

The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.

What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings:** The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation:** The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress:** The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions

Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.

- A pass or fail evaluation

The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.

- A one-time event

Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.

Note on Language

Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers' identities, we have replaced the numbers with generic wording in brackets (i.e. "[some]", "[worker interviews revealed that]", etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA's efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

Instructions for Printing

The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select "legal" size paper from Print properties.

FLA Monitoring Visit Profile	
Country	Dominican Republic
Factory name	10001994B
IEM	ALGI
Date of audit	10/3/03
Days in the facility	2
PC(s)	Phillips-Van-Heusen
Number of workers	642
Production processes	sewing, packing, inspecting

FLA Code/ Compliance issue	Legal Reference	FLA Benchmark	Findings			Remediation					Updates					
			Monitor's Findings	Documentation	Best Practice	PC remediation plan	Target Completion Date	Factory Response	PC follow up	Documentation	Best Practice	Factory Response	PC follow up (3/5/2004 & 3/26/2004)	Documentation		
1. Code Awareness																
		FLA Principles of Monitoring Obligations of Companies: Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.	Subcontractors (.....Industries Agent and!) should be included in the code awareness program.					12/1/03	Factory will include these factories in the code awareness program.	These factories have been included in the code awareness program.	This has been verified through observation, confidential interviews and documentation.					
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														
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														
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	"You Are Here" mark is missing from evacuation plan.	Pictures available upon request.				11/15/03	New evacuation maps including "You Are Here" marks are being created for posting.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that evacuation maps, with "You Are Here" marks have been posted at each level of the facility.	This improvement was verified through observation					
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	Only one evacuation plan posted	Pictures available upon request.				11/15/03	New evacuation maps including "You Are Here" marks are being created for posting.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that evacuation maps, with "You Are Here" marks have been posted at each level of the facility.	This improvement was verified through observation					
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	Evacuation plan on the first floor is in an obscure area of the plant.	Pictures available upon request.				11/15/03	New evacuation maps including "You Are Here" marks are being created for posting. The evacuation plans will be in a visible place.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that evacuation maps, with "You Are Here" marks have been posted at each level of the facility and are accessible to all employees.	This improvement was verified through observation					
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	"Not An Exit" sign was missing in a doorway that is not used as an exit on the first floor by the pressing area.	Pictures available upon request.				11/15/03	This is being created in order to post above the door next to the pressing area.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that "Not An Exit" sign has been posted.	This improvement was verified through observation					
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	An "Exit" sign was missing in one of the exits on the second floor.	Pictures available upon request.				11/15/03	The exit sign has been posted.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that an exit sign has been posted.	This improvement was verified through observation					
Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	"Exit" sign was placed on top of a door that led to the cafeteria.	Pictures available upon request.					This was a misunderstanding with the auditors at the time of the audit. This door is actually an emergency exit and it complies with all emergency exit requirements. Pictures of this emergency exit will be provided upon request.							

