THE NONPROFIT AI STARTER PACK

THE NONPROFIT AI POLICY TEMPLATE

A fillable framework for responsible AI use at your org

8 SECTIONS

3 LIGHT TIERS

1 DESK REFERENCE



START HERE

HOW TO USE THIS TEMPLATE

This template gives your org a fillable framework for responsible AI use. It is not a legal document. It is a practical set of agreements that helps your team use AI tools safely, consistently, and in a way that reflects your values.

Work through each section with your leadership team. The real value is in the conversations these questions force. A policy that reflects your actual decisions is worth ten generic templates.

Fill in the highlighted fields, check the boxes that apply, and customize each section to match how your org actually works. Then bring it to your ED or board for review.

THE EIGHT SECTIONS

01 **Our Purpose for Using AI**
Why your org is adopting AI, and who this policy covers.

02 **Approved Tools**
Which AI tools your org has evaluated and approved for use.

03 **The Green / Yellow / Red Light System**
A three-tier classification for every AI use case at your org.

04 **Data Protection Standards**
What data can and cannot go into AI tools, sorted by risk.

05 **Quality & Review Standards**
Who reviews AI output, what requires review, and what does not.

06 **Staff Responsibilities**
What every team member agrees to when using AI tools.

07 **Training & Onboarding**
How staff learn the policy and stay current as AI evolves.

08 **Review Schedule & Updates**
When and how this policy gets revisited.

AI TIP

Drop this entire PDF into ChatGPT, Claude, or Gemini. Ask it to walk you through each section as a guided conversation. The AI will ask you the questions you need to answer, help you think through the decisions, and generate a comprehensive AI policy customized specifically for your nonprofit.

Important: This template is a starting point, not a substitute for proper data governance. Consult qualified professionals before making decisions about data security, privacy, or organizational policy.

SECTION 1 OF 8

OUR PURPOSE FOR USING AI

01

Why your org is adopting AI, and who this policy covers.

ORG INFORMATION

Org Name:

Mission (one sentence):

Effective Date: **Last Updated:**

WHY WE ARE ADOPTING AI

In a few sentences, describe what prompted this policy and what you hope AI will help your team accomplish.

WHO THIS POLICY COVERS

Check all that apply:

- ☐ Full-time staff
- ☐ Board members
- ☐ Part-time staff
- ☐ Interns
- ☐ Volunteers
- ☐ Consultants / contractors
- ☐ Other:

POLICY SCOPE

This policy covers:

- ☐ AI used for org business only
- ☐ AI used on work devices (any purpose)

SECTION 2 OF 8

APPROVED TOOLS

02

Which AI tools your org has evaluated and approved for use.

List every AI tool your team uses. If a tool is not on this list, it is not approved until added.

TOOL NAME	APPROVED FOR	WHO CAN USE	FREE / PAID	DATA PROTECTION
ChatGPT				
Claude				
Gemini				
Microsoft Copilot				

TIP

Distinguish between free-tier tools (where your data may be used for training) and enterprise/paid tools (where you typically have data processing agreements in place).

DATA PROTECTION LEVELS:

1 **Level 1: Basic**
No data agreement. Your input may be used for model training. (Most free tiers)

2 **Level 2: Standard**
Data processing agreement in place. Input not used for training. (Most paid tiers)

3 **Level 3: Enterprise**
SOC 2 / HIPAA compliant. On-premises or private cloud options. (Enterprise plans)

THE GREEN / YELLOW / RED LIGHT SYSTEM

03

A three-tier classification for every AI use case at your org.

Check the use cases that apply. Add your own in the blank rows. Move items between tiers to match your org.

GREEN LIGHT: GO AHEAD

These uses are approved. No additional review needed.

- [ ] Brainstorming and ideation (internal use only)
- [ ] Summarizing internal meeting notes or documents
- [ ] Researching topics, trends, or best practices
- [ ] Drafting internal memos or first drafts
- [ ] Generating social media post ideas (review before posting)
- [ ] Proofreading or editing your own writing
- [ ]
- [ ]

YELLOW LIGHT: PROCEED WITH REVIEW

Approved, but requires human review before use.

- [ ] Drafting donor communications (appeals, thank-you letters, newsletters)
- [ ] Drafting grant narratives or funder reports
- [ ] Creating content for your website or blog
- [ ] Analyzing anonymized program or donor data
- [ ] Drafting board reports or presentations
- [ ] Creating fundraising campaign strategies
- [ ]
- [ ]

RED LIGHT: DO NOT USE AI

These uses are prohibited. No exceptions without policy review.

