

Standards for the Magen Tzedek Service Mark

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Draft for Public Comment

Public Review Guidelines

- This document provides the substantive portion of Magen Tzedek's evaluation criteria, on which comments are welcome. Please advise if there are items with which you agree or disagree.
- Please note that this draft of the Magen Tzedek service mark does not provide a text for copy editing as this will occur in the next round.
- Email comments to certification@hekhshertzedek.org prior to December 9 (a 90-day review period)
- Following, comments will be incorporated, where relevant and appropriate. There will also be a second public comment period.
- Thank you for your interest in Magen Tzedek. Your feedback is important to the Hekhsher Tzedek Commission.

Acknowledgments

Thank you to:

Hekhsher Tzedek Board of Directors

Hekhsher Tzedek Business Advisory Committee

Jeremy Mann

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Magen Tzedek Mission

The mission of Hekhsher Tzedek is to bring the Jewish commitment to ethics and social justice directly into the marketplace, and the home. Hekhsher Tzedek's seal of approval, the Magen Tzedek, will help assure consumers that kosher food products were produced in keeping with the best possible Jewish ethical values and ideals for social justice in the areas of labor concerns, animal welfare, environmental impact, consumer issues and corporate integrity. The Magen Tzedek, a comprehensive ethical certification for retail products, synthesizes the aspirations of a burgeoning international movement for sustainable, responsible consumption and promotes increased sensitivity to the vast and complex web of global relationships that bring food to our tables.

Mission Background Statement

The kosher food industry has become an important part of the American food industry. It is estimated that 40% of packaged foods in America have a hechsher, i.e., a kosher mark. The focus of kosher has historically been on the Jewish laws of Kashrut.

Judaism is a religion of many laws, including many involving social justice. For some Jews, both types of laws are important. For others, the social justice aspect is more important. And for non-Jews, some of whom purchase kosher products intentionally and others who buy them without knowing it, the importance of social justice may be more relevant.

A program that establishes a basic level of social justice for kosher foods serves to assure consumers that the foods they purchase are consistent with 21st century American and Jewish values.

Scope of Certification

The Magen Tzedek service mark is not intended to replace any kosher certification agency's supervision or their certification mark ("hekhsher"). The Magen Tzedek service mark is in addition to, not instead of, the kosher hekhsher mark.

Kosher certification remains the responsibility of the current religious organizations and Magen Tzedek leaves it to the individual to determine which kosher products are acceptable.

Magen Tzedek will, however, promote a more transparent process by encouraging the different kosher supervision agencies to provide more public information about their kosher standards.

Scope of Certification

The Magen Tzedek service mark will only be appended to products that are already certified as kosher.

Any kosher certification agency deemed unacceptable by the Conservative Movement's Committee on Jewish Law and Standards will not be eligible to have its products carry an adjacent Magen Tzedek service mark.

Scope of Certification

The Magen Tzedek program will evaluate kosher products and the plants that produce those items that a company wishes to have as part of the Magen Tzedek program and to earn the service mark.

The production practices related to those ingredients representing at least 5% of the product by weight will be included in the evaluation.

All kosher products that are certified by Magen Tzedek that use the “Generic K” as their kosher symbol (hekhsher) will be listed on the MT web site with the name of the rabbi giving the certification and his (her) contact information. The Magen Tzedek program encourages companies and religious supervision agencies to develop a unique symbol for each kosher supervision agency.

Introductory Issues – Focusing on the Immediate Agenda

Although many other products, both food and non-food, might be considered for a Magen Tzedek evaluation (and might be sometime in the future), the emphasis at this time is on those products that are kosher.

By virtue of their kosher certification, these products hold themselves out to be fit (“kasher”) for a religious Jew. That claim motivates Magen Tzedek's focus on the social justice aspect of the preparation of these products.

Introductory Issues – Focusing on the Immediate Agenda

Emphasis is on the plants that actually produce the product receiving the Magen Tzedek service mark, which parallels the process for kosher certification. Because the production in a single plant cannot easily be separated into kosher and non-kosher production when evaluating social justice issues, all of the plants producing the covered kosher products will be considered in the evaluation. If the company can show that a “single plant” can be clearly broken up into more than one plant in a logical fashion for this evaluation, then the “plant” may be defined to cover less than all activities at a single site [but then ALL plant-specific data will need to be generated for that “smaller” plant].

Introductory Issues – Focusing on the Immediate Agenda

Initially, only finished products that are made in the United States will be evaluated. Canada may be added within the first two years of the program. This is a practical consideration based on Hekhsher Tzedek's emphasis on launching a controlled, quality program and expanding it as appropriate. [Notably, ingredients from overseas are subject to certain of the requirements immediately.]

As part of the initial United States focus, the labor component of the program will emphasize the non-exempt employees in US-based plants, i.e., those people who are subject to Federal wage and hour laws rather than those people who are salaried.

Evaluation Principles

The program has officially recognized 5 major topic areas for evaluation of social justice. These are:

1. Labor: Wages and Benefits; Health and Safety
2. Animal Welfare
3. Consumer Issues
4. Corporate Integrity
5. Environmental Impact

Evaluation Principles

The standards within each of the major social justice categories are broken into three parts – a set of core values that must be met by ALL Magen Tzedek products, a set of critical issues at least some number of which must be met, and a set of bonus points for items of importance or concern that do not fall under the core/critical issues requirements.

Bonus points are particularly important for products that seek to be recognized as going beyond the minimal requirements of the Magen Tzedek program and strive to be a part of the Magen Tzedek with Distinction category.

Evaluation Principles

Logic: The standards are structured to assure that a product represents a balance of social justice considerations and are not focused only on one component of social justice. The standards also recognize that other important activities may be worthy of recognition (bonus points), but may not be at a stage where they can be required of all companies at this time.

Summary: In practical terms, the product and the company are subject to three different criteria for a Magen Tzedek service mark: meeting 1) a complete set of core values, 2) some number of critical issues, and 3) obtaining some number of bonus points.

Magen Tzedek Levels

The following information regarding proposed levels is under review.

The program may operate with two levels – The standard level (which requires a product to achieve all of the core values, meet X critical issues and obtain Y bonus points) and Magen Tzedek with distinction (which requires that at least X + V critical issues be met and Y + Z bonus points be obtained).

Magen Tzedek's program is not static – it looks to slowly improve the social justice standards of all companies participating in the program and to encourage participating companies to seek a higher level of recognition. More levels may be developed if there is both food industry and consumer interest in doing so.

Magen Tzedek Levels

A basic assumption is that the standard Magen Tzedek level should be attainable at this time by almost all responsible companies. The idea is that most companies can qualify with a limited and doable set of improvements.

Social justice should be an evolutionary system that is on-going until a high level of social justice is achieved. The program encourages all companies to develop a long range plan to reach the Magen Tzedek with Distinction level. Magen Tzedek reserves the right with a transparent process to slowly (always with at least 2 years lead time) increase the minimum core/critical issues standard required of companies to stay in the program.

Going Beyond the Law

Concept: There are different state laws in many areas that will be evaluated by Magen Tzedek. In some cases, Magen Tzedek may reference the plant against the state standard. In most cases, the state will exempt certain companies, (e.g., if they are below a certain size) in which case the plant would default to any national level requirement. If they are also exempt at the national level, they would either get credit for whatever they have done starting with no minimum, or in more ethically critical areas the plant may still be required to meet the minimum government standard.

Going Beyond the Law

Bonus credits in the Magen Tzedek program are generally designed to give credit to a company for what it does voluntarily beyond what is required by law as long as all laws are also being met.

Therefore, the Magen Tzedek will be monitoring violations of government rules. Information about specific types of federal, state and local violations of items broadly related to social justice will be required to be reported to Magen Tzedek. Failure to share such information with Magen Tzedek will be treated as a serious program violation. Information will also be sought from other organizations that are willing to share information with Magen Tzedek.

