

Technology Quality Management Workstream

Proposed Roadmap for Non-Authoritative Material on Gen AI-Enabled Technological Tools Used in Engagements

Objective for the June 2026 IAASB Discussion

The objective of the June 2026 IAASB discussion is to obtain Board input on the proposed roadmap and related foundational considerations for the guide series to be developed as non-authoritative material (NAM) under the Technology Quality Management Workstream.

The approved [Action Plan](#) sets out an initial 'roadmap' for the guide series (see paragraphs 30–32 relating to Table 1 of the Action Plan). This paper makes the roadmap more concrete and actionable, including by setting out the proposed scope, guide structure, content elements, sequencing and approach to Board consideration. This has been informed by the first meeting of the Technology Quality Management Expert Group and is consistent with the Action Plan's expectation that the guide series would be refined as development progresses.

The inaugural Expert Group meeting took place virtually on May 6, 2026. The next meeting in a planned series of monthly meetings is scheduled for June 11, 2026 to discuss the proposed roadmap. Because the June Board materials are finalized before that discussion, the roadmap is presented for input from both the Board and the Expert Group. Input from the June 11, 2026 Expert Group meeting and the June 17, 2026 Board discussion will be used to refine the roadmap for further Board consideration in September 2026. This refinement step will not slow the development of draft content for the guides, which is expected to proceed in parallel.

Organization of this Paper

1. This paper is organized as follows:
 - I. [Expert Group and Other Input](#)
 - II. [Public Interest Objectives and IAASB Value Proposition](#)
 - III. [Focus on Gen AI, Including Tools with Agentic Capabilities](#)
 - IV. [Proposed Guide Series Roadmap](#)
 - V. [Proposed Sequencing and Rolling Board Consideration](#)
2. This paper also includes the following appendices:
 - [Appendix 1](#) – External Reference Points to be Consulted
 - [Appendix 2](#) – Additional Detail on the Proposed Individual Guides
 - [Appendix 3](#) – Proposed Recurring Examples Across Illustrative Use-Case Risk Factors

I. Expert Group and Other Input

3. Following approval of the Action Plan in March 2026, staff established the Technology Quality Management Expert Group (Expert Group) to provide structured input into the development of the guide series. The Expert Group includes innovation leaders from audit firms and members with perspectives from audit oversight regulators, securities regulators, technology service providers, academics and financial statement preparers. Information about the composition of the Expert Group and its Terms of Reference is available on the Technology Quality Management Workstream [project page](#).

First Expert Group Meeting

4. The first Expert Group meeting was used to discuss the proposed direction of the Workstream, including the IAASB's value proposition, the proposed focus on generative artificial intelligence (Gen AI), practical implementation challenges, possible guide topics, and sequencing. The Expert Group supported developing a clearer and more detailed roadmap before work begins on drafting the guides, including articulating how the guide series could be structured, how topics could be sequenced, what content elements could recur across the guides, and how the guides could operate as an integrated package.
5. The Expert Group discussion also supported focusing the guide series on Gen AI-enabled technological tools, including tools with agentic capabilities, used in audit and other assurance engagements (engagements) to facilitate the design or performance of procedures in obtaining evidence (see **Section III** for more information about why Gen AI-enabled tools will be the focal point of the guide series). Several Expert Group members also considered broader uses of Gen AI by firms important, including technological resources used elsewhere in a firm's operations or in the firm's system of quality management (SOQM). The Technology Quality Management Workstream may consider future NAM on those broader uses if a need arises, including where there is a significant public interest dimension.
6. Several quality management themes emerged from the Expert Group discussion. These included presenting quality management for Gen AI-enabled tools as dynamic and reciprocal rather than as a one-time tool approval event; explaining why the guide series should not be limited to ISQM 1 paragraph 32(f)¹ on technological resources; being specific about the nature, timing and purpose of human involvement; and addressing service-provider and network arrangements without implying that such arrangements transfer responsibility for quality management.
7. The first of these themes is particularly important to the proposed roadmap. Quality management for Gen AI-enabled tools, including tools with agentic capabilities, should not be presented as a purely linear tool-certification model. With more traditional deterministic tools, quality management could often be experienced as a relatively linear process: approve the tool, protect the code and operating environment through general IT controls (GITCs), and make the tool available for use. Gen AI-enabled tools may challenge that model because performance may change through vendor model

¹ International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, paragraph 32(f), includes the quality objective that appropriate technological resources are obtained or developed, implemented, maintained and used to enable the operation of the firm's SOQM and the performance of engagements.

updates, prompts, retrieval sources, configuration, context, user behavior or the tool's probabilistic operation.

8. The roadmap should therefore present quality management for Gen AI-enabled tools as dynamic and reciprocal. Engagement-level experience may identify unexpected outputs, apparent drift, output quality issues, inappropriate user behavior, incidents, confidentiality concerns or new use cases. That information may need to flow back to the firm or network level and may trigger updated guidance, training, restrictions, revalidation, remediation or decommissioning. Conversely, firm-level monitoring, vendor updates or changes in approved tool configurations may need to be communicated to engagement teams on a timely basis.

Meetings with Other Groups

9. Outreach with the Center for Audit Quality's Gen AI Task Force on April 21, 2026 also provided useful practitioner perspectives. The discussion was framed around three areas that had emerged through the Workstream's information gathering as significant implementation challenges: pre-deployment testing and approval, post-deployment monitoring, and direction, supervision and review when Gen AI-enabled tools are used in engagements. The discussion was broadly consistent with those areas of focus and indicated interest in continuing an exchange of perspectives with the IAASB as development of the NAM progresses.
10. The discussion of the IAASB's Technology Consultation Group (TCG) on May 7, 2026 reinforced these themes and sharpened the distinction between deterministic and non-deterministic systems. One point raised was that probabilistic systems may be supervised in part by more deterministic mechanisms, such as defined metrics, thresholds, exception reports, output sampling, rules-based checks or comparison routines. These mechanisms do not replace professional skepticism or human oversight, but they may help firms monitor non-deterministic systems in a disciplined and scalable way.

