SPORTS BUSINESS

PAY TO PLAY

Can CU Boulder's athletic director guide the Buffs through a spending stampede?

University of Colorado Athletic Director Fernando Lovo poses for a portrait at Folsom Field on July 28, 2026, in Boulder.

SETH MCCONNELL | DENVER BUSINESS JOURNAL

By Lincoln Roch – Intern, Denver Business Journal
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Story Highlights

- Fernando Lovo arrived at University of Colorado Boulder facing a $27 million deficit.
- CU Athletics raised $37.7 million in fiscal year 2026, breaking the previous record.
- The school declined a $30 million private equity line of credit from Redbird Capital.

Fernando Lovo admits he was not a great athlete growing up.

He played baseball, basketball and soccer through high school and recognized that his playing days wouldn't go further than that. But a love for sports and what they can stand for has always been core to who he is and what he loves.

When he arrived at the University of Florida as a student, he initially planned to attend law school and become a sports agent. Necessity led him down another path.

"I was a broke college student, and so I needed a job, and I was able to get a job working in the equipment room with the football program," Lovo said. "That's really where I got to love college athletics."

Lovo ended up getting a master's degree in sport and fitness administration/management, also at the University of Florida, and began a career in college athletics.

University of Colorado Athletic Director Fernando Lovo poses for a portrait at Folsom Field on July 28, 2026, in Boulder.

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He climbed the ranks at powerhouses like The Ohio State University and the University of Texas before taking the top job with the New Mexico Lobos in 2024. In one year as vice president and director of athletics at the University of New Mexico, he brought success on the field and turned heads for his ability to generate revenue.

In January, at age 37, Lovo began a new job as athletic director at the University of Colorado Boulder. He inherited a $27 million budget deficit at a pivotal moment in college athletics: The school is now paying athletes over $20 million a year and is footing a $10 million salary for Head Football Coach Deion Sanders.

In the new era of college sports, athletes can transfer schools in search of the highest bidder, and filling a football roster can cost up to $40 million.

Institutions of higher education must either spend alongside the premier powers or risk falling into irrelevance and getting squeezed out of major college athletics altogether.

At CU, Lovo's mandate is clear: Find the money for the Buffaloes to stay relevant in the new era of college athletics – ideally without cutting too deeply into the university's budget.

Game changer

Justin Schwartz, CU Boulder's chancellor, describes the athletics department as a front porch for the university because it functions as an entry point to the school. The performance of student-athletes garners attention, and their sports contribute to the cultural identity of the campus.

"It helps connect the generations of Buffs in a way holistically, that very few things can," Schwartz said. "It's kind of core to higher ed's identity."

Justin Schwartz, the chancellor of University of Colorado Boulder

UNIVERSITY OF COLORADO SYSTEM

Despite the obvious marketing benefits a talented athlete can give a school, the National Collegiate Athletic Association treated players as amateurs for more than a century. While a university could offer them scholarships, students could not make money playing for their school's team or profit off their own name, image and likeness (NIL).

