

For fast dependable Transportation Services

YOUR

TRANSPORTATION CO .



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CAYMAN SYSTEMS INTERNATIONAL
Specializing in Small & Medium Business
Compliance Help
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SAMPLE QUALITY MANUAL WRITTEN FOR THE TRANSPORTATION INDUSTRY

DECEMBER 5, 1996

YOUR QUALITY MANUAL

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Revision Page

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4.2	Quality System	12/5/96
4.3	Contract Review	12/5/96
4.4	Design Control (Not Applicable)	
4.5	Document Control	12/5/96
4.6	Purchasing (Not Applicable)	
4.7	Control of Customer Supplied Product (Not Applicable)	
4.8	Product Identification and Traceability	12/5/96
4.9	Process Control	12/5/96
4.10	Inspection and Testing	12/5/96
4.11	Inspection, Measuring, and Test Equipment	12/5/96
4.12	Inspection and Test Status (Not Applicable)	
4.13	Control of Nonconforming Product	12/5/96
4.14	Corrective Action	12/5/96
4.15	Handling, Storage, Packaging and Delivery	12/5/96
4.16	Control of Quality Records	12/5/96
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4.18	Training	12/5/96
4.19	Servicing (Not Applicable)	
4.20	Statistical Techniques (Not Applicable)	

YOUR QUALITY MANUAL

1.0 SCOPE

This manual describes the quality assurance program employed at YOUR Transportation Co. to demonstrate our commitment to quality. It provides a description of the policy from the President pertaining to control of all processes that determine the acceptability of the services we provide. We have a level of procedures, work instructions and training appropriate to our business that provide employees with details of the operations that implement these policies. As implemented, they provide the consistency of performance necessary to prevent shipment delays and damage to customer products during all aspects of YOUR Transportation Co. performance.

YOUR Transportation Co. policies are approved by the President. Assignments are made relative to ownership of each section to the Executive staff that reports directly to the President. Overall responsibility for insuring implementation of the Quality System is assigned to the Operations and Safety Vice President

2.0 APPLICABLE DOCUMENTS

*U. S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
PARTS 382, 383, 387, 390-397, 399, 40*

ISO-9003 Quality Systems-Model for Quality Assurance in Final Inspection and Test.

QSA_s Quality System Assessment for Services (Ford Automotive Operations Quality)

Ford Q1 Award Process and Requirements Manual

3.0 DEFINITIONS

AUDIT	A documented investigation to verify that all applicable requirements are being implemented.
CONFORMANCE	Compliance with specified requirements
CONTRACT	A customer request for services from YOUR Transportation Co. . It includes written, verbal and phone orders and includes consideration relative to fulfillment of commitments.
CORRECTIVE ACTION	Measures taken to rectify conditions adverse to quality, and to minimize recurrence
DOCUMENT	Information provided in writing or contained in readily accessible computer files
DOCUMENTATION	Recorded information
ICA	Individual Corrective Action - Taken for significant problems that require immediate actions

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MANAGEMENT REVIEW	An independent review of the documented quality program to ensure it meets requirements, a review of the effectiveness of the corrective action program, and review of effectiveness of the quality program
NONCONFORMANCE	Any departure from specified requirements
POLICY	The sum of management decisions for all questions associated with a given subject
PROCEDURE	Descriptions of activities critical to the maintenance of quality, describing with whom, what, when, where, and how an activity is carried out. It is not unusual for procedures to be multi-departmental in makeup.
SYSTEM	An inter supportive aggregation of activities that exists when data are gathered and analyzed and the resulting information is used to produce an intended result; in most cases people are involved and, in some cases, equipment of various types is also involved
TRACEABILITY	The ability to determine through historical records the source and processing of product shipped and its make up. This also includes the ability to track shipments in process.
WORK INSTRUCTIONS	Documents that tell <i>how</i> to do something rather than when, where, or with whom; a detailed step-by-step description of a work activity. Many times work instructions are relevant to a single organization.

