



# **TOOLES CONTRACTING GROUP, LLC**

## *QUALITY MANUAL*

*Release 4 Rev 1*

# Quality Manual

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# Quality Manual

## Objectives/Scope

This quality manual's objective and scope are to provide a reference base for:

- 1 Maintaining a record of established practice, which conforms to the requirements of ISO 9001:2000 and ISO 14001:2004.
- 2 Preserving continuity of procedure and standards regardless of change in staff, company's processes, and organizational structure.
- 3 Providing document standards to which practices may be audited against.
- 4 Supplying a documented system to ensure consistent control, allowing TCG to maintain product quality at all levels of the company and meet the requirements of customers and other interested parties.
- 5 Providing a process for the detection of nonconformities and subsequent corrective actions to remedy them.
- 6 Furnishing the framework for continuous improvement throughout the organization.
- 7 Orientating and training of personnel.

Reference – ANSI/ISO/ASQC – Q9001: 2000  
ANSI/ISO – 14001:2004  
ISO/TR 10013:2001(E)

## Introduction

This manual is the sole property of Toolles Contracting Group, LLC. Its contents shall not be given or conveyed to anyone not employed by the company without permission of executive management or the management representatives. This manual must be returned upon request.

The management representatives are responsible for all matters concerning this quality and environmental system including, reviewing and approving changes to this manual, associated procedures, and forms. The document control administrator is responsible for revision control and maintenance of this manual, associated procedures, and forms.

Toolles Contracting Group employees are required to adhere to the procedures and are encouraged to make suggestions for improving the effectiveness and efficiency of this system. Suggestions for improvement are made through the management representatives.

This manual is authorized and approved by executive management of Toolles Contracting Group, LLC.

Damon V. Toolles  
President & CEO

Reference – ANSI/ISO/ASQC – Q9001: 2000  
ANSI/ISO 14001:2004  
ISO/TR 10013:2001(E)



### ***Integrated Management System Statement***

*Tooles Contracting Group, LLC, as a provider of equipment installation and construction services, is dedicated to exceeding our customer's expectations, while being environmentally responsible. Our goals are met through the following shared objectives with our employees and subcontractors:*

- **COMPLETE PROJECTS IN A SAFE AND TIMELY MANNER**
- **CULTIVATE LONG-TERM RELATIONSHIPS AND COMMUNICATE OPENLY**
- **CONTINUOUSLY IMPROVE THROUGH MEASURABLE OBJECTIVES & TARGETS**
- **CREATE AN ENVIRONMENTAL AWARENESS TO PREVENT POLLUTION**

*By achieving these goals, we will remain dynamic as an organization, allowing us to adapt to, and exceed, our customer's expectations, while complying with all regulatory requirements.*

Damon V. Tooles  
President & CEO

## Quality Planning

1. The management representative shall consult with each department manager to identify quality-related processes. These processes are included within the quality system.
2. Planning and consistency are significant components of quality; therefore all quality-related processes are planned and completed in a manner that is consistent and repeatable.
3. Where necessary, documented procedures and quality/project plans are provided to control key activities.
4. Department Managers are responsible for ensuring the adequacy of equipment, facilities, information, and materials used in their areas. This responsibility includes the identification of employee training beyond what has been identified within the employee-training matrix.

Reference – ANSI/ISO/ASQC – Q9001: 2000  
ISO/TR 10013:2001(E)

## Environmental Planning

1. The management representative shall consult with each department manager to identify the activities that may impact the environment. These activities re identified on the impact and aspect worksheet.
2. Consistency is a significant component of the environmental management system; therefore all processes that could impact the environment are planned and completed in a manner that is consistent, repeatable and meet regulatory requirements.
3. Where necessary, procedures are documented.
4. Departmental managers are responsible for ensuring the adequacy of equipment, facilities, information, and materials used in their areas. This responsibility includes the identification of employee training beyond what has been identified within the employee-training matrix.

Reference – ANSI/ISO/- 14001: 2004  
ISO/TR 10013:2001(E)

## Communication

1. The management representatives shall ensure that all departments and field offices are provided with information, training, and documentation to ensure that employees understand the Integrated Management System (IMS).
2. The quality manual outlines the organizational structure of the Tooles Contracting Group, LLC and identifies the main lines of communication.
3. Routing of quality/environmental related information is indicated in a documented procedure.
4. The Director of Business Development is responsible for providing service information to customers and dealing with customer feedback.
5. The Executive Vice Presidents of Operations are responsible for contracts and addressing service related issues with customers.
6. The Safety Director and Management Representative are responsible for environmental supplier contracts and addressing environmental concerns with interested parties.
7. The Management Representatives are responsible for liaising with registrars on external quality audits.

