

Inspection Regulations

Established on Dec. 3, 1986	Amended on Sep. 1, 1992
Amended on Sep. 2, 1989	Amended on Aug. 29, 1996
Amended on Feb. 24, 1992	Amended on Mar. 1, 2007
Amended on May 21, 1992	Amended Mar. 1, 2014

Chapter 1 General Provisions

Article 1 (Purpose) These regulations seek to set forth the inspection procedure for the goods supplied under a contract of the Pohang University of Science and Technology (hereinafter referred to as “University”) and the authority and responsibility related to the procedure.

Article 2 (Application Scope) Businesses related to the inspection of goods shall be processed in accordance with these regulations. However, matters established under the general terms of a contract for the purchase of foreign goods shall apply the applicable terms.

Article 3 (Definition) The terms used in these regulations shall be defined as follows:

1. “Goods” shall refer to all objects except for properties not involving construction work and inspection in acquisition.
2. ‘Inspection’ refers to the entire process of inspecting whether the goods delivered under the contract conform to the standards, specifications, designs, and other contract terms, and thereby giving approval or disapproval.
3. ‘Item inspection’ refers to the process of verifying items’ models, specifications, quantities and alike.
4. ‘Warehousing’ refers to the performance inspection of the fieldwork department that verifies acquisition, installation, and performance of the goods.
5. ‘Service Warehousing’ refers to the fieldwork department inspecting and discerning whether a construction or service will adequately carry out.
6. An ‘inspector’ refers to a person who inspects the stocks in trade; an inspector may be either an exclusive inspector from the exclusive inspection department, or a field inspector from a fieldwork department.
7. A ‘recipient’ refers to the person who receives and warehouses stocks and services.
8. An ‘examiner’ refers to a budget officer or a research officer, who is responsible for, and is in control of the entire process including managing recipient’s performance.
9. A ‘delivery date’ refers to the date when the goods, works, etc. specified on the contract are brought to the designated place.
10. An ‘inspection proof date’ refers to the date on which the inspector inspects the goods in accordance with the contract, specifications, delivery statement, etc., and the date on which the inspector signs and seals delivery statement.
11. An ‘inspection posting date’ refers to the date on which the inspector inspects the goods and posts in accounts.

12. An 'arrival proof date' shall refer to the date on which the examiner makes final confirmation of quantity, specifications, condition, performance, etc., following acquirer's acquisition of the goods.
13. A 'receipt posting date' refers to the date on which the recipient confirms inspection and arrival, and posts in accounts.
14. An 'appearance inspection' refers to a visual inspection of the structure, width, length, color, shape, etc. of the goods.
15. "Physical chemical test" shall mean that the physical property and chemical components of goods are tested.
16. "100% inspection" shall mean that every single piece of goods is individually inspected and judged in terms of quality level.
17. "Sampling inspection" shall mean that a certain number of samples are randomly taken out of a lot and inspected to determine whether or not the corresponding lot is acceptable.
18. "Intermediary inspection" shall mean that goods or the process of processing, etc., are inspected in the production process of goods.
19. "Final inspection" shall mean that goods delivered under a contract is conclusively inspected.
20. "Manufacturer inspection" shall mean that inspection is performed by a manufacturer on its own.
21. "Third-party inspection" shall mean that inspection is performed by requesting a third-party agency.

Chapter 2 Standard and Subject

Article 4 (Standard of Inspection) The standard of inspection of the University is as follows:

1. Assets: entire item
2. Non-assets: Over KRW 3,000,000/per item

Article 5 (Subject of Inspection) The subject of inspection is as follows. However, service and construction are processed service receipt.

1. Regular inspection: purchase requests
2. Field inspection: small purchases (assets), unit price contract
 - ② For eNtoB inspection cases, the exclusive inspector will carry out ring inspection of non-regular samples (Established Jan 1, 2018).

Chapter 3 Inspection Procedure

Article 6 (Principle of Inspection) ① The field inspection of the goods shall be performed by the appointed inspector.

