

# 2026 NC PEAK Conference

*Procurement Unlocked: How AI Turns Process Into Power*

March 31, 2026 – April 1, 2026

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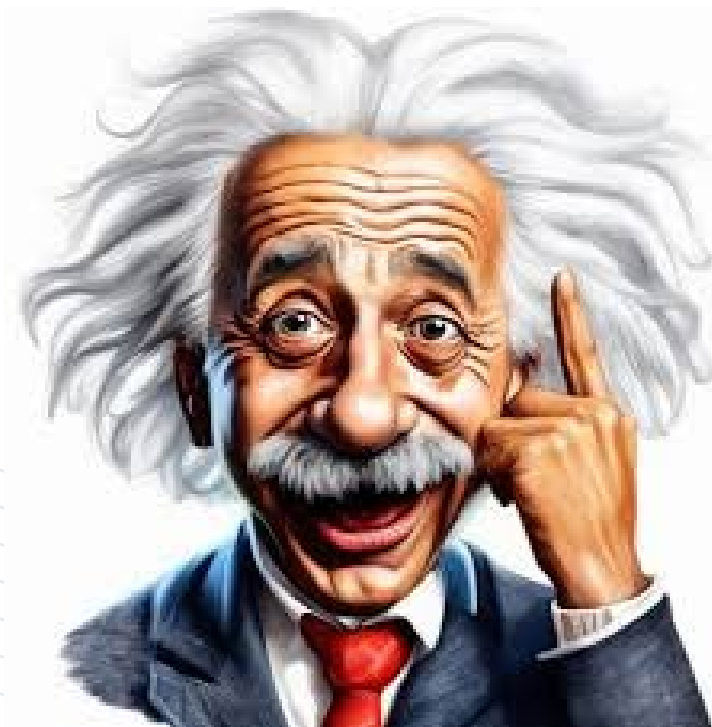
# Artificial Intelligence

Understanding AI and an Introduction to Generative AI

# Procurement Unlocked

Smart Purchasing Processes with Artificial Intelligence

By the end of our conversation, you'll be able to talk AI at the dinner table and at your next purchasing meeting



# What is Artificial Intelligence

## Quick Group Survey

### AI Survey (Show of hands)

- How many have **tried** using Artificial Intelligence for some professional or personal use?
- How many **use** Artificial Intelligence **daily**?



# What is Artificial Intelligence

Do You Use AI On A Daily Basis?





# What is Artificial Intelligence

AI and Biggest Risk?

**Action & Adventure**

**SALAAR** TOP 10  
Recently added

**Award-winning US Movies**

**INCEPTION**

**Action Movies**

**LIFT** TOP 10  
Recently added

**NETFLIX**

**BATMAN** Recently added

**2 GUNS**

**MATRIX RELOADED**

**MUSIC FROM THE MOTION PICTURE**  
**PRIDE & PREJUDICE**  
MUSIC BY DARIO MARIANELLI & PERFORMED BY JEAN-YVES THIBAUDET

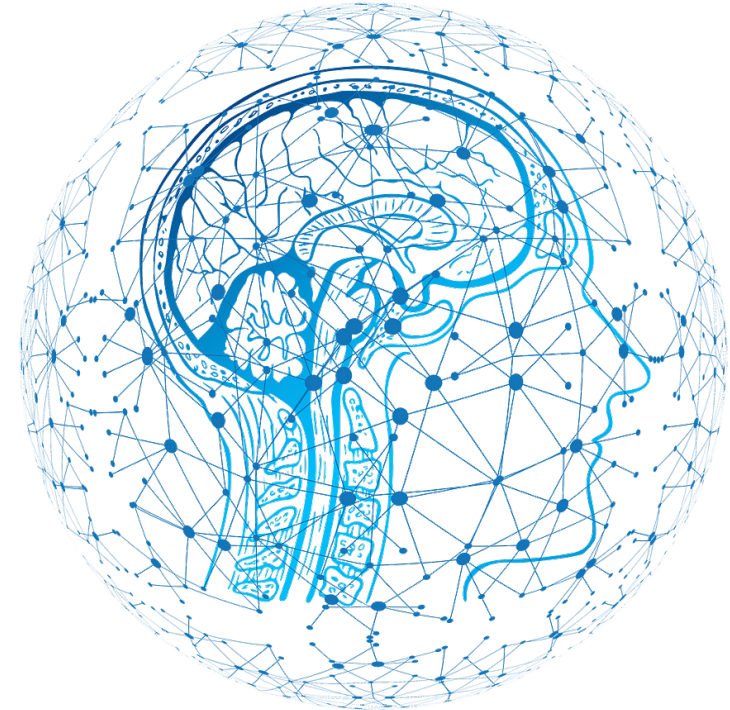
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# What is Artificial Intelligence

