

| | | |
|---|---|---------------------|
|  | Georgia Technology Authority | |
| Title: | Procurement of AI tools Guidelines for Responsible Use | |
| PSG Number: | GS-25-002 | |
| Effective Date: | 7/1/2025 | Review Date: |
| Synopsis: | Guidelines for state entities when procuring AI tools | |

PURPOSE

Artificial Intelligence (AI) tools offer significant benefits to state agencies by enhancing efficiency, decision-making, and service delivery. However, AI also presents unique risks related to fairness, data security, transparency, and accountability. These guidelines outline best practices for state agencies when preparing and evaluating Requests for Proposals (RFPs) or other procurements for AI tools or solutions that include AI features.

SCOPE and AUTHORITY

O.C.G.A 50-25-4(a)(10) – *State Government, Georgia Technology, General Powers*
O.C.G.A 50-25-4(a)(21) - *State Government, Georgia Technology, General Powers*
PM-04-001 – *Information Technology Policies, Standards and Guidelines*
PS-08-005 – *Enterprise Information Security Policy*

GUIDELINES

Key Principles

- **Data-Driven:** Prioritize data assessment and governance before procurement. Ensure data quality, address biases, and define data sharing protocols with vendors.
- **Benefit & Risk Assessment:** Clearly define the public benefit goal and conduct thorough AI impact assessments, iteratively reviewed throughout the project lifecycle.
- **Challenge-Focused:** Emphasize the problem, not a specific solution. Encourage innovative proposals from vendors.
- **Governance & Assurance:** Establish robust oversight mechanisms, adhering to relevant ethical guidelines and regulations. Maximize transparency in AI decision-making.
- **Explainability & Openness:** Prioritize explainability and interpretability to mitigate the risk of black-box algorithms and prevent vendor lock-in .
- **Lifecycle Management:** Plan for ongoing evaluation, maintenance, training,

and knowledge transfer throughout the AI system's lifecycle.

Guidelines for Preparing the RFP

1. Define Objectives and Scope

- Specify the problem the software/AI solution should address, focusing on desired outcomes and challenges, allowing vendors to propose solutions.
- Define the problem clearly, explaining the relevance of AI and remaining open to alternatives.
- Define IP ownership and usage rights.
- Identify key stakeholders and affected populations.

2. Ethical and Fairness Considerations

- Require bidders to document how the AI system mitigates bias and ensures fairness.
- Specify adherence to existing ethical AI guidelines and relevant state and federal regulations [<https://ai.georgia.gov/guidance/ethics-framework>].
- Include provisions for fairness testing and reporting on bias detection.
- Require evidence and results of third-party audits or certifications on AI fairness.

3. Transparency and Explainability

- Require vendors to disclose AI model functionality, decision-making processes, and limitations. For example:
 - i. What input data were used in learning?
 - ii. What learning methods were used?
 - iii. How thresholds for decisions were established/adjusted?
- Include a requirement for explainability and user interpretability where applicable.
- Define auditability requirements, including access to decision logs and justifications.

4. Data Privacy and Security

- Mandate compliance with federal and state data protection standards [<https://gta-psg.georgia.gov/psgs-introduction>].
- Require vendors to outline their data collection, storage, and usage policies.
- Require a detailed risk management plan addressing potential breaches or misuse.

- Require a security assessment framework, covering encryption, access control, and breach notification procedures.

5. Performance and Accountability

- Define measurable performance benchmarks and key performance indicators (KPIs).
- Require vendors to provide ongoing performance monitoring and error mitigation strategies.
- Specify accountability mechanisms, such as audit rights and remediation procedures.

6. Open Standards and Interoperability

- Encourage the use of open standards to avoid vendor lock-in.
- Ensure compatibility with existing state IT infrastructure.
- Require documentation on how the AI system integrates with other tools as necessary.

7. Workforce Change Management and Training

- Require a detailed plan for workforce change management, including specific skills inventory covered in the plan and strategies for addressing employee concerns and facilitating smooth transitions.
- Mandate comprehensive training programs for agency staff on the use, maintenance, and oversight of the AI system.
- Require detailed documentation of the training process.
- Require vendors to provide change management support and training documentation to ensure successful adoption of AI tools.
- Specify that vendor provided training must be provided on a regular schedule, and at each update of the AI tool.

8. Continuous Monitoring and Feedback Loops

- Emphasize the importance of ongoing monitoring and improvement of AI systems post-deployment.
- Require vendors to propose a system for continuous monitoring of AI performance and fairness, including methods for detecting and addressing biases.
- Require vendors to provide a feedback loop system that allows end users to provide feedback on the AI systems' performance.

