



**Estimating the Potential Economic  
Impact of the USA Football Program**

CBER Research Report #47

**Research Reports**

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# **Estimating the Potential Economic Impact of the USA Football Program**

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**by**

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## Executive Summary

This study estimated the economic impact of the proposed University of South Alabama football program on the Mobile County economy. Major findings are summarized in this section.

### Home Game Attendance Requirement

1. In order to qualify for Division I-A status, the institution has to average more than 17,000 in paid attendance per home football game for games played in a stadium that contains a minimum of 30,000 permanent seats.
2. There is no minimum attendance requirement for Division I-AA football programs.

### Average Home Game Attendance

3. There were 112 Division I-A schools in 1998. The average home attendance ranged from 110,965 at Michigan to 7,703 at Kent, with the average attendance of 40,820.
4. There were 119 Division I-AA schools in 1998. The average home attendance ranged from 27,143 at South Florida, which is moving to I-A in 2001, all the way down to 561 at St. Peter's. Excluding South Florida, only four (4) I-AA schools exceeded an average attendance of 20,000. Among the four, Middle Tennessee State moved to I-A in 1999, leaving only three schools with an average home attendance of 20,000 or greater.
5. USM's Golden Eagles (I-A) has averaged about 25,000, USF's Bulls (I-AA) has 26,000, and UAB's Blazers (I-AA and I-A) has averaged about 16,000 for their home games in recent years. USM attendance is not likely to increase, but the attendance at UAB Blazers home games is expected to increase because of their affiliation with the rapidly growing C-Conference. The attendance at USF Bulls home games is expected to increase rather significantly because USF is moving to I-A in 2001 and also because of its affiliation with C-USA.

### USA Home Game Attendance Projection

6. Based on the assumption that the USA football program competes at the I-A level and a review of attendance records at USM, UAB and USF games as well as all I-A schools, the average home game attendance of the USA football program is assumed to be 17,000 for low estimation and 25,000 for high estimation.
7. The percentage of visitors relative to total attendance at future USA home football games will be assumed to be 25 percent. Visitors from Baldwin County are counted as out-of-town visitors.

## Revenues & Expenditures of Division I Schools

8. Football revenues and expenditures of Division I schools for the 1998 season indicate that of the 236 schools with football programs, 90 schools had a net revenue from their football programs; 7 schools had a break-even; and 131 schools lost money.
9. Among the 113 I-A schools listed, 75 schools had a net revenue and 38 schools had a negative net revenue. Chances are greater for schools to make a net revenue from their football programs if they belong to I-A.
10. Visiting teams get paid a varying amount. New teams often attempt to earn money by playing major programs on the road. If a small time I-AA or Division II team visits another small time I-AA or Division II team, the visiting team is paid around \$50,000. If a team visits a major program usually with no return requirement, the visiting team gets paid approximately \$500,000. When conference teams play each other and return each other's visit, there is no net revenue.

## Direct Expenditures Impact

11. Direct expenditures impact has three components: (a) expenditures by visitors to USA home games excluding visiting team athletes, coaches, cheerleaders, band members, and their family members that are likely reciprocated when the USA team visits opponents; (b) expenditures by the USA Athletic Department on operating the football program from which the amount of ticket sales and concession sales made to Mobile County residents is subtracted; and (c) expenditures by increased enrollment including athletes, cheerleaders, band members, and other support group members.
12. In estimating the expenditures impact, it is assumed that all USA expenditures on its football program other than ticket sales and concession sales are financed by revenues that do not replace current local expenditures; that there will be an increase in enrollment by 500 that includes athletes, cheerleaders, band members, and other support group members.
13. Excluding the multiplier effect, the total direct expenditures impact of the USA football program on Mobile County ranges from \$9,181,803 to \$9,742,803 i.e., approximately \$10 million. These impact figures are itemized by source:

Source	Low	High
Visitor expenditures	\$1,192,125	\$1,753,125
USA Athletic Department	\$3,379,285	\$3,379,285
Expenditures by increased enrollment	<u>\$4,610,393</u>	<u>\$4,610,393</u>
Total	\$9,181,803	\$9,742,803

14. Including the multipliers, the total expenditures impact of the USA football program on the Mobile County economy is \$16,633,754 for a low estimate and \$17,650,062 for a high estimate. The total expenditures impact by local economic segment is also presented in the study.

#### Impact on Employment

15. The total number of new jobs that will be created by the USA football program is 293 for a low estimate and 311 for a high estimate.

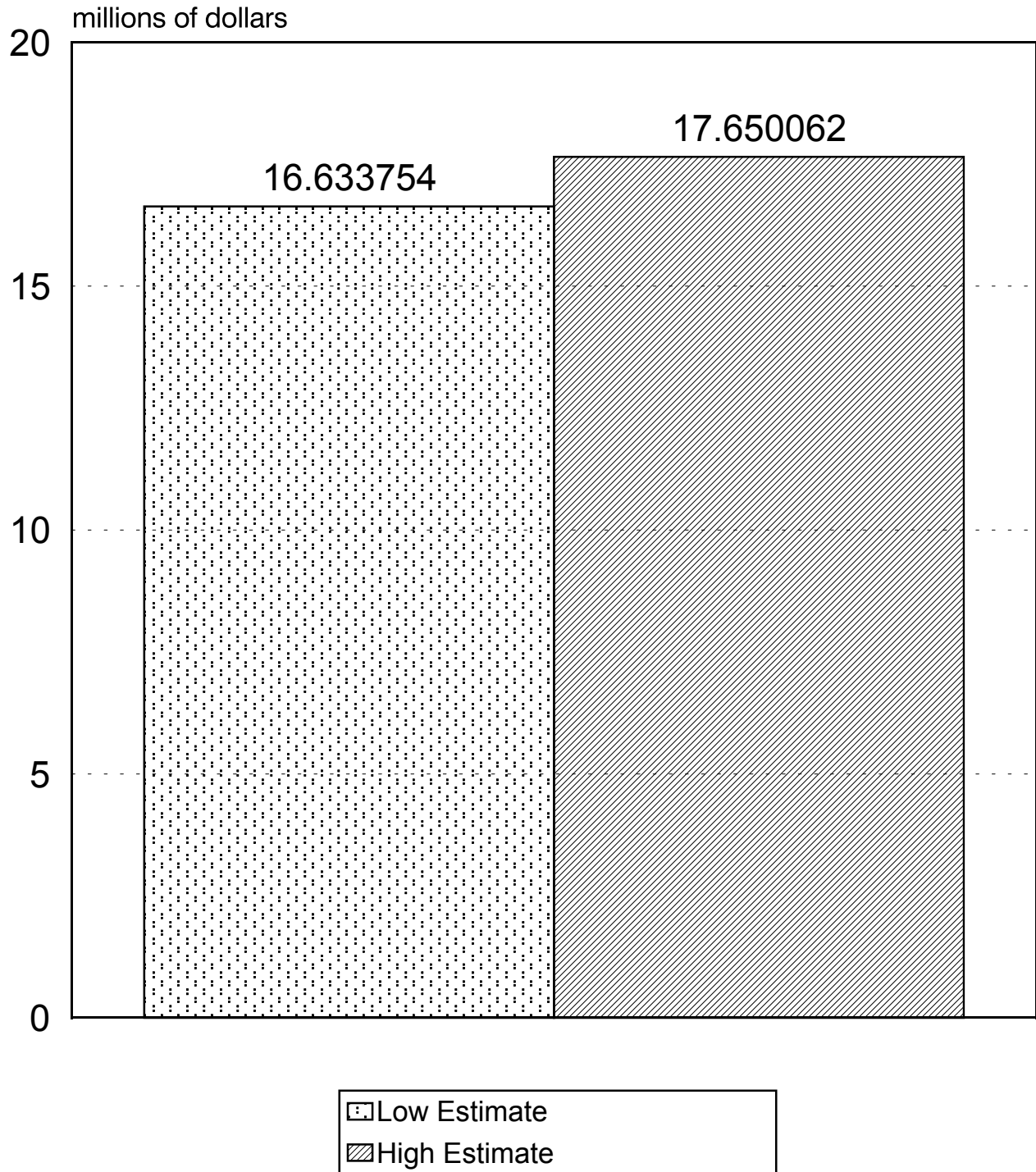
#### Tax Impact

16. According to the low estimate, the City of Mobile is expected to receive \$131,528 per year; Mobile County is expected to receive \$54,226 per year; and the state of Alabama is expected to receive \$271,590 per year. According to the high estimate, the City of Mobile is expected to receive \$157,515 per year; Mobile County is expected to receive \$59,294 per year; and the state of Alabama is expected to receive \$298,903 per year.

#### Impact on the USA

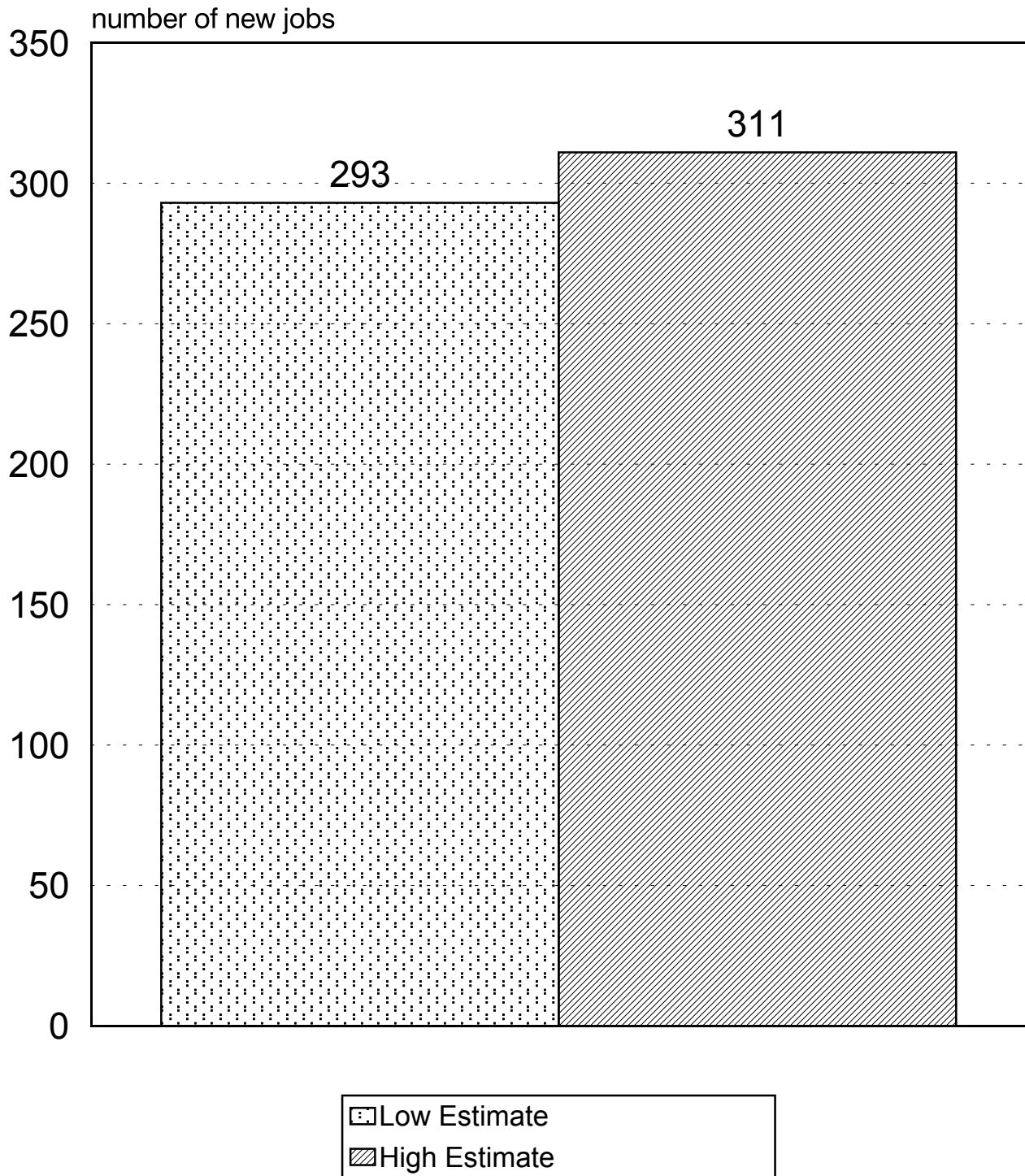
17. How the proposed USA football program affects the University depends on whether the football program can be run without financial assistance from the University, and on the cost of complying with the requirements of Title IX of the Education Amendments of 1972 (Title IX). Also scholarships given to athletes return to the University. The total amount of athlete scholarships is approximately \$1 million. If this amount is raised externally, the University will benefit and be provided a window of negotiation for developing a successful program.

# Figure 1. Total Expenditures Impact - Mobile County



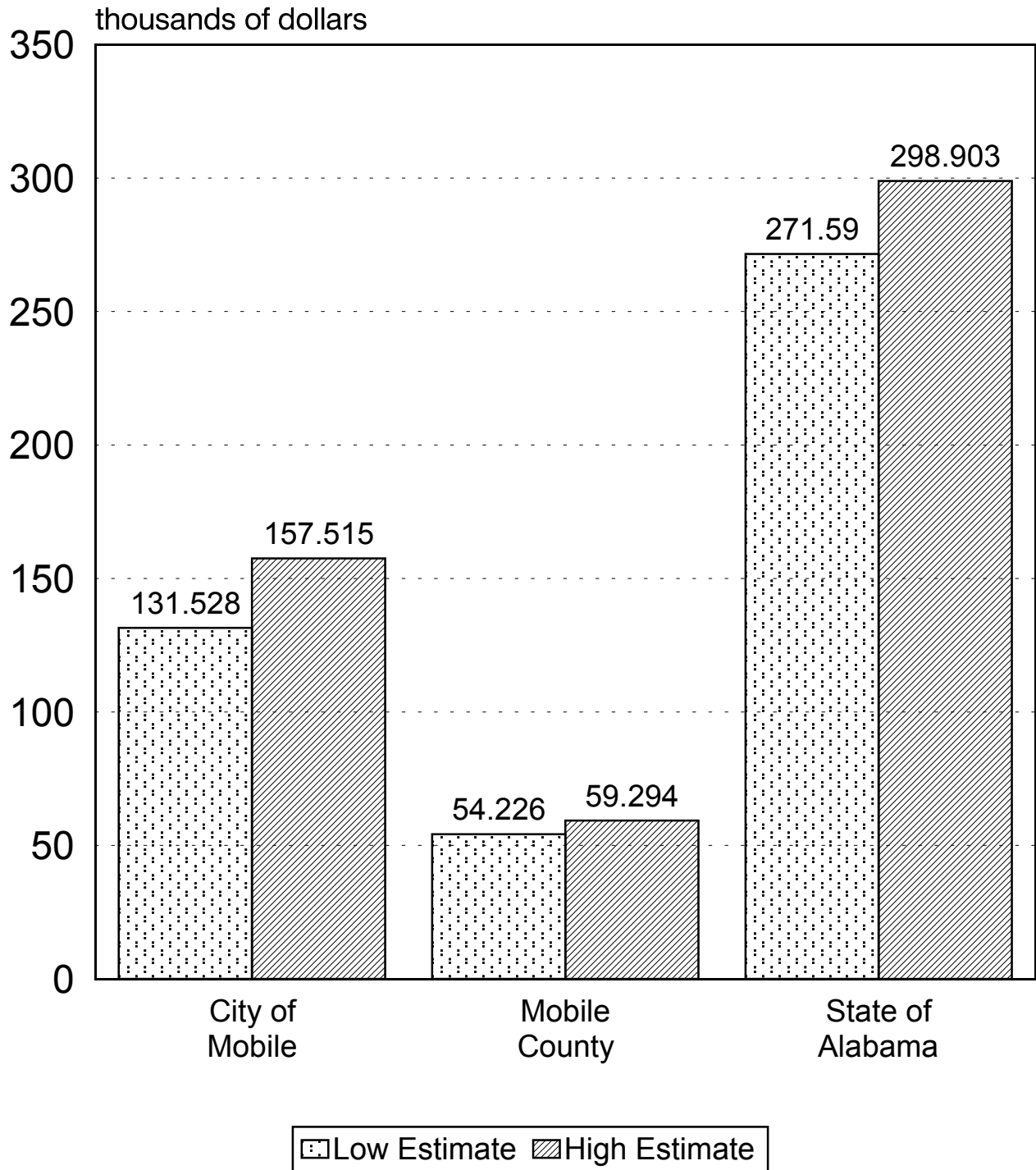
Note: Impact includes multiplier effect.

# Figure 2. Impact on Employment



Note: Impact includes multiplier effect.