- [ ] Entering donor names and giving amounts into free-tier AI tools
- [ ] Entering client or beneficiary stories with identifying details into free-tier AI tools
- [ ] Sending AI-generated content to donors without human review
- [ ] Making hiring, funding, or program eligibility decisions with AI
- [ ] Entering any data involving minors into AI tools
- [ ] Using AI outputs as legal, financial, or compliance advice
- [ ]
- [ ]

SECTION 4 OF 8

DATA PROTECTION STANDARDS

04

What data can and cannot go into AI tools, sorted by risk.

For each data type your org handles, mark the appropriate risk tier. This determines which tools can touch it.

DATA TYPE	NEVER USE IN AI	ENTERPRISE ONLY	LOW RISK / OPEN
Donor names and contact info	☐	☐	☐
Donor giving history and amounts	☐	☐	☐
Client or beneficiary records	☐	☐	☐
Data involving minors or youth	☐	☐	☐
HR and personnel information	☐	☐	☐
Grant and funder confidential info	☐	☐	☐
Internal financial data (budgets, payroll)	☐	☐	☐
Board communications	☐	☐	☐
General program data (anonymized)	☐	☐	☐
Public information (website, reports)	☐	☐	☐
	☐	☐	☐
	☐	☐	☐
	☐	☐	☐

OUR ANONYMIZATION PROCESS

If your team anonymizes data before using AI tools, describe the process here:

QUALITY & REVIEW STANDARDS

05

Who reviews AI output, what requires review, and what does not.

WHAT REQUIRES HUMAN REVIEW BEFORE GOING EXTERNAL

Check all content types that must be reviewed by a human before being shared outside the org:

- ☐ Donor communications (appeals, acknowledgments, newsletters)
- ☐ Grant submissions and funder reports
- ☐ Board materials and presentations
- ☐ Social media posts
- ☐ Website and blog content
- ☐ Press releases and media statements
- ☐ Financial reports and summaries
- ☐
- ☐

WHO IS AUTHORIZED TO DO FINAL REVIEW

List the roles (not names) authorized to approve AI-assisted content for external use:

1.
2.
3.

STAFF RESPONSIBILITIES

06

What every team member agrees to when using AI tools.

Every team member covered by this policy agrees to the following commitments:

01 I will review all AI-generated content before sharing it outside the org.

02 I will not enter protected donor or client data into free-tier AI tools.

03 I will follow the Green / Yellow / Red Light system in this policy.

04 I will disclose AI assistance when required by this policy or by a funder.

05 I will flag any AI-related concerns, errors, or incidents to the policy owner.

06 I will complete required AI training before using AI tools for org work.

07 I will only use AI tools that appear on our Approved Tools list.

08 **Custom:** _____

POLICY OWNER

This person is the point of contact for all AI policy questions, concerns, and incident reports:

Name: _____ **Role:** _____

IF SOMEONE VIOLATES THIS POLICY

- ☐ Coaching conversation with policy owner
- ☐ Formal write-up per existing HR process
- ☐ Depends on severity (policy owner decides)

TRAINING & ONBOARDING

07

How staff learn the policy and stay current as AI evolves.

NEW STAFF ONBOARDING

New staff receive AI policy training within _____ days of start date.

Training is delivered by: _____

All staff complete annual refresher by: _____

TRAINING INCLUDES

Check all topics covered in your AI training:

- ☐ Overview of this AI policy and the Green / Yellow / Red Light system
- ☐ Tool-specific guidance (how to use each approved tool safely)
- ☐ Data protection protocols (what can and cannot go into AI tools)
- ☐ Hands-on practice with approved tools
- ☐ How to review and edit AI-generated content
- ☐ Q&A session with the policy owner

WHAT COMPETENCY LOOKS LIKE

How do you know a staff member is ready to use AI tools independently?

HOW WE TRACK AI TOOL USAGE

- ☐ Periodic staff survey
- ☐ IT monitoring / audit log
- ☐ Self-reporting to policy owner

SECTION 8 OF 8

REVIEW SCHEDULE & UPDATES

08

When and how this policy gets revisited.

