



# YAVARDI

## Governance Case Record

### Uncontrolled Issuance of Legally Consequential Guidance

**Document Type:** Governance Case Record

**Engagement Type:** Discovery

**Operational Domain:** Legal Operations — Client Service Delivery

**Record Scope:** Formation and Issuance of Legal Guidance

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**Record Status:** Observational

**Distribution:** Limited

**Record Date:** October 2025

### Engagement Context

This record documents conditions observed during a discovery engagement with a legal services organization providing direct legal guidance to clients through multiple programs.

The organization's work involved legally consequential decisions, including eligibility determinations, procedural strategy, filing requirements, deadline management, and representations made to courts and administrative bodies. Clients relied on this guidance to take action.

Legal guidance was produced and delivered by students, staff, supervising attorneys, and volunteers using internal reference materials stored across Microsoft 365 environments, primarily SharePoint. During the engagement, AI-assisted tools were actively used to retrieve, summarize, and draft guidance during live client interactions.

### How Legal Guidance Was Actually Issued

During client interactions, personnel retrieved documents from SharePoint, personal folders, or AI-assisted search tools and relied on them to answer questions, explain options, and recommend next steps.

Multiple versions of the same policies, templates, and procedural guides existed at the same time. There was no requirement to confirm which version governed before using a document to guide a client's decision.

AI-assisted tools produced summaries and draft responses based on available internal content. These outputs were treated as usable guidance without verification of:

- which source document was used,
- whether that document was current,
- whether it had been approved for that use, or
- whether the individual issuing the guidance was authorized to rely on it.



Once guidance was delivered, no system record preserved which document or authority supported it.

## Specific Conditions Observed During Discovery

- Clients with similar fact patterns received different procedural guidance depending on which document version or AI output was used.
- Guidance was issued using documents later identified as outdated or internally disputed.
- Personnel assumed authority to give advice based on access to SharePoint folders rather than explicit authorization.
- Supervising attorneys frequently reviewed guidance after it had already been communicated to clients.
- When discrepancies were identified, staff had to reconstruct which document had been used by searching email threads, browser history, or personal notes.
- AI tools increased the speed of response without increasing confidence in correctness or authorization.

## What Broke Operationally

- **Incorrect or inconsistent guidance reached clients.**  
Clients acted on advice that later had to be revised, clarified, or corrected.
- **Supervisors intervened after decisions were already in motion.**  
Corrections occurred after forms were prepared, deadlines were set, or procedural steps were taken.
- **Time-sensitive actions stalled.**  
Staff delayed filings and client responses while attempting to determine which document was “the right one.”
- **Client trust was impacted.**  
Follow-up communications were required to walk back or explain earlier guidance.
- **Internal coordination deteriorated.**  
Staff stopped trusting shared repositories and relied on personal copies or informal guidance channels.
- **AI usage increased rework.**  
Faster drafting led to more downstream correction and review.

## Governance Reality

- Document approval existed, but approval was not enforced when documents were used.
- SharePoint controlled access, not authority.
- AI tools operated without guardrails tying output to approved legal positions.
- No system captured which authority governed guidance at the time it was issued.
- Oversight relied on people noticing problems after the fact.



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## **Exposure Created**

The organization could not reliably demonstrate that client-facing legal guidance was based on approved, current institutional positions at the time it was delivered.

When guidance was questioned, the organization lacked contemporaneous records showing:

- what governed the advice,
- who approved it,
- whether the speaker was authorized, or
- whether the guidance reflected the institution's position at that time.

This created exposure in client disputes, internal review, and external scrutiny.

## **Risk Statement**

The organization issued legally consequential guidance without execution-time controls to ensure that guidance was current, approved, and authorized.

Clients acted on that guidance.

When errors or inconsistencies were identified, the organization relied on retrospective reconstruction rather than preserved authority records.

This condition created operational failure, reputational risk, and legal defensibility exposure.

## **Scope Limitation**

This record reflects conditions observed during a discovery engagement. It does not assert remediation actions, outcomes, or performance guarantees. Identifying details are intentionally generalized.