# Figure 3. Tax Impact



Note: Tax Impact is an annual impact and includes multiplier effect.



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## Section 1

### Introduction

This study estimates the potential economic impact of the University of South Alabama football program on the local economy. The local economy in this study refers to the Mobile County economy. Since the USA football program has yet to begin, numerous assumptions are made in the process of estimation as stated throughout the study. Unless stated otherwise, the estimated impact is an annual impact that is likely to be realized when the USA football program is in full operation at I-A level but still in its early years. Our impact is an estimation of the football program 6-10 years after it starts. Note that the impact will be smaller during the earlier years of the program.

### Review of Literature

In-depth studies on the economic impact of the football program of a major university on the local economy are rare probably because highly profitable programs see no need for such studies and programs with deficits do not wish to publicize their deficit operations. Some from major programs are available, however.

Several impact figures are cited in an economic impact study of The University of Alabama. [Source: The University of Alabama, "The Economic Impact of the University of Alabama on Tuscaloosa County," Center for Business and Economic Research, College of Commerce and Business Administration, The University of Alabama, March 1991.]

The Pennsylvania State University in State College estimated a total economic impact of non-local football fan spending in the State College area to be \$40.3 million in the 1986 season, an average of \$5.8 million per game for that season's seven home games. Excluding the multiplier (1.97) effect, the direct expenditures totaled \$20.5 million, or \$2.9 million per game. These figures are about 50 percent greater in today's prices. The study area had a population of only 72,000 including 33,000 Penn State students making the impact that much greater. The expenditure estimates included the cost of game tickets and the returns made by the University on concessions and souvenirs. [p. 27]

The University of Oklahoma estimated the total economic impact of its football games on the Norman-Oklahoma City area with 440,000 residents and students to be \$23.9 million in 1987 prices. Economic impact of the five home games during the study year averaged \$4.8 million including the multiplier (1.7) effect. Excluding the multiplier effect, the direct expenditures totaled \$14.0 million, or \$2.8 million per game. Again, these figures are about 50 percent greater in today's prices. The study excluded expenditures made by the 10,000 University of Oklahoma students who attended games, but included expenditures by the remaining 65,700 fans regardless of whether they were local residents or not. The expenditure estimates excluded the cost of game tickets, but included the returns made by the University on concessions and souvenirs. [p. 28]

The 1989 economic impact of The University of Alabama football program is included as a part of the broader 1991 University of Alabama economic impact study. The impact area is defined as Tuscaloosa County. [pp. 29-33] The study includes local expenditures made by football fans from outside of Tuscaloosa County based on the assumption that local residents and students would have spent their money in the county regardless of the football games. About 46,000 of 70,000 fans came from outside of Tuscaloosa County. The Alabama study excludes the cost of game tickets and the University share of stadium concessions and souvenirs. The study also excludes expenditures by the University that are directly and indirectly related to the games, such as police personnel and stadium upkeep. Direct expenditures impact of the three home games at Bryant-Denny Stadium averaged \$1,891,667 and the total impact including the multiplier (1.8) averaged \$3,405,000. In today's prices, the direct impact per game is \$2,500,784 and the total impact per game is \$4,501,410.

A study has been made in 1999 to measure the economic impact of athletics, which include football as a separate item, at the University of Southern Mississippi. [Source: Ron Swagger, Lowell Goodman, Kevin Mapp, and Mark Folden, "The Economic Impact of Athletics at the University of Southern Mississippi on the Hattiesburg, Mississippi Area 1998-1999," August 1999.]

The University of Southern Mississippi was established in 1910 and began operations on September 18, 1912 as Mississippi Normal College. Its original purpose was to train teachers for the rural schools of Mississippi. It became State Teachers College in 1924 and Mississippi Southern College in 1940. Finally, its growth led the Mississippi Legislature to rename it the University of Southern Mississippi in 1962. Hattiesburg and adjacent parts of Forrest and Lamar Counties constitute a Metropolitan Statistical Area (MSA), with nearly 150,000 residents. [p. 1]

The study assumes that 600 students working as athletes, cheerleaders, band members and other support personnel and an additional 900 students are assumed to attend another university if Southern Mississippi did not have an athletic program. The 1500 students represent 12.5 percent of the total student body. In addition, 12.5 percent of the faculty and staff as well as general university expenditures are considered as a direct impact of the athletic programs. [p. 19] The impact estimation in the study is limited to revenues generated from outside the Hattiesburg MSA, which was 73 percent of all athletic department revenues.

Importantly for the Southern Mississippi football program, a survey of attendees of the home football games indicates that nearly two thirds of the respondents (63 percent) were from outside the MSA, and almost all of these (61 percent) were non-students. Only 2 percent of the spectators surveyed were students who live outside Forrest and Lamar Counties. [p. 11]

The study concludes that the direct expenditures impact is \$20,205,769 and the total expenditures impact is \$31,242,466 with the multiplier of 1.546. It is interesting to note that 76.1 percent of the total economic impact is related to the 12.5 percent assumption on students, faculty and staff who would not be in Hattiesburg in the absence of the athletic programs. [p. 26]

## USA Football Program

The University of South Alabama currently has varsity baseball, basketball, golf, soccer, tennis, track, and volleyball. Although there are many different ways of starting a football program toward the I-A level at the University of South Alabama, a realistic approach appears to be to start a club level football (USA began a club football in 1999). Once football is classified as a varsity sport, the sport has to be classified into I-A or I-AA. The club level football is not classified as a varsity sport and thus is not subject to a variety of requirements that apply to varsity sports. [See 2000-01 *NCAA Manual* 17.02.12 for definition of a varsity intercollegiate sport]

Division I-A institutions, for instance, are required to schedule and play at least 60 percent of its football games against members of Division I-A [2000-01 *NCAA Manual*, Rule 20.9.6.2], while Division I-AA institutions are required to schedule and play 50 percent or more of its football games against members of Division I-A or I-AA. [2000-01 *NCAA Manual*, Rule 20.9.7.2] These requirements are difficult to meet during the early years of a football program at any institution.

The Carr Sports Associates of Gainesville (Florida) prepared a feasibility study for the USA football program in 1999. The study spelled out the following time line for the USA football program: [Source: Carr Sports Associates. "Considerations for Football at the University of South Alabama," February 2000, Section III, p 3]

1999-2000	Year of study/ forums/ decision/ planning/ fund raising/ market assessment
2000-2001	Year of board approval/ fund raising/ program enhancements/ capital improvements
2001-2002	Year of fund raising/ program enhancements/ capital improvements
2002-2003 (Year 1)	Preparation/ hiring of coaching staff/ sign first recruits
2003-2004 (Year 2)	Practice/ sign more recruits/ promotion
2004-2005 (Year 3)	Competition/ first season in I-AA competition as an independent
2005-2006 (Year 4)	Competition/ second season in I-AA competition as an independent
2006-2007 (Year 5)	Competition/ third season in I-AA competition as an independent
2007-2008 (Year 6)	Competition/ first season in I-A competition in the Sun Belt Conference

The University of South Alabama is in the process of a market and fund-raising assessment through the work of the CSL consultants that is needed for the board to make final decisions on the future of the USA football program.

## Impact Estimation: An Overview

The model of impact estimation is briefly described in this section. Broadly stated, the impact is estimated for four categories: expenditures impact, job impact, tax impact, and impact on the University of South Alabama, referred to hereafter as USA.

The expenditures impact refers to new expenditures made in the local economy that would not be made without the USA football program. New expenditures are comprised of expenditures made by out-of-town visitors to home games, football-related expenditures made within USA, additional expenditures made at the Ladd-Peebles Stadium, and expenditures from additional students that may be attracted by the football program. Subtracted from this impact are expenditures that local residents make on games away from home and any local expenditures that may simply replace other local expenditures. The model of the expenditures impact is:

### (A) Expenditures Impact

$$E = E^H_{\text{VISITOR}} - E^A_{\text{VISITOR}} + E_{\text{USA}} + E_{\text{ENROLL}}$$
$$E^T = E \times M$$

where

$E^H_{\text{VISITOR}}$  = expenditures made by visitors to home games

$E^A_{\text{VISITOR}}$  = expenditures made by local residents attending out-of-town games

$E_{\text{USA}}$  = USA operating/capital expenditures newly created by football program, which may include additional expenditures made at Ladd stadium

$E_{\text{ENROLL}}$  = expenditures by additional student enrollment due to football

$E^T$  = total expenditures impact

$M$  = multiplier

Note that there is no direct impact from revenues unless revenues are spent; that impact from capital expenditures is temporary; that expenditures made by Mobile County residents are not included in impact estimation; and that the impact is smaller if new expenditures replace other local expenditures or funds for new expenditures come from funds that are scheduled for spending in the local economy.

The job impact is a mirror image of the expenditures impact since expenditures create jobs. The job impact includes new jobs created by new expenditures made in the local economy that would not be made without the USA football program. The job impact is comprised of jobs created by expenditures made by out-of-town visitors to home games, football-related expenditures made within USA, additional expenditures made at the Ladd-Peebles Stadium, and expenditures from additional students that may be attracted by the football program. Excluded from this impact are jobs created by expenditures that local residents make on games away from home and any local expenditures that may simply replace other local expenditures. Note that employment includes both full-time and part-time. The model of the job impact is:

(B) Job Impact

$$J = J_{\text{VISITOR}}^{\text{H}} - J_{\text{VISITOR}}^{\text{A}} + J_{\text{USA}} + J_{\text{ENROLL}}$$

$$J^{\text{T}} = J \times M$$

where

$J_{\text{VISITOR}}^{\text{H}}$  = jobs created by expenditures of visitors to home games

$J_{\text{VISITOR}}^{\text{A}}$  = jobs lost by expenditures of local residents attending out-of-town games

$J_{\text{USA}}$  = jobs created by USA expenditures on football program

$J_{\text{ENROLL}}$  = jobs created by expenditures of additional enrollment due to football

$J^{\text{T}}$  = total job impact

Finally, expenditures lead to additional tax revenues. The tax impact is also estimated in this study. An interest to the university community is a review of the impact of the USA football program on the university separately from the impact on the local economy. A brief review of the impact of the USA football program on the university is presented in this study. The two additional impacts are:

(C) Tax Impact

(D) Impact on campus

## Section 2

### Projection of Home Game Attendance

The ultimate success of the USA football program depends on the number of attendants to the program's home games. An accurate projection of the home game attendance for football games that are yet to exist is impossible since it depends on numerous factors which include the population base of the community as well as adjacent communities, the availability of alternative sports and recreational programs, the quality of opposing teams, the winning records of the home and opposing teams, the ticket price, the ticket prices of alternative sports and recreational programs, the level of income of the residents, and more. The objective of this section is to review attendance records of universities that currently have a football program.

### Minimum Attendance Requirement

Before home attendance records are presented, it is important to review NCAA's Division I-A football attendance requirements. In this discussion, the University of South Alabama is assumed to field a Division I-A team at an earliest convenience.

In order to qualify for Division I-A status, the institution has to meet one of the following two attendance requirements [Rule 20.9.6.3 of NCAA]: One is that the institution shall have averaged more than 17,000 in paid attendance per home football game in the immediate past four-year period. The other is that the stadium, utilized regularly for the institutions's home games during the football seasons being evaluated, shall contain a minimum of 30,000 permanent seats. Further, the institution shall have averaged more than 17,000 in paid attendance per home football game for games played in that stadium (or in a stadium approved by the Council) at least one year during the immediate four-year period.

For purposes of computing attendance figures, Rule 20.9.6.3.5 of NCAA states that tickets sold at regularly established ticket prices shall be counted whether or not they are used for admission; that tickets sold at discount prices may be counted as paid attendance only if they are used for admission; and that the attendance of students of the institution may be counted as paid attendance if the student actually is in attendance.

There is no minimum attendance requirement for Division I-AA football programs.

Efforts are in progress by NCAA to tighten its attendance requirement. If approved, the new rule will count only the actual attendance and eliminates the current exception that allows borderline I-A programs to meet attendance requirements by averaging 20,000 both home and away. This exception enabled schools to increase their numbers by playing a big-time opponent on the road. [Source: USA Today 6/22/00]



## Moving from I-AA to I-A

Moving from I-AA to I-A football has been popular in recent years. Division I-AA football programs that moved or will move to Division I-A are the following: [Source: [http://www.appstate.edu/www\\_docs/news/releases/info/IMPLEMENT.HTML](http://www.appstate.edu/www_docs/news/releases/info/IMPLEMENT.HTML)]

- 1987 Akron; Mid-American Conference
- 1989 Louisiana Tech University; independent
- 1992 Arkansas State University; Big West Conference  
University of Nevada; Big West Conference
- 1994 University of Louisiana at Monroe; independent
- 1995 University of North Texas; Big West Conference
- 1996 University of Alabama at Birmingham; Conference-USA  
Boise State University; Big West Conference  
University of Central Florida; independent
- 1997 University of Idaho; Big West Conference  
Marshall University; Mid-American Conference
- 1999 State University of New York at Albany  
State University of New York at Buffalo  
Middle Tennessee State University
- 2001 California State University, Northridge  
University of Connecticut  
University of South Florida  
Troy State University

In addition, Alabama State University announced its intention to join I-A.

I-AA institutions which have studied I-A but have decided not to advance are the following:

- Connecticut. Atlantic 10 Football Conference
- Montana. Big Sky Conference
- Southwest Missouri State. Gateway Football Conference
- Villanova. Atlantic 10 Football Conference
- Youngstown State. Gateway Football Conference

How many of these schools and the current I-A schools can survive the new attendance requirement is subject to speculation, since the new requirement, if enacted, will not count any road games and free tickets. In addition, attendance figures announced by schools and NCAA are believed to overestimate actual attendance by as much as 25 percent, if not higher. [Source: USA Today 6/22/00] Akron for instance had an announced attendance of 8,568 per home game in 1999 but the paying customers averaged only 4,000; Duke had an announced average attendance of 23,696, but paying customers averaged approximately 14,000; and Cincinnati had an announced average attendance of 14,135 but actual attendance was 16,900. [Source: [http://cbs.sportsline.com/u/ce/multi/0,1329,2431596\\_56,00.html](http://cbs.sportsline.com/u/ce/multi/0,1329,2431596_56,00.html), May 31, 2000 by Dennis Dodd]

## Home Game Attendance Records

The average home attendance records of leading teams in all NCAA divisions during 1999 season are summarized in Table 2-1: Average Home Attendance of Leading Teams 1999. Michigan and Tennessee lead all teams with average attendance exceeding 100,000. Among I-AA teams, Jackson State is the leader with 28,933, while Tuskegee is the leader among Division II teams with 13,336. Mount Union is the leader among Division III teams with average attendance of 5,743.

To further gain an insight into the home game attendance, two additional tables are presented. Table 2-2: NCAA I-A Teams 1998 Home Attendance is the complete list of NCAA I-A teams' 1998 home attendance records and Table 2-3: NCAA I-AA Teams 1998 Home Attendance is the complete list of NCAA I-AA teams' 1998 home attendance records.

There were 112 Division I-A schools in 1998. The average home attendance ranged from 110,965 at Michigan to 7,703 at Kent, with the average attendance of 40,820. The number of home games ranged between 4 and 7. There were 119 Division I-AA schools in 1998. The average home attendance ranged from 27,143 at South Florida that is moving to I-A in 2001 all the way down to 561 at St. Peter's. Excluding South Florida, only four (4) I-AA schools exceeded an average attendance of 20,000. Among the four, Middle Tennessee State moved to I-A in 1999, leaving only three schools with an average home attendance of 20,000 or greater. It is obvious that competing at I-A level is important to have a viable college football program. The importance of competing at I-A level becomes even more obvious when revenues and expenditures are taken into consideration later in this study.

