

# Sweatfree Compliance Plan

## City of Madison Vendors and Suppliers

Effective 2014 through \_\_\_\_\_

### Section I - Cover Page

#### Submitted by:

Company Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Website: \_\_\_\_\_ Date

Submitted: \_\_\_\_\_

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#### **FINANCE DEPARTMENT PURCHASING SERVICES**

210 Martin Luther King, Jr., Blvd. Room 407  
Madison, Wisconsin 53703-3346  
Tel: 608 266 4521 / Fax: 608 266 5948  
[www.cityofmadison.wi.us/purch.html](http://www.cityofmadison.wi.us/purch.html)

## Section II - Staff Responsibility

Chief Executive Officer or  
Principal of the Business: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Contractor designates the person named below with the responsibility for the implementation, monitoring, data compilation and reporting on compliance with Section 4.25 of the Madison General Ordinances and the Sweatfree Compliance Plan:

Name and Title: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

**I declare under penalty of perjury that to the best of my knowledge the information provided in this Compliance Plan is true and correct, and that I am authorized to bind this entity contractually.**

Authorized Signature: \_\_\_\_\_

Name and Title: \_\_\_\_\_

Date: \_\_\_\_\_

Provide additional contact information if different from above:

Street Address: \_\_\_\_\_

City, State, Zip code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

## Section III – Compliance Intent

*Please initial each paragraph to acknowledge agreement.*

\_\_\_\_\_ The Contractor acknowledges that by entering into the apparel contract as applicable under Sec. 4.25 of the Madison General Ordinances (MGO 4.25) with the City of Madison, said Contractor shall be subject to all of the requirements and sanctions of MGO 4.25.

\_\_\_\_\_ The Contractor shall follow labor practices consistent with international standards of human rights, meaning that, at a minimum contractor shall adhere to the minimum employment standards found in MGO 4.25 and shall require all subcontractors and third-party suppliers to do the same. The standards in MGO 4.25 shall apply in all aspects of the contractor's and subcontractor's operations, including but not limited to, manufacture, assembly, finishing, laundering or dry cleaning, (where applicable), warehouse distribution, and delivery.

For purposes of MGO 4.25, "Subcontractor" means a person, partnership, corporation or other entity that enters into a contract with the contractor for performance of some or all of the City-contracted work and includes all third-party suppliers or producers from whom the contractor or its contractors obtains or sources goods, parts or supplies for use on the city contract and is intended to include suppliers at all level of the supply chain.

\_\_\_\_\_ The Contractor and his/her subcontractors shall take concrete action to ensure that the following labor practices that are inconsistent with international standards of human rights are not present in the applicable production facilities:

- a. below-subsistence wages;
- b. excessively long working hours;
- c. unhealthy and unsafe working environments;
- d. child, indentured, and forced labor;
- e. disregard for local and international labor laws and workplace regulations;
- f. disregard for fundamental women's rights;
- g. repression of workers' rights to assemble and bargain collectively.

\_\_\_\_\_ To ensure contractor compliance with MGO 4.25, the City may use an Independent, Third Party Monitoring Agency (Independent Monitor) and/or the Sweatfree Purchasing Consortium (SPC) for compliance verification and enforcement.

Independent Monitors and/or the Sweatfree Purchasing Consortium may verify that the information disclosed in accordance with the requirements set forth above is accurate and complete and request evidence of production or planned production at the given locations. If the compliance evaluation conducted by the City, the Sweatfree Purchasing Consortium and/or an Independent Monitor demonstrates the need for further action to ensure compliance, the Contractor shall take steps to become fully compliant within a reasonable period of time as specified by the City. If the Contractor is unable to become fully compliant, the City may impose sanctions in accordance with MGO 4.25.

\_\_\_\_\_ The Contractor agrees to submit a Sweatfree Compliance Plan that meets the requirements as stated in this form, per MGO 4.25.

\_\_\_\_\_  
Signature of CEO or Designee

\_\_\_\_\_  
Date

## Section IV – Present Compliance with Minimum Employment Standards and Labor Related Policies

Please complete this form in its entirety or your plan will be returned as incomplete.

**Instructions:**

- **YES:** Initial box to indicate that you presently comply with the stated requirement.
- **NO:** Initial box to indicate that you are not presently in full compliance with the stated requirement. For all NO responses, provide explanation in Section VI, Declaration of Delayed Compliance and indicate the corrective action and date of implementation of compliance.
- It is not acceptable to respond “N/A” if these statements do not currently apply. Select NO to indicate that requirement would be practiced and implemented when applicable.

