

**TKU Regulations on Employee Retirement, Compensation, and Severance  
(MOE-Assigned Title)**

MOE Reference No. 0990005325 (01/21/2010)

**As of January 1, 2010, related matters must be handled in accordance with appendix 20: “Regulations Regarding Retirement, Compensation, Resignation, and Severance for Employees of Private Universities and their Affiliate Corporations”.**

**Chapter 1 – General Rules**

**Article 1**

These regulations were formulated in accordance with the Private School Act (Article 64) to handle all matters related to employee retirement, compensation, and severance.

**Article 2**

The term “employee” used throughout these regulations refers to qualified currently-employed full-time TKU faculty and staff. The term “caretaker” refers to all TKU full-time non-productive skilled caretakers and regular caretakers.

All police and security personnel employed under “The Rules Governing Establishment and Administration of Police stationed in Various Institutions, Schools, and Organizations” will have all matters to do with retirement, compensation, and severance (including payout criteria and amounts) handled in accordance with the above-mentioned set of rules.

**Article 3**

In these regulations, retirement age is calculated by referring to the month in which the person was born, as recorded in his / her household registration papers.

**Article 4**

Faculty members who reach retirement age between August 1 and January 31 (of the following year) should retire on February 1 of that following year. Those who reach retirement age between February 1 and July 31 should retire on August 1.

Staff members and caretakers who reach retirement age should retire on the first day

of the following month. However, if they have pending work that requires completion and gain the appropriate approval, such staff members and caretakers may delay retirement. Those who were born between August 1 and January 31 (of the following year) should retire on February 1 of that following year; while those born between February 1 and July 31 should retire on August 1. Faculty members who extend their service (delay retirement) should retire on the first day of the month following the conclusion of the semester in which the approved extension ends.

## **Chapter 2 – Payout Criteria and Amounts Offered for Retirement, Compensation, and Severance**

### **Article 5**

Employees in either of the following circumstances may apply for retirement:

1. Those who are at least 60 years old and have served at TKU for five years or more.
2. Those who have served at TKU for 25 years.

The retirement age stated above (60 years of age) may, after careful consideration, be lowered if the employee's physical condition prevents him / her from carrying out certain required tasks. Yet the revised age requirement may be reduced to no less than 55. So-called physical conditions that prevent the completion of required tasks may be adjudged with reference to related regulations for public schools.

### **Article 6**

Employees who have served at TKU for at least five years and who meet one of the following criteria must immediately retire:

1. Those who are 65 years of age or older.
2. Those who are unable to complete the tasks required in their position due to cognitive decline or physical disability.

As a principle, professors or associate professors who reach the age limit listed in point 1 (65 years of age) may not extend their duration of service.

An exception to this rule are professors and associate professors who turn 65 in the middle of an academic semester. Such faculty may extend their duration of service till the end of the semester.

Professors and associate professors who have reached retirement age and who have

demonstrated excellence in teaching or research may apply to extend their duration of service by referring to regulations governing the extension of service by public school teachers.

The assessment criteria for cognitive decline or physical disability is based on the definition of total disability or partial disability and conditions precluding the fulfillment of work-based tasks set forth in the compensation standards table for public servant and teacher disability insurance.

### **Article 7**

Caretakers who meet either of the following conditions may apply for retirement:

1. Those who have served for at least five years and who have reached the age of 55 or have become a TKU staff member.
2. Those who have served at TKU for 25 years.

### **Article 8**

Caretakers in either of the following scenarios will be ordered to leave their post:

1. Those who have reached the age of 65
2. Those who are unable to complete their required tasks due to cognitive decline or physical disability.

Those ordered from their post, as per point 2 (above), must submit a medical certificate from a public hospital or a hospital designated by labor insurance institutions.

### **Article 9**

If any of the following situations occur while an employee is still serving at TKU, compensation payment will be issued to their families:

1. Death due to illness or accident.
2. Death while carrying out work-related tasks.

This second point refers to any one of the following situations:

1. Death occurring while carrying out daring and dangerous tasks.
2. Death due to danger from carrying out work-based tasks.
3. Death due to danger or illness incurred while travelling for work-related purposes.
4. Accidental death occurring on office premises.