Use of External Reference Points

11. External reference materials will be useful inputs to the development of the guide series. Publications and resources from COSO, FRC (UK), IFIAR, NIST, ISO/IEC and other external bodies provide relevant insights on AI governance, control, audit quality, regulatory expectations, testing and validation, monitoring, incident response, management systems and continual improvement.² **Appendix 1** summarizes key external reference points identified to date and how they may inform development of the guide series.
12. When a guide draws on a novel concept or specific analytical framework from an external body, the guide should identify the source. For example, NIST's work on testing, evaluation, verification and validation (TEVV) may help inform examples of how a firm could think about tool validation and approval; FRC's categories of risks to audit quality may help inform engagement-level output evaluation; and COSO's discussion of Gen AI control considerations may inform content

² COSO refers to the [Committee of Sponsoring Organizations of the Treadway Commission](#); NIST refers to the [National Institute of Standards and Technology](#); ISO/IEC refers to the [International Organization for Standardization](#) and the [International Electrotechnical Commission](#); FRC (UK) refers to the [Financial Reporting Council](#); and IFIAR refers to the [International Forum of Independent Audit Regulators](#)

completeness. In each case, the guide would then translate the insight back to the relevant concepts and principles in ISQM 1 or ISA 220 (Revised).³

II. Public Interest Objectives and IAASB Value Proposition

13. Through the proposed NAM, the IAASB aims to advance three related public-interest objectives:
- (a) To **support the consistent and effective application of ISQM 1 and ISA 220 (Revised)** when Gen AI-enabled technological tools are used in engagements.
 - (b) To **reduce the risk of regulatory fragmentation**, including circumstances in which regulators and oversight authorities interpret the standards differently in ways that could create uncertainty or discourage the appropriate use of technology.
 - (c) To **support scalability and proportionality**, including by assisting smaller and less technologically mature firms that may otherwise be less able to develop their own implementation guidance for Gen AI-enabled tools, including tools with agentic capabilities.



14. The IAASB's value proposition is to bring clarity to how its own standards apply, showing how existing quality management concepts and principles in ISQM 1 and engagement-level responsibilities in ISA 220 (Revised) apply to Gen AI-enabled technological tools, including tools with agentic capabilities.
15. Although external publications and frameworks may provide useful insights on AI governance, controls, testing, validation, monitoring and related matters, the IAASB's particular contribution is to translate relevant insights back to ISQM 1 and ISA 220 (Revised). This is important because the proposed NAM is intended to support consistent and effective application of the IAASB's standards, not to create a separate AI governance framework.

III. Focus on Gen AI, Including Tools with Agentic Capabilities

16. The proposed guide series will focus on Gen AI-enabled technological tools, including tools with agentic capabilities, that are used in engagements to facilitate the design or performance of engagement procedures in obtaining evidence.
17. This represents a refocusing of the Workstream. The initial information-gathering phase was broader than Gen AI and considered technological tools enabled by emerging technologies that may exhibit **opacity**, **non-determinism** or **adaptivity**. These characteristics may give rise to quality management challenges that are different from, or more pronounced than, those associated with more traditional deterministic tools. **Table 1** summarizes these characteristics and their potential quality management implications.

³ International Standard on Auditing (ISA) 220 (Revised), *Quality Management for an Audit of Financial Statements*

Table 1: Characteristics That May Affect Quality Management

Characteristic	Meaning	Potential Quality Management Implication
Opacity	Limited explainability of how a tool produces outputs.	May affect how the firm or engagement team understands the tool's limitations, evaluates outputs, determines appropriate human involvement and documents matters considered.
Non-determinism	Outputs may vary even with similar inputs.	May affect how the tool is tested, validated, approved, monitored and used, including whether output evaluation or repeat testing is needed.
Adaptivity	Tool behavior may change over time, including through updates or other modifications.	May affect monitoring, revalidation, incident response, communications to users and decisions about continued use.

18. These characteristics were not intended to be exhaustive. Other characteristics of emerging technologies may also affect how quality risks are identified and addressed. For example, **autonomy** may be relevant where a tool can perform tasks or progress through a workflow with reduced step-by-step human direction. Gen AI-enabled tools with agentic capabilities may exhibit this characteristic by coordinating tasks, calling other tools or performing intermediate steps within a workflow.
19. Based on the Workstream's information gathering, including the global roundtables held in the second half of 2025,⁴ Gen AI appears to be the most immediate and significant emerging technology for purposes of the proposed guide series. Firms appear to be moving from experimentation with discrete Gen AI use cases toward more integrated Gen AI-enabled workflows and, in some cases, workflows with agentic capabilities.
20. Gen AI-enabled tools raise practical questions about intended use, validation, approval, monitoring, revalidation, human involvement, evaluation of outputs, documentation and feedback into the SOQM. These questions are particularly relevant where the tools are used to facilitate the design or performance of procedures in obtaining evidence intended to support engagement conclusions or opinions.
21. Where concepts or examples in the NAM may be capable of application by analogy to technological tools enabled by other emerging technologies with similar characteristics, the guides may acknowledge that broader relevance. In that way, the NAM can remain focused on Gen AI-enabled tools while also supporting broader application where other emerging technologies raise similar quality management considerations. As noted in **Section I**, the Technology Quality Management Workstream may also consider future NAM on broader uses of Gen AI-enabled technological resources by firms if a need arises, including where there is a significant public interest dimension.

⁴ Refer to [Agenda Item 8](#) of the December 2025 IAASB meeting for a summary of insights from the IAASB's initial information-gathering phase of the Technology Quality Management (QM) Workstream, drawing primarily on the IAASB's eight global roundtables held in the second half of 2025.

