Content

Title：	Act governing the retirement, bereavement compensation, discharge with severance pay benefits for the teaching and other staff of school legal persons and their respective private school(s) Ch
Date：	2009.07.08
Legislative：	1. The full text of 41 articles was enacted and promulgated on 8 July, 2009 by Presidential Order No. Hua-Zong-I-Yi-09800169161; for enforcement from 1 January 2010 the date set by the Executive Yuan in Executive Yuan Order No. Yuan-Tai-Jiao-0980110568, issued 28 December, 2009.

Content：

Chapter I General Principles

Article 1

This statute is specifically enacted to protect the retirement, compensation, resignation, and severance pay rights and interests of the staff of school foundations and their private schools, and to promote the sound development of private schools (include postsecondary level colleges and universities).

Article 2

In this Act the term "competent authorities" refers to: the Ministry of Education at the central government level; the municipal government at the special municipality level; and the county government or county-level city government at the county or county-level city respectively.

Article 3

The term "staff" in this Act refers to the paid, full-time, currently employed principal (president), teachers, and other staff in the organizations of accredited private schools, and the staff of school foundations.

The "staff of school foundations" in the preceding paragraph is limited to staff members who are included in the allocated number of staff of a private school established by the school foundation.

Article 4

Retirement, compensation, resignation, and severance payments for the staff of school foundations and their private schools shall be made by means of a fund. The staff, private schools, and competent school authority, shall jointly contribute funds on a monthly basis, to establish a Retirement, Compensation, Resignation, and Severance Fund (hereafter referred to as "the Retirement and Compensation Fund"), from which such payments shall be made.

The central competent authority shall, in consultation with relevant agencies, assist private schools, school foundations, and staff representatives to form the ROC Private School Staff Retirement and Compensation Fund Management Committee (hereafter referred to as "the Fund Management Committee"), and delegate it to handle the revenue and expenditure, management, utilization, and deliberations of the Retirement and Compensation Fund, and to decide matters relating to retirement, compensation, resignation, and severance. Not less than one-third of the Fund Management Committee shall be staff representatives and expert representatives recommended by staff. The central competent authority shall, in consultation with relevant agencies, also form a Private School Retirement and Compensation Fund Supervisory Committee, to be responsible for the supervision and assessment of the fund.

The management committee of the former ROC Private School Teacher and Staff Retirement and Compensation Fund that was established under the Private School Act (hereafter referred to as the "former fund management committee", and "the former private school retirement fund" respectively) in place before this Act took effect shall, after the Fund Management Committee has been established, be integrated into the Fund Management Committee, after which all rights and obligations of the former fund management committee shall be taken on by the Fund Management Committee.

The Fund Management Committee shall separately establish school fund reserve accounts for private schools, and individual Retirement and Compensation Fund accounts for staff members.

A school foundation and its private schools are not permitted to determine and put in place their own retirement, compensation, resignation, and severance provisions in place of the retirement, compensation, resignation, and severance system prescribed in this Act.

Regulations governing the organization, meetings, administration, and related matters, of the Fund Management Committee and the Supervisory Committee referred to in Paragraph 2 shall be prescribed by the central competent authority.

Article 5

When a staff member applies for retirement, compensation, resignation, or severance payments, that staff member or his or her survivors shall submit an application form with appropriate certifying documents and receipts attached to the employing school, which shall compile applications and forward them to the Fund Management Committee for it to review for approval within 2 months from the day following its receipt. If necessary, the period may be extended and the applicant will be notified of the extension. Only one extension may be granted, and the extension may not exceed one month.

Article 6

The right of a staff member or his or her survivors to claim for any payment referred to in this Act is not permitted to be attached, assigned, or provided as security.

Article 7

The right to claim for payment of pension, compensation, or severance for years of service before this Act took effect will ipso facto be extinguished if not exercised within 5 years from the date that the claim is exercisable.

Chapter II Contributions to the Retirement and Compensation Fund

Article 8

Within 2 months from the beginning of each academic term, a private school shall make the following staff retirement, compensation, resignation, and severance reserve fund contributions to the Fund Management Committee:

1. Private schools at the senior high school level and above: contribute an amount equivalent to 3 percent of tuition.
2. Private junior high schools and private elementary schools: contribute an amount equivalent to 2.1 percent of miscellaneous fees.

