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ANALYZING THE CORRELATION OF THE UNIVERSITY OF MISSISSIPPI  
FOOTBALL PROGRAM'S SUCCESS AND FINANCIALS WITH THAT OF  
THE UNIVERSITY AND LOCAL BUSINESSES IN OXFORD, MISSISSIPPI

By

Courtney Schaeffer

A thesis submitted to the faculty of The University of Mississippi in partial fulfillment of the  
requirements of the Sally McDonnell Barksdale Honors College.

Oxford, MS

May 2021

Approved By

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Advisor: Dr. Bonnie Van Ness

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Reader: Dr. Kathleen Fuller

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Reader: Dr. Robert Van Ness

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## ABSTRACT

Courtney Schaeffer: Analyzing the University of Mississippi Football Program's Impact on Local Businesses in Oxford, Mississippi  
(Under the direction of Dr. Bonnie Van Ness)

The purpose of this thesis is to look at Ole Miss athletic events, specifically football games, and the success and profit of local businesses in Oxford, Mississippi and the University of Mississippi. There are several existing studies analyzed in this paper that indicate a correlation between college football programs and the University and city revenues at several other colleges and universities across the country. A historical analysis of the University of Mississippi Athletic Department's revenues and expenses, football attendance numbers, and University enrollment trends throughout the years 2015 to 2019 indicates how important football is to the University and its financial impact. Analyzing Oxford, Mississippi's city sales tax data collected from the Mississippi Department of Revenue across those same years also indicates that there appear to be correlations between consumer spending and the Ole Miss football game schedule. The Covid-19 pandemic of 2020 substantially changed the athletic department's operations and affected local businesses' profits significantly, which is analyzed through the athletic department's financial statements and the city sales tax data from the year 2020. In an effort to understand just how much local businesses in Oxford benefit from the effects of Ole Miss football games, personal interviews were conducted with various business owners in the city. The information obtained in these interviews reveals how much Oxford businesses rely on the traffic that Ole Miss football games bring each year. The result of this research indicates that Ole Miss football influences the financial success and profitability of many local businesses in Oxford due to increased tourist traffic and spending on game day weekends, and many businesses, as a result, rely on football season for profits year after year.

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## **Chapter 1: Introduction**

Oxford, Mississippi is a charming small town full of great southern history and home to the University of Mississippi and the Ole Miss Rebels. The University of Mississippi, located in the heart of Oxford, contributes to a large percentage of both the city's total population and its yearly revenue. Without the University, Oxford would just be another small town in Mississippi, with a lot less life and excitement. According to an article posted on *SBNation*, "what makes Oxford so attractive is that it is inherently and forever tied to Ole Miss, and that's what makes the cultural impact of the town so strong. Young, educated minds permeate the community and make it possible for the town to be marinated and steeped in an obscene amount of entertainment" (Gillespie, 2021). This strong bond between Ole Miss and the Oxford community is what makes Oxford such a special and unique town and is the reason why there is such a strong relation between the University's events and operations and their resulting effects on the community.

The University of Mississippi is responsible for bringing in a significant amount of revenue and jobs to Lafayette county, something on which the city of Oxford strongly relies. The large influx of students in town during the academic year strongly influences the economy and amount of activity in the Oxford community. Not only do Ole Miss students generate a large percentage of many local Oxford businesses' revenue, but fans of the University's athletic program also contribute significantly to the financial success of Ole Miss and the local businesses in Lafayette county.



Big Southeastern Conference football games draw in hundreds of alums and tourists to the city of Oxford each year. These fans and tourists spend money at local restaurants, boutiques, hotels, and on campus at the University of Mississippi. Many businesses, especially those on the Square, know that the amount of revenue their business makes will fluctuate during certain times of the year depending not only on what holiday season it is, but also on what athletic season it is. Without these large game day weekends drawing in crowds, most of these businesses would not be nearly as profitable.

The year 2020 brought many unexpected changes to the city of Oxford, as well as the rest of the world. The city, businesses, and the University of Mississippi all experienced financial losses of some sort during fiscal year 2020 due to the Covid-19 global pandemic. The pandemic forced many businesses to close their doors for several months, change their business operations, and halted travel and tourism to Lafayette county. In addition, sporting events at the University of Mississippi were regulated and restricted, resulting in fewer fans in attendance and a loss of revenue for the athletic department. The direct effects that a shortened and restrained Ole Miss football season had on businesses in and around Lafayette county made it clear that without football in Oxford, many businesses would not survive.

## Chapter 2: Discussion of Existing Studies

### The “Flutie Effect”

The term “Flutie Effect” refers to the phenomenon among American colleges and Universities where the number of applications to and enrollment in a particular school dramatically increases following athletic success on a national stage. This term was first coined in 1984 after Boston College’s quarterback, Doug Flutie, threw a Hail Mary at the last second to win the game against the University of Miami. Immediately following this famously exciting football game, interest in Boston College spiked and the number of applications to the school increased dramatically (Silverthorne, 2013). Analysts and admissions officers have continued to notice a similar increase in applications and enrollment in universities across the country following a successful sporting event broadcast on national television, especially with football games. Even when a team does not win the game, the mere presence of their school on a national stage increases the interest in attending the university among high school students (Mayes and Giambalvo, 2018).

The University of Mississippi has not necessarily experienced any outstanding football achievements on the national level since about 1962, when they won the national championship for the third time. However, the Ole Miss football team’s appearances in bowl games, such as the Cotton Bowl and Sugar Bowl, over the years have provided great free publicity and marketing for the University, which likely resulted in an increased interest in the school (University of Mississippi Athletic Department). The “Flutie Effect” not only benefits Universities, but it

results in increased populations and tourism in college towns, contributing to the revenue and success of the cities and businesses within.

### Empirical Studies

Many recent studies have focused on the correlation of college football program success with the respective University's student enrollment numbers, supporting the phenomenon known as the "Flutie effect." There are also empirical studies that analyze the financial impact football games have on college towns. This paper's analysis of the University of Mississippi football program's success and its effects on student enrollment, football game attendance, and the revenues of local businesses in Oxford, Mississippi is supported by the empirical studies discussed that detail positive correlations found between similar variables at other colleges and universities.

The relation between increased first-year student enrollment numbers at Universities with successful football programs has been found in several studies. A study completed by Chressanthis and Grimes (1993) focuses on the effects that major intercollegiate sports variables have on the student enrollment numbers at Mississippi State University across a twenty-one year period. The factors and variables evaluated in this study include tuition costs, student's family income, quality of faculty members, percentage of football team wins, postseason play, and television appearances. Based on the findings of Chressanthis and Grimes, when there is a 1% increase in the number of football wins compared to the previous football season, the first-year enrollment at Mississippi State University increases by 3.8% the following fall. The football team's television appearances throughout the regular season noticeably impact Mississippi State

University's enrollment as well. In determining what increases revenue for Mississippi State University's football program, Chressanthis and Grimes explain, "...the financial success of the MSU football program was a function of scheduling. The program earned money in years when both Auburn and Alabama were scheduled at home through attracting larger crowds and generating greater ticket sales and revenue." University football programs generate the most game day revenue when the football game schedule for the season is favorable. When teams are scheduled to play popular opponents, especially at home, more fans attend the games and travel to the host city. The more successful teams played at home, the more revenue generated that season. Additionally, Chressanthis and Grimes analyze how NCAA football sanctions affect student enrollment numbers at Mississippi State University. The results of the regression analysis determined that first-year enrollment numbers decrease when there is negative publicity of a University resulting from NCAA football violations and restrictions. This study completed by Chressanthis and Grimes indicates that there is a strong correlation between Mississippi State University's football program success and game schedule with the number of first-year applicants and enrollment numbers at the University the following fall.

A study completed by Pope and Pope (2009) found similar results to that of Chressanthis and Grimes (1993). Pope and Pope analyzed a collection of previous literature and studies. One study they analyzed, by Murphy and Trandel (1994), concluded that if the in-conference football winning percentage increases by 25%, then there will be a 1.3% increase in first-year student applications at that University (Pope and Pope, 2009). Additionally, another study analyzed by Pope and Pope, completed by Tucker and Amato (1993), found that there is a 3% increase in SAT scores as a result of football success at the Universities analyzed. This evidence was not

found when analyzing men's basketball. After completing their own regression analysis on the correlation between college football success and trends in student enrollment numbers, Pope and Pope concluded that, "for football, the results suggest that ending the season ranked in the top 20 in football yields approximately a 2.5% increase in applications the following year, ending in the top 10 yields a 3% increase, and winning the football championship a 7-8% increase." The increases in applications following a winning football season occur mostly at public universities. Many of these applicants influenced by sports success were found to be males, African Americans, and students who played high school sports. Since the college football season ends in January, a successful season affects the applications and enrollment for the upcoming fall semester following the winning football season. This analysis substantiates the question of how college football impacts a University by proving a correlation between football success and the amount of applications to the University the following year.

Several empirical studies have also been conducted on the correlation between college football teams' success and the resulting financial impact on city sales tax revenues, employment opportunities, and local businesses' yearly revenues. A study done by Lentz and Laband (2009) focuses on how college athletics impact employment in the restaurant and hotel industries in college towns across the country. The result of their findings is a statistically significant positive correlation between college athletic revenues and the level of employment available in the restaurant and accommodation industries. According to their study, "...an increase of US\$1 million in college athletics revenues was associated with an employment increase of 17.3 [percent] in the food service and accommodations industries in 2005." This study analyzes data from 30 colleges and universities across the country. Data on the University of Mississippi is

included in this analysis. The study found that in 2005, the University of Mississippi had athletic revenues of \$28.72 million with the total hotel and restaurant employment that year at 1,967 full-time jobs. The study concludes that 25.1% of the hotel and restaurant employment in Oxford, Mississippi is a direct result of University of Mississippi athletics (Lentz and Laband, 2009). Out of this study of 30 colleges and universities, the University of Mississippi ranks second in the highest percentage of hotel and restaurant employment resulting from college athletics. Based on this fact, the assumption can be made that college athletics, specifically football, have a noticeably positive influence on the revenues and success of local businesses in the respective college town.

Coates and Depken (2009) completed an analysis of how local sales tax revenues are impacted by college football games. In their study, they analyzed data from four cities in Texas: Austin, College Station, Lubbock, and Waco. The purpose of the study was to, "...assess whether conference games, games against teams from within the state, and games against specific rivals have different impacts on local sales tax revenues than other games." In their analysis, the tax data used is the overall sales tax revenue collected in each respective city, which come from a state sales tax rate of 6.5%. Based on the results of the study, sales tax revenues seem to vary depending on who the football opponent is in each college city. According to their findings, "...an in-conference opponent increases tax revenues by approximately \$29,000." Their results from analyzing four college cities in Texas suggest that when a college football team plays an in-conference opponent, significant amounts of revenue are generated through sales taxes in comparison to the revenue generated when playing an out of conference team. The findings of this study are important when considering how and if college football games have an impact on

yearly revenue for cities and local businesses. When tax revenues are up, that likely means that local businesses are experiencing higher sales. The analysis by Coates and Depken points out that for four cities in Texas, their respective college football teams positively influenced the sales tax revenues collected by the city, especially when playing a popular in-conference opponent.

An empirical study titled, “Small-scale event sport tourism: fans as tourists” details the tourism behavior of University of Florida football fans, and their economic impact on the city of Gainesville on game day weekends (Gibson et al., 2002). The researchers divided Gator football fans into two categories: sport excursionists and sport tourists. Sport tourists represent fans that are likely to stay at least one night when traveling for a University of Florida football game. According to the study, “...35.9% of sport tourists spent the night in Gainesville. Of these, 30% stayed in hotels or motels...27.1% stayed two nights.” Gibson explains that the longer fans stay in town, the more likely they are to contribute economically to the city of Gainesville. The results of the study suggest that University of Florida fans contribute economically to Gainesville by dining at restaurants, booking accommodations, and shopping at local stores. The study also suggests, however, that fans from opposing teams contribute even more to tourism revenue in Gainesville than Gator fans. Gibson explains, “...college sports events attract a significant proportion of fans from outside of the local community and as such, support the growing focus within the tourism literature that small-scale-sport tourism events may hold more benefit for a community than hosting mega events.” This study provides a correlation between college football fan tourism and increased economic activity in the host city. The data analyzed in this thesis on college football tourism in Oxford, Mississippi and its resulting effects on the local economy is supported by the findings of this study.

The empirical studies and findings discussed all support the argument that there is a positive relation between college football games and winnings and the resulting increase in student enrollment and city-wide revenues. This thesis analyzes similar topics but with a focus on the University of Mississippi and the city of Oxford, Mississippi. Additionally, this study will also consider the impact Ole Miss football has on the local businesses of Oxford through discussions with business owners in the city. This data and findings discussed in this thesis that suggest Ole Miss football has a positive correlation with University enrollment, increased city sales tax revenues, and greater revenues for local businesses are supported by the existing data and findings analyzed.



### **Chapter 3: University of Mississippi Football**

#### *Historical Analysis of Ole Miss Football Financials - Revenue and Expenses*

For many years, the University of Mississippi's students and alumni have gathered together in the town of Oxford, Mississippi seven Saturdays a year to celebrate and cheer on the Ole Miss Rebels football team. Something that makes the University of Mississippi so special is the unique game day traditions shared by students, alumni, and locals of Oxford, Mississippi. Year after year thousands of people have gathered on a ten acre patch of grass on campus, termed the Grove, to tailgate and celebrate the Ole Miss football team. Many of these tailgaters never even enter the stadium. Instead, they drink and eat in the Grove before heading to the Square to shop, dine at restaurants, or visit their favorite local bars (Anderson, 2013). These fans and tourists that visit Oxford each football season contribute significantly to the year-end revenue and success of many of Oxford's most popular businesses on the Square and around town.

With college football being one of the most popular sports in the country, and certainly the most beloved in Oxford, Mississippi, it is no surprise that the University of Mississippi athletic department spends more on the football program annually than any other University of Mississippi sport; however, the athletic department, in turn, projects to make the majority of their revenue from the football program alone each year, which justifies their expenses. Roughly, an average of 34.1% of the athletic department's annual funding goes towards the football program, whether it be in recruiting, advertising, ticket sales, or stadium costs. However, the football program generates an average of 50% of the athletic department's total year-end revenue

(University of Mississippi Athletic Department). After doing a historical analysis of the past six years of the athletic department's financial information, it is evident that football in Oxford, Mississippi provides a lot more for the University and the town of Oxford than just entertainment.

Analyzing the operating budgets and statements of revenues and expenses of the Ole Miss athletic department over the past five to six years allows for a better understanding of the gravity football games hold and the importance of the revenue they generate not only for the University, but for the city of Oxford, as well. All of the financial data discussed in this analysis was retrieved from the University of Mississippi Athletic Department and is presented in Appendices A-E. Based on the athletic department's financial statements, in the years 2015 and 2016, football generated 51.4% and 53.2% of the total operating revenue for the athletic department, respectively. In comparison, men's basketball made up only 8.5% and 9.1% in 2015 and 2016. In the years following, the percentage of total operating revenue for the University of Mississippi Athletic Department continued at roughly 50%; however, even though football continued to generate the majority of the profits, there is a noticeable trend of steadily declining revenue throughout the years 2017, 2018 and 2019 (University of Mississippi Athletic Department).

Upon further analysis of the increasingly profitable years of 2015 and 2016, it is clear that fiscal year end revenue numbers were 15.1% and 11.3% higher than originally expected for each year, respectively. The increase in the amount of revenue made compared to what was projected in the operating budgets for both fiscal years 2015-2016 and 2016-2017 was largely due to the fact that more football tickets were sold during the 2015 and 2016 football seasons

than anticipated, since football tickets make up an average of 30% of the total revenue generated by the football program each year.

In 2016, Vaught Hemingway Stadium underwent a large renovation project that made it possible for 5,500 more fans to attend the games (UMAAF). This new renovation not only allowed for more fans to purchase tickets, but the nice, new accommodations, such as a larger jumbotron, expanded student section, increase in number of restrooms, and additional concessions stands, served as an incentive to get fans into the stadium for the games. In 2016, the Ole Miss athletic department generated \$20,863,713 in football ticket sales alone, which accounted for 17.7% of the total revenue made from athletics that year. The University anticipated a larger crowd during the 2016 season due to the new stadium expansion; therefore, the athletic department projected to make \$9,842,455 more from the football program and \$2,644,183 more just from ticket sales in their operating budget that year. Ole Miss ended up making \$398,803 more in football ticket sales that season than originally projected. This increase in revenue during the 2016 season gave the athletic department hope for higher revenues and ticket sales in the future, leading to an increase of \$7,144,606 in the projected operating budget for the following fiscal year, 2017-2018 (University of Mississippi Athletic Department).