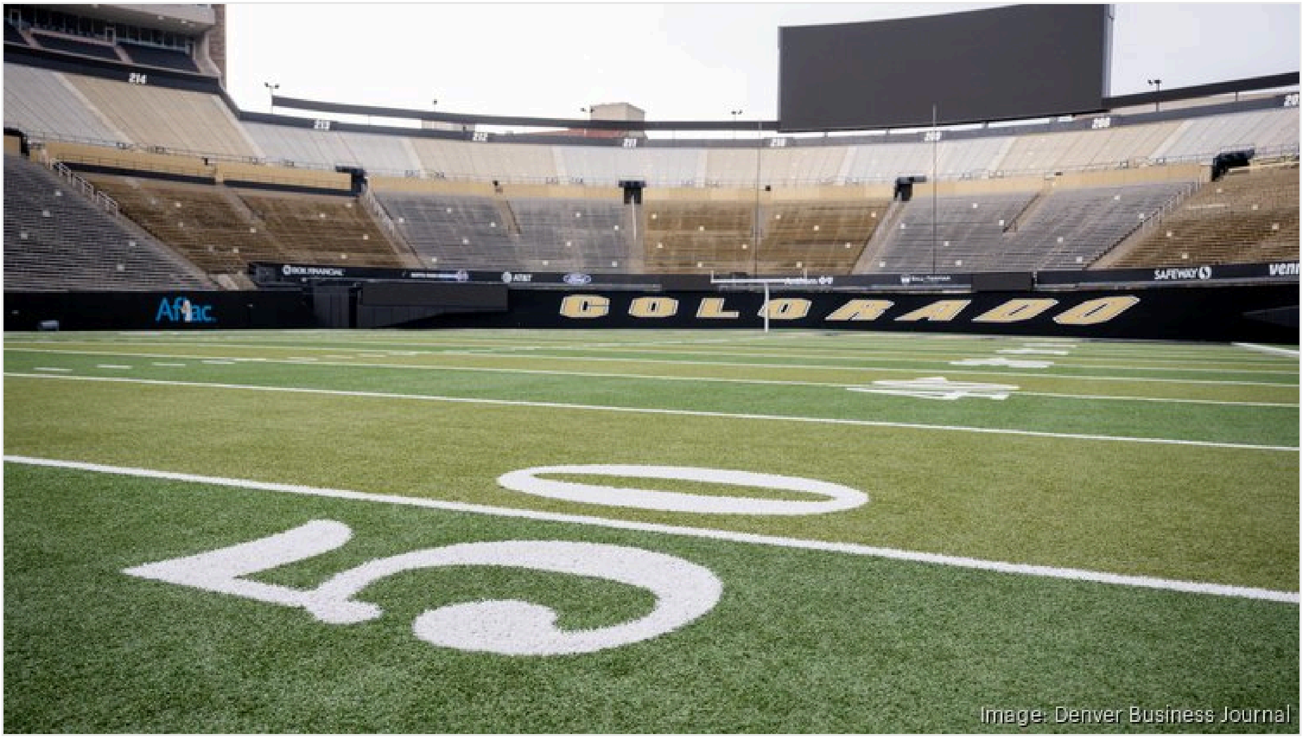
Then came National Collegiate Athletic Association v. Alston in 2021. The U.S. Supreme Court sided with college athletes when it ruled against the NCAA's limit on player compensation.

In response, the NCAA changed its rules to allow student-athletes to forge brand deals and benefit from their NIL, but stopped short of letting schools pay athletes directly.

On July 1, 2025, a settlement in an antitrust lawsuit known as House v. NCAA took effect, upending the landscape of college sports yet again. In addition to awarding $2.8 billion in compensation to former athletes, it allows athletic departments to pay a portion of their revenue to athletes for use of their NIL. Schools decide which athletes get paid, with most money going to football and men's basketball programs. They are not obligated to pay all athletes.

A cap for revenue sharing was set at roughly $20.5 million for all sports in 2025. That cap has risen to an estimated $21.3 million this year, according to the College Sports Commission, the organization regulating revenue sharing and NIL deals with private entities.

In reality, that cap is just the floor for major college athletics programs, said Jason Pappas, a sports management professor at Florida State.



New turf and scoreboard at Folsom Field on July 28, 2026, in Boulder.

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“If you don’t buy into the minimum, you don’t even have a chance at winning,” said Pappas, who spent 12 years in college athletics administration.

Many universities have circumvented the cap by making private NIL deals through entities associated with the schools, such as multimedia rights holders. The CSC, which must approve NIL deals over $15,000, has disputed the permissibility of rights holders paying athletes directly.

CU Boulder is also working with an affiliate for NIL purposes. The school amended a longstanding contract with its multimedia rights holder Learfield in 2025, according to a copy of the contract obtained by the Denver Business Journal. In it, CU Boulder directs the company, which has local staff based out of Folsom Field, to hire two new workers dedicated to facilitating NIL deals for the school’s student-athletes.

CU Boulder officials say this approach stays within CSC guidelines because Learfield is facilitating deals between other companies and student-athletes. CU

Athletics spokesperson Steve Hurlbert said Learfield has not signed any direct NIL deals with CU Boulder athletes.

Deals can be with CU sponsors or other third-party entities. For example, Taco Bell franchisee Alvarado Restaurant Nation struck a deal with Buffs quarterback Julian Lewis and three other players to use their NIL, per a press release from the school.

The players appear in a commercial in which they hype the chain's $7 Buffs Box meal, which dropped at Alvarado's Colorado Taco Bells in August. Learfield facilitated that deal, but Alvarado Restaurant Nation was the one to pay the athletes, Hurlbert said. The company also pledged $1,000 to CU scholarship funds for each of the team's 32 touchdowns that season.

State of play

The Buffaloes met the revenue-sharing cap in the first year, and Lovo said he intends to meet it this school year. But it's come at a cost.

