

Audit Review and Evaluation of Jemison Metals

914 Maero St NW
Trinity, AL 35673

Dates of Audit: 8/14/18
Date of Submittal: 8/16/18

Auditors: Rick Rowland – SR VP Quality & Engineering

1.0 Summary

This internal audit review provided an evaluation of Jemison's current level of conformance to the ISO 9001:2015, 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. **Based upon our review, the QMS is effectively implemented.**

Audit Detail/Observations/Findings

7.5 – Documented Information

The following forms and documents were verified during the audit: DEC-BB1-CTL 6/26/17 Rev.4, JDM200 Quality Policy Hardcopy Posting (Bulletin Board), DEC-VA-PKG01 & 02 in Shipping & Packaging Hardcopy, GAD002 Daily Mic Check (Rcvg), GAD009 Receiving Inspection (Rcvg) 7/11/11 Rev.1.

7 Support

Employees appeared competent and well trained. Adequate resources (gauges, safety equipment, operating equipment, environment) were observed during the audit.

7.2 Competence

Reviewed Lucas Holmes (Packaging Area) training documentation. New Hire training documented on 11/20/17 and turned into human resources. FHR002 Rev -6 reviewed dated 7/14/17. Also viewed his forklift safety training "knowledge assessment" test and Safe Operation of Pendant Controlled Overhead Cranes "knowledge assessment" test. Both were taken on 11/20/17.

8.2 Requirements for products and services

ABB PO 4502454429 sent on 8/14/18. Acknowledged via email by Paula Loveless on 8/14/18 on LYN PI-11423 (Sales Acknowledgement from Stelplan). Stock job for green item, so no sales order for this work order.

8.4 Control of Externally Provided Processes, Products and Services

PO LYN-2300 was reviewed and compared against ABB Power's requirements. Gauge, Grade, Width requirements met the part spec requirements.

8.5-Production & Service Provisions

Mill coil 3424098.002, A1011 HRPO HSLA Gr 50 received against PO LYN-2300. Requirements verified (see attached audit notes) on GAD009 by Greg Chandler on Receiver # 4312.

Production: W/O LYN 7465 (stock job for ABB Power) was observed in production on BB1. All checks were performed per the procedure (actually higher frequency than the minimum, see attached audit notes for detail) and met the work order requirements. Recorded on DEC-CTL-001 Rev.4. Operator Jason Whitt.

Packaging: W/O LYN 7465 (stock job for ABB Power) was observed at packaging station. Work order requirements (4x4 crossblocks, wrapped blocks, paper top, 2 width & 2 length bands with edge protectors) all verified on skid. Packager: Lucas Holmes. Shipping: Loading Order 66335, Heil Environmental observed. Alex Riffle. 9 bundles, 6 line items were on load. No special instructions listed. Colored flags used to pre-identify tags for loads.

Preventive Maintenance:

Reviewed PMs with James Bryant. PM schedule for the line is organized by weeks. All PMs up to date per the PM schedule. Crane annual safety inspection reviewed. Was performed on 1/31/18-2/1/18 and reported on 2/8/18. 15 safety risks identified between 2 Bay cranes, 1 sheet lifter and 1 grab. All risks fixed either by KoneCranes or Jemison Maintenance.

7.1.5 Monitoring and Measuring Resources

The following gauges were verified to be calibrated in compliance with calibration records: Receiving: 009 0-1" Mic, T1027 25' Tape, Scale HI-02187561, 001 & 003 Jo Block's, Hardness Tester R574-00-0632 **OBS 1: Hardness tester is not being used and was removed from the Calibration log; however, it is not labeled as not for use.**

7.4 Communication

OBS 2: Key Metrics Postings. Internal and External DPPM were posted on the production board; however, the on time delivery was not posted as we don't have a 3rd magnetic backed sleeve. 3rd sleeve is on order.

8.7 Control of Nonconforming Product

Reject Area for finished goods clearly segregated as it is stored in the north near the master coil area. Material clearly labeled.

10.2 Nonconformity and Corrective Action

CA 15421 Verified on 8/13/18 at Corporate with Sarah Stanford. Recorded on case, pass. Quarterly QA call minutes reviewed. Call was on 8/10/18. Attendees listed. Metrics, CA's, customer visits etc reviewed.

10. Improvement

Implementation of Dayforce, cloud based payroll, time and attendance system, initial training complete, full roll out and training to be implemented by end of first quarter 2019.

Changed production incentive from coils/hr to linear ft/hr. This is more representative of productivity.

Development of a camera system for viewing surface (top or bottom) is in process. BHM has the prototype, GCT is in progress. This is part of the BEST project/machine intelligence.

Observations and findings from previous ISO audit

- 1 Complete 1/1/18
- 2 Complete 12/28/17
- 3 Complete 6/8/17
- 4 Complete 2/16/18
- 5 Complete 2/16/18

Corrective/Preventive Action Follow-Up

CA 15421 was verified on 8/13/18 at corporate with Sarah Stanford.