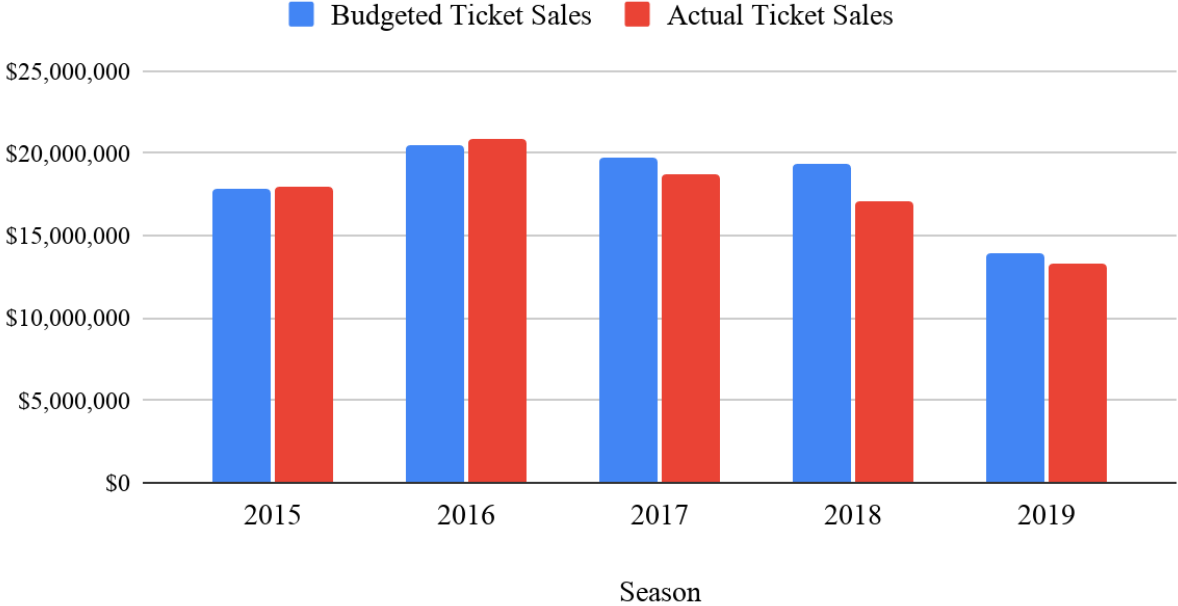
Between the 2016 Ole Miss football season and the 2018 football season, the amount of capital projected to be made across the entire athletic program steadily increased year after year, with football making up an average of roughly 18% of that projected revenue. In 2019, however, there was a 4.04% decrease in the amount of revenue projected to be made off of football tickets in the athletic department's yearly budget. The University of Mississippi projected \$112,560,556 in total athletic revenue for fiscal year 2019-2020; however, they only made \$105,875,209 which

is 5.94% less than expected. Similarly, they made \$598,278 less than expected on ticket sales that season. Likely reasons for this sharp decline in ticket sales and revenue include lingering issues surrounding former coach Hugh Freeze, as well as the two-year postseason ban and three years of probation under which the football team was placed. After the NCAA discovered that throughout the 2010 to 2016 seasons Ole Miss was using ineligible players due to academic and recruiting violations, they revoked around thirty-three wins across the 2010 to 2016 football seasons (Axson, 2019). Additionally, Matt Luke, the head coach hired after Hugh Freeze's resignation, was not leading the Ole Miss football program in a very promising direction throughout his coaching career (Suss, 2019). The probation and issues with coaches Hugh Freeze and Matt Luke led to a number of problems for the athletic department, as well as the city of Oxford.

Ticket sales were down 22% in 2019 as compared to sales in 2018, which not only meant that the athletic department lost large sums of money, but it meant that there were also significantly less tourists and football fans in town, leading to a likely decrease in revenue for the city of Oxford amongst hotels, restaurants, bars, and retail stores. Revenue from ticket sales was especially important to the Ole Miss athletic department during the years the football team was on probation because they were not able to receive money from the Southeastern Conference during those years. The Southeastern Conference pays all members annually from a pool of money at the end of each season based on the number of postseason and television appearances (Chressanthis and Grimes, 1993). Typically Ole Miss, as well as other members of the Southeastern Conference, benefits monetarily from other teams' successes in the conference; however, when a team is placed on probation, they cannot reap the benefits and do not get paid a

share of the money. Even though Ole Miss anticipated smaller crowds and a lower number of football tickets sold in the 2018 and 2019 seasons and projected their budgets accordingly, they still made significantly less money in the 2018 and 2019 seasons combined than initially anticipated.

### Ole Miss Football Ticket Sales 2015-2019



**Figure 3.1: Ole Miss Football Ticket Sales 2015-2019**  
Source: University of Mississippi Financial Management

Figure 1.1 shows that the trends in the number of tickets sold and number of fans in the stadium are closely associated with the success and publicity of the football program in each respective year. For instance, ticket sales began decreasing from the years 2016 to 2019 in

response to the number of games lost under head football coach Matt Luke, and the two-year bowl ban and three year probation imposed on the team. Many fans were discouraged from attending games in the 2018 and 2019 seasons as a result (Axson, 2019). Based on the fiscal numbers from the past six years, the Ole Miss football program clearly yielded the highest profits of any University of Mississippi athletic team. The football program at Ole Miss financially supports the majority of the University of Mississippi athletic department; however, football profit and revenue is almost entirely reliant on ticket sales and program popularity and success. When ticket sales are down, money is lost to many different entities in the athletic department. However, when ticket sales are up, the Ole Miss athletic department and the University benefit financially from the increase in revenue and money spent by football fans in the stadium. The city of Oxford benefits from increased ticket sales because more tickets sold means that there will be increased tourist traffic during football season.

Similar to how the Ole Miss football program generates the largest amount of revenue for the University of Mississippi athletic department, the football program also spends the most and has the highest level of expenses. Annually, the athletic department allocates and spends the most revenue on football coaching salaries, student athlete scholarships, facility debt, severance payments, and equipment. Between the years 2015 and 2019, the football program's expenses made up an average of around 30% of all athletic expenses. Throughout the years 2015 through 2018, the football program averaged roughly \$35,600,000 in expenses each year; however, in fiscal year 2019-2020, expenses increased to \$44,375,627, much higher than in the past. In the 2019-2020 fiscal year, the amount of money allocated to the payment of football coaches increased significantly. During the 2019-2020 year, Ole Miss hired a new head football coach,

Lane Kiffin, for the 2020 season, which is why so much more revenue was depleted (Suss, 2019). Lane Kiffin's contract details his salary to be \$3.9 million in 2020 and up to \$4.2 million in 2023. He is set to make around \$16 million during his four year contract with the Ole Miss Rebels (Suss, 2019). Hiring a new coach like Kiffin increases the athletic department's expenses significantly; however, if the coach improves the football program and leads the team to victories, then a new hire could also bring in large profits for the program in future years.

The total profit for the football program during fiscal year 2019-2020 was \$8,640,273, found by subtracting the year-end expense amount from the year-end revenue amount (University of Mississippi Athletic Department). The profit during that year was lower than previous years due to the increase in money spent on coaching salaries and the drop in revenue from football ticket sales. While the total operating revenue progressively decreases over the years, the expenses are progressively increasing year after year. This means that the overall profit each year for the Ole Miss athletic department, specifically the football program, is slightly declining. The slow continual decrease in profit not only affects the Athletic Department's earnings, but it influences the trends in the city's sales tax numbers, revenue generated by businesses, and student enrollment numbers, as the number of students and tourists fluctuate with the football program. Since Oxford is a small college town in which Ole Miss football is central to the community, the success and profit of the University of Mississippi and the athletic department is very interconnected with the success and profit within the city as well (Gillespie, 2021). However, with a new head coach, there is potential for the Ole Miss football program and athletic department to see an increase in profits in years to come.

### Stadium Attendance

Ole Miss football attendance numbers are an important factor in the University of Mississippi Athletic Department's annual revenue, especially in terms of ticket sales. However, revenue from ticket sales and stadium concessions, as a result of football game attendance, are not the primary source of annual revenue for the Ole Miss football program and University of Mississippi athletic department. The annual sum of revenue received from the Southeastern Conference makes up a large majority of the athletic department's revenue. Each member of the Southeastern Conference receives a sum of money from a pool at the end of each year. Teams also receive additional compensation for postseason bowl game appearances. For example, in the 2018-2019 fiscal year, approximately \$651 million dollars was distributed among fourteen universities. It is important to note, however, that during several of the years discussed in this analysis, the Ole Miss football team was on probation due to NCAA violations. Teams on probation are not eligible to receive revenue from the Southeastern Conference. During the University of Mississippi's probationary period, athletic director Kieth Carter explained that the athletic department had to pull around \$8 million from financial reserves each year (Suss, 2020). The University of Mississippi's loss of revenue from the Southeastern Conference during their probationary period meant that ticket sales and game attendance numbers were increasingly more important financially during the time period discussed in this study.

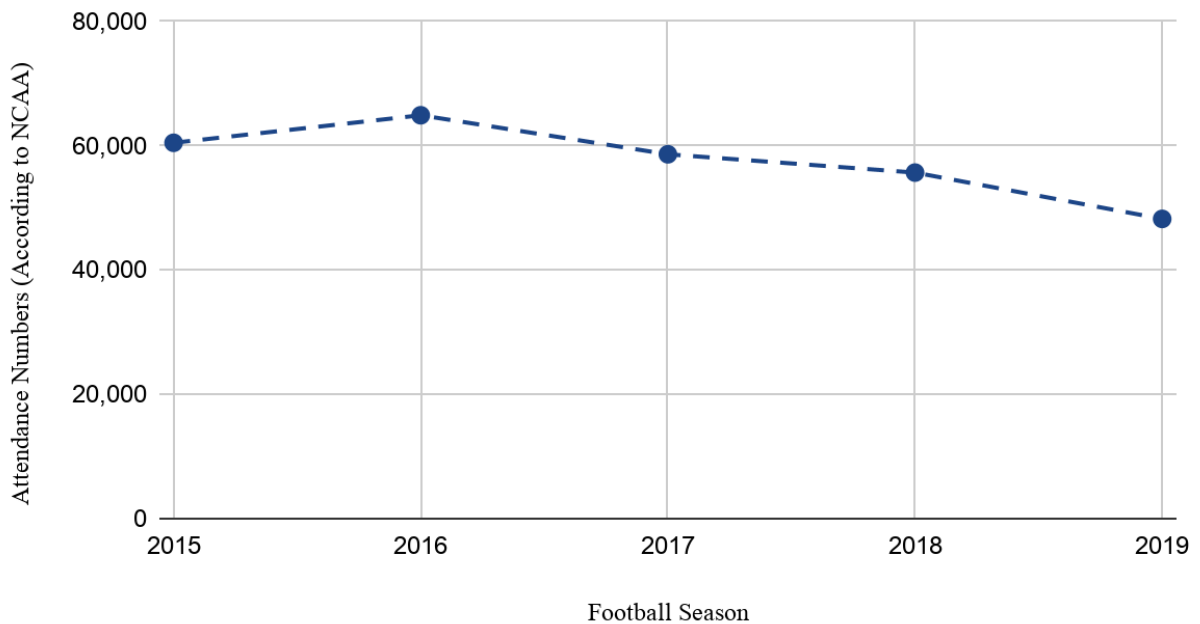
Attendance numbers directly impact the revenue level in the city of Oxford, as well, due to tourist traffic from the football games. Even when ticket sales are up, fans who purchase tickets but do not attend the game in the stadium may contribute to slightly decreased University revenues from concessions and stadium souvenirs. However, these fans might buy shop and dine



out at restaurants in the city similar to those fans who attend the games. All of these variables contribute to changes in Oxford's sales tax revenues collected and the revenues of local businesses that keep things running smoothly, year after year.

The Ole Miss Rebels hosted seven home games each football season in the years 2015 through 2019 (University of Mississippi Athletic Department). There was a 7.3% increase in the average attendance numbers for the 2016 season as compared to the year prior. In fact, every home game during the 2016 season was sold out by the Rebels (Parham, 2020). This was likely due to the stadium expansion previously discussed, which allowed for 5,500 more fans to enter the stadium and the great success and popularity of the program in that year. After the 2016 football season, however, the average home game stadium attendance numbers began to steadily decrease. Figure 1.2 below displays the steady decline in attendance at the Vaught Hemingway Stadium for years 2015 through 2019.

### Average Home Football Game Attendance Numbers 2015-2019



**Figure 3.2: Average Home Football Game Attendance Numbers 2015-2019**  
Source: NCAA

A steady decrease in college football attendance numbers has not only been occurring at the University of Mississippi. There is research showing that many universities across the country have faced issues with declining football attendance in recent years. According to an article from *CBS News*, “In 2019, college football attendance hit a 24-year low according to the NCAA’s official numbers. The FBS average of 47,477 [people] per game is the game’s lowest since 1996” (Dodd, 2020). This national decline in attendance during the 2019 season was certainly visible at the University of Mississippi. In 2019, an average of about 48,233 fans attended Ole Miss home games, which is a 13.4% decrease compared to an average of 55,685

fans attending home games during the prior season. The 2019 season experienced the lowest attendance record the Rebels have seen since 2001 (Suss, 2019). This national trend of college football attendance numbers dipping far below average is concerning considering that revenue from football tickets makes up roughly 15.8% of the total revenue the Ole Miss athletic department generates each year. Additionally, this potential loss of revenue for the athletic department means that the football program will not receive as much revenue. The reduction in revenue allocated to each University of Mississippi sport could potentially lead to a decline in the success of teams due to less money available for recruiting, training, and coaching staffs. Continual trends in lower attendance numbers could lead to a multitude of potential financial problems for the University of Mississippi, as well as Lafayette county if tourism declines as well.

Many fans across the country have stopped attending football games simply because they believe that watching a game from the comfort of their home or from a restaurant or bar is much more convenient and cost effective than traveling to a stadium (Dodd, 2020). Paying for parking, not being able to carry a bag into the facilities, buying overpriced concessions, and the rising prices of tickets are all factors contributing to the decline in college football attendance over the past few years. Additionally, the movement of the student section in Vaught Hemingway Stadium to the opposite end-zone following the construction in 2016, resulted in a drop in student attendance numbers and presented a new challenge in finding ways to keep students at the game through the fourth quarter (Johnson, 2019).

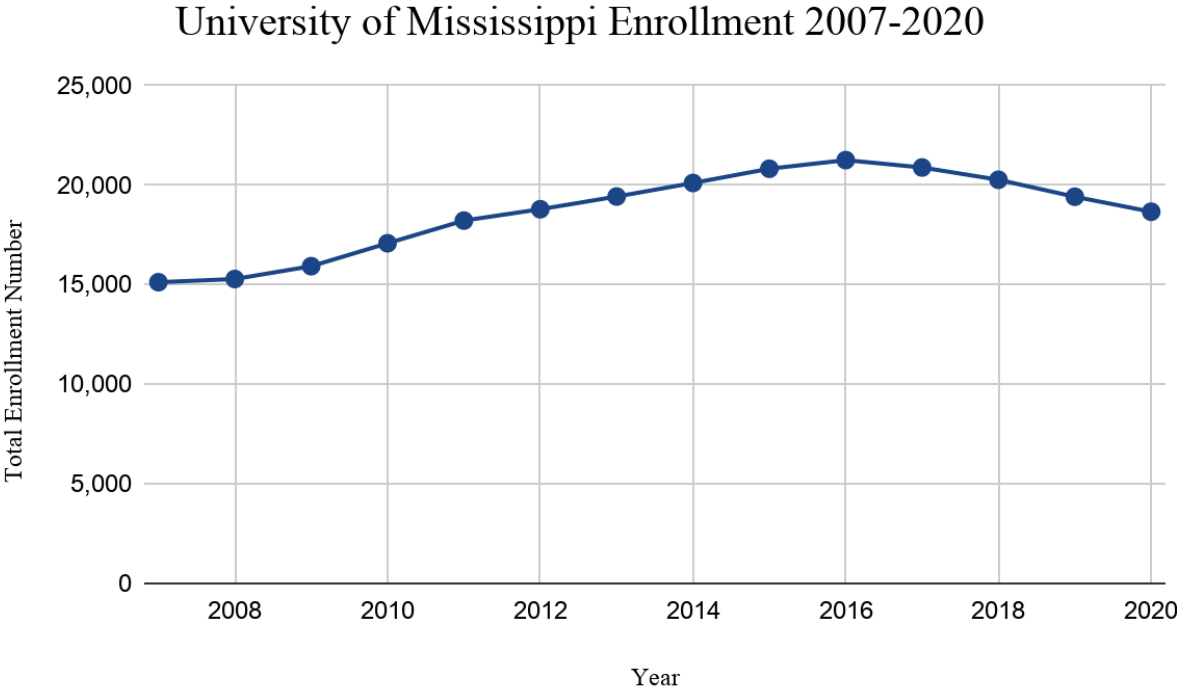
One way that the Southeastern Conference, of which Ole Miss is a part, has worked to combat declining attendance numbers is by allowing alcohol sales inside stadiums (Caron, 2020).