Lovo's predecessor Rick George spent over a year trying to prepare for the House v. NCAA settlement. He tripled the student athletics fee paid by all students, cut some vacant positions and brought all fundraising in-house. Still, last November, the school announced that its athletic department budget faced a projected $27 million deficit for its 2026 fiscal year. It blamed the bulk of that amount on revenue sharing with athletes.

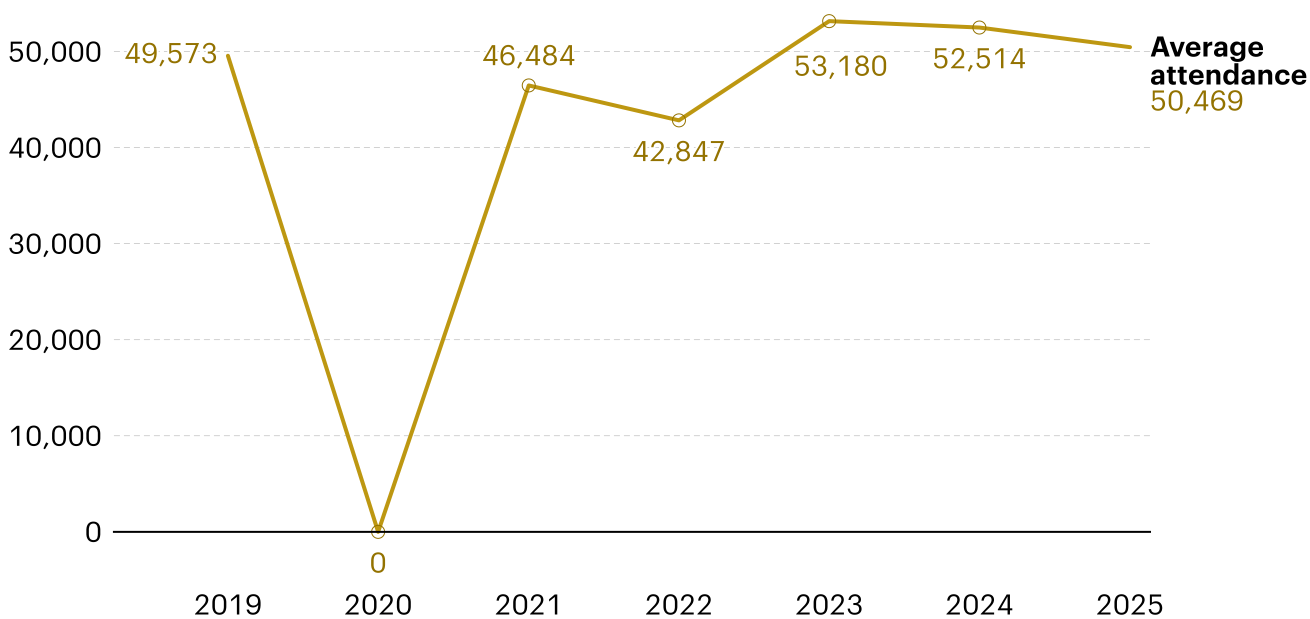
CU Boulder is not alone in its losses. The University of Minnesota credited revenue sharing for its $9 million deficit in fiscal year 2026 and the University of Washington partially points the finger at the expense for a $16 million deficit expected in 2027. Hurlbert said CU Boulder could not provide updated figures on its deficit after fiscal year 2026 ended.

Revenue sharing joins another big expense for the athletic department: the CU Buffs' head football coach.

The university brought in Sanders in 2023 to raise its national profile. In his first two years, the school's bet paid off. The Buffs' home football game attendance rose 24%, from 42,847 in 2022 to 53,180 in 2023.

CU BUFFS HOME FOOTBALL GAME ATTENDANCE

Other than the shortened 2020 season, during which fans were not allowed at Folsom Field due to Covid-19, the average CU Buffs home game attracted fewer than 50,000 fans in the seasons prior to Head Coach Deion Sanders' arrival in 2023. After that year's spike, though, average home-game attendance has gradually declined.



SOURCE: CUBUFFS.COM

In 2024, when the team went 9-4, every CU game aired on either CBS, NBC, ABC, FOX or ESPN. Networks reserve spots on those marquee channels for high-profile games. Donations spiked. The attention has been nicknamed the Prime Effect.

