

ARTIFICIAL INTELLIGENCE 101 SERIES:

ChatGPT for Internal Auditors

Use cases, sample prompts, and key considerations when using Natural Language Processing tools.

Check out our
*“Artificial Intelligence 101
for Internal Auditors” for a
primer on AI technology*



The Institute of
Internal Auditors

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Introduction

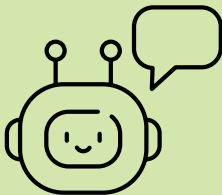
By November 2023, over 100 million people globally were regularly using ChatGPT. Businesses and individuals have praised the AI tool for its ability to save time spent on manual, time-consuming activities, using it for everything from writing emails and summarizing documents to developing code, Excel shortcuts, and PowerPoint presentations. Because of these and other benefits, organizations across all professions and industries are using ChatGPT and other Natural Language Processing (NLP) tools – and so

can internal auditors. This AI 101 guide will provide novice AI users with use cases and recommendations for how they can incorporate ChatGPT-style tools into their practice. However, as with any technology, there are both risks and rewards – and the potential risks associated with publicly available tools cannot be overlooked. As always, internal auditors should remain vigilant about the inherent risks and diligent about the controls in place to avoid, share, accept, or mitigate those risks.

What Is Natural Language Processing?

Natural Language Processing (NLP) is a type of artificial intelligence that gives a machine the ability to understand written and spoken words in the same way that humans do. While each specific type of NLP may be programmed to focus on different skills, in general this type of AI is capable of:

- **Speech recognition** – identifying when a human is speaking and what words are being said
- **Grammatical tagging** – identifying parts of speech, such as nouns, verbs, or adjectives
- **Sentiment analysis** – determining themes in data, such as whether customer responses are positive, negative, or neutral
- **Text summarization** – reducing the numbers of words in data without changing its meaning, or providing a synopsis of other data (a video, for example)
- **Natural language generation** – putting information into new text or speech, such as the content produced by ChatGPT or Apple Siri



In addition to being a type of NLP, **ChatGPT** is more specifically a Generative Pre-trained Transformer (GPT). It is designed to handle sequential data, such as language, and will

generate text based on the input it receives. GPT models don't only copy and paste – they can create brand new content. This content is based on all the data it was initially trained on, as well as new data it received. This means that the model will learn from – and “keep” – any information you give it. Internal auditors and the businesses they represent must be cautious not to provide proprietary data in “conversations” with NLP models like ChatGPT.

Some organizations are beginning to develop private, or closed, GPT models. In those cases, the information entered into the system does not become publicly available.

How are NLP tools like ChatGPT used today?

Natural Language Processing-based tools are already integrated into many aspects of our everyday lives.

For example, NLP is used in:

- Google Translate
- Email filters (Gmail's primary, social, or promotions categories)
- Chatbots and virtual agents like Apple Siri and Amazon Alexa
- Search results and predictive text
- Speech recognition software (voice-to-text)

Do alternatives to OpenAI's ChatGPT exist?

The use cases in this resource relied on ChatGPT 4.0. However, there are numerous alternatives to ChatGPT, each with unique features and capabilities. Below is a small sample of commonly used ones:

1. **Google BARD** – BARD is a conversational AI chatbot that ties into the popular search engine.
2. **Microsoft Bing AI** – Bing's AI-slash-search engine integrates with and has support for other Microsoft applications, allowing it to integrate items such as search and chat histories into its responses.
3. **Amazon Lex** – This chatbot by Amazon Web Services allows users to build conversational interfaces into applications using voice and text. It is adept at automatic speech recognition (ASR) for converting speech to text and natural language understanding (NLU) to recognize user intent.
4. **IBM Watson Assistant** – This tool is designed to understand and respond to customer inquiries. It can be trained to provide information specific to an industry or company.
5. **Jasper** – This AI is used often to develop marketing and communications content, including blogs, social media profiles, and websites.
6. **CopyAI** – CopyAI is another tool often used for developing marketing and communications content for organizations.

