



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 3

Agenda Date: January 14, 2025

In Control: Audit Committee

DEPARTMENT: Office of the City Auditor

DEPARTMENT HEAD: Baltazar Vargas

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Acceptance of the Office of the City Auditor Report AU24-023 Audit of ITSD Artificial Intelligence

SUMMARY:

Determine if policies and procedures over Artificial Intelligence (AI) use have been developed and are sufficient to ensure responsible governance.

BACKGROUND INFORMATION:

Background

AI governance includes creating frameworks and standards to ensure AI systems are developed and used ethically and responsibly. Proper governance addresses crucial aspects like:

- Transparency: Making AI decisions clear and understandable.
- Fairness: Reducing biases in AI algorithms.

- Accountability: Defining responsibility for AI outcomes.
- Safety and Privacy: Protecting individuals and their data.

Effective AI governance is essential for aligning AI with societal values and maintaining public trust.

In January 2024, the City's Chief Information Officer (CIO) developed a Position Statement to create a structure for the use of AI technologies by all City of San Antonio (COSA) employees. The Position Statement provides practical guidelines for AI use; alignment to relevant Administrative Directives (AD) and policies; and a framework and playbook to manage the risks AI poses to COSA and the public at large.

In May 2024, the Information Technology Services Department (ITSD) developed an attachment to AD 7.4a Acceptable Use of Information Technology titled Acceptable Use of Generative AI Tools. The attachment addresses the responsible use of emerging third-party Generative AI (GenAI) technologies.

Scope & Methodology

The audit scope was October 2023 through October 2024. We reviewed and assessed internal controls relevant to the audit objective. This included a review of the policies, procedures, and guidelines for the usage of AI.

Conclusion

ITSD has established effective controls to ensure responsible governance over AI use. ITSD has developed and implemented policies and procedures to provide structure for the use of AI technologies by employees of the City and to govern the responsible use of emerging third-party GenAI technologies.

The City of San Antonio is a public member of the Government AI (GovAI) Coalition and ITSD delegates attend their monthly meetings. The Coalition has been a valuable resource for ITSD in the design and implementation of AI policies and guidelines.

We make no recommendations to ITSD; consequently, no management responses are required.

ISSUE:

This item is presented for acceptance by the Audit Committee.

FISCAL IMPACT:

N/A

ALTERNATIVES:

N/A

RECOMMENDATION:

Staff recommends approval of this audit report.