

THE AI REVOLUTION



1983 1994





1983 1994

- Took 6 years for 51% adoption of the internet by the Fortune 500 Companies.

1940



First released in 2015

Apple Watch Series 11 can spot signs of chronic high blood pressure and notify you of possible hypertension.¹



First released in 2015

Today there are
95,484,900 users of
this device

Apple Watch Series 11 can spot
signs of chronic high blood
pressure and notify you of
possible hypertension.¹



A cartoon illustration of the Jetsons family and their robot butler, Elroy, inside a green rocket ship. The ship is flying through space, with a large blue planet in the background and several futuristic space stations or satellites in the foreground. The characters are smiling and looking out the window. The title 'THE Jetsons' is written in a large, stylized, yellow font with a black outline, positioned below the rocket ship.

THE *Jetsons*

Your intuitive Alexa home


It's easier than ever to manage your smart home with Alexa. Create routines using just your voice, control multiple devices at once with a few taps, and quickly access and search Ring recordings⁴ to stay on top of everything around your home.





iRobot®



 New chat

Chats

Brainstorm Meeting

Write a short paragraph about today

Product sync

What meetings do I have today?


Customer Presentation

Who is winning the Phoenix Wa...

ZOOM AI Companion

Write a message or type / for more



 Resources

 Mode



Project Tracker

Monitor project tasks, deadlines, and progress.

Daily Reflection

Summarize key moments from today's work.

Meeting Analyst

Assess meeting sentiment and suggest improvements.

Show more



WAYMO



Compared to an average human driver over the same distance in our operating cities, the Waymo Driver had

Overall crash reduction



Crash reductions involving injuries to Vulnerable Road Users



2022



OpenAI



2022



5 Days – 1,000,000 users!



2022



20 Days – 100,000,000 users!



2022



Over 80% of Fortune 500 companies have integrated this assistant into their workflows within nine months of its launch!

