

# Artificial Intelligence Governance Charter

This Artificial Intelligence (“AI”) Governance Charter (“Charter”) outlines the guiding principles, composition, responsibilities, and decision-making authority for the AI Governance Committee (“Committee”) within our organization, [insert organization name] (“Company”). The Committee is a strategic committee appointed to handle and review two types of AI-related use cases/use-case requests: those related to [insert organization specialty/business vertical] and those related to daily productivity. Moreover, the Committee spans both [organization specialty/business vertical] and operations, yet it exists outside, not within, [insert organization specialty/business vertical] standards. This Charter is designed to ensure the responsible use, management, and oversight of AI technologies in alignment with our corporate values, legal requirements, ethical standards, and best practices.

In an era marked by rapid technological evolution, the Company is actively fostering a culture of AI. By recognizing AI as a critical driver of innovation, efficiency, and competitive advantage, the Company is integrating AI-centric practices into all levels of operations, service delivery, and informing decision-making. Through the creation of a Committee, the Company offers dedicated support for exploring and implementing cutting-edge AI solutions. The Company is also investing in education and training initiatives to ensure that every team member can effectively engage with AI tools and contribute to AI projects. Developing a culture of AI is not only revolutionizing the way the Company operates, but it is also preparing the Company to thrive in an increasingly digital, data-driven future.

## 1. Article 1: Guiding Principles

**Section 1.1 Transparency.** We are committed to maintaining transparency about the development, deployment, and usage of AI within the Company.

**Section 1.2 Accountability.** We will establish and adhere to clear lines of responsibility and accountability for decisions made/informed by AI or about the usage of AI.

**Section 1.3 Ethics and Compliance.** Our AI usage shall uphold and promote our ethical standards and comply with all relevant laws and regulations.

**Section 1.4 Privacy and Security.** We will respect the privacy rights of all individuals and ensure the security of all data used in our AI initiatives.

**Section 1.5 Fairness and Non-Discrimination.** Our AI initiatives shall promote fairness and prevent discriminatory outcomes or practices.

**Section 1.6 Continuous Learning and Improvement.** We commit to maintaining the currency of our AI knowledge and technology, and continuously improving our practices.

**Section 1.7 Collaboration.** We consider use of AI a skill to be learned; as such, employees of the Company should be willing to share and collaborate in developing this skill.

## 2. Article II: AI Governance Committee

**Section 2.1 Committee Composition (Long Term).** The Committee shall be comprised of Committee officers and Committee members. The Committee officers will be comprised of the seven people:

- (a) Executive Sponsor (“CEO”) – [insert name]
- (b) Enterprise Architecture Representative – [insert name]
- (c) Automation & Emerging Technologies Lead – [insert name]
- (d) Information Technology Manager – [insert name]
- (e) Senior Director of [insert organization specialty/business vertical] – [insert name]
- (f) Chief Operations Officer (“COO”) – [insert name]
- (g) Enterprise Risk and Cybersecurity Lead – [insert name]

**Section 2.2 Committee Composition (Short Term / Rotating).** The rest of the Committee shall be comprised of Company employees (of a broad range of interest from different facets) who are well-versed in internal usage of AI. Presently, the formal cap on short-term Committee members is five.

**Section 2.3 Committee Meetings.** At a minimum, the Committee shall meet at least quarterly to discuss and make decisions on AI-related matters. Though, presently and at the discretion of the CEO, the committee meets monthly to discuss relevant updates, and the Committee plans to continue this into Q12024. It shall regularly communicate updates via telepresence tools and email and through the use of other tools as they are developed.

**Section 2.4 Ad Hoc Committee Decisions.** In instances where AI-related matters require expedition and thus cannot wait for a Committee Meeting, the Committee shall discuss and make decisions via email communications.

