

**the
wheel**

**Stronger Charities.
Stronger Communities.**

HOW TO DEVELOP AN AI POLICY

7 November 2025

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AGENDA

- 1. Context and Definitions**
- 2. Why your organisation needs an AI Policy**
- 3. Elements of a Good AI Policy**
- 3. Steps to Creating an AI Policy**
- 4. Key Considerations and Common Pitfalls**
- 5. Q&A and Discussion**

CONTEXT AND KEY DEFINITIONS

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- **Artificial Intelligence (AI)** has been a branch of computer science since 1956, but the emergence of new machine learning technologies over the past two decades has led to an AI boom in the 2020s.
- Accessible **Generative AI** tools (such as ChatGPT, Claude, Gemini, etc.) based on Large Language Models (LLMs) and Neural Networks have further accelerated this boom, and these technologies are already transforming the way organisations work.
- AI adoption in Ireland has surged to **91%**, nearly doubling from **49%** in 2024, according to new research from Trinity Business School.*
- AI is increasingly recognised as a **‘general-purpose technology,’** like the Internet or electricity.

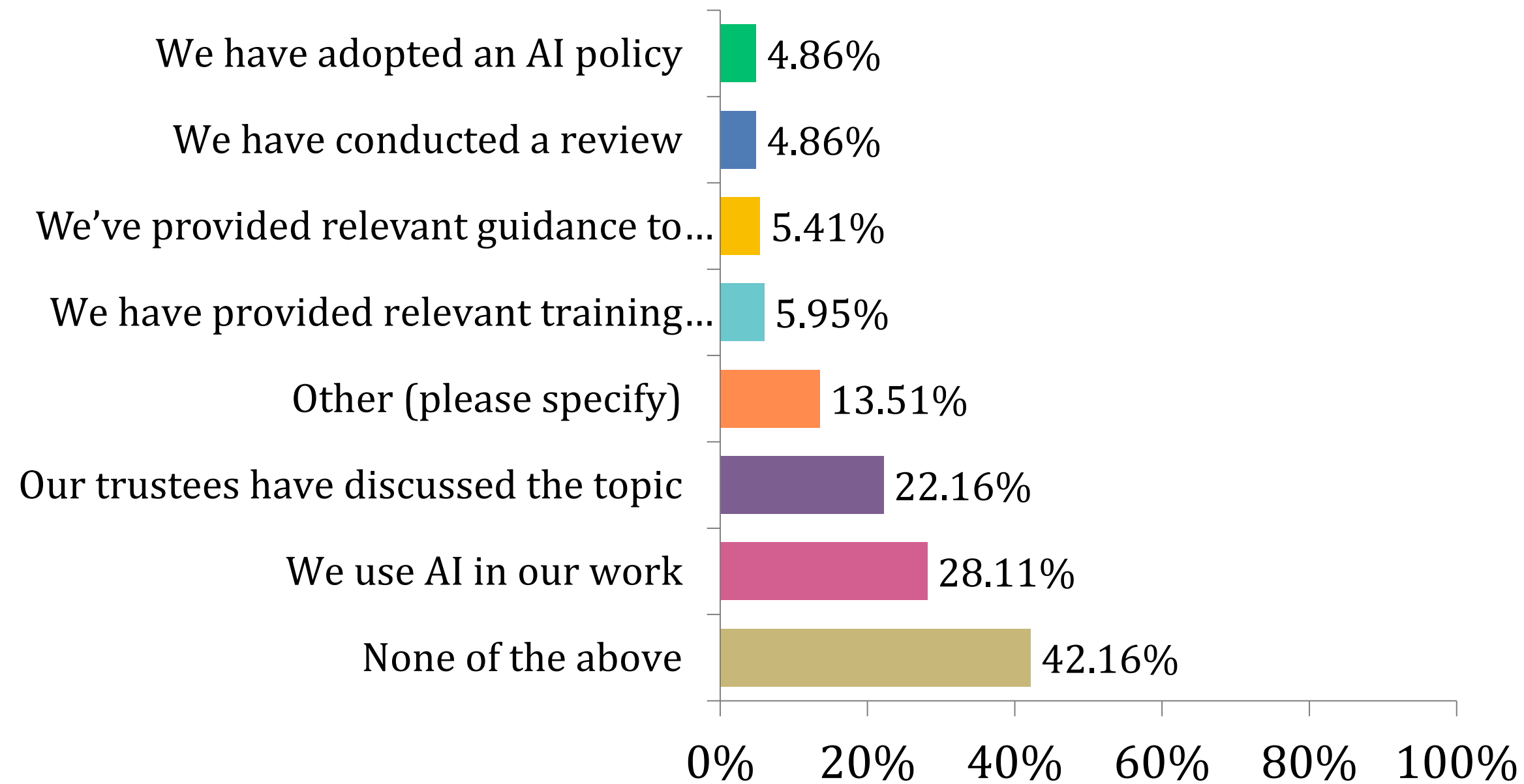
Source: AI Economy in Ireland 2025 report produced by Trinity Centre for Digital Business and Analytics (CDBA)



