



Goad International

IRS Says Gifts to Goad Not Tax-Deductible and Goad Not Talking

By Rodney Pitzer

What is Goad?

- "Goad" appears to be a \$50+ million, Orlando based organization, consisting of at least 4 separate entities, **(1)** Goad Ministries, **(2)** Outrageous Productions (for-profit), **(3)** The Goad Foundation, **(4)** Giving Hope (church).
- The name of the organization is based on the Goad family, which comprises three brothers and their sister who currently lead the ministry efforts.
- The Goad's travel across America and the world performing musical concerts as a family.
- In addition, Goad claims to "help children and families who need and deserve our assistance" and where "over 90% of resources given goes toward those in need."

The Issues

- MinistryWatch.com has information from the IRS indicating that Goad is not tax-exempt nor are donations tax deductible.
 - Goad is asking for donations and representing that those donations are tax deductible, which is apparently incorrect from information from the IRS.
 - Goad is not willing to address with MinistryWatch.com the issues or provide any understanding.
- If Goad is indeed a tax-exempt entity with the IRS, it has a legal responsibility to comply with the public disclosure requirements and make available its annual financial report (the IRS form 990).
- It is unclear how the four Goad entities are governed and who they are accountable to.
- How is compensation, royalties and other expenses determined and accounted for?
- It is evident from past IRS filings that:
 - Richard Goad has received salaries from at least 3 of the entities and benefits
 - Timothy Goad has received salaries from at least 3 of the entities and benefits
 - Curtis Goad has received salaries from at least 2 of the entities and benefits
 - Carolyn Goad has received salaries from at least 2 of the entities and benefits
 - All four of the Goad's were recipients of loans from Goad Ministries. Loans to ministry personnel can be a red flag, especially concerning non-independent boards, not knowing the reason for the loans, and the repayment terms.

The Pursuit to Understand

- MinistryWatch.com contacted Goad by email, letter, fax, telephone, and a personal visit, beginning 5/14/2002 and Goad has rebuffed all efforts to engage in a meaningful dialog.
- A representative of MinistryWatch.com visited the Goad office on March 29, 2005 and was not able to talk with anyone besides the receptionist. When asked if Goad is a church the receptionist said "no" that it is not. When asked about donations being tax deductible, the receptionist referred the inquiry to the Goad website. The Goad website does indicate that it is indeed "a registered, 501(c)(3) non-profit organization. All tax deductible gifts will be properly recorded and receipted in compliance with IRS regulations."
- Goad representative Trish Davis was contacted by telephone on Friday, April 8, 2005 and she confirmed that they have received the various communications from our office but they have no intention to answer any of the questions.

MinistryWatch.com Recommendation

- Donors as good stewards of what the Lord has given them should look elsewhere to give. Without access to comprehensive ministry information it is not possible for donors to make optimal giving decisions. It is important for donors to make an assessment of giving options and make discerning giving decisions.
- Donors should consult with their tax advisors if they have or are expecting to receive an IRS tax deduction from Goad.
- MinistryWatch.com desires all ministries to be open and transparent and continues to have a desire to dialog with Goad when they are ready. MinistryWatch.com will always have an open door policy to communicate and understand.

Initial Issue Concerning Goad

The Internal Revenue Service (IRS) says Goad is no longer tax-exempt and gifts are not tax deductible.

Evidence

- Goad has multiple solicitations for donations, including for "Tsunami victims" and to become a "monthly donor" and become what they call an "Ambassador of Hope."
- Goad states on their website that they are "a registered, 501(c)(3) non-profit organization. All tax deductible gifts will be properly recorded and receipted in compliance with IRS regulations. Goad International and subsidiaries subjects itself to an annual independent audit and an annual IRS compliance audit."
- Goad claims that "over 90% of resources given goes toward those in need."
- Multiple Entities:
 - **"Goad Ministries"**: Last known IRS form 990 was for 1999 and is indicated as a "final return." Goad does not provide schedules or attachments as required by the form and as such does not indicate where the \$3 million in net assets went. Total Revenue was \$31 million.
 - **"Outrageous Productions, Inc."**: For-profit organization related to Goad Ministries.
 - **"The Goad Foundation"**: Last known IRS form 990 was for 2002. It only indicates \$1,500 in revenue and \$3,000 in net assets.
 - **"Giving Hope"**: Guidestar.com indicates this entity as a church with address at 1715 W High St, Piqua, OH 45356. Goad's website indicates this as a sub-ministry in Orlando, FL.

Questions for Goad

MinistryWatch.com desires a dialog to understand Goad's situation, including:

- How can Goad reconcile that the IRS says that the organization is not tax-exempt and donations are not tax deductible, but they state the opposite on their website (at least as of April 11, 2005)?
- How is the "ministry" organized?
- Is Goad a for-profit business, or a Para-church ministry?
- MinistryWatch.com requests in its understanding of the situation to be sent the three most recent IRS form 990s and Audited Financial Statements for Goad. In addition, we would also like any other descriptive information they may be willing to provide.

