
Creation of a Legal Entity Policy

Policy Sponsor:	Office of the President
Policy Contact:	Vice-President, Finance and Administration
Policy Number:	N/A
Effective Date:	March 24, 2014
Approval Group:	The Governors of Athabasca University
Approval Date:	March 24, 2014, Motion # 187-06
Review Date:	This policy will be reviewed annually.
Procedure:	Creation of a Legal Entity Procedure

Purpose

This policy outlines the processes that must be followed and the approvals that must be obtained prior to the Athabasca University (AU) becoming involved in the creation of a legal entity.

Definitions

Legal Entity	An association, charitable organization, society, corporation, partnership, joint venture, proprietorship, trust or similar structure that has legal standing or a structure where AU has a significant influence in its operations.
Significant Influence	Where AU is a founding member of a legal entity, has the power to appoint directors or can set the strategic or operating policies and directions of a legal entity.

Policy Statements

AU's participation in the creation of a legal entity must be done in accordance with the terms of the [Alberta Post-Secondary Learning Act](#) in creating a Legal Entity.



Prior to AU participating in the creation of a legal entity, it must undertake appropriate due diligence to ensure that it has assessed the strategic, financial, operational, compliance and reputational risks associated with its involvement in the legal entity

The Office of the Vice-President, Finance and Administration will assess whether it is appropriate to recommend proceeding with the creation of a Legal Entity.

Applicable Legislation and Regulations

[Alberta Post-Secondary Learning Act](#)
[Alberta Financial Administration Act](#)

Related References, Policies, Procedures and Forms

[Creation of a Legal Entity Procedure](#)
[Partnerships Policy](#)

History

The Governors of Athabasca University, March 24, 2014, Motion # 187-06 (approved)