Cover of Time Magazine, March 2023

HOW ARE THE WHEEL'S MEMBERS RESPONDING?

28% use AI, but only 5% have an AI Policy



Source: The Wheel's Member Survey, June 2025, 316 responses)

KEY DEFINITIONS

AI

abbreviation of *artificial intelligence*, which is the simulation of human intelligence by computers.

intelligence by computers:
simulation of human
intelligence, which is the

Algorithmic Bias

describes systematic and repeatable errors in a computer system that create unfair outcomes, such as privileging one arbitrary group of users over others.

errors:
arbitrary group of users
such as privileging one
create unfair outcomes

Chatbot

a software application that is designed to imitate human conversation through text or voice commands.

commands:
through text or voice
human conversation

KEY DEFINITIONS

Generative AI

is a type of technology that uses AI to generate content, including text, images, video, audio, and computer code.

computer code,
images, video, audio, and
content, including text

GDPR

The General Data Protection Regulation (GDPR) is an EU regulation that protects the personal data of individuals in the EU and governs how organisations process this data.

data,
organisations process this
governs how
individuals in the EU and
the personal data of

AI Hallucination

refers to an incorrect response from an AI system or false information in an output that is presented as factual.

factual,
that is presented as
information in an output
system or false

KEY DEFINITIONS

Large Language Model (LLM)

is an AI model that has been trained on large amounts of text so that it can understand language and write text.

and write text.
can understand language
amounts of text so that it
been trained on large

Neural Network

a computational model inspired by the human brain, composed of interconnected nodes called artificial neurons.

called artificial neurons,
interconnected nodes
brain, composed of

Prompt

an instruction or input that a user feeds to an AI tool to get a required response. It can be a simple question, complex instructions, and/or data.

instructions, and/or data,
simple question, complex
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EVERYDAY USE CASES

SCENARIO 1: A CEO uses ChatGPT to draft a thank-you letter to a funder.

SCENARIO 2: A Communications Officer use Canva AI to generate an image for a social media post.

SCENARIO 3: A housing charity uses an AI chatbot to answer common queries on its website.

SCENARIO 4: A Policy Officer use Claude AI to summarise a lengthy report.

SCENARIO 5: A Community Group use Google Gemini to generate ideas for a local fundraiser.

SCENARIO 6: A large charity adopts AI-enabled accounting software.



WHY YOUR ORGANISATION NEEDS AN AI POLICY

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Ensure responsible use: helps nonprofits establish clear ethical guidelines, preventing misuse of AI tools and ensuring that decisions align with the organisation's mission and values.

Protect data privacy and security: AI often relies on sensitive data; a policy may set standards for data collection, storage, and use to safeguard beneficiaries, staff, and supporters.

Promote transparency and accountability: By documenting how and why AI is used, your organisation can build trust with its stakeholders and demonstrate accountability in decision-making.

