



The Institute of
Internal Auditors
Elevating Impact

March 12, 2025

Office of Science and Technology Policy
Executive Office of the President
Eisenhower Executive Office Building
1650 Pennsylvania Avenue
Washington, DC 20504

RE: IIA Comments Regarding the Development of an Artificial Intelligence Action Plan

To Whom It May Concern:

On behalf of The Institute of Internal Auditors (The IIA), the international professional organization representing more than 260,000 internal auditors, I appreciate the opportunity to comment on the Office of Science and Technology Policy's (OSTP) request for information entitled, "[Development of an Artificial Intelligence Action Plan](#)."

The rapid proliferation of emerging technology, such as artificial intelligence (AI), represents a transformative moment for the American economy. The unprecedented power of AI – if harnessed appropriately – has the potential to accelerate innovation, enhance competition, and drive economic growth. In a recent speech at the Artificial Intelligence Action Summit, Vice President JD Vance acknowledged the promise of AI, stating, "We face the extraordinary prospect of a new industrial revolution, one on par with the invention of the steam engine or Bessemer steel."¹

Given the substantial impact AI will have on the lives of all Americans, it is imperative that the United States establish clear and measured safeguards governing the application of this technology. The development of an AI Action Plan, pursuant to President Donald Trump's executive order "[Removing Barriers to American Leadership in Artificial Intelligence](#)," is a critical first step in achieving this objective by identifying the core elements of a policy framework.

Although AI policy discussions generally focus on technological and legal issues, The IIA believes that a comprehensive AI Action Plan must also highlight the importance of governance, internal controls, and risk management. An emphasis on these essential practices will, in part, ensure organizations utilizing AI:

- Institute processes for effectively identifying and mitigating potential AI-related risks

¹ Vance, JD. "Remarks by the Vice President at the Artificial Intelligence Action Summit." February 11, 2025. *The American Presidency Project*, University of California at Santa Barbara, <https://www.presidency.ucsb.edu/documents/remarks-the-vice-president-the-artificial-intelligence-action-summit-paris-france>.

- Establish appropriate internal controls and independent oversight

A critical component of any robust risk management analysis – and one The IIA recommends should be recognized in the AI Action Plan – is the complementary role of an organization’s internal audit function.

An internal audit function – operating in conformity with the [Global Internal Audit Standards](#) – is the entity responsible for providing an organization’s governing body with objective assurance over AI-related risk management and internal control processes. The work of internal audit promotes confidence among stakeholders due to its independence from management and direct reporting relationship to the governing body (i.e. board of directors).

In other words, internal audit leverages a deep understanding of the organization to conduct AI evaluations designed to promote transparency and accountability. This private-sector approach to AI oversight is important because it ensures the professionals performing assessments possess an intimate knowledge of the organization’s strategic goals, culture, and risk appetite. These powerful insights produce AI audits that supply a governing body with substantive and actionable information.

The intersection between internal audit and AI signals a unique opportunity to limit “onerous and unnecessary government control over the development of AI.”² Rather than establish a traditional regulatory regime directing a specific government agency to audit AI operations, The IIA recommends the AI Action Plan empower the private sector to execute this responsibility through internal audit. This commonsense approach for maintaining balanced oversight of AI activities will promote greater organizational collaboration and minimize the potential for regulatory enforcement overreach.

As OSTP examines policy solutions designed to promote American leadership in AI, the internal audit profession is uniquely positioned to facilitate private sector-based transparency and accountability. It is for this reason that The IIA recommends the forthcoming AI Action Plan address the following important topics:

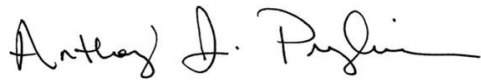
- 1) **Recognize the Significance of AI Risk Management and Governance:** The IIA supports a greater policy emphasis concerning the need for appropriate risk management and governance processes related to implementing and using AI in business operations.
- 2) **Strengthen Internal AI Oversight:** Utilize internal audit-led assurance processes for evaluating an organization’s AI-related internal controls, risk management and governance structures. The presence of a qualified internal audit function will strengthen independent oversight efforts and increase consumer confidence.

² Executive Office of the President, “Fact Sheet: President Donald J. Trump Takes Action to Enhance America’s AI Leadership.” January 23, 2025. The White House, <https://www.whitehouse.gov/fact-sheets/2025/01/fact-sheet-president-donald-j-trump-takes-action-to-enhance-americas-ai-leadership/>.

Should OSTP have any questions regarding this proposal, or wish to receive a comprehensive briefing on the internal audit profession, please contact Michael Downing, IIA Senior Director for North American Advocacy, at Michael.Downing@TheIIA.org.

Thank you for your consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Anthony J. Pugliese". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Anthony J. Pugliese, CIA, CPA, CGMA, CITP
President and Chief Executive Officer
The Institute of Internal Auditors