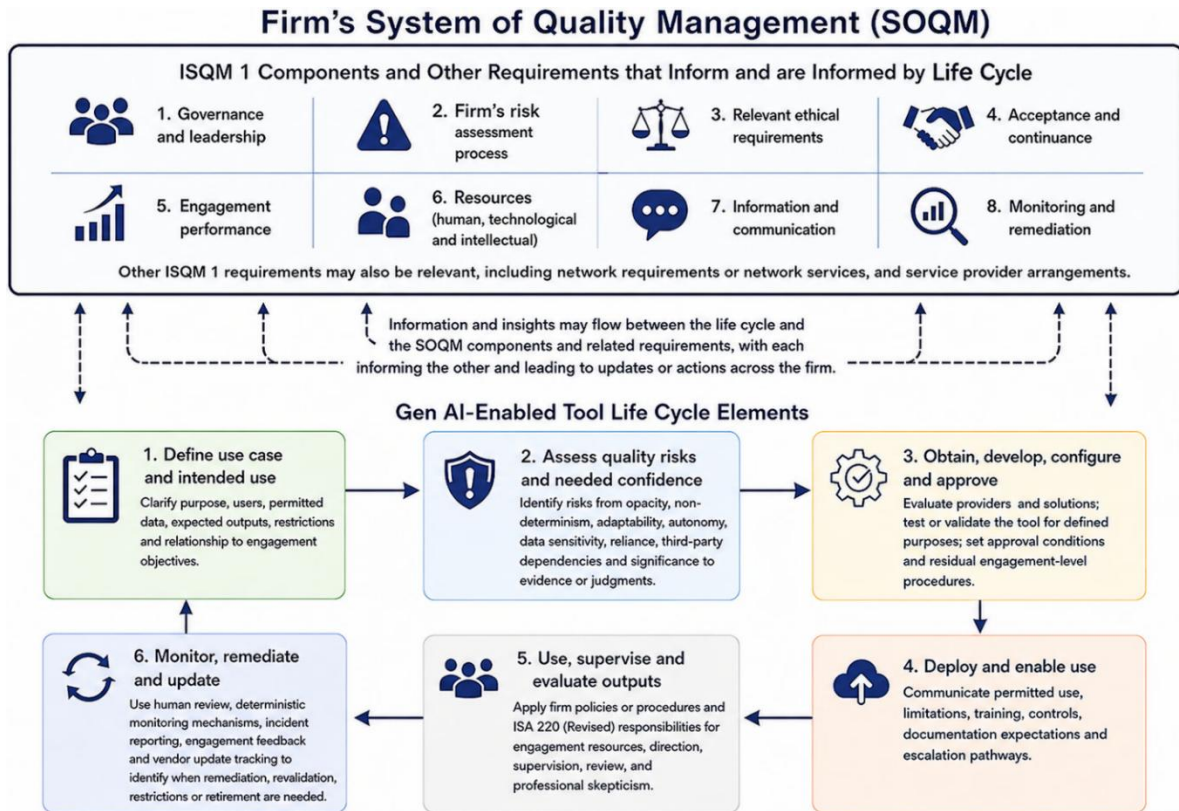
IV. Proposed Guide Series Roadmap

Life Cycle and Quality Management Foundation

22. The life cycle of a Gen AI-enabled technological tool would serve as the primary navigation backbone for the guide series because it provides a practical way to organize the topics that firms and engagement teams are likely to encounter.
23. This approach retains and refines the themes outlined in paragraph 32 of the Action Plan by translating them into the proposed life cycle structure, based on input from the Expert Group and other information-gathering activities. The relationship between the Action Plan themes, the overarching framework for the guide series and the proposed life cycle structure is shown after the life cycle elements are introduced below (see **Table 2**).
24. Effective quality management begins within the firm's SOQM. Decisions about whether, where and how Gen AI-enabled tools may be used in engagements are influenced by the interrelated components of a firm's SOQM. These matters are relevant to the development of the NAM because ISQM 1 requires the firm to establish specified quality objectives, identify and assess quality risks, and design and implement responses that are based on, and responsive to, the reasons for the assessments given to those quality risks.
25. Accordingly, the guide series should not be limited to ISQM 1 paragraph 32(f), which addresses technological resources. Although that quality objective is central to this Workstream, Gen AI-enabled tools may create or affect quality risks across the SOQM. Relevant considerations may arise across ISQM 1's components, including the firm's risk assessment process, governance and leadership, relevant ethical requirements, acceptance and continuance, engagement performance, resources, including human, technological and intellectual resources, information and communication, and monitoring and remediation. Other ISQM 1 requirements may also be relevant, including network requirements or network services, and service provider arrangements.
26. ISA 220 (Revised) is also central when Gen AI-enabled tools are used in engagements. Engagement-level considerations may include engagement resources, direction, supervision and review, engagement partner involvement, professional skepticism, use of specialists, evaluation of outputs, documentation and communication of matters that may need to be fed back to the firm's SOQM. The guide series should therefore connect firm-level quality management under ISQM 1 with engagement-level responsibilities under ISA 220 (Revised).
27. Robust firm-level quality management, including approval, deployment conditions, methodology, training, monitoring and communication of limitations, may affect the nature and extent of engagement-level considerations when an approved tool is used as intended. However, firm-level work does not eliminate engagement-level responsibilities under ISA 220 (Revised), including the engagement partner's and engagement team's responsibilities.
28. The guide series would therefore be organized around the technological tool life cycle for navigation purposes, while each life cycle stage would be explained through the relevant concepts and principles in ISQM 1 and, where applicable, ISA 220 (Revised). In addition, cross-cutting matters such as governance, use-case risk assessment, scalability, human involvement, relevant ethical considerations, data governance, documentation, monitoring and feedback loops would be embedded across the guides rather than treated as isolated topics. This approach is practical, grounded in the standards, scalable and responsive to Expert Group input.

29. **Figure 1** illustrates how the life cycle can be used as the navigation backbone while remaining connected to the firm's SOQM. The life cycle is presented as dynamic and reciprocal, with information flowing between life cycle activities and the firm's SOQM.

Figure 1: Dynamic and Reciprocal Quality Management for Gen AI-Enabled Tools



30. **Table 2** explains how the overarching framework for the guide series and the three themes identified in paragraph 32 of the Action Plan map to the life cycle elements in **Figure 1** and the proposed guide structure, which is further discussed in paragraphs 31–35 and presented in **Table 3**.

Table 2: Mapping Action Plan Themes and Overarching Framework to Life Cycle Elements and Proposed Guide Structure

Action Plan Themes (para. 32) & Overarching Framework	Life Cycle Elements in Figure 1	Linkage to Proposed Guides in the Guide Series
Overarching framework for the guide series	- Define use case and intended use - Assess quality risks and needed confidence	Guide 1 – Overarching Framework for Gen AI-Enabled Tools would establish the common approach to defining use cases, assessing use-case risk and determining needed confidence. These elements would then be applied across the guide series, including most directly in Guide 2 when tools are obtained, developed, configured and approved.