## Understanding the Basics

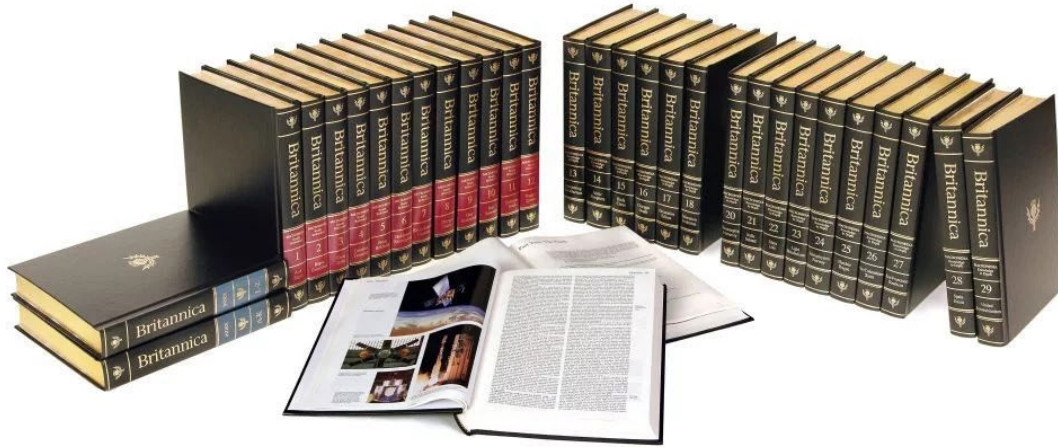
**Artificial Intelligence** (AI) is **software** that **learns** from **data** to make predictions or decisions and that can perform tasks such as **learning, reasoning, problem-solving**, and **decision-making**

Examples of **AI** in everyday life include voice assistants like **Siri** and **Alexa**, which can understand and respond to human speech (Natural Language Processing - NLP)

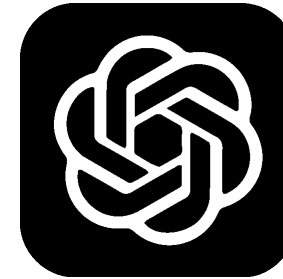


# What Does AI Know?

## An Introduction to Generative AI



2010 edition of Encyclopedia Britannica contained around **50 million** words and **50 GB** of data across all 32 volumes



