**AI Usage and Policy Guide for Minnesota SBDC**

**Introduction and Purpose**

Artificial Intelligence (AI) offers powerful opportunities for Small Business Development Center (SBDC) teams to enhance their work – from generating marketing ideas to streamlining paperwork. This guide provides SBDC consultants and SBDC regional/state directors with a **practical framework** for using AI tools **safely, ethically, and effectively** in both client support and internal operations. Our goal is to empower SBDC staff to adopt AI in their workflow while **protecting client trust, confidentiality, and service quality**. The guidance here reflects current best practices from industry and public sector AI policies, tailored to the SBDC’s decentralized structure and mission.

**Two Audiences:** This guide addresses:

1. **SBDC Consultants (Client-Facing Staff):** Advisors who may use AI to assist clients (e.g. drafting business plans, researching markets, creating marketing content).
2. **SBDC Leadership (Directors/Associate Directors/Program Coordinators/ other Leadership & Managers):** Those using AI for internal operations (e.g. program planning, report writing, or managing center workflows).

Each section below includes **policies and examples** relevant to these roles. The policies are designed to be **flexible** – encouraging innovation and experimentation – while maintaining rigor in critical areas like data privacy and accuracy. Given that America’s SBDC network has no single enforcement authority, the guide emphasizes **personal responsibility** and **decentralized oversight**, trusting each center and individual to uphold these standards in their daily work.

*By following these guidelines, SBDC professionals can confidently leverage AI tools to enhance their services and operations, knowing they are adhering to ethical, legal, and quality standards.* Let’s explore the core principles, example use cases, and a checklist for evaluating AI tools.

**Core Principles and Acceptable Use of AI**

**Acceptable Use – What You *Can* Do:** AI should be used as a **support tool** to augment your expertise, not replace it (AI Consultant Training 2023-06-22.pptx). SBDC consultants and staff can use AI for tasks such as:

* **Research and Brainstorming:** Using AI to gather information or generate ideas (e.g. market trends, business name ideas) to inform your client advice ([AI Guidelines for Small Businesses | ProfileTree](https://profiletree.com/ai-guidelines-for-small-businesses/#:~:text=,on%20user%20behaviour%20and%20preferences)).
* **Draft Writing and Summarizing:** Generating first drafts of documents (emails, business plan outlines, social media posts) or summarizing large texts/meeting notes for quicker review ([AI Guidelines for Small Businesses | ProfileTree](https://profiletree.com/ai-guidelines-for-small-businesses/#:~:text=,based%20on%20user%20behaviour%20and)).
* **Editing and Proofreading:** Utilizing AI for grammar checks, style improvements, or translating content, which can improve the clarity of client deliverables ([AI Guidelines for Small Businesses | ProfileTree](https://profiletree.com/ai-guidelines-for-small-businesses/#:~:text=,based%20on%20user%20behaviour%20and)).
* **Data Analysis Assistance:** Employing AI to analyze **non-sensitive** datasets or perform calculations (e.g. forecasting models, financial scenario analysis), with the consultant validating the results.

**Prohibited or Cautioned Use – What You *Shouldn’t* Do:** Some uses of AI are **off-limits or require extreme caution** in the SBDC context:

* **No Sensitive Data Inputs:** *Never* input confidential or personally identifiable client information into public AI tools (AI Consultant Training 2023-06-22.pptx) ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=,This%20could)). This includes client business plans, financial records, personal data, trade secrets, or any Controlled Unclassified Information. (Unless using a pre-approved, secure AI platform, assume anything you enter could be seen or used by others (AI Consultant Training 2023-06-22.pptx).)
* **Don’t Rely on AI for Final Judgment:** AI outputs **must not be treated as final answers** for critical or professional advice. For example, do not use AI to generate **legal documents or final financial analyses** without thorough human review and appropriate professional oversight (AI Consultant Training 2023-06-22.pptx). SBDC advisors should not use AI to provide licensed legal, accounting, or HR advice – these require human expertise and liability.
* **No Bypassing of Expertise:** Do not let AI replace the personalized consulting and judgment that SBDCs provide. Always contextualize and, if needed, override AI suggestions based on your knowledge of the client’s situation (AI Consultant Training 2023-06-22.pptx).
* **Avoid Unethical Content or Bias:** Never use AI to generate discriminatory, misleading, or unethical content. If an AI output contains biased language or inappropriate suggestions, it must be discarded or corrected immediately (more on bias below).
* **Tool-Specific Restrictions:** Follow each tool’s terms of service and usage policies. For example, image generators might restrict certain content (like realistic faces or logos), and chatbots often ban explicit or illicit prompts – respect these rules.

