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The Philanthropic Reset: How Philanthropy Can Lead in the Age of Al

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We Stand at a Juncture

History presents us with moments that demand not just attention, but a fundamental shift in approach. We stand at such a juncture. The world is undergoing a technological transformation at the same time as our social and political landscape is shifting.

<u>Public aid</u> and public trust are at a low. Governments around the world have <u>reduced their contributions</u> to aid international efforts. This shift has dire impacts. <u>Bill Gates</u> warned: "The number of [childhood] deaths will start going up for the first time." Around the world, but especially in Western democracies, we see popular <u>sentiment</u> is increasingly pessimistic, marked by distrust of institutional leaders and a doubt that the next generation will be better off than the last. This global turbulence is exacerbating social problems. Already, we are behind on hitting the global commitment to the Sustainable Development Goals (SDGs). According to the <u>UN's 2024 report</u>, "For a large majority (84%) of the SDG targets, progress is either limited or even reversing." On top of this, new U.S. tax rules reshape incentives for giving.

At the same time, <u>Al is advancing</u> at breakneck speed, with potential to impact society in ways we can't yet predict. Harnessed the right way, Al has the potential to address the turbulence and offer tremendous benefits to society – particularly in the areas of <u>education</u>, <u>economic empowerment</u>, <u>and health</u>. <u>Bill Gates</u> <u>also</u> said: "The truth is, there have never been more opportunities to help people live healthier, more prosperous lives. Advances in technology are happening faster than ever, especially with artificial intelligence on the rise. Even with all the challenges that the world faces, I'm optimistic about our ability to make progress." We have an opportunity to shape Al's use to benefit people and society at a critical time.

To pull it off, philanthropy must evolve. The sector needs to reckon with hard truths and respond with urgency. One of those truths: the organizations designed to buffer these shocks — nonprofits — are behind the tech curve. Lacking the tech infrastructure to navigate this new landscape, they struggle to support the very communities most impacted. This whitepaper draws on the insights of frontline Al-powered nonprofits, leading philanthropists, and emerging research from Fast Forward and the broader landscape to illuminate the hard truths of the present and the promising signals of an alternate future.

We identify critical areas where risk-tolerant capital and robust cross-sector partnerships can unlock durable impact. We also discuss the need to confront the digital fragility of the nonprofit sector and the systemic barriers hindering innovation. Ultimately, this report offers three actionable recommendations, inviting forward-thinking philanthropists to pool resources, open tools, and lend their leadership to future-proof civil society in this extraordinary moment.

"I do see this as an inflection point... There have been just a few times like this that I've experienced where technology is truly enabling possibilities that weren't feasible before."

- Maggie Johnson, VP and Global Head, Google.org



Shannon Farley leading a hands-on roundtable at Google.org Impact Summit: EMEA

We Need to Confront Hard Truths

Al is now table-stakes infrastructure in <u>most industries</u>, yet the nonprofits charged with protecting society's most vulnerable are years, sometimes decades, behind. That gap isn't about imagination or innovation. It's about the norms funders created — and can reshape. Closing this digital divide is one of the highest-leverage moves a philanthropist can make this decade.

As philanthropic leaders, let's confront hard truths:

Al will solve some problems but may exacerbate others.

Al holds transformative potential — but change is hard. Across the globe, the rapid evolution of Al is <u>reshaping labor markets</u>. The speed is unprecedented. In the near future, most jobs will look remarkably different, triggering a surge in demand for reskilling and safety net services. Al adoption is already <u>leapfrogging and enabling new paths forward</u>, particularly in emerging markets. Yet so often, breakthroughs happen to the Global South, not with it. Most African countries, for example, still face gaps in infrastructure, talent, and investment that make Al accessibility uneven at best. Without action, <u>the risk isn't just misuse</u> — <u>it's missed use</u>. And missed use means missing out on smarter crop planning, faster disease detection, and more inclusive digital economies. Therefore, while the benefits of Al are unparalleled, we must also be cautious to ensure that Al is making the change we want to see.

"Economic growth alone is not enough to solve the problem of poverty. We need inclusive growth."

- Abhijit V. Banerjee

Nonprofits are largely behind the tech curve.

