

Content

Title :	Implementation Regulations Governing Applications for Conversion into a Private School Endowment Corporation Ch
Date :	2009.01.07
Legislative :	1.Sixteen articles announced by Ministry of Education Order Tai-Tsan-Tzu No. 0970257758C on January 7, 2009, effective as of the date of announcement.
Content :	<p>Article 1 These Regulations are prescribed pursuant to Article 87, Paragraph 2 of the Private School Act (hereinafter referred to as “the Act”).</p> <p>Article 2 Incorporated private schools (herein referred to as an “incorporated private school”) that have been established before these amended regulations take effect on January 18, 2008 may individually or through merger apply to convert its legal status and established school as a private school endowment corporation (herein referred to as “school endowment corporation”). However, incorporated private schools that fall under the circumstances described in Article 71, Paragraph 1, of the Act and have previously applied for a change of educational, cultural or social welfare objectives, may not apply for a change in organizational status under the regulations stipulated in the Act.</p> <p>Article 3 When an incorporate private school individually applies for a change in organizational status, its board of directors shall submit a written request for change in registration, a copy of donation charter rules, inventory of assets, and other pertinent documentation. These items shall be given to the competent authority of the school endowment corporation, who shall forward the information to the court where a change in name of said school endowment corporation shall be registered.</p> <p>Article 4 A written request for change in registration shall include the following items:</p> <ol style="list-style-type: none">1. The name of the incorporated private school and the name of the newly established school endowment corporation2. Names of the founder(s) of the incorporated private school3. Names and term duration of all board members of the incorporated private school4. Names and term duration of all supervisors of the school endowment corporation5. Amount of funds used to establish the school endowment corporation6. Names of established private school(s) <p>Funds used to establish the school endowment corporation, as referred to in Subparagraph 5 of the preceding paragraph, shall not be less than thirty percent (30%) of the minimum amount of funds stipulated to fund the prior incorporated private school when it was established.</p> <p>Article 5 When submitting relevant information and documentation, if an incorporated private school has failed to comply with the requirements stipulated in Article 3 and other related regulations, the competent authority of the school endowment corporation shall order the omission or mistake corrected within a set period time. If the mistake or omissions have not been corrected within the appointed time, the application shall be rejected.</p> <p>Article 6 Where an incorporated private school has successfully registered a change of organizational status as provided in Article 3, the school endowment corporation and its established schools shall assume the rights</p>

and obligations held by the former incorporated private school.

Article 7 When two or more incorporated private schools apply to merge and change organizational status, the board of directors from said incorporated private schools shall collectively draw up a merger plan and contract, as well as submit a CPA certified balance sheet and asset lists to the competent authority of the newly formed school endowment corporation (hereinafter known as "the competent authority of the newly formed entity") for approval.

The competent authority of the newly formed entity shall consult with the original competent authority for the incorporated private school and their schools (hereinafter known as the "original authority") before approving the application.

The proposed merger plan and contract shall be reviewed and decided upon by the board of directors of incorporated private school before proceeding further.

The competent authority of the newly formed entity, before approving actions described in paragraph 1, shall first consult the school consultative committee and other related authorities and experts. When necessary, they may also ask the applicant to provide further clarification.

Article 8 A merger plan shall include the following items:

1. Reasons for the merger.
2. Analysis of the conditions and problem areas of each incorporated private school.
3. Merger plan details, including anticipated future developments; make-up of the board of directors of the school endowment corporation; names of supervisors hired by the school endowment corporation; organizational plan of the schools to be established; equipment located within school buildings; organizational structure of the administration; number of personnel to be employed; and a plan for the management of financial resources.
4. Explanation of how the merger plan shall affect the rights and interests of teaching staff and administrative personal and the class work of students, as well as any measures taken to handle the above.
5. Explanation of measures taken to protect information relating to the job descriptions of the board of directors and teaching staff and student class information of the original incorporated private school.
6. Timeline for the merger and issues to be handled.
7. Anticipated benefits
8. Other relevant measures

Article 9 After the competent authority of the newly formed entity has given permission for the establishment of a new school endowment corporation following the merger, the board of directors from each incorporated private school shall be given four months to collectively establish the charter rules for the new school endowment corporation, which shall be checked and ratified by the competent authority of the newly formed entity.