By clearly defining **what is acceptable vs. unacceptable**, you maximize AI’s benefits while mitigating risks ([AI Guidelines for Small Businesses | ProfileTree](https://profiletree.com/ai-guidelines-for-small-businesses/#:~:text=This%20ensures%20that%20the%20deployment,mitigate%20potential%20risks%20and%20misunderstandings)). When in doubt, **consult your supervisor or state director** before using AI in a new or uncertain scenario. It’s better to pause than to risk a confidentiality breach or other violation.

**Data Privacy and Confidentiality**

**Protect Client Data at All Times.** Maintaining client confidentiality is a cornerstone of SBDC services. **No client-identifiable or sensitive data should be entered into AI tools that are not explicitly approved for such use**. This includes: client names, contact info, financial details, business strategies, proprietary formulas, etc. Many AI tools (like ChatGPT, Bard, etc.) *store* user inputs and even use them to further train models, which could expose sensitive information (AI Consultant Training 2023-06-22.pptx). Always assume that anything you type into a third-party AI could potentially become public (AI Consultant Training 2023-06-22.pptx).

* **Use Anonymized or Dummy Data:** If you want to use AI to analyze or format client-related information, **anonymize the data first**. Strip out names or key details, or replace them with placeholders. For example, instead of inputting “Smith’s Plumbing LLC 2024 revenue $500K”, generalize it to “Client X in service business, 2024 revenue $500K” to get advice. This reduces risk of exposing identities.
* **Secure Platforms:** If your SBDC network or host institution offers a vetted, secure AI platform (one that guarantees data privacy), use that for any sensitive tasks. Otherwise, **default to caution and keep sensitive data offline** ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=,This%20could)). Many free AI tools do not guarantee confidentiality ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=,This%20could)).
* **Client Permission:** In rare cases, if an AI tool could greatly benefit an analysis and you believe some client data must be used, obtain *written client permission* and ensure the tool is secure – and even then, only feed the minimum data necessary. (Such cases should be exceptions and likely run by leadership first.)
* **Internal Confidential Info:** Similarly, SBDC leadership should not input internal confidential information (HR records, internal strategies, non-public financials) into unapproved AI services. Treat internal data with the same caution as client data.

**Data Security Measures:** Always access AI tools through secure networks and devices. Use strong, unique passwords for any AI accounts, and enable multi-factor authentication (MFA) where available. If an AI vendor cannot provide basic security features like MFA or encryption, it should *not* be used for any sensitive purpose. Prefer tools that offer data encryption and allow you to delete or export your data.

**Retention and Storage:** Be aware of how each AI tool stores data. Some chat-based services retain conversation histories unless you manually delete them. Periodically clear out any stored data within the tool, especially if it contains any potentially sensitive content. The safest practice is to not leave any client context in an AI system beyond the immediate use. If you save AI-generated reports or transcripts that include client info, secure them in the same way you protect other client files (e.g., your SBDC client management system or encrypted storage).

Remember, data privacy isn’t just a policy box to check – it’s key to preserving the trust our clients place in us. A single mishandled piece of information can damage that trust. By staying vigilant about privacy, we uphold our professional responsibility and protect clients’ businesses.

**Human Oversight and Accountability**

AI is a powerful assistant, but **the human expert (you) remains ultimately accountable** for the work produced. SBDC consultants and staff must exercise **strong human oversight** over any AI-generated content or recommendations (AI Consultant Training 2023-06-22.pptx). In practice, this means:

* **Always Review AI Outputs:** Never forward or implement AI-generated material to a client (or use it in operations) without **thoroughly reviewing it first** ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=If%20you%20are%20using%20free,that%20accurately%20represents%20your%20business)). Treat AI’s output as a draft produced by a junior colleague – it can save you time, but it *will* make mistakes or assumptions that need correction. Check every factual statement for accuracy and ensure the tone and messaging align with SBDC’s standards. **If the AI provides an analysis or calculation, verify it with a trusted source or your own computations.**
* **Double-Check for Errors and “Hallucinations”:** AI tools sometimes fabricate information (known as hallucinating). Be on the lookout for details that you didn’t provide, such as made-up statistics, unrealistic financial projections, or fake citations to sources (AI Consultant Training 2023-06-22.pptx). If an AI suggests that “according to a 2022 SBA report, 60% of businesses did X,” verify that report exists and says that. When in doubt, *leave it out* or research further.
* **Use a Second Pair of Eyes:** For important client deliverables or official documents, have a colleague or supervisor review the AI-assisted content as well ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=If%20you%20are%20using%20free,that%20accurately%20represents%20your%20business)). A fresh human perspective can catch issues you might miss. (This aligns with SBA’s guidance for small businesses using AI: have another person ensure AI outputs are accurate and used ethically ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=If%20you%20are%20using%20free,that%20accurately%20represents%20your%20business)).)
* **Maintain Human Control in Decision-Making:** AI can provide recommendations (e.g. “Based on the data, expanding to Market Y might be beneficial”), but **the final decision and advice must rest with the human consultant or leader**. Use AI’s suggestions as one input among many. If you’re an SBDC director using AI to flag trends in center performance, don’t act on those trends blindly – validate them and consider context that the AI wouldn’t know (like local economic changes or staff insights).
* **Be Prepared to Override or Correct AI:** If AI outputs conflict with your professional knowledge or client’s best interests, trust your judgment. For example, if an AI-generated marketing email feels too generic or off-tone, refine it manually. If a business plan draft from AI omits a critical element (like a cash flow analysis), add it. **You are responsible for the final product delivered to the client.** As one SBDC training put it: the advisor should *supplement responses from AI with their own advice and research to ensure information relayed to clients is accurate* (AI Consultant Training 2023-06-22.pptx).