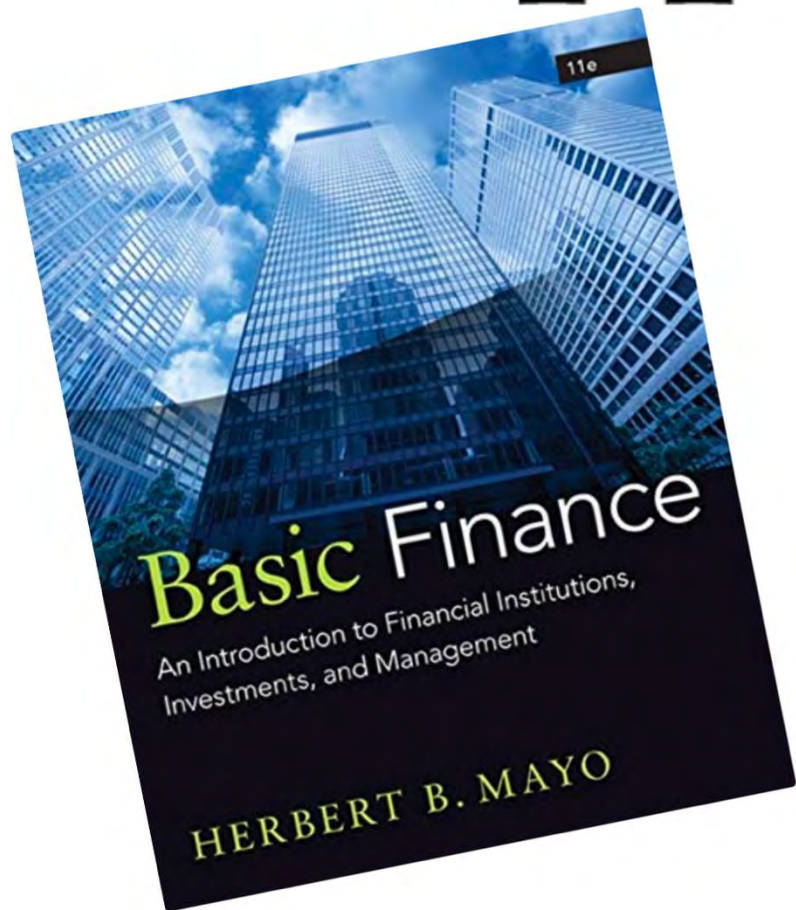




Appalachian
STATE UNIVERSITY®

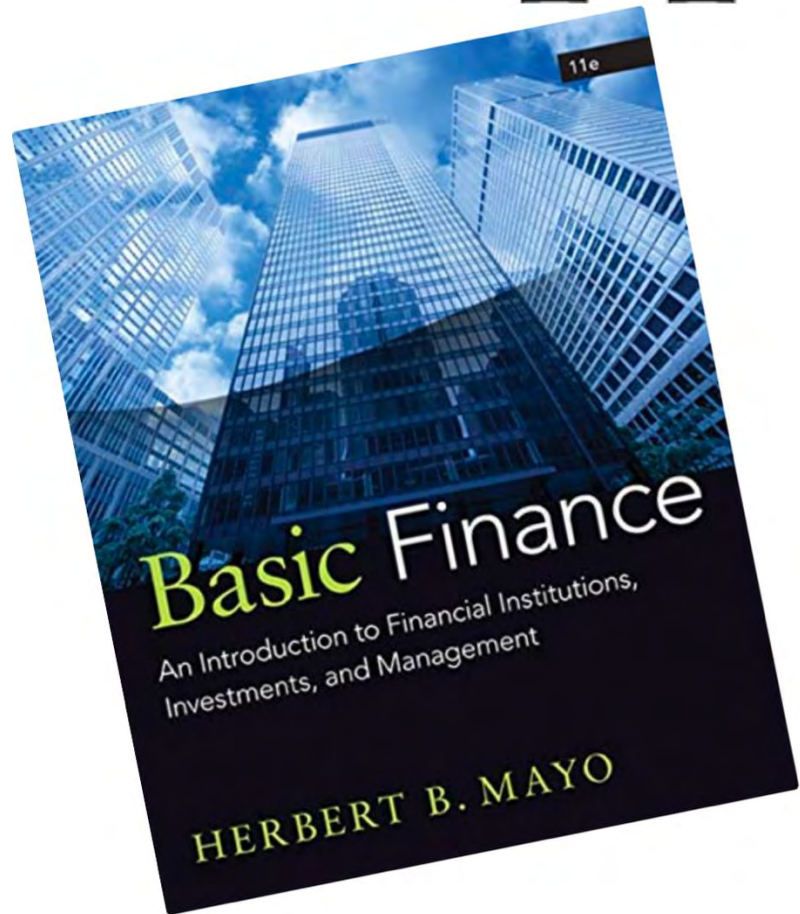
Appalachian

STATE UNIVERSITY®



Appalachian

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T O O





STAR

Smart Tissue Autonomous Robot

A robot has performed a laparoscopic operation without the guidance of a surgeon's hand, and it produced significantly better results than humans performing the same procedure.

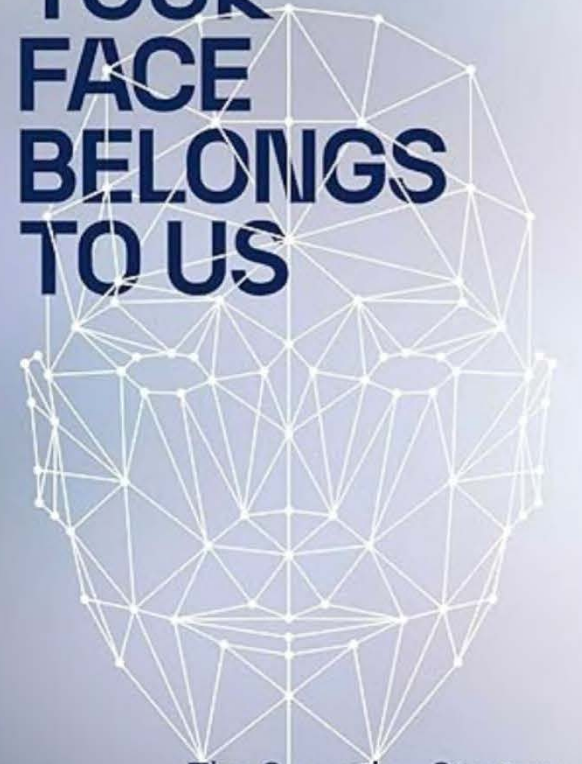


Clearview.ai



**YOUR
FACE
BELONGS
TO US**

Kashmir Hill



The Secretive Startup
Dismantling Your Privacy

MADISON SQUARE GARDEN™





AI SALES GROWTH

KPMG

\$2,000,000,000



What Do We Need to Know?

