

1986 BILL Pr 11

First Session, 21st Legislature, 35 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL Pr 11

THE McMAN YOUTH SERVICES FOUNDATION ACT

MRS. HEWES

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill Pr 11
Mrs. Hewes

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THE McMAN YOUTH SERVICES FOUNDATION ACT

(Assented to , 1986)

WHEREAS a petition has been presented by John Edwards, Don Patterson, Jim Leonard all of the City of Edmonton and Jerry Selinger of the City of Calgary, all members of the Executive Committee of the board of directors of McMan Youth Services Association, praying for the incorporation of The McMan Youth Services Foundation and it is expedient to grant the prayer of the petition;

THEREFORE HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

Definitions

1 In this Act,

- (a) "Board" means the Board of Directors of the Foundation;
- (b) "Chairman" means the Chairman of the Board;
- (c) "Director" means the Director of the Board;
- (d) "Executive Director" means a person who is from time to time appointed Executive Director of the Foundation;
- (e) "Foundation" means The McMan Youth Services Foundation;

(f) "McMan" means the McMan Youth Services Association;

(g) "Vice-Chairman" means the Vice-Chairman of the Board.

Incorporation 2(1) Don Patterson, Jim Leonard, Jerry Selinger, and John Edwards are hereby created a body corporate with the name of "The McMan Youth Services Foundation" composed of members described in accordance with the provision of this Act.

(2) The Foundation is a continuing body notwithstanding any change or vacancy in its membership or its Board.

Management 3(1) The Board shall have direction and control over the conduct of the affairs of the Foundation and may delegate its power and authority as it may prescribe by by-law.

(2) The Executive Director, subject to the direction of the Board, is responsible for the daily administration and management of the affairs of the Foundation.

Objects 4 The Foundation shall have the following objects:

(a) to receive gifts, donations, bequests, grants and other property from any source;

(b) to act as a charitable foundation;

(c) to provide community and residential programs to promote and encourage emotional, social, and behavioural development in youth;

(d) to contribute funds as the Foundation may deem appropriate to other charitable organizations which have purposes similar to those outlined in clause (c).

Powers 5 Without limiting the generality of the general authority of section 4 and subject to section 6, the Foundation shall have the power:

(a) to appoint an Executive Director and such other employees as may be necessary to conduct the daily administration and management of the affairs of the Foundation

(b) to acquire and hold any real or personal property or any estate or interest in real or personal property or any rights or privileges of any kind or nature and to alienate, sell, lease or dispose of any property, rights or privileges;

(c) to provide consultation services to any acceptable organization in furtherance of its objects including internship or training programs, psychological supervision, preparation of management, program and financial assistance;

- (d) to engage the services of any bank, treasury branch, trust company or credit union and to enter into agreements for that purpose;
- (e) to engage the services of any stockbroker, investment counsellor, lawyer or any other person with respect to any matters relating to its objects or the exercise of its powers;
- (f) to make by-laws for the proper administration of the Foundation;
- (g) to enter into with any government authority or person any agreement that the Foundation deems necessary or useful to fulfill its objects;
- (h) to make payments to charitable organizations and charities in accordance with the powers;
- (i) generally, to do or cause to be done all things necessary or incidental to the operation of a charitable foundation for purposes of achieving its objects.

Limitation of powers

6(1) Without the majority approval of the Board the Foundation shall not:

- (a) borrow any funds;
- (b) invest its funds or property in any investments unless those are investments permitted for trustees pursuant to the *Trustee Act*;
- (c) expend during any fiscal year for any purpose more than
 - (i) half of the receipts received by way of gifts, donations, bequests or grants during any fiscal year, and
 - (ii) all of the net income earned from its investments during any fiscal year after making adequate provisions for any losses that may have occurred during the fiscal year.

(2) Notwithstanding subsection (1) neither the Board nor the Foundation may authorize the expenditure of any of the capital of the Foundation for the purpose of paying the management and administration expenses of the Foundation or for making contributions to other charitable organizations.