Common Risks Associated With the Use of Publicly Available AI Tools

RISK	EXPLANATION	SAMPLE MITIGATION STEPS
Data is inaccurate due to a biased algorithm	The algorithm has been trained on data that was collected, classified, or otherwise subjected to biases	Don't accept AI-generated responses as completely accurate; apply professional skepticism and verify all information
Data has been "poisoned"	An AI tool has been deliberately given inaccurate, biased, or otherwise bad information, which it then uses in developing responses	
Users place too much reliance on AI-generated content	Internal auditors or other staff blindly "copy and paste" information from the tool	
Confidential information is provided in the prompts	Users enter information into the chat that is not meant for public consumption	Remove any potential identifying information from prompts



USE CASES:

Examples of How to Safely Incorporate ChatGPT-Style Tools in Your Practice

EXAMPLE 1: Use it to help you think through your general audit plan

Prompt: Given The Institute of Internal Auditors' existing standards for internal auditing, what would you recommend a Chief Audit Executive include in an audit plan designed to audit the appropriate use of artificial intelligence within their organization?



PRO TIP! Ask generalized questions. Never give identifiable or proprietary information to an NLP tool available for public use. If you think it could be used to identify your company, remove it.

Actual ChatGPT 4.0 Response: Auditing the appropriate use of artificial intelligence (AI) within an organization is a relatively new but increasingly important frontier. Given The IIA's standards for internal auditing, a Chief Audit Executive (CAE) should consider the following components when developing an audit plan for AI:

1. Risk Assessment:

- **Identification of AI Systems:** Catalog all AI-driven systems and applications in the organization.
- **Risk Prioritization:** Evaluate the criticality and potential impact of each AI system on the organization. Systems with higher potential impact (financial, operational, reputational) should receive priority.

2. Governance and Oversight:

- **AI Strategy:** Review the organization's AI strategy and ensure alignment with organizational goals.
- **Roles and Responsibilities:** Check that there are clear delineations of roles and responsibilities concerning AI development, implementation, and monitoring.

3. Data Integrity and Quality:

- **Source Data:** Assess the accuracy, completeness, and timeliness of the data feeding into the AI models.
- **Data Privacy and Security:** Ensure that the AI systems comply with data protection laws and that sensitive data is appropriately protected.
- **Bias Detection:** Audit for biases in the data that might result in unfair or discriminatory outcomes.

4. AI Model Validation:

- **Model Development and Training:** Assess the methodologies used to develop and train AI models for appropriateness and scientific validity.
- **Testing and Calibration:** Ensure rigorous testing and calibration of models before deployment and periodically thereafter.
- **Model Documentation:** Review documentation for thoroughness – including assumptions made, data sources, algorithms used, and decision rationales.

5. Transparency and Explainability:

- **Interpretability:** Check if the AI model's decisions can be explained and understood by stakeholders. This is especially crucial for AI systems used in decision-making that affects individuals, like hiring or loan approvals.



PRO TIP! Throughout the entire engagement, make sure you are scrutinizing the responses and applying reasonable skepticism. The responses provided should be used as a general guide and to help provoke your own thoughts; they should not be used as authoritative text.

- **Reporting:** Review reporting mechanisms for AI decisions, ensuring they are transparent and provide appropriate information to relevant stakeholders.

6. Operational Controls:

- **Change Management:** Assess the processes for updating or altering AI models and systems.
- **Incident Management:** Ensure there are mechanisms for capturing, reporting, and addressing anomalies or errors in AI-driven decisions.

7. Ethical Considerations:

- **Ethical Guidelines:** Ensure AI deployments align with ethical guidelines and principles, both internally set and recognized globally.
- **Stakeholder Impact Analysis:** Analyze potential adverse impacts of AI decisions on stakeholders and ensure that there are mitigation strategies.

8. Performance Monitoring:

- **Ongoing Monitoring:** Audit processes for continuous monitoring of AI systems' performance against defined metrics.
- **Feedback Loops:** Ensure that there are mechanisms for learning from inaccuracies or failures and that these insights are used to improve AI systems.

9. Regulatory and Compliance:

- **Legal Requirements:** Ensure AI applications are in compliance with any sector-specific or jurisdiction-specific regulations.
- **External Reporting:** Review processes for external reporting, if required, ensuring accuracy and timeliness.

