

Athlete Charities Often Lack Standards

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An "Outside the Lines" investigation of 115 charities founded by high-profile, top-earning male and female athletes has found that most of their charities don't measure up to what charity experts would say is an efficient, effective use of money.

Using guidelines set by nonprofit watchdogs Charity Navigator, the Better Business Bureau and the National Committee for Responsive Philanthropy, "Outside the Lines" found that 74 percent of the nonprofits fell short of one or more acceptable nonprofit operating standards. The standards cover all sorts of aspects, such as how much money a nonprofit actually spends on charitable work as opposed to administrative expenses and whether there are enough board members overseeing the organization.

Among the "Outside the Lines" findings:

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Many athlete charities fail the effectiveness test for a variety of reasons, ranging from the deceptive and unethical -- if not illegal -- to the simply neglectful and ignorant. Some athletes set up foundations as tax-planning vehicles. Others dispute the nonprofit standards overall, saying as long as they spend at least some money on actual charity they should not be criticized.

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In many cases, OTL had a hard time measuring a charity's actual effectiveness because it was behind on filing its IRS tax returns or the returns were filled with errors and omissions. Problems can go unnoticed for years as the main agencies that oversee charities -- the Internal Revenue Service and states' attorney general offices -- don't audit every return.

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Even though the athlete charities often are named in honor of wealthy sports icons, only about a third of them had total assets of \$500,000 or more. Multimillion-dollar charities that actually run programs, such as those founded by Tiger Woods, Lance Armstrong, Andre Agassi and Richard and Kyle Petty, are rare.

The websites of Lamar Odom and Khloe Kardashian solicited donations for Odom's charity, Cathy's Kids, which advertised that it helped cancer initiatives. Records show no grant money was spent on cancer issues.

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