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Nonprofits that go off-script hurt us all

When charitable organizations stray from their mission, they risk losing our trust.

By Stephen F. Gambescia – 24 Feb. 2022

Stephen F. Gambescia is co-editor of the book “The Healthcare Nonprofit: Keys to Effective Management.”

We all cringe when we read news stories about staff or volunteers in nonprofit organizations being charged with wrongdoing. The crimes are similar to those that also take place in the government and for-profit sectors: fraud, kickbacks, embezzlement, commingled funds, overpaid and bonus-rich executives, nepotism, lack of stewardship of other people’s money, conflict of interest, and poor organizational oversight.

Such crimes are bad enough in government agencies and the corporate world, but when they occur in nonprofits, it is even more shocking because we take it for granted that those responsible for the management and oversight of nonprofits will conduct themselves and their organizations’ activities with integrity.

Charitable works have been part of the American spirit since its founding, and America is one of the most giving countries in the world. In 1835, Alexis de Tocqueville wrote in *Democracy in America*, his tome of observations about the American character, that “Americans of all ages, all conditions, and all dispositions constantly form associations and whenever at the head of some new undertaking you see the government of France or England, in the United States you will be sure

to find an association.” Today, these associations are the thousands of nonprofit organizations that serve every part of this country and its population.

The most familiar nonprofits (known as 501(c)3), after their section in the tax code, are relieved of most taxes in exchange for doing good works. While part of these good works is advocating for their respective causes, the federal government discourages nonprofits from direct electioneering, public support for a political candidate or a political party, or advancing an ideology to influence the economic, socio-cultural, and political dynamic of our public discourse because such activities violate the conditions of their nonprofit status.

We recognize that the activities of the three sectors in society — government, for-profit, and nonprofit — are often inextricably linked in how money is raised and spent, how programs and services are delivered, and how those eligible and in need are influenced by these entities.

However, when any of the sectors get too cozy in pushing an agenda or used by a select group of people or organizations to advance private or political agendas outside the public’s eye, the sector’s reputation is damaged. One such high profile case was when the Internal Revenue Service, the federal agency charged with the oversight of nonprofits, [had to make a significant monetary settlement for wrongdoing](#) to almost 500 groups who had filed for nonprofit status around the time of the 2012 presidential election. The groups, ostensibly identified by the IRS employees as “conservative” or “tea party groups,” had their formal applications targeted for delays and inordinate scrutiny. The plaintiffs’ complaints went well beyond bureaucratic negligence; they proved that political party favoritism was at play at the highest level of the administration. Such a scandal had citizens and politicians rightfully angry that those working for a government agency would inject political partisanship into their roles and responsibilities.

In the 2020 election, Facebook CEO Mark Zuckerberg pushed out [hundreds of millions of dollars through nonprofit organizations to create partisan ground troops to get out the vote for Joe Biden](#) by greasing the hands of partisan political principals playing key roles in election day(s) activities in targeted cities and counties.

Another example of nonprofits going off script is when they aid and abet those from other countries to cross the Mexican-American border illegally. Such work by these nonprofits has moved upstream, so to speak, creating an unprecedented crisis at the border by facilitating illegal migration. To make matters worse, the

federal government has turned its back on stopping what is clearly illegal, including the “unrelated business activity” of these nonprofits engage in on both sides of the border.

It should disturb all of us when such nonprofits collectively and intentionally engage in illegal activity to support political or personal interests outside their stated missions. In the long run, nonprofits that go off-script or willfully thumb their noses at the law hurt all nonprofit organizations, and that harms all of us.

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