Reminders

REMINDER: Many of the evaluation numbers and the bonus point values shown at this time represent a best judgment based on the information provided to Magen Tzedek. Persons participating in the public review process are encouraged to provide information that can help refine the values further.

In a few cases, getting bonus points for one item may preclude getting points for another related topic. For example, the use of outside certification programs is strongly encouraged but a company cannot get bonus points from two organizations covering the same social justice items.

How Many Critical Issues and Bonus Points are Needed?

This extremely important information has not been included in this draft document. As the bonus points and critical issues are still changing, the actual values required by a company cannot be calculated at this time. A separate comment period will be provided once the first round of public comments are received and the actual details for various standards items are determined based on public comment and further work by the Commission. At least one further round of public comment will occur.

Social Justice Category 1: Labor

Cat 1 Issue: Wages and Benefits

A Core Issue

This core item covers the relationship of non-exempt employee wages to the minimum wage. Because minimum wage is easily definable, it serves as the bench mark. By focusing on the lowest level paid employee, it serves to establish a wage minimum that is different from the minimum wage and this new wage serves as a social justice-based minimum wage.

Metric: Core Requirement: The hourly wages of the lowest level paid employee must be at least 115% of the federal minimum wage. The total documentable value of benefits for this person and all non-exempt employees must be at least 35% of wages (which includes mandatory government required benefit deductions). The vetting period for new employees to qualify for benefits must be less than 6 months. For a company applying for the MT with Distinction status, the lowest paid employee must be receiving 120% of the minimum wage and all non-exempt employees benefits must be at least 40% of their wages.

Note: The benefits calculation is often referred to as the “fully loaded cost for employees” – how this number is calculated will need to be clearly standardized so that everyone understands what is and is not included. Companies can separately submit items not covered by this calculation for bonus points. The next public comment period will include more information about this calculation. People with insights into the current practice for calculating this number are encouraged to submit this information to the Commission.

Bonus Points Attached to this Core Metric

Bonus Points: 1 point each for every 5% more that the lowest level paid employee's wages and that the benefits for all non-exempt employees are above the minimum standard above.

Note: Any bonus paid (e.g., at the end of the fiscal year) can be expressed as an hourly wage based on taking that number and dividing it by a 40 hour week/52 week year (2080 hours) and adding it to the wages paid.

For all workers working for the company over 32 hours per week, they must be receiving benefits equivalent to the standard. New employees must be included within at least 6 months of starting work.

Note 1: Any charges of violations of the wage and hour laws by a governmental agency (federal, state or local), and their subsequent disposition must be reported to Magen Tzedek.

Cat. 1 Issue: Wages and Benefits

Non-Full Time Labor

A Core Issue

Core metric:

The wages of ALL employees [people working at least 10 hours per week and working for at least one month] must meet the Magen Tzedek standard. If labor is provided by an outside source, the source must provide an affidavit that the workers are receiving at least 115% of Federal minimum wage (or 120% for the MT with Distinction standard).

The MT reserves the right to request pay stubs of employees of a labor provider. The Company shall require that the offsite employer be prepared to provide pay stub type information.

Note: These percentages are all subject to change over time, but companies will be given sufficient notice (generally at least 2 years, i.e., one renewal cycle).

Cat 1 Issue: Union Contract

A Core Issue

For those plants covered by a Union Contract from a major recognized international union, i.e., a member of the AFL-CIO or of Change to Win, the wages and benefits negotiated under the contract will be considered to meet the core value in this area. These plants will not be subjected to the previously mentioned quantitative calculations for the core values for labor issues but can submit data to support bonus credit.

For companies outside of the United States that are meeting the Social Accountability International Standard SA 8000 are considered to meet all core labor requirements. [Other certifying programs covering labor issues may also request Magen Tzedek recognition.]

Cat. 1 Issue – Binding Arbitration

A Critical Issue

The company shall have a grievance resolution procedure that ultimately gives employees access to binding decisions by a neutral party, such as an arbitrator.

Cat 1 Issue: Right to Organize

A Bonus Issue

1 point if an employer includes a written neutrality policy in the employee handbook guaranteeing non-interference with the right to organize. Although a bonus item at this time, Magen Tzedek believes it should become a critical issue in the future.

Cat. 1 Issue: E-verification of I-9s

A Core Issue

Fair labor practices require that all employees be documented workers with a right to work. The federal government has a program called “e-verify” to assure that the paper work submitted for the I-9 is to the best of the government’s ability to legitimate.

Given the acknowledged use of undocumented workers in the food industry, the Magen Tzedek core requirement is that all companies in the program must use E-verify for all NEW employees starting at least one month prior to claiming in any way to be a part of the Magen Tzedek program. For those seeking MT with Distinction, they must have been a part of the program for at least one year.

Companies using this system are encouraged to share their experiences with Magen Tzedek.

Cat 1 Issue: COLA

A Bonus Issue

Are the employees wages keeping up with the cost of living as the federal government defines the cost of living?

Bonus Value: 1 point if the average non-exempt employee salary increase during the past two years was equal or greater than the appropriate Federal CPI (Consumer Product Index) increase or the local or State government's definition of the cost of living for the year. The company working with Magen Tzedek shall identify the appropriate database to use for these calculations. The database information shall be made public.

Cat 1 Issue: Living Wages

A Bonus Issue

What percentage of the plant's non-exempt employees are earning a living wage as defined by local, State or Federal guidelines?

- Value: 1 points if all of the non-exempt employees at the plant are above the poverty guidelines for a single person.
- 2 additional points if all of the non-exempt employees are above 130% of the poverty guidelines.
- 3 additional points if all of the non-exempt employees are above 200% of the poverty guidelines.

Notes

Note: A plant can only get the second set of points if ALL non-exempt employees at that plant meet the first level, etc.

Note 2: For the first round, the company can choose the standard, but it should be aware that in 2 years at the next renewal, the local/State or Federal standard, whichever is higher, may be applied.

Note 3: The company working with Magen Tzedek shall identify the appropriate database to use for these calculations. The database information shall be made public.

Cat 1 Issue: Wage and Hour Laws

Due Diligence

Due Diligence: the company must report to Magen Tzedek any National Labor Relations Board or state issuances of complaints against the company's US operations regardless of whether it is a Magen Tzedek plant or not, the disposition of charges and any Cease and Desist orders or any charges of violation of the wage and hour laws or of Union election rules.

Due Diligence Items: At this point in the program's development, these items are just reporting requirements. The Magen Tzedek program reserves the right to set future standards to take into account such information.

Cat 1 Issue: Sick Leave Usage

A Bonus Issue

Are workers able to use their sick leave effectively, i.e., do “employees feel able to take their allowed sick leave if needed but not that there is so much sick leave taken that it would appear to indicate that the workplace itself is promoting illness in employees”? (KLD statement).

Value: 1 point for programs that have their sick leave usage in the past year between 50% and 85% of the days available are actually used. [Are these percentages reasonable? Companies having such figures are asked to share them with the program. Do you have a “use it or lose it” policy or can an employee save it forever? The Commission would appreciate suggestions for evaluating companies with an “overall leave” approach. Any information supplied will be kept confidential.]

Notes

Note 1: In the future the Magen Tzedek program may look at sick leave usage in subsets of the non-exempt work force, e.g., third shift, clean-up crews, those responsible for handling and mixing chemicals.

Note 2: These numbers also need to relate to the actual number of days of sick leave given – a company with fewer days would have a higher use level.

Cat 1 Issue: Sick Leave Due Diligence

Companies are asked to voluntarily report (at this time) any department or shift that has used over 85% or under 50% of its sick leave over the past year. Magen Tzedek will work with the company to determine if this represents a problem that the company and its workers need to address.