- ② In principle, the field inspection shall be performed by the inspector, followed by the performance inspection by the recipient. However, in exceptional cases where inspection is difficult or impossible to carry out internally, the inspector may request an inspection to a third party agency.
- ③ The inspection procedure shall be described in the attached table.

Article 7 (Appointment and Dismissal of the Person in Charge) ① In principle, the regular inspector shall be appointed by the head of inspection department, and the business inspector shall be appointed by the head of business department. (Amended Jan 1, 2018)

② A recipient shall be appointed by the head of the business department.

③ In case an inspector is transferred or dismissed, a new inspector shall be appointed again.

Article 8 (Inspection Responsibility) ① An inspector shall perform item inspection on the model, specifications, quantity, etc., of goods in accordance with the contract, delivery statement, etc.

② A recipient must receive final approval from an examiner by attaching the delivery statement, performance statement, etc.

③ The examiner confirms the process of the recipient's judgment and processing and is responsible for final approval.

④ Corrective measures must be taken if an inspector or examiner discovers any contract violation.

Article 9 (Relief from Responsibility) Under any of the following cases, an inspector or examiner may be relieved of his/her responsibility of determining the inspection result:

1. When determination is made in good faith based on the result of the test and analysis
2. When there is a defect in materials that was not checked during the sampling inspection
3. When a defect could not be identified in advance since the test facility was not in the school or within the country or practically unavailable

Article 10 (Delivery) The person in charge of delivery shall be responsible for any performance delay when the goods fail to pass the inspection conducted on or before the delivery date at the designated place.

Article 10-2 (Performance Delay) ① The number of days of performance delay shall be calculated based on the delivery date set forth in the contract and the date of actual delivery.

② The followings shall be added to the number of days of performance delay:

1. Number of days of delay resulting from the partial delivery or goods that failed the inspection
2. Number of days of unreasonable delay due to a request for inspection and sampling
3. Number of days of delay resulting from matters related to the arrangement of the requested inspection, etc.

③ In case the delivery date is a holiday, the day immediately after such holiday shall be the delivery date under the contract. If the goods are not delivered on the day immediately after the holiday as specified above, however, such holiday shall be added to the number of days of delay.

④ The period of time required for inspection after delivery is made to the University shall be excluded from the number of days of delay, regardless of the method of inspection. In case the result of the second inspection performed following an objection raised by the person responsible for delivery is "failed," however, the period of time incurred for the second inspection shall be included in the number of days of delay.

Article 11 (Request for Inspection) When goods are ready for inspection, the person responsible for delivery shall request the inspection department to perform inspection by providing the following documents (in case the submission of the test report issued by a publicly certified agency is delayed, however, the number of days that elapsed shall be added to the number of days of delay):

1. Three copies of delivery statement
2. Test report issued by a publicly certified agency
3. Test report issued by the person responsible for delivery
4. Import license (in case of imported goods)
5. Other documentary evidence on inspection

Article 12 (Inspection Period) ① In principle, an inspector shall perform and complete inspection no later than 5 days after a request for inspection is received. However, this shall not apply to goods requiring a certain duration of time for inspection due to natural disasters, Force Majeure, performance test, etc.

② (Deleted Jan 1, 2018)

③ A recipient shall process goods receipt promptly in accordance with delivery statement and performance statement.

Article 13 (Place of Inspection) In principle, an inspection shall be held at a specific place as set forth in the contract; the place of inspection may be changed in case an inspector cannot perform his/her duty under any of the following cases:

1. When an estimated quantity cannot be checked because the place of inspection is narrow and small
2. When the unjust movement or mixing of goods is likely since the place of inspection is crowded
3. When the use or carrying of goods is difficult, or secondary shipping charge can be saved
4. When goods need to be inspected in the place where a precision tester is available
5. Other inevitable cases

Article 14 (Preparation for Inspection) A supplier shall be liable to provide documents requested by an inspector, examiner, or recipient, and details for other inspection where it is necessary.