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4.0 Quality System Requirements

4.1 Management Responsibility

Revision Date: 12/5/96

4.1.1 Quality Policy

Quality Policy

YOUR TRANSPORTATION CO. POLICY STATEMENT GOES HERE

“A CARRIER WHO DELIVERS”

YOUR Transportation Co. provides safe and reliable transportation services for all types of consumers appropriate to our business base. The nature of YOUR Transportation Co. activities places particular emphasis on meeting the needs of our customer. Because of this we supply a transportation service that is safe, reliable, and economical.

During the early phase for our services, all safety and regulatory requirements are identified and shared throughout company operations. Our customers product safety is considered and is paramount to our operations. Shipping instructions are provided by our customer. Loading activities are performed by our customers using their loading equipment and standards. When shipment traceability is a requirement, our in-house record keeping system and timely communication with the drivers in route provides this necessary information.

It is our objective to establish and maintain a quality management system that ensures all our services meet all contractual and regulatory requirements. Our Quality Policy documents our commitment to quality and customer satisfaction. Our management is fully committed and ensures this policy is understood, implemented and maintained throughout all levels of the company.

We are fully committed to implementing a quality system that meets or exceeds the customer requirements. Our intention is to continually improve all our management processes and operate in an environment where prevention of service deficiencies is paramount.

4.1.2 Organization

4.1.2.1 Responsibility and Authority

Quality is the responsibility of everyone at YOUR Transportation Co. . Improvements and recommended problem solutions are welcomed from all levels. We shall perform all our activities in accordance with the quality policies and requirements stated within this document. Performance of quality activities is the responsibility of all company personnel.

Full responsibility and authority to implement the company quality policy is granted to the Operations and Safety Vice President All executive managers are responsible for providing necessary support to fulfill this assignment.

Each executive manager is responsible for quality performance within their sphere of responsibility.

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Within every department of the company all individuals have full authority to take the steps necessary to prevent service nonconformity. This authority includes steps necessary to identify and record any product quality problems, recommend solutions, verify implementation of solutions and ensure our services do not fail to meet requirements without appropriate customer notifications.

4.1.2.2 Resources

It is incumbent upon all managers to make available necessary trained personnel to accomplish verification activities. Sections 4.10 Inspection and Testing, and Section 4.17 Internal Audits further clarify verification and auditing resources. Personnel assigned to participate in audit activities shall be independent of the activities being reviewed.

Personnel performing verification activities have full authority to act to prevent quality problems from occurring, or, if they have occurred, to take action to notify the customer for disposition.

4.1.2.3 Management Representative

The Operations and Safety Vice President has the full authority and responsibility as management representative to ensure YOUR Transportation Co. has a quality system implemented and maintained that meets all the customer quality requirements.

4.1.3 Management Review

Management Reviews shall be conducted annually by the Operations and Safety Vice President with the Quality Council in attendance. The Quality Council consists of the President, Operations and Safety Vice President, Maintenance Supervisor, a member from dispatch and two drivers selected by the Operations and Safety Vice President. The council will meet periodically and publish meeting minutes which will include such information as action item assignments, participants, results of internal audits, results of follow-up actions, decisions made, action items, etc. Records of Management reviews and Quality Council meetings shall be maintained.

The meeting shall also include review of the results of any quality system reviews performed and progress toward accomplishment of quality objectives and goals.

REFERENCE DOCUMENTS: Organization Chart

RESPONSIBILITY: Company President

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4.2 QUALITY SYSTEM

Revision Date: 12/5/96

4.2.1 General

YOUR Transportation Co. has established and maintains a documented quality system that ensures all transportation services conform to specified quality requirements of our customers.

4.2.2 Quality-system procedures

Three levels of written media provide the basis for our documented quality system. They are Company Policy (contained in this Quality Manual), Quality Procedures and the Training Manual. All procedures and the Training Manual are consistent and compatible with the policy governing their existence, and, where related are mutually inter supportive. All personnel are trained in the appropriate quality system expectations prior to being placed on the job.