Mitigate risks and bias: helps identify and manage potential biases in AI systems, reducing the risk of discrimination or harm to vulnerable communities.

Fostering innovation and promoting efficiency: encourages staff to use AI responsibly and confidently, supporting innovation and efficiency while maintaining organisational integrity.





ELEMENTS OF A GOOD AI POLICY

ELEMENTS OF A GOOD AI POLICY

ETHICAL PRINCIPLES

DATA GOVERNANCE

TRANSPARENCY &
ACCOUNTABILITY

HUMAN OVERSIGHT



Steps to Creating an AI Policy

STEPS TO CREATING AN AI POLICY

STEP 1: CREATE AN INTERNAL WORKING GROUP

- Include staff/volunteers with some expertise in **Governance, Data Protection, ITC, Cybersecurity, Communications** and **Public Policy**.
- **Involve leadership** for buy-in and accountability.
- **Report to the senior leadership team** and update the board regularly on progress.

STEPS TO CREATING AN AI POLICY

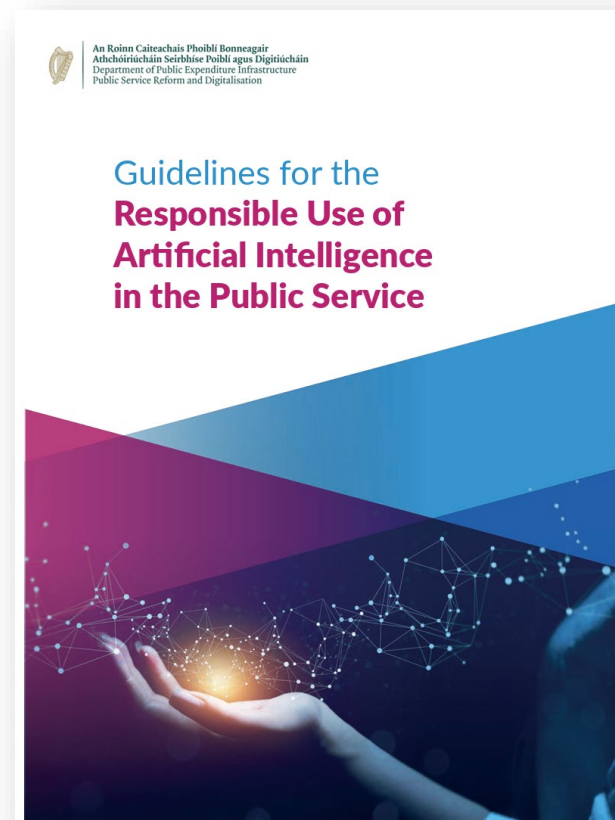
STEP 2: AUDIT CURRENT AND POTENTIAL USE

- **Current Use:** Survey staff and/or volunteers to find out how AI is already being used in your organisation's work.
- **Future Use:** Explore how AI may be used in future to increase efficiency and improve productivity, and service delivery. Will you be developing or training your own AI models, or using existing tools?

