

Audit Review and Evaluation of Jemison Metals

3001 Hickory Street
Gadsden, AL 35902

Dates of Audit: 8/15/18
Date of Submittal: 8/17/18

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 at GCT, JDM200 Quality Policy Hardcopy Posting (Entry, Breakroom, Plasma), GAD009 (rcvg) Rev.1, GAD014 Rev2 (QA), JDM-F-008 8/12/16 Rev. 1 **OBS 1: This form has JDF-F-008 in the footer rather than JDM-F-008. Needs to be corrected.**

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 Cody Mathis (Plasma Operator) training documentation. New Hire training documented on 2/5/18 (Rev 7 and turned into human resources. (Current Revision 8, Already noted in CLV audit as CLV Minor #1)

8.2 Requirements for products and services

Heil PO# 24184961 received 8/13 with 8/16/18 due date. Acknowledged by Betty Crosley on 8/13/18 via email. This is the material that was observed on work order 81116 at the plasma. Sales Order 76989 entered for the order.

8.4 Control of Externally provided processes, products and services

PO gad-14213 was reviewed and compared against GE Lighting TX's requirements. Gauge, Grade, Width requirements met the part spec requirements. See attached audit notes for detail. John Cordell in Receiving. **OFI #1: No documented receiving procedure. One hasn't been needed as John has been receiving for decades. However, if John retires or leaves Jemison we should take the benefit of his experience and document it into a procedure.**

8.5-Production & Service Provisions

Mill coil 3438041.002 received against PO GAD 14213 on receiver 43691 for GE Lighting. PO requirements verified on GAD009 and are available in the attached audit notes.

Production: W/O GAD-81116, Heil Fab, Sales Order 76989 was observed at the plasma. Cody Mathis was the operator. First piece inspection performed and documented on Jemison Print W137-0601-025 Rev 0 / C. All checks were within the range identified on the Jemison Print. **Minor: 1: Operator did not have the tag for the material to be used available. All material must be clearly identified. Risk in this event was low due to gauge, width and length checks as well as the fact that this is a very specific size and is likely not to cause a mix issue. However, we should take CA to prevent recurrence.**

W/O GAD-81725, GE Lighting TX, was observed at GCT. Chris Ellis was the operator. All work order requirements were documented on DEC-BB1-CTL and met part spec requirements (see attached audit notes). Packaging met the work order requirements as well (paper wrapped, Heat Treated Skids, Ring Shank nails, 3x4 length runners turned sideways for line clearance, skids to have crossblocks on bottom, 2,500 lb max weight, JD6).

Preventive Maintenance:

Reviewed PMs with Wayne Angle. PM schedule for each piece of equipment is done weekly. Maintenance helper is performing the bulk of the PM's with operators assisting on some equipment. GCT maintenance records were reviewed and were up to date. Forklift daily and crane daily (Bay 1, #1) inspection records were reviewed and found to be in good order. the line is organized by weeks. Crane in Bay 1, #1 annual safety inspection reviewed. 1 code violation was reported, hydraulic braking. Jemison Maintenance has since installed variable frequency drives on all cranes.

7.1.5 Monitoring and Measuring Resources

The following gauges were verified to be calibrated in compliance with calibration records: Receiving: 2088 0-1" Mic, 25' Tape 3039, Scale 321909, Plasma: 25' Tape T3051, 0-1" Mic 2086, 12" Caliper 1205, GCT 0-1" Mic 2071, 16' Tape T3052

8.7 Control of Nonconforming Product

Reject Area for finished goods clearly segregated and only 2 bundles (Tags 179000 & 178990 labeled for Edgewave and in mill claim) and 4 coils (BW96445R for pickle stain in mill claim).

10.2 Nonconformity and Corrective Action

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.

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.

Key Metrics: Internal and External DPPM + OTD were posted on Quality Board.

Observations and findings from previous ISO audit

Observations:

- 1 Complete 6/8/17
- 2 Complete 6/8/17
- 3 Complete 2/7/18
- 4 Complete 2/16/18
- 5 Complete 6/7/17
- 6 Complete 6/7/17
- 7 Complete 6/7/17
- 8 Complete 1/1/18
- 9 Open. Hit miss on daily. Plan is for weekly 5S audits by John, Bradley & Brian.

Corrective/Preventive Action Follow-Up

CA 14798 Still Open awaiting overarm tooling before closing. No other open CA's.

