Quality Policy Manual

Revision 5
March 15, 2017

Our Quality Policy Statement is:

The Company will provide products and services that conform to customer requirements and continually improve our business processes.

_____	_____	_____
Danny Maxwell Plant Manager	John Maxwell Owner/President	Holly Maxwell Director, Quality

_____	_____
John Maxwell Maintenance Manager	Holly Maxwell Owner/President

This Manual sets forth the quality system policies and defines compliance with ISO 9001:2000 and EN/JISQ/AS9100:2004.

Central Coast Automation
5540 Whispering Oak Way
Paso Robles, CA 93446

Telephone (805) 239-9733
Facsimile (805) 239-1095

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0. INTRODUCTION

Central Coast Automation is a premier supplier of machined components for the aerospace industry. Central Coast Automation actively participates in the manufacture of complex, close tolerance, high quality components for space launch vehicles, military, commercial and industrial applications. Advances in technology continually change the characteristics of our marketplace. Central Coast Automation is committed to continuously improve our business processes and capabilities to ensure that we remain a premier supplier in our selected markets.

The Central Coast Automation Team is dedicated to being a “Friction Free Supplier”. This assures that the products and services we provide:

a. consistently meet or exceed our Customers’ quality requirements,
b. are delivered on time, and
c. represent the best value we, as a supplier partner, can provide.

To meet these objectives, Central Coast Automation has invested in the appropriate resources and implemented sound business practices, training and process controls that include:

ISO 9001:2000 and AS 9100:2004 Compliance
A Goal Focused Factory resulting in . . .
- Increased Factory Throughput
- Reduced Operating Expense
- Reduced Inventory
- Lean and Cellular Manufacturing principles including a 5 S Program

This Quality Policy Manual defines our quality management system, integral to Central Coast Automation’s “Friction Free Supplier” environment.

This manual and all applicable references are available to Central Coast Automation employees, suppliers and individuals representing our suppliers.

1. SCOPE

1.1 General:

This Quality Policy Manual provides an overview of Central Coast Automation's quality management system. The processes in this manual are designed to achieve excellence in our business.

1.2 Application:

All requirements of this Quality Manual are applicable to Central Coast Automation. This Quality Manual excludes any requirement(s) of ISO9000-2000 or AS9100 that are not applicable to the products and services provided by Central Coast Automation. Where exclusions are made, this manual will so state.

2. NORMATIVE REFERENCE

2.1 ISO 9000:2000 / AS9100 References

AS/EN/SJAC 9102	Aerospace First Article Inspection Requirement
AS 9100	Quality Systems - Aerospace - Model for Quality Assurance in Design, Development, Production, Installation and Servicing
ISO 9000:2000	Quality management systems – Fundamentals and vocabulary
ISO 9001:2000	Quality management systems – Requirements
ISO 9004:2000	Quality management systems – Guidelines for performance improvements
ISO 10011-1:1990	Guidelines for auditing quality systems — Part 1: Auditing ISO 10011-2:1991 Guidelines for auditing quality systems — Part 2: Qualification criteria for quality systems auditors
ISO 10011-3:1991	Guidelines for auditing quality systems — Part 3: Management of audit programs
ISO 10012-1:1992	Quality assurance requirements for measuring equipment — Part 1: Metrological confirmation system for measuring equipment
ISO 10012-2:1997	Quality assurance for measuring equipment — Part 2: Guidelines for control of measurement processes

2.2 Customer Required References

AS9000	Quality Systems - Aerospace - Model for Quality Assurance Systems

3. TERMS AND DEFINITIONS

These definitions apply to Central Coast Automation's quality management system.

Central Coast Automation	The legal name of the Company.
CCA	What we commonly call our company in normal speech. This name may be found in this manual and other supporting documents.
Contract review	Contract review is a process that identifies contract specific requirements.
Corrective action	Corrective action is a process that identifies root cause of nonconformity and implements actions to prevent recurrence.
Customer	Those companies to whom we supply products and services.
Internal audit	Internal quality audits examine the elements of a quality system in order to evaluate how well these elements comply with quality system requirements.
Inspection, measuring and test equipment	Devices used by personnel to verify materials, products, processes, or other inspection, measuring and test equipment. This includes tooling used as media of inspection, test hardware, automated test equipment (ATE), and plotters used to produce inspection media. Also included is personally owned and customer supplied equipment used for product or process acceptance.
Key Characteristic	A customer defined feature whose variation has the greatest effect on the fit, performance, or service life of the finished product.
Nonconformity	Nonconformity exists when a product, process or procedure deviates from requirements.
Preventive action	Preventive action is a process that identifies potential nonconformity and implements measures to prevent occurrence.

Procedure	A documented sequence of events.
Product	A product is an output that results from a process. Central Coast Automation is the fabricator of machined components and assemblies for our clients. Therefore, the term product applies only to deliverable parts or services.
Process	A sequence of events to achieve a specific result.
Quality	Conformance to requirements.
Quality assurance	The quality processes focused on providing confidence that quality requirements will be fulfilled. This function is typically preventative.
Quality control	The quality processes that verify compliance to quality requirements.
Quality planning	A process that sets quality objectives, and/or specifies necessary processes and resources.
Quality Policy	A statement defining overall intentions and direction relating to quality as formally expressed by top management. The Quality Policy provides a framework for the setting of quality objectives.
Quality objective	A measurable goal, or result related to quality.
Quality record	Objective evidence that quality requirements were met.
Supplier	A provider of products and/or services to Central Coast Automation.
Top management	The CEO or President and/or senior staff members working as a team.

