

Audit Review and Evaluation of Jemison Demsey Metals

1255 Northgate Drive
Sumter, SC 29154

Dates of Audit: 2/9/17
Date of Submittal: 5/20/17

Auditors: Rick Rowland – SR VP Quality & Engineering

1.0 Summary

This internal audit review provided an evaluation of Jemison Demsey 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.**

Audit Detail/Observations/Findings (Detail listed in table at end of report)

4-QMS - Documentation requirements – The following forms and documents were verified during the audit: MF032 (Incoming Inspection Report Rev 7 6/22/11), SMT-CTL-001 (Cut to length procedure, Rev 4 11/8/16), FOP081 (Electronic Rev 1 2/16/01), JDM 200 (CA Form Rev 2 10/9/13)

6-Resource Mgmt – Employees appeared competent and well trained, other than what's noted in observation #1 below. Adequate resources (gauges, safety equipment, operating equipment, environment) were observed during the audit.

7.2 – Customer Related Processes

Customer communication was verified for work order 64508. Customer emailed release on 2/6/17 2:21PM. Order acknowledged on 2/6/17 at 2:23pm after checking inventory in Stelplan. Transfer order #126526 was entered as due on 2/9/17.

7.5-Production & Service Provision.

Receiving of mill coil 313778.100 (PO SMT-20034, BOL 1250084) was observed and tag NB53923 was applied and the coil placed into inventory (Location 8E). PO requirements were verified during the audit for GE Mebane. **Kenny (receiver) was not able to pull up the receiving procedure (SMT-RC-001), although he knew the steps to the procedure. (Observation #1)**

Work order 64508 (Vulcraft) was observed in production on the cut to length line. CTL Operator (Trelvin Grant pulled up SMT-CTL-001 and explained his procedure). Work order requirements: Gauge, Width, Length, and flatness were all documented on FOP 081 and within requirements. **Packaging Requirements included a 5,000 lb maximum weight requirement. Tag VU85455 exhibited 24 pcs and weighed 5,150 lbs. Minor Finding #1. Part spec listed mechanical requirements for SS40 galvanized, while CS Type B coil was applied. Minor Finding #2.**

7.6-Control of Monitoring and Test Equipment. The following gauges were verified to be calibrated in compliance with calibration records: 0-1" Micrometer M44 Due 6/28/17, ST5 Step Gauge due 7/5/17, **Measuring Table 63294 was in calibration; however, the unique identifier was behind a light support pole and difficult to read. Observation #2.**

8.3-Control of Nonconforming Product – Both the coil and sheet nonconforming areas were examined. Both the sheet and coil non-conforming areas were tidy and well-defined.

Corrective/Preventive Action Follow-Up

CA 12304 – Was the only open CA, closed on 2/9/17. CA was started; however, the mill ended up providing the CA to the customer.

2.0 Overview

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

Kenny (Receiving) Trelvin Grant (CTL Operator) Donnie Redfern (Inside Sales) Patrick Macias (QA Manager)	
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2.2 Audited Requirements

4 Quality Management System 4.1 General Requirements 4.2. Documentation Requirements 5 Management Responsibility 5.1 Management Commitment 5.2 Customer Focus 5.3 Quality Policy 5.4 Planning 5.5 Responsibility, Authority and Communication 5.6 Management Review 6 Resource Management 6.1 Provision of Resources 6.2 Human Resources 6.3 Infrastructure <u>6.4 Work Environment</u>	7 Product Realization 7.1 Planning of Product Realization 7.2 Customer-Related Processes 7.3 Design and Development (N/A) 7.4 Purchasing <u>7.5 Production and Service Provision</u> <u>7.6 Control of Monitoring and Measuring Devices</u> 8 Measurement, Analysis and Improvement 8.1 General 8.2 Monitoring and Measurement <u>8.3 Control of Nonconforming Product</u> 8.4 Analysis of Data <u>8.5 Improvement</u>
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2.3 APPROVAL/SIGN-OFF

Report Prepared by

Rick Rowland

Rick Rowland

Date **20 May 2017**

Lead Auditor/QMR

Nonconforming Corrective Action Report (CAR) for Jemison
Metals

CAR #	ISO 9000: 2000 Clause / Sub-Clause	Findings/Requirements	Observation	Minor	Major
n/a	7.4.3 (Verification of purchased product)	<u>Observation #1.</u> Receiving personnel were unable to show the receiving procedure.	X		
1	7.5 (Production and service provision)	<u>Minor Finding #1.</u> Work order requirement of 5,000 lb maximum tag weight was not followed as Tag VU85455 exhibited a weight of 5,150 lbs.		X	
2	7.5 (Production and service provision)	<u>Minor Finding #2.</u> Part spec callout for SS40 galvanized; however, CS Type B grade coil was applied to the job.		X	
n/a	7.6 (Control of monitoring and measuring equipment)	<u>Observation #2.</u> Measuring table serial number, S/N 63294, was not easily accessible/viewable.	X		

SMT Internal

2/9/17

SMT-RC-001 Incoming Insp. Report
Receiving Procedure MF032 Rev 7 6/22/11 Kenny

313778.100 .092 x 42 Nucor Berkeley
PO SMT 20034 FS 660 NCT L.O. 18-24,000 lbs 85 AG6E1
BOL Matches 1250084 BOL# for GE Mebane

MF032 Weighs 22950
6/22/11
Rev 7 Location 8E
Watched 1st Receiver + Tag Print NB53923

Did not reference or Pull up SMT-RC-001
* OBS#1

Finding #2

SMT-CTL-001 Trelvin Grant CTL Operator (Pulled up Procedure + Explained)

Work order 64508 for Vulcraft Cust# 1282 Part# 1282/10ga 48 120 G90 CTD

Gauge .1270 - .1350 Actual = .133/134 Yield 40ksi
Width 48" - 0, +.875" Actual = 48.153" Tens. 50ksi
Length 120 - 0, +.250" Actual = 120.12 Elong 16%
Wave/Bow/Flat = <.12" Actual = <.12"

Tag
VU85455
5,150 lbs

Skid JD4, 5000 lb. Max
2 Length Bands around entire skid
2 Width Bands " "
2 Width Bands around steel
Master Coil NI 52827
PO 19495-1
.127" min x 48" CS-B G90 CTD RoHS

Operator Note on w/o
"Heavy Galv + Discoloration on Edges, OK PVM"
OK'd by QA Mgr.

Form for Production Results. FOP081

Donnie Redfern - Inside Sales

Customer email dated 2/6/17 2:21 pm.
Order acknowledged 2/6/17 2:23 pm.
Donnie entered Transfer Order #126526
Due 2/9/17.

Looked in FIT To check Inventory

Gauges
0-1" Mic M44 Due 6/28/17
ST5-Step Gauge Due 7/5/17
Measuring Table Serial# 50069
No sticker Hard to Read

* OBS#2
Actual 63294

C.A. 12304 only open C.A.

Started, not complete/Approved
Cancelled as the mill did the C.A. direct to customer.
Needs to be Closed so it doesn't show as open.

Closed
2/9/17
RR.

THE LOHR

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