

# Regulations for Inspection & Acceptance upon Completion

Approved by the Executive Board Meeting on November 07, 1991.

- Article 1 I-Shou University (hereinafter referred to as the University) hereby sets up the Regulations for Inspection & Acceptance upon Completion (hereinafter referred to as the Regulations) to offer the basis for the operation of inspection and acceptance upon completion.
- Article 2 The Regulations are made depending on the practical situations at the University according to the School Accounting System Standards issued by the Ministry of Education and the Administrative Affairs Management Handbook issued by Executive Yuan, Taiwan, R.O.C.
- Article 3 Operation for the inspection and acceptance upon completion shall be categorized into two types as below:
1. Inspection and acceptance upon completion of property: Including the property and goods.
  2. Inspection and acceptance upon completion of construction projects: Including the new construction projects, construction projects of repair, and labor services.
- Article 4 The duties and responsibilities for the operation of requesting for purchase and procurement are divided as below:
1. Property Management Section: Accepting the goods and checking the amount of goods.
  2. Requesting Units: Checking the quality of goods before acceptance.
  3. Supervising Units (Requesting Units): Checking the construction projects upon completion.
- Article 5 Goods shall be examined immediately after acceptance without any excuses.
- Article 6 Purchasers shall not check or examine the goods or construction projects upon completion.

Article 7 The Property Management Section shall carry on the operation for checking the goods after acceptance by the methods listed as below:

1. The Property Management Section shall check the items, specification, amount and date of delivery on the certificate of delivery when receiving the goods. After confirming all of the information is correct, the Property Management Section shall sign on the return receipt, and hand it over to the suppliers.
2. The Property Management Section shall issue the Property Checking Form before Acceptance and inform the requesting units to examine the quality of goods after the amount of goods is confirmed to be correct.
3. Requesting units shall examine the quality of goods according to the regulations relating to the items, amount, brands of products, and specifications on the requisition form, quotation, or other documents for procurements.

Article 8 Acceptable ranges for the amount of goods for checking after acceptance shall be based on the public errand of amount of goods on the requisition form. If there are no any related regulations noted on the requisition form, the actual amount of goods for checking after acceptance can not be estimated, or the units of account can not be divided, the acceptance range shall be  $\pm 5\%$ .

Article 9 It is necessary to measure or offer the floor scale list if the goods are calculated by weight.

Article 10 Goods delivered by the suppliers must be new and conform to the regulations. All of the goods shall be examined before acceptance unless there are different regulations by the University. If the suppliers can not offer any supporting documents or the University has no any equipment for inspection when the University has problems about the quality of goods, the suppliers shall send these goods to the public inspection organizations for examination. All of the fees for examination shall be burdened by the sellers.

Article 11 If the goods delivered by the suppliers shall be examined randomly, please follow the related regulations to carry on the operation of random examination and inspection unless there are different stipulations in the Regulations.

Article 12 If the goods delivered by the suppliers are disqualified or deficient, the buyer shall reduce the amount of money, or return all or part of the goods after checking the quality depending on the practical situations.

Article 13 Methods for handling the disqualified goods after checking shall be listed as below:

1. The Property Management Section shall change the goods delivery receipt and sign the return receipt depending on the practical situations if the quality or amount of goods are deficient or incorrect after checking when they are arrived at the University.
2. Requesting units shall note down the disqualified items and reasons on the Checking Form after Acceptance, and send the form back to the Property Management Section within 7 days after the goods are judged as disqualified.
3. Procurement units shall inform the suppliers to handle the disqualified goods within 3 days after receiving the Checking Form after Acceptance by phone. If the suppliers have not handled the disqualified goods within 10 days after notification, the Procurement Unit shall send the Return Sales Memo to the suppliers by registered mail with A.R. after reporting to the President for approval.

Article 14 Methods for returning disqualified goods after examination shall be set as following:

1. Suppliers shall take back the returned goods at the warehouses of the University within ten days after being informed.
2. Suppliers shall take all of the responsibility if the goods are damaged, reduced or devaluated when they are taken back by the suppliers behind time. Meanwhile, the suppliers shall need to afford the fees for storage or other related fees as well.

Article 15 Construction projects shall be examined upon completion by the methods listed as below:

1. Examination upon completion at one time: Supervisors (requesting units) shall examine the construction projects after the projects are completed according to the application form for purchase, and issue the Report for Checking the Construction Projects upon Completion after confirming the quality of projects are without any problems.
2. Examination upon completion by stages: Supervisors (requesting units) shall examine the construction projects after the projects are completed in each stage according to the Requisition & Procurement Form and the related regulations on contracts, and issue the Report for Checking the Construction

Projects upon Completion and the Valuation Form of Construction Projects after checking the construction projects are without any problems.

Article 16 Quality of the construction projects shall be improved if the results after checking are failed. The companies which have not improved the quality behind time shall be fined for violating the regulations. In order to make the construction projects can be completed as soon as possible, it is permissible to use the final payment for asking other companies to assist on completing the construction projects.

Article 17 The Regulations adopted by the Senior Executive Council shall come into effect after they are approved and promulgated by the President. Amendments must also undergo the same procedures.

*In the event of any disputes or misunderstanding as to the interpretation of the language or terms of this Regulations, the Chinese language version shall prevail.*