	Lake County Policy	***Artificial Intelligence Governance Policy***
		Approved by the County Board on: **August 12, 2025**

1. Purpose and Intent

1.1 The purpose of the Artificial Intelligence (AI) Governance Policy is to enable the benefits of AI for Lake County staff and residents, while establishing proper oversight and responsible use of this emerging technology. This policy protects the safety and rights of Lake County employees and residents by articulating how AI will be handled in an ethical, responsible, reliable, consistent, transparent, safe, secure and beneficial manner while accessing the county network or information technology (IT) systems.

2. Background

2.1 AI Governance refers to the process of establishing and enforcing a collection of policies, procedures, and roles and responsibilities that enables an organization to oversee and regulate the development, deployment, and use of AI systems. AI Governance is the central mechanism for instituting safeguards that enable Lake County's AI use to be ethical, responsible, reliable, consistent, transparent, safe, secure and beneficial to all stakeholders.

2.2 Lake County recognizes that the use of AI poses unique challenges and risks. Lake County's AI-related policies are designed to guide our actions and decisions in a manner that maximizes the benefits of AI, while minimizing its potential risks.

2.3 Enterprise Information Technology (EIT) believes that everyone in the County has a role to play in establishing the ethical and responsible use of AI, and EIT is committed to providing training and resources to support this.

3. Scope

3.1 This policy applies to all County employees in departments supervised by the County Administrator, employees that fall under the authority of the Lake County Board's Employee Policies and Procedures Manual, and all individuals who have access to the county network or information technology (IT) systems (e.g., employees of elected offices, contractors, consultants, vendors, interns, student workers, and temporary employees).

3.2 This policy shall be interpreted consistent with and subject to applicable law. It supersedes all previous policies and/or memoranda that may have been issued on subjects covered in this policy. Should any provision in this policy conflict with a specific provision in any other County Board approved policy, the provisions in this policy shall take precedence.

3.3 This policy is not intended to supersede or limit the County from enforcing programs or provisions in any applicable collective bargaining agreement.

4. Authority

4.1 The County Administrator through the Chief Information Officer (CIO) is directed and has the authority to establish, maintain, and enforce a County-wide AI Governance Policy.

4.2 The County Administrator is authorized to develop and issue directives and procedures for the effective implementation and enforcement of this policy and to adapt to changing circumstances and business needs.

4.3 Department, office, and commission leadership must establish compliance with this policy, but have the authority to enforce additional AI Policies, not to conflict or replace the Policy provided by the County Administrator through the CIO.

5. Roles and Responsibilities

Each denoted stakeholder group has the following responsibilities:

5.1 **County Administrator:** Oversees this policy's deployment and establishes adherence through executive actions such as administering additional policies, directives, and training.

5.2 **AI Governance Advisory Team:** A cross-departmental AI advisory team with representatives from Enterprise Information Technology (EIT), departmental (health, sheriff, and judicial) IT directors, and other county departments that are responsible for ongoing governance and oversight of AI systems deployed by the County. The AI Governance Advisory Team is tasked with a) updating County-wide governance policies and procedures, b) assessing AI risk and ensuring AI risks are sufficiently mitigated, c) overseeing ongoing monitoring and resident/staff feedback on AI tools, d) evaluating and recommending AI tools/features for use at the County, e) discussing and applying lessons learned from AI implementations, and f) collaboratively addressing AI governance challenges. AI Governance Advisory Team members will be responsible for recommending adjustments or updates to the county-wide AI governance policy and handbook based on real-world experiences with implementing AI systems or models.

5.3 **Department of Enterprise Information Technology (EIT):** EIT provides support and guidance on AI systems and general AI training to increase AI awareness and literacy across the County workforce and promote compliance with the AI Usage Policy. Support can include helping departments, upon request, to complete the AI Software Evaluation Process and ongoing AI Monitoring. EIT is also tasked with a) maintaining a central repository of information pertaining to AI-enabled systems in use by the County (repository includes all documentation submitted to the AI Governance Advisory Team for review during the AI Software Evaluation Process), b) maintaining a public-facing AI inventory with documentation approved by the AI Governance Committee, and c) maintaining an up-to-date internal list of approved AI-enabled software tools for County departments.

5.4 **Department Heads:** Oversee departmental compliance with this AI policy and that AI systems are used appropriately (per the AI Usage Policy) within their departments.

5.5 **Departmental IT Directors:** Conduct governance activities as set out in this policy and the AI Governance Handbook, including submitting departmental AI software evaluation artifacts (see AI Governance Policy Handbook) to the AI Governance Advisory Team for review.

5.6 **County Employees:** Use AI systems responsibly, adhering to all aspects of this policy and the AI

Usage Policy, and reporting any potential issues or concerns.

5.7 **AI Tool Vendor:** Adhere to the County policies described herein and support any County Department in deploying, documenting, monitoring, and reporting on proprietary AI tools/features.

6. Definitions

6.1 **Artificial Intelligence (AI):** Tools or technologies that can make independent decisions based on training data inputs. AI allows computers and machines to simulate human learning, comprehension, problem-solving, decision-making, creativity, and autonomy.

6.2 **Machine Learning (ML):** A subfield of AI that focuses on the development of algorithms and statistical models to make independent decisions but still needs humans to guide and correct inaccurate information. Machine learning is the most common type of AI.

6.3 **Large Language Models (LLMs):** A type of AI that has been trained on large amounts of text and datasets to understand patterns in existing content and generate original content.

6.4 **Generative AI (GenAI**): A type of AI that creates original content in the form of images, text, audio, video, or code in response to prompts. It works by using deep learning models trained on vast amounts of data to identify patterns and relationships, which it then uses to generate new, similar content.

6.5 **AI Application Categorization:** The classification of AI applications based on their source, purpose, and impact.