Article 15 (Participation in Inspection) ① The person responsible for delivery shall be permitted to participate in the inspection and express his/her intention if deemed reasonable.

② If an item's quantity, specifications, condition, etc., are uncertain due to its urgency, or item verification is impossible, inspection department may request participation in inspection to the purchase requester or the user of the business department; if requested, the business department shall accept the inspection department's request except for special cases.

③ If a problem is detected from an item delivered by the carrier, a written confirmation may be written with participation of the carrier and related personnel, and be stored as a proof.

④ In case of inspection performed under a participant's participation, both the participant and the inspector shall be responsible.

Article 16 (Inspection Procedure) The procedure for inspection shall be as follows:

1. Decision on inspection priority per good
2. Checking the quantity of goods to be inspected
3. Checking the goods to be inspected with contents of contract and specifications
4. Performing inspection, examination, collection, investigation, etc., if necessary
5. Determination of acceptance or failure
6. Processing of delivery statement
7. Confirmation by an examiner on delivery and performance of the goods
8. Confirmation of delivery and performance statement and processing of receipt

Article 17 (Ban on Use Prior to Inspection) The goods to be inspected shall not be used prior to inspection. However, in urgent and inevitable cases, an inspector shall be notified in advance and the goods shall be subject to post-inspection without any delay.

Article 18 (Refusal of Inspection) An inspector and examiner shall refuse to perform inspection if subject to the following cases:

1. When the goods to be inspected have problems
2. When the goods to be inspected were used previously

② If an inspector refused to perform inspection pursuant to regulations of Clause 1, the statement of inspection refusal (attachment 4) shall be submitted to the department using the goods and related personnel.

Article 19 (History Management) (Deleted Jan 1, 2018)

Chapter 4 Standard and Subject of Inspection

Article 20 (Appearance Inspection) ① In principle, every single piece of goods delivered shall be inspected one by one. If 100% inspection as stated above is deemed unreasonable or difficult, however, samples can be taken out of a lot and inspected.

② Under any of the following cases, appearance inspection may be performed as a rule but may be substituted with a quality assurance certificate provided by the person responsible for delivery:

1. General goods for which no test is required (general standard goods): This shall not apply in case there is a special arrangement.
2. KS Standard goods
3. Product that has acquired international certification as good to be introduced
4. Goods that have passed the test of a publicly certified agency

Article 21 (100% Inspection) Under any of the following cases, 100% inspection shall be performed as a rule:

1. In case there is a defect having critical impact on human life
2. In case mixing of products with poor quality is not permitted at all
3. In case the price of goods is high
4. In case the effect of inspection is greater compared to the inspection expense
5. In case the quality level required is not deemed achievable by means of standard sampling inspection

Article 22 (Standard Sampling Inspection) ① Under any of the following cases, standard sampling inspection shall be performed (however, the charge for the samples provided and other expenses shall be paid by the person responsible for delivery):

1. In case 100% inspection is virtually impossible since the number of pieces of the goods are too large
2. In case there are too many test items involved, or too much inspection costs and time are incurred
3. In case of organic goods
4. In case a result with higher reliability compared to unstable 100% inspection is required since there is a clearly stated quality standard
5. In case mixing of products with poor quality is permitted to some extent

② When composing a specific lot for standard sampling inspection, the composition shall include homogenous goods as manufactured or processed under the same condition; in case of heterogeneous goods, samples shall be taken for different levels of quality so that each sample group may represent a typical quality level.

③ When taking samples, the inspector and recipient and the supplier are required to mutually sign and seal to samples taken.

④ When performing the standard sampling inspection, the test method specified in the Industrial Standard of Korea shall apply *mutandis mutatis* unless separately stated otherwise in the contract. If a specific test method is not separately stipulated in the Industrial Standard of Korea, however, the standard method of a foreign country may be used.

