



QACP 3 - PURCHASING PROCESS

PURPOSE:

To ensure products and services purchased meets specified requirements.

SCOPE:

This procedure covers the purchase of product and services that support the ability to meet the commitment to quality. The procedure applies only to Corporate Departments of the Triton Marine Group within the Quality System. It does not apply to the Operating Divisions, who have their own Division Procedures

DEFINITIONS:

- Supplier - An organization that supplies material, supplies and services other than repair or service work.
- Subcontractor - An organization that performs repair or service work.

RESPONSIBILITIES:

The Department Managers are responsible for ensuring the successful purchase of supplies, materials and services and subcontract of work to support the product requirements including reviewing all purchase orders to ensure adequacy of the specified requirements.

REFERENCES:

Approved Suppliers List
Approved Supplier Record
Purchase Order



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PROCEDURE:

3.1 Process Links

Process Inputs	Process Activities	Process Outputs
<i>Customer Related Processes</i> Quotation Requests Customer Orders	Prepare Quotations Place Orders	<i>Inspection and Testing Process</i> <i>Control of Nonconforming Product Process</i> <i>Improvement Process</i> Quotations Purchase Order

3.2 Approved Suppliers and Subcontractors

3.2.1 Suppliers and subcontractors are assessed and evaluated for capability to provide the required products, services or work by one or more of the following methods:

- a) Past performance
- b) Discussion of quality practices
- c) Site visit
- d) Reputation / Reference Check
- e) ISO 9000 Registration

3.2.2 Regular suppliers of products, services or work that support the ability to meet the commitment to quality are listed on and controlled by the Approved Suppliers List.

3.2.3 Categories are identified as follows:

- Category A Major Suppliers
- Category B Other Suppliers
- Category C Subcontractors

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- 3.2.4 A supplier or subcontractor is accepted for inclusion on the Approved Suppliers List by the Department Manager subject to a satisfactory assessment of their quality practices. If a supplier or sub-contractor becomes unacceptable the supplier/sub-contractor is immediately removed from the “Approved Supplier’s” list by the Department Manager and the action noted on the supplier record.
- 3.2.5 All approved suppliers and subcontractors are subject to a regular performance review for continuing capability to provide the required product, services or work, as applicable. The review is performed by the same authority as performed the original assessment.
- 3.2.6 The interval between status reviews is dependent, in part, on the quality importance of the product, service or work, and on performance evaluation. The interval between reviews does not exceed twelve months.
- 3.2.7 All Category A, B and C suppliers have an Approved Supplier Record. This record indicates, as a minimum, the category, the basis and scope of approval, the maximum length of time between performance reviews, and summarizes the performance of the supplier or subcontractor.
- 3.2.8 All products, services and work within the scope of this procedure are purchased from approved suppliers. Emergency and one-off purchases from suppliers not on the Approved Suppliers List are approved by a Department Manager. This approval is noted on the Purchase Order.
- 3.2.9 Suppliers stated by name in a customer order are considered as approved. The named supplier is restricted to that specific order only unless that supplier is on the Approved Suppliers List. A supplier used solely because of such an order is not required to appear on the Approved Suppliers List.
- 3.2.10 The results of supplier evaluations and any significant supplier performance activities are documented on the Approved Supplier Record and a summary presented to the Management Review meetings.

3.3 Purchasing Product and Services

- 3.3.1 All employees are authorized to place purchase orders in writing, by phone, or in person for product or services within their area of responsibility.



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- 3.3.2 For written orders or confirmation of telephone orders, the purchasing data is recorded on a purchase order, either a Purchase Order form or on a contract or form provided by the supplier. The data clearly describes the product ordered, e.g. description, quantity, type, catalogue number, service, as applicable.
- 3.3.3 The purchasing data is reviewed by the person placing the order for adequacy of the specified requirements. The signing of the purchase order document indicates completion of formal review and approval for issue.
- 3.3.4 For orders placed by telephone, the person placing the order ensures that the order information is clearly communicated and reviewed to prevent misunderstanding. The information communicated is recorded on a Purchase Order form or, in the case of suppliers with whom Triton have an open account, in the personal log book of the person placing the order. The Purchase Order form or the personal log book, as appropriate, are signed to indicate that a review has taken place.
- 3.3.5 For orders placed by an authorized person on the premises of a supplier for immediate pickup, the order is reviewed and the product inspected at the time of receipt of the product. The purchase order review and product verification are recorded on the supplier's packing slip or other order confirmation.
- 3.3.6 All products and services within the scope of this procedure are purchased from approved sources. For emergency and one-off purchases, suppliers and subcontractors not on the Approved Suppliers List are approved by the person authorized to place the order. This approval is noted on the purchase order for written orders, in the personal log book for verbal orders, and on the packing slip for orders picked up from a supplier.
- 3.3.7 After purchased product has been received or the service performed, it is inspected and verified by the person placing the order as per QADP 7 (Inspection and Testing Process). Acceptance is shown by signing the packing slip or service report, as appropriate. If a product is found to be nonconforming, it is tagged with a red "HOLD" tag and processed as per QACP 11 (Control of Nonconforming Product Process)
- 3.3.8 The file copy of a purchase order is a quality record and is controlled as per QACP 13 (Control of Quality Records).

3.4 Verification of Purchased Product



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- 3.4.1 When Corporate Departments of the Triton Marine Group propose to verify product at the premises of a supplier or subcontractor, Triton specify in their purchase order the method of product release.
- 3.4.2 Any requirement for customer verification of subcontracted product is handled by the Operating Divisions of the Triton Marine Group through their Division Procedures.