

EAST CAROLINA METAL TREATING, INC. ECMT Management System	Number: QP: ECMT 06.00	Issue Date: 10/01/2014
	Section: 00 - General Reference	Revision Date: 11/18/2022
Title: <u>Purchasing (Ref 8.4 Control of ext. provided products and services)</u>		

1.0 Purpose

To ensure that all product related material, products and services conform to specified requirements and that they are purchased from approved Suppliers.

2.0 Scope

This document establishes the responsibilities and procedures for the Purchasing of manufacturing related products, materials and services.

3.0 Overall Responsibilities **(Ref paragraph 8.4.1) (General)**

The President and Quality Director in conjunction with **the Quality Department shall be responsible for ensuring that all products meet the requirements of ECMT or customer** and only approved sources are used for products which affect the quality of the process and/or product and service.

3.1 Reference Documents

- Purchase Order (Computer Generated)
- Approved Suppliers List (ECMT-646)

3.2 Quality Related Purchase Orders **(Ref Paragraph 8.4.1.1)(The organization shall)**

1. Purchase Orders for raw material shall be raised by the Quality Manager (i.e., gases, brazing supplies, steel, etc.).
2. Where a new supplier is considered for use the company shall invoke the procedures for evaluation of suppliers (contained in this Section).
 3. Where applicable, evidence of a satisfactory review shall be provided by the

signature of the Quality Manager prior to the raising of a Purchase Order.

4. The Quality Manager/Department shall select a suitable supplier or customer designated approved external provider from the Approved Suppliers List (ECMT-646) and obtain quotations for the required supplies, and assess the risk associated with the external provision of processes, products and services and manage.
5. Where appropriate, specifications shall be produced to enable the Supplier to interpret the Company's requirements. These specifications shall be controlled in accordance with the procedures as applicable.
6. All Specifications shall be compiled by the Quality Manager, which shall include, where appropriate:
 - the type, grade, class and/or American or International Standard to apply
 - Title or positive identification and applicable requirements such as processed or inspections required, etc.
 - This information may also be included on the applicable purchase order when permitted or the purchase order may make reference to the specifications required.
7. **The Quality Manager shall submit the Specifications to the selected Supplier at the Inquiry stage and/or as part of the Purchase Order, and require that external (Approved) provider(Supplier) apply appropriate controls.**
8. All Purchase Orders shall be completed, reviewed and authorized in accordance with this Procedure.

4.0 Evaluation of Suppliers **(Ref 9.1.3 f) (Ref 9.3.2, 7)**

(Analysis & Evaluation & Performance of external providers).

4.1 Purpose

To ensure that the effectiveness of suppliers' and subcontractors' quality systems is regularly checked and that they are selected on the basis of their ability to meet the Company's specified requirements.

4.2 Scope

This Procedure shall apply to the selection and monitoring of suppliers and subcontractors used by the Company for production materials and services.

4.3 Overall Responsibilities

The Quality Manager shall be responsible for assessment and evaluation of suppliers and subcontractors and for ensuring that only approved sources are used. Debarred suppliers will be marked in red on the Approved Vendor List advising internal users to not use this supplier.

The Quality Manager shall also be responsible for undertaking regular re-assessments of suppliers and subcontractors, where considered necessary.

4.4 Reference Documents

- Purchase Order (Computer Generated)
- Supplier Survey Form (ECMT-647)
- Approved Suppliers List (ECMT-646)
- Corrective Action Forms (ECMT-380)

(Ref 8.4.2 a, b, c, 1, 2, 3)

5.0 Procedures

1. The Quality Manager shall ensure that all (provided processes remain within the control of its quality management systems) purchased products or services used in the manufacturing process are obtained from approved Suppliers who meet the quality requirements of both the company and/or its Customers.
2. The necessary purchasing requirements are formally detailed on a Purchase Order. (Supplier to define the controls that it intended to apply and those intended resulting output). Including all subject specification along with supplier to maintain all records as required per AS9100 section 8.4.2.
3. Where applicable, Suppliers may apply Statistical Process Control (SPC) techniques as a means to demonstrate process capability and ongoing process control.
4. Where designated as a requirement the Suppliers must be capable of conforming to the company's SPC requirements and supply evidence of process capability and should potential impact on products and services consistently meeting requirements.
5. It is the policy of East Carolina Metal Treating, Inc. to have the right to accept or refuse subcontracted product. This decision shall be dependent upon the type of product, **the impact of subcontracted product on the quality of final product and, where applicable, on the quality audit reports and/or quality records of the previously demonstrated capability and performance of suppliers. (Ref Prara 8.4.2 C)**
6. Under no means will the company accept substandard product that will negatively affect the customers' product and service.
7. East Carolina Metal Treating, Inc. has established records of acceptable suppliers and the Approved Suppliers List is used to document all acceptable suppliers.

