Proposal Review Form (for Incomplete Proposals and Budgets)

1. Basic Information

- Project Name: Assessment of the Feasibility and Impact of Applying Artificial Intelligence in Treasury Operations
- Principal Investigator (PI): Vardan Baghdasaryan
- Department/Unit: Manoogian Simone College of Business and Economics
- Date Submitted for Review: 25 February, 2026

2. Proposal Overview

- Brief Project Summary: This project investigates the feasibility, effectiveness, and governance implications of applying artificial intelligence (AI) tools within the Treasury functions of the Republic of Armenia through a controlled pilot framework. While modern treasury systems rely primarily on deterministic, rule-based controls to ensure compliance in public financial management, growing transaction complexity and data volumes create opportunities for probabilistic, data-driven analytical support. The study evaluates whether open-source, fully on-premise AI models—including anomaly detection algorithms, natural language processing techniques, and locally deployed generative language models—can enhance risk identification, semantic consistency checks, and analytical efficiency without compromising data security, legal compliance, or human oversight. Using a quasi-experimental design, AI-assisted outputs will be systematically compared with baseline human-only review processes, with performance assessed through accuracy metrics, interpretability analysis, efficiency measurements, and expert validation. The project contributes both policy-relevant evidence and scientific insight by empirically examining the role of sovereign, subscription-free AI in sensitive public financial management environments, thereby informing responsible pathways for digital transformation in treasury operations.
- Total Project Budget: 25.5 mln. AMD for 2 years
- Requested Funding: 25.5 mln. AMD for 2 years
- Overhead Rate: 1 mln AMD (500 thous per year as per regulations of Higher Education and Science Committee call for proposals “Target Programs - 2027” available here.
- Overhead Costs Moved to Direct Costs, if any: Project technical administration (either HR or accounting duties)
- Amount: 1 mln. AMD (500 thous. Per year)

3. Consortium and Partners

- Lead Institution: N/A
- Consortium Members:N/A
- [Insert Consortium Member 1]
- [Add more as needed]

4. University Commitments

- Space and Facilities: [Describe any space or facility requirements from the university, including specific buildings or locations.] Standard working office, no additional resources
- Co-Funding/Matching Funds:
  - Required: [Yes/No]
  - Amount: [Insert Amount or Percentage]
  - Source: [Specify if internal or external sources]

5. Other Obligations:

- [List any additional commitments or obligations required from the university, such as administrative support, equipment, personnel, etc.] N/A

6. Risks and Considerations, if any

- Potential Risks: [List any identified risks or challenges, including financial, legal, etc.] Change of priorities in the Ministry of Finance for which this project is implemented. Unlikely, as during his recent visit to Ministry the Prime Minister emphasized the importance of using AI in Procurement, Treasury and other functions of the Ministry.
- Contingency Plans: [Briefly describe any contingency plans to mitigate identified risks.] N/A