

**BC
CCC**

BOSTON COLLEGE
**CENTER FOR
CORPORATE
CITIZENSHIP**

CARROLL SCHOOL OF MANAGEMENT



ARTIFICIAL INTELLIGENCE IN PHILANTHROPIC GRANTMAKING

2025

Learn the tools of the trade. Ask us anything!

|How can artificial intelligence be utilized in philanthropic grantmaking?



Attach



Image



Analyze

Introduction

Before exploring specific applications, it is essential to understand what we mean when we discuss artificial intelligence in the context of philanthropic grantmaking. AI refers to computer systems that can perform tasks typically requiring human intelligence, such as recognizing patterns, making predictions, processing natural language, and analyzing complex datasets. In grantmaking, these capabilities can be applied to streamline processes, enhance decision-making, and identify opportunities that might otherwise be overlooked.

Grantmaking itself is the systematic process by which philanthropic organizations distribute financial resources to nonprofit organizations, causes, and initiatives that align with their mission and strategic objectives. This process traditionally involves multiple stages, including application review, due diligence, decision-making, monitoring, and evaluation. Each of these stages presents opportunities for AI enhancement that can make your work more efficient. AI in this context is used as an assistive or supplementary technology rather than a substitute for human judgement.

Possible AI Applications and Use Cases

AUTOMATED APPLICATION PROCESSING AND INITIAL ASSESSMENT

The foundation of many AI applications in grantmaking begins with document processing and initial application review. Modern natural language processing systems can read grant applications, extract key information, and organize this data in standardized formats, regardless of how applicants originally submitted their materials. This capability addresses a persistent challenge in philanthropy wherein organizations submit proposals in varying formats, making systematic comparison difficult.

Consider how this might work in practice. A corporate giving program receives applications in multiple formats, including PDF documents, online forms, and even email attachments. An AI system trained for this purpose could analyze each submission and extract essential information, such as the requesting organization's name, mission statement, project description, budget requirements, and timeline. The system would then organize this information into a standardized database format that enables consistent comparison across all applications.

The Justification for Considering AI Integration

The corporate giving field currently faces what researchers call a “capacity–demand mismatch.” Giving teams report being overwhelmed by increasing need and increased numbers of worthy applicants while working with limited staff resources. This constraint means that potentially transformative initiatives may not receive adequate attention simply due to volume limitations.

Simultaneously, there is growing recognition that traditional grantmaking processes may inadvertently perpetuate systemic inequities. Research has documented how unconscious bias can influence funding decisions, often disadvantaging organizations led by people of color, women, or those serving marginalized communities. The combination of time constraints and potential bias creates a compelling case for technological augmentation that can process larger volumes of information more consistently while potentially reducing human prejudices.

AI technologies offer a pathway to address both challenges simultaneously. Rather than replacing human judgment, these tools can handle routine analytical tasks, surface relevant patterns from large datasets, and provide program officers with better information for making strategic decisions. The goal is to create more time for the relationship-building and strategic thinking that constitute the most valuable aspects of human involvement in philanthropy.

EXAMPLE: AI PROMPT FOR APPLICATION PROCESSING

We used the prompt below with three actual grant applications for a STEM/STEAM program.

Please evaluate this proposal across the following dimensions:

1. STRATEGIC ALIGNMENT

- How well do these proposals align with our stated giving priorities?
- What specific aspects of each demonstrate strong/weak alignment?
- Rate alignment on a scale of 1–10 with justification.

2. PROBLEM CLARITY AND NEED

- How clearly is the problem defined?
- What evidence supports the stated need?
- How compelling is the case for intervention?

3. SOLUTION VIABILITY

- How innovative and practical is the proposed solution?
- What are the key strengths and potential weaknesses?
- How does this approach compare to established best practices?

4. ORGANIZATIONAL CAPACITY

- What evidence suggests the organization can execute this project?
- What are potential capacity gaps or risks?
- How strong is the organization's track record with similar initiatives?

continued...

5. IMPACT POTENTIAL

- What is the potential reach and depth of impact?
- How realistic and measurable are the proposed outcomes?
- What is the cost per beneficiary or cost per outcome?

