

SFU president faces questions about private restaurant

BY ERIN FITZPATRICK

BURNABY, B.C. (CUP) — The president of Simon Fraser University is facing questions about his role in the school's decision to bail out a private restaurant on campus that owed it money and faced bankruptcy.

Last November, the university's governing council voted to rescue the fledgling Diamond University Club, a private society, by paying off its debts.

The Diamond Club owed SFU more than \$500,000. The university paid between \$500,000 and \$750,000 to help the society, *the Peak*, SFU's student newspaper, learned.

University president Dr. Jack Blaney, who sits on SFU's board of governors, also sat on the Diamond Club's board of directors until 1996.

Although Blaney says he didn't attend any Diamond Club board meetings after 1996 because he believed he was no longer a director, he is still registered as one.

Blaney's involvement in both bodies is noteworthy given how SFU's decision to help the Diamond Club unfolded.

Last year the society, which had been running a deficit for years, began to consider declaring bankruptcy. Since the Diamond Club didn't have directors' insurance, bankruptcy would have put its directors at risk of paying the employee costs of shutting the club, such as severance packages and back pay.

According to documents obtained by *the Peak*, these costs would have come to at least \$140,000. As a Diamond Club director, Blaney could have been liable for part of that money.

Last May, Blaney brought the club's predicament to the attention of SFU's board of governors, and asked vice-president of finance Roger Ward to prepare a series of options outlining what the university could do.

He then presented those options to the board in November, when it met to vote on whether to bail out the society.

The option statement prepared by Blaney's office made it clear that bankruptcy would expose both past and present Diamond Club directors to liability claims.

At that same meeting, Blaney said he was in a conflict of interest and didn't vote.

But according to the board of governors' conflict of interest guidelines, Blaney should have declared the conflict when the Diamond Club's financial difficulties were first discussed, and should have stayed out of the debate.

The guidelines state, "A Member has an obligation to declare a conflict of interest prior to discussion or decision of an issue... A conflict of interest arises when a member's private interests supersede or compete with his/her dedication to the interests of the University."

Yet Blaney was involved in discussion surrounding the Diamond Club. He was the first to raise the issue and present SFU with options, and in letters, emails and media interviews, Blaney said he was committed to the club remaining open.

"This facility... must be maintained as a special gathering place," Blaney stated in a Dec. 2, 1998 campus-wide email

explaining why it had been necessary to save the Diamond Club.

Blaney says he didn't remove himself from the debate immediately because he didn't realize he was in conflict of interest until the board of governors' November meeting.

He said he only realized he was in a conflict of interest when a colleague brought the issue to his

attention.

"I didn't even think about it," Blaney said.

"But I mean, I didn't really feel there was a conflict of interest because I had those options [about how SFU could address the Diamond Club's problems] prepared and knew which option I was going to present to the board before I found out," he said.

Blaney also said he didn't

know that he was still a Diamond Club director, or that he could have been liable for bankruptcy costs.

"I hadn't been a director for over two years," he said. "I didn't know that according to the records, I still was."

Blaney said he has no intention of having the possible conflict of interest investigated or rectified, stating the board's decision is a *fait accompli*.

THE GAZETTE

has two issues left before the end of the term. We would like to thank all our readers for their interest and support during the past eight months.

The Gazette will be back as usual next fall. We look forward to providing the Dal community with its own news voice during the 1999 / 2000 season.

University of Ottawa Muslim students win prayer space

BY MATTHEW KAYAHARA

OTTAWA (CUP) — Muslim students at the University of Ottawa have finally won a prayer space after an eight-year lobby effort.

"We'd like to thank [the university] for this opportunity," said Hassan Merhi, president of the Muslim Student Federation.

The university's director of student affairs, who has been working out the regulations for the building, is satisfied with the new house, a spokesman said.

"Student affairs is very happy about the new project," said spokesperson Pierre Brault. "It's another service for students — and not just for students, for all Muslims [at the university]."

The need for a prayer house stems from the Islamic custom of requiring adherents to pray five times a day — once before sunrise, once at noon, once in the afternoon, and twice after sunset. Merhi says the custom means many Muslims must pray between classes.

Until now, the Muslim population has been using a room in the Campus Ministry office

building. The problem, Merhi said, was the room was too small and could only be used at certain times since several clubs shared it.

"Suppose I had a class [that caused me to miss one prayer] time. I couldn't use it after class," he said.

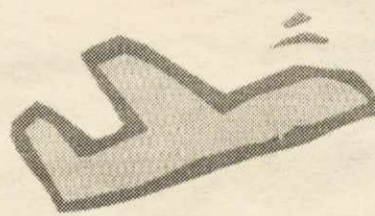
After years of petitioning the university for a Muslim prayer space, the Muslim Student Federation and another Muslim group on campus were offered a house last year.

But the campus house burned down before they had a chance to move in.

Joseph Lloyd-Jones, assistant vice-rector of institutional research and planning, said it took a long time to locate the current house.

"To identify space on campus is extremely difficult," he said. "Then there's the question of making the place suitable."

The prayer house will be open for prayer, meditation and studying the Koran from early each morning until late at night. All Muslim members of the university community — which Merhi estimates at about 2,500 people — are welcome.



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