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Action Plan Themes (para. 32) & Overarching Framework	Life Cycle Elements in Figure 1	Linkage to Proposed Guides in the Guide Series
Theme 1: Third-party onboarding of foundational models and solutions	3. Obtain, develop, configure and approve	Guide 2 – Obtaining, Developing, Configuring and Approving Gen AI-Enabled Tools would address service-provider and foundational model considerations, including provider information, vendor evidence, third-party assurance or other evidence, validation, approval conditions and the evidence or information the firm may need before a tool is used.
Theme 2: Tool layer governance	3. Obtain, develop, configure and approve 4. Deploy and enable use	Guide 2 – Obtaining, Developing, Configuring and Approving Gen AI-Enabled Tools would address firm-developed, firm-configured and assembled tools, including validation, testing, configuration, prompts, retrieval sources and approval conditions. Guide 3 – Deploying and Enabling Use of Approved Tools would address how approved tools are made available under defined conditions, including access, permitted use, training, controls, safeguards and escalation pathways.
Theme 3: Engagement-level use, oversight, and accountability	5. Use, supervise and evaluate outputs 6. Monitor, remediate and update (to the extent engagement-level experience provides feedback to the firm)	Guide 4 – Engagement-Level Use, Human Oversight and Evaluation of Outputs would address engagement-level responsibilities, including direction, supervision and review, professional skepticism, human involvement, output evaluation, documentation and feedback to the firm. Guide 5 – Post-Deployment Monitoring, Incident Response, Revalidation and Decommissioning would address how engagement-level feedback may inform monitoring, remediation, revalidation or updates to approval conditions, deployment instructions or engagement use.

Matter for IAASB Consideration

1. Do Board members support using the technological tool life cycle, connected to firm-level quality management under ISQM 1 and engagement-level responsibilities under ISA 220 (Revised), as the foundation for organizing the guide series?

Proposed Structure and Content of the Guide Series

31. This section sets out the proposed structure and content of the guide series. The proposed structure reflects the Action Plan and the Expert Group's discussion about which matters may warrant standalone treatment, which matters should operate as cross-cutting content elements, and how topics should be sequenced.
32. Guide 1 would establish the overarching implementation framework for the guide series. Guides 2 to 5 would then address significant stages of the Gen AI-enabled tool life cycle: obtaining, developing, configuring and approving tools; deploying and enabling use; engagement-level use, human oversight and evaluation of outputs; and post-deployment monitoring, incident response, revalidation and decommissioning.
33. **Table 3** provides an overview of the proposed five-guide structure and the core content elements for each guide. **Appendix 2** provides additional detail on the intended focus of each guide and selected issues that may warrant particular attention during drafting.

Table 3: Proposed Five-Guide Structure

	Core Content Elements	Why It Matters
GUIDE 1 Overarching Framework for Gen AI-Enabled Tools	- Purpose and scope - Why Gen AI is the focal point, including agentic capabilities - IAASB value proposition; relevant concepts and principles in the standards - Three public-interest objectives - SOQM-wide implications beyond technological resources - Common terminology - Identification and inventorying of Gen AI-enabled functionality - Use-case risk assessment and scalability - Dynamic quality management model - Approach to using external reference points - Recurring content elements (see paragraphs 36-38 and Table 4 for more detail)	Establishes the overarching framework for the series and prevents later guides from becoming disconnected.
GUIDE 2 Obtaining, Developing, Configuring and Approving Gen AI-Enabled Tools	Service-provider and foundational model considerations - Third-party foundational models and solutions - Service-provider quality management processes	Combines third-party onboarding and tool-layer governance because these often overlap in practice and are part of the same life cycle element: obtaining, developing, configuring and

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	Core Content Elements	Why It Matters
	• Training data and model development considerations • Vendor evidence, including nature and relevance of third-party assurance • Intended-use boundaries, validation and testing, and approval conditions for service-provider tools or solutions Firm development, configuration and assembly • Firm-developed or configured applications • Build/buy/assemble arrangements • Prompt libraries • Firm-approved configurations • Engagement-team-created agents or workflows • Intended-use boundaries, validation and testing, and approval conditions for firm-developed, firm-configured or assembled tools	approving tools before use. This is relevant across firm sizes because many firms, including large firms and networks, rely on service providers for foundational Gen AI models, hosted solutions or model-enabled functionality that may be configured for firm or engagement use. The guide could be developed in parts, with service-provider and foundational model considerations potentially brought to the Board first (Part 1), followed by firm development, configuration and assembly considerations (Part 2).
GUIDE 3 Deploying and Enabling Use of Approved Tools	• Authorization for use • Access and usage conditions • Permitted and prohibited uses • Preventing unauthorized, covert or expressly prohibited use • Use of non-approved tools outside firm channels and related leakage of client or firm information • Methodology integration • Training • Competence • Specialists • GITCs and related controls • Safeguards over data governance, privacy, confidentiality and relevant ethical considerations • Escalation and support • Communication to engagement teams	Bridges approval and engagement use by explaining how approved tools are made available under defined conditions and how engagement teams are enabled to use them appropriately.
GUIDE 4	• Engagement partner responsibilities • Engagement resources	Likely to be of immediate practical relevance across firm

	Core Content Elements	Why It Matters
Engagement-Level Use, Human Oversight and Evaluation of Outputs	• Direction, supervision and review • Professional skepticism • Automation bias and over-reliance • Human involvement and control points • Output evaluation • Specialists • Tools not approved at firm level but permitted under firm policies or procedures • Documentation • Feedback to the firm	types. Guide 4 would need to be developed in close coordination with Guides 1 and 2 , so that engagement-level guidance is grounded in intended use, approval conditions and residual engagement-level procedures.
GUIDE 5 Post-Deployment Monitoring, Incident Response, Revalidation and Decommissioning	• Monitoring beyond one-time approval and general IT controls • Human and deterministic monitoring of probabilistic systems • Model drift • Vendor updates • Prompt and workflow changes • Data-source monitoring • Usage monitoring • Issue escalation • Revalidation triggers • Temporary restrictions • Remediation • Root cause analysis • Communication of issues • Retirement and data retention	Central to dynamic quality management and continuous improvement. This is a key element of addressing quality risks of Gen AI-enabled tools whose performance or outputs may change over time.

