

Approval Date: June 25, 2010

Most Recent Editorial Date: November 15, 2022

Parent Policy: [Creation of a Legal Entity Policy](#)

Creation of a Legal Entity Procedure

Office of Administrative Responsibility:	Office of the Vice-President (University Services & Finance) and Office of General Counsel
Approver:	Vice-President (University Services & Finance)
Scope:	Compliance with this University policy extends to all academic, support and excluded staff, postdoctoral fellows, and academic colleagues as outlined and defined in the Recruitment Policy (Appendix A and Appendix B: Definitions and Categories) ; undergraduate, graduate and students; emeriti; members of the Board of Governors; third party contractors; and volunteers.

Purpose

The purpose of this Procedure is to detail the processes to be followed, and the approvals to be obtained, prior to the creation of a **legal entity**.

PROCEDURE

1. REVIEW PROCESS

- a. The responsibility for preparing a **proposal** for the creation of a legal entity lies with the proposing unit. A proposal will include any documents that are required for the creation of the legal entity, including financial and legal documents. The proposing unit is also responsible for managing the consultation and approval process for the proposal.
- b. Attached to this procedure as an Information Document is a list of **reviewing units** and the subject matters that they will be reviewing. A proponent must contact each reviewing unit to ensure that their proposal addresses, where applicable, the listed subject matter areas. Reviewing units will review proposals in accordance with their own checklists. The proponent must keep a record of their consideration of all of the subject matter areas and a copy of this record must be submitted with the proposal.
- c. Initially, any proposal for the creation of a legal entity will be forwarded by the lead Vice-President, Dean, Chair or Director to the Office of General Counsel.
- d. The Office of General Counsel will review the proposal to ensure that all of the subject matter areas have been addressed. If necessary, the Office of General Counsel may contact any of the reviewing units on specific subject matters.
- e. The proposal may be forwarded to units other than those listed if it is determined by the Office of General Counsel that review by that unit is warranted. Comments are returned to General Counsel, who will work with the proponent to incorporate suggested revisions into the proposal.
- f. The final proposal will be sent by the proponent to the Vice-President (University Services & Finance), who will review the proposal and supporting documents and determine whether or not it is appropriate to proceed into the

approval process.

2. APPROVAL PROCESS

- a. Documents that have completed the initial review process and which are deemed by the Vice-President (University Services & Finance) to be ready for the formal approval process will be submitted by the proponent to the **President's Executive Committee** - Operations (PEC-O) for review and comment.
- b. PEC-O will decide whether the University will proceed with the proposal and if so, will determine whether the proposal requires Board of Governors approval and an Order-in-Council from the Government of Alberta.
- c. If no other approvals are required, PEC-O will be the final approver of proposals for the creation of legal entities.

3. COSTS

All costs involved in the creation of the legal entity (such as the costs of incorporation) will be borne by the proponent unit.

4. QUESTIONS OF INTERPRETATION

The Office of the General Counsel will have the authority to decide whether a proposed legal entity falls within the scope of this policy suite.

DEFINITIONS

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [[▲ Top](#)]

Legal Entity	Includes a corporation, partnership, joint venture or other similar structure, whether or not controlled by the University. The term legal entity does not include an academic or affiliated centre or institute under the Centres and Institutes Policy, nor does it include a spin-off company created under the mandate of Technology Transfer Services.
Proposal	A document that outlines the reasons for creation of the legal entity and includes the documentation that would be required to create the legal entity, to the extent that such documentation is known.
Reviewing Units	Those units of the University of Alberta who will have responsibility for reviewing legal entity proposals to ensure specific subject matter areas have been addressed. The reviewing units and their areas of responsibility have been detailed in an attached Information Document.
President's Executive Committee	A committee comprised of the president, the vice-presidents of each portfolio, and General Counsel.

FORMS

Should a link fail, please contact uappol@ualberta.ca. [[▲ Top](#)]

RELATED LINKS

[Centres and Institutes Policy](#) (UAPPOL)

[Contract Review and Signing Authority Policy](#) (UAPPOL)

[Creation of Legal Entity – Areas for Consideration](#) (University of Alberta)