FLA Code/ Compliance issue	Legal Reference	FLA Benchmark	Findings				Remediation				Updates			
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Evacuation Procedure		All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, unblocked aisles/exits, employee education, evacuation procedures, etc.) shall be complied with and workers shall be trained in proper safety, first aid, and evacuation procedures	An exit on the second floor has a doorway that opens inward.	Pictures available upon request.			10/16/03	The door has been reconfigured so that it now opens to the outside	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that the exit now opens in the direction of egress.	This improvement was verified through observation				
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	One fire extinguisher was not properly mounted (first floor).	Pictures available upon request.			10/3/03	Fire extinguisher is now adequately mounted.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that all fire extinguishers have been mounted properly.	This improvement was verified through observation				
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	One fire extinguisher needs to be re-charged (first floor).	Pictures available upon request.			10/7/03	Fire extinguisher has been recharged.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that the fire extinguisher has been recharged.	This improvement was verified through observation and relevant documentation.				
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	Combustible storage room did not have a fire extinguisher in place.	Pictures available upon request.			10/30/03	Fire extinguisher has been installed.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that the fire extinguisher has been installed.	This improvement was verified through observation				
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	One eye station, by the pressing department on the first floor, had eye wash instructions in English and not in Spanish.	Pictures available upon request.			10/22/03	Eyewash station instructions have been posted in Spanish.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that the instructions have been posted in both languages.	This improvement was verified through observation				
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	First-aid kits need to be re-stocked.	Pictures available upon request.			10/22/03	First aid kit has been restocked.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that the first aid kit has been restocked.	This improvement was verified through observation				
Chemical Management		All chemicals and hazardous substances should be properly labeled and stored in accordance with applicable laws. Workers should receive training, appropriate to their job responsibilities, in the safe use of chemicals and other hazardous substances	Chemicals left in the spot cleaning area and not stored in a secure location.	Pictures available upon request.			12/15/03	Factory will construct a new and secure location for the chemicals.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that the chemicals have been relocated to a new and more secure location.	This improvement was verified through observation				
Ventilation/Electrical/facility maintenance		All ventilation, plumbing, electrical, and lighting services shall be provided and maintained to conform to applicable laws and prevent hazardous conditions to employees in the facility	Electrical panels were missing covers. One panel was missing covers on the second floor and two panels were missing covers on the first floor.	Pictures available upon request.			10/22/03	Covers have been secured for all electrical panels.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that covers have been secured for all electrical panels.	This improvement was verified through observation				
Machinery Maintenance		All production machinery and equipment shall be maintained, properly guarded, and operated in a safe manner	Pulley guards are missing on approximately 30% of the machines.	Pictures available upon request.			12/30/03	Factory will begin to install these needle guards on 12/15/03.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that all needle guards will be installed by the projected date of 12/30/03. During our next follow up visit, conducted on 3/5/04, it was noted that needle guards had been installed.	This improvement was verified through review of relevant documentation.				
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														
Time-recording system		Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards	Several employees are not logging in time: Five maintenance employees (including carpenters, electricians and their assistants), six mechanics, one office assistant, three warehouse supply employees, and thirteen "day labor" employees.					Based on article 150 of the Dominican Labor Code, specifically in the 2nd clause, the permanent salaried personnel or "fijo" labor workers, dedicated as support and supervision, are on a guaranteed work week, so these employees work depending on a required situation and the factory does not restrict the starting time. Some days, they can start work later than other employees on the time clock and they may be absent or have permission to be out, without affecting their salary. The article also states that these employees can not be employed for more than 10 hours per day, no overtime rate is applicable as they are salaried employees. Therefore, factory management will maintain on file time records for these individuals however these time records will not impact their payroll, as they are salaried employees.	During the follow up audit, conducted on 3/5/04 and 3/26/04 by our auditor, it was noted that action has been taken by the factory. All employees are logging in/out times.	This issue was verified through review of relevant documentation and confidential interviews.				