Table 2-1. Average Home Attendance of Leading Teams 1999

Division I-A			Division I-AA			Division II		
Team	G	Attend	Team	G	Attend	Team	G	Attend
Michigan	6	111,008	Jackson St.	6	28,933	Tuskegee	4	13,336
Tennessee	7	106,839	Yale	5	27,518	Morehouse	4	11,883
Penn St.	7	96,500	Southern W.	5	25,734	Presbyterian	5	11,752
Ohio St.	7	93,456	South Fla.	7	25,053	South Dakota St.	6	11,410
Georgia	6	86,117	N.C. A&T	6	21,954	Winston-Salem	7	9,622
Florida	6	85,493	Portland St	5	20,721	Albany St. (GA)	3	8,449
Alabama	7	83,223	Delaware	6	20,372	Neb. - Omaha	5	8,100
Texas	6	82,673	Tennessee St.	5	19,518	North Dakota	6	7,813
Auburn	7	80,905	Montana	6	18,730	Northwest Mo. St.	6	7,492
Notre Dame	7	80,012	Florida A&M	4	18,414	Pittsburg St.	5	7,372
Florida St.	6	78,725	Appalachian St.	5	18,355	Fort Valley St.	6	7,243
LSU	7	78,630	Ga. Southern	5	16,840	Savannah St.	5	7,212
Clemson	5	78,302	Alabama St.	6	16,625	Ashland	5	7,160
South Carolina	6	78,273	Princeton	6	16,251	Angelo St.	6	6,927
Wisconsin	6	78,081	Texas Southern	6	16,145	UC Davis	5	6,887
Nebraska	6	73,729	Youngstown St.	6	16,005	Northern Colo.	5	6,876
Oklaahoma	5	74,664	South Carolina St.	4	15,555	Texas A&M --Kingsville	5	6,740
Michigan State	6	74,148	Massachusetts	5	14,684	Bowie St.	4	6,525
Texas A&M	6	73,126	Troy St.	5	14,625	South Dakota St.	5	6,139
Washington	6	71,790	Citadel	6	14,541	MO Southern	5	6,070
Kentucky	6	63,756	McNeese St.	6	13,365	Morris Brown	5	6,023
Brigham Young	6	65,185	Howard	5	12,410	Indiana PA	5	5,800
Purdue	6	63,471	Lehigh	5	12,255			
Iowa	6	63,464	Southwest Mo. St.	6	12,098			
Missouri	6	58,374	James Madison	5	11,800			
Southern California	6	57,515	Alcorn St.	5	11,632			
Arizona St.	6	57,205	Ferrum	5	11,621			
Arkansas	6	53,640	Grambling	4	11,561			
Virginia Tech	6	52,519	Richmond	6	11,254			
Colorado	6	52,125	Illinois St.	5	11,227			
Arizona	6	51,151	Pennsylvania	7	11,221			
UCLA	6	49,825	Mississippi Val.	5	11,198			
Stanford	6	49,738	Cal St. Sacramento	6	11,078			
Kansas State	7	47,851	Alabama A&M	5	10,720			
Mississippi	6	46,829	Northern Iowa	6	10,541			
Syracuse	6	46,741	Eastern Ky.	5	10,496			
Virginia	6	46,317	Villanova	5	10,239			
Air Force	5	45,981	Cornell	5	10,196			
Texas Tech	5	45,894	Connecticut	6	9,628			
Georgia Tech	6	45,731	Brown	6	9,385			
West Virginia	6	45,562	Northwestern St.	5	9,356			
Minnesota	7	45,441	Ark.- Pine Bluff	5	9,305			
Illinois	6	45,291	Jacksonville St.	6	9,090			
North Carolina St.	5	45,048	Bethune-Cookman	6	9,069			
Oregon	6	43,937	Western Ky.	5	9,010			
North Carolina	6	43,167	Montana St.	6	8,920			
Oklahoma St.	6	43,082	Harvard	5	8,704			
California	5	42,940	Western Caro.	6	8,544			
East Carolina	7	42,036	Stephen F. Austin	6	8,294			
Boston College	5	41,347	Sam Houston St.	5	8,200			

## Division III

Team	G	Attend
Mount Union	5	5,743
St. John's (Minn.)	5	5,615
Emory & Henry	5	5,418
Mississippi Col.	6	5,010
Baldwin-Wallace	4	4,433
Rowan	4	4,175
Williams	4	4,131
Ithaca	5	4,092
Trinity (Conn.)	4	4,007
Wash. & Jeff	5	3,860
Wash. & Lee	5	3,840
McMurry	4	3,644
St. Thomas (Minn.)	5	3,640
North Central	5	3,622
Grove City	6	3,615
Simpson	5	3,485
Wesleyan (Conn.)	4	3,475
Lycoming	4	3,449
Hampden-Sydney	5	3,320
Bethel (Minn.)	5	3,303

Source: <http://www.ncaa.org/news/19991220/active/3626n01.html>.

Table 2-2. NCAA I-A Teams 1998 Home Attendance

Rank	Team	Games	Total	Average
1	Michigan	6	665,787	110,965
2	Tennessee	6	641,484	106,914
3	Penn St.	6	579,190	96,532
4	Ohio St.	6	561,014	93,502
5	Georgia	6	513,710	85,618
6	Florida	6	511,792	85,299
7	Alabama	7	578,693	82,670
8	Auburn	7	567,773	81,110
9	Florida St.	6	482,941	80,490
10	LSU	6	481,739	80,290
11	Notre Dame	6	480,072	80,012
12	Texas	6	464,642	77,440
13	Wisconsin	6	464,570	77,428
14	Nebraska	7	533,305	76,186
15	South Caro.	6	448,463	74,744
16	UCLA	5	368,547	73,709
17	Washington	6	428,134	71,356
18	Oklahoma	5	353,885	70,777
19	Michigan St.	7	490,989	70,141
20	Clemson	7	482,500	68,929
21	Iowa	6	409,981	68,330
22	Brigham Young	6	376,210	62,702
23	Arizona St.	6	368,335	61,389
24	Southern Cal	7	426,295	60,899
25	Texas A&M	6	349,755	58,293
26	Kentucky	6	346,422	57,737
27	Missouri	6	344,010	57,335
28	North Caro.	5	278,350	55,670
29	West Va.	6	324,816	54,136
30	Purdue	6	318,396	53,066
31	Arkansas	6	315,597	52,600
32	Virginia Tech	6	294,267	49,045
33	California	6	292,500	48,750
34	Arizona	6	287,494	47,916
35	Syracuse	6	287,386	47,898
36	Colorado	6	279,019	46,503
37	Mississippi	6	276,551	46,092
38	Air Force	6	273,924	45,654
39	Oregon	6	265,011	44,169
40	Virginia	5	218,800	43,760
41	Texas Tech	6	259,537	43,256
42	Miami (Fla.)	6	259,209	43,202
43	Kansas St.	7	295,537	42,220
44	Oklahoma St.	5	208,280	41,656
45	Boston College	6	247,201	41,200
46	Pittsburgh	7	286,660	40,951
47	NorthWestern	6	245,441	40,907
48	Georgia Tech	6	242,825	40,471
49	North Caro. St.	6	239,645	39,941
50	Minnesota	5	199,214	39,843

51	Louisville	6	238,071	39,679
52	Illinois	6	237,539	39,590
53	Utah	6	232,880	38,813
54	Mississippi St.	5	186,925	37,385
55	Fresno St.	5	185,511	37,102
56	Army	5	184,641	36,928
57	Indiana	5	182,262	36,452
58	Iowa St.	6	211,085	35,181
59	Stanford	6	208,656	34,776
60	Washington St.	6	208,002	34,667
61	Baylor	5	168,485	33,697
62	Navy	6	199,301	33,217
63	Kansas	6	194,200	32,367
64	East Caro.	5	158,716	31,743
65	Vanderbilt	6	190,385	31,731
66	Colorado St.	4	125,169	31,292
67	Hawaii	8	234,821	29,353
68	Oregon St.	6	171,288	28,548
69	Maryland	5	141,736	28,347
70	Tulane	6	167,661	27,944
71	TCU	6	163,088	27,181
72	New Mexico	6	158,834	26,472
73	Marshall	7	173,516	24,788
74	Southern Miss.	5	122,807	24,561
75	San Diego St.	6	146,878	24,480
76	Cincinnati	6	144,808	24,135
77	Toledo	6	142,866	23,811
78	Duke	5	118,482	23,696
79	Boise St.	7	165,515	23,645
80	Memphis	6	140,871	23,479
81	Rutgers	6	139,783	23,297
82	Central Fla.	5	113,252	22,650
83	Rice	5	110,573	22,115
84	Western Mich.	5	109,334	21,867
85	Nevada	5	105,467	21,093
86	Wake Forest	6	125,600	20,933
87	Central Mich.	5	102,995	20,599
88	Ball St.	4	81,683	20,421
89	New Mexico St.	5	101,711	20,342
90	UTEP	5	100,723	20,145
91	Tulsa	6	116,063	19,344
92	Ohio	5	92,088	18,418
93	Southern Methodist	6	109,306	18,218
94	UAB	6	108,991	18,165
95	UNLV	5	90,002	18,000
96	Wyoming	6	107,553	17,926
97	Louisiana Tech	5	83,738	16,748
98	Houston	5	81,477	16,295
99	Northeast La.	6	91,431	15,239
100	Miami (Ohio)	4	60,518	15,130
101	Temple	5	75,635	15,127
102	Utah St.	6	85,480	14,247
103	Idaho	4	53,156	13,289
104	Arkansas St.	6	79,558	13,260

105	San Jose St.	5	62,659	12,532
106	Northern Ill.	5	62,591	12,518
107	Eastern Mich.	5	60,012	12,002
108	Bowling Green	5	56,385	11,277
109	North Texas	4	40,904	10,226
110	SouthWestern La.	4	38,193	9,548
111	Akron	5	42,065	8,413
112	Kent	5	38,514	7,703
Average			240,610	40,820

Source: NCAA Championships Administration, <http://www.ncaa.org/champadmin/football>.

Table 2-3. NCAA I-AA Teams 1998 Home Attendance

Rank	Team	Games	Total	Average
1	South Fla.	7	190,002	27,143
2	Southern U.	5	113,567	22,713
3	Princeton	5	111,107	22,221
4	Middle Tenn. St.	4	85,255	21,314
5	Alcorn St.	6	126,162	21,027
6	Buffalo	4	79,341	19,835
7	Delaware	6	114,942	19,157
8	Montana	6	110,068	18,345
9	Florida A&M	4	69,411	17,353
10	Tennessee St.	3	51,248	17,083
11	Troy St.	5	84,955	16,991
12	McNeese St.	6	100,673	16,779
13	Youngstown St.	6	97,818	16,303
14	North Caro A&T	5	79,842	15,968
15	Appalachian St.	5	74,579	14,916
16	Richmond	4	57,893	14,473
17	Norfolk St.	5	71,555	14,311
18	Jackson St.	4	57,108	14,277
19	Yale	6	80,438	13,406
20	Citadel	5	66,455	13,291
21	Ga. Southern	7	92,075	13,154
22	Massachusetts	5	64,756	12,951
23	South Caro. St.	5	63,163	12,633
24	Ark.-Pine Bluff	4	48,855	12,214
25	Pennsylvania	5	60,010	12,002
26	Jacksonville St.	6	71,497	11,916
27	Howard	5	58,772	11,754
28	Alabama St.	4	46,059	11,515
29	Northwestern St.	5	55,656	11,131
30	Northern Iowa	6	63,893	10,649
31	James Madison	6	62,500	10,417
32	Hampton	5	51,932	10,386
33	Harvard	5	51,773	10,355
34	Grambling	3	30,904	10,301
35	Liberty	5	51,259	10,252
36	Lehigh	6	60,490	10,082
37	Eastern Ky.	6	59,500	9,917
38	Prairie View	3	29,443	9,814
39	Southwest Mo. St.	6	57,874	9,646
40	Western Caro.	5	48,213	9,643
41	Western Ill.	5	48,099	9,620
42	Furman	6	57,242	9,540
43	Connecticut	5	46,467	9,293
44	Cornell	5	46,276	9,255
45	Murray St.	5	45,852	9,170
46	Sam Houston St.	5	43,693	8,739
47	Weber St.	6	52,355	8,726
48	Villanova	5	42,032	8,406
49	Northern Ariz.	6	50,230	8,372
50	Texas Southern	4	433,471	8,368
51	Stephen F. Austin	6	49,919	8,320

52	Morgan St.	4	33,195	8,299
53	Montana St.	6	49,672	8,279
54	Bethune-Cookman	3	24,211	8,070
55	William & Mary	5	40,128	8,026
56	Western Ky.	7	52,900	7,557
57	Dartmouth	5	37,587	7,517
58	Chattanooga	6	43,850	7,308
59	Illinois St.	6	43,696	7,283
60	Wofford	5	36,267	7,253
61	Lafayette	5	36,232	7,246
62	Southern Ill.	5	34,100	6,820
63	Southeast Mo. St.	6	40,766	6,794
64	Portland St.	5	33,294	6,659
65	Columbia	5	33,035	6,607
66	Dayton	5	32,174	6,435
67	Brown	4	25,575	6,394
68	Holy Cross	6	38,278	6,380
69	Southwest Tex. St.	6	37,991	6,332
70	Cal Poly	5	31,098	6,220
71	Mississippi Val.	5	30,473	6,095
72	Eastern Ill.	6	36,043	6,007
73	Bucknell	6	35,859	5,977
74	East Tennessee St.	5	29,804	5,961
75	Maine	6	34,753	5,792
76	VMI	6	34,518	5,753
77	Cal St. Sacramento	5	27,431	5,486
78	Morehead St.	5	26,803	5,361
79	Idaho St.	5	26,772	5,354
80	Eastern Wash.	5	26,457	5,291
81	Colgate	5	26,137	5,227
82	Hofstra	7	34,136	4,877
83	NorthEastern	6	29,144	4,857
84	Cal St. Northridge	5	22,411	4,482
85	Tennessee Tech	7	29,468	4,210
86	Rhode Island	5	20,871	4,174
87	Drake	5	20,665	4,133
88	Indiana St.	5	20,549	4,110
89	Samford	5	20,009	4,002
90	Duquesne	6	22,838	3,806
91	Fordham	6	22,315	3,719
92	Southern Utah	5	17,921	3,584
93	New Hampshire	6	20,459	3,410
94	Tenn.-Martin	5	16,914	3,383
95	Towson	6	19,964	3,327
96	Austin Peay	5	16,548	3,310
97	Butler	5	16,247	3,249
98	San Diego	6	19,424	3,237
99	Nicholls St.	5	15,951	3,190
100	Delaware St.	5	14,848	2,970
101	Monmouth	5	14,798	2,960
102	Jacksonville	5	13,881	2,776
103	Fairfield	4	10,615	2,654
104	Valparaiso	6	15,372	2,562
105	St. Mary's (Cal.)	5	11,596	2,319



106	Davidson	5	10,872	2,174
107	Charleston So.	6	12,848	2,141
108	Wagner	5	9,476	1,895
109	Marist	5	8,141	1,628
110	Iona	5	7,831	1,566
111	Georgetown	6	9,314	1,552
112	St. John's (N.Y.)	5	6,661	1,332
113	La Salle	3	3,411	1,137
114	Central Conn. St.	4	4,030	1,008
115	St. Francis (Pa.)	5	4,578	916
116	Siena	5	4,331	866
117	Canisius	4	3,158	790
118	Robert Morris	5	3,307	661
119	St. Peter's	4	2,245	561

Average

45,907

8,208

Source: NCAA Championships Administration, <http://www.ncaa.org/champadmin/football>

## Number of Home Games

The minimum number of intercollegiate football contests for Division I institutions during an annual regular season is 9 and the maximum is 11. [See 2000-01 *NCAA Manual* 20.9.3.3. for minimum and 17.10.5.1 for maximum] How many games the proposed USA football team plays is relatively simple in that the number should range between 9 and 11 unless a bowl game is involved. Determining how many home games the proposed USA football team plays is complicated because of nonconference games of major football programs.

Basically, major football programs would like to play at home, and "... it is hard to find opponents who won't require a return trip to its stadium. As such, teams with huge budgets, such as is the case for many SEC teams, must find opponents who won't require a return trip and gives the SEC team another home game, which generates millions of dollars. ... In return, those teams get a big paycheck for playing the game on the road and the home SEC team has another home game that generates lots of revenue - not to mention a win (usually)." [Source: Mobile Register 7/30/00]

Visiting teams get paid. If a small time I-AA or Division II team visits another small time I-AA or Division II team, the visiting team will get paid around \$50,000. If a team visits a major program usually with no return requirement, the visiting team gets paid approximately \$500,000. When Auburn canceled a game with Florida State University in 1999, for instance, Auburn paid to FSU \$500,000 that was guaranteed when the schedule was agreed upon. Also, when Southern Mississippi played (and beat) Alabama in September 2000, Southern Mississippi was paid \$475,000. When Wyoming played at Auburn, Wyoming allegedly was paid \$600,000. When C-USA teams play each other and return each other's visit, each visiting team is paid \$150,000. There is no net revenue, however, since all conference games are played in return. In general the amount of pay made to a visiting team varies anywhere from \$50,000 to \$500,000.

Scheduling major program teams is much more than an issue of scheduling; it is a financial issue. A small time program may be able to survive financially if the team can schedule a couple of major games away from home each year.

## Attendance Figures: USM, UAB & USF

Since Southern Mississippi and the University of Alabama at Birmingham football programs are reasonably close and similar in many aspects and since the USA football program is supposedly following the South Florida model, the attendance records of the three teams are reviewed in depth.

