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# NATIONAL ASSEMBLY

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SECOND SESSION

THIRTY-FIFTH LEGISLATURE

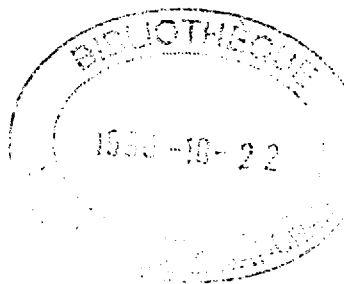
Bill 45

## **An Act respecting university foundations**

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### **Introduction**

**Introduced by  
Madam Pauline Marois  
Minister of Education**



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**Québec Official Publisher  
1996**

#### EXPLANATORY NOTES

*This bill empowers the Government to establish, by order, a university foundation for a university-level educational institution referred to in section 1 of the Act respecting educational institutions at the university level, whose mission will be to promote and provide financial support for the teaching and research activities of the institution concerned.*

*Each foundation will be a legal person within the meaning of the Civil Code of Québec and a mandatary of the Government.*

*Each foundation will be administered by a board of directors composed of at least three and not more than seven members, including the chairman, appointed by the Government. At least three members will be selected from a list of no fewer than six candidates drawn up by the educational institution.*

*In the pursuit of its mission, a foundation may receive liberalities, in particular in the form of gifts or legacies. It will hold and manage property received in accordance with its by-law approved by the Government, and will remit the property to the educational institution in the manner provided for.*

*Each foundation will be required to forward to the Minister of Education and the educational institution a detailed statement of all property received and of the use made of it, together with an auditor's report on its accounts made by external auditors appointed by the foundation's board of directors.*

# Bill 45

## **An Act respecting university foundations**

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

### CHAPTER I

#### ESTABLISHMENT AND ORGANIZATION

**1.** The Government may, by order, establish a university foundation for a university-level educational institution referred to in section 1 of the Act respecting educational institutions at the university level (R.S.Q., chapter E-14.1), whose mission shall be to promote and provide financial support for the teaching and research activities of the institution concerned.

The order establishing the university foundation shall take effect from the date of its publication in the *Gazette officielle du Québec* or from any later date specified therein.

The university foundation shall be designated by the name “Fondation universitaire de ...” followed by the name of the university-level educational institution concerned.

**2.** The university foundation is a legal person.

**3.** The university foundation is a mandatary of the Government.

Its property forms part of the public domain, but the execution of the obligations of the foundation may be levied against its property.

The foundation binds none but itself when it acts in its own name.

**4.** The head office of the foundation shall be located at the place determined by its board of directors.

Notice of the location and of any change in location of the head office shall be published in the *Gazette officielle du Québec*.

**5.** The foundation shall be administered by a board of directors of at least three and not more than seven members, including the chairman, appointed by the Government.

At least three members must be selected from a list of at least six candidates drawn up by the educational institution.

**6.** The members of the board of directors shall be appointed for a term of office not exceeding five years.

At the expiry of their term, they shall remain in office until reappointed or replaced.

**7.** Any vacancy on the board of directors shall be filled by the Government for the unexpired portion of the original term; the new member must be selected from a list of at least three candidates drawn up by the educational institution.

**8.** The members of the board of directors shall receive no remuneration, except in such cases and on such conditions as may be determined by the Government. They are, however, entitled to the reimbursement of the expenses incurred in the performance of their duties, on the conditions determined by the Government.

**9.** The chairman is responsible for the management of the foundation, and shall also perform any duties delegated to him by the board of directors.

Where the chairman is absent or unable to act, his duties shall be performed temporarily by a member of the board of directors designated by the Government.

**10.** The quorum at meetings of the board of directors is a majority of its members.

The decisions of the board shall be made by a majority vote of the members present.

In the case of a tie-vote, the chairman shall have a casting vote.

**11.** The members of the personnel of the foundation shall be appointed and remunerated in accordance with the staffing plan and the standards and scales established by by-law of the foundation.

Such by-law shall also determine the social benefits and other conditions of employment of the personnel.

## CHAPTER II

### POWERS

**12.** In the pursuit of its mission, a foundation may receive liberalities, in particular in the form of gifts or legacies, and act as administrator or trustee in respect of property entrusted to it in such form.

**13.** The foundation is bound to invest the monies it receives in accordance with the rules relating to presumed sound investments set out in the Civil Code of Québec.

Any other property received by the foundation must be administered in accordance with the provisions of its by-laws.

**14.** The foundation must, within 60 days of the end of its fiscal year, remit to the educational institution all the property received during the fiscal year or acquired by the foundation to replace such property and that is not needed for the exercise of the foundation's functions, together with all unused fruits and revenues deriving from the property received.

However, the educational institution may waive its right to receive the property and require the foundation to administer the property for such length of time as the institution determines.

**15.** The institution may transfer any of the property it possesses to the foundation, to be administered by the foundation for such length of time as the institution determines.

**16.** The foundation may pass by-laws concerning

- (1) its internal management and operating procedure;
- (2) the administration of the property it receives.

A by-law passed under this section shall be submitted to the Government for approval.

## CHAPTER III

## FINANCIAL PROVISIONS

**17.** The fiscal year of the foundation shall end on 31 May.

**18.** The foundation must pay its operating expenses out of the fruits and revenues from the property it receives.

**19.** The accounts of the foundation shall be audited, for every fiscal year, by external auditors appointed by the board of directors of the foundation. The auditors' remuneration shall be charged to the foundation.

**20.** The foundation shall forward to the Minister and to the educational institution, within four months of the end of its fiscal year, the auditor's report on its accounts, together with a detailed statement of all property received and of the use made of it.

The statement must also contain all the information on the foundation's mission that is required by the Minister.

## CHAPTER IV

## FINAL PROVISIONS

**21.** The Minister of Education is responsible for the administration of this Act.

**22.** This Act comes into force on (*insert here the date of assent to this Act*).