Cat. 1 Issue: Job Sharing

A Bonus Issue

In some cases, job sharing is desirable for both the employer and the employee as long as the two job sharers benefits are at least equal to that of one full time employee. For non-exempt employees job sharing is being defined as two employees who have some flexibility in working together to fully staff a single position of at least 32 hours per week.

Value: 1 point if every pair of non-exempt employee at the plant in a job-sharing program have wages and total benefits (as a percent of wages) at least equal to that of one full-time employee.

Cat 1 Issue: Maternity/Parent/Care Leave

A Core Issue

All Magen Tzedek companies, regardless of size, shall minimally be required to meet the federal standard for such unpaid leaves. Most importantly, a person properly requesting such leave and receiving it shall retain a right to a job at the same salary level and at the same or easier difficulty level upon the person's return.

Any complaints under Family Medical Leave Act and their disposition must be reported to Magen Tzedek.

Cat 1 Issue: Death of a Family Member

A Core Issue

A company shall permit all of its employees to take (up to 3 days locally or 5 days for out-of-state) unpaid leave for the death of a family member as defined by Jewish law: Mother, Father, Brother, Sister, Son, Daughter, Wife, Husband.

We strongly encourage companies to permit unpaid leave for the death of an additional list of family members: Grandfather, Grandmother, Grandson, Granddaughter, Aunt, Uncle, Nephew, Niece, Sister-in-Law, Daughter-in-Law, Brother-in-law, Son-in-Law, Father-in-Law, Mother-in-Law.

The status of “step” in any of the above relationships shall not preclude taking the above unpaid leave.

Cat 1 Issue: Child Care

A Bonus Issue

Is child care (day care) provided? Are arrangements made to assist in paying for child care? Are hours adjusted to make child care and other “life” needs , e.g., caring for a sick child, possible?

Value: 1 point for flexible hours (at least a 2 hour starting and ending window for full time employees).

Special Weighing Factor (for providing child care): Number of children (0-6 years of age) of non-exempt employees (full time equivalents) in the company provided with childcare divided by the total number of such children. Metric: 1 point for each 20% of the eligible children covered.

Special Weighing Factor (for paying for child care): 1 point for providing 20% of the documented (formal) costs of childcare for non-exempt employees.

Cat 1 Issue: Cafeteria-Style Benefits

A Bonus Issue

When companies permit their employees a flexibility in choosing how to spend the benefits money made available by the company, and sometimes by the employee, the company deserve some credit for this.

Metric: 1 point for having a meaningful “Cafeteria-Style Benefit” program. Companies claiming this credit will need to submit the documentation for their program.

Note: The company must demonstrate that the plan has not had negative consequences on employees, e.g., that healthy employees are signing up for less health care so that any more comprehensive health care program is costing more because the healthiest people are out of the insurance pool.

Note: Such programs need to be explained to employees in their native language.

Cat 1 Issue: Pre-Tax Benefits

A Bonus Issue

Workers choice programs that provide pre-tax benefits for employees deserve to be recognized.

Value: 2 points for having a pre-tax Medical/Dental/Eye Glass plan and 1 point for a pre-tax Dependent/Family Care program (i.e., non-exempt employee pays with pre-tax funds).

Value: 2 points for having the employee's co-pay be less than 10% of the cost of the program. [Note: The pre-tax benefit generally means that the employee is paying a larger share of the cost – companies providing a higher level of benefits should receive credit for it.]

Cat 1 Issue: Other Deductions Company Garnered Wages A Bonus Issue

An employee should not be charged for expenses that are inappropriate such as supplies that a company is required to provide such as OSHA required safety equipment?

Value: 1 point for having no “unaccounted” for deductions. Accounted for deductions are defined as deductions that are legally required or involve recognized positive fringe benefits.

Note: Companies may petition to have other deductions counted as “acceptable” within this category.

Cat. 1 Issue: Deductions Due Diligence

Magen Tzedek auditors reserve the right to interview non-exempt employees about this issue and to request pay check stubs from both the company and from employees.

Cat 1 Issue: Involuntary Vacation Due Diligence

Any involuntary time off needs to be reported to Magen Tzedek. All of the calculations based on wages and benefits need to be recalculated based on these adjustments.

Note 1: Companies that can clearly delineate “seasonal workers” can exclude these “seasonal workers” from this calculation.

Category 1A: Employee Health and Safety

The core values containing the financial aspects of this component have been placed into the wages/benefits calculations in Category 1. Additional issues are covered in this section.

Cat 1A Issue: Worker Safety

A Core Issue

Worker safety and health are core issues. Magen Tzedek will require that plants have a yearly voluntary OSHA inspections and require the plant to share a copy of OSHA's yearly report on safety issues with the Magen Tzedek program. Clear legible copies of OSHA 300 logs shall also be submitted every year. In addition, all participating companies shall have a yearly inspection of their premises for health and safety concerns by their insurance carrier(s) for health and safety liability (or an agreed upon substitute auditor) and shall provide a certificate to Magen Tzedek indicating that the facility is in compliance with their insurance carrier's health and safety requirements. (A model form will be provided, although a statement/letter equivalent to the above from the insurance carrier is fully acceptable.) Other programs may be submitted to the Commission for consideration in lieu of the above.

Cat 1A Issue: Voluntary Health and Safety Programs A Bonus Issue

Does the plant participate in the OSHA Voluntary Protection Program (VPP) (for safety) which has three certification standards: Star, Merit, and Demonstration or OHSAS 18000 (Also ISO 18001)?
Also ISO 14001 (for health)

Values: 1 point each for OHSAS 18001 or ISO 14001
1 point for Demonstration,
2 points for Merit, and
3 points for Star in the VPP program

Alternative: 1 point for a safety program that has worker selected representatives meeting with management representatives in a joint committee.

Cat 1A Issue: Injuries

A Critical Issue

In many companies, this is an issue for line workers and injuries are legally covered as a “reportable” event.

Metric: To be based on data from state plan states or from local OSHA offices. If injury rates at the plant being reviewed are below average as defined by the state or OSHA, then plants in the top 15% of plants get 3 points; in the top 40% get 2 points, and plants better than the average get 1 point.

Special Note: A company with a death or permanent disability in the past 2 years may not claim any points for this critical issue item.

Cat 1A Issue: On-Site Emergency Health Care A Bonus Issue

Any plant with 200 or more employees should have a fully stocked “infirmary” including a couch, bed or examination table, where a worker can rest while being treated or awaiting arrival of EMT. At a minimum the plant should have an EMT or nurse on staff, 8 hours a day during plant operation, and on-call 18 hours/day should an emergency arise.

Value: 1 point for meeting the above standard.

Note: Documentation (pictures of the infirmary is one way to do this) that the plant is meeting this standard must be provided to Magen Tzedek.

Note: The Commission expects to move some requirement for emergency health care over to a critical issue in the future for all plants.

Cat 1A Issue: Worker's Compensation

A Critical Issue

The number of employees receiving Worker's Compensation.

Metric: Each incident must be counted. (The same worker with two separate Worker's Compensation claims counts as 2 incidences.)

Value: 2 points if the number of employees receiving Worker's Compensation is less than 0.5% of non-exempt employees.

1 point if the number of employees receiving Worker's Compensation is less than 1.0% of non-exempt employees.

Fact: The % of employees receiving worker's compensation in the course of a year is between 0.5 and 2%

Note 1: For the auditing of this point, the auditors shall speak with employees to determine if there is an aggressive employer program to discourage the filing of claims. In such a situation, points for this item may be disallowed.

Cat 1A Issue: Workplace Environment

A Bonus Issue

What are the expectations in a plant that can be measured to determine that employee needs for daily comfort are being adequately met, e.g., break room space, toilets, changing rooms, etc. Starting by what is required beyond the law?