34. The proposed structure is based on several organizing considerations. **Guide 1** is proposed as an overarching guide because the series needs a common scope, terminology, explanation of the IAASB's value proposition, relevant concepts and principles in the standards, use-case risk assessment approach, recurring content elements and dynamic quality management model. Without that overarching framework, later guides could become disconnected or inconsistent.
35. **Guides 2 to 5** are then organized around major stages of the tool life cycle as follows:
- **Guide 2** would address both service-provider tools and firm-developed or firm-configured tools because these often overlap in practice and raise similar pre-use questions about evaluation, validation, approval conditions and the evidence or information the firm may need before use. Within Guide 2, these matters could be developed in parts, distinguishing service-provider and

foundational model considerations from firm development, configuration and assembly considerations.

- **Guide 3** would address deployment because making an approved tool available under defined conditions raises distinct questions about permitted use, training, access, methodology integration, safeguards and controls to prevent unauthorized or prohibited use.
- **Guide 4** would address engagement-level use because the application of ISA 220 (Revised), including direction, supervision and review, professional skepticism, human involvement and evaluation of outputs, is likely to be of immediate practical relevance.
- **Guide 5** would address post-deployment monitoring because the performance or outputs of Gen AI-enabled tools may change over time and may require ongoing monitoring, revalidation, incident response, remediation or retirement.

Matter for IAASB Consideration

2. Do Board members support the proposed five-guide structure and related content elements?

Recurring Content Elements and Examples

36. Certain matters are overarching for the guide series and also recur operationally across life cycle stages. **Guide 1** would establish the principles and terminology for these matters. Each subsequent guide would then explain how the relevant content elements apply in that guide's context, avoiding both unnecessary repetition and dilution. **Table 4** identifies the proposed recurring content elements.

Table 4: Recurring Content Elements

Recurring Content Element	How It Would Be Used
Relevant concepts and principles in the standards	Identify relevant ISQM 1 and ISA 220 (Revised) concepts or principles, and explain that the guidance does not add requirements or amend the standards.
Use-case risk assessment and scalability	Explain how firms may identify and assess use-case risk factors, including intended use, autonomy, reliance, data sensitivity, effect on evidence or judgments, and ability to detect deficiencies, and how the nature and extent of quality management responses may scale based on that assessment.
Roles and accountabilities	Describe typical network, firm and engagement team responsibilities, emphasizing that the firm retains responsibility for its SOQM.
Competence, capabilities and specialists	Address skills needed to design, approve, deploy, use, supervise, review and monitor the tool, including when specialists may be needed.
Relevant ethical requirements	Address how Gen AI-enabled tools may affect the fulfillment of responsibilities in accordance with relevant ethical requirements, including in relation to integrity,

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Recurring Content Element	How It Would Be Used
	confidentiality, objectivity, professional competence and due care, professional behavior, accountability, transparency, and bias. This will be coordinated with the International Ethics Standards Board for Accountants (IESBA).
Data governance, privacy and confidentiality safeguards	Address permitted data inputs, client confidentiality, access, retention, privacy, data provenance, use of firm or client information, service-provider or network arrangements, risks from unauthorized or prohibited tools, and safeguards over data used by or generated through Gen AI-enabled tools.
Professional skepticism	Address over-reliance, evaluation of outputs, challenge of contrary evidence and the need to understand tool limitations.
Documentation	Explain documentation considerations in a scalable way, including intended use, approvals, outputs evaluated, conclusions reached, exceptions, escalation and monitoring feedback.
Feedback loops	Explain how information from one life cycle stage affects another, particularly engagement feedback to firm-level monitoring and remediation.
Examples and illustrations	Use recurring examples and guide flow illustrations to show how the guides fit together rather than relying only on isolated examples.

37. Ethical matters would be addressed as a recurring content element because Gen AI-enabled tools may affect how firms and engagement teams fulfill responsibilities in accordance with relevant ethical requirements. Relevant ethical requirements are defined in ISQM 1⁵ and in ISA 220 (Revised). Consistent with the framework-neutral approach that is applied in IAASB standards, the guide series may cross-reference the IESBA Code⁶ by way of example, as appropriate. In addition, IESBA may have, or may develop, NAM relevant to the topics or content elements addressed in the guide series, for example providing a specific ethics lens to firm and engagement team responsibilities, actions and behaviors.

⁵ ISQM 1, paragraph 16(t) defines relevant ethical requirements as follows: “*Principles of professional ethics and ethical requirements that are applicable to professional accountants when undertaking engagements that are audits or reviews of financial statements or other assurance or related services engagements. Relevant ethical requirements ordinarily comprise the provisions of the IESBA Code related to audits or reviews of financial statements, or other assurance or related services engagements, together with national requirements that are more restrictive.*”

⁶ IESBA Code refers to The International Code of Ethics for Professional Accountants (including International Independence Standards) (“the Code”).

38. A recurring example strategy may be especially useful in helping the Board, the Expert Group and eventual users understand how the guides operate as an integrated package. Rather than using isolated examples in each guide, the series could carry a small number of examples across the life cycle. These examples would show how the same use case may be addressed in relation to approval, deployment, engagement-level use, monitoring, remediation and revalidation. **Appendix 3** sets out proposed recurring examples across illustrative use-case risk factors.

Matter for IAASB Consideration

3. Do Board members support the proposed recurring content elements, including the use of recurring examples to show how the guides would operate as an integrated package?

V. Proposed Sequencing and Rolling Board Consideration

39. The sequencing below will be refined based on Board and Expert Group input, within the overall development approach approved in the Action Plan. The guide series proposed in **Section IV** will be developed in parallel drafting tracks because the guides are interdependent and because engagement-level use, tool approval, deployment and monitoring cannot be fully understood in isolation.
40. The rolling approach to Board consideration is intended to support timely Board input, public deliberation and approval of material as it becomes sufficiently developed (including publishing approved material), rather than deferring substantive Board consideration until all guides are complete. In some cases, staff may ask the Board for input on specific content elements within a guide; in other cases, staff may ask the Board to approve a completed guide or, where appropriate, a completed part of a guide.
41. This approach is consistent with the IAASB's [Approach to Addressing Technology-Related Matters](#) and the Action Plan, which contemplate enhanced Board oversight for technology-related NAM.
42. **Guide 1** would be developed by staff with input from the Expert Group because it would establish the common scope, terminology, relevant concepts and principles in the standards, use-case risk assessment approach, dynamic quality management model, recurring content elements and approach to using external reference points for the guide series. Staff will bring Guide 1 to the Board in September 2026 for approval.
43. For **Guides 2 to 5**, Expert Group members would contribute directly through drafting tracks, meaning smaller groups of Expert Group members assigned to help develop the content for particular guides. Staff would coordinate the drafting tracks and retain responsibility for integration, editorial consistency and alignment with ISQM 1 and ISA 220 (Revised).
44. **Guide 2** may be developed in parts, as described in **Table 3**, with the first part addressing service-provider and foundational model considerations. Staff plans to bring **Guide 2, Part 1: Service-provider and foundational model considerations** to the Board in September 2026 for approval. If Guide 2, Part 1 is not sufficiently developed for approval in September, staff would seek Board input at that meeting to support approval at the October 28, 2026 mid-quarter Board call.
45. **Table 5** summarizes the proposed sequencing and rolling Board consideration from June 2026 to June 2027. The sequencing remains indicative and subject to drafting progress, Expert Group input