By maintaining diligent oversight, we ensure AI is a help, not a liability. In the end, **if something AI produces turns out to be wrong or problematic, it’s the SBDC professional who will answer for it** – so never abdicate your responsibility. This human-in-the-loop approach aligns with emerging best practices for trustworthy AI use (e.g., accountability and human oversight are core tenets of the NIST AI risk framework).

**Quick Tip:** If you’re ever unsure about an AI-generated fact or solution, **slow down and verify it**. It’s better to deliver a correct answer later than a wrong answer quickly. When time permits, using two different AI tools and comparing results, or cross-checking AI output against known references, can also help gauge reliability.

**Ethical Use, Bias, and Fairness**

SBDC advisors serve diverse clients and uphold high ethical standards. When using AI, it’s critical to ensure that those standards are maintained. **AI tools do not have moral judgment** – they can inadvertently produce content that is biased, inappropriate, or misaligned with our values if we’re not careful. Here’s how to keep AI use ethical and fair:

* **Bias Awareness:** AI models learn from vast datasets that may contain historical biases. As a result, their outputs can reflect **gender, racial, or cultural biases** or stereotypes present in the data (AI Consultant Training 2023-06-22.pptx). Always review AI outputs for any biased or insensitive content. For example, if an AI-generated marketing plan suggests targeting customers in a way that excludes or stereotypes a group, that’s not acceptable. **Actively filter and correct such bias.** Our role is to ensure **equity and inclusion** in all client materials and advice. If unsure, seek a colleague’s perspective or use tools that check for biased language.
* **Align with SBDC Values:** SBDCs pride themselves on ethical conduct, honesty, and client-first service. AI should never be used to deceive or manipulate. Do not use AI to generate fake testimonials, overly aggressive sales copy, or anything that wouldn’t feel honest coming from an SBDC advisor. Ensure that any AI-generated content “reflects your business’s culture and principles” ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=create%20customer%20resistance%20to%20future,your%20small%20business%20uses%20AI)) – if it doesn’t, rewrite it.
* **No Plagiarism or IP Infringement:** Ethically, we must respect intellectual property. Generative AI might pull patterns from copyrighted text or images. **Never pass off AI-generated text or art as entirely original if it closely mimics existing works**. Check content for uniqueness. For written material, it’s a good practice to **rewrite AI-generated text in your own words** (AI Consultant Training 2023-06-22.pptx) rather than using it verbatim – this not only avoids plagiarism but also injects your personal touch and expertise. *“Ensure all generated content is original”* and does not infringe on others’ rights. If AI provided a perfectly worded paragraph you want to use, consider citing the source (if it gave one) or at least substantially editing it. Similarly, be cautious with AI-created images – they should not contain trademarked logos or watermarks of other artists.
* **Transparency with Clients (when appropriate):** While SBDC clients generally care about results more than process, being transparent can enhance trust. Currently, no law forces disclosure of AI use, but **it’s an emerging best practice to be open about it** ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=create%20customer%20resistance%20to%20future,your%20small%20business%20uses%20AI)). You don’t need to announce “AI wrote this, not me” for every email; however, if a client asks or if a deliverable was significantly AI-generated, consider a brief acknowledgment. For example, you might say, “We used an AI tool to help draft this plan and then carefully reviewed it,” to reassure the client that you leveraged technology responsibly. In some cases, especially for published content, adding a note like the one Harvard University uses (e.g., “This report was generated with assistance from an AI tool and has been reviewed by its human authors”) can model transparency (AI Consultant Training 2023-06-22.pptx). The key is that **the client should never be misled** about the origin of the work or the level of human oversight.
* **Maintaining Client Trust:** Always put yourself in the client’s shoes – would they feel confident and well-served knowing how you used AI on their behalf? If the answer is ever “no,” adjust your approach. For instance, blasting out AI-written generic advice without personalization could erode trust. Also be aware that some email spam filters or customers can detect AI-generated text and might react negatively if it seems impersonal ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=when%20producing%20content,outreach%20campaigns%20that%20AI%20generates)). To avoid this, ensure a human touch: personalize communications and double-check tone and relevance ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=when%20producing%20content,outreach%20campaigns%20that%20AI%20generates)). Use AI to draft, but *you* refine and finalize with the client’s unique context in mind.