AI LLM Platforms



Co-pilot



ChatGPT



Perplexity

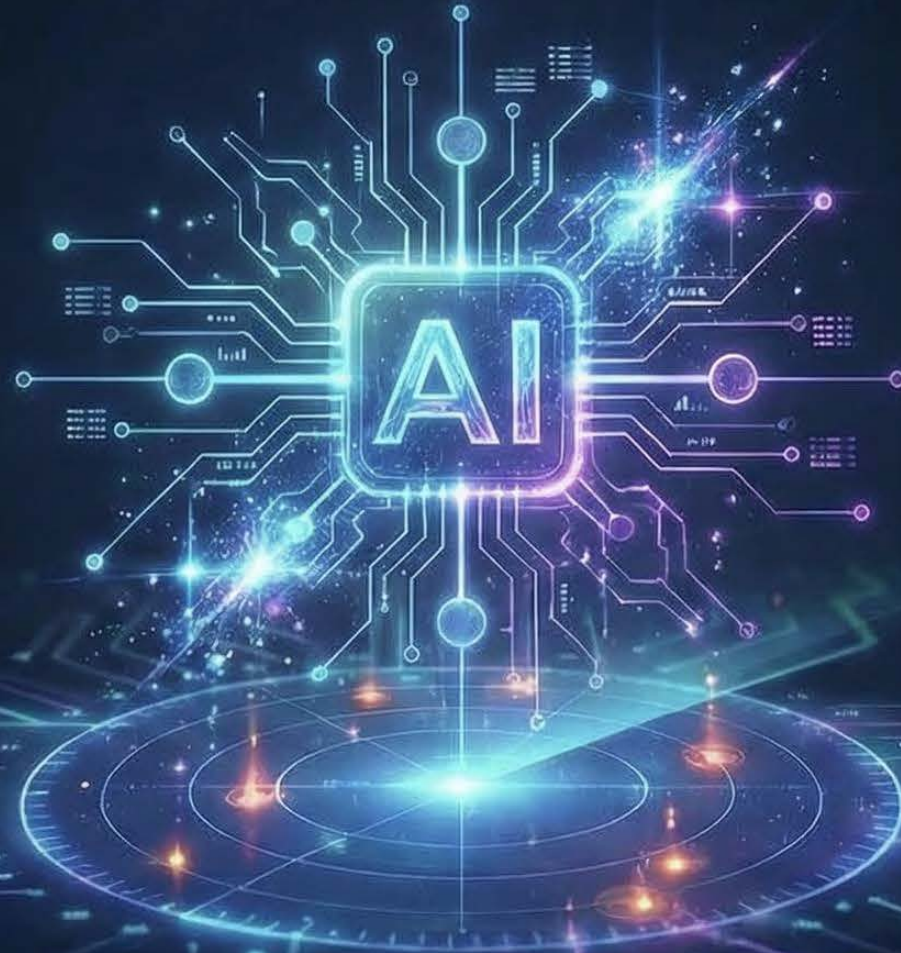


Claude



Gemini

How does Co-Pilot fit in?



Copilot is the brain wired into your agency's files, email, and meetings, with guardrails.





ChatGPT is the brain!

Technology Guardrails vs. Ethics

“Copilot comes with good technical guardrails, but technology guardrails are not ethics. We still need our own rules about when AI can be used, for what, and with what level of human oversight.”