The Fund Management Committee shall remit two-thirds of the contribution amount specified in the preceding paragraph into each private school's school fund reserve account, to act as a reserve for the school's monthly contributions to the Fund prescribed in the provisions of this Act. The remaining one-third shall be remitted into the former private school retirement fund, to utilize to pay the retirement, compensation, and severance payments of teachers and other staff, payable based on their years of service before this Act took effect.

If a private school fails to make any contribution or does not contribute the full amount by the deadline set out in Paragraph 1, a late payment fee of 3 percent of the contributable amount will be imposed each day from the day following the expiration of the deadline until the day before the contribution is made in full, up to a maximum equivalent to the contributable amount. The revenue from late payment charges shall go into the school fund reserve account of the respective private school.

The funds jointly contributed on a monthly basis referred to in Article 4, Paragraph 1 shall jointly make up an amount equivalent to 12 percent of double the staff member’s base salary (based on seniority), with joint contributions and be paid into each individual’s Retirement and Compensation Fund account as set out below:
1. The staff member shall contribute 35 percent.
2. The school fund reserve account shall contribute 26 percent.
3. The private school shall contribute 6.5 percent.
4. The school authority shall contribute 32.5 percent.

If there is any shortfall in the amount of the contribution referred to in Subparagraph 2 of the preceding paragraph, the private school shall pay the difference.

The contribution referred to in Paragraph 4, Subparagraph 3 may first be remitted out of reserve funds in the school fund reserve account. Any surplus remaining in the school fund reserve account at the end of each academic term may be paid into each individual’s Retirement and Compensation Fund account in a lump sum payment on a pro rata basis, based on each private school staff member’s base salary (based on seniority) and weighted according to the number of days he or she worked during that academic term.

The responsibility of the school authority to make the contributions referred to in Paragraph 4, Subparagraph 4 shall be limited to a maximum of 35 years. However, for a teacher or principal (president) who has been employed for a full 35 years and has been employed as a qualified staff member for 30 years, and who at the time of retirement has been continuously employed as a teacher or principal (president) for the preceding consecutive 5 years or longer and has a good performance record, the contributions may be made for a maximum of 40 years. For years of service that exceed the maximum limit, apart from the individual contributions of the principal (president) or teacher, the remainder of the amount due shall all be contributed by the private school.

In the case of a staff member who has been employed less than a full month, the contribution to be made is calculated from the person’s actual salary income as follows: the base salary (based on seniority) at that staff member’s pay level, divided by the number of days in that month, multiplied by the actual number of days he or she has been employed.

If a staff member believes there is an error in the service period or contribution amount calculated by the employing school, the staff member shall raise an objection with the employing school within 1 month from the date of the contribution, and request an amendment.

The funds contributed by a staff member referred to in paragraph 4, subparagraph 1 shall not be included in his or her salary income in the contribution year for tax assessment purposes.

The pension, severance and compensation for a staff member’s years of service before the establishment of the Retirement and Compensation Fund shall be paid by the former private school retirement fund. If there is any shortfall, it may be covered by the school authority, by a budget allocation, or by an annual adjustment within the scope of the annual budget, without being subject to the restrictions of Articles 23, 62, and 63 of the Budget Act.

When the time has arrived that none of the staff employed at any private or public school has any years of service at a private school before this Act took effect, the Fund Management Committee shall remit the full amounts of the contributions made by private schools referred to in paragraph 1 into the school fund reserve accounts of the respective private schools, and each private school shall take measures as set out in Article 9.

Article 9
A private school may, taking into consideration its financial situation and the school's main development objectives, increase its contributions to the retirement, compensation, resignation, and severance pay reserve funds for its staff. If a staff member makes corresponding contributions to the reserve fund, the amount thereof, insofar as it does not exceed the contribution amount referred to in paragraph 4, subparagraph 1 of the preceding article, shall also not be included in his or her salary income of the contribution year for tax assessment.