6. EQUITY CONSIDERATIONS

- How does this proposal address systemic inequities?
- Which underserved populations will benefit?
- What inclusive practices are evident in the approach?

7. SUSTAINABILITY

- How will the project sustain itself beyond our funding?
- What systems-change potential exists?
- What is the long-term vision?

Please provide:

- A table presenting a comprehensive analysis addressing each dimension
- A summary scoring table (1–10 for each dimension)
- Three key strengths and three primary concerns
- A recommendation (fund, conditional fund with modifications, or decline) with rationale
- Suggested questions for follow-up if we proceed

Of course, I can help with that.

This prompt with three actual grant applications returned this comparative summary:

Results:

Dimension	XYZ Foundation – Developing Regions	STEAM Backpack Program	Youth STEM Program
1. STRATEGIC ALIGNMENT	<ul style="list-style-type: none"> • Strong alignment with STEM education focus • Targets developing regions (international scope) • May not align with local community focus • Comprehensive STEM approach 	<ul style="list-style-type: none"> • Perfect alignment with STEM + arts integration • Serves local K–5 students • Strong innovation through hands-on learning • Clear community engagement model 	<ul style="list-style-type: none"> • Excellent alignment with all priorities • Specifically targets youth • Local community focus • Innovation through multifaceted programming
2. PROBLEM CLARITY	<ul style="list-style-type: none"> • Well-articulated global STEM access issues • General statements about barriers • Lacks specific local data • Broad problem definition 	<ul style="list-style-type: none"> • Clear local problem with specific numbers • Current limitations: 1.33 checkouts/year/student • COVID impact acknowledged • Strong evidence from pilot program 	<ul style="list-style-type: none"> • Compelling data on minority underrepresentation • Cites BLS projections for STEM jobs • Identifies specific systemic barriers • Clear connection to workforce diversity
3. SOLUTION VIABILITY	<ul style="list-style-type: none"> • Comprehensive but ambitious • May be too broad for effective implementation • Traditional approach (labs, training, curriculum) • Sustainability concerns for infrastructure 	<ul style="list-style-type: none"> • Highly innovative and proven concept • Already piloted successfully • Scalable model • Cost-effective at \$12.28 per student • Clear logistics and processes 	<ul style="list-style-type: none"> • Well-designed multi-component approach • Evidence-based interventions • Strong mentorship component • Reasonable scope for budget

4. ORGANIZATIONAL CAPACITY	<ul style="list-style-type: none"> • No specific organization identified • Template proposal lacks institutional details • No track record provided • Unclear implementation partners 	<ul style="list-style-type: none"> • Established school libraries leading • Proven pilot from 2019 • Clear volunteer engagement plan • Strong administrative support evident 	<ul style="list-style-type: none"> • Clear implementation framework • Partnerships strategy outlined • No specific organizational track record • Relies heavily on external partnerships
5. IMPACT POTENTIAL	<ul style="list-style-type: none"> • Potentially broad but vague impact • No specific beneficiary numbers • Outcomes not quantified • No cost-per-beneficiary data 	<ul style="list-style-type: none"> • 859 eligible students • From 600 to 4,500 checkouts/year • 22,500 opportunities over five years • Clear cost: \$12.28/student for multiyear impact 	<ul style="list-style-type: none"> • 50% increase in participation target • 20% academic improvement goal • 100 mentorship pairings • \$833/student/year cost
6. EQUITY CONSIDERATIONS	<ul style="list-style-type: none"> • Addresses global inequities • General statements about access • No specific demographic targeting • Limited cultural adaptation discussion 	<ul style="list-style-type: none"> • Universal access with permission slips • Serves diverse K–5 population • Home-school connection supports equity • May miss students without parental engagement 	<ul style="list-style-type: none"> • Explicitly targets youth • Addresses systemic barriers • Family engagement component • Strong equity focus throughout
7. SUSTAINABILITY	<ul style="list-style-type: none"> • Good sustainability framework • Government partnership strategy • Industry connections for jobs • Infrastructure maintenance concerns 	<ul style="list-style-type: none"> • One-time investment for multiyear use • PTC volunteer support • Low ongoing costs • Materials can last five-plus years • School budget integration potential 	<ul style="list-style-type: none"> • Three-year funding plan • Seeking diverse funding sources • Partnership sustainability strategy • Ongoing funding needs after grant

