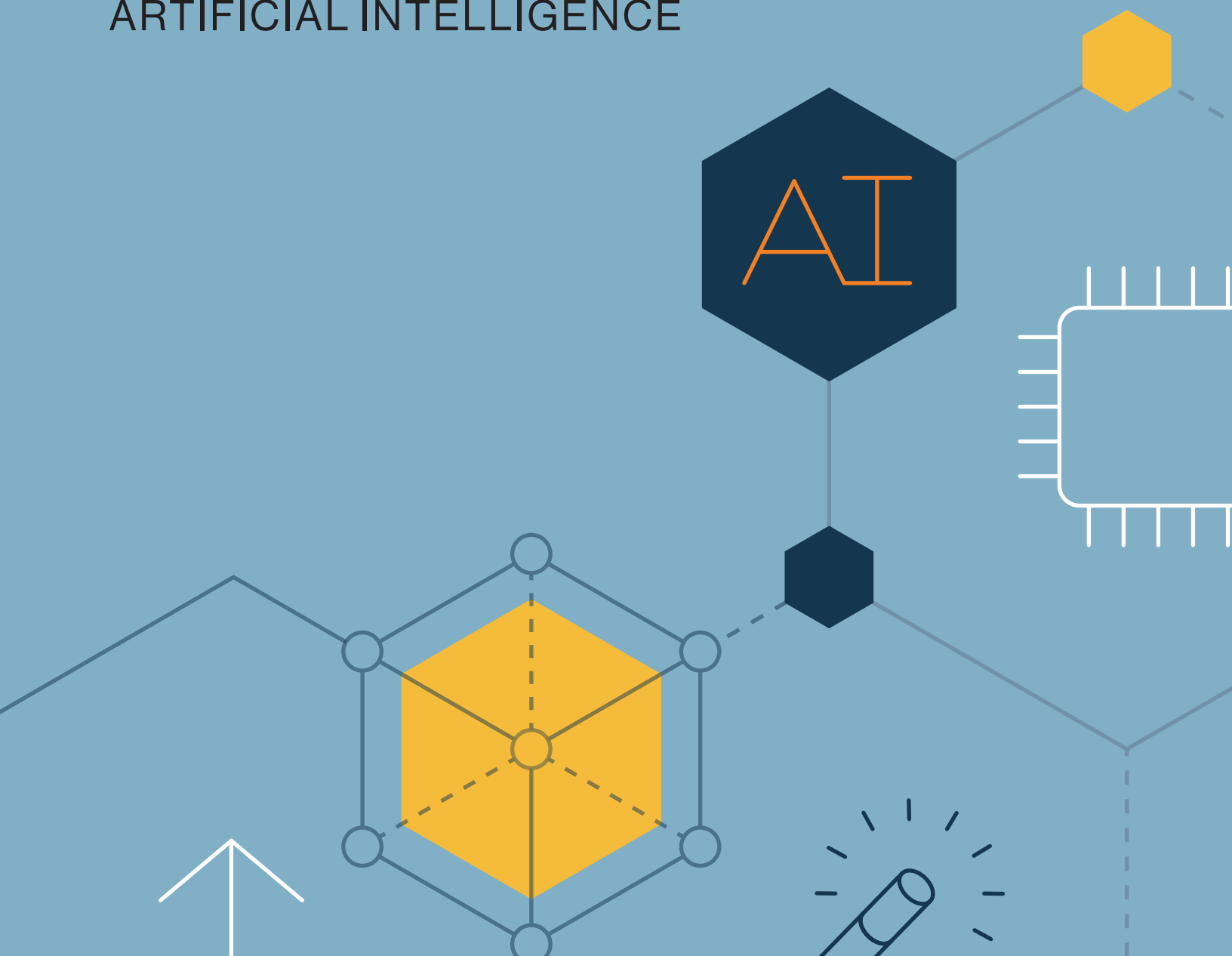




THE CENTER  
FOR EFFECTIVE  
PHILANTHROPY

# AI WITH PURPOSE:

HOW FOUNDATIONS AND NONPROFITS  
ARE THINKING ABOUT AND USING  
ARTIFICIAL INTELLIGENCE



# AI WITH PURPOSE:

## How Foundations and Nonprofits are Thinking About and Using Artificial Intelligence

### Authors

Elisha Smith Arrillaga, Ph.D.; Seara Grundhoefer; and Christina Im

### Project Team

Elisha Smith Arrillaga, Ph.D.; Ellie Buteau, Ph.D.; Caroline Gasparini; Seara Grundhoefer; and Christina Im

### For More Information, Contact

Seara Grundhoefer

Analyst, Research

(415) 541-0291 | [searag@cep.org](mailto:searag@cep.org)

### About The Center for Effective Philanthropy

CEP provides data, feedback, programs, and insights to help individual and institutional donors improve their effectiveness. We do this work because we believe effective donors, working collaboratively and thoughtfully, can profoundly contribute to creating a better and more just world.

### Acknowledgments

Support for this research was provided by the Kapor Foundation and the Omidyar Network. Nonprofit leader perspectives were gathered through our Nonprofit Voice Project, which is funded in part by the Rita Allen Foundation and the McKnight Foundation.



The authors thank CEP's Phil Buchanan, Kevin Bolduc, Grace Chiang Nicolette, and CEP's Programming and External Relations team for their contributions, and Tina Sheppard for her design of this report. We also want to thank the members of this study's advisory group for their input: Sonia Koshy from the Kapor Foundation, Joshua Elder from the Siegel Family Endowment, Karely Ordaz Salto from the San Francisco Foundation, Anamitra Deb and Clara Bennett from Omidyar Network, Elizabeth Nash from the Annie E. Casey Foundation, and Sarah Di Troia from Project Evident.

We are grateful to Lowell Weiss of Cascade Philanthropy Advisors for conducting interviews on behalf of CEP, and to the numerous nonprofit and foundation leaders who gave their time to complete surveys and be interviewed.

This report is based on CEP's independent data analyses. CEP is solely responsible for its content, which does not necessarily reflect the individual views of the funders, advisers, or others named in this report.

For more information on CEP, please visit [www.cep.org](http://www.cep.org).

This work is licensed under the Creative Commons BY-NC-ND license.

© 2025 by the Center for Effective Philanthropy Inc. All rights reserved.

# CONTENTS

- 1** Introduction
- 4** Key Findings
- 5** **FINDING 1:** Widespread Use, Widespread Concern
- 12** **FINDING 2:** Understanding AI Needs
- 15** **FINDING 3:** Supporting Nonprofits' Use Of AI
- 21** **FINDING 4:** Equitable AI
- 28** Conclusion
- 32** Appendix A: Methodology
- 38** Appendix B: Nonprofit Survey Respondent Demographics
- 39** Appendix C: Foundation Survey Respondent Demographics



# INTRODUCTION

The rapid spread of artificial intelligence (AI) is transforming the way we work. Business adoption of AI has surged from 55 percent in 2023 to nearly 80 percent in 2025 — and the nonprofit sector is seeing a similar increase in usage.<sup>1</sup> Recent research by Project Evident and the Stanford Institute for Human-Centered AI finds that many nonprofits and funders are using AI in their work.<sup>2</sup> In addition, outside of the more common applications of AI, some organizations in the sector are already experimenting with creative uses of AI to improve their daily operations and support their grantees or program participants.<sup>3</sup>

With the fast pace of relatively unregulated AI innovation and growth top of mind, the Center for Effective Philanthropy (CEP) aimed to understand foundations' and nonprofits' understandings of, attitudes toward, and engagement with AI — and what role equity plays in these decisions. To our knowledge, this research is the most representative study comparing AI use and views in philanthropy and nonprofits to date.

The increased use of and interest in AI has translated into a small but growing philanthropic investment.<sup>4</sup> From 2018 to 2023, foundations in the United States allocated an estimated \$300 million in grantmaking to AI programs, with one-third earmarked for AI governance and policy efforts.<sup>5</sup> For some in the sector, increased funding to disruptive technology such as AI brings increased responsibility and leads to an important question: When choosing to use and fund AI, how do we ensure that these actions advance the collective social good rather than create new problems or exacerbate existing inequities? Over the past few years, a number of foundations have announced new efforts to address this question — by dedicating funding to the development of inclusive and equitable AI tools; developing cross-sectoral coalitions to

---

<sup>1</sup> Alex Singla, Alexander Sukharevsky, Lareina Yee, Michael Chui, and Bryce Hall. "The state of AI: How organizations are rewiring to capture value." *McKinsey & Company*, March 12, 2025. <https://www.mckinsey.com/capabilities/quantumblack/our-insights/the-state-of-ai>.

<sup>2</sup> Sarah Di Troia, Vanessa Parli, Juan N. Pava, Haifa Badi Uz Zaman, and Kelly Fitzsimmons. "Inspiring Action: Identifying the Social Sector AI Opportunity Gap." Working Paper, *Project Evident and Stanford Institute for Human-Centered AI*, February 2024. <https://projectevident.org/wp-content/uploads/2024/02/Inspiring-Action-HAIPE-AI-report.pdf>.