REQUIREMENT	Initial if YES	Initial if NO
<b>A. Disclosure of Production Facilities</b>		
<p>1. The following information pertaining to each Production Facility utilized or to be utilized in the performance of the contract are or have been provided as required by this plan:</p> <ul style="list-style-type: none"> <li>(a) Name</li> <li>(b) Complete physical address</li> <li>(c) Tel. numbers of principal officers of each facility</li> <li>(d) Base hourly wage of non-supervisory production employees, percent of wage level paid as health benefit, other benefits, regular deductions from paychecks, normal working hours per day and week, actual working hours per day and week over the last three months, and overtime policy.</li> <li>(e) The raw number of each type good produced in a given factory for the City.</li> <li>(f) A sworn statement that each of the proposed production facilities, including any sub-contractors, complies with all requirements of this ordinance.</li> <li>(g) Any other information deemed necessary by the City for the administration and enforcement of MGO 4.25.</li> </ul> <p>2. Indicate how information above is submitted:</p> <p>_____ Submitted with this plan</p> <p>_____ Submitted to the City</p> <p>_____ Submitted to the Sweatfree Purchasing Consortium</p>		
<b>B. Minimum Employment Standards and Labor Policies</b>		
<p>1. <b>Wages and Benefits.</b> Contractors should recognize that wages are essential to meeting employees’ basic needs. Contractors shall pay employees, at minimum, wages and benefits which comply with all applicable laws and regulations, and which provide for essential needs and establish a dignified fair wage for workers and their families. This must always meet or exceed any applicable minimum wage, or other “fair wage,” “living wage” or other law that requires a wage that exceeds the applicable minimum wage, whichever is higher.</p>		
<p>2. <b>Working Hours.</b> Hourly and/or quota-based wage employees shall not be required to work more than 48 hours per week or the limits on regular hours allowed by the law of the country of manufacture, whichever is lower, and be entitled to at least one (1) day off in every seven (7) day period, as well as holidays and vacations off.</p>		

<p>3. <b>Overtime Compensation.</b> All overtime hours must be worked voluntarily by employees. In addition to their compensation for regular hours of work, hourly and/or quota-based wage employees shall be compensated for overtime hours at such a premium rate as is legally required in the country of manufacture or, in those locations where such laws do not exist, at a rate at least one and one-half their regular hourly compensation rate.</p>		
<p>4. <b>Child Labor.</b> Contractors shall not employ any person at an age younger than 15 (or 14, where, consistent with International Labor Organization practices for developing locations, the law of the country of manufacture allows such exception). Contractors and sub-contractors agree to consult with governmental, human rights, and nongovernmental organizations, and to take reasonable steps as evaluated by the City and any independent monitoring agency acting on behalf of the City, to minimize the negative impact on children released from employment as a result of implementation or enforcement of the Ordinance.</p>		
<p>5. <b>Forced Labor.</b> There shall not be any use of prison labor, indentured labor, bonded labor or other forced labor.</p>		
<p>6. <b>Health and Safety.</b> Contractors shall provide a safe and healthy working environment to prevent employee accidents and injury to health arising out of or occurring in the course of employment or as a result of the operation of their facilities. In addition, contractors shall ensure that all operations comply with all workplace safety and health regulations established by the national government where the production facility is located, or with Title 29 CFR of the Federal Code of Regulations, enforced by Federal OSHA (Occupational Safety and Health Administration), whichever regulation is more strict. The contractor shall ensure that its operations comply with all health and safety conventions of the International Labor Organization (ILO) ratified and adopted by the country in which the production facility is located.</p>		
<p>7. <b>Nondiscrimination.</b> No person shall be subject to any discrimination in employment; including but not limited to hiring, employment, recruitment or recruitment advertising, salary rates of pay or other forms of compensation, benefits, advancement, transfer, selection for training including apprenticeships, discipline, demotion, termination or retirement; on the basis of race, religion, marital status, age, color, sex, handicap, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, political beliefs, or student status as those terms are defined in Section 39.03; and any other basis as may be added by amendment to Sec. 39.02(9)(b) and/or 39.03.</p>		
<p>8. <b>Harassment or Abuse.</b> Every employee shall be treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological, or verbal harassment or abuse. Contractors will not use or tolerate any form of corporal punishment.</p>		
<p>9. <b>Freedom of Association and Collective Bargaining.</b> Contractors shall recognize and respect the right of employees to freedom of association and collective bargaining. No employee shall be subject to harassment, intimidation or retaliation as a result of their efforts to freely associate or bargain collectively. Contractors and sub-contractors shall not cooperate utilize corrupt with governmental agencies and other organizations that use the power of the State to prevent workers from organizing a union of their choice. Contractors shall allow union organizers free access to employees and shall recognize the union of the employees' choice. In addition to respecting the right of employees to freedom of association and collective bargaining, contractors must source from factories where the above commitment has been demonstrated as exemplified by the following:</p> <ul style="list-style-type: none"> <li>a. There exist clear channels through which workers can voice their complaints regarding working conditions and such complaints are addressed in a prompt and effective manner;</li> <li>b. The workers have a representative voice in workplace decisions;</li> </ul>		