Nonprofits — the organizations tasked with addressing social challenges — are at a disadvantage in navigating this evolving landscape. Frontline nonprofits often have outdated technical infrastructure and scarce technological talent. The sector has been slow to adopt paradigmshifting technologies like <u>cloud computing</u>, let alone Al. Nonprofits are still barely experimenting with tools that are becoming non-negotiable elsewhere, like cybersecurity. When models that could optimize food-bank supply chains or mental-health triage remain out of reach, communities miss out on faster, smarter help. In short, the organizations we need operating at full force are being asked to solve 21st-century problems with 20th-century tech.

Philanthropy disincentivizes digital innovation.

Current funding norms work against digital progress. Overhead caps block engineer salaries and cloud computing expenses. One-year grant cycles push quick fixes over enduring tech builds. 45% of nonprofits say they aren't spending enough on technology, citing factors like lack of budget and grantmaker support. What's more, 84% of Al-powered nonprofits say additional funding would most help them further develop and scale Al. When capital treats tech infrastructure and experimentation as luxuries rather than mission-critical assets, nonprofits must triage toward short-term fixes and defer transformational tech bets. Unless the incentives flip, nonprofits will remain digitally immature. The result: widening the very gaps philanthropy hopes to close.

Lack of coordination and collaboration across sectors.

The challenges we face are too big for any single actor, or even sector, to solve alone. Systemic threats ignore sector lines, but our responses still travel in silos. Philanthropic collaboratives, the field's chief pooling mechanism, move only a fraction of giving each year, leaving most dollars scattered across one-off grants. Moreover, while Al-powered nonprofits are building powerful tools, those tools are not yet properly leveraged by other nonprofits, leaving impact on the table. Until money, information, and talent are lined up across players, including government, nonprofits, and locally-based startups, we will keep duplicating efforts. We will miss early-warning signals and pay ever-higher prices to put out fires.

Together, these factors result in a widening gap between today's needs and philanthropy's capacity to respond. The pages ahead map how bold, collaborative, tech-first philanthropy can close that gap.

"At present, it seems that the majority of human ingenuity, effort, and financial and other resources are disproportionately focused on commercial applications and the economic potential of AI, and not enough on the other issues that are also critical for AI to be a net benefit to humanity... We can change that."

 James Manyika, Senior VP, Google

It's Time to Reset the Philanthropic Agenda

To seize this moment, here are a few solutions philanthropy could consider:

- Future-proof the nonprofit sector through tech capacity
- · Engineer radical cross-sector partnership
- Deploy risk capital strategically across the tech-nonprofit lifecycle

The Gates Foundation: Investing in AI to Close the Gap Faster

In May of this year, the Gates Foundation announced <u>plans to sunset</u> by 2045. It is part of a broader, bold, time-bound vision: solve humanity's most urgent challenges in the next 20 years. The plan is based on the belief that today's innovations, especially in AI, can accelerate progress if deployed boldly. The Foundation's efforts will be guided by three goals: end preventable deaths among mothers and children, eradicate deadly infectious diseases, and help hundreds of millions of people escape poverty.

Al is central to the strategy. The Foundation recognizes that it must invest across the Al innovation lifecycle to achieve their lofty goals. Take infectious disease. At the earliest end of the lifecycle, the Foundation funds Al-powered nonprofit VectorCam. VectorCam uses Al-powered image recognition to help frontline health workers identify malaria-carrying mosquitoes. At the later-stage, the Foundation partners with large-scale delivery organizations like Gavi, the Vaccine Alliance. Gavi, in partnership with tech nonprofit Nexleaf Analytics, not only supports vaccine procurement and distribution but also integrates Al and data science to enhance immunization coverage and equity.

The Gates Foundation sees collaboration as key to solving these urgent problems. They broker partnerships across sectors, <u>pairing</u> ministries of health with AI researchers, and <u>connecting</u> digital agriculture innovators with smallholder farming networks. This approach reflects a belief that no one actor can solve these problems alone. In doing so, the Gates Foundation models what bold, coordinated, tech-powered philanthropy can look like at the speed and scale this moment demands.