**Does My Organization
Have an Overarching
Set of AI Guidelines?**



ARTIFICIAL INTELLIGENCE (AI) USE POLICY



- **1. Purpose and Scope:** Defines the objectives, applicability, and intended audience of the AI policy within the organization.
- **2. Definitions:** Clarifies key terms related to AI, machine learning, and relevant technologies.
- **3. Guiding Principles:** Establishes the ethical, legal, and operational framework for AI adoption.
- **4. Governance and Roles:** Outlines the structure, responsibilities, and decision-making authorities for AI initiatives.
- **5. Allowed, Restricted, and Prohibited Uses:** Specifies the permissible, conditional, and forbidden applications of AI tools and systems.
- **6. Data Handling, Privacy, and Records:** Details the requirements for data security, privacy compliance, and record-keeping related to AI.
- **7. Training and Awareness:** Mandates education and communication programs to ensure understanding of the policy.
- **8. Enforcement, Exceptions, and Review:** Describes the consequences of non-compliance, the process for exceptions, and the schedule for policy review.

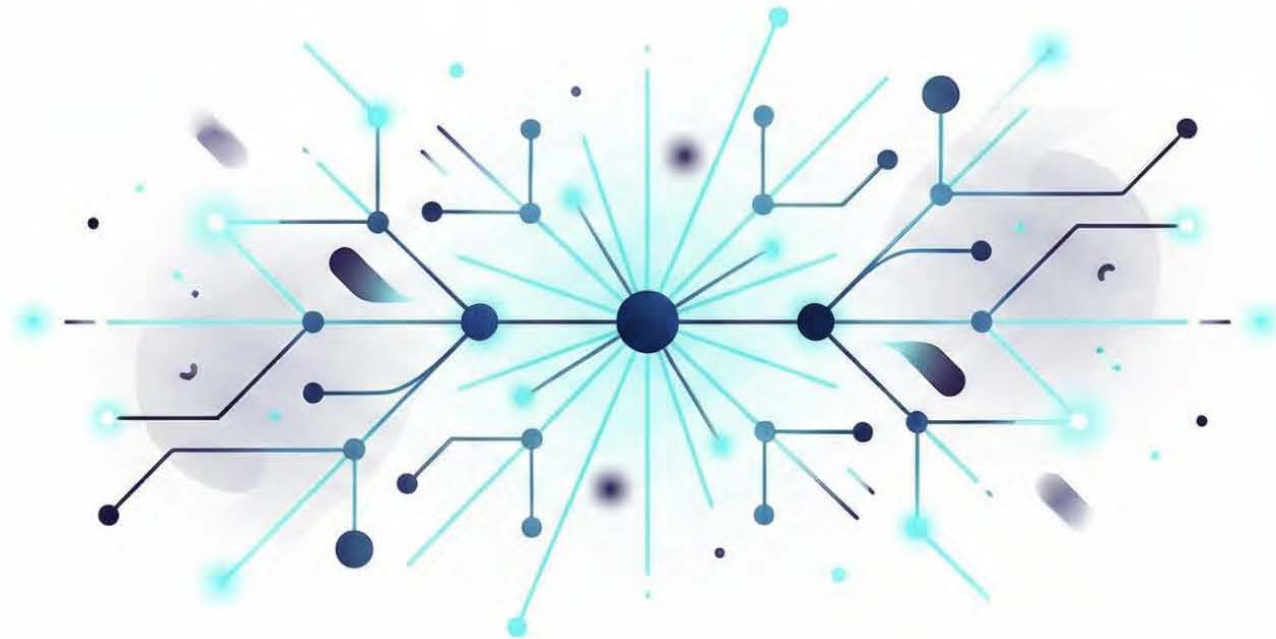
Copilot: The Inside-the-Building Assistant

“Think of Copilot as your inside-the-building assistant: it lives with your files, it knows your meetings, it obeys your security and finance rules. It’s fantastic for doing today’s work faster.”



Outside-the-Building Thinking Partners

Think of tools like **Claude, ChatGPT, Perplexity, Gemini** as **outside-the-building thinking partners**: that's where you go to stretch your thinking, explore options, prototype agent workflows, or test how AI reasons about a new ethics or governance problem.



The AI Opportunity: Your Pattern-Finding Partner

“Copilot helps you work in the documents and spreadsheets you already have; the bigger opportunity is using AI as a pattern-finding partner over your data so you can ask smarter questions you’ve never asked before.”

The background is a deep blue gradient with several glowing, semi-transparent blue ribbons that curve across the frame. Interspersed among these ribbons are faint, wireframe-like geometric shapes, possibly representing a network or data structure, with some points and lines highlighted in a lighter blue or white. The overall aesthetic is futuristic and technological.

