

Section:	Facilities Management (FM)
Subject:	Capital Projects
Legislation:	
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Revision:	

APPROVED:

Chair, on Behalf of SAIT's Board of Governors

POLICY

The policy of the Board of Governors is that SAIT's governance process for evaluating, overseeing and managing capital projects is integrated, consistent and transparent.

DEFINITIONS

Capital project The project lifecycle for the acquisition, development or construction of new buildings and physical infrastructure to support institutional facilities and/or renovations, exclusive of maintenance.

Employee A person employed on SAIT's payroll, whether paid by annual salary or hourly wage, and contractors.

GOVERNING PRINCIPLES

1. This policy applies to all SAIT capital projects and capital assets as defined by procedure [FN.14.1.1 Acquisition of Capital Assets](#).
2. Personal integrity and professionalism: SAIT employees involved in the planning, execution and oversight of capital projects should conduct themselves with a high level of competence, ethics and integrity.
3. Transparency and accountability: SAIT will maintain transparency throughout the capital project lifecycle by providing clear and accurate information, including clearly-defined roles and responsibilities, to stakeholders.

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4. Alignment with SAIT's strategy: ensure that all capital projects are aligned with SAIT's Strategic Plan.
5. Financial discipline: establish financial controls to monitor and manage capital project budgets, expenditures, and financial performance. Capital projects should be completed within approved budgets and timelines.
6. Compliance and legal requirements: Ensure that capital projects adhere to relevant laws, regulations and industry standards. This includes but is not limited to permitting, zoning, safety, and other legal considerations.
7. Sustainability and environmental considerations: incorporate sustainability principles into capital project development, including environmental impact assessments, energy efficiency considerations, and adherence to relevant regulations.
8. Project selection and prioritization: implement a structured process for selecting and prioritizing capital projects, which includes considering factors such as potential return on investment, strategic fit, market demand and resource availability.
9. Risk management: implement a robust risk management framework to identify, assess and mitigate potential risks associated with capital projects. This includes financial, operational, technical and market risks.

PROCEDURE

A. Classification of Capital Projects

1. SAIT will analyse and categorize capital projects into one of three project types, based on an assessment of the project in relation to its cost, novelty, stakeholder impact and funding source.
2. These three project types include a Typical Project, a Non-Typical Project and a Major Project.
3. Further information on the assessment process, the assessment criteria and the three project types is set out in Section A, procedure [FM.1.2.1 Capital Project Governance](#).

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B. General Governance of Capital Projects

1. All capital projects will consist of four project phases: Start-up and Planning, Procurement and Design, Construction, and Handover and Closeout. Detailed information on each phase is set out in Section B, procedure [FM.1.2.1 Capital Project Governance](#).
2. Primary governance oversight responsibility and stage gate approval responsibilities are allocated based on the project's classification. These responsibilities may be allocated to the Joint Board Executive Committee (JBEC), Executive Management Council (EMC), and/or the associate vice president, facilities management (AVP,FM) or delegate. Detailed information is set out in Section B, [FM.1.2.1 Capital Project Governance](#).
3. Governance responsibilities and approvals depend on the project's classification. Detailed information is set out in Section B, procedure FM.1.2.1 Capital Project Governance. Signing authority is addressed in procedure [FN.12.1.1 Signing Authority - Revenue Generating, Expenditure and Other Contracts/Agreements](#).

DELEGATION OF AUTHORITY

1. SAIT's president and CEO may approve procedures that are consistent with and supplemental to this policy, including those that interpret and/or provide examples of expectations as described in this policy, and that establish additional expectations to supplement those described in this policy.
2. For major capital projects as described above, the Joint Board Executive Committee (JBEC) of SAIT's Board of Governors may recommend to the Board Executive Committee (BEC) an alternate expense signing authority matrix from that identified in procedure [FN.12.1.1 Signing Authority -Revenue Generating, Expenditure and Other Contracts/Agreements](#).

POLICY/PROCEDURE REFERENCE

FM.1.2.1 Capital Project Governance procedure

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