VectorCam's Al-powered mosquito identifier (credits: Gates Notes)



Nexleaf preserves vaccine efficacy (credits: Nexleaf)

Future-Proof the Nonprofit Sector Through Tech Capacity

The need for a digitally-empowered social sector has never been more pronounced. As societal needs evolve with increasing speed and complexity, nonprofits must be equipped not only to respond, but to anticipate, adapt, and innovate. Not every nonprofit needs to build their own technology, but all should be tech users and deployers for the populations they serve. With robust digital infrastructure, especially AI, nonprofits can identify root causes faster, personalize interventions, and scale solutions that were once out of reach. Strong R&D and technical capacity enable them to move from short-term relief to long-term impact. Philanthropy must invest — not just in outcomes — but in the systems, tools, and talent that make those outcomes possible. Strategic frontloading of investment in AI now could fundamentally reduce the sector's long-term financial dependency, and see the best possible solutions purpose-built by nonprofits to address emerging and evolving challenges.

What philanthropic leaders can do:

Treat tech and data as core program costs.

Make technology and data default budget lines, funded on par with direct services. In Google.org's Nonprofits & Generative AI report, 51% of nonprofits cite funding constraints as one of the top issues preventing them from adopting AI. Fast Forward's research reveals that most AI-powered nonprofits cite financial constraints as the main barrier to scaling their AI work. Upstream, over half of foundations spend <5% of their budget on technology, starving grantees of data management systems, cybersecurity tools, and engineers. Raising that share and lifting rigid overhead caps on tech puts future dollars to work faster. This is especially important in a moment of global constriction of aid budgets, when nonprofits will have to stretch scarce dollars further than before. Philanthropic dollars may also be harder to secure. In the United States, the new One Big Beautiful Bill Act tightens rules for major donors and requires companies to give at least 1% of taxable income before deductions apply — a shift that could dampen traditional streams of giving. Building resilient, tech-enabled nonprofits is one way to offset these pressures. All investments in particular can augment staff capacity, personalize service delivery, and unlock new efficiencies.

Critically, nonprofits also need clarity on *how* Al can advance their missions. Without that understanding, there's little incentive to prioritize Al — even when funding is available. Clear use cases and success stories can help bridge this gap and drive meaningful adoption. Investing now prevents deeper attrition later.

Put tech strategy in the C-suite and up-skill the workforce.

Infrastructure and personnel decisions are key to technology strategy. Grantmakers often require measurement dashboards and technical security plans, yet <u>fail to invest</u> in the leadership needed to deliver them. We must fund Chief Technology and Chief Innovation Officers to create the internal expertise and foresight necessary to steer tech strategy. But investing in leadership alone isn't enough. Frontline workers are the backbone of the social sector. <u>Almost half of nonprofits</u> don't have any staff who are trained or fluent in Al. If staff aren't trained to use Al tools, tech investment will not matter. Impact will stall. On the other hand, embracing Al can both improve and speed up operations. For example, a recent <u>MIT study</u> revealed that Al usage improved the quality of professional writing output by 18% while decreasing task completion time by 40%. Underwrite practical, efficient Al-fluency training so frontline staff, not just specialists, can deploy the tools.

Fund research and development — intentionally and repeatedly.

When every dollar is tied to outputs, there is no room leftover for Al innovation. Nonprofits need flexible capital to experiment, fail safely, and adapt. But only 27% of funders offer flexible or unrestricted multi-year support for innovation efforts. In order for Al to make an impact, we must encourage R&D. One way is to carve out an "opportunity budget" in every sizable grant. Peter Drucker urged every organization to run two budgets: operations for today and opportunities for tomorrow. Philanthropy should heed his guidance: earmark ~10% of total annual expenditures for the opportunities budget, keeping it intact "in years good and bad," and giving it the same attention as day-to-day operations.

"I think some of the biggest problems that face us today as a society, whether that's climate or disease, will be helped by Al solutions. I'd be very worried about society today if I didn't know that something as transformative as Al was coming down the line."

 <u>Demis Hassabis</u>, Co-Founder, Google DeepMind



Tarjimly sharing its Al-powered translation tools at Google.org Impact Summit (credits: Tarjimly)

Case Studies

Building Al Capacity at Scale: Google.org's Generative Al Accelerator

In 2024, <u>Tarjimly</u> began integrating generative AI into their translation platform to expand language access for refugees and asylum seekers. <u>Quill</u> upgraded their writing tools with real-time, AI-generated feedback to support low-income students. <u>CareerVillage</u> expanded their AI-powered <u>career coach</u> to deliver personalized guidance to students navigating job and college pathways.