Enrollment went up slightly after Sanders' arrival, too, from 36,122 in 2022 to 38,458 in 2024. Strong enrollment is important to CU Boulder's bottom line: Tuition and fees paid by students make up 43% of the school's revenue in the 2025-26 academic year, according to the CU Boulder.

The athletics department has also set records for both revenue and expenses during Sanders' tenure.

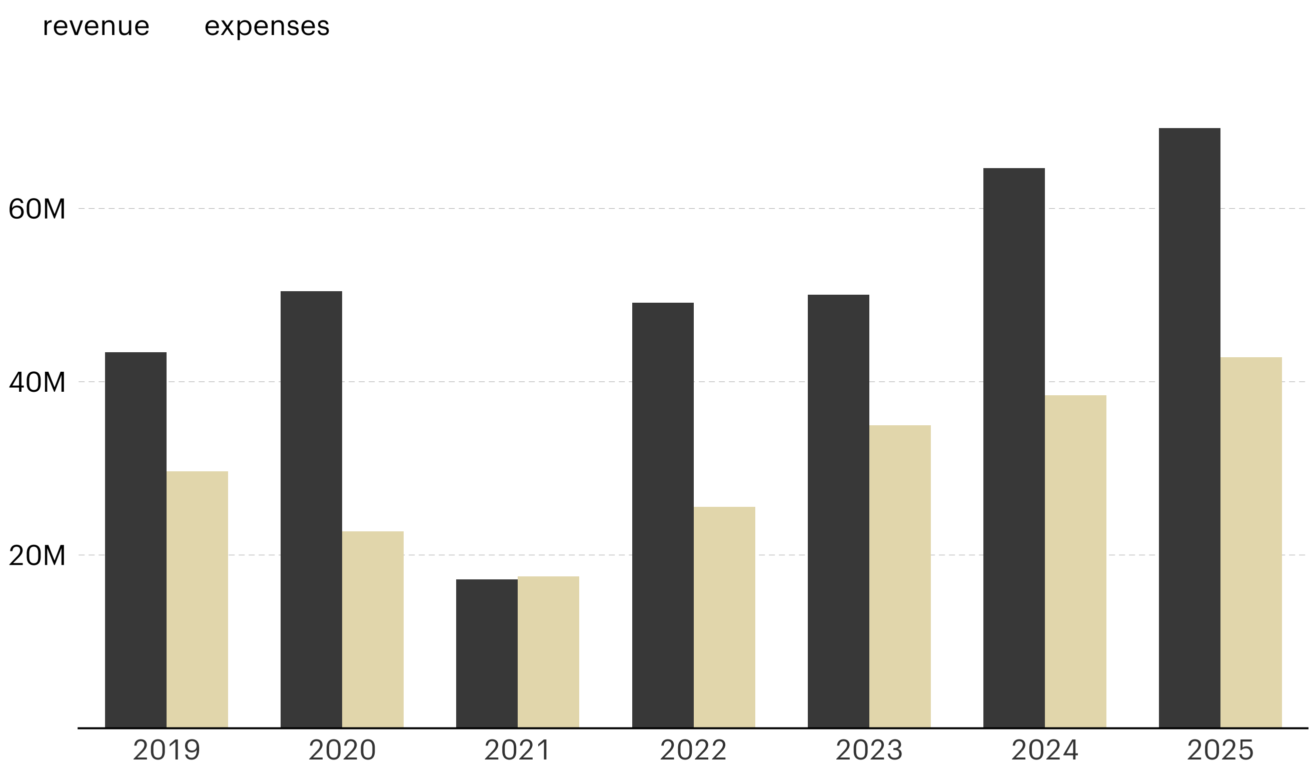
"From a marketing perspective, promotion and eyeballs, I mean, it's really helped," Pappas said.

Sanders' contract extension raised his base salary from $5.9 million in 2024 to $10 million annually in 2025 and 2026. Yet the national attention has begun to falter. The team lost its two biggest on-field stars, Shedeur Sanders – starting quarterback and the coach's son – and Travis Hunter, who won the Heisman Trophy. Both left and started NFL careers.

Sanders' team went 3-9 in the 2025 season. Average game attendance at Folsom Field dropped to 50,469 in 2025. Season ticket sales for 2026 are not expected to sell out, a first in the Sanders era, according to reporting from the Daily Camera.

CU BOULDER FOOTBALL SPENDING

After fiscal year 2021 (which fell during the Covid-challenged 2020 season) the CU Boulder football team's expenses and revenue climbed every year. The revenue jump was especially high in fiscal year 2024, which corresponded with the 2023 season — Head Coach Deion Sanders' first year at the university.



