

Standard Operating Procedure Supplier/Vendor Quality Audit	SOP No. 1.002
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1 Purpose

- 1.1 To establish a standard procedure for planning, organizing and auditing vendors/suppliers' qualification.

2 Scope

- 2.1 This procedure may apply to Therma's existing vendors/suppliers and can be utilized to pre-qualify a new vendor/supplier.

3 Responsibility

- 3.1 Quality Assurance (QA) Manager is responsible for developing and editing supplier quality audit questionnaire (FN 1.002.1).
- 3.2 QA Manager shall perform supplier quality audit.

4 Procedures

- 4.1 Operations Manager or Project Manager shall request the QA Manager to initiate a supplier quality audit for existing or new suppliers.
 - 4.1.1 The operations manager or project manager shall fill out an audit request form (FN 1.002.3) and submit to the QA Manager prior to initiating the supplier quality audit.
- 4.2 A supplier quality audit may be initiated anytime by the QA Manager on existing or new supplier/vendor with prior notification to the Operation Manager or Project Manager.
- 4.3 The QA Manager shall deliver the Supplier Quality Audit Questionnaire (FN 1.002.1) to the vendors/suppliers. QA Manager shall indicate the due date of the completion of the questionnaire.
- 4.4 The QA Manager shall follow-up with vendors/suppliers if the questionnaire has not been sent back to Therma by the due date.
- 4.5 The QA Manager shall evaluate vendors' questionnaire:
 - 4.5.1 Ensure that all questions listed in the questionnaire are complete.

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- 4.5.2 Review vendors' procedures, policies, and program if they are requested.
- 4.5.3 Determine any deficiency if supplier/vendor has.
- 4.5.4 Rate for supplier/vendor qualification.
- 4.6 The rating has two (2) levels: qualified and unqualified. The definition of each level is described below.
 - 4.6.1 **Qualified Supplier/Vendor:** This rating is given to a supplier who has no or minor deficiencies for the most recent audit. The supplier shall also have no more than two (2) Customer Service issues with Therma. Therma can procure the referenced equipment and/or components from this supplier without exception.
 - 4.6.2 **Unqualified:** This rating is given to a supplier who has major deficiencies for the most recent audit. Therma cannot procure the referenced equipment and/or components from this Supplier until the Supplier corrects the major deficiencies.
- 4.7 **Major Deficiency –** Any deficiency in supplier's facility, equipment, procedures or personnel that **could** prevent the supplier from consistently manufacturing the referenced equipment and/or components to meet Therma requirements and specification.
- 4.8 **Minor Deficiency –** Any deficiency that is not considered major. This deficiency should be addressed by supplier to enhance its ability to manufacture the referenced equipment and/or components to meet Therma requirements and specification.
- 4.9 After completion of vendor/supplier evaluation, the QA Manager shall develop a supplier/vendor audit summary report (FN 1.002.2), which shall include audit date, audit due date, actual completion date by vendor/supplier, evaluation start & end dates, supplier's rating, and comments.
- 4.10 The Operations Manager or Project Manager and the QA Manager will determine if a site inspection for a vendor/supplier is required.

5 Review and Approval

- 5.1 The QA Manager shall send a copy of the supplier/vendor audit report to the Operations Manager and Project Manager for their reference.

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Document Approval


Operations Manager

12-29-05
Date


Process Equipment Group Manager

04 JAN 06
Date


Quality Assurance Manager

JAN. 05, 2006
Date

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