During the 2019 football season, Ole Miss implemented alcohol sales for the final three home games of the season, which were against Auburn University, New Mexico State University, and Louisiana State University. Two of these three games, Auburn and LSU, recorded the highest attendance numbers for the entire season, likely due to the new addition of alcohol and the fact that Ole Miss was playing popular rivals in the Southeastern Conference. Much of what drives increased attendance and revenues is the quality and popularity of the home game schedule (Dodd, 2020). The more Southeastern Conference teams that the Rebels play at home, the higher the attendance numbers and the more revenue the city of Oxford sees that fall. Popular in-conference home games draw large crowds of people to Oxford, Mississippi, even though many fans may not attend the game in the stadium. Ole Miss fans, as well as tourists of the opposing teams, spend game days in the Grove and on the Square contributing financially to local businesses and Lafayette county.

### University Enrollment

It is typical of Southeastern Conference schools to attract more students to apply and enroll in their University through the success and popularity of their football programs, referred to as the “Flutie Effect.” For example, after Auburn University beat their number one rival and national champion, the University of Alabama, in 2017, the University experienced a 21% increase in applicants the following academic year (Mayes and Giambalvo, 2018). Although many factors may contribute to a spike in the number of applicants and students enrolled at a University, the public exposure and opportunity to show-off the unique student experience on a national stage that comes with a successful football season can impact numbers significantly.

This claim is supported by empirical studies discussed in Chapter 2. Figure 1.3 details the enrollment at the University of Mississippi from the year 2007 to 2020.



**Figure 3.3: University of Mississippi Enrollment 2007-2020**  
Source: University of Mississippi

Enrollment numbers at the University of Mississippi seem to follow a similar pattern that football revenue and attendance numbers did throughout the years 2015 to 2019. Similar to how attendance and ticket sales decreased in the year 2019, enrollment was also down 4.2%. Note, however, that in the years 2008 to 2016, enrollment steadily increased, year after year. This steady increase was due in part to the “Flutie Effect.” For example, following a win at the Cotton

Bowl in Dallas, Texas against Oklahoma State in 2009, enrollment at Ole Miss increased by 4%, which was much higher than it had increased in previous years (University of Mississippi Athletic Department). Additionally, following the historic win over No. 1 Alabama in 2014, when College GameDay and Katy Perry visited Oxford for the game, enrollment was up by 3% the following year and continued to increase after a second win against Alabama during the 2015 season (Casagrande, 2016). While studies show that winning college football games against notable teams or winning games that are broadcast on television tend to result in an increase in first year-applicants at the participating Universities, the increase in applicants after these notable victories by the Ole Miss Rebels could potentially be coincidental due to the variety of factors that can impact University enrollment.

Higher numbers in student enrollment leads to an increase in revenue for the University and more student football tickets sold. The problem the University of Mississippi has faced in recent years is a decline in enrollment (Peoples, 2019). With this decline in enrollment comes a decline in revenue, something that if it were to continue could be detrimental to the city Oxford, as well as the University. After the success that the Ole Miss football and baseball teams saw during the 2020 and 2021 seasons, the "Flutie Effect" may take place and result in an increase in applicants for the 2021-2022 academic school year. An increase in applicants would ultimately result in more revenue for the university, the athletic department, and even the city of Oxford. Ole Miss students serve as the "lifeblood" of the Oxford community. In an article detailing the importance of University enrollment Gillespie argues, "the presence of Ole Miss and its student body make Oxford tick" (Gillespie, 2021). Without students, Oxford just simply would not be the same charming, southern town it is today.

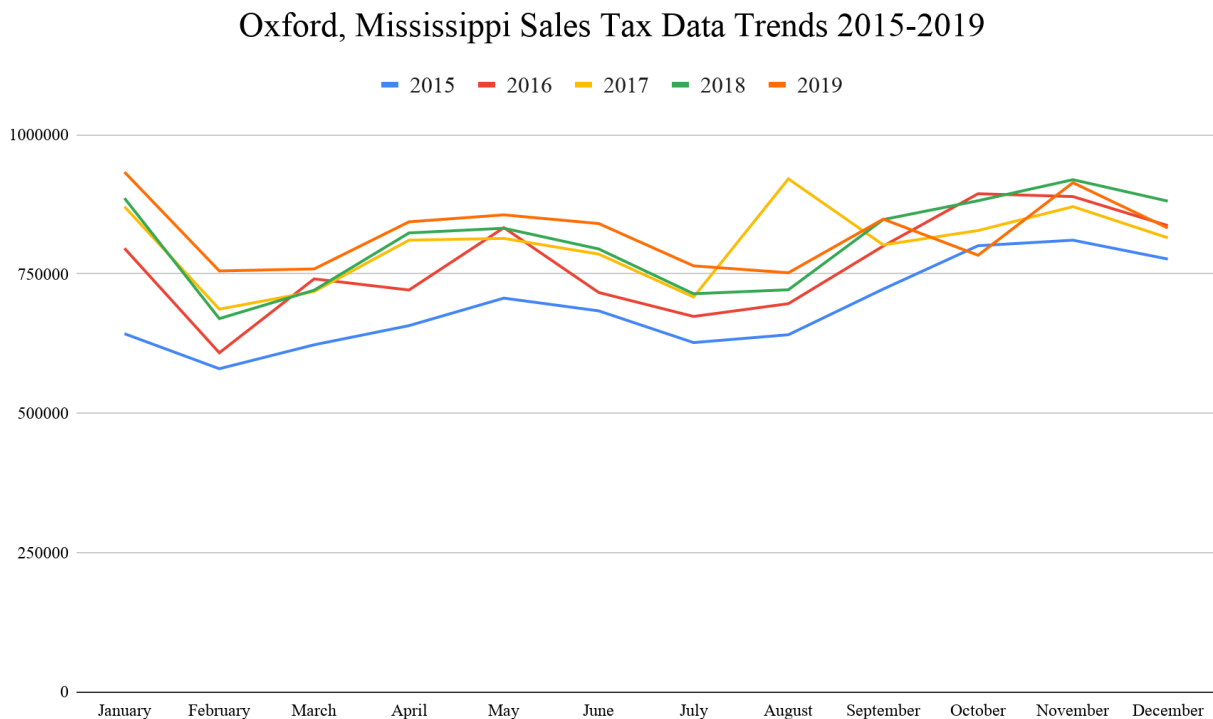
## **Chapter 4: Oxford, Mississippi Sales Tax Revenue**

### *Analysis of City Sales Tax Data*

The majority of states and cities across the United States impose a direct tax on citizens' consumption of goods and services referred to as a sales tax. Sales tax rates vary from state to state and county to county; however, the amount paid by citizens in sales taxes is always a percentage of the total sales price spent by the consumer (Kagan, 2020). These sales taxes are essential to the overall city and state-wide revenue that keeps everyday city operations functioning smoothly for local citizens and businesses. Most states across the United States charge a flat sales tax rate across all cities and counties; however, individual city jurisdictions can charge additional tax rates on top of the standard state-wide sales tax.

For example, the state of Mississippi collects a 7% sales tax in all counties. However, the city of Oxford imposes an additional 2% sales tax on hotel and motel sales, referred to as a Tourism and Economic Development tax. A 2% additional tax is also imposed in Oxford, Mississippi on the sale of alcoholic beverages, beer, and prepared food, referred to as a Tourism and Stadium Construction tax (Mississippi Department of Revenue). These taxes bring in significant amounts of revenue for the city of Oxford each year. In fact, roughly 34 percent of all of Oxford's revenue comes from some form of a tax, with 12 percent of the city's total revenue each year coming directly from sales taxes on goods and services (Mississippi Office of the State Auditor). Each year, the city of Oxford uses the majority of its citizens' taxpayer dollars on services for the city such as public safety, public works like street and waste collection, culture

and recreation, tourism promotion, public transit operations, utilities, and general government operations and services (Mississippi Office of the State Auditor). These services are essential to the city’s operations, which is why funding from city and state taxes is so important. Figure 4.1 shows the trends in the City of Oxford’s general sales taxes on a monthly basis for the years 2015 through 2019.



**Figure 4.1: Oxford, Mississippi Sales Tax Data Trends 2015-2019**  
 Source: MS Department of Revenue, Diversions to Cities from Sales Tax Collections

This 7% sales tax across the state of Mississippi is imposed on all sales of tangible personal property, unless exempt by the law (Mississippi Department of Revenue). Conducting a historical analysis of the city of Oxford’s sales tax data over this five year time span, reveals

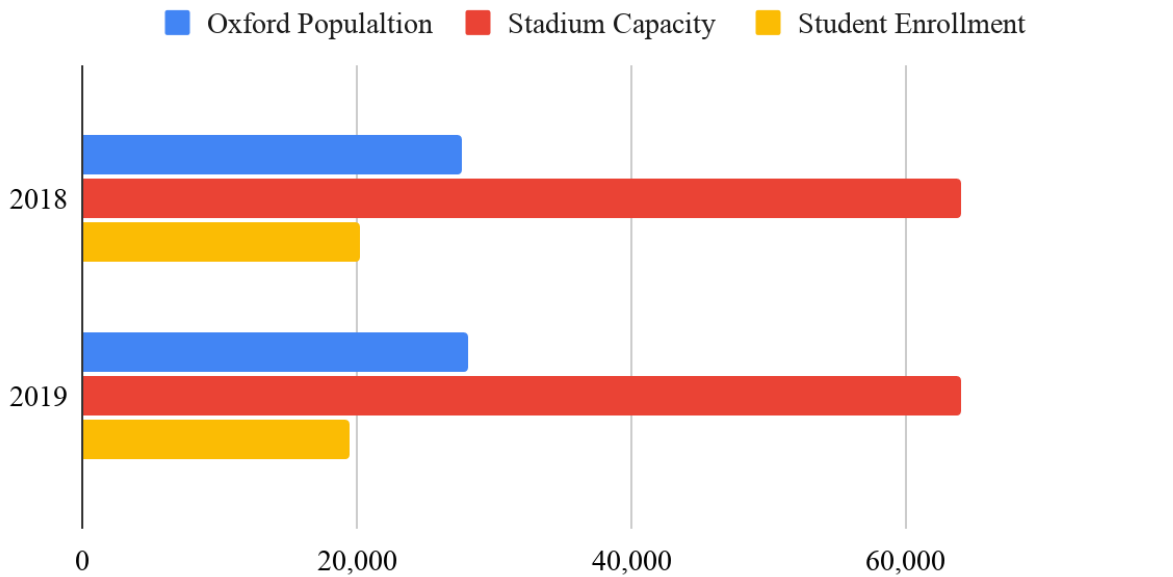


distinct trends in Oxford citizens' spending habits during different seasons throughout the year. These sales taxes are collected by cities across the state of Mississippi throughout a three month cycle. In the first month, the tax is collected by the retailer on the sale of their goods and services. In the second month, the retailer then pays and reports those taxes to the Mississippi Department of Revenue. The sales tax diversion is finally paid back to cities by the Department of Revenue in the third month. The tax numbers and data used in this particular analysis are derived from a report by the Mississippi Department of Revenue that is based in the month that the tax was collected by the Department of Revenue from the retailers (Mississippi Department of Revenue).

After analyzing the data, it is clear that there are several months out of the year that the Mississippi Department of Revenue continually collects higher amounts of money from sales taxes in the city of Oxford. These months include: September, October, November, December, and January. There are likely many reasons why these months in particular continually see the most revenue from sales taxes; however, in my personal opinion, it is no coincidence that most of these months fall directly during Ole Miss football season, when the population in and around Oxford, Mississippi is nearly doubled. For example, the 2018 population in Oxford, Mississippi was about 27,685 people (US Census). In this same year, the University of Mississippi student enrollment was 20,274 people. Therefore, when school started back in August for the 2019-2020 academic year, the number of residents in Oxford increased by roughly a little more than 20,000 people, making it nearly double the official population number. This population growth suggests why there is an increase in sales tax revenue collected during these months when school is in session. More specifically, however, one of the reasons why more revenue is collected in the fall is due to the additional increased number of people in town to attend Ole Miss football games.

Vaught Hemingway Stadium holds 64,038 people, which means even if the entire Oxford population and Ole Miss student body were to fill the stadium, it still would not be at maximum capacity and could hold roughly 30 to 35 percent more people than those two individual populations combined.

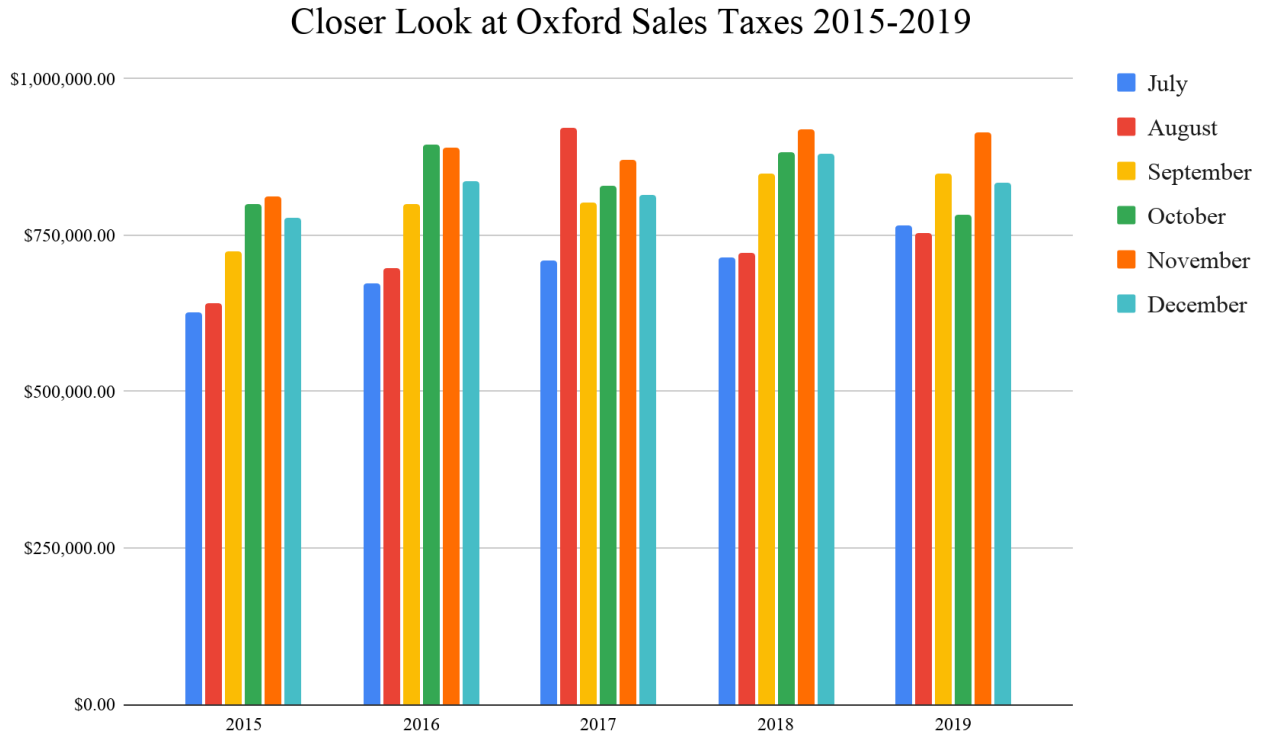
### Oxford Population, Stadium Capacity and Student Enrollment (2018-2019)



**Figure 4.2: Oxford Population, Stadium Capacity, and Student Enrollment**  
Sources: U.S. Census Bureau; University of Mississippi

It is completely unrealistic and improbable to assume that every Oxford resident and Ole Miss student attends Ole Miss football games in the fall. This, as a result, means that whenever a game in Vaught-Hemingway Stadium is highly attended or nearly sold out, it is likely due to a large number of visiting Ole Miss fans or fans of the opposing team filling the stadium. This additional large influx of people into the Oxford community in the fall contributes significantly

to the increased sales tax revenue collected during those months. Figure 4.3 is an expansion of the data shown in Figure 4.2 and shows an even closer look at the trends in Oxford’s city sales tax revenue.



**Figure 4.3: Closer Look at Oxford Sales Taxes 2015-2019**  
 Source: Mississippi Department of Revenue

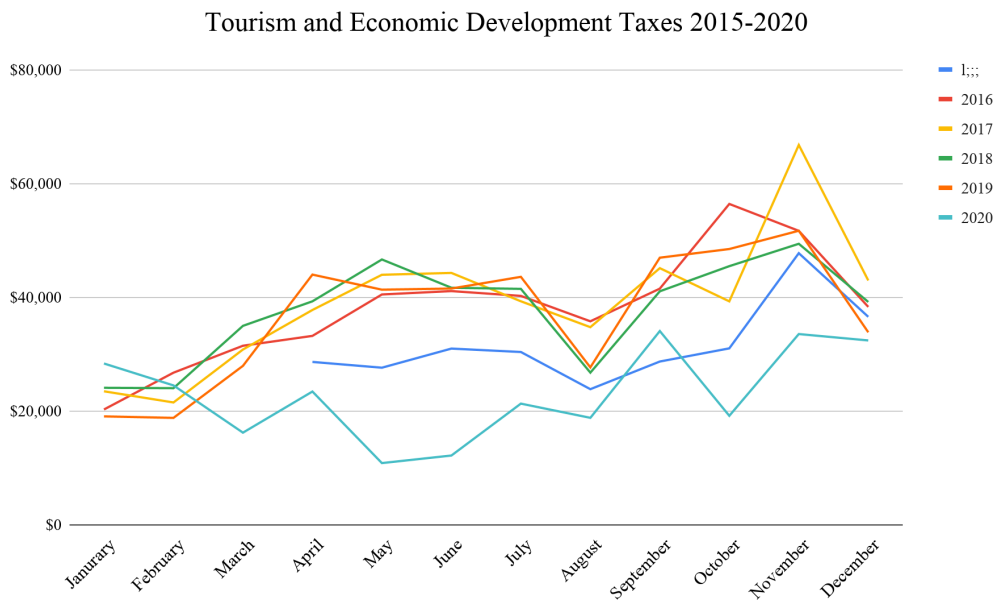
The city of Oxford sees, on average, the most revenue generated in the months of October and November, which is accurately displayed in Figures 4.2 and 4.3. There are many reasons why more revenue is collected in sales taxes during these two months. One likely reason for an increase in sales tax revenue from the sales of goods and services during October and November is the proximity of the Holiday seasons. From personal experience working in the

retail industry for over five years, retail stores always see the most traffic around the month of November, right before the Christmas holiday and during Black Friday.