# ChatGPT

**Large Language Model (LLM)**

**ChatGPT 5** - Estimated between **2-10** Trillion Parameters (unknown), equal to more than **100 PB** of data

Information equivalent - **2 Million** complete sets of the 2010 Encyclopedia

### Common Understanding

Average MP4 Music File: **4** Minutes, **3** megabytes

A one petabyte MP4 would play continuously for **2,000 years**

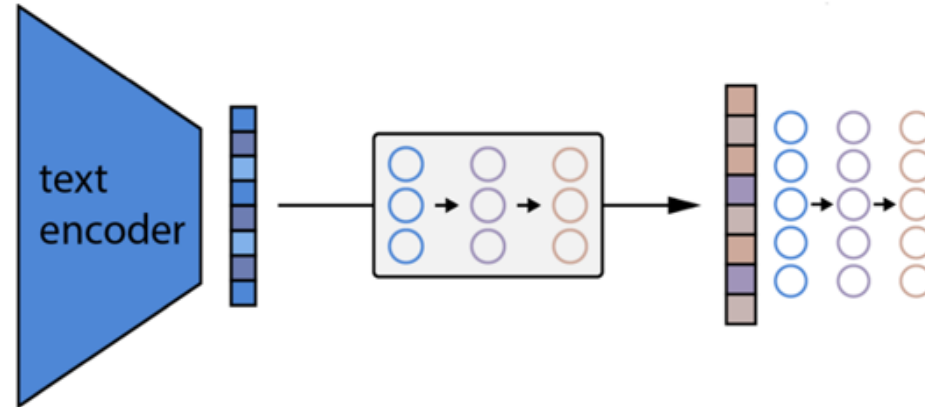


# What is Artificial Intelligence

## An Introduction to Generative AI

### Prompt

ChatBot,  
"Please create  
an illustration  
image of a Cat  
playing Piano"



**Generative AI** (GenAI) is a type of Artificial Intelligence that creates new content based upon what it has learned from existing content

**Training** is the process of learning from existing content and results in the creation of a statistical model

When given a **prompt**, GenAI uses this statistical model to predict what is an expected response and generates new content

### Powerful Potential for Gen AI

- Code generation (software)
- Create project/product documentation
- Operations management
- Graphic design
- Entertainment/Media generation
- Customer service/support
- Medical Image analysis
- Fraud detection/risk management

# Artificial Intelligence

Demystifying the Opportunity

# Demystifying AI

## The Opportunities

### But really, what is AI? (The No Nerd Version)

It is the **well-read Intern** that never sleeps - Artificial Intelligence is software that learns from data to make decisions or predictions

- ✓ Spots Patterns/Pattern Matching (Machine Learning)
- ✓ Creating New Content (Generative AI)
- ✓ Completing Repetitive Tasks (Robotic Process Automation)

### Relational Analogy:

- AI is like a **GPS** for **Purchasing/Procurement** – You decide where to go, AI helps you find the best route and reports on traffic (risks, price changes/spikes, vendor issues, etc.)
- AI is a powerful **spell-checker** for the **entire procurement process**, having contextual awareness and can be guided by rules