Each policy, procedure and Training Manual has an owner, whose function is to ensure that portion of the system is continually followed and/or updated when necessary. All practices and documented requirements must match.

4.2.3 Quality-planning

YOUR Transportation Co. defines and documents how the requirements for quality of the service will be met. Quality planning shall be consistent with all other requirements of our quality system and shall be documented in a format to suit the supplier's method of operation. The supplier shall give consideration to the following activities, as appropriate:

- a) the identification and acquisition of any resources and skills that may be needed to achieve the required quality;
- b) the updating, as necessary, of equipment availability and condition;
- c) the identification of any requirement involving capability that exceeds the existing company capability in sufficient time for the needed capability to be developed;
- d) the identification of suitable verification methods at the completion of service;
- e) the clarification of standards of acceptability for all features and requirements, including those which contain a subjective element;
- f) the identification and preparation of quality records (see 4.16).

REFERENCE DOCUMENTS:

QP 4.02.01 Quality Procedures
YOUR Training Manual

RESPONSIBILITY: The Operations and Safety Vice President

YOUR QUALITY MANUAL

4.3 CONTRACT REVIEW

Revision Date: 12/5/96

4.3.1 New Orders.

All incoming orders (verbal and written) shall be reviewed to verify full understanding of customer requirements and communication of the requirements throughout company operations. Specifically this review shall include equipment and driver availability, load size and weight, shipment pickup and delivery schedules. Differences will be resolved and our ability to meet the requirements will be agreed to before acceptance of the order. If there are any difficulties with the customer requirements, management will assure the difficulties are resolved prior to final acceptance of the order. The issuance of a Freight Bill number is the record of this review activity and shall be maintained.

After completion of the review phase management or designated personnel will communicate the requirements to the appropriate personnel.

Records of written contracts are maintained. Signatures on the contract signify that the contract has been reviewed for the following:

- Place of performance
- Schedules
- Equipment availability
- Personnel availability
- Quality Planning Requirements (reference Quality Manual element 4.2.3)

Differences are reconciled prior to acceptance and signature of the contract.

4.3.2 Revisions.

Revisions to contract requirements will be reviewed to the same criteria used in 4.3.1. above. Changes to requirements will be communicated to all personnel affected by the change. Issuance of these changes will be in the form of either new Quality Procedures or changes to existing Quality Procedures.

REFERENCE DOCUMENTS:

None

RESPONSIBILITY: Operations and Safety Vice President

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4.4 DESIGN CONTROL

Not applicable. No engineering design activities are provided.

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4.5 DOCUMENT CONTROL

Revision Date: 12/5/96

4.5.1 Document Approval and Issue

Only current approved Quality Procedures and Training Manual are permitted for company operations.

All Quality Procedures and Training Manual shall be approved by the appropriate personnel prior to initial release for usage. All company personnel will comply with written policies, procedures and the Training Manual. Control of these documents will be by revision date.

4.5.2 Document Changes / Modifications

Changes to policies and procedures will be implemented with the approval of the President and/or the Operations and Safety Vice President as outlined in QP 4.02.01. All company personnel have the authority to request change and may submit the proposed changes either verbally or in writing to management at any time.

Outdated or changed documentation is to be promptly removed from the work areas.

4.5.3 Forms/Records.

Forms used are identified in Quality Procedures or the Training Manual. Typically forms used by YOUR are purchased or are the forms supplied by our customer which are not internally controlled. These forms and their usage are described in the Training Manual. Once these forms are filled in they become part of our record system and are subject to the controls mentioned in 4.16

REFERENCE DOCUMENTS:

QP 4.02.01 Quality Procedures

YOUR Training Manual

Quality Manual Section 4.16 Control of Quality Records

RESPONSIBILITY: Operations and Safety Vice President

YOUR QUALITY MANUAL

4.6 PURCHASING

Not applicable per ISO-9003. The service that YOUR Transportation Co. personnel provides does not include the purchasing of any product that is delivered to the customer. Purchased services such as equipment repair or scale calibration are typically done in emergency situations and depending on where and when the equipment breakdown occurs will depend on what service is contacted. Field experience has developed a formal listing of approved services available for different kinds of problems.