Any increased contributions to the retirement, compensation, resignation, and severance pay reserve funds and to the staff reserve funds as referred to in the preceding paragraph shall be fully disclosed in the financial statements, and the Fund Management Committee may be delegated to handle matters in connection with the revenue and expenditure, management, and utilization thereof.
Article 10
The Fund Management Committee shall consider the size of the Retirement and Compensation Fund created in compliance with the contributions referred to in the provisions of Article 8, and design a range of investment portfolios with different returns and risks for staff to choose from. The implementation regulations therefor shall be prescribed by the central competent authority.

Before the offering of the choice of investment portfolios referred to in the preceding paragraph is implemented, the Retirement and Compensation Fund shall be uniformly managed and utilized by the Fund Management Committee.

The return on the Fund during the period of its uniform management and utilization, and, after the offering of a choice of investment portfolios has been implemented, the return on an investment portfolio that the Fund Management Committee has rated as having the lowest level of risk, is not permitted to be lower than the 2-year term deposit rate of local banks. If any shortfall occurs, it shall be made up in full by the National Treasury.

If after deduction of the principal and interest paid to the fund by the staff member, the pension, compensation, or severance payment collected by a staff member for years of service after this Act took effect is lower than the standard for the calculation of pension, compensation, or severance pay for years of service before this Act took effect, each respective competent authority shall make up the difference.
Article 11
If any school authority or private school fails to make monthly contributions to the Retirement and Compensation Fund for its staff, or fails to contribute the required amounts in full, thereby causing any staff member to suffer a loss, it shall be liable for damages. This shall not apply, however, if the failure is due to a cause not attributable to the school authority or to the private school.

The right of claim for any loss referred to in the preceding paragraph shall be extinguished if not exercised within 2 years from the time that the staff member discovers the loss, and 5 years from the time the loss occurs.
Chapter III Integration of Different Retirement and Compensation Fund Systems
Article 12
The years of employement of a staff member before and after this Act took effect shall be calculated in aggregate.

A staff member's years of service after this Act took effect shall be limited to those years for which annual contributions have been made to the Retirement and Compensation Fund. Years of service for which contributions have not been made to the Retirement and Compensation Fund, or years of service for which a pension, a resignation-related refund, or severance pay have previously been paid, shall all be excluded from inclusion in the years counted.

Except as otherwise provided in this Act, the retirement, compensation, resignation, and severance payments to a staff member for the years of service after this Act took effect are paid from the cumulative principal and interest paid into the staff member’s individual Retirement and Compensation Fund account by the Fund Management Committee out of the Retirement and Compensation Fund. The same applies for years of past employment of a public school principal (president) or teacher for whom contributions have been made to the Retirement and Compensation Fund referred to in this Act and for whom no pension, severance pay, or resignation-related refund has yet been paid.

The standards for calculation of the aggregated years of service before this Act took effect, and the basis points for pensions, compensation pay, and severance pay, and the computation of the maximum basis points shall be handled in compliance with the provisions formerly governing the retirement, compensation, and severance matters of private school staff before this Act took effect. Pensions, compensation, and severance pay for years of service before this Act took effect shall be paid by the Fund Management Committee out of the former private school retirement fund.

Any years during which a private school principal (president) or teacher has been employed in the past as a paid qualified principal (president) or teacher in the staff organization of a public school, for which no pension, resignation-related refund, or severance pay has yet been paid, may, upon the issuance of written verification by the original employing school, be included in the person’s aggregate years of service, and a pension, compensation pay, or severance pay, shall be paid, based on the appropriate ratio approved for the years of service, as specified below:
1. Years of service at a public school before (and including) 31 January 1996 shall be paid by the competent authority of the school where the person last been employed.
2. Years of service at a public school after (and including) 1 February 1996, shall be paid by the Management Board of the Public Service Pension Fund.

Article 13

When a person who has already collected a pension, resignation-related refund, or severance pay once again takes a position as a private school staff member, that person is not required to pay back the payment already received. When the person subsequently applies again for retirement, compensation, resignation, or severance, his or her years of service shall be counted beginning from the month in which the new position was taken.

Chapter IV Retirement

Article 14

Retirement of staff members is divided into voluntary retirement, age-mandated retirement, and compulsory retirement.

