

How will BYU, Utah and USU hang in as college sports revolve around money? Will fans hang in?

GORDON MONSON

Are you ready for this, Utah and BYU and Utah State fans? Get ready. Your rooting world is about to be nudged off its axis.

And it will be OK — for some of you. Not all, some.

College sports is on the verge of transforming into something that could be more than a little off-putting to many college fans. Question is: Are you one of them?

The evidence of revolutionary change was all around, as the NCAA moved toward a multibillion-dollar settlement this week — from possible private equity involvement in athletic departments to revenue-sharing with college athletes, those athletes essentially becoming university employees, to backpay for past athletes being handed out to big contracts being offered and signed and sometimes allegedly reneged on by the powers that be, the powers you're accustomed to cheering for.

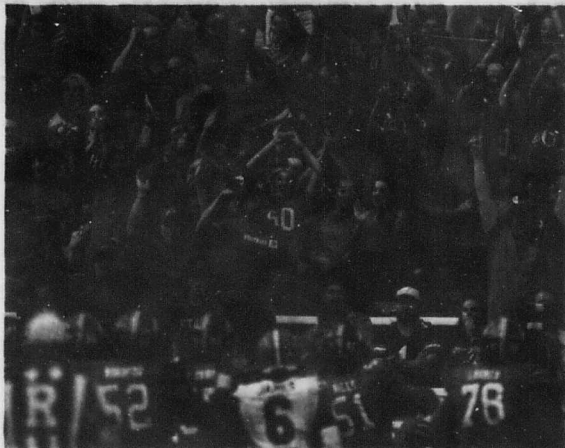
Bottom line is, college sports will one day be professional sports.

And now athletic departments are looking for money to counter added expenses they'll face on account of wanting to stay competitive while being made legally to share proceeds with athletes, as well as other costs of competition.

Private equity partnership is being explored by some schools, where firms would pour millions of dollars into athletic departments as a means of investment, and be rewarded with payments from money gained by those departments in the years ahead. This has been whispered about for a long time, but some administrators, needing more revenue to remain competitive for the aforementioned reasons, reportedly are seriously considering this idea. Such investment makes you wonder how much say those firms would have in overall direction of individual teams inside departments, in decision-making, etc.

Think of it like this: If the University of Utah partnered with a private equity outfit that offered to throw \$150 million at Utah sports, and the Utes used that money to offset, say, sharing revenue and other expenses, say, paying coaches' salaries, would that firm then have influence over who was hired for what position or who was fired?

Already mega-boosters are



Utah fans celebrate a second-quarter touchdown in a game against Florida on Aug. 31, 2023, at Rice-Eccles Stadium.

waist-deep in donating money at many schools. What kind of sway do they hold over department decisions? Would private equity investment make matters better or worse? In football, would it possibly balance out an annual competitive chase for league and national titles that currently rests at the same familiar 10 to 15 teams, inflating it to four times that many? Is more money magic?

It certainly wouldn't hurt, unless it certainly would, what with powerful money men and women sinking their teeth into college sports. Would Utah then be Utah's team, would it be your team, or would it be some investment group's team?

Nobody's completely sure. But, either way, money is becoming even more important moving forward than it's been in the past. In the redistribution of that money, now with athletes getting a significant share, maybe more athletes than ever before depend on scholarship limits or a lack of them, high-level departments that used to put cash wherever they wanted, might feel panicked by losing some 25 percent of it to the kids they so often say they care so deeply about.

Indeed, college football and basketball have always been about money. Now it's about who gets what portion of that money. Does it bother fans — you — that a good

measure of that money will be mandated to go to athletes? And what if a pile of that money went to private investors? Does anybody really care as long as winning — or an increased prospect of it — is achieved?

We get it. It's all an adjustment. Some fans have always wanted their college athletes to play for their school for the same reasons the fans cheer for it with such emotion — because they identify with it, because they feel connected to it, because it represents them, because they love it, because they want it to win.

While winning at their sport is a big deal to most college athletes, winning at life is an even bigger deal. And winning at life is defined by many of them via how much money they can get. The example so often set by their coaches is Exhibit A. Top coaches make a ton of cash and top players want the same.

That money has to come somehow, from somewhere.

The glory of the school? An example.

Perhaps you saw the recent paraphrased headline in *The Tribune* that read about like this: "QB alleges false promises by coach, others in lawsuit."

If you had read something like that regarding a complaint by a college quarterback aimed at his

coach 15 or 20 years ago, you would have thought it was a deal where an overzealous coach promised a recruit a certain amount of playing time straight from the start. Maybe the coach told the high school kid he would not only get an opportunity to start as a freshman, but that he would, in fact, start. All he had to do was sign right here on the dotted line and the job was his. Next thing, he does not start and the coach's promise is broken.

No. That was so 1995, so 2005, so 2010.

In 2024, the false-promises lawsuit is about cold, hard cash, according to a report by *The Athletic's* Stewart Mandel, money that was allegedly pledged to quarterback Jaden Rashada by Florida coach Billy Napier and others, including a big Gators booster and the Gator Collective, all as a means of getting the recruit to sign with Florida instead of Miami, where he had earlier committed, which through a booster of its own had previously promised money to Rashada to sign with the Hurricanes.

How much money? The report said Florida, via its booster, offered the quarterback \$13.85 million, outdoing Miami's booster by some \$4 million.

So, how're you feeling about college sports these days?

This is not your dad's college football. Back then, in the good of days, programs would simply slip

some bills into an envelope and quietly hand them over to a recruit to seal a deal. Now, we're not — this.

But how much different in terms of competitive balance is it, really?