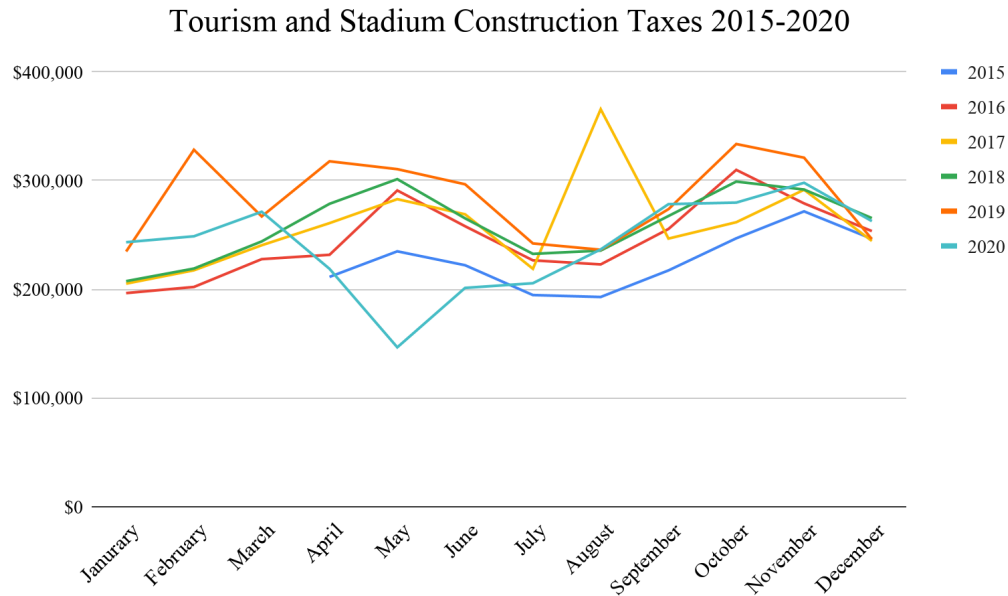
Another likely reason for increased revenue collected by the Mississippi Department of Revenue during October and November is due to the Ole Miss Rebels football season. For the past six Ole Miss football seasons, the Rebels have played the most home games during the months of both October and November (University of Mississippi Athletic Department). With Oxford being a small college town, the spending and financial contributions from visiting football fans are noticed and felt by the businesses in town each season, which is clear from the amount of tax revenue collected from these businesses during those particular months. The overall city sales tax revenue collected in November is historically, on average, roughly 25.56% more than the amount collected in July (Mississippi Department of Revenue). The overall city sales tax revenue shows large, recurring trends in consumer spending throughout the year in Oxford; however, in order to really analyze the tourist traffic and spending habits of consumers during the Ole Miss football season, specifically, it is most helpful to analyze and break down the Tourism and Economic Development taxes as well as the Tourism and Stadium Construction taxes on a month by month basis.

As previously mentioned, the Tourism and Economic Development tax is a 2% additional tax imposed by the city of Oxford, Mississippi on the sales from hotel and motel room rentals. A hotel or motel is defined by the Mississippi Department of Revenue as, "...any place of lodging that at any one time will accommodate transient guests on a daily or weekly basis that is known to the trade as such" (Mississippi Department of Revenue). The Tourism and Stadium Construction Tax is also a 2% additional tax that is imposed on restaurants on the sales of prepared foods as well as the sales of beer and alcoholic beverages in Oxford, Mississippi. The

Mississippi Department of Revenue defines a restaurant as, “...any place where prepared food is sold whether for consumption upon the premises or not.” Additionally, prepared food is defined as, “...food prepared on the premises of the restaurant” (Mississippi Department of Revenue). These specific sales taxes give a good idea of what tourist traffic looks like throughout the year in Oxford and by just how much it increases during Ole Miss football season. The data analyzed from the collection of these tourism tax revenues also shows how well Oxford businesses, such as hotels, bars and restaurants, fared during specific times of the year, such as football season. The months that saw larger amounts of revenue collected by the Mississippi Department of Revenue were the times of the year that those local businesses received the most business and highest sales.



**Figure 4.4: Tourism and Economic Development Taxes 2015-2020**  
 Source: Mississippi Department of Revenue



**Figure 4.5: Tourism and Stadium Construction Taxes 2015-2020**  
 Source: Mississippi Department of Revenue

Figures 4.4 and 4.5 above visualize the trends in both types of tourism taxes collected in Oxford, Mississippi throughout the years 2015 through 2020. The amount of revenue collected from tourism taxes in the fall mimics the game schedule and attendance trends of the University of Mississippi football program, which supports the argument that home football games in Oxford contribute to a sizable portion of the town’s overall revenue from sales taxes each fiscal year.

During the 2015 season, seven home games were played in Oxford, with four of these home games scheduled against teams within the Southeastern Conference. Out of these four

popular conference team games at home that season, two of the Rebels most well attended games, against the University of Arkansas and Louisiana State University, both fell within the month of November. The other largest conference game occurred in October against Texas A&M (The University of Mississippi Athletic Department). The city of Oxford made the most revenue from sales taxes during the months of October and November that year, when these particular SEC games were hosted. In fact, between the months of August and October in 2015, the revenue from the tourism and economic development tax, on hotel and motel sales, was up 30.2% and continued to increase another 54.1% between October and November that year. The Rebels played the University of Arkansas and Louisiana State University at home in November of the 2015 season, which likely drew in a high number of fans due to the proximity of the universities, the conference rivalry, and the success of their football teams. The increased number of fans and tourists is a likely reason why tax revenue from hotel and motel sales was higher in November 2015 than any other time during football season.

Additionally, when looking at the 2016 season it is also apparent that the Ole Miss football program and game schedule both worked as catalysts for increased spending and tourism in Oxford. Between the years 2015 and 2016, the amount of money received from state sales taxes in the city of Oxford in the month of September increased by 10.7%. The amount collected from the tourism and economic development tax, on hotel and motel sales, also increased by 44.7% in the month of September between those two years (Mississippi Department of Revenue). The reasons for this increase in tax revenue could have been due to many different variables; however, the fact that there were three Ole Miss home football games hosted in Oxford back-to-back weekends that month is most likely not just a coincidence, in my opinion. Two of these home games were played against the No. 1 ranked University of Alabama and the

No. 11 ranked University of Georgia at the time, which attracted many more Ole Miss fans and out of town tourists to Oxford those last two weekends of September than usual (University of Mississippi Athletic Department). This argument is supported by the spike in the amount of revenue generated from the hotel and motel industry in September due to an increased volume of visitors in town. Additionally, hotel tax revenues were up and tourism stadium tax revenues were up during that 2016 football season because the Vaught Hemingway Stadium's renovation had been completed, which allowed even more fans to attend Ole Miss football games. Attendance numbers increased dramatically that season, which implies that more fans were staying in town and going out around Oxford to celebrate the Ole Miss Rebels, which resulted in an increase in money spent at local businesses across the city.

The trends across monthly sales tax data coupled with the Ole Miss home football schedule continued all the way through the year 2019. In 2017, there were also five total home games played between the months of October and November, and those months, in response, saw an increase in revenue collected from the 7% state sales tax as well as an increase in tax revenue collected from food, beverage, and hotel sales (Mississippi Department of Revenue). In August of 2017, however, it is interesting to note that there was a large spike in tax revenue from tourism and stadium construction taxes. There is no clear reason for this spike in tax revenue, but it could have been due to increased influx of students back in town for the start of the 2017-2018 academic year. Another interesting trend to note is that despite record-low attendance numbers in the 2019 Ole Miss football season, sales tax revenue collected during that time of year wasn't much lower compared to previous years. In fact, the amount of revenue collected by the Mississippi Department of Revenue on hotel and motel sales during the year 2019 in the months of September, October, and November continually increased by 14.4%, 6.6%, and 4.6%,



respectively, in comparison to the previous year (Mississippi Department of Revenue). The continual increase in revenue collected by the Mississippi Department of Revenue from hotel sales each year supports the point previously mentioned that fans' preferences for watching football games are moving from the stadium to other places (Dodd, 2020). Even though fewer fans are entering Vaught-Hemingway Stadium, the growing amount of revenue generated from tourist spending at hotels and motels in the city suggests that fans are continuing to come to town to enjoy the social aspect of gameday, which is likely why the amount of sales taxes collected on food and alcohol increased in these months as well. As long as football fans visit Oxford, regardless if they attend the football games, they continue to contribute to the economic prosperity of the city and the financial success of its local businesses.

It is crucial to historically evaluate the revenue collected by the state of Mississippi on the sales of goods, services, food, alcohol, and hotel rooms in this analysis in order to get an accurate understanding of how well local businesses have fared financially during particular seasons over the years. This historical evaluation of sales tax revenues collected over the past five years also brings to light continuing trends in consumer spending in Oxford, which allows for conclusions to be made as to what events and circumstances throughout the year contribute the most to local businesses' success and profit. The data indicates that when students are in town in the fall and spring, Oxford booms and businesses thrive, with sales up much higher than in the summer and winter months. The additional influx of visitors during football season, combined with the student population, increases the revenue and profit for local businesses even further during the fall, which is visible through this analysis of the revenue collected by the Mississippi Department of Revenue in those months. While there are many variables other than football that may influence the amount of revenue collected from sales taxes in Oxford, this

particular analysis concludes that the traffic and tourism during Ole Miss football season stimulates increased spending in the city and contributes to higher levels of monthly revenues collected in the fall each year.

## **Chapter 5: Covid-19 Pandemic of 2020**

### *Historic Timeline of Covid-19 Pandemic*

During the year 2020, the entire world was faced with an unimaginable catastrophe that led to an immense amount of suffering, adversity, and change across the globe. In January of 2020, rumors and news reports began spreading around the globe about an unusual number of people suddenly becoming sick in the Wuhan, China area with what they thought was just a new variation of pneumonia; however, not many people in the United States, or other countries around the world, seemed concerned enough to take any action at that time. It was not until March of 2020 that the severity and magnitude of this new virus, termed Covid-19, was fully understood by the United States government and its citizens. At this point in time, the spread of this new virus was officially deemed a global pandemic. The United States President at the time, Donald Trump, as well as the president of the NIAID, Dr. Anthony Fauci, suggested that all American citizens stay at home and refrain from gathering unless absolutely necessary in an effort to prevent the spread of the Covid-19 virus (Davidson, 2020).

Each state's governor across the country was responsible for administering state-wide mandates, rules, and plans for limiting the spread of Covid-19 within their state and keeping their citizens safe. Tate Reeves, the governor of Mississippi, established a "Shelter in Place" order that went into effect on April 3rd, 2020. This order called for all non-essential businesses, such as retail stores and restaurants, to remain closed until April 20th. Additionally, citizens of Mississippi were strongly encouraged to only leave their homes for activities that were absolutely necessary, such as purchasing groceries, and they were banned from gathering with

more than ten people in any location (State of Mississippi Office of the Governor). This “Shelter in Place” order was just the beginning of what would be a long road ahead of stopping the spread of Covid-19 and determining a way for life to proceed normally.

In the state of Mississippi, retail stores and restaurants were forced to close their doors to customers for nearly two months, after Governor Tate Reeves extended the “Safer at Home” order until May 25th. During this time, small, local businesses lost massive amounts of money and many were forced to fire a large number of their employees. In an effort to refrain from going bankrupt during this time, most businesses were doing absolutely everything they could to get people to support their business (Irby-Jones, 2020). These efforts ranged from at-home delivery and curbside pick-up services for food and retail items, as well as markdowns and sales on current inventory (Anderson, 2020). Businesses were forced to get creative in their money making ways during a time when there was so much loss, hurting, and suffering across the globe.

On May 11th, 2020 the city of Oxford, Mississippi allowed some non-essential businesses to begin to open their doors to customers again. The re-opening of these businesses, of course, looked very different from their usual operations. According to Mayor Robyn Tannehill, businesses were required to operate at only 30% capacity at all times, and all customers were required to wear facial coverings for the entirety of their shopping experiences or until they were seated at a table in a restaurant or bar (Dees, 2020). Once University of Mississippi students returned back to Oxford for the 2020-2021 academic year in August, businesses in town were able to increase their capacity to 50% of the maximum capacity limit; however, facial coverings were still required at all times and no gatherings of more than ten people were permitted. Restaurants and bars were required to close at 10:00pm all days of the week (The City of Oxford). Even though businesses were able to open their doors to customers

and serve people in small groups, the capacity restrictions and limited business hours continued to contribute to decreased sales and revenues.

The 2020-2021 academic year for University of Mississippi students looked very different than any years of the past. In July of 2020, the University released its plan for the fall of the 2020-2021 academic year. The plan to return to campus in a safe and responsible manner to reduce the likelihood of spreading Covid-19 included a modified academic calendar, reduced classroom capacities, online courses, an online daily symptom checker, and mandatory mask requirement in all areas on campus (Clark, 2020). In addition to changes in academic learning and on-campus operations, the University's athletic department also had to make monumental changes to their operations. For football season in particular, the athletic department made changes to ticket sales, and they required that fans wear facial coverings and keep a safe distance of six feet while inside of Vaught-Hemingway Stadium. According to the Ole Miss game day website, "with the revised schedule of games, home [football] tickets will be available on a single-game basis and sold in monthly selection waves" (Ole Miss Game Day). Season ticket holders were granted first-priority in the ticket selection process.

The Vaught-Hemingway Stadium's capacity and number of tickets sold was reduced to 25 percent of the maximum capacity, which meant that only roughly 16,009 people could purchase tickets and attend football games during the 2020 season, as opposed to 64,038 people during a typical football season. Student football tickets were limited to just the first 2,500 students. They cost fifty dollars each game and were sold on a game-by-game basis, meaning that no student was guaranteed tickets for the entire season (University of Mississippi Athletic Department). Additionally, the Ole Miss football team was limited to just ten games in total, one of which was cancelled, and only five home games as opposed to the usual seven home games in

Oxford. According to *SEC Sports*, all schools in the Southeastern Conference were scheduled to play Conference-only teams throughout the 2020 10-game football season (*SEC Sports*).

The Mississippi Governor, Tate Reeves, and the Chancellor of the University of Mississippi, Glen Boyce, banned all tailgating events from taking place during the 2020 football season due to the Covid-19 pandemic. Tailgating at the University of Mississippi is a tradition like no other, and the implications of not gathering in the Grove during the 2020 football season was hard for many fans to accept (Suss, 2020). The lack of tailgating in the Grove coupled with the capacity restrictions was “devastating” to Oxford’s local economy, according to Oxford Mayor Robyn Tannehill (Schnugg, 2020). The Grove attracts thousands of fans and tourists each gameday weekend. These fans contribute to the University’s revenue, as well as the local economy of Oxford. Without the Grove, many businesses were concerned about their year-end financials and reduced number of fans visiting; however, having a restricted football season was much better than having no football at all (Schnugg). All of these changes to the University and athletics were made in an effort to be cautious of the spread of the Covid-19 virus, while continuing to be able to have a football season, which was critical financially for the University of Mississippi Athletic Department, as well as local businesses in and around the Oxford area.

