

FEDERAL MANUFACTURING
& TECHNOLOGIES (PQR 1070.doc)

CERTIFIED SUPPLIER PROGRAM (U)

CHANGE HISTORY

<u>ISSUE</u>	<u>DESCRIPTION OF CHANGE</u>	<u>CUSTODIAN</u>	<u>DATE</u>
A	INITIAL RELEASE OF NEW PQR	GEORGE LICHTENAUER	2/10/03
B	TO CERTIFY BY P/N AND TO INCLUDE DISTRIBUTORS	GEORGE LICHTENAUER	6/26/03
C	TO MODIFY THE CERTIFIED SUPPLIER PROCESS	STEVE HALTER	7/27/06
D	TO ADD BUY-ON-LABEL PRODUCT REQUIREMENTS	STEVE HALTER	8/18/2006
E	GENERAL UPDATES, REMOVED REVIEW BOARD AND REPLACED WITH QE MANAGER APPROVAL	NOEL BETOW	10/30/2013

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1.0 PURPOSE

The purpose of this document is to define the quality system level and other conditions that must be met and maintained by each Certified Supplier to Honeywell, Federal Manufacturing and Technologies (FM&T). Direction is also provided for performing surveillance and for terminating or reinstating a Certified Supplier. Product from a Certified Supplier is allowed to proceed to FM&T stores without any Buyer lot inspection or testing.

2.0 DEFINITIONS

Definitions of terms and abbreviations are collected in Appendix A.

3.0 CERTIFICATION REQUIREMENTS

Each supplier certification shall be valid for only a single site as identified by vendor code and only specific product(s) from that site. The site shall be the one that manufactures and/or provides supplier testing of the product.

3.1 Nomination

The Purchased Product Team (PPT) will nominate a supplier site and specific product(s) for Certified Supplier status. Each nominated supplier must, as a minimum, be approved at the PQR 1020 level as documented in FM&T's CASL. Approval to PQR 1050/1060 or capable of such a designation as judged by the PPT is preferred. Third party certification to ISO 9001 or AS9100 will enhance the possibility of certification and may decrease the surveillance needs. The PPT will collect information supporting the nomination. This information may include a copy of any third party certification, historical statistics of product test data, a supplier assessment, a risk analysis evaluation (e.g. an FMEA), and other available information.

3.1.1 Manufacturers

On occasion, all products from a manufacturer may qualify for certified supplier status. The more usual condition will identify only a list of specific product(s) from the manufacturer for Certified Supplier status.

3.1.2 Distributors

Certain value-added distributors who provide product testing/material verification results may qualify for Certified Supplier status for specific product(s). Such a distributor will be a Certified Supplier only for specific identified product(s) from certain identified manufacturers which they represent and for which they provide product testing/material verification results to FM&T.

3.2 Supplier History

To be eligible for nomination, a supplier must have delivered at least 3 lots of material 100% trouble free in the past 12 months. They must have an on-time delivery performance of 90% or better and a PATF of 95% or better for a period of at least the previous 12 months. They must not have any outstanding CAR's from any supplier surveys per the current Corrective Action System.

3.3 Supplier Responsibility

In addition to the requirements of the PQR level for the Certified Supplier, they must notify FM&T in writing of all significant changes to the supplier's production and/or inspection systems, i.e., change in senior quality management, change of facilities, etc.

3.4 Supplier Approval

A meeting with the candidate supplier will present the full plan for certification including the quality level and history for nomination, the supplier responsibility and the periodic surveillance. If the supplier agrees, they shall be recommended for approval to a Quality Manager. Certified Suppliers shall be monitored in CASL.

3.5 Buy On Label product

Suppliers (manufacturers or distributors) of Buy On Label product may be nominated for PQR 1070 status. The PPT will still collect information supporting the nomination which may include a copy of any third party certification, historical statistics of product test data, a supplier assessment, a risk analysis evaluation (e.g. an FMEA), and other available information. The supplier history shall be per Paragraph 3.2. Paragraphs 3.1, 3.3 and 3.4 shall not apply. Supplier approval shall be recommended to a Quality Manager and monitored in CASL.

4.0 SURVEILLANCE OF SUPPLIERS

4.1 Process Profile

The Supplier shall establish a process profile for each product purchased. The profile shall include information on how the supplier will verify through inspection and/or test that the parts meet their design requirements. The supplier will provide the profile to the Buyer's Quality Engineering for approval. In most cases, the inspection or test profile definition is included in the product specification and/or any referenced Military Standard or public domain (ASTM, JEDEC, etc.) test standard.

4.2 On-Site Audit

Certified supplier audits will be performed in conjunction with quality system audits. Each surveillance audit shall be led by a Vendor Contact Field Representative (VCFR) from the Purchased Material Field Office (PMFO) or by Surveillance. The responsible Quality Engineering personal should participate in the survey for the supplier being evaluated; other PPT members may also be included. In preparing for an audit previous audits at the certified supplier shall be reviewed.