These organizations, part of <u>Fast Forward</u>'s tech nonprofit portfolio, were part of <u>Google.org</u>'s inaugural <u>Generative AI Accelerator</u>. The six-month program supported 21 nonprofits applying AI to urgent social challenges. Each team received up to \$2M in funding, along with technical training and support from Google engineers. The funding allowed teams to advance their AI work and experiment with new products. The training gave leaders a foundation to apply AI tools more effectively. And the pro bono support from dedicated Google AI coaches helped organizations build responsibly and with confidence. The investments turned promising ideas into operational AI tools embedded in service delivery. It's a glimpse of what's possible when philanthropy invests early in AI-powered impact.

The results speak for themselves. Tarjimly used generative AI to reach nearly 200,000 refugees with translation support — cutting response times in half and tripling speed, all while improving accuracy. CareerVillage's AI-powered coach has delivered personalized guidance to 7,000 students — and that number is quickly growing. Use of Quill's AI writing tools has led to 30% improvement in students' writing. These outcomes aren't just proof of concept, they're proof of impact.

Increasing Graduation Rates Using Al: A Collaborative Effort Between Google.org, John Jay College, and DataKind

At John Jay College of Criminal Justice, student attrition was a persistent challenge, especially for first-generation and low-income students. John Jay <u>teamed up</u> with DataKind and Google.org to build an Al-powered early warning system. The tool analyzed academic, financial, and engagement data to flag students who were likely to drop out, then guided advisors toward timely interventions. The school saw an unprecedented <u>32% increase</u> in senior graduation rates within one year.

To scale the impact, Google.org committed an <u>additional \$8M</u> and a Google.org Fellow to expand the model to 100 more colleges across the U.S. This collaboration highlights how philanthropy can support both Al innovation and the public data systems that sustain it. And the model is replicable.

32%

increase in senior graduation rates in one year, driven by an Al-powered early warning system.

Future-Proofing Al Through Research and Talent Development with Al2050

In order to align AI with the best of humanity, we need leading minds on the job. AI2050, an initiative of Schmidt Sciences, is doing just that. AI2050 invests in researchers solving foundational AI challenges. These include aligning AI with human values, mitigating bias in large models, improving transparency, and building equitable governance frameworks. As James Manyika, co-founder of the initiative, explains: "If AI is to have benefited humanity when we look back in 2050, we need to begin now to confront and solve for the challenges and opportunities such as those framed by the AI2050 Hard Problems list."

The initiative supports a diverse cohort of fellows with a breadth of experience spanning computer science, law, public health, philosophy, and more. It provides them with flexible multi-year funding and the freedom to explore questions that fall outside the bounds of traditional grants. As the <u>program notes</u>, "these awards primarily aim to enable and encourage bold and ambitious work, often multi-disciplinary, that is typically hard to fund but socially beneficial." Al2050 builds talent and unlocks R&D to seed technical breakthroughs and interdisciplinary frameworks that will guide AI in the public interest.

40%

of nonprofits don't have any staff who are trained or fluent in Al.

Engineer Radical Cross-Sector Partnership

When no single actor can build and deploy solutions at the scale of global need, partnership becomes a force multiplier. Leaders across sectors — philanthropies, nonprofits, government, and locally-based startups — each hold a piece of the puzzle. Together, they can turn technological breakthroughs into population-level impact. As <u>Patricia Harris</u>, CEO of Bloomberg Philanthropies, says: "Collaboration has an exponential effect on everything that we do." Philanthropy must lead the charge, brokering alliances and creating the connective tissue that makes them work.

What philanthropic leaders can do:

Build creative collaborative structures.

Convening cross-sector leaders who rarely share space can unlock bold ideas. Seat philanthropists, frontier model builders, frontline nonprofits, public regulators, and academics at the same table. Enable these types of alliances by establishing multi-year coalitions that bundle unrestricted grants with product credits, access to talent, and distribution channels. Too often, philanthropy-funded tech can be fragmented and/or duplicative. We often invest in rebuilding solutions that are already out there. By doubling down on collaborative structures and encouraging open access datasets, we can mitigate philanthropic waste, turning one-off pilots into durable digital public goods. Al-powered nonprofits model this practice: 43% already share tools with other nonprofits, a signal that shared infrastructure can compound returns on impact.

