services employees from 43 federal organizations. Merging project staff and processes from many different departments with varying levels of experience presented a challenge for SSC's project management approach. This approach was based on a Plan, Build, Operate and Manage model. The model captured the key elements of the Department's mandate to both operate and transform.
5. Reporting to the Senior Assistant Deputy Minister (SADM), Projects and Client Relationships (PCR), the PMCoE was the functional authority for project management at SSC. The PMCoE's responsibilities included:
  - Establishing a project management culture across SSC;
  - Building and sustaining project management capacity in support of SSC's mandate;
  - Engaging and supporting the SSC project management (PM) community;
  - Providing supporting tools, methodologies, practices and a level of expertise in PM; and
  - Providing oversight and support roles for both IT and non-IT PM across SSC.
6. The Treasury Board (TB) *Policy on the Management of Projects* applies to all Government of Canada projects. It defines a project as an activity or series of activities with a beginning and an end, required to produce defined outputs and realize specific outcomes within specific time, cost and performance parameters. The policy's objective is to ensure that appropriate systems, processes and controls for managing projects are in place, at a departmental, horizontal or government-wide level, and support the achievement of project and program outcomes while limiting the risk to stakeholders and taxpayers.
7. In the synthesis report prepared by the Office of Audit and Evaluation, "What prevents large IT projects from being successful", it was noted that a weakness in any project management

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<sup>i</sup> [2013-14 Report on Plans and Priorities](#), Section I, Risk Analysis

component can result in long delays, cost overruns, scope creep and ultimately project management failure. A project management framework ensures the correct prioritization and co-ordination of projects.

### Objective

8. The objective of this audit was to determine whether appropriate systems, processes and controls for managing projects were in place at SSC to support the achievement of SSC's mandate.

### Scope

9. The scope of the audit included SSC's project management systems, processes and controls including the application of these systems, processes and controls from August 1, 2012, to October 31, 2013. This included:
  - All files, documents and data pertaining to projects managed by SSC in this timeframe.
  - Any internal or external reports or assessments related to project management governance and organizational project management capacity.
  - SSC's PMF and all related documentation.

### Methodology

10. During the conduct of the audit, we:
  - Interviewed senior management, project managers and technical experts;
  - Conducted project file walkthroughs;
  - Reviewed relevant documents, such as previous audits, government guides and policies with regard to project management, and SSC project management process documentation; and
  - Performed data analysis.
11. Field work for this audit was substantially completed by October 31, 2013.

### Statement of Assurance

12. Sufficient and appropriate procedures were performed and evidence gathered to support the accuracy of the audit conclusion. The audit findings and conclusion were based on a comparison of the conditions that existed as of the date of the audit, against established criteria that were agreed upon with management. This engagement was conducted in accordance with the Internal Auditing Standards for the Government of Canada and the International Standards for the Professional Practice of Internal Auditing. A practice inspection has not been conducted.

## Detailed Findings and Recommendations

### Project Management Governance

13. SSC adopted the TB *Policy on the Management of Projects* definition of a project as “an activity or series of activities that has a beginning and an end. A project is required to produce defined outputs and realize specific outcomes in support of a public policy objective, within a clear schedule and resource plan. A project is undertaken within specific time, cost and performance parameters.” SSC excluded all activities intended to sustain regular operations or systems. In addition, external projects that are subject to partner gating, and whose governance provides evidence of requiring SSC sign-off at each gate, were also exempt from SSC’s gating process.
  
14. The Project Governance Framework (PGoF) established five stages of project development: Idea Generation, Initiation, Planning, Execution, and Deployment & Closeout. Each project was required to produce documentation and obtain approval at each stage to move on to the next stage of work. These approval points were referred to as gate approvals. The PGoF defined the approval structure for gate and stage depending on the assessed level of complexity and risk of individual projects.
  
15. As part of the PMF, individual projects were to be assessed on their level of complexity and risk. Each project was required to complete a Project Complexity and Risk Assessment (PCRA). Projects with a planned cost under \$1M were to complete a PCRA “Lite” and all others were to complete a full PCRA. The PCRA tool was composed of 64 questions to be completed by the project team and approved by the Executive Sponsor (a stakeholder in the PM process ultimately accountable for realizing the benefits and outcomes sought from the project). This assessment resulted in the assignment of a “Tier” classification, ranging from Tier 1 for small low-risk projects to Tier 4 for evolutionary and transformational projects. The PCRA levels did not directly correspond to the tiers. PCRA levels 1 and 2 fell into Tier 3 and PCRA levels 3 and 4 fell into Tier 4 (see Table 1 below). Projects under \$1M were generally expected to be either Tier 1 or Tier 2 projects.

