



TOWN OF GRAND LAKE, COLORADO
Artificial Intelligence (AI) Use Policy

Employee Guidelines for the Responsible Use of Generative AI

Policy Title	Artificial Intelligence (AI) Use Policy
Issuing Authority	Town of Grand Lake, Colorado
Applies To	All Town employees, elected officials, contractors, interns, and volunteers
Effective Date	May 11, 2026
Last Reviewed	May 6, 2026
Next Review	Annually, or as AI tools and laws evolve
Policy Owner	Town Manager (in consultation with Town Clerk and IT)



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1. Purpose

The Town of Grand Lake (“the Town”) recognizes that generative artificial intelligence (AI) tools — including Claude, ChatGPT, Microsoft Copilot, Google Gemini, and similar services — can help staff draft communications, summarize documents, analyze data, and serve residents more efficiently. At the same time, these tools introduce new risks related to accuracy, confidentiality, public records, cybersecurity, and public trust.

This policy establishes the rules under which Town personnel may use generative AI tools so that the Town receives the benefits of this technology while protecting residents, employees, and the integrity of Town operations.

2. Scope

This policy applies to:

- All Town of Grand Lake employees (full-time, part-time, seasonal, and temporary);
- Elected and appointed officials acting in their official capacity;
- Contractors, consultants, interns, and volunteers performing work on behalf of the Town; and
- Any use of generative AI conducted on Town-owned devices, Town accounts, Town networks, or in the performance of Town duties — whether the AI tool is paid for by the Town or by the user personally.

The policy applies to standalone AI tools (such as Claude.ai) and to AI features embedded within other software (such as Microsoft 365 Copilot, Adobe AI features, or AI-assisted note-taking in meeting platforms).

3. Definitions

Generative AI. Software that produces new content — text, images, audio, video, code, or data — in response to a user prompt, typically by drawing on a large machine-learning model.

Approved AI Tool. A generative AI service that has been reviewed and authorized in writing by the Town Manager (or designee) for use on Town business. The current list is maintained by the Town Clerk and updated as tools are added or removed.

Prompt. Any text, file, image, or other input a user provides to an AI tool to obtain a response.

Output. Content produced by an AI tool in response to a prompt.

Confidential Information. Any non-public Town information, including personnel records, attorney-client communications, executive session materials, draft contracts, security information, IT credentials, investigative records, and any record subject to a statutory exception



under the Colorado Open Records Act (CORA) or the Colorado Criminal Justice Records Act (CCJRA).

Personally Identifiable Information (PII). Information that identifies a specific individual, alone or combined with other information — e.g., name, address, date of birth, Social Security number, driver’s license number, financial account information, utility account number, health information, or login credentials.

Public Record. As defined in C.R.S. § 24-72-202, any writing made, maintained, or kept by the Town for use in the exercise of functions required or authorized by law, including electronic records.

4. Guiding Principles

All AI use by Town personnel must be:

- **Lawful** — consistent with federal, Colorado, and Town law, including CORA, CCJRA, HIPAA where applicable, and copyright law.
- **Transparent** — the Town does not hide its use of AI from residents, councilmembers, or coworkers when the use is material to a decision or document.
- **Human-supervised** — a Town employee reviews and takes responsibility for any AI output before it is used in Town business.
- **Privacy-protective** — confidential information and PII are not entered into AI tools that are not approved for that data.
- **Accurate** — AI output is verified before it is relied on.
- **Equitable** — AI is not used in ways that produce biased or discriminatory results against residents or employees.

5. Approved AI Tools

As of the effective date of this policy, the following generative AI tools are approved for general Town business use, subject to the rules in this policy:

- **Anthropic Claude** (claude.ai and authorized integrations) — currently in use by approximately five (5) Town employees.

All other generative AI tools — including but not limited to ChatGPT, Microsoft Copilot, Google Gemini, Perplexity, Grok, Meta AI, character.ai, and any AI feature added to existing Town software — require written approval from the Town Manager before use on Town business. See Section 11 (Procurement and Vendor Approval).

Employees may not adopt new AI tools, sign up for paid AI subscriptions billed to the Town, or use personal AI accounts to handle Town information without prior approval.



6. Acceptable Use

With the safeguards in this policy, employees may use Approved AI Tools to:

- Draft, edit, and proofread routine communications such as memos, newsletter copy, social media posts, and internal emails;
- Summarize lengthy non-confidential documents (e.g., state guidance, published reports, public meeting minutes already on the website);
- Brainstorm options, outlines, or talking points for meetings and projects;
- Translate routine public-facing content into other languages, with human review before publication;
- Generate first drafts of forms, checklists, job descriptions, or standard operating procedures;
- Help interpret formulas, code, or scripts used in spreadsheets, GIS, or utility billing tools — again, with verification;
- Research general topics where the same answer could be found through a public search.

In all cases, the employee remains the author of record and is accountable for the final content.

