GEOSCIENCES AND ENGINEERING DIVISION QUALITY ASSURANCE PROCEDURE	Proc. QAP–016 Revision 9 Chg 2 Page 1 of 10

Title: **QAP–016 PROCEDURE**

EFFECTIVITY AND APPROVAL

Revision 9 of this procedure became effective on 9/1/2005. This procedure consists of the pages and changes listed below.

Page No.	Change	Date Effective
1	2	5/03/2006
2-5	0	9/1/2005
6	1	10/26/2005
7-8	2	5/03/2006
9-10	0	9/1/2005

Change one addresses purchases made through standing order agreements.

Change two revises how receipt and acceptance is documented and the flow of receipt documents to QA records.

Supersedes Procedure No. QAP–016, Revision 9, Change 1, dated 10/26/2005.

Prepared by	Date	Approved by	Date
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QAP–016 PROCUREMENT

1. PURPOSE

The purpose of this procedure is to establish requirements for source selection, purchase document content and approval, and receipt and acceptance of Geosciences and Engineering Division (Division) quality affecting materials, equipment, and services.

Quality affecting purchases of materials, equipment, or services are ones that could influence the outcome of quality affecting activities. Quality affecting activities include analyses, research, development, investigation, and technical assistance. Nonquality affecting purchases and their receipt shall follow established Southwest Research Institute® (SwRI®) practices. Procurement requirements applicable to subcontractors and consultants are contained in Division procedures AP–005, Obtaining Subcontract Services and AP–006, Obtaining Consultant Services.

2. RESPONSIBILITIES

2.1 The purchase requester is responsible for providing procurement document information.

2.2 The Director of Quality Assurance (QA) is responsible for reviewing and approving quality provisions of purchase requisitions and procurement plans.

2.3 Managers are responsible for reviewing and approving technical provisions of purchase requisitions.

2.4 The Assistant Director or Director of Administration is responsible for reviewing and approving fiscal provisions of purchase requisitions.

2.5 The purchase requestor or other technically qualified individual is responsible for inspecting items on receipt.

3. PROCUREMENT

Table 1 provides guidance for selecting suppliers, for procurement document requirements, and for receipt and acceptance methods.

Table 1. Procurement Guidelines

Commodity	Supplier Qualification	Purchase Document Requirements	Procurement Plan	Acceptance
Lab Chemicals, Reagents, Standards, Materials	Approved Suppliers List	Q20, Q51, Q7	None required	Count, kind, condition, and certificates from supplier
	Non-Approved Suppliers List	Q20, Q7	Plan required	Count, kind, condition, and Procurement Plan criteria
Machining, including inspection	Approved Suppliers List	Q20, Q11	None required	Count, kind, condition, and inspection data from supplier
Nondestructive Examination	Approved Suppliers List	Q20, Q12	None required	Data from supplier
Laboratory Analysis	Approved Suppliers List	Q20	None required	Data from supplier
	Non-Approved Suppliers List	Q20	Plan required	Data from supplier and Procurement Plan criteria
Special Processes (Welding Heat Treating, etc.)	Approved Suppliers List	Q20, Q12	None required	Data from supplier
	Non-Approved Suppliers List	Q20, Q12	Plan required: describe how critical parameters will be verified	Data from supplier and Procurement Plan criteria
Personal Services, Consultants and Subcontractors	Per AP–005 or AP–006	Q20	None required	Acceptance through routine management review and QAP–002 review process
Metals and Other Samples	Non-Approved Suppliers List	Q20, Q3, Q4	Plan required	Procurement Plan criteria

Table 1. Procurement Guidelines (continued)

Commodity	Supplier Qualification	Purchase Document Requirements	Procurement Plan	Acceptance
Software	Approved Suppliers List	Q20	None required	Per TOP–018
	Non-Approved Suppliers List	NA	None required: apply TOP–018	Per TOP–018

3.1 Source Selection

3.1.1 Use of Approved Suppliers

Quality affecting purchases shall be obtained, whenever possible, from suppliers that have been evaluated in accordance with SwRI Procedure IQS–OP–741, Purchasing, and are listed on the SwRI Approved Suppliers List. Requests for adding suppliers to the Approved Suppliers List shall be made in accordance with IQS–OP–741 and should be coordinated with the Director of QA.

The SwRI Approved Suppliers List may be accessed at http: //I2net.swri.edu/ services/QA/IQS_Home_Page.htm by clicking on the Approved Suppliers List bookmark.