Article 15

A staff member shall be granted voluntary retirement in either of the following circumstances:
1. The staff member has reached the age of 60.
2. The staff member has been employed for 25 full years.

When a private school carries out staff downsizing in compliance with laws and regulations, in tandem with a reorganization, suspension of operations, or a merger, the school may grant voluntary retirement to a staff member who does not meet the requirements of the preceding paragraph but to whom any of the following circumstances pertain:
1. The staff member has been employed for 20 full years or longer.
2. The staff member has been employed for 10 full years or longer, and has reached the age of 50.
3. The staff member has been at the highest seniority pay level in his or her position for 3 full years.

For job positions with restrictive physical requirements, the central competent authority may consider lowering the age stipulated in paragraph 1, subparagraph 1, but to no lower than the age of 55.

Article 16
When a staff member reaches the age of 65, a private school shall take the initiative to carry out the procedures for that staff member's age-mandated retirement. However, service may be extended in any of the following circumstances:
1. If the term of appointment of a principal (president) has not yet expired, the person may continue to serve in the position until the expiration of the appointment; the person likewise may continue to serve if re- appointed at the expiration of the term. However, no extension of an appointment is permitted once the person reaches the age of 70.
2. The term of appointment of a professor at a school at junior college level or higher may be extended based on teaching needs, and subject to the person's agreement to continuing his or her service. However, each extension is not permitted to exceed one year, and at most, such extensions may only continue until the academic term in which the person reaches the age of 70.
Article 17
If after this Act took effect, a private school appoints, in compliance with the Private School Act, a principal (president) or full-time teacher who is aged over 65, all the contributions to the Retirement and Compensation Fund, apart from the principal (president) or teacher's own individual contributions referred to in Article 8, Paragraph 4, Subparagraph 1, shall be made entirely by the private school.
Article 18
If a staff member who has been employed for 5 years or longer becomes unable to competently perform his or her duties because of a physical or mental disability, as supported by solid evidence, and the person is unwilling to produce a medical certificate verifying treatment by a hospital that meets or exceeds the hospital assessment standards set by the central competent heath authority, then after the private school's supervisory and human resources personnel have submitted a report of the matter to, and obtained approval from, the principal (president), the staff member shall be ordered to obtain medical treatment. If after two academic terms the staff member is still unable to competently perform his or her duties or has not been successfully treated, the school shall take the initiative to carry out the procedures for the staff member's compulsory retirement.
Article 19
For retirement purposes, a staff member's age shall be determined by calculating from the birth date recorded in the household registration.

When a principal (president) or teacher voluntarily retires in accordance with the provisions of Article 15, unless there is some special reason to do otherwise and the employing school certifies that there will be no effect on teaching, the effective date of retirement will be 1 February or 1 August.

When age-mandated retirement is imposed on a staff member in accordance with the provisions of Article 16, if the staff member's birth date falls during the period from 1 August to 31 January of the following year, the effective date of retirement will be no later than 1 February of the following year; if the staff member's birth date falls during the period from 1 February to 31 July, the effective date of retirement will be no later than 1 August.

The standards for determination of a "special cause" referred to in paragraph 2 shall be handled in accordance with the relevant provisions for public schools.
Article 20
The methods of payment for pensions are as follows:
1. For service of less than 15 years, pensions shall be paid in a lump sum.
2. For service of 15 years or longer, the staff member shall choose one of

the following pension payment methods:
(1) a lump-sum payment.
(2) periodic payments.
(3) lump-sum-plus-periodic-payments. The standards governing the permitted percentage ratios for lump-sum-plus-periodic payments shall be prescribed by the central competent authority.

For a lump-sum payment, the staff member shall receive the aggregate of the principal and interest in the staff member' s individual Retirement and Compensation Fund account, and the pension payable for the years of service before this Act took effect, all in one lump sum.

If periodic payments are chosen, the staff member shall be enrolled in annuity insurance conforming to the provisions of the Insurance Act for the total amount that would have been receivable in a lump-sum payment, to serve as the periodically paid pension.

A person who chooses periodic payments or lump-sum-plus-periodic payments, may at the time of retirement, use his or her pension or social insurance benefits, duly received in accordance with the law, to make a lump-sum payment to purchase in full annuity insurance as referred to in the preceding paragraph.