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4.7 CONTROL OF CUSTOMER SUPPLIED PRODUCT

Not Applicable to the transportation services that YOUR Transportation Co. personnel provide. This section is interpreted to mean that any customer supplied product that will be processed by the supplier which will alter its characteristics must be controlled in accordance with ISO-9003. Our services only provide transportation of customer products. Identification of product, packing and packaging, safe loading and unloading of the product is the customers responsibility. Drivers match the Freight Bill to the packing slip or other external identification for correct entries on the forms. Drivers may also witness the loading and unloading operations if allowed by the customer.

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4.8 PRODUCT IDENTIFICATION AND TRACEABILITY

Revision Date: 12/5/96

4.8.1 Freight Bill

Shipment identification shall be maintained on the Freight Bill throughout all our processes. This identification will include consideration for shipment traceability when traceability is a customer requirement or is imposed by an external regulation. Each Freight Bill is traceable to the customer, the items being shipped, the equipment used for transportation and the dates and times of loading and unloading is a complete description of the services requested.

4.8.2 Shipment Identification

Each shipment performed by YOUR Transportation Co. is assigned a unique Freight Bill number which is used throughout the shipping process on to delivery.

When traceability is required, we track each shipment with an assigned Freight Bill number. Records are maintained with this information.

Shipping containers will normally include a number which uniquely identifies the contents (e.g., Freight Bill, packing slip, Part Number, etc.). It is the responsibility of the customer to assure appropriate identification is provided. Verification of these numbered containers or parts will be performed at the time of loading when specified by the customer.

REFERENCE DOCUMENTS:

YOUR Training Manual

RESPONSIBILITY: Operations and Safety Vice President

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4.9 PROCESS CONTROL Revision Date 12/5/96

All processes related to the service that meets the customer requirements are performed under controlled conditions and derived through coordination of our contract review cycle..

Included in our process control system are usage of Quality Procedures and the Training Manual. On time monitoring of important delivery and timing characteristics, driver qualifications and real time service through Dispatchers provide positive process controls.

REFERENCE DOCUMENTS:

INDEX of QUALITY PROCEDURES.

RESPONSIBILITY: Operations and Safety Vice President

YOUR QUALITY MANUAL

4.10 INSPECTION AND TESTING

Revision Date: 12/5/96

4.10.1 Pick Up Inspection

All material to be shipped shall be reviewed and logged by YOUR Transportation Co. Drivers or Spotters.

All material shall be verified to assure it meets requirements when specified by the customer. This can include checks to assure packaging of parts, material or containers are suitable for transportation and for proper identification. Verification will always be made using the latest Freight Bill information. This ensures YOUR Transportation Co. only gets the parts, materials or containers that meet the latest established requirements. Items that the driver cannot verify will be annotated on the Bill of Lading or Freight Bill as "Shipper Load and Count"

Any material that does not meet requirements and causes a delay in the shipment shall be immediately identified to the customer for resolution. Data from shipment delay activity may be included in the Quality Council meetings.

4.10.2 Delivery Inspection

Delivery Inspection will consist of the YOUR Transportation Co. driver verifying that the load has not been damaged in transit and getting the Bill of Lading or Freight Bill signed by the receiving agent. Records of the results of this activity shall be maintained.

Damaged product shall be verified by the driver and noted on the Bill of Lading or Freight Bill . Immediate notification to the executive management at YOUR Transportation Co. is required. Release of the shipment is the responsibility of the receiving agent.

4.10.3 Inspection and Test Records

Records shall be maintained that demonstrate delivered product has met all requirements. This data shall include all previously mentioned data requirements related to pass/fail of service performance.

Records of inspections are maintained and include:

1. Name and location of customer,
2. Ship to Name and location,
3. Number of pieces shipped,
4. Weight of pieces shipped,
5. Pick up and delivery locations, (if other than items 1 or 2 above)
6. Shippers - Bill of Lading
7. Trailer Number

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8. If damaged before, during or after shipping, the description of defects, (photographs may be taken as a matter of record). Immediate notification to management is required.
9. Date and time of Pick up and Delivery
10. Drivers name.