The attendance records of Southern Mississippi Golden Eagles games for the latest five years are presented in Table 2-4. Shown below is a summary of Table 2-4:

Table 2-5. Golden Eagles Attendance Averages

Year	All Games	Home Games	Away Games
1995	34,084	25,651	38,903
1996	40,315	24,580	49,307
1997	40,081	23,923	48,160
1998	35,869	24,561	43,945
1999	42,985	25,834	55,236
Average	38,667	24,910	47,110

The attendance records of UAB Blazers games for the five recent years are presented in Table 2-6. Shown below is a summary of Table 2-6. UAB Blazers played as I-AA until 1995 and moved to I-A:

Table 2-7. Blazers Attendance Averages

Year	All Games	Home Games	Away Games
1994 (I-AA)	11,978	19,765	12,874
1995 (I-AA)	11,978	10,712	13,499
1996 (I-A)	23,128	14,605	38,044
1997 (I-A)	21,849	16,788	24,742
1998 (I-A)	31,653	16,165	47,839
Average	20,117	15,607	27,400

The attendance records of South Florida Bulls games for the latest two years are presented in Table 2-8. Shown below is a summary of Table 2-8. South Florida Bulls played as I-AA for the two years shown in Tables 2-8 and 2-9.

Table 2-9. Bulls Attendance Averages

Year	All Games	Home Games	Away Games
1998	20,094	27,143	7,758
1999	21,887	25,053	16,347
Average	20,991	26,098	12,053

Table 2-4. University of Southern Miss Football Attendance

Date	Opponent	Place	Score	Attend
<b>1995</b>				
Aug. 31	Northern Illinois	Hattiesburg, MS	45-13	33,092
Sep. 9	Alabama	Birmingham, AL	20-24	83,081
Sep. 16	Utah State	Logan, UT	24-21	15,227
Sep. 23	Indiana	Bloomington, IN	26-27	31,216
Sep. 30	Tulane	Hattiesburg, MS	45-0	27,141
Oct. 7	Louisville	Hattiesburg, MS	25-21	21,079
Oct. 14	Cincinnati	Cincinnati, OH	13-16	18,522
Oct. 28	East Carolina	Hattiesburg, MS	34-36	21,293
Nov. 4	Tennessee	Knoxville, TN	0-42	93,433
Nov. 11	Memphis	Memphis, TN	17-9	11,503
Nov. 18	Southwestern Louisiana	Lafayette, LA	35-32	19,341
<b>1996</b>				
Aug. 31	Georgia	Athens, GA	11-7	81,076
Sep. 7	Alabama	Birmingham, AL	10-20	82,338
Sep. 14	Utah State	Hattiesburg, MS	31-24	24,307
Sep. 21	Southwestern Louisiana	Hattiesburg, MS	52-27	23,169
Sep. 28	Louisville	Louisville, KY	24-7	36,482
Oct. 10	East Carolina	Greenville, NC	28-7	34,480
Oct. 19	Memphis	Hattiesburg, MS	16-0	25,601
Oct. 26	Tulane	New Orleans, LA	31-28	20,384
Nov. 2	Cincinnati (H)	Hattiesburg, MS	21-17	25,241
Nov. 9	Houston	Houston, TX	49-56	18,107
Nov. 16	Florida State	Tallahassee, FL	14-54	72,280
<b>1997</b>				
Aug. 30	Florida	Gainesville, FL	6-21	25,439
Sep. 6	Illinois	Champaign, IL	24-7	44,519
Sep. 20	Nevada	Hattiesburg, MS	35-19	26,481
Sep. 27	Alabama	Birmingham, AL	13-27	83,091
Oct. 4	Louisville	Hattiesburg, MS	42-14	23,028
Oct. 11	East Carolina	Greenville, NC	23-13	33,904
Oct. 25	Tulane	Hattiesburg, MS	34-13	26,092
Nov. 1	Cincinnati	Cincinnati, OH	24-17	23,799
Nov. 8	Tennessee	Knoxville, TN	20-44	107,073
Nov. 15	Houston	Hattiesburg, MS	33-0	20,091
Nov. 22	Memphis	Memphis, TN	42-18	17,243
Dec. 31	Pittsburgh	Memphis, TN	41-7	50,209
<b>1998</b>				
Sep. 5	Penn State	State College, PA	6-34	96,617
Sep. 19	Texas A&M	Hattiesburg, MS	6-24	33,233
Sep. 26	Southwestern Louisiana	Hattiesburg, MS	55-0	24,379
Oct. 3	Tulane	New Orleans, LA	7-21	32,527
Oct. 10	Louisville	Hattiesburg, MS	56-21	22,043
Oct. 17	Army	West Point, NY	37-13	40,395
Oct. 24	East Carolina	Hattiesburg, MS	41-7	24,020
Oct. 31	Alabama	Tuscaloosa, AL	20-30	83,818
Nov. 7	Houston	Houston, TX	21-15	16,260
Nov. 14	Memphis	Hattiesburg, MS	45-3	19,132
Nov. 21	Nevada	Reno, NV	55-28	18,336
Dec. 30	Idaho	Boise, ID	35-42	19,664
<b>1999</b>				
Sep. 6	Tulane	Hattiesburg, MS	48-14	30,098
Sep. 11	Northwestern LA	Hattiesburg, MS	40-6	24,871
Sep. 18	at Nebraska	Lincoln, NE	13-20	77,826
Sep. 25	at Texas A&M	College Station, TX	6-23	65,264
Oct. 9	at East Carolina	Greenville, NC	39-22	39,418
Oct. 16	Army	Hattiesburg, MS	24-0	26,054
Oct. 23	Cincinnati	Hattiesburg, MS	28-20	24,012
Oct. 30	at Alabama	Tuscaloosa, AL	14-35	83,818
Nov. 6	at Memphis	at Memphis, TN	20-5	23,635
Nov. 13	Louisiana-Lafayette	Hattiesburg, MS	48-0	24,133
Nov. 20	at Louisville	Louisville, KY	30-27	41,826
Dec. 31	Colorado State	Memphis, TN	23-17	54,866

Source: Southern Miss Football Media Guide 2000, p. 155.

Table 2-6. UAB Football Attendance

Date	Opponent	Score	Attend
<u>1994 (I-AA)</u>			
Sep. 3	at Alabama State	24-27	14,750
Sep. 10	at Dayton	28-10	10,112
Sep. 17	Jacksonville State	12-28	17,222
Sep. 24	at Kansas	0-72	35,000
Oct. 1	Western Kentucky	22-31	20,237
Oct. 8	Wofford	34-27	20,237
Oct. 15	Mississippi Valley State	24-14	20,327
Oct. 22	Charleston Southern	54-14	20,328
Oct. 29	at Morehead State	36-15	2,500
Nov. 5	Butler	19-14	20,237
Nov. 19	at Prairie View A&M	48-6	2,007
<u>1995 (I-AA)</u>			
Sep. 2	Alabama State	3-13	15,169
Sep. 9	at Southwestern Louisiana	21-56	17,723
Sep. 16	Jacksonville State	26-28	14,127
Sep. 23	at Western Kentucky	18-32	8,000
Sep. 30	at Middle Tennessee State	13-28	10,000
Oct. 7	Wofford	28-0	8,813
Oct. 14	at North Texas	19-14	16,671
Oct. 28	at Troy State	7-60	15,100
Nov. 4	Charleston Southern	40-14	6,500
Nov. 11	Knoxville College	61-8	5,879
Nov. 18	Miles College	37-8	13,781
<u>1996 (I-A)</u>			
Aug. 31	at #18 Auburn	0-29	80,645
Sep. 7	at Maryland	15-39	30,057
Sep. 14	Arkansas State	42-17	18,236
Sep. 21	Jacksonville State	24-17	19,567
Oct. 5	Western Kentucky	24-0	14,107
Oct. 19	SW Louisiana	39-29	16,327
Oct. 26	at Louisiana Tech	31-35	11,320
Nov. 2	at Vanderbilt	15-31	30,153
Nov. 9	Central Florida	13-35	12,500
Nov. 16	Cincinnati	14-34	15,000
Nov. 21	Charleston Southern	49-13	6,500
<u>1997 (I-A)</u>			
Aug. 28	at Kansas	0-24	32,100
Sep. 6	at Memphis	7-28	24,108
Sep. 13	at Arizona	10-24	36,309
Sep. 20	Jacksonville State	34-16	23,775
Sep. 27	at Southwestern Louisiana	42-7	15,024
Oct. 4	Western Kentucky	20-16	17,385
Oct. 11	at Cincinnati	29-33	20,924
Nov. 1	at #22 Virginia Tech	0-37	37,411
Nov. 8	Louisiana Tech	29-32	17,225
Nov. 15	Tennessee Tech	38-14	8,765
Nov. 22	at Arkansas State	7-13	7,318
<u>1998 (I-A)</u>			
Sep. 5	at #3 Nebraska	7-39	75,921
Sep. 19	Tennessee Tech	38-6	18,500
Sep. 26	Kansas (4 OT)	37-39	30,543
Oct. 3	SW Louisiana	24-13	14,217
Oct. 10	at East Carolina	7-26	31,002
Oct. 17	at Louisiana Tech	23-54	13,876
Oct. 24	#21 Virginia Tech	0-41	31,897
Oct. 31	at Northeast Louisiana	14-20	11,886
Nov. 7	at #2 Tennessee	13-37	106,508
Nov. 14	Middle Tennessee State	26-17	10,263
Nov. 21	UT Martin	48-17	3,571

Source: UAB Media Guide 1999, p. 111.

Table 2-8. University of South Florida Football Attendance

Date	Opponent	Score	Attend
<b>1998</b>			
Sep. 05	Slippery Rock	39-10	21,553
Sep. 12	Valparaiso	51-0	21,467
Sep. 19	at Liberty	24-21	11,689
Oct. 3	Citadel	45-6	32,598
Oct. 10	Elon	35-7	26,541
Oct. 17	Western Kentucky	24-31	30,083
Oct. 24	at Hofstra	30-50	4,298
Oct. 31	at Charleston Southern	24-0	884
Nov. 07	Cumberland	69-3	31,272
Nov. 14	at Georgia Southern	23-28	14,161
Nov. 21	Morehead State	38-22	26,488
	Average - all		20,094
	Average - home		27,143
	Average - away		7,758
<b>1999</b>			
Sep. 4	at San Diego State	12-41	25,576
Sep. 11	SW Texas State	17-7	26,282
Sep. 18	at Western Kentucky	21-6	7,500
Sep. 25	at Troy State	24-41	17,311
Oct. 2	Southern Illinois	21-14	25,029
Oct. 9	Liberty	28-0	25,112
Oct. 16	Illinois State	14-13	22,054
Oct. 23	New Hampshire	42-41	24,004
Oct. 30	at James Madison	3-13	15,000
Nov. 6	New Haven	41-27	27,307
Nov. 13	Hofstra	23-43	25,583
	Average - all		21,887
	Average - home		25,053
	Average - away		16,347

Source: University of South Florida Football Media Guide 1999 (p. 88) & 2000 (p. 92).

Before any conclusions are drawn from Tables 2-4 through 2-9, it may be instructive to briefly introduce the three programs. Coincidentally, all three teams are members of the Conference USA which include Cincinnati, Marquette, Louisville, Tulane, Memphis, Houston, Charlotte, Saint Louis, and DePaul.

USM Golden Eagles was introduced earlier in this study. It may be added that when Golden Eagles played Alabama or Tennessee, about 4,000 local fans followed the games, while about 1,500 to 2,000 fans followed when Golden Eagles played UAB. [Source: interview with Mr. Richard Giannini, USM Athletic Director, 2000]

Due to opposition from Tuscaloosa alums, the UAB Blazers program started in 1989 as a club team with volunteers and \$50,000 expense money. [Source: Mr. Gene Bartow, former Athletic Director at UAB, 2000, and UAB Football Media Guide 1999, pp.166-168] The team moved to Division III in 1990 with \$200,000 budget with volunteer coaches; moved to I-AA in 1992; and finally moved to I-A in 1995. On September 7, 1991, UAB played its first-ever NCAA-sanctioned football game against Millsaps College in Jackson, Mississippi. Millsaps won the game, 28-0. On November 14, 1996, Conference USA Commissioner Mike Slive announced that the league presidents had voted to admit UAB as a football-playing member of the conference beginning with the 1999 season.

University of South Florida opened its doors in 1960 to 2000 students. Today the university has approximately 34,000 students. [Source: interview with Mr. Paul Griffin, athletic director, 2000, and University of South Florida Media Guide 2000, pp. 118-119] In October, 1991, the then-president Francis T. Borkowski convened a group of 40 faculty, staff, students, alumni, and community friends to assess the feasibility of adding a football program. On March 20, 1992, the committee recommended that football would be feasible. Interestingly on June 18, 1992, USF faculty senate president reported to President Borkowski the results of a faculty poll which indicated a preference for the University not to move ahead with the initiation of a football program. In August 1993, the community committee was formed to raise \$10 million, with an intermediary goal of \$5 million in order to seek Florida Board of Regents approval. On June 28, 1995, USF raised the \$5 million self-imposed goal. On September 15, 1995, the Board of Regents approved USF football at their meeting in Orlando. On September 6, 1997, the first-ever USF football game was played at the Tampa Stadium. In 2001, the USF Bulls are moving to I-A to play as a C-USA member.

The Golden Eagles play in Hattiesburg, a city much smaller than Mobile, and their attendance averages about 25,000. USF Bulls play in Tampa, a city much larger than Mobile and their attendance averaged 26,000 even if they played at I-AA level. UAB Blazers play in Birmingham, a city larger than Mobile but with a large number of Crimson Tide and Auburn Tigers followers. UAB averaged about 16,000 for their home games.

USM attendance is not likely to increase, but the attendance at UAB and USF is expected to increase because of their affiliation with the rapidly growing C-Conference. In fact, attendance at USF games is expected to increase rather significantly because USF is moving to I-A in 2001.

## Home Game/Visitor Attendance Projection

The actual attendance will depend on numerous factors. It was stated early in this section that the attendance at football games depends on such factors as population base of the community as well as adjacent communities, availability of alternative sports and recreational programs, quality of opposing teams, winning records of the home and opposing teams, ticket price, ticket prices of alternative sports and recreational programs, and level of income of the residents. The attendance will also depend on the level of competition, conference affiliation, the amount and effectiveness of promotional efforts, and more.

It is assumed in this report that the average attendance at USA football games will be 17,000 for low estimation and 25,000 for high estimation.

The figure used for high estimation is much smaller than the average of attendance figures of all 112 I-A schools in Table 2-2, which is 40,820, but is greater than the average of attendance figures of bottom 56 schools in Table 2-2, which is 21,833. Since the average number of home games of all I-A schools is 5.7, it will also be assumed that the average number of the USA football home games is 6.

Please note that the Carr report also projects 6 home games but projects the average home attendance of 18,000 in year 5 (I-AA) and year 6 (I-A). [Carr Sports Associates, "Considerations for Football at the University of South Alabama," February 2000, p. IV-9] The year 6 attendance projection made in the Carr report is likely to be a significant underestimation, primarily because it does not take into consideration that the program moves from I-AA to I-A in year 6. Because of I-A opponent requirements, the attendance is expected to increase when a team moves from I-AA to I-A.

Three major football games are played at the Ladd stadium beyond the regular high school football games. The three games are (a) the Mississippi-Alabama All Star Classic featuring graduating high school seniors of Mississippi against their counterparts in Alabama, (b) the Gulf Coast Classic featuring the Alabama State University against rotating opponents, and (c) the nationally televised Senior Bowl.

The MS-AL All Star Classic has an attendance of about 20,000, of which 60 percent are estimated to come from Mobile County and the remaining 40 percent from areas outside the Mobile County. The attendance of the Gulf Coast Classic is about 14,000, which is divided almost equally between those from Mobile County and those from areas outside the Mobile County. The Senior Bowl was a sellout in 1993 with an estimated attendance of about 40,000. The Ladd stadium with a seating capacity of 40,646 is located on a 45-acre site, and is the home of the Senior Bowl. The stadium has been sold-out in recent years. The percentage of the Senior bowl attendance who came from outside Mobile County is not available at the Senior Bowl office, but is expected to draw at least 30 percent of its capacity attendance from areas outside Mobile County. [Source: interviews with Ladd Stadium officials]

The Baysharks baseball team had averaged 2,927 for its 43 home games at Stanky Field even though the baseball team was not affiliated with any major league baseball team. The



average home attendance of the Mobile Bay Bears baseball team during year 2000 was 3,733 in its 70 home games with the total attendance of over 261,000. [Source: <http://sportsillustrated.cnn.com/baseball/...s/southern/stats/2000/stats.soumobatt.html>]

Another key assumption that needs to be made for impact estimation is the percent of out-of-town visitors. The University of Alabama home games are reported to attract 66 percent of their attendants from areas outside Tuscaloosa County, while the USM Golden Eagles are reported to attract 63 percent of their attendants from areas outside of the Hattiesburg area. The University of Virginia estimates that the percentage of out-of-town visitors to total attendance is about 60 percent. [John Knapp, et al., The University of Virginia's Impact on the Charlottesville Metropolitan Area, University of Virginia, Center for Public Service, October 1990, p. 45] All these programs, however, are successful programs in relatively small cities.