In the case of payment by the method set out in paragraph 1, subparagraph 2, item (3), the pension shall be calculated according to the ratio of the lump-sum payment and the periodic payments.

When a person retires because of illness or injury caused by duty, the person shall be exempt from the requirement of service of 15 years or longer referred to in paragraph 1, subparagraph 2 regarding eligibility for periodic payments, and in addition, the private school shall pay an additional lump-sum payment equivalent to 20 percent of the lump-sum pension standard referred to in the private school staff retirement provisions originally in effect before this Act took effect. If the person' s period of service is less than 5 years, it shall be deemed to be 5 years.

The phrase "because of illness or injury caused by duty" in the preceding paragraph refers to any illness or injury resulting from any of the following circumstances, which has been verified by the employing school, and verified by a medical treatment certificate issued by a hospital that meets or exceeds the hospital assessment standards set by the central competent heath authority:
1. A hazard occurring in the execution of duties.
2. An accident occurring at the place of work.
3. An accident or hazard encountered in the course of commuting to or from work.
4. Unyielding diligence or overwork.
Article 21
Upon the death of a person who has chosen periodic payments or lump-sum-plus-periodic payments, if the annuity insurance in which the deceased was enrolled referred to in paragraphs 3 and 4 of the preceding article does not provide for continued receipt of payments by survivors, and the total of the periodic payments already received by the deceased does not reach the guaranteed amount for which the deceased was enrolled in the annuity insurance, the insurer shall pay the balance, discounted to present value at the stipulated interest rate, to the survivors in a lump-sum.

If the person has no survivors to receive any payment referred to in the preceding paragraph, and has no will specifying the utilization or no will specifying the utilization of any such payment, the original employing school will, after using the amount necessary for funeral expenses, utilization the balance exclusively for purposes of general or special student scholarships offered by the person' s original employing school.

The handling of the scope, order, and proportional claims of survivors referred to in paragraph 1 shall be as stipulated in the annuity insurance contract; if no provision is made in the contract, the handling of such matters shall be governed by the Civil Code.

Chapter V Severance and Resignation

Article 22

If any of the circumstances listed below pertain to a staff member, and that person does not meet the conditions for retirement, the private school may carry out the procedures to pay the staff member severance in accordance with applicable laws and regulations. However, severance to a principal (president) shall be paid by the school foundation; when necessary, the school authority may order it to make payment.

1. No work is available for the staff member in his or her current position and no other appropriate job is available, because of adjustments to departments, graduate institutes, subjects, divisions, or curricula, or reduction in the number of classes, suspension of operations, or dissolution of the school.
2. The staff member is unable to competently perform his or her duties because of physical or mental disability, verified by a certificate issued by a hospital that meets or exceeds the hospital assessment standards set by the central competent heath authority.
3. The quality of the staff member’ s work in his or her current position, as reviewed and verified by the school’ s instructor evaluation committee, consistently fails to meet teaching standards.
4. The staff member has been placed under a declaration of guardianship (or before 22 November 2009, placed under a declaration of interdiction) or a declaration of assistance, which has not been voided.

Article 23

Staff severance payments shall be calculated using the standard for lump-sum payments.

Article 24

A staff member who resigns without meeting the requirements for retirement or severance pay may collect the principal and interest in his or her individual Retirement and Compensation Fund in a lump sum. However, a staff member who has exploited an opportunity offered by his or her position to commit a crime and has been convicted and sentenced, may collect only the principal and interest from his or her own contributions to the Fund.

If during his or her period of employment, a staff member exploits an opportunity offered by his or her position to commit a crime, as referred to in the proviso of the preceding paragraph, and if the person has been convicted and sentenced only after a pension or severance pay has already been paid to the staff member in accordance with the provisions of this Act, the staff member shall pay back the principal and interest paid to him or her from the contributions of the private school and the school authority.

Article 25

With the exception of any person who has exploited an opportunity offered by his or her position to commit a crime and has been convicted and sentenced, as referred to in the preceding paragraph, a staff member who meets the requirements for a pension or severance pay is entitled to refrain from collecting his or her duly approved pension or severance pay, in which event, upon the date the person reaches the age of 60, the Fund Management Committee will pay the principal and interest of any resignation or severance pay that the person has not yet collected, or the person may be enrolled in annuity insurance by the application, mutatis mutandis, of Article 20, Paragraph 3.

