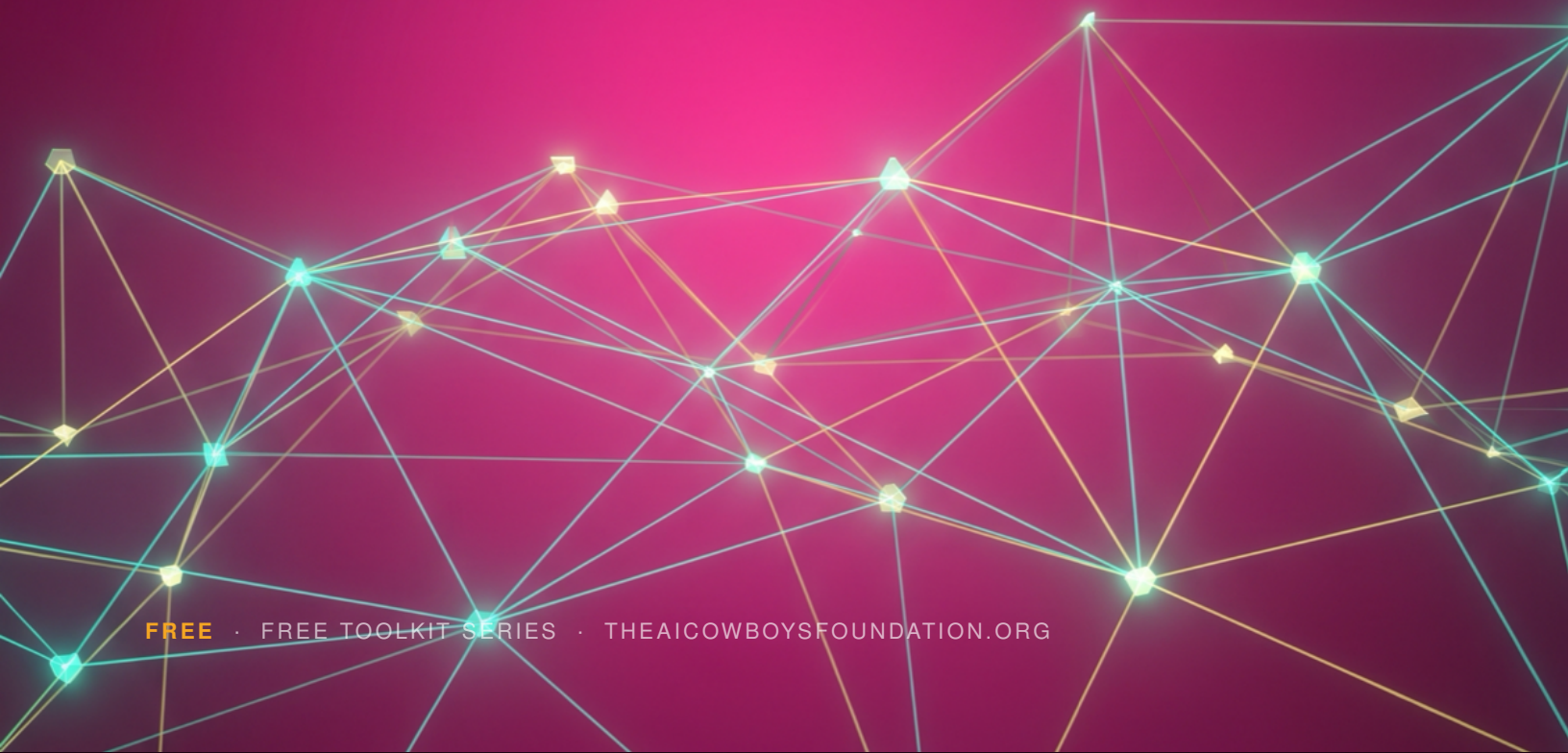
THE AI COWBOYS FOUNDATION

TOOLKIT 01 · GOVERNANCE

AI Use Policy Template

A plain English policy your team can adopt today, modeled on what Texas requires of its own agencies.



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AI Use Policy Template



A clear policy gives a team the confidence to use AI, not fear it.

A short, plain English policy your team can adopt in an afternoon. Replace the bracketed prompts with your own details. This template is a starting point, not legal advice. Have your policy reviewed by counsel before you publish it.

Why a policy comes first

Most AI problems inside organizations are not caused by bad intent. They are caused by good people using unapproved tools with no rules. A short, clear policy prevents the most common failure, which is sensitive information pasted into a consumer tool, and it gives your team confidence to use AI instead of fearing it.

The stakes are not theoretical. Stanford University's 2025 AI Index found that 78 percent of organizations used AI in 2024, up from 55 percent one year earlier. Adoption is happening with or without a policy. The only question is whether it happens inside guardrails.

