



2008

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING REPORT

**COMPANY:** Herff Jones Inc.  
**COUNTRY:** United States  
**FACTORY CODE:** 170082880G  
**MONITOR:** ALGI  
**AUDIT DATE:** September 29 – 30, 2008  
**PRODUCTS:** Jewelry  
**PROCESSES:** Waxing, Molding, Polishing  
**NUMBER OF WORKERS:** 185



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\*Denotes a Notable Feature



**Wages, Benefits and Overtime Compensation: Other - Wages, Benefits and Overtime Compensation**

Other

**Notable Feature**

**Explanation:** [Factory name] has several notable employee benefits that make the company unique. For example, [Factory name] is an employee-owned company, and thus all employees can participate in company's "Employee Stock Ownership Plan." In addition, company provides life/disability insurance, vision protection program and short-term disability. The company also has an educational assistance program.

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**Forced Labor: Other - Forced Labor**

Other

**Notable Feature**

**Explanation:** Facility provides a flexible work schedule. Facility starts operations at 6am and closes at 5pm; employees are required to work an 8 hour schedule within that timeframe.

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**Child Labor: Other - Child Labor**

Other

**Noncompliance**

**Explanation:** Although facility practices and walkthrough confirm that minors are not hired, some observations were made: Facility does not have written Child Labor Policy and Procedures for age verification. It is the monitor's impression that the facility did not create a written child labor policy and age verification because is not required by local (Federal or State) regulations.

**Plan Of Action:** Although we do not have a written policy, age verification does take place. Due to the machinery in the facility, it is [Factory name's] practice not to hire employees under the age of 18, because it presents a liability. During the hiring process, age is verified by documents submitted by hired employees during employment eligibility, as well as verified during the criminal background check during pre-employment testing. No further action required, as the Corporate Headquarters does not deem a written policy necessary.

**Deadline Date:** 10/16/2008

**Action Taken:**

**Plan Complete:** No

**Plan Complete Date:** 11/21/2008

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### Health and Safety: Evacuation Requirements and Procedure

H&S.9 All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, the installation and maintenance of an employee alarm and emergency lighting systems, ensuring aisles/exits are not blocked and that workers are not blocked within their workstations, employee education, evacuation procedures, etc.) shall be complied with. Workers shall be trained in evacuation procedures. Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually. (S)

#### Noncompliance

**Explanation:** Aisles were observed passable, but less than 75% of work area is not demarcated (passageways and extinguisher/circuit boxes). Facility was unaware of the need to do so, and not advised of its necessity.

**Plan Of Action:** We agree passageways, fire extinguishers and circuit breakers should be clearly marked. We will tape off these areas to correct the problem. This project should be fully completed by December 31, 2008. To ensure that we stay in compliance going forward, we will add clearance of aisles and sensitive areas to our monthly safety inspection audit checklist.

**Deadline Date:** 12/31/2008

**Action Taken:**

**Plan Complete:** No

**Plan Complete Date:**

### Health and Safety: Safety Equipment and First Aid Training

H&S.10 All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be available in sufficient numbers throughout the factory, maintained and stocked as prescribed and easily accessible to workers. A sufficient number of workers shall be trained in first aid and fire fighting techniques. (S)

#### Noncompliance

**Explanation:** At least 5 extinguishers observed obstructed by boxes or ladders throughout work area. Facility does not have complete demarcation for all sensitive areas (exits, fire extinguishers, electrical panels).

**Plan Of Action:** In agreement as stated in section I. Completion date December 31, 2008. In order to stay in compliance going forward, we are adding keeping fire extinguishers and sensitive areas non-obstructed to our monthly safety inspection audit checklist.

**Deadline Date:** 12/31/2008

**Action Taken:**

**Plan Complete:** No

**Plan Complete Date:**

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## Health and Safety: Personal Protective Equipment

H&S.11 Workers shall be provided with effective and all necessary personal protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to health and safety hazards, including medical waste. (S)

### Noncompliance

**Explanation:** In 1 specific area (Grek Polishing Department) of approximately 15 employees, monitors observed that at least 6 employees were not wearing ear protective equipment (earplugs). However, management provided a decibel testing conducted in 2006 and readings did not require use of personal protective equipment (PPE) (under 85 decibels). Monitors consider that noise level was high during visit and that retesting is needed to re-evaluate present decibel levels to see if PPE is required. Facility did conduct decibel level test in 2006 and did not feel the necessity to have to redo testing if levels were found to be within limits allowed by law.

**Plan Of Action:** Area had been tested and is below guidelines. No action required at this time. October 16, 2008. We will continue to monitor the situation going forward. Complete.

**Deadline Date:** 10/16/2008

**Action Taken:**

**Plan Complete:** No

**Plan Complete Date:** 11/21/2008

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## Health and Safety: Chemical Management and Training

H&S.13 All chemicals and hazardous substances shall be properly labeled and stored in accordance with applicable laws. Labels shall be placed in the local language and the language(s) spoken by workers, if different from the local language. Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances. (S)

### Noncompliance

**Explanation:** 1. Chemical containers (approximately 20, empty) observed in work area; additionally, toxic containers observed stored in outer passage of facility (not designated contained storage room).

2. In polishing room, monitors observed container with liquid that was not identified, container did not have a label. Facility does not have an effective control of containers' storage and handling.

**Plan Of Action:** The issue of chemical management and labeling has been resolved. October 16, 2008. Complete. In going forward to maintain compliance, we are adding proper storage and disposal of chemical containers. Also, proper labeling of containers containing liquids is identified properly to our monthly safety inspection audit checklist.

**Deadline Date:** 10/16/2008

**Action Taken:**

**Plan Complete:** No

**Plan Complete Date:** 11/21/2008

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## Health and Safety: Other - Health and Safety

Other

### Noncompliance

**Explanation:** As per [Local area commission], in accordance with terms of [Factory name], permit issued August 5, 2008, facility must submit a number of requirements (pH monitoring reports; self-monitoring analysis for metals and cyanide; analysis of batch discharges; notification of effluent violations; maintain approved spill prevention control; and maintain approved toxic organic/solvent management plan). Facility is in process of complying with these requirements. These are the results of an evaluation by a third-party governmental institution. Facility's progress in meeting requirements should be noted by FLA.

**Plan Of Action:** We currently have a wastewater permit with [Local area commission], which requires us to do monthly monitoring and testing which is being done. Status ongoing. This monitoring and testing is going to be placed in our ISO14001 monthly audit requirements.

**Deadline Date:** 10/16/2008

**Action Taken:**

**Plan Complete:** No

**Plan Complete Date:** 11/21/2008

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