

*The
Saskatchewan
Foundation for the
Arts Act*

being a Private Act

Chapter 03 of the *Statutes of Saskatchewan, 1999*
(effective May 6, 1999).

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER 03

An Act respecting the Saskatchewan Foundation for the Arts

Short title

1 This Act may be cited as *The Saskatchewan Foundation for the Arts Act*.

Interpretation

2 In this Act:

- (a) “**appointers**” means the panel of appointers established pursuant to section 9;
- (b) “**board**” means the Board of Trustees of the Foundation appointed pursuant to section 7;
- (c) “**contributed capital**” means money, gifts and donations of property received by the foundation to be used for its objects and purposes;
- (d) “**foundation**” means The Saskatchewan Foundation for the Arts established pursuant to section 3;
- (e) “**property**” means personal and real property;
- (f) “**trustee**” means a member of the Board of Trustees of the Foundation.

1999, c.03, s.2.

Body corporate

3 The Saskatchewan Foundation for the Arts is established as a body corporate.

1999, c.03, s.3.

Head office

4 The head office of the foundation shall be maintained in Saskatchewan in a location designated by the board.

1999, c.03, s.4.

Objects and purposes

5(1) The objects and purposes of the foundation are to receive money and accept gifts and donations of property and to invest or manage them to generate income which it shall use for charitable purposes for the benefit of the people of Saskatchewan and, in particular:

- (a) to benefit, support and promote the arts and artists in Saskatchewan for purposes beneficial to the community;
- (b) for any other arts purposes that, in the opinion of the board, benefits, supports or promotes the mental and moral improvement of the inhabitants of Saskatchewan.

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(2) The foundation shall use the amount of its funds required to be distributed in compliance with the *Income Tax Act* (Canada), as amended from time to time, in the attainment of the purposes and objects of the foundation.

(3) The foundation may act as a trustee of any registered charitable trust the objects or purposes of which are consistent with the objects and purposes of the foundation, and may manage and administer the trust funds or property in accordance with the terms of the trust.

(4) The foundation may act as manager of any registered charitable fund the objects or purposes of which are consistent with the objects and purposes of the foundation.

(5) Subject to section 11, all contributed capital of the foundation shall be held in perpetuity by the foundation and shall be invested and the net income therefrom shall be devoted to the objects or purposes of the foundation at the discretion of the board.

1999, c.03, s.5.

Powers

6(1) Subject to the other provisions of this Act, the foundation has the powers, rights and privileges of a natural person.

(2) Without limiting the generality of subsection (1), the foundation has the power to:

(a) solicit, receive and hold property by gift, devise, transfer or otherwise for any object or purpose of the foundation and may administer property of every kind and description wherever it is situated;

(b) solicit funds and accept contributions to finance the operation of the foundation;

(c) invest and reinvest any funds of the foundation in accordance with the investment policy established by the board;

(d) at the discretion of the board, apply the net income from the contributed capital of the foundation for any object or purpose of the foundation, including, without limitation, to provide grants, awards, scholarships or other financial assistance to individuals, groups and organizations involved in the arts;

(e) subject to any trusts, terms or conditions pursuant to which it was accepted, convert any property received or held by the foundation into any other form, and for that purpose sell, assign, transfer, lease, exchange or otherwise dispose of that property;

(f) subject to subsection (4), retain or employ such financial institutions, corporations, firms or persons as it considers appropriate to hold or manage the property or investments of the foundation or of any trust of which it acts as trustee, or to advise the foundation in respect of such property or investments, and enter into agreements for that purpose;

(g) enter into agreements related to the management and administration of any registered charitable trust of which it acts as trustee or any registered charitable trust of which it acts as manager;

- (h) enter into agreements for the purpose of carrying out its objects, purposes or powers;
 - (i) purchase, lease or otherwise acquire any property required for the operation of the foundation, and sell, lease or otherwise dispose of its property;
 - (j) borrow from any financial institution, corporation, firm or person any sums of money that, in the opinion of the board, may be required to carry out its objects, purposes or powers and secure any borrowing by bonds, debentures, bills of exchange, promissory notes, mortgages or any other instruments; and
 - (k) employ any persons it considers necessary for the operation of the foundation and determine their conditions of employment and remuneration.
- (3) The foundation shall retain a trust company or other financial institution licensed or otherwise authorized under the laws of Saskatchewan or Canada to carry on the business of offering to the public its services as trustee to have the custody of the contributed capital of the foundation.
- (4) A trust company or financial institution retained pursuant to subsection (3) to provide custody services shall not during the same time be retained by the foundation to provide investment management services.

1999, c.03, s.6.

Board of trustees

7(1) The Board of Trustees of the Foundation is to be composed of:

- (a) a minimum of nine and a maximum of 15 voting members all of whom are to be appointed by the appointers;
 - (b) honorary non-voting members who are to be appointed by the appointers; and
 - (c) not more than two non-voting members who are appointed by the Saskatchewan Arts Board from among the members of the board of directors of the Saskatchewan Arts Board.
- (2) Not more than two of the voting trustees may, at the time of their appointment, be resident outside of Saskatchewan.
- (3) Non-voting trustees shall not be entitled to a vote on matters before the board.
- (4) Each trustee shall hold office for a three year term and is eligible for re-appointment.
- (5) No trustee shall hold office for more than three consecutive terms.
- (6) The body by which a trustee was appointed may terminate the appointment of the trustee upon being requested to do so by the board.
- (7) The body by which a trustee was appointed may appoint a person to fill a vacancy in the board for the remainder of the term of the trustee whose death, resignation or termination created the vacancy.
- (8) The board may appoint officers or committees of the board from its members and delegate to them such duties and powers as it considers appropriate.