and Board direction. The intention is to bring content to the Board when it is ready for meaningful input or approval.

Table 5: Proposed Sequencing and Rolling Board Consideration

Board Meeting	Proposed Output and Related Board Input or Approval ⁷
Upcoming meeting June 2026	Board input on the proposed roadmap, including scope, life cycle and quality management foundation, proposed five-guide structure and each guide's proposed content elements, recurring content elements for all guides, external reference points, drafting-track approach and rolling Board consideration. The Expert Group will also discuss the proposed roadmap and drafting-track approach at its meeting on June 11, 2026.
September 2026	Refined roadmap for further Board consideration and approval. Staff will bring Guide 1 to the Board for approval. Staff also plans to bring Guide 2, Part 1 to the Board for approval (if needed, approval may be moved to the Board call on October 28, 2026 (see paragraph 44)). Staff may also bring selected content elements from other guides for Board input where those materials are sufficiently developed.
December 2026	Staff plans to bring Guide 2, Part 2 and Guide 4 to the Board for approval. Staff may also bring selected content elements from other guides for Board input where those materials are sufficiently developed. In addition, board input may be sought on consistency across drafting tracks and interrelationships across guides.
March 2027	Staff plans to bring Guides 3 and 5 to the Board for approval. Board input will also focus on any remaining matters requiring deliberation across the guide series, including new matters that may have come up, cross-references, recurring examples and matters relating to consistency and coherence.
June 2027	Board approval of any remaining guides, parts of guides or content elements within a guide needed to complete the guide series. Staff will present any final conforming updates to previously approved material. Following Board approval, the completed guide series would be cleared for publication as a final integrated package.

⁷ For approvals of guides or parts of guides contemplated in this table, approved material will be published normally in the month following Board approval.

Matters for IAASB Consideration

4. Do Board members support the proposed sequencing and rolling Board consideration approach outlined in paragraphs 39–45 and **Table 5**?
5. Are there any other matters that the Technology Quality Management Workstream staff and Expert Group should consider as the roadmap is refined and development of the guides commences?

Appendix 1

External Reference Points to be Consulted

This appendix summarizes key external reference points identified to date that may inform development of the guide series. Additional resources may be considered as development progresses, including through input from the Expert Group, TCG, TAN, outreach with other stakeholders and monitoring of developments in practice. These materials should be used as inputs, examples and completeness checks. They should not be treated as substitutes for ISQM 1 or ISA 220 (Revised).

Appendix 1 Table: External Reference Points to be Consulted

External Reference Point	Resources to Be Consulted	How It May Inform the Guide Series
NIST	• Artificial Intelligence Risk Management Framework (AI RMF 1.0), January 2023; • Artificial Intelligence Risk Management Framework: Generative Artificial Intelligence Profile, July 2024; • NIST's ongoing work on testing, evaluation, verification and validation (TEVV)	The AI RMF may inform vocabulary and examples for AI risk management, including the Govern, Map, Measure and Manage functions and life cycle-oriented risk management. The Generative AI Profile may be particularly useful because it applies the AI RMF functions, categories and subcategories to Gen AI and identifies risks that are novel to or exacerbated by Gen AI. NIST's work on TEVV, meaning testing, evaluation, verification and validation, may inform examples of how firms may think about evaluating whether a Gen AI-enabled tool is fit for a defined purpose, under defined conditions, with appropriate oversight, monitoring and revalidation.
ISO/IEC	• ISO/IEC 42001:2023 Artificial intelligence management system • ISO/IEC 42006:2025, Requirements for bodies providing audit and certification of artificial intelligence management systems	May inform content on AI policy, roles and responsibilities, AI risk assessment and treatment, AI system impact assessment, operational controls, performance evaluation, internal audit, management review, surveillance, re-certification and continual improvement.
COSO	• Achieving Effective Internal Control Over Generative AI, February 2026	May inform completeness checks for governance, risk assessment, control activities, information and communication, and monitoring. COSO's publication may also be useful because it identifies Gen AI characteristics and related control considerations, including probabilistic outputs, dynamic model or prompt changes, scalability, low barriers to entry and the possibility of using Gen AI to support

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		governance or monitoring. Its capability-based examples may also help identify practical control considerations.
IFIAR	• <u>Use of technology in audits: Innovation and audit quality 2026</u>, April 20, 2026	May inform the guide series from an audit-regulatory perspective, including governance, human-led audits, transparency, oversight, tool approval, periodic re-approval, post-deployment monitoring, user feedback and engagement with regulators.
FRC	• <u>Generative and Agentic AI Guidance: Risks, mitigations and illustrative examples</u>, March 2026	May inform audit-quality considerations for Gen AI-enabled tools, including risks of deficient output, misuse of output and non-compliant methodology. The FRC guidance may also inform discussion of human involvement, certification or approval of tools, system design and development, staff education, governance, and engagement-level evaluation of outputs. Its illustrative examples may be useful in developing examples for the IAASB guide series.

Appendix 2

Additional Detail on the Proposed Individual Guides

This appendix provides additional detail on the intended focus of each proposed guide and selected issues that may warrant particular attention during drafting. It is intended to support Board input on the proposed roadmap and should not be read as a detailed drafting outline. More specific drafting-track materials would be provided to the Expert Group for the June 2026 meeting, including proposed headings, expected content elements, key questions to resolve, relevant external reference points and links to other guides.