4. QUALITY MANAGEMENT SYSTEM

4.1 General Requirements:

Central Coast Automation has established, documented, implemented and maintains a quality management system and continually improves its effectiveness and efficiency in accordance with the requirements of ISO 9001:2000 and AS9100

Central Coast Automation has:

a. identified the processes needed for the quality management system and their application throughout Central Coast Automation (see 1.2),
b. determined the sequence, inter-relationships and interaction of these processes,
c. determined criteria and methods needed to ensure that both the operation and control of these processes are effective.

Central Coast Automation shall:

a. ensure the continued availability of resources and information necessary to support the operation and monitoring of these processes,
b. monitor, measure and analyze these processes,
c. implement actions necessary to achieve planned results and continual improvement of these processes.

Where Central Coast Automation outsources any process affecting product conformity, Central Coast Automation shall ensure control over such processes. Controls of such outsourced processes are identified within our procedures. These procedures include the processes for management activities, provision of resources, product realization and measurement.

4.2 Documentation Requirements:

4.2.1 General:

Central Coast Automation's quality management system documentation includes:

a. a written statement of a quality policy and quality objectives,
b. a written and approved quality manual,
c. written and approved procedures,
d. written and approved work instructions needed by Central Coast Automation to ensure the effective planning, operation and control of its processes,
e. records demonstrating the fulfillment of the requirements of our customers and quality manual,
f. quality system requirements imposed by the applicable regulatory authorities.

While constructing Central Coast Automation's quality management system we have considered:

a. the size of Central Coast Automation and type of our activities,
b. the complexity of our processes and their interactions,
c. the competence of our personnel,
d. overall effect of product quality.

Central Coast Automation ensures that personnel have access to quality management system documentation and are aware of relevant procedures. Customer and/or aerospace regulatory authorities representatives shall have access to quality management system documentation upon request.

4.2.2 Quality Manual:

This quality manual has been established and is maintained to address the following:

a. the scope of the quality management system, including details of and justification for any exclusions,
b. the documented procedures established for the quality management system, or reference to them. When referencing the documented procedures, the relationship between the requirements of this Quality Policy Manual and the documented procedures are clearly shown,
c. a description of the interaction between the processes of the quality management system.

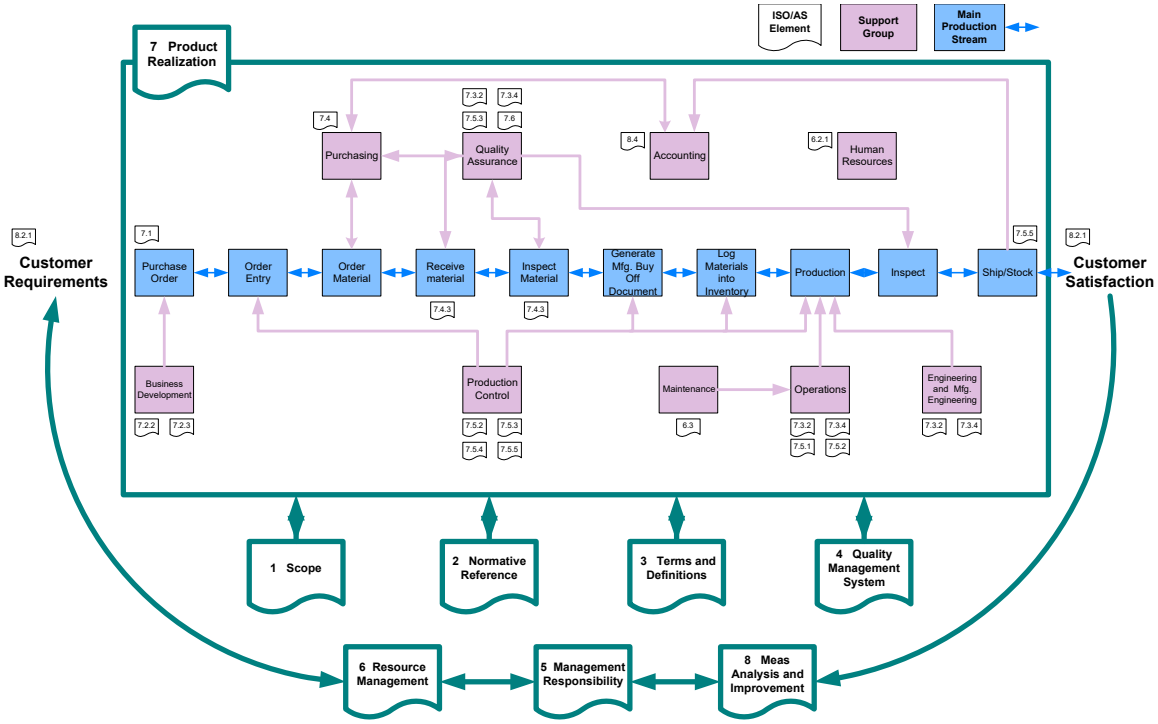
4.2.2.1 Central Coast Automation maintains a documented quality management system (QMS) based on the following structure:

