Audit Regulations
Established Apr. 1, 1987
Amended Jan. 1, 2008
Amended March 14, 2014
Amended November 4, 2015

Chapter 1 General Provisions

**Article 1 (Purpose)** These regulations set forth the standards and procedures for auditing at Pohang University of Science and Technology (hereinafter referred to as “University”).

**Article 2 (Application Scope)** Except as otherwise specifically provided for in other statutes, these regulations shall apply to audit matters of the University. (Amended November 4, 2015)

**Article 3 (Definition)** The terms used in this regulation shall be defined as follows: (Amended January 1, 2008) (Amended November 4, 2015)
1. The term ‘audit department’ refers to the department in charge of managing and proceeding with overall audit duties such as planning and executing audit plans, and reporting results.
2. The term ‘department subject to audit’ refers to the department subject to audit in accordance with audit plan.
3. The term ‘auditor’ refers to persons conducting audit duties. Auditor shall include personnel in audit department, personnel temporarily transferred from other departments, and personnel recruited from outside for a predetermined duration.

**Article 4 (Scope of Audit)** The scope of audit shall be as follows:
1. University accounting (including revenues and expenditure as well as the acquisition, maintenance, management, and disposition of property)
2. University research (including revenues and expenditure, contract, reconciliation of accounts, performance management, etc.)
3. Major contracts
4. Administrative tasks of each department
5. Other matters directed by the President of the University

**Article 5 (Types of Audit)** ① Audit shall be divided into general audit, special audit, and ordinary audit for research funds. (Amended January 1, 2008) (Amended November 4, 2015)
② A general audit, which refers to the audit conducted for overall administration duties, shall be conducted once a year according to an audit plan. (Amended November 4, 2015)
③ (Established January 1, 2008) (Deleted November 4, 2015)
④ A special audit refers to the audit conducted when the President of the University demonstrates the special need for an audit. (Established November 4, 2015)
⑤ An ordinary audit for research funds refers to the audit conducted to examine the content and validity of execution of research funds. (Established November 4, 2015)

**Article 6 (Principle of Auditor Independence)** The auditor must perform his/her duties in a fair manner and independently of the executing agency or other departments.

Chapter 2 General Audit, Special Audit, and Ordinary Audit for Research Funds

**Article 7 (Submission of Documents)** The head/director of each department must comply with the auditor’s requests regarding the following matters: (Amended January 1, 2008)
1. Submission of various ledgers, research contracts, evidential documents, articles and goods, and any related documents
2. Inspection of various expense reports and written requests for approval
3. Sealing of a warehouse or a safe, and putting a seal on ledgers, articles, etc.
4. Submission of other documents deemed necessary for an audit

**Article 8 (Method of Audit)** Field audit shall be the norm although correspondence audit may be
conducted for minor issues.

**Article 9 (Cooperation Requirement)** The head/director of the department being audited and its staff members must actively cooperate with the auditor upon request by submitting documents, attending a meeting, or answering questions without delay.

**Article 10 (Audit Report)①** The head of audit department must prepare and submit an audit report in writing to the person having authority to grant approval in accordance with Regulations on Delegation and Discretionary Approval within 14 days of the closing of an audit. (Amended January 1, 2008) (Amended November 4, 2015)

② (Amended January 1, 2008) (Deleted November 4, 2015)

③ (Newly established January 1, 2008) (Deleted November 4, 2015)

**Article 11 (Contents of the Audit Report) ①** Reports on the audits must include the following:
(Amended January 1, 2008)
1. Period of audit
2. Name of the department audited
3. Title and name of the auditor
4. Major audit items
5. Matters to be corrected, or deemed illegal or unjustifiable
6. Recommendations
7. Other matters deemed necessary

② (Established January 1, 2008) (Deleted November 4, 2015)

**Article 12 (Corrective Action) ①** The head of the audit department must request to take corrective action to the department within 3 days of the closing of an audit report. (Established November 4, 2015)

② The head/director of the department who has received a request for corrective action must immediately rectify the problem and report the result to the audit department in question. (Amended January 1, 2008) (Amended November 4, 2015)

**Article 13 (Confirmation of Correction and Report)** The Vice President in charge of the audit department must confirm the result of the corrective action taken as specified in Article 12 within a designated period of time or, if the nature of the corrective action is deemed special, during the next audit. (Amended January 1, 2008)

**Article 14 (Raising an Objection) ①** If the head/director of a department has an objection to the request for corrective action pursuant to Article 12, he/she may raise an objection by submitting an explicit statement of reason within one month of receipt of the request for corrective action. ② When an objection is raised pursuant to Clause 1, the Vice President in charge of the audit department in question must review the objection without delay and take the necessary action accordingly. (Amended January 1, 2008)

**Addendum**

These regulations shall be established and take effect on April 1, 1987.

**Addendum**

These amended regulations shall take effect on January 1, 2008.

**Addenda**

1. (Effective Date) These amended regulations shall take effect on March 14, 2014.
2. (Interim Measures) However, Paragraph 2 of Article 5 shall be applied retroactively as of November 1, 2012.

**Addendum**
These amended regulations shall take effect on November 4, 2015.