Table 1: PCRA levels and corresponding Tiers

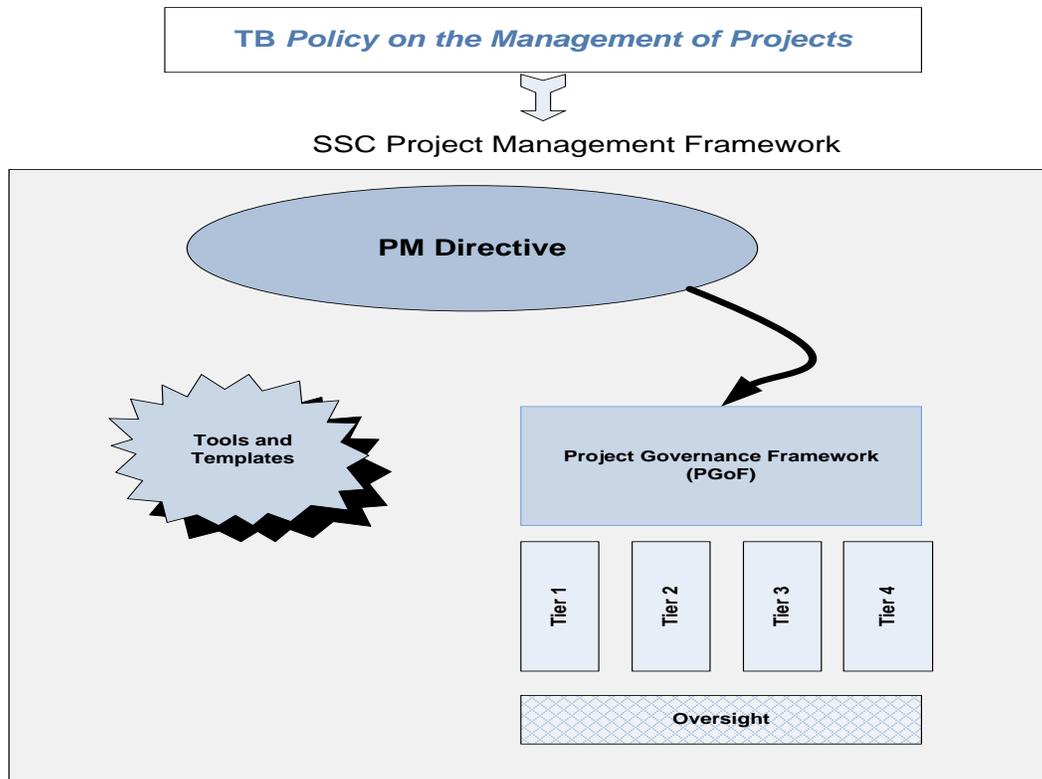
		PCRA Level				
		Low risk/complexity		High risk/complexity		
		“Lite”	1	2	3	4
<b>Project Tiers</b>	<b>Tier 1</b> <\$500K	✓				
	<b>Tier 2</b> <\$1M	✓				
	<b>Tier 3</b> Tactical or Sustaining (no specific dollar value)		✓	✓		
	<b>Tier 4</b> Evolutionary or Transformational (no specific dollar value)				✓	✓

16. The resulting tier of a project determined the documentation, approvals and gating processes required, as described in the PGoF (see Annex B); the project was expected to comply with the PGoF as it progressed through the stages. Higher tiered projects require more oversight and documentation.

### Management of Project Management Framework Documentation

17. The TB *Policy on the Management of Projects* requires Deputy Heads to ensure that a department-wide governance and oversight mechanism was in place, documented and maintained. We found SSC's PMF to be compliant with the TB *Policy on the Management of Projects*.
18. SSC developed and implemented a PMF to direct and guide effective management and delivery of projects from start to finish. The PMF was documented and made available electronically through the PMCoE's [GCpedia wiki page](#). One of the PMF's primary components was the PM Directive, which took effect on March 26, 2013. This directive set the standards for the management of projects within SSC. The project management structure set out in the PM Directive relied on three main phases: planning, execution and operations.
19. The PGoF, included in the PM Directive, described the stages and gating requirements based on project complexity and risk. The PMCoE was responsible for communicating the contents of the PM Directive and ensuring that the content and associated processes, templates and guides were managed and maintained.