**Bottom line:** Use AI in a way that you’d be proud to explain to your client or your director. Ethical AI use isn’t just about avoiding bad outcomes; it’s about actively using AI to further our mission of helping all small businesses, without compromising our integrity or fairness. By being mindful of bias, honesty, and respect for IP, SBDC professionals can harness AI in a manner consistent with the highest ethical standards.

**Intellectual Property and Attribution**

AI-generated content presents some unique questions around intellectual property (IP). Who “owns” the content created by AI, and how can we ensure we’re not violating copyrights or patents? Here’s how SBDC teams should handle these issues:

* **Understand Output Ownership:** Different AI tools have different policies on content ownership. Many providers (like OpenAI for ChatGPT) allow the user to own the output you get. However, this doesn’t mean the output is free of copyrighted material – if the AI regurgitated someone else’s text or image, you could unknowingly be using copyrighted content. **Assume you are responsible for the content you use**. As one SBDC training noted, *the end user does not automatically own the output and can be liable for its use* (AI Consultant Training 2023-06-22.pptx). This means if an AI writes a paragraph that happens to be almost identical to a copyrighted article, you could potentially face copyright issues if you publish it. To be safe, **use AI outputs as a starting point, not a final product**.
* **Attribution and Disclaimers:** If an AI tool provided a particularly important piece of information (like a specific statistic or passage), try to find the original source and cite it properly just as you would in any research (AI Consultant Training 2023-06-22.pptx). Do not cite the AI as the source (AI is not the originator of facts). Instead, ask the AI for its source or verify via a quick web search. Additionally, for any published reports or public-facing documents created with significant AI assistance, consider including a disclaimer or note of AI involvement (AI Consultant Training 2023-06-22.pptx). This not only is transparent but also clarifies authorship for legal purposes. An example: “*Portions of this document were generated with the help of an AI assistant and have been reviewed and edited by the SBDC team*.”
* **Avoiding Copyright Infringement:** As a rule, *do not use AI to produce content that violates IP laws*. For instance, instructing an image generator to create a picture “just like [Famous Photographer]’s style” might produce lookalikes that edge into plagiarism. Or using large verbatim chunks from AI that actually came from a book is problematic. The SBA advises to *“make sure anything you produce doesn’t infringe on any patents, copyrights or trademarks.”* ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=,This%20could)). This means: check logos, trademarks, and unique phrases in AI output. If you’re not sure, either don’t use it or get permission. It’s wise to run AI-generated text through a plagiarism checker if it’s going to be published or widely distributed, just to be certain it’s original.
* **Content Ownership with Clients:** Sometimes a client might bring you something *they* made with AI (e.g. “Here’s a marketing copy ChatGPT wrote for me – can we use it?”). In these cases, make the client aware of potential IP issues. If the content is generic, it’s likely fine, but if it includes artwork or writing that might have come from a protected source, caution them. As highlighted in an SBDC policy, clients should be made aware of potential ownership issues of AI-generated content. When in doubt, err on the side of creating original content (with AI help as needed) rather than using something questionable that an AI spit out.

In summary, treat AI as an intern who doesn’t know the rules of plagiarism – **you have to enforce those rules.** By rigorously checking AI outputs for originality and properly attributing any borrowed ideas, we safeguard against legal risks and honor the intellectual contributions of others.

**Example Use Cases and Scenarios**

To illustrate how these guidelines apply in practice, here are **example scenarios** of AI usage in SBDC work. These examples cover common use cases like marketing, planning, document drafting, internal operations, and meeting support – and show how consultants and leaders can use AI effectively **while following the policies above**.