SOURCE: CU BOULDER'S NCAA MEMBERSHIP FINANCIAL REPORTING SYSTEM

The team's first eight games of 2025 aired on ESPN and FOX, with the last four dropping to the second-tier channels ESPN 2, FS1 and TNT. Overall viewership of the Buffs games on ESPN has dropped 63% since 2023, according to Front Office Sports.

"I mean, he's got a tough job, I'm going to be honest with you, because of the situation he's inherited," Pappas said about Lovo's arrival at CU Boulder.

The long game

In July of 2025, George launched his new initiative to generate revenue, a subscription-based fan loyalty program called Buffs Premier. It promised to provide subscribers with exclusive content, custom members-only gear and VIP moments with coaches and players, including a practice facility tour and virtual meet-and-greet.

CU Boulder partnered with sports marketing firm Two Circles. The school did not pay Two Circles a fee, according to a contract obtained by the DBJ, but it did give the company access to its alumni database. CU Boulder and Two Circles agreed to split the profit 50/50.

Students exit the Eaton Humanities building on the campus of the University of Colorado on August 30, 2023, in Boulder.

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While specific NIL contracts with student-athlete information are exempt from Colorado's open records laws, the DBJ did acquire a blank copy of a revenue-sharing contract used by CU Boulder. Players who signed these contracts were expected to provide their NIL for Buffs Premier.

Financial reports obtained by the DBJ showed that in its first year, the program netted CU $18,021. When the DBJ shared the results of the program with Pappas, he said the results do not show a considerable success.

"Given the size of CU's alumni and fan base, the amount of promotion you mentioned, and the value proposition of exclusive content, merchandise, and VIP experiences, I would have expected the program to generate significantly more revenue," Pappas said via email.

Hurlbert said Two Circles has been a great partner, and the feedback CU has received from fans about the program has been positive.

At the University of New Mexico around the same time, Lovo launched his own marketing idea. Kids 12 and under would get free entry to nearly all UNM home football games.

"On the surface, from a revenue perspective, maybe that's not the greatest play," current UNM Athletic Director Ryan Berryman said.

But Berryman explained that Lovo looked beyond single-game ticket sales to the effects the policy could have on parking and concessions. Berryman said Lovo was envisioning revenue three years down the line if those kids and families could be converted into Lobo fans and season ticket holders.

Coach Prime merchandise at the university bookstore on the campus of the University of Colorado on August 30, 2023, in Boulder.

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Ideas like that, along with Lovo's hire of a coach who led the team to a 9-4 record, helped raise season attendance at football games from 437,678 in 2024 to a Mountain West conference best of 503,440. The department also saw a record revenue in Lovo's one year at the school, growing the overall operating budget by 17.6% from fiscal year 2025 to fiscal year 2026.

That increase caught the attention of CU Boulder's Schwartz. He and Lovo talked about Lovo's ideas so long during a job interview that the applicant nearly missed a flight.

"You could see New Mexico's success in a short period of time, which was impressive, and you also could see the different experiences he's had," Schwartz said.

Before UNM, Lovo spent seven years at the University of Texas at Austin as the Longhorns became a leader in the formative years of the NIL era. Lovo credits his time with the Longhorns for influencing his understanding of the changing role of athletic administrators, which used to be judged by their teams' on-field success.