As stated earlier in Mobile, the MS-AL All Star Classic is believed to attract about 40 percent of total attendance from outside; the Gulf Coast Classic is believed to attract about 50 percent of total attendance from outside; and the Senior Bowl is believed to attract about 30 percent of total attendance from outside.

The percentage of visitors relative to total attendance at future USA home football games will be assumed to be 25 percent. This figure is based on the assumption that out-of-town visitors to USA's home football games will come mainly from other Alabama counties, Gulf Coast counties of Mississippi, and the Florida panhandle. Followers of opposing teams are not considered since the USA football team will also bring comparable visitors to games away from home. Because visitors from Baldwin County are counted as out-of-town visitors, the actual percentage of out-of-town visitors may well be greater than 25 percent.

Please note that football players, band members, coaches, and family members of opposing teams who follow the games are not considered as visitors since the equal number of local residents will travel to games away from home, offsetting any economic impact the opposing teams bring to Mobile County.

## Visitor Expenditures

The assumed total number of out-of-town visitors is straight-forward: average attendance times the number of home games times 0.25:

$$17,000 \times 6 \times 0.25 = 25,500; \text{ low estimate}$$

$$25,000 \times 6 \times 0.25 = 37,500; \text{ high estimate}$$

To estimate the amount of visitor expenditures, it is necessary to know how much each visitor spends while he or she visits the USA football game in Mobile. Obviously no data will be available until the USA football program actually starts. However, there are a couple pieces of survey data that can be used as the basis for estimating the per visitor expenditures.

First of all, the Mobile Convention and Visitor Corporation used data made available by its trade association in estimating the impact of the Mobile Alabama Bowl. The per person expenditures were \$100, which included ticket price. Since the ticket cost \$35, the non-lodging expenditures per visitor are approximately \$60 to \$70.

Secondly, the University of Southern Mississippi made a survey of out-of-town visitors to their 1999 home games. The expenditures per visitor were \$70.52, which included ticket price (\$16.65); concessions (\$7.12); restaurants (\$21.37); shopping (\$12.41); gasoline (\$3.86); golf (\$0.72); hotel (\$6.95); and other (\$1.43). The reason why the hotel expense is low is that many visitors do not stay overnight. Since revenues from ticket sales and concession sales become part of the Athletic Department revenue that in turn is spent on the football program as its budget, these revenues are subtracted, leaving \$46.75 per visitor. [Source: Derived from Ron Swagger, Lowell Goodman, Kevin Mapp, and Mark Folden, "The Economic Impact of Athletics at the University of Southern Mississippi on the Hattiesburg, Mississippi Area 1998-1999," August 1999, pp. 7-16]

Finally, the USA Center for Business and Economic Research conducted a per person expenditure survey of out-of-town visitors to the Nicholas & Alexandra Exhibition during summer 1999. The survey indicates \$23.68 for meals, \$10.43 for gasoline, \$1.58 for parking, \$39.05 for general shopping, and \$20.50 for others. [Semoon Chang, Impact of the Nicholas & Alexandra Exhibition on the Local Economy, CBER Research Report #46, February 15, 2000] These numbers apply to visitors who stayed more than one nights in Mobile as well as day-outers.

Since Mobile has a greater number of attractions than Hattiesburg, the per person expenditures in Mobile are likely to be greater than those in Hattiesburg. Risking an underestimation, however, the USM findings of \$46.75 per person will be used in this study with no adjustments being made for inflation. This figure excludes ticket price and concession sales and the exclusion is designed to avoid double counting in estimating the impact of expenditures by the Athletic Department on the football program. Total amount of visitor expenditures is:

Low:

$$25,500 \times \$46.75 = \$1,192,125$$

The \$1,192,125 is spent on the following items:

meals	\$ 545,052
shopping	316,523
gasoline	98,451
golf	18,364
hotel	177,263
other	36,473

High:

$$37,500 \times \$46.75 = \$1,753,125$$

The \$1,753,125 is spent on the following items:

meals	\$ 801,546
shopping	465,475
gasoline	144,781
golf	27,006
hotel	260,681
other	53,636

## Section 3

### Football Program Budgets & Expenditures

Additional economic impact is felt when the university's athletic department makes expenditures to run the football program. Reviewed first in this section is the revenues and expenditures status of most, if not all, Division I schools that have a football program.

#### Revenues & Expenditures of Division I Schools

Football revenues and expenditures of Division I schools for 1998 season are summarized in Table 3-1. There is no doubt that many schools enjoy a large amount of net revenue from their football program. The University of Tennessee, for instance, earned \$32,825,857 from its Volunteers program and spent \$15,997,451 on the football program. The percentage of football expenditures relative to total athletic expenditures during the year was 31.50 percent. The University of Tennessee had 20 varsity sports.

The University of Florida, for another example, earned \$29,669,188 from its Gators program and spent \$10,944,681 on the football program. The percentage of football expenditures relative to total athletic expenditures during the year was 21.50 percent. The University of Florida also had 20 varsity sports.

Out of the 236 schools listed in Table 3-1, 90 schools had a net revenue from their football programs; 7 schools had a break-even; and 131 schools lost money. Most interesting is the observation that schools do not have to have a large football program to enjoy a net revenue. Several I-AA schools that had an annual revenue of less than a million dollars enjoyed a net revenue. These I-AA schools include, with total revenues in the parentheses: Yale (\$810,052); Fairfield (\$447,318); Duquesne (\$408,002); Wagner (\$298,488); La Salle (\$238,343); and St. Peter's (\$228,044).

Among the 90 schools that enjoyed a net revenue, 75 were I-A schools and 15 were I-AA schools. In comparison to the 75 I-A schools that had a net revenue, 38 I-A schools had a negative net revenue.

Table 3-1. Division I Schools Football Revenues &amp; Expenditures 1998

Rev rank	School	Revenues	Div	Conference	Exp rank	Expenses	FB/athl	#sp
1	Tennessee	\$32,825,857	A	SEC	1	\$15,997,451	31.50%	20
2	Florida	\$29,669,188	A	SEC	5	\$10,944,681	21.50%	20
3	Alabama	\$28,248,408	A	SEC	33	\$6,496,556	20.80%	20
4	Notre Dame	\$27,857,388	A	Independent	7	\$9,749,181	28.50%	26
5	Ohio State	\$26,445,720	A	Big Ten	12	\$9,348,423	12.80%	36
6	Penn State	\$25,422,289	A	Big Ten	6	\$9,834,292	23.70%	29
7	Washington	\$23,707,647	A	Pac 10	3	\$13,096,034	31.70%	19
8	Auburn	\$22,946,979	A	SEC	16	\$8,807,274	33.20%	20
9	Georgia	\$22,530,118	A	SEC	53	\$5,231,044	16.60%	20
10	Nebraska	\$21,925,356	A	Big 12	15	\$8,818,412	22.50%	22
11	Michigan	\$21,691,978	A	Big Ten	9	\$9,534,848	20.20%	25
12	Syracuse	\$20,246,709	A	Big East	2	\$15,835,442	41.40%	18
13	Texas	\$18,712,250	A	Big 12	18	\$8,318,917	14.80%	16
14	Southern Cal	\$18,221,001	A	Pac 10	13	\$9,323,539	26.80%	19
15	Wisconsin	\$18,181,771	A	Big Ten	25	\$7,675,178	17.60%	23
16	LSU	\$17,791,048	A	SEC	46	\$5,554,875	19.50%	16
17	Arizona State	\$17,686,111	A	Pac 10	27	\$7,520,079	26.80%	21
18	Texas A&M	\$16,620,239	A	Big 12	14	\$9,134,689	33.80%	21
19	Kentucky	\$16,298,368	A	SEC	11	\$9,348,476	27.20%	23
20	UCLA	\$15,676,896	A	Pac 10	8	\$9,585,800	27.20%	23
21	Clemson	\$15,613,780	A	ACC	17	\$8,792,455	32.30%	19
22	South Carolina	\$14,950,979	A	SEC	42	\$5,885,645	21.50%	20
23	Louisville	\$14,806,048	A	C-USA	48	\$5,521,854	16.50%	19
24	Florida State	\$14,341,822	A	ACC	4	\$12,006,759	40.90%	19
25	Arkansas	\$14,270,879	A	SEC	39	\$5,940,556	24.00%	18
26	Michigan State	\$13,929,990	A	Big	31	\$6,826,108	22.40%	26
27	Oregon	\$13,742,616	A	Pac	23	\$7,858,302	22.20%	16
28	Stanford	\$13,429,510	A	Pac	24	\$7,848,757	23.40%	35
29	Purdue	\$13,041,282	A	Big	36	\$6,332,239	23.40%	20
30	Iowa	\$12,856,014	A	Big	55	\$5,051,461	15.80%	24
31	West Virginia	\$12,726,868	A	Big East	47	\$5,523,691	22.20%	21
32	North Carolina	\$12,249,130	A	ACC	20	\$8,183,016	28.10%	28
33	Northwestern	\$12,091,616	A	Big	29	\$7,320,754	27.70%	18
34	Oklahoma	\$11,638,636	A	Big	32	\$6,697,039	25.40%	20
35	Miami	\$11,559,506	A	Big	10	\$9,426,101	33.80%	18
36	Colorado	\$11,473,090	A	Big	19	\$8,292,648	33.50%	17
37	Arizona	\$11,467,832	A	Pac	22	\$7,959,493	34.90%	19
38	Virginia Tech	\$11,466,861	A	Big East	26	\$7,601,331	37.40%	19
39	Illinois	\$11,031,060	A	Big	51	\$5,309,434	17.20%	18
40	California	\$10,852,587	A	Pac	41	\$5,891,024	21.80%	27
41	Georgia Tech	\$10,136,088	A	ACC	60	\$4,838,671	23.70%	16
42	Boston College	\$10,078,701	A	Big East	28	\$7,437,088	27.20%	33
43	Mississippi	\$9,753,029	A	SEC	61	\$4,816,053	28.10%	18
44	Texas Tech	\$9,715,745	A	Big 12	65	\$4,483,411	25.50%	17
45	Kansas State	\$9,423,704	A	Big 12	52	\$5,266,930	26.40%	15
46	NC State	\$9,378,055	A	ACC	54	\$5,052,685	23.00%	21
47	Indiana	\$9,376,483	A	Big	35	\$6,421,043	24.60%	22
48	Virginia	\$8,862,824	A	ACC	30	\$7,160,675	28.60%	24
49	Oklahoma State	\$8,621,870	A	Big	66	\$4,466,041	23.40%	18

50	Pittsburgh	\$8,517,000	A	Big	38	\$6,106,000	30.50%	19
51	Minnesota	\$8,196,618	A	Big	45	\$5,572,079	14.40%	24
52	Vanderbilt	\$7,657,373	A	SEC	21	\$8,076,040	29.90%	15
53	Army	\$7,374,729	A	C-USA	76	\$3,603,370	25.60%	25
54	Mississippi State	\$7,347,037	A	SEC	70	\$4,188,287	28.50%	16
55	Maryland	\$7,246,759	A	ACC	44	\$5,600,314	21.40%	24
56	Kansas	\$9,376,483	A	Big 12	68	\$4,325,194	19.90%	20
57	Navy	\$7,024,233	A	Independent	80	\$3,403,104	24.80%	29
58	Oregon State	\$6,801,222	A	Pac 10	56	\$4,957,855	25.60%	15
59	Washington State	\$6,777,476	A	Pac	57	\$4,947,642	27.20%	17
60	Missouri	\$6,733,661	A	Big	59	\$4,861,835	21.50%	20
61	BYU	\$6,675,808	A	MWC	43	\$5,727,119	36.40%	22
62	San Diego State	\$6,240,168	A	MWC	50	\$5,369,509	34.30%	17
63	Duke	\$6,234,600	A	ACC	34	\$6,486,099	27.10%	26
64	Wake Forest	\$5,130,043	A	ACC	62	\$4,713,134	23.90%	18
65	Air Force	\$4,817,586	A	MWC	78	\$3,500,459	42.90%	28
66	SMU	\$4,676,654	A	WAC	63	\$4,660,215	28.50%	18
67	Rutgers	\$4,483,855	A	Big East	40	\$5,899,463	24.60%	29
68	New Mexico	\$4,208,377	A	MWC	81	\$3,367,202	21.10%	23
69	UAB	\$4,021,973	A	C-USA	71	\$4,021,973	35.70%	15
70	Utah	\$3,978,035	A	MWC	83	\$3,203,123	21.80%	21
71	Southern Miss.	\$3,837,782	A	C-USA	85	\$3,134,583	31.00%	17
72	Tulane	\$3,779,459	A	C-USA	49	\$5,438,929	32.40%	16
73	East Carolina	\$3,776,505	A	C-USA	73	\$3,865,774	33.60%	19
74	Cincinnati	\$3,667,363	A	C-USA	67	\$4,403,760	28.90%	17
75	Baylor	\$3,623,700	A	Big 12	75	\$3,791,286	20.80%	17
76	Iowa State	\$3,599,933	A	Big 12	74	\$3,822,117	21.40%	17
77	Idaho	\$3,400,180	A	Big West	102	\$2,428,271	32.80%	15
78	Memphis	\$3,264,596	A	C-USA	64	\$4,542,263	28.80%	19
79	Delaware	\$3,124,687	AA	A-10	114	\$2,132,899	22.50%	33
80	USF	\$3,100,591	AA	Indy	120	\$2,070,499	18.80%	17
81	Marshall	\$3,095,334	A	MAC	84	\$3,141,992	21.60%	16
82	Temple	\$3,072,893	A	Big East	72	\$3,882,163	33.10%	20
83	Fresno	\$3,062,247	A	WAC	99	\$2,459,817	15.00%	20
84	Hawaii	\$3,033,055	A	WAC	77	\$3,572,867	21.80%	19
85	Buffalo	\$2,907,523	A	MAC	109	\$2,310,919	27.00%	16
86	UNLV	\$2,799,735	A	MWC	79	\$3,464,280	23.70%	16
87	Boise State	\$2,702,222	A	Big West	91	\$2,699,263	32.70%	17
88	Colorado State	\$2,687,843	A	MWC	90	\$2,711,454	27.30%	15
89	Eastern Michigan	\$2,677,863	A	MAC	104	\$2,398,185	23.70%	22
90	Miami (OH)	\$2,574,667	A	MAC	96	\$2,527,703	23.30%	22
91	UCF	\$2,565,160	A	Independent	98	\$2,464,351	28.70%	16
92	Massachusetts	\$2,482,859	AA	A-10	88	\$2,795,732	16.90%	29
93	Florida A&M	\$2,482,736	AA	MEAC	139	\$1,712,168	33.30%	18
94	Houston	\$2,448,036	A	C-USA	69	\$4,266,228	24.70%	15
95	TCU	\$2,328,385	A	WAC	37	\$6,210,858	35.30%	20
96	North Texas	\$2,254,795	A	Big West	124	\$2,024,738	30.20%	15
97	Louisiana Tech	\$2,210,993	A	Independent	92	\$2,685,611	43.60%	14
98	Rice	\$2,186,470	A	WAC	58	\$4,889,596	32.10%	16
99	Rhode Island	\$2,143,410	AA	A-10	128	\$1,977,634	20.50%	22
100	Nevada	\$2,096,010	A	Big West	103	\$2,422,000	26.50%	17
101	Southern	\$1,912,000	AA	SWAC	186	\$979,533	25.70%	15

