



## **RESPONSIBILITIES AND OPERATING GUIDELINES COOPERATIVE CONTRACT REVIEW PANEL**

### **1. PURPOSE**

The purpose of the Sweatfree Purchasing Consortium Cooperative Contract Review Panel is to assist the City of Madison and other user agencies in evaluating and achieving compliance with the sweatfree terms and conditions in the Uniform Management Sweatfree Cooperative Contract to be awarded in 2014. The review panel provides guidance and recommendations only; the City of Madison and other user agencies make compliance determinations.

### **2. COMPOSITION AND OPERATING GUIDELINES**

The Sweatfree Purchasing Consortium coordinates the review panel. The panel consists of the following members:

- i. Staff of the Consortium (Bjorn Claeson, Executive Director)
- ii. Representative for the City of Madison (pending)
- iii. Two additional representatives of public entities that have sweatfree policies or use the cooperative contract (Christine Moody, Chief Procurement Officer, City of Portland, Oregon; Cindy Matz, Procurement Administrator, City of Milwaukee, Wisconsin)
- iv. Two experts in international labor rights and supply chain monitoring in the garment sector (Eric Dirnbach, Researcher, Laborers International Union of North America; Stephen Wishart, Central American Director for the American Center for International Labor Solidarity, AFL-CIO (Solidarity Center).

The members of the review panel need not be members of the Consortium or the Consortium Board of Directors. Consistent with the Consortium's Conflict of Interest Policy, members must disclose actual or potential conflicts of interests. The procedures set forth in the Consortium's policy will be used to address such actual or potential conflicts of interest. Members also commit to undertaking assigned tasks expeditiously and professionally to ensure guidance for the City of Madison and other user agencies in a timely manner.

The review panel will make decisions by formal vote, properly recorded and reported, but strive for consensus on every substantive decision. The review panel will record the basis for each recommended action.

The review panel's findings and recommended actions will be made public in an appropriate manner after an award has been made. After a contract has been awarded, a contractor will be

invited to resolve any concerns prior to publication of findings and recommended action. The review panel will also be mindful of contractors' valid concerns about confidential information, such as certain documentary evidence submitted under section 3.2.1. Any information that the City of Madison would treat confidentially will also be treated as such by the review panel.

### **3. RESPONSIBILITIES**

#### **3.1. Phase 1: Proposal Evaluations**

##### **3.1.1. Bidder Disclosure Statements**

The review panel verifies to the best of its ability that Bidder Disclosure Statements are complete and that factory names and addresses are accurate based on data accessible through U.S. import records and other online sources. The review panel may use its own discretion to verify Bidder Disclosure Statements by taking additional steps, such as consultations with experts in the field.

**Action:** The review panel reports its findings to the City of Madison. The City of Madison calculates the compliance score taking into account the review panel's findings. Missing or false information will be awarded zero points, but proposers will not be penalized for minor omissions or mistakes. The City of Madison gives proposers one opportunity to correct or provide missing information.

##### **3.1.2. Proposers Assurance of Intent and Capacity to Submit a Sweatfree Compliance Plan**

The review panel evaluates proposers' Assurance of Intent and Capacity to Submit a Sweatfree Compliance Plan, using the following compliance criteria:

- i. Proposers are eligible for further consideration if they affirm both intent and capacity to submit a Sweatfree Compliance Plan.
- ii. Proposer are not eligible for further consideration if they state that they have neither intent nor capacity or if they state that they have capacity but no intent to submit a Sweatfree Compliance Plan.
- iii. Proposers may become eligible for further consideration if they affirm intent but state that they do not presently have the capacity to submit a Sweatfree Compliance Plan. They need to affirm that they will have this capacity at the time of the contract award and explain how they will develop this capacity.

**Action:** The review panel reports its findings and recommended action to the City of Madison. The City of Madison determines if the proposer is eligible for further consideration.

#### **3.2. Phase 2: Contract Award**

### **3.2.1. Documentary Evidence In Support of Bidder Disclosure Statements**

The review panel verifies to the best of its ability that the proposer's source of products are the locations listed on the Bidder Disclosure Statements, and that the wage and benefit information on those statements are accurate.