<sup>3</sup> "Pilot project centers grantee voice through oral reporting and AI." *Houston Endowment*, June 30, 2025. <https://houstonendowment.org/insights-and-news/pilot-project-centers-grantee-voice-through-oral-reporting-and-ai>; "Grant Guardian." *Patrick J. McGovern Foundation*. <https://www.mcgovern.org/our-work/data-solutions/grant-guardian/>; Lakisha Young. "Introducing The REACH Certified Virtual Tutoring and Family Success Coaching Pilot." *The Oakland REACH*, October 29, 2024. <https://oaklandreach.org/introducing-the-reach-certified-tutoring-and-family-success-coaching-pilot/>; "Motivational Interviewing Technology Helps Youth Experiencing Homelessness." *Annie E. Casey Foundation*, June 11, 2021. <https://www.aecf.org/blog/motivational-interviewing-technology-helps-youth-experiencing-homelessness>

<sup>4</sup> Thalia Beaty. "Fundors commit \$1B toward developing AI tools for frontline workers." *Associated Press*, July 18, 2025. <https://apnews.com/article/artificial-intelligence-economic-inequality-gates-foundation-stand-together-5c84fa707ba8275a7afb2b-c5245c286d>

<sup>5</sup> David Evan Harris and Anamitra Deb. *Philanthropy's Urgent Opportunity to Create the Interim International AI Institution* (Waterloo, ON, Canada: Centre for International Governance Innovation, 2024). <https://www.cigionline.org/static/documents/Harris-Deb-Paper302.pdf>

push for democratic, transparent, and people-centered AI platforms; and making public commitments to hold themselves and their peers accountable to using AI to create a better society.<sup>6</sup>

Against this backdrop, this research study sought to answer the following questions:

- ▶ What is the current extent and purpose of foundations' AI grantmaking and strategies?
  - > What are foundations' levels of understanding of AI and its implications for grantees?
  - > Do foundation leaders have plans to expand their organization's grantmaking related to AI?
  - > To what extent are funders thinking about, implementing, and/or funding equitable AI?
- ▶ Have foundations engaged their grantees in conversations about AI? If so, what are the common themes in those conversations?
- ▶ What are nonprofits' needs and interests related to AI?
  - > Are nonprofits focusing on or thinking about reducing biases, democratizing access to data and decision-making, mitigating potential harms, and improving social outcomes when it comes to using AI in their work?
  - > Would nonprofits like their funders to support their AI work? If so, how?

The findings in this report are based on surveys of nonprofit and foundation leaders.

**TABLE 1. Data Collection**

Data Source	Timing	Number of Organizations	Response Rate
Survey of nonprofit leaders <sup>7</sup>	April - May 2025	451	51%
Survey of foundation leaders <sup>8</sup>	April - May 2025	215	28%

<sup>6</sup> Matt Durot. "Bill Gates, Charles Koch and Three Other Billionaires Are Giving \$1 Billion To Boost Economic Mobility Using A.I." *Forbes*, July 17, 2025. <https://www.forbes.com/sites/mattdurot/2025/07/17/bill-gates-charles-koch-and-three-other-billionaires-are-giving-1-billion-to-enhance-economic-mobility-in-the-us/>; "OpenAI nonprofit jam". *OpenAI*, July 17, 2025. <https://openai.com/global-affairs/openai-nonprofit-jam/>; "Omidyar Network launches a dedicated funding effort to promote inclusive and responsible development of generative AI." *Omidyar Network*, December 5, 2023. <https://omidyar.com/update/omidyar-network-launches-a-dedicated-funding-effort-to-promote-inclusive-and-responsible-development-of-generative-ai/>; "Mozilla Joins Philanthropic Coalition, Vice President Harris to Support Public Interest AI." *Mozilla Foundation*, November 1, 2023. <https://www.mozillafoundation.org/en/blog/mozilla-joins-philanthropic-coalition-vice-president-harris-to-support-public-interest-ai/>; "New Partnership to Promote Public Interest AI." *MacArthur Foundation*, February 11, 2025. <https://www.macfound.org/press/grantee-news/new-partnership-to-promote-public-interest-ai/>; "The first 100 members of the Worldwide Alliance for AI and Democracy unveiled at the Copenhagen Democracy Summit." *Make.org*, May 19, 2025. <https://about.make.org/articles-en/the-first-100-members-of-the-worldwide-alliance-for-ai-and-democracy-unveiled-at-the-copenhagen-democracy-summit>

<sup>7</sup> See Appendix B for more information about demographic characteristics of surveyed nonprofit leaders.

<sup>8</sup> See Appendix C for more information about demographic characteristics of surveyed foundation leaders.

In addition to these surveys, we also conducted interviews with 16 leaders in the philanthropic and nonprofit sectors grappling with some of the questions this research seeks to address. Quotes from these interviews are referenced throughout the report.

## TERMINOLOGY

After reviewing the available literature, we provided the following definitions for AI implementation support and equitable AI in our surveys for this research. These terms are referenced throughout the report.

**AI implementation support:** In this report, CEP uses the term “AI implementation support” to refer to any financial or nonmonetary assistance funders provide to their grantees for the purpose of adopting or implementing AI in their work.

**Equitable AI:** CEP defines “equitable AI” as the ethical development, deployment, and use of AI systems to promote fairness, inclusivity, and justice — particularly for historically marginalized communities. Equitable AI aims to reduce biases, democratize access to data and decision-making, mitigate potential harms, and improve social outcomes.



# KEY FINDINGS

## FINDING 1

Most foundations and nonprofits use AI in their work but share a common set of concerns about the technology related to security, accuracy, staff expertise, and bias.

## FINDING 2

Both foundation and nonprofit leaders believe foundation staff lack an understanding of nonprofits' AI-related needs.

## FINDING 3

Few foundations provide funding or nonmonetary support for grantees' use of AI.

## FINDING 4

Much opportunity remains for both foundations and nonprofits to take the ethical development, deployment, and use of AI into consideration, particularly for historically marginalized communities.





# FINDING 1

**WIDESPREAD USE,  
WIDESPREAD CONCERN**



**Most foundations and nonprofits use AI in their work but share a common set of concerns about the technology related to security, accuracy, staff expertise, and bias.**

The use of AI is already a fairly common practice at foundations and nonprofits alike, and many are using the technology in similar ways. Almost two-thirds of foundations and nonprofits report their organization uses AI in its work, a result that aligns with other recent research on AI in the nonprofit sector.<sup>9</sup>

Foundations and nonprofits report using AI primarily for internal productivity and communications-related tasks (see figures 1 and 2). Both foundation and nonprofit leaders note that AI has been helpful for drafting emails, policies, procedures, meeting summaries, and other documents. In addition, close to two-thirds of nonprofits report using AI for development and fundraising purposes, including for drafting or refining grant applications, grant reports, and other donor-engagement materials.

**Almost two-thirds of foundations and nonprofits report their organization uses AI in its work.**

**FIGURE 1. Foundations’ Most Common Uses for AI (N=129)**



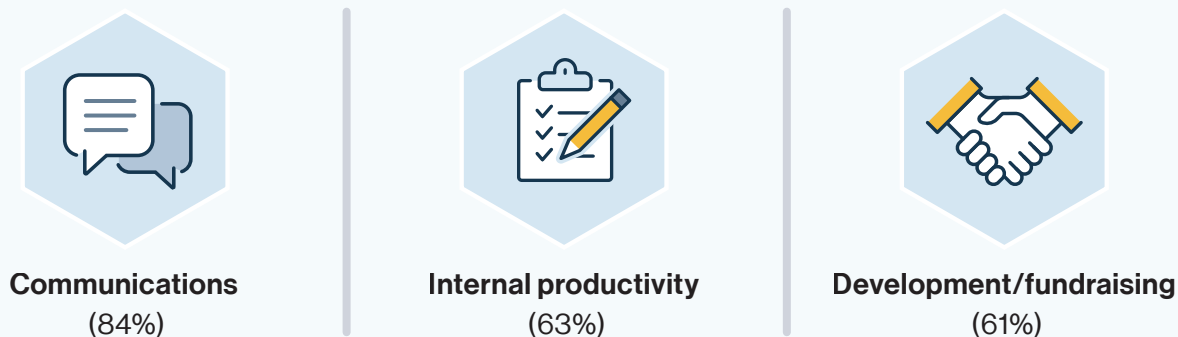
**Internal productivity**  
(78%)



**Communications**  
(70%)

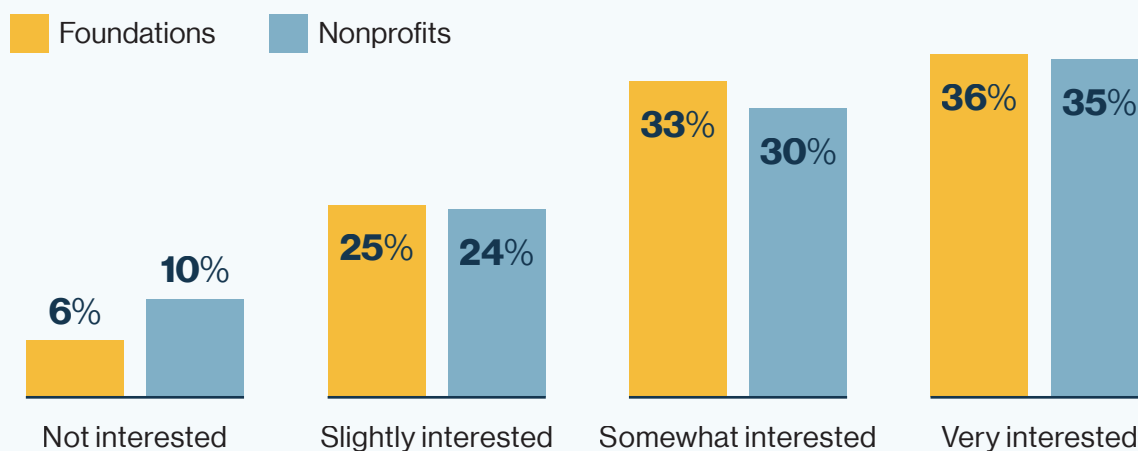
<sup>9</sup> Sarah Di Troia, Vanessa Parli, Juan N. Pava, Haifa Badi Uz Zaman, and Kelly Fitzsimmons. “Inspiring Action: Identifying the Social Sector AI Opportunity Gap.” Working Paper, *Project Evident and Stanford Institute for Human-Centered AI*, February 2024. <https://projectevident.org/wp-content/uploads/2024/02/Inspiring-Action-HAIPE-AI-report.pdf>; “Listening to Lead: Key Insights from Taproot’s Recent Nonprofit Pulse Survey.” *Taproot Foundation*, July 15, 2025. <https://taprootfoundation.org/blog/listening-to-lead-key-insights-from-the-taproots-recent-nonprofit-pulse-survey/>; Sara Herschander. “Old Ways, New Tech World.” *The Chronicle of Philanthropy*, May 28, 2025. <https://www.philanthropy.com/article/old-ways-new-tech-world>; Tess Hanrahan and Jean Westrick. *2024 State of Philanthropy Tech: A Survey of Grantmaking Organizations*. (Chicago, IL: Technology Association of Grantmakers, 2024). <https://www.tagtech.org/report/2024-state-of-philanthropy-tech-survey/>

**FIGURE 2. Nonprofits' Most Common Uses for AI (N=279)**



Almost all organizations — 90 percent of nonprofits and 94 percent of foundations — express at least some degree of interest in increasing their organization's use of AI (see Figure 3). When asked what problems they would most like AI to solve, nonprofit leaders most often indicate interest in using AI to automate routine tasks such as data entry, drafting emails, generating social media posts, taking notes, and improving their organization's fundraising capabilities. These priorities closely align with how nonprofits currently using AI are already applying the technology. A little less than a quarter of leaders are also interested in using AI to better analyze data, conduct research, or improve evaluation efforts. "AI could assist [us] in data analysis to identify community needs, measure program impact, and support grant writing, ultimately allowing staff to focus more time on direct community engagement and relationship building," says one nonprofit leader.