REFERENCE DOCUMENTS:

YOUR Training Manual

RESPONSIBILITY: Operations and Safety Vice President

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4.11 INSPECTION, MEASURING, AND TEST EQUIPMENT Not Applicable

Not Applicable. The acceptance of the service is not dependent on the use of any calibrated equipment

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4.12 INSPECTION AND TEST STATUS Not Applicable

Not Applicable. The service provided does not involve product (hardware or software) that needs specific inspection controls or marking of inspection status.

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4.13 CONTROL OF NONCONFORMING PRODUCT

Revision Date: 12/5/96

4.13.1 Nonconformance Review and Disposition

4.13.1.1 Delays in pick up and delivery

When delays in pick up or delivery of goods is known the drivers are responsible for contacting the dispatcher and describing the delay and for providing an estimated time of arrival. The dispatcher is responsible for contacting the customer and providing the necessary information on the cause of the delay and the arrival times. If equipment failure is the cause the dispatcher will call the maintenance supervisor who is responsible for arranging for emergency equipment repair services. Once the equipment repair services has been contacted by the maintenance supervisor, the driver will coordinate the repair with the service company. The driver is responsible for communicating his status with the dispatcher periodically until he is back on the road.

In cases when the delay is caused by a traffic accident the driver has the responsibility of analyzing the situation for injuries and damage to equipment, contacting the local authorities for assistance. In cases of personnel injury to the driver or occupants of the other vehicles, the driver, if physically able, is expected to provide communication with authorities who can arrange for emergency medical assistance. Once these arrangements have been made the driver will contact the dispatcher with details of the accident and wait for more detailed instructions. The dispatcher will contact executive management and the maintenance supervisor to coordinate the equipment repair services and provide the driver with any additional instructions.

4.13.1.2 Product Damage

When products are detected to have shipping damage the receiving agent will document the nature of the damage and have the driver concur with the description of the damage. The driver will report the incident immediately to YOUR Transportation Co. management. The driver will provide a preliminary description of the damage and an estimate of the cause. This information will not be discussed with the receiving agent until YOUR Transportation Co. management has agreed with the descriptions. YOUR Transportation Co. will provide instructions to the driver for completion of any additional paper work remaining at the receiving dock.

Photographs taken by the driver of the damaged shipment will be filed with the drivers report and forwarded for management review.

It is the responsibility of the company receiving the parts, material or containers to review the damage and determine their usability in accordance with their internal operating systems. Claims for damages will be handled by the company through proper procedures, with the Insurance Company, YOUR COMPANY INSURANCE, as our final backup.

REFERENCE DOCUMENTS:

YOUR Training Manual

QP 4.13.01- YOUR Problem and Correction Report

RESPONSIBILITY: Operations and Safety Vice President.

YOUR QUALITY MANUAL

4.14 CORRECTIVE ACTION

Revision Date: 12/5/96

YOUR Transportation Co. employs various techniques to assure immediate corrective action is taken to minimize the impact to our customer. Causes of nonconformances are determined as quickly as possible and effective measures are implemented to prevent their recurrence.

All nonconformances are reviewed immediately to ascertain the cause of the nonconformance and needed corrective action requirements. Nonconformances that adversely impact Pick up and Delivery times will be documented and reviewed by the quality council. From this information trends are analyzed and further corrective actions are taken when necessary. The initiation of the nonconformance documentation is the responsibility of the individual receiving the call.

The Operations and Safety Vice President, or his designee, is responsible for reviewing progress, looking for repetitive conditions and providing oversight of corrective action performance. The Operations and Safety Vice President, or his designee, is responsible for the management of quality processes, work operations, dispatcher and maintenance supervisor coordination, concessions, records, and customer complaints. From these sources of information the need to take to corrective actions are determined, and implemented when necessary. Records of these reviews will be maintained by the Quality Council

Corrective action takes many directions and includes such actions as procedure and process changes, retraining, new tools or equipment, etc. Follow-ups are performed of corrective actions to verify their effectiveness.