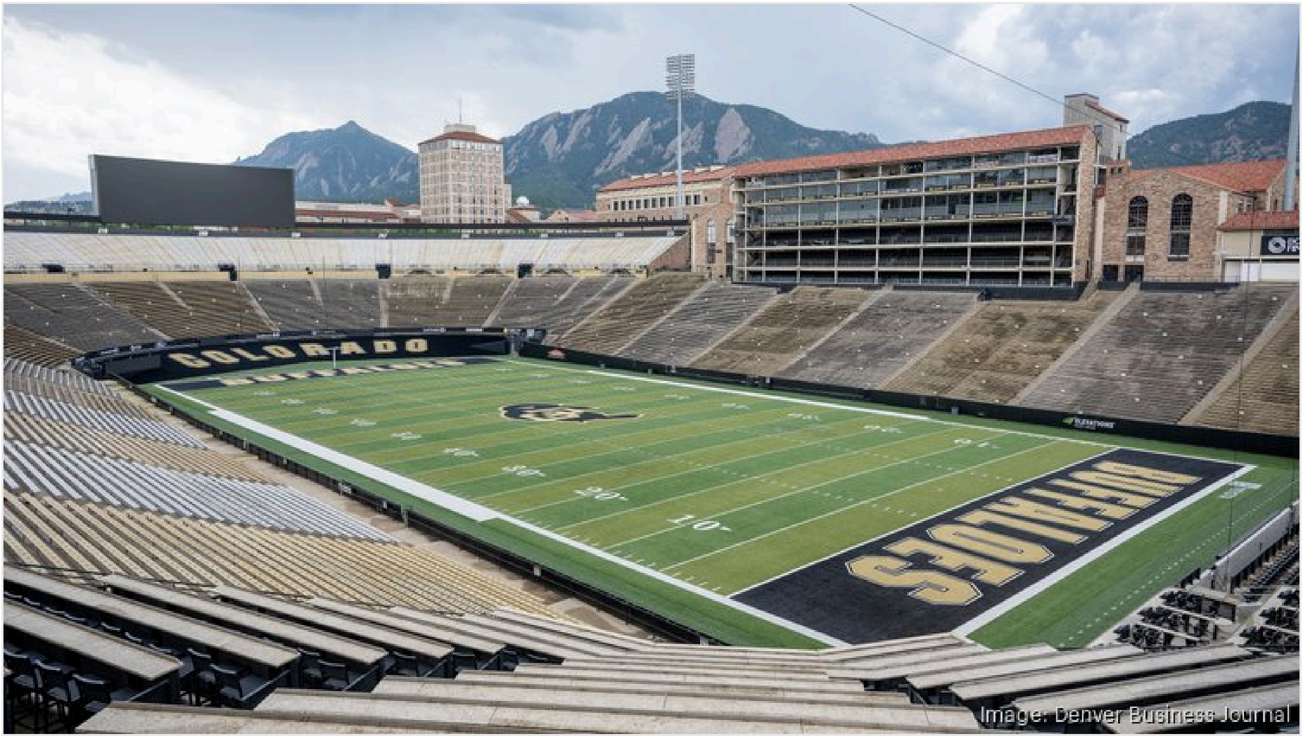
"The mandate for all of us in these roles now is to generate revenue," he said. "We have to think with a revenue-facing mindset in everything that we do."

Plays for revenue

When he was hired at CU, Lovo began holding revenue-generation leadership meetings to come up with ideas. Three major strategies emerged.

First, sell every premium asset possible. That includes naming rights for the school's two major venues, Folsom Field and the CU Events Center, along with space for advertising on football fields, basketball courts and on jersey patches. Most schools have not shared prices for jersey patch deals, but the Wall Street Journal reported that JP Morgan Chase paid $17 million to Ohio State, one of the most valuable brands in college sports, for patches on all 36 of its team uniforms.

In August, CU announced a deal with an undisclosed price tag to place Progressive Insurance's logo on Folsom Field. While Lovo declined to give a timeline for other asset deals, he said that the department is aggressively pursuing them while being deliberate about partners.



New turf and scoreboard at Folsom Field on July 28, 2026, in Boulder.

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The school will also receive roughly $1 million annually from a deal with its athletic conference – the Big 12 – and Monster Energy, which will merge the company's logo with the conference's on jerseys, fields and courts for football and basketball.

The second prong: activate the donor base. Lovo overhauled the department's fundraising arm and announced in August that $37.7 million was raised in fiscal year 2026, breaking the previous record of $35.4 million in fiscal year 2025. In his third month, Lovo announced a $6 million single donation, the largest in CU Athletics' history.

The third prong is hardest to achieve: fill seats. Pappas said that Boulder's proximity to Denver, which has every major professional sports team, puts it at a disadvantage compared to markets where college sports are the only option.

Plus, success on the field isn't guaranteed to draw crowds. CU Buffs football attendance has risen and fallen along with its win percentage. But it's been the opposite for men's and women's basketball, both of which saw a decline in game attendance despite a 2025-26 season that improved upon the previous year's record.

The answer lies in the fan experience, Lovo said.

"We've got to create an environment," Lovo said, "both outside of the stadium that encourages folks to come here and join and come … then when you get in the stadium, the in-game experience has to be great."

During the tail end of the 2025-26 basketball season, Lovo launched his first effort at attracting fans to CU events. It included $2.99 concession deals, including beer, before tip-off as well as giveaways for the student section. Students who attended every remaining home game got the opportunity to skip the line for the sports pass, which has sold out quickly during the Prime era.