78%

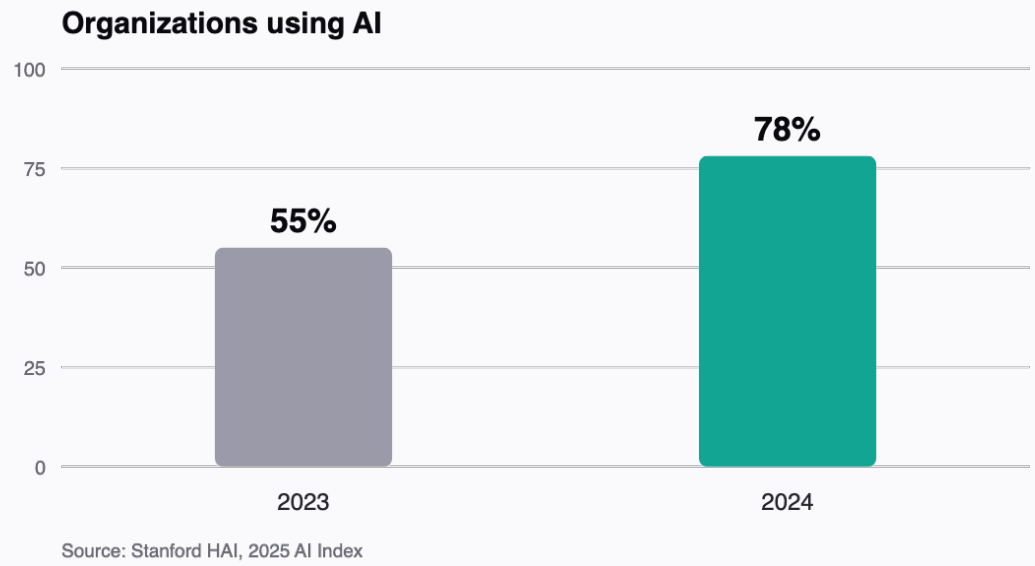
of organizations used AI in 2024, up from 55% a year earlier

1

short policy is the single best defense against data leaks

30 min

is all it takes to train a team on a clear policy



Organizational AI adoption is climbing fast. A policy is what keeps that adoption safe. Source: Stanford HAI, 2025 AI Index.

REAL WORLD: HOW TEXAS DOES IT

Texas has made AI rules and training a matter of state law. Under Government Code 2054.5191, state and local government employees who work with AI systems must complete a certified AI awareness training program every year, and the Texas Department of Information Resources certifies the training programs. DIR also publishes its own AI acceptable use policy and templates as a starting point for every state agency and local government in Texas.

The lesson for any organization: the largest employers in the state do not treat an AI policy as optional paperwork. They treat it as required infrastructure, paired with annual training. This template gives you the same foundation in a form a small team can adopt this week.

1. Purpose

[Organization name] uses artificial intelligence to work faster and serve people better, while protecting privacy, security, and the trust of the communities we serve. This policy explains what is approved, what is not, and who is accountable.

2. Who this covers

This policy applies to every employee, contractor, and volunteer who uses AI tools for [Organization name] work, on any device.

3. Approved tools

Only tools on the approved list may be used for work that involves organization data.

- [List approved tools here, for example an enterprise assistant with a signed data agreement]
- Requests to add a tool go to [role, for example the AI lead] and are reviewed for security and data handling before approval.

4. Data rules

Never enter the following into any AI tool that is not on the approved list:

- Personal information about staff, clients, students, or the public
- Health, financial, or legal records
- Passwords, keys, or security details
- Anything marked confidential or covered by an agreement

When in doubt, leave it out and ask [role].

WORKED EXAMPLE: TURNING A VAGUE RULE INTO A USABLE ONE

Too vague: "Do not share sensitive data with AI tools."

Usable: "Never paste a client's name, email, case number, or any health or payment detail into any tool that is not on the approved list. If you need help with a real client document, remove those details first, or use [approved enterprise tool] which has a signed data agreement."

The second version tells a new hire exactly what to do on their first day. The first version leaves them guessing, and guessing is where leaks happen.

5. Human oversight

A person, not a tool, owns every decision that affects people. AI may draft, summarize, or suggest. A qualified person reviews and approves before anything goes to a client, the public, or the record. This is required for hiring, benefits, safety, legal, and financial decisions.

6. Accuracy and honesty

AI can produce confident wording that is wrong. Check facts, figures, names, and citations before you rely on them. Do not present AI generated work as reviewed until a person has reviewed it. Disclose AI assistance where honesty or policy requires it.

7. Security

Use organization accounts, not personal ones. Turn off history or training on your data where the tool allows it. Report any suspected exposure of sensitive data to [role] within [time, for example 24 hours].

8. Accountability

[Role, for example the AI lead] maintains the approved list, answers questions, and reviews this policy every [period, for example six months]. Questions and concerns go to [contact].

9. Acknowledgement

I have read and agree to follow the [Organization name] AI Use Policy.

Name: _____ Date: _____

Make the policy stick

A policy on paper protects nobody. Follow these steps to make it real:

1. **Adopt and name an owner**

   Approve this template with your leadership and assign one person to own it. A policy with no name attached is a suggestion.

2. **Train once, briefly**

   Run a thirty minute walkthrough when the policy launches. It beats a long memo nobody reads. Texas requires annual AI awareness training for government staff for exactly this reason.

3. **Post the approved list where people look**

   Put it on your intranet home or team chat, not buried in a shared drive. If people cannot find the rule, they cannot follow it.

4. **Review every six months**

   Tools change fast. Put a recurring review on the calendar and update the approved list as your needs grow.

Sources and further reading

- NIST AI Risk Management Framework, National Institute of Standards and Technology
- NIST AI Resource Center and Playbook, National Institute of Standards and Technology
- AI and Innovation at Texas DIR, Texas Department of Information Resources
- Texas DIR AI templates and resources, including the statewide AI acceptable use policy
- America's AI strategy and federal actions, The White House
- 2025 AI Index Report, Economy chapter, Stanford Institute for Human Centered AI

PUT THIS TO WORK

Want help applying this in your organization?

The AI Cowboys Foundation delivers free briefings, workshops, and readiness assessments for business, government, classrooms, and veteran programs. Tell us what you are working on and we will point you to the right next step.

Contact us

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