Value: 1 point for meeting the industrial architectural standards for a factory facility. 1 point for exceeding any of these standards by at least 5%.

There is a need to get the “industrial architectural standards” for plants as a starting point. [Anyone with experience in this area is encouraged to share specific information with Magen Tzedek.]

Notes

Note 1: How many microwave ovens are in the lunchroom for workers to heat food? How far away from work stations are bathroom and lunch room facilities? For the first round the Magen Tzedek Commission will collect this information to determine a standard for bonuses related to these issues.

Note 2: An issue that has arisen is the question of doors on bathroom stalls. Claiming this particular bonus point credit requires that the normal and reasonable expectations of privacy are part of the design of such facilities.

Cat 1A Issue: Breaks

A Core Issue

Do the employees have at least three breaks within an 8 hour shift – one in the “morning”, “lunch”, and one in the “afternoon”?

Core requirement: A 20 minute unpaid “lunch” break and two 10 minute paid breaks, morning and afternoon, in an 8 hour shift for all full time employees, i.e., workers doing over 32 hours/week. (Equivalent breaks are required for any second or third shift.)

Note 1: Break times need to be longer if workers wear special safety gear requiring donning and doffing. Can employees wear these items into lunch? This is not great idea in many cases – so is there really enough time for lunch, etc.? Companies will be asked to supply information relating to these issues during the first cycle so that an appropriate standard can be developed.

Note 2: Where there is state law, the state law shall be met if greater than the above.

Cat 1A Issue: Bathroom Breaks

A Bonus Issue

Are employees permitted time to go to the bathroom other than at the formal breaks?

Value: 1 point for being able to document that all non-exempt employees have this privilege (with reasonable arrangements for excessive use being acceptable).

Note: This can be a source of great discomfort to workers and its absence may indicate problems. Documentation may simply be to show that the employee's handbook has a clear statement of policy.

Cat. 1A Issue: Safety Equipment

A Bonus Issue

Certain safety equipment is required by law and must be paid for by the company. Their presence and use on site is presumably documented by the various state and federal inspections and subsequent reports. However, many companies chose to invest in additional safety equipment. The value of such additional equipment purchases, if determinable, should be rewarded. (Note: the way to “value” such equipment shall be the cost as documented by purchasing invoices.)

Value: 1 point for each \$10 of safety equipment per worker that is documented. [If this item can be included in the benefits calculations, i.e., it is done for all non-exempt employees, then it is 1 point for each \$40 of safety equipment.]

Cat. 1A Issue: Safety Equipment

A Bonus Issue

If there is a company store where workers can purchase additional safety equipment at a discount rate (e.g., steel toe shoes), this will also earn 1 bonus point. Company must be able to document that it is a discount (i.e., at least 10% below the going rate) and not “higher” than what can easily be found on the web or local stores and is a collection of appropriate equipment.

Value: Maximum 2 points

Cat 1A Issue: Formal Training

A Bonus Issue

What types of training programs are offered to non-exempt employees that should be given credit?

Metric: Time provided on the clock for non-exempt employee training of plant personnel. Total documental on-the-clock training hours divided by the total number of non-exempt positions.

Value: 1 point for each 4 hours of training on average per non-exempt employee per year.

Value: Maximum of 2 points

Note: specific training topics are not being considered, however, in the future some limitations on topics may apply.

The cost of such training may not be used in the benefits calculations if used here.

Cat. 1A Issue: Training Language

A Core Issue and a Bonus Issue

Core Issue: Any language covering more than 5% (or more than 5 people) of the non-exempt workforce must have all safety training materials offered in that language or use a recognized non-language based training system.

Can the company document that the training is done in the native language of the employee?

Value: 1 point for offering the training covered in the previous item in a foreign language that covers at least 5% of the non-exempt workforce.

0.5 points extra for each additional foreign language that meets the 5% criteria.

The issue of literacy needs to be considered. 2 points will be given for proof of the use of pictographs for essential training.

Maximum: 3 points total.

Cat. 1A Issue: Off-Site Training

A Bonus Issue

Permitting non-exempt employees to take training off site or for covering the cost of academic courses in an accredited teaching institution.

Value: 2 points

Metric: Percentage of employees that have participated in a program off-site that cost at least \$1000 (total reimbursable cost to the employee).

This item may not be included in the benefits calculation if used here.

Social Justice Category 2: Animal Welfare

Note 1: This is an area where there are a lot of second and third party audit programs that already exist. Rather than re-invent the wheel, companies will simply need to provide proof of participation and proper second or third party auditing. The Magen Tzedek program will determine which second and third party programs qualify and which categories or issues they cover. This review will occur during the first two years after an outside group's program is used by one of the companies using the Magen Tzedek service mark. [Reminder: this "other" option is available for all items in this program.]

Category Notes

Note 2: Animal Welfare (“AW”): Products subject to the animal welfare standard are those that are either subject to a mandatory or voluntary USDA program (e.g., minimum of 2% meat and 3% poultry) or contain at least 5% of milk, eggs, fish and other animal products (combined). (At this time honey and honey products are not specifically considered by the animal welfare component of the program.)

Note 3: Some of the bonus points in this category refer to inputs – this will encourage companies to encourage their suppliers to upgrade their standards.

Cat. 2 Issue: Exemption from AW Issues

A Core Issue

A company that does not have any animal-based ingredients in a product and/or minimizes animal-based ingredients has met the core requirement in this area.

Companies having SKUs (stocking units) containing less than 5% animal products and not subject to USDA FSIS (US Department of Agriculture's Food Safety and Inspection Service) inspection will be considered to meet the core requirement at this time but they are strongly encouraged to move towards assuring compliance with animal welfare requirements for any minimal animal products used in their products as part of their involvement in the Magen Tzedek program.

Cat 2 Issue: Slaughter

A Core Issue

Are any ingredients/products (even below the USDA FSIS threshold) based on having animals slaughtered religiously? If so, does the slaughter meet the AMI (American Meat Institute) standards for religious slaughter as validated by a third party auditor?

Core Metric: The slaughter plant must be covered by the AMI standard for religious slaughter with a third party audit at least once a year. (If the slaughter plant also does non-religious slaughter – the entire plant must be covered by the AMI standard that includes passing a third party audit at least once a year.)

Cat 2 Issue: Raising Animals (Minimal Standards) A Core Issue

Are all of the animal products (dairy, eggs, and meats) used by the plant covered by an FMI/NCCR (Food Marketing Institute/National Council of Chain Restaurants) animal welfare endorsed program (or even better a higher level program) at the animal production level as validated with an unannounced audit or other way of establishing program credibility?

Core Metric: This process needs to be phased in. The following is the current suggested phase-in period: 10% of the covered ingredients by the first renewal (2 years) and a 20% increase thereafter at each renewal until all ingredients are covered. [Can be based on the FMI/NCCR minimal scientific animal welfare standards or any higher level program. This includes ingredients sourced outside of the United States.]

Cat. 2 Issue: Raising Animals (Standards that exceed the FMI/NCCR Standards) A Bonus Issue

Are some of the animal products used by the plant covered by an animal welfare standard that exceeds the FMI/NCCR standards and is validated by a third party unannounced audit (e.g., Humane Farm, Farm Forward, GAP, etc.)?

Value: 5 points for meat and poultry

Special weighing: By the % by weight of the meat/poultry in the product that meets this standard.

Value: 3 points for milk and eggs

Special weighing: By the % by weight of the milk/eggs in the product that meets this standard.

Cat. 2 Issue: Use of Video Cameras

A Bonus Issue*

The latest technology for assuring animal welfare is to use video recording to see that animal welfare issues can be monitored by a third party auditor at all times. The tapes are not made public but go to an audit firm that has been trained to review the tapes.

Value: 3 points for full coverage of the animal welfare aspects in a slaughter houses (including the animal holding facilities) (*This may become a Core value in the future.)