WHERE THE MONEY COMES FROM

In fiscal year 2025, the CU Boulder athletic department received funding from these sources.

Institutional support	$41,778,735
Ticket sales	$27,581,300
Media Rights	$19,586,994
Other NCAA and Big 12 distributions	$19,315,793
Donor contributions	$19,163,999
Other operating revenue	$13,256,839
Royalties, licensing, advertisement and sponsorships	$12,354,633
Program, novelty, parking and concession sales	$4,322,961
Student fees	$1,710,502
Athletics restricted endowment and investments Income	$1,421,641
Sports camp revenues	$828,861
Competition guarantees	$350,000

SOURCE: CU BOULDER'S NCAA MEMBERSHIP FINANCIAL REPORTING SYSTEM

The teams averaged 9,607 fans in the last six games of the season, up from the season average of 6,206 per game, according to CU Athletics data.

Lovo followed that up with the Charged Up student rewards program. Students earn loyalty points for attending games and events for eight different sports. They can exchange them for a list of prizes that includes ticket deals, apparel discounts and access to Folsom Field for graduation photos.

Additionally, heading into the football season, Lovo is revamping Folsom Fields in-game programing and launching a free tailgating event outside the stadium. The programming changes include a new in game host, CU alum and Rockies in game host Gianna Giardi, and performances by local bands before kickoff and in designated spots during the game.

CU Boulder has shown there are limits around the revenue it will accept. In April, Big 12 commissioner Brett Yormark presented schools with a deal with the private equity company Redbird Capital. It would have given schools access to $30 million each in a line of credit with a double-digit interest rate. Despite its deficit, CU declined. No school has publicly announced the acceptance of the funds.

“We didn’t want to lock in and commit to that specific situation when it didn’t seem to be in our best interest,” Schwartz said.

But Lovo and Schwartz did not close the door on a private equity deal at a later date.

Filling the gap

Dozens of colleges have cut Olympic sports (NCAA sports that aren’t men’s basketball or football) to fund revenue sharing. But at CU, Schwartz and Lovo said cutting a sport is not on the table because they’re happy with their offerings and don’t want to take opportunities away from students.

In a perfect world, a university doesn’t need to spend money on its athletic programs. Ideally, they’d be funded by the revenue the sports generate alongside money from media rights deals and sponsorships.

UNIVERSITY DOLLARS FOR ATHLETIC PURSUITS

The amount of money flowing out of CU Boulder's coffers toward its athletic program grew dramatically in 2023 and increased again in 2025. Direct institutional support refers to funds that are spent on athletic operations, like salaries. Indirect support goes toward things like facilities spending and security.