The burden of proof is on the proposer to submit documentary evidence of production in certain factories and documentary evidence of the stated wages and benefits. Evidence of production in certain factories can be an invoice, a purchase order, or a bill of lading listing both the factory and the manufacturer. Evidence of wage and benefit levels can be a certified payroll documenting the number of hours worked in a pay period, the pay rate, the deductions, and the actual pay, or itemized wage statements for the lowest paid workers. The review panel will make its determination based on the documentary evidence submitted by the proposer, but reserves the right to take into account additional sources of credible information.

**Action:** The review panel reports its findings and recommended action to the City of Madison. The City of Madison determines if the documentary evidence is sufficient to prove the accuracy of the Bidder Disclosure Statements or if additional evidence is needed.

### **3.2.2. Compliance Plans**

The review panel verifies that the compliance plan is complete and credible to the best of its ability, using the following criteria:

- i. The compliance plan addresses each required element, and includes a timeline and corrective action plan for each stated non-compliance.
- ii. Each corrective action plan and timeline is reasonable.
- iii. The plan to prevent non-compliances includes all the required elements.
- iv. The compliance plan addresses areas of high-risk violations in the industry and region of production.

In ascertaining the credibility of the compliance plan the review panel may consult with independent local and regional industry and labor right experts.

**Action:** The review panel reports its findings and recommended actions to the City of Madison. The City of Madison makes one of the following determinations:

- i. The compliance plan is satisfactory and the proposer is eligible for contract award.
- ii. The proposer is eligible for contract award, but the compliance plan must be modified during the term of the contract.
- iii. The proposer must complete or modify its compliance plan, or submit an attestation of compliance addressing specific areas of concern, prior to contract award.

## **3.3. Phase 3: Contract Performance**

### **3.3.1. Compliance Plan Implementation**

The review panel assists the City of Madison and other user agencies in determining whether or not the compliance plan is satisfactorily implemented by reviewing documentary evidence from contractors. The review panel may also take into account other credible sources of information, including reports by local labor organizations and worker testimonies. The review panel will use the following criteria:

- i. The activities specified in the plan to prevent non-compliances are completed on schedule and according to the terms specified. This includes activities such as worker rights trainings and the development of a grievance procedure.
- ii. The non-compliances specified in the compliance plan are remedied according to schedule.

**Action:** The review panel reports its findings to the City of Madison and other user agencies and recommends additional steps of compliance as necessary. User agencies may request that the contractor submits the SPC Labor Compliance Questionnaire to identify areas of high risk of labor violations that should be further addressed in compliance plans. User agencies determine whether or not the contractor is in compliance with the terms of the compliance plan.

### **3.3.2. Increase Factory and Wage Disclosures by 10%**

The review panel verifies to the best of its ability that the contractor increases compliance with the RFP factory and wage disclosure requirement by at least 10% each year until it is 100% compliant. The process is the same as under 3.2.1.

**Action:** The review panel reports its findings to the City of Madison and other user agencies. User agencies may calculate the compliance score taking into account the review panel's findings and determine whether or not the contractor is in compliance with this requirement.

### **3.3.3. Increase Use of Product Made by Responsible Manufacturers**

The review panel reports on manufacturer participation in the Responsible Manufacturer Program. The City of Madison and other user agencies may evaluate usage reports submitted by contractors to determine if there is an increase in the use of products made by manufacturers participating in the Responsible Manufacturer Program and determine if the contractor is in compliance with this requirement.

### **3.3.4. Worker Complaints**

The review panel evaluates worker complaints according to the criteria established by the Sweatfree Purchasing Consortium to determine if the complaints are genuine and legitimate and recommends further action by the Consortium and/or the City of Madison and other user agencies as necessary. The review panel will follow the guidelines for complaints and investigation established by the Consortium. The review panel will monitor Consortium

investigations and remediation activities and report findings to the City of Madison and other user agencies.