7. Prohibited Use

Employees shall NOT use generative AI to:

- Make or substantially influence final decisions about hiring, discipline, termination, performance evaluations, benefits eligibility, code enforcement actions, permit denials, or any other decision that materially affects an individual's rights, employment, or property;
- Generate the official text of ordinances, resolutions, contracts, legal notices, or formal Town Council communications without attorney review;
- Impersonate residents, employees, officials, or other governments, including the creation of synthetic audio, video, or images of real people;
- Produce content intended to deceive the public, manipulate public meetings, or influence elections;
- Circumvent CORA, the Colorado Sunshine Law, retention schedules, or any other public-records or transparency requirement;
- Generate, evaluate, or process content that is harassing, discriminatory, sexually explicit, or otherwise inconsistent with the Town's personnel rules;
- Write or analyze malware, exploit code, or other materials that could be used to compromise IT systems;



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- Bypass copyright, paywalls, or licensing restrictions; and
 - Conduct any activity prohibited elsewhere in this policy, the Employee Handbook, or applicable law.

8. Data Handling, PII, and Confidential Information

Information entered into an AI tool may be transmitted to a third-party vendor, stored on the vendor's servers, and — depending on the vendor's terms — used to improve future models. Employees must therefore treat AI prompts as if they were being shared with an outside party.

8.1 Do Not Enter Into Any AI Tool

- Social Security numbers, driver's license numbers, dates of birth, or other government identifiers;
- Bank account, credit card, or utility-billing financial details tied to identifiable residents;
- Employee personnel files, medical information, disciplinary records, or compensation information for a specific named employee;
- Passwords, API keys, or other credentials;
- Attorney-client privileged communications or legal strategy;
- Executive-session materials or recordings;
- Records protected from disclosure under CORA § 24-72-204, CCJRA, HIPAA, FERPA, or any confidentiality agreement;
- Information that could compromise critical infrastructure, water-system controls, public-safety operations, or cybersecurity defenses;
- Identifiable details about minors.

8.2 De-identify When Possible

If AI assistance would be useful on a task that involves sensitive information, de-identify the inputs first — remove names, addresses, account numbers, and other identifiers — before pasting them into the AI tool. When in doubt, ask the Town Clerk or your supervisor before submitting.

8.3 Vendor Data Settings

Where an Approved AI Tool offers settings that disable model training on user inputs, retain less data, or provide enterprise-grade privacy controls, the Town will configure those settings to the most protective option practical. Employees must use the Town-configured account, not personal accounts, when handling Town work.

9. Public Records and CORA Compliance



AI prompts and outputs created in the course of Town business are public records under the Colorado Open Records Act when they are made, maintained, or kept by the Town for use in the exercise of its functions. Employees shall therefore:

- Assume that any prompt or output relating to Town business is potentially a public record subject to disclosure;
- Save AI-generated drafts that materially shape an official document, decision, or communication to the appropriate Town file, the same way a hand-written draft would be retained;
- Follow the Town's records-retention schedule for any AI-related record — do not delete prompts or outputs to avoid disclosure;
- Cooperate with the Town Clerk in responding to CORA requests, including searches that may need to cover AI tool histories;
- Not conduct Town business in personal AI accounts, personal email, or personal messaging apps, which complicates CORA compliance and may violate retention requirements; and
- Apply CORA exceptions (such as personnel records or security information) the same way they apply to any other Town record — the involvement of AI does not change what is or is not exempt.

Questions about whether a particular AI use creates a public record, or how long it must be kept, should be directed to the Town Clerk.

10. Law Enforcement and Municipal Court Use

Generative AI poses heightened risks in law-enforcement and judicial settings, where errors can affect liberty, due process, and admissibility. The following additional restrictions apply:

- **No use in evidence or charging decisions.** AI tools shall not be used to identify suspects, predict criminal behavior, evaluate evidence, or draft probable-cause statements that are submitted to a court without independent verification by a sworn officer and review by the prosecuting attorney.
- **No facial recognition or biometric matching.** Use of generative or analytical AI for facial recognition, voice matching, or other biometric identification of members of the public is prohibited unless specifically authorized in writing by the Town Manager and the Chief of Police (or contracted law-enforcement agency) and consistent with Colorado law.
- **No body-worn-camera or interview transcription on unapproved tools.** Body-worn-camera footage, dispatch audio, witness interviews, and similar recordings shall not be uploaded to any consumer AI tool. Transcription must occur only on systems approved through the Town's procurement process and compliant with CCJRA.



- **No drafting of court filings without attorney review.** AI may not be used to generate citations, motions, briefs, or other filings submitted to a court on behalf of the Town without review and sign-off by the Town Attorney or prosecuting attorney. AI-fabricated case law has resulted in sanctions in other jurisdictions; verifying every citation is mandatory.
- **Municipal Court records.** Court records, including those concerning juveniles, sealed cases, and victim information, are subject to CCJRA and court rules. They shall not be entered into any AI tool.
- **Disclosure to defense.** Any documented use of AI in a law-enforcement matter that produces a record relevant to a pending case must be disclosed to the prosecuting attorney for evaluation under Brady, Rule 16, and applicable discovery obligations.