How Can AI Be Used to Transform Our Organization?

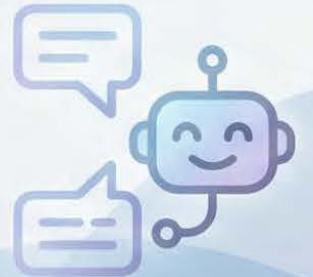
Physical AI: robots doing the boring outdoor work

Municipalities are deploying **autonomous mowing robots, hedge-trimming robots, and litter-collection bots** in parks and along rights-of-way, using **GPS-defined zones** and **AI vision** to keep grass, shrubs, and paths in shape.

Vendors report as much as **40% lower operating costs** versus manual crews, **24/7 off-peak operation**, and **fewer noise complaints and emissions**, while a **central system tracks** coverage, missed patches, and maintenance needs.

Resident-facing AI chatbots

What if **every employee** and **every resident** had a **patient, policy-aware ‘front desk’** they could talk to any time—and your **human experts only stepped in** when the questions got complex?



Resident-facing AI chatbots

Municipalities are standing up resident-facing AI chatbots that handle thousands of questions about permits, benefits, licensing, and services—24/7—reducing call-center load and speeding up access

sometimes **saving millions annually** by shifting to self-service.



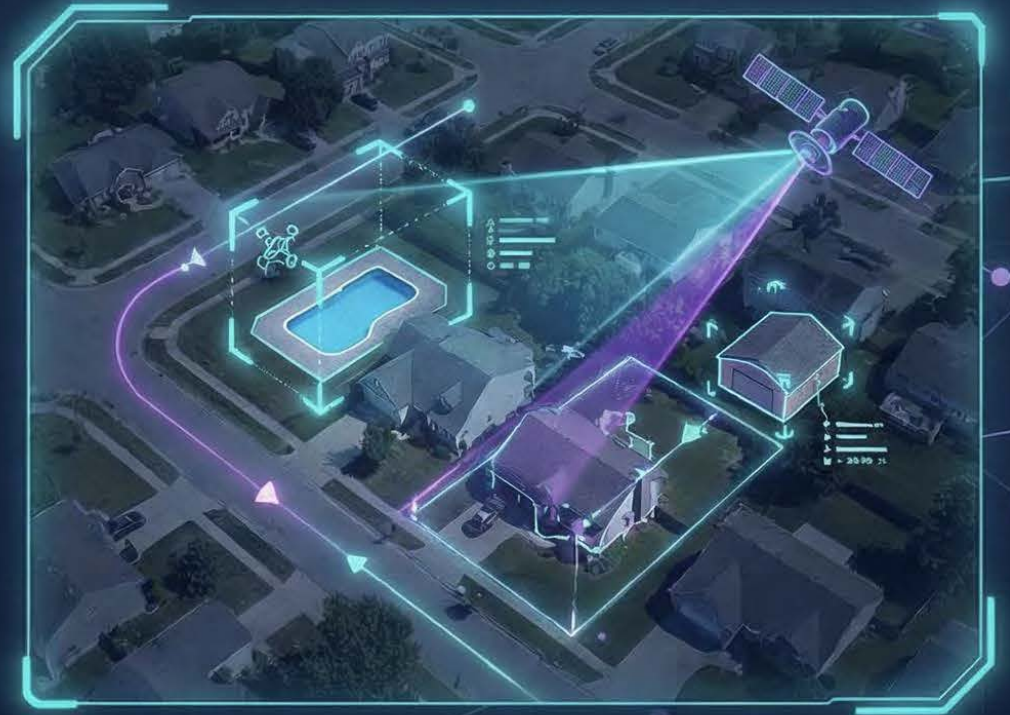
Find missing or under-taxed property (revenue without rate hikes)

“Instead of raising rates on people already paying, AI helps you make sure **everyone who should be** on the roll is on the roll and is paying on the right value. That’s **fairness and revenue.**”



DETECTING UNREPORTED STRUCTURES & VALUE.

- Use satellite and aerial imagery + machine learning to detect new construction, additions, pools, garages, or informal structures that never made it into the tax roll.
- (Or did, but at outdated values).