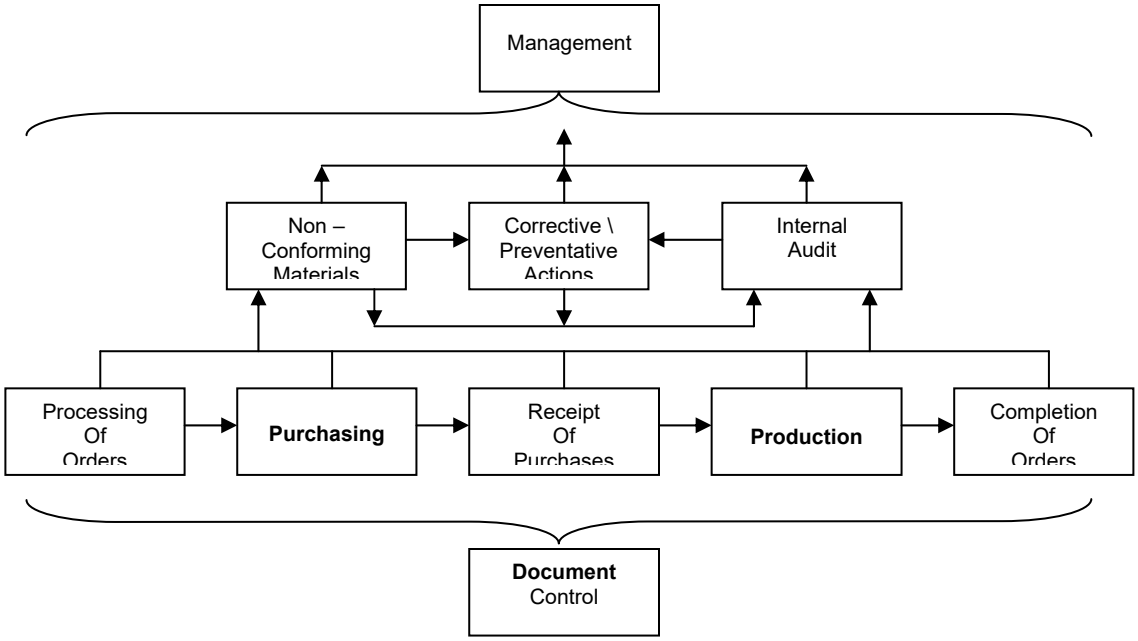
Level I	QUALITY MANUAL	contains the framework and overview of the QMS. This is the "Why Manual" and has the structure of ISO9001:2000.
Level II	OPERATING PROCEDURES	defines the work to be done, the sequence, who should do it, what authority and what responsibility has been assigned and the documents and records to be used and maintained. This is the "Who, What, When, Where Manual".
Level III	WORK INSTRUCTIONS	provide steps and information which employees use to perform the work. This is the "How Manual".
Level IV	FORMS	provide consistent and legible record formats.

These documents in their totality describe the quality management system. The documents are safeguarded from change without the appropriate authority.

4.2.2.2 Interaction between the processes of the QMS are summarized by the following flowchart:

Note: Depending on your monitor settings it is best viewed with a zoom setting of 180%.





4.2.3 Control of Documents: (Ref QOP-4.2.3-01)

Documents required by the quality management system are controlled. A documented procedure has been established:

a. to approve documents for adequacy prior to issue,
b. to review and update as necessary and re-approve documents,
c. to ensure that changes and the current revision status of documents are identified,
d. to ensure that relevant versions of applicable documents are available at points of use,
e. to ensure that documents remain legible and readily identifiable,
f. to ensure that documents of external origin are identified and their distribution controlled
g. to prevent the unintended use of obsolete documents, and to apply suitable identification to them if they are retained for any purpose,
h. to coordinate document changes with customers and/or aerospace regulatory authorities in accordance with contract or applicable regulatory requirements.

4.2.4 Control of Records: (Ref QOP-4.2.4-01)

Records produced by the quality management system are controlled to ensure they are legible, readily identifiable and retrievable. These records provide evidence of conformity to requirements and the effective operation of the quality management system. Documented procedure has been established for the control, identification, storage, protection, retrieval, retention and disposition of records. Central Coast Automation has established similar requirements for our suppliers. Customers and aerospace regulatory authorities are provided access to quality records on request.

4.2.5 Configuration Management:

Central Coast Automation is a build to print precision machine shop. Product configuration is controlled through a documented series of checks and balances from contract review to final inspection to ensure compliance with customer configuration.

5. MANAGEMENT RESPONSIBILITY

5.1 Management Commitment:

Top management demonstrates its commitment to the development and improvement of the quality management system by:

a. communicating the importance of meeting customer as well as statutory and regulatory requirements,
b. establishing, communicating and implementing the quality policy,
c. ensuring that quality objectives are established,
d. conducting management reviews, and
e. ensuring the availability of resources.