### **Article 10**

The provision of severance pay for faculty members should be handled in accordance with related regulations in the Teacher's Act.

For staff members, on the other hand, severance pay may be issued after their case is carefully checked – with reference to related laws – and if the staff member meets any one of the following conditions:

1. Their currently held position does not suit their skills; or there is no longer any required work to complete and no other suitable positions with which to facilitate a transfer.
2. Those suffering from mental illness, as substantiated by medical documents obtained from a public hospital.
3. Those unable to fulfill their employment duties due to physical decline or debilitation, substantiated by medical documents obtained from a public hospital.

### **Article 11**

The standard pension payment (including compensation and severance) for employees is calculated using the salary-level of the employee's last-held position at TKU and based on regulations related to equivalent salary-level employees at public schools (prior to the implementation of the pension fund system regulations). Each such payment corresponds to one "unit", and the number of "units" accumulated by a teacher or staff member represents how long they have been at TKU (see below).

### **Article 12**

The provision of retirement pension to TKU employees is carried out as follows:

Those who serve for five years receive nine units, with one additional unit added every six months. After being at TKU for 15 years, employees receive an additional bonus of two units. However, the maximum number of units to be accrued is limited to 61. Those who were at TKU for less than the minimum time block of six months will have their duration of service rounded up to six months.

If an employee's cognitive decline or physical disability (see Article 6, 2.) is the result of injury or illness incurred at work, the employee is entitled to an additional 20% on top of the base pension payout mentioned above. Those who have been at TKU for less than five years will be deemed to have been at TKU for five years.

If the university president or a faculty member has served at TKU for 30 years, has 20 years of continuous experience at both public and private schools, with an outstanding record, he / she will receive the pension payment in a one-off lump-sum format. Such

employees will receive additional units, yet have a maximum total limit of 81 units.

### **Article 13**

When caretakers retire, they receive a lump-sum retirement pension payment. For every six months at TKU, caretakers collect one additional unit. After serving at Tamkang for 15 years, caretakers receive one additional bonus unit. However, the maximum possible units allowed is 61. Those who serve at TKU for less than six months will have their service duration counted as 6 months.

If a caretaker's cognitive decline or physical disability (see Article 8, 2.) is the result of injury or illness incurred at work, his / her retirement pension will be issued based on the following criteria:

1. Those who have served at TKU for at least 15 years will receive an additional 20% on top of the base pension payout mentioned above.
2. Those who have not yet served at TKU for 15 years will receive 30 additional units.

### **Article 14**

Cognitive decline or physical disability that compels employees to retire (under Article 6, 2.) or leads to the forced retirement of caretakers (under Article 8, 2.) and that occurs while carrying out a work-based task or duty may refer to any one of the following circumstances:

1. Injury or illness caused by danger associated with or arising from the execution of one's duties.
2. Injury or illness caused by unforeseeable danger while traveling for work or while on the TKU campus.
3. Injury or illness caused in an accident while in a classroom or on campus building premises.
4. Injury or illness due to dedication and commitment to work leading to exhaustion or over-exertion.

### **Article 15**

On the occurrence of the death of an employee due to an accident or illness, compensation will be paid to the employee's family based on the following schema: The family of those who have served at TKU for one year will receive one unit; those who were at TKU for less than a year will have their duration of service rounded up to one year. Thereafter, they will receive one additional point every six months. Duration blocks of less than six months will be rounded up to six months. The family of those

who have served at TKU for at least five years will receive the benefits outlined in the first part of Article 12. The family of teachers or university presidents who qualify for additional bonus units will receive the benefits outlined in Article 12 (section 3).

### **Article 16**

Apart from the above-outlined benefits, the families of employees whose death occurred at work or due to work-related factors will receive an additional compensation payment of 25%. If the death occurred due to the employee carrying out a daring or dangerous work-related duty, the family of the deceased will receive an additional compensation payment of 50%.