c. Management negotiates with the workers in good faith.		
<p>10. <b>Women’s Rights.</b> Women workers will receive equal remuneration, including benefits; equal treatment; equal evaluation of the quality of their work; and equal opportunity to fill all positions open to male workers. Pregnancy tests will not be a condition of employment, nor will they be demanded of employees. Workers who take maternity leave will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits. Workers will not be forced or pressured to use contraception. Workers will not be exposed to hazards, including glues and solvents, that may endanger their safety, including their reproductive health. Contractors and sub-contractors shall provide appropriate services and accommodation to women workers in connection with pregnancy.</p>		
<b>C. Continuing Disclosure and Transparency</b>		
<p>The Contractor operating under an existing contract shall:</p> <ol style="list-style-type: none"> <li>1. Submit quarterly sworn disclosure statements containing the information required in the Bidder Disclosure Statements, to the City of Madison, the City’s independent monitoring agency or to the Sweatfree Purchasing Consortium.</li> <li>2. Provide access to archived and contemporary inspection and monitoring reports for all facilities producing goods for the contract in question and shall require their subcontractors to allow the same access by the City of Madison, the City’s independent monitoring agency or to the Sweatfree Purchasing Consortium.</li> <li>3. Provide for the complete and unfettered access to all contractor’s and subcontractor’s facilities utilized under a contract by the City, its independent monitoring organization or the Sweatfree Purchasing Consortium.</li> <li>4. Disclosures that reveal a violation of the ordinance or statement that contractor will not or cannot comply with this ordinance may be grounds for sanctions without further investigation, or may be investigated for action under this ordinance and the contract.</li> </ol>		

\_\_\_\_\_  
Signature of CEO or Designee

\_\_\_\_\_  
Date

## Section V – Full Compliance Declaration

*Initial box and sign this page if Contractor is in full compliance with the requirements as set forth in this plan.*

**FULL COMPLIANCE:** The Apparel, Textiles and/or Laundering Services offered are or will be manufactured or provided in full compliance with Madison General Ordinance 4.25.

We understand that we are expected to continue to make good faith efforts to ensure that the employment and labor standards identified in MGO 4.25 are met and implement necessary measures to monitor and document these efforts.

\_\_\_\_\_

\_\_\_\_\_  
Signature of CEO or Designee

\_\_\_\_\_  
Date

## Section VI – Delayed Compliance Declaration

*Initial as applicable. Note that the City may require additional information about specific non-compliances if the box for delayed compliance is selected.*

**DELAYED COMPLIANCE:** The Apparel, Textiles and/or Laundering Services offered are or will be manufactured or provided in partial compliance with Madison General Ordinance 4.25.

We understand that we must demonstrate good faith efforts to take whatever action is necessary to correct those that are found to be in violation of MGO 4.25 standards and implement additional measures to monitor and document these efforts.

*Provide the information below for each requirement in Section IV, Present Compliance with Minimum Employment Standards and Labor Related Policies, for which you indicated that you are not presently in full compliance.*

<b>1. Wages and Benefits:</b>	
a. Explanation of non-compliance:	
b. Corrective Actions	
c. Timeline	
<b>2. Working Hours:</b>	
a. Explanation of non-compliance:	
b. Corrective Actions	
c. Timeline	
<b>3. Overtime Compensation:</b>	
a. Explanation of non-compliance:	
b. Corrective Actions	
c. Timeline	
<b>4. Add information, as applicable</b>	

\_\_\_\_\_  
Signature of CEO or Designee

\_\_\_\_\_  
Date



**Instructions:**

- A plan to prevent non-compliances is required for each factory that will produce more than \$25,000 worth of product under the term of the contract *whether or not you have indicated any current non-compliances.*
- Describe your own or your suppliers' concrete activities under each area listed below.
- Identify the factories to which the activities correspond.
- Provide the name and contact person to an organization that represents workers at each factory listed.
- Use the format below but attach additional sheets as necessary.

A. Purchasing terms that include prices and order schedules that allow factories to pay the costs of complying with all legal and Code of conduct requirements without incurring excessive overtime hours.

