Supplier Approval and Incoming Supplies Lesson

1. Policy
    1.1. This program provides the foundation for a properly documented, implemented, and maintained system for ensuring that approved suppliers and emergency suppliers adequately fulfill the responsibilities and safety precautions outlined by the site to ensure safe raw materials, ingredients, and packaging are supplied.
    1.2. All incoming materials, inputs, goods, products for re-sale, and services are ensured to meet specifications and are safe.
    1.3. The methods for selecting, evaluating, approving, and monitoring an approved supplier are documented and form the basis of a solid site managed program.
    1.4. Supplier assessment is risk-based and may be as simple as a good supply history, sourcing from certified suppliers (e.g., SQF certified suppliers) or personally auditing/inspecting the material supplier's operations, depending on risk, supplier knowledge and history. The program for monitoring performance is linked to the specifications that the supplier is contracted to deliver as well as any testing required by the supplier or the company to illustrate conformance to specifications.
    1.5. It is a set of procedures and controls implemented by the company to assure the safety of incoming goods and services. It is based on the risks presented by the material/input or based on historical performance or prior history of the supplier to the company.
    1.6. The supplier provides documented evidence that incoming materials have either been inspected or that they come from an approved supplier.
    1.7. Material suppliers are verified that they are complying with specifications for the products being supplied. The methods of analyses conform to recognized industry standards. The job functions responsible within the supplier business for material inspections and supplier approval is included in the job descriptions.
    1.8. The company maintain a list of approved suppliers. All providers of goods are included on the register.
    1.9. The receipt of raw materials from non-approved suppliers is acceptable, but only in an emergency, and provided the materials are inspected before use. Records of the use of non-approved suppliers and their inspections are maintained.
    1.10. The company also include, as part of food defense plan, a means to secure incoming materials to prevent intentional adulteration and contamination.
    1.11. As part of the food fraud plan, the company include within the vulnerability assessment and mitigation plan the potential risks for economic adulteration that may impact food safety for all incoming materials. Vulnerabilities may include ingredient substitution, mislabeling, dilution or counterfeiting. Minor ingredients such as spices, additives, and processing aids are included.

2. Procedure
    2.1. Methods for selection
        2.1.1. Good supply history – This history and relationship base are used as a method for selection.
        2.1.2. Certified supplier – GFSI (SQF, BRC, FSSC 22000, etc.), GMP, FDA, USDA or State inspected suppliers or equivalent are factors used for selections.
        2.1.3. Documentation – Approved suppliers avail the following documentation concerning the material offered company establishment as applicable and submit annually or as specification changes occurs
            2.1.3.1. Material / Product Specification
            2.1.3.2. Proof of Laboratory Testing and Results (Certificate of Analysis)
            2.1.3.3. COO - Certificate of Origin
            2.1.3.4. Certificate of Conformance or
            2.1.3.5. Letter of Compliance, or
            2.1.3.6. Continuing Letter of Guarantee
            2.1.3.7. Organic Certificate (if applicable)

  2.1.3.8. Halal Certificate (if applicable)

  2.1.3.9. Kosher Certificate (if applicable)

  2.1.3.10. Gluten free certificate (if applicable)

  2.1.3.11. Non-GMO Certificate (if applicable)

  2.1.3.12. Vegan Certificate (if applicable)

  2.1.3.13. FDA Food Facility Registration

  2.1.3.14. Certificate of Liability Insurance (if applicable)

  2.1.3.15. Most recent 3rd party audit certificate, audit report and audit corrective actions (if applicable)

  2.1.3.16. Hazard Analysis and Risk-Based Preventive Controls Verification or any document subject to exemption/modified requirements

  2.1.3.17. Allergen Policy

  2.1.3.18. Allergen Declaration/ Statement (if applicable)

  2.1.3.19. Authenticity Validation (A. Nutrition Testing, B. Chemistry Testing, C. FTIR - Fourier Transform Infrared Spectroscopy, D. Nuclear Magnetic Resonance (NMR) spectroscopy, E. Differential Scanning Calorimetry)- Sample

  2.1.3.20. GRAS Statement

  2.1.3.21. SDS/MSDS (if applicable)

  2.1.3.22. Delaware Transparency in Supply Chain Act of 2010 Statement (if applicable)

  2.1.3.23. FSMA Compliance Statement

  2.1.3.24. Supplier Approval Program

  2.1.3.25. Foreign Supplier Verification Program (if applicable)

 2.1.4. HACCP Food Safety Plan

  2.1.4.1. Suppliers have documented HACCP food safety plan.

 2.1.5. Recall and Traceability Plan

  2.1.5.1. Suppliers have a documented recall and traceability plan and conduct traceability testing and mock recalls on an at least annual basis.

 2.1.6. Supplier Quality and Food Safety Audit Questionnaire

2.2. Evaluations

 2.2.1. Quality factors such as appearance, weight, size, color, and integrity of the shipment are used to evaluate approved suppliers.

 2.2.2. Timely delivery of ordered materials is also utilized as an evaluation tool by the establishment.

 2.2.3. COA's are used as a basis to meet product specifications.

  2.2.3.1. On microbiological sensitive ingredients that are pre-certified, one product are verified annually to verify the effectiveness of the pre-certification program.

  2.2.3.2. Raw materials are classified into potential microbiological sensitivity and frequency of testing depend on raw material classifications and results.

  2.2.3.3. Product testing is rotated according to the Finished Product Testing Rotation Schedule

 2.2.4. Vendors who supply COAs for product shipped to Bubble Tea Supply are subject to routine microbiological raw material testing program to verify COA's.

2.3. Re-Evaluations

 2.3.1. Suppliers are evaluated based on the methodology of their original approval. Performance and documented issues are also considered.