5.2 Customer Focus:

Top management ensures that customer requirements are defined and clearly communicated to achieve customer satisfaction.

5.3 Quality Policy:

The Company will provide products and services that conform to customer requirements and continually improve our business processes.

Top management reviews the quality policy statement during the management review meetings to ensure that it:

a. is appropriate to the purpose,
b. includes a commitment to comply with requirements and continually improve the effectiveness of the quality management system,
c. provides a framework for establishing and reviewing quality objectives,
d. is visible throughout the organization and understood by employees.

5.4 Planning:

5.4.1 Quality Objectives:

Top management ensures that quality objectives are established at relevant functional and organizational levels. The quality objectives are measurable and consistent with the quality policy.

5.4.2 Quality Management System Planning:

Top management ensures that:

a. the planning of the quality management system is carried out in order to meet the requirements needed to establish, document, implement and maintain the quality management system,
b. the integrity of the quality management system is maintained.

5.5 Responsibilities, Authority and Communication:

5.5.1 Responsibility and Authority:

Top management ensures that the responsibilities and authority relative to the QMS are defined and communicated. This is accomplished through the Organization Chart, Operating Procedures and the following:

President and CEO

Overall responsibility for the definition, implementation and adherence to, the QMS including:

a. formulating the quality policy,
b. establishing quality goals and monitoring progress to ensure continued suitability and effectiveness of the quality system,
c. providing the necessary resources to maintain the quality system,
d. conducting management reviews of the quality system.

Top Management, Managers and Supervisors

QMS responsibilities include:

a. actively support the implementation and improvement of the quality system,
b. ensure the QMS is communicated, understood, implemented, and maintained within their organizations,
c. ensure procedures are followed,
d. ensure adequate resources are assigned to perform the work and verification activities,
e. when appointing a delegate, ensure the person is adequately trained and given sufficient organizational freedom and authority to execute the responsibility,
f. initiate “stop work” as appropriate to prevent nonconformance,
g. initiate corrective action.

All Employees

Personal responsibility to:

a. understand and adhere to the QMS,
b. initiate action to prevent, reduce and eliminate nonconformance,
c. “Stop work” and communicate concern in the event of suspect product quality.

5.5.2 Management Representative:

The President/CEO has appointed the Director of Quality as the management representative who has the responsibility and authority that includes:

a. ensuring that processes needed for the quality management system are established, implemented and maintained,
b. reporting to top management on the performance of the quality management system and any need for improvement,
c. ensuring the promotion of awareness of customer requirements,
d. the freedom to resolve matters pertaining to quality.

5.5.3 Internal Communication:

Top management ensures that appropriate communication processes are established and that communication takes place regarding the effectiveness of the quality management system. Top management accomplishes this by sharing the information during meetings, publishing charts and reports in public areas, and other methods.

5.6 Management Review:

5.6.1 General:

Top management reviews the quality management system, at least twice a year, to ensure its continuing suitability, adequacy and effectiveness. These reviews include assessing opportunities for improvement and the need for changes to the quality management system, including the quality policy and quality objectives. Records of management reviews are maintained.

5.6.2 Review Input:

The input to management review shall include information on:

a. results of audits,
b. customer feedback,
c. process performance and product conformity,
d. status of preventive and corrective actions,
e. follow-up actions from previous management reviews,
f. changes that could affect the quality management system,
g. recommendations for improvement.

5.6.3 Review Output:

The output from the management review shall include any decisions and actions related to:

a. improvement of the effectiveness of the quality management system and its processes,
b. improvement of product related to customer requirements,
c. resource needs, including the need for training.

6. RESOURCE MANAGEMENT

6.1 Provision of Resources:

Top Management determines and provides the resources needed:

a. to implement and maintain the quality management system and continually improve its effectiveness,
b. to enhance customer satisfaction.

6.2 Human Resources:

6.2.1 General:

The competency of personnel performing work affecting product quality is based on appropriate education, training, skills and experience needed to perform the assigned tasks.

6.2.2 Competence, Awareness and Training:

Top Management will:

a. determine the necessary competence for personnel performing work affecting product quality,
b. provide training or take other actions to satisfy these needs,
c. evaluate the effectiveness of the actions taken,
d. ensure that its personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives,
e. maintain appropriate records of education, training, skills and experience.

6.3 Infrastructure:

Central Coast Automation has determined, provided and maintains the infrastructure needed to achieve conformity to product requirements. Infrastructure includes, as applicable:

a. personnel, buildings, workspace and associated utilities,
b. process equipment (both hardware and software),
c. supporting services (such as transportation or communication).

6.4 Work Environment:

Top Management identifies, provides and maintains the facilities needed to achieve the conformity of product. Some of the factors considered when identifying the needs include temperature, humidity, lighting, cleanliness and protection.

7. PRODUCT REALIZATION

7.1 Planning of Product Realization:

Product realization is the sequence of events or processes required to create the product. Planning of product realization is defined in documents such as manufacturing outlines, shop travelers, production schedules, drawings, specifications and procedures.

Planning for product realization determines the following, as applicable:

a. quality objectives and requirements for the product,
b. the need to establish processes, documents, and provide resources specific to the product,
c. required verification, validation, monitoring, inspection and test activities specific to the product and the criteria for product acceptance,
d. records needed to provide evidence that the realization processes and resulting product meet requirements.
e. the identification of resources to support operations and maintenance of the product.

