AUSTRALIAN INSTITUTE
OF HIGHER EDUCATION

Artificial Intelligence (AI) Policy

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Responsible Officer	Dean/Director of Teaching and Learning
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HESF (Threshold Standards) 2021	1.3; 1.4; 3.1; 5.2; 5.3
Visibility	Public

1. Purpose

The purpose of this policy is to ensure that the use of Artificial Intelligence (AI) at the Australian Institute of Higher Education (AIH) is ethical, responsible, transparent, educationally sound, and aligned with academic integrity, while actively supporting high-quality learning, teaching, assessment, research, and graduate employability.

This policy establishes a framework that:

- Embeds AI literacy as a core graduate capability
- Protects the integrity, security, and validity of assessment
- Enables responsible innovation in learning, teaching, and research
- Ensures compliance with the Higher Education Standards Framework (HESF) and TEQSA requirements
- Prepares graduates for ethical and professional AI use in contemporary workplaces

AIH recognises that AI is now an enduring feature of higher education and professional practice. This policy is designed to enable purposeful and informed use of AI, rather than prohibit its use.

This policy also affirms that the use of artificial intelligence must support the achievement and demonstrable assurance of course and unit learning outcomes. AIH ensures that assessment design, learning activities, and academic practices enable students to develop, demonstrate, and evidence the knowledge, skills, and capabilities defined in approved learning outcomes, consistent with the requirements of the Higher Education Standards Framework (Threshold Standards) 2021.

2. Scope

This policy applies to:

- All students enrolled in AIH courses
- All academic staff, including sessional staff
- Professional staff involved in learning, teaching, assessment, research, academic integrity, or learning technologies
- Research activities conducted under the auspices of AIH
- Third-party AI tools and platforms approved or integrated by AIH

The policy applies across:

- Learning and teaching activities
- Assessment design, delivery, and grading
- Research and scholarly activity
- Student support, advising, and feedback systems

3. Context

Advances in generative and predictive AI technologies have transformed how knowledge is accessed, created, and assessed in higher education. Recent public discourse has raised concerns about the credibility of higher education qualifications in an era of widespread AI use, including questions of public trust, employer confidence, and assurance of graduate capability. AIH recognises that maintaining confidence in its awards is a shared institutional responsibility. This policy responds by focusing not only on academic integrity, but on demonstrable assurance of learning outcomes and graduate capability, aligned with sector-wide best practice and regulatory expectations.

AI offers opportunities for:

Personalised and adaptive learning

- Improved accessibility and inclusion
- Authentic, industry-aligned learning experiences
- Innovation and efficiency in academic practice

At the same time, AI introduces material risks to:

- Academic integrity and assessment validity
- Assurance of learning
- Equity and fairness
- Trust in qualifications

TEQSA has made clear that providers must:

- Maintain confidence in academic integrity
- Demonstrate intentional and evidence-based responses to AI
- Show how students develop capabilities, not just comply with rules

This policy responds by embedding AI programmatically, aligning it with assessment design, and positioning AI literacy as a graduate-ready capability.

4. Definitions

Artificial Intelligence (AI)
Technologies that perform tasks typically requiring human intelligence, including content generation, analysis, prediction, classification, or decision support.

Generative AI
AI systems that generate text, images, code, audio, video, or other content in response to prompts.

AI Literacy
The ability to critically understand, evaluate, use, and reflect on AI tools, including their limitations, risks, ethical implications, and appropriate applications.

Secure Assessment
Assessment designed to provide high confidence that submitted work is the student's own and aligned with learning outcomes in an AI-enabled environment.

AI-Inclusive Assessment
Assessment that explicitly permits or requires AI use and evaluates higher-order skills such as critique, judgement, synthesis, and application.

Misuse of AI

Use of AI that breaches assessment conditions, academic integrity requirements, or ethical standards.

5. Principles

AIH acknowledges that responding to AI in assessment cannot be left to individual academic judgement alone. The institution is responsible for providing coherent, consistent, and program-level approaches to assessment design that balance integrity, relevance, and graduate readiness, reducing confusion for students and staff.

AIH's approach to AI is guided by the following principles:

1. Educational Purpose: AI must enhance, not replace, learning and assessment.
2. Academic Integrity: Assessment must reliably evidence student learning.

3. Transparency: Expectations for AI use must be explicit and assessable.
4. Equity and Inclusion: AI adoption must not disadvantage students.
5. Capability Development: AI literacy is developed progressively across programs.
6. Human Oversight: Academic judgement remains with staff.
7. Continuous Improvement: Practices evolve with technology and regulation.

6. Policy Statements

6.1 AI Literacy and Graduate Capability

AIH will embed AI literacy programmatically across courses to ensure graduates:

- Can critically evaluate AI outputs
- Understand ethical, legal, and professional responsibilities
- Use AI appropriately in discipline and workplace contexts

AI literacy will be scaffolded across the student lifecycle and aligned with course learning outcomes and employability expectations.

AI literacy and the responsible use of artificial intelligence are embedded in a way that supports the progressive achievement of course learning outcomes, ensuring that graduates can demonstrate discipline-relevant knowledge, skills, and professional capabilities in an AI-enabled context.

6.2 Assessment Design and Integrity

AIH ensures that all assessment in an AI-enabled environment is explicitly aligned with unit and course learning outcomes, and is designed to enable students to demonstrate the achievement of those outcomes in a valid, reliable, and authentic manner.

