

AI Governance Readiness Assessment

MANAGEMENT
REPORT

Management Report · Meridian Advisory Partners (fictional) · Sample
Deliverable — Prado AI Solutions

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Executive Summary

Meridian Advisory Partners engaged Prado AI Solutions to assess how AI tools are currently used across the firm and to identify the governance gaps that carry the greatest business risk. Employees across client services, underwriting, marketing, and operations are already using AI tools, largely without formal approval, documented data-handling rules, or a consistent human-review requirement.

The assessment identified five priority risks, two of which involve regulated or confidential data being processed through consumer-grade AI tools with no data protection agreement in place. None of the findings indicate intentional misuse; they reflect the absence of a governance structure keeping pace with how quickly employees have adopted these tools on their own.

This report summarizes the firm's current maturity, the priority risks identified, and a 30-day action plan to close the highest-priority gaps.

Current Maturity

Meridian's AI governance maturity is assessed at the **Ad Hoc** stage: AI tools are in active use, but ownership, approved-tool status, data rules, and review requirements are not formally defined. This is a common starting point for firms of Meridian's size and is addressable within 30 to 90 days with focused effort.

- **Ownership:** No single executive is accountable for AI use firm-wide.
- **Approved tools:** No published list exists; usage is determined individually by each employee.
- **Data rules:** No written guidance on what data may or may not be entered into AI tools.
- **Human review:** Informal in some teams (Legal, Marketing), absent in others (Underwriting).
- **Vendor management:** No process for evaluating a new AI tool before adoption.

Top Five Risks

Risk	Rating	Business Impact
Unapproved use of public AI tools with client data	HIGH	Potential exposure of client financial and identifying information to third-party AI vendors with no data agreement in place.

Risk	Rating	Business Impact
Regulated PII entered into underwriting AI notes	HIGH	Applicant SSN fragments and financial data processed outside approved, controlled systems.
No formal human-review requirement for AI-assisted client work	MEDIUM	Draft AI content could reach clients or regulators without adequate accuracy review.
No documented AI vendor evaluation process	MEDIUM	New AI tools may be adopted without confirming data retention, training-use, or security terms.
No incident-reporting path specific to AI use	MEDIUM	A data exposure through an AI tool could go unreported or be handled inconsistently.

Recommended Actions

- Issue an interim restriction on entering client or regulated data into any AI tool not on an approved list, effective immediately.
- Publish an AI Acceptable Use Policy and require written acknowledgment from all staff.
- Assign a named AI governance owner and business-unit owners for each active use case.
- Move the two highest-risk workflows (client email summarization, underwriting notes) to an enterprise-tier tool with a signed data processing agreement.
- Establish a lightweight AI vendor evaluation checklist before any new tool is approved.
- Deliver a single firm-wide training session covering safe and unsafe AI use.

30-Day Action Plan

Week	Focus	Actions
Week 1	Stop the bleeding	Issue interim restriction on entering client/regulated data into non-approved AI tools; publish approved-tools list; notify all staff.
Week 2	Formalize policy	Finalize and distribute the AI Acceptable Use Policy; assign business-unit AI owners; open the AI Tool Request process.
Week 3	Close the highest risks	Move client-email summarization and underwriting-notes workflows to an enterprise tool with a signed data agreement.
Week 4	Build the operating rhythm	Deliver AI-use training to all staff; log open items in the risk register; schedule the first quarterly governance review.

Next Steps

This report and the accompanying AI Risk Register, Acceptable Use Policy, and Governance Readiness Checklist give Meridian's leadership a starting operating structure. Prado AI Solutions recommends a 30-day

follow-up review to confirm the interim restriction and policy rollout are complete, followed by a quarterly governance review to keep the risk register and approved-tools list current as AI use expands.

This is a sample management report prepared by Prado AI Solutions to illustrate the deliverables included in the AI Risk & Efficiency Diagnostic and Responsible AI Adoption Sprint. "Meridian Advisory Partners" and all figures above are fictional. This report reflects operational risk and governance observations only and does not constitute legal, regulatory, or cybersecurity advice.