

Internal Audit & Assurance Program

Field	Value
Document ID	GOV-AUD-001
Version	1.0
Effective Date	January 15, 2025
Document Owner	Chief AI Officer
Classification	Internal Use
Review Cycle	Annual

Table of Contents

Internal Audit & Assurance Program..... 1

1. Executive Summary..... 1

1.1 Program Charter..... 1

1.2 Strategic Value Proposition..... 1

1.3 Program Scope and Boundaries..... 1

2. Regulatory Framework and Standards Alignment..... 2

2.1 Primary Regulatory Standards..... 2

2.2 Emerging Regulatory Compliance Framework..... 3

3. Organizational Structure and Governance..... 3

3.1 Three Lines of Defense Model Integration..... 3

3.2 Audit Committee Governance Structure..... 4

3.3 Independence and Objectivity Framework..... 4

4. Risk Assessment and Audit Universe Definition..... 5

4.1 AI Risk Assessment Methodology..... 5

4.2 Audit Universe Categorization..... 5

4.3 Inherent Risk Assessment Process..... 6

5. Audit Methodology and Execution Framework..... 7

5.1 Standardized Audit Process..... 7

5.2 Control Testing Methodologies..... 8

5.3 Specialized AI Audit Techniques..... 8

6. Evidence Management and Reusable Bundle Framework..... 9

6.1 Evidence Bundle Architecture..... 9

6.2 Evidence Collection Standards..... 10

6.3 Quality Assurance and Validation..... 11

7. Finding Management and Remediation Tracking..... 12

7.1 Finding Classification and Prioritization..... 12

7.2 Root Cause Analysis Methodology..... 13

7.3 Remediation Tracking and Validation..... 13

8. Performance Measurement and Continuous Improvement..... 14

8.1 Balanced Scorecard Framework.....	14
8.2 Continuous Improvement Program.....	15
8.3 Benchmarking and Industry Alignment.....	16
9. Certification and External Assurance Support.....	16
9.1 ISO 42001:2023 Certification Program Support.....	16
9.2 SOC 2 Type II Examination Support.....	17
9.3 Regulatory Examination Preparation.....	18
10. Resource Planning and Budget Framework.....	19
10.1 Organizational Structure and Staffing.....	19
10.2 Technology Infrastructure Requirements.....	20
10.3 Comprehensive Budget Model.....	20
11. Implementation Roadmap and Change Management.....	22
11.1 Phased Implementation Strategy.....	22
11.2 Change Management Strategy.....	23
11.3 Risk Management and Contingency Planning.....	24
12. RACI Matrix and Accountability Framework.....	25
12.1 Decision Rights Authority Matrix.....	25
12.2 Escalation and Communication Protocols.....	25
13. Quality Assurance and Independent Review.....	26
13.1 Internal Quality Review Framework.....	26
13.2 Continuous Monitoring and Improvement.....	27

1. Executive Summary

1.1 Program Charter

The Internal Audit & Assurance Program establishes an independent, systematic approach to evaluate and enhance the effectiveness of AI governance, risk management, and control processes. This program provides objective assurance to the Board of Directors, executive management, and key stakeholders regarding the organization's AI-related activities, ensuring compliance with regulatory requirements and alignment with strategic objectives.

1.2 Strategic Value Proposition

The program creates measurable organizational value through:

- Independent validation of AI governance control effectiveness across all risk tiers
- Systematic evidence generation supporting multiple regulatory compliance frameworks
- Proactive identification and remediation of control deficiencies before regulatory examinations
- Establishment of reusable evidence bundles reducing compliance costs by 30-40%
- Enhancement of stakeholder confidence through transparent assurance reporting
- Acceleration of certification processes including ISO 42001:2023 and SOC 2 Type II