

# **ETHICAL AI: 10 TIPS FOR GRANTMAKERS**

**HOW CAN FUNDERS USE GENERATIVE AI ETHICALLY  
IN THEIR GRANTMAKING?**

GELLER CONSULTING

NAVIGATING COMPLEXITY & CREATING MEANINGFUL IMPACT

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# INTRODUCTION

The use of [generative artificial intelligence](#) (AI) is growing and shows no sign of letting up. For grantmakers, it may feel like the calm before the storm since, while few philanthropic organizations are currently using AI, many are considering adopting it in the near future.

As applications increase, efficiency pressures mount, and funders seek to increase the quality and impact of their granting, using AI may seem like an obvious choice, but there are significant issues that need to be part of the equation as well.

Given that – what should grantmakers be considering exactly? How can AI be used ethically in grantmaking?

As part of the conversation, I offer the following tips to consider in seeking to balance AI use with tangible and important concerns.

# 1

## APPROACH WITH CAUTION

- Don't just jump in – seek first to understand its limitations
- AI is notorious for getting it wrong, generating erroneous conclusions, making stuff up, reinforcing racist and other stereotypes
- Data privacy and sovereignty remain huge issues with many AI models and legal frameworks yet to catch up.
- As well, the environmental impact of AI is staggering – data centres use massive volumes of water for cooling, produce electronic waste including lead and mercury, and consume huge amount of electricity, which is mostly generated by fossil fuels
- For these reasons and others, it's important to think critically about using AI at all, and never indiscriminately

# 2

## UNDERSTAND YOUR WHY

- Be thoughtful about why you are considering using AI in your grantmaking processes
- Ask yourself and your colleagues – what is the problem we're trying to solve and does AI provide the best tools to solve this problem?
- Consider things like; enhancing your understanding of your grant seekers, engaging community, building trust with grantees and grant seekers, centering ethical behaviour in your AI use, or making your reviewers better prepared – how can AI tools support these and other goals?

# 3

## DEVELOP STRONG POLICY & OVERSIGHT

- Spend time developing an internal structure of governance and accountability for AI use in your organization
- Bring those who will use AI together to create a framework – this is not a time for rugged individualism or wild experimentation
- Establish policies and procedures for how data will be collected, stored and shared
- Review and incorporate the [OCAP](#) principles on ownership, control, access, and possession of Indigenous data

# 4

## COMMIT TO LEARNING

- Develop internal learning & training and make it mandatory for everyone in your organization using AI tools
- Stay updated on the latest tools, trends and technology
- Think of AI use as an iterative learning process – not a one and done
- Join networks of other grantmakers using or considering using AI, establish a community of practice
- Share your experiences and challenges, as well as your policies, use cases, and operational plans

# 5

## CREATE AN ACCOUNTABILITY PANEL

- Bring stakeholders – grantees, grant seekers, community reviewers, others – together to understand their concerns, and provide their best advice (and pay them for their time)
- Write terms of reference to define the purpose and expectations of the panel
- Centre diverse voices, especially those from systemically marginalized communities, and listen to them, as you seek to eliminate bias, increase accessibility, and ethically use AI

# 6

## DISCLOSE YOUR INTENTIONS

- Develop a communications strategy, articulating how and when you will be using AI in your grantmaking
- Share your intentions with your community – put it on your website, your social media, in your newsletter, on your grant applications etc.
- Ensure your application process has a pathway for grant seekers to opt out of data collection for AI purposes if they choose



# CENTRE THE PRIMACY OF HUMANS

- Ultimately, good grantmaking should be about relationships, make sure your AI use doesn't lose sight of that
- Use AI as advice tools only, results should always be checked and confirmed by human review
- Be open and responsive to feedback from grantees and grant seekers on their experiences with your AI usage

# 8

## REVIEW TRENDS IN YOUR GRANTS

- Use AI to identify trends within your applications and awarded grants
- Break down the data by geography, organizational demographics (size, type, communities served, leadership characteristics etc.), grant size, and others
- Use this information to interrogate your granting and make it better – more inclusive, more diverse, more responsive, more impactful
- A reminder to allow grant seekers to opt out of this data collection if they choose (Tip #6)

# 9

## CODE & TAG APPLICATIONS

- Use AI tools to code and tag applications based on key words and phrases
- Ensure these words and phrases have been crowd sourced with the organization's accountability panel (Tip #5)
- Always verify the coding and tagging through human review to ensure AI isn't acting as a gatekeeper for advancing applications (it's meant to support the process; not rule it)

# 10

## SUMMARIZE & TRANSCRIBE

- Use AI to summarize applications to capture key points, identify missing information, and document the intended impacts of the grant
- These summaries can be helpful for reviewers but again, they should not take the place of human evaluation
- AI tools can also be used to transcribe discussions and meetings with grantees and grant seekers
- This can be especially useful for oral applications but grant seekers should always have the opportunity to verify transcripts for accuracy

# ADDITIONAL HELPFUL LINKS

- UNEP: <https://www.unep.org/news-and-stories/story/ai-has-environmental-problem-heres-what-world-can-do-about>
- OCAP Principles: <https://fnigc.ca/ocap-training/>
- PEAK Grantmaking: <https://www.peakgrantmaking.org/insights/practical-applications-of-ai-in-philanthropy/#:~:text=Reviewing%20numerous%20grant%20applications%20can,hours%20reading%20through%20lengthy%20documents.>
- Technology Association of Grantmakers & Project Evident: <https://www.tagtech.org/wp-content/uploads/2024/01/AI-Framework-Guide-v1.pdf>
- Charity Insights Canada Project (Carleton University): <https://carleton.ca/cicp-pcpob/2025/charities-and-ai/>
- Canadian Centre for Nonprofit Digital Resilience: <https://ccndr.ca/>
- The Dias (TMU): <https://dais.ca/>

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