

Process for Approval and Management of Major IM/IT Capital Projects

Application

This process applies to all major IM/IT capital projects. IM/IT capital projects that exceed \$20M in total, or include a planned expenditure of more than \$10M in any fiscal year, are major projects and require Treasury Board approval. Minor IM/IT capital projects are funded from the IM/IT Capital Fund managed by the Deputy Ministers' Committee on Transformation and Technology. Major projects are funded through an allocation approved by Treasury Board and not through the IM/IT Capital Fund.

Major IM/IT capital projects receive several reviews as they proceed through the approval process. The reviews are conducted jointly between Treasury Board Staff (TBS) and the Office of the Government Chief Information Officer (OCIO) looking at several factors including fiscal implications, risks, and expected outcomes and benefits. The joint recommendations are provided to the Deputy Ministers' Committee on Transformation and Technology and the Deputy Ministers' Committee on Capital for endorsement at various stages prior to Treasury Board review and decision. This document outlines the process for the review and approval of major projects and aligns with the Core Policy and Procedures Manual, the Capital Asset Management Framework and the IM/IT Capital Investment Management Framework. The process for the review of major IM/IT capital projects is provided in Appendix A.

Review of major IM/IT capital investments

IM/IT Concept Case

In line with the IM/IT Capital Investment Framework all proposed IM/IT investments must be reviewed and prioritized by DMCTT, including both minor and major IM/IT capital projects. This is normally done as part of the annual IM/IT investment planning process and starts with an IM/IT Concept Case. The IM/IT Concept Case is a summary document that provides a high-level overview of the business problem to be addressed, the expected outcomes, options to achieve the outcomes as well as a preliminary estimate of the operating¹ and capital costs, benefits, timing, and risks. This document is developed by the ministry proposing the project based on the templates and instructions provided (see [IM/IT Capital Investment](#) intranet site).

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During the development of the IM/IT Concept Case the ministry is expected to work closely with the IM/IT Capital Investment Branch of the OCIO and the TBS Analyst. Once the document is drafted and approved by the Ministry DM, it is reviewed by DMCTT and prioritized against all other IM/IT investment proposals.

Notional Allocation

If the project concept case is approved by DMCTT, it will be prioritized against other major projects and presented to the Deputy Ministers' Committee on Capital (DMCC) as part of the annual capital process. If DMCC approves the project as part of the overall capital plan, the request will be incorporated into the annual capital budget planning process by Treasury Board Staff and presented to Treasury Board for consideration against all other capital investment requests. If Treasury Board approves the concept case then TBS will advise the Deputy Minister of the requesting ministry of the decision and conditions, copying the Chair of DMCTT and the Government Chief Information Officer (GCIO).

IM/IT Business Case

Following confirmation of the IM/IT major project as a priority, and approval of a notional allocation, the ministry is expected to prepare a detailed business case in line with the IM/IT capital investment framework. Templates and instructions for the business case are available (OCIO intranet site). The business case provides a higher level of due diligence than the concept case and provides detailed information that will be used by the OCIO and DMCTT to assess the merits of the recommended option and implementation plan. Ministries are expected to work closely with the OCIO and TBS during the development of the business case to ensure that the business, project, operational, and fiscal implications are fully addressed. Any requests for operating¹ funding must be specifically addressed to TBS during the process. Once the business case has been approved by the ministry DM, then the business case will be jointly reviewed by Treasury Board Staff and the OCIO and their recommendations then reviewed by DMCTT. In line with the IM/IT Capital Investment Framework the OCIO may retain an independent third party to review and assess the business case and provide any observations and recommendations

¹ Ministries must confirm that operating impacts of capital projects will be managed within their budget allocations. Any risk that operating pressures cannot be managed must be clearly identified in the IM/IT Concept Case as well as the IM/IT Business Case.

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to DMCTT to support the review of the proposed project. Any recommendations and conditions from the DMCTT approval will be provided in writing to the ministry DM and the GCIO.

Treasury Board Submission

Following DMCTT approval of the business case, the requesting ministry should prepare a Treasury Board submission following the standard process for their ministry. The Treasury Board submission should be prepared in consultation with the IM/IT Capital Investment Branch and TBS. As part of the process, the IM/IT Capital Investment Branch will prepare an analysis of the submission for the TBS note together with recommendations. Once the TBS note is compiled it will be sent to the requesting ministry DM and the GCIO for fact checking.

Implementation and Monitoring

Following approval of the request, a letter from the Chair of Treasury Board will communicate the decision and any conditions to the ministry and the Chair of DMCTT. DMCTT may provide additional direction to the ministry in line with the IM/IT capital investment processes for project management, monitoring and reporting.

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