

Artificial Intelligence (AI)

This policy establishes principles for the ethical, responsible and effective use of AI systems. It ensures alignment with our mission and values.

Specifically, this policy aims to:

- Protect the rights of stakeholders,
- Support the use of AI to enhance service delivery and achieve our strategic objectives,
- Ensure transparency in our AI practices so we can maintain public confidence,
- Provide a clear risk framework for identifying, assessing and managing the risks associated with AI systems, and
- Provide new opportunities to engage and empower our personnel.

This policy applies to:

- All employees, volunteers, contractors and governing persons involved in the development, adoption, management, or use of AI systems.
- All AI technologies under The Celebrant Institute RTO's control, including those developed in house, purchased from vendors or embedded within larger software platforms including cloud based systems.

We define an AI system as any technology that uses data to make inferences and generate outputs such as predictions, recommendations, or decisions with a degree of autonomy.

This includes, but is not limited to:

- Machine learning models,
- Generative AI tools,
- Predictive analytic systems, and
- Chatbots that generate their own responses.

It excludes:

- Standard spreadsheet formulas,
- Rule based automations (such as 'if-then' macros), and
- Traditional business intelligence dashboards.

If you are uncertain about whether an AI technology falls under this policy, consult The Celebrant Institute RTO CEO.

Rationale

The AI Policy has been developed to ensure the ethical, transparent, and responsible use of artificial intelligence across all areas of the organisation. As AI technologies become more integrated into decision-making and service delivery, it is essential that their use aligns with the organisation's mission, values, and legal obligations. This policy provides a framework to support innovation and efficiency while maintaining accountability, fairness, and trust.

AI systems have the potential to enhance productivity, improve decision quality, and deliver better outcomes for stakeholders. However, they also introduce risks, including bias, privacy breaches, and unintended impacts on individuals and communities. The policy establishes clear governance structures and procedures to identify, assess, and manage these risks before AI systems are adopted or deployed. This proactive approach promotes transparency and ensures that AI use remains human-centred and aligned with community expectations.

By embedding Australia's AI Ethics Principles into practice, the policy reinforces The Celebrant Institute RTO's commitment to fairness, accountability, and inclusion. It ensures that AI systems are subject to appropriate human oversight and that impacted individuals can understand and contest decisions that affect them. The inclusion of defined roles and responsibilities supports a consistent and well-coordinated approach to AI governance, ensuring every AI system has a clear line of accountability.

Ultimately, this policy enables the organisation to embrace AI confidently and responsibly. It provides a structured pathway for innovation while safeguarding the rights of stakeholders and maintaining public trust. Through regular review and continuous improvement, the policy ensures that AI use remains ethical, effective, and aligned with evolving technology standards and societal expectations.

As a registered training organisation, The Celebrant Institute RTO recognises that AI use must not undermine the quality or integrity of vocational education and training (VET). This policy operates alongside The Celebrant Institute RTO's obligations under the Standards for RTOs and ASQA regulatory requirements. All AI

governance processes must be designed and applied in a manner that ensures AI-enabled practices remain compliant, auditable, and consistent with the quality standards expected of a registered provider.

Governance

The following AI governance statements set out The Celebrant Institute RTO's expectations for the responsible design, adoption and use of AI systems across the organisation. They should guide decision-making, promote ethical practices, and ensure AI use aligns with our mission, values, and stakeholder obligations.

These statements apply to all AI systems within scope and must be interpreted in conjunction with our broader risk management, privacy, and technology governance frameworks.

Ethical and Human-centered Use

AI systems must align with our values, respect human dignity and empower human judgment for ultimate decision making.

All uses of AI systems must reflect Australia's *AI Ethics Principles* and our values and contribute positively to our mission. AI must not be used to deceive or manipulate stakeholders.

Clear Accountability

Each AI system must have an accountable person with sufficient understanding of the system who is responsible for its outcomes and compliance with this policy.

An accountable person must be chosen before any AI system is adopted. For systems that involve third parties (such as vendors or developers) responsibilities must be clearly documented across all contributors to the AI system.

VET Quality and Integrity

AI must not be used in ways that compromise the quality or integrity of training and assessment outcomes. This includes ensuring AI-generated content, assessment tasks, or administrative outputs meet the requirements of the relevant training package or accredited course, and that the use of AI is consistent with industry expectations and regulatory obligations.

All AI governance structures, risk assessments, and controls are designed to give The Celebrant Institute RTO confidence that AI use remains compliant with the 2025 Standards for RTOs and other regulatory requirements and guidelines.

