**Action Item**

BOT - 3  Proposal for Expansion of University Alcohol Policy

**Background Information**

As outlined in the attached materials, legislative changes in 2019 expanded exemptions permitting issuance of permits for the sale of certain alcoholic beverages on the campus or property of a public college or university. Those exemptions now extend to any stadium, athletic facility, or arena on the campus or property of a public college or university, under certain conditions and contingent upon approval by the institution’s Board of Trustees.

In light of these changes, and as recommended by the Compliance, Audit, Risk Management, and Legal Affairs (CARL) Committee, the UNC Greensboro Board of Trustees is asked to authorize the university to obtain permits for the sale of alcohol at athletics facilities in accordance with the expanded exemptions and to delegate to the Chancellor the authority to take all necessary steps to implement the action of the Board.

**Recommended Action**

That the Board of Trustees approve the proposed resolution allowing alcohol sales at athletics facilities and delegate to the Chancellor the authority to take all necessary steps to implement the action of the Board.

**Attachment**

3.1  Memorandum and Proposed Resolution Allowing Alcohol Sales at Athletics Facilities (CLOSED)
Proposal for Expansion of University Alcohol Policy

UNC Greensboro Board of Trustees
December 1, 2022
Agenda

• Overview/background of proposed expansion of alcohol policy (Milman)
• Relevant statutory authority (Blakemore)
• UNC System constituent institution comparisons (Harris)
• Impact on Athletics (Mackin)
• Proposal/operational and liability impact (Milman)
• Conclusion
Overview/Background

- UNC Greensboro’s current alcohol policy allows for both service and sale of alcoholic beverages on University property.
- Men’s basketball game attendees are currently able to purchase alcohol because the Greensboro Coliseum is not a University venue.
- The majority of UNC System constituent institutions and many of the schools in the Southern Conference allow the sale of alcohol in athletics facilities.
- UNC Greensboro would like to extend this option to those who would like to enjoy an alcoholic beverage in a safe and controlled environment that enhances the gameday experience.
Consultative Process

- Comprehensive consultative process included conversations with:
  - Cathy Akens, Vice Chancellor for Student Affairs
  - Sarah Daynes, Faculty Senate Chair
  - Faculty Senate Executive Committee
  - Student Government Association Leadership
  - UNC System constituent institution colleagues
  - Greensboro Sports Foundation
Relevant Statutory Authority

• North Carolina law prohibits issuing permits for the sale of alcoholic beverages to a business on the campus or property of a public university unless there is a specific statutory exemption.

• Statutory Definitions:
  - "Alcoholic beverage" means any beverage containing at least one-half of one percent (0.5%) alcohol by volume, including malt beverages, unfortified wine, fortified wine, spirituous liquor, mixed beverages, and any alcohol consumable.
  - "Malt beverage" means beer, lager, malt liquor, ale, porter, and any other brewed or fermented beverage or alcohol consumable except unfortified or fortified wine as defined by this Chapter, containing at least one-half of one percent (0.5%), and not more than fifteen percent (15%), alcohol by volume. Any malt beverage containing more than six percent (6%) alcohol by volume shall bear a label clearly indicating the alcohol content of the malt beverage.
  - "Unfortified wine" means any wine or alcohol consumable containing sixteen percent (16%) or less alcohol by volume made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.
  - "Fortified wine" means any wine or alcohol consumable containing more than sixteen percent (16%) and no more than twenty-four percent (24%) alcohol by volume, made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.
  - "Spirituous liquor" or "liquor" means distilled spirits or ethyl alcohol, and any alcohol consumable containing distilled spirits or ethyl alcohol, including spirits of wine, whiskey, rum, brandy, gin, and all other distilled spirits and mixtures of cordials, liqueur, and premixed cocktails, in closed containers regardless of their dilution.
  - "Mixed beverage" means either of the following: (a) a drink composed in whole or in part of spirituous liquor and served in a quantity less than the quantity contained in a closed package (b) a premixed cocktail served from a closed package containing only serving.
  - "Alcohol consumable" means any manufactured and packaged ice cream, ice pop, gum-based, or gelatin-based food product containing at least one-half of one percent (0.5%) alcohol by volume.
Relevant Statutory Authority

- **Prior to June 26, 2019**, there were exemptions for nonprofit alumni associations and the sale of malt beverages, unfortified wine, or fortified wine at performing arts centers located on property owned or leased by a public university.

- **On June 26, 2019**, the exemptions were expanded and now any stadium, athletic facility, or arena on the campus or property of a public college or university is also exempt from the prohibition on obtaining a permit for the sale of alcoholic beverages.
  - Board of Trustees approval is required to take advantage of the exemption
  - Board must also submit written notice of approval to Alcoholic Beverage Control Commission
Relevant Statutory Limitations

• The statute only allows permits for the sale of malt beverages, unfortified wine, or fortified wine.
• The sale of mixed beverages is specifically prohibited.
UNC System Constituent Institution Comparisons

• 10 UNC System constituent institution Boards of Trustees have voted to allow the sale of alcohol at athletic stadiums, facilities, or arenas since the applicable state statute was revised in 2019

• Common requirements include:
  • limited designated points of sale depending on facility size
  • presence of security/law enforcement at points of sale
  • ID display required at the time of purchase
  • one drink per person limits
  • cessation of sales within a set period of time prior to the conclusion of the event
Impact on Athletics

• Currently sale and consumption of alcohol only at men’s basketball games (Greensboro Coliseum)
• Proposed expansion will allow sale and consumption of alcohol at soccer stadium, baseball stadium, softball stadium, and Fleming Gymnasium
Soccer Stadium
Baseball Stadium  Softball Stadium
Proposal to Expand Alcohol Policy

• Seek approval of the UNC Greensboro Board of Trustees to allow UNC Greensboro to sell alcohol at athletic facilities; and

• Delegate to the Chancellor the authority to implement the action of the Board.

• Update current University Alcohol Policy.
Operational and Liability Impact

• The sale of alcohol at UNC Greensboro men’s basketball games and at other UNC System constituent institutions has not damaged the gameday experience.

• If the proposal is approved by the Board of Trustees, the University will convene a cross departmental committee to develop operational procedures for the sale of alcohol at athletic facilities for approval by the Chancellor’s Council.

• The committee will include representatives from:
  • Chancellor’s Office
  • Athletics
  • Student Affairs
  • UNCG Police Department
  • Office of Institutional Risk Management
  • Office of Institutional Integrity and General Counsel
  • Campus Enterprises
Using UNCW for Sales Projections

Both beer and wine sold for $8 per unit.

Approximately 2,996 units sold.

At max, approximately 11% may have purchased one alcoholic beverage.

If we saw the same demand and price were the same, UNCG Athletics would sell approximately $25,608 worth of alcoholic beverages based on FY 2022 attendance at same sports.
Conclusion

• The Governor and General Assembly have allowed for the sale of alcohol at athletic facilities on the property of public universities in North Carolina.

• A number of UNC System constituent institutions have utilized this authority without significant liability or damage to the gameday experience.

• The University proposal is presented primarily to enhance the gameday experience at UNC Greensboro’s athletic facilities.
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