Procedure
Contract Review P7.2-2
Rev. K

Approved By: Kyle Gibson, Quality Manager

Purpose: To document the processes associated with review customer requirements.
Scope: All orders and changes to orders.
Authority: The Quality Manager has the authority to change or modify this procedure.

Reference Documents and Records

- Policy Element 7.2 Customer related processes
- Quality Records Procedure P4.2.4
- Customer POs
- Acknowledgement
- Verbal Order O-VRBL-XX
- Pre-production Samples Procedure (P7.1-1)

Change History

Date	Change	Rev	By
06/13/96	Revised entire procedure to reflect current methods based on computer system	B	MO
12/10/96	Revised entirely due to pre-assessment audit	C	MO
01/02/97	Added WI #'s and revamp of paragraph #1	D	MO
03/19/97	Customer service shall notify shipping of packaging changes "Change Orders Step 4" Step 1 #5 – c/s review availability of materials.	E	MO
03/16/00	Eliminated line in paragraph(s) 5 and updated lines to reflect current changes due to new computer system.	F	MT
9/19/01	Modified all sections to include the use of the order acknowledgement form for exceptions and changes to contract and/or PO's. Also removed DCD and CLC from paragraphs, changed to ERP software to reflect any future changes in the name of the software package.	**G**	**MO**
10/10/2002	Flowcharted procedure and updated review for ISO 9001:2000	H	MO
01/27/2006	Modified Step for similar product to include changes to methods when similar product order received. Corrected typo Yes and no on flow chart were reversed.	I	MO
5/5/2011	Added customer quality clauses to review statement	J	MO
10/15/12	Updated revision on form number (XX) to represent all revisions.	K	KG

Customer Service/Sales/Engineering	Production Scheduler

Reviews the customers purchase order (PO) for the following :
1) Revision level of the part requested to the latest revision within the ERP software . if the revisions do not match then notify customer to send the latest revision print and hold the order open until the updated print is received and reviewed per the Print Control Procedure (P4.2.3-1). Note ERP system does not allow job to be issued should the revisions of the PO and the methods master NOT match .

2) Requested due date for the parts . If the customers requested due date is before the lead time stated in the ERP system then notify the Production Scheduler and/or Plant Manager for approval. If the requested date is unreasonable then contact the customer for a change in delivery requirements .

3) Price for the parts (both the unit cost and total cost). If the price requested is not equal to the price stated in the ERP system then contact the customer stating the discrepancy .

4) Any special requirements listed on the customer PO (i.e. standards , statutory or regulatory requirements) and any requirements not stated on the PO but are known . Adds these requirements into the ERP software and Notifies the Project Manager and/or any other applicable party of the stated standards to ensure that the additional requirements have been addressed in the SMPs as appropriate . Enters the order into the ERP program for a Shop Order Number if no discrepancy exists .

5) Reviews the part BOM and checks the ERP Program for the required inventory . Verbally notifies the Project Manager and the Buyer of material requirements .

If the order has never been produced before or is not similar to a previously produced order then start the Pre -production Samples Procedure (P7.1-2).

YES ← New or Not Similar to Previous Part ?

NO

If the part is similar to existing manufactured part , have sales or engineering modify the methods master to reflect the changes (typically turns wire size etc .). Once changes are made enter order .

Enter the order into the ERP scheduling system . Acknowledgements are sent to the customer using acknowledgment forms generated within the ERP software .

File the PO in the Open Order File . per the Quality Records Procedure (P4.2.4).

Should any exceptions be made to PO or Contract requirement be made , the acknowledgment form will address those concerns . If no response from the customer is received after sending the acknowledgement , then the exceptions or changes to contract and /or PO are deemed to be accepted by the customer .

(End)

The Production Scheduler places copies of ERP production schedule in the supervisors mailboxes or supervisors run their own production schedule from the ERP package ..

Contract Review 7.2.2 Rev. K- Change Orders

Customer Service	Project Manger	Engineering	Quality Manager , Industrial Engineer	Shipping Supervisor

Receives change request . Changes may be internally requested or from the customer . Changes may also be engineering related (part change , deviation request , or specification change) or administrative related (quantity or due date change).

Pull the affected customer PO from the Open Order File.

◄ Admin — Engineering Change or Administrative ?

Notify Production Scheduler of change request .

Engineering

Customer or Internal Request ? — Internal →

Customer

Contact Customer for approval .

Additional Review Required ? — Yes ▶ Engineering changes may require additional review by Engineering , Manufacturing and Quality .

Submit recommendation

No

Customer

Fiesable ?

Customer Approved ?

No

Approved ? — Yes ▶ Customer or Internal request ?

When determined necessary by the Project Manager samples may be required per the Pre - production Samples Procedure (P7.1-1).

Internal

Reject request . Contact Customer or internal source as appropriate .

Yes

Yes

Contact Customer for approval .

Yes

Make the appropriate changes in the ERP system and treat the change as a reoccurring order , this includes the acknowledging of the order when requested by the customer .

Customer Approved ?

Document the change on the original customer PO . At a minimum verbally notify the Shipping Supervisor of packaging changes , but changes should be made in writing .

No

Update SMPs , drawings , and work instructions as necessary for engineering changes and for engineering , quantity and due date document on the customer 's purchase order .

Update the Shipping Manual for skidding requirements and the SMP /FIP per the SMP Control Procedure (P4.2.3-2) for part packaging requirements .

No

Customer or Internal request ? — Internal

Notify internal party of rejection .

Customer

Contact Customer about rejection .

End