Article 23 (Intermediary Inspection) ① Intermediary inspection shall be performed under any of the following cases:

1. In case inspection is required in the middle of the manufacturing process (e.g., production, manufacturing, operation, assembly) to ensure that the final product passes the final inspection
2. In case major manufacturing processes such as use of correct materials, specification, work progress, etc., need to be checked to ensure quality assurance
3. In case intermediary inspection is deemed necessary for quality assurance purposes

② If a violation of the contract terms is detected during intermediary inspection, the contractor shall be immediately requested to take corrective action and the examiner shall be reported in writing the result of the intermediary inspection.

Article 24 (Test and Analysis) ① The inspector shall collect samples for goods requiring test and analysis and request an agency to perform test and analysis for the collected samples.

② In principle, the physico-chemical test shall be performed by the University on its own. In case of insufficient testing capability or testing facility, however, a publicly certified third-party agency shall be requested to perform the test.

Article 25 (Temporary Inspection) If the inspection period is being delayed or inspection is not being verified due to special circumstances, a temporary inspection shall be performed by partially inspecting the number of packing, quantity, weight, etc., and the inspection details shall be confirmed in a timely manner.

Article 26 (Site Inspection) Although regular inspection shall be performed for all items in principle, for items that need to be installed to be inspected, such as devices and special equipment, for which site inspection can be easily done considering urgency and efficiency of research, a site inspection may be performed. However, in cases of parcel services or other inevitable cases, inspection may be processed based on delivery confirmation of the business department, performance statement, pictures, etc.

Article 27 (Inspection from an External Agency) Items installed or delivered to an external agency for special purposes may be substituted with the agency examiner's receipt confirmation, performance statement, pictures, etc.; if necessary, such as high-value equipment, etc., an inspector may visit the external agency and perform inspection.

Article 28 (Independent Determination) An examiner shall -- when performing an inspection --

make a determination independently and conscientiously and in accordance with related regulations.

Article 29 (Determination) ① Acceptance or failure shall be determined for the inspection performed by the inspector, and for the final inspection result by the examiner.

② Acceptance of inspection shall be determined based on the following standards:

1. In case the results of the inspection are in agreement with the corresponding contract, a determination of acceptance shall be made.
2. In case the result shows minor defects that can be easily corrected by the person responsible for delivery, a determination of conditional acceptance subject to correction within a certain period of time shall be made, and the person responsible for delivery shall be notified accordingly. If correction is not made within the specified period of time, however, such conditional acceptance shall be canceled, and the inspection shall be deemed failed.
3. In case the result of inspection shows minor defects, and any of the following cases applies, the determination of conditional acceptance shall be subject to agreement with a person responsible for delivery at a reduced price by obtaining the necessary cooperation from the department responsible for the contract (in case there is an arrangement on the limitation of price reduction and its terms, however, the terms of the contract shall apply):
 - A. If the goods can be used without difficulty
 - B. If the goods are urgently required by the user
 - C. If no replacement purchase is available

Article 30 (Change of Determination) (Deleted Jan 1, 2018)

Article 31 (Re-delivery) In case of failure in the inspection, the relevant contract may be terminated.

If receiving a re-delivery is deemed favorable to the University, however, re-delivery can be requested at the expense of the person responsible for delivery.

Article 32 (Re-inspection) ① Under any of the following cases, inspection may be performed again:

1. In case re-delivery is made by the person responsible for delivery due to failure in the first inspection
2. In case a problem that was not detected during the inspection is found by the department using the goods after a determination of inspection was made
3. In case the certification stamp, seal, or other mark of acceptance has been destroyed or has become illegible
4. In case re-inspection is deemed necessary by an examiner

② In case a standard sampling method is used for the re-inspection of the goods that failed the original inspection, the number of samples to be taken shall be twice as many as those taken for the original inspection; every single sample unit shall be within the acceptance criteria, and the determination of acceptance shall be in accordance with the final inspection result.

Addendum

These amended regulations shall take effect on August 29, 1996.