3.1.2 Use of Non-Approved Suppliers List Suppliers

Quality affecting purchases may be placed with suppliers not listed on the Approved Suppliers List when approved supplier list suppliers are not available and the suppliers cannot be qualified. In these cases, a procurement plan (Form QAP–18) shall be prepared. The procurement plan shall identify

- Actions or tests necessary to confirm the quality of the item or services. If none of the options listed on the procurement plan are appropriate for the procurement, the requestor shall define how the quality confirmation will be accomplished.
- The purchase requisition number
- The proposed supplier
- The reason for not using an Approved Suppliers List supplier or for not placing the supplier on the Approved Suppliers List
- Acceptance criteria

A procurement plan is not required for scientific and engineering software purchased from non-Approved Suppliers List suppliers. In those cases, TOP–018, Development and Control or Scientific and Engineering Software, shall be applied before the software may be used in quality affecting activities.

The procurement plan shall be reviewed for compliance with these requirements and approved by the Director of QA prior to the procurement. If the procurement plan is attached to the purchase requisition in the Forms Manager system, approval of the purchase requisition by the Director of QA shall signify approval of the procurement plan.

3.1.3 Obtaining Services from SwRI Sources

Quality affecting services (i.e., laboratory analyses) may be obtained from other SwRI organizations provided that appropriate controls are applied. If the SwRI organization has a third-party certified (i.e., ISO-9000 or ISO-17025) quality program, the organization shall be treated as an Approved Supplers List supplier. If the organization does not have a certified quality program, the organization shall be treated as a non-Approved Suppliers List supplier, and a procurement plan is required. Instructions equivalent to those required in procurement documents (Section 4) shall be provided to the SwRI organization.

4. PROCUREMENT DOCUMENT CONTROL

4.1 Identification of Procurement Document Information

Purchase requisitions shall be processed using the online SwRI Forms Manager system. Requesters may interface directly with Forms Manager, or the following information may be provided to a support staff member for preparation of the requisition.

- The item to be purchased; by detailed description or reference to part or catalog number
- Technical and regulatory requirements, codes or standards, as applicable
- Documentation required from the supplier (see Table 1)
- Whether the item or service requested is quality affecting
- Whether the procurement requires an Approved Suppliers List supplier (i.e., when an approved supplier list supplier is available)
- Applicable Quality (Q) clauses (see Table 1 and Attachment 1 for Q clauses appropriate for the procurement category)
- Applicable drawings or price quotes (attach)
- Whether the purchase is for a government project
- Whether the purchase cost is greater that $1,500
- A procurement plan (attach, when applicable)
- The proposed supplier (if known)

The full listing of quality clauses and text is available at http://l2net.swri.edu/services/QA/IQS_Home_Page.htm.

4.2 Procurement Document Approval

After a requisition has been prepared in the Forms Manager system, it shall be sent via email for the following reviews and approvals.

- QA—to verify that appropriate quality requirements have been included and that the applicable provisions of this procedure have been met
- Requestor—to verify that the purchase requirements have been accurately entered into Forms Manager
- Responsible manager—to verify that the appropriate technical requirements have been specified on the requisition
- CNWRA President; Director of the Department of Earth, Material, and Planetary Sciences; or Director of Administration, as appropriate—to approve expenditure of the funds

4.3 Standing Order Agreements

SwRI has standing order agreements with several suppliers. These agreements streamline the usual purchase requisition preparation and approval process by establishing supplier qualification and procurement document requirements before individual orders are placed. This alternative procurement method may be used for GED purchases from suppliers on the Approved Suppliers List with appropriate quality clauses included in the standing order agreements. In these cases, procurement document preparation and approval in accordance with Sections 4.1 and 4.2 are not applicable. Orders are communicated directly (e.g., by fax) from the requestor to the supplier using the supplier's order form. A copy of the order form shall be retained for QA records.

5. RECEIPT AND ACCEPTANCE

Receiving inspections shall be performed by technically qualified staff, usually the purchase requestor. Guidance for the acceptance of common types of purchased items and services is provided in Table 1.

5.1 Receipt and Acceptance from Approved Supplier List Suppliers

The receiving inspection shall verify that requirements listed on the purchase document have been satisfied. At a minimum, the receiving inspection shall verify that

- The correct items and quantity have been delivered.
- Items are properly identified.

- Requested documentation has been provided.
- Items are clean and free from shipping damage.

If the inspection finds that all requirements have been satisfied, the items can be accepted. Acceptance shall be documented on a copy of the approved purchase requisition. Acceptance shall be indicated by (i) the signature of the receipt inspector, (ii) the date of the inspection, and (iii) a statement indicating acceptance of the item such as "accepted." All relevant receiving documentation shall be stapled together and sent to QA records.

