

SIMULATED CASE STUDY

AI Monitoring and Periodic Review Plan

AI governance

Project	AI governance and use-case risk assessment (Project 4)
Company	Northstar Financial Technologies (fictional)
Status	Simulated; no certification or conformance claimed
As of	2026-09-30

This document is part of a portfolio exercise. Northstar Financial Technologies, its people, systems, records and findings are invented. No real audit was performed, no assurance is given and nothing here is a certification or compliance claim.

1. Purpose

What is measured after approval, the thresholds that trigger action, and how often the plan is reviewed. Threshold values are proposed starting points to be calibrated on the pilot baseline; they are not derived from data.

2. Measures

Use case	Measure	Definition	Amber	Red and action	Frequency	Owner
AI-01	Material error rate	Share of sampled drafts with a factual error that would mislead a customer, from a weekly 50-draft review	More than 1%	More than 2%: suspend	Weekly for 8 weeks, then monthly	Head of Customer Support
AI-01	Human edit rate	Share of drafts the agent edited before sending	Below 5% (possible rubber-stamping) or above 60% (poor quality)	Below 2% for two weeks: pause and retrain	Weekly	Head of Customer Support
AI-01	Privacy or security incidents	Confirmed exposure of personal or confidential data, or successful prompt injection	Any near miss	Any confirmed incident: suspend	Per event	IT Security Manager
AI-01	Customer complaints	Complaints that cite an AI-drafted reply	2 in a month	5 in a month: review for suspension	Monthly	Head of Customer Support
AI-01	Drift and change triggers	Model version change, vendor terms change, knowledge-base major update	Any change notice	Change without re-test: suspend	Per event	Head of Platform Engineering
AI-01	Vendor issues	Open Project 3 issues for V-03 and their aging	Any overdue High issue	Overdue over 30 days: escalate to the Chief Risk Officer	Monthly	Head of Procurement
AI-02	Documents by classification	Uploaded documents by classification label	Any Confidential upload without exemption	Any Restricted or privileged upload: suspend	Weekly (after approval)	Chief Financial Officer
AI-02	Accuracy on test set	Share of answers matching the source on a quarterly policy test set	Below 95%	Below 90%: suspend	Quarterly	Chief Financial Officer
AI-02	Source-passage opened	Share of answers where the user opened the cited passage	Below 60%	Below 30%: review	Monthly	AI Governance Committee
AI-02	Privacy or security incidents	Confirmed exposure or isolation failure	Any near miss	Any confirmed incident: suspend	Per event	IT Security Manager

3. Review cadence

When	Review
Pilot period (AI-01)	Monthly review by the AI Governance Committee for six months, then quarterly
Steady state	Quarterly review of every approved use case; annual full reassessment
Event-driven	Within 10 business days of a suspension, incident, vendor change, model change or material scope change
Policy	Reviewed annually by the Chief Risk Officer

4. Conditions requiring suspension

- A confirmed privacy or security incident

- Material error rate above the red threshold
- A vendor change not re-tested
- Use outside the approved scope or data classes
- An open High vendor issue overdue more than 30 days