



August 22, 2025

Kenrick Sifontes, Audit Director
Office of the State Comptroller
Division of State Government Accountability
110 State Street - 11th Floor
Albany, NY 12236-0001

Re: Audit Final Report - 2023-S-50, Issued April 3, 2025

Dear Mr. Sifontes:

On behalf of the New York State Department of Transportation (NYSDOT) and pursuant to Executive Law §170, I write to provide confirmatory information concerning NYSDOT's 180-day response to the Office of the State Comptroller's (OSC) three recommendations detailed in Audit Report Number 2023-S-50 titled *New York State Artificial Intelligence (AI) Governance*.

NYSDOT Response to Recommendations:

OSC Recommendation (4): Review ITS' Acceptable Use of AI Technologies policy to identify areas within the agency that need to be strengthened.

NYSDOT Response: NYSDOT has reviewed the ITS' Policy on the Acceptable Use of Artificial Intelligence (AI) Technologies and used it as the backbone for developing and strengthening NYSDOT's own AI policies and procedures. The ITS AI policy calls for each state agency to develop and publish their own specific policies around the safe and effective development, review, and implementation of artificial intelligence solutions. In addition, the ITS policy calls for agency specific reviews of any proposed AI solutions from a legal and risk perspective, especially for AI solutions that interface directly with the public. In response, NYSDOT has taken two major steps; issuing an internal AI Policy and establishing an AI Committee, both outlined in more detail below. In addition, NYSDOT is currently advising ITS on the development of AI training to educate NYSDOT employees.

OSC Recommendation (5): Implement policies to create an effective AI governance structure.

NYSDOT Response: In June 2025, NYSDOT implemented a Policy on the Development, Deployment, and Acceptable Use of Artificial Intelligence (Policy). The Policy lays out the requirements for the use of AI, including tests for accuracy, employee and contractor responsibilities, and the need to ensure "human-in-the-loop" workflows. NYSDOT has also established an Artificial Intelligence Technology Committee with representatives from multiple NYSDOT divisions and from various geographic regions of the state; as well as members of

the ITS dedicated team for NYSDOT. This Committee, is tasked with developing and screening AI use cases, reviewing proposed AI enabled systems for possible legal and cyber risks, and guiding the implementation of any required mitigation measures.

OSC Recommendation (6): Coordinate with ITS on developing AI governance structures as necessary.

NYSDOT Response: *As noted above, multiple members of the ITS dedicated team for NYSDOT sit on NYSDOT's AI Committee, where they advise the committee on statewide AI initiatives and are informed on NYSDOT's future AI needs. NYSDOT has worked closely with our ITS dedicated team to process proposed AI solutions and review existing systems that implement new AI capabilities.*

At a broader level, NYSDOT has been in close communication with the statewide ITS staff, beyond the ITS dedicated team for NYSDOT, including the ITS AI Technology Lead, and the ITS AI Review Committee. We regularly meet with the ITS AI Technology lead, and consult, along with other major state agencies, on possible changes to the ITS AI Policy. Between the dedicated team and the wider ITS staff, we are collaborating at multiple levels within the ITS organization to responsibly develop and implement AI solutions at NYSDOT.

If you have any questions, please contact Chris Herald, Director of Internal Audit, at 518-457-1085.

Sincerely,



Erin Jaeger
Assistant Commissioner – Administrative Services Division
Chief People Officer

Cc: Honorable Kathy Hochul, Governor of the State of New York
Honorable Thomas P. DiNapoli, State Comptroller
Honorable Andrea Stewart-Cousins, Senate Majority Leader and President Pro Tempore
Honorable Robert G. Ort, Senate Minority Leader
Honorable Carl E. Heastie, Assembly Speaker
Honorable Crystal D. Peoples-Stokes, Assembly Majority Leader
Honorable William Barclay, Assembly Minority Leader
Honorable Liz Krueger, Chairman, Senate Finance Committee
Honorable Thomas O'Mara, Ranking Minority Member, Senate Finance Committee
Honorable J. Gary Pretlow, Chairman, Assembly Ways and Means Committee
Honorable Edward P. Ra, Ranking Minority Member, Assembly Ways and Means Committee
Blake G. Washington, Director, Division of the Budget