9. Ethical AI Governance

- Require vendors to demonstrate their commitment to ethical AI practices through established governance structures and processes.
- Request examples of ethical AI policies and the date of their establishment.
- Require vendors to demonstrate compliance with all relevant ethical

AI regulations.

10. Algorithmic Impact Assessment

- Require that vendors conduct and share results of an Algorithmic Impact Assessment (AIA) for their AI solution. The vendor should be specific about the methods employed, and contexts in which the assessments were conducted. Provide the bidder the context in which the tool will be used, so that the AIA is performed in as similar a context as possible. The assessment should describe the low, medium, and high-risk aspects of the AI application.
- Specify that the AIA must include an assessment of potential biases, fairness, transparency, and accountability.
- If possible, provide a standard for the AIA, or refer to existing AIA frameworks from entities like California or Massachusetts.

11. Collaboration and Knowledge Sharing

- Encourage vendors to participate in cross-agency knowledge sharing and collaborative improvement of AI systems.
- Request vendors' willingness to participate in state-wide AI working groups or forums, potentially led by a state AI Office.

12. Referrals and Production-Facing Examples of Work

- Request bidder to provide examples of similar work that are production-facing. Request to see the tools or speak to a reference from the client.
- Request case studies of similar production-facing work including descriptions of the full project lifecycle.

Guidelines for Evaluating RFP Responses

1. Fair and Objective Evaluation Process

- Establish a diverse evaluation committee with expertise in AI, ethics, and procurement.
- Utilize a standardized scoring rubric for AI-related risks, benefits, and compliance.
- Ensure transparency in vendor selection with clear documentation of decision criteria.

2. Assessing Bias Mitigation Strategies

- Evaluate vendor claims of fairness and bias mitigation through review of test reports and vetting of reported bias mitigation strategies.
- Consider real-world performance across diverse demographics.

3. Examining Transparency and Explainability

- Assess whether the AI tool provides clear, interpretable decisions.
 - Review the documentation provided on AI logic and model transparency.
- 4. Reviewing Data Security and Privacy Protections**
- Validate that data handling practices comply with relevant legal and regulatory requirements.
 - Assess the sufficiency of encryption, anonymization, and security measures.
 - Review and score vendor's risk management plan addressing potential breaches or misuse for completeness and appropriateness in the agency environment.
- 5. Evaluating Performance and Accountability Measures**
- Ensure that proposed KPIs align with agency goals and expectations.
 - Assess the vendor's track record in AI tool deployment and ongoing support.
 - Review mechanisms for continuous monitoring, error correction, and vendor accountability.
- 6. Ensuring Compliance with Ethical and Legal Standards**
- Verify alignment with state and federal AI policies and guidelines.
 - Assess adherence to accessibility and anti-discrimination laws.
- 7. Evaluating Workforce Change Management and Training Plans**
- Score the completeness of the training documentation, and the change management plan. Ensure that the bidder will provide enough information for your team to understand what was done, how, and how to maintain it. Both training and technical documentation should be provided.
 - Evaluate the vendor's history of successfully training and managing change with other customers.
- 8. Evaluating Continuous Monitoring and Feedback Loops**
- Score the vendors proposed monitoring system for thoroughness.
 - Score the vendors proposed feedback loop system for thoroughness.
- 9. Evaluating Ethical AI Governance**
- Score the vendors ethical policies, and the date of establishment.
 - Verify the vendor's compliance with ethical AI regulations.
- 10. Evaluating Algorithmic Impact Assessments.**
- Score the thoroughness of the submitted AIA.
 - Verify that the AIA was performed in a similar context to which the tool will be used.
 - Verify the AIA follows the provided AIA standard.

11. Evaluating Collaboration and Knowledge Sharing.

- Score the vendors willingness to participate in knowledge sharing.

12. Evaluating Referrals or Similar Work Product

- If links or access to production-facing tools is provided, visit the product and assess its similarity to the project at hand. Assess its quality, performance, user experience.
- If references are provided, call and discuss the bidder's work and the full experience of working with the bidder from the client's POV. Consider whether the feedback aligns with your team's current desires and capacity.

13. Conducting a Pilot or Trial Implementation

- Where feasible, require a pilot phase before full deployment.
- Monitor real-world effectiveness and risks before agency-wide adoption.
- Collect stakeholder and user feedback to inform final procurement decisions.

RELATED ENTERPRISE POLICIES, STANDARDS AND GUIDELINES

Generative AI Responsible Use SS-25-001

Generative AI Guidelines for Responsible Use GS-25-001

Enterprise Artificial Responsible Use (PS-23-001)

Artificial Intelligence Responsible Use Guidelines (GS-23-001)

Artificial Intelligence Responsible Use (SS-23-002)