REFERENCE DOCUMENTS:

QP 4.13.01- YOUR Problem and Correction Report

RESPONSIBILITY: Operations and Safety Vice President

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4.15 HANDLING, STORAGE, PACKAGING, AND DELIVERY

Revision Date: 12/5/96

4.15.1 General

YOUR Transportation Co. has implemented proper measures at all stages of processing to ensure timely pick up and delivery as well as prevention of damage to the product. When it is required that loads must be removed from a truck and placed in our warehouse for temporary storage they are stored in a covered area to prevent damage from the weather. The warehouse is designed to handle small pallets or loads for short periods of time while awaiting transfer to another truck. Controls are used for material transfer and storage, preservation of existing packaging and timely delivery to the purchaser.

4.15.2 Handling

YOUR Transportation Co. monitors material handling methods when required by the customer and provides guidance to the customer to prevent product damage from handling problems during Pick Up and Delivery operations. When it is necessary to transfer loads for freight consolidation the personnel performing the transfer have been trained in proper methods handling methods. Additional equipment or training is provided when necessary.

4.15.3 Storage

Material enters and leaves the storage room only with appropriate written authorization and by authorized personnel. Dispatchers will coordinate the move and storage of freight in the warehouse. Our records of product shipment are maintained current.

Within the warehouse proper storage methods are implemented. Freight delivered to the warehouse does not require additional environmental protection (e.g., age dated material, frozen goods, clean room, etc.). Freight is protected from the outside weather.

Periodic reviews are conducted of storage conditions to verify proper implementation of company policy.

4.15.4 Packaging

All containers used for customer shipment of materials are packaged by the customer, which meet their customer and regulatory requirements for protection against electrostatic discharge damage, vibration, shock, fragility and transit drops.. Freight received in the warehouse is not repackaged for shipment. The condition of the existing packaging is verified at the time of unloading and reloading into the trucks.

The integrity of existing packaging is maintained throughout our operations.

4.15.5 Delivery

The pick up and delivery operations are managed and scheduled by the dispatchers. Once determination is made that orders placed by the customer can be fulfilled, the dispatcher coordinates the scheduled activities with the driver. The driver acknowledges receipt of the job assignment and

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proceeds to meet the customer requirements. Any delays in the activity must be coordinated with the dispatcher who in turn will immediately contact the customer.

Cellular phones are provided by the drivers for instant communication with YOUR Transportation Co., or the customer, in cases of critical timing shipments. Communication by the drivers with the dispatchers is done every six hours as a minimum, and more frequently as needed if delays are expected.

REFERENCE DOCUMENTS:

RESPONSIBILITY: Operations and Safety Vice President

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4.16 CONTROL OF QUALITY RECORDS

Revision Date: 12/5/96

4.16.1 General

The Freight Bill is the heart of the Quality Records used as the basis of our ability to demonstrate quality performance and identify improvement opportunities throughout company operations.

4.16.2 Records Required

Quality records shall record the achievement of the required quality and effective operation of the quality system. Our quality records include, as a minimum:

Type of Record	Location of Record Storage	Duration of Storage
Contract Review (Signed copies of contracts)	YOUR AREA	Life of contract Plus 1 Year Min
Department of Transportation Safety Inspection reports %%	YOUR AREA	3 Years Min
Dispatchers Log **	YOUR AREA	3 Years Min
Drivers Log **	YOUR AREA	Six Months
Equipment Maintenance Records **	YOUR AREA	3 Years Min
Equipment Safety Inspections **	YOUR AREA	3 Years Min
External Audit Reports %%	YOUR AREA	1 Year
Freight Bill **	YOUR AREA	3 Years Min.
Internal Audit Reports ##	YOUR AREA	1 Year
Quality Council & Management Review Mtg. Minutes ##	YOUR AREA	1 Year
Spotters Log ##	YOUR AREA	3 Years Min
Training records ##	YOUR AREA	3 Years Min
YOUR Problem and Correction Report ##	YOUR AREA	1 Year

** = Purchased Forms

= Forms generated internally

%% = forms received from state DOT Inspections

4.16.3 Records

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Records are maintained primarily on paper and all permanent records are stored in the office locations as indicated in the above table. Computer records are typically temporary and are made into hard copies when orders are completed. Information related to quality performance is included in our records which provides the bases of performance of our quality system reviews.