10. Stakeholder Communication:

- **Training and Awareness:** Assess training programs for employees and stakeholders affected by AI decisions to ensure understanding and effective use.
- **Feedback Channels:** Ensure stakeholders have clear channels to provide feedback or raise concerns about AI-driven decisions.

11. Third-Party Management (if the AI system is outsourced or built in partnership):

- **Vendor Due Diligence:** Audit third-party providers for their AI capabilities, data management practices, and compliance with relevant standards.
- **Contractual Safeguards:** Ensure contracts with third parties have clear terms regarding data usage, AI model transparency, and other critical factors.

Regularly updating the audit plan to reflect advances in AI technology and methodologies will also be crucial. The rapid evolution of AI means that what is considered a best practice now might be outdated in just a few years.

Prompt: You suggest that the audit plan should audit for biases in data that might result in unfair or discriminatory outcomes. How might the Chief Audit Executive audit for such biases? What specific steps should the auditor take?



PRO TIP! Ask a clarifying question or request a more detailed response based upon the information given (or not given).

Actual ChatGPT 4.0 Response: Auditing for biases in data and AI models is a challenging yet essential task, especially as businesses and organizations increasingly rely on AI for decision-making. Biased decisions can lead to significant financial, reputational, and legal risks. Here's a step-by-step approach a Chief Audit Executive (CAE) might take:

1. Define What Bias Looks Like:

- Understand the business and regulatory context. Different industries or sectors might have specific definitions or concerns related to bias.
- Consult with stakeholders, including legal, ethical, and diversity and inclusion experts, to define clear benchmarks or indicators of bias.

2. Identify High-Risk Areas:

- Prioritize AI systems and data sets that have a more significant impact on individuals or groups, such as hiring systems, lending algorithms, or healthcare diagnostics.

- Understand the historical context: Some industries or sectors have historical biases that might seep into AI models if not corrected.

3. Assess Data Collection Methods:

- Review the sources of the data. Is it from a diverse and representative sample, or does it disproportionately represent certain groups?
- Examine how data was cleaned and pre-processed. Data cleaning can sometimes unintentionally introduce biases.

4. Conduct Statistical Analysis:

- Use statistical tools to identify patterns in the data. For instance, disproportionate outcomes for certain groups might indicate bias.
- Consider using fairness-enhancing interventions and techniques to mitigate identified biases in data.

5. Test the Model:

- Use adversarial testing: Intentionally input data that challenges the AI model to see if it produces biased outcomes.
- Compare model decisions across different groups to identify any disproportionate impacts. For instance, compare approval rates between different ethnic or gender groups.

6. Review Model Training and Development:

- Understand the objectives and optimization criteria of the AI model. If a model is optimized for profit maximization without fairness constraints, it may produce biased outcomes.
- Examine the model's feedback loops. If a model is continually learning from biased decisions, it can reinforce and exacerbate those biases.

7. Engage External Experts:

- Consider bringing in third-party experts specializing in AI fairness and bias to review the model and its outcomes. This can provide an objective perspective and validate internal findings.

8. Evaluate Mitigation Measures:

- Review any fairness interventions or corrective measures the organization has already implemented in the AI model.



- Check if these measures align with best practices and industry standards.

9. Review Documentation and Transparency:

- Ensure that there's comprehensive documentation about the AI model's development, training, objectives, and any known limitations. This can help provide context and might highlight areas where bias was introduced.
- Check if explanations for AI decisions (especially those impacting individuals) are clear, understandable, and free from bias.

10. Stakeholder Feedback:

- Engage with end-users and those affected by the AI decisions. Feedback from these groups can provide valuable insights into perceived and actual biases.

11. Continuous Monitoring:

- Bias detection is not a one-off activity. Regularly audit and monitor the AI model's decisions to ensure that biases do not creep in over time.

12. Report and Recommend:

- Document findings, potential risks, and provide recommendations for rectification. Ensure that senior management is aware of any significant risks related to bias.
- Advocate for training and awareness programs within the organization to ensure everyone understands the importance of unbiased AI systems.

Remember, while statistical and technical measures are valuable, they must be combined with a contextual understanding of the AI system's impact on individuals and groups to effectively audit for biases.

