
RESPONSIBLE USE OF AI SYSTEMS

1. PURPOSE

To provide corporate guidance for North Cowichan on the responsible and ethical use of artificial Intelligence applications, including generative AI and automated decision systems (“AI Systems”). This policy aims to leverage opportunities for improved efficiency and productivity presented by AI Systems, while also managing the potential risks associated with using AI Systems.

2. SCOPE

This guidance applies to all North Cowichan employees and volunteers (“Employees”) using AI Systems for municipal business purposes, with or without the use of municipal devices or municipal accounts.

3. DEFINITIONS

“**PIA**” means a Privacy Impact Assessment as set out in the Provincial *Freedom of Information and Protection of Privacy Act*, RSBC 1996, c. 165 (“**FIPPA**”);

“**Personal Information**” means recorded information about an identifiable individual, other than an individual’s work contact information as set out in FIPPA;

“**Sensitive Information**” means information that is not approved for disclosure, such as confidential information considered, or likely to be considered, in a meeting closed to the public, or sensitive Personal Information, and may include legal advice, confidential advice or recommendations, proprietary information, or information protected by copyright.

4. NO PERSONAL OR SENSITIVE INFORMATION USED WITH AI SYSTEM

1. Employees must not add any Personal Information or Sensitive Information to AI Systems. This includes information added in AI System prompts, or in the data, files, documents, or other information uploaded or disclosed to the AI System (“AI Input”). Exceptions may be permitted by specific PIA and approvals in accordance with section 6 below.
2. Employees must take active steps to confirm all Personal Information or Sensitive Information has been removed from the AI Input prior to disclosing this to the AI System.

5. EMPLOYEES RESPONSIBLE FOR AI WORK PRODUCT

1. Employees are solely responsible for the responses, information, output, or other work product generated by the AI System ("AI Work Product") that the Employee uses for municipal business.
2. Employees must take active steps to confirm the veracity and accuracy of the AI Work Product. Content generated by an AI System may include false or inaccurate information (hallucinations), or it may be derived from inaccurate or untrue data or be derived with unintended biases. AI Work Product must therefore be verified by the Employee intending to use the AI Work Product.
3. The level of acceptable verification of AI Work Product depends on the intended use of the AI System. Where Council, Employees or the public are reasonably expected to rely on the AI Work Product to inform a decision, and that decision could reasonably result in harm (i.e. reputational, financial) if the AI Work Product were not true, the Employee must take active steps to confirm, through independent (non-AI System) sources, the veracity and accuracy of the AI Work Product before using the AI Work Product.

6. RISK ASSESSMENTS REQUIRED FOR USE OF AI SYSTEM

1. All AI Systems that involve municipal IT infrastructure, or municipal records as AI input or AI output, must be approved by the Director of IT & Business Solutions, and the Privacy Officer prior to use.
2. Employees must only use AI Systems for municipal business with manager knowledge and support.
3. Employees must only use AI Systems in accordance with an approved Privacy Impact Assessment (PIA). Contact privacy@northcowichan.ca if you have any questions about the PIA.
4. A PIA may authorize use of an AI System that includes use of Personal Information or Sensitive Information in limited or specific circumstances, as approved by the Privacy Officer and the Director of IT & Business Solutions. An example may include Microsoft CoPilot, where the AI System does not involve disclosure of AI Input or AI Work Product beyond North Cowichan's 365 environment, and use of this AI System is in accordance with an approved AI Governance Plan.
5. As an exception to section 6(3) above, a PIA is not required where an AI System is included with a software product already approved for municipal business use by the Director of IT & Business Solutions, and the Employee actively confirms that no Personal Information or Sensitive Information is included or disclosed as AI Input.


7. APPROVAL REQUIRED FOR DEVELOPMENT AND USE OF NORTH COWICHAN AI SYSTEM

1. An AI System or Chatbot developed by or for North Cowichan ("North Cowichan AI System") must include and incorporate input from a North Cowichan AI Ethics Committee throughout the development of the Internal AI System. The AI Ethics Committee includes the Director of IT & Business Solutions, the Privacy Officer, and other members appointed by the CAO.
2. All uses of a North Cowichan AI System must be approved by the CAO and the AI Ethics Committee prior to use.

RELATED POLICIES & PROCEDURES

- [Privacy Management Policy](#)
- [Privacy Breach Policy](#)
- [IT Security Policy & IT Use Policy](#)

APPROVAL HISTORY

WRITTEN BY: Alyssa Meiner, Information Management Officer	APPROVED BY: Ted Swabey, Chief Administrative Officer	DATE:
REVIEWED BY: Manuela Herzig, Director of IT & Business Solutions		October 18, 2024
Bill Corsan, General Manager of Corporate Services & Community Relations		