1999, c.03, s.7.

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8(1) The board shall manage the affairs and activities of the foundation.

(2) The board shall establish, and the foundation shall adhere to, an investment policy that a reasonable and prudent person would apply in order to avoid undue risk of loss and obtain a reasonable return.

1999, c.03, s.8.

Appointers

9(1) There shall be a panel of appointers consisting of the persons who from time to time hold the following offices:

- (a) the Lieutenant Governor of Saskatchewan;
- (b) the Chief Justice of Saskatchewan;
- (c) the Chairperson of the board of directors of the Saskatchewan Arts Board;
- (d) the chancellor of The University of Regina; and
- (e) the chancellor of the University of Saskatchewan.

(2) A majority of the appointers shall exercise the rights and powers of the appointers under this Act.

1999, c.03, s.9.

Bylaw

10 The board may make, amend or repeal bylaws:

- (a) governing the affairs and activities of the foundation;
- (b) governing its procedures and the conduct of its meetings;
- (c) establishing committees to assist the board in carrying out the objects and purposes of the foundation; and
- (d) generally for the carrying out of the objects, purposes and powers of the foundation.

1999, c.03, s.10.

Contributed capital

11(1) If the foundation receives contributed capital subject to trusts, terms or conditions that require the contributed capital to be disbursed, the foundation may disburse that contributed capital in accordance with those trusts, terms or conditions.

(2) Subject to subsection (3), by a resolution passed by not less than 80% of the votes cast by the trustees entitled to vote on the resolution, the board may authorize part of the contributed capital of the foundation to be disbursed for any purpose consistent with the objects or purposes of the foundation.

(3) No more than five % of the total amount of the contributed capital at the time a resolution is passed pursuant to subsection (2) may be disbursed pursuant to the resolution, and no subsequent disbursement is to be authorized pursuant to subsection (2) until the total amount of the contributed capital at the time the subsequent resolution authorizing a disbursement is passed is at least equal to the total amount of the contributed capital at the time the immediately preceding resolution authorizing a disbursement was passed.

1999, c.03, s.11.

Compliance with terms

12(1) The foundation shall comply with any trusts, terms or conditions subject to which it receives any contributed capital unless, in the opinion of the board, the trusts, terms or conditions will jeopardize the status of the foundation as a registered charity within the meaning of the *Income Tax Act* (Canada), as amended from time to time, in which case the trusts, terms or conditions may be deleted or amended by the board to the extent it considers necessary to avoid that consequence.

(2) Where, after the death of a person or the dissolution of a body corporate that has made a gift or donation to the foundation which is subject to trusts, terms or conditions, circumstances arise that, in the opinion of the board, make it impossible or impractical to comply with the trusts, terms or conditions, the board may delete or amend the trusts, terms or conditions as it considers reasonable to further the objects or purposes of the foundation.

1999, c.03, s.12.

Rule against perpetuity

13 The rule against perpetuities does not apply to contributed capital received by the foundation.

1999, c.03, s.13.

External property in trust

14(1) Where any person or trustee holds property in trust for any purpose consistent with the objects and purposes of the foundation and by reason of:

- (a) the object and purpose of the trust having ceased to exist; or
- (b) the trust for any cause having become incapable of performance;

the trust cannot further be administered, the person or trustees may, on notice to the foundation, apply to Her Majesty's Court of Queen's Bench for Saskatchewan for an order directing the person or trustee to transfer and deliver the trust property to the foundation to be used:

- (c) for any purpose consistent with the objects and purposes of the foundation that the court may stipulate by order; or
- (d) by the foundation for its objects and purposes generally.

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(2) Where the court receives an application pursuant to this section, it may make the order requested or any order it considers appropriate for the transfer and delivery of all or any part of the trust property to the foundation.

(3) Any person or trustee complying with an order made pursuant to subsection (2) is relieved and discharged of all further responsibility with respect to the trust property transferred and delivered to the foundation.

1999, c.03, s.14.

Directors not to profit

15 The trustees are not entitled to any remuneration in connection with their duties as trustees except as provided in the bylaws with respect to indemnification, reimbursement for expenses and payment for any services provided to the foundation in a capacity other than as trustee.

1999, c.03, s.15.

Directors not personally liable

16(1) Subject to subsection (2), no trustee is personally liable for any act, debt, contract, default or liability of the foundation.

(2) Subsection (1) does not release a trustee from liability for a breach of trust on his or her part.

1999, c.03, s.16.

Audit of trust accounts

17 The board shall, at the end of each fiscal year, cause the records, accounts and financial statements of the foundation to be audited by a chartered accountant or firm of chartered accountants.

1999, c.03, s.17.

Publication of investment details

18(1) The foundation shall annually cause to be published in newspapers with general circulation in the cities of Regina and Saskatoon a summary of its audited annual financial statements, with a notice to the public that copies of the complete audited financial statements are available in accordance with subsection (2).

(2) Upon request and upon payment of a fee to cover the costs of reproduction, the foundation shall provide to any person a copy of the complete audited financial statements of the foundation.

1999, c.03, s.18.

Accounting to Lieutenant Governor

19 Whenever required to do so by the Lieutenant Governor in Council, the foundation shall provide to the member of the Executive Council designated by the Lieutenant Governor in Council a written report and accounting of its property and affairs.

1999, c.03, s.19.

Winding up

20 In the event that the foundation is wound up, its property and assets, after satisfaction of all of its debts and liabilities, shall be distributed to one or more organizations with objects and purposes consistent with those of the foundation, as determined by the trustees.

1999, c.03, s.20.