Prompt: What questions should I ask or what steps should I take to analyze the data for inherent biases?



PRO TIP! Continue to ask clarifying and/or refining questions.

Actual ChatGPT 4.0 Response: Analyzing data for inherent biases is a crucial step in ensuring fairness and ethical use of AI systems. Here are questions to ask and steps to take for a thorough analysis:

Questions to Ask

1. Is the Data Representative?

- Does the dataset adequately represent all groups, especially those that are historically marginalized or underrepresented?
- Are there any groups that are overrepresented or underrepresented?

2. Are There Proxy Variables?

- Does the dataset contain variables that could act as proxies for sensitive attributes (like race, gender, age)?
- How might these proxies influence the outcomes of the AI system?

3. How Was the Data Collected?

- What was the process of data collection?
- Could the collection method have introduced any biases (e.g., self-selection bias, sampling bias)?

4. What Is the Historical Context?

- Does the historical data contain biases or reflect past discriminatory practices?
- How might historical biases affect current and future AI decisions?

5. Data Labeling:

- Who labeled the data, and what criteria were used?
- Could there be subjective biases in how data was categorized or labeled?

Steps to Take

1. Statistical Analysis:

- Conduct statistical tests to identify any disparities in data distribution across different groups.
- Look for correlations that might indicate biases, especially involving sensitive attributes.

2. Data Segmentation:

- Segment the data based on various demographics and analyze each segment to identify disparities.
- This helps in understanding how different groups are represented and treated in the dataset.

3. Bias Detection Algorithms:

- Use specialized algorithms designed to detect biases in datasets.
- Tools and frameworks for fairness assessment (like IBM's AI Fairness 360, Google's What-If Tool) can be helpful.

4. Consultation With Subject Matter Experts:

- Engage with domain experts and data scientists to understand potential sources of bias.
- Experts can provide insights into nuances of data that might not be evident through statistical analysis alone.



5. Review Data Collection and Curation Processes:

- Examine how data was collected, processed, and curated.
- Look for any stages in the data pipeline where biases could have been introduced.

6. External Benchmarks and Standards:

- Compare your data with external benchmarks or standards to identify any deviations.
- This can help in understanding if the dataset is skewed compared to real-world distributions.

7. Feedback Loops:

- Analyze whether the AI system's outputs are creating feedback loops that reinforce biases.
- Assess how data generated by the AI system is fed back into the system, potentially amplifying initial biases.

8. Historical Data Review:

- Critically evaluate historical data for biases and consider how historical trends might influence current data.