Diagram 1: SSC Project Management Framework



20. The launch of the PMCoE GCpedia wiki to all staff occurred in March 2013. Updates to PMF documentation were also communicated through the wiki. However, stakeholders did not receive notification when updates occurred. Stakeholders indicated that it was challenging to determine what had been updated and that there was no communication to staff when updates occurred. In addition, it was not always clear as to what changes were made. Stakeholders advised that they have used outdated PMF information or templates as they were not aware of the updates, when they occurred or what had been updated.
21. We reviewed the primary components of the PMF, such as the PM Directive and PGoF, as well as key tools, guides and templates that have been provided for project management by the PMCoE. We found several examples where the documentation lacked completeness and consistency of information.
22. The incompleteness and inconsistencies identified in the documentation may lead to a lack of understanding of processes, incorrect assessments of project tier resulting in reduced oversight and certain key documents not being used.

### **Recommendation 1**

The Senior Assistant Deputy Minister, Projects and Client Relationships, should address documentation inconsistencies, completeness, and communication of revisions to stakeholders.

#### *Management response:*

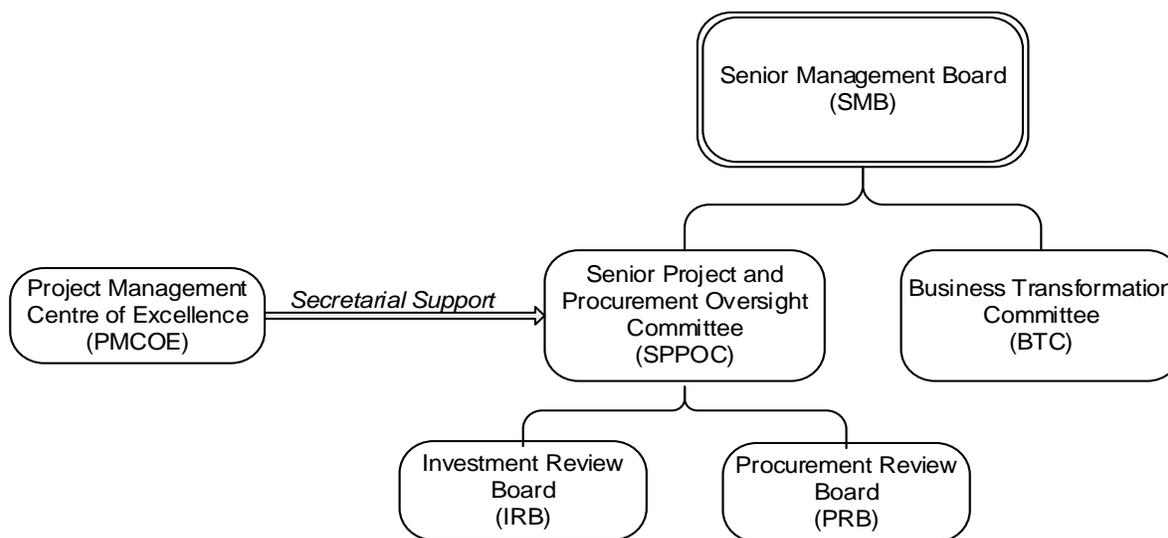
*We agree that not all tools and guidelines were completed by the time the PM Directive came into effect, in March 2013. Management had decided to strike a balance between the PM community's immediate needs for support and direction and the potential for a subsequent update addressing gaps in the documentation. We also agree that the identification of all PM stakeholders still operating under 43 different networks posed additional communication challenges.*

*In addition to publishing a revised PM Directive for SSC, the PMCoE will be finalizing a Document Change Management Process and a Stakeholder Communication Plan.*

### **The Governance Structure**

23. SSC's PM Directive stated that all projects must follow the PMF and it provided a structure for project management governance across the four tiers. We expected that the PMF was functioning as intended for each of the four tiers. We found that there were inconsistencies in the application of the PMF.
24. The following committees had key project oversight responsibilities, as noted in their Terms of Reference (TOR) or the PM Directive, for the organization:

Diagram 2: Project Management Governance Structure



25. The project oversight and approval committees identified above all had approved TORs. These TORs, for the most part, set out their project-related responsibilities. The exception was the Senior Management Board (SMB) TOR, which did not include the board's responsibility for making gating decisions on Tier 4 projects, as set out in the PM Directive and PGoF. In addition, we found that the TORs for these committees did not set out decision making procedures for committee proceedings.
26. We found the roles and responsibilities for project oversight and approval bodies for all project tiers and accountability for project outcomes documented in the PM Directive. The PM Directive outlined the project management and governance responsibilities for the SMB, Senior Project and Procurement Board (SPPOC) and Business Transformation Committee. The Investment Review Board and Director General Project Management Advisory Committee (DGPMAC), both indicated in the PGoF as having an oversight function and the Intake Review Committee did not have their roles and responsibilities defined in the PM Directive.
27. According to the PGoF, the SPPOC provides gating approvals for Tier 3 projects and gating recommendations for Tier 4 projects, while the SMB provides gating approvals for Tier 4 projects. However, a Tier 4 project obtained a conditional gating approval from the SPPOC and we found no evidence that the project went to the SMB for approval.
28. Reviews, as part of the oversight and approval mechanisms for Tier 1 and 2 projects, were not functioning as set out in the PM Directive and PGoF. The DGPMAC review was not occurring as identified on the PGoF; therefore, Tier 1 and 2 projects did not receive some of the oversight expected.
29. Oversight and approval mechanisms for Tier 3 and 4 projects were not fully functioning as intended. We noted that, as of June 2013, the SPPOC began properly enforcing the use of the PGoF and refused gate passage for projects that did not have the required artefacts and/or signatures in place.

30. We found weaknesses in the tracking of executive committee action items to ensure that these were being consistently addressed. The tracking of SPPOC action items was reviewed and we found that there was no single repository for the tracking of action items. The Executive Committees Secretariat and the PMCoE both maintained a register of SPPOC action items. However, both tracking systems were found inconsistent and did not always provide information on due dates and details to explain the work done to action the items.
31. The incomplete oversight identified for Tier 1 and 2 projects increases the risk of projects not following the PGoF, in whole or in part. The lack of clarity and information gaps in the PMF surrounding the various committees with project-related responsibilities, their interactions and the inconsistent tracking of action items may increase the overall lack of understanding with stakeholders, resulting in project delays, productivity losses, reduced cost-effectiveness and increased likelihood that projects may not be following the PGoF.

**Recommendation 2**

The Senior Assistant Deputy Minister, Projects and Client Relationships, should review and streamline the oversight responsibilities for all project tiers and ensure that they are accurately documented and functioning as intended.

*Management response:*

*We agree that streamlining the oversight responsibilities set out in the PM Directive will provide more clarity and make it easier to scale project oversight to the risk, scope and complexity of projects under SSC's authority.*

*To achieve this objective, the PMCoE will update the PM Directive to align it with the TB Standard for Project Complexity and Risk. This action will provide further clarification on accountabilities and responsibilities. We will also conduct a review, with the Corporate Secretariat, of all project governance committees to ensure that their terms of reference reflect the responsibilities set out in the updated directive.*

**Recommendation 3**

The Senior Assistant Deputy Minister, Projects and Client Relationships, should implement and maintain one action tracking system that ensures consistent documentation, tracking and follow-up of oversight committee action items.

*Management response:*

*We agree that one action tracking system should be implemented and maintained for tracking and following up of committee action items. The audit identified a simple solution to ensure an appropriate system is in place for the tracking of action items raised at the SPPOC. Having one tracking system in place and led by one single accountable authority will limit the risk of critical actions not being completed on time.*

## Project Information

32. SSC implemented the Enterprise Portfolio System (EPS) as its corporate project repository. Once fully implemented, EPS was intended to provide the ability to forecast costs, manage risks, issues and change requests, report project status, track records of decisions (ROD), store project artefacts, and generate reports and personalized views. Its objectives included providing project information in real-time, standardizing how project information was reported and recorded, providing decision makers with strategic insight to make investment decisions as well as supporting accountability and transparency.
33. We expected SSC to maintain complete and accurate project information for oversight, monitoring and reporting purposes. We found that EPS was an inaccurate and incomplete source of information for monitoring and oversight. Therefore, other sources of information were also used when reporting on the progress of a project. However, the SPPOC decided that all future ongoing portfolio reviews of projects presented to the Committee would be based solely on information provided from EPS.
34. EPS had only one automated control. The manual controls on EPS information included project reviews performed by the PMCoE at gate approval points; weekly delta reports generated by the PMCoE and compared with artefacts and RODs; EPS user training; and the roles and responsibilities stated in the PM Directive.
35. We selected a sample of 270 projects<sup>ii</sup> to base our analysis of the data in EPS. We tested the completeness of the information in EPS. We found missing project information such as tier, stage, planned project cost and project status indicators. For example, almost 40% of projects had no stage and/or tier and a majority of projects did not have planned project costs entered in EPS. The missing information made it difficult to determine whether projects were following the appropriate project governance steps as project governance was determined from this information.
36. The PM Directive also required that all project artefacts and project status reports be stored and maintained in EPS. Many of the reviewed projects were found lacking some or all of the required artefacts in EPS.
37. We tested the accuracy of information by performing a number of tests to identify whether the project information recorded in EPS was reliable. We tested the PGoF threshold between Tier 1&2 and Tier 3&4. Projects with a planned project cost of over \$1M should only be Tier 3 or Tier 4. We found a high instance (nearly 60% of projects) of missing planned project cost, and almost half of these projects had an assigned tier. This missing information prevented us from performing a full assessment. Nonetheless, even out of the limited sample of projects with a planned project cost of over \$1M reported in EPS, three of 25 (16%) projects were identified as Tier 2, which implied a lower governance level than expected was being applied.
38. The PM Directive stated that the PCRA tool was “the definitive determination of a project’s tier”. Once completed, the tool provided a resulting “level”, from 1 to 4, for the project. During our completeness tests we found only 29 of 270 (11%) projects had a PCRA rating entered in EPS. In addition, based on the PGoF, we expected Level 1&2 PCRA scores to result in a