6.0 Suppliers Development **(Ref Paragraph 8.4.3)(Information for external providers)**

1. Where relevant, East Carolina Metal Treating, Inc. shall perform supplier quality system development with the goal of supplier compliance to ISO 9001:2015 as a basis. The prioritization of supplier for development is dependent upon the needs of the supplier relative to the requirements and the importance of the product or service they supply and provide info for the process and services in form of relevant technical data, specifications, drawings and process requirements.

2. A list of approved Suppliers for quality related goods that are able to provide goods and/or services of acceptable quality shall be maintained and authorized by the Quality Manager. (Following requirements of AS9100D and ISO 9001-2015 does not apply to ECMT, East Carolina Metal Treating, Inc. only purchase supplies to provide Heat Treat and Black oxide processes.)
 - i) Qualifications of persons, ii) Interaction with organization, iii) Design and development, iv) use of statistical technique, v) Notification of nonconformance etc.
3. The Approved Suppliers List shall include the following information:
 - Supplier's (Subcontractors are also included here, where applicable) name
 - Scope of products/services approved for supply
 - Method, processes and equipment's.
 - Release of the products and services.
 - Test inspection and verification inform of COC.
 - Product safety in form of SDS.
 - Prevent the use of counterfeit products.
 - Date of approval
 - Grade/Category
 - Merit Points
4. The Quality Manager shall ensure a distribution list is retained of all controlled copies of the Approved Suppliers List that are issued to relevant personnel within the Company all obsolete copies shall be maintained..
5. The Quality Manager shall arrange for Supplier Survey Forms to be sent to all Suppliers who shall be requested to complete the form and return it to the Company.
 - 5.1 A Supplier that is certified by an accredited NVLAP 17025 program will be exempt (e.g., Wilson Instrument). All they will be required to do is update their certification on file.
6. Any Suppliers failing to return the Supplier Survey Form shall be reminded of the original request and the possibility that they will not be included on the Approved Suppliers List unless they return the Form.
7. Where appropriate, SQA (Supplier Quality Assurance) visits may be carried out on Suppliers by the appropriate member's management.
8. Suppliers' assessments to AS9100/ ISO 9001:2000 by an accredited third party certification body/registrar will be recognized in lieu of audits by the company (e.g., Lloyds Register Quality Assurance, etc.).
9. Where required, the Supplier's system must be able to demonstrate capability using SPC techniques.
10. The Quality Manager shall approve suppliers.

Note: East Carolina Metal Treating, Inc. shall only purchase the relevant quality related materials from suppliers on the list. Suppliers acquired in these two manners shall be subject to the same processes for continual approval and use as defined in these procedures.
11. The results of the Suppliers Survey Forms together with information accrued from the SQA visits and any incoming inspection records shall be analyzed and used to

approve all Suppliers.

Note: Certain questions on the Supplier Survey Forms may not be applicable to Suppliers of certain goods and/or services and as such the Quality Manager shall at his/her discretion choose to consider them as non-applicable and adjust the original survey score as such. Evidence of approval shall be by the signature of the Quality Manager on the survey form(s).