Direct institutional support Indirect institutional support Student fees

$8,297,421
2019 $2,436,499
$1,549,105

$7,369,391
2020 $2,239,725
$1,597,446

$8,445,742
2021 $2,116,804
$1,069,372

$8,027,065
2022 $2,358,054
$1,504,264

$27,823,289
2023 $2,460,138
$1,602,340

$27,111,653
2024 $3,139,870
$1,654,360

$24,497,020
2025 $17,281,715
$1,710,502

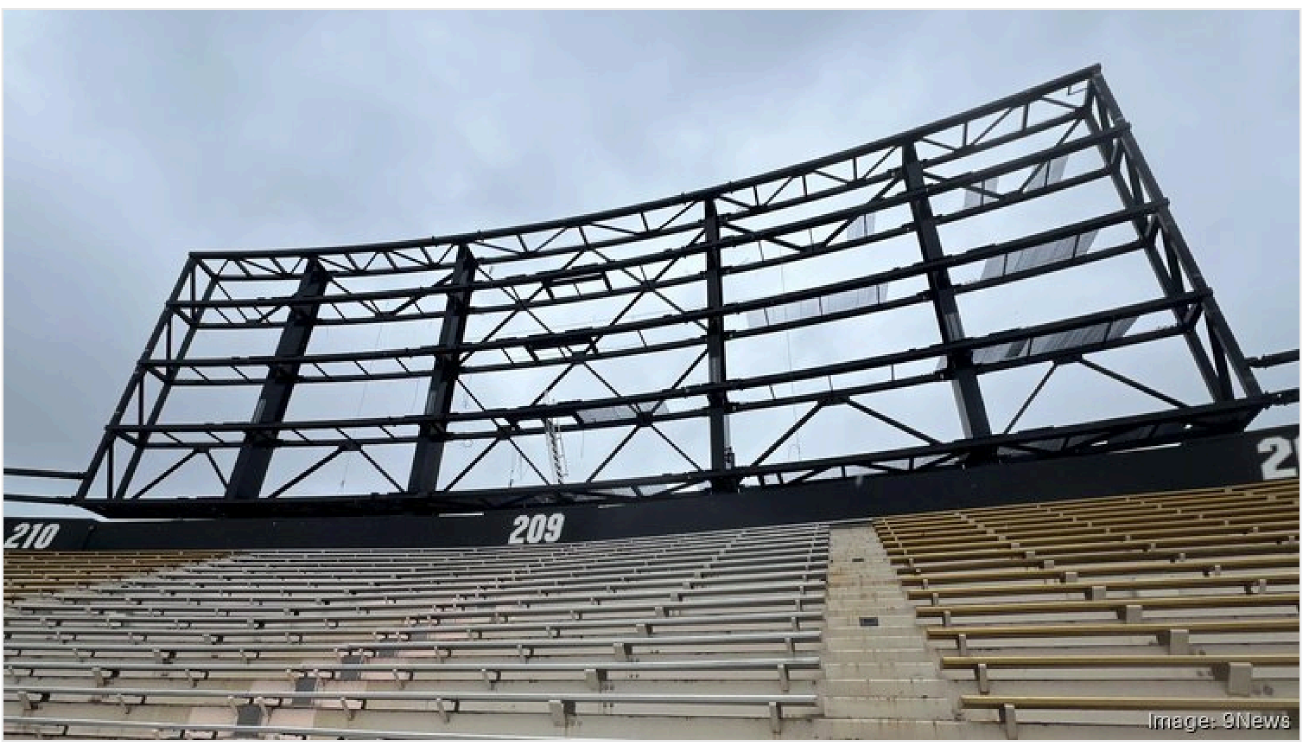
SOURCE: CU BOULDER'S NCAA MEMBERSHIP FINANCIAL REPORTING SYSTEM

But that hasn't been the case at CU Boulder. In recent years, the school has drastically increased its financial support to its athletic department. Spending on athletics jumped from $11.8 million in 2022 to $31.8 million in 2023. It's not clear where CU found all of the added funding; officials would only definitively say where the money doesn't come from.

That money is divided between direct support allocated for operations, indirect support for things like facilities, HR and security, and money from student fees on tuition bills. Schwartz said that no tax or tuition dollars are spent on athletics.

Hurlbert has attributed the increase in university spending in 2023 to covering a previous deficit and Title IX improvements like new lights at the field used for women's soccer and lacrosse. In fiscal year 2024, that university support rose to $31.9 million, some of which Hurlbert said offset legal fees incurred by conference realignment when the school moved to the Big 12.

In 2025, it reached a new high of $43.5 million. Hurlbert said that increase helped fund a new scoreboard, which cost $7 million and a turf field at Folsom Field, which cost nearly $1 million, according to a contract obtained by the DBJ. The turf allows for concerts to be hosted at the venue during the football season, which CU estimated would bring in $6.8 million in new revenue for fiscal year 2026.



Folsom Field videoboard is under construction in April 2024.

9NEWS

If Lovo cannot close the funding gap, the university may have to continue to step in with its money to make up the difference.

One of the largest sources of revenue for schools is money distributed by conferences from TV rights contracts. When CU joined the Big 12, it was expected to receive $31.7 million annually from the Big 12's deals with ESPN, FOX and TNT.

Negotiations for a new deal in 2030, when the conference's current contract expires, are already underway. Schwartz said an increase in rights payments will be essential for future budgets. In the meantime, he views the university's contributions to its athletic department not as a bailout, but as a bridge to that future.

Currently, the soft cap is set to increase by 4% annually. A bipartisan Senate bill, the Protect College Sports Act, would solidify the cap but shoot it to $50 million. CU Boulder and every athletic conference support the bill, which provides a long list of guardrails around college athletics. But the bill, which will be voted on in September, faces long odds to pass.

"In the meantime, we need to go all in on every other form of revenue we can get," Schwartz said.

THE LIST

2025 Colorado Colleges and Universities

Student credit hours (Sept. 2024-May 2025)

Rank	Prior Rank	Institution
1	1	University of Colorado Boulder
2	2	Colorado State University
3	3	University of Colorado Denver | Anschutz Medical Campus

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