Alignment with Training Products, Industry and Student Cohort

AI is used deliberately and with clear purpose in the context of training and assessment. Before adopting or deploying an AI system for use in training delivery or assessment, The Celebrant Institute RTO assesses whether its use is appropriate for:

- The requirements of the relevant training product, including units of competency, assessment requirements, and any associated training package guidance,
- The expectations of the relevant industry or industries, including currency of knowledge and skills being assessed, and
- The characteristics, needs, and circumstances of the student cohort being served, including their prior experience, support needs, and learning context.

AI is not used as a substitute for industry-current training and assessment practices. Any AI system used in a training or assessment context is reviewed periodically to ensure it remains fit-for-purpose as training products, industry standards and student cohorts evolve.

Risk and Impact Assessment

An AI system must go through a risk and impact assessment before we begin to use it, commencing with the **AI Screening Tool**. There must be controls in place that are appropriate the level of risk we are taking on. Privacy considerations are addressed using the **Use of AI – Privacy Checklist**.

Relevant stakeholders should be engaged to understand potential impacts, particularly on vulnerable or marginalised groups.

Quality, Reliability and Security

An AI system must go through rigorous testing before it is deployed to make sure it is secure and dependable. Once it is in use, it must be monitored continuously for performance issues and emerging risks.

Testing acceptance criteria should match identified risks and be clearly documented. All relevant privacy and security safeguards must also apply to AI systems handling sensitive data.

All AI systems involved in training delivery, assessment, or student administration must comply with the RTO's record keeping obligations. This includes retaining complete and accurate records of any training or assessment activities where AI has been used in the creation, verification, or modification of records, in accordance with the Standards for RTOs and applicable data retention requirements. AI-generated or AI-assisted records must be clearly identifiable and stored in a manner that supports audit and regulatory review.

Fairness and Inclusion

AI systems must be inclusive and accessible. They must not involve or result in unfair discrimination against individuals, communities or groups.

AI use should reinforce our commitments to diversity, inclusion and accessibility – not undermine them. We must be especially careful in use cases where decisions affect individuals from marginalised or vulnerable populations.

When AI is used in student-facing contexts, including learning delivery, communication, assessment support, or student services, The Celebrant Institute RTO ensures it supports equitable and inclusive experiences for all students. This includes students from diverse backgrounds, those with disability or additional learning needs, students with varying levels of digital literacy, and those who may be at risk or require additional support.

AI tools used in these contexts are evaluated for accessibility compliance and must not create additional barriers to participation. The impact of AI on student wellbeing is considered as part of the risk and impact assessment process for any student-facing AI system. Where AI is identified as creating inequitable outcomes for any student cohort, the system is modified or removed from use.

Transparency and Contestability

AI use must be transparent. We must inform impacted parties where appropriate. We must also support them to understand and contest outcomes where relevant.

All approved AI systems must be clearly recorded in our **AI Register**. Relevant information about impactful AI-assisted decisions must be retained and, where appropriate, made available upon request.

Human Oversight and Control

We must maintain human oversight over AI systems. The oversight should be proportionate to how autonomous the AI identified impacts of the AI system are.

Users of AI systems are responsible for overseeing the quality of their outputs. Humans must be able to pause, override or shut down AI systems when necessary. Where critical services rely on AI systems, manual alternatives must be maintained in case the system fails or needs to be taken offline.

AI may be used to support training delivery and assessment activities; however, qualified trainers, assessors and relevant staff retain full professional responsibility for all decisions affecting students. This includes, but is not limited to, judgements about student competency, assessment outcomes, reasonable adjustment, and student support.

AI tools must not autonomously make or finalise any decision that directly affects a student's training or assessment outcome. All AI-supported activities in this context must be subject to active review and sign-off by a suitably qualified trainer or assessor before the decision or output is acted upon or recorded.

Where AI is used to assist in the design, delivery, or marking of assessment tasks, the accountable trainer or assessor must verify that outputs meet the requirements of the relevant training product and are consistent with the principles of valid, reliable, flexible and fair assessment.

Roles and Responsibilities

To ensure effective governance of AI systems, the following roles and responsibilities are established:

Role	Definition	Responsibilities
AI policy owner	A designated senior leader who is the overall owner for AI, with the authority to govern its use across the organisation.	Champions, sponsors and maintains the organisation's AI policy and its commitment to responsible AI use. Holds ultimate accountability for AI governance, including capabilities and risks. Ensures adequate training is available for those in AI accountability roles