No records alteration is permitted. If changes must be made to any record, it will be accomplished by lining out the original entry and writing the new information adjacent to the old. The individual will sign and date the change adjacent to the change.

4.16.4 Storage and Disposal

Records are maintained in the locations and for the minimum time specified in the above table. Records may be stored for longer periods which is up to the local authority responsible for storage.

4.16.5 Forms Control.

Forms are typically ordered from OUTSIDE SOURCES and are not subject to forms control within this Quality Manual. Forms generated internally are identified in the appropriate Quality Procedure. DOT inspection forms are not controlled by this Quality Manual.

REFERENCE DOCUMENTS:

QP 4.02.01 Quality Procedures
YOUR Training Manual

RESPONSIBILITY: Operations and Safety Vice President

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4.17 INTERNAL QUALITY AUDITS

Revision Date: 12/5/96

4.17.1 General

Auditing provides an additional source of information for understanding our quality system performance. We utilize a three pronged audit process that audits quality systems, maintenance operations and delivery processes. Our auditors are totally familiar with our Company's policies and procedures and follow a schedule that is based on the importance of each audit area.

4.17.2 Responsibility

Audits are performed under the control of the Operations and Safety Vice President and, where possible, are not directly responsible for the function or area being audited.

4.17.3 Auditing Procedure

Audits can be performed on any material or process in any stage within YOUR Transportation Co. jurisdiction . This affords a measure of the totality of the operational quality performance.

4.17.4 System Audits

All audits are performed in accordance with an importance based schedule as selected by executive management. All audit findings require corrective action and follow-up of the corrective action effectiveness. Written policies, procedures and customer complaints are used as the basis of the audit in lieu of checklists. Audit results are documented and maintained in the Quality File.

Semi annually system audits are conducted by outside agencies to assure compliance with DOT requirements. This activity is documented and filed in the Quality File. Adverse results are documented and include the findings of the investigation and corrective action as necessary.

Audit results are reviewed during Quality Council meetings for management attention.

Follow up activities, in the form of daily activities and periodic audits dictated by executive management, will verify the implementation and effectiveness of the corrective action taken.

REFERENCE DOCUMENTS:

QP 4.18.01 Quality Auditing

RESPONSIBILITY: Operations and Safety Vice President

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4.18 TRAINING

Revision Date: 12/5/96

All employees performing quality related tasks shall be qualified to perform these tasks based upon education, training and/or experience.

All our employees shall be trained in the quality responsibilities relative to their job performance. Specific needs assessments are performed and appropriate training programs developed and presented. Records are maintained of formal training completion. Update training is performed on a scheduled basis or when the need for such training is recognized.

Training needs are determined by each department for their area of responsibility and employee needs. Based upon known needs, training courses have been developed and are presented during new employee introduction and semi annually for certain segments as defined in the YOUR Training Manual and Quality Procedures. During the internal audit process training needs may be assessed and recommendations developed to provide additional training where required. Special skills training is accomplished on a cyclic basis to maintain employee skill levels as necessary. The majority of training activities are conducted daily as “on the job training” when the need arises.

REFERENCE DOCUMENTS:

QP 4.18.01 - Employee & Driver Mandatory Training

YOUR Training Manual.

RESPONSIBILITY: Operations and Safety Vice President

YOUR QUALITY MANUAL

4.19 SERVICING

Not Applicable

YOUR QUALITY MANUAL

4.20 STATISTICAL TECHNIQUES

Not Applicable