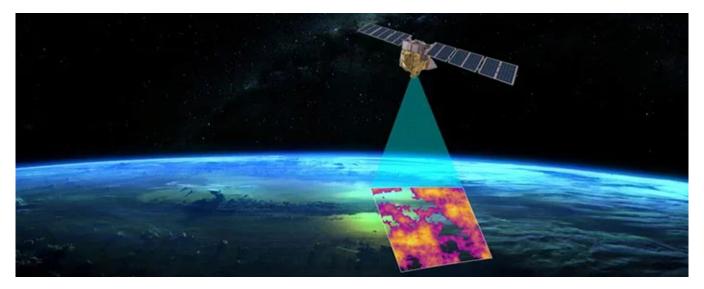
"Promoting open access to scientific data and AI tools can accelerate innovation and adoption. Similar to how open-source software has driven technological advancement, open access to AI models and datasets can enable researchers worldwide to contribute to and benefit from AI advancements."

- Terra Terwilliger, Director of Strategic Initiatives and Public Engagement, Google DeepMind

Empower nonprofits to leverage each others' tools.

Philanthropy can fund the infrastructure that helps proven nonprofit tools spread. As tech nonprofits build scalable solutions, there's growing potential for a nonprofit SaaS model: one where nonprofit peers can access, adapt, and deploy each other's products to meet local needs. Nonprofits have a unique advantage: they're embedded in communities and deeply attuned to local needs. At the same time, they're already trending towards sharing tools. Among Al-powered nonprofits with more than two years of Al work, 53% open-source or share tools. With the right technology and investment, that support can scale.

To fully unlock this potential, we need funding models that support both the development of shared platforms and their implementation across organizations. That might mean paying for one nonprofit to license another's tool or investing in the wraparound support needed for effective adoption. It also means encouraging nonprofits to collaborate more intentionally—through coalitions, resource-sharing networks, or even co-authored grant proposals. These efforts can reduce duplication, pool scarce resources, and amplify collective impact. This kind of cross-pollination is a way to see impact multiply.



Al-powered nonprofits are deploying satellites to solve big problems — from space (credits: FireSat)

Incentivize shared data and infrastructure.

Another particularly potent form of collaboration is sharing data and infrastructure. Even when social change institutions do collect and manage data, often that data is trapped in silos across nonprofits, government agencies, and universities. Additionally, most of the data out there is not clean or structured enough to power effective models. Philanthropy can fund secure, shared data collaboratives within issue verticals. As those collaboratives take form, funds should be dedicated towards creating domain-specific data standards to make opensource data Al-ready. Together these create the connective tissue of Al ecosystems that serve public good.

Create shared learning frameworks and field-wide standards for responsible Al.

Responsible Al is hard enough for big tech firms with seasoned safety teams. And in-house Al ethics experts are few and far between. Philanthropy can reduce this burden by investing in frameworks that everyone can use. This includes open-sourcing due diligence checklists that balance ambition with risk management, templates for grant agreements that include Al-specific term sheets, and evaluation protocols, such as those inspired by the Partnership on Al or Stanford's Center for Research on Foundation Models. By turning best practices into shared infrastructure, philanthropy can help the sector avoid harm without reinventing the wheel. Clear, shared standards let funders adopt proven practices and move capital faster, with less friction, all while avoiding unintended harm.

"By coordinating funding of cutting-edge science, emerging tech, and on-the-ground solutions, we think we can help people: identify fires in near real time, better quantify wildfire risk, shift more acreage to beneficial fires, and ultimately reduce the economic, humanitarian, and environmental damage from catastrophic fires..."

 Maggie Johnson, VP and Global Head, Google.org, on FireSat

Case Studies

Advancing Localized Al Through Collaboration with Karya, Digital Green, and Philanthropic Partners

Karya was founded to flip the script on the AI economy — putting dignity, not just data, at the center of digital work. Starting in rural India, Karya's smartphone-based platform has enabled over 100,000 workers to earn fair wages — often more than 20x the local minimum — while generating high-quality datasets for partners like Google, Microsoft, and the Gates Foundation.