**FIGURE 3. Foundations and Nonprofits' Level of Interest in Increasing the Use of AI in Their Work (N=215-451)**



*Note: Percentages may not add up to 100 due to rounding.*

“With a very limited budget and staff, we struggle with fundraising,” says one nonprofit leader. “AI would help tremendously, especially during all of the political uncertainty and many grants being questionable.” Another leader shares their hope that AI could make their work more efficient, noting that, “with limited resources, it is very helpful to use AI in program design. [Programs] that have cost us \$34,000 in personnel this year and taken nine months could have been achieved more quickly and with higher quality through the use of AI.”

## From Efficiency to Effectiveness

Today, while many of the foundations and nonprofits that are using AI are already realizing efficiency gains, they are just beginning to explore how AI tools might also improve their organizational *effectiveness* — their ability to solve, not just salve, the problems at the core of their missions. Below are some of the effectiveness use cases shared during interviews by leaders in the philanthropic and nonprofit sectors:

- ▶ **From Disaster Response to Disaster Preemption.** [Mercy Corps](#) is using AI to improve the effectiveness of its humanitarian assistance. When war broke out in Sudan in 2023, the organization used 10 years of satellite imagery showing the health of the country’s crops in each of those years, based on how plants reflect light in different wavelengths. It then used AI to compare real-time crop health with historical patterns. “Our Sudan team could instantly see, in red, the areas where people were most vulnerable,” explained Alicia Morrison, Mercy Corps’ interim senior director of Technology for Development. AI gave Mercy Corps the ability to deploy its resources where they were needed most before disaster struck.
- ▶ **Reducing Gun Violence.** For years, Congress has [restricted](#) the government’s ability to collect data on gun violence. [Everytown Research & Policy](#)’s funders supported it to build an AI-enabled tool to collect and analyze data on gun violence from across the internet. “It’s really promising,” said Jean Westrick, the executive director of [Technology Association of Grantmakers](#). “It’s not yet 100 percent accurate, but it will allow researchers and advocates to find the edge cases where we can make a difference and reduce violence.”

# Concerns About AI Use

As AI use surges in nonprofit and foundation sectors, many leaders are concerned about the potential effects of AI on their organizations and the communities they serve. Leaders' five most common concerns about AI use are shared across both nonprofits and foundations (see Figure 4).

In addition to these concerns, leaders share their hesitancy about the tradeoffs of the efficiency gains of AI and the potential to compromise the authenticity of their work. “We aim to harness AI to enhance the efficiency of our work without sacrificing the human touch,” says one nonprofit leader. Another leader expresses excitement about the potential of AI to better serve underrepresented communities but is keen to avoid losing sight of the organization’s core principles in the process: “We are an under-resourced organization serving low-income immigrants, BIPOC communities, and LGBTQ+ communities. If utilizing AI could help us leverage scarce resources while maintaining our humanity and organizational values, that would be amazing.”

**FIGURE 4. Most Common Concerns About AI Use Among Nonprofit and Foundation Leaders (N=212-446)**



**“We are an under-resourced organization serving low-income immigrants, BIPOC communities, and LGBTQ+ communities. If utilizing AI could help us leverage scarce resources while maintaining our humanity and organizational values, that would be amazing.”**

***-Nonprofit Leader***

---

Foundation leaders' top concern related to AI, reported by more than 80 percent of leaders, is AI's potential to create data security and privacy risks. The primary AI-related concern for nonprofit leaders, noted by 73 percent of leaders, is the technology's potential to produce misinformation or inaccurate results.

Additionally, among both foundations and nonprofits, about half of leaders note that they are concerned about bias and discrimination in AI algorithms. As one nonprofit leader reflects: “We won't be able to keep it from coming into our workspace, so we really need to look at how it affects the communities that do not represent those creating the AI — those who suffer from bias or live in underserved and under-resourced communities.” Among foundations, leaders of color are slightly more likely to express this concern than those who do not identify as people of color. Leaders at larger foundations — in terms of staff size, assets, or annual giving — are also more likely to note concerns about bias.<sup>10</sup>

For many leaders, concerns about AI use stem from their organizations' readiness — or lack thereof — to adopt AI. In general, both nonprofits and foundations note that their organizations would benefit from technology upgrades. More than half of nonprofits highlight their organization's need for technological updates in the areas of development and fundraising, as well as in the areas of monitoring and evaluation. Foundation leaders likewise name monitoring and evaluation as a top area in need of technological updates.

In addition to many leaders seeing a need to update their organization's overall technological infrastructure, more than half of nonprofit and foundation leaders indicate that their staff members lack expertise or capacity to learn about AI. More than half also say that they are uncertain about how best to use AI in their organization's work. “Everyone is stretched thin in day-to-day work, so it can be hard to prioritize something strategic like navigating the use of AI,” one nonprofit leader explains. Another leader echoes this sentiment, noting: “We run such a lean organization that we rarely seek funding that doesn't have a direct impact on our services. We also don't have the depth of staff to dive super deep into AI. We need it to be easy and accessible but would welcome support in understanding how much more it can do for us.”

---

<sup>10</sup> While most of these relationships are of small effect size, foundations with greater than the median asset size are moderately more likely to express concern about bias and discrimination in AI algorithms.

## Larger Organizations are Further Ahead in AI Adoption and Governance

Larger organizations — both foundations and nonprofits — are more likely to be learning about, thinking about, and creating policies regarding AI than their peers at smaller organizations. For example, leaders at nonprofits that have more than 12 staff members and/or revenue greater than \$1.9 million are slightly more likely to report having at least a few staff members with a solid understanding of AI. Foundations that give more than the median (about \$12.5 million annually) are also slightly more likely to report having at least a few staff members with a solid understanding of AI.

Similarly, nonprofits that are larger than the median — in staff size, expenses, or revenue — are slightly more likely to demonstrate interest in expanding their AI usage compared with smaller organizations. This pattern also emerges among foundations: those that exceed the median in staff size (nine), total assets (~\$194 million), or annual giving are slightly more likely to be at least somewhat interested in increasing their use of AI.

Finally, larger organizations are more inclined to have policies in place regarding the use of AI in their work — nonprofits with a staff size above the median are slightly more likely to have AI-use policies. Likewise, foundations with a staff size above the median are also more likely to have policies governing their own use of AI.<sup>11</sup>

<sup>11</sup> CEP's survey indicates that 98% of foundations do not currently have a policy about whether grantees can use AI in their work.

# FINDING 2

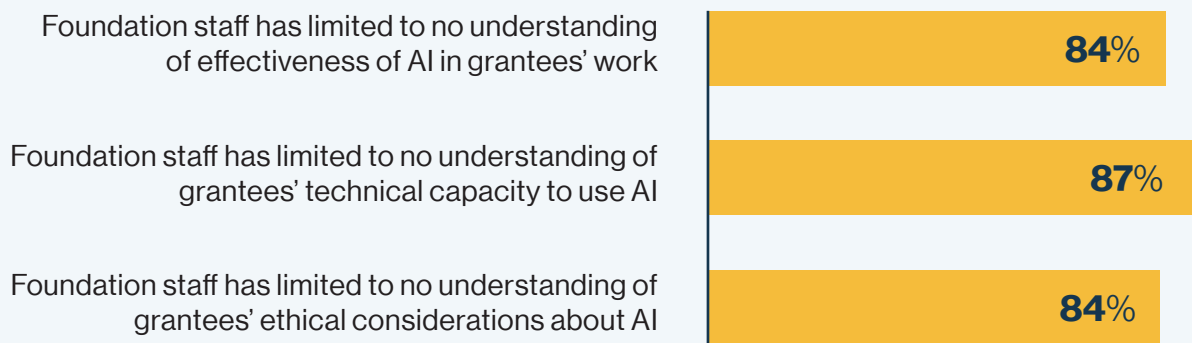
## UNDERSTANDING AI NEEDS



**Both foundation and nonprofit leaders believe foundation staff lack an understanding of nonprofits’ AI-related needs.**

The majority of foundation leaders report their staff members have limited, if any, understanding of 1) their grantees’ views of how effective AI is in their work, 2) their grantees’ technical ability to use AI, and 3) any ethical issues regarding AI their grantees may be considering (see Figure 5). Three-quarters of nonprofit leaders also believe that none or just a few of their foundation funders understand their organization’s AI-related needs or concerns. “[We’ve had] very limited conversations about AI,” reflects one nonprofit leader. “Only one funder understands it enough to see how it could be useful. No other funders understand it or have even expressed a willingness to understand it.”