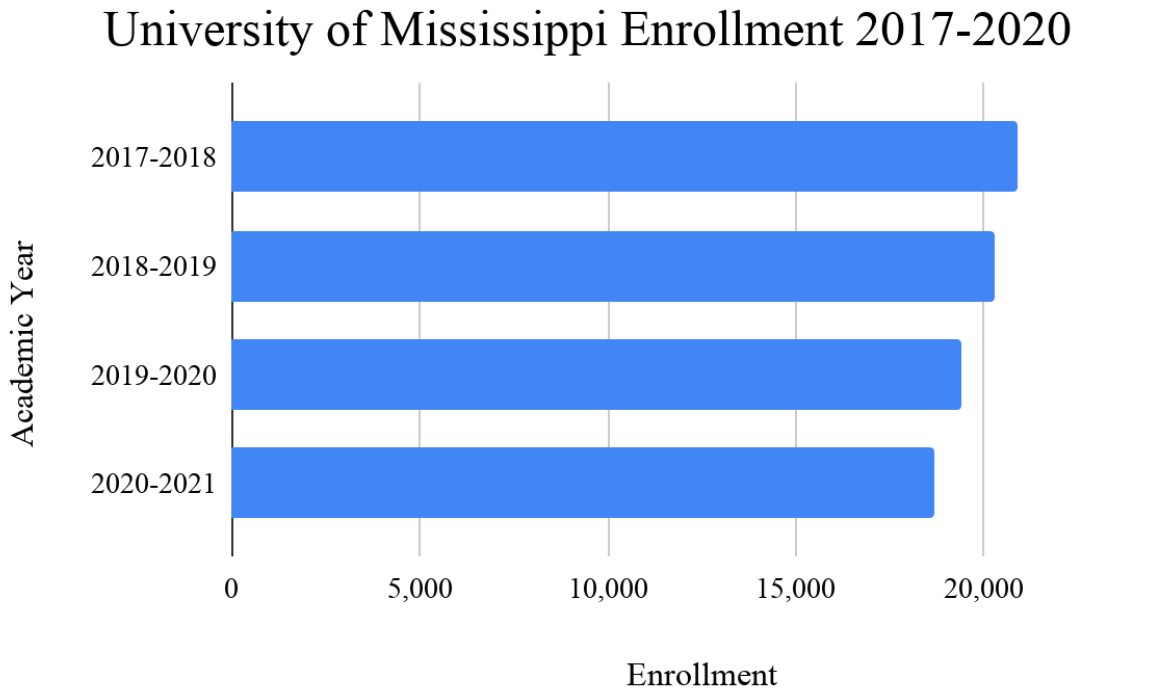
#### *Financial Analysis of 2020 Ole Miss Football Program*

Taking into consideration all of the wildly unexpected and problematic events that occurred during fiscal year 2020-2021, the money the University of Mississippi Athletic Department spent on sporting events and how much they made in revenue as a result likely changed significantly in comparison to previous fiscal years, in my personal opinion. Each year, the University of Mississippi Athletic Department releases their Operating Budget, as well as

their Independent Accountant's Report, at the end of June of that particular year. Since June 30, 2021 has not yet occurred, I was not able to obtain the Statement of Revenues and Expenses or the Operating budget detailing the athletic department's 2020-2021 financials and the football program's fiscal operations. However, according to Chase Parham of *Rebel Grove*, the Ole Miss athletic department lost roughly around 20 million dollars directly due to the Covid-19 related restrictions and limitations. Parham states, "once the state-mandated capacity rules were implemented, Ole Miss believed revenue from ticket sales, seat donations and parking could reach \$12.5 million, but the season result was \$9.29 million" (Parham, 2020). A drop in revenue this significant between the fiscal years of 2019-2020 and 2020-2021 leads to many issues and obstacles for the University's athletic department to overcome moving forward. For example, a report made by *Sports Illustrated* explains that the University of Mississippi's 2021 fiscal year budget took large cuts to compensate for the projected losses. Athletic department employees and coaches, such as Keith Carter, Lane Kiffin, and ten on-field football assistant coaches, also experienced salary cuts in the 2021 fiscal year (Gabler, 2020). Much of what determines these budget cuts for the University is decreased student enrollment numbers and revenue made from athletic ticket sales, which in turn affects budget cuts to the athletic department's general operations and individual sports teams.

Prior to the start of the global pandemic in March of 2020, the 2020 Ole Miss football season was projected to be very successful. Almost immediately after Lane Kiffin was hired as head coach, the University of Mississippi Athletic Department allowed fans to put down a \$50 deposit on 2020 season tickets due to the high level of excitement surrounding the new hire, and the athletic department reported that a large number of fans reserved tickets in anticipation of the new direction under Lane Kiffin (Schnugg, 2019). The excitement surrounding the new head

coach Lane Kiffin’s debut as an Ole Miss Rebel during the 2020 season fostered a sense of great hope for the future of the Ole Miss football program. An improved football program under the direction of Lane Kiffin has a strong chance of attracting new prospective students and potentially increasing application numbers in the future.



**Figure 5.1: University of Mississippi Enrollment 2017-2020**  
Source: University of Mississippi

Student enrollment at the University of Mississippi was down 4.03 percent during the academic year 2020-2021 from the previous year. The Covid-19 pandemic undoubtedly played the largest role in the reasoning for such a decline in student enrollment numbers. When fewer students are enrolled in school and paying tuition, changes to the University’s yearly projected

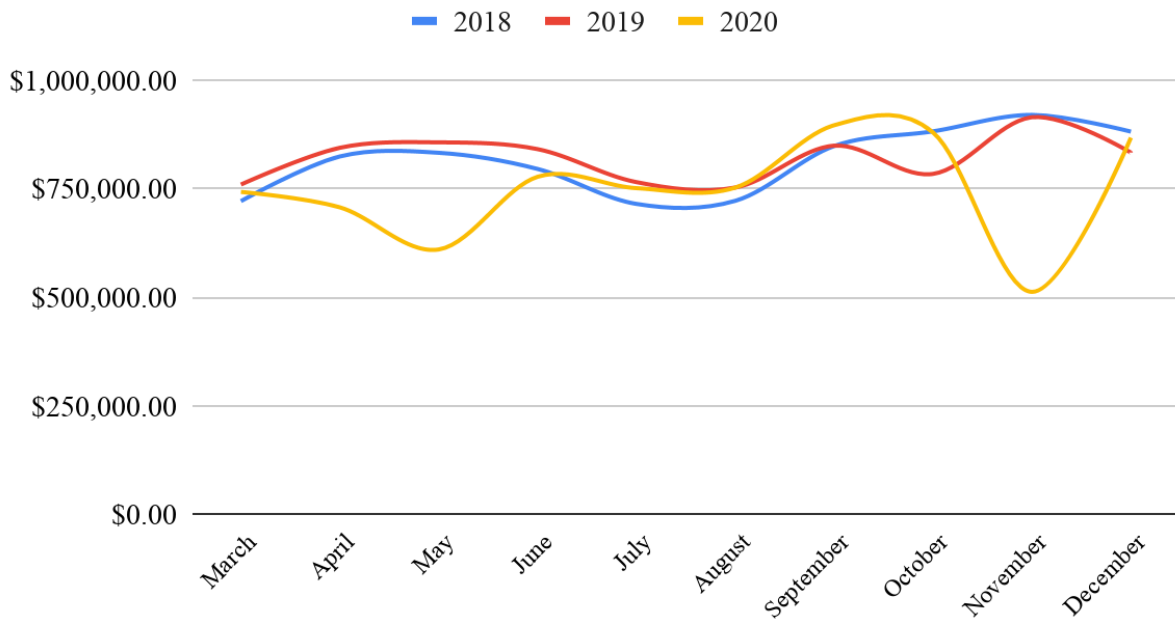


fiscal budget have to be made. After doing a historical analysis of the relation between University enrollment numbers and Ole Miss football game attendance numbers during the years 2015 through 2019, it can be assumed that football attendance numbers would have potentially been slightly lower in 2020 even without the pandemic restrictions; however, with only 2,500 students able to attend football games in 2020 season, revenue generated from ticket sales had to have plummeted and been significantly lower than ever before, in my opinion. Official football game attendance numbers and ticket sales revenue will be released on June 30, 2021; therefore, this analysis is an educated opinion based on historical trends in Ole Miss football financial data over the years.

#### 2020 Oxford Sales Tax Analysis

The 2020 Ole Miss football season did not affect or contribute to the monthly sales tax revenues collected in the city of Oxford by the Mississippi Department of Revenue in the fall months the same way seasons have in the past. The reduction in enrollment, the limited football season and capacity restrictions, and a shortened academic semester at the University of Mississippi all had a distinct impact on the amount of sales taxes collected in the fall months of 2020.

## City of Oxford, Mississippi Sales Taxes 2018-2020



**Figure 5.2: City of Oxford, Mississippi Sales Taxes 2018-2020**

Source: Mississippi Department of Revenue

In comparison to 2019, during 2020 sales taxes dropped by 5.26%, 10.82%, and 78.43% in the months of September, October, and November, respectively (Mississippi Department of Revenue). These three months are typically some of the most profitable months out of the entire year in Oxford, which is why it is important to examine them specifically. During the 2020 season, the Ole Miss Rebels only played five home games, which is two fewer than typical seasons of the past (University of Mississippi Athletic Department). While a difference of just two games may not sound significant, the amount of revenue generated during just one home football weekend is typically much higher than a regular non-game weekend. That additional revenue that potentially could have been made if the Rebels played two more home games was desperately needed by local businesses in Oxford in 2020 due to the lingering financial distresses

brought on by the Covid-19 pandemic. According to Nick Suss of the *Clarion Ledger*, “[Kieth] Carter mentioned, the Oxford economy is largely dependent on football weekends...a busy football weekend could be a positive step towards revitalizing some of the businesses that have suffered through the pandemic” (Suss, 2020). Therefore, even with Covid-19 restrictions and regulations, any home games played in Oxford give businesses, in addition to the University of Mississippi Athletic Department, financial hope and stability.

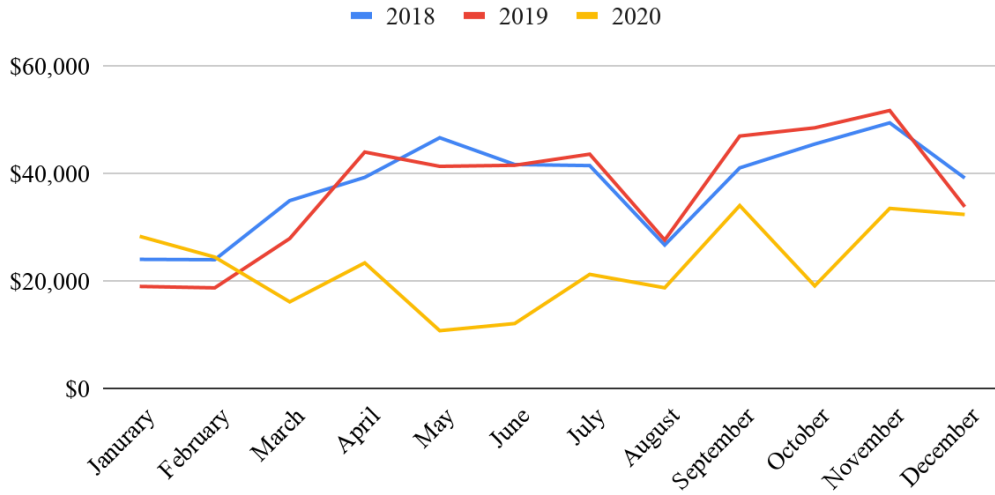
Ole Miss played two games in October and two games in November at home during the 2020 season. The Egg Bowl, played against Ole Miss’s biggest in-state rival Mississippi State University, happened to be one of these home games hosted during the 2020 season (University of Mississippi Athletic Department). This large in-conference rivalry between Mississippi’s two biggest Universities typically draws in a large crowd to Oxford; however, with the fall semester ending early for Ole Miss students and many older alums fearful of Covid-19, this particular home game didn't generate or contribute nearly as much as usual to the November 2020 sales tax revenues collected by the Mississippi Department of Revenue. However, many business owners in Oxford remained hopeful despite Covid-19 restrictions and a shorter academic year for students because they expected to still see some higher level of sales from the Egg Bowl and expected more locals to feel comfortable visiting local businesses with the young students gone (Fox 13 News Report).

In an effort to limit the spread of Covid-19 and spend more time gaining a better understanding of the virus, the Southeastern Conference delayed the start of the 2020 football season for all Universities. Ole Miss played their first game on September 26th at home against Florida, which is almost one month later than the typical start of the Southeastern Conference’s football season. Typically Ole Miss plays, on average, four games in September with three of

those being home games. Losing roughly three total games during the 2020 season led to financial loss for the University of Mississippi athletic department and local businesses in the city.

Looking more specifically at the monthly revenue collected by the Mississippi Department of Revenue from Tourism and Economic Development Taxes as well as Tourism and Stadium Construction Taxes gives a better understanding and rough estimate of how many visitors and fans came to Oxford during the 2020 football season. These taxes also give valuable insight into how well Oxford businesses fared financially during the 2020 football season as compared to previous years, since the tax revenue data used in this analysis is the amount of revenue paid to the Department of Revenue by those local businesses in Oxford. During the months of September, October, and November, tourism sales tax revenues typically hit some of their highest points due to the financial contributions of Ole Miss football fans and tourists visiting Oxford on fall weekends.

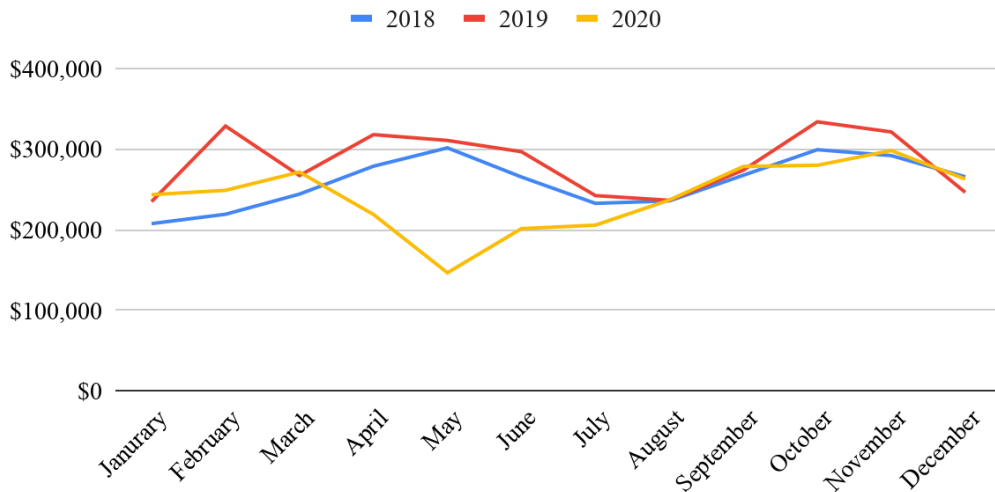
Tourism and Economic Development Tax Revenues in Oxford, Mississippi 2018-2020



**Figure 5.3 Tourism and Economic Development Tax Revenues in Oxford, MS 2018-2020**

Source: Mississippi Department of Revenue

Tourism and Stadium Construction Development Tax Revenues in Oxford, Mississippi 2018-2020



**Figure 5.4 Tourism and Stadium Construction Development Tax Revenues in Oxford, MS 2018-2020**

Source: Mississippi Department of Revenue

As previously mentioned, the Tourism and Economic Development tax is an additional 2% tax imposed on hotel and motel sales. While there are many reasons why someone may visit Oxford, Mississippi during the fall, attending Ole Miss football games seems to be the most likely reason for an increase in tourism numbers and hotel revenue during that time of the year, in my personal opinion. Not only did the hotel industry take a beating due to a limited and restricted football season with far less out of town fans visiting, but many travelers in general were extremely hesitant to book hotel rooms out of fear and caution of the Covid-19 global pandemic. Based on the tourism and economic development tax revenue collected during 2020, it does not seem that too many football fans, or tourists in general, visited Oxford during those fall months. The revenue collected from the Tourism and Economic Development tax was consistently much lower than in previous years.

Additionally, the Tourism and Stadium Construction Tax revenues were also lower throughout much of 2020 and during the Ole Miss football season; however, revenue from food and alcohol sales did steadily rise as students returned to Oxford, Mississippi beginning in August. Many students in town continued to gather and socialize around Oxford throughout 2020, contributing to the sales tax revenue collected from restaurants and bars on prepared food and alcohol sales. Even though only 2,500 students were allowed in the stadium, that did not mean that other students were not out around Oxford watching the game and cheering on the Rebels in places such as bars and restaurants. Continued student spending is likely why there was not much of a dip in the Tourism and Stadium Construction tax revenue of 2020 as compared to the tax collected on hotel and motel sales. Additionally, there has been a continual trend in lower attendance numbers by students and an increase in the number of students watching football

games elsewhere, which also reinforces why revenue from food and beverage taxes was not quite as low as compared to tourism hotel revenue.

Even though sales taxes were down and the athletic department lost large sums of revenue during the 2020 season, having no football season at all would have been absolutely detrimental in comparison. Even a reduced and restricted football season tremendously helped out local businesses in Oxford make it through the end of year despite sales staying below peak levels. The revenue generated by Oxford businesses as a result of spending during the fall months was clearly not due solely to football traffic. There are many citizens of Oxford and University of Mississippi students who do not particularly enjoy attending or celebrating football games; therefore, analyzing the relationship between Ole Miss football and the resulting consumer spending is just one of the multitude of ways to interpret the data discussed. In the subsequent chapter, I will detail conversations I have had with local business owners in Oxford that support the arguments and analyses made thus far, as well as bring to light the real-life importance of the financial correlation between Ole Miss football and the profits of local Oxford businesses.