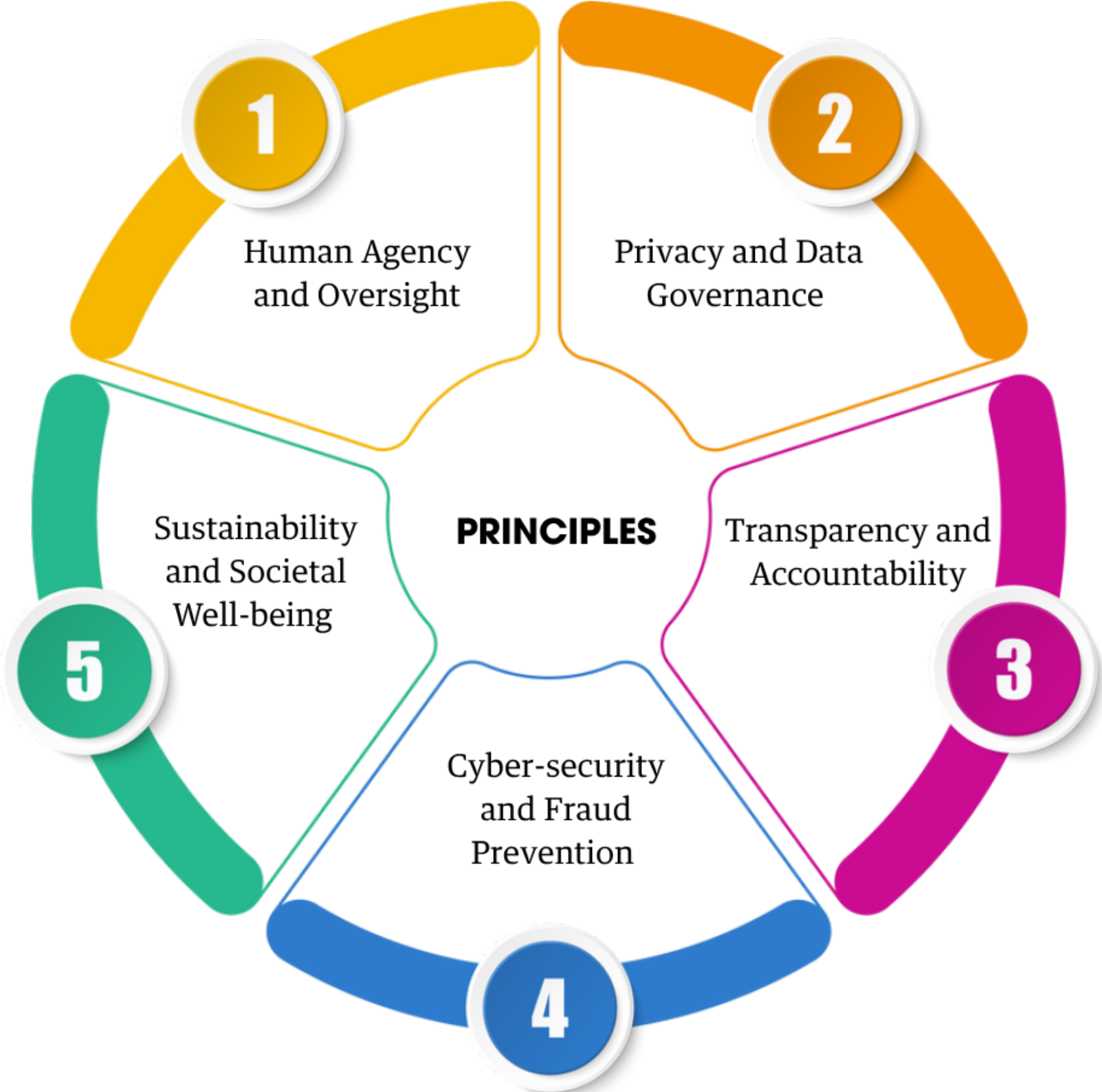
STEPS TO CREATING AN AI POLICY

STEP 3: DEFINE THE PRINCIPLES OF YOUR POLICY

- Instead of attempting to predict or every use scenario, concentrate on establishing a set of **guiding/ethical principles** grounded in your organisation's **values, obligations, and priorities**.
- Aim to mitigate risks and promote ethical outcomes, with a focus on respecting human rights and democratic values.