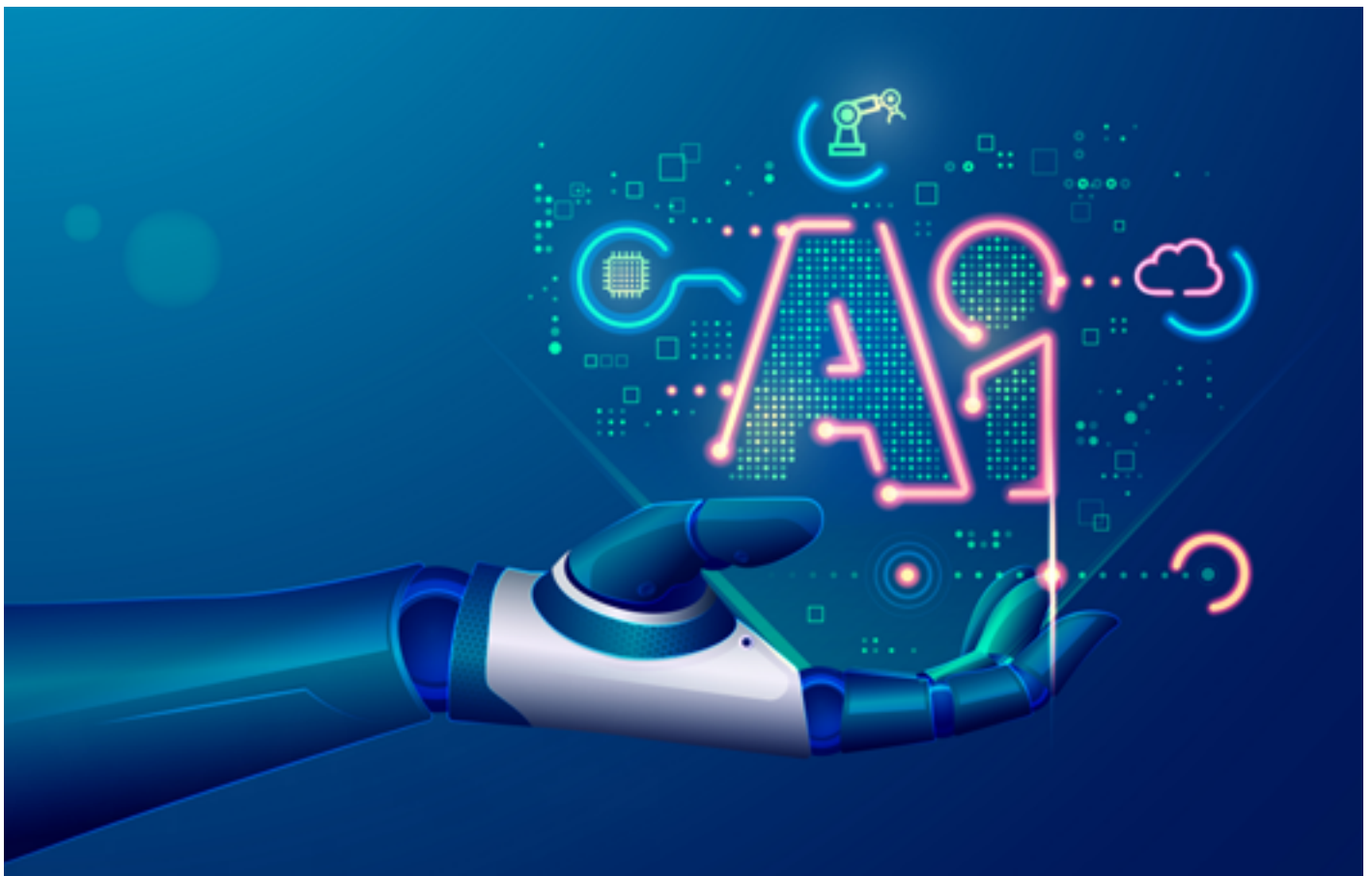
9. Impact Assessment:

- Conduct impact assessments to understand how biases in data might affect various groups.
- Evaluate the potential consequences of biased decisions on different communities.

10. Document Findings and Recommendations:

- Thoroughly document the analysis process, findings, and any recommendations for addressing identified biases.
- This documentation is crucial for transparency and accountability.

By asking these questions and following these steps, you can conduct a comprehensive analysis of your data for inherent biases, which is essential for building fair and ethical AI systems.



EXAMPLE 2: Use it to help you think through your general audit plan

Prompt: Using The Institute of Internal Auditors' existing standards for internal auditing, draft an audit program with the objective of validating whether an organization's website search functionality and the processes supporting website search capabilities are effective. The scope of the audit includes the organization's online content library, its current taxonomy, tagging processes, and website. The organization in question is a small, for-profit organization specializing in the sale of pet products. Its website governance process is defined; the entire organization has standardized and documented its processes; and cross-team collaboration thrives.



PRO TIP! Be specific in your questions. The more nuanced you are (without giving out private information!), the better your responses will be.

Actual ChatGPT 4.0 Response: Creating an audit program using The Institute of Internal Auditors' existing standards for internal auditing to evaluate the effectiveness of an organization's website search functionality and related processes involves several steps. Here's a draft audit program tailored to a small, for-profit organization specializing in pet products:

1. Preliminary Planning:

- **Understand the Business:** Gain an in-depth understanding of the organization's business model, focusing on online sales and content dissemination strategies.
- **Review Existing Documentation:** Examine the organization's website governance process, standardized documentation, and collaboration protocols.
- **Identify Key Stakeholders:** Determine who will be involved in the audit (e.g., IT, marketing, content management teams).