Contact Information and Resources

Government Contacts

Internal Revenue Service

Exempt organization customer service address:
Internal Revenue Service
TE/GE Customer Account Services
P.O. Box 2508
Cincinnati, OH 45201

- Tax-exempt assistance: 1-877-829-5500
- General tax questions: 1-800-829-1040
- Order forms and publications: 1-800-829-3676
- Website: www.irs.gov
- Verify tax-exempt status
- Verify tax deductibility
- Obtaining federal tax-exempt status
- Completing federal tax forms
- Specialized assistance to tax-exempt organizations

Attorneys General offices, or Departments of Justice, Charitable Activities Section

Most states have an active unit of the Attorney General's office that are willing to help consumers. Check with NASCO (National Association of State Charities Officials) at www.NASCO.net.org, look under US State Charity Offices and click on the state of interest.

- Reporting illegal activity by nonprofit organizations
- Information about charitable organizations and copies of annual reports
- Questions about professional fundraising reporting requirements
- Registrations of charitable corporations or trusts
- Questions about annual reports for charitable organizations
- Merging nonprofit organizations
- Serving as a board member of a nonprofit organization
- Dissolving nonprofit organizations

Secretary of State, Corporation Division

Check phone number on the Internet or your local phonebook under state government.

- Verifying that a nonprofit corporation is in fact incorporated and current in its filing
- Obtaining copies of filed articles of incorporation and amendments
- Forming a new corporation
- Obtaining state identification numbers
- Merging nonprofit corporations
- Amending articles of incorporation
- Dissolving nonprofit corporations

Federal Trade Commission

Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
1-877-382-4357
Website: www.ftc.gov

- Information on fraudulent, deceptive and unfair business practices
- How to file a complaint

Christian Ministry Marketplace

MinistryWatch.com

1 (866) 324-7097
www.ministrywatch.com
A free donor advocate service. Aid donors in understanding the key issues concerning a ministry's operations.

The Evangelical Council for Financial Accountability (ECFA)

1 (800) 323-9473
www.ecfa.org
A membership ministry advocate. A peer accountability membership group. Primary responsibility to the ministries that pay dues to the ECFA and thereby fund its operations.

WWW.thegoodsteward.com

Growing source of information on all areas of stewardship.

Generous Giving

www.generousgiving.org
Nonprofit that seeks to encourage givers of all income levels to experience the joy of giving and embrace a lifestyle of generosity, according to God's word and Christ's example. It was launched in 2000 by the Maclellan Foundation.

Royal Treasure

1 (770) 977-4502
www.royaltreasure.org
Nonprofit teaching Biblical Stewardship to women.

The Gathering

www.gatheringweb.com
Conferences, email forums, conference calls and other activities for those that give a minimum of \$200,000 annually to Christian ministries or have the capacity to do so.

National Christian Foundation

1 (800) 681-6223
www.nationalchristian.com
Facilitates Christian stewardship. Helps donors set up a Stewardship Fund, a donor advised fund, liquidate assets, provide gift annuities, trusts, scholarships, and endowments.

Calvin Edwards, & Co.

1 (770)-395-9425
Info@calvinedwardscompany.com
For profit organization providing philanthropic counsel to high-capacity Christian donors.

Geneva Global

1 (610) 254-8202
info@GenevaGlobal.com
www.genevaglobal.com
For profit organization assisting individual donors.

Excellence in Giving

1 (719) 329-1515
www.excellenceingiving.com
For profit organization with tailored services of affluent families and individuals.

The Legacy Group

1 (262) 789-3160
www.philanthropyatwork.com
For profit organization to assist private wealth management and those to achieve charitable goals.

The Eternity Portfolio

www.eternityportfolio.com
Book by Alan Gotthardt that shows how to get the ultimate return on your investments through investing in eternity.

Secular Resources

GuideStar

www.guidestar.org
Largest public search engine of nonprofit organizations. Provides access to many tax-exempt organization's IRS Form 990s. Some knowledge of accounting may be necessary to understand the documents found on this site.

BBB Wise Giving Alliance

www.give.org
A charitable watchdog site. The Alliance reports on nationally soliciting charitable organizations that are the subject of donor inquiries. These reports include an evaluation of the subject charity in relation to the voluntary BBB charity standards.

Charity Navigator

www.charitynavigator.org
Helps guide intelligent giving by evaluating the financial health of each charity in its database.

Charity Channel

www.charitychannel.com
Known best for its nonprofit email arena discussion forums.

The American Institute of Philanthropy

www.charitywatch.org
A charitable watchdog group that rates US charities in different categories. Fee for reports. They also provide tips to insure safe giving.

The Charities Review Council

www.crcmn.org
Conducts detailed reviews of national and local charitable organizations soliciting in the State of Minnesota. They also provide tips and guides for donors to help them make wise giving decisions.

Internet Nonprofit Center

www.nonprofits.org
Provides an extensive array of nonprofit topics.

Independent Sector

www.independentsector.org
A national leadership forum, working to encourage philanthropy, volunteering, nonprofit initiative and citizen action that help to better serve people and communities. There is a section on ethics and accountability, including donor's bill of rights, related publications, articles and other resources.

Chronicle of Philanthropy

www.philanthropy.com
Biweekly newspaper of the nonprofit world.

The Nonprofit Times

www.nptimes.com
Articles and topics related to nonprofits.

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www.wallwatchers.org
www.thegoodsteward.com