After Rashada chose Florida the deal fell apart and the lawsuit is now filed, seeking more than \$10 million in damages, alleging six counts of fraud and negligence against Napier and a group of others. The quarterback was released from his letter of intent at Florida last year, subsequently leading to Arizona State and now he's announced he's transferring to Georgia.

The question, then, is worth repeating: How're you feeling about college sports, especially power football and basketball? Is all the money cavalierly being tossed around messing over the experience of rooting for your favorite college team?

Would an installed salary cap help or hurt?

Is the required money — funneled into revenue-sharing — now essentially being mandated by the courts and/or the threat of future lawsuits — and likely to be agreed to by all power conferences in order to avoid deeper monetary liabilities — mixed along with big sums of cash that could be garnered from investment firms and/or other sources enough to turn you and your interest away from college sports?

Will you view it as nothing more than pro sports, all as your ticket prices rise? Or does it not matter that your athletes playing for your school not only are being shown the money, but they're also getting it? Are you envious because when you're out to college, you're offered two part-time jobs, one pumping gas and another sweeping floors in an administration building, as you paid tuition and completed a full-time class schedule? Are you a champion of athlete amateurism while the school pockets all the profits?

Yeah, are you ready for this and — who knows — maybe more? Get ready. It's coming. It's here.

Thing is, it'll be OK. It will. Pay no attention to the bag man behind the curtain. One way or another, certainly in college football and basketball, the sports you really care about, money, has ruled the day. Yesterday, today, tomorrow. It looks now a bit different, but if the money comes, if the winning comes, your care-factor is bound to come alongside. Nothing revolutionary about that. At top college levels, altruism and amateurism have long been diminished, if not dead.

In the years ahead, you can pull for the poor, thrifty, gutty, little college underdog... if it doesn't die, too.

Paying players

Continued from C1

paying their athletes directly from their yearly revenue up to \$20 million. That would be around 22% of the average revenue of Power Four schools, according to Yahoo Sports.

Each conference could set a salary cap to maintain some competitive balance and ensure no school is paying athletes far more than another. Is it possible that the SEC and Big Ten schools, who have the largest budgets and television revenue, would set the highest salary cap?

What does it mean for Utah and BYU?

But it leaves Big 12 schools like BYU and Utah in limbo. Conference leaders have to answer the big questions first: Would they opt into the revenue-sharing plan (although most schools will likely do that, Yahoo Sports reports)? And then how much of a revenue-sharing option can it afford?

Just because a school could theoretically pay up to \$20 million to athletes a year doesn't mean it has to do it. It doesn't mean that every school can afford that either.

Utah's current athletic budget shows how thin the margins are already. In 2023, the Utah athletic department brought in over \$126 million. It also spent around \$124 million, giving it a surplus of just over \$1.8 million.

That means in order to realistically find \$20 million, it would either have to generate almost \$18 million more or it would have to cut expenses somewhere else. This could be in coaches' salaries or the number of programs it offers. Utah currently sponsors 20 varsity sports.

BYU will have a similar question. While its athletic budget is not public like Utah's, it is estimated that the athletic department made around \$95 million, according to the NCAA equity report. It is still ramping up its revenue, as it doesn't have a full share of the Big 12 television money yet.



BYU athletic director Tom Holmoe adds his name to the alumni wall under the class of 1982 as he joins the festivities put on to celebrate the school's entry into the Big 12 on July 1, 2023.

As for expenses, BYU paid out around \$80 million, according to the NCAA report. While that surplus would be higher than Utah's, it is still not quite at the \$20 million mark.

Plus, for both schools the margins of surplus could become even smaller in future years. As part of the settlement, it is expected that the scholarship cutoff will be lifted. It means football programs will be able to have more than 85 scholarships, synchronizing off more athletic department resources.

When contacted this week, both BYU and Utah declined to comment on how they planned to deal with a revenue-sharing model and where the money would come from.

What will happen to NIL?

Another potential element is what will happen to schools' current name, image and likeness collectives. Both BYU and Utah have officially endorsed NIL collectives. But if schools are directly paying athletes, would that make them obsolete?

There are no firm answers, but multiple potential solutions are being floated. One option, according to a source close to BYU's NIL arm, would be to move the NIL collectives in-house. All the money the Royal Blue Collective was raising to pay athletes could be absorbed by BYU's athletic department and then go out to players officially through the school.

This would allow schools two positives.

For one, it would give the athletic department another source of revenue outside of its current budget to start paying players and getting closer to \$20 million (without cutting current expenses). And two, it would be a more formalized process.

Instead of the collective signing every player individually to different deals — with many pitfalls and deals falling through — this would be standardized. The money would come directly from schools, like professional teams paying their players, and the deals would theoretically be more reliable.

At this point, the idea of moving NIL in-house isn't shocking. Many schools work closely with their officially endorsed collectives anyway and often influence decision making. NIL rules have already loosened so coaches and administrators can help raise funds for their players. Holmoe gave a speech about how fans should donate to the Royal Blue collective after basketball coach Mark Pope left for Kentucky.

Still, even if NIL does move in-house, some believe there will be a role for outside NIL collectives to exist. If schools do opt into revenue sharing, it is still unclear what each player could make individually. Outside NIL collectives could help supplement income if a player needs more money to stay at a school.

For example, of that \$20 million, not every player would go to the football program. It is possible that half of that money would be split evenly between men's and women's athletes to adhere to Title IX rules. In the NIL era, some argued that NIL perks did not have to be distributed evenly because it was theoretically outside the school's purview (see Utah's original track deal). But if NIL moves in-house, that argument might be weakened.

So if Title IX does apply, it might leave only a percentage of the \$20 million to fund the football program's cash supply to pay players. Outside NIL sources could act as pay supplements for top players. This could be outside the salary cap, like endorsement deals for professional athletes outside of their team contract.