ALGORITHM AND AI GOVERNANCE CHECKLIST

[Enter project name]

Prepared for

[audience]

Date

[date]

Prepared by

[author]

# How to use this document.

Algorithms and AI are becoming increasingly used in organisations. While they can offer great advantages, regulators are paying attention to the potential negative impacts of algorithms – and the ethical and reputational considerations can be as important as the legal and regulatory ones.

Good governance in implementing these models can help avoid some pitfalls. Whether you are an IT manager, a risk manager, a senior executive or a board member, this checklist is something that you should be asking to see and file safely for all algorithm/AI based projects.

This is a suggested starting point for your organisation’s checklist design. Depending on the specifics of your needs and risk profile, you may wish to amend the questions or guidance, but we believe this will capture most organisations’ AI risk requirements at the level required to provide reasonable assurance.

# Algorithm and AI governance checklist.

## Project details

|  |  |
| --- | --- |
| Project name |  |
| Project description |  |

## Background

|  |  |
| --- | --- |
| Why are we implementing the algorithm or AI? Who benefits? | *[explain in no more than three sentences]* |
| Does its use create fair outcomes for consumers or other stakeholders? | *[confirm yes or no and justify in no more than three sentences]* |

## Model understanding

|  |  |
| --- | --- |
| Are the rules or models explainable? | *[confirm yes or no and justify in no more than three sentences]* |
| Is there an interpretable and auditable record of how the model uses the inputs to create its outputs? | *[confirm yes or no and justify in no more than three sentences]* |
| Can someone with the requisite skills who was not involved in the creation of the model understand it and make changes to the model if required? | *[confirm yes or no and justify in no more than three sentences]* |

## Data management

|  |  |
| --- | --- |
| What data is being used in the model? | *[explain in no more than three text sentences – additional bullet points or links to data sources may be used]* |
| Did we assess it for bias before it was used? | *[confirm yes or no and justify in no more than three sentences]* |
| If we sanitise the data, does that introduce new bias? | *[confirm yes or no and justify in no more than three sentences]* |
| Does the interpretation of truncated or incomplete data create any bias? | *[confirm yes or no and justify in no more than three sentences]* |
| Is the model using external data | *[confirm yes or no]* |
| If yes – how reliable is that data? What are the consequences if the nature of that data changes? Are we monitoring that data for change? | *[explain in no more than three text sentences – additional bullet points or links to data sources may be used]* |

## Ongoing monitoring

|  |  |
| --- | --- |
| Who monitors the design, development and deployment of algorithms or AI, and who is ultimately accountable for its performance – positive or negative? | *[explain in no more than three sentences]* |
| If we identify unintended consequences after we implement the model, what actions will we take? What monitoring is in place to aid in that identification? | *[explain in no more than three text sentences – additional bullet points or links to data sources may be used]* |
| Who is monitoring regulatory change in the jurisdictions in which we operate or deploy algorithms and AI models? | *[explain in no more than three text sentences – additional bullet points or links to data sources may be used]* |

## Checklist sign-off

|  |  |
| --- | --- |
| Manager name and signature |  |
| Date sent for approval |  |
| Approver name and signature |  |
| Date approved |  |