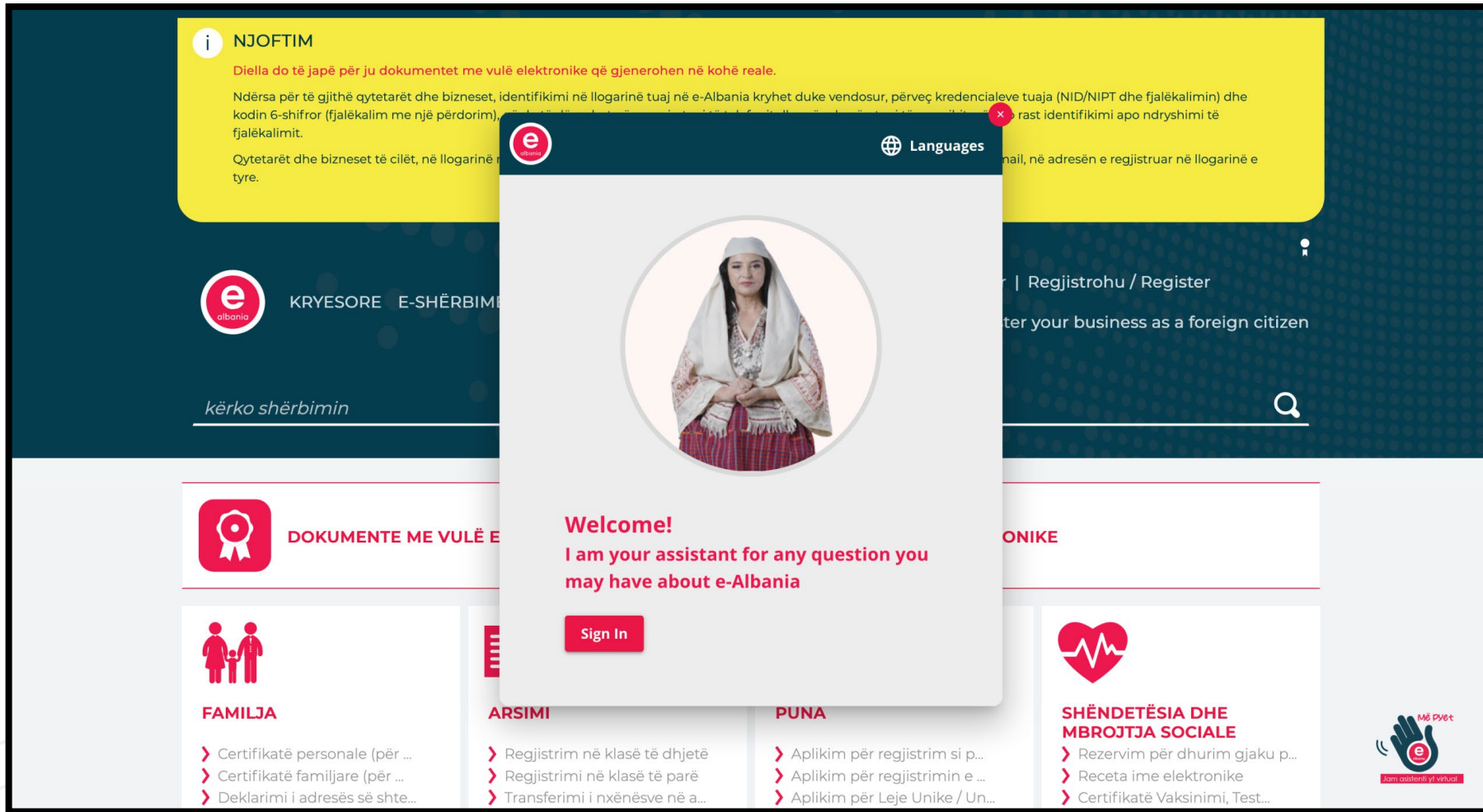
# Artificial Intelligence

Government Purchasing



# Meet Diella

## Society of Albania's Minister of Public Procurement



Diella is an AI-powered virtual assistant appointed by Albania in September 2025 as the **Minister of State for Public Procurement** to combat corruption. It aims to automate tender processes—drafting, evaluation, and awarding to ensure transparency and 100% corruption-free public contracts

The system, which operates with human oversight, marks a significant shift toward digital, algorithmic governance in public administration

Diella “*will manage and award all public tenders in which the government contracts private companies for various projects*” - Prime Minister Edi Rama

# AI in Government Purchasing

## Quantifiable influences of AI in the Procurement Process

The screenshot shows the IBM website interface. At the top, there is a navigation bar with the IBM logo, a search bar, and a 'Subscribe' button. Below the navigation bar, there is a promotional banner for an IBM and AWS session on April 7. The main content area features the title 'AI-powered productivity: Procurement' and a sub-headline 'How procurement can use AI to turn uncertainty into a business advantage'. A blue button labeled 'Download the insights' with a right-pointing arrow is positioned below the sub-headline. To the right of the text is a diagram illustrating a procurement process flow. The diagram consists of a grid of nodes connected by lines. A cloud icon is at the top left, and a play button icon is at the top right. A target icon is at the bottom left. The nodes are colored in various shades of blue, purple, and grey, representing different stages or components of the procurement process.