7.2 Customer-Related Processes:

7.2.1 Determination of Requirements Related to the Product:

Central Coast Automation will determine:

a. requirements specified by the customer, including the requirements for delivery and post-delivery activities,
b. requirements not stated by the customer but necessary for specified or intended use, where known,
c. statutory and regulatory requirements related to the product,
d. any additional requirements determined by Central Coast Automation.

7.2.2 Review of Requirements Related to the Product:

Central Coast Automation will review the requirements related to the product. This review shall be conducted prior to Central Coast Automation's commitment to supply a product to the customer (e.g. submission of tenders, acceptance of contracts or orders, acceptance of changes to contracts or orders) and ensures that:

a. product requirements are defined,
b. contract or order requirements differing from those previously expressed are resolved,
c. Central Coast Automation has the ability to meet the defined requirements,
d. risks (e.g., new technology, short delivery time scale) have been evaluated.

Results of the review and actions arising from the review shall be recorded. Where the customer provides no documented statement of requirement, the customer requirements shall be confirmed by Central Coast Automation before acceptance.

Where product requirements are changed, Central Coast Automation ensures that relevant documents are amended and that relevant personnel are made aware of the changed requirements.

7.2.3 Customer Communication:

Sales and Marketing determines and implements arrangements for communication with customers relating to product information, inquiries, contracts, or order handling, including amendments, customer feedback, and customer complaints.

7.3 Design and Development:

The scope of work performed by Central Coast Automation does not include design therefore this section is not a quality system requirement. This section is included to align the section numbering with ISO 9001: 2000 and AS9100. This exclusion does not affect Central Coast Automation's ability, or responsibility, to provide products that meet customer and applicable regulatory requirements.

When in the future, design is a specified requirement, Central Coast Automation shall establish and maintain documented procedures for performing, verifying, and reporting that the design meets the specified requirements.

7.4 Purchasing:

7.4.1 Purchasing Process:

Central Coast Automation ensures that purchased product conforms to specified purchase requirements. The type and extent of control applied to the supplier or customer-designated source and the purchased product shall be dependent upon the effect of the purchased product on subsequent production steps or the final product.

Central Coast Automation evaluates and selects suppliers based on their ability to supply product in accordance with Central Coast Automation's requirements. Criteria for selection, evaluation and re-evaluation are established. Records of the results of evaluations and any necessary actions arising from the evaluation shall be maintained.

Central Coast Automation:

a. maintains a register of approved suppliers that includes the scope of the approval,
b. periodically reviews supplier performance; records of these reviews shall be used as a basis for establishing the level of controls to be implemented,
c. defines the necessary actions to take with suppliers that do not meet requirements,
d. ensures where required that both Central Coast Automation and all suppliers use customer-approved special process sources,
e. ensures that the function having responsibility for approving supplier quality systems has the authority to disapprove the use of sources.

7.4.2 Purchasing Information:

Purchasing information shall describe the product to be purchased, including where appropriate:

a. requirements for approval of product, procedures, processes, equipment and/or services,
b. requirements for qualification of personnel for special processes,
c. quality management system requirements,
d. the name or other positive identification, and applicable revisions of specifications, drawings, process requirements, inspection instructions and other relevant technical data,
e. requirements for design, test, examination, inspection and related instructions for acceptance by Central Coast Automation,
f. requirements for test specimens (e.g., production method, number, storage conditions) for design approval, inspection, investigation or auditing,
g. requirements relative to
    - supplier notification to Central Coast Automation of nonconforming product,
    - arrangements for disposition of supplier nonconforming material,
h. requirements for the supplier to notify Central Coast Automation of changes in product and/or process definition and, where required, obtain Central Coast Automation approval,
i. right of access by Central Coast Automation, our customer, and aerospace regulatory authorities to all facilities involved in the order and to all applicable records,
j. requirements for the supplier to flow down to sub-tier suppliers the applicable requirements in the purchasing documents, including key characteristics where required.

Central Coast Automation ensures the adequacy of specified purchase requirements prior to their communication to the supplier.

7.4.3 Verification of Purchased Product:

Central Coast Automation inspects or performs other activities necessary for ensuring that purchased product meets specified purchase requirements.

Verification activities may include, as appropriate:

a. obtaining objective evidence of the quality of the product from suppliers (e.g., accompanying documentation, certificate of conformity, test reports, statistical records, process control),
b. inspection and audit at supplier's premises,
c. review of the required documentation,
d. inspection of products upon receipt.

Where Central Coast Automation delegates verification activities to the supplier, the requirements for delegation shall be defined and a register of delegations maintained.

Purchased product is not used or processed until it has been verified as conforming to specified requirements unless it is released under controlled conditions.

Where Central Coast Automation utilizes test reports to verify purchased product, the data in those reports shall be acceptable per applicable specifications. Central Coast Automation periodically validates test reports for raw material.

Where Central Coast Automation or its customer intends to perform verification at the supplier's premises, the arrangements and method of product release will be contained in the purchasing information.