Role	Definition	Responsibilities
Policy approvers	The individual or committee with the authority to formally approve this policy and its subsequent revisions.	Reviews and formally approves the AI policy, ensuring it aligns with the organisation's strategic goals, risk appetite, and legal obligations. Champions the policy from the highest level of the organisation to foster a culture of responsible AI use. Approves any significant amendments or updates to the policy over time.
Compliance monitor	The individual or team responsible for overseeing and verifying adherence to this AI policy.	Audits AI system documentation to verify that required steps, such as the Pre Screening Triage and risk assessments have been completed. Monitors AI related incident reports and ensures lessons learned are used to improve processes. Reports on the organisation's overall compliance with this policy to the AI policy owner and governance committee.
AI governance authority	Designated authority responsible for expert consultation and oversight.	Provides consultation for AI use cases that are flagged by the screening process. Acts as the escalation point for reviewing prohibited use cases or other policy disputes. Reviews and approves high risk AI systems before deployment.
AI system owner	This is the person accountable for a specific AI system, its entire lifecycle, and its compliance with this policy.	Accountable for ensuring their assigned AI systems comply with this policy, including risk assessments, approvals, and documentation.
All employees and volunteers	All employees, contractors, and other personnel covered by the scope of this policy.	Adhere to the principles and statements outlined in this policy. Complete any required AI training to understand the capabilities, limitations and risks of the AI systems they use. Report any AI related incidents, hazards or unexpected behaviour through the established channels.

New AI Use Case Procedures

All proposed AI use cases must be screened to identify and flag those that require enhanced governance or pose an unacceptable risk, using the **AI Screening Tool** in the first instance.

This screening process classifies each use case, resulting in an outcome that determines the required level of risk assessment, oversight and approval. This ensures our governance effort is always proportionate to the potential impact of the AI system.

Step	Action Required	Responsibility
1	Identify and describe the proposed AI use case. - Document the purpose of the proposed AI system, the problem it aims to solve, and how it will be used within The Celebrant Institute RTO. - Confirm that the system falls within scope of this policy and identify the staff roles who will interact with or be affected by it.	AI System Owner
2	Complete the Business Process Mapping Template. - Map the current process the AI system will support or replace, including key inputs, outputs, decision points, and interactions with student data or assessment activities. - Identify where human oversight will be applied. - Submit the completed template to the AI Policy Owner for review before proceeding.	AI System Owner
3	Conduct an initial screening using the AI Screening Tool. - Submit the proposed use case through the AI Screening Tool to classify the risk level and determine the required level of governance, risk assessment, and approvals. - Use cases flagged as high risk must be referred to the AI Governance Committee before any further steps are taken.	AI System Owner / Compliance Monitor
4	Complete the Data Quality Checklist. - Evaluate all data sources that the AI system will rely on against the Data Quality Checklist, assessing accuracy, completeness, consistency, timeliness, and uniqueness. - Document any identified data quality gaps and confirm remediation actions are in place. - The completed checklist must be retained as part of the AI system's governance record and must be reviewed if data sources change.	AI System Owner
5	Conduct a Privacy Assessment. - Complete the Use of AI – Privacy Checklist to identify and address privacy risks associated with the AI system's use of personal information. - Confirm the system complies with applicable privacy legislation and The Celebrant Institute RTO's data protection obligations. - Privacy risks must be documented and approved before deployment.	AI System Owner / Privacy Officer
6	Conduct a Risk and Impact Assessment. - Undertake a full risk and impact assessment proportionate to the risk classification determined in Step 3. - Engage relevant stakeholders, including trainers, assessors, and student support staff where the AI system will affect training or assessment activities. - Document identified risks, impacts, and proposed controls.	AI System Owner / AI Governance Committee

Step	Action Required	Responsibility
7	Complete the Team Readiness Canvas. - In consultation with the staff who will use or oversee the AI system, complete the Team Readiness Canvas to assess training needs, capability gaps, oversight structures, communication plans, and team culture readiness. - Document any actions required to address gaps and confirm these are completed before deployment. - Readiness must be confirmed by the relevant Team Leader.	Team Leader / AI System Owner
8	Obtain governance approval. - Submit all completed documentation, including the Business Process Mapping Template, Data Quality Checklist, Privacy Checklist, Risk and Impact Assessment, and Team Readiness Canvas, to the AI Policy Owner and, where required, the AI Governance Committee for review and formal approval. - High-risk systems require committee sign-off before proceeding.	AI Policy Owner / AI Governance Committee
9	Test the AI system prior to deployment. - Conduct rigorous testing of the AI system against documented acceptance criteria that match identified risks. - Where the system is used in training or assessment contexts, testing must confirm outputs are appropriate for the relevant training product and student cohort. - Testing outcomes must be documented and approved by the AI System Owner.	AI System Owner
10	Register the AI system and deploy. - Add the approved AI system to the AI Register prior to deployment. - Communicate the system's use, purpose, and any relevant transparency mechanisms to affected staff and, where appropriate, students. - Ensure all staff involved have completed required training before use commences.	AI System Owner / Compliance Monitor
11	Monitor, evaluate, and review. - Continuously monitor the AI system for performance issues, emerging risks, and compliance with this policy. - Conduct a formal review at least annually, or following any significant change to the system, data sources, training product requirements, or student cohort. - Update governance documentation and the AI Register accordingly. - Report any incidents to the Compliance Monitor in accordance with the Incident Management procedure.	AI System Owner / Compliance Monitor

AI-generated Content

The Celebrant Institute RTO is transparent about when content is AI-generated.