**FIGURE 5. Percent of Foundations Reporting That Their Staff Has Limited to No Understanding of Grantees’ AI Attitudes/Capacities** (N=199-201)

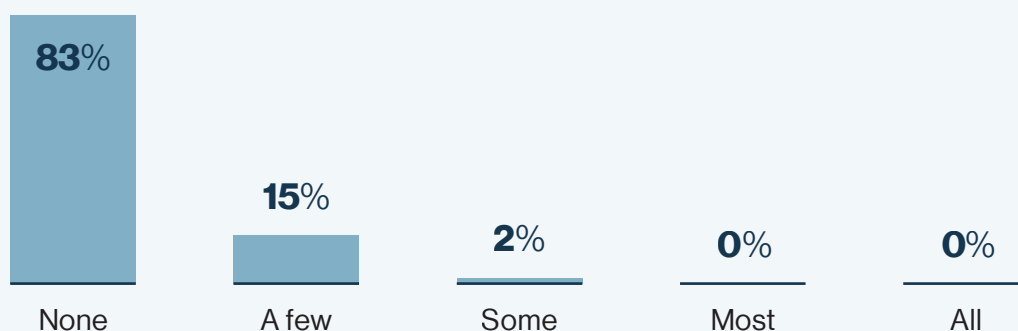


Moreover, there is relatively little dialogue between foundations and grantees about grantees’ AI needs. Fewer than 20 percent of nonprofit leaders report that their funders have engaged them in conversations about using AI in their work (see Figure 6). As one nonprofit leader shares: “One funder has provided a training on how to utilize AI in grant writing. That is the only conversation [we’ve had] to date.” Another leader indicates a similar lack of funder discussion about AI with their organization, noting that they “have not really had any conversations” but that one funder “has offered a couple of webinars.”

**Three-quarters of nonprofit leaders also believe that none or just a few of their foundation funders understand their organization’s AI-related needs or concerns.**

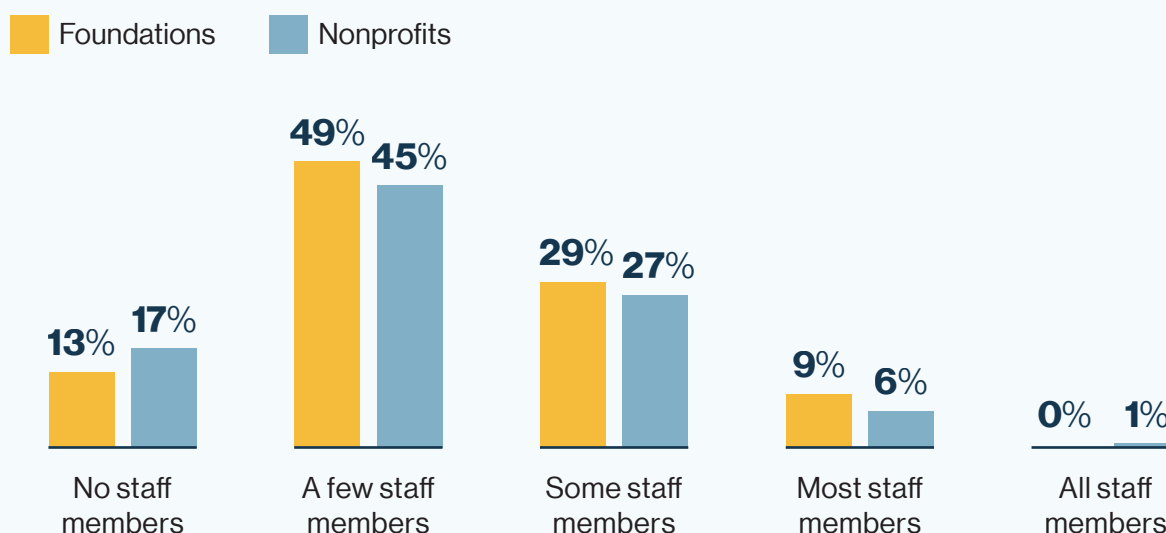


**FIGURE 6. Proportion of Nonprofits' Foundation Funders That Have Engaged Them in Conversations About AI** (N=441)



Almost two-thirds of nonprofits and foundations also report that none or just a few of their organization's staff members have a solid understanding of AI and its applications (see Figure 7). In addition, the majority of foundation leaders indicate their foundation's board never or only occasionally engages in conversations about AI.

**FIGURE 7. Proportion of Foundation and Nonprofit Staff With a Solid Understanding of AI and Its Applications** (N=214-448)<sup>12</sup>



*Note: Percentages may not add up to 100 due to rounding.*

<sup>12</sup> Four percent of nonprofit leaders responded "don't know/not sure." Foundation leaders were not given this response option.

# FINDING 3

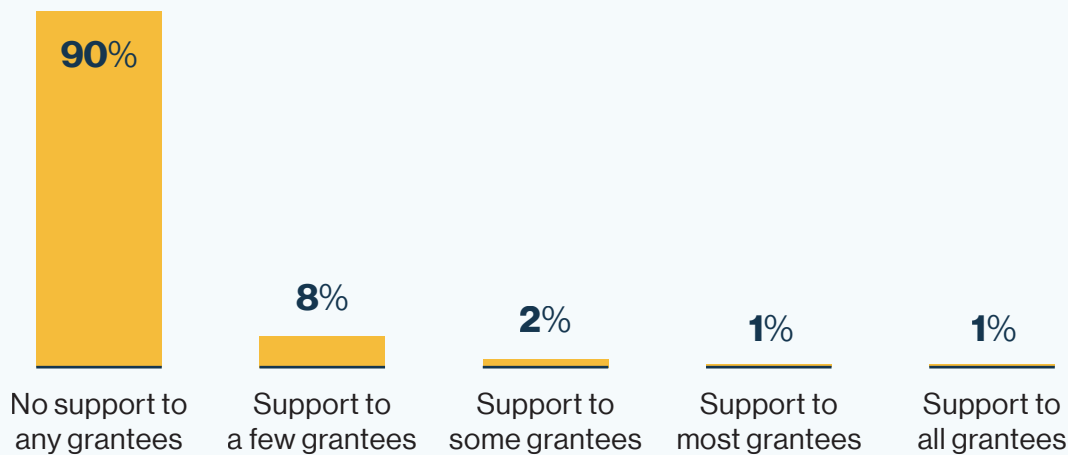
## SUPPORTING NONPROFITS' USE OF AI



# Few foundations provide funding or nonmonetary support for grantees' use of AI.

While the provision of capacity building or organizational effectiveness support is a relatively common practice in philanthropy, nearly 90 percent of foundation leaders report their foundations do not offer funding or nonmonetary support for AI use to grantees (see Figure 8).<sup>13</sup> Among the 10 percent of foundations that do provide AI implementation support, the majority indicate it is not part of their foundation's strategic plan. About half of these leaders indicate instead this support is usually provided as part of general operating support that grantees may choose to use for AI-related work.

**FIGURE 8. Percent of Funders That Provide AI Implementation Support to Their Grantees (N=209)**



*Note: Percentages do not add up to 100 due to rounding.*

There are various reasons why the leaders of the remaining 90 percent of foundations do not offer AI implementation support. A little over a third of these leaders say they simply have not received many, if any, requests from their grantees for supporting AI-related needs. “It hasn’t been on our radar,” notes one foundation leader. “We are responsive to grantee priorities and requests, and they haven’t asked for this.”<sup>14</sup> In addition, about 30 percent of foundations indicate that providing AI implementation support is not a fit for their foundation, citing reasons such as irrelevance to their organization’s mission, falling outside of their stated focus areas, or incompatibility with their foundation’s size or giving structure.

<sup>13</sup> Ellie Buteau, Charis Loh, and Temitayo Ilegbusi. *Strengthening Grantees: Foundation and Nonprofit Perspectives*. (Cambridge, MA: Center for Effective Philanthropy, 2018). [https://cep.org/wp-content/uploads/2018/10/Strengthening\\_Grantees\\_FNL\\_forwebsite.pdf](https://cep.org/wp-content/uploads/2018/10/Strengthening_Grantees_FNL_forwebsite.pdf); *Is Grantmaking Getting Smarter?: A National Study of Philanthropic Practice*. (Washington, DC: Grantmakers for Effective Organizations, 2017). [https://www.geofunders.org/wp-content/uploads/2017/11/2017\\_GEO\\_IsGrantmakingGettingSmarter.pdf](https://www.geofunders.org/wp-content/uploads/2017/11/2017_GEO_IsGrantmakingGettingSmarter.pdf).

<sup>14</sup> In a 2018 research report (*Strengthening Grantees: Foundation and Nonprofit Perspectives*), CEP found that nonprofit CEOs often ask for the kinds of support that they think funders want to provide, rather than for what they truly need to strengthen and sustain their organization. The report also found that, at the time, information technology was a common area in need of additional support, according to nonprofit leaders.

Lastly, a quarter of foundations say they either have not considered providing AI implementation support or are uncertain how to begin offering such assistance.

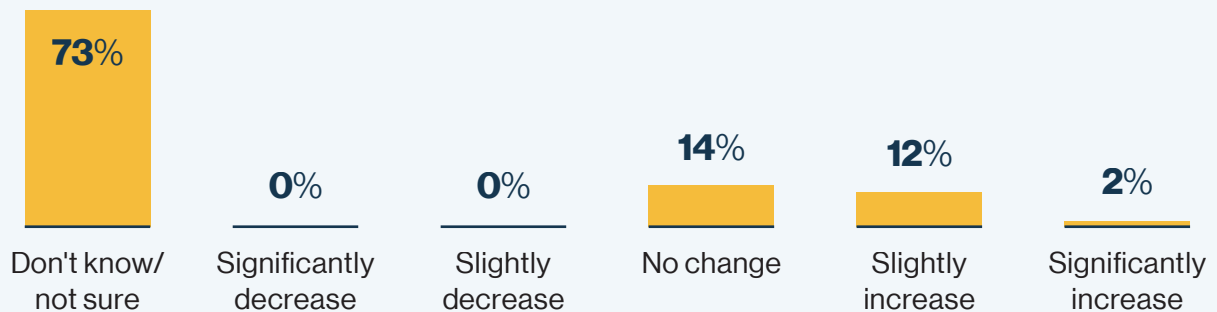
**FIGURE 9. Reasons Foundations Do Not Currently Provide AI Implementation Support to Their Grantees (N=129)**



The future of AI implementation support as a grantmaking practice is still unclear. Almost three-quarters of foundations are unsure if, and how, they will adjust the amount of support they provide to their grantees over the next three years for the purpose of adopting or learning more about AI (see Figure 10). Some foundation leaders have not considered supporting AI implementation for their nonprofit partners because they are still learning about AI themselves. As one foundation leader says: “We haven’t thought about doing so just yet because we don’t fully understand it as funders to be able to determine how we can be good partners with grantees in this realm.” Fewer than 15 percent of funders have concrete plans to increase their level of support. “No grantee has asked for [AI implementation support],” says one leader. “But we anticipate being asked for capacity building grants for this purpose in the future.”