The board of directors of each incorporated private school in accordance with the provisions detailing the charter rules for school endowment corporations in Paragraph 1 shall recommend one to three founders. These founders, within three months after the ratification of the charter rules, as provided in Article 12 of the Act, shall choose board members and supervisors. The names shall be submitted to the competent authority of the newly formed entity to be ratified, after which a meeting shall be held within thirty days to form the board, with one member elected president.

The president of the newly merged school endowment corporation shall, within thirty days after ratification, submit to the competent authority of the newly formed entity a request for the registration of the newly established school endowment corporation, donation charter rules, an asset list of the school endowment corporation and other related documentation. The competent authority of the newly formed entity shall forward the information to the court of the place in which the head office of the school endowment corporation is located for registration.

Article 10 In cases where the incorporated private school is allowed to continue following the merger, its board of directors within four months after said merger plan has been approved by the competent authority of the newly formed entity, shall check if the charter rules and operations of the continuing school endowment corporation meet the provisions outlined within the Act and its amendments. In cases where they do not, they shall be corrected as such. Furthermore, the name of said incorporated private school as stated in the charter rules, shall be amended to read as the name of the school endowment corporation following the merger, after which it shall be sent to the competent authority of the newly formed entity for approval.

In accordance with the provisions detailing the rules of continuing incorporate private schools referred to in the preceding paragraph, the board of directors within three months following the ratification of the Rules, shall choose once again board members and re-elect the board president of the new school endowment corporation, with term limits of the board being reset, after which it shall be approved by the competent authority of the newly formed entity. However, the number of board members and the necessary qualifications as referred to in the charter rules shall remain unchanged. If board members of the continuing juristic person and its schools are re-elected for another term, their term limits shall remain unchanged.

After the merger, in accordance with personnel qualifications referred to in the charter rules of the new school endowment corporation, within thirty days of the ratification of the president of the board, the board of directors shall elect supervisors, who shall be ratified by the competent authority of newly formed entity.

Following the ratification of the supervisors, the board president shall have thirty days to submit the following to the competent authority of newly formed entity: A written request for change in registration, the charter rules of the school endowment corporation, an asset list, other related documentation. The competent authority of the newly formed entity shall relay the information to the court, which registered the continuation of the incorporated private school, to handle the change in registration of said school endowment corporation.

Article 11 When the competent authority of the newly formed entity transfers the relevant documentation to the courts as referred to in Article 9, Paragraph 3 and Article 10, Paragraph 4, it shall inform the original competent authority of the previous incorporated private school that it shall be dissolved as a result of the merger. The original competent authority of the original incorporated private school shall inform its board of directors of their dissolution and that they shall, in accordance with the Act apply to the courts for the registration of the dissolution of said incorporated private school.

In cases where the competent authority of the newly formed entity and the former competent authority are one in the same, during the time the newly formed authority agrees to the merger, it shall handle both the dissolution of the incorporated private school, as well as apply to the courts for the registration of dissolution of said incorporated private school.

Article 12 Both the establishment of a school endowment corporation following the merger and a written request for change in registration referred to in Article 9, Paragraph 3 and Article 10, Paragraph 4 shall included the following information:

1. The name of each incorporated private school and the name of the school endowment corporation following the merger
2. A list of founders of the school endowment corporation following the merger
3. Names and term limits of board members of the school endowment corporation following the merger
4. Name and term limits of supervisors of the school endowment corporation following the merger
5. Funds used in establishing the school endowment corporation following the merger

6. The names of the schools under the school endowment corporation following the merger

Funds used to organize the school endowment corporation after the merger, as referred to in Subparagraph 5 of the preceding paragraph, shall not be less than thirty percent (30%) of the minimum amount of funds that was stipulated to fund each incorporated private school and its school facilities at the time of establishment.

Article 13 In accordance with the provisions of Article 7, the school endowment corporation established after the merger shall inherit the rights and obligations of the incorporated private school that ceases to exist.

Article 14 If the board of directors of the incorporated private school is unable to complete the necessary steps towards approval within the time limits set out in Article 9 and Article 10, they shall, within a period of 10 days, apply to the competent authority of the newly formed entity for an extension by submitting reasons for the delay and relevant documentation.

If, during said application for extension, the process is not complete within the grace period given by the competent authority of the newly formed entity, or the school-organizing activity involves wrongdoing, the competent authority of the newly formed entity may withdraw or annul its permission and make the decision known to the public.

Article 15 The provisions of Articles 7 through 14 shall apply mutatis mutandis to incorporated private schools and other school corporate bodies when applying for a joint change in organizational status.

Article 16 These Regulations shall take effect on the date of promulgation.