102	Utah State	\$1,817,615	A	Big West	94	\$2,607,091	36.70%	15
103	Montana	\$1,789,031	AA	Big Sky	126	\$1,991,736	29.40%	13
104	Tulsa	\$1,782,458	A	WAC	82	\$3,316,654	26.10%	18
105	Tennessee State	\$1,731,456	AA	OVC	166	\$1,191,743	29.90%	14
106	Wyoming	\$1,726,678	A	MWC	106	\$2,380,301	29.00%	17
107	Norfolk State	\$1,720,888	AA	MEAC	163	\$1,229,138	37.10%	15
108	San Jose State	\$1,623,502	A	WAC	111	\$2,297,054	23.50%	16
109	Louisiana - Monroe	\$1,587,218	A	Independent	135	\$1,833,071	46.90%	17
110	William & Mary	\$1,573,110	AA	A-10	127	\$1,983,248	23.10%	23
111	Northeastern	\$1,566,557	AA	A-10	125	\$1,993,277	23.90%	19
112	Middle Tennessee	\$1,540,854	AA	OVC	142	\$1,624,198	31.70%	16
113	WKU	\$1,498,288	AA	Indy	157	\$1,288,781	30.70%	18
114	Richmond	\$1,478,889	AA	A-10	93	\$2,641,191	28.90%	21
115	McNeese State	\$1,476,664	AA	SFL	147	\$1,476,665	36.70%	11
116	New Mexico State	\$1,433,134	A	Big West	97	\$2,518,562	31.90%	15
117	Southwest Missouri	\$1,408,113	AA	Gateway	136	\$1,823,690	21.10%	21
118	SC State	\$1,369,649	AA	MEAC	159	\$1,260,990	34.50%	13
119	New Hampshire	\$1,363,973	AA	A-10	131	\$1,939,963	17.30%	24
120	Central Michigan	\$1,319,836	A	MAC	123	\$2,025,994	18.90%	16
121	NC A&T	\$1,289,820	AA	MEAC	173	\$1,124,707	30.80%	16
122	Idaho State	\$1,228,856	AA	Big Sky	137	\$1,767,376	30.20%	15
123	Liberty	\$1,216,200	AA	Indy	162	\$1,230,348	29.60%	16
124	Eastern Kentucky	\$1,208,699	AA	OVC	164	\$1,208,699	26.20%	16
125	Florida Atlantic	\$1,195,454	AAA	Indy				
126	Stephen F. Austin	\$1,190,059	AA	SFL	167	\$1,190,059	28.70%	14
127	Youngstown State	\$1,189,335	AA	Gateway	148	\$1,461,594	23.40%	18
128	Texas - El Paso	\$1,167,688	A	WAC	89	\$2,719,111	33.30%	16
129	Arkansas State	\$1,167,583	A	Independent	100	\$2,459,199	37.70%	14
130	Toledo	\$1,100,608	A	MAC	108	\$2,333,866	24.40%	19
131	Grambling	\$1,076,971	AA	SWAC	177	\$1,098,904	32.30%	17
132	Brown	\$1,053,452	AA	Ivy	171	\$1,140,323	12.30%	37
133	St. Mary's	\$1,014,658	AA	Indy	183	\$1,014,658	18.40%	15
134	LA - Lafayette	\$1,006,850	A	Independent	115	\$2,127,487	34.30%	11
135	Northern Iowa	\$993,584	AA	Gateway	153	\$1,380,942	24.50%	19
136	Western Michigan	\$993,169	A	MAC	118	\$2,105,616	18.90%	20
137	Eastern Illinois	\$972,016	AA	OVC	185	\$981,226	21.90%	22
138	Georgia Southern	\$967,761	AA	SoCon	149	\$1,456,698	25.30%	15
139	Ohio U	\$957,401	A	MAC	110	\$2,302,957	26.60%	20
140	Weber State	\$949,525	AA	Big Sky	151	\$1,439,826	25.80%	15
141	Montana State	\$940,532	AA	Big Sky	138	\$1,726,372	25.20%	14
142	Maine	\$915,961	AA	A-10	150	\$1,442,348	20.20%	21
143	Northern Arizona	\$861,796	AA	Big Sky	146	\$1,505,291	22.90%	16
144	Ark - Pine Bluff	\$850,251	AA	SWAC	192	\$898,248	36.00%	17
145	Bowling Green	\$838,414	A	MAC	122	\$2,038,039	22.90%	22
146	Bethune-Cookman	\$817,090	AA	MEAC	152	\$1,388,799	28.40%	16
147	Yale	\$810,052	AA	Ivy	202	\$557,329	4.20%	31
148	Northwestern State	\$770,538	AA	SFL	182	\$1,017,076	29.90%	14
149	Pennsylvania	\$755,946	AA	Ivy	158	\$1,271,310	19.10%	32
150	Harvard	\$741,268	AA	Ivy	175	\$1,111,781	17.50%	39
151	Southeast Missouri	\$737,137	AA	OVC	170	\$1,155,563	22.60%	11
152	Ball State	\$728,303	A	MAC	121	\$2,065,527	23.00%	20
153	Furman	\$716,702	AA	SoCon	116	\$2,124,847	28.60%	17

154	Citadel	\$712,739	AA	SoCon	129	\$1,953,513	37.20%	14
155	Illinois State	\$685,985	AA	Gateway	178	\$1,097,698	13.80%	19
156	Troy State	\$571,609	AA	SFL	156	\$1,296,821	26.70%	16
157	East Tennessee	\$570,067	AA	SoCon	169	\$1,169,738	29.40%	16
158	Western Carolina	\$569,326	AA	SoCon	194	\$864,517	33.00%	14
159	VMI	\$563,167	AA	SoCon	134	\$1,846,611	33.50%	15
160	Princeton	\$562,037	AA	Ivy	168	\$1,176,615	11.70%	38
161	Western Illinois	\$555,888	AA	Gateway	181	\$1,023,836	26.80%	19
162	Appalachian State	\$535,014	AA	SoCon	154	\$1,321,632	29.50%	19
163	Kent State	\$522,171	A	MAC	112	\$2,235,803	23.60%	18
164	Eastern Washington	\$518,409	AA	Big Sky	179	\$1,031,725	28.60%	15
165	James Madison	\$515,785	AA	A-10	141	\$1,639,962	15.50%	23
166	Dartmouth	\$514,785	AA	Ivy	190	\$916,029	18.20%	35
167	Connecticut	\$499,898	AA	A-10	86	\$3,105,203	29.80%	23
168	Northern Illinois	\$498,872	A	MAC	130	\$1,952,350	24.70%	17
169	Fordham	\$498,365	AA	Patriot	133	\$1,864,996	25.60%	18
170	Tenn - Chattanooga	\$494,861	AA	SoCon	132	\$1,887,392	32.40%	16
171	Fairfield	\$447,318	AA	MAAC	211	\$406,407	6.90%	22
172	San Diego	\$442,391	AA	Pioneer	209	\$442,391	9.10%	16
173	Cornell	\$432,765	AA	Ivy	188	\$949,220	15.80%	36
174	Monmouth	\$431,540	AA	NEC	210	\$435,745	9.90%	18
175	Murray State	\$430,824	AA	OVC	155	\$1,299,929	30.20%	19
176	Akron	\$411,632	A	MAC	107	\$2,358,874	32.70%	18
177	Duquesne	\$408,002	AA	MAAC	222	\$275,700	7.10%	20
178	Alcorn	\$405,732	AA	SWAC	187	\$957,810	38.30%	17
179	Villanova	\$395,864	AA	A-10	87	\$2,806,835	20.90%	24
180	Portland State	\$392,797	AA	Big Sky	143	\$1,576,573	28.60%	16
181	Cal St. Sacramento	\$374,911	AA	Big Sky	196	\$834,419	16.40%	20
182	Sacred Heart	\$356,854	AA	NEC	214	\$356,854	9.80%	31
183	Columbia	\$338,943	AA	Ivy	174	\$1,122,261	16.00%	27
184	Morgan State	\$327,151	AA	MEAC	172	\$1,140,047	29.00%	14
185	Hampton	\$326,041	AA	MEAC	145	\$1,539,811	33.80%	15
186	Lehigh	\$320,129	AA	Patriot	105	\$2,389,099	24.30%	23
187	Indiana State	\$315,747	AA	Gateway	140	\$1,656,286	29.90%	14
188	Tennessee Tech	\$315,172	AA	OVC	193	\$896,870	26.00%	17
189	Sam Houston	\$314,291	AA	SFL	189	\$927,566	30.20%	15
190	Colgate	\$294,008	AA	Patriot	95	\$2,536,287	25.70%	23
191	Wagner	\$291,488	AA	NEC	224	\$266,050	2.60%	19
192	Wofford	\$275,592	AA	SoCon	161	\$1,242,196	30.80%	13
193	Marist	\$268,265	AA	MAAC	223	\$268,265	5.80%	22
194	Nicholls State	\$258,955	AA	SFL	197	\$807,010	29.00%	15
195	Prairie View A&M	\$253,363	AA	SWAC	206	\$484,530	31.00%	17
196	La Salle	\$238,343	AA	Indy	227	\$214,723	4.40%	23
197	St. Peter's	\$228,044	AA	MAAC	226	\$217,921	6.10%	21
198	Cal Poly	\$224,767	AA	Indy	184	\$1,011,159	15.70%	18
199	Lafayette	\$223,471	AA	Patriot	113	\$2,226,081	29.60%	25
200	Morehead State	\$213,822	AA	Indy	208	\$466,951	17.70%	18
201	Cal St. Northridge	\$195,693	AA	Big Sky	195	\$848,486	12.10%	20
202	Canisius	\$191,555	AA	MAAC	229	\$192,141	6.00%	24
203	Southwest Texas	\$191,264	AA	SFL	165	\$1,204,843	21.40%	14
204	Siena	\$187,359	AA	MAAC	228	\$193,253	5.40%	17
205	Bucknell	\$177,443	AA	Patriot	117	\$2,124,216	24.10%	28



206	Valparaiso	\$175,884	AA	Pioneer	218	\$294,983	7.40%	18
207	Holy Cross	\$175,407	AA	Patriot	101	\$2,431,636	26.70%	25
208	Iona	\$173,132	AA	MAAC	220	\$280,928	6.70%	22
209	Southern Utah	\$171,788	AA	Indy	200	\$645,859	24.70%	14
210	Hofstra	\$171,323	AA	Indy	119	\$2,075,304	30.10%	17
211	Dayton	\$166,827	AA	Pioneer	207	\$468,163	7.50%	16
212	Elon	\$146,149	AA	Indy	176	\$1,103,488	32.60%	14
213	Tennessee - Martin	\$139,747	AA	OVC	191	\$907,145	27.50%	17
214	Samford	\$135,561	AA	Indy	144	\$1,573,405	40.60%	16
215	Jacksonville State	\$130,606	AA	SFL	160	\$1,245,517	27.40%	15
216	Drake	\$128,987	AA	Pioneer	205	\$496,255	7.30%	15
217	Austin Peay	\$112,738	AA	Indy	201	\$612,856	17.90%	15
218	St. Francis	\$99,479	AA	NEC	225	\$227,951	7.80%	19
219	Jacksonville U	\$89,900	AA	Indy	203	\$534,911	10.70%	18
220	Georgetown	\$81,812	AA	MAAC	212	\$366,958	3.30%	25
221	Charleston Southn	\$79,596	AA	Indy	199	\$724,534	27.80%	18
222	Southern Illinois	\$73,845	AA	Gateway	180	\$1,030,273	18.60%	18
223	Towson	\$64,278	AA	Patriot	198	\$734,563	10.90%	23
224	St. John's	\$50,500	AA	Indy	216	\$321,057	2.80%	18
225	Butler	\$45,000	AA	Pioneer	219	\$281,403	5.10%	21
226	Robert Morris	\$38,017	AA	NEC	215	\$343,367	11.90%	17
227	Davidson	\$27,267	AA	Indy	221	\$280,280	6.70%	21
228	Stony Brook	\$14,720	II	Indy	213	\$365,376	7.50%	19
229	Central Conn.	\$12,863	AA	NEC	217	\$301,238	8.40%	20
230	Alabama A&M	--	AA	SWAC	--	--	--	--
231	Alabama State	--	AA	SWAC	--	--	--	--
232	Delaware State	--	AA	MEAC	--	--	--	--
233	Howard	--	AA	MEAC	--	--	--	--
234	Jackson State	--	AA	SWAC	--	--	--	--
235	Mississippi Valley	--	AA	SWAC	--	--	--	--
236	Texas Southern	--	AA	SWAC	204	\$505,540	42.30%	17

Source: <http://www.I-AA.com/1998-Revenues.htm> and <http://www.I-AA.com/1998-Expenses.htm>.

#### Notes

Rev rank = ranking by revenues

Exp rank = ranking by expenses

FB/athl = percentage of football expenditures to overall athletic budget

#sp = combined number of men's and women's intercollegiate sports sponsored.

To summarize, chances are greater for schools to make a net revenue from their football programs if they belong to I-A, but I-AA programs are likely to lose money although there are exceptions. This trend, shown in Table 3-1, is also corroborated in a separate study by Fulks as shown in Tables 3-2 and 3-3 below:

Table 3-2. Reported Net Profits/Deficits of I-A Football Programs

	1985	1989	1993	1995	1997
<u>Revenues Exceed Expenses</u>					
Number of Respondents	60	47	57	60	70
Average Profit	2,196,000	2,771,000	3,883,000	3,908,000	4,972,000
<u>Expenses Exceed Revenues</u>					
Number of Respondents	27	39	28	27	29
Average Deficit	449,000	638,000	1,020,000	969,000	1,065,000
<u>Revenues Equal Expenses</u>					
Number of Respondents	0	0	0	2	0

Source: David L. Fulks, Revenues and Expenses of Divisions I and II Intercollegiate Athletic Programs, NCAA, October 1998, p. 21.

Table 3-3. Reported Net Profits/Deficits of IAA Football Programs

	1985	1989	1993	1995	1997
<u>Revenues Exceed Expenses</u>					
Number of Respondents	12	3	4	7	15
Average Profit	255,000	166,000	75,000	351,000	295,000
<u>Expenses Exceed Revenues</u>					
Number of Respondents	38	51	70	61	76
Average Deficit	416,000	535,000	664,000	632,000	657,000
<u>Revenues Equal Expenses</u>					
Number of Respondents	0	0	0	4	3

Source: David L. Fulks, Revenues and Expenses of Divisions I and II Intercollegiate Athletic Programs, NCAA, October 1998, p. 36.

## Football Budgets - UAB

The latest complete annual football budget of UAB is shown in Table 3-4. Total budget is \$3,527,460. Noteworthy comments follow. [Source: Mr. Gene Bartow, former Athletic Director at UAB, August 2000]

First, among the revenue sources for the football budget are a \$250,000 contribution from the City of Birmingham and \$1 million guarantees from opposing teams when Blazers play away from home. The remaining revenues come from corporate sponsors and ticket sales.

Second, UAB plays at the Legion Field, but does not pay for use of Legion Field. In return, UAB does not receive concession revenues.

Third, UAB typically brings, for their games away from home, 65 players, 10 coaches, cheerleaders, and other officials with a total of about 125 people. About 100 supporters also follow. When other schools visit, not too many seem to follow. In the case of visiting East Carolina, only about 500 followed to Birmingham.

Fourth, it may be noted that \$440,000 is set aside as game guarantees that will be paid to visiting teams.

Finally, it may be noted that of the total \$3,527,460, approximately \$1 million is budgeted for scholarships that return to the university.

Table 3-4. UAB Football Budget 1999-2000

Budget Item	Amount
Salary	\$710,952
Benefits	\$170,168
Supplies/Materials	\$28,000
Away Game Tickets	\$5,000
Food	\$90,000
Petroleum Products	\$1,200
Ath. Supplies/Equ.	\$125,000
Books & Period	\$1,000
Minor Equipment	\$5,000
Domestic Travel	\$65,000
Recruit Travel	\$30,000
Team Travel	\$410,000
Conferences/Train	\$2,000
Entertainment	\$17,000
Hosting Recruits	\$3,000
UAB phone System	\$42,500
Postage & Freight	\$12,000
Other Services	\$25,000
Officials	\$70,000
Equip Maint.	\$3,000
Minor Bldg. Repair	\$3,000
Veh. Repair/Maint.	\$3,000
Other Repair	\$3,000
General Expense	\$10,000
Game Guarantee	\$440,000
Dues/Member Fees	\$2,000
Space Rental	\$15,000
Rent of Equip.	\$25,000
Cen. Adm. Support	\$180,640
Scholarships	\$1,000,000
Other Equipment	\$30,000
No Line Item	\$0
Total Budget	\$3,527,460
1998-99 Actual	\$4,054,931

Source: UAB Athletic Department, August 2000.

## Football Budget - USM

The football operating budgets of USM for the latest two years are presented in Table 3-5. [Source: Mr. Richard Giannini, USM Athletic Director, August 2000] Please note that figures in Table 3-5 do not include personnel expenses. Note also that the expenditures shown in Table 3-5 include \$500,000 of game guarantees and \$947,400 of scholarships.

When USM plays major teams such as Tennessee and Alabama, about 4,000 local fans follow the team. When USM plays teams of lower caliber such as UAB, about 1,500 to 2,000 fans follow. When Conference USA teams play each other, visiting teams are paid \$150,000. When USM played Tennessee and Alabama, USM received about \$500,000 for each game they played. When USM played Oklahoma State, USM was paid \$175,000.

Total football budgets for all Mississippi schools, which include personnel expenses, are shown in Table 3-6. According to Table 3-6, USM is expected to spend \$3,406,417 during the 2000-2001 season and generate \$3,705,000. Major sources of revenue are gate receipts (\$1,180,000), guarantees (\$1,675,000), television (\$775,000), concessions (\$70,000) and other (\$5,000).

