ARTIFISCAL PROCUREMENT & FINANCE TOOL

AI Compute & Vendor Audit Checklist

Excerpted from *The Modernization Manifesto* by **Jonathan Anderson** | Managing Principal - Enterprise AI Strategy, Artifiscal

VENDOR / MODEL:	DATE:
REVIEWER:	STATUS: ☐ Pass ☐ Hold

Before approving a new AI vendor or scaling an internal model into production, CIOs, CFOs, and procurement teams should run the initiative through this standardized Lifecycle Transparency Audit. Integrating this review eliminates hidden Scope 3 liability, enforces Return on Token (ROT) discipline, and controls compounding cloud spend.

Audit Dimension	Core Executive Question	Required Evidence	Red Flag Indicator	Verified
Model Right-Sizing	Are we using the smallest, most efficient model capable of solving this specific business problem?	Benchmark comparison of small/specialized models vs. frontier LLMs on the target workflow.	Defaulting to the largest available model for simple classification, routing, or extraction tasks.	☐
Energy & Compute Economics	What is the projected energy and cloud cost per 10,000 queries at full production scale?	Cost-per-query modeling, token-usage caps, and caching architecture documentation.	Uncapped API consumption with no visibility into inference volume or unit economics.	☐
Infrastructure Provenance	Where are the servers physically located, and how are they powered?	Disclosure of data center regions, renewable energy matching (not just offsets), and PUE/WUE metrics.	Vendor refuses to disclose hosting regions or relies entirely on unverified carbon credits.	☐
Regulatory & Scope 3 Exposure	Does this vendor create hidden compliance or carbon liability in our supply chain?	SOC 2/ISO certifications, Scope 3 emissions reporting, and sub-processor transparency lists.	Use of opaque "pass-through" sub-processors in jurisdictions with zero reporting standards.	☐
Data & Model Lifecycle	What happens to our data and model weights when the contract ends or the model is retired?	Contractual guarantees for data deletion, model sunsetting, and hardware recycling standards.	Perpetual vendor retention of enterprise data to train third-party commercial models.	☐
Financial & Token Accountability	Is AI token consumption tracked at the divisional level and tied directly to margin contribution?	Departmental quarterly token budgets, Return on Token (ROT) reporting, and GAAP-aligned compute disclosure.	Token spend buried inside generic IT or cloud hosting budgets with zero visibility into departmental efficiency.	☐

Need help auditing your AI vendor stack or establishing departmental token budgets? Schedule an executive briefing or Lifecycle Transparency Audit with Artifiscal at **www.artifiscal.com**.