Where specified in the contract, the customer or the customer's representative will be afforded the right to verify at the supplier's premises and Central Coast Automation's premises that subcontracted product conforms to specified requirements. Such verifications will not be considered evidence of effective control of quality by the supplier or absolve Central Coast Automation of the responsibility to provide acceptable product.

7.5 Production and Service Provision:

7.5.1 Control of Production and Service Provision:

Planning will consider, as applicable,

a. the establishment of process controls and development of control plans where key characteristics have been identified,
b. the identification of in-process verification points when adequate verification of conformance cannot be performed at a later stage of realization,
c. the design, manufacture, and use of tooling so that variable measurements can be taken, particularly for key characteristics,
d. special processes.

Central Coast Automation will plan and carry out production and service provision under controlled conditions. Controlled conditions shall include, as applicable:

a. the availability of information that describes the characteristics of the product,
b. the availability of work instructions, as necessary,
c. the use of suitable equipment,
d. the availability and use of monitoring and measuring devices,
e. the implementation of monitoring and measurement,
f. the implementation of release, delivery and post-delivery activities,
g. accountability for all product during manufacture (e.g., parts quantities, split orders, nonconforming product),
h. evidence that all manufacturing and inspection operations have been completed as planned, or as otherwise documented and authorized,
i. provision for the prevention, detection, and removal of foreign objects,
j. monitoring and control of utilities and supplies such as water, compressed air, electricity and chemical products to the extent they affect product quality,
k. criteria for workmanship, which shall be stipulated in the clearest practical manner (e.g., written standards, representative samples or illustrations).

7.5.1.1 Production Documentation:

Production operations shall be carried out in accordance with approved data. This data shall contain as necessary:

a. drawings, parts lists, process flow charts including inspection operations, production documents (e.g., manufacturing plans, travelers, routers, work orders, process cards); and inspection documents (see 8.2.4.1), and
b. a list of specific or non-specific tools and numerical control (N.C.) machine programs required and any specific instructions associated with their use.

7.5.1.2 Control of Production Process Changes:

Persons authorized to approve changes to production processes shall be identified.

Central Coast Automation will identify and obtain acceptance of changes that require customer and/or regulatory authority approval in accordance with contract or regulatory requirements.

Changes affecting processes, production equipment, tools and programs shall be documented. Procedures shall be available to control their implementation.

The results of changes to production processes shall be assessed to confirm that the desired effect has been achieved without adverse effects to product quality.

7.5.1.3 Control of Production Equipment, Tools and Numerical Control (N.C.) Machine Programs:

Production equipment, tools and programs shall be maintained, validated prior to use and inspected periodically according to documented procedures. Validation prior to production use shall include verification of the first article produced to the design data/specification. Storage requirements, including periodic preservation/condition checks, will be established for production equipment or tooling in storage.

7.5.1.4 Control of Work Transferred, on a Temporary Basis, Outside Central Coast Automation's Facilities:

When planning to temporarily transfer work to a location outside of Central Coast Automation's facilities, Central Coast Automation will define the process to control and validate the quality of the work.

7.5.1.5 Control of Service Operations:

Where servicing is a specified requirement, service operation processes shall provide for

a. a method of collecting and analyzing in-service data,
b. actions to be taken where problems are identified after delivery, including investigation, reporting activities, and actions on service information consistent with contractual and/or regulatory requirements,
c. the control and updating of technical documentation,
d. the approval, control, and use of repair schemes,
e. the controls required for off-site work (e.g., Central Coast Automation's work undertaken at the customer's facilities).

7.5.2 Validation of Processes for Production and Service Provision:

Central Coast Automation outsources special processes. These include processes where the resulting output cannot be verified by subsequent monitoring or measurement. These processes are unique because deficiencies become apparent only after the product is in use. Because of this Central Coast Automation verifies that the special processor have and maintain procedures that include, as applicable:

a. defined criteria for review and approval of the processes, including the qualification and approval of special processes prior to use,
b. approval of equipment and qualification of personnel,
c. use of specific methods and procedures, including the control of the significant operations and parameters of special processes in accordance with documented process specifications and changes thereto,
d. requirements for records,
e. revalidation.

7.5.3 Identification and Traceability:

Central Coast Automation identifies the product by suitable means throughout production. Differences between the actual configuration and the agreed configuration will be identified.

Central Coast Automation has established and documented controls for acceptance authority media.

Where traceability is a requirement, Central Coast Automation will control and record the unique identification of the product (see 4.2.4). According to the level of traceability required by contract, regulatory, or other established requirement, Central Coast Automation's system will provide for:

a. identification to be maintained throughout the product life,
b. all the products manufactured from the same batch of raw material or from the same manufacturing batch to be traced, as well as the destination (delivery, scrap) of all products of the same batch,
c. an assembly, the identity of its components and those of the next higher assembly to be traced,
d. a sequential record of a given products production (manufacture, assembly, inspection). These records will be retrievable.

7.5.4 Customer Property:

Central Coast Automation exercises care with customer property while it is under Central Coast Automation's control or being used by Central Coast Automation. Central Coast Automation will identify, verify, protect and safeguard customer property provided for use or incorporation into the product. If any customer property is lost, damaged or otherwise found to be unsuitable for use, this shall be reported to the customer and records maintained.