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Time-recording system		Time worked by all employees, regardless of compensation system, will be documented by time cards or other accurate and reliable recording systems such as electronic swipe cards	Some employees working on a goal system, occasionally labor prior to their regular schedule and/or during their lunch break. These hours are not recorded on the electronic time system.				10/22/03	To ensure workers are not working during their lunch break or before scheduled work time, they will cut the electric power. Factory has also posted information in relevant areas to inform employees that electricity will be cut off during lunch time.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that factory has begun to cut electric power to ensure workers do not begin working beyond their scheduled times. Auditor has also verified the existence of signs relating to the turn off of electric power during lunch.	This improvement was verified through observation			During the follow ups conducted on 3/5/04 and 3/26/04 by our auditors, the factory continues to observe the practices of not allowing workers to start work before their designated time and does not allow them to work during lunch. The factory continues to shut off electricity during lunch to ensure workers take their designated time off. Notices have been posted throughout the factory to notify workers of this information.	This improvement was verified through observation and review of relevant documentation.	
False Payroll Records		Employers will not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason.	During the month of May 2003, 15 employees were paid cash wages, for one hour period worked prior to regularly scheduled start time, that were not reported on regular payroll ledgers. Cash wages were reported on separate records.				10/3/03 to create a separate payroll in case system fails. 11/24/03 for installing an alternate computer system.	One week in May 2003, our computer used for swiping and recording the time punch cards was not functional at the starting time (7 am), therefore some employees could not punch in during this particular week. Unfortunately, we found this discrepancy too late and payroll ledgers were issued and delivered to the bank to process the regular payroll payment for this week. Therefore, to remedy the situation, we paid the employees in cash. We will ensure employees punch in and out without problems and if this situation occurs again, create an additional payroll ledger that includes all time in and out for all workers affected. Additionally we will install an alternate payroll computer system in case the current one should fail.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that factory has installed an alternate computer system where employees can punch in and out at, in case the primary one fails.	This improvement was verified through observation					
Accurate benefit compensation		All employees will be credited with all time worked for an employer for purposes of calculating length of service to determine the benefits to which workers are entitled	Occasional cash payments are not reported on regular payroll ledgers generating miscalculation of severance.				10/3/03 to create a separate payroll in case system fails. 11/24/03 for installing an alternate computer system.	Please see above explanation and solution. It should be noted that these cash payments made to employees will be included for severance calculations.	Please see above findings at the time of the follow up audit.						
Accurate benefit compensation		All employees will be credited with all time worked for an employer for purposes of calculating length of service to determine the benefits to which workers are entitled	Occasional off clock work is not reported on regular payroll ledgers generating miscalculation of OT and consequently, these wages are not included for total wages earned in severance calculations.				10/3/03 to create a separate payroll in case system fails. 11/24/03 for installing an alternate computer system.	Please see above explanation and solution. It should be noted that these cash payments made to employees will be included for severance calculations.	Please see above findings at the time of the follow up audit.						
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															
Positive Incentives		Positive incentives will be utilized, and known by the workers.	All production employees are given a daily goal. When a module completes their goal, all employees of that module will be allowed to leave for the day. Employees will be compensated for the agreed upon rate of that goal.												
Overtime Limitations	Dominican Labor Law Art. 155: "In the event of the extension of the work period to face an extraordinary increase in work, the number of extra hours can not exceed eighty hours every quarter."	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. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts	Employees, during peak production periods are working over 80 overtime hours in a three month period.				10/29/03	Factory management will permanently monitor and on a weekly basis the trimester overtime period. Management will ensure that no worker exceeds the 80 hours of overtime hours per trimester.	During the follow up audit, conducted on 3/5/04 and 3/26/04 by our auditor, it was noted that the factory has implemented a system to monitor overtime in order to avoid exceeding 80 overtime hours worked by trimester.	This improvement was verified through review of relevant documentation.					
Other: Internal regulations	Article 131(4th). - The internal regulations information, should include the regular schedule. Article 147 - The normal duration of the work period is determined in the contract. It cannot exceed eight hours per day nor forty-four hours per week.		The factory's internal regulations state working hours that total 46.5 hours per week. In practice the factory is within the required limits (44), but the internal regulations information does not match the actual schedule.				1/1/04	Internal regulations and work contracts will be adjusted to comply with the 44 hours in a week, Monday thru Friday.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that the factory's management is on target to have this issue completed by 1/1/04.	This improvement was verified through review of relevant documentation.		Internal regulations and work contracts have been adjusted to comply with the 44 hours in a week, Monday through Friday.	During the follow ups conducted on 3/5/04 and 3/26/04 by our auditors, this issue has been corrected.	This improvement was verified through observation and review of relevant documentation.	
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.															