Assurance of learning is achieved through a combination of assessment tasks across the program of study, including secure and AI-inclusive approaches, ensuring that learning outcomes are progressively developed and robustly evidenced.

AIH recognises that in non-invigilated, learning-focused assessment contexts, the use of AI tools cannot be meaningfully restricted or prohibited. In these contexts, assessment design focuses on learning, feedback, and capability development rather than assurance.

Clear assurance of learning is therefore achieved through secure assessment tasks distributed across the program of study. AIH will maintain confidence in assessment through:

- Intentional assessment design suited to an AI-enabled environment
- A Two-Lane Assessment Model combining secure and AI-inclusive tasks
- Clear articulation of permitted and restricted AI use
- Moderation and assurance processes aligned with HESF requirements

Secure assessment at AIH is not limited to in-person written examinations. Secure assessment may include a range of observed, dialogic, practical, or interactive formats such as oral assessments, supervised applied tasks, demonstrations, performances, expert

observation, and structured questioning, delivered in-person or through secure technological means.

AI detection tools may inform review but will not be used as the sole basis for academic misconduct decisions.

6.3 Responsible Use of AI

Students and staff are expected to:

- Use AI ethically and transparently
- Follow assessment-specific conditions
- Maintain responsibility for accuracy, originality, and judgement
- Misuse of AI is managed under existing Academic Integrity processes.

6.4 Research and Scholarship

AI use in research must:

- Comply with ethics and integrity requirements
- Be transparent where relevant
- Protect data privacy and confidentiality
- Not misrepresent authorship or originality

7. Actions and Responsibilties

The following outlines the shared and distinct responsibilities of key governance bodies, staff, and students in ensuring the ethical, effective, and compliant use of artificial intelligence across learning, teaching, assessment, and related academic activities.

Academic Board

· Oversight of academic standards and integrity

· Approval of policy and major revisions

Teaching and Learning Committee

· Monitoring implementation and effectiveness

· Oversight of assessment and curriculum alignment

Learning Experience and Design

· Staff capability development

· Programmatic AI and assessment design support

Academic Staff

· Clear communication of AI expectations

· Ethical modelling of AI use

· Assessment design aligned with policy

Students

· Responsible and ethical AI use

· Compliance with assessment conditions

Quality and Compliance

· Monitoring trends and risks
· Evidence for TEQSA reporting

8. Legislation and Standards

This Policy and associated procedures align with the Higher Education Standards Framework (Threshold Standards) 2021 and relevant legislative and regulatory requirements, including:

Higher Education Standards Framework (Threshold Standards) 2021
This Policy supports compliance with the following standards:

Standard 1.3 – Course Design
Ensuring that course design, learning outcomes, and assessment practices are coherent, contemporary, and aligned with the development of graduate capabilities, including AI literacy and ethical use of emerging technologies.

Standard 1.4 – Assessment and Academic Integrity
Ensuring that assessment tasks are designed to validly and reliably demonstrate student learning in an AI-enabled environment, and that academic integrity is upheld through intentional assessment design, assurance of learning, and clearly articulated expectations regarding the permitted and responsible use of AI.

Standard 3.1 – Student Participation and Attainment
Supporting student success through transparent expectations, equitable learning and assessment practices, and guidance on the responsible, ethical, and appropriate use of artificial intelligence technologies.

Standard 5.2 – Academic and Research Integrity
Ensuring that:

- policies promote and uphold academic and research integrity across courses, units, research, and research training activities;
- foreseeable risks to academic integrity, including misuse of artificial intelligence, contract cheating, plagiarism, and misuse of intellectual property, are identified and mitigated;
- students and staff are provided with clear guidance on academic integrity expectations; and
- accountability for academic integrity is maintained in arrangements with third parties involved in the delivery of higher education.

Standard 5.3 – Monitoring, Review and Improvement

- Supporting systematic monitoring, review, and continuous improvement of AI-related practices through:
- ongoing analysis of AI usage, assessment integrity risks, and misconduct trends;

- evidence_based review of assessment design and assurance mechanisms; and
- governance oversight to ensure institutional responses remain current, effective, and aligned with regulatory expectations.

Regulatory Guidance

This Policy is informed by TEQSA guidance on Artificial Intelligence in Higher Education, including expectations relating to assessment design, assurance of learning, and the maintenance of confidence in academic standards.

Relevant Legislation

- **Privacy Act 1988 (Cth)** – in relation to data privacy, confidentiality, and ethical use of AI systems

Copyright Act 1968 (Cth) – in relation to intellectual property, authorship, and the use of AI_generated content in academic work

9. Version Control

This Policy has been endorsed by the Australia Institute of Higher Education Academic Board as at April 2024 and is subject to annual review, with interim updates permitted where required in response to significant technological, regulatory or academic integrity risk developments. The Policy is published and available on the Australian Institute of Higher Education website http://www.aih.edu.au/ under 'Policies and Procedures'.

Change and Version Control

Version	Authored by	Brief Description of the changes	Date Approved:	Effective Date:
2024.1	Program Manager - Business	New policy.	3 April 2024	4 April 2024
2026.1	Head of Learning Experience and Design	Major updates to align with Institute practices.	6 May 2026	7 May 2026