7.5.5 Preservation of Product:

Central Coast Automation will preserve the conformity of product during internal processing and delivery to the intended destination. This preservation shall include identification, handling, packaging, storage and protection.

Preservation of product shall also include, where applicable in accordance with product specifications and/or applicable regulations, provisions for:

a. cleaning,
b. prevention, detection and removal of foreign objects,
c. special handling for sensitive products,
d. marking and labeling including safety warnings,
e. shelf life control and stock rotation,

f. special handling for hazardous materials.

Central Coast Automation has ensured that documents required by the contract/order to accompany the product are present at delivery and are protected against loss and deterioration.

7.6 Control of Monitoring and Measuring Devices:

Central Coast Automation will determine the monitoring and measurement to be undertaken and the monitoring and measuring devices needed to provide evidence of conformity of product to determined requirements (see 7.2.1).

A register of these monitoring and measuring devices is maintained, and define the process employed for their calibration including details of equipment type, unique identification, location, frequency of checks, check method and acceptance criteria.

Central Coast Automation establishes processes to ensure that monitoring and measurement can be carried out and are carried out in a manner that is consistent with the monitoring and measurement requirements. This includes environmental conditions that are suitable for the calibrations, inspections, measurements and tests being carried out.

Where necessary to ensure valid results, measuring equipment shall:

a. be calibrated or verified at specified intervals, or prior to use, against measurement standards traceable to international or national measurement standards; where no such standards exist, the basis used for calibration or verification shall be recorded,
b. be adjusted or re-adjusted as necessary,
c. be identified to enable the calibration status to be determined,
d. be protected from damage and deterioration during handling, maintenance and storage,
e. be recalled to a defined method when requiring calibration.

In addition, Central Coast Automation will assess and record the validity of the previous measuring results when the equipment is found not to conform to requirements. Central Coast Automation will take appropriate action on the equipment and any product affected. Records of the results of calibration and verification shall be maintained (see 4.2.4).

When used in the monitoring and measurement of specified requirements, the ability of computer software to satisfy the intended application shall be confirmed. This shall be undertaken prior to initial use and reconfirmed as necessary.

8. MEASUREMENTS, ANALYSIS AND IMPROVEMENT

8.1 General:

Top Management plans and implements the monitoring, measurement, analysis and improvement processes needed:

a. to demonstrate conformity of the product,
b. to ensure conformity of the quality management system,
c. to continually improve the effectiveness of the quality management system.

This includes determination of applicable methods, including statistical techniques, and the extent of their use. The nature of the product and its specified requirements may require statistical techniques such as the following to be used:

a. design verification as directed by contract,
b. process control,
c. selection and inspection of key characteristics,
d. process capability measurements,
e. statistical process control,
f. design of experiment,
g. inspection - matching sampling rate to the criticality of the product and to the process capability,
h. failure mode and effect analysis.

8.2 Monitoring and Measurement:

8.2.1 Customer Satisfaction:

The Company monitors information relating to customer perception as to whether the organization has fulfilled customer requirements. The source of this information is customer feedback.

8.2.2 Internal Audit: (Ref QOP-8.2.2-01)

Internal audits are conducted at planned intervals to determine whether the quality management system:

a. conforms to ISO 9001:2000/AS9100 and to any additional requirements established by Central Coast Automation,
b. is effectively implemented and maintained.

Audits are planned considering the status and importance of the processes and areas to be audited, and the results of previous audits. Audit criteria, scope, frequency and methods shall be defined. Selection of auditors and conduct of audits ensures objectivity and impartiality of the audit process. Auditors shall not audit their own work. The responsibilities and requirements for planning and conducting audits, reporting results and maintaining records is defined in a documented procedure.

The management responsible for the area being audited ensures that actions are taken without undue delay to eliminate detected nonconformities and their causes. Follow-up activities will include the verification of the actions taken and the reporting of results.

Detailed tools and techniques are used such as checksheets, process flowcharts, or any similar method to support audit of the quality management system requirements. The acceptability of the selected tools will be measured against the effectiveness of the internal audit process and overall Central Coast Automation performance.

Internal audits will also meet contract and/or regulatory requirements.

8.2.3 Monitoring and Measurement of Processes:

Quality and/or Operations shall apply suitable methods for monitoring and, where applicable, measurement of the quality management system processes. These methods shall demonstrate the ability of the processes to achieve planned results. When planned results are not achieved, appropriate corrective measures will be taken to ensure conformity of the process.

In the event of process nonconformity, Central Coast Automation will:

a. take appropriate action to correct the nonconforming process,
b. evaluate whether the process nonconformity has resulted in product nonconformity,
c. identify and control the nonconforming product in accordance with clause 8.3.

8.2.4 Monitoring and Measurement of Product: (Ref QOP-8.2.4-01)

Quality and/or Operations monitors and measures the characteristics of the product to verify that requirements have been met. These verifications are carried out at appropriate stages of production in accordance with planned arrangements (see 7.1).

When key characteristics have been identified, they shall be monitored and controlled.