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Accurate recording of OT hours worked		Employees will be paid for all hours worked in a workweek. Calculation of hours worked must include all time that the employer allows or requires the worker to work	Several employees are not logging in time: Five maintenance employees (including carpenters, electricians and their assistants), six mechanics, one office assistant, three warehouse supply employees, and thirteen "day labor" employees. As a result, there are possibly, unrecorded OT hours.						Based on article 150 of the Dominican Labor Code, specifically in the 2nd clause, the permanent salaried personnel or "fijo" labor workers, dedicated as support and supervision, are on a guaranteed work week, so these employees work depending on a required situation and the factory does not restrict the starting time. Some days, they can start work later than other employees on the time clock and they may be absent or have permission to be out, without affecting their salary. The article also states that these employees can not be employed for more than 10 hours per day, no overtime rate is applicable as they are salaried employees. Therefore, factory management will maintain on file time records for these individuals however these time records will not impact their payroll, as they are salaried employees.		During the follow up audit, conducted on 3/5/04 and 3/26/04 by our auditor, it was noted that action has been taken by the factory. All employees are logging in/out times.	This issue was verified through review of relevant documentation and confidential interviews.				
Accurate recording of OT hours worked		Employees will be paid for all hours worked in a workweek. Calculation of hours worked must include all time that the employer allows or requires the worker to work	Some employees working on a goal system, occasionally labor prior to their regular schedule and/or during their lunch break. These hours are not recorded on the electronic time system. These employees have inaccurate total hours worked recorded on payroll for the purposes of overtime calculations.					10/22/03	To ensure workers are not working during their lunch break or before scheduled work time, factory will cut the electric power.		During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that factory has begun to cut electric power to ensure workers to not begin working beyond their scheduled times.			During the follow ups conducted on 3/5/04 and 3/26/04 by our auditors, the factory continues to observe the practices of not allowing workers to start work before their designated time and does not allow them to work during lunch. The factory continues to shut off electricity during lunch to ensure workers to take their designated time off. Notices have been posted throughout the factory to notify workers of this information.	This improvement was verified through observation and review of relevant documentation.	
OT Compensation	Dominican Labor Law Article 203: "The salaries corresponding to overtime worked must be paid to the workers in the following manner: 1. For each hour or fraction of an hour worked over the work period and up to 68 hours per week, by an increase of 35% over the value of the normal hour; 2. For each hour or fraction of an hour worked over 68 hours per week, by an increase of not less than 100% over the value of the normal hour. In the event that the salary of the worker is paid by piecework, the value of the normal hour will be determined by the quotient resulting from dividing the amount of salary paid by the number of hours employed in said work.	The factory shall comply with applicable law for premium rates for overtime compensation	Some employees working on a goal system, occasionally labor prior to their regular schedule and/or during their lunch break. These hours are not recorded on the electronic time system. These employees have inaccurate total hours worked recorded on payroll for the purposes of overtime calculations.					10/22/03	To ensure workers are not working during their lunch break or before scheduled work time, factory will cut the electric power.		During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that action has been taken by the factory and that factory has begun to cut electric power to ensure workers to not begin working beyond their scheduled times.	This issue has been verified through observation and review of relevant documentation.		During the follow ups conducted on 3/5/04 and 3/26/04 by our auditors, the factory continues to observe the practices of not allowing workers to start work before their designated time and does not allow them to work during lunch. The factory continues to shut off electricity during lunch to ensure workers to take their designated time off. Notices have been posted throughout the factory to notify workers of this information.	This improvement was verified through observation and review of relevant documentation.	
OT Compensation	Dominican Labor Law Article 203: "The salaries corresponding to overtime worked must be paid to the workers in the following manner: 1. For each hour or fraction of an hour worked over the work period and up to 68 hours per week, by an increase of 35% over the value of the normal hour; 2. For each hour or fraction of an hour worked over 68 hours per week, by an increase of not less than 100% over the value of the normal hour. In the event that the salary of the worker is paid by piecework, the value of the normal hour will be determined by the quotient resulting from dividing the amount of salary paid by the number of hours employed in said work.	The factory shall comply with applicable law for premium rates for overtime compensation	Several employees are not logging in time: Five maintenance employees (including carpenters, electricians and their assistants), six mechanics, one office assistant, three warehouse supply employees, and thirteen "day labor" employees. As a result, there are possibly, unrecorded OT hours.						Based on article 150 of the Dominican Labor Code, specifically in the 2nd clause, the permanent salaried personnel or "fijo" labor workers, dedicated as support and supervision, are on a guaranteed work week, so these employees work depending on a required situation and the factory does not restrict the starting time. Some days, they can start work later than other employees on the time clock and they may be absent or have permission to be out, without affecting their salary. The article also states that these employees can not be employed for more than 10 hours per day, no overtime rate is applicable as they are salaried employees. Therefore, factory management will maintain on file time records for these individuals however these time records will not impact their payroll, as they are salaried employees.		During the follow up audit, conducted on 3/5/04 and 3/26/04 by our auditor, it was noted that action has been taken by the factory. All employees are logging in/out times.	This issue was verified through review of relevant documentation and confidential interviews.				