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<sup>ii</sup> This included projects that were identified as active or complete and had a project ID that was after those projects considered as in-flight. In-flight projects were those that were already underway prior to the creation of SSC.

Tier 3, and Level 3&4 PCRA scores to be Tier 4 projects. We found that 24 of 29 (83%) projects had a different Tier than expected.

39. According to the PM Directive, project managers have to follow the Treasury Board Secretariat (TBS) Guide to Executive Dashboards for each project. The TBS Guide identified that five metrics (cost, schedule, scope, risk and issues) were to be completed to produce an overall status level. Each metric had to be assigned a status of red, yellow or green.
40. We found that 224 of the 270 (83%) projects reviewed had at least one “not assessed” project metric. We found only 44 (16%) projects with all five metrics completed and an overall status.
41. Members of the senior management team stated that the information in EPS was not kept current and may not always suit their needs. SADMs mentioned that dashboards reports, produced from EPS, were unclear, contained inaccurate and non-current data and were not used for decision making. However, the SPPOC recently performed reviews of the entire project portfolio aimed at increasing the accuracy of information captured in EPS.
42. Oversight of project information in EPS was essentially a manual process. The impact of the issues with EPS data completeness and accuracy was that the system did not provide accurate and complete information for reporting and decision making to senior management, or for adequate project monitoring and governance.

**Recommendation 4**

The Senior Assistant Deputy Minister, Projects and Client Relationships, should implement effective controls for the completeness and accuracy of the information captured in the Enterprise Portfolio System, such as the identification of a project tier based on planned project cost and Project Complexity and Risk Assessment level.

*Management response:*

*We agree that the EPS is still a system under development. The audit reinforces the need for additional investment in EPS.*

*As of February 2014, release 4.0 of EPS will result in new features and enhancements in three major areas: project governance, project access rights and project scheduling. It is believed that the enhancements will provide better oversight of SSC projects.*

## Conclusion

43. The objective of this audit was to determine whether appropriate systems, processes and controls for managing projects were in place at SSC to support the achievement of SSC's mandate.
44. We found that SSC implemented a PMF compliant with the TB *Policy on the Management of Projects*; however, there were gaps in the PMF documentation, tools and templates in terms of completeness and consistency of information.
45. Roles and responsibilities for project oversight and approval bodies for all project tiers and accountability for project outcomes were documented in the PM Directive. Although some oversight was taking place, some of the oversight mechanisms were not functioning as intended.
46. There were significant issues with the EPS data completeness and accuracy in that the system may not provide accurate and complete information for reporting and decision making to senior management, or for adequate project monitoring and governance.

## Management Response and Action Plans

### Overall Management Response

As the management of the PMCoE, we would like to thank the Office of Audit and Evaluation at SSC for all its efforts in conducting an internal audit of Project Management Governance at SSC. One of the PMCoE's core principles is continuous improvement. When the audit was launched, we welcomed your team's independent review of the work and the mandate that was set for us. We viewed this audit as an early opportunity for us to continuously improve upon the systems, processes and controls in place for managing the portfolio of projects at SSC.

The audit report contains findings regarding gaps between systems' intended purposes and actual outcomes, and makes practical recommendations to bridge the gaps. We were already aware of some of the deficiencies when the audit was substantially completed on October 31, 2013. For many of these deficiencies, mitigation strategies were put in place as interim measures until we finalized a comprehensive improvement strategy targeting the implementation of version 2 of SSC's Project Management Directive. We are now in a position to provide detailed action plans, below, addressing each recommendation.

