

Show Us the Money

When homerun slugger Mark McGwire signed a \$37 million, multi-year contract with the St. Louis Cardinals last fall (after the Oakland A's had reluctantly traded him in mid-season) he announced that he would establish a charitable foundation to help local youngsters as a gesture of gratitude for the phenomenal support he had received from St. Louis fans.

After Tiger Woods rewrote the record books by winning six tournaments in his first year as a pro, the golfing wunderkind announced that he would donate \$500,000 to establish the Tiger Woods Foundation, which would help inner-city youth and address issues of racism in the U.S. and abroad.

Announcements of such beneficence on the part of high-profile athletes may be of fleeting significance to most people. But to struggling nonprofits that depend on grant support to operate their programs, news about a possible new funding source raises high hopes.

Unfortunately, when grantseekers look to standard reference books, like The Foundation Directory or the Guide to U.S. Foundations, they almost never discover any mention of athletes' foundations.

That's because the vast majority of charitable "foundations" set up by professional athletes are really what the IRS would identify as public charities, not private foundations. Organizations like the Martina Navratilova Youth Foundation, the Andrea Jaeger Kids' Stuff Foundation, the Mike Utley Foundation, and the A.C. Green Foundation support direct services--primarily to young people--but they're not in the business of making grants.

There are a few exceptions. These are what the Foundation Center calls "grantmaking public charities"--501(c)(3) nonprofits that not only seek contributions from the public, but also make grants.

The Foundation Center's National Directory of Grantmaking Public Charities lists only a handful of athlete-sponsored foundations. Two of the more recognizable ones, the Troy Aikman Foundation (started by the Dallas Cowboys' all-star quarterback) and the now defunct Michael Jordan Foundation, have been criticized for paying inexperienced family members to manage their operations.

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Of the grantmaking public charities named for superstar athletes, The Magic Johnson Foundation is arguably the most active. It is also one of the most professionally run. Established in 1991 by the basketball legend whose career was cut short by AIDS, Johnson's foundation supports HIV and AIDS-related research, education, prevention, and treatment programs around the country. Most grants range from \$5,000 to \$25,000.

The foundation describes its sole mission as issuing funds "to community-based organizations that do not have the means to raise as much revenue as the Magic Johnson Foundation." It does this primarily by sponsoring special events.

In 1994, the foundation joined with AT&T to launch the AT&T/Magic Johnson HIV/ AIDS Grant Program, which has awarded a total of \$500,000 to more than 50 California nonprofits involved in the fight against HIV and AIDS. For the most part, these have been agencies that serve minorities, women, or youth.

The Magic Johnson Foundation Web site (www.magicjohnson.org) provides a list of past grant recipients, as well as grant application guidelines. Copies of the guidelines may also be obtained by writing to the Magic Johnson Foundation, 1888 Century Park East, Los Angeles, CA 90067.