Guide 1: Overarching Framework for Gen AI-Enabled Tools

1. Guide 1 would establish the overarching framework for the guide series. It would explain the purpose and scope of the guide series, why Gen AI is the focal point, how tools with agentic capabilities fit within that focus, and why the NAM is intended to clarify how existing standards apply rather than create a separate AI governance framework.
2. Guide 1 would also explain relevant concepts and principles in ISQM 1 and ISA 220 (Revised) that recur across the guide series. In particular, it would make clear that the guide series is not limited to ISQM 1 paragraph 32(f), which addresses technological resources. Although that quality objective is central, Gen AI-enabled tools may create or affect quality risks across the SOQM, including in relation to the firm's risk assessment process, governance and leadership, relevant ethical requirements, acceptance and continuance, engagement performance, resources, information and communication, and monitoring and remediation.
3. Guide 1 would introduce common terminology, the proposed use-case risk assessment approach, scalability considerations, recurring content elements, the approach to using external reference points and the dynamic quality management model. It would also explain that firms may first need to identify where Gen AI-enabled functionality is being used, including where it is embedded within audit platforms or other technological tools, so that relevant quality risks can be identified, assessed and responded to appropriately.

Guide 2: Obtaining, Developing, Configuring and Approving Gen AI-Enabled Tools

4. Guide 2 would address the front end of the life cycle. It would combine service-provider tools, foundational models, firm-developed tools and firm-configured tools within the same guide because these matters often overlap in practice and raise similar pre-use questions about evaluation, validation, approval conditions and the evidence or information the firm may need before use. However, the guide could be developed in parts, distinguishing Part 1, service-provider and foundational model considerations, from Part 2, firm development, configuration and assembly considerations.
5. The part of Guide 2 addressing service-provider and foundational model considerations would distinguish between matters relating to the service provider's tool or solution and the firm's own quality management considerations when using that tool or solution. Matters relating to the service provider's tool or solution may include the service provider's processes for developing, training, evaluating, updating, securing and

monitoring the model or solution; information about the data used in model development or training; controls implemented by the service provider; contractual commitments; data governance arrangements; security and privacy controls; update notifications; transparency over model or system limitations; and vendor documentation or other evidence.

6. Guide 2 would not suggest that the firm is expected to reperform the service provider's development or quality management processes. Rather, it would address how the firm may consider what information or evidence it needs about those processes to determine whether the tool is appropriate for the firm's defined use and conditions. This may include considering the nature and relevance of third-party assurance or other evidence obtained from or about a service provider, including the scope of the work performed, criteria used, period covered, controls or processes evaluated, limitations of the report, and whether the evidence addresses the particular model, tool, configuration or service used by the firm.
7. Both parts of Guide 2 would also address validation and approval of Gen AI-enabled tools. The guide would avoid framing validation as a binary pass/fail exercise. For probabilistic tools, a fit-for-purpose evaluation may be better framed around whether the firm has obtained appropriate confidence that the tool can be used for a defined purpose, under defined conditions, with defined engagement-level residual procedures and oversight.
8. The part of Guide 2 addressing firm development, configuration and assembly would address firm-developed, firm-configured or assembled applications, including build, buy or assemble arrangements, prompt libraries, firm-approved configurations, retrieval sources, workflow logic, engagement-team-created agents or workflows, and related approval conditions. This part would also address how intended-use boundaries, validation and testing, and approval conditions may apply where the firm configures or assembles Gen AI-enabled functionality using service-provider models or solutions.
9. Guide 2 may also address vendor additions of Gen AI-enabled functionality to existing tools. A tool that was previously deterministic may require reassessment if Gen AI-enabled functionality changes intended use, quality risks, approval conditions, monitoring or user training. This may become increasingly relevant as Gen AI-enabled functionality is embedded within audit platforms or other systems in ways that make it less obvious to users whether a particular feature, output or workflow is generated by deterministic functionality, Gen AI-enabled functionality or a combination of both.

Guide 3: Deploying and Enabling Use of Approved Tools

10. Guide 3 would address what happens after a tool has been approved and as it is made available for engagement use. The guide would focus on how firms translate approval decisions into deployment conditions, user instructions, methodology support, access controls, training, escalation pathways and documentation expectations.

11. Content may include authorization for use; permitted and prohibited uses; user access and authentication; logging; approved data sources; safeguards over data governance, privacy and confidential information; communications to engagement teams; training and coaching; specialist involvement; support channels; escalation; and alignment with methodology and documentation tools.
12. Guide 3 would also address policies, procedures or controls designed to prevent unauthorized, covert or expressly prohibited use of Gen AI-enabled tools. This includes circumstances in which engagement teams or personnel may be tempted to use publicly available or other non-approved tools outside firm channels, including where a tool or use case has been specifically prohibited by the firm. Such use is sometimes described as “shadow IT,” meaning the use of technology outside the firm’s approved channels, controls or safeguards. In this context, shadow IT may create risks that confidential client or firm information is entered into personal accounts, public tools or environments not subject to the firm’s approved safeguards.
13. The guide may also explain that traditional general IT controls, including access management, change management and IT operations controls, may remain relevant depending on the tool and the firm’s SOQM. Other technology controls may also be relevant depending on the tool and use case, such as controls over prompts, workflow logic, retrieval sources, model settings, logging, configuration changes, vendor update communications or user behavior.

Guide 4: Engagement-Level Use, Human Oversight and Evaluation of Outputs

14. Guide 4 would address how ISA 220 (Revised) responsibilities apply when Gen AI-enabled tools are used in engagements. It would focus on engagement resources, direction, supervision and review, engagement partner involvement, professional skepticism, use of specialists, human involvement, evaluation of outputs, documentation and feedback to the firm.
15. Guide 4 would also explain how engagement teams may take account of firm-level approval, deployment conditions, training, monitoring and communicated limitations when using an approved tool, while continuing to evaluate whether the tool is used appropriately in the engagement circumstances and whether its outputs provide a sufficient basis for the actions taken or conclusions reached. This would help address the interaction between firm-level quality management and engagement-level responsibilities without suggesting that firm-level approval eliminates engagement-level responsibilities.
16. The guide would explain that “human-in-the-loop” is not a single concept because human involvement may occur at different points and may serve different purposes. Human involvement may include specifying the task, providing supporting information, selecting operational settings, authorizing intermediate actions, reviewing intermediate outputs, deciding whether an agentic workflow may proceed, evaluating final outputs or determining how an output affects evidence obtained and conclusions reached.
17. Guide 4 would address professional skepticism, including automation bias and over-reliance. Outputs may generally be treated as claims requiring evaluation rather than as facts to be accepted by default. Evaluation may involve forming an independent expectation, comparing outputs to source documents, evaluating internal consistency, checking completeness, considering contrary information, understanding

limitations of the tool and determining whether additional procedures are necessary in accordance with the firm's policies or procedures and the circumstances of the engagement.

