The Institute of Clever Stuff

AI guardrails checklist for charities

Go through this checklist with your seniorteamandtrustees before anyAItool touches supporter or serviceuser data.Itcovers five areas: getting started,data,cost,risk andpeople. If you can tick every box, you're in a goodplace. Any box youcan't tickshowsyou what to decidenext.

Before you start *The board owns the decision.*

- ☐ Trustees have discussed AI and agreed who in the senior team owns it.
- ☐ An AI policy is agreed before any tool is used. If AI is used in fundraising, or in anything supporters or service users see, the policy is also published on your website.
- ☐ You know how staff and volunteers already use AI, including free tools on personal accounts.
- ☐ A risk assessment is done for the use you have in mind, plus a data protection impact assessment where personal data is involved. AI sits on your risk register.
- ☐ AI know-how sits with more than one or two people.

01 Data *Staysunderyourcontrol.*

- ☐ You know where data goes when a tool is used, where it is stored, and whether the supplier can use it to train its models.
- ☐ No supporter or service user personal data goes into free, public AI tools.
- ☐ Health information, case notes and anything about vulnerable people gets extra protection, or stays out of scope.
  These are often special category data under UK GDPR.
- ☐ Private or UK hosting is used where the sensitivity of the data needs it.
- ☐ Your privacy notice explains any AI processing of personal data.

02 Cost *You setthe ceiling.*

- ☐ A hard spending cap is set with the supplier, not only a line in the budget.
- ☐ No open-ended, unlimited or auto top-up credits.
- ☐ AI spend goes through your normal financial controls: approval, purchasing and card limits.
- ☐ A named budget holder sees usage every month.
- ☐ You know the cost per task (for example, per letter handled) before you scale up.

03 Risk *Governed access, approved first.*

- ☐ Thereis an approved tools list. Nothing connects to your CRM or case management system without sign-off.
- ☐ Licence terms are checked: who owns the outputs, what the supplier may do with your data, and what use is permitted.
- ☐ Access is limited to the people and records the task needs.
- ☐ AI tools meet the same cyber security standards as the rest of your systems, and are covered by your incident plan.
- ☐ New tools are piloted small and closed first, with findings reported to the board.
- ☐ Agencies, contractors and professional fundraisers working for you follow the same rules.

04 People *AI assists. People decide.*

- ☐ Anamedperson checks AI output before it reaches a supporter, donor or service user.
- ☐ No decision that affects a supporter or service user is made by AI alone.
- ☐ Anything involving safeguarding or vulnerable people is always handled by a person.
- ☐ Supporters and service users are told when AI is used, and told more clearly where they could otherwise be misled.
- ☐ Staff and volunteers are trained for the tool they use, and checks are recorded where proportionate.

A safe first step

Choose one repetitive, low-risk task, such as sorting and summarising incoming supporter letters. Run it with all four guardrails in place. A person still reviews every reply. Measure the staff time it frees and report it to your trustees. Then decide whether to do more.

Want help with yours?

The Institute of Clever Stuff helps charities use data and AI safely, with the capability left in your team. Message us on LinkedIn for a conversation about a safe first step.

Where this comes from

CharityCommission: The essential trustee (CC3), on the duty to act with reasonable care and skill; Charities and risk management (CC26); Internal financial controls for charities (CC8); and its blog Charities and artificial intelligence (April 2024), which asks trustees to apply existing guidance to AI, consider an internal AI policy and look at how staff and volunteers already use it.

Charity Governance Code (2025): Suggests a policy for the use of technology and AI tools, and recommends adopting an established digital standard.

Charity Digital Code of Practice (2025): Sector-led good practice on digital, data, technology procurement and AI.

Information Commissioner's Office: Guidance on AI and data protection, including when a data protection impact assessment is needed.

National Cyber Security Centre: AI and cyber security: what you need to know, its guidance for charities, and Cyber Essentials.

Fundraising Regulator: Guidance for using artificial intelligence in fundraising (December 2025). Applies wherever AI supports fundraising: board accountability, a published policy, human oversight, transparency with donors, and responsibility for third-party fundraisers.

There is no single AI rulebook for charities. This checklist brings the relevant guidance together. It is not legal advice.