'AI-generated content' means content that has been created or modified, in whole or in part, by AI. We consider AI-generated content on a spectrum:

AI-assisted content - AI assisted in minor ways. For example:

- Spelling and grammar checks.

- Automatic photo touch-ups like removing red eyes.

AI-enhanced content - AI used to modify or refine content through inputs or instructions entered into the AI system. For example:

- Fact-checking or editing a complex document with substantial rewrites
- Removing specific details from the background of images, such as logos.

Fully AI-generated content - Through a simple action, like a prompt, or uploading a file, a complete output is created, with little to no human oversight. For example:

- Creating an interview-style video from a still image and a text script.
- Creating a new poster artwork from a verbal prompt.

Where the organisation generates or modifies content using AI it complies with existing legal and regulatory obligations, especially relating to privacy, competition, human rights, copyright and online safety.

AI System Deployment

As an AI System Deployer, The Celebrant Institute RTO may undertake various tasks such as:

- Using chat assistants such as ChatGPT, Microsoft Copilot, Claude or Gemini to create content for use internally or externally,
- Using AI-enabled image editors such as Adobe, Canva or Picsart,
- Giving your customers access to an AI chat assistant to answer frequently asked questions from your website,
- Using AI to monitor system performance,
- AI-enabled handling of user feedback, or
- Using AI to maintain systems.

The organisation:

- Designs and applies fit-for-purpose transparency mechanisms.
- Educates consumers of content about transparency mechanisms.
- Provides secure and safe access and storage.
- Creates clear verification processes.
- Facilitates human oversight and feedback loops.

AI System Developer

As an AI System Developer, The Celebrant Institute RTO may undertake various tasks such as:

- Integrating AI models into applications.
- Creating platform(s) that use existing AI in new ways, like a chatbot or AI-augmented visual design app.
- Creating user interfaces for AI models.
- Customising AI models for specific uses.

The organisation:

- Designs and applies fit-for-purpose transparency mechanisms for deployers to use.
- Provides secure and safe access and storage.
- Develops or adopts watermarking techniques.
- Facilitates human oversight and feedback loops.

The Celebrant Institute RTO is committed to:

- Working together with developers to ensure transparency mechanisms are built from the start and that these work as intended.
- Improving transparency mechanisms and sharing best practices, processes and technologies, including publishing this information to improve transparency.
- Ensuring that these mechanisms are accessible to people with disabilities. This audience has diverse ways of communicating and may use a range of technologies to access information.

Transparency Mechanisms

Transparency mechanisms are used to show where AI-generated content, including images, text, audio and video, come from. Content transparency mechanisms can help to build awareness and trust and improve accountability and safety. They can help users to distinguish AI-generated content from human-authored material. This can help users think critically about the accuracy of content they consume, which can reduce the risks of seriously harmful disinformation and misinformation.

Three (3) transparency mechanisms may be used:

- Labelling - using visible text to tell users if something is AI-generated and where it came from.
- Watermarking - embedding information into digital content so you can trace its origin or verify its authenticity.
- Metadata recording - descriptive information about a piece of content that's included with the content file.

The organisation may use these mechanisms individually or combine them. The transparency mechanisms used are proportionate to the contents:

- Potential negative impact, or how the AI-generated content might adversely affect people.
- AI involvement level, or how involved AI has been in creating the content.

The **Use of AI – AI-generated Content Checklist** is used to effectively guide content generation and transparency mechanisms used.

Incident Management

Any breaches or incidents involving AI must be reported to the system owner and/or the compliance monitor and managed in accordance with our organisation's incident response procedures.

Our organisation ensures the capacity to take AI systems offline when necessary and will maintain documented manual processes as a fallback to ensure continuity of operations.

Monitoring and Evaluation

The Celebrant Institute RTO monitors and evaluates AI usage processes to ensure effectiveness.

A process of performance monitoring, evaluation, and reporting has been established and implemented.

The organisation continually improves the effectiveness and efficiency of processes. Process performance and outcomes are regularly audited to identify and remove causes of existing and potential problems, as well as to uncover any opportunities for improvement.

Please refer to the **Quality Policy** for further information on the monitoring and evaluation process.