Find Missing or Under-Taxed Property (Revenue Without Rate Hikes)

Cross-match GIS, utility hookups, building permits, and street-view imagery to flag parcels that appear to be in use (or improved) but aren't taxed appropriately or are mis-classified (e.g., commercial vs residential).

-  GIS Data
-  Utility Records
-  Permits
-  Street-View



How AI Helps a City Respond to a New Highway

Economic Development & The Complete 540 Concept

Core Idea: Use AI to move from reactive permitting to proactive economic development.



1. See the Change

Analyze traffic, zoning, and permits to identify future opportunity zones before the market fully reacts.



2. Shape the Change

Use demographic and land-value data to target specific industries and design smart policies.



3. Explain the Change

Create plain-language visuals and scenarios to help the council and residents understand the strategy.

“A highway is not just transportation infrastructure; it is a tax-base and land-use event.”



Institutional Memory that doesn't Retire

What AI does:

Ingests decades of council minutes, staff reports, audits, after-action reviews, news coverage, and program evaluations.

Answers questions like:
“Have we tried a version of this before?
In what year? What were the results?
What did the auditor and community say?
What conditions were different then?”



AI FAIR WARNING SYSTEM

Ethical Pressure Points & Audit Concepts

Detecting Risk Before It Becomes Reality



ETHICAL PRESSURE POINTS

- Bias & Fairness Concerns
- Transparency & Explainability Gaps
- Accountability & Liability Vectors



AI AUDIT CONCEPTS

- Continuous Monitoring
- Impact Assessments
- Compliance Frameworks



RISK DETECTION & MITIGATION

- Early Warning Signals
- Proactive Intervention
- Resilience Building



THE CORE RULE THAT CHANGES EVERYTHING

Don't Scan for Bad People — Scan for Bad Setups

“

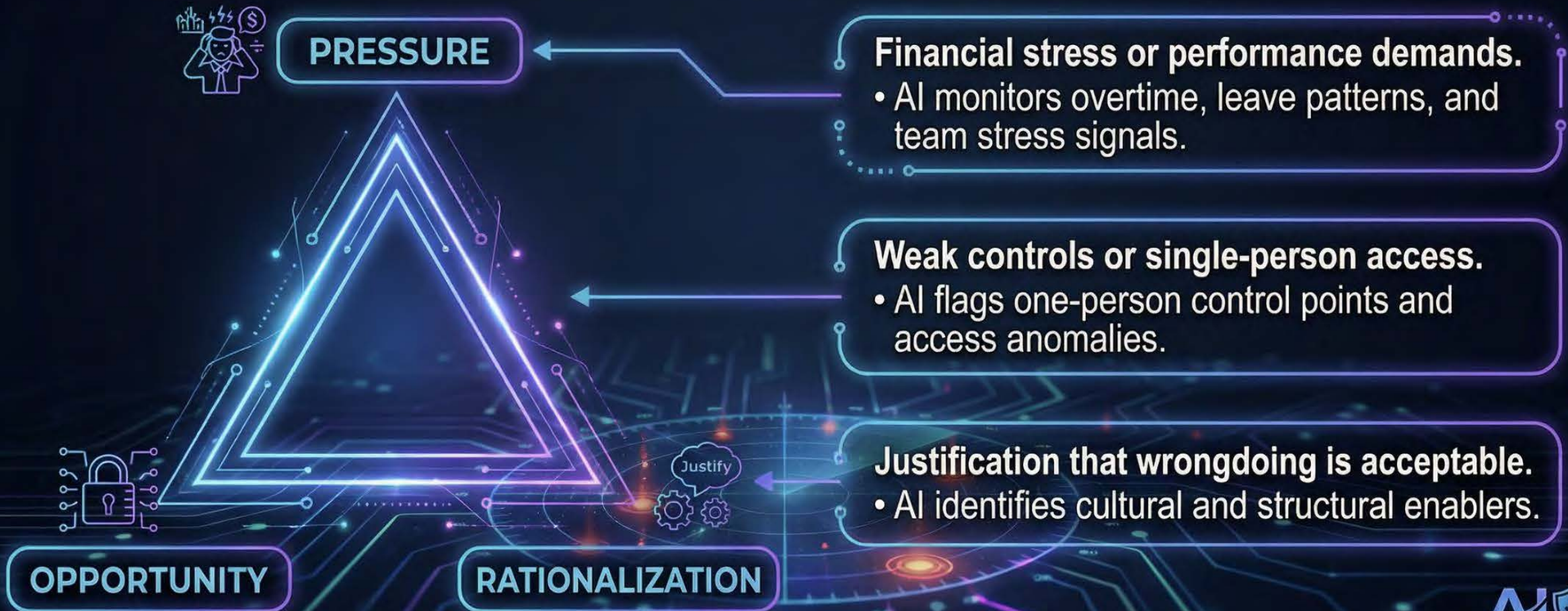
Wrongdoing thrives where weak controls, high access, and sustained pressure combine.