Members and Board of Directors

7(1) The Foundation shall be composed of:

- (a) those persons named in section 2(1) and any person appointed pursuant to section 9(2) in substitution for any of them,

(b) 1 member of the board of directors of McMan appointed by the board of directors of McMan, and

(c) 2 persons, 1 from the portion of the Province including and north of the City of Red Deer, and 1 from the portion of the Province south of the City of Red Deer, appointed by a majority vote of the persons who are members pursuant to clauses (a) and (b).

(2) The members mentioned in subsection (1) shall constitute the Board.

Appointment
and term of
members

8(1) As soon as a practically possible after this Act comes into force the members of the Foundation described in section 7(1)(b) and (c) shall be appointed.

(2) The term of office of the Directors shall be for the same period as the term of office of a director of McMan.

Vacancies

9(1) A vacancy on the Board for any cause other than expiration of the term of appointment, shall be filled for the remainder of the term by an appointment made by the remaining Directors.

(2) A vacancy in the membership in the Foundation for any cause other than expiration of the term of appointment shall be filled for the remainder of the term by an appointment made by the remaining members.

(3) A former member of the Foundation or the Board is eligible for reappointment.

Non-profit
operation

10(1) The Foundation shall operate on a non-profit basis and subject to subsections (3) and (4), no part of the income or capital of the Foundation shall be paid to a person who is a Director in his capacity as Director, or to a member of the Foundation, in his capacity as a member.

(2) If upon the winding up or dissolution of the Foundation there remains, after satisfaction of all its debts, liabilities and obligations, any property or assets whatsoever, the same shall not be paid or distributed generally among the members but shall be paid or transferred to McMan, or in the event such organization or a legal successor thereto no longer exists or does not wish to receive the property or assets, to such other charitable organization in Canada the objects of which, in the opinion of the officers of the Foundation, most closely resemble those of the Foundation.

(3) The Foundation may contract with a member of the Board or a Director to provide professional services other than the function of member or Director, and pay him for such services.

(4) The Foundation may reimburse a member of the Board or a Director for his actual and reasonable expenses, incurred in carrying out the duties of member or Director.

Qualifications **11** Any person over the age of 18 who would be qualified to be a director of a corporation pursuant to the *Business Corporations Act* is qualified to hold the office as a member of the Foundation or Director.

Chairman and Vice-Chairman **12(1)** At each annual meeting the members of the Foundation shall elect 1 of its members to act as Chairman and 1 of its members to act as Vice-Chairman.

(2) The Chairman shall preside at meetings of the Foundation and in his absence, the Vice-Chairman.

(3) In the absence of both the Chairman and Vice-Chairman, the Foundation may appoint a member to preside over the meeting.

Quorum **13(1)** A majority of the members of the Foundation shall constitute a quorum of the Foundation.

(2) A majority of the Directors shall constitute a quorum of the Board.

Seal **14** The Foundation shall have a common seal.

Head office **15** The head office of the Foundation shall be in the Province of Alberta at a location determined by the Board.

Audit and statement **16(1)** The foundation shall cause an annual audit of its accounts to be made at least once in every fiscal year by an independent auditor who shall be a chartered accountant who shall be appointed at the annual meeting of the Foundation.

(2) The fiscal year of the Foundation shall coincide with the fiscal year of McMan Youth Services Association.

(3) The Foundation shall give the auditor such information and permit such inspections as are necessary to enable the audit to be carried out, and shall cause an audited balance sheet and statement of revenue and expenditure of the Foundation for the preceding fiscal year and investments, if any, held by the Foundation for the preceding fiscal year and investments, if any, held by the Foundation at the time of the audit for the year, to be laid before the first meeting of the Foundation held after the completion of the audit, and at the option of the Board may be published in 1 or more newspapers circulated in the Cities of Edmonton and Calgary.

Charitable purpose **17** Notwithstanding any other provisions herein, the Foundation:

- (a) is established to operate exclusively for charitable purposes and no other purposes, and
- (b) shall be operated without purpose of gain for its members and all accretions of the Foundation of any kind shall be used in promoting its objects.

In accordance with section 4(1) of the Interpretation Act, this Bill comes into force on the date it receives Royal Assent.