Now, Karya is going global. Through its Platform-as-a-Service (PaaS) model, Karya licenses its technology to local organizations and governments, enabling them to launch dignified digital workforces in their own contexts. Digital Green, for example, partnered with Karya to pilot a new model of Al development. Using Karya's PaaS, Digital Green sourced speech data directly from Gikuyu-speaking farmers in Kenya. The goal: fine-tune an agricultural Al model to better reflect farmers' language, needs, and realities. In the end, the localized model outperformed leading models on domain-specific tasks — demonstrating that community-generated data can drive smarter, more relevant Al.

Karya's vision for scale is ambitious: by 2030, they aim to license their platform in at least 20 countries and unlock \$1B in wages for underserved communities. To get there, they're building a self-serve system where organizations can independently manage and deploy projects with built-in guardrails for worker safety, fair pay, and rights. Features like automated onboarding, performance dashboards, and embedded skilling pathways help turn the platform into both a business tool and a public good.

Philanthropy is helping make this vision possible. Google.org and Fast Forward have backed Karya's early growth, supporting its efforts to build inclusive Al infrastructure. This cross-sector partnership illustrates how collaboration can unlock innovation. Karya provided the tech backbone, Digital Green led the on-the-ground operations, and philanthropic funding helped bridge the two.

The Case for Data Collaboratives, Led by The Rockefeller Foundation, the Mastercard Center for Inclusive Growth, and data.org

data.org was the brainchild of The Rockefeller Foundation and the Mastercard Center for Inclusive Growth. They launched data.org to make data science more accessible for solving social challenges. The platform brings together nonprofits, academics, companies, and governments to build data capacity in underserved areas. One example is the \$10M Inclusive Growth and Recovery Challenge, which supported cross-sector teams working on everything from vaccine rollout to digital financial tools. In addition to funding, grantees gained access to technical experts and other nonprofits in the field.

data.org also invests in the mechanics of collaboration. Their <u>Data Collaboratives Canvas</u> helps organizations design and manage joint data collaboratives across institutions. Tools like the <u>Ethical Al in Practice</u> course offer actionable resources for building safer, more transparent systems. And through the <u>Capacity Accelerator Network</u>, data.org is training 1M data and Al practitioners globally by 2032. This initiative is proof that philanthropy can build shared infrastructure, support long-term alliances, and lower the barrier to entry for responsible data innovation across sectors.

"I see AI as a tool to augment us in our scientific discovery, communication, productivity, and keeping people from harm's way, such as disaster relief rescue."

- Dr. Fei Fei Li, Stanford's Human-Centered Al Institute

A New Model for Crisis Response from Google.org, GiveDirectly, and Flood Hub

Flooding displaces more people globally than any other natural disaster. GiveDirectly <u>partnered with</u> Google. org to leverage Flood Hub, an Al-powered flood forecasting platform, to deliver anticipatory cash aid. The partnership brought together frontline nonprofits, government agencies, and Al researchers to turn predictive data into life-saving action. In Nigeria's Kogi and Adamawa states, GiveDirectly and the <u>International Rescue Committee</u> used Flood Hub's API to identify at-risk villages. This data helped trigger cash transfers to 7.5K people five to seven days before peak flooding. Families used the funds to secure essentials, protect livestock, and evacuate in time.

This is what strong cross-sector infrastructure looks like: Google's Al models, local distribution networks, and a nonprofit's cash transfer system operating in sync. The success in Nigeria led to similar efforts in Bangladesh's Jamuna River basin. There, GiveDirectly used satellite data and local insights to direct aid with greater precision. This model points to a broader opportunity. With philanthropic backing, more of these multi-actor collaborations can be built, sustained, and standardized.

Building Shared Infrastructure for Wildfire Response with FireSat and Google.org

Wildfires are intensifying, but most existing satellite systems detect them too late to prevent widespread damage. FireSat, a project supported as part of Google.org-initiated Al Collaboratives, aims to change that. The initiative is a collaboration between Google Research, Google.org, nonprofit Earth Fire Alliance, satellite startup Muon Space, and the Gordon and Betty Moore Foundation. Together, they launched a network of Al-enabled satellites. These satellites will be able to detect wildfires as small as 25 square meters within 20 minutes. That level of precision gives emergency responders near real-time visibility.