Factories:

Activities:

B. Trainings in the requirements of the City of Madison Code of Conduct, including all relevant domestic laws and international labor standards, to managers and workers at specific factory locattions. Trainings should involve local labor rights NGOs or unions where possible.

Factories:

Activities:

C. Terms for safe reporting of Code of Conduct violations by workers and their representatives to a union, third party monitoring organization, or labor rights NGO.

Factories:

Activities:

D. Special health and safety measures to prevent factory fires and other serious workplace hazards. These measures should include workers' right to know about hazardous conditions; workers' right to report on hazardous conditions and to have them investigated by an independent party; and workers' right to refuse dangerous work. The measures should reflect level of risk of serious workplace hazards. High risk areas such as Bangladesh and Pakistan require more stringent measures.

Factories:

Activities:

E. Other.

Factories:

Activities:

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Signature of CEO or Designee

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Date

## Section VIII – Violation, Remediation and Sanctions

- A. If the City determines there has been a violation of this ordinance, appropriate city staff or the independent monitoring agency, if any, shall inform the contractor of the determination and discuss the violation with the contractor. The purpose of the discussion is to encourage the contractor to change its practices rather than to cease doing business with the contractor. To that end, the City may at its sole option prescribe appropriate measures for the contractor to take in order to comply with the Ordinance, however nothing in this subsection shall be construed to limit the city's remedies under an existing contract or other remedies available at equity or at law. The sanctions for violating the ordinance under an existing contract are as follows and this list of sanctions shall be included in every applicable contract:
1. Withholding of payments under an existing contract.
  2. Liquidated damages. The contractor may be charged liquidated damages on an existing contract of two thousand dollars (\$2,000) per violation, or an amount equaling twenty percent (20%) of the value of the apparel, garments or corresponding accessories, equipment, materials, or supplies that the City demonstrates were produced in violation of the contract and/or this ordinance per violation; whichever is greater.
  3. Termination, suspension or cancellation of a contract in whole or in part.
  4. Nonrenewal when a contract calls for optional renewals.
  5. Nonrenewal for lack of progress or impossible compliance. The City reserves the right to refuse to renew a contract that calls for optional renewals, when the contractor cannot comply with the minimum standard under (4)(b) and the noncompliance is taking place in a country where:
    - a. Progress toward implementation of the standards in this Ordinance is no longer being made; and
    - b. Compliance with the employment standards in the Ordinance is deemed impossible by the City and/or any independent monitoring agency acting on behalf of the City. Such determination shall be made in the sole opinion of the City and may be based upon examination of reports from governmental, human rights, labor and business organizations and after consultation with the relevant contractors and sub-contractors and any other evidence the City deems reliable.
  6. Disqualification of the contractor from bidding or submitting proposals on future City contracts, or from eligibility for future city procurements for apparel as defined in MGO 4.25, whether or not formal bidding or requests for proposals are used, for a period of one (1) year after the first violation is found and for a period of three (3) years after a second or subsequent violation is found. The disqualification shall apply to the contractor who committed the violation(s) whether that be under the same corporate name, or as an individual, or under the name of another corporation or business entity of which he or she is a member, partner, officer, or agent.
- B. Submission of False Information. Any person who has been found by the City to have submitted any false, misleading or fraudulent information to the City or its independent monitoring agency (if any), either in their request for bids or proposals or other pre-award submissions; or during the term of the contract, may be subject to any of the above sanctions.
- C. Penalty. In addition to any of the sanctions set forth elsewhere in this ordinance, any contractor or vendor or other person who violates any portion of this ordinance or fails to comply with any of its requirements shall, upon conviction hereof, be subject to a forfeiture of not less than one-hundred dollars (\$100) and not more than five hundred dollars (\$500), plus applicable costs. Each day such violation continues shall be considered a separate offense. Prosecution or imposition of a forfeiture under this paragraph shall not preclude imposition of other sanctions listed above, nor shall the imposition of such sanctions be construed as a limitation on prosecution.
- D. Nothing in this ordinance shall be construed as a limit upon any remedies at law or equity that the city may have to enforce a contractual relationship or otherwise enforce this ordinance.
- E. Severability. The provisions of this ordinance shall be severable and if any of the provisions shall be held in contravention of the Constitution and laws of the State of Wisconsin or of the United States by a court of competent jurisdiction, the validity of the rest of the ordinance shall not be affected. It is hereby declared to be the intent of this ordinance that the same would have been adopted had such unconstitutional or unlawful provision, if any, not been included herein.

