

# AI Governance Readiness Checklist for CPA Firms and SMBs

Most organizations are adopting AI faster than they are governing it. This checklist is designed to help organizations evaluate whether operational governance, privacy controls, executive oversight, and risk management structures are keeping pace with AI adoption.

## AI Usage Visibility

- Do you know which AI tools employees are using?
- Are employees entering client or sensitive data into AI systems?
- Are AI-enabled vendors formally reviewed before adoption?

## Governance Controls

- Do you have an AI acceptable use policy?
- Is executive oversight assigned for AI governance?
- Are governance responsibilities documented?

## Privacy & Compliance

- Have AI systems been evaluated for privacy exposure?
- Are cross-border data risks reviewed?
- Are retention obligations addressed?

## Operational Risk

- Are AI outputs validated before operational use?
- Is there human oversight over critical decisions?
- Are vendors contractually accountable for AI functionality?

## Strategic Readiness

- Is AI adoption aligned to business objectives?
- Are governance metrics reported to leadership?
- Is leadership actively engaged in governance oversight?

Organizations do not need perfect governance before adopting AI. They do need governance structures capable of understanding where operational risk is emerging, how accountability is assigned,

and how trust is maintained as technology adoption accelerates. Axiom Sovereign provides practical advisory support for organizations building sustainable governance programs.