Reference – ANSI/ISO/ASQC – Q9001: 2000  
ANSI/ISO – 14001:2004  
ISO/TR 10013:2001(E)

## Quality System Documentation

1. A documented quality system is implemented in Toolles Contracting Group, LLC based upon the requirements of ISO 9001:2000 & ISO 14001:2004 and shall be controlled by the following documents:

PM1	Management Commitment and Review
PM2	Customer Satisfaction
PM3	Internal Audit
PM4	Document Control
PM5	Continual Improvement
PM6	Training
PM7	Deleted
PM8	Estimating – Installation Division
PM9	Design Center
PM10	Fabrication Detailing
PM11	Steel Fabrication
PM12	Deleted
PM13	Project Management
PM14	Purchasing
PM15	Yard
PM16	Environmental Procedures – Yard & Office
PM17	Emergency Response

2. The IMS, in particular, the quality manual, shall be available to outside parties upon request.
3. Copies released for the purpose of marketing, selling, or assessment are considered uncontrolled.
4. The quality system meets the 9001:2000 standard and is implemented in all areas of the company that are involved with delivery of services and fabrication of products for our customers. The environmental management system meets the 14001:2004 standard and is implemented in all areas of the company that may have a negative impact on the environment. The combination of the quality system and the environmental management system are referred to as the Integrated Management System (IMS) from this point forward.
5. All documents and forms are controlled in accordance with procedure PM4 Document Control.
6. Each IMS document shall have a title and revision number. Its contents shall be legible.
7. The document control administrator maintains a list of IMS documents and forms. The list details issue status of all documents.

8. Procedures and forms are made available at those areas where operations relevant to service quality and potential environmental impact are being performed. All procedures are reviewed and approved by authorized personnel prior to release.
9. Obsolete documents are removed from point of issue. The manager for the area is responsible for ensuring that only pertinent issues are available for use.
10. Document changes are reviewed and performed by the same authority that performed the initial review and approval.
11. Changes are referenced on an amendment record sheet prior to re-issue.
12. The Management Representatives and the Safety Director are responsible for replacing standards applicable to business activities and for acquiring additional standards as necessary. This includes environmental and regulatory compliance.
13. The following quality system records are maintained to meet specified requirements.

<b><u>Title</u></b>	<b><u>Responsibility</u></b>
Internal Quality Audits	Management Representatives
Corrective Action	Management Representatives
Preventative Action	Management Representatives
Training Records	Human Resources
Instrument Calibration	Inventory Control
Customer Complaints	Executive Management
Management Review	Management Representatives
Supplier Review	Purchasing
Purchase Orders	Purchasing
Design Control	Engineering Manager
Fabrication Control	Fabrication Manager
Annual Inspections	Yard Supervisor
Document Control	Document Control Administrator
MSDS	Safety Director
Environmental Manifests	Yard Supervisor

14. All records are readily retrievable. Record types that may identify negative trends are reviewed periodically.
15. Records pertaining to jobs are maintained for a legally required period of time.
16. Records relating to IMS are retained a defined period of time as described on the DC018 Quality Record Matrix.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 4.2  
 ISO 14001:2004, Element 4.4.4, 4.4.5, 4.5.4  
 ISO/TR 10013:2001(E)

## Management Review

1. Toolles Contracting Group, LLC IMS is reviewed once a year to ensure its continued effectiveness and improvement.
2. The review is broken into a two-part review, which includes quality and environmental areas.

The quality review includes results of internal audits performed since the preceding review, surveillance audits, corrective & preventive actions, customer feedback and complaints, quality issues pertaining to project performance, changes that could affect the quality system, recommendations for improvement, and follow-up from previous meetings.

The environmental review includes the need for policy changes, objectives & targets or other elements of the Environmental Management System (EMS), internal and surveillance audit results and regulatory compliance communication from interested parties, status of corrective & preventive actions, follow-up from previous management reviews, changing circumstances within the organization that could impact the EMS, and commitment to continual improvement.