2.0 Overview

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

John Cordell (Receiving) Chris Ellis (Rowe Operator) Cody Mathis (Plasma Operator)	Wayne Angle (Maintenance) Betty Crosley (Inside Sales) Brian Smith (QA)
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2.2 Audited Requirements

<ul style="list-style-type: none">4 Context of the Organization<ul style="list-style-type: none">4.4 Quality Management System and its processes5 Leadership<ul style="list-style-type: none">5.1 Leadership and commitment<ul style="list-style-type: none">5.1.2 Customer Focus5.2 Policy5.6 Management review6 Planning7 Support<ul style="list-style-type: none">7.1.1 General7.2 Competence<ul style="list-style-type: none">7.1.3 Infrastructure7.1.4 Environment for the operation of processes7.1.5 Monitoring and measuring resources7.5 Documented information	<ul style="list-style-type: none">8 Operation<ul style="list-style-type: none">8.1 Operational planning and control8.2 Requirements for products and services8.3 Design and development of products and services (N/A)8.4 Control of externally provided processes, products and services8.5 Production and service provision8.7 Control of nonconforming outputs9 Performance evaluation<ul style="list-style-type: none">9.1 Monitoring, measurement, analysis and evaluation<ul style="list-style-type: none">9.1.1 General9.1.3 Analysis and evaluation10 Improvement<ul style="list-style-type: none">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 **17 August 2018**

Nonconforming Corrective Action Report (CAR) for Jemison Metals

CAR #	ISO 9000: 2015 Clause / Sub-Clause	Findings/Requirements	Observation	Minor	Major
OBS 1	7.5	JDM-F-008 has JD"F"-F-008 in footer. Typo needs to be corrected.	X		
Minor 1	8.5	Operator did not have the tag for the material to be used available. All material must be clearly identified. Risk in this event was low due to gauge, width and length checks as well as the fact that this is a very specific size and is likely not to cause a mix issue. However, we should take CA to prevent recurrence.		X	
OFI 1	8.4	No documented receiving procedure. One hasn't been needed as John has been receiving for decades. However, if John retires or leaves Jemison we should take the benefit of his experience and document it into a procedure.	X		

8-15-18 GAD

Rev. John Cordell / GAD009 7/11/11 Rev. 1

OFI 1 Rev. Procedure -
 PO GAD 14213 Rev. 43691 A1008 CSB

Gauge .0266 in Mill Coil 3438041.002
 Master Tag .0266 Act GE Lighting CR CSB .0266 in

ND 59433 Coil 18-24k 23.4k Actual

0-1" Mic 2088 Rev. 1/8 due 1/9

Tape 3039 25' Rev. 1/8 due May 19

Scale 321909 Capacity? 70K 6/22/18
 6-22-18 10-25K maybe kg? due 9/24/18
 due 9-23-18

S/O 76989 due 8/16/18 Hail Post 2484961
 Rev. C. Requested 8/16/18
 atk on 8/17
 Plasma Cody Mathis

w/o 81116 Hail-Fab

w/137-0601-025 Jan. 7 ✓ cost Re
 Print 137-0601-025 Rev. 0

✓ Gauge Program 6742 on w/o
 ✓ Length Material 180302
 ✓ B-width only 60x80, but no tag on it.
 ✓ C-Hole

Tape T3051 25' PL Mar 18 due Mar 19 OBS.
 2086 0-1" Mic Plasma 1/8 due 1/9
 12" Caliper 1205 Ph. Feb 18 due Feb.

GAD0020 9/3/15 Rev. 1

GCT - Chris Ellis

GAD 81725 GE Lighting TX
 CRS 22 CSB 48 x 98

.0269-.0329 Gauge Actual .0269

48-48.1875 Width 48 1/8

98-98.25 Length 98 3/4

Wave/Bow .18 max .18

Square .25 max .18

Material ND 59388
 ND 59389

Packaging

Paper wrap

H.T. Skids

Ring Shank Nails

3 x 4 Length Runners turned Sideways
 for Line Clearance

Skids to have Crossblocks on Bottom

2500lb Max

JD6

DEC-BB1-CTL Rev. 4

0-1" Mic 2071 Anne Oct 17 due Oct

Tape 16' T3052
 4 Rows 8/18 due 8/9

QA

GAD014 11/30/15 Rev. 2

Rev-up Process

OBS 2 Rev-up Procedure

GAD-FAB-002

JDM-F-008 8/12/16 Rev. 1
 Form has JDF-F-008

TAEI Part 1982516. Rev-up
 initiated on 7/20/17, completed
 same day.

Check sheet Complete + Emails
 verified.

Non conforming Area

Tag 179000
 178970

Both tagged for
 Edge wave on
 Mill Claim

BW96445 R

Pickle Stain on
 Coil a Mill Claim

P.B. Gauges

Height Gauge 16001038 Nov 17 due Nov 18

2-4-6 Blocks?

Nov 17 due Nov 18

P004 Protractor P.B.

DPO02 Digital Protractor P.B.

T 3048 Tape 16' Mar 18 due Mar 19

12" Caliper 1207
 P.B. Mar 18 due Mar 19

PM. Wayne Angle

Forklifts

Daily by
 Maint. Helper
 on File
 Saw 7/23-8/13

Cranes

Daily - assigned personnel

Day 1 #1 Crane
 by Chris Ellis.
 Saw July. Check August @ Line
 @ Roweline thru 8/15/18

Inspection
 Every 12 mos. FHS, Florida Hoisting
 Systems
 Crane #1 Code Violation reported
 for Bridge Brake.
 We changed to Variable
 Speed Drive in Q1 2018

Verified GCT
 Weekly checklist
 performed by Maint.
 Helper.

JDM200 Plasma
 Hardcopy Breakroom, Entry

Metrics Posted on Board

Overall Cleanliness - Good

THE LOHR



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