Summary Scoring Table (1–10)

Dimension	XYZ Foundation	STEAM Backpack	Youth STEM
Strategic Alignment	6	9	10
Problem Clarity	5	9	8
Solution Viability	5	9	8
Organizational Capacity	3	9	6
Impact Potential	4	8	7
Equity Considerations	5	7	9
Sustainability	6	9	6
TOTAL SCORE	34/70	60/70	54/70

Key Strengths and Concerns

STEAM Backpack Program

Strengths:

1. Proven pilot with measurable success and student enthusiasm
2. Exceptional cost effectiveness at \$12.28 per student
3. Sustainable model requiring minimal ongoing investment

Concerns:

1. Limited to elementary grades (K–5 only)
2. Depends on parental permission/engagement
3. May need quality control as program scales

Youth STEM Program

Strengths:

1. Direct focus on equity and youth advancement
2. Comprehensive programming across multiple touchpoints
3. Strong mentorship component addressing role model gaps

Concerns:

1. High cost per student (\$833/year)
2. Sustainability requires continuous fundraising
3. Success depends heavily on partnership execution

XYZ Foundation Proposal

Strengths:

1. Addresses global STEM education inequities
2. Comprehensive approach to systemic change
3. Strong sustainability planning

Concerns:

1. Vague organizational details and implementation plan
2. International scope may not align with local priorities
3. No specific budget or measurable outcomes provided

Recommendations

1. STEAM Backpack Program: FUND

- Exceptional value proposition with proven success
- Directly serves local community with immediate impact
- One-time investment yields five-plus years of programming

2. Youth STEM Program: CONDITIONAL FUND

- Request budget reduction to focus on highest-impact components
- Require clearer organizational capacity documentation
- Consider partial funding for pilot year with performance metrics

3. XYZ Foundation Proposal: DECLINE

- Insufficient alignment with local community focus
- Require clearer organizational capacity documentation
- Consider partial funding for pilot year with performance metrics

Suggested Follow-Up Questions

For STEAM Backpack Program:

1. How will you ensure equitable access for students whose parents may not return permission slips?
2. What plans exist to expand the program to middle/high school students?
3. How will you measure learning outcomes beyond participation rates?
4. Can you provide examples of student Flipgrid testimonials from the pilot?

For Youth STEM Program (If Proceeding):

1. Which specific organization will lead implementation?
2. Can the budget be optimized to serve more students? How will you measure learning outcomes beyond participation rates?
3. What evidence exists of your team's prior program management success?
4. How will you ensure mentor quality and sustained engagement?
5. What percentage of the budget goes directly to student programming vs. overhead?

ELIGIBILITY SCREENING

Beyond simple information extraction, AI systems can perform initial eligibility screening by comparing application details against a corporate giving program's stated funding criteria. This process involves training machine-learning models to recognize patterns that indicate whether a proposal aligns with the organization's geographic focus, issue areas, organization types, and funding parameters. Such screening does not make final funding decisions but rather helps program officers prioritize their attention on applications that meet basic requirements.

EXAMPLE: AI PROMPT FOR ELIGIBILITY SCREENING

Evaluate this grant application against our funding criteria: We fund environmental conservation projects in the Pacific Northwest region, with grants ranging from \$10,000 to \$100,000, for organizations with annual budgets under \$2 million. Provide a compliance assessment indicating whether this application meets our basic eligibility requirements and explain any areas of concern or ambiguity that require human review.

ENHANCED DUE DILIGENCE AND RISK ASSESSMENT

Due diligence represents another area where AI can significantly enhance grantmaker capabilities while maintaining appropriate human oversight. Traditional due diligence involves reviewing an organization's financial statements, governance structures, track record, and leadership stability. These reviews require substantial time and expertise, particularly when evaluating dozens or hundreds of potential grantees.