”

- Targets structural conditions, not individuals.
- System-centric thinking removes bias and reduces false accusations.
- **Key Insight:** Structural vulnerability is the primary driver of ethical failures.

THE FRAUD TRIANGLE MEETS AI

Three Forces That Create the Perfect Storm for Misconduct

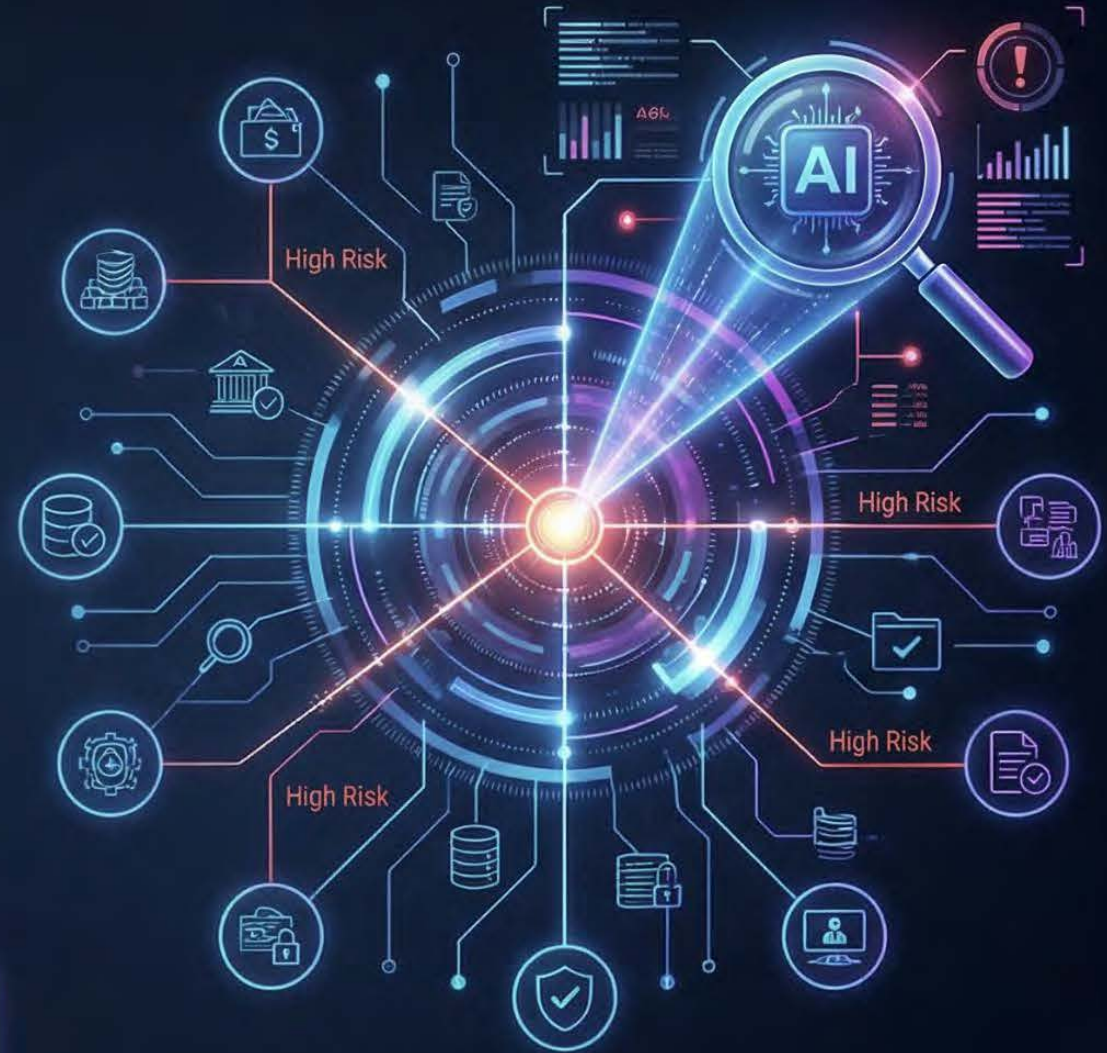


What AI Monitors: Access & Controls

Single Points of Control Are the Highest-Risk Nodes in Any System

- **One-person control points:** Single individual can initiate, approve, and complete a transaction.
- **Approval structures:** Segregation of duties enforced or bypassed.
- **Role access:** Access to cash, assets, or data proportionate to role.

INSIGHT: Access without oversight is the single most reliable predictor of control failure.



AI Monitoring in Action

What AI Monitors: Human Factors

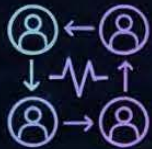
Behavioral and Operational Patterns Signal Pressure Before It Becomes a Crisis



Overtime patterns: Sustained overwork may indicate understaffing or covering for control gaps.



Unused vacation time: A classic red flag; individuals who never take leave may be concealing ongoing activity.



Team-level stress indicators: Absenteeism, turnover velocity, and engagement signals.



Key Insight: These signals do not accuse anyone. They identify environments where conditions for ethical failure are building.



What AI Produces: Risk Heatmaps

Risk Heatmaps Transform Complex Data Into Actionable Visual Intelligence

- Visual map of processes and roles, color-coded by risk intensity.
- Identifies fragile processes (insufficient controls, single points of failure).
- Identifies risky roles (disproportionate access relative to oversight).
- Enables targeted intervention without broad surveillance.



What AI Produces: Overlap Detection & Early Warning

Where Pressure Meets Weak Controls, AI Raises the Flag First



Overlap Detection

- Identifies exact intersection points where extreme pressure and weak controls co-exist. These are highest-priority areas.