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Miscellaneous														
Work contracts	Dominican Labor Law Article 147 - The normal duration of the work period is determined in the contract.		Internal regulation, work contracts and actual practice (hours worked by employees on a week to week basis) all differ. i.e. internal regulations and work contract call for Saturday work from 8am to 12pm when in fact employees do not work on Saturdays.				1/1/04	Internal regulations and work contracts will be adjusted to comply with the 44 hour week, Monday thru Friday.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that the factory's management is on target to have this issue completed by 1/1/04.	This improvement was verified through review of relevant documentation.		Internal regulations and work contracts have been adjusted to comply with the 44 hours in a week, Monday through Friday.	During the follow ups conducted on 3/5/04 and 3/26/04 by our auditors, this issue has been corrected.	This improvement was verified through observation and review of relevant documentation.
Work contracts	Dominican Labor Law Article 24 (3rd) - The written work contract will state the wage rate and type of pay (hourly, piece, salary, etc.)		According to work contracts signed by employees at the beginning of employment, the worker earns an hourly rate (at the current minimum wage). In fact, employees are paid on a 'Meta' or goal system. Work contracts need to reflect actual pay practices.				1/1/04	We will modify the contract to state 'Employees will be paid minimum wages plus any incentive applicable to the job. In case of low production, factory guarantees the minimum wage.'	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that the factory's management is on target to have this issue completed by 1/1/04.	This improvement was verified through review of relevant documentation.		Modifications of the work contracts have been made to reflect the actual pay practice.	During the follow ups conducted on 3/5/04 and 3/26/04 by our auditors, this issue has been corrected.	This improvement was verified through review of relevant documentation.
Legal Postings	Dominican Labor Law Art. 159: "All employers are obliged to post in a visible place in their establishment a chart stamped by the local Labor authority with these indications: 1. The hours that each worker begins and ends work; 2. The intermediate rest periods on each shifts; 3. The weekly rest period of each worker."		Required poster on hours of work as mandated by Article 159 of the Dominican Labor Law was not found.				1/30/04	As soon as our internal regulations and work contract are adjusted and meetings completed with all employees, we will display the poster with the hours of work implemented. We will maintain for all employees, and have all employees sign the new contract.	During the follow up audit, conducted on 12/16/03 by our auditor, it was noted that the factory's management is on target to have this issue completed by 1/30/04	This improvement was verified through review of relevant documentation.		As soon as our internal regulations and work contract are adjusted and meetings completed with all employees, we will display the poster with the hours of work implemented, keep available for all employees the internal regulations, and have all employees sign the new contract.	During the follow ups conducted on 3/5/04 and 3/26/04 by our auditors, this issue has been corrected.	This improvement was verified through observation.