Central Coast Automation uses inspection sampling. Customers may dictate the use of specific sampling plans. If the customer does not forbid inspection sampling and no

specific sampling plan is required Central Coast Automation may use our default sampling plan. This default sampling plan is based upon Zero Acceptance Number (C=0) Sampling Plans" by Nicholas L. Squeglia, 3rd edition. This sampling plan is statistically valid and appropriate for use. The plan precludes the acceptance of lots whose samples have identified nonconformities. When required, the plan shall be submitted for customer approval.

Product is not accepted until it has been inspected or otherwise verified as conforming to specified requirements. In rare cases product may be released under positive-recall procedures pending completion of all required measurement, monitoring and acceptance activities.

Evidence of conformity and acceptance criteria is maintained. Records indicate the person(s) authorizing release of product.

Product will not be sent to customers until all required processes and inspection are complete, unless approved by the customer.

8.2.4.1 Inspection Documentation:

Central Coast Automation maintains inspection records that may be part of the production documentation. This documentation includes:

a. criteria for acceptance and rejection,
b. the point at which measurement and testing operations are performed,
c. a record of the inspection results,
d. type of measurement instruments required and, if applicable, any specific instructions associated with their use.

Records shall show actual inspection and test results as required.

Where required to demonstrate product qualification Central Coast Automation ensures that records provide objective evidence that the product meets the defined requirements.

8.2.4.2 First Article Inspection:

Central Coast Automation's system provides for inspection verification of a representative item from the first production run of a part. This verification is documented. Any subsequent change will initiate a revised first article inspection.

8.3 Control of Nonconforming Product: (Ref QOP-8.3.0-01)

Central Coast Automation ensures that product which does not conform to product requirements is identified and controlled to prevent its unintended use or delivery. The controls and related responsibilities and authorities for dealing with nonconforming product are defined in a documented procedure.

Central Coast Automation's procedure defines the responsibility for review and authority for the disposition of nonconforming product and the process for approving personnel making these decisions.

Central Coast Automation will deal with nonconforming product by one or more of the following ways:

a. by taking action to eliminate the detected nonconformity,
b. by authorizing its use, release or acceptance under concession by a relevant authority and, where applicable, by the customer,
c. by taking action to preclude its original intended use or application such as conversion to a setup piece.

Central Coast Automation will not use dispositions of use-as-is or repair, unless:

a. specifically authorized by the customer,
b. Central Coast Automation has design authority,
c. the nonconformity does not result in a departure from the contract requirements.
d. the nonconformity is removed in subsequent manufacturing operations, and does not result in a departure from the finished product requirements.

Product dispositioned for scrap shall be conspicuously and permanently marked, or positively controlled, until physically rendered unusable.

Records of the nature of nonconformities and any subsequent actions taken, including concessions obtained, are maintained.

When nonconforming product is corrected it shall be re-inspected to demonstrate conformity to the requirements.

When Central Coast Automation detects that nonconforming product may have been shipped to a customer (including product that may affect reliability or safety), our system shall provide for timely reporting of delivered nonconforming product. Notification shall include a clear description of the nonconformity, which includes as necessary parts affected, part numbers, quantity, and date(s) delivered.

8.4 Analysis of Data:

Central Coast Automation will collect and analyze appropriate data to demonstrate the suitability and effectiveness of the quality management system. This shall include data generated as a result of monitoring, measurement and other relevant sources.
The analysis of data shall provide information relating to

a. customer satisfaction (see 8.2.1),
b. conformity to product requirements (see 7.2.1),
c. characteristics and trends of processes and products including opportunities for preventive action,
d. suppliers,
e. continuous improvement opportunities.

8.5 Improvement:

8.5.1 Continual Improvement:

We will continually improve the effectiveness of the quality management system through the use of the quality policy, quality objectives, audit results, analysis of data, corrective and preventive actions and management review.

8.5.2 Corrective Action: (Ref QOP-8.5.2-01)

Central Coast Automation will take action to eliminate the cause of nonconformities to prevent recurrence. Corrective actions shall be appropriate to the effects of the nonconformities encountered.

The documented procedure defines requirements for:

a. reviewing nonconformities (including customer complaints),
b. determining the causes of nonconformities,
c. evaluating the need for action to ensure that nonconformities do not recur,
d. determining and implementing action needed,

e. records of the results of action taken (see 4.2.4),
f. reviewing corrective action taken,
g. supplier corrective action,
h. corrective action effectiveness and specific actions where timely and/or effective corrective actions are not achieved.

8.5.3 Preventive Action: (Ref QOP-8.5.3-01)

Action will be determined to eliminate the causes of potential nonconformities. Preventive actions shall be appropriate to the effects of the potential problems.

The documented procedure defines requirements for:

a. identifying potential nonconformities and their causes,
b. evaluating the need for action to prevent occurrence of nonconformities,
c. determining and implementing action needed,
d. records of results of action taken (see 4.2.4),
e. reviewing preventive action taken.

9.0 REVISION HISTORY

9.0 Revision History

Rev.	Issue Date	Summary of Changes	Effective Date
0	3/21/07	New completely written to comply to AS9100 and ISO 9001:2000	3/21/07
1	3/15/12	Personnel changes in management, Internal Audit	3/15/12