**Recommendation 1**

The Senior Assistant Deputy Minister, Projects and Client Relationships, should address documentation inconsistencies, completeness and communication of revisions to stakeholders.

MANAGEMENT ACTION PLAN	POSITION RESPONSIBLE	COMPLETION DATE
<p><b>Address documentation inconsistencies.</b> The Project Management Centre of Excellence (PMCoE) will update the Project Management (PM) Directive. The updated version will address previously noted inconsistencies, improve alignment with the Treasury Board <i>Policy on the Management of Projects</i> and provide greater clarity for SSC's PM practitioners.</p>	<p>Director, Project Management Enablement (PME)</p>	<p>June 30, 2014 (completed)</p>
<p><b>Revise PM Directive documentation.</b> Once the updated directive is approved, the changes to the applicable documents (process guides, templates and checklists) will be made and the updated documents, posted on GCpedia. The PM community will be notified as part of the rollout strategy.</p>	<p>Director, PME</p>	<p>December 31, 2014</p>
<p><b>Address incomplete documentation.</b> The PMCoE has established a document change management process for the Project Governance Framework (PGoF) and all elements of the PM framework. This process details all the steps required for ensuring that documentation is consistent and complete. Items identified as part of the recently developed PGoF improvement agenda will be implemented on an ongoing basis to ensure continuous maintenance and improvement (starting in September 2014).</p>	<p>Director, PME</p>	<p>April 30, 2015 (and ongoing)</p>
<p><b>Communicate documentation revisions to stakeholders.</b> The PMCoE will complete a stakeholder communication plan that outlines how documentation revisions will be communicated to stakeholders on an ongoing basis. Content improvements will also be included in updates to training materials to ensure increased awareness and understanding by the PM community.</p>	<p>Director, PME</p>	<p>March 31, 2015 (and ongoing)</p>

## Recommendation 2

The Senior Assistant Deputy Minister, Projects and Client Relationships, should review and streamline the oversight responsibilities for all project tiers and ensure that they are accurately documented and functioning as intended.

MANAGEMENT ACTION PLAN	POSITION RESPONSIBLE	COMPLETION DATE
<p><b>Align the Project Management (PM) Directive oversight responsibilities with the Treasury Board Standard for Project Complexity and Risk.</b> The updated PM Directive version 2.0 specifically addresses alignment of project categories at SSC with the Project Complexity and Risk Assessment (PCRA) Level rather than Tier.</p>	<p>Project Management Enablement (PME)</p>	<p>September 30, 2014 (completed)</p>
<p>All projects currently in progress are required to transition to and comply with the updated PM Directive, version 2.0. There is a requirement to ensure that a PCRA is completed for each active project. In order to assist those projects that currently do not have a completed PCRA, a transition period has been established. All active projects must have a PCRA completed and the required information entered into the Enterprise Portfolio System (EPS) by December 2014. For projects that are scheduled for a gate review during this transition period, a completed PCRA and PCRA level entry in EPS is required. The Project Management Centre of Excellence's Implementation Readiness Practice (IRP) portfolio leads will be reaching out to the projects to assist with the transition in relation to version 2.0 of the PM Directive.</p>	<p>Director, PME</p>	<p>December 31, 2014</p>
<p><b>Streamline oversight accountabilities and responsibilities for all projects and ensure that they are accurately documented in SSC's Project Governance Framework (PGoF).</b> Version 2.0 of the PM Directive will include the amended PGoF and will ensure that the responsibilities of PMs and oversight bodies alike are clarified and streamlined.</p>	<p>Sr. Director, IRP</p>	<p>March 31, 2015</p>
<p><b>Conduct a review of all project governance committees, in consultation with the Corporate Secretariat, to ensure that their terms of reference reflect the responsibilities set out in the updated directive.</b> Support the Corporate Secretariat in their role of updating the Terms of Reference for the departmental governance committees.</p>	<p>Corporate Secretariat / Director, PME</p>	<p>March 31, 2015</p>

<p>SSC was granted Organizational Project Management Capacity Assessment (OPMCA) Level 3 by the Treasury Board of Canada Secretariat in March 2014. A process for periodic review will be implemented to ensure compliance with the OPMCA guidelines.</p>	<p>Director, PME</p>	<p>May 31, 2015</p>
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**Recommendation 3**

The Senior Assistant Deputy Minister, Projects and Client Relationships, should implement and maintain one action tracking system that ensures consistent documentation, tracking and following up committee action items.