The project was designed as shared infrastructure from the start. FireSat combines high-resolution multispectral imagery, Al models trained on historical burn data, and integrations with public forecasting tools. The data is shared openly with researchers and first responders through APIs and public dashboards. It mirrors the model used by ClimateTRACE, a global coalition of technologists, scientists, and funders using satellites to track real-time greenhouse gas emissions, also backed by Google.org. Members like Al Gore, WattTime, OceanMind, and Johns Hopkins Applied Physics Laboratory pool technical infrastructure, proprietary data, and research capacity to create a shared public resource that fights climate change. FireSat and ClimateTrace illustrate how philanthropy can help turn advanced technology into public goods — by building partnerships, supporting open infrastructure, and enabling coordination across sectors.

Deploy Risk Capital Strategically Across the Nonprofit Lifecycle

Philanthropy is the lifeblood of the nonprofit sector. Philanthropic support fuels nonprofit innovation and capacity. Grants should be tailored to the needs of the Al innovation ecosystem and lifecycle. But grantmakers can't drive innovation like Al adoption if they themselves are unable to critically evaluate proposals or technically support programs. For the sake of their portfolios, grantmakers should embrace Al in their own offices. This form of leadership can put their grantees in the best position to benefit.

What philanthropic leaders can do:

Train philanthropic staff on Al.

We can't fund what we don't understand. Grantmakers must upskill their AI literacy in order to responsibly invest in an AI-powered social sector. In a recent Project Evident study, only 36% of funders surveyed expressed confidence about their ability to assess the technical feasibility of AI in grant proposals. This confidence gap hinders support for innovative projects. Philanthropies should implement AI literacy programs on topics like understanding AI basics, ethical considerations, and effective applications. Further, foundations should crossfunctionally develop guidelines and best practices for the organization's ethical and safe use of AI and to inform grantmaking strategies.

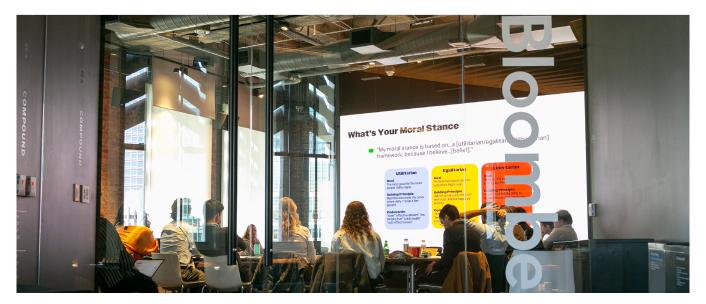
Provide support at every stage of the Al innovation lifecycle.

Funding at every stage derisks the ecosystem. To encourage innovation across the lifecycle, seed bold ideas with pre-seed grants and offer founder fellowships to encourage experimentation. While there are upfront costs for tech nonprofit startups, the unit economics of impact go down with scale. Then, sustain mid-stage growth with risk-tolerant capital for infrastructure, technical talent, and product iteration — the point where many nonprofits otherwise stall. For mature organizations, invest in scaling proven models, ensuring they reach broader populations and have sustainable impact. Encourage mentorship and collaboration between nonprofits at every stage to foster a learning ecosystem.

While every juncture has impact, there's an argument to be made that the highest-leverage investments with AI may actually happen at the mid and scale-stages — often with solutions already on the market. Reach scales with resources: at the smallest budgets, AI-powered nonprofits serve a median just under 2,000 people. Above \$1M, median reach jumps to 500,000. At \$5M+, the median impact is 7M. When philanthropy is only focused on funding new, "shiny" innovations, we miss out on the opportunity to build on viable solutions that already exist.

"Al is a unique tool, a new general-purpose technology. And as with the steam engine, electricity, or the internet, seizing its potential will require public and private stakeholders to collaborate to bridge the gap from Al theory to productive practice. Together, we can transition from the "wow" of Al to the "how" of Al, so that everyone, everywhere can benefit from Al's opportunities."

- Kent Walker, President of Global Affairs, Google



Bloomberg Philanthropies supports nonprofit startups with capital and expertise

Blend money with product and expertise.