## **Chapter 6: Discussion of Interviews**

### *Personal Interviews*

To better understand the implications of Ole Miss football games on the city of Oxford, Mississippi, I conducted personal interviews with local business owners. The purpose of these interviews was to directly gather information about how these business owners believe Ole Miss football financially impacts their store, restaurant, bar, or hotel. These interviews also sought to understand how the restrictions of the Covid-19 pandemic on business operations and on college football adversely affected the business owners' year-end sales. The businesses' names and interviewees will be kept confidential and anonymous throughout this analysis per their request. The businesses detailed in this portion of my study range across a variety of industries such as retail stores, hotels, bars and restaurants. Interviewing a broad range of businesses allowed for better understanding of the impact football has on the city of Oxford and on different industries. The interview questions asked are in Appendices F and G. The initial intention was to conduct all of these interviews in person; however, due to limitations imposed by Covid-19, the interviews were conducted in person, over the phone, and via email, depending on the business owners' preference. The interview questions asked varied depending on the industry; however, each interview sought to determine the level of financial impact that Ole Miss football games have and how operations changed in the year 2020 in response to the Covid-19 global pandemic.



### Limitations to Research

Throughout my research and interview process, I was faced with several limitations. First, all but one of the business owners I interviewed were unwilling to meet in person and preferred to answer my questions via phone call or email due to the Covid-19 pandemic. Conducting an interview over the phone or answering questions via email resulted in shorter and more condensed responses than I would have received had I been able to have a discussion with the interviewees in person. Secondly, I faced many challenges in getting business owners to respond to my phone calls and emails asking for their time and participation. Even when approached in person, many business owners and managers declined to assist me in my research process. These issues with communication resulted in far fewer interviews conducted with business owners in the restaurant, bar, and hotel industries than initially anticipated. Ideally, I would have interviewed at least three businesses in each industry; however, the circumstances of the past year did not allow. Additionally, among the people who did agree to participate in the interview, most were reluctant to release specific information about their financials during Ole Miss football season. They were especially reluctant to give responses regarding operations and changes in revenue during the 2020 fiscal year. Despite these limitations to my research, the information obtained through the interviews I conducted is helpful in understanding and connecting the relation between Ole Miss football and revenues at local businesses in Oxford, Mississippi.

### Retail Industry

The first set of business owners I interviewed owned stores in the retail industry. While I cannot disclose the individual names of the retail stores with which I spoke, the businesses ranged from clothing boutiques, bookstores, home decor stores, and stores that sell University of Mississippi souvenirs. I interviewed a total of five stores, four of which are located on the Square and one that is located just off the Square in Oxford, MS. One of the first questions asked to these stores was “during Ole Miss football season, by how much would you say your sales increase overall?” Nearly every store owner I spoke with stated that their sales increase by somewhere between 35 and 55 percent during football season, and that it is by far the most profitable time of the entire year for their businesses. One store in particular went so far as to say, “we could close all year and be open football season and be just fine” (Personal interview, 2021). Almost all persons interviewed stated that they primarily rely on foot traffic through the Square on gameday to increase their sales. During football season, as previously analyzed, the number of tourists in Oxford increases significantly. The business owners interviewed explained that when the Ole Miss football schedule is full of popular home games scheduled against Southeastern Conference teams, the foot traffic in Oxford increases more than usual and their businesses’ sales increase as well. Some store owners said they know that fans from Universities in close proximity to Oxford, such as other Southeastern Conference schools, are much more likely to attend the games and even more likely to shop at retail stores because it is more probable that they have heard about businesses in Oxford or have connections to the Ole Miss and Oxford communities. The retail stores interviewed explained that when Ole Miss plays Southeastern Conference schools, they have much higher sales from the opposing team’s fans than when they play out of conference teams. Additionally, when asked about the difference

between a home game weekend compared to an away game weekend one business owner said, “home versus away weekends can vary as much as 80% in revenue” (Personal interview, 2021). According to another owner of a store on the Square, “there is always around a 60-70% increase in sales on home game days as compared to weekends when the Rebels play away” (Personal interview, 2021). So, even if Ole Miss is not scheduled to play a Southeastern Conference team, any game played at home is great for businesses in terms of the revenue they generate.

When asked how the store and business must be prepared for these busy football weekends in anticipation of large crowds, all the store owners I spoke with stated that they do, in fact, incur additional expenses; however, these expenses are miniscule in comparison to the profits they receive in return. Much of what these stores do to prepare involves stocking additional inventory, stocking inventory specifically for football games such as blue and red clothing, staff more employees, and offer food and beverages to customers while they shop. One store in particular that sells Ole Miss gear explained that for well-attended home games when the Rebels have a high chance of winning, they often do a special promotional product that typically runs them somewhere between \$1,000 and \$2,000; however, they feel that these expenses are worth it because they almost always sell out of the promotional products, especially after a Rebel win. All of these additional expenses and efforts to prepare the store for customers and to encourage people to shop ultimately result in increased revenue for the businesses, making it worth it.

My research and analysis of Ole Miss football games attendance numbers, ticket sales, and city sales tax revenue throughout the years 2015 and 2019 indicated that during the 2019 season, Ole Miss hit record low attendance numbers and ticket sales. When I asked these business owners if they noticed a drop in their stores’ revenue during 2019, due to lower football

attendance numbers, a few stores said that they did not necessarily see a drop in sales, but they were not exactly growing at the same rate they had been in the past. Other stores explained that they did not see much of a change in their revenue during that particular football season at all, which supports the previous point that football fans and tourists are still visiting Oxford during football game weekends, but fewer fans purchase tickets and attend games in Vaught-Hemingway Stadium.

With the Covid-19 pandemic of 2020 altering the Ole Miss football schedule and operations, as well as consumer spending trends in Oxford, Mississippi, I asked these retail store owners how they felt the pandemic and altered football season impacted their business financially in the year 2020. According to one retail store located on the Square, “my sales were down around 40% in 2020 versus 2019. My football month sales accounted for a large percentage of this overall yearly decrease” (Personal interview, 2021). Although sales were nowhere near as high as usual, stores still saw the largest increase in sales and revenue during Ole Miss football season. Another business owner explained that sales were also down around 30% in the year of 2020; however, during the 2020 Egg Bowl hosted in Oxford, their store’s sales increased dramatically, almost matching those of the previous year. Popular football game weekends in Oxford, Mississippi provided great sources of revenue for all of these stores in the year 2020, a time they really needed it.

Despite revenues remaining lower than ever before and a shortened and restricted football season, these stores explained they may not have made it or been nearly as successful without the 2020 Ole Miss football season taking place (Personal interviews, 2021). When the pandemic first hit in March of 2020, every business across the country had to close their doors and determine new ways to make a profit and keep their business alive. When I asked these store owners, “once

Covid-19 began, what did you do to adapt and change your business to earn the maximum amount of profit?” they explained that their business’s operations were forced to change significantly. Three of the five retail stores I spoke with explained that they had to begin relying heavily on online sales and really work to revamp their store’s website. During March and April of 2020 when these stores were forced to close their doors, almost all of these businesses’ sales were strictly online. These stores also worked to keep their business running by offering curbside pickup for items or free home delivery and by creating special promotional items or offering sales. All of these mechanisms worked to get these retail stores through the end of the fiscal year; however, each store owner explained that sales resulting from the influx of students into Oxford at the start of school in August coupled with the 2020 Ole Miss football season in the fall is what really got their business through the end of the 2020 fiscal year successfully.

### *Hotel Industry*

In addition to interviewing businesses in the retail industry, I also spoke with a manager of a popular hotel in Oxford, Mississippi. Hotels and motels in Oxford experience high volumes of traffic during the months of the Ole Miss football season each year. The historical analysis previously discussed of the monthly Tourism and Economic Development tax revenues collected over the years supports this claim; however, speaking with a local hotel manager in Oxford clarified how crucial Ole Miss football season is in contributing to Oxford’s tourist revenue as well as hotel profitability across the city.

The individual I corresponded with at this particular hotel was one of the hotel’s managers, specifically the director of sales. In response to the question, “what percentage of your hotel’s yearly revenue would you say comes directly from Ole Miss football fans visiting for

games?”, the manager replied, “about 20%” (Personal interview, 2021). In addition to that, she also detailed that their revenue increases about 50% with an occupancy increase of around 60% during the fall months of football season. Clearly, based on these responses, visiting football fans are responsible for a significant portion of this hotel’s yearly revenue. Over the past five to six years, this particular hotel has experienced the largest capacity numbers during Southeastern Conference football weekends and some of the Southeastern Conference baseball weekends. Based on my historical analysis of monthly hotel and motel tax revenue collected by the Mississippi Department of Revenue in Oxford, one can make the assumption that other hotels likely experience similar capacity trends in conjunction with the Ole Miss football season and game schedule. The weekends that the Ole Miss football team plays a Southeastern Conference team, this hotel, and likely others in the city, experiences a significant increase in capacity numbers as compared to a weekend when a team from a different conference is scheduled.

In response to my question about whether there was a noticeable change in hotel occupancy and revenue during the poorly attended 2019 football season, the hotel manager interviewed stated, “no, we had sold out if not a 90% occupancy rate each weekend” (Personal interview, 2021). This statement certainly reinforces the point previously made that even though attendance numbers at college football games are continually declining, fans continue to travel for games and celebrate at alternative locations to the stadium. Since hotel occupancy during Ole Miss home football game weekends is still extremely high, fans and tourists are clearly still cheering on the Rebels and contributing to Oxford’s economy and local businesses.

Once the Covid-19 pandemic hit in March of 2020, hotels took an enormous beating in terms of revenue and operations. According to the hotel manager interviewed, the hotel saw around a 25% decrease in occupancy numbers during the 2020 football season in comparison to

the 2019 football season. The manager interviewed explained that overall, the hotel's year-end revenue numbers for 2020 were indeed adversely affected by a shorter and more restrictive Ole Miss football season. In an effort to continue operating safely during the pandemic and generate the maximum possible amount of revenue, this particular hotel focused on ensuring everything was properly sanitized frequently, but they did not incur many additional expenses in doing so.

When asked about how the hotel is prepared for football weekends with increased capacity numbers, the hotel manager explained that there are additional expenses they incur in an effort to prepare for a large influx of guests. The hotel has to stock up on food, alcohol, and housekeeping items like towels, toiletries, and cleaning supplies. They also must staff all the departments of the hotel accordingly in anticipation of guests, meaning they must pay more in employee salaries; however, all of these additional expenses are miniscule and the hotel makes significantly more revenue on those weekends, offsetting those expenses.

The hotel manager interviewed expressed that their hotel is strongly reliant on the Ole Miss football season each year. In response to my question about how important Ole Miss football is to their business, she said, "there are other ways to profit but football definitely drives the bulk of it for fall" (Personal interview, 2021). Although only one hotel agreed to participate, based on hotel and motel tax revenues collected in Oxford in the fall it can be assumed that other hotels in Oxford most likely rely on the Ole Miss football season each year for revenue as well. After analyzing hotel tax revenue trends and speaking with a local hotel manager, Ole Miss football season undoubtedly contributes significantly to the overall success and profitability of the hotel industry within Oxford, Mississippi.

### Bar Industry

The nightlife and bar scene in Oxford, Mississippi is extremely popular due to the large number of young individuals living in the area. There are a total of about ten popular “college” bars located on the Square in the heart of Oxford. On game day weekends, these bars are packed full of college students and Ole Miss football fans. Due to the popularity of these establishments among college students and fans, I felt it necessary to interview a bar manager at one of the most popular and well-loved bars in the city in order to fully understand just how much the bar industry in Oxford, Mississippi benefits from and relies on the Ole Miss football program.

When asked about how sales vary between regular weekends throughout the year in comparison to football weekends in the fall, the interviewee stated that there is around a “30-50% jump in sales on football Friday and Saturdays” (Personal interview 2021). He also explained that sales during that time of the year fluctuate more or less depending on factors such as the quality of Ole Miss’s opponent or how well Ole Miss is playing that particular season. In order to prepare for these busy weekends, the bar must incur additional expenses to ensure that operations run smoothly and customers are satisfied. According to this bar manager, “during a normal football season, it's all hands on deck in every possible way. We stock our five bars with the maximum number of bartenders we can have back there [four at each] without sacrificing efficiency. You’re also looking at seasonal security, extra bar backs, and a greatly increased inventory...we also look to bring in live music as often as possible for football weekends” (Personal interview, 2021). Expenses during football season are exceptionally higher than other seasons of the year. However, the amount of money made on covers and the large crowds experienced during those months result in those expenses getting offset in the end.



When asked if the bar noticed a drop in revenue during the 2019 season due to lower attendance numbers and student enrollment, the manager explained that they did notice a drop in sales and revenue; however, this slight decrease was mostly due to the steady decrease in the performance of the Ole Miss football team that season. The manager explained, “student enrollment doesn’t factor into what we’re doing as much as the performance of the football program” (Personal interview, 2021). When Ole Miss is losing games, especially towards the end of the season, fans are less likely to celebrate out at a bar or travel to Oxford for the next home game, all of which result in decreased revenue for bars across the city.

The challenges faced by businesses in the year 2020 in response to the global pandemic changed businesses’ operations and financial stability. In Oxford, Mississippi, all businesses, whether retail, bar or restaurant, were placed under capacity and hour restrictions, as well as mask requirements for all patrons. The bar manager interviewed detailed the bar’s response to these mandates by explaining, “we tried to be as creative as possible with seating, the way we served drinks, staffing, etc., but at the end of the day it’s simple math, and we didn’t have the customer base that we would’ve had we not been under capacity and hour restrictions. When you’re taking out an extra couple hundred people and cutting your hours by 2-3 a night, there’s nothing you can do to legislate for that” (Personal interview, 2021). The restrictions enforced by the city of Oxford, as well as the implications of a restricted and reduced Ole Miss football season, adversely affected the revenue generated by this bar and is something that definitely hurt the financial success of their business that year.

The final question of this interview asked, “overall, do you feel that Ole Miss athletics, specifically football, strongly impacts the success of your business?” The bar manager in question replied, “football weekends are the reason that every retail, restaurant, or nightlife

establishment can keep their doors open in this town...these big football weekends can see Oxford bring in an additional 70,000 to 100,000 people. The revenue that comes with that cannot be replicated or replaced in any other way” (Personal interview, 2021). Ole Miss football is the backbone of the bar interviewed, and likely the backbone of almost every other bar in the town of Oxford. Without the six to seven weeks of college football each and every fall, businesses, such as this popular college bar, would not be nearly as profitable as they are today and many would not even be in business at all. Based on this interview, it is apparent that Ole Miss football has a significant impact on the financial success and profitability of local businesses in Oxford. Additionally, it is clear that the success of the program, as well as the attendance numbers and ticket sales, also strongly influence the sales and revenues at bars and other businesses in Oxford, Mississippi.

The interviews conducted with business owners in the retail, bar, and hotel industries all indicated that their local businesses are impacted financially by the Ole Miss football program. While more businesses would need to be interviewed to determine if the Ole Miss football program influences the financial success and stability of all businesses in each industry, the information received through these interviews provides a good indication of how many Oxford businesses feel about the effects of football.

## **Chapter 7: Conclusion**

The purpose of this study was to evaluate the financial effects that a college football program's success and game schedule have on the University and the college town. Several studies have been conducted proving there is a positive correlation between college football success and increased student enrollment, increased employment opportunities in town, higher revenues from city sales taxes, and increased yearly revenues at local businesses. This study analyzes similar variables to existing studies but in respect to the University of Mississippi. The findings of this study suggest that Ole Miss football does greatly impact the University of Mississippi and the city of Oxford, Mississippi.

The University of Mississippi Athletic Department generates a sizable portion of their revenues from the football program and football ticket sales each year, especially while on probation due to NCAA violations. In fact, about 30 percent of the athletic department's yearly revenue comes directly from football tickets. The University of Mississippi athletic department also spends the most revenue on the football program whether it be in recruiting, coaching salaries, or training. Football is by far the most profitable sport at the University of Mississippi.

Based on the research found, football attendance numbers are important to the University's revenue as well as the city of Oxford's economy. The more fans attending football games, the more money the University makes on ticket sales and concessions and the more people in town there are contributing to Oxford's economy. However, based on the data found, fewer fans are attending football games in the stadium in recent years. Although the research suggests that attendance numbers are down, there is research showing that football fans are

continuing to come to Oxford and watch football games at alternative locations to the stadium. These football fans contribute significantly to the financial success of local businesses and the revenues generated from city sales taxes in Oxford.

Research on Oxford, Mississippi's sales tax revenues over a six year period reveals distinct trends in consumer spending. Every year it seems that Oxford generates the most revenue from sales taxes in the fall months. While there are many variables that could influence an increase in sales tax revenues, Ole Miss football season seems to be a likely reason why revenues are higher in the fall. This study analyzed specifically the sales tax revenues on hotel and motel sales as well as prepared food and alcohol sales, which gave a good indication of the number of tourists visiting Oxford and the trends in their visits throughout the year.

The Covid-19 pandemic that hit in the year 2020 altered the operations of the University of Mississippi and the athletic department. The restricted and shortened football season adversely affected the University's revenue and the city-wide revenues due to decreased tourism. Information obtained from personal interviews with Oxford business owners indicated that revenues during the 2020 football season were lower than ever; however, their businesses would likely not have survived the fiscal year without an Ole Miss football season.