2.4. Requirements for Approval

 2.4.1. Approved suppliers are approved based on the following factors:

  2.4.1.1. Meeting specification requirements

  2.4.1.2. Meeting food safety standards

  2.4.1.3. Meeting regulatory requirements,

  2.4.1.4. Quality of the materials

  2.4.1.5. Availability

   2.4.1.6. Cost
  2.4.2. Approving Team
   2.4.2.1. President / COO
   2.4.2.2. Quality Department
   2.4.2.3. Production
2.5. Monitoring
  2.5.1. Documentation – All records / registers submitted by suppliers
  2.5.2. The approved supplier program is reviewed at least annually or more frequently, based on supplier performance.
  2.5.3. On-going Surveillance
   2.5.3.1. Document deficiencies in the following areas as they occur in a calendar year:
    2.5.3.1.1. Failure to comply with specifications
    2.5.3.1.2. Contaminated loads
    2.5.3.1.3. Failure to submit documentation
    2.5.3.1.4. Poor quality
  2.5.4. Audit Reports
   2.5.4.1. Suppliers are required to have a third-party audit and provide evidence of an inspection within the last 12 months. The supplier has an acceptable rating from the third party and provide a report of corrective actions for review. Suppliers with serious violations and deficiencies are not approved.
2.6. Compliance with material / product specification
  2.6.1. Approved suppliers are issuing a letter of compliance or a certificate of compliance for the material they are intending to supply or currently supply.
2.7. Emergency Suppliers (Non approved):
  2.7.1. Provide a letter of guarantee and COA before receiving the product.
  2.7.2. Provide material sample for analysis,
  2.7.3. Document the analysis findings.
  2.7.4. If additional orders are necessary from supplier, approval process are being initiated.
2.8. Registers
  2.8.1. Approved Suppliers Register
   2.8.1.1. Approved Supplier Register – Emergency
  2.8.2. Raw Material/ Ingredient Register
  2.8.3. Packaging Material Register
  2.8.4. Cleaning Materials/Agents Register
2.9. Food Defense
  2.9.1. Measures to secure incoming materials and supplies – Refer to *Food Defense Measures* (SQF 2.7.1)
2.10. Vulnerability Assessment – (SQF 2.7.2)
  2.10.1. Refer to *Vulnerability Assessment – Suppliers*
2.11. Food Fraud Mitigation Plan (SQF-2.7.2)
2.12. Materials received from other facilities under the same corporate ownership
  2.12.1.All materials received are subject to the establishment's approved supplier program and meet all specifications requirements.
2.13. Supplier Audits
  2.13.1.Supplier audits are performed based on risk.
  2.13.2.3rd party auditors and personnel trained in auditing techniques are utilized.
2.14. Records to be maintained
  2.14.1.Approved Suppliers Registers
  2.14.2.Records of all documents received from Approved Suppliers.

3. Responsibility
    3.1. All Personnel
        3.1.1. Shall adhere to this policy.
    3.2. Preventative Control Qualified Individual (PCQI)
        3.2.1. Visually inspect areas for compliance of this policy.
        3.2.2. Oversee (Verify) compliance of procedure.
        3.2.3. Ensure personnel are trained on this policy and procedures.
        3.2.4. Monitor and take corrective action to ensure compliance of this policy.
    3.3. Supervisors or department heads and team leaders are responsible to
        3.3.1. Ensure (inspect) and verify this policy and procedure is adhered to.
        3.3.2. Take corrective action to ensure compliance of this policy.
    3.4. Quality Department
        3.4.1. Validate training and adherence to policy and procedure.
        3.4.2. Monitor and document non-conformance observation also known as discrepancy using Corrective Action Preventive Action-CAPA Report.
    3.5. Quality / Compliance Department.
        3.5.1. Document control, records, and archive.
    3.6. Suppliers
        3.6.1. Supplier to provide documents for Social Responsibility aligned with the California Transparency in Supply Chain Act (Guide)- 2015. Reference: California Transparency in Supply Chain Act of 2010 Statement.

4. Corrective Action
    4.1. In the event that suppliers failed to meet the above criteria, they will be removed from the approved supplier list.
        4.1.1. Place suspect and unacceptable materials on HOLD.
        4.1.2. Document the supplier's name, quantity, lot number and dispose of the items on HOLD.
    4.2. Document all deficiencies and report back to supplier / vendor and receiving department.
    4.3. In the event of changes in the Approved Supplier requirements, inform the concerned department and update all relevant documents and implementation

5. Review – Quality / Food Safety Team/ Senior Management (Annually)
    5.1. Annual review is to be performed by the Supplier Approval Team.
    5.2. Frequency – Annual or as scheduled.
        5.2.1. Documents
            5.2.1.1. Documented Approval Program
            5.2.1.2. Risk Rating Applied to Suppliers
            5.2.1.3. Approved Supplier Register
            5.2.1.4. All materials or services in-use are included on the registers
            5.2.1.5. Approval methods test for compliance with agreed specifications
            5.2.1.6. Specified actions when non-compliance is identified
            5.2.1.7. Documented test / inspection methods and corrective actions have been followed
            5.2.1.8. Relevant staff training and awareness of inspection and receiving of goods
            5.2.1.9. Supplier program modifications based on supplier performance
            5.2.1.10. Non-approved supplier's inspection and keeping of records

6. History

Revision No.:	Revision Date:	Description of Change:	Originator / Author Name:	Title / Department:
0	20220906	Original	Arnel Ryan	PCQI / Compliance

Requirements:
(1) The trainee has read or received a verbal translation of all or part of the policy, procedure, method, and or SOP for which they are being trained.
(2) The trainee has demonstrated the task they are to perform or the procedure for which they are being trained as required.
(3) The trainee has demonstrated the ability to perform the task with acceptable proficiency and with minimal supervision as required.