MANAGEMENT ACTION PLAN	POSITION RESPONSIBLE	COMPLETION DATE
<p><b>Implement and maintain a single action tracking system that will provide information on due dates and details explaining the work done to action Senior Project and Procurement Oversight Committee (SPPOC) items.</b> The Project Management Centre of Excellence will create a consolidated action register and basis for regular follow-up with applicable stakeholders and the SPPOC.</p>	<p>Sr. Director, Implementation Readiness Practice</p>	<p>May 31, 2014 (completed)</p>

**Recommendation 4**

The Senior Assistant Deputy Minister, Projects and Client Relationships, should implement effective controls for the completeness and accuracy of the information captured in the Enterprise Portfolio System, such as the identification of a project tier based on planned project cost and Project Complexity and Risk Assessment level.

MANAGEMENT ACTION PLAN	POSITION RESPONSIBLE	COMPLETION DATE
<p><b>Implement a number of changes to Enterprise Portfolio System (EPS) through Release 4.0.</b> The enhancements will include:</p> <ul style="list-style-type: none"> <li>• restrictions on users' abilities to change project data;</li> <li>• automated controls to enhance data completeness, reliability and timeliness;</li> <li>• controls over fields and projects subject to Project Management (PM) Governance; and</li> <li>• a feature for providing information to senior management for reporting and decision making purposes.</li> </ul>	<p>Director, Implementation Readiness Practice (PME)</p>	<p>February 28, 2014 (completed)</p>
<p>The PM Directive, version 2.0, requires that all projects currently in progress transition to and comply with the updated directive. There is a requirement to ensure that a Project Complexity and Risk Assessment (PCRA) is completed for each active project. In order to assist those projects that currently do not have a completed PCRA, a transition period has been established. All active projects must have a PCRA completed and the required information entered into EPS by December 2014. Part of this information will include additional EPS data fields. The Project Management Centre of Excellence will actively monitor the progress made in this area.</p>	<p>Director, PME</p>	<p>December 31, 2014</p>
<p><b>Develop a release management plan in support of continuous service improvement.</b></p>	<p>Director, PME</p>	<p>September 30, 2015</p>

## Annex A: Audit Criteria

The following audit criteria were used in the conduct of this audit:

1. A department-wide governance and oversight mechanism was established at SSC and was in compliance with the TB *Policy on the Management of Projects*.
2. SSC's PMF, including project oversight and approval mechanisms, was implemented and functioning as intended.
3. SSC's OPMCA was accurate and SSC's PMF was consistent with the assessment class and the TB Standard for Project Complexity and Risk.\*
4. SSC maintained accurate and complete project information for monitoring and reporting purposes.

\* Audit work conducted for this criterion was overtaken by events as SSC's OPMCA submission was tabled prior to completion of the reporting phase and therefore is not included in this report.

## Annex B: Project Governance Framework

SSC Project Governance Framework (PGoF)