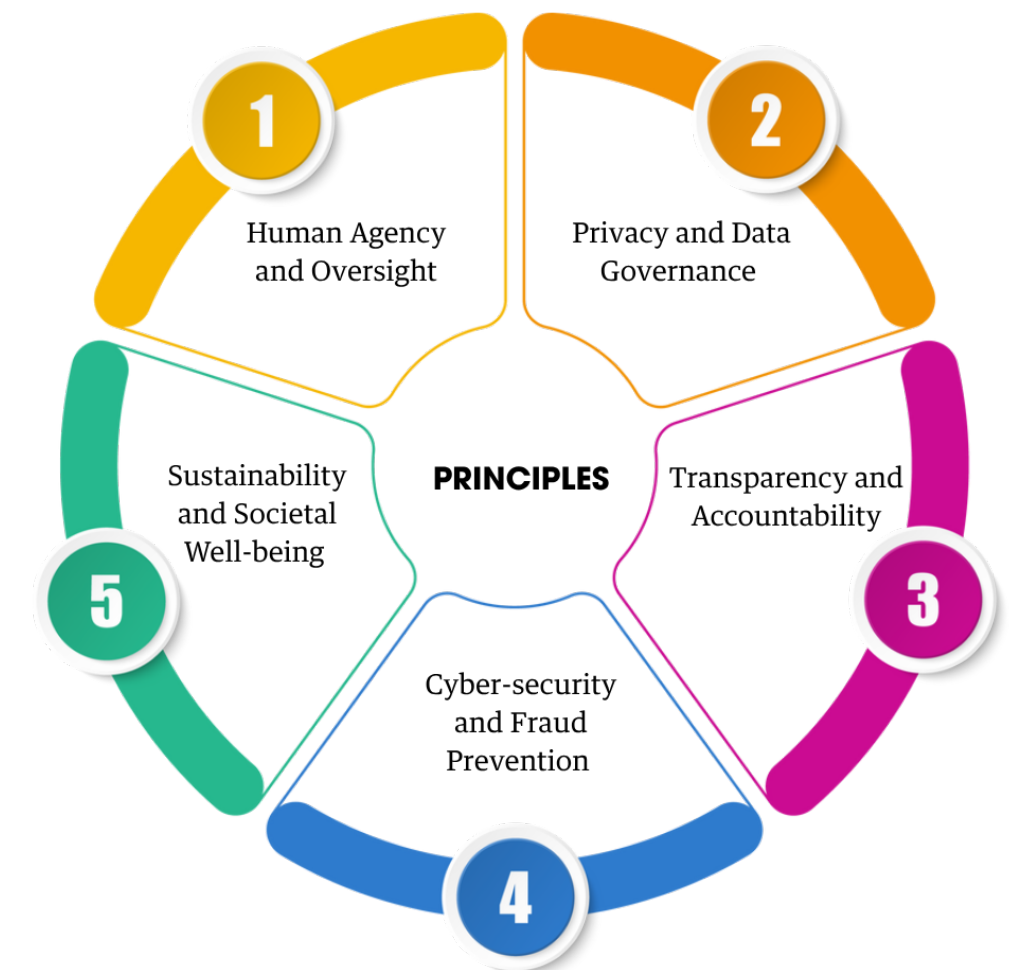


PRINCIPLES OF THE WHEEL'S AI POLICY



PRINCIPLES OF THE WHEEL'S AI POLICY

- 1. Human Agency and Oversight:** All AI systems must incorporate human oversight. AI can generate evidence to support decisions; however, it cannot replace human judgment. A member of staff must make the final decision when using AI as a tool in the decision-making process.
- 2. Privacy and Data Governance:** AI systems you deploy or develop should respect data privacy and protection throughout their lifecycle. Any data used in an AI model must comply with your organisation's *Data Protection Policy, Privacy Statement* and the principles of the GDPR (2018). Do not input any data into AI tool that is confidential, proprietary, protected by data or privacy regulations, or organisationally sensitive.
- 3. Transparency and Accountability:** The organisation is accountable for the AI outputs and decisions produced by its staff and must be prepared to explain any unintended consequences to its stakeholders and regulators. Content generated by AI technology should never be presented as human work. Maintain records if you are developing AI technology, detailing the decisions taken at every step.
- 4. Cyber Security and Fraud Prevention:** AI use should comply with your organisation, other ITC and relevant policies. It is essential to consider the potential unintended uses of the AI system and the risk of it being misused by malicious actors.
- 5. Sustainability and Societal Wellbeing:** Align the policy with your organisation's values. Consider the environmental and societal impact of your AI use.