Discrepancies identified during receiving inspection shall be addressed in accordance with Section 5.4.

5.2 Receipt and Acceptance from Non-Approved Supplier List Suppliers

In addition to the receiving inspection steps described in Section 5.1, the receiving inspection for non-Approved Suppliers List suppliers shall include the verification activities and acceptance criteria specified in the applicable procurement plan (see paragraph 3.1.2). If the received item requires additional action to determine compliance with the procurement plan, the item will be placed in a hold area until the required action is completed. If the inspection results indicate that all requirements listed on the requisition and contained in the procurement plan have been satisfied, the item can be accepted.

After completion of the inspection, the following information shall be added to the lower portion of the procurement plan:

- Inspection results (accepted or rejected)
- The location (i.e., scientific notebook) of the documentation of the basis of acceptance (i.e., calculations, confirmatory analysis reports, inspection reports, etc.)

The completed procurement plan and receipt documentation shall be sent to QA records.

Discrepancies identified during receiving inspection shall be addressed in accordance with Section 5.4.

5.3 Identification of Accepted Items

Accepted items shall be identified by the purchase requisition number or appropriate sample identification member. The identifying number may be placed on the item itself, on a tag attached to the item, or on a container holding the accepted item. Only items that have been accepted may have the identifying number affixed. Associated

certificates, test and inspection results provided the supplier shall be annotated with the purchase requisition or standing order number.

5.4 Nonconforming Items

If the receiving inspection identifies nonconformances with procurement requirements, a nonconformance report shall be initiated and processed in accordance with QAP–009, Nonconformance Control. The purchase requisition and the receipt documentation shall be annotated with the nonconformance report number. If the disposition of the nonconformance report results in acceptance of the item(s), the item can then be released for use. If the nonconformance report results in rejecting the item, the SwRI receiving department shall be notified to return the item to the supplier.

6. RECORDS

The following shall be maintained as quality assurance records in accordance with QAP–012, Quality Assurance Records Control.

- Purchase requisitions, which shall be submitted to QA records when annotated with acceptance information.
- Completed procurement plans, which shall be submitted to QA records when the acceptance activity is complete.
- Copies of supplier provided documentation (i.e., certificates) required by the purchase requisition, which shall be accumulated over a 6-month period and submitted to QA records in a package.

Attachment 1

QUALITY CLAUSES COMMONLY USED BY THE
GEOSCIENCES AND ENGINEERING DIVISION

Q3: Material certification shall accompany each lot of items shipped. Certification shall verify conformance to applicable specification(s) and reference the applicable heat number, lot/batch number, or date code. The supplier shall notify Institute quality systems of any deficiencies discovered subsequent to the delivery of this item.

Q4: Mill Test Report shall accompany each lot of items shipped. Test report shall be in the form of a production batch analysis or ladle analysis. Chemical and/or physical test data shall be provided. Material shall be identified by heat number, if applicable.

Q7: Material Safety Data Sheet(s) must be supplied upon first shipment of the product. The content of the material safety data sheet(s) is required to be in compliance with 29 CFR 1910.1200(9).

Q11: Supplier shall furnish dimensional inspection data verifying compliance with the requirements of the fabrication drawings.

Q12: Certified inspection/test data is required with shipment of parts, materials, and for services.

Q20: Your organization will provide goods or services in accordance with the requirements of your quality system or that of the Geosciences and Engineering Division Quality Assurance Manual. Technical and quality assurance procedures required in the performance of your staff members' work will be identified in procurement documents. Documentation requirements shall be specified in the purchase order and will be supplied with the product. If scientific notebooks are utilized, they are subject to periodic submittal and review and must be returned at the conclusion of work to Geosciences and Engineering Division Quality Assurance or payment will be withheld. Your organization's product will be accepted based on an evaluation by Geosciences and Engineering Division staff and will be returned for rework at seller's expense if the product does not meet requirements. Additionally, there shall be "right of access" to your facility to confirm effective implementation of the quality requirements with the possibility of audits, source inspections, or surveillances. The seller shall notify Geosciences and Engineering Division Quality Assurance of any nonconformance to the requirements of this purchase order; further work shall not be done unless directed by Geosciences and Engineering Division Quality Assurance. If there are any quality assurance-related questions, please call the Director of Quality Assurance at 210.522.5537.

Q51: Supplier shall provide a Certificate of Analysis for each chemical(s) shipped. The certificate shall provide evidence for conformance to applicable specification(s) with the percent of purity and reference the appropriate lot/batch number of the chemical(s). The supplier shall notify Institute Quality Systems of any deficiencies discovered subsequent to the delivery of this order.