IBM | Software | Infrastructure

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Join IBM and AWS on April 7 for an insightful session on how enterprises can scale agentic AI. [Register here!](#)

Home / [Artificial Intelligence \(AI\)](#) / AI-powered productivity: Procurement

# AI-powered productivity: Procurement

How procurement can use AI to turn uncertainty into a business advantage

[Download the insights](#) →

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# Privacy, Security, and Ethics

The Guardrails for Government Purchasing

# The Boundaries of Artificial Intelligence

With Great Power Comes Great Responsibility (and Auditors)

## Why this matters for government purchasing specifically:

- One significant issue can make headlines
- Government data is sensitive: vendor SSNs/EINs, contract pricing, bid submissions
- Can amplify historical bias within the system
- Use of technology and lack of understanding can create transparency issues
- Data must be of high quality, else errors will occur





# The Boundaries of Artificial Intelligence

## Privacy Matters

### Privacy Risks to Understand:

- Public **trust** is **everything**
- **Avoid** Open-Source solutions or feeding **sensitive** vendor or employee data into public AI tools (e.g., pasting a sole-source justification with confidential details into ChatGPT)
- Understand **data sharing** and/or **retention** policies of AI platforms
- Understand the complexity of AI makes it difficult to assign responsibility when systems fail or breach privacy, particularly when using proprietary "black-box" (unknown) models
- Government procurement is increasingly focusing on the principles of transparency, accountability, and the ability of AI systems to be monitored and evaluated throughout their lifecycle

# The Boundaries of Artificial Intelligence

Security C

Security I

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Consider a  
innovation with safety, privacy, and accountability

## Chevrolet dealership duped by hacker into selling \$70K car at criminally low price

Published: 30 August 2024



Niamh Ancell, Journalist



Image by Shutterstock



One self-proclaimed hacker convinced an artificial intelligence (AI) assistant to sell him a \$70,000 car at a criminally low price. The Chevrolet chatbot confirms, "No takesies backsies."

The Chevrolet of Watsonville dealership website employed a chatbot powered by OpenAI's ChatGPT to

### Partner content



### Toggle VPN Expands Its Server Coverage

by Partner content by a third-party 26 February 2026

### Editor's choice



### Canada and Europe are breaking away from US tech. Can they collaborate?

by Egle Krištopaitytė 27 February 2026



AI services, open-

which, if used by

# AI Process Into Power

Getting Started and Things to Consider



# Getting Started with AI

The Easy Path to Go

## Learning to Ride the AI Bicycle:

***Training Wheels:*** Use AI tools you already have (Microsoft Copilot is baked into many state/county Microsoft 365 licenses)

***Holding On:*** Pilot one AI-assisted process, (Example) spend categorization or solicitation drafting. Build a process agent using Copilot Power App

***Independent Riding:*** Build an agency AI roadmap with IT, legal, and finance partners. Integrate AI throughout the solution





# Practical AI Use Opportunities

## AI Use In Purchasing/Procurement

### Where AI is already delivering value:

- ✓ **Market Research & Pricing:** AI Benchmarks commodity prices and scans historical contract data for better cost estimates
- ✓ **Draft Solicitation Drafting:** AI drafts RFPs/IFBs, scope of work, and evaluation criteria based upon prior templates and outcomes
- ✓ **Supplier Evaluation:** Automated scoring, vendor risk review, and performance trend analysis
- ✓ **Transactional Automation:** PO Creation, invoice matching and onboarding handled via intelligent workflows (AI-assisted)



# Benefits to Purchasing Staff

Efficiency + Insight + Service Delivery

## Low-hanging fruit benefits for purchasing offices right now:

- ✓ Shortened process cycle times
- ✓ Reduced administrative tasks
- ✓ Built-on quality checks reduce errors and improve compliance
- ✓ Supports a shift from low-value (manual/repeatable) work-items to a focus on strategic initiatives and vendor relationships