**Almost three-quarters of foundations are unsure if, and how, they will adjust the amount of support they provide to their grantees over the next three years for the purpose of adopting or learning more about AI.**

**FIGURE 10. Foundations' Planned Adjustments to Their Levels of AI Support for Grantees Over the Next Three Years (N=211)**



*Note: Percentages do not add up to 100 due to rounding.*

## Foundation Leader Perspectives on Supporting Nonprofits

Foundation leaders propose different approaches for how they and their peers can best support nonprofits navigating AI use. Over a third recommend that foundations should provide their grantees with AI-focused trainings, information, and resources, including guidance on best practices and privacy and security standards. "Support efforts to educate and train nonprofits on AI in their work. Be willing to support capacity building and technology investments," recommends one foundation leader. Another foundation leader adds, "We can financially support nonprofit organizations in developing their use of AI."

Additionally, a smaller, but still significant, group of leaders suggests that foundations should maintain an open dialogue with their grantees as both foundations and nonprofits continue learning about AI. One foundation leader emphasizes that funders should "advocate for safer tools and more responsible AI; educate our own staff on data privacy issues; safeguard data we have about our grantees and limit the data we feed into AI models; communicate to our grantees what we are doing with AI; and ask grantees what support they need."

## What Nonprofits Want From Their Funders

Nonprofit leaders express interest in various forms of AI-related support from their foundation funders. Top nonprofit priorities include receiving staff education on AI fundamentals (68 percent), dedicated funding for AI tools and software (63 percent), technical training opportunities (55 percent), and guidance on how AI use might affect the communities they serve (50 percent) (see Figure 11).

**FIGURE 11. Most Common Types of AI Support Nonprofits Would Like From Their Foundation Funders (N=439)**



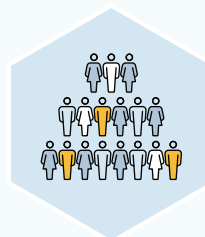
**General AI education  
for staff**



**Funding to access  
existing AI tools and  
software**



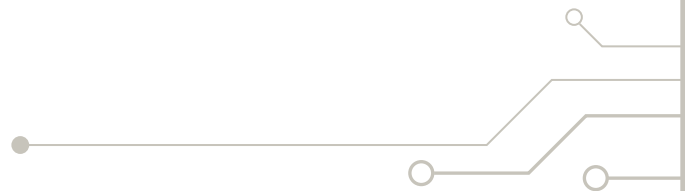
**Technical training  
sessions for staff (e.g.,  
prompt engineering)**



**Resources on how the use  
of AI affects the people and  
communities they serve**

When asked for specific advice they would give to foundation partners interested in supporting nonprofits as they navigate using AI, nonprofit leaders share a variety of recommendations. The following comments reflect common themes from their responses and exemplify not just some of the diversity of nonprofit sentiments about AI, but also the importance of funder-nonprofit communication when it comes to new developments in the field that have the potential to significantly affect nonprofits' work and funding:

- ▶ “I would love clear policies and guidelines as to how the foundations would like us to use it or not use it. Right now, we do not use AI for any public-facing or fundraising materials for fear that it will take us out of the running for grants. However, we are not sure if funders are currently screening for AI-generated content or not.”
- ▶ “Funders play a vital role as thought partners, collaborating with nonprofits to advance their technological capabilities. To facilitate this collaboration, funders can organize workshops and convenings that bring together nonprofit leaders, technology experts, and stakeholders. These forums can focus on exploring how digital technologies can be utilized to optimize operations, improve service delivery, and reach under-resourced communities.”
- ▶ “Remember that the mission is key, and technology is exciting. If AI is not helping us grow our mission, if it's just helping funders feel like they're providing something new, then it's harming the work. Stop making it harder to fund our staff by shifting the conversation to technology use — help us integrate that technology into our staff by funding our operations and services, and then provide additional funds (not instead-of funds) for updating our tech.”
- ▶ “Don't force the issue. Allow the nonprofit community to figure out what we need and then help us get there ... rather than telling us what we need.”



# FINDING 4

## EQUITABLE AI



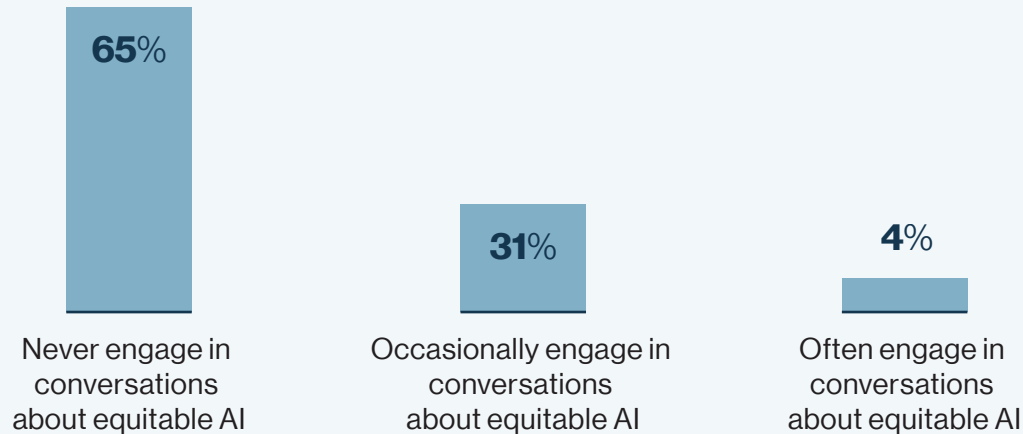


**Much opportunity remains for both foundations and nonprofits to take the ethical development, deployment, and use of AI into consideration, particularly for historically marginalized communities.**

“Equitable AI” — the ethical development, deployment, and use of AI systems to promote fairness, inclusivity, and justice — is still a new concept to many organizations, just as the use of AI itself is new. Few foundations or nonprofits report discussing or working on using AI systems in a way that promotes equity. About 10 percent of foundations report providing some form of AI implementation support — financial or otherwise — to their grantees. Of the few foundation respondents providing this kind of support, half report that they do not currently provide support to advance equitable AI. Most of these foundations also indicate they never or only occasionally engage in internal conversations about equitable AI. “We are in the beginning stages of discussion and planning for centering communities in the [AI] conversation, building capacity for safe and strategic use, modeling responsible use internally, funding and learning alongside equity innovators, and using our platform to shift the field,” says one funder whose foundation provides support to grantees for AI implementation but does not currently provide any support for the purpose of advancing equitable AI.

Similarly, most nonprofits report that they never engage in internal conversations about equitable AI, and nearly 90 percent are not participating in any activities to advance equitable AI (see figures 12 and 13). However, nonprofit leaders of color are slightly more likely to indicate that their organizations are already engaging in internal conversations about equitable AI.<sup>15</sup> “I would like to see us approach AI use through a lens of inclusion, transparency, and cultural relevance,” one leader emphasizes. “AI can perpetuate bias, especially against underrepresented and Indigenous communities. To address this, we can emphasize human review of all AI-assisted work and prioritize tools and practices that support language justice, accessibility, and ethical data use.”

**FIGURE 12. Percent of Nonprofits that Engage in Internal Conversations About Equitable AI (N=444)**



<sup>15</sup> We found no statistically significant differences in use and perceptions of AI based on leaders’ gender identity.

**FIGURE 13. Percent of Nonprofits Participating in Activities to Advance Equitable AI** (N=437)



*Note: Percentages add up to more than 100 because respondents could select all that apply.*

## The Pursuit of Equitable AI

The growing use of AI in the social sector opens a window for leaders to examine how equity considerations — spanning race, gender, economics, disability, and beyond — can be woven into AI development from the ground up. “If equity is the goal, the nonprofit sector must be at the table from the start,” emphasizes one nonprofit leader who responded to CEP’s survey, “not just as users of AI, but as co-creators of its purpose and application. That means not only inviting us in but funding our participation in innovation spaces. Without us, equitable AI won’t happen. With us, it’s possible.” Similarly, in an interview with CEP, Sonia Koshy, chief research officer at the [Kapor Foundation](#), told us “those building AI tools are exacerbating harms on the most vulnerable populations, domestically and internationally. There’s no way forward for our sector in terms of protecting marginalized groups without addressing the AI elephant in the room.”

These sentiments are also shared by other leaders in the philanthropic sector – like Adam Goldfarb, who leads [Opportunity AI](#), a funder collaborative dedicated to educating and organizing funders on the power of AI to enhance economic mobility. “[The philanthropic community] needs the ability to power innovations [related to AI]. If we want to see AI that empowers underrepresented communities, we likely can’t depend on the for-profit sector to provide that. The impact sector has a unique opportunity to design, build, and shape AI that serves those populations.” Goldfarb goes on to share an example of the kind of equity-oriented work nonprofits are already implementing with AI that funders could examine more deeply.

The nonprofit [BASTA](#) — they help first generation, historically marginalized college students with career navigation — recently launched [Seekr](#), a career navigation tool that is AI-powered. They had to convince their foundation partners, some of whom were unsure about their ability to vet the technology and answer questions [about the tool] that their boards were asking, to support the project. But the team at BASTA is extremely equity oriented, so they’re designing the tool from the ground up with the principles and values their communities care about. Off-the-shelf AI tools wouldn’t necessarily prioritize those folks, which is why nonprofits need to be the ones taking the reins in designing equity-focused AI tools.

While analysis of CEP’s survey data found a few significant relationships between the program areas that foundations fund and the way they think about and understand AI, these relationships were generally weak.<sup>16</sup> Clara Bennett, director of strategy, learning, and impact at [Omidyar Network](#), stresses the importance of foundations and nonprofits building knowledge of AI tools and getting aligned on implications of the technology, regardless of their grantmaking or programmatic focus. “Funders don’t have to be technology funders to care about how AI is going to affect the issues and causes they care about,” says Bennett. “No matter your issue area, if funders are not supporting their grantee partners to learn about and be ready for AI, that becomes an equity concern — because nonprofits and the communities and issues they serve will be left out of the conversation.”