Mississippi State University is expected to spend \$4,870,191 during the 2000-2001 season and generate \$7,961,016. Major sources of revenue are gate receipts (\$2,400,000), guarantees (\$1,200,000), television (\$2,275,000), conference bowls & playoffs (\$1,815,000), radio network (\$150,000), concessions (\$120,000), and publications/programs (\$1,016).

The University of Mississippi (Ole Miss) is expected to spend \$6,682,313 during the 2000-2001 season and generate \$10,841,844. Major sources of revenue are gate receipts (\$4,691,628), guarantees (\$740,000), television (\$2,356,000), conference bowls & playoffs (\$2,639,216), concessions (\$240,000), publications/programs (\$25,000), and other (\$150,000).

Table 3-5. Southern Mississippi Football Budget

	1999/2000 Actual	2000/2001 Budget
<b>Travel</b>		
Official Visits	\$41,706	\$35,000
Team	357,324	336,398
Recruiting/Administrative	59,256	60,000
Total Travel	\$458,286	\$431,398
<b>Scholarships</b>		
Tuition & Fees	---	\$310,774
Non-Resident Fees	---	140,886
Room & Board	---	439,580
Books	---	46,900
Graduate Assistants	---	9,260
Total Scholarships	\$712,852	\$947,400
<b>Contractual Services</b>		
Postage/Freight	\$20,544	\$20,000
Telephone	20,950	22,000
Game Officials	56,635	50,000
Game Guarantees	555,135	500,000
Utilities	0	0
Security	0	0
Conference Assessment	0	0
Physical Plant (Main., custodial, grounds)	0	0
Medical Services	0	0
Video Services	80,000	50,000
Advertising	0	0
Debt Payments	0	0
Dues & Subscriptions	included in misc.	3,500
Insurance	0	0
Miscellaneous	97,097	70,000
Total Contractual Services	\$830,361	\$715,500
<b>Commodities</b>		
Office Supplies	\$9,227	\$8,000
Team Meals During School Breaks	30,743	31,000
Printing	5,595	5,500
Equipment (Expendable)	137,139	129,000
Photography	0	0
Total Commodities	\$182,704	\$173,500
<b>Capital</b>		
Equipment	\$0	\$3,000
<b>Total Budget (less personal services)</b>	<b>\$2,184,203</b>	<b>\$2,270,798</b>

Source: University of Southern Mississippi Department of Intercollegiate Athletics, August 2000.

Table 3-6. Football Budgets of Mississippi Universities FY 2000-2001

	MSU	UM	USM	JSU	ASU	DSU	MVSU	Total
Expenditures	\$4,870,191	\$6,682,313	\$3,406,417	\$1,000,000	\$815,213	\$595,627	\$698,171	\$18,067,932
Revenues:								
Gate Receipts	\$2,400,000	\$4,691,628	\$1,180,000	\$856,800	\$533,000	\$13,500	\$100,000	\$9,774,928
Guarantees	1,200,000	740,000	1,675,000	491,500	200,000	27,000	100,000	4,433,500
Television	2,275,000	2,356,000	775,000	0	0	0	0	5,406,000
Conference Bowls/Playoffs	1,815,000	2,639,216	0	130,000	0	0	0	4,584,216
Radio Network	150,000	0	0	20,000	0	0	0	170,000
Concessions	120,000	240,000	70,000	0	0	0	0	430,000
Publications/Programs	1,016	25,000	0	0	0	0	0	26,016
Other	0	150,000	5,000	0	0	0	0	155,000
Total Football	\$7,961,016	\$10,841,844	\$3,705,000	\$1,498,300	\$733,000	\$40,500	\$200,000	\$24,979,660

Source: University of Southern Mississippi Department of Intercollegiate Athletics, August 2000.

## Football Budget - USF

The total amount of 2000-2001 projected USF football expenditures is \$2,531,663. This amount is comprised of salaries (\$584,693), student trainers (\$761,000), and other operating expenses (\$1,185,970). [Source: Mr. Paul Griffin, USF Athletic Director, August 2000] Other operating expenses include equipment (\$75,000), game expenses (\$300,000), travel (\$280,000), guarantees (\$150,000 - possibly an underestimation), recruiting (\$100,000), and others. The projected operating expenditures do not include commonly-shared expenses such as those for trainers and marketing.

When USF began its preparation for their football program, they had a self-imposed \$5 million fund-raising prior to the beginning of the program. The \$5 million came from 2 persons who paid \$1 million each, 40 persons who paid \$50,000 each, and others who donated between \$100,000 and \$200,000 each.

USF currently has 85 players on scholarship. In-state players have free room and board and an exemption of \$7,500 tuition and fees, while out-of-state players have free room and board and an exemption of \$14,000 tuition and fees.

In general, football players represent students who would not be attending the university without the football program. With an enrollment cap at USF and the enrollment nearing the cap, however, it is possible that football players may take the seats of regular students.

Interestingly, USF projects almost \$7 million of revenues in year 2003. This revenue is expected to come from ticket sales (\$2,000,000), annual fund-raising (\$2,000,000), student credit hour fee (\$300,000), student athletic fees (\$700,000), and media (\$1,900,000). [Source: Carr Sports Associates, "Considerations for Football at the University of South Alabama," February 2000, Section III, pp. 14-15]



## USA Football Budget & Expenditures

Carr Sports Associates prepared annual revenue projections and annual expense projections for the USA football program for years 1 through 6. Revenue projections are reprinted in this study as Table 3-7 and expense projections are reprinted in this study as Table 3-8.

Revenues are projected to increase from \$500,000 in year 1 to \$3,625,000 in year 6 when the football program moves from I-AA to I-A. Expenses are projected to increase from \$1,088,300 in year 1 to \$4,421,785 in year 6. Included in expenses are funds for capital improvements and \$300,000 for a marching band.

Since the impact estimation is made on annual expenditures after the first few years of I-A operation, the figure of immediate interest is \$4,421,785. The sources of revenue include ticket sales (\$1,380,000) and concession sales (\$10,000) in Table 3-7. When ticket sales and concession sales are made to Mobile County residents, it is likely that a large portion of these expenditures may represent expenditures that would be made on other goods and services if there were no USA football. The amount purchased by local residents, therefore, is subtracted based on the 25 percent visitors assumption discussed earlier in Section 2:

$$\$4,421,785 - \$1,380,000 \times 0.75 - \$10,000 \times 0.75 = \$3,379,285$$

Please note that all USA expenditures on its football program other than ticket sales and concession sales are financed by revenues that do not replace local expenditures. To the extent that they do, the economic impact is smaller.

Table 3-7. Revenue Projections of the USA Football Program

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	Prep	Practice	I-AA	I-AA	I-AA	I-A
Total Participation	0	55	75	85	85	105
Coaching Staff:						
Full-time	7	7	7	7	7	9
Part-time	0	0	2	2	2	2
No. of Football Scholarships	15	30	45	60	63	85
Revenues						
Avg. Attendance			13,000	15,000	18,000	18,000
No. of Home Games			6	6	6	6
No. of Season Tickets Sold per game @ \$50 (\$100 in Yr. 6)			9,000	11,000	14,000	13,500
No. of Single Tickets Sold per game @ \$10 (\$15 in Yr. 6)			2,000	2,000	2,000	2,000
No. of Student Tickets (through student athletic fee)			2,000	2,000	2,000	2,500
Ticket Sales			\$470,000	\$570,000	\$720,000	\$1,380,000
Concessions & Programs			\$5,000	\$5,000	\$5,000	\$10,000
Contributions	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Corporate Sponsors			\$50,000	\$50,000	\$100,000	\$150,000
Guarantees - Away Games			\$75,000	\$120,000	\$120,000	\$600,000
NCAA Sport Sponsorship Funds			\$15,000	\$15,000	\$15,000	\$15,000
NCAA Grant-in-aid Funds			\$110,000	\$110,000	\$120,000	\$170,000
Sky Box Revenue			\$100,000	\$100,000	\$100,000	\$500,000
TV / Radio Rights						\$150,000
Student Athletic Fee	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$500,000
City and County of Mobile			.....To Be Determined.....			
Total Revenue	\$500,000	\$500,000	\$1,325,000	\$1,470,000	\$1,680,000	\$3,625,000

Source: Carr Report, p. IV-9.

Table 3-8. Expenditure Projections of the USA Football Program

	Year 1 Prep	Year 2 Practice	Year 3 I-AA	Year 4 I-AA	Year 5 I-AA	Year 6 I-A
<b>Direct Costs:</b>						
Equipment / Supplies	\$25,000	\$75,000	\$75,000	\$75,000	\$75,000	\$100,000
Game Management / Stadium*	\$0	\$0	\$330,000	\$330,000	\$330,000	\$330,000
Guarantees - Home Games	\$0	\$0	\$40,000	\$40,000	\$40,000	\$75,000
Medical Exp. / Insurance	\$0	\$60,000	\$75,000	\$100,000	\$100,000	\$100,000
Officials	\$0	\$0	\$30,000	\$30,000	\$40,000	\$75,000
Communications	\$10,000	\$15,000	\$20,000	\$25,000	\$25,000	\$25,000
Preseason Housing / Meals	\$0	\$0	\$35,000	\$35,000	\$35,000	\$35,000
Recruiting	\$10,000	\$25,000	\$40,000	\$40,000	\$75,000	\$125,000
Salaries / Benefits	\$300,300	\$460,629	\$494,448	\$508,676	\$523,336	\$699,145
Scholarships @ \$9,000 **	\$135,000	\$278,100	\$429,665	\$590,073	\$638,163	\$886,845
Sponsorship Expense	\$0	\$0	\$25,000	\$50,000	\$75,000	\$75,000
Team Travel	\$0	\$0	\$80,000	\$80,000	\$125,000	\$250,000
Video	\$50,000	\$50,000	\$25,000	\$25,000	\$25,000	\$25,000
Other	\$10,000	\$25,000	\$50,000	\$50,000	\$50,000	\$50,000
<b>Total Direct Costs</b>	<b>\$540,300</b>	<b>\$988,729</b>	<b>\$1,749,113</b>	<b>\$1,978,749</b>	<b>\$2,156,499</b>	<b>\$2,850,990</b>
<b>Capital Improvements - Football</b>						
Support Facilities***	\$300,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
<b>Total Capital Improvements</b>	<b>\$300,000</b>	<b>\$600,000</b>	<b>\$600,000</b>	<b>\$600,000</b>	<b>\$600,000</b>	<b>\$600,000</b>
<b>Indirect Costs:</b>						
Other-Equip, Supplies, Etc.	\$15,000	\$15,000	\$20,000	\$20,000	\$20,000	\$25,000
Support Systems: I-AAA	\$183,000	\$56,640	\$57,814	\$59,024	\$60,269	\$61,552
Support Systems: I-AA/ I-A	\$50,000	\$288,169	\$362,849	\$317,888	\$323,593	\$584,243
<b>Total Indirect Costs</b>	<b>\$248,000</b>	<b>\$359,809</b>	<b>\$440,663</b>	<b>\$396,911</b>	<b>\$403,862</b>	<b>\$670,796</b>
Marching Band	\$0	\$0	\$150,000	\$150,000	\$150,000	\$300,000
<b>Total Expense</b>	<b>\$1,088,300</b>	<b>\$1,948,538</b>	<b>\$2,939,777</b>	<b>\$3,125,660</b>	<b>\$3,310,361</b>	<b>\$4,421,785</b>

Source: Carr Report, p. IV-9.

\*Ladd-Peebles Stadium expense based on staff estimate:

Per game rental=\$32,000 Per game operation=\$23,000

\*\*Scholarship costs assume student mix of 50% in-state and 50% out-of-state with 3% inflation factor.

\*\*\*Assumes estimated annual debt service of \$600,000.

## Impact from Increased Enrollment

There is another source of economic impact from the increased enrollment. Athletic officials at UAB, USM and USF made it quite clear that many students may not be attending these schools without the football program. These students include all football players, most, if not all, band members, graduate trainers, and possibly a number of non-athletic students who are attracted to the university because of recognition generated by the football program.

The University of Southern Mississippi impact study of its athletic programs estimates that at least 600 athletes, cheerleaders, band members, and other support group members are directly attributable to the presence of an athletic program at USM. The study assumes an additional 900 students are attracted to USM because of the athletic programs. The total impact on enrollment is assumed at 12.5 percent of the total campus enrollment. [Source: Ron Swagger, Lowell Goodman, Kevin Mapp, and Mark Folden, "The Economic Impact of Athletics at the University of Southern Mississippi on the Hattiesburg, Mississippi Area 1998-1999," August 1999, p. 19]

To be realistic, it will be assumed in this study that 500 athletes, cheerleaders, band members, and other support group members will be enrolled at South Alabama because of the football program. This figure appears reasonable, if not overly conservative, since there would be at least 105 football players, 20 to 30 support personnel, 100 band members, additional cheerleaders, and one or two friends of each of these students. Operating a successful I-A football program is a big time business.

The total annual expenditures per student are available in a 1992 study on the USA's economic impact on the Mobile area. [Semoon Chang, Alfred H. Yeager, and Philip R. Forbus, The Economic Impact of the University of South Alabama on the Mobile Area, CBER Research Report #26, September 1, 1992] The annual expenditures of an out-of-town student are \$5,947 in 1992 prices. [Semoon Chang et al., p. 50] The per student expenditures are converted to the July 2000 price level. Further these students are assumed to stay in Mobile County for 9 out of 12 months:

$$\$5,947 \times 172.6/140.3 = \$7,314.81$$

in which 172.6 is the July 2000 consumer price index and 140.3 is the 1992 average consumer price index. In addition, these students pay tuition and fees. For students who come to USA from the other 66 counties of Alabama, the amount of tuition and fees is \$3,089.00, while for students who come from outside Alabama the amount of tuition and fees is \$5,904.50. [Source: Derived from University of South Alabama 2000-2001 Undergraduate and Graduate Bulletin, p. 11] The 1992 USA impact study also indicates that approximately 25 percent of all students come from areas outside Alabama.

In summarizing the expenditures impact of increased enrollment, please note that although I-A teams usually keep 105 players, NCAA Rule 15-5-5 limits the total number of counters (i.e., financial aids) to 85 at any given time during a year, and that expenditures related to 85 football players are already included in the USA football budget. In the summary below, 311 is obtained as  $(500 - 85) \times 0.75$  in which 0.75 is the percent of in-state students, and 104 is obtained as  $(500 - 85) \times 0.25$  in which 0.25 is the percent of out-of-state students:

85 [football players] x \$0	= \$ 0
311 [in-state students] x (\$3,089.00 + \$7,314.81)	= 3,235,584.91
104 [out-of-state students] x (\$5,904.50 + \$7,314.81)	= 1,374,808.24
Total	\$4,610,393.15

The USM study applied the percentage of increased enrollment (12.5 percent) to all faculty and staff expenditures as well as the entire general fund budget of the university as part of the athletic impact. In the long run this may be true, but this approach is not adopted in this study. In other words, the impact of increased enrollment is assumed not to spill over to faculty, staff and the university's general expenditures.

## Section 4

### Impact Estimation

Total expenditures impact is summarized in this section. The summary is followed by the multiplier analysis and estimation of tax impact.

#### Direct Expenditures Impact

Direct expenditures impact has three components: (a) expenditures by visitors to USA home games excluding visiting team athletes, coaches, cheerleaders, band members, and their family members that are likely reciprocated when the USA team visits opponents; (b) expenditures by the USA Athletic Department on operating the football program from which the amount of ticket sales and concession sales made to Mobile County residents is subtracted; and (c) expenditures by increased enrollment including athletes, cheerleaders, band members, and other support group members.

Direct expenditures impact is summarized in Table 4-1. Visitor expenditures are already classified into expenditures by type, while expenditures by the USA Athletic Department and the increased enrollment are not. Also, the difference between low estimates and high estimates is due to the assumptions made on the average home game attendance: 17,000 for low and 25,000 for high.

Total direct expenditures impact of the USA football program on Mobile County ranges from \$9,181,803 to \$9,742,803 - approximately \$10 million.

#### Lodging Industry: A Special Case

There is a special industry that will be impacted directly by the USA football program but is not included in Table 4-1. The industry is the lodging industry. Some out-of-town visitors may stay overnight but are expected in small numbers. One group of out-of-town visitors that needs to be considered is members of the visiting team and their followers, who are staying at hotels (and motels). This impact is not included in Table 4-1 because there is an offsetting leakage of expenditures by the USA team and its followers when they play away from home.

