



Sample AI Use and Governance Policy

(for a New Jersey Nonprofit CMO of approx. 50 employees)

SAMPLE AI USE AND GOVERNANCE POLICY

(EANJ rev'd 7/2026)

1. Purpose

AI tools can help us work more efficiently on communications, grants, training, research, and day-to-day operations. This policy explains how we use AI responsibly while protecting confidential information, donor information, employee information, client information, and the organization's reputation.

2. Scope

This policy applies to employees, interns, contractors, volunteers who have system access, and vendors who act on behalf of the organization. It covers Copilot, ChatGPT, Gemini, Claude, Perplexity, and any other AI-enabled applications we use for organizational business.

3. General Principles

Employees are responsible for the work they produce. AI can assist, but it does not replace professional judgment. Employees must check AI output, protect confidential information, and follow all organizational policies.

4. Authorized Uses

Employees may use AI to draft emails, agendas, newsletters, training materials, grant narratives, meeting summaries, presentations, research notes, and administrative materials. Employees must review all AI output before using it.

5. Human Review Requirement

Before sharing, relying on, or acting on AI-generated content, employees must review it for accuracy, completeness, tone, compliance, and appropriateness.

This sample form is provided solely for informational purposes and does not constitute legal advice or opinion. It should be reviewed and adapted to the employer's particular circumstances before use.

6. Prohibited Uses

Do not upload personnel files, accommodation information, medical information, banking information, donor financial information, or confidential organizational information into unapproved AI systems. Do not make employment decisions based only on AI output.

7. Employment Decision Safeguards

Employees may use AI to help organize resumes or draft interview questions, but people—not AI—must make hiring, discipline, promotion, and termination decisions after an independent review.

8. Confidentiality Requirements

Employees must protect donor information, strategic plans, board materials, legal advice, personnel information, and participant information.

9. Accuracy Requirements

Employees must verify any facts, statistics, quotations, legal citations, grant information, and recommendations that AI generates.

10. Anti-Discrimination Requirements

Employees may not use AI in any way that violates the NJLAD, ADA, Title VII, ADEA, or any other anti-discrimination requirement.

A. NJLAD Compliance

Do not base any employment action only on AI-generated scores, rankings, candidate recommendations, behavioral profiles, or performance assessments. A person must conduct a meaningful review before the organization acts.

B. Disability Accommodation and Leave Administration

Employees may use AI to help with administrative tasks, but AI must not decide disability status, accommodation eligibility, undue hardship, or leave eligibility. The organization must make an individualized assessment.

C. Employee Monitoring and Surveillance

Employees may not use AI-powered monitoring tools unless the Executive Director approves them first. The organization must not discipline or terminate an employee based only on AI-powered monitoring results.

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11. Intellectual Property

Employees must respect copyrights, licenses, confidentiality obligations, and proprietary information when they use AI.

12. Approved AI Tools

The organization will keep an Approved AI Tools List. Employees may use only approved tools for organizational business.

13. AI Incident Reporting

Employees must promptly report security incidents, disclosures of confidential information, inaccurate AI output that was shared externally, unauthorized AI use, or concerns about discrimination.

14. Training Requirements

The organization will provide periodic training on acceptable AI use, privacy, confidentiality, cybersecurity, human review responsibilities, and employment-related risks.

15. Oversight

The Executive Director and HR Director oversee AI governance and make sure the organization follows this policy.

Appendix A - Approved Use Matrix

Activity	Allowed	Human Review Required
Draft routine emails	Yes	Yes
Draft grant narratives	Yes	Yes
Summarize meetings	Yes	Yes
Reject applicants	No	N/A
Upload personnel files	No	N/A

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Appendix B - CMO-Specific Risks

Key risks include grant applications that contain unverified information, donor communications that include fabricated statistics, AI-generated HR or legal advice, confidential information entered into public AI systems, and board reports that rely on unverified AI-generated data.

Appendix C - AI Incident Reporting Form

Reporter Name: _____

Department: _____

Date of Incident: _____

AI Tool Involved: _____

Type of Incident: Unauthorized Use / Confidentiality / Security / NJLAD Concern / Bias Concern / Inaccurate Output / Other

Description of Incident: _____

Information Affected: Employee / Donor / Client / Financial / Medical / Other

Immediate Actions Taken: _____

Management Review and Resolution: _____

Appendix D - High-Risk AI Uses Requiring Executive Director Approval

Employees must get Executive Director approval before using AI for applicant screening, candidate ranking, performance scoring, employee monitoring, accommodation management, leave administration, donor profiling, predictive employment analytics, or eligibility decisions.

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