

Employment AI Governance Charter

Sets accountability, decision authority, and escalation for AI-enabled employment decisions.

SIMULATED OPERATING DOCUMENT

Prepared for a fictional employer using synthetic systems and synthetic applicant data. This document is a governance demonstration, not legal advice.

1. Purpose and scope

This Charter governs acquisition, configuration, testing, deployment, use, monitoring, material change, suspension, and retirement of AI or algorithmic systems that may influence applicants, candidates, employees, or employment decisions. It applies to internally developed systems, third-party tools, embedded AI features, pilots, free trials, and manual workflows that rely on AI-generated scores, rankings, summaries, recommendations, or inferences.

2. Governing principles

Principle	Operating meaning
Employer accountability	The organization retains accountability for employment outcomes and does not treat vendor assurances as a substitute for its own review.
Job relevance	High-impact criteria must be tied to documented job requirements and business purpose.
Non-discrimination	Selection procedures are assessed for disparate outcomes, validity, and feasible less-discriminatory alternatives.
Accessibility and accommodation	Candidates must have an accessible process, a clear accommodation route, and an alternative assessment path where needed.
Meaningful human oversight	AI may support high-impact decisions only where designated reviewers have authority, time, information, and training to disagree with the tool.
Data minimization	Only data needed for the approved purpose may be processed; restricted attributes and proxies are controlled.
Transparency and recourse	Required notices, clear explanations, questions, human review, and reconsideration processes are available to affected people.
Lifecycle control	Approval expires; model updates, drift, complaints, incidents, and jurisdiction changes can trigger reassessment or suspension.

Authority notes: R1, R2, R3, R4, R5.

3. Roles and decision rights

Role	Core accountability	Decision right
Executive Sponsor	Owns risk appetite; resolves unresolved high-risk escalations; approves policy exceptions above tolerance.	Approve / reject high-risk exceptions
HR / Talent Acquisition	Business owner; defines hiring workflow and job requirements; ensures recruiter training and review capacity.	Co-approves high-risk use
Employment Legal	Assesses employment-law applicability, validation posture, notices, and discrimination risk.	Required approval for high-risk / prohibited questions

Role	Core accountability	Decision right
EEO / DEI	Challenges group-impact assumptions and reviews fairness evidence and stakeholder impacts.	Required consult for high-risk
Privacy	Reviews lawful collection, sensitive data, retention, candidate notice, access, deletion, and data flows.	Required approval for candidate-data changes
Security	Assesses vendor/system security, access, logging, incident controls, and integrations.	Required approval before production
Procurement / Vendor Risk	Runs due diligence and embeds required clauses, audit rights, change notification, and exit controls.	No contract without control checklist
Data / Analytics / Validation	Performs or independently challenges performance, adverse-impact, data-quality, and monitoring analysis.	Technical sign-off
Hiring Managers	Use outputs within approved limits; document reasons; may not create local shadow rules.	No authority to bypass controls
AI Governance Committee	Cross-functional decision body; owns inventory, tiers, exceptions, incidents, annual review.	Final approval for high-risk deployment

4. Approval authority

Tier	Minimum approval	Release condition
Prohibited	No deployment. Exception unavailable unless Charter itself is amended by Executive Sponsor + Legal.	Disable, terminate pilot, preserve records, remediate.
High	HR + Legal + Privacy + Security + Validation + AI Governance Committee.	AIA, data/feature assessment, validation/fairness review, human oversight, notice/recourse, vendor controls, monitoring plan complete.
Moderate	HR owner + Privacy/Security as applicable + AI Governance delegate.	Documented use limits, human verification, data controls, periodic review.
Low	Approved-tool owner / manager under standing standard.	No candidate data unless specifically approved; baseline training and monitoring.

5. Escalation and exception process

- Any employee may raise an AI risk or suspected candidate-impact issue without management pre-clearance.
- High-severity allegations involving discrimination, accommodation failure, unlawful data use, or unapproved automated rejection are escalated to Legal and the AI Governance Committee within one business day.
- Exceptions must state the business need, affected population, duration, compensating controls, accountable owner, and automatic expiration date.
- An exception cannot waive legal obligations, required accommodations, candidate rights, or a prohibited-use rule.

6. Review cadence

Activity	Cadence
Inventory attestation	Quarterly
High-risk outcome monitoring	Monthly during first 6 months; at least quarterly thereafter
Vendor/model-change review	Before material update or new feature activation
High-risk reassessment	At least annually and upon trigger
Charter review	Annually or after material legal/organizational change
Committee risk review	Quarterly plus incident-driven meetings