2. Define Audit Objective and Scope:

- **Objective:** To validate the effectiveness of the organization's website search functionality and the processes supporting it.

• **Scope:**

- Examination of the online content library.
- Assessment of the current taxonomy and tagging processes.
- Evaluation of the website's search functionality.

3. Risk Assessment:

- Conduct a risk assessment to identify potential issues that could impact the effectiveness of the website's search functionality.

4. Develop Audit Criteria:

- **Benchmarking:** Compare the organization's practices against best practices in website search functionality.
- **Compliance:** Ensure adherence to any relevant laws, regulations, and internal policies.

5. Conducting the Audit:

- **Test Website Search Functionality:** Conduct tests to assess the accuracy, speed, and relevance of search results.
- **Evaluate Taxonomy and Tagging Processes:** Review how content is categorized and tagged, and how this influences search results.
- **Assess Content Library:** Determine if the content library is up to date, relevant, and adequately indexed for search.
- **Website Technical Evaluation:** Examine technical aspects like website coding, metadata, and search algorithms.
- **Stakeholder Interviews:** Engage with team members across different departments to understand their role in maintaining and improving search functionality.
- **Document Review:** Analyze the standardization and documentation of processes related to website search.

6. Reporting:

- **Draft Report:** Prepare a draft audit report detailing findings, risks identified, and areas for improvement.

- **Management Review:** Present the draft report to management for feedback.
- **Final Report:** Issue a final report with recommendations and an action plan.

7. Follow-Up:

- **Action Plan Monitoring:** Monitor the implementation of recommendations.
- **Follow-Up Audit:** Plan a follow-up audit, if necessary, to evaluate the implementation of the action plan.

8. Continuous Improvement:

- **Feedback Loop:** Establish a feedback mechanism to continuously improve website search functionality and related processes.

This audit program is designed to comprehensively evaluate the effectiveness of the organization's website search functionality, ensuring it aligns with its objectives and the needs of its customers in the pet products industry.

Prompt: Given the information already provided about the organization's size and type, as well as the maturity of the website governance process, what risks should I be looking for that could impact the effectiveness of the website's search functionality?



PRO TIP! Biased questions or data will give biased answers. Try to remove all bias in your prompts.

Actual ChatGPT 4.0 Response: Given the nature of the small, for-profit organization specializing in pet products, with a well-defined website governance process and standardized, documented processes, several specific risks could impact the effectiveness of the website's search functionality. Here are some key risks to consider:

1. Technological Limitations:

- **Outdated Technology:** The website might be running on outdated technology that limits search functionality capabilities.
- **Inadequate Search Algorithms:** The algorithms used for search might not be sophisticated enough to handle complex queries or filter results effectively.

2. Content Management Risks:

- **Poorly Managed Taxonomy and Tagging:** Inaccurate or inconsistent taxonomy and tagging can lead to irrelevant search results.
- **Outdated or Irrelevant Content:** If the content library is not regularly updated or curated, it can result in outdated or irrelevant search results.

3. User Experience Issues:

- **Ineffective Search Interface:** A non-intuitive or complicated search interface can hinder user experience and reduce the effectiveness of searches.
- **Lack of Customization:** Inability to tailor search results to individual user preferences or search history.

4. Data and Analytics Challenges:

- **Inadequate Data Analysis:** Failure to effectively analyze user search patterns and behaviors to improve search functionality.
- **Limited Feedback Mechanisms:** Lack of effective channels for receiving user feedback on search functionality.

5. Security and Privacy Concerns:

- **Data Breaches:** Risks associated with the security of user data and search histories.
- **Compliance Issues:** Non-compliance with data protection regulations (like GDPR) in handling user data.

6. Operational and Governance Risks:

- **Insufficient Cross-Team Collaboration:** Even with thriving collaboration, there could be gaps in communication or understanding between different teams (like IT, content, marketing) impacting search efficiency.
- **Change Management Issues:** Challenges in implementing changes or updates to the search functionality due to rigid governance structures.

7. Resource Constraints:

- **Limited IT Resources:** Being a small organization, there might be constraints in IT support and resources for ongoing maintenance and improvement of search functionality.

- **Budget Limitations:** Financial constraints may limit the ability to invest in advanced search technology or hire specialized talent.

