INTERNAL AUDIT SUPERVISOR'S CHECKLIST

Reviewing Staff Use of Generative AI in Internal Audit Engagements

Aligned to the IIA Global Internal Audit Standards® (2024 Edition) — Domains II, IV, and V

Purpose: This checklist gives audit supervisors (in-charge auditors, audit managers, and Quality Assurance reviewers) a structured basis for reviewing and evidencing staff use of generative AI (GenAI) tools during engagements. It is organized around the ten GenAI use cases most commonly reported by internal audit functions and cross-referenced to the IIA Global Internal Audit Standards®, effective January 9, 2025.

How to use: Complete one copy per engagement (or per staff auditor, for larger teams). Check each item only after supporting evidence is on file in the workpapers. Items marked N/A should be initialed and briefly explained with comments, not left blank.

Section 1 — General Supervisory Controls

These controls apply regardless of the specific GenAI use case and should be reviewed and sponsored by the Chief Audit Executive (CAE) or designee before any engagement-level use is approved.

Supervisory Review Item	IIA Standards Reference
☐ A documented, board-approved policy governs permissible GenAI tools, data classification limits, and approval requirements for the IA function.	Domain III — Governing the IA Function; Domain IV, Std. — Enhance Quality
☐ Staff have received role-appropriate training on GenAI capabilities, limitations (e.g., hallucination risk), and the function's usage policy before using any tool on an engagement.	Domain II — Demonstrate Competency
☐ Confidential, personally identifiable, or client/organizational data was not entered into a public or non-approved GenAI tool without authorization.	Domain II — Maintain Confidentiality
☐ The auditor exercised professional skepticism and did not accept AI-generated output without independent corroboration.	Domain II — Exercise Due Professional Care
☐ The engagement workpapers disclose where and how GenAI was used (tool, prompt intent, and the portion of the work product it informed).	Domain V — Conduct Engagement Work (sufficient, reliable, relevant, useful information)
☐ A qualified staff member reviewed and takes ownership of every AI-assisted conclusion, rating, or recommendation before it leaves the team.	Domain II — Exercise Due Professional Care; Domain V — Communicate Engagement Results
☐ Use of GenAI on this engagement was assessed for bias, and any skewed or unrepresentative output was identified and corrected.	Domain II — Exhibit Objectivity

Supervisory Review Item	IIA Standards Reference
☐ Vendor/tool data-handling terms were reviewed to confirm the organization retains rights to its data and outputs are not used to train external models.	Domain III — Governing the IA Function

1. Research and Brainstorming (e.g., possible risks)

Verify that AI-generated risk ideas were used to broaden — not replace — the auditor's own risk analysis.

Supervisory Review Item	IIA Standards Reference
☐ AI-generated risk lists or brainstorming output were treated as a starting point, and each item was independently evaluated for relevance to the auditable entity.	Domain V — Plan Engagements Effectively
☐ Sources or reasoning behind AI-suggested risks were traced back to verifiable information where used in the risk assessment.	Domain II — Exercise Due Professional Care
☐ No proprietary or sensitive organizational risk data was disclosed to the tool while brainstorming.	Domain II — Maintain Confidentiality

2. Summarizing Documents

Verify that summaries were checked against source documents for accuracy and completeness before being relied upon.

Supervisory Review Item	IIA Standards Reference
☐ A sample of AI-generated summaries was traced back to the source document(s) to confirm no material omissions or misstatements.	Domain V — Conduct Engagement Work
☐ The original source document is retained in the workpapers alongside the AI summary used.	Domain V — Conduct Engagement Work
☐ Summarized documents containing sensitive data were processed only through an approved, access-controlled tool.	Domain II — Maintain Confidentiality

3. Drafting Audit Reports, Issues, or Ratings

This is a high-risk use case: AI-drafted conclusions and ratings require full supervisory review before issuance.

Supervisory Review Item	IIA Standards Reference
☐ Every AI-drafted issue statement, condition/criteria/cause/effect element, and risk rating was independently verified against engagement evidence.	Domain V — Communicate Engagement Results
☐ The final rating or conclusion reflects the auditor's professional judgment, not an unmodified AI output.	Domain II — Exercise Due Professional Care

Supervisory Review Item	IIA Standards Reference
☐ Report language was reviewed for factual accuracy, balance, and tone consistent with IA communication standards.	Domain V — Communicate Engagement Results
☐ Management or process-owner names/quotes were not fabricated or paraphrased by the AI tool without verification.	Domain II — Demonstrate Integrity

4. Non-Audit-Specific Use (meeting minutes, emails, translation)

Lower engagement risk, but confidentiality and accuracy controls still apply.

