Audit Review and Evaluation of Jemison Metals

3800 Colonnade Parkway, Suite 250
Birmingham, AL 35242

Date of Audit: 11/6-8/2023

Auditor(s): Patrick V. Macias – Quality Manager-Eastern Division

**1.0 Summary**This internal audit review provided an evaluation of Jemison Metals’ current level of
conformance to ISO 9001, against the current internal audit schedule. The audit measured how
effectively the quality management system is implemented in conformance with the applicable
requirements and standards (see audit areas underlined in 2.2 below). **Based upon my review,
the QMS is effectively implemented.**

 **6 Planning**

QMP 6.3 Planning of Change. Date 8/31/18 Rev A
Scope that covers QMS changes that could affect the integrity of the QMS, resources, responsibilities, and authorities. \*MF #1

References QMP 8.4 New Supplier Evaluation & Approval based on the scope requirements and Section 5.1 reference to modifications of raw material providers.

**7 Support**

QMP 7.5 Documented Information, date 11/1/18 Rev B Reviewed.

Reviewed JDM-F-050 (7.9.19 Rev 1) Supplier Scorecard.

Reviewed PCF form JDM-F-200 (8/30/18 Rev 1)

**8 Operation**

QMP 8.1 Award Review, Date 7/20/18 Rev Original
Reviewed contract review for Jac Products 10/12/2023 award call for new part #900146.
All appropriate company functions were represented, and contract review documents
were available on call invite.

QMP 8.4 New Supplier Evaluation and Review, Date 7/09/18 Rev Original,
Scope: This procedure applies to potential new suppliers of processes and products that can directly affect Jemison Metals' final product quality.

8.7 Control of Nonconforming Product, Date 11/1/18 Rev B

Scope: This procedure applies to any nonconforming outputs of the organization's products or services.

QMP 8.7 Control of nonconforming outputs. MRB meets first available Friday of each
month, via conference call, to insure appropriate review and disposition of all
nonconforming product. Disposition is a function of the QMR and Material Management.

The MRB from 10/13/2023 was reviewed. The 14 day or older reject warehouse as well as the 14 day or older mill claim warehouse were at yearly highs. The main drivers were GAD location for the reject over 14 days and SMT location for the mill claim over 14 days. (Evidence available in electronic copy)

**9 Performance Evaluation**

9.2 Internal Audits
Internal, Process, and Dock audits were reviewed. YTD totals are as follows
CLV - 6 Process, 1 Internal 8/28/2023
DEC - 6 Process, 1 Internal 11/8/2023
GAD - 5 Process, Internal audit scheduled to be performed before end of calendar year.
LYN - 10 Process, 1 Internal 8/22/2023
SMT - 5 Process, 1 internal 9/8/2023
SM2 – 41 Dock audits, 4 Process audit. 1 internal 9/13/2023
Corporate - 0 Process audit (NA) 0 Internal audit, last audit performed: Internal 12/27/2022

\*Observation Number 1
1. Results of Internal audits:

CLV, Pass-1 Observation

DEC, Pass-1 Observation, 1 OFI

GAD-Pending

LYN, Pass-1 Minor

SMT, Pass-2 Observations

SM2, Pass-1 Observation

**10 Improvement**

10.2 Nonconformity and corrective action
No Corrective Actions on the Corporate level during calendar year of 2022

10.3 Continual Improvement

Best project pilot program successfully implemented at the Sumter 2 (SM2) location.

The current operating/inventory system supplied by Invera (Stelplan) to be replaced by an Invex system starting in 2024 with the planned completion of the transition by the end of third quarter 2024.

**COP 1 Sales, Quotation, (Contract/Review)**

Reviewed contract review for Jac Products 10/12/2023 award call for new part #900146.
All appropriate company functions were represented, and contract review documents
were available on call invite.

 **COP 2 Production**

On time delivery, and DPPM reports for the last year reviewed.

During the 2019 calendar year the data for the Fab departments of the GAD and LYN locations were broken out to give a more accurate reflection of OTD delivery by function as well as location. Below the YTD data reflects that separation.