8. Scalability and Growth Challenges:

- **Scalability of Search Function:** As the business grows, the search functionality may not be scalable to handle increased traffic or expanded content.

Identifying and addressing these risks during the audit will help ensure that the organization's website search functionality remains effective and aligned with its business objectives and user needs.

Prompt: For each of the risks identified above, what are some potential internal controls that could help the organization avoid, share, accept, or mitigate those risks?

Actual ChatGPT 4.0 Response: For each of the risks identified in the effectiveness of the website's search functionality, implementing specific internal controls can help the organization manage these risks effectively. Here's a breakdown of potential controls for each risk category:

1. Technological Limitations:

- **Regular Technology Audits:** Conduct periodic reviews of the website's technology stack to ensure it's up to date.
- **Investment in Advanced Search Technologies:** Allocate budget for upgrading search algorithms and software.

2. Content Management Risks:

- **Standardized Tagging Procedures:** Implement and enforce strict guidelines for tagging and categorizing content.
- **Regular Content Reviews:** Schedule periodic audits of the content library to ensure relevance and accuracy.

3. User Experience Issues:

- **User Interface Testing:** Regularly test and update the search interface based on user feedback and usability studies.

- **Personalization Features:** Develop capabilities for customized search experiences based on user preferences.

4. Data and Analytics Challenges:

- **Data Analysis Tools:** Use advanced data analytics tools to monitor and analyze search patterns.
- **Feedback Mechanisms:** Establish channels for collecting and analyzing user feedback on search functionality.

5. Security and Privacy Concerns:

- **Data Security Protocols:** Implement robust data security measures, including encryption and access controls.
- **Compliance Audits:** Regularly audit data handling practices for compliance with relevant data protection laws.

6. Operational and Governance Risks:

- **Cross-Functional Teams:** Form dedicated teams comprising members from IT, content, and marketing to oversee search functionality.
- **Change Management Processes:** Develop a structured approach for implementing changes to the search system.

7. Resource Constraints:

- **Resource Allocation Plan:** Develop a strategic plan for allocating IT resources efficiently.
- **Budget Planning:** Set aside funds specifically for maintaining and upgrading search functionality.

8. Scalability and Growth Challenges:

- **Scalability Testing:** Regularly test the search system for scalability as part of the ongoing maintenance routine.
- **Growth Planning:** Incorporate scalability considerations in long-term planning for the website's infrastructure.

By implementing these controls, the organization can effectively manage the risks associated with its website search functionality. It's important to periodically review and update these controls to ensure they remain effective as the organization and its online presence grow and evolve.

EXAMPLE 3: Use It to Help You Structure Unstructured Data

Prompt: Access the attached, publicly available minutes of the New York City Municipal Water Finance Authority Board of Directors for 2023. Based on the information listed in the files, identify all of the times that the Board of Directors discussed contracts. List the Date, Contract Name, and Status of each contract.



PRO TIP! ChatGPT-style tools can structure many types of unstructured data, but avoid uploading any proprietary information into a public tool. For example, an organization would not want minutes from a private meeting, accounts payable reports, or bank statements uploaded into a public tool.

Actual ChatGPT 4.0 Response: Based on the information from the minutes of the New York City Municipal Water Finance Authority Board of Directors meetings for 2023, here are the times the Board discussed contracts:

- **Date: February 2, 2023**
 - **Contract Name:** Amendment of Consulting Engineer Contracts with AECOM and Macan Deve
 - **Status:** Approved
- **Date: February 24, 2023**
 - **Contract Name:** Approval of Minutes of Previous Meeting and Approval of Supplemental Resolution No. 180 Authorizing the Issuance of Fiscal 2023 Series DD Water and Sewer System Second General Resolution Revenue Bonds
 - **Status:** Approved
- **Date: March 28, 2023**
 - **Contract Name:** Extension of Bond Counsel Contracts with Nixon Peabody LLP, Hardwick LLC, and Orrick Herrington & Sutcliffe LLP
 - **Status:** Approved

- **Date: May 18, 2023**
 - **Contract Name:** Procurement of Directors and Officers Liability Insurance from AIG, Zurich American Insurance Company, Liberty Mutual Insurance Company, and Aspen Insurance
 - **Status:** Approved
- **Date: August 3, 2023**
 - **Contract Name:** Rate Consultant Contracts with Amawalk Consulting Group LLC and Carollo Engineers
 - **Status:** Approved
- **Date: September 22, 2023**
 - **Contract Name:** Ratification of Rate Consultant Contracts with Amawalk Consulting Group LLC and Carollo Engineers
 - **Status:** Ratified

Prompt: Put the above information into a CSV file.