18. Guide 4 may also address engagement-team use of tools that have not been approved at the firm level but may be used under firm policies or procedures in defined circumstances. Content may include pre-use evaluation, restrictions on use, data governance, privacy and confidentiality safeguards, relevant ethical considerations, escalation expectations, documentation expectations, and the engagement partner's accountability for managing and achieving quality on the engagement.

Guide 5: Post-Deployment Monitoring, Incident Response, Revalidation and Decommissioning

19. Guide 5 would address the part of the life cycle that most clearly illustrates why quality management for Gen AI-enabled tools may need to be dynamic. Pre-use validation and general IT controls may be important, but they do not by themselves demonstrate that a Gen AI-enabled tool continues to operate as intended in changing circumstances.
20. Monitoring content may include ongoing performance monitoring, periodic reviews, output sampling, usage monitoring, exception dashboards, drift indicators, vendor update tracking, prompt and workflow version control, monitoring of the completeness and reliability of information sources used by retrieval-based tools, incident reports, engagement-team feedback and post-implementation reviews. Firm-level management would generally design and implement many of the more deterministic monitoring mechanisms, while engagement teams may provide feedback from actual use.
21. Guide 5 may include examples of deterministic monitoring of non-deterministic systems, used sparingly and concretely. For example, a firm might establish thresholds for unusual output patterns or use regression testing to compare outputs after a vendor update. These examples would illustrate possible responses, not mandatory controls. Their appropriateness would depend on the use case, firm structure and risk assessment.
22. Guide 5 would also describe revalidation triggers, including vendor model updates, changes to prompts or workflows, changes in retrieval sources, changes in intended use, changes in law or regulation, incidents, output quality issues, evidence of drift, changes in user behavior or feedback from engagement teams. It would also address temporary restrictions or suspension of use pending investigation.
23. Incident response content may include classification of severity, root cause analysis, assessment of engagement impact, communications to affected users, remediation, documentation, approval to resume use and, where relevant, consideration of whether previously completed engagement work may be affected. Decommissioning content may include criteria for retirement, replacement planning, communication, prevention of unauthorized continued use, data retention and deletion, and preservation of documentation needed for engagement files or the firm's SOQM.

Appendix 3

Proposed Recurring Examples Across Illustrative Use-Case Risk Factors

The following proposed recurring examples could help illustrate how the nature and extent of quality management responses may vary depending on factors such as intended use, autonomy, opacity, data sensitivity, effect on evidence or engagement conclusions, reliance on third parties, and the ability of the firm or engagement team to detect deficiencies. The examples are intended to show how the same use case could be carried across the guide series to illustrate the interaction between approval, deployment, engagement-level use, monitoring, remediation and revalidation. The examples would be further refined through the development of the guides and related Expert Group input.

Appendix 3 Table: Proposed Recurring Gen AI Use Cases Across Illustrative Use-Case Risk Factors

Proposed Recurring Examples	Illustrative Use-Case Risk Factors	Why It May Be Useful
1. Source-document summarization or extraction tool	May involve fewer risk factors where: - purpose is defined - autonomy is limited - source documents are available - outputs are subject to human review	Accessible example that can illustrate use of Gen AI to summarize or extract information from board minutes, contracts or other source documents.
Guide flow: Guide 2: approval for defined use and permitted data; Guide 3: deployment instructions; Guide 4: comparison of outputs to source documents and documentation of review; Guide 5: monitoring and revalidation.		
2. Disclosure or accounting-policy review assistant	May involve additional risk factors where outputs involve: - interpretation - completeness considerations - risk of over-reliance	Shows how Gen AI may help identify relevant disclosures, inconsistencies or areas requiring attention without replacing professional skepticism or engagement-team evaluation.
Guide flow: Guide 2: approval conditions for intended use; Guide 3: methodology integration and training; Guide 4: output evaluation, professional skepticism and documentation of evaluation and conclusions; Guide 5: feedback on incomplete, misleading or inconsistent outputs.		
3. Risk assessment procedures and responses to assessed risks	May involve heightened risk factors where outputs may influence: - identification or assessment of risks - design of further procedures - evidence obtained from risk assessment procedures - significant engagement conclusions	Illustrates why intended use, approval conditions, human involvement, engagement partner accountability and documentation become more important when outputs affect the design or performance of procedures to obtain evidence.

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Proposed Recurring Examples	Illustrative Use-Case Risk Factors	Why It May Be Useful
Guide flow: Guide 2: use-case risk assessment and approval conditions; Guide 3: competence, specialist involvement and deployment conditions; Guide 4: human control points, direction, supervision and review, and evaluation of outputs as part of evidence obtained; Guide 5: escalation and monitoring feedback.		
4. Agentic AI workflow that coordinates multiple steps	May involve potentially heightened risk factors where the workflow may: • retrieve information • perform intermediate analysis • call other tools • generate proposed actions • route exceptions with less step-by-step human direction	Illustrates autonomy, human control points, monitoring of intermediate steps, incident response and revalidation.
Guide flow: Guide 2: approval of workflow logic, prompts and retrieval sources; Guide 3: permitted actions and deployment conditions; Guide 4: human control points and review of intermediate and final outputs; Guide 5: monitoring of intermediate steps, incident response, revalidation, restriction or decommissioning.		

This spectrum would also help assess whether the guide series is sufficiently scalable. If the same guide structure can explain appropriate considerations for both a source-document summarization tool and a more autonomous agentic workflow, it is more likely to be useful across firm sizes, engagement types and levels of technological maturity.

These examples could also help structure the drafting process. Each guide could use one or more recurring examples to illustrate the relevant life cycle stage, while the guide flow descriptions would help identify cross-references to other guides in the series.