

FLA Audit Profile	
Country	UNITED STATES
Factory name	210082137B
IEM	COTECNA QUALITY RESOURCES INC.
Date of audit	OCTOBER 28-29, 2003
Days in the facility	2
PC(s)	COMMEMORATIVE BRANDS
Number of workers	439
Product(s)	JEWELRY
Production processes	Wax Injection, Wax Trim, Lost-Wax, Casting, Metal Ring Etching/Cleaning, Polishing, Stone setting, Engraving, Shipping

FLA IEV Profile	
Country	United States
Factory name	210082137BV
IEM Organization	Accordia
Date(s) in facility	October 7, 2009

FLA Code/ Compliance issue	Legal Reference	Findings				Remediation					Third Party Verification		
		FLA Benchmark	Monitor's Findings	Documentation	Best Practice	PC Internal audit findings	PC remediation plan	Target Completion Date	Factory Response	PC follow up	Documentation	Third Party Verification October 7, 2009	Documentation
1. Code Awareness													
Code posting/information		Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers. (POM)	No Code of Conduct was posted anywhere in this facility.					1/1/2004	Code of Conduct has been posted along with all legal posting on main factory bulletin board.			COMPLETED - Facility has established "Standards for Production Conduct" that is substantially the same as the FLA Workplace Code of Conduct.	Document review (Standards for Production Conduct), visual observation
Worker/management awareness of Code		Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis. (POM)	As neither FLA nor PC Code of Conduct are posted anywhere in the factory, workers are not aware of Code Standards.					6/15/2004	A) Group meetings in appropriate languages to orally review FLA code to all affected employees. B) Ongoing communication through new employee orientation.	Ongoing communication in all new hire orientations.	A) Sign-in sheets for all oral presentations. B) At orientation, employees sign acknowledgment forms.	COMPLETED - Facility has developed training materials related to their Code of Conduct and they presented it to workers on a flat screen TV located in the cafeteria. Contents of training are presented in English and Spanish which are the languages spoken to workers. This is continuously shown on the screen. Additionally, Monitor found sign-in sheets in employee files acknowledging receipt of company's Standards for Production Conduct Policy. Awareness training for "Standards for Production Conduct" is included in workers' orientation at beginning of their employment. Worker interviews confirm that Standard has been effectively communicated to all workers and managers at facility through TV monitors found in break room. Factory has a "looped" broadcast in both English and Spanish language that continually plays.	Document review (PowerPoint presentation, sign-in sheets), employee interviews, management interviews, visual observation (TV screen)
Confidential noncompliance reporting channel		Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so. (POM)	There is not a confidential noncompliance reporting mechanism that allows workers to report complaints directly to the PC.					1/1/2004	A) Suggestion box placed in factory employee cafeteria. B) Purpose and location of Suggestion box will be covered in the above communication meetings.		FLA monitors to sign verification log inside suggestion box during routine inspections. All employee comments or suggestions will be kept in a central file.	COMPLETED - Facility has implemented 2 forms of confidential reporting. There is a confidential 3rd-party toll free number for employees to use to report events or situations that violate Standard. Monitor tested hotline and found it easy to use. Directions provided in English and Spanish. Facility also maintains "suggestion box" as option to telephone number.	Document review, employee interviews, management interviews, visual observation
2. Forced Labor													
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.													
Employment Records		Employers will maintain sufficient hiring and employment records to demonstrate and verify compliance with this Code provision.	Personnel records are not kept in an orderly consistent manner.						All documentation in the employee files is presented in chronological order with most recent information in front of file. All legally required documentation was and is present in the employee files.			COMPLETED - Sample of 10 employee files was randomly selected for review. All files in sample found to be in order and in an organized manner. Employee files are divided into 3 sections. One section includes Employment applications, direct deposit authorizations and miscellaneous communications. Second part includes employee change notices (ECN). Third section includes performance reviews and disciplinary notices. All documents are filed in chronological order and all documents are fastened in the appropriate section.	Document review (employee files)
3. Child Labor													
No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.													
4. Harassment or Abuse													
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.													
5. Nondiscrimination													
No person will be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.													
6. Health and Safety													
Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.													

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Safety Equipment		All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be in place, maintained as prescribed and accessible to the employees.	There are no First Aid Kits in each production area. The factory has supplies in its centrally located First Aid Station.						First Aid supplies for all factory employees are available 24/7 in the First Aid room where federally required OHSA first aid log is maintained. We have a full-time occupational nurse on staff and first response team in the production area.			COMPLETED - Facility has First Aid room staffed with an occupational nurse that works there everyday day until 6:00pm. First Aid Room consists of 2 separate rooms. One room is locked after nurse leaves because there are medical records that are confidential. Second room is always unlocked and all first aid supplies are available to workers even when nurse is not there (part of 2nd shift and 3rd shift). First Aid room is approximately 150 feet from production floor next to lunch room. There is only one production area and one shipping area. Additionally, there are first responders on production floor that have 2-way radios and can communicate with nurse and H&S Manager in case of an emergency. There are also first aid and CPR trained workers on all shifts.	Interviews (workers, management, nurse), visual observation (first aid room), document review (training records)
7. Freedom of Association and Collective Bargaining													
Employers will recognize and respect the right of employees to freedom of association and collective bargaining.													
8. Wages and Benefits													
Employers recognize that wages are essential to meeting employees' basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.													
9. Hours of Work													
Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country will not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period.													
10. Overtime Compensation													
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws will not exist, at a rate at least equal to their regular hourly compensation rate.													
Miscellaneous													