**For SBDC Consultants: AI in Client Service Scenarios**

1. **Marketing Content Creation – Coaching with AI:** Jane, an SBDC advisor, is working with a client preparing for a product launch. Instead of writing the marketing content for the client, Jane uses the session as a teaching opportunity. Together, they explore how AI can help generate a draft of a social media post and an email newsletter. Jane inputs general, non-confidential product details into the AI tool and walks the client through the draft it generates. She explains which parts are helpful, which need to be revised, and how to spot generic or inaccurate language. Jane encourages the client to personalize the message and add real data from their market research. (Policy check: No confidential information was entered, and the advisor maintained human oversight. The client was coached, not handed a finished product — aligning with SBDC’s mission to educate and empower rather than do the work for clients.)
2. **Business Planning & Research – Using AI to Guide the Process:** Carlos, an SBDC advisor, is helping a client who’s drafting their first business plan. To support the conversation, Carlos uses an AI tool during the meeting to show how it can generate a basic business plan outline and summarize recent industry trends. He uses general prompts without client-specific data and explains to the client how to evaluate AI-generated content critically. Together, they compare the AI’s trend summary to current SBA data and identify areas to customize the outline based on the client’s unique business model. Carlos advises the client to use the AI output as a starting point — not a final product — and supports them in adjusting financial projections and key narrative sections with real data. (Policy check: Carlos used AI for demonstration and structure only, kept client data out of the tool, verified facts, and emphasized that the client owns and completes the plan. This reinforces the SBDC’s role in guiding, not writing, business plans.)
3. **Follow-Up Communication & Internal Notes – Human Oversight at Every Step:** *An SBDC consultant, Priya, needs to send a follow-up email summarizing recommendations from a recent client meeting. To save time, she uses an AI writing tool and inputs a general summary of the meeting (with no sensitive information or client-identifying details). Before doing so, she explains the process to the client and gets their permission to use AI to assist with drafting. The AI produces a well-structured draft, but Priya notices a few issues: the tone is too formal, a key follow-up action they discussed is missing, and one sentence incorrectly assumes the client has already launched their business. She adjusts the tone to reflect her usual voice, adds a specific reminder about reviewing financials, and removes the inaccurate statement. Before sending the email, Priya personalizes the message to ensure it feels authentic and consistent with her communication style. She also uses AI to help draft internal session notes for Neoserra. She inputs a general recap, reviews the AI-generated summary, and makes sure the notes are factual, neutral, and appropriate for internal records. (Policy check: Priya excluded confidential information from the AI prompt, obtained the client’s permission to use AI, and verified and edited both the client-facing and internal content. Her actions demonstrate responsible, transparent use of AI aligned with professional conduct and documentation standards.)*
4. **Meeting Support – Using AI Tools to Enhance, Not Replace, Consultant Judgment***: During a complex client session, an SBDC consultant, John, uses an AI-powered transcription tool to record and transcribe the meeting so he can stay fully present. Before doing so, he obtains the client’s permission and ensures the tool is secure and approved for internal use. After the session, John uploads the transcript into an AI summarization tool to extract a list of key action items. The AI produces a helpful bullet-point summary, but John notices it misinterpreted a discussion about net profit versus gross profit. He corrects the summary and adds clarifying notes to ensure the client receives accurate, useful follow-up. John includes only the final, edited summary in his email to the client — not the full transcript. After completing the documentation, he deletes the full transcript from the transcription tool and ensures no sensitive content is retained outside approved systems. (Policy check: John used an approved transcription tool with client consent, protected sensitive information, verified all AI-generated content before sharing, and followed proper data retention practices. He maintained full control of what was communicated and documented, reflecting responsible AI integration that supports — but doesn’t replace — professional judgment.)*

These scenarios show consultants integrating AI into client work to enhance efficiency and insight, **while still applying professional judgment, safeguarding data, and maintaining quality control**. The result is improved service delivery – faster drafts, more data at hand – without compromising on the SBDC’s standards.