Eric Sears, who directs the [Technology in the Public Interest](#) program at the [John D. and Catherine T. MacArthur Foundation](#), has worked for nearly a decade to support and fund organizations that are focused on the social implications of AI. He likewise shares

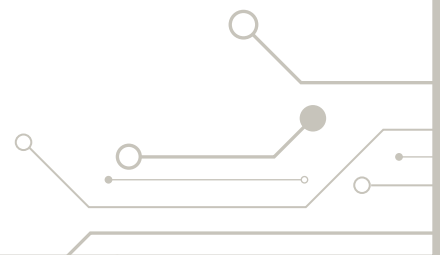
---

<sup>16</sup> Foundations that fund in international/foreign affairs are slightly more likely to express uncertainty about how best to use AI in their work or to express concerns about lack of staff expertise/capacity to learn about AI. Foundations that fund in public/ societal benefit are slightly less likely to have any understanding of grantees’ technical capacity to use AI or grantees’ views on the effectiveness of AI in their work. Foundations that fund in religion are slightly less likely to express concern about bias/ discrimination in AI algorithms, have any understanding of grantees’ technical capacity to use AI, or have any understanding of grantees’ views on the effectiveness of AI in their work. These relationships are all of small effect size.

the view that funders don't need to start from the ground up when it comes to exploring ethical and equitable AI. "Fear of missing out seems to be driving a lot of AI adoption right now across sectors, which can lead to a variety of unintended consequences. When exploring AI, funders should start by listening closely to their existing grantee partners and centering their expertise. Understand what their wants, needs, and concerns are when it comes to AI, and have that guide your next funding steps."

Beyond actively engaging with the organizations that foundations already know well and support, Sears also encourages funders to be open to exploring support to organizations on the frontlines of efforts to advance equitable and ethical AI. "There is a growing ecosystem of impactful organizations focused on ensuring that public interest considerations are centered in how AI is developed, used, and governed. Yet a deep power asymmetry currently exists between these organizations and big tech companies that exercise immense control over AI's trajectory and who it benefits. This is something that philanthropic capital can help solve."

Finally, outside of funder-nonprofit collaboration in learning about and developing AI tools, Chantal Forster, who consults with foundation CEOs on AI, emphasizes that the first step to equitable AI must be to empower a broader set of people in determining how AI is used. She believes that many decision-makers and grantmakers are making assumptions that may not hold up. "Our job is to make sure AI works as an equalizer rather than telling people not to use it," Forster told us. "Some [surveys](#) show that Black Americans are using AI more than white Americans are — and also would like less regulation of AI. In conversations, they say they are aware of the potential for bias, but [also say], 'I've been dealing with bias my whole life. I'm fine giving AI a shot.'" In other words, leaders should not assume they know what's best for marginalized communities. Instead, they should ensure that diverse communities have full voice and agency in decisions that directly impact them.



## Looking Forward: The Future of AI in Philanthropy

AI adoption in the social sector is still in its early stages. But this means leaders — nonprofit and foundation alike — currently sit at a unique inflection point, with room to explore how these tools might serve, or harm, their missions and the people and communities they seek to affect through their work.

As John Mohr, chief information officer at the MacArthur Foundation, notes, while AI can efficiently automate existing tasks, it also introduces concerns regarding misinformation and security vulnerabilities. As a result, the MacArthur Foundation adopted a policy on the use of artificial intelligence built on principles which include: limiting use to approved AI tools following appropriate review; requiring staff to uphold confidentiality and maintain security and privacy; and reminding staff they are responsible for the accuracy of content, that use must be consistent with Foundation values, and staff must disclose any material used to better assess security implications.

Adam Goldfarb of Opportunity AI emphasizes the importance of foundations and nonprofits looking ahead to what's coming next and preparing for AI systems that can act more independently — potentially transforming how philanthropic and nonprofit work gets done while raising new questions about equity and access for underserved communities.

The future of AI is going to be autonomous agents — agentic AI.<sup>17</sup> For example, if you're a low-income job seeker right now, there are all these barriers to succeeding in the job market. But if there were an [AI] tool not just giving you basic career advice, but that also says, 'there's a networking event for your field in your neighborhood with no bus transfers, and I'm signing you up for it,' you start to get some of the capability of a human career coach. A career coach AI bot that can autonomously follow up with you and provide some of the assistance that low income, historically marginalized job seekers need [and don't traditionally have access to] is an equity enhancing use case of AI.

<sup>17</sup> According to IBM, agentic AI "describes AI systems that are designed to autonomously make decisions and act, with the ability to pursue complex goals with limited supervision. ... It's a proactive AI-powered approach, whereas gen[erative] AI is reactive to the user's input. Agentic AI can adapt to different or changing situations and has 'agency' to make decisions based on context." Teaganne Finn and Amanda Downie. "Agentic AI vs. generative AI." IBM. <https://www.ibm.com/think/topics/agentic-ai-vs-generative-ai>

So what should foundation leaders who want to steward responsible AI development and use in philanthropy be doing? Goldfarb suggests funders leave boardrooms and go to hackathons:

Foundation leaders should hang out in technical communities, attend the hackathons put on by nonprofits or for-profits or a mix of both, and see what kinds of design and technical challenges are being discussed there. Be in the mix. The foundation community is too removed from the work and the folks who are trying to use these tools for good and mitigate some of the inherent issues built into their default modes of operating. Spend time in those communities so that you can take that knowledge back to your foundation.





# CONCLUSION

While AI is widely used by nonprofits and foundations alike — most often for internal productivity and communications purposes — leaders share common concerns about AI in their work. They also agree that foundations do not currently have a strong grasp of nonprofits' AI-related needs. Perhaps as a result, few foundations provide support for nonprofits to implement AI in their work. Even fewer are engaged in efforts to advance equity, justice, and inclusivity through the development and use of AI.

Nonprofits and foundations are likely to continue taking a wide range of stances on AI use and funding. Whether organizations choose to adopt or opt out, to critique or promote — or anywhere in between — we hope that this research will prompt a thoughtful and proactive approach to the arrival of AI in the philanthropic and nonprofit sectors.

# AI Recommendations, Reflection Questions, and Resources

**For foundations seeking recommendations from their peers on how to center equitable development and use of AI, here are ideas that emerged in CEP's interviews:**

- ▶ Invest in coalitions around identifying an equitable and shared AI framework for the social sector.
- ▶ Fund capacity building around equitable AI usage.
- ▶ Support organizations focused on civil rights and ethics in the AI space.
- ▶ Include a variety of stakeholders — public, for-profit, social sector — in conversations and decision-making around AI usage.
- ▶ Develop transparent policies around AI usage.

**For organizations wanting to develop a deeper understanding of AI, here are some questions and associated resources to spark reflection in an upcoming board or staff meeting:**

## AI Education and Policy

- ▶ What should our responsible-use or data-governance policy look like, if any? What guidance do we need to give staff on the use of AI?
  - > Partnership on AI: [“Decoding AI Governance: A Toolkit for Navigating Evolving Norms, Standards, and Rules”](#)
  - > MacArthur Foundation: [Use of Artificial Intelligence](#)
- ▶ What are the best and safest ways for leadership, board members, and staff — not just technology staff — to learn about the opportunities and risks of AI for society and for our organization?
  - > Chronicle of Philanthropy: [“A Primer on A.I.: Terms and Concepts Nonprofits Need to Know”](#)
  - > Project Evident: [“Funding the Future: Grantmaker Strategies in AI Investment”](#)

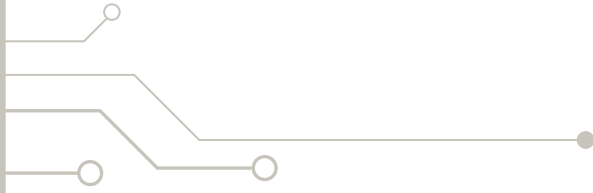


- > TechSoup: [“The State of AI in Nonprofits 2025: Benchmark Report on Adoption, Impact, and Trends”](#)
- > Nonprofit Technology Enterprise Network: [AI for Nonprofits Resource Hub](#)
- > Dan Hendrycks, Center for AI Safety: [“Organizational Risks,”](#) introduction to “AI Safety, Ethics, and Society”
- > The Stanford Institute for Human-Centered AI: [“Artificial Intelligence Index Report 2025”](#)
- ▶ Are there ways for us to increase our operational efficiency? If desired, what are the processes and workflows we could potentially automate with AI tools to save us time and free up staff for more creative or relational work?
  - > OpenAI: [“OpenAI’s 2025 Nonprofit Jam: An After-Action Report on the Successes, Heroes, Community Building, and Lessons Learned”](#)
  - > The Bridgespan Group: [“AI Can’t Be Ignored: Exploring the Opportunities for Nonprofits and the Social Sector”](#)
- ▶ Do we need to augment our current AI knowledge and capacity by bringing on new staff or consultants?

## Ethical Use of AI

- ▶ How could AI tools help us solve the problems at the core of our mission? How could AI tools be detrimental to or exacerbate these same problems? How are AI tools going to affect the people and communities we seek to benefit through our work?
  - > Center for Effective Philanthropy: [“Harnessing AI for a Better World”](#)
  - > Project Evident and the Technology Association of Grantmakers: [“Responsible AI Adoption in Philanthropy”](#)
- ▶ Are there opportunities to join with other foundations and nonprofits to advocate for responsible public, nonprofit, and private sector policies related to AI development and deployment?
  - > Tech to the Rescue: [AI for Changemakers](#)
  - > Partnership on AI: [AI & Philanthropy Steering Committee](#)
  - > Coalition for Sustainable AI: [Initiatives Hub](#)

- ▶ What kind of role can we play in ensuring that the experts, stakeholders, and community members that have an understanding of how AI is going to affect historically marginalized communities have a seat at the table?