# Your Possible Training Wheels

## Build an AI Agent to Share with Your Team and Automate Work

The screenshot displays the Copilot Studio interface. At the top, the environment is set to "State of North Carolina". The main navigation bar includes "Agent", "Overview", "Knowledge", "Tools", "Agents", "Topics", "Activity", "Evaluation", "Analytics", and "Channels". A notification banner states: "This feature isn't available until your agent has finished setting up." The configuration panel on the left is divided into three sections: "Details" (Name: Agent, Description: 0/1024, Agent's model: GPT-4o (default)), "Instructions" (Describe what you want this agent to do, its tone, and rules.), and "Knowledge" (+ Add knowledge). On the right, the "Test your agent" chat window shows a response: "Hello, I'm Agent, a virtual assistant. Just so you are aware, I sometimes use AI to answer your questions. If you provided a website during creation, try asking me about it! Next try giving me some more knowledge by setting up generative AI." Below the chat is a text input field with a character count of 0/2000 and a send button.

# Evaluating AI Solutions (Vendor)

What to Consider with Vendor Tools

## What to look for when evaluating AI procurement tools:

- Government-specific compliance features (FedRAMP, GovRAMP)
- Transparent audit trails (critical for public procurement accountability) and to build trust
- Vendor data security certifications
- Prioritize data privacy and ensure vendor has explicit, strict policies regarding how they handle sensitive procurement data
- Solution integration - must seamlessly connect with existing ERP, finance, and procurement systems using APIs





# AI in Government Purchasing

## Value and Improvement Measures

**Efficiency** is typically the easiest win to demonstrate — procurement professionals feel the pain of slow cycle times every day, so showing concrete time compression resonates success immediately

**Cost savings** speaks directly to agency leadership and budget officers who will be in the room. Even a 2–5% improvement on a large state spend portfolio represents millions of dollars redirected toward public services

**Compliance** is especially relevant for a state procurement audience. The shift from reactive auditing to proactive monitoring is a powerful message — AI doesn't just catch mistakes, it monitors and prevents them

**Decision quality** elevates the conversation from "AI does tasks" to "AI makes us smarter." This is important — framing AI as a decision-support tool and positions AI as an ally to the process

**Workforce empowerment** is arguably the important message. Using AI is a strategy to make human expertise more impactful and ultimately the role more fulfilling

**Service delivery** ties everything back to the public good — which aligns perfectly with the conference theme of "***Smarter Procurement for Public Good.***"

# Using AI for Government Purchasing

Wrap Up and Take Aways

# Artificial Intelligence In Government

## Potential to Revolutionize Government Operations

AI has the potential to help governments make **better decisions**, **increase efficiency**, and **improve** the lives of citizens

With the help of AI, governments can **predict** patterns and trends in various areas such as public safety, healthcare, transportation, and education

AI can help **automate** repetitive and time-consuming tasks in government operations, such as data entry, document processing, and customer service

AI can **analyze** large amounts of data to identify patterns of fraud and flag suspicious activities within government programs for further investigation

Gain Valuable insights into public opinion, sentiment and data decisions through AI and can help governments **understand** large volumes of unstructured data (files and images), such as social media posts, emails, and customer feedback

AI can **process** large contracts, documents and legal files to provide summary or translation, expediting review of complex conditions

# AI and Government Purchasing

AI to Augment the Human and the Process



**HUMAN**  
IN THE LOOP

## Key Takeaways for a Government Purchasing Strategy

- AI is a **tool**, not a replacement - your judgment, ethics, and accountability still matter most
- Start small and **stay curious** - you don't need a tech degree to benefit from artificial intelligence
- **Guard** the data - always think before you paste or connect
- **Think** of applied use cases that align to high-volume, rules-based tasks such as drafting statements of work, analyzing vendor compliance, and forecasting demand

# AI and Government Purchasing

## Action Plan

**Action:** Go back to your office and talk about what use cases you want to try with AI. See if AI tools are already available to you. If so, try basic functions including summarization, drafting documents, or rapid market research

**Understand prompting**, and learn how to effectively communicate to AI

The Future of Government Purchasing is not AI robots writing your contracts, it **is YOU**, smarter, faster and with a lot less time spent on copy-past or reviewing lines on paper

**Ai & YOU**  
Force Multiplier



# Questions



**Thank You**