The results of this study indicate that Ole Miss football is essential to the University of Mississippi and the Oxford community. The financial contributions that football season brings to the University of Mississippi and the local businesses in Oxford are crucial to their year-end revenues annually.

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## Appendices A1-A3

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES YEAR ENDED JUNE 30, 2016

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON-PROGRAM SPECIFIC	TOTAL
<b>OPERATING REVENUES</b>						
Ticket Sales	\$ 17,965,264	1,466,620	46,798	1,136,985	870	\$ 20,616,537
Student Fees					1,911,778	1,911,778
Direct Institutional Support					2,577,501	2,577,501
Less - Transfers to Institution					(2,091,013)	(2,091,013)
Guarantees	200,000			52,000		252,000
Contributions	16,113,891	2,047,164	24,389	1,905,552	11,033,955	31,124,951
In-Kind					567,509	567,509
Compensation and Benefits Provided by a Third-Party					250,000	250,000
Media Rights	11,440,333	3,100,076			17,199,273	31,739,682
NCAA Distributions	66,789	2,098,166	18,757	225,942	270,694	2,680,348
Conference Distributions	6,902,127	414,268	23,610	27,670	1,255,239	8,622,914
Program, Novelty, Parking, and Concession Sales	1,421,251	149,037	20,063	391,526	303,182	2,285,059
Royalties, Licensing, Advertisements, and Sponsorships				175,000	4,657,470	4,832,470
Sports Camp Revenues	278,950	31,948	41,151	792,452	264,985	1,409,486
Endowment and Investment Income	4,944		1,113	11,784	155,752	173,593
Bowl Revenue	2,202,292					2,202,292
Other	227,207	51,453	2,457	138,307	950,174	1,369,598
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 56,823,048</b>	<b>9,358,732</b>	<b>178,338</b>	<b>4,857,218</b>	<b>39,307,369</b>	<b>\$ 110,524,705</b>

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES (CONTINUED) YEAR ENDED JUNE 30, 2016

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON-PROGRAM SPECIFIC	TOTAL
<b>OPERATING EXPENSES</b>						
Athletics Student Aid	\$ 3,206,533	542,303	491,538	4,175,481	794,037	\$ 9,209,892
Guarantees	1,635,000	372,500	148,927	98,358		2,254,785
Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities	9,159,670	3,180,217	1,109,494	4,535,000		17,984,381
Coaching Salaries, Benefits and Bonuses Paid by a Third Party	27,500	12,500	12,500	49,500		102,000
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities	2,646,931	371,672	362,948	883,260	11,062,689	15,327,500
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by a Third Party	17,250	3,250	2,750	5,345	119,405	148,000
Severance Payments				99,577	157,909	257,486
Recruiting	501,585	164,588	174,442	413,823		1,254,438
Team Travel	1,064,212	798,906	443,877	2,457,488		4,764,483
Sports Equipment, Uniforms and Supplies	2,258,397	212,368	192,092	1,866,479		4,529,336
Game Expense	1,879,777	772,752	314,965	446,138	90,708	3,504,340
Fund Raising, Marketing and Promotion	99,959	74,064	36,699	89,550	2,360,969	2,661,241
Sports Camps	74,581	28,025	21,625	373,175	199,044	696,450
Spirit Groups	133,989	4,660	41,963	4,966	402,207	587,785
Athletic Facilities, Debt Service, Leases and Rental Fees	4,636,545	1,728,579	1,728,579	641,236	3,817,178	12,552,117
Direct Overhead and Administrative Expenses	3,536,251	355,215	245,333	856,628	7,339,891	12,333,318
Medical Expenses and Insurance	313,016	39,682	34,164	606,994	337,521	1,331,377
Memberships and Dues		140	871	5,767	63,401	70,179
Student-Athlete Meals (non-travel)	293,950	90,520	44,790	284,775	190,907	904,942
Bowl Expenses	2,033,108					2,033,108
Other Operating Expenses	663,717	119,922	117,768	640,941	3,055,537	4,597,885
<b>Total Operating Expenses</b>	<b>\$ 34,181,971</b>	<b>8,871,863</b>	<b>5,525,325</b>	<b>18,534,481</b>	<b>29,991,403</b>	<b>\$ 97,105,043</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenses</b>	<b>\$ 22,641,077</b>	<b>486,869</b>	<b>(5,346,987)</b>	<b>(13,677,263)</b>	<b>9,315,966</b>	<b>\$ 13,419,662</b>

**OLE MISS ATHLETICS  
OPERATING BUDGET FOR FISCAL YEAR 2015-2016**

<b>REVENUES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Football Tickets	\$17,820,727	18.56%
Basketball Tickets	1,314,250	1.37%
Baseball Tickets	1,118,000	1.16%
SEC Revenue	36,850,313	38.39%
Merchandising & Licensing	757,875	0.79%
Concessions	931,770	0.97%
Apparel/Soft Drink Contracts	3,625,631	3.78%
Multi-Media Rights/Sponsorships	3,790,000	3.95%
Game Guarantees	247,500	0.26%
Student Fees	1,911,778	1.99%
Non-Resident Tuition Waiver	3,338,232	3.48%
Annual Fund Revenue	18,175,850	18.93%
Other Contributions	4,211,946	4.39%
Other Revenue	1,901,467	1.98%

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**TOTAL REVENUE** **\$95,995,339**

<b>EXPENSES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Coaches/Staff Salaries & Benefits	\$22,164,954	23.09%
Scholarships	13,090,795	13.64%
Team Travel	5,100,936	5.31%
Apparel, Equipment, Supplies	4,411,985	4.60%
Recruiting	1,351,800	1.41%
Game Guarantees	2,148,500	2.24%
Student Athlete Support	5,849,354	6.09%
Student Athlete Nutrition	1,649,819	1.72%
Athletics Administration	5,548,788	5.78%
Compliance	784,198	0.82%
Media Relations, Marketing, & Ticket Office	6,001,260	6.25%
Facilities & Event Management	6,246,558	6.51%
Utilities	2,383,667	2.48%
Debt Service - Athletics	6,634,437	6.91%
Institutional Support	1,875,000	1.95%
Band/Cheer/Dance	581,140	0.61%
Foundation Operations	5,518,016	5.75%
Transfer to Reserves	1,651,334	1.72%
Officials	799,755	0.83%
Sales Tax	1,393,167	1.45%
Other Expenses	809,876	0.84%

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**TOTAL EXPENSES** **\$95,995,339**

## Appendix B1-B3

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES YEAR ENDED JUNE 30, 2017

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
<b>OPERATING REVENUES</b>						
Ticket Sales	\$ 20,863,713	1,490,957	52,009	1,331,631		\$ 23,738,310
Student Fees					1,911,778	1,911,778
Direct Institutional Support	1,008,350	188,553	152,336	1,621,412	121,230	3,091,881
Less - Transfers to Institution					(2,218,780)	(2,218,780)
Guarantees	2,750,000		1,000	84,000		2,835,000
Contributions	14,397,196	2,236,620	17,180	2,121,362	12,908,926	31,681,284
In-Kind	54,490				619,384	673,874
Compensation and Benefits Provided by a Third-Party					250,000	250,000
Media Rights	14,447,762	4,050,359	94,361	471,803	14,814,152	33,878,437
NCAA Distributions	62,173	2,107,761	19,945	216,785	241,219	2,647,883
Conference Distributions	6,913,799	393,714	17,550	20,633	1,564,691	8,910,387
Program, Novelty, Parking, and Concession Sales	1,712,408	171,570	22,029	350,387	272,803	2,529,197
Royalties, Licensing, Advertisements, and Sponsorships	7,400			227,500	4,788,390	5,023,290
Sports Camp Revenues	172,204	12,500	12,905	751,794	238,459	1,187,862
Endowment and Investment Income	27,687		6,224	35,328	85,058	154,297
Other	264,579	48,376	3,218	75,335	1,148,303	1,539,811
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 62,681,761</b>	<b>10,700,410</b>	<b>398,757</b>	<b>7,307,970</b>	<b>36,745,613</b>	<b>\$ 117,834,511</b>

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES (CONTINUED) YEAR ENDED JUNE 30, 2017

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON-PROGRAM SPECIFIC	TOTAL
<b>OPERATING EXPENSES</b>						
Athletics Student Aid	\$ 3,765,336	574,425	551,955	4,806,515	903,881	\$ 10,602,112
Guarantees	1,475,000	470,500	166,000	88,281		2,199,781
Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities	10,100,265	2,721,835	1,119,104	5,180,378		19,121,582
Coaching Salaries, Benefits and Bonuses Paid by a Third Party	29,838	12,197	12,500	50,745		105,280
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities	3,172,389	406,714	423,553	1,448,972	11,415,993	16,867,621
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by a Third Party	18,553	2,750	3,498	4,745	115,174	144,720
Severance Payments	652,094				93,672	745,766
Recruiting	558,821	241,765	184,645	475,806		1,461,037
Team Travel	1,705,574	792,765	595,174	2,859,589		5,953,102
Sports Equipment, Uniforms and Supplies	2,076,245	256,384	207,418	1,916,645		4,456,692
Game Expense	2,389,995	1,227,789	456,103	1,909,629	207,597	6,191,113
Fund Raising, Marketing and Promotion	106,646	96,706	45,936	99,231	2,493,735	2,842,254
Sports Camps	65,302	8,413	4,543	380,306	24,940	483,504
Spirit Groups	212,597	19,012	12,677		650,003	894,289
Athletic Facilities, Debt Service, Leases and Rental Fees	4,859,247	2,387,943	2,387,943	1,442,179	4,648,659	15,725,971
Direct Overhead and Administrative Expenses	3,116,901	525,150	406,537	915,014	10,487,829	15,451,431
Medical Expenses and Insurance	249,243	31,768	27,473	487,911	262,790	1,059,185
Memberships and Dues			2,420	6,464	61,351	70,235
Student-Athlete Meals (non-travel)	251,161	111,588	62,453	309,149	245,170	979,521
Other Operating Expenses	512,782	103,952	97,413	695,188	2,120,981	3,530,316
<b>Total Operating Expenses</b>	<b>\$ 35,317,989</b>	<b>9,991,656</b>	<b>6,767,345</b>	<b>23,076,747</b>	<b>33,731,775</b>	<b>\$ 108,885,512</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenses</b>	<b>\$ 27,363,772</b>	<b>708,754</b>	<b>(6,368,588)</b>	<b>(15,768,777)</b>	<b>3,013,838</b>	<b>\$ 8,948,999</b>

**OLE MISS ATHLETICS  
OPERATING BUDGET FOR FISCAL YEAR 2016-2017**

<b>REVENUES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Football Tickets	\$20,464,910	19.34%
Basketball Tickets	1,342,250	1.27%
Baseball Tickets	1,138,400	1.08%
SEC Revenue	38,887,000	36.74%
Merchandising & Licensing	1,213,600	1.15%
Concessions	1,050,000	0.99%
Apparel/Soft Drink Contracts	3,887,310	3.67%
Multi-Media Rights/Sponsorships	4,200,000	3.97%
Game Guarantees	2,827,500	2.67%
Student Fees	1,911,778	1.81%
Non-Resident Tuition Waiver	3,609,556	3.41%
Annual Fund Revenue	21,013,402	19.85%
Other Contributions	213,950	0.20%
Other Revenue	4,078,138	3.85%

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**TOTAL REVENUE** **\$105,837,794**

<b>EXPENSES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Coaches/Staff Salaries & Benefits	\$24,658,815	23.30%
Scholarships	11,593,368	10.95%
Team Travel	6,861,667	6.48%
Apparel, Equipment, Supplies	4,237,130	4.00%
Recruiting	1,452,900	1.39%
Game Guarantees	2,234,300	2.11%
Student Athlete Support	6,437,944	6.08%
Student Athlete Nutrition	2,085,868	1.97%
Athletics Administration	8,687,884	8.21%
Compliance	791,338	0.75%
Media Relations, Marketing, & Ticket Office	6,436,060	6.08%
Facilities & Event Management	9,427,016	8.91%
Utilities	2,332,206	2.20%
Debt Service - Athletics	6,032,914	5.70%
Institutional Support	1,900,000	1.80%
Band/Cheer/Dance	802,754	0.76%
Foundation Operations	2,957,154	2.79%
Transfer to Reserves	2,725,000	2.57%
Officials	881,250	0.83%
Sales Tax	1,578,104	1.49%
Other Expenses	1,724,122	1.63%

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**TOTAL EXPENSES** **\$105,837,794**

## Appendices C1-C3

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES YEAR ENDED JUNE 30, 2018

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
<b>OPERATING REVENUES</b>						
Ticket Sales	\$ 18,679,519	1,378,695	51,344	2,222,509		\$ 22,332,067
Student Fees					1,911,778	1,911,778
Direct Institutional Support	1,024,485	164,390	196,196	1,737,169	135,672	3,257,912
Less - Transfers to Institution					(2,070,744)	(2,070,744)
Guarantees	450,000		15,000	53,360		518,360
Contributions	13,442,580	2,253,613	13,850	2,096,549	15,733,535	33,540,127
In-Kind	46,315				558,456	604,771
Media Rights	13,544,051	4,127,285	38,851	369,085	15,590,434	33,669,706
NCAA Distributions	55,126	2,115,540	19,185	266,792	395,302	2,851,945
Conference Distributions	1,763,000	359,687	11,970	32,603	1,583,017	3,750,277
Program, Novelty, Parking, and Concession Sales	1,679,501	93,526	319	442,797	169,701	2,385,844
Royalties, Licensing, Advertisements, and Sponsorships				172,500	4,989,643	5,162,143
Sports Camp Revenues	255,647	38,662	10,272	675,491	216,535	1,196,607
Endowment and Investment Income	27,735		6,255	35,417	103,477	172,884
Other	244,094	40,847	5,110	148,887	1,190,003	1,628,941
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 51,212,053</b>	<b>10,572,245</b>	<b>368,352</b>	<b>8,253,159</b>	<b>40,506,809</b>	<b>\$ 110,912,618</b>

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES (CONTINUED) YEAR ENDED JUNE 30, 2018

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON-PROGRAM SPECIFIC	TOTAL
<b>OPERATING EXPENSES</b>						
Athletics Student Aid	\$ 3,570,071	566,029	605,863	5,039,935	835,028	\$ 10,616,926
Guarantees	2,775,000	738,000	112,500	132,200		3,757,700
Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities	8,133,899	3,988,716	1,376,856	5,361,838		18,861,309
Support Staff/ Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities	3,122,278	540,572	440,378	1,698,546	11,745,615	17,547,389
Severance Payments	972,366	3,211,705	712,278		278,266	5,174,615
Recruiting	704,836	314,836	173,158	490,606		1,683,436
Team Travel	1,501,411	773,027	520,354	2,819,520		5,614,312
Sports Equipment, Uniforms and Supplies	2,120,261	226,897	180,679	2,121,952		4,649,789
Game Expense	2,496,741	1,106,744	399,432	2,596,725	224,642	6,824,284
Fund Raising, Marketing and Promotion	180,356	75,276	45,716	109,896	2,382,575	2,793,819
Sports Camps	168,307	22,362	3,917	417,126	33,998	645,710
Spirit Groups	55,387	14,124	29,468	641	674,902	774,522
Athletic Facilities, Debt Service, Leases and Rental Fees	5,202,080	2,391,489	2,391,489	2,709,435	4,935,235	17,629,728
Direct Overhead and Administrative Expenses	2,833,800	639,931	523,650	891,425	9,236,109	14,124,915
Medical Expenses and Insurance	284,050	35,774	29,091	526,924	323,350	1,199,189
Memberships and Dues	767	182	889	6,974	52,314	61,126
Student-Athlete Meals (non-travel)	294,672	91,716	43,427	334,602	224,817	989,234
Other Operating Expenses	960,849	201,942	141,238	733,932	1,826,300	3,864,261
<b>Total Operating Expenses</b>	<b>\$ 35,377,131</b>	<b>14,939,322</b>	<b>7,730,383</b>	<b>25,992,277</b>	<b>32,773,151</b>	<b>\$ 116,812,264</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenses</b>	<b>\$ 15,834,922</b>	<b>(4,367,077)</b>	<b>(7,362,031)</b>	<b>(17,739,118)</b>	<b>7,733,658</b>	<b>\$ (5,899,646)</b>



**OLE MISS ATHLETICS  
OPERATING BUDGET FOR FISCAL YEAR 2017-2018**

<b>REVENUES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Football Tickets	\$19,798,750	17.52%
Basketball Tickets	1,469,875	1.30%
Baseball Tickets	1,276,800	1.13%
SEC Revenue	31,295,000	27.70%
Merchandising & Licensing	1,349,960	1.20%
Concessions	1,135,000	1.00%
Apparel/Soft Drink Contracts	3,989,942	3.53%
Multi-Media Rights/Sponsorships	4,700,000	4.16%
Game Guarantees	492,500	0.44%
Student Fees	1,911,778	1.69%
Non-Resident Tuition Waiver	3,871,791	3.43%
Annual Fund Revenue	21,820,213	19.31%
Transfer From Reserves	9,062,000	8.02%
Forward Together - Facilities Debt Service	7,962,750	7.05%
Other Contributions	175,000	0.16%
Other Revenue	2,671,041	2.36%

