

FLA Audit Profile	
Country	United States
Factory name	170082326E
IEM	Accordia Global Compliance Group
Date(s) in facility	September 11-12, 2006
PC(s)	Herff-Jones
Number of workers	365
Product(s)	Class Rings
Production processes	Lost wax process, investment jewelry manufacture of school class rings

FLA Code/ Compliance issue	Country Law/Legal Reference	FLA Benchmark	IEM Findings							Remediation				[Status]	Updates (Cite Date of Follow up)		Third-Party Verification		Company Verification Follow up		
			Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (un corroborated)	If not corroborated, explain why	Sources/Documentation used for corroborating	Notable Features implemented by Factory Management or Company	PC Internal audit findings (Optional)	PC Remediation plan	Target Completion Date	Factory Response (Optional)	Company follow up (Cite date of follow up)		Documentation	Completed; Pending; On-going	Company Follow up	Documentation	External Verification (Date)	Documentation	Company Follow up (Cite date of planned or follow up visit, if appropriate)
<b>1. Code Awareness</b>																					
Code posting/information		<b>FLA Principle of Monitoring, Obligation of Companies:</b> Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.  Obtain written agreement of Company factories and contractors and suppliers to submit to periodic inspections and audits, including by accredited external monitors, for compliance with the workplace standards.	One posting of the Code of Conduct was found in the factory in English and Spanish. No other languages were found, though there are workers of Asian descent in the factory.					Interview of Workers indicated that they did not have knowledge of where or if the Code is posted. Observations from factory inspection (communication postings)			Herff Jones will post Code in all languages in which we have employees speaking that language.										
		<b>FLA Principle of Monitoring, Obligation of Companies:</b> Obtain written agreement of Company factories and contractors and suppliers to submit to periodic inspections and audits, including by accredited external monitors, for compliance with the workplace standards.	Herff-Jones corporate office has not communicated well enough to meet the intent of the FLA's Company Obligations regarding monitoring of its suppliers and factories. Factory did not anticipate the IEM and was unaware of the expectations of our visit.					Interview of Management			Herff Jones continues to operate all facilities under the strict guidelines set by OSHA and local and state mandates and feel that this is sufficient at this time. We also have very strict Herff Jones guidelines in which each plant must adhere with our own internal structure that is in place. Our CEO has also found it necessary because of										
Worker/management awareness of Code		<b>FLA Principle of Monitoring, Obligation of Companies:</b> 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.	Code of conduct was found posted however no awareness training has been conducted by the Company involving local management or work force.					Interview of Workers, Management, Document Review of training records and Observations from factory inspection (communication postings)			Remediation plan will be the same as above stated.										
Confidential non-compliance reporting channel		<b>FLA Principle of Monitoring, Obligation of Companies:</b> 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.	Internal grievance process does not exist to the satisfaction of the obligations placed on the Company by the FLA's Company Obligations. Workers do not have a clear way, other than open door policy and suggestion boxes, to present issues and claims of non-compliance in a confidential manner and without fear of reprisal.					Interview of Workers, Management and Observations from factory inspection (communication postings)			Herff Jones is very diligent in offering employees many outlets in which to vent their dissatisfaction. They can go directly to their supervisor and discuss any issue. They can go to any safety committee member and discuss issues of concern. There is a Human Resource Manager and staff in everyone of our manufacturing facilities that will meet										
Other																					
<b>2. Forced Labor</b>																					
There will not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise																					
<b>3. Child Labor</b>																					
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.																					
<b>4. Harassment or Abuse</b>																					
Every employee will be treated with respect and dignity. No employee will be subject to any physical, sexual, psychological or verbal harassment of abuse.																					
<b>5. Nondiscrimination</b>																					
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.																					
<b>6. Health and Safety</b>																					

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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																					
<b>7. Freedom of Association and Collective Bargaining</b>																					
Employers will recognize and respect the right of employees to freedom of association and collective bargaining																					
<b>8. Wages and Benefits</b>																					
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																					
<b>9. Hours of Work</b>																					
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																					
<b>10. Overtime Compensation</b>																					
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.																					
<b>Miscellaneous</b>																					