3. The management review team consists of the Executive Vice President(s) of Operations, Director of Marketing, Management Representative(s), and may include any other interested parties depending upon the activities to be discussed.
4. Records of management review are retained by the Management Representative(s) and shall be made available upon the auditors' request.
5. Results of management review will be distributed to the review team to enable action to be taken.
6. Additional management meetings are held regularly with the focus of continuous improvement. These meetings shall include all department managers. Records of these meetings shall be retained and distributed.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 5.6  
ANSI/ISO – 14001: 2004, Element 4.6

## Resources

1. Departmental managers are responsible for maintaining adequate resources including competent, qualified personnel.
2. Induction training for new personnel is performed following a new hire training assessment. Formal training requirements are defined and are based upon job classification.
3. On-going training and recognition of future training needs are considered for all personnel.
4. Consideration shall be given to training requirements in the following circumstances:
  - a. Promotion to new job
  - b. Move to a different department
  - c. New Equipment Purchased
  - d. Regulatory requirements
  - e. Multi-skilled requirements
  - f. Customer specified
5. New personnel are trained on the IMS. Access to the quality system is provided electronically to ensure information is current.
6. All personnel are required to have suitable experience and are adequately trained.
7. Full details of training activities and responsibilities are outlined in PM6 Training.
8. Every action shall be taken to provide the conditions for a well controlled work environment with due regard to the following:
  - a. Ergonomics
  - b. Safety
  - c. Adequate Equipment
  - d. IT Support
  - e. Maintenance and other services

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 6  
ANSI/ISO – 14001:2004, Element 4.4

## Planning of Realization Processes

1. Departmental managers are responsible for maintaining adequate resources including competent, qualified personnel.
2. The management representative is responsible for ensuring that all departments concerned with defining customer requirements, developing, fabrication, and delivering construction services are equipped with adequate planning tools and techniques.
3. Verification of adequate planning execution is achieved through the internal audit system.
4. Results of verification and validation activities are documented.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 7.1

## Customer Related Processes

1. The Director of Business Development is responsible for cultivating customer relations. This includes verifying that Tooles Contracting Group's capabilities are able to meet the customer's requirements.
2. The Executive Vice President of Estimating – Installation Division and the Vice President of Estimating – Construction Division are responsible for establishing customer relations during the bidding process in order to:
  - a. Accurately identify and document customer requirements
  - b. Ensure compliance with applicable regulations
3. The Executive Vice President(s) of Operations are responsible for maintaining customer relations once a bid is converted to a successful job.
4. A documented procedure is in place to control activities with estimating (contract review).
5. Before submission of a bid, requirements are reviewed to ensure they are clearly specified and understood.
6. Contact with customers to resolve inquiries or agree upon changes is often done using RFI (Request For Information), Submittal, or Transmittal, depending upon the nature of inquiry. This documentation is retained.
7. Procedures are in place to manage contract amendments. Contract changes are documented and controlled through our project management procedures.
8. For full details of contract review and amendment control see the related PM8 Estimating and PM13 Project Management Procedures.

Reference – ANSI/ISO/ASQC – Q9001: 2000, 7.2

## Design, Detailing, and Development

1. Documented procedures are established for Design verification and validation and Fabrication Detailing verification and validation.
2. Each design activity is assigned to qualified engineering/detailing staff in our company. Design activities are performed in line with an appropriate plan. Project size will dictate the plan type.
3. All inputs, including customer requirements, are identified and documented.
4. Responsibility for deliverables are defined and documented within the project plan.
5. The engineering manager and fabrication facility manager are responsible for overseeing design activities within their respective areas. This includes development reviews, validation, and verifications, prior to project release, and/or fabrication of product.
6. Design changes are documented and approved. The changes are documented under Amendments to Deliverables within the project plan.
7. For full details of our engineering design center control activities, see procedure PM9 Design Center. Full details of Fabrication Detailing activities are located in PM10 Fabrication Facility Detailing Procedure.

Reference – ANSI/ISO/ASQC – Q9001: 2000, 7.3

# Purchasing

## Review of Subcontractors

1. A list of approved subcontractors is maintained by purchasing. The list is analyzed on a periodic basis.
2. Subcontractors are deemed to be approved subject to one of the following being met:
  - a. The subcontractor has a record of good service over a period of time, not less than six months. A new subcontractor is considered probationary until the service record is reviewed. Additional criteria for an approved status include an appropriate EMR (safety) rating and proper proof of insurance. New subcontractors with large contracts are subject to a review of a Duns & Bradstreet report.
  - b. The company has been audited by our personnel and proved capable to supply services or products of an acceptable quality level.