Supervisory Review Item	IIA Standards Reference
☐ Meeting minutes or correspondence drafted by AI were reviewed by an attendee for accuracy before distribution.	Domain II — Exercise Due Professional Care
☐ Translations of engagement-related communications were spot-checked by a qualified speaker where used to support conclusions.	Domain II — Demonstrate Competency
☐ No confidential engagement details were included in non-approved productivity tools.	Domain II — Maintain Confidentiality

5. Data Analysis

Verify that AI-assisted analytics meet the same reliability bar as any other audit evidence.

Supervisory Review Item	IIA Standards Reference
☐ The completeness and accuracy of source data used in AI-assisted analysis was tested before analysis began.	Domain V — Conduct Engagement Work
☐ Analytical results, anomalies, or exceptions generated by AI were independently recalculated or corroborated on a sample basis.	Domain V — Conduct Engagement Work
☐ The methodology and prompts/queries used are documented sufficiently for a reviewer to reperform the analysis.	Domain V — Conduct Engagement Work

6. Scoping Engagements and/or Drafting Audit Programs

Verify AI-drafted scope and program steps are tailored to the actual risk and control environment.

Supervisory Review Item	IIA Standards Reference
☐ AI-drafted audit program steps were tailored to the specific auditable entity's risks and controls, not accepted as generic boilerplate.	Domain V — Plan Engagements Effectively
☐ Proposed scope was reviewed and approved by the engagement supervisor before fieldwork began.	Domain V — Plan Engagements Effectively
☐ Objectives and scope align with the approved risk-based audit plan.	Domain IV — Plan Strategically

7. Writing/Editing Code

Applies to analytics scripts, dashboards, or automation built to support engagements.

Supervisory Review Item	IIA Standards Reference
☐ AI-generated or AI-edited code (e.g., analytics scripts) was tested against a known/control data set before use on live data.	Domain V — Conduct Engagement Work
☐ Code logic was reviewed line-by-line by a team member competent to evaluate it, not accepted solely on output appearing reasonable.	Domain II — Demonstrate Competency
☐ Version history/documentation of the code used is retained in the workpapers.	Domain V — Conduct Engagement Work

8. Knowledge Management (e.g., summarizing past findings)

Verify historical synthesis is accurate before it informs current risk judgments.

Supervisory Review Item	IIA Standards Reference
☐ AI-summarized prior findings or trends were traced to the original issue records for accuracy.	Domain IV — Enhance Quality
☐ Access to the historical findings database through the AI tool is limited to authorized IA personnel.	Domain II — Maintain Confidentiality

9. Departmental Risk Assessment and Audit Planning

Verify AI input to the audit universe or annual plan is corroborated with organizational knowledge.

Supervisory Review Item	IIA Standards Reference
☐ AI-assisted risk-ranking or audit-universe input was corroborated with stakeholder interviews, financial data, or other independent sources.	Domain IV — Plan Strategically
☐ The final risk assessment and audit plan were reviewed and approved by the CAE.	Domain IV — Plan Strategically

10. Quality Assurance

Verify AI used in QA/QAIP activities does not itself become the sole reviewer of engagement quality.

Supervisory Review Item	IIA Standards Reference
☐ AI-assisted QA checks (e.g., checklist completeness, workpaper cross-referencing) were confirmed by a qualified independent reviewer.	Domain IV — Enhance Quality
☐ Results of AI-assisted QA reviews are incorporated into the function's ongoing and periodic quality assessment records.	Domain IV — Enhance Quality

Section 2 — Supervisory Sign-Off

Role	Name / Signature	Date
Preparer (Staff Auditor)		
In-Charge / Engagement Supervisor		
Quality Assurance Reviewer / CAE Designee		

Source: Standards references are to The IIA's Global Internal Audit Standards®, 2024 Edition, effective January 9, 2025. This checklist is a supervisory tool and does not itself constitute IIA guidance; functions should confirm alignment with their own charter, policies, and applicable Topical Requirements.