Based on UAB experience, not every player or band member travels with the team when the team plays away from home. Typically no more than 125 persons from the university travels with the team, which include 65 players, 10 coaches, cheerleaders, and other university officials. In addition, about 100 family members and friends of the 125 persons travel with the team as non-university followers. Since six home games are assumed, the number of persons that will almost definitely stay at local hotels is 1,350 per year ( $= 225 \times 6$ ).

Please note that the average daily room rates of all hotels in Mobile county averaged \$60.41 in July 2000. [Source: CBER-MCVC Business & Visitor Indicators, August 31, 2000]

Assuming double occupancy, the six home games will generate at least 675 room nights at a total cost of \$40,776.75. In reality, this amount is expected to be significantly higher.

Table 4-1. Summary of Direct Expenditures

Classification	Visitors	USA-AD	Enrollment
<u>Low</u>			
Unclassified	0	\$3,379,285	\$4,610,393
Classified:			
meals	\$ 545,052		
shopping	316,523		
gasoline	98,451		
golf	18,364		
hotel	177,263		
other	36,473		
total	\$1,192,125	\$3,379,285	\$4,610,393
Grand Total			<b>\$9,181,803</b>
<u>High</u>			
Unclassified	0	\$3,379,285	\$4,610,393
Classified:			
meals	\$ 801,546		
shopping	465,475		
gasoline	144,781		
golf	27,006		
hotel	260,681		
other	53,636		
total	\$1,753,125	\$3,379,285	\$4,610,393
Grand Total			<b>\$9,742,803</b>

## Total Expenditures Impact

A college football program involves many different industries in impact. Major industries that are impacted by the USA football program and multipliers in each of the industries specifically for Mobile County are summarized in Table 4-2. The multiplier effect is based on the latest RIMS II model developed by the U.S. Bureau of Economic Analysis. A broad impact statement can be made based on figures shown in Table 4-1 and 4-2. That is, the total expenditures impact of the USA football program on the local economy is \$16,633,754 (= \$9,181,803 x 1.8116) for a low estimate and \$17,650,062 (= \$9,742,803 x 1.8116) for a high estimate.

Table 4-2. Total Direct Effect Multipliers

	Output	Earnings	Employment Final demand	Employment Direct Effect
	-----	-----	-----	-----
Retail trade, except eating/drinking	1.7559	1.5545	31.6595	1.3894
Hotels	1.7381	1.6677	32.7851	1.3901
Eating and drinking places	1.7715	1.6786	36.7730	1.3155
Prof sports clubs/promoters	1.9807	1.3738	26.2905	1.8682
	-----	-----	-----	-----
Average	1.8116	1.5687	31.8770	1.4908

Source: RIMS II.

## Employment Impact

Employment - Final Demand multipliers measure the number of jobs that will be created for each million dollars of expenditures in the industry. The total number of new jobs that will be created by the USA football program is 293 (= \$9,181,803/1,000,000 x 31.8770) for a low estimate and 311 (= \$9,742,803/1,000,000 x 31.8770) for a high estimate.

## Total Expenditures Impact by Industry

The total expenditures impact by industry is summarized in Table 4-3 for low estimates and Table 4-4 for high estimates. In obtaining Tables 4-3 and 4-4, direct expenditures by USA-AD, direct expenditures through the increased enrollment, and visitor expenditures are plugged into RIMS II model to estimate total expenditures impact by industry.



Tables 4-3 and 4-4 also include special impact on the lodging industry identified earlier in this section. Visitor shopping expenditures in Table 4-1 (i.e., \$316,523 and \$465,475) are divided in Tables 4-3 and 4-4 equally among apparel and services, entertainment, and personal miscellaneous. Detailed worksheets for Tables 4-3 and 4-4 are added to this study as Appendix Table A-1 and Appendix Table A-2.

Table 4-3. Total Expenditures Impact by Retail Sector: Low

Local Economy by Sector	Total Impact Large Sector	Total Impact Sub-Sector
Food	\$1,118,213	
Food at home		\$353,652
Food away from home		\$764,560
Alcoholic beverages	\$32,520	
Housing	\$1,247,945	
Shelter		\$650,395
Utilities, fuels, & public services		\$304,873
Household operations		\$73,169
Housekeeping supplies		\$52,845
Household furnishings & equip.		\$162,599
Apparel and services	\$329,081	
Transportation	\$907,380	
Vehicle purchases		\$382,107
Gasoline and motor oil		\$236,660
Other vehicle: maint/repair/ins etc		\$252,028
Public transportation		\$36,585
Health care	\$239,833	
Entertainment	\$300,626	
Hotel	\$218,040	
Golf	\$18,364	
Personal care/read/ed/smoking etc	\$369,731	
Personal care products & services		\$52,845
Reading		\$16,260
Education		\$56,910
Tobacco & smoking supplies		\$36,585
Miscellaneous		\$203,067
Cash contributions	\$121,949	
Personal ins/pension/social security	\$357,717	
Unclassified	\$36,473	
Grand Total	\$5,297,871	

Table 4-4. Total Expenditures Impact by Retail Sector: High

Local Economy by Sector	Total Impact Large Sector	Total Impact Sub-Sector
Food	\$1,374,707	
Food at home		\$353,652
Food away from home		\$1,021,054
Alcoholic beverages	\$32,520	
Housing	\$1,247,945	
Shelter		\$650,395
Utilities, fuels, & public services		\$304,873
Household operations		\$73,169
Housekeeping supplies		\$52,845
Household furnishings & equip.		\$162,599
Apparel and services	\$378,732	
Transportation	\$953,710	
Vehicle purchases		\$382,107
Gasoline and motor oil		\$282,990
Other vehicle: maint/repair/ins etc		\$252,028
Public transportation		\$36,585
Health care	\$239,833	
Entertainment	\$350,277	
Hotel	\$301,458	
Golf	\$27,006	
Personal care/read/ed/smoking etc	\$419,381	
Personal care products & services		\$52,845
Reading		\$16,260
Education		\$56,910
Tobacco & smoking supplies		\$36,585
Miscellaneous		\$252,718
Cash contributions	\$121,949	
Personal ins/pension/social security	\$357,717	
Unclassified	\$53,636	
Grand Total	\$5,858,870	

## Tax Impact

The tax impact of the USA football program is estimated for different levels of government as shown in Table 4-5 for low estimate and Table 4-6 for high estimate. According to the low estimate, the City of Mobile is expected to receive \$131,528 per year; Mobile County is expected to receive \$54,226 per year; and the state of Alabama is expected to receive \$271,590 per year. According to the high estimate, the City of Mobile is expected to receive \$157,515 per year; Mobile County is expected to receive \$59,294 per year; and the state of Alabama is expected to receive \$298,903 per year. Detailed worksheets for Tables 4-5 and 4-6 are added to this study as Appendix Table A-3 and Appendix Table A-4.

## Impact on the University: A Note

How the proposed USA football program affects the University depends on a number of factors, some of which are discussed briefly in this section.

First of all, the impact on the University depends on whether the football program can be run without financial assistance from the University. If the football program cannot be run without financial support, the negative impact on the University is greater as the amount of support increases.

Secondly, scholarships given to athletes return to the University. The total amount of athlete scholarships is approximately \$1 million. If this amount is raised externally, the University will benefit and be provided a window of negotiation for development of a successful program.

Thirdly, the University needs to work on meeting the requirements of Title IX of the Education Amendments of 1972 (Title IX), which may be costly and have to be done if the football program is to be developed. [For more on Title IX, see Carr Sports Associates, "Considerations for Football at the University of South Alabama," February 2000, Section II, pp 9-11]

Table 4-5. Tax Impact: Low

	Tax Impact
<b>Mobile, City</b>	
sales tax, general	\$58,435
sales tax, restaurant	38,228
auto tax	7,642
gasoline tax	7,624
property tax	8,963
hotel tax	10,636
City Total	\$131,528
<b>Mobile County</b>	
sales tax, general	22,254
auto tax	1,911
gasoline tax	3,812
property tax	26,250
County Total	\$54,226
<b>State tax</b>	
income tax	134,144
sales tax, general	89,018
auto tax	7,642
gasoline tax	30,494
property tax	3,201
hotel tax	7,091
State Total	\$271,590

Table 4-6. Tax Impact: High

	Tax Impact
<b>Mobile, City</b>	
sales tax, general	\$64,739
sales tax, restaurant	51,053
auto tax	7,642
gasoline tax	9,477
property tax	8,963
hotel tax	15,641
City Total	\$157,515
<b>Mobile County</b>	
sales tax, general	26,395
auto tax	1,911
gasoline tax	4,738
property tax	26,250
County Total	\$59,294
<b>State tax</b>	
income tax	134,144
sales tax, general	105,581
auto tax	7,642
gasoline tax	37,907
property tax	3,201
hotel tax	10,427
State Total	\$298,903

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## APPENDICES

Table A-1. Total Expenditures Impact by Sector: Low

Local Economy by Sector	Impact	Sub-Group	Visitor Direct	Total Impact Large Sector	Total Impact Sub-Sector
>TOTAL PROJECT BUDGET	\$7,989,678.00				
> TOTAL OUTPUT IMPACT (X1.8116)	\$15,441,629.31				
>TOTAL WAGES IN \$MILLION (x0.5775)	\$4,614,039.05				
> AFTER-TAX WAGES (x0.881)	\$4,064,968.40				
Food	\$573,161		\$545,052	\$1,118,213	
Food at home		\$353,652			\$353,652
Food away from home		\$219,508	\$545,052		\$764,560
Alcoholic beverages	\$32,520			\$32,520	
Housing	\$1,247,945			\$1,247,945	
Shelter		\$650,395			\$650,395
Utilities, fuels, & public services		\$304,873			\$304,873
Household operations		\$73,169			\$73,169
Housekeeping supplies		\$52,845			\$52,845
Household furnishings & equip.		\$162,599			\$162,599
Apparel and services	\$223,573		\$105,508	\$329,081	
Transportation	\$808,929		\$98,451	\$907,380	
Vehicle purchases		\$382,107			\$382,107
Gasoline and motor oil		\$138,209	\$98,451		\$236,660
Other vehicle: maint/repair/ins etc		\$252,028			\$252,028
Public transportation		\$36,585			\$36,585
Health care	\$239,833			\$239,833	
Entertainment	\$195,118		\$105,508	\$300,626	
Hotel		\$40,777	\$177,263	\$218,040	
Golf			\$18,364	\$18,364	
Personal care/read/ed/smoking etc	\$264,223		\$105,508	\$369,731	
Personal care products & services		\$52,845			\$52,845
Reading		\$16,260			\$16,260
Education		\$56,910			\$56,910
Tobacco & smoking supplies		\$36,585			\$36,585
Miscellaneous		\$97,559	\$105,508		\$203,067
Cash contributions	\$121,949			\$121,949	
Personal ins/pension/social security	\$357,717			\$357,717	
Unclassified			\$36,473	\$36,473	
Grand Total				\$5,297,871	

Note: Total project budget in the first row is the sum of \$3,379,285 (expenditures by the USA Athletic Department on football program) and \$4,610,393 (local expenditures including tuition from increased enrollment). The sum is \$7,989,678 as shown in the first row. Total output impact in the second row is \$7,989,678 x 1.8116 + \$967,528. The \$967,528 is obtained by multiplying \$1,192,125 (total visitor expenditures) by 0.8116. The reason for this process is that the first round visitor expenditures are already identified in column Visitor Direct, and thus have to be subtracted, leaving only the indirect expenditures (\$967,528) for impact estimation by sector.

Table A-2. Total Expenditures Impact by Sector: High

Local Economy by Sector	Impact	Sub-Group	Visitor Direct	Total Impact Large Sector	Total Impact Sub-Sector
>TOTAL PROJECT BUDGET	\$7,989,678.00				
> TOTAL OUTPUT IMPACT (X1.8116)	\$15,896,936.91				
>TOTAL WAGES IN \$MILLION (x0.5775)	\$4,614,039.05				
> AFTER-TAX WAGES (x0.881)	\$4,064,968.40				
Food	\$573,161		\$801,546	\$1,374,707	
Food at home		\$353,652			\$353,652
Food away from home		\$219,508	\$801,546		\$1,021,054
Alcoholic beverages	\$32,520			\$32,520	
Housing	\$1,247,945			\$1,247,945	
Shelter		\$650,395			\$650,395
Utilities, fuels, & public services		\$304,873			\$304,873
Household operations		\$73,169			\$73,169
Housekeeping supplies		\$52,845			\$52,845
Household furnishings & equip.		\$162,599			\$162,599
Apparel and services	\$223,573		\$155,158	\$378,732	
Transportation	\$808,929		\$144,781	\$953,710	
Vehicle purchases		\$382,107			\$382,107
Gasoline and motor oil		\$138,209	\$144,781		\$282,990
Other vehicle: maint/repair/ins etc		\$252,028			\$252,028
Public transportation		\$36,585			\$36,585
Health care	\$239,833			\$239,833	
Entertainment	\$195,118		\$155,158	\$350,277	
Hotel		\$40,777	\$260,681	\$301,458	
Golf			\$27,006	\$27,006	
Personal care/read/ed/smoking etc	\$264,223		\$155,158	\$419,381	
Personal care products & services		\$52,845			\$52,845
Reading		\$16,260			\$16,260
Education		\$56,910			\$56,910
Tobacco & smoking supplies		\$36,585			\$36,585
Miscellaneous		\$97,559	\$155,158		\$252,718
Cash contributions	\$121,949			\$121,949	
Personal ins/pension/social security	\$357,717			\$357,717	
Unclassified			\$53,636	\$53,636	
Grand Total				\$5,858,870	

Note: The only difference between Tables A-1 and A-2 is the amount of visitor expenditures.

Table A-3. Tax Impact: Low

	Table A-1	Visitor Meals	Visitor Shopping	Visitor Gasoline	Visitor Golf	Visitor Hotel	Total
>Gross Wage	4,614,039						
>After-Tax Wage	4,064,968	545,052	316,523	98,451	18,364	177,263	
<b>Mobile, City</b>							
sales tax, general	45,040		12,661		735		\$58,435
sales tax, restaurant	10,975	27,253					38,228
auto tax	7,642						7,642
gasoline tax	3,686			3,938			7,624
property tax	8,963						8,963
hotel tax						10635.8	10,636
City Total							\$131,528
<b>Mobile County</b>							
sales tax, general	13,455	5,451	3,165		184		22,254
auto tax	1,911						1,911
gasoline tax	1,843			1,969			3,812
property tax	26,250						26,250
County Total							\$54,226
<b>State tax</b>							
income tax	134,144						134,144
sales tax, general	53,820	21,802	12,661		735		89,018
auto tax	7,642						7,642
gasoline tax	14,742			15,752			30,494
property tax	3,201						3,201
hotel tax						7090.52	7,091
State Total							\$271,590

Note that the price per gallon of gasoline is assumed to be \$1.50; in property tax the ratio of assessed value to after-tax income is different for the four industries; and that the state income tax is calculated from a separate income tax table for the 1998 state income tax return for a three-person family. Table 3 tax rates include both state and federal and thus are not used. Estimated tax payment at each income level is multiplied to after-tax wages since this table is based on after-tax wages: 3.7% for manufacturing; 2.3% for retail trade; 3.3% for services; and 3.4% for construction.

Table A-4. Tax Impact: High

	Table A-2	Visitor Meals	Visitor Shopping	Visitor Gasoline	Visitor Golf	Visitor Hotel	Total
>Gross Wage	4,614,039						
>After-Tax Wage	4,064,968	801,546	465,475	144,781	27,006	260,681	
<b>Mobile, City</b>							
sales tax, general	45,040		18,619		1,080		\$64,739
sales tax, restaurant	10,975	40,077					51,053
auto tax	7,642						7,642
gasoline tax	3,686			5,791			9,477
property tax	8,963						8,963
hotel tax						15640.9	15,641
City Total							\$157,515
<b>Mobile County</b>							
sales tax, general	13,455	8,015	4,655		270		26,395
auto tax	1,911						1,911
gasoline tax	1,843			2,896			4,738
property tax	26,250						26,250
County Total							\$59,294
<b>State tax</b>							
income tax	134,144						134,144
sales tax, general	53,820	32,062	18,619		1,080		105,581
auto tax	7,642						7,642
gasoline tax	14,742			23,165			37,907
property tax	3,201						3,201
hotel tax						10427.2	10,427
State Total							\$298,903

Note that the price per gallon of gasoline is assumed to be \$1.50; in property tax the ratio of assessed value to after-tax income is different for the four industries; and that the state income tax is calculated from a separate income tax table for the 1998 state income tax return for a three-person family. Table 3 tax rates include both state and federal and thus are not used. Estimated tax payment at each income level is multiplied to after-tax wages since this table is based on after-tax wages: 3.7% for manufacturing; 2.3% for retail trade; 3.3% for services; and 3.4% for construction.