Not all products or all inspections or tests are expected to be covered at a single audit. Each audit shall evaluate 1-3 supplier inspections or tests chosen from the available process profiles (refer to paragraph 4.1). The overview shall be performed on 1-2 parts or families of product supplied to FM&T. It is preferable to schedule the audit when FM&T product is to be tested.

Representative items for audit evaluation include: the current calibration of equipment, the supplier work instructions accurately reflect the requirements in the FM&T specification, verification that the work instructions are being followed, the inspector accurately completes data records, and verify the training and competence of the inspector. Additionally, verify the packaging and shipping process for accuracy and completeness of part information and paperwork sent to FM&T.

Any problem or improvement areas identified during the audit shall be discussed with the supplier's management before leaving the site.

4.3 Audit Report

Each audit shall result in a report which includes the supplier identification, the report date, the audit team names, the tests and product covered and a discussion of the results with any corrective action or recommendations. The report shall be filed at FM&T with other information for that supplier and shall be readily retrievable.

4.4 Monitor Data Trends

Purchased Quality Engineering will monitor the supplier's quality trends by reviewing data provided through the SQES database at least Quarterly. This includes any available product recall information, failure analysis data or next assembly corrective actions. If needed, additional surveillance audits or random engineering evaluations (which may require pulling parts from FM&T stores and testing them) can be requested.

4.5 Product Qualification

If a new product line is introduced and requires a Qualification Evaluation (QE), or if an existing product requires reevaluation, the responsible PPT will prepare the appropriate MES routing. The PPT will report any issues to the appropriate level of management. No new product can be added to the certified product listing for that supplier site until all product qualification is complete.

4.6 Buy On Label Product

Paragraphs 4.1, 4.2 and 4.3 do not apply.

5.0 TERMINATION OF CERTIFICATION

Moving a supplier to conditional status will occur for any of the following conditions.

5.1 Audit/SCAR

An unapproved supplier survey, a surveillance audit significant finding result or non-response to SCAR's.

5.2 Product Quality

Unacceptable quality performance (i.e., trend of declining PATF, high incidence of returned material.).

5.3 Supply Break

A break in continuous product supply of 1 year or more.

5.4 Supplier Change

Supplier's change in ownership of the company or of senior quality management or the location of manufacturing facilities.

6.0 REINSTATEMENT OF CERTIFICATION

If the supplier has been terminated from participation in the Certified Supplier program and reinstatement is desired by and agreed to by the supplier and they meet the requirements of Paragraph 3.2, then the certification requirements of Paragraph 3.4 (or 3.5 for Buy On Label product) shall be followed.

7.0 APPENDIX A

Definitions of terms and abbreviations.

- **ASTM:** American Society for Testing and Materials. An independent developer of standards used by all segments of industry.
- **CASL:** Consolidated Approved Supplier List. A listing of suppliers currently approved to supply product to FM&T.
- **CATS:** Corrective Action Tracking System. A database used to track SCARs and their completion.
- **Certified Supplier:** A Certified Supplier to FM&T is one who has been nominated and approved per this document.
- **FM&T:** Federal Manufacturing and Technologies. The Honeywell site which is the buyer of product from Certified Suppliers per this document.

- **FMEA:** Failure Mode and Effects Analysis. A formal structured method for identifying and evaluating the comparative severity of the possible failure modes of a process.
- **JEDEC:** Joint Electron Device Engineering Council. The body of the Electronic Industries Alliance which develops semiconductor engineering standards for industry use.
- **MES:** Manufacturing Execution System. A computerized system which provides the latest version of manufacturing and inspection instructions in the FM&T plant.
- **PATF:** Percent Accepted Trouble Free. A measure of quality performance as determined by the disposition of accepted/rejected parts received at FM&T.
- **PMFO:** Purchased Material Field Office. The department at FM&T which performs supplier surveys and surveillance audits.
- **PPT:** Purchased Product Team. A team comprised of the FM&T buyer, quality engineer and product engineer.
- **PQR:** Product Quality Requirement. A document collecting the requirements for a specific level of product quality.
- **QE:** Quality Evaluation. Testing done to qualify a part for use in a particular assembly at FM&T.
- **SCAR:** Supplier Corrective Action Request. This form documents any discrepancies found during a supplier survey or surveillance audit. The data and completion dates are tracked in the CATS database at FM&T.
- **SQES:** Supplier Quality Evaluation System. A database that collects the results of product inspection at FM&T by supplier and part number.
- **VCFR:** Vendor Contact Field Representative. An FM&T employee trained in evaluation of the adequacy and completeness of product inspection and testing at suppliers.