## Purchase Orders

1. Purchase Orders shall be used for purchases over a defined amount.
2. Purchases requiring Purchase Orders are initiated using a requisition form.
3. Requisitions are forwarded to purchasing for review and authorization.
4. Purchases that are defined as large require Executive Management's authorization prior to purchase.
5. Purchase orders shall provide complete and clear specifications of requirements of the purchased product and any special instructions, which are considered essential within a supplier's organization.
6. Amendments to Purchase Orders are handled in the same manner as originals.
7. For full details of subcontractor control and purchasing activities see procedure PM14 Purchasing.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 7.4

## Operations Control

1. All project management, engineering, and fabrication services are performed in accordance with our documented procedures and project plans.
2. Our management team ensures, on an ongoing basis, adequate resources are provided to ensure all activities are capable of being completed in an effective and efficient manner, i.e. manpower, equipment, technology, and environmental conditions.
3. Trained and skilled personnel perform all fabrication, project management, and engineering services.
4. For further details of project control activities see procedures PM9 Design Center, PM10 Fabrication Detailing, PM11 Steel Fabrication, PM13 Project Management.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 7.5.1, 7.5.2

## Environmental Control

1. All office and yard activities are performed in accordance with our documented environmental procedures.
2. Our management team ensures, on an ongoing basis, adequate resources are provided to ensure all activities are capable of being completed in an effective and efficient manner, i.e. manpower, equipment, technology, and environmental awareness to prevent pollution.
3. Trained and skilled personnel perform all activities that could have a severe negative impact on the environment.
4. For further details of the environmental procedure control activities, see PM16 Environmental & PM15 Yard Procedure.

Reference – ANSI/ISO – 14001: 2004, Element 4.4.6

## Identification and Traceability

1. Items and materials held for future production are stored in suitable areas where identification and traceability are maintained.
2. Stock items are stored for appropriate use.
3. Special order items and materials are identified and traceable by job number.
4. For full details of identification and traceability activities see PM11 Steel Fabrication Procedure and PM15 Yard Procedure.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 7.5.3

## Customer Property

1. On receipt of items belonging to a customer, visual inspection is performed to ensure quantities are correct and condition of items are acceptable.
2. Notification is given to customers if items are lost, or damaged, or is unsuitable for use. In addition, losses are recorded and held as quality records.
3. All items held pending use are identified, logged, stored, and maintained in a manner suitable to ensure quality is not impaired.
4. Items temporarily stored for customers are logged in and logged out to maintain traceability.
5. Identification is maintained on all customers' property.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 7.5.4

## Preservation of Product

1. PM15 – Yard Procedure outlines how handling, storage, packaging, preservation, and delivery activities are controlled and monitored.
2. Handling
  - a. All handling is carried out in a manner that ensures the integrity of our products.
  - b. Should damage occur, while on our premises, or in transit, action will be taken to investigate the cause and to ensure it does not reoccur.
3. Storage
  - a. All materials procured for fabrication purposes are identified and stored appropriately.
  - b. Materials are held in suitable conditions to ensure integrity is maintained.
4. Packaging
  - a. All products will be adequately packaged to ensure damage does not occur prior to and during transit. Should Commercial Contracting be unable to package to individual customer standards, this work may be subcontracted to an appropriate supplier.
5. Delivery
  - a. All deliveries are made by our staff or by an authorized carrier

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 7.5.5

## Measurement and Monitoring

1. All fabrication inspections are performed in accordance with our documented procedures PM11 – Steel Fabrication.
2. All project inspections are performed in accordance with our documented procedure PM13 – Project Management.
3. Material Receiving Inspection
  - a. Materials received are visually inspected for quality and quantity prior to acceptance
  - b. Items failing to conform is removed from the vendor shipper before acceptance and sent back
4. In-Process Inspection and Test
  1. Fabrication Shop
    - a. Visual inspections are conducted throughout the fabrication process
  2. Project Management
    - a. Project Managers develop a method of communication to support in-process project review, when appropriate. The manner in which this occurs will vary, depending upon customer requirements, size or complexity of project.
5. Final Inspection and Test
  1. Fabrication Shop
    - a. The shop foreman performs the final inspection on fabricated product. The shop foreman signs and dates the Fabrication Approval stamp on the drawing. The fabricated product may not be released from the facility.
  2. Project Management
    - a. Final Inspections are performed in accordance with the customer's inspection procedures. This is sometimes done in the form of a punch list.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 8.2.4  
ANSI/ISO/ASQC – 14001:2004, Element 4.5.1

