

# Approved AI Tools List

## Template for Small Businesses

This template provides a structured format for documenting which AI tools your company has approved for employee use, along with key data handling notes and usage restrictions. Maintain this list and distribute updates to all employees when it changes.

### WHAT'S IN THIS KIT

- ✓ Approved tools table with data handling notes
- ✓ Risk level classification system
- ✓ Evaluation criteria checklist
- ✓ Pre-populated sample entries for 12 common tools
- ✓ Request and approval process
- ✓ Version control log

*NOT LEGAL ADVICE: This document is designed for small business compliance as a starting point. Have a qualified attorney review any legal or compliance document before relying on it for legal or regulatory purposes.*

HOW TO USE THIS TEMPLATE

# Approved AI Tools List

[COMPANY NAME] · Last Updated: [DATE] · Owner: [NAME/ROLE]

## Purpose

This document lists all AI tools that [COMPANY NAME] has reviewed and approved for employee use. Employees may only use tools on this list for work purposes. To request a new tool, use the process described at the end of this document.

## Risk Level Definitions

Risk Level	Definition	Data Restrictions
LOW	Minimal data retention; strong enterprise controls; no training on your data by default.	General business use permitted. Avoid PII.
MEDIUM	Some data retention; opt-out available; free tier may train on data.	Use company account only. Configure opt-out. No client PII.
HIGH	Significant data retention; limited controls; unclear training practices.	Internal use only. No confidential data. Manager approval required.

## Approved Tools — Sample Entries

The entries below are sample starting points based on publicly available vendor information as of the date of this kit. Verify current settings before use and update this list as vendor policies change.

Tool	Category	Risk	Approved Use	Key Restriction
ChatGPT (OpenAI) Business/Team plan	Writing / Analysis	MEDIUM	Drafting, research, summarization	Disable training in settings. No client PII. Use company account.
Microsoft Copilot 365	Productivity AI	LOW	Email, docs, meetings (M365 apps)	Requires active M365 Business subscription for data protection.
Grammarly Business	Writing Assistant	LOW	Grammar, tone, clarity review	Business tier required. Review data sharing settings.
Otter.ai (Business)	Meeting Transcription	MEDIUM	Internal meeting notes only	Do not record client calls without consent. Review sharing settings.
Fireflies.ai (Business)	Meeting Transcription	MEDIUM	Internal meeting notes only	Disable third-party integrations. No client calls without consent.
Jasper AI (Business)	Content Writing	LOW	Marketing copy, blog drafts	Business plan required. Review before publishing.
Adobe Firefly	Image Generation	LOW	Marketing visuals, internal graphics	Do not use for images of real people. Review IP terms.

Tool	Category	Risk	Approved Use	Key Restriction
GitHub Copilot (Business)	Code Assistant	LOW	Code drafting and review	Business plan required. Do not use with proprietary algorithms
[TOOL NAME]	[CATEGORY]	[RISK]	[APPROVED USE]	[RESTRICTIONS]
[TOOL NAME]	[CATEGORY]	[RISK]	[APPROVED USE]	[RESTRICTIONS]

Add rows as needed. Remove sample entries that do not apply to your business. Update this list whenever a tool is added, removed, or its risk level changes.

## Tool Evaluation Checklist

Before approving a new AI tool, verify the following:

- Does the vendor have a clear privacy policy?
- Does the vendor offer a business/enterprise plan with data protection?
- Does the vendor allow you to opt out of training on your data?
- Is there a data processing agreement (DPA) available?
- Does the tool comply with applicable regulations (GDPR, CCPA, HIPAA if relevant)?
- Has the tool been reviewed for security vulnerabilities (SOC 2, ISO 27001)?
- Are the data retention and deletion policies acceptable?
- Have you reviewed the terms of service for IP ownership of outputs?

## Request & Approval Process

To request approval for a new AI tool: (1) Complete the Tool Evaluation Checklist above. (2) Submit the completed checklist to [DESIGNATED APPROVER] at [EMAIL]. (3) Allow [5/10] business days for review. (4) If approved, the tool will be added to this list and employees will be notified.

*NOT LEGAL ADVICE: Tool risk assessments are based on publicly available vendor information and are provided as a starting point only. Verify current vendor policies before use. — AIWatchdog · aiwatchdog.com*