- (a) In the case where unanimity is required, email is sufficient for a casting of votes.
  - i. If unanimity isn't reached via email, then the case must be discussed in the next Committee meeting or an ad hoc Committee meeting

### 3. Article III: Responsibilities of the AI Governance Committee

**Section 3.1 Oversight and Guidance.** The Committee is responsible for providing strategic oversight and general guidance on any and all AI initiatives within the Company.

- (a) For cases where a non-Committee employee requests further research into new technology, prior Committee decisions, etc., approvals can be done via email communication between the CEO and Enterprise Architecture Representative.

**Section 3.2 Compliance.** The Committee is responsible for ensuring compliance with this Charter, and all relevant legal and ethical standards related to AI.

**Section 3.3 Surveillance and Review.** The Committee is responsible for monitoring and reviewing AI-related risks and issues and developing appropriate mitigation strategies.

**Section 3.4 Transparency.** The Committee is responsible for ensuring transparency and communication to all Company employees about the Company's AI-related practices.

**Section 3.5 Upgrades and Improvements.** The Committee is responsible for recommending updates, changes, and improvements to this present Charter and other AI policies as necessary.

- a) Included in Company policy are AI-related trainings and educational tools. Thus, all training and education should be both approved and provided by the Committee to ensure that all Company employees have equal access and opportunity to proper AI use.

**Section 3.6 AI Use Case Requests.** The Committee is responsible for the approval and oversight of all Company-wide and employee-level AI usage, including requests for AI-use on projects.

- a. All Committee members are expected to be well-versed in past uses of AI at the firm, though the Enterprise Architect COE Representative is the designated use case expert/historian.
- b. Thus, any and all requests for AI on projects is to first be reviewed by the Enterprise Architecture Representative against the AI Use Case Repository.
  - i. The AI Use Case Repository is edited and kept by the Enterprise Architecture Representative.

**Section 3.7 AI Tool Requests.** The Committee is also responsible for the approval and oversight of all Company-wide and employee-level AI tool requests.

- a) Formally, all requests are to be reviewed and approved by the Information Technology Manager, who is expected to provide their own existing knowledge of the tool, the tool's potential applications within the Company, as well as any curate alternatives.
- b) If an AI tool request costs [insert appropriate amount] /year or more, than the request must go to the Committee for final approval via a majority vote.
  - i. It's intended that all other requests and subsequent approvals are completed swiftly. Though, the committee is constrained by a maximum of [insert annual maximum amount]/year spent on all AI tools.

## 4. Article IV: Decision-Making Authority

**Section 4.1 Authority.** The Committee is authorized to make decisions on AI-related issues within the scope of this Charter, including the initiation, continuation, or termination of AI projects and the disposition of AI technologies used by Company employees.

- a) At any time and for any reason, the Committee has the power to terminate any ongoing use of AI.
- b) All formal oppositions to termination are – on the case-by-case basis – to be discussed in the closest Committee meeting if the Committee sees valid argument for re-approval.

**Section 4.2 AI Investigation and Discovery.** The Committee is responsible for the majority of AI tool/software inquiry and discovery. It is apparent that the Committee, for the sake of the Company, be on top of all relevant AI usage and emerging technologies and tools in the industry. Additionally, Committee officers have the authority to commission Committee members into studies and investigations regarding all relevant AI-related topics.

## 5. Article V: Review and Amendments

**Section 5.1 Confidentiality.** This present Charter shall be reviewed bi-quarterly to ensure relevance and, thus, quality.

**Section 5.2 Amendments.** Amendments to this Charter can be proposed by any Committee member (non-officer or officer) and shall be approved by both the CEO and the Enterprise Architecture Representative.

This Charter serves as a starting point for our transition into a culture of AI and effective AI use at the Company. We encourage all Company employees to actively participate in this ongoing process, to ensure that our use of AI serves our mission, respects our values, and benefits all.

Approved by the Board of Directors on \_\_\_\_\_.

\_\_\_\_\_

[insert name]

President & CEO, [insert organization name].