Value: 3 points for all animal products used in a product being covered by a video camera audit system on the farm.

Special Weighing: By the % by weight of the material that is animal product in the product that meets this standard.

Core: Cat 2: Traceability

A Critical Issue

Can the manufacturer of the product trace all ingredients that are at least 5% of the product back to their farm/boat/forest of origin.

Value: 5 points for all products covered

Wspecial (a special weighing factor): By the % by weight of material in the product that meets this standard. An affidavit from the ingredient supplier is one form of appropriate documentation.

Note: The denominator in this case is not 100% but the % of the ingredients that are 5% or more. (A company for trade secrecy reasons is free to use the 100% figure (or a higher than necessary number) as the denominator if they prefer.)

Note 2: This is included here as it is very important to a number of animal welfare issue along with food safety issues.

Cat 2 Issue: Alternate Testing

A Bonus Issue

Many materials (ingredients) have traditionally been tested on animals. In recent years alternate testing methods have been developed for testing ingredients.

Can the manufacturer of the product document that all ingredients that are at least 5% of the product were tested with alternate testing methods, i.e., tests that replace animal testing.

Value: 5 points for all products being covered

Wspecial: By the % by weight of material in the product that meets this standard. An affidavit from the ingredient supplier is one form of appropriate documentation.

Note: The denominator in this case is not 100% but the % of the ingredients that are 5% or more. (A company for trade secrecy reasons is free to use the 100% figure (or a higher than necessary number) as the denominator if they prefer.)

Social Justice Category 3 Consumer Issues

Cat 3 Issues: Quality Programs

A Bonus Issue

Is the plant covered by any third party auditing programs in the plant that relates specifically to food product quality?

Value: 2 points

Note: The Magen Tzedek program will need to evaluate third party programs (generally recognized by the American food industry) submitted to them and decide whether the same outside program qualifies for points in more than one program area. This review will occur within the first two years that any program is submitted to the Magen Tzedek program by a company participating in the program, i.e., the Magen Tzedek program, will have the evaluation done in time for a company to know the status of the outside program before re-applying for the service mark.

Cat 3 Issue: Nutritional Quality

A Bonus Issue

Do the products covered meet any recognized governmental or industry recognized voluntary nutritional standards? (One example for packaged goods is the “Smart Choice” program by NSF International and ASN (American Society for Nutrition.)

Value: 1 point

This is an area where more research needs to be done to learn what programs are currently available that might qualify. There certainly are some and the companies should be bringing them forward.

Cat 3 Issue: Nutritional Quality

A Bonus Issue

Do the products qualify for any of the government's (FDA or USDA) health, structure/function or other approved health and nutrition claims?

Value: 1 point per Grade A claim

0.5 point per Grade B claim

0.25 point per Grade C claim

0.1 point per Grade D claim

Cat 3 Issue: Consumer Quality

A Bonus Issue

Do the products covered meet any specific standards related to the products perception by the consumer in terms of current issues, e.g., Organic, BST free, etc. that are validated by a recognized second or third party audit program. In addition to the Commission validating these programs, it should also pay attention to the issue of whether the program's claims actually benefits the consumer from a rational point of view or if the program panders to consumer perception?

Value: 2 points per second or third party "audited" program that provides rational consumer value.

1 point per second or third party "audited" program that is based on consumer perception values.

The Conservative Movement should use its own members to engage in a dialog about the issues raised in this item and use the first two years of the program to attempt to reach a consensus on which category the outside programs in this category belong in.

Cat 3 Issue: Magen Tzedek Ingredients

A Core Issue and a Bonus Issue

To encourage ingredient manufacturers to participate in the program, to encourage the participating companies to purchase such ingredients, but to not require companies to get involved in “auditing” their suppliers, it is proposed that MT certified products will be phased into the program. Core Metric: The following is the expected phase in period: 10% of the covered ingredients (domestic) by the first renewal (2 years) and a 10% increase thereafter at each renewal until at least 50% of the product’s domestic ingredients are covered.

Bonus Value: 1 point for every additional 10% of domestic ingredients covered by the MT program.

Exemption: Foreign ingredients will be phased into the program in the future but will initially be exempt. [However, identified programs such as SA8000 (Social Accountability International) shall be credited as partial equivalence. Other programs need to be identified.]

Cat 3 Issue: Third Party Social Justice Audits A Bonus Issue

How much of the product is sourced using ingredients covered by recognized [and vetted] social justice agreement? e.g., the Fair Trade program, the Rainbow Alliance, the Immokalee Workers Program, Food Alliance, etc.

Value: 1 point per program.

Cat 3 Issue: Product Safety

A Critical Issue

Have there been any product recalls for a product safety issue?

Are there figures available from the Consumer Product Safety Commission about normal expectations?

Due Diligence: Companies are required to report to the Magen Tzedek program any product recalls for any reason. The actual reason and, if it is relevant, the class level of the recall must be shared with the Magen Tzedek program.

Cat. 3 Issue: Recalls

A Critical Issue

Any product subject to an FDA or USDA recall must be reported including its class and the scope of the recall. The program implications will depend on the class level of the recall:

Class 3 Recalls are less critical than Class 2 Recalls, which are less critical than Class 3 Recalls

Value: 1 points for having no products from the plants involved in a Class 1 recall for the past 3 years. [And has no more than one Class 2 or Class 3 Recall]

2 points for having no products from the plants involved in a Class 1 or Class 2 Recall [And has no more than one Class 3 Recall]

3 points for having no products from the plants involved having any recalls in the past year. An extra point if there have been no recalls for the past 3 years.

Note: Companies shall also notify Magen Tzedek if any employees are laid off or furloughed because of a recall.

Cat 3 Issue: Food Safety Interventions

A Critical Issue

What interventions are used beyond those required by law to assure the safety of raw products or products that do not receive a recognized heat treatment leading to microbial lethality:

Value: 2 points for a non-required documented intervention that leads to at least a 3 log reduction in pathogens normally associated with that food and that, therefore, leads to the product being safer.

Note: This is meant to address raw products and “ready-to-eat” products mainly although other products may qualify.

Cat 3 Issue: Food Safety – Non-Mandatory Programs A Bonus Issue

The presence of non-mandatory food safety program that are fully documentable [and vetted].

Value 1 point for each of the following types of voluntary programs:

HACCP: Hazard Analysis and Critical Control Points (for those products where this is NOT legally required)

Electronic Maintenance Management

Other food safety programs from a recognized governmental or industry body.

Cat 3 Issue: Allergy Safety

A Bonus Issue

Issue: How to reward companies that make products specifically for allergic folks and which have a program where they are specifically willing to make a claim and assume the “liability” that comes with such a claim?

Value: 0.5 point per allergen-free claim from among the big 8: dairy, egg, fish, tree nuts, peanuts, wheat (gluten), and soy.

Maximum: 2 points

“(Note: shellfish are not relevant for the Magen Tzedek program.)”

**Social Justice Category 4:
Corporate Integrity**

Cat. 4 Issue: Inaccurate Information Supplied to the MT Program A Critical Issue

A company should be penalized for material that is inaccurate when subject to the MT auditing procedures.

Value: 5 points for passing the audit with no adjustments needed – to be added to the next “submission”.

3 points if the discrepancies found account for less than 1 point

1 points if the discrepancies found account for less than 2 points

Show-Stopper: If the audit suggests a systematic effort to mislead the Magen Tzedek program.

Note: Any discrepancy that is found that would have given the company more points is not an issue – the company is always allowed that choice.

Cat 4 Issue: Gender Diversity

A Bonus Issue

Are there men and women filling the various job categories – or are some jobs reserved for men and some for women without sufficient justification?

1 point if the non-exempt employees total in any plant is between 35 and 65% female.