On time delivery YTD percentages as follows
JM companywide 75.7%
CLV: 99.1%
GAD: 77.8%

GAD Fab:62.4%

DEC: 97.7%

LYN: 88.1%

LYN Fab: 81.1%
SMT: 95.5%
SM2: 58.3%
Goal 98%
(Document copy available upon request)

DPPM YTD\*
JM companywide 3874 (2022 audit 2821)
CLV: 3784 (2022 audit 2670)
GAD: 5892, GAD FAB 2582 (2022 audit combined data 2414)
DEC: 2205 (2022 audit 3311)
LYN: 1943, LYN Fab 1435 (2022 audit combined data 2120)
SMT: 5304 (2022 audit 3160)
SM2: 2571 (2022 audit 980)
Goal <3,900
(Document copy available upon request)

\*Operations has instituted Corrective Actions at several locations to address the elevation of DPPM numbers year over year.

**SOP 1 Training**

New hire training checkoff for Jamal Jones reviewed.
Signed offer letter, acknowledgement of receiving new hire package, and reading Jemison
Metals Policies and Documents were all checked off. All job appropriate new hire
training completed. Dated 10/6/2023

 **SOP 2 Purchasing**

Purchasing process reviewed. Reviewed Jac Products from award call on 10/12 for new part #900146 PO CLV 2985-11, pulled all documentation (req, PO) from FIT and Stelplan systems. All required documentation available in system and correct to award review requirements including specific chemistry requirements for a Carbon max of .10 and Manganese max of .50.
(Document copy available)

 **SOP 3 Control of Monitoring & Test Equipment**

No Monitoring or Test Equipment used at the Corporate Office.

 **MOP 1 Management Review**

2/23/2023 Management Review Minutes reviewed. Found to be in conformance.
Pages reviewed:
Management review minutes from 1/5/23 meeting.

Status of actions from Previous reviews

Changes in External & Internal issues that are relevant to the QMS.
Opportunities for Improvement
Customer Feedback
Audit Results
Performance of external providers
(Document available in electronic copy)

**2.0 Overview
2.1 Personnel Interviewed (Audit evidence found in the Audit
Worksheets)**

|  |  |
| --- | --- |
| Jenna Anker / Robert DonavonBrandy McDonald / Sam Curtis | Rick Rowland |

2.2 **Audited Requirements**

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| **4 Context of the Organization**4.4 Quality Management Systemand its processes**5 Leadership**5.1 Leadership and commitment5.1.2 Customer Focus5.2 Policy5.6 Management review**6 Planning7 Support**7.1.1 General7.2 Competence7.1.3 Infrastructure7.1.4 Environment for theoperation of processes7.1.5 Monitoring and measuringresources7.5 Documented information | **8 Operation**8.1 Operational planning andcontrol8.2 Requirements for products andservices8.3 Design and development ofproducts and services (N/A)8.4 Control of externally providedprocesses, products andservices8.5 Production and serviceprovision8.7 Control of nonconformingoutputs**9 Performance evaluation**9.1 Monitoring, measurement,analysis and evaluation9.1.1 General9.1.3 Analysis and evaluation**10 Improvement**10.2 Nonconformity and correctiveaction |

2.3 Approvals/Sign Off

Patrick V. Macias, Lead Auditor/QM
Date 11/10/2023

Nonconforming Corrective Action Report (CAR) for Jemison
Metals

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **CAR#** | **ISO 9001:2015 Clause /Sub-Clause** | **Findings/Requirements** | **Observation** | **Minor** | **Major** |
| OBS1 | 9.2 | Quality Intranet listing of Internal/Process audit not up to date with most recent audit data to 10/31/2023  | X |  |  |
|  |  |  |  |  |  |
| Minor 1 | 7.5 | Quality Manual, #6 Planning, Under “Applicable Quality Management Procedures and Documents” and Miscellaneous “List of Management Procedures” both list QMP 6.3 as “Management of change” Actual title for QMP 6.3 is “Planning of Changes” |  | X |  |