# APPENDIX A:

## Methodology

The findings presented in this report are based on data collected, analyzed, and interpreted by the Center for Effective Philanthropy (CEP). CEP fielded two surveys and received responses from leaders of 215 foundations and 451 nonprofit organizations, respectively.<sup>18</sup> In addition, interviews were conducted with 16 individuals. Information detailing the process for collecting and analyzing the data is below.

### Nonprofit Survey Methodology

#### Nonprofit Sample Characteristics

In April 2025, CEP invited 879 nonprofit leaders from the Nonprofit Voice Project (NVP) — a panel of U.S. nonprofits that is representative of the national landscape of nonprofits that receive at least some foundation funding — to participate in this survey.<sup>19</sup> More information on the criteria for inclusion and the original NVP sample creation process can be found on our website [here](#).<sup>20</sup>

#### Nonprofit Survey Instrument

This survey contained 36 items. A copy of the survey instrument can be found on our website [here](#).

#### Nonprofit Survey Administration

The survey was fielded online for a three-week period in 2025 — April 9 to May 1. Nonprofit leaders were sent an email a week before the launch of the survey to reintroduce them to CEP and inform them about this research study. On the survey launch date, participants were sent an email that included a description of the study, a statement of confidentiality, and an individual link to the survey to prevent respondents from completing the survey more than once.<sup>21</sup> The survey was distributed in English and was administered through Qualtrics. Participants were sent up to seven reminder emails. In appreciation for their time, each survey respondent was provided with a \$30 gift card to a retailer of their choice.

#### Nonprofit Response Rate and Response Bias

Completed surveys, defined as having at least 80 percent of the core questions answered, were received from 439 nonprofit leaders. Twelve partially completed surveys, defined as having at least 50 percent of the core questions answered, were received. (See Table 2.)

---

<sup>18</sup> We did not use a probability methodology to construct these samples.

<sup>19</sup> Replacements for leaders who had agreed to be in the original NVP sample but had left the organization since the previous fielding of the survey were made only if their successors reached out and explicitly asked to take the survey in their stead. There was one replacement made.

<sup>20</sup> The first time a survey was administered to this group, the number of eligible respondents in the NVP sample was 893 leaders (*Challenging Times: How U.S. Nonprofit Leaders Are Experiencing the Political Context*).

<sup>21</sup> Participants were also informed that a screen reader option was available if needed.

**TABLE 2. Nonprofit Survey Response Rates**

Survey period	Number of eligible respondents	Number of completed/partial responses	Survey response rate
April 9, 2025 - May 1, 2025	879	451	51%

We analyzed survey responses to determine whether participants were more likely to answer the survey based on staff size, annual expenses, annual revenue, the geographic region where their organization is located, the gender of the nonprofit leader, or whether the nonprofit leader identifies as a person of color.<sup>22</sup> There were no statistically significant differences identified between survey respondents and nonrespondents based on any of these characteristics.

**Nonprofit Respondent Characteristics**

More than half (56 percent) of the responding organizations have a local geographic scope, and 80 percent have a direct service component to their work. Leaders represented organizations that averaged 40 staff members but ranged from one to 2,500 staff members. The areas with the highest number of organizations represented (29 percent of the responding organizations each) were the West and South U.S. census regions.

Leaders were invited to select all that apply for their organization's key focus areas. The top three focus areas were:

- ▶ Human services (46 percent)
- ▶ Education (38 percent)
- ▶ Social justice (25 percent)

In the survey, respondents were also asked questions about their demographic characteristics (see Appendix B).

**Quantitative Analysis of Nonprofit Survey Data**

The unweighted quantitative survey data from nonprofit leaders were examined using descriptive statistics and chi-square tests. An alpha level of 0.05 was used to determine statistical significance for all testing conducted for this research. Effect sizes were examined for all analyses. Unless otherwise noted, only medium or large effect sizes are reported on. Small effect sizes are denoted by the qualifier 'slightly' throughout the report.

<sup>22</sup> Chi-square tests were used to compare respondents and nonrespondents.

## Qualitative Analysis of Nonprofit Survey Data

Thematic and content analyses were conducted on responses to the open-ended items in the survey. A codebook was developed for each open-ended item with more than 200 responses by using Claude, a large language model developed by Anthropic, to create a preliminary list of themes based on response text. Those themes were then checked for accuracy and edited, if needed, by a member of CEP's Research team. All final decisions about codebook themes were made by a member of CEP's team. Each coder used the codebook when categorizing responses, to ensure consistency and reliability. Using MAXQDA, a software program for qualitative and mixed-methods data analysis, one coder coded all responses to a survey question, and a second coder coded 15 percent of those responses. An average interrater reliability (IRR) level of at least 80 percent was achieved for each codebook. Our IRR across items ranged from 89 to 93 percent.

Comments from the open-ended survey responses are included in this report. These comments have been selected to be representative of themes in the data.

## Foundation Survey Methodology

### Foundation Sample Characteristics

In April 2025, CEP invited 770 foundation leaders to participate in a survey.<sup>23</sup> Foundation leaders were eligible for inclusion in this research study if the foundation they worked at:

- ▶ Was based in the United States
- ▶ Was categorized by Candid's online Foundation Directory or CEP's internal contact management software as an independent, health conversion, or community foundation
- ▶ Provided \$5 million or more in annual giving, according to the most recent available year of financial information in Candid's online Foundation Directory or CEP's internal contact management software

Furthermore, to be eligible for inclusion, leaders of eligible foundations must have had:

- ▶ A title of president, CEO, executive director, or equivalent, as identified through the foundation's website, Form 990, or internal CEP staff knowledge
- ▶ An email address that could be accessed online, such as on the foundation's website, or through internal CEP records

### Foundation Survey Instrument

This survey contained 46 items. All organizations were asked questions about their own foundation's attitudes, perceptions, and use when it comes to AI. For foundations indicating that they provide AI implementation support, we also asked about the type of support for AI they provide and about equitable AI. For foundations indicating that they do not provide AI implementation support, we asked why they do not provide this kind of support. A copy of the survey instrument can be found on our website [here](#).

---

<sup>23</sup> Two foundations were removed from this initial sample — the first because the foundation's executive director was unavailable for the duration of the survey period and the other due to the foundation closing.

### Foundation Survey Administration

The survey was fielded online during a five-week period in 2025 — April 9 to May 15. Foundation leaders were sent an email a week before the launch of the survey to introduce them to CEP and this research study. On the survey launch date, participants were sent a brief email that included a description of the study, a statement of confidentiality, and an individualized link to the survey to prevent respondents from completing the survey more than once. The survey was distributed in English and administered through Qualtrics. Participants were sent up to 12 reminder emails. We did not provide any incentives, financial or otherwise, to foundations in exchange for the completion of the survey.

### Foundation Response Rate and Response Bias

Completed surveys, defined as having at least 80 percent of the core questions answered, were received from 205 foundation leaders. Ten partially completed surveys, defined as having at least 50 percent of the core questions answered, were received. (See Table 3.)

**TABLE 3. Foundation Survey Response Rate**

Survey period	Number of Eligible Respondents	Number of Completed/ Partial Responses	Survey Response Rate
April 9, 2025 - May 15, 2025	768	215	28%

We analyzed survey responses to determine whether participants were more likely to answer the survey based on certain foundation characteristics. There were no statistically significant differences found based on a foundation's asset size, annual giving amount, foundation type, number of employees, or its geographic location within the United States. However, leaders of foundations that have used CEP's assessments were slightly more likely to respond to the survey than those from foundations that have not used a CEP assessment.<sup>24</sup>

<sup>24</sup> This statistical relationship is of a small effect size.

### Foundation Respondent Characteristics

Survey respondents represented foundations that varied in type, assets, giving, and geographic region (see Table 4).

**TABLE 4. Characteristics of Responding Foundations**

Foundation characteristics	Survey sample
<i>Type of foundation</i>	<i>N=212</i>
Independent foundation	62%
Community foundation	33%
Other type of foundation	5%
<i>Assets</i>	<i>N=213</i>
Range	~\$6M to ~\$8B <sup>25</sup>
Median value	~\$194M
<i>Giving</i>	<i>N=215</i>
Range	~\$5M to ~\$1B
Median value	~\$12M
<i>Geographic region</i>	<i>N=215</i>
Northeast	27%
Midwest	24%
South	27%
West	21%

*Note: Percentages may add up to less than 100 due to rounding.*

Leaders were invited to select all that apply for program areas they fund. The top three program areas were:

- ▶ Education (74 percent)
- ▶ Health (70 percent)
- ▶ Human services (69 percent)

Respondents were also asked questions about their demographic characteristics (see Appendix C).

<sup>25</sup> One outlier was removed from the responding foundations' asset range as it was potentially identifying.

## Quantitative Analysis of Foundation Survey Data

The unweighted quantitative survey data from foundation leaders were examined using descriptive statistics and chi-square tests. An alpha level of 0.05 was used to determine statistical significance for all testing conducted for this research. Effect sizes were examined for all analyses. Unless otherwise noted, only medium or large effect sizes are reported on. Small effect sizes are denoted by the qualifier 'slightly' throughout the report.

## Qualitative Analysis of Foundation Survey Data

Thematic and content analyses were conducted on responses to the open-ended items in the survey. A codebook was developed for each open-ended item with more than 90 responses by using Claude, a large language model developed by Anthropic, to create a preliminary list of themes based on response text. Those themes were then checked for accuracy and edited, if needed, by a member of CEP's Research team. All final decisions about codebook themes were made by a member of CEP's team. Each coder used the codebook when categorizing responses, to ensure consistency and reliability. Using MAXQDA, a software program for qualitative and mixed-methods data analysis, one coder coded all responses to a survey question, and a second coder coded 15 percent of those responses. An average interrater reliability (IRR) level of at least 80 percent was achieved for each codebook. Our IRR across items ranged from 83 to 96 percent.

Comments from the open-ended survey responses are included in this report. These comments have been selected to be representative of themes in the data.

## Interview Methodology

In the foundation survey, respondents were asked if they'd be willing to be interviewed about their foundation's perspective on AI. After following up with those who volunteered, CEP was not able to secure many interviews. We therefore sought suggestions of nonprofits and foundations that were using or funding AI in strategic or creative ways from the project's advisory group as well as from an external consultant conducting the interviews. CEP and Lowell Weiss of Cascade Philanthropy Advisors conducted all interviews in June and July of 2025.