## Control of Measurement and Monitoring Devices

1. Documented procedures are in place to control and maintain equipment used for measurement.
2. Relevant measuring and monitoring devices are included in our calibration program. Applicable instruments are clearly defined in PM15 Yard Procedure.
3. This program is controlled and administered by our yard supervisors.
4. The Yard Supervisor is responsible for recall of instruments requiring calibration.
5. Subcontracted calibration is performed as per instrument manufacturers recommended specifications.
6. Only equipment that has a known capability with regard to accuracy and precision will be used.
7. Equipment is handled and stored to ensure that equipment retains accuracy and fitness for use.
8. For full details of control of inspection, measuring, and test equipment see PM15 Yard Procedure.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 7.6  
ANSI/ISO – 14001:2004, Element 4.5.1

## Control of Nonconformity

1. Items found to be nonconforming are identified and segregated.
2. Details of nonconforming product, as it pertains to fabricated materials, are recorded. A corrective action is initiated to support the investigation of the nonconforming product to ensure this does not happen again.
3. Nonconforming tools are segregated as per PM15 Yard Procedure.
4. The status of product is not changed without obtaining authorization from the Fabrication Facility Manager.
5. The Fabrication Facility Manager is responsible for disposition of the nonconforming product. Disposition may include:
  - a. Rework/repair
  - b. Use with or without modification by concession
  - c. Reject or scrap
6. Where required by specific contracts, customers are notified in writing in order to obtain concession approval
7. For full details of control of nonconformity see procedure PM11 – Steel Fabrication and PM15 – Yard Procedure.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 8.3

## Analysis of Data

1. The following quality system data is recorded and analyzed to assess performance:
  - Quality and Environmental Targets & Objectives
  - Customer Satisfaction Surveys
  - Corrective Actions
  - Suppliers
2. Concerned departments provide the results of analysis to the Management Representative for further analysis.
3. Performance data is used as an input to management review as described in procedure PM1 – Management Commitment and Review.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 8.4  
ANSI/ISO – 14001:2004, 4.3.3, 4.5.1

## Improvement

1. Our company believes that continual improvement is a fundamental principle of the business; this is achieved in many ways and in particular through corrective action, preventive action, and internal audit.
2. **Corrective Action**
  - a. All nonconformities are formally addressed through our corrective action system. See procedure PM5 Continual Improvement Procedure.
  - b. Once raised, a corrective action is forwarded to the management representative for analysis and action.
  - c. Causes for nonconformity are identified and investigated, and corrective action is taken.
  - d. All actions are recorded on a corrective action form.
  - e. Following corrective action, changes required to procedures or the quality system are implemented by the management representative and document control administrator.
3. **Preventive Action**
  - a. Periodically, departmental managers meet to review data to consider whether any action is required on a preventive basis to enhance or improve any methods of work and product quality. Reviews include the assessment of:
    - i. Internal audit reports
    - ii. Customer complaints
    - iii. Procedures both Quality & Environmental
    - iv. Preventive Actions
  - b. Managers are responsible for implementing actions resulting from reviews.
4. **Internal Audit**
  - a. Internal quality audit is performed following a formal program administered by our management representative.
  - b. Suitably trained personnel having the knowledge required to ensure that the audit is effective perform audits.

- c. Lead questions are created to ensure that procedures are followed.
- d. Deficiencies found during audit are addressed through our corrective action system.
- e. Results of audit are reviewed during management review meetings.

Reference – ANSI/ISO/ASQC – Q9001: 2000, Element 8.5  
ANSI/ISO – 14001:2004, Element 4.5.3

## References

The reference section of this manual is documents referred to, but not included in this manual.

ANSI/ISO/ASQ Q9001-2000 – American National Standard Quality Management Systems Requirements

ANSI/ISO 14001:2004 – American National Standard Environmental Management System

TCG Procedure Manual – ISO procedure manual developed by procedure number 1-17 (i.e. PM10)

Employee Training Matrix – Defined training requirements described by job function

ISO/TR 10013:2001(E) – Guidelines for quality management system documentation

QSD013 ISO Objectives & Targets 9001:2000 & ENV010 ISO Objectives & Targets 14001:2004 – Defines relevant departmental objectives and goals (targets)

ENV002 Environmental Aspects & Impacts 14001:2004 – The aspect is the element that can interact with environment. The impact is the potential effect on the environment.