**For SBDC Leadership: AI in Internal Operations Scenarios**

1. **Internal Communications & Marketing – Ensuring Accuracy Before Publishing:** Maria, a state SBDC director, is preparing a quarterly newsletter for stakeholders that highlights recent client success stories and regional program outcomes. To draft the initial version, she uses an AI writing tool and inputs general themes and placeholder stats — not confidential client data. The AI returns a press-release-style draft with strong formatting and upbeat messaging. Maria carefully reviews the draft, removes generic or fabricated quotes, replaces placeholder numbers with actual metrics from internal records, and inserts real client feedback that was previously cleared for public use. She also adjusts the tone to match the SBDC’s voice — professional, credible, and clear. After review and approval, the final newsletter is sent to stakeholders. (Policy check: Maria used AI only with non-sensitive, public-facing content. She ensured accuracy by replacing AI-generated filler with verified data and reviewed all language before publishing. This reflects safe, appropriate use of AI for public communications — AI helped accelerate the process, but human oversight ensured credibility.)
2. **Strategic Planning and Reports – Using AI to Jumpstart Thinking, Not Finalize Strategy:** Ahmed, a regional SBDC director, is preparing his center’s annual report and updating their five-year strategic plan. To save time, he uses an AI tool to generate a rough outline by prompting: “Draft a 5-year strategic plan for a small business support organization focused on outreach, training, and impact.” The AI provides a structured framework with generic goals and sample initiatives. Ahmed reviews the output and uses it as a springboard, customizing the plan with region-specific priorities — like expanding rural outreach in underrepresented counties. For the annual report, Ahmed inputs summary data (e.g., “200 jobs created, 150 businesses started”) into the AI to draft a narrative paragraph. He then edits the draft to ensure accuracy, adjusts overly optimistic language, and removes a sentence speculating about future growth that wasn’t supported by the data. (Policy check: Ahmed used only aggregate data, not confidential client information. He treated the AI output as a first draft, applied expert review and editing, and made all strategic decisions himself. The AI helped streamline early drafting, but the vision, accuracy, and messaging remained entirely human-led.)
3. **Administrative Efficiency – Keeping AI in a Support Role:** *Tasha, the operations manager for a state SBDC office, uses an AI scheduling assistant to coordinate meetings and training sessions across multiple regional centers. The tool suggests meeting times and drafts agendas based on previous documents. Tasha ensures the AI only has access to staff calendars and internal templates — not client information or confidential materials. For one meeting, the AI pulls forward a draft agenda from the previous year. Tasha reviews it, removes outdated topics, and adds a new item on an upcoming SBA initiative. Separately, she uses AI to draft a job description for a new business consultant role by adapting a previous posting. The draft is well-organized, but Tasha spots and removes a phrase that could be interpreted as age-biased (“join our young and energetic team”) and updates the language to reflect current duties and local context. (Policy check: Tasha limited AI access to internal, non-sensitive data, reviewed all AI outputs, and made appropriate edits to remove bias and ensure relevance. AI supported administrative efficiency, but final content and decisions were driven by professional judgment.)*
4. **Training and Knowledge Management – AI as a Staff Support Tool***: Li, a state SBDC director, wants to improve internal knowledge sharing and reduce repetitive questions among staff. She implements an AI-powered Q&A assistant on the internal staff portal. The tool is trained on a curated knowledge base of public data and approved internal resources — it does not access or store client-specific information. Advisors can use it to quickly find resources, templates, or definitions (e.g., “What’s the current interest rate on SBA 7a loans?” or “Do we have a business plan template for a food truck?”). Early on, Li monitors the chatbot’s responses to ensure accuracy and flags a few outdated links and vague answers. She updates the knowledge base and reminds staff via memo that while the tool can save time, they are responsible for verifying critical or compliance-related information through official channels. (Policy check: The AI tool was implemented with clear boundaries, no client data exposure, and ongoing human oversight. It supports advisor productivity without replacing informed decision-making or introducing risks to data security or accuracy.)*

These leadership-focused examples demonstrate AI aiding internal workflows – writing and editing reports, coordinating operations, and preserving institutional knowledge – all under human supervision. They highlight how even for internal tasks, **data sensitivity and accuracy remain paramount**. The SBDC leadership in these scenarios treat AI as a means to improve efficiency and insights, but *not as a replacement for strategic thinking or managerial responsibility*.

**AI Tool Evaluation Checklist**

Not all AI tools are created equal. Before adopting or recommending an AI application for SBDC work, consultants and managers should **evaluate the tool’s suitability, reliability, and safety**. Use the checklist below to vet any AI tool (be it a writing assistant, image generator, data analyzer, or chatbot) for your SBDC needs:

1. **🎯 Relevance to Your Use Case:** Does the tool actually do what you need? Identify your goal (e.g., “summarize text” or “generate social media posts”) and ensure the AI is designed for that. Avoid being swayed by hype – pick a tool whose capabilities match your specific task.
2. **🔒 Privacy and Data Handling:** **Review the tool’s privacy policy.** Does it store the data you input? Will it use your data for training other models? Prefer tools that allow opting out of data retention or offer a business/privacy contract. If the tool is cloud-based, ensure the data is transmitted securely (HTTPS at minimum). \*\*If you cannot get clarity on how your data is used, do not input any sensitive information ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=,This%20could))8】.
3. **🛡️ Security Features:** Check what security measures the tool/provider has in place. Look for **encryption**, access control, and **multi-factor authentication (MFA)** for accou15】. If it’s an enterprise tool, is it compliant with standards (like SOC 2, GDPR, etc.)? If a vendor cannot demonstrate good security practices, that’s a red flag – your data or even your organization’s systems could be at risk.
4. **✅ Accuracy and Quality:** Try the tool with some sample inputs and judge the quality of output. Does it make obvious mistakes or “hallucinations”? Are there ways to verify or improve its answers (for example, some AI writing tools can display the sources of their information)? Look for reviews or tests of the tool by others. An unreliable tool can do more harm than good, so **ensure it has a track record (or evidence) of accuracy in your field**.
5. **🤖 Transparency and Control:** Does the tool provide any transparency into its workings or allow you to adjust settings? For instance, can you set the AI’s creativity level or instruct it to use a formal tone? Tools that give users some control tend to be more adaptable to our needs. Also, clear documentation is a plus – it shows the provider wants users to understand limitations.
6. **💼 Vendor Reputation and Support:** Research the provider. Are they a known company or an open-source community with good standing? A well-established provider is more likely to have robust security and continued support. Also, check if there is support available (help desk, user community) in case you encounter issues. If the tool suddenly outputs something strange or you face a glitch, you want to know there’s someone to help.
7. **⚖️ Compliance and Legal:** Ensure the tool doesn’t conflict with any **legal or policy obligations** you have. For example, if your SBDC is within a university, make sure using the tool complies with the university’s IT policies. Or if the tool is subject to export controls (some advanced AI might have restrictions), ensure that’s not a problem. If the tool will be used in a way that impacts the public (unlikely for internal SBDC use), consider if any government guidance applies. In general, **verify that using the tool won’t violate client agreements, confidentiality clauses, or regulations.**
8. **💲 Cost and Licensing:** Is the tool free, freemium, or paid? If free, be cautious – “if you’re not paying, you may be the product” (they could be mining your data). If paid, does the cost scale with usage? Make sure it fits your budget or that of your center, especially if multiple team members will use it. Check license terms: some “free for personal use” tools are not free for organizational use.
9. **🧩 Integration and Workflow:** Consider how the tool will fit into your daily work. Does it integrate with software you already use (e.g., an AI writing assistant that plugs into MS Word or an email client)? A tool that requires you to copy-paste back and forth to a separate website might be fine for occasional use, but for heavy use you might prefer something more seamlessly integrated. Also, ensure it works with your devices and doesn’t require any insecure workarounds (like disabling security settings).
10. **📊 Pilot Testing and Feedback:** Before rolling out to your whole team, do a pilot. Use the tool on a small scale and gather feedback. Did it actually save time or improve quality? Any unexpected issues or risks come up? Getting real user experience will tell you a lot. If the pilot is successful, you can expand use, and if not, you can look for alternatives.