12. The Quality Manager shall maintain files on all evaluations carried out on both approved and rejected suppliers.
13. Potential new Suppliers shall be requested to complete a Supplier Survey Form (QD-9) when the first order is placed for services/supplies.
14. The Quality Manager shall re-evaluate suppliers annually based on all relevant receiving records and general performance and the Approved Suppliers List shall be updated as suppliers are taken on or removed.
15. This review shall be to ascertain the extent of any problem deliveries which shall be used to re-evaluate the Supplier.
16. The Quality Manager shall keep records of any information concerning the Supplier's performance in the applicable Supplier file. Specific Corrective Action from the suppliers may also be required.
17. Following the review all Suppliers shall be informed of their status (Not meeting requirements, such as on time delivery, Quality etc. by the Quality Manager, and may be requested to submit corrective action plans to improve their performance based on the security of the situation involved.
18. Where considered appropriate the Quality Manager may arrange a SQA visit Suppliers to resolve any action for improvement.
19. Should the supplier fail to upgrade their performance by the next review (Note: the supplier's performance shall be evaluated against the original survey score to assess improvement), then the Quality Director/ Manager shall inform the President and the Supplier (having considered the availability of alternative sources of the commodity) and remove the Supplier from the Approved Suppliers List.
20. During the reevaluation of Suppliers; those Suppliers that have shown a good history of performance may also be considered for a possible upgrade in rating.
21. A copy of the now obsolete Approved Suppliers List shall be marked "obsolete" and retained by the Quality Manager in accordance with the procedures.

7.0 Purchasing Information

7.1 Purpose

To ensure that purchasing documents contain clear descriptions and that they are approved for adequacy of specified requirements prior to release.

8.0 Verification of Purchased Product

8.1 Purpose

To ensure that when required by the Company, purchased materials or services are verified at the Supplier's premises by a Company representative.

8.6 procedures

1. When specified, the requirement for the verification of products, materials or service at the Supplier premises shall be established by the Quality Manager through the use of the Supplier Survey Form and/or the applicable Purchase Order.
2. The appropriate method of verification arrangement and the method of product release shall be entered on the Purchase Order.
3. The appropriate arrangements for verification and the method of product release shall also be detailed on the Purchase Order.

9.0 Customer Verification of Subcontracted Product

9.1 Purpose

To ensure that all purchased material and services are verified before their use and to reserve the right for the Customers to visit suppliers' premises to undertake verification activities should they need to do so.

9.2 Scope

This Procedure shall describe how the Company verifies purchased materials and services, and how it ensures that Company's Customers have the right to undertake on-site verification work, when it is applicable.

9.3 Overall Responsibilities

It shall be the responsibility of the Quality Manager to ensure suppliers show their acceptance of the right of the Company's Customers to visit suppliers.

It shall be the responsibility of the Quality Manager in conjunction with the Production Manager to ensure that incoming products and services are adequately verified and to arrange for Customers to undertake their own inspections should they require doing so.

9.4 Reference Documents

- Purchase Order form (, Computer Generated)
- Supplier Survey form (ECMT-647)

9.5 Procedures

1. For materials or products requiring a Certification, SPC data or other documents to verify they meet requirements, the materials or products shall be held at the Company receiving entry point until such documentation is received.
2. Where required, the supplier shall also provide documented evidence of process capability and ongoing control by Process Control Charts.
3. The Quality Manager shall arrange for appropriate inspection and testing to be done to ensure the validity of the material, if necessary.
4. Certification and SPC data shall be checked against the requirements of the appropriate standard or specification.
5. After verification, evidenced by a signature or initials/and dated by the appropriate receiving authority the Certificate of Conformity, Test Certification or SPC Data, etc., shall be filed in the relevant area (i.e., receiving area, also see record retention Section 4.2 of these Procedures).
6. All suppliers shall be made aware of the possible requirement for the Company or the Company's Customers to verify the quality of purchased items at the suppliers' premises and where applicable the supplier notification shall be formally documented.
7. Items subjected to the Customer's verification at the supplier's location shall also be required to satisfy the Company's incoming inspection procedures.
8. Where required, Purchase Orders shall bear a statement to the effect:
 - "East Carolina Metal Treating, Inc. and/or its Customers reserve the right to verify at source that purchased goods and services conform to specification."
9. Such verification shall not be used by the company as evidence of effective control of quality by the supplier.
10. Verification by the customer shall not absolve the company of the responsibility to provide acceptable product, nor shall it preclude subsequent rejection by its customer(s).

10.00 RECORD OF REVISION:

Revision Date:	Para.	Change
11/30/2016	5.0 sec 2	Added verbiage for retention of records
09/01/17	As applied	Revised to meet AS9100D & ISO 9001-2015
10/3/2022	Section 5.0	updated to add in "service" along with product
11/18/2022	Section 4.3	Verbiage added on debarred vendors and how they are handled.