STEPS TO CREATING AN AI POLICY

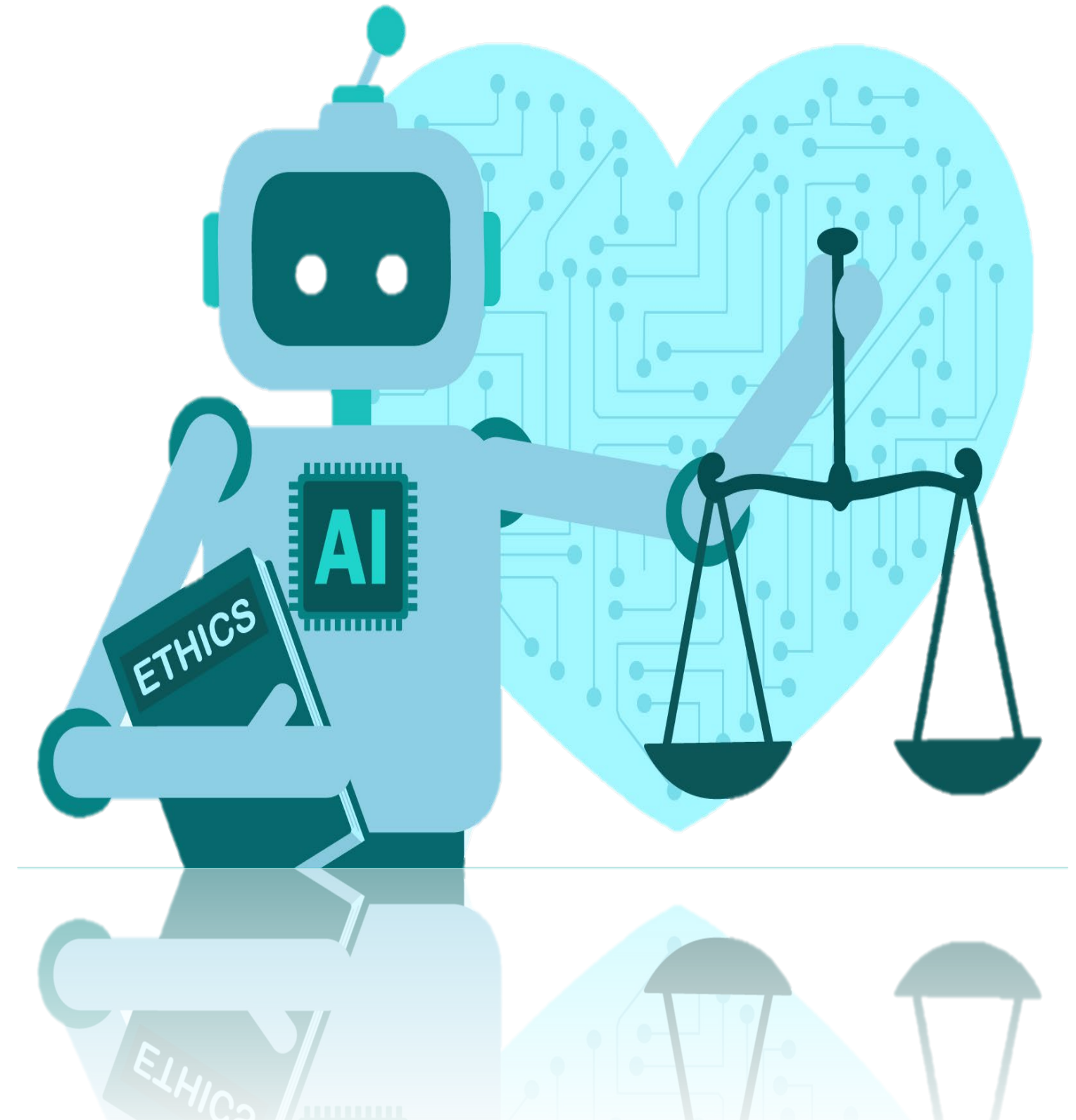
STEP 4: DEVELOP POLICY CONTENT

- **Purpose and Scope:** Describe the purpose of the policy and to whom it applies.
- **Principles:** Set out each principle and the acceptable use guidelines under each principle.
- **Legal and Regulatory Compliance:** The relevant legislation impacting the use of AI in your organisation should be referenced in the policy, e.g. GDPR and EU AI Act.
- **Data Governance:**
 - what information is confidential (both personal and commercially sensitive)
 - what is protected by copyright/intellectual property rights
 - the treatment of sensitive/special category data – this must be compliant with data protection legislation
 - mechanisms to monitor an AI system's performance, impact, and adherence to ethical standards over time.

STEPS TO CREATING AN AI POLICY

SAMPLE OUTLINE

1. Overview
2. Purpose and Scope
3. Terminology
4. Policy Principles
5. Training and Support
6. Policy Compliance
7. Policy Review
8. Acknowledgement



STEPS TO CREATING AN AI POLICY

STEP 5: COMMUNICATION AND TRAINING

- Once adopted, it is critical to **embed the policy** in your organisation.
- Support staff/volunteers through **training, FAQs, and workshops.**
- Foster a culture of **responsible innovation.**