If a person referred to in the preceding paragraph dies before reaching the age of 60, the principal and interest of any resignation or severance pay that the person has not collected shall be paid by the Fund Management Committee to the person’ s survivors in a lump sum. The handling of the scope, order, and proportional claims of the survivors referred to in paragraph 1 shall be governed by the Civil Code.

The handling of the scope, order, and proportional claims of survivors of a person who has been enrolled in annuity insurance` referred to in paragraph

1 shall be as stipulated in the annuity insurance contract; if no provision is made in the contract, the handling of such matters shall be governed by the Civil Code.

Chapter VI Compensation

Article 26

If a staff member either meets with either of the following circumstances, his or her survivors shall be paid compensation:
1. Death caused by illness or injury.
2. Death caused by duty.

With the exception of a staff member whose death is caused by commission of a crime or suicide, his or her survivors shall be paid the same compensation as that for death caused by illness.

The phrase "death caused by duty" in paragraph 1, subparagraph 2 refers to a death as a result of any of the following causes, as verified by the employing school:
1. A hazard occurring in the execution of duties.
2. An accident occurring at the place of work.
3. An accident or hazard encountered in the course of commuting to or from work.
4. Unyielding diligence or overwork.

Article 27

The methods of payment of compensation are as follows:
1. For service of less than 15 years, compensation shall be paid in a lump sum.
2. For service of 15 years or longer, the staff member's survivors shall choose one of the following compensation payment methods:
(1) A lump-sum compensation payment.
(2) Compensation annuity payment.

For a lump-sum compensation payment, the staff member's survivors shall receive the aggregate of the principal and interest in the staff member's individual Retirement and Compensation Fund account, and the compensation payable for the years of service before this Act took effect all in one lump sum.

If a compensation annuity is chosen, the staff member's survivors shall be enrolled in annuity insurance in compliance with the Insurance Act, for a total amount equivalent to what would have been receivable in a lump-sum payment, to provide a periodically paid compensation annuity.

A person who chooses compensation annuity, at the time of the compensation, may, out of the whole or a part of the payment from social insurance or another lawful pension system, make a lump-sum payment to purchase in full the annuity insurance referred to in the preceding paragraph.

Article 28

If a staff member's death is caused by duty, in addition to the compensation referred to in the preceding paragraph, an additional one-off payment of 25 percent of the compensation shall be made; for a death caused by a hazard occurring in the execution of duties, an additional 50 percent payment shall be made.

In the case of a person's death caused by duty referred to in the preceding paragraph, if the person has been employed less than 15 years, the period of employment shall be deemed 15 years; in the case of death caused by a hazard occurring in the execution of duties if the person has been employed 15 years or more but less than 30 years, the period of employment shall be deemed 30 years.

The additional compensation referred to in the preceding two paragraphs shall be paid by the private school according to the standards set out in the original regulations governing private school staff compensation in effect before this Act took effect.

Article 29

One-half of the compensation pay for a staff member's survivors shall be

distributed to his or her unremarried spouse, and the remainder shall be divided evenly among the other survivors in the following order:
1. His or her children; if the staff member was an only child, his or her parents.
2. His or her parents.

When there are multiple survivors within either of the two orders referred to in the preceding paragraph, if any of them dies or waives the right to receive the compensation pay, his or her compensation pay shall be redistributed evenly among the remainder of the eligible survivors of the same order. If there are no survivors in the first order category, the compensation pay shall be distributed evenly among the survivors in the second order category.

If the staff member has before death made a will which designates the order in which the survivors referred to in paragraph 1 are to receive compensation, the staff member' s compensation shall be distributed as his or will instruted.