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**TOTAL REVENUE** **\$112,982,400**

<b>EXPENSES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Coaches/Staff Salaries & Benefits	\$25,042,001	22.16%
Scholarships	12,224,779	10.82%
Team Travel	5,388,104	4.77%
Apparel, Equipment, Supplies	4,427,840	3.92%
Recruiting	1,474,500	1.30%
Game Guarantees	3,663,700	3.24%
Student Athlete Support	6,381,833	5.65%
Student Athlete Nutrition	2,350,254	2.08%
Athletics Administration	10,154,122	8.99%
Compliance	854,747	0.75%
Media Relations, Marketing, & Ticket Office	6,660,958	5.90%
Facilities & Event Management	10,144,724	8.98%
Utilities	2,135,000	1.89%
Facilities Debt Service	11,805,657	10.45%
Institutional Support	1,900,000	1.68%
Band/Cheer/Dance	619,971	0.55%
Ole Miss Athletics Foundation Operations	2,992,785	2.65%
Transfer to Reserves	1,000,000	0.89%
Officials	920,500	0.81%
Sales Tax	1,577,704	1.40%
Other Expenses	1,263,221	1.12%

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**TOTAL EXPENSES** **\$112,982,400**

## Appendices D1-D3

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES YEAR ENDED JUNE 30, 2019

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
<b>OPERATING REVENUES</b>						
Ticket Sales	\$ 17,131,678	1,545,349	45,697	2,180,215		\$ 20,902,939
Student Fees					1,911,778	1,911,778
Direct Institutional Support	1,062,885	166,469	207,802	1,616,991	157,243	3,211,390
Less - Transfers to Institution					(2,027,772)	(2,027,772)
Guarantees	1,105,645			67,000		1,172,645
Contributions	12,056,784	2,203,505	61,897	2,211,998	10,906,379	27,440,563
In-Kind	25,031	1,458			452,160	478,649
Media Rights	14,412,160	4,291,815	41,521	415,215	16,374,560	35,535,271
NCAA Distributions	64,224	2,360,588	20,083	265,511	913,199	3,623,605
Conference Distributions	3,000	407,824	17,550	37,562	1,545,543	2,011,479
Program, Novelty, Parking, and Concession Sales	1,636,718	104,349	90	376,801	124,651	2,242,609
Royalties, Licensing, Advertisements, and Sponsorships				112,500	7,911,325	8,023,825
Sports Camp Revenues	160,042	82,005	25,224	666,702	201,324	1,135,297
Endowment and Investment Income	27,830		6,288	32,510	531,245	597,873
Other	561,280	61,086	4,474	214,770	1,340,667	2,182,277
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 48,247,277</b>	<b>11,224,448</b>	<b>430,626</b>	<b>8,197,775</b>	<b>40,342,302</b>	<b>\$ 108,442,428</b>

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES (CONTINUED) YEAR ENDED JUNE 30, 2019

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON-PROGRAM SPECIFIC	TOTAL
<b>OPERATING EXPENSES</b>						
Athletics Student Aid	\$ 3,637,138	584,721	634,478	5,036,029	1,037,248	\$ 10,929,614
Guarantees	3,250,000	608,500	152,000	111,650		4,122,150
Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities	9,725,592	3,933,681	1,205,273	5,963,449		20,827,995
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities	3,463,521	581,830	531,494	1,660,093	12,071,569	18,308,507
Severance Payments	897,425	136,165				1,033,590
Recruiting	669,364	285,721	226,037	466,618		1,647,740
Team Travel	1,388,141	967,440	583,266	2,876,086		5,814,933
Sports Equipment, Uniforms and Supplies	2,088,259	225,666	227,702	2,130,809		4,672,436
Game Expense	2,585,308	1,026,032	413,761	2,635,870	137,243	6,798,214
Fund Raising, Marketing and Promotion	457,289	100,609	62,046	83,023	2,416,183	3,119,150
Sports Camps	77,433	51,398	17,076	421,194	54,911	622,012
Spirit Groups	168,614	12,170	13,554	400	640,791	835,529
Athletic Facilities, Debt Service, Leases and Rental Fees	5,414,022	2,386,987	2,386,987	1,553,112	4,481,853	16,222,961
Direct Overhead and Administrative Expenses	3,103,922	556,998	430,573	917,849	7,913,835	12,923,177
Medical Expenses and Insurance	218,415	33,626	31,453	400,772	267,234	951,500
Memberships and Dues	300	485	1,330	27,593	50,795	80,503
Student-Athlete Meals (non-travel)	313,761	128,429	50,649	346,498	172,041	1,011,378
Other Operating Expenses	332,216	216,383	123,855	590,129	1,829,428	3,092,011
<b>Total Operating Expenses</b>	<b>\$ 37,790,720</b>	<b>11,836,841</b>	<b>7,091,534</b>	<b>25,221,174</b>	<b>31,073,131</b>	<b>\$ 113,013,400</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenses</b>	<b>\$ 10,456,557</b>	<b>(612,393)</b>	<b>(6,660,908)</b>	<b>(17,023,399)</b>	<b>9,269,171</b>	<b>\$ (4,570,972)</b>

**OLE MISS ATHLETICS  
OPERATING BUDGET FOR FISCAL YEAR 2018-2019**

<b>REVENUES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Football Tickets	\$19,320,775	16.47%
Basketball Tickets	1,725,900	1.47%
Baseball Tickets	1,305,800	1.11%
SEC Revenue	33,595,000	28.64%
Merchandising & Licensing	1,150,000	0.98%
Concessions	916,000	0.78%
Apparel/Soft Drink Contracts	4,090,077	3.49%
Multi-Media Rights/Sponsorships	4,100,000	3.50%
Game Guarantees	2,542,500	2.17%
Student Fees	1,911,778	1.63%
Non-Resident Tuition Waiver	4,099,600	3.50%
Annual Fund Revenue	20,630,182	17.59%
Transfer From Reserves	10,266,969	8.75%
Forward Together - Facilities Debt Service	8,733,378	7.45%
Other Contributions	179,000	0.15%
Other Revenue	2,730,694	2.33%

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**TOTAL REVENUE** **\$117,297,653**

<b>EXPENSES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Coaches/Staff Salaries & Benefits	\$26,195,035	22.33%
Scholarships	12,670,276	10.80%
Team Travel	5,908,155	5.04%
Apparel, Equipment, Supplies	4,493,650	3.83%
Recruiting	1,588,890	1.35%
Game Guarantees	5,123,300	4.37%
Student Athlete Support	6,952,771	5.93%
Student Athlete Nutrition	2,017,555	1.72%
Athletics Administration	7,943,435	6.77%
Compliance	871,832	0.74%
Media Relations, Marketing, & Ticket Office	6,994,204	5.96%
Facilities & Event Management	9,975,079	8.50%
Utilities	1,984,250	1.69%
Facilities Debt Service	15,267,357	13.02%
Institutional Support	1,900,000	1.62%
Band/Cheer/Dance	766,766	0.65%
Ole Miss Athletics Foundation Operations	2,691,895	2.29%
Officials	939,000	0.80%
Sales Tax	1,447,928	1.23%
Other Expenses	1,566,275	1.34%

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**TOTAL EXPENSES** **\$117,297,653**

## Appendices E1-E3

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES YEAR ENDED JUNE 30, 2020

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
<b>OPERATING REVENUES</b>						
Ticket Sales	\$ 13,355,922	1,601,427	49,358	552,721		\$ 15,559,428
Student Fees					1,911,778	1,911,778
Direct Institutional Support	969,263	200,493	226,539	1,882,289	103,609	3,382,193
Less - Transfers to Institution					(1,995,098)	(1,995,098)
Guarantees	200,000	60,000				260,000
Contributions	11,931,432	2,487,006	27,250	1,575,918	9,385,730	25,407,336
In-Kind	15,500				407,340	422,840
Media Rights	15,784,116	4,460,960	250,969	256,585	16,856,691	37,609,321
NCAA Distributions	63,741	768,577	21,477	172,053	297,770	1,323,618
Conference Distributions	8,726,787	425,403	17,550	12,857	1,676,107	10,858,704
Program, Novelty, Parking, and Concession Sales	1,484,923	164,679	821	162,634	132,228	1,945,285
Royalties, Licensing, Advertisements, and Sponsorships				45,000	5,112,905	5,157,905
Sports Camp Revenues	484	3,137	(102)	256,805	210,537	470,861
Endowment and Investment Income	28,648		6,427	49,616	353,805	438,496
Other	455,084	28,236	5,327	59,333	2,574,562	3,122,542
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 53,015,900</b>	<b>10,199,918</b>	<b>605,616</b>	<b>5,025,811</b>	<b>37,027,964</b>	<b>\$ 105,875,209</b>

### THE UNIVERSITY OF MISSISSIPPI ATHLETICS STATEMENT OF REVENUES AND EXPENSES (CONTINUED) YEAR ENDED JUNE 30, 2020

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON-PROGRAM SPECIFIC	TOTAL
<b>OPERATING EXPENSES</b>						
Athletics Student Aid	\$ 3,520,825	591,945	701,831	5,233,423	938,220	\$ 10,986,244
Guarantees	2,400,000	640,000	143,500	80,800		3,264,300
Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities	13,909,249	4,491,178	1,251,338	6,128,003		25,779,768
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities	3,859,139	652,169	556,730	1,658,630	11,646,887	18,373,555
Severance Payments	5,923,264		14,024	367,871		6,305,159
Recruiting	662,607	234,149	123,655	340,082		1,360,493
Team Travel	1,212,670	832,293	567,119	1,536,753		4,148,835
Sports Equipment, Uniforms and Supplies	2,289,292	210,438	195,947	1,936,379		4,632,056
Game Expense	2,491,459	1,128,844	406,707	869,134	185,166	5,081,310
Fund Raising, Marketing and Promotion	124,055	55,955	45,574	65,100	1,797,613	2,088,297
Sports Camps	81,438	12,783	6,150	227,848	9,639	337,858
Spirit Groups					654,904	654,904
Athletic Facilities, Debt Service, Leases and Rental Fees	3,967,381	2,638,096	2,638,096	1,739,744	3,371,069	14,354,386
Direct Overhead and Administrative Expenses	2,870,775	561,547	440,603	830,683	5,679,775	10,383,383
Medical Expenses and Insurance	173,810	26,072	18,829	332,893	288,132	839,736
Memberships and Dues	100	145	1,135	23,668	34,889	59,937
Student-Athlete Meals (non-travel)	530,936	127,101	56,820	286,347	395,777	1,396,981
Other Operating Expenses	358,627	239,482	93,219	574,371	1,695,387	2,961,086
<b>Total Operating Expenses</b>	<b>\$ 44,375,627</b>	<b>12,442,197</b>	<b>7,261,277</b>	<b>22,231,729</b>	<b>26,697,458</b>	<b>\$ 113,008,288</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenses</b>	<b>\$ 8,640,273</b>	<b>(2,242,279)</b>	<b>(6,655,661)</b>	<b>(17,205,918)</b>	<b>10,330,506</b>	<b>\$ (7,133,079)</b>

**OLE MISS ATHLETICS  
OPERATING BUDGET FOR FISCAL YEAR 2019-2020**

<b>REVENUES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Football Tickets	\$13,954,200	12.40%
Basketball Tickets	1,698,300	1.51%
Baseball Tickets	1,395,300	1.24%
SEC Revenue	46,395,000	41.22%
Merchandising & Licensing	1,377,007	1.22%
Concessions	870,000	0.77%
Apparel Contract	3,850,000	3.42%
Multi-Media Rights / Sponsorships	4,811,500	4.27%
Game Guarantees	315,000	0.28%
Student Fees	1,911,778	1.70%
Non-Resident Tuition Waiver	4,189,289	3.72%
Annual Fund Revenue	20,119,997	17.87%
Transfer From Reserves	1,628,312	1.45%
Forward Together - Facilities Debt Service	7,288,853	6.48%
Other Contributions	345,530	0.31%
Parking Revenue	1,208,700	1.07%
Other Revenue	1,201,790	1.07%

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**TOTAL REVENUE** **\$112,560,556**

<b>EXPENSES:</b>	<b>TOTAL</b>	<b>% of TOTAL</b>
Coaches/Staff Salaries & Benefits	\$29,139,464	25.89%
Scholarships	12,886,643	11.45%
Team Travel	5,774,538	5.13%
Apparel, Equipment, Supplies	4,578,685	4.07%
Recruiting	1,566,368	1.39%
Game Guarantees	3,325,600	2.95%
Student Athlete Support	6,932,840	6.16%
Student Athlete Nutrition	2,065,336	1.83%
Athletics Administration	6,963,122	6.19%
Compliance	1,131,968	1.01%
Media Relations, Marketing, & Ticket Office	6,215,974	5.52%
Facilities & Event Management	9,309,923	8.27%
Utilities	1,955,250	1.74%
Facilities Debt Service	12,237,762	10.87%
Institutional Support	1,750,000	1.55%
Band/Cheer/Dance	618,699	0.55%
Ole Miss Athletics Foundation Operations	2,396,254	2.13%
Officials	1,006,105	0.89%
Sales Tax	1,194,355	1.06%
Other Expenses	1,511,670	1.35%

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**TOTAL EXPENSES** **\$112,560,556**

## Appendix F

### Interview Questions (Retail, Restaurants, and Bars)

1. If possible, could you tell me what your year-end revenue numbers were for the past five to six years (2015-2020)? What percentage of those year-end numbers are attributed solely to sales during football season? (A rough percentage estimate is acceptable – it does not need to be exact).
2. During Ole Miss football season, by how much would you say your sales increase overall? By roughly what percent? (Especially during home games).
3. What would you say is the rough percentage change between sales during a home football game weekend and an away weekend?
4. During an average football season (prior to Covid-19), how do you prepare your business for football weekends? Do you stock certain inventory with football games in mind? Do you make larger orders in anticipation of crowds brought in by the games? Do you hire live entertainment? Do you ensure more employees are working than usual?
5. Are there any additional expenses used to prepare your business in anticipation of crowded football game weekends? If so, what are these expenses? Are the costs significantly higher than regular weekends?
6. In 2019, did you notice a drop in your store's revenue (especially during fall months) due to a reduced number of fans attending football games? In 2019, Ole Miss experienced the lowest attendance numbers since 2001.
7. Overall, what is the difference in your end of year sales numbers between this past year (2020) and the year prior (2019)? (Percentage change is acceptable). With the impact of

Covid-19 this past football season, did you notice a large change in sales and profit at the end of 2020 directly due to the reduced number of football fans in town?

8. Once Covid-19 began, what did you do to adapt and change your business to earn the maximum amount of profit? Did you change your inventory? Or cancel any orders?
9. Do you feel that Covid-19 has changed the way your business will operate for years to come?
10. Are there any new, additional expenses your business has incurred over the last year in order to safely and effectively operate during the global pandemic? What are these expenses?
11. Do you have a website for your store? If so, roughly what percentage of your sales have moved online during the last year? Have you had to re-vamp and focus more on online sales or have sales within the store stayed fairly constant? If not applicable, leave blank.
12. If you have had to direct more focus to online sales, do you think you will continue to have to focus a lot of energy and money into your website and online orders in the future? If not applicable, leave blank.
13. Do you feel that Ole Miss athletics strongly impacts the success of your business? How much do you rely on the sales brought in during football season each year?

## Appendix G

### Hotel Interview Questions

1. What percentage of your hotel's year-end revenue would you say comes directly from Ole Miss football fans visiting for games?
2. During the fall months of football season, by how much does your overall hotel revenue increase? (By what percent or rough dollar amount). And how much do your capacity numbers increase during these months?
3. If possible, could you tell me, on average, how much your capacity numbers increase for the weekend when there is a large home SEC football game in Oxford, MS as compared to an away game? How many rooms have typically been occupied in the hotel during big home games the past 5 or 6 years? (Such as Alabama or Homecoming).
4. What weekends throughout the year is your hotel typically at maximum or the largest capacity? Over the past 5-6 years.
5. In 2019, did you notice a drop in the capacity numbers at your hotel during the fall months due to a reduced number of fans attending football games? In 2019, Ole Miss experienced the lowest attendance numbers since 2001.
6. How do you typically prepare your hotel for football game weekends (prior to Covid-19)? Are there any additional expenses necessary to prepare to large numbers of guests? If so, what are these expenses?
7. On average, how much more do you now have to spend to ensure each room is properly sanitized for your guests?
8. Did a shorter and more restricted football season adversely affect the year end revenue for your hotel in 2020?



9. What was the percentage change in the number of guests staying in your hotel during football season this year (2020) as compared to last year (2019)?
10. Overall, do you feel that your hotel strongly relies on the traffic brought in by Ole Miss football games each year? Would you be able to be as profitable without football in Oxford?