Capital alone will not suffice. Providing access to technology and expertise can significantly enhance the effectiveness of funded projects, by way of unlocking the innovation ecosystem. Collaborate with technology companies to offer nonprofits access to Al tools, cloud services, and technical support. Establish platforms where nonprofits can access open-source tools, best practices, and case studies on effective implementation. By combining money with impactful resources, philanthropy can accelerate nonprofits to become builders of Al for humanity.

Case Studies

Fund. Al: Training Philanthropists to Fund the Future of Al

To invest in AI with confidence, funders need AI literacy. That's the idea behind Fund.AI — a two-day immersive learning experience hosted by the Patrick J. McGovern Foundation, GitLab Foundation, Google.org, and Fast Forward. The event gave philanthropists hands-on workshops, practical frameworks, and candid insights from tech nonprofit builders. Sessions like "Decoding Tech Proposals" and "What Nonprofits Wish You Knew" gave funders tools to assess technical feasibility, navigate ethical trade offs, and integrate an AI strategy into their grantmaking.

Fund.Al also fostered collaboration. Breakout sessions helped participants explore the full lifecycle of Al innovation, from early prototypes to scaled tools embedded in frontline services. By building both knowledge and community, Fund.Al equipped a diverse cohort of grantmakers to lead with clarity in a rapidly evolving Al landscape.

Financial Capital Meets Human Expertise: Bloomberg's Model for Scaling Visilant

Bloomberg Philanthropies demonstrates how to accelerate AI by pairing capital with deep expertise and access to influential networks. Through their <u>investments</u> in financial aid for John Hopkins' public interest graduate programs, as well as in Fast Forward's tech nonprofit <u>Accelerator</u>, Bloomberg helped seed early-stage support for <u>Visilant</u>. The AI-powered nonprofit helps frontline health workers use smartphone images to detect eye disease in low-resource settings. The initial grant offered critical runway. But Bloomberg Philanthropies didn't stop at funding.

Bloomberg Philanthropies contributed high-value expertise, like a Bloomberg journalist to coach on storytelling and a Bloomberg Beta VC to advise on business modeling. This prepared Visilant for Fast Forward's <u>Demo Day</u>, an event Bloomberg Philanthropies sponsored. Demo Day featured Visilant in front of 200+ grantmakers, offering them a launch platform. That blend of financial and human capital gave Visilant a competitive edge and helped the team secure a spot in the Google.org <u>Generative Al Accelerator</u>.

Renaissance Philanthropy: Seeding Public Interest Al

Renaissance Philanthropy is <u>shaping the future</u> of public interest AI by funding early-stage research, supporting ambitious talent, and advising donors on where their capital can have outsized impact. Their model emphasizes risk-tolerant support for upstream innovation, before ideas mature into products or institutions. For example, their <u>AI for Math Fund</u> backs researchers applying machine learning to mathematics, a frontier area with implications for making AI systems more interpretable and reliable. The fund prioritizes open-source tools and interdisciplinary collaboration, helping foundational work gain traction beyond the lab.

Renaissance helps philanthropists navigate Al innovation at multiple altitudes. They help grantmakers evaluate the technical feasibility of prospective grantees. They identify field-level bottlenecks that — if addressed — could have systemic impact. And, when they identify big problems that don't have the right infrastructure of support, they design multi-sector partnerships to address the problem head on. By providing this infrastructure, Renaissance helps philanthropists move confidently in unlocking breakthrough ideas that serve the public good.



Visilant's Al-powered product is curing preventable blindness in the Global South (credits: Visilant)

Conclusion

This historic juncture provides a pivotal opportunity for action, not just analysis. As the sector tasked with closing gaps, not widening them, philanthropy must confront the hard truths of this moment. The path forward is clear. Philanthropy can lead by investing in tech capacity, brokering cross-sector collaboration, and deploying risk capital at every stage of innovation.

The strategies outlined here are not theoretical. They are already being tested by visionary funders, tech nonprofits, and AI practitioners around the world. Together, we could take it to the next level. AI discovery engines could cure, or at least control, all diseases. Predictive models could warn of climate-driven famine months before crops fail. AI tutors could close the gap between the most- and least-resourced classrooms. These visions are not fantasies — they are credible possible futures. We close with optimism and urgency. The choices we make today will shape the civic infrastructure of tomorrow. Let's build a future where nonprofits are equipped, communities are resilient, and technology serves human dignity. Together, we can future-proof the social sector.





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