Early Warning Flags

- Generates alerts before an ethics event or control failure occurs. These are structural alerts, not accusations.



“The goal is to **intervene at the setup stage**, not the consequence stage.”

What Leaders Do: Relieve Pressure & Strengthen Systems

AI Insights Enable Leaders to Act on Root Causes, Not Just Symptoms



Relieve Pressure

- **Add relief valves:** redistribute workload, bring in additional resources.
- **Offer team support:** employee assistance programs, direct managerial engagement.



Strengthen Systems

- **Rotate duties:** Break up long-tenure single-person control points.
- **Enforce stronger approvals:** Implement segregation of duties.
- **Increase oversight:** Add review layers and automated monitoring.

WHAT LEADERS DO: PREVENT MISCONDUCT BEFORE IT STARTS

Remove the Opportunity Before Temptation Becomes a Real Problem



KEY POINTS

- The **ultimate goal is prevention**: eliminating structural conditions that make misconduct possible.
- **The Prevention Logic**: Most people commit fraud because opportunity and pressure are high, not because they are fundamentally dishonest.
- **Outcomes**: Fewer ethics events, culture of transparency, reduced costs, and supported employees.

KEY PRINCIPLE: Prevention is more ethical, cost-effective, culturally constructive, and sustainable than detection.

PREVENTION & SECURITY

Summary: The AI Fair Warning System in Action

From Data to Decision: A Closed-Loop System for Ethical Resilience

Monitor:
AI scans access controls
and human factors.



Analyze:
AI identifies risk patterns
and convergence zones.

Alert:
AI flags early warning
signals before incidents.

Prevent:
Opportunity for
misconduct is removed.

Act:
Leaders relieve pressure
and strengthen systems.

The Bottom Line: The AI Fair Warning System does not replace human judgment — it amplifies it. By surfacing the right information at the right time, it empowers leaders to build organizations where ethical failure is structurally unlikely.

Play Time