AI systems excel at analyzing financial documents to identify patterns that might indicate organizational health or potential concerns. Machine-learning algorithms can be trained to recognize warning signs in financial statements, such as declining revenue trends, irregular expense patterns, inadequate reserves, or discrepancies between different reporting periods. These systems can process years of financial data in minutes, flagging anomalies that warrant closer human examination.

EXAMPLE: AI PROMPT FOR FINANCIAL ANALYSIS

Analyze the attached three years of financial statements and Form 990s for this nonprofit organization. Identify any concerning trends in revenue, expenses, or net assets. Calculate key financial health indicators, including months of operating reserves, program expense ratio, and year-over-year growth rates. Flag any irregularities or red flags that suggest potential financial instability or governance issues requiring further investigation.

Risk assessment extends beyond financial considerations to include factors such as leadership transitions, external environmental pressures, and operational challenges. AI systems can analyze news articles, social media mentions, and public records to identify potential reputational or operational risks that might affect an organization's ability to successfully implement a proposed project. ALWAYS check every link provided, as AI may sometimes fabricate results.

EXAMPLE: AI PROMPT FOR COMPREHENSIVE RISK ASSESSMENT

Conduct a comprehensive risk assessment for this organization by analyzing available public information, including recent news coverage, leadership changes in the past two years, any legal proceedings, and external factors affecting their operating environment. Provide a risk rating with specific concerns highlighted and recommendations for additional due diligence areas that warrant human investigation. Please provide permalinks to all sources.

BIAS REDUCTION AND EQUITY ENHANCEMENT

One of the most promising applications of AI in grantmaking involves its potential to reduce unconscious bias and promote more equitable funding patterns. Traditional grant review processes can inadvertently favor certain types of organizations or proposals based on factors unrelated to merit or potential impact. To alleviate such bias, AI systems can be designed to focus on substantive criteria while minimizing the influence of irrelevant characteristics.

Blind review processes represent one approach to bias reduction. AI systems can, for instance, facilitate anonymous initial reviews by removing identifying information about organizations while preserving the substantive details of their proposals. This allows reviewers to focus on project quality, innovation, and potential impact without being influenced by an organization's size, location, or previous funding history.

EXAMPLE: AI PROMPT FOR BLIND REVIEW PREPARATION

Prepare this grant application for anonymous review by removing all identifying information, including the organization's name, location, staff names, board members, and previous funders, while preserving all substantive details about the proposed project, methodology, outcomes, budget, and organizational capacity. Ensure the remaining content allows for a meaningful evaluation of project merit and feasibility.

AI can also support equity initiatives by analyzing funding patterns across different demographic groups and geographic regions. These analyses can reveal disparities that might not be apparent to individual program officers and can thus help develop more intentional strategies for inclusive grantmaking.

EXAMPLE: AI PROMPT FOR EQUITY ANALYSIS

Analyze our grant portfolio from the past five years to identify patterns in funding distribution across the following dimensions: organization size (by annual budget), leadership demographics, geographic location, and community served. Identify any significant disparities and highlight areas where our funding may not be reaching diverse or marginalized communities proportionally.

STRATEGIC INSIGHTS AND PORTFOLIO MANAGEMENT

Perhaps the most sophisticated application of AI in grantmaking involves generating strategic insights from large datasets that would be impossible for humans to analyze manually. These capabilities can help organizations understand broader patterns in their work, identify emerging opportunities, and make more informed strategic decisions about their philanthropic investments.

This pattern recognition represents a fundamental strength of machine-learning systems. When applied to grant portfolios, these systems can identify successful funding strategies, predict which types of projects are most likely to achieve desired outcomes, and surface unexpected connections between different initiatives. Such insights can inform future funding decisions and help maximize impact.

EXAMPLE: AI PROMPT FOR PATTERN ANALYSIS

Analyze our complete grant portfolio database to identify patterns associated with high-impact grants based on our evaluation criteria. Consider factors such as organization characteristics, project types, funding amounts, implementation strategies, and environmental conditions. Provide insights about what distinguishes our most successful grants and recommendations for future funding strategy.