## Research Limitations

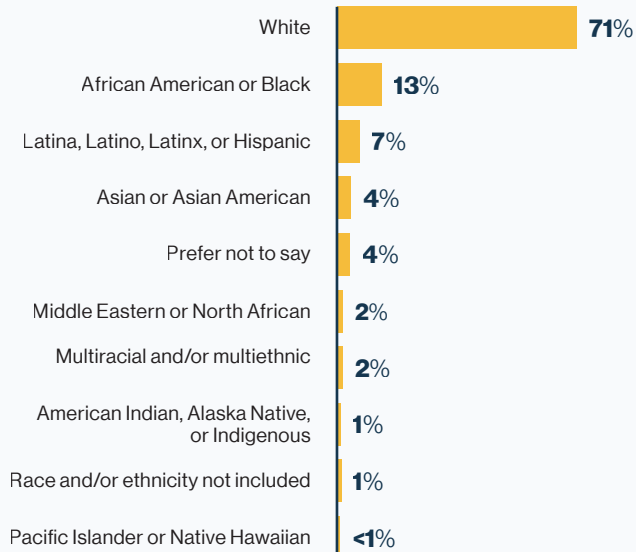
As is true of survey research in general, it is not possible to draw causal conclusions from this data. Additionally, we are unable to know whether the leaders who chose to respond to these surveys represent organizations that have spent more time using or thinking about AI than other foundation and nonprofit leaders. This should be kept in mind when generalizing these findings.



# APPENDIX B:

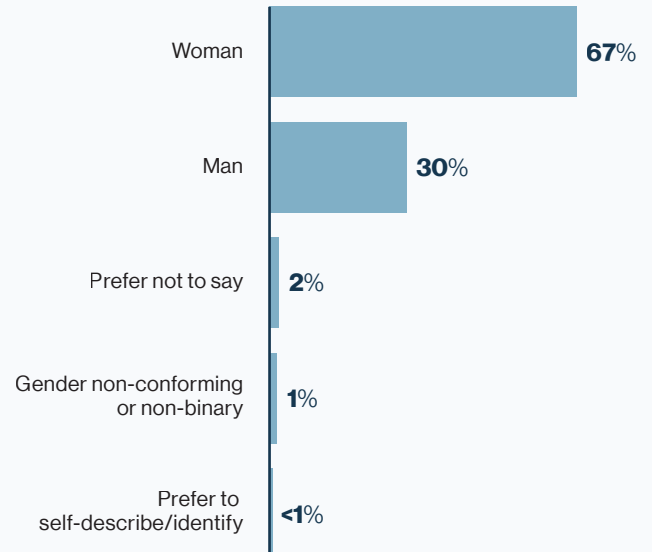
## Nonprofit Survey Respondent Demographics

### What is your race or ethnicity? (N=435)



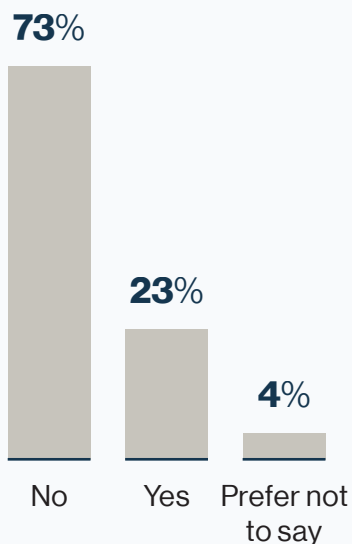
Note: Percentages add up to more than 100 because respondents could select all that apply.

### How do you describe yourself? (N=435)

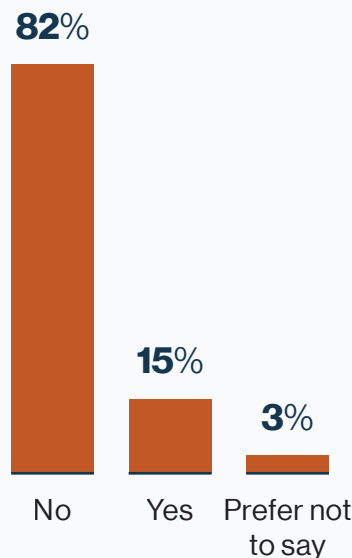


Note: Percentages add up to more than 100 because respondents could select all that apply.

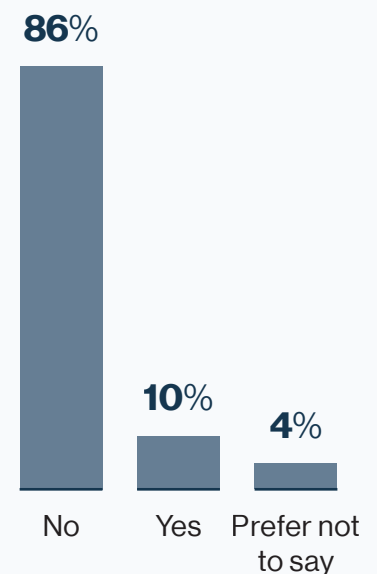
### Do you identify as a person of color? (N=435)



### Do you identify as a member of the LGBTQ+ community? (N=435)



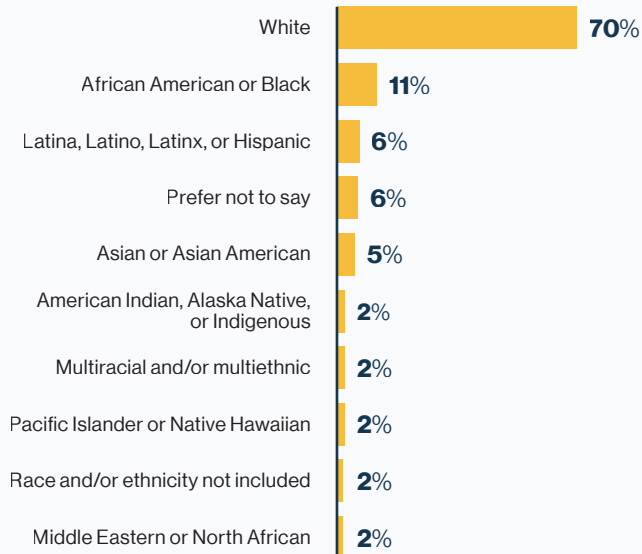
### Do you have a disability? (N=435)



# APPENDIX C:

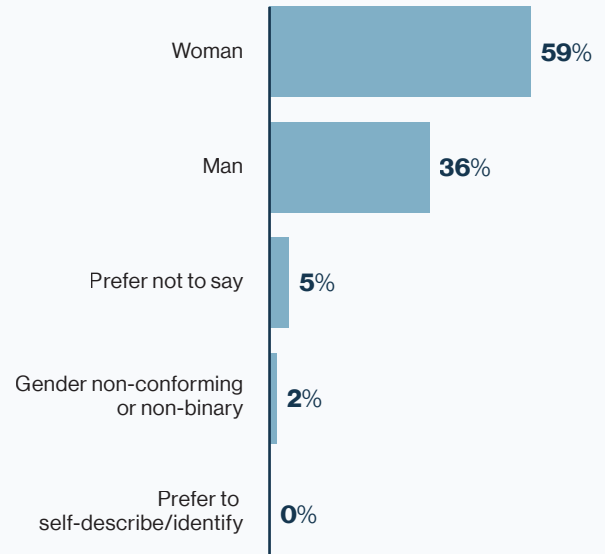
## Foundation Survey Respondent Demographics

### What is your race or ethnicity? (N=203)



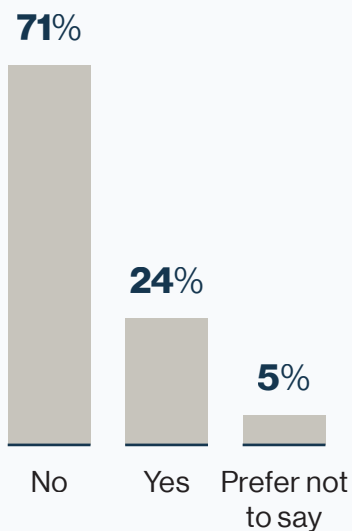
Note: Percentages add up to more than 100 because respondents could select all that apply.

### How do you describe yourself? (N=202)

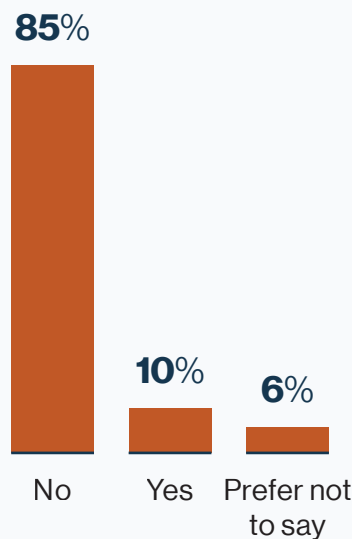


Note: Percentages add up to more than 100 because respondents could select all that apply.

### Do you identify as a person of color? (N=204)

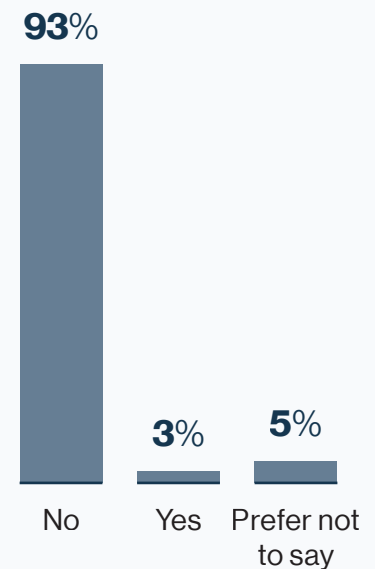


### Do you identify as a member of the LGBTQ+ community? (N=201)



Note: Percentages add up to more than 100 due to rounding.

### Do you have a disability? (N=202)



Note: Percentages add up to more than 100 due to rounding.





THE CENTER FOR  
EFFECTIVE PHILANTHROPY

**cep.org**