11. Procurement and Vendor Approval

Before any new generative AI tool is acquired, subscribed to, integrated, or used on Town business, the Town Manager (or designee) shall confirm that:

- The vendor's terms of service permit governmental use and do not assert ownership of Town inputs or outputs;
- The vendor's privacy and data-handling practices are consistent with this policy, including reasonable controls on training, retention, and sub-processor use of Town data;
- Cybersecurity due diligence has been performed appropriate to the risk (e.g., review of SOC 2, ISO 27001, or equivalent attestations for higher-risk uses);
- The intended use complies with CORA, CCJRA, HIPAA, PCI-DSS, and any other framework triggered by the data involved;
- Procurement and budget rules have been followed, including any required Town Council approval for the contract value; and
- A designated employee is responsible for managing the account, user access, and offboarding.

Free, consumer-grade AI tools are not exempt from this requirement. "No cost" does not mean "no review." Departments shall not click through vendor terms of service on behalf of the Town without authorization.

The Town Clerk maintains the official list of Approved AI Tools and circulates it to staff when it changes.



12. Accuracy, Verification, and Human Oversight

Generative AI tools can produce confident-sounding but incorrect information, including invented facts, citations, statutes, and quotations. Employees are responsible for verifying every AI-assisted output before it is used.

- Confirm factual claims against authoritative sources (e.g., C.R.S., Town Code, official Town records, vendor documentation);
- Verify any statute, case, ordinance, or regulation cited by an AI tool by reading the source directly;
- Check numerical calculations independently; do not rely on AI as a calculator for budget, billing, or engineering work;
- Treat AI as a draft-generating assistant, not a subject-matter expert. The accountable subject-matter expert is the human employee.

13. Disclosure and Transparency

The Town does not require a disclaimer on every email or memo that received light AI assistance with grammar or phrasing. However, employees shall affirmatively disclose AI involvement when:

- AI generated a substantial portion of a public-facing document, report, or analysis presented to the Town Council, a board, or the public;
- AI-generated images, audio, or video are used in Town communications (these shall be clearly labeled as AI-generated);
- AI was used to summarize or translate material in a way that could meaningfully affect a resident's understanding of a Town decision; or
- A resident, councilmember, or coworker directly asks whether AI was used.

Employees shall not deny or obscure the use of AI when asked in good faith.

14. Security and Account Management

- Use Town-issued accounts and Town-issued devices for AI work whenever practical;
- Protect AI accounts with strong, unique passwords and multi-factor authentication where supported;
- Do not share AI account credentials with other employees;



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- Notify IT or the Town Manager immediately if an AI account is compromised, if you suspect a phishing attempt impersonating an AI vendor, or if an AI tool returns information that appears to belong to another organization;
 - Promptly disable AI access for departing employees as part of the offboarding checklist;
 - Do not install AI browser extensions, desktop apps, or mobile apps on Town devices without IT approval.

15. Training and Awareness

All employees who use generative AI in their work shall complete an initial orientation on this policy and a refresher whenever this policy is materially updated. Department heads are responsible for ensuring their staff complete the training and document completion. The Town will share periodic guidance on emerging AI risks and good practices.

16. Reporting Issues and Incidents

Employees shall promptly report to their supervisor and to the Town Manager any of the following:

- Suspected entry of confidential or personal information into an AI tool;
- Receipt of AI output that contains another organization's confidential information;
- AI-related security incidents, including suspected account compromise;
- Identification of AI output that, if it had not been caught, would have caused a material error in a public document, decision, or communication; and
- Any request, internal or external, to use AI in a way that may violate this policy.

Good-faith reports will not result in discipline for the act of reporting.

17. Policy Violations and Enforcement

Violation of this policy may result in corrective action up to and including termination of employment or contract, consistent with the Town's Personnel Policies. Violations that involve unauthorized disclosure of confidential information, intentional deception, or conduct prohibited by law may also be referred to law enforcement or other appropriate authorities.

18. Policy Review

The Town Manager will review this policy at least annually and recommend updates to the Town Council as needed. Staff are encouraged to submit suggestions for improvement to the Town Manager or Town Clerk at any time.



Acknowledgment of Receipt and Understanding

I acknowledge that I have received, read, and understand the Town of Grand Lake Artificial Intelligence (AI) Use Policy. I understand that:

- I am responsible for following this policy when I use any generative AI tool for Town business, on Town devices, or under a Town account;
- I will not enter confidential information, personally identifiable information, or other restricted data into AI tools;
- I will verify the accuracy of AI-generated content before relying on it;
- Prompts and outputs created on Town business may be public records under CORA;
- I will direct questions about appropriate AI use to my supervisor, the Town Clerk, or the Town Manager; and
- Failure to comply with this policy may result in corrective action up to and including termination.

Employee Name (printed)	
Position / Department	
Signature	
Date	
Supervisor Signature	
Date	

Return signed acknowledgment to the Town Clerk for retention in the employee's personnel file.

This document was prepared with a substantial amount of content created by generative ai. Staff has reviewed and made necessary changes to ensure the accuracy of the information contained within.