	Gate 1	Gate 2	Gate 3	Gate 4	Gate 5	Evaluate
<b>Stage</b>	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Evaluate
<b>Purpose of Stage</b>	<b>Idea Generation</b>	<b>Initiation</b> Strategic Project Definition	<b>Planning</b> Detailed Project Planning	<b>Execution</b> Project Delivery	<b>Deployment &amp; Closeout</b> Project Deployment and Closeout	<b>Outcome Realization</b>
<b>Estimates</b>	Total project estimate +/- 50% Estimate for next gate +/- 15%	Total estimate +/- 25% Estimate for next gate +/- 15%	Total estimate +/- 15% Estimate for next gate +/- 15%			
<b>Branch Authority</b>	<ul style="list-style-type: none"> <li>Business Case - Lite</li> <li>PCRA - Lite</li> </ul> Recommendation: Project Manager Approval: DG – Executive Sponsor Subject to DGPMA Review	<ul style="list-style-type: none"> <li>Project Charter - Lite</li> </ul>	<ul style="list-style-type: none"> <li>Project Management Plan (PMP) - Lite</li> <li>Risk Register, Issue Log</li> </ul> Recommendation: Project Manager Approval: DG - Executive Sponsor Approval: DG – Operations DGPMA Review	<ul style="list-style-type: none"> <li>Status Report</li> <li>Change Request Log</li> </ul> Recommendation: Project Manager Approval: DG - Executive Sponsor DGPMA Review	<ul style="list-style-type: none"> <li>Close-out Report - Lite</li> <li>Lessons Learned - Lite</li> <li>Operations Acceptance</li> <li>Recommendation: Project Manager</li> <li>Approval: Operations</li> <li>Closeout Acceptance</li> <li>Recommendation: Project Manager</li> <li>Approval: DG - Executive Sponsor</li> </ul>	Outcome Realization Report - Lite Accountable: DG – Executive Sponsor
<b>Departmental Authority</b>	<ul style="list-style-type: none"> <li>Business Case</li> <li>PCRA</li> </ul> Recommendation: ADM, Executive Sponsor, IRB Approval: SPPOC	<ul style="list-style-type: none"> <li>Project Charter</li> <li>Concept of Operations (Con-Ops)</li> </ul> Recommendation: ADM - Executive Sponsor Approval: SPPOC	<ul style="list-style-type: none"> <li>Project Management Plan (PMP)</li> <li>Risk Register, Issue Log</li> <li>Concept of Operations (Con-Ops)-Refined</li> <li>Dashboard Reports</li> <li>Independent Review</li> </ul> Recommendation: ADM - Executive Sponsor Approval: SPPOC Approval: ADM - Operations	<ul style="list-style-type: none"> <li>Dashboard Reports</li> <li>Risk Register, Issues Log</li> <li>Change Request Log</li> </ul> Recommendation: ADM - Executive Sponsor Approval: SPPOC Approval: ADM - Operations	<ul style="list-style-type: none"> <li>Close-out Report</li> <li>Lessons Learned Report</li> </ul> Recommendation: ADM – Executive Sponsor Approval: SPPOC	Outcome Realization Report and Presentation Recommendation: ADM – Executive Sponsor Report to: SPPOC
<b>Treasury Board Authority</b>	<ul style="list-style-type: none"> <li>Business Case</li> <li>PCRA</li> </ul> Recommendation: SPPOC, IRB Approval: SMB	<ul style="list-style-type: none"> <li>Program and Project Charter</li> <li>Concept of Operations (Con-Ops)</li> <li>Program and Project Management Plan (PMP) – High Level</li> <li>Independent Review (Optional)</li> <li>TB submission (Project Authority)</li> </ul> Recommendation: SPPOC Endorsement: SMB Approval: Treasury Board	<ul style="list-style-type: none"> <li>Project Management Plan (PMP)</li> <li>Risk Register, Issue Log</li> <li>Concept of Operations (Con-Ops) - Refined</li> <li>Dashboard Reports</li> <li>Benefits Realization Plan</li> <li>Independent Review</li> <li>TB submission (Expenditure Authority)</li> </ul> Recommendation: SPPOC Recommendation: ADM Operations Endorsement: SMB Approval: Treasury Board	<ul style="list-style-type: none"> <li>Dashboard Reports</li> <li>Risk Register, Issues Log</li> <li>Change Request Log</li> <li>Independent Review</li> </ul> Recommendation: SPPOC Recommendation: ADM Operations Endorsement: SMB Approval: Treasury Board	<ul style="list-style-type: none"> <li>Close-out Report</li> <li>Lessons Learned Report</li> </ul> Recommendation: SPPOC Approval: SMB	Outcome Realization Report and Presentation Recommendation: ADM – Executive Sponsor Report to: SPPOC

**Notes:**

- All projects are to provide status updates to the delegating authority. If a project changes status, the delegating authority must be notified as soon as possible.
- At the discretion of the approving authority, a project may be escalated to a higher tier regardless of its Project Complexity & Risk Assessment (PCRA) score.
- Projects require strong horizontal integration throughout the organization. Plan, Build and Operate functions must be involved to varying degrees throughout the full project life cycle.

## Annex C: Acronyms

Acronym	Name in Full
DGPMAC	Director General Project Management Advisory Committee
EPS	Enterprise Portfolio System
IRP	Implementation Readiness Practice
IT	Information Technology
OPMCA	Organizational Project Management Capacity Assessment
PCR	Projects and Client Relationships
PCRA	Project Complexity and Risk Assessment
PGoF	Project Governance Framework
PM	Project Management
PMCoE	Project Management Centre of Excellence
PME	Project Management Enablement
PMF	Project Management Framework
ROD	Record of Decision
RPP	Report on Plans and Priorities
SADM	Senior Assistant Deputy Minister
SMB	Senior Management Board
SPPOC	Senior Project and Procurement Oversight Committee
SSC	Shared Services Canada
TB	Treasury Board
TBS	Treasury Board of Canada Secretariat
TOR	Terms of Reference