In the above-mentioned scenario, if the employee had served at TKU for less than 15 years, his / her duration of service will be rounded up to 15 years. If the employee's death was caused by carrying out a daring or dangerous work-related duty and he / she had served at TKU for at least 15 years but less than 30 years, their duration of service will be rounded up to 30 years.

### **Article 17**

In the case of the death of a caretaker due to an accident or illness, their family will receive the compensation benefits outlined in the second part of Article 13.

### **Article 18**

Severance provision for employees is based on the employee's salary-level at his / her last-held position as well as their duration of service. Those who serve at TKU for one year receive one unit. Those who serve for less than a year will have their duration rounded up to one year. Thereafter, employees accrue one additional unit every six months. Those who serve for less than six months will have their duration rounded up to six months. Employees who serve at TKU for 15 years will receive a one-off additional bonus of two units.

## **Chapter 3 – Procedure for Handling Retirement, Compensation, and Severance Payments**

### **Article 19**

To apply for retirement, TKU employees must prepare the following documents three months prior to their expected date of retirement: three filled-in copies of the Retirement Fact Sheet, two personal photographs, and all employment certificates or related documentation. These documents will first be evaluated by TKU and then

submitted to the ROC Private University Employee Pension and Compensation Fund Management Committee for further evaluation. Employees who are obligated to retire immediately will have the above-mentioned Fact Sheet filled out for them. Those obligated to retire immediately due to cognitive decline or physical disability must also submit a medical certificate from a public hospital or a hospital designated by a labor insurance institution.

#### **Article 20**

Family members of a deceased TKU employee who wish to apply for compensation must fill in three copies of the Compensation Fact Form, and gather documentary proof of death, documentary proof of work experience, and household registration transcripts for the entire family. Together, these must be submitted to TKU for preliminary evaluation, and then sent to the Fund Management Committee for further evaluation. Family members listed in Article 23 (below) must fill in the Family Compensation Fact Sheet in full based on the sequence of inheritance outlined in Article 23.

#### **Article 21**

In situations where employees who are obligated to retire and caretakers who are forced to retire refuse to do so, TKU will fill in the required application forms on their behalf; and, starting from the date that retirement takes effect, TKU will no longer render salary payments.

#### **Article 22**

Those who receive official notification of severance must complete three copies of the Severance Fact Sheet and submit these, along with all employment documents and other related documentation, to TKU for preliminary evaluation. After the evaluation, the information will be sent to the ROC Private University Employee Pension and Compensation Fund Management Committee for further evaluation. When necessary, TKU may fill in and submit the application documents on the person's behalf.

### **Chapter 4 – Supplementary Provisions**

#### **Article 23**

The order in which compensation should be distributed to the family members of deceased employees is listed as follows:

1. Parents, spouse, children, and widowed daughter-in-laws (the spouse and widowed daughter-in-law(s) must not be from a second or later marriage)

2. Grandparents, grandchildren
3. Older brother, younger brother, older sister, younger sister (not including siblings who are not of legal age or are of legal age but cannot make a living).
4. The parents of the spouse, grandparents of the spouse (unless they are being financially supported by someone else).

When there is more than one potential recipient for each category, the compensation payment should be shared equally among such recipients. When collecting the payment, one representative should be selected to collect it, upon which he / she must provide a Letter of Agreement verifying that the other recipients have vested him / her with the power to collect the funds.

If the immediate potential beneficiaries have passed away, have abandoned the deceased, or have for some reason relinquished the right to collect the compensation payment, the payment will go to the remaining eligible beneficiaries. If in one category, there are no potential beneficiaries, the compensation will go to family members in the category that follows sequentially.

If the deceased employee made a will designating a beneficiary for the compensation, the compensation will go to the appointed beneficiary regardless of the above-outlined sequential categories of beneficiaries.

#### **Article 24**

Each semester, TKU sets aside 3% of tuition fees received as the pension fund for employee retirement, compensation, and severance. The funds are then given to the National-Level Private School Pension and Compensation Fund Management Committee, which manages and distributes the funds.

