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PUBLIC GOOD
INSTITUTE

Learning in Service of Tomorrow.

DECISION GUIDE

The Human-in-the-Loop Test

A decision map for determining when AI can assist public-serving work and when human judgment must remain central.

Prepared by The Public Good Institute

Learning in Service of Tomorrow

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Purpose

This decision map helps public-serving organizations decide when AI can assist, when human review is required, and when AI should not be used. It is designed for human services, nonprofits, community-serving organizations, public bodies, boards, funders, and systems partners.

Simple Rule

The more a use affects a person, family, community, right, service, safety, eligibility, identity, or trust relationship, the stronger the human oversight must be.

Decision Map

Category	Examples	Human Oversight Required
AI may assist	Drafting generic outlines, brainstorming, translating plain-language ideas, summarizing non-sensitive public information, formatting internal learning materials.	Human checks accuracy and tone before use.
AI may summarize but not decide	Meeting notes, policy scans, literature summaries, board briefing drafts, training materials, administrative support.	Human verifies facts, context, omissions, bias, and final wording.
AI requires human review	Case notes, incident summaries, complaint themes, risk observations, service planning inputs, funding or program analysis.	Human reviews source material and records final judgment. AI output is not treated as fact.
AI should not be used without formal approval	Eligibility decisions, risk scoring, child/family safety judgments, diagnosis, discipline, employment decisions, automated prioritization, or high-impact decisions about people.	Requires senior approval, privacy/legal/procurement review, risk assessment, and transparent governance.
AI should not be used	Uploading confidential client files into unapproved tools, replacing professional judgment, fabricating missing facts, generating culturally specific conclusions without authority, making hidden decisions affecting people.	Use a non-AI process. Escalate if the use is already occurring.

Red Flags

Pause and escalate before using AI if any of the following are present:

- The tool will influence a decision about a person, family, caregiver, staff member, community, or service user.
- The information is confidential, identifying, privileged, traumatic, culturally sensitive, or subject to community governance.
- The AI output could be treated as a fact, risk conclusion, professional opinion, or official record.
- The use involves Indigenous data, community data, Nation-specific information, or culturally grounded service information.
- No one can explain how the output will be reviewed or corrected.
- The vendor terms are unclear about data storage, retention, training, audit logs, or deletion.
- Staff feel pressured to use AI to move faster when the work requires judgment, relationship, context, or accountability.

Approval Questions

- 1 What is the specific AI-supported task?
- 2 What data is involved?
- 3 Who may be affected?
- 4 What could go wrong?
- 5 Who reviews the output?
- 6 How is the final human decision documented?
- 7 What disclosure or consent is required?
- 8 What oversight body or role must approve the use?

Source Notes

These Public Good Institute resources are original educational and implementation materials. They are informed by public policy, governance, workforce, digital government, and Indigenous data governance sources, including the following:

Government of Canada - AI Strategy for the Federal Public Service 2025-2027

<https://www.canada.ca/en/government/system/digital-government/digital-government-innovations/responsible-use-ai/gc-ai-strategy-overview.html>

Canada - National Artificial Intelligence Strategy: AI for All

<https://ised-isde.canada.ca/site/ised/en/canadas-national-artificial-intelligence-strategy-ai-all>

Treasury Board of Canada Secretariat - Directive on Automated Decision-Making

<https://www.tbs-sct.canada.ca/pol/doc-eng.aspx?id=32592>

Government of Canada - Guide on the use of generative artificial intelligence

<https://www.canada.ca/en/government/system/digital-government/digital-government-innovations/responsible-use-ai/guide-use-generative-ai.html>

OECD - Governing with Artificial Intelligence

https://www.oecd.org/en/publications/governing-with-artificial-intelligence_795de142-en.html

FNIGC - The First Nations Principles of OCAP

<https://fnigc.ca/ocap-training/>

Health Canada - Pan-Canadian AI for Health Guiding Principles

<https://www.canada.ca/en/health-canada/corporate/transparency/health-agreements/pan-canadian-ai-guiding-principles.html>

Health Canada - Reduced administrative burden: Nursing retention toolkit

<https://www.canada.ca/en/health-canada/services/health-care-system/health-human-resources/nursing-retention-toolkit-improving-working-lives-nurses/reduced-administrative-burden.html>

Imagine Canada - People First: A Portrait of Canada's Nonprofit Workforce

<https://imaginecanada.ca/en/research/people-first-canada-nonprofit-workforce>

Important Use Note

This resource is for learning, planning, governance, and implementation support. It is not legal advice, privacy advice, procurement advice, clinical advice, or a substitute for organization-specific professional review. Organizations should adapt all tools to their legal, regulatory, contractual, cultural, community, and operational context.