Due Diligence: Charges against the company for issues such as discrimination, harassment law suits and the results of these suits must be shared with the Magen Tzedek program. Discrimination against GLBT (Gay, Lesbian, Bi-Sexual and Transgender) and other protected groups is unacceptable. Conviction in this area may be considered a show stopper by the Magen Tzedek program.

Cat 4 Issue: Gender Equity

A Bonus Issue

Are members of both sexes treated equally?

Metric: The ratio between the average salaries of non-exempt female employees divided by the average salaries of non-exempt male employees.

Value: 3 points:	Ratio is $> .95$ or < 1.05
2 points:	Ratio is 0.94 to 0.90 or 1.04 to 1.10
1 point:	Ratio is 0.89 to 0.85 or 1.11 to 1.15
0 points:	Ratio is < 0.84 or > 1.16

Cat 4 Issue: Green Card Discrimination

A Bonus Issue

Are employees that are not US citizens but legally working in the US (having a Green Card) treated differently?

Metric: The ratio between the average salaries of green-card holder non-exempt employees divided by the average salaries of US citizen non-exempt employees

Value: 3 points: Ratio is $> .95$ or < 1.05

2 points: Ratio is 0.94 to 0.90 or 1.04 to 1.10

1 point: Ratio is 0.89 to 0.85 or 1.11 to 1.15

0 points: Ratio is < 0.84 or > 1.16

Cat 4 Issue: Minority Businesses

A Bonus Issue

Is the company classified by the US government as a minority business?

Value: Any business identified by the US government as a minority business will receive 2 points.

Cat 4: Minority Businesses

A Bonus Issue

What percentage of purchases are made from minority businesses?

Value: 2 points

Wspecial: By the percentage of total ingredient weight (including packaging) covered or by the total dollar value of ingredient purchases – company may select which works better for them but the same “basis” must be used for all relevant calculations. For now this item only covers the purchase of ingredients (including processing aids and packaging used for the food product or ingredient).

Cat 4 Issue: Plant Personnel Turnover

A Bonus Issue

The amount of turnover each year is a potential surrogate measure of the plant's environment for employees.

The yearly turnover is the total number of non-exempt employees on the payroll for a year (calendar or fiscal – the company can select initially) divided by the total number of non-exempt employees (a weighed weekly average).

Value: 3 points:	<1.1 (10%)
2 points:	1.11 to 1.20 (20%)
1 point:	1.21 to 1.30 (30%)
0 points:	>1.31

Wspecial: Each plant is weighed by its number of non-exempt employees against the total non-exempt employees in all covered plants.

Notes

Note 1: This number varies by industry and between full time and seasonal plants.

Note 2: Many plants in the meat industry run over 100% turnover. Separate standards for different industries might have to be considered but for now there is just one standard.

[People with knowledge about this issue are welcomed to submit material confidentially to the Commission.]

Cat 4 Issue: Right to Organize

A Critical Issue

Has the plant had any National Labor Relations Board or state labor relations agency violations in the past 3 years?

Metric: 3 points if none in 3 years

2 points if less than 2 such in 3 years

1 point if less than 5 such in 3 years

Due Diligence: Companies must report to the Magen Tzedek program any such notices of violation. [General point: Any required “violation” report must be submitted to the Magen Tzedek program within 60 days of the date on the document unless proof of late arrival is presented.]

Cat 4 Issue: SEC Violations

A Due Diligence Issue

Has the US company been involved in any violations of the SEC regulations or equivalent laws for small businesses in the past 3 years?

Metric: 3 points if none in 3 years

2 points if less than 2 such in 3 years

1 point if less than 5 such in 3 years

Due Diligence: Companies must report to the Magen Tzedek program any such notices of violation. [General point: Any required “violation” report must be submitted to the Magen Tzedek program within 60 days of the date on the document unless proof of late arrival is presented.]

Halal

There are a number of reasons for including halal certification work as part of the Magen Tzedek efforts. These include:

1. Companies in the program are asked to be multi-cultural and accepting – the only other major group with dietary food laws is the Muslim community and some of their laws overlap with kosher laws so it seems appropriate that the Magen Tzedek program should be helping them.
2. If a company has a Muslim supervision agency mark on a kosher product, the issues for Muslim consumers and those buying it for its Halal status are very similar to those for the Kosher consumers. So it seems to make sense to do the overall social justice review once. (Eventually, it could be hoped that some parts of the Muslim world would be supportive of the Magen Tzedek effort, much like the Reform Movement has already been.) They may wish to extend a similar mark to Halal only products.

Halal

3. Many kosher products actually serve the Halal market while others do not – the Kosher community has been irresponsible in this arena – sometimes advertising that their products are used by Muslims but not willing to address issues of concern. So providing information would help avoid confusion while expanding the use of Kosher products that Muslims could be using.
4. The Jewish community needs to do more to reach out to the Muslim community.

The Kashrut Sub-committee

Note: The Kashrut Subcommittee of the Committee on Jewish Law and Standards (CJLS) of the Conservative Movement has prepared a form for Kosher supervision agencies to fill out that provides important information to consumers. At this time according to Rabbi Plotkin, head of the Subcommittee, there is one Kosher supervision agency that is on their “unacceptable” to the subcommittee’s list. The Magen Tzedek program shall not permit its service mark to be associated with any such unacceptable hechsher.

Cat 4 Issue: Kosher Consumer Information

A Bonus Issue

The kosher mark that is used on the products is a trademark that can, therefore, be easily traced to the responsible kosher supervision agency. [Note: for example, the Generic K and the use of an un-trademarked Square K don't count.]

Value: 1 point

The Kosher supervising agency has filled out in English the Subcommittee on Kashrut of the Conservative Movement's Committee on Jewish Laws and Standards "QUESTIONNAIRE FOR RAV HAMACHSHIRS PROVIDING KOSHER SUPERVISION" (or at least covered those parts of the document dealing with issues associated with the products being covered by Magen Tzedek for the company). Please ask your kosher supervision agency for their "tracking" number for their submission of their questionnaire.

Value 3 points

Cat 4 Issue: Kosher Labeling

A Bonus Issue

The kosher supervising agency has permitted the “Kosher Standards Survey” to be posted on-line on the Magen Tzedek web site.

Value 2 points

The company actively marks the status of each kosher product, i.e., Meat, Dairy, or Pareve. [The issue is related to the confusion over the “dairy” versus “pareve” markings not appearing on products of different supervisions.]

Value 1 point for actively marking all products in the program with one of these 3 symbols.

The company helps consumers by providing additional kosher information for those products that qualify, e.g., fish, dairy equipment (DE), meat equipment (ME), Passover. The Subcommittee on Kashrut of the CJLS believes that the use of DE and ME should be encouraged.

Value 1 point

Cat 4 Issue: Kosher Recalls

A Critical Issue

Has there been any “need” to issue a kosher alert on any of the products covered by Magen Tzedek within the past 3 years?

Value: 1 point if no kosher alerts were issued in the past 3 years.

Cat 4 Issue: Halal

A Bonus Issue

THIS ITEM ONLY APPLIES TO PRODUCTS THAT ARE DUAL CERTIFIED AT THIS TIME, i.e., THAT HAVE BOTH A KOSHER AND HALAL MARK.

The halal mark that is used on the product is a trademark that can, therefore, be easily traced to the responsible halal supervision agency [The word “halal” or a Generic H does not count.]

Value 1 point

The halal supervising agency has prepared a written statement in English listing its standards for the production of the halal foods covered by this application, which is available from them or their web site.

Value 1 point

The halal supervising agency has permitted their written English statement to be posted on-line on the Magen Tzedek web site.

Value 1 points

Cat 4 Issue: Halal Recalls

A Bonus Issue

THIS ITEM ONLY APPLIES TO PRODUCTS THAT ARE DUAL CERTIFIED AT THIS TIME, i.e., THAT HAVE BOTH A KOSHER AND HALAL MARK.

