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**U.S. DEPARTMENT OF ENERGY  
OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT  
OFFICE OF QUALITY ASSURANCE**

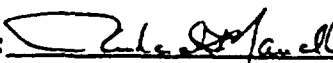
**SUPPLIER AUDIT REPORT**


**OF**

**METAL SAMPLES CO., INC.  
A SUBSIDIARY OF  
ALABAMA SPECIALTY PRODUCTS, INC.**

**MUNFORD, ALABAMA**

**REPORT NUMBER OQA-SA-97-018  
APRIL 29 - 30, 1997**

Prepared by:  Date: 05.08.97  
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Office of Quality Assurance

Approved by:  Date: 5/12/97  
Donald G. Horton  
Director  
Office of Quality Assurance

## **1.0 EXECUTIVE SUMMARY**

The results of the supplier audit of Metal Samples Co., Inc. (MSC), a subsidiary of Alabama Specialty Products, Inc., revealed unsatisfactory conditions resulting in the issuance of one Deficiency Report (DR) YM-97-D-038 to Lawrence Livermore National Laboratory (LLNL) for action which relates to the Quality Assurance (QA) program for the Office of Civilian Radioactive Waste Management (OCRWM) activities. The DR relates to the lack of evidence of approval of subtier suppliers' QA programs for the purchase of base material, weld filler material and calibration services for the LLNL quality related procurement. It should be noted that failure to have documented evidence of supplier evaluations and acceptance of their QA programs or alternate methods for qualification of the materials has a direct impact on the quality of the samples provided to LLNL.

The unsatisfactory condition identified during the audit was discussed with the President and Compliance Director of MSC who agreed to work with LLNL in reaching a mutually agreeable solution to the unsatisfactory condition.

The results of the audit warrant a recommendation that use of MSC, a subsidiary of Alabama Specialty Products, be suspended until a full evaluation of the impact of the deficiency on the materials provided by MSC has been performed and a determination that MSC has a program which provides a method for the qualification and acceptance of suppliers' QA programs or an alternate method for the qualification of the base material, weld filler material and calibration services.

## **2.0 SCOPE**

The supplier audit was conducted to evaluate the adequacy, implementation, and effectiveness of Alabama Specialty Products, Inc.'s quality system as implemented by MSC. This was accomplished by determining if MSC's quality program implements the applicable portions of the OCRWM Quality Assurance Requirements and Description (QARD), satisfies the applicable QA requirements specified in LLNL purchase order B3335057, and satisfactorily implements MSC's Quality System Manual, dated 03/27/97, for the intended scope of work. The QA program elements determined to be applicable are: Organization; QA Program; Procurement Document Control; Implementing Documents; Document Control; Control of Purchased Items and Services; Identification of Items; Special Processes; Inspection; Control of Measuring and Test Equipment; Storage, Shipping and Handling; Inspection, Test, and Operating Status; Nonconformance Control; Corrective Action; QA Records, and Audits.

## **3.0 AUDIT TEAM AND OBSERVERS**

Richard L. Maudlin, Audit Team Leader, Office of Quality Assurance (OQA)

#### **4.0 PERSONNEL CONTACTED DURING FACILITY AUDIT**

F Douglas, Compliance Director, MSC  
K Johnson, President, MSC  
L Braden, Quality Control Manager, MSC  
L Carr, Purchasing Agent, MSC  
D Gilboe, Sales Engineer, MSC  
M Sirmans, Receiving Clerk, MSC  
G Brown, Calibration Technician, MSC  
R Borchard, Administrative Manager, MSC

#### **5.0 SUMMARY OF AUDIT RESULTS**

Alabama Specialty Products, Inc.'s Quality Systems Manual, dated 03/27/97, addresses the applicable elements of the LLNL procurement document No. B335057 and the applicable elements of the OCRWM QARD, except as noted in the DR, for the intended scope of work. Implementation of Alabama Specialty Products, Inc Quality System Manual and associated procedures was satisfactory for the scope of work. It should be noted that the Quality System Manual and associated implementing procedures are maintained electronically, as a result, no hard copy of the document exists outside MSC.

The details of the audit, along with the objective evidence reviewed, are contained within the audit checklist which is available from the OQA's supplier evaluation files.

#### **6.0 DEFICIENCIES/RECOMMENDATIONS**

The unsatisfactory condition has been documented on the respective corrective action documents and submitted to LLNL for resolution. Responsibility for resolution of the identified condition rests with LLNL. There were no recommendations.

##### **DEFICIENCY**

DR No YM-97-D-038 - QARD, Section 7.0, Subsection 7.2.3 (D) and (E), state in part "Supplier QA program shall be evaluated either before or after contract placement. Supplier QA programs shall be accepted by the purchaser before the supplier starts work

Contrary to these requirements, (A) Alabama Specialty Products, Inc's Quality System Manual, dated 03/27/97, does not address requirements for the evaluation and acceptance of supplier QA programs and (B) No documented evidence could be provided to reflect that Metal Samples Company, Inc's suppliers ( American Alloy, Holox, Inco Alloy, and Southern Machinery & Supply) of base materials, filler materials and calibrations services, for work supporting the LLNL procurement, had satisfactory quality programs