If there are no survivors such as referred to in paragraph 1, or if compensation is not carried out in accordance with this Act, the staff member' s heirs may apply to the Fund Management Committee for payment of the principal and interest in the staff member' s individual Retirement and Compensation Fund account. If there are no heirs, the original employing school may, after using the amount necessary for funeral expenses, utilize the balance exclusively for general or special student scholarships offered by the original employing school.
Chapter VII Management and Supervision
Article 30
Except for the utilizations stipulated in the provisions of Article 31, the Retirement and Compensation Fund may be utilized only for the payment of the pensions, compensation pay, severance pay, and refunds related to early resignation of the staff of private schools.
Article 31
The scope for utilization of the Retirement and Compensation Fund is as follows:
1. Purchase of domestic and foreign government bonds, treasury bills, short-term notes and bills, beneficiary certificates, bonds, stocks of exchange-listed or OTC-listed companies, and hedging-purpose derivative financial instruments.
2. Depositing in banks designated by the Fund Management Committee.
3. Participation in Retirement and Compensation Fund personnel welfare loans, and investment in related real estate facilities.
4. Investment in venture capital enterprises with establishment approval from the government.
5. Other investments that yield a beneficial return-on-investment of the Retirement and Compensation Fund, subject to the Fund Management Committee reporting to and obtaining approval from the central competent authority.
Article 32
With respect to the register of staff members and related information, the competent authorities, the Fund Management Committee, insurance enterprises handling annuity insurance business, and all related personnel thereof are not permitted to externally disclose any confidential information obtained in the course of handling business, or seek to make anyillegal profits, and shall diligently perform the fiduciary duties of prudent administrators, and seek maximum economic benefit for staff members.
Article 33
The Fund Management Committee shall set up separate accounts for and separately handle the revenue and expenditure of the former private school retirement fund, the Retirement and Compensation Fund, and the reserve funds that private schools have delegated the fund to manage and utilize referred to in Article 9, paragraph 2. The Fund Management Committee shall handle the relevant accounting reports and annual final accounting in accordance with regulations.

Regulations governing the revenue and expenditure, management, utilization, and allocation of any surplus or deficit of the Retirement and Compensation Fund and of the former private school retirement fund, and related matters shall be prescribed by the central competent authority.

Article 34

The Fund Management Committee shall on a monthly basis review, publicly disclose, and report for recordation by the central competent authority, the revenue and expenditure, utilization, and any surplus or deficit of the Retirement and Compensation Fund. When necessary, the central competent authority may audit the register of staff members, records of contributions, and related information.

Article 35

The expenses incurred by the Fund Management Committee to carry out the various operations required in association with this Act may be paid from the former private school retirement fund, and included in the annual budget.

Article 36

If a private school acts in breach of the provisions of this Act governing contributions to the Retirement and Compensation Fund, the Fund Management Committee will report to the relevant school authority which will order the school to remedy the situation by a deadline. If the school has not remedied the situation by the deadline, the competent authority may suspend financial incentives and subsidies to that school in whole or in part.

Article 37

If a staff member who is retiring, resigning, or leaving employment with severance pay, or a survivor applying for compensation pay, has any objection to a decision made regarding retirement, resignation, severance, or compensation pay, the person may initiate the remedy procedures available under the law.

Chapter VIII Supplementary Provisions

Article 38

All account books, receipts, and revenue and expenditure related to the handling by the Fund Management Committee of the operations referred to in this Act are without exception exempt from taxation.

Article 39

Matters related to retirement, severance, resignation, and compensation payments for persons listed below who are full-time, qualified, paid personnel in the organizations of private schools shall be subject, mutatis mutandis, to the provisions of this Act.

1. Research personnel employed under the University Research Personnel Employment Regulations.
2. Professional technicians employed under the Employment Regulations for Professional Technicians Teaching at Universities.
3. Specialist and technical instructors selected and hired under the Regulations Governing the Selection and Hiring of Specialist and Technical Instructors by Junior Colleges.
4. Foreign nationals who serve as full-time, qualified, paid teachers, or as personnel in a capacity listed in any of the preceding three subparagraphs, in the organizations of accredited private schools at any level.

The principals and staff of private kindergartens that have completed foundation registration are also permitted to be subject, mutatis mutandis, to the applicable provisions of this Act.

Article 40

The Enforcement Rules of this Act shall be prescribed by the central competent authority.

Article 41

The date of effect of this Act shall be prescribed by the Executive Yuan.