*Using this checklist, SBDC leaders can make informed decisions about which AI tools to adopt or recommend.* For consultants, even if you’re trying out a tool on your own, run through these considerations in your head. This ensures that any AI tool brought into our workflow meets our standards for security, effectiveness, and compliance.

Finally, remember that the **AI landscape is evolving rapidly** – a tool that is best-in-class today could be obsolete or changed in a year. Make it a habit to periodically re-evaluate the tools you rely on, watch for news about their updates or policy changes, and be ready to pivot if needed. In the words of the Michigan SBDC, focus on an overall AI strategy (protecting data, compliance, training) rather than any one tool, since the tool used today may change ([Acceptable use of AI - Michigan SBDC](https://michigansbdc.org/cybersecurity/acceptable-use-of-ai/#:~:text=With%20any%20business%20policy%20governing,include%20considerations%20of%20the%20following)) ([Acceptable use of AI - Michigan SBDC](https://michigansbdc.org/cybersecurity/acceptable-use-of-ai/#:~:text=,AI%20tools%20to%20be%20implemented))06-L113】.

**Decentralized Oversight and Continuous Improvement**

America’s SBDC is a decentralized network – there isn’t an “AI police” unit at HQ, and each state or center may implement these guidelines a bit differently. That decentralized nature is a strength, as it allows flexibility, but it also means each of us has a role in **self-governance and peer accountability** when it comes to AI use. Here’s how we can manage oversight and continual improvement in a decentralized system:

* **Personal Responsibility:** Every SBDC professional using AI should take personal ownership of doing so ethically and safely. These guidelines are our collective standard, but it’s up to you to **internalize them** and apply them diligently. If each consultant and director commits to upholding client confidentiality, ensuring accuracy, and using good judgment, then compliance naturally follows.
* **Local Leadership and Culture:** State and regional SBDC directors should foster a culture where ethical AI use is expected and celebrated. While there may not be a centralized enforcement, local leadership can set the tone. This could include discussing AI use in staff meetings, sharing success stories or cautionary tales, and making it clear that following these policies is part of being a professional. When team members see their director actively using AI responsibly and talking about it, they’ll take cues from that.
* **Training and Education:** Encourage ongoing learning about AI. The SBDC network (and SBA) offers training resources – for instance, America’s SBDC has learning modules on AI basics and privacy consid ([AI Basics for Business Advising Success - America's SBDC Learning ...](https://lms.americassbdc.org/course/ai-overview#:~:text=AI%20Basics%20for%20Business%20Advising,how%20to%20balance%20the))L13-L17】. New staff should be onboarded with a session on this AI policy guide. Existing staff might benefit from periodic refreshers or workshops to share new best practices (since AI tech and norms are rapidly changing). As one internal policy suggests, ensure all advisors using AI **have received training on its proper use and limitations**, including potential biases or inac (AI Consultant Training 2023-06-22.pptx)L88-L93】. An educated team is the best defense against misuse.
* **Peer Support and Review:** Leverage the collaborative spirit of SBDC. Consultants can buddy up to review each other’s AI-assisted work when feasible, or simply be available to consult if someone is unsure about an AI result. If you discover a great way to use AI (or a pitfall to avoid), share it with your colleagues. Perhaps establish a channel (email list or Slack/Teams group) where advisors can discuss AI experiences, ask questions like “Has anyone used tool X? Is it safe for financial projections?” This bottom-up knowledge sharing can be very effective in a decentralized environment.
* **Reporting Issues:** Even without a heavy enforcement mechanism, there should be clarity that serious issues (like a data breach or a significant incident of AI misuse) need to be reported and addressed. If you accidentally paste a client’s identifier into an AI tool, inform your supervisor immediately – transparency allows damage control (maybe the AI provider can delete the data upon request, etc.). Likewise, if you see a colleague consistently doing something risky with AI, kindly bring it to their or your manager’s attention. The Florida SBDC Network’s policy urges staff to promptly report any violations or data breaches to le0†L1-L8】. The intent is not to punish, but to fix problems and reinforce the importance of the guidelines.
* **No Central Enforcement, But Local Consequences:** Since enforcement is decentralized, any corrective actions will likely happen at the center or host-institution level. For example, if a staff member violates these guidelines, it might be handled as a performance or HR issue by their manager. Consistently ignoring AI policies (like repeatedly uploading confidential info after warnings) would be treated seriously, as it exposes the center to liability. In short, these guidelines do have “teeth” in the sense that not following them can lead to disciplinary measures similar to other policy vi1†L1-L8】. However, our emphasis is on **prevention and guidance** rather than punishment.
* **Feedback Loop and Policy Update:** We should treat this guide as a living document. As AI technology and regulations evolve, so should our policies. SBDC leadership (perhaps a committee across several state directors) should review and update these guidelines regularly (at least a2†L1-L8】. Front-line advisors’ feedback is crucial in this – if certain rules seem too restrictive or new scenarios emerge that aren’t covered, bring that feedback up so the policy can be refined. For example, if in 2026 a new AI tool becomes common (say, an AI that automates client intake forms), the network might update the guide to include best practices for that tool. Flexibility is key: we remain rigorous on core principles (privacy, accuracy, ethics) but adapt the implementation details as needed.