#### **Article 25**

Employees' duration of service, as referred to in these regulations, may include service completed in previous jobs at other private universities participating in the Private School Pension and Compensation Fund that have not yet issued retirement pension or severance payments. For employees who previously worked at private schools not participating in the Private School Pension and Compensation Fund, their service rendered prior to the establishment of the Fund (August 1, 1992) will be counted toward their overall duration of service. For university presidents or teachers who come to TKU after previously serving at public universities, their hitherto unclaimed accumulation of retirement pension, compensation, or severance may be



added to that accrued since coming to TKU.

**Article 26**

For one year from the date that employee or caretaker severance takes effect, such persons are not permitted to apply for any position at TKU.

**Article 27**

Employees who retire after August 1, 1992 or receive severance after October 4, 1996, will have their retirement pension and severance payments apportioned to them by the Private School Pension and Compensation Fund Management Committee. Those who return to TKU after retirement or severance are not required to refund the payment rendered. The calculation of their duration of service starts over from the month in which they return to TKU. When such employees apply again for retirement, or receive severance or compensation payments, the “units” of service they accrued since returning to TKU will be combined with their previously accumulated total, as long as this cumulative total does not exceed the maximum limit of obtainable units. Those who, during their previous time at TKU, already reached the maximum limit of units, will not receive further payment. However, those who did not reach this maximum limit will be reimbursed with an amount equivalent to the deficit.

**Article 28**

Those whose duration of service encompasses the time periods before and after the enactment of amendments made to these regulations will have these two periods combined when calculating pension payments. The required funds for the employee’s retirement pension, severance, or compensation payments will be calculated based on these regulations and distributed to the employee by the Private School Pension and Compensation Fund. In the case that the amount of pension to be paid has decreased since the amendment was enacted, TKU will rectify the discrepancy in payment by drawing on university resources.

Caretakers who become employees and who, when making the transition to employee, did not retire from the position of caretaker, may have their time as caretaker counted toward their overall duration of service when eventually applying for retirement as an employee. The prerequisite for this is that their duration of service as an employee has not yet reached 30 years. When applying for retirement, such employees must submit a caretaker duration of service certificate. Their level of seniority as a caretaker at the time when they were transferred to the position of employee is the level for which their retirement benefits will be calculated. To do so, the salary level of a currently

employed caretaker at the same seniority level will be used for calculation.

**Article 29**

Teachers without official credentials who were employed prior to the enactment of these regulations and who did not pass a teacher review, registration, or examination; and whose qualifications do not meet the criteria outlined in the “Private School Employee Insurance Eligibility Form” will have any discrepancies in the amount of apportioned retirement, compensation, or severance payments compensated by TKU funds.

**Article 30**

The right to collect pension, compensation, or severance payment commences from the month after the corresponding event (retirement, severance, etc.) occurs. If five years lapses without the payment being collected, the right to collect the payment will be relinquished. However, if there were insurmountable reasons preventing beneficiaries from collecting the payment in the given time frame, this time frame will be redefined. The five-year time limit will resume again after the initial preventative factors dissipate.

**Article 31**

If the family of deceased employees lives in an area (or country) that prevents them from collecting the compensation payment, TKU may transfer the payment to the Fund Management Committee for safe keeping.

**Article 32**

The right to collect pension or severance payments, and compensation payments unclaimed by the family of deceased employees, must not be detained, transferred, or kept as collateral.

**Article 33**

Employees who lived in TKU dormitories must vacate the residence upon retirement or severance.

**Article 34**

Retiring TKU employees must be placed on a special TKU name list and invited to attend all future TKU celebrations.

**Article 35**

[4-20]

Matters not covered in these regulations and the format of all required forms are to be handled in accordance with regulations set by the ROC Private School Pension and Compensation Fund Management Committee.

**Article 36**

This set of regulations will take effect on the date of its publication after being passed in an administrative affairs meeting, approved by the TKU Board of Trustees, and sent to senior educational and administrative institutions for approval and future reference. The same applies to any later amendments made.