Has there been any “need” to issue a halal alert on any of these product within the past 3 years?

Value: 1 point if there have been no halal alerts in the past 3 years.

Cat. 4 Issue: Tzedaka

A Bonus Issue

The concept of giving charity is one that Magen Tzedek wants to encourage. On the other hand, the amounts given should not be so great as to result in lower wages and benefits, etc. for the work force.

Value: 1 point for each 2% of the total payroll [including benefits and outside labor] in the plants producing the covered products with a maximum of 3 points.

$W_{\text{special}} = \text{Corporate giving needs to be adjusted (pro-rated) for the \% of the non-exempt employees covered by the application divided by the total non-exempt employees in the corporation.}$

Category 5: Environmental Impact

Cat. 5: Environmental Compliance

A Core Issue

Every facility must have all necessary environmental and land use permits and be in compliance with them. A listing of those permits will be provided to Magen Tzedek along with permission to check on compliance.

Due Diligence will require the companies to provide to the Magen Tzedek program any notices of violations of EPA or the state/local authority's rules related to environmental compliance in a timely fashion.

Cat. 5 Issue: Reduction

A Core Issue and Bonus Issue

Each plant must strive to reduce (1) consumption of energy and water; and to reduce (2) generation of solid waste, hazardous waste, air and water pollution. In addition, waste that is generated should be targeted for reuse, or if that is not possible, for recycling. In terms of metrics, some of the third party standards available to demonstrate compliance include Energy Star.

Companies must prepare and provide the Magen Tzedek program with a comprehensive environmental management plan within the first two years of participation to 1) measure quantitatively all of the above item and within the second 2 year period to reduce each of these items by at least 2% per year. This can include credit for “reductions” that were undertaken within the 5 years prior to joining the project. This will need to be weighted to the “inputs per product produced”, i.e., making less product does not provide credit! For all documented reductions greater than 2%/year (on a per product basis), a bonus point will be given for each 5% reduction.

Cat. 5: Supply Chain Environmental Improvement A Critical Issue

To encourage ingredient manufacturers to participate in the program, and to encourage the participating companies to purchase such ingredients, but to not require companies to get involved in “auditing” their suppliers, it is proposed that an Magen Tzedek certified product will be rewarded.

A relatively high value is being attached to this item.

Core Metric: This process needs to be phased in. The following is the expected phase in period:

10% of the covered ingredients by the first renewal (2 years) and a 10% increase thereafter at each renewal until at least 50% of the product’s ingredients are covered. [or an acceptable alternate third party program that is accepted by Magen Tzedek.]

Cat. 5: Supply Chain Environmental Improvement A Critical Issue

ALTERNATIVE: A supplier can provide information equivalent to that of the primary manufacturer with respect to meeting the environmental criteria for products..

Cat 5 Issue: Recycling and Reuse

A Critical Issue

What on-going programs does the plant run to deal with recovery, reuse, recycling and similar desirable activities?

Value: 3 points for 100% recovery and reuse

2 points for 100% recycling

1 point for 100% composting/biogas

Wspecial: By the % by weight of material covered per year out of the total amount of material.

Note: In an industry like the baking industry, when a cookie cutter is used the left over dough is routinely added to the next batch – this does not count for the purpose of this item.

Cat 5 Issue: Using Sustainable Materials

A Bonus Issue

What on-going programs does the plant have to incorporate “sustainable” materials into its products.

Value: 2 points for 100% sustainable material

Wspecial: By the % by weight of material covered per year out of the total amount of material.

The Commission will need to work with the industry to define what “sustainability” means. The American National Standards Institute (ANSI) is currently working on an agricultural standard for sustainability that may provide some guidance.

Cat 5 Issue: Sustainability Audits

A Bonus Issue

What third party sustainability audits and standards does the company use? We will need to determine their acceptability?

Value: 1 point for each program that is accepted that is sufficiently unique and does not overlap with another program that the plant uses for credit in the Magen Tzedek program.

Note: Part of sustainability is the issue of worker treatment in all parts of the supply chain.

Cat 5 Issue: LEED Certification

A Bonus Issue

Is the plant LEED certified, i.e., meets the requirements of the US Green Building Council, and if so, at what level?

Value: 1 point per level

Cat 5 Issue: Alternate Fuels

A Bonus Issue

What alternative fuels are being used in and around the plant?

Value: 1 point for each 10% of electrical energy that is alternate energy (wind, solar, and ½ credit for hydro)

1 point for each 25% of diesel fuel energy that is B5

1 point for each 10% of diesel fuel energy that is B20

1 point for each 2% of diesel fuel energy that is B50

Based on a full year of use

Maximum points: 4 points

Note: The purchase of off-sets specifically for the plant at issue will receive full credit as if it were actually used at this time - this may be revisited in the future when more alternatives are available.

Cat 5 Issue: Energy Efficiency at the Plant

A Bonus Issue

The use of energy efficient electrical machinery or other energy requirements is better met by reducing the need for fuel, alternate fuel or electricity and this needs to be recognized.

1 point for each 5% reduction in energy use per unit product over a year to a maximum of 2 points.

Backdated Credits

The issue has been raised that some companies have already made their major reductions and thus are at a distinct disadvantage going into the future. The following is a suggestion for how to handle this need. A company that can document significant improvements in one or more Magen Tzedek plants in the 5 years prior to entering the program can get “banked” credits. That is, these credits will be available to the company to use to meet the program requirements for up to 10 years from joining at the company’s discretion. (Obviously each point can only be used once at the time of any of the 2 year renewals.)

Cat 5 Issue: Energy Consumption: Global Reporting Initiative A Critical Issue

To encourage the use of the Global Reporting Initiative?

Metric: The reporting of one or more of the following formal data collection systems for each plant: a) AF21: Amount of energy consumed and percentage energy from renewable source; b) EN3: Direct energy consumption broken down by primary energy source c) EN4: Indirect energy consumption broken down by primary energy source

Value: 1 point for each of these figures reported (These points are available only once for each plant.)

Alternate Approach or for future applications: 1 point for every 4% reduction in energy consumption in the previous year (calendar or fiscal) (to include all energy coming to the plant).

Cat 5 Issue: EPA Transport Certification

A Bonus Issue

How is this relatively new program for the Smart Way product packaging logo going to be evaluated? For now:

Value: 2 points for receiving the Smart Way product packaging logo

[Can and should the EPA and GRI be combined?]

Cat 5 Issue: Carbon Footprint

A Bonus Issue

Has the plant done a carbon footprint analysis?

Metric: Completion of a PAS2050 Analysis for the first time and then a repeat during future renewals.

Value: 2 points for completion of a PAS2050 analysis for the products being certified at all plants of manufacture or for all plants where the product is produced. (These points are available only once for a product or a plant.)

Future applications: 1 point for every 2% reduction in carbon footprint per year since the last audit adjusted for production. [This item is subject to a 5 year “back-credit” allocation.]

Cat 5 Issue: Water Footprint

A Bonus Issue

Have the plants done a water footprint analysis?

Metric: Total plant water usage.

[First year analysis followed by reductions]

Value: 1 point for doing a water footprint analysis [includes knowing where the water is used – not just total input], subsequently, 1 point for every 2% reduction in water footprint from the previous audit on a yearly basis adjusted for production. The additional use of gray water and/or black water shall be treated as a reduction in water usage. [This item is subject to a 5 year “back-credit” allocation.]

Cat 5 Issue: Hazardous Discharges

A Critical Issue

What hazardous wastes does the plant generate?