In essence, **decentralized oversight means everyone is an “AI ambassador” for the SBDC’s values.** By individually committing to these practices and looking out for each other, we collectively ensure safe and effective AI adoption. This community-driven compliance also showcases to funders and stakeholders that SBDCs can innovate responsibly even without heavy-handed rules – a testament to our professionalism.

**Conclusion**

AI technology is transforming how we work, and for SBDC teams it holds tremendous promise – from automating routine tasks to generating insights that help our clients succeed. By embracing AI *deliberately and responsibly*, America’s SBDC network can improve efficiency and expand our capacity while still upholding the trusted, high-quality service that clients expect.

This guide has outlined a comprehensive approach to AI adoption within the SBDC system, addressing practical use cases and clear policies on privacy, ethics, and quality. Let’s recap the key takeaways:

* **Use AI as a tool, not a crutch:** It can draft, analyze, and inspire, but human expertise, review, and empathy remain irrep (AI Consultant Training 2023-06-22.pptx)L74-L81】. We *augment* our work with AI; we don’t replace our judgment or personal connection with clients.
* **Protect data and trust:** Confidential information stays confidential – no exceptions. We choose tools and usage methods that safeguard data, and we remain transparent and honest in our u ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=,This%20could)) ([AI for small business | U.S. Small Business Administration](https://www.sba.gov/business-guide/manage-your-business/ai-small-business#:~:text=create%20customer%20resistance%20to%20future,your%20small%20business%20uses%20AI))59-L365】.
* **Stay in control:** We review AI outputs, correct them, and decide when and how to use them. The SBDC professional is accountable for the end result, not the AI. We do not outsource our responsibility or credibility.
* **Be ethical and fair:** Whether it’s avoiding biased advice, respecting IP rights, or giving credit where it’s due, we hold AI usage to the same ethical standards as the rest of our work. We aim to benefit all clients and do no harm.
* **Continuously learn and improve:** AI is evolving, and so are best practices. We remain curious and proactive – testing new tools (carefully), sharing knowledge, and updating our policies as needed to keep pace with change.

By following these principles, SBDC consultants and leaders can **confidently integrate AI into their daily operations and client support activities**. The outcome will be a network of advisors who are more efficient and perhaps even more creative – spending less time on drudgery and more on high-value counseling – all while maintaining the SBDC’s reputation for excellence and trustworthiness.

In conclusion, the responsible use of AI is a journey, not a one-time setup. We are all learning as we go, and that’s okay. What’s important is that we lean into this new technology with our eyes open and our values intact. America’s SBDC was built on innovation and client service; adopting AI with care continues that tradition. With the guidelines and examples in this guide, you have a roadmap to navigate the AI era effectively.

**Let’s leverage AI to serve our clients and operate our centers better than ever – safely, ethically, and with the human touch that defines SBDC support.** The future of small business advising is bright, especially if we pair our expertise with the best tools available. By doing so responsibly, we ensure that both our clients and our organization reap the benefits of AI while avoiding the pitfalls. Here’s to innovation with integrity!