Actual ChatGPT 4.0 Response: The information about the contracts discussed by the New York City Municipal Water Finance Authority Board of Directors in 2023 has been structured into a CSV file.



PRO TIP! Be skeptical and verify. The responses a NLP tool give you should be fact-checked and used to provoke further thinking, but should not be treated as an authoritative statement.

EXAMPLE 4: Use It to Help You Write Your Audit Report

Prompt: Make the following information more concise and action-oriented:



PRO TIP! ChatGPT-type tools excel at producing short, concise, and compelling text. However, there are significant limitations with report writing, as

internal auditors should not include any proprietary information about their organization in their prompts.

Remember: ChatGPT stores everything that is typed into it.

- **Expanded Background Information:** The concept of website governance is an essential best practice that is crucial for ensuring that this digital asset significantly supports the organization's overarching strategic goals. It is instrumental in delivering the anticipated value from the substantial investment placed in the website's creation and ongoing maintenance. This comprehensive approach includes a well-defined set of policies, processes, roles, and responsibilities. Moreover, it comprehensively addresses all aspects of website maintenance and operation, ensuring that every facet of the website's performance and functionality aligns seamlessly with the organization's objectives and expectations.
- **Detailed Observations:** Currently, there is a notable absence of a structured governance plan specifically targeting the operation and maintenance of the website. This gap was somewhat addressed in October 2022, when the Web Team presented key performance indicators (KPIs) for the website, along with a plan outlining potential future improvements. This presentation was a commendable initial step towards establishing a framework for website governance. However, the situation has evolved since then due to a turnover in leadership, which has somewhat stalled these initial efforts. When the Board of Directors recently inquired about the state of website governance, the response provided was rather simplistic and insufficient. It was stated that "the Web Team owns the website," which, while factually correct, does not constitute a robust governance plan. This response fails to address critical aspects of

website governance, such as compliance and other key operational components, which may not fall under the direct purview of the Web Team.

- **Enhanced Recommendations:** It is imperative that the management takes a proactive stance in this matter. The first step should be to establish, document, and effectively communicate a comprehensive plan. This plan must explicitly address the strategic direction of the website, ensuring that it aligns with and supports the organization's broader strategic goals. In addition to setting the strategic direction, it is equally important to delineate clear policies, processes, and roles/responsibilities. These should be geared towards ensuring the continued operation and maintenance of the website at an optimal level. Establishing such a governance framework will not only provide clear guidelines for current operations, but will also lay a solid foundation for future growth and adaptation of the website in alignment with the evolving objectives of the organization.

Actual ChatGPT 4.0 Response: Concise Summary and Action Plan

- **Issue:** The organization lacks a structured website governance plan, essential for aligning the website with strategic goals. Initial efforts stalled due to leadership changes, and the current understanding of website governance is inadequate.
- **Immediate Action:** Management must establish and document a comprehensive website governance plan. This plan should:
 - Clearly define the strategic direction of the website, ensuring alignment with the organization's broader goals.
 - Detail policies, processes, roles, and responsibilities for ongoing website operation and maintenance.
 - Address all aspects of website performance and functionality.
- **Long-Term Benefits:** Implementing this governance framework will provide clear operational guidelines, support the website's optimal functioning, and facilitate future growth and alignment with organizational objectives.

About The IIA

The Institute of Internal Auditors (IIA) is the internal audit profession's most widely recognized advocate, educator, and provider of standards, guidance, and certifications. Established in 1941, The IIA today serves more than 230,000 members from more than 170 countries and territories. The association's global headquarters is in Lake Mary, Fla., USA. For more information, visit www.theiia.org.

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