



Quality Procedures Manual

Subject: Non-Conforming Material Disposition/Corrective Action

1. POLICY.

It is the policy of Future Design & Engineering (FDE) to process nonconforming material in a systematic manner and to establish corrective action with the goal of preventing future occurrences. The purpose of this procedure is to establish a process for the review of nonconforming material and implementation of a corrective action system.

2. RESPONSIBILITY.

The Quality Assurance Manager is responsible for the overall implementation of this procedure.

3. DEFINITIONS.

Nonconforming Material. Any item, part, or product with one or more characteristics which depart from the requirements in the specification, drawing, or other approved product description.

Nonconformance. A departure from the requirements specified in the specification, drawing, or other approved product description.

Minor Nonconformance. A nonconformance which does not adversely effect: health or safety, performance, interchangeability, reliability, maintainability, or weight and appearance when a factor.

Major Nonconformance. A nonconformance other than minor.

Material Review Board (MRB). A group of department representatives convened to recommend disposition of nonconforming material.

Rework. Reprocessing nonconforming material to make it completely conform to the drawings or specifications.

Repair. Subjecting nonconforming material to an approved process designed to reduce but not completely eliminate the nonconformance. The purpose of repair is to bring nonconforming material into an acceptable condition. Repair is distinguished from rework in that the item after repair still does not completely conform to the applicable drawings or specifications.

Use As Is. A disposition of material, exhibiting minor nonconformance, that is determined to be satisfactory for its intended purpose.

Return to Vendor (RTV). A disposition which returns material to the procurement source.

Scrap. A disposition of nonconforming material which is not usable for its intended purpose or cannot be economically reworked or repaired.

4. IMPLEMENTATION.

- A. Nonconforming material is rejected and a Non-Conforming Material Report (NCFR) submitted with all discrepancies clearly defined. The originating department supervisor reviews and concurs with all noted discrepancies prior to signing the NCFR form.
- B. For assembly errors or workmanship discrepancies that require rework within the department of rejection, the work order traveler or the rejection tag may be used in place of a Non-Conforming Material Report (NCFR). The cognizant supervisor assures that the traveler is filled out correctly with details specifying



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the nonconformance, the rework required, and the corrective actions taken to preclude reoccurrence. The material is re-inspected following rework; and the completed traveler is filed for subsequent trend analysis/follow up. If the rework does not correct the nonconformance, the supervisor initiates a NCMR and refers the material and report to the QA Department.

- C. For assembly errors or workmanship discrepancies that necessitate rework requiring replacement parts or necessitate scrap actions, a NCMR is used.
- D. Nonconforming purchased materials identified at Receiving Inspection are moved with the NCMR and receiving documentation to a controlled material disposition area.
- E. When production material is found to be nonconforming, the QA representative evaluates the material for disposition at the location of the initial detection.
- F. The MRB is chaired by the Quality Assurance Manager and at a minimum includes an engineer along with an applicable department representative. A purchasing department representative, a non-voting member, provides the MRB with purchasing and material planning considerations/requirements during Receiving Inspection MRB actions. MRB meetings are called by any member on a as needed basis. The MRB determines appropriate dispositions and assures that appropriate corrective actions are initiated. Appropriate dispositions are as follows:
 - Use As Is. Can only be selected by the MRB and includes a determination of the appropriateness of a documentation change and the method for accomplishing any recommended change (i.e., design change or changes to technical documentation). If required by contract, customer approval is necessary.
 - Rework or Repair. Provides routing, rework or repair instructions. If required by contract, repair instructions are subject to customer approval.
 - Supplier Caused Rework/Repair/Special Handling. When the discrepancy is supplier caused, and it is in the best interest of FDE to rework/repair in-house, the Purchasing Manager must contact the supplier.
 - Scrap. Materials which are not usable and cannot be returned to the vendor, reworked, or repaired economically are scrapped. Scrapped materials are identified or mutilated in such a manner to preclude inadvertent use and are retained in a impound area until disposal. Scrap action caused by a supplier requires the processing of a debit memo by the Purchasing Department. The Purchasing Department is responsible for reissue/repurchase of material to replace any scrap.
 - RTV. This action is taken when processing the material further at FDE cannot be justified. The material and NCMR are held in Receiving Inspection until a debit memo is received from the Purchasing Department. Receiving Inspection is responsible for moving the material to the Shipping Department with the debit memo for return to the supplier. The Purchasing Manager forwards the supplier copy of the NCMR to the supplier when necessary for root cause analysis and corrective action as listed on the MCMR. Supplier corrective action is reviewed by the QA Manager by monitoring future lot performance, as measured at Receiving Inspection. Quality Assurance will provide feedback to the supplier regarding the effectiveness of the corrective action.
- G. The QA Manager, as chairman of the MRB, assures that causes of non-conformance are determined and corrective actions taken when required.



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H. Documentation of non-conformance on the MNCR includes the following information:

- Initiator of document
- Date of initiation
- Form I.D. for traceability
- Material I.D. e.g., P/N
- Number of occurrences
- Location where nonconformance was detected
- Description of nonconformance

I. The Quality Representatives insure that all required information is included on the documentation.

J. All MNCRs, reject tags, and travelers are kept on file by QA for future references, analysis, and follow up. If referred to MRB for disposition, the following information is added to the NMCR:

- Engineering analysis if performed
- Final disposition
- Corrective actions planned—responsibilities, date, and description
- Identification of disposition authorities

5. REFERENCE.

N/A