6.5.1 **Source:** The point of origination for AI systems, including homegrown developments, commercial off-the-shelf (COTS) products, and broadly available tools (e.g., Microsoft, Google).

6.5.2 **Purpose:** Critical functions such as diagnosing medical conditions, population categorization, law enforcement and crime prevention (e.g., predictive policing, threat detection), judicial decision support (e.g., case management, sentencing recommendations), and operational optimizations.

6.5.3 **Impact:**

- **Rights-Impacting**: Rights-impacting AI refers to AI whose outputs significantly inform an action or decision that can materially affect an individual's or entity's civil rights, civil liberties, privacy, equal opportunities, or access to critical government resources or services.[1]

- **Safety-Impacting:** Safety-impacting AI refers to AI whose outputs significantly inform an action or decision that can substantially impact the safety of human life or well-being, climate or environment, critical infrastructure, or strategic assets or resources, including information labelled as sensitive or classified by the Federal Government.[2]

[1,2] These definitions are provided in section 6, pgs. 29-30 of the White House Office of Budget and Management (OMB) Memorandum M-24-10 [Advancing Governance, Innovation, and Risk Management for Agency Use of Artificial Intelligence](March 28, 2024)

6.6 **Data Sensitivity Scales:**

6.6.1 **Sensitive Personal Data:** Data that falls under sensitive categories, such as personally identifiable information (PII), personal health information (PHI), and payment card industry (PCI) data.

6.6.2 **High-Privacy Data:** Data with high security or privacy risks, such as intellectual property, financial records, legal records, cybersecurity, critical infrastructure, or defense data.

6.6.3 **Protected Characteristics:** Data related to race, ethnicity, gender, religion, sexual orientation, and other protected characteristics that have the potential for unfair bias and discrimination.

6.7 **Data Subjects:** People whose personal, health, financial, or other sensitive data is used by the system (e.g., a citizen applying for government benefits).

6.8 **Users Impacted by AI Decisions:** Those directly or indirectly affected by AI decisions (e.g., someone denied a service or flagged for fraud based on an AI-enabled decision).

7. Policies

7.1 **AI Governance Advisory Team:** The County will establish an AI Governance Advisory Team that meets regularly, is comprised of representatives from Enterprise Information Technology (EIT), departmental (health, sheriff, and judicial) IT directors, and other county departments, and is tasked with:

   a. Updating County-wide governance policies and procedures,

   b. Assessing AI risk and ensuring AI risks are sufficiently mitigated,

   c. Overseeing ongoing monitoring and resident/staff feedback on AI tools,

   d. Evaluating and recommending AI tools/features for use at the County,

   e. Discussing and applying lessons learned from AI implementations, and

   f. Collaboratively addressing AI governance challenges

7.2 **AI Software Evaluation:** Before an AI-enabled tool or feature is procured and implemented on the County network, it must go through the AI software evaluation process (see AI Policy Handbook for description) and be reviewed by the AI Governance Advisory Team. The AI Governance Advisory Team will regularly review and update the AI software evaluation process to align with industry leading practices and EIT will share the most up to date version with stakeholders in a centralized document repository.

7.3 **Risk Assessment:** The AI Software Evaluation Process, ongoing AI-tool monitoring, and resident and staff AI tool feedback will be used to assess and mitigate risks posed to residents, staff, and critical infrastructure, in particular rights- and safety-impacting risks. AI tools used at the County must also undergo thorough bias evaluations to prevent unfairness, unbalanced outcomes, and systematic errors.

7.4 **Privacy and Data Protection:** AI systems in use by the County should respect privacy, securely store sensitive or personal data, and comply with all applicable privacy and data protection laws.

7.5 **Safety and Security:** County AI systems must be safe, secure, and resistant to malicious manipulation.

7.6 **Transparency:** All County AI systems should be understandable by both technical and non-technical stakeholders. How the AI system makes decisions must be explainable; assumptions, limitations, and data used should be openly communicated.

7.7 **Accountability:** Clear lines of accountability should be established for each AI system through the completion of a Responsible, Accountable, Consulted, and Informed (i.e., RACI) Matrix. If a system causes harm or makes an error, it should be clear who is accountable.

7.8 **Ethics and Social Impact:** County AI systems should align with societal values and norms, respect human rights, and avoid causing harm. The broader social impacts of AI systems should be understood and managed. AI should not contribute to inequality or social harm.

7.9 **Sustainability:** County AI systems should be environmentally friendly and designed for resource-efficient operation.

7.10 **Robustness and Reliability:** County AI systems should be dependable and perform well under a variety of conditions.

7.11 **Legal Compliance:** County AI systems must comply with relevant laws and regulations, including data protection, discrimination, and consumer rights.

7.12 **AI Usage Policy:** County employees must ensure that their use of AI systems aligns with the AI Usage Policy. Employees must review and acknowledge they will comply with the AI Usage Policy.

8. Procedures

8.1 Refer to the Lake County AI Governance Policy Handbook for information about the procedures and work products that help to operationalize the AI policy.

9. Compliance

9.1 Any employee that has access to the Lake County network and fails to comply with the policy will be subject to discipline up to and including removal of access to the network and termination.

10. Policy Review and Update

10.1 The County Administrator through the CIO shall review this policy according to 1.1 Policy on Policy Making Framework.

10.2 Any modifications to this policy will be provided to the Lake County Board according to 1.1 Policy on Policy Making Framework.

11. Severability

11.1 If any section or provision of this policy should be held invalid by operation of law, none of the remainder shall be affected.

12. Non-Discrimination

12.1 Lake County prohibits the discriminatory application, implementation, or enforcement of any provision of this policy on the basis of race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, gender identity, housing status, or any other protected category established by law, statute, or ordinance.

Policy History			
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