Metric: Zero hazardous discharge = 4 points

Able to demonstrate that their hazardous discharges are $\frac{2}{3}$ less than the industry average = 3 points

Able to demonstrate that their hazardous discharges are 50% less than the industry average = 2 points

Able to demonstrate that their hazardous discharges are $\frac{1}{3}$ less than the industry average = 1 point

Cat 5 Issue: Hazardous Waste Reduction (TRI Reports) A Core Issue

What reductions have they made on their TRI (Toxic Release Inventory) reportable compounds?

Metric:

The change in the TRI values for the past reporting time to the current reporting time.

Value: 1 point for every 2% reduction in TRI per year (calendar or fiscal) since the last audit adjusted for production. [This item is subject to a 5 year “back-credit” allocation.]

Due Diligence: The company will be expected to share TRI reports with the Magen Tzedek program.

Cat 5 Issue: EPA Violations

A Core Issue

What EPA or state/local violations that have led to fines or other legal action (which must be reported) for environmental law violations?

Metric: 3 points if none in 3 years

2 points if less than 2 such in 3 years

1 point if less than 5 such in 3 years

WNEEP [Due diligence issue also] EPA consent orders – continue to be counted in the framework above.

[With any of the government items – if “innocence” is established it is clearly expunged, but not if it is settled without admission of guilt.

The later will be treated as a “half” event – neither full guilt nor full innocence.]

Cat. 5 Issue: Illegal Dumping

A Core Issue

A Magen Tzedek company shall have no convictions for illegally releasing toxic waste, dumping materials illegally and similar breaches of state or US federal law within the past 5 years. Such behavior will be considered a show stopper.

[As the program becomes international, US (and Canadian) companies can expect to be held accountable for their overseas operations within the context of this issue.]

Improvement

What bonus does a company get if they improve?

Metric: Score Current Critical Issues and Audit Bonus points minus Previous Critical Issues and Audit Bonus Points = Net Improvement

Value: Net Improvement/3, i.e., they get an extra point for each 3 points of improvement.

Bad Press

If a company is in the news with an item that raises serious concerns, the Magen Tzedek Program shall have the right to re-audit the company at their expense for items directly related to the issue of concern. The challenge is to deal with items that are related to social justice that are not covered by the program. This is something for the Commission to think seriously about and have a policy in place. (See next slide)

If a company is in the news for an item that is not covered even remotely by their Magen Tzedek Service Mark, Magen Tzedek has the right to issue a press release indicating its concern about the company's action but recognizing that the violation is outside the Magen Tzedek sphere of interest and that, therefore, the company retains their right to continue to use the Magen Tzedek Service Mark.

Negative Points

The aim of the Magen Tzedek program has been to reward good behavior by companies. In the case of serious violations of the trust of both Magen Tzedek and consumers by a company, but at a level that does not necessarily reach expulsion, the Magen Tzedek program shall have the right to issue penalty points for the next renewal period, i.e., to put pressure on the company to make more dramatic improvements to stay at the same level.

Revenue Model

To the extent that this program is a fee-for-service program, yet is tied to social justice, it is important that the money trail be transparent. All money received will only be used within the Magen Tzedek program – i.e., it will NOT be used to fund unrelated activities of the Conservative Movement. An annual report, including financials, will be published that is sufficient to demonstrate that the program is being operated cost-effectively. Fees will be based on the cost of the program based on Magen Tzedek using good business practices.

Comprehensiveness

The breadth of material to be covered by the concept of social justice precludes measuring everything. The items selected are meant to be representative of key social justice issues. The Magen Tzedek program must be aware of the need to determine whether their activities are skewing how companies deal with many of these issues. If it is clear that only issues on the score sheet are being addressed, while others are being neglected, than those other items may need to be added.

Rabbinic Administrators

As a program based in the Conservative Movement, it is important that the companies' main point of contact be with people representing the Movement and not a third party contractor. In general, each company should have a rabbi that is their primary point of contact. The rabbi initially involved with the company during the initial application period should be an employee of the Magen Tzedek Commission. After that the rabbinical administrator may well be a Conservative Rabbi who works part time for Magen Tzedek and lives in the area of the company headquarters or major plant(s), but has been properly trained to service the account. The rabbi like all personnel must also be audited! The head of any appeals board should be a rabbi. The CEO of Magen Tzedek does not need to be a rabbi. Ideally many of the employees that have contact with companies will be members of the Conservative Movement.

Ombudsman

The program will also have an ombudsman, whose availability will be widely publicized. He/she should be the point of contact for people with any concerns about the program that cannot be handled through normal administrative channels.

Application Process and Auditing

The application process is a way of quantitatively evaluating a food product to determine its social justice attributes as defined by the Conservative Movement through its religious process, e.g., the Al Pi Din document (see www.magentzedek.org). The program's audit will be:

- Objective and transparent
- Fair
- Quantitative
- Workable and economic
- Accomplish the goal of social justice recognizing that it will not cover every issue
- Consistent with the social justice vision of the Conservative Movement and with Jewish law (halacha)

Using Web Site Submissions

The application document is to be filled out on-line by an identified member of the company applying for certification.

The document is a confidential document and those involved in the process on behalf of the Conservative Movement will be required to maintain this confidentiality including binding people after they leave the employ of the program.

Internal Company Certification

A Core Issue

All company provided “financial/management” type data that is directly relevant to Magen Tzedek is subject to verification.

Information provided to the Magen Tzedek program shall be certified as correct by a recognized independent third party accounting firm.

Ideally this will be the company’s normal tax/accounting firm.

Verifying Information by an Audit

All data provided to Magen Tzedek needs to be subject to random verification. A certain number of spots checks will be performed each year – but Magen Tzedek, based on reasonable cause, may also select a company for an additional audit.

The audit may take the form of:

Sending in Magen Tzedek auditors, who must be paid professional auditors not in the employ of Magen Tzedek, with the appropriate skill set to verify information using best available accounting procedures and/or direct observation and having a professional responsibility for maintaining confidentiality that is acceptable to the company being audited. The format for the verification procedures need to be standardized and not arbitrary. This document will not deal with this issue. This will need to be worked out with the auditing system being put into place. This will most likely be a two level approach – an agency that certifies the auditors and auditors that verify the company's activities and report back to the higher level supervision.

Other Certifying Organizations

In addition, Magen Tzedek will need to work with other certifying agencies, the result of whose activities are being claimed by a company to meet a Magen Tzedek standard, to verify both the company's activities and the certifying agencies activities.

Right to Speak to Employees

Where a worksite is represented by one or more unions, the Magen Tzedek auditors shall be able to speak separately to the union as part of their audit. In non-union plants, the auditors should be able to meet with randomly selected workers, including individuals from the bottom wage category.

In addition, the auditors shall be allowed to receive input from both local and national non-governmental organizations, i.e., NGOs.

Prior to an audit, the company shall post a notice in the normal place for such legal notices indicating how workers who would like to meet confidentially with the Magen Tzedek auditors can have an opportunity to contact the auditors and meet privately with them, including both on and off-site.

Double Blind Auditing

A powerful tool for making the audit of random parts within the audit document clearly random and unannounced may be the following: A number of areas to potentially be covered are announced ahead of time but which specific items will specifically be audited will be sent to the company in a package that is tamper proof. When the auditor arrives they are handed the package to open with their instruction on which specific items within an agreed upon list of total items the plant/company will be audited on at the time.

Vocabulary

A first party audit is one done by the company. These are actually the basis of their submission to the Magen Tzedek program.

A second party audit is an outside audit, but one done by a group that may not be totally independent of the company, e.g., by a trade association of which the company is a member or a supplier/buyer.

A third party audit is an outside audit done by an organization that has no tie to the company being audited or the agency requesting the audit, i.e., it is truly independent.

Second and Third Party Auditors

Many companies currently use second or third party auditors to deal with various issues – so there is no purpose in re-inventing the wheel. The key is to develop a mechanism that the Commission can use to both establish the credibility of the second or third party auditor/auditing firm