Critical Cautions and Potential Pitfalls

THE CHALLENGE OF BIAS AMPLIFICATION

While AI offers potential for reducing bias, it simultaneously presents risks of amplifying existing prejudices in more subtle and persistent ways. Machine-learning algorithms learn from historical data, which means they can perpetuate and systematize past discriminatory practices. In grantmaking, this could mean that AI systems trained on decades of funding decisions might systematically undervalue applications from certain types of organizations or communities.

Algorithmic bias often operates in ways that are less visible than human bias, making this challenge particularly acute. While a human reviewer might recognize and correct their unconscious preferences, AI systems can embed these biases in mathematical models that appear objective but actually encode historical inequities. For example, if a foundation historically funded fewer organizations led by women or people of color, an AI system might learn to associate certain demographic characteristics with “unsuccessful” applications, creating a self-reinforcing cycle of exclusion. This means you have to be very conscious about what you are asking the tool to do.

OVERRELIANCE ON QUANTITATIVE MEASUREMENTS

AI systems excel at processing quantifiable information but may inadequately value qualitative factors that are equally important for philanthropic impact. This imbalance creates a risk that givers might gradually shift their focus toward outcomes that are easy to measure rather than those that are most important for achieving their mission.

Consider the difference between quantifiable outputs like “number of people served” and more complex outcomes like “community empowerment” or “systems change.” While AI can readily process numerical targets and measurable deliverables, it may struggle to adequately weigh factors like cultural competency, community trust, or innovative approaches that do not fit historical patterns.

This limitation becomes particularly concerning when considering that some of the most transformative social change initiatives may not conform to traditional metrics or patterns. Grassroots movements, innovative approaches, and work in marginalized communities might appear less promising to AI systems trained on conventional success indicators, even though such initiatives might represent exactly the kind of risk-taking that philanthropy should support.

RELATIONSHIP AND TRUST IMPLICATIONS

Philanthropy fundamentally depends on relationships and trust between funders and the communities they serve. Over-automation risks undermining these essential connections by creating distance between program officers and applicants, reducing opportunities for cooperative learning and mutual understanding.

When organizations perceive that their proposals are being evaluated primarily by algorithms rather than humans who understand their work and context, the collaborative spirit that makes philanthropy most effective can be damaged. This concern is particularly acute for smaller organizations or those serving marginalized communities who may already feel disadvantaged in traditional funding processes.

For these reasons, we recommend that AI be used as an assistive technology to help you organize and present information rather than a decision tool. Always ask the AI agent to provide permalinks or page numbers if you are uploading documents, and check every one that is cited.

Implementation Recommendations for Responsible AI Adoption

The successful implementation of AI in grantmaking requires a thoughtful, gradual approach that prioritizes learning and adaptation over rapid deployment. Grantmakers should begin with low-stakes applications such as administrative tasks and document processing, gaining experience and building internal capabilities before moving to more consequential decision-support functions.

Throughout this process, maintaining robust human oversight remains essential. AI should augment rather than replace human judgment, with clear protocols in place for when and how human reviewers should intervene in AI-assisted processes.

Regular bias testing and impact evaluation should be built into any AI implementation from the beginning. This means not only testing systems before deployment but also continuously monitoring their effects on funding patterns and outcomes. Givers should be prepared to modify or discontinue AI applications if they produce discriminatory results or fail to improve on human-only processes.

The ultimate test of AI in grantmaking should not be whether it makes processes faster or more efficient but whether it helps corporate givers better achieve their philanthropic missions while preserving the values of equity, transparency, and community responsiveness that make philanthropy effective. This requires viewing AI as a tool for enhancing human capabilities rather than replacing human judgment, an attitude that demands an ongoing commitment to learning, adaptation, and accountability.



BOSTON COLLEGE
CENTER FOR CORPORATE CITIZENSHIP
CARROLL SCHOOL OF MANAGEMENT

KNOW MORE. DO MORE. ACHIEVE MORE.

Based in the **Carroll School of Management**, the Boston College Center for Corporate Citizenship combines the most valuable aspects of a professional community and the resources of a leading academic institution for our members. We integrate the perspectives and experience of some of the leading corporate citizenship professionals in the field today with management best practices, helping you align your corporate citizenship objectives and business goals. Center resources support positive outcomes for your functional area, your organization as a whole, and for you as a leader.

ccc.bc.edu