REVIEW FREQUENCY

We recommend quarterly for the first year, then biannually. Check one:

- ☐ Quarterly (every 3 months)
- ☐ Biannually (every 6 months)
- ☐ Annually

Next scheduled review: _____ **Led by:** _____

WHAT TRIGGERS AN OFF-CYCLE REVIEW

Any of these events should prompt a policy review outside the regular schedule:

- ☐ A new AI tool is adopted or an existing tool changes significantly
- ☐ A data incident or breach involving AI tools
- ☐ A funder or compliance requirement changes
- ☐ New legislation or regulation affecting AI use
- ☐ A staff concern or reported incident
- ☐ Other: _____

WHO PARTICIPATES IN THE REVIEW

- ☐ Executive Director / CEO
- ☐ Full staff
- ☐ Leadership team
- ☐ Board of directors
- ☐ Other: _____

KEEP AT YOUR DESK

QUICK REFERENCE: AI AT OUR ORG

Print this page and keep it at your desk. Refer to it before using any AI tool for work.

GREEN LIGHT	YELLOW LIGHT	RED LIGHT
Brainstorming & ideation	Donor communications	Donor PII in free tools
Internal meeting notes	Grant narratives	Client stories in free tools
Research & learning	Website / blog content	Unreviewed donor content
First drafts (internal only)	Board materials	Hiring / funding decisions
Proofreading your writing	Anonymized data analysis	Data involving minors
Social media ideas	Campaign strategies	Legal / compliance advice
No additional review needed.	**Human review required.**	**Never use AI for this.**

BEFORE YOU USE AI, ASK YOURSELF:

- [ ] Is the tool I am using on our Approved Tools list?
- [ ] Does this use case fall under Green, Yellow, or Red?
- [ ] Am I about to paste any protected data? (Check the Data Protection table.)
- [ ] If this is Yellow Light, who will review it before it goes out?
- [ ] Would I be comfortable if a donor or funder knew AI helped with this?

If in doubt, ask the policy owner before proceeding.

SIGN AND KEEP ON FILE

POLICY ACKNOWLEDGMENT

By signing below, I confirm that I have read and understood this AI Acceptable Use Policy. I agree to follow its guidelines and to use AI tools in a way that protects our donors, clients, staff, and mission.

Printed Name:

Role:

Signature:

Date:

Printed Name:

Role:

Signature:

Date:

Printed Name:

Role:

Signature:

Date:

Printed Name:

Role:

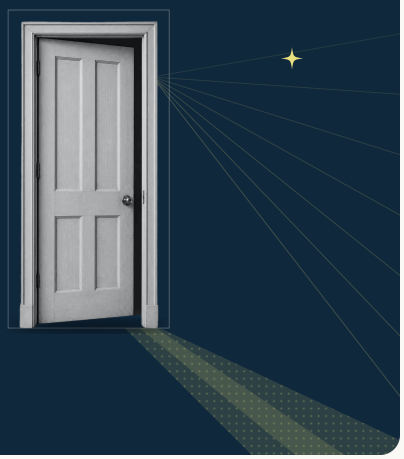
Signature:

Date:

WHAT COMES NEXT

POLICY IS THE STARTING LINE.

A policy tells your team what is safe. A system shows them what is possible. The orgs that move fastest are the ones that pair clear guardrails with real infrastructure: tools built for their workflows.





ABOUT IF POSSIBLE

WE ARE NONPROFIT FUNDRAISERS WHO FIGURED OUT AI

If Possible is Colleen Cook and Scott Williams. We have spent more than a decade at the intersection of nonprofit fundraising and technology, helping 100+ nonprofits raise $200M+. Today we help nonprofit teams build AI into the work they already do, in their own voice and with their own data.

11+	100+	$200M+
YEARS	ORGS SERVED	RAISED

YOUR NEXT STEP WITH IF POSSIBLE

LIVE, IN SMALL GROUPS — 01

JOIN THE COHORTS WAITLIST

A small group of nonprofit teams each build one real piece of their work AI-first, live with Colleen and Scott, week by week. Join the waitlist to hear first when the next cohort opens.

ifpossible.ai/cohort

1:1 PARTNERSHIP — 02

AI IMPLEMENTATION

For orgs ready to build across the whole team. We design the AI system your nonprofit needs with your leaders, then implement it with your people, department by department, until it runs.

ifpossible.ai/ai-implementation

FREE, EVERY WEDNESDAY — 03

THE IF POSSIBLE NEWSLETTER

One issue a week: what matters in AI, what it means for your org, and one move you can make that same day.

ifpossible.ai/newsletter

FREE RESOURCES — 04

THE REST OF THE STARTER PACK

All three tools in the Nonprofit AI Starter Pack: the Prompt Vault, the Readiness Assessment and the AI Policy Template. Plus The Art of the Possible, our articles on AI for nonprofits.

ifpossible.ai/starter · **ifpossible.ai/articles**