2.0 Overview

2.1 Personnel Interviewed (Audit evidence found in the Audit Worksheets)

Greg Chandler (Receiving) Jason Whitt (Operator) Lucas Holmes (Packaging)	Alex Riffle (Shipping) James Bryant (Maintenance)
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2.2 Audited Requirements

4 Context of the Organization 4.4 Quality Management System and its processes 5 Leadership 5.1 Leadership and commitment 5.1.2 Customer Focus 5.2 Policy 5.6 Management review 6 Planning 7 Support 7.1.1 General 7.2 Competence 7.1.3 Infrastructure 7.1.4 Environment for the operation of processes 7.1.5 Monitoring and measuring resources 7.5 Documented information	8 Operation 8.1 Operational planning and control 8.2 Requirements for products and services 8.3 Design and development of products and services (N/A) 8.4 Control of externally provided processes, products and services 8.5 Production and service provision 8.7 Control of nonconforming outputs 9 Performance evaluation 9.1 Monitoring, measurement, analysis and evaluation 9.1.1 General 9.1.3 Analysis and evaluation 10 Improvement 10.2 Nonconformity and corrective action
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2.3 APPROVAL/SIGN-OFF

Report Prepared by

Rick Rowland

Rick Rowland
Lead Auditor

Date 16 August 2018

Nonconforming Corrective Action Report (CAR) for Jemison
Metals

CAR #	ISO 9001: 2015 Clause / Sub- Clause	Findings/Requirements	Observati on	Mino r	Major
1	7.1.5	Hardness tester is no longer in use and is not on calibration log. However, it is not labeled as not in use.	X		
2	7.4	Key Metrics Postings. Internal and External DPPM were posted on the production board; however, the on time delivery was not posted as we don't have a 3 rd magnetic backed sleeve. 3 rd sleeve is on order.	X		

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Follow-ups - Jo Blocks in Rcvg
 Rcvg Daily Form - Both not listed
 Reject skids Tagged Correctly
 C.A. -15421 verified/pass on 8/13/18 at Corporate with Sarah Stanford

Production Board - Need 3rd sleeve for OTD * 1
 Thru July Internal + External Posted

Jason Whitt - Operator Act w/o LYN 7465 ABB Power
 Gauge .3025-.3225 .037 4.16 36 ksi min 62.8 Act A36
 Width 60-60.50 .015 Tens. 58-80 ksi 74.1 Act
 Length 120-120.50 .015 Elong 21% min 30.8 Act
 72-72.50 .015 Flatness 1/4" max
 90-90.50 .015 Square .25 max +.167

Lucas Holmes
 Packaging
 4x4 Cross Blocks
 Wrap Blocks
 Paper Top
 2 Width + 2 Length Bands
 Edge Protectors

Dist air .010 max .020 Actual +10%
 Material to use - 1312361 LOD DEC-BB1-CTL 6/26/17 Rev.4
 3 Bundles of 8 pcs 72 Long
 3 Bundles of 8 pcs 90 Long
 5 Bundles of 8 pcs 120 Long Last

Keyed by
 Checked by

OT026 Tape 30' BB1 8/18 due 8/19 Sales Acknowledgement.
 008 0-1" Mic BB1 7/18 due 7/19 No Pkg, Release Schedule
 004 Jo Block BB1 7/27/18 due 7/27/19 Instead.
 002 Jo Block " " " " ~~with no release~~
 0312436 0-6" Calipers " 7/18 due 7/19

Paul's James Bryant
 Weekly
 2 weeks
 4 weeks
 6 weeks
 10, 13, 19, 25, 38, 50, 126

OBS 2 Rcvg Greg Chandler
 Hardness Tester R574-00-0632
 2-36-17 due 2-3-18
 Procedure + QA Policy 7/18 due 7/19
 009 0-1" Mic Ref
 T1027 25' Rcvg 8/18 due 8/19
 Scale HI-02187561 100 lbs
 001 Jo Block .100 Rcvg 7/27/18
 003 Jo Block .500 Rcvg 7/27/19
 GAD002 4/8/15 Rev.2
 40 Filled out thru 8/14/18

Shipping Alex Riffle
 L/O 66335
 Heil Env.
 9 Bundles - 6 Line items
 No Special Instructions
 Listed
 Flags used to
 pre-identify
 Tags for loads.

Hardcopy Postings
 DEC-A PK601 Eaton Mx Shipping
 PK602 Dangler + Packaging
 PK604 200 Qat Policy Bulletin Board
 Rev.1 7/21/18

Mill Coil 3424098.002 Dangler
 A1011 HRPO HSLA Gr 50
 A1018 .235 min x 57.586" min
 on Mill
 Paperwork Receiver 4312 ✓ 463.1 50
 ✓ 39,360 lbs. ✓ T 73.7 65
 ✓ E 28.9 21
 PO LYN-2300
 GAD009 7/11/11 Rev.1

DEC-BB1-CTL
 Rev. 4
 Keyed by is redundant
 as operator now prints Tags

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COMPANY...CAROLINAS