STEPS TO CREATING AN AI POLICY

STEP 6: REVIEW AN UPDATE REGULARLY

- Given the fast-paced changes in legal and technological frameworks for AI, it is important to schedule **annual reviews**.
- The working group should **keep abreast of new technical, legal and regulatory developments**.
- **Encourage feedback** and lessons learned.

STEPS TO CREATING AN AI POLICY

STEP 1: CREATE AN INTERNAL WORKING GROUP

STEP 2: AUDIT CURRENT AND POTENTIAL USE

STEP 3: DEFINE THE PRINCIPLES OF YOUR POLICY

STEP 4: DEVELOP POLICY CONTENT

STEP 5: COMMUNICATION AND TRAINING

STEP 6: REVIEW AN UPDATE REGULARLY

KEY CONSIDERATIONS AND COMMON PITFALLS

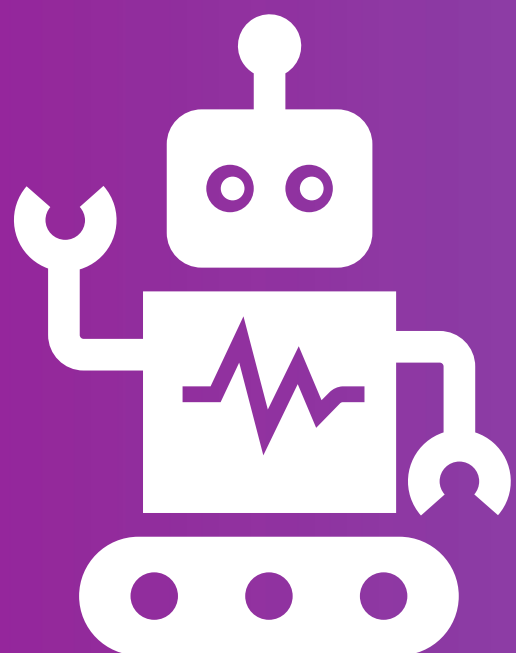
CONSIDERATIONS AND PITFALLS

- **One size does not fit all:** Instead of simply copying another organisation's AI policy, take the time to develop your own.
- **Risk:** Do not focus solely on risk; balance innovation and caution.
- **Plain English:** Do not use overly technical language in your document. Be sure to define key terms and abbreviations.
- **Training:** Train staff in the application of the policy to ensure compliance.
- **Annual reviews:** Given the fast-paced changes in legal and technological frameworks for AI, it is important to schedule annual reviews.





Q&A



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