Addendum

These amended regulations shall take effect on March 1, 2007.

Addendum

These amended regulations shall take effect on March 1, 2014.

(Attached Table) (Deleted Jan 1, 2018)

(Attachment 1)

**Inspection Report
(Accounting Classification)**

1. Basic Contract Information

Contract No.	
Delivery Location	
Inspection Location	
Contract Date	
Inspector	

Supplier	
Corporate Registration No.	
Tel.	
Representative	
Recipient	

2. Inspection Detail

No.	Material Code	Item Name	Unit	Qty.	Unit Price	Price	VAT	Contract Amount	Currency	Note

3. Inspection Information

A. Basic Inspection Information

Category	Delivery Due Date	Inspection Date	Warehousing Date	No. of Delayed Days
YYYY/MM/DD				

B. Please describe in the box below the reason(s) for delay in inspection (e.g., performance test, etc.)

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(Attachment 2)

Delivery Statement (▽ Supplier ▽ Inspection Dept. ▽ Business Dept.)
(Accounting Classification)

1. Purchase Order: General Information

Purchase Order No.	
Contract No.	
Purchase-Requesting Department	
Purchase Requester	
Person in Charge of Project	
Person in Charge of Contract	
Purchase Classification	

Pohang University of Science and Technology

Supplier	
Delivery Due Date	
Delivery Location	
Inspection Location	
Inspector	
Recipient	
Contract Classification	

2. Purchase Order Detail

No.	Item	Asset Classification	Qty.	Unit	Unit Price	Price	Additional Cost	Total Price	Currency	Purchase Type

Supply Price:

VAT:

Total Amount:

Category	Person in Charge of Delivery	Inspector	Acquirer
Name			
Date

※ Please note:

- Please complete an application form 2-3 days prior to delivery at the Electronic Contract → Delivery Request menu at <http://posbid.postech.ac.kr>.
- When completing the application form, please enter the estimated delivery date, purchase order no., matters concerning cooperation needed for inspection or delivery, etc.
- Please check the delivery detail (item name, quantity etc.) per item and print out and submit three copies of Delivery Statement (each for the supplier, the

inspection department and the business department).

- For delivery, please comply with Contracting Regulations and General Terms and Conditions, Special Terms and Conditions on Ethics, Inspection Regulations, Campus Safety Regulations, etc., of POSTECH.
- Please deliver the goods to the business department after completing a central inspection at the inspection department, and notify the delivery result to the inspection department (University Office: 279-1201,1202; eNtoB: 279-1200).

(Attachment 3)

Confirmation of Equipment Installation and Performance Test

Order No.			
Contract No.			
Title of Contract			
Contract Price			
Contractor			
Delivery Due Date		Delivery Date	
Completion Date		No. of Delayed Days	
Name of Laboratory		Contact Information	

○ **Description of Equipment Installation and Performance Test Procedure**○ **Equipment Installation and Performance Test Result**

I hereby confirm that the equipment and device(s) listed above have been installed in accordance with the model(s), specifications, standards, performance, quantity, etc., stipulated in the contract, and have passed or failed the equipment installation and performance test as stated below.

Category	Check (✓)	Reason/Opinion
Pass		
Fail		

Date:**Written by:****(Seal)****Principal Researcher:****(Seal)**

<Note>

- Please fill out and attach the form to the equipment/device(s) when processing warehousing thereof in case the equipment/device(s) produced or purchased are priced

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at or above 10 million won per item. (The form may be filled out for items priced below 10 million won.)

- *Please attach evidential documents, such as photographs, if necessary.*
- *The back of the form may be used for additional space.*

(Attached Form 4)

Statement of Reason for Inspection Rejection

Purchase Order No.	
Contract No.	
Purchase-Requesting Department	
Principal Researcher	
Item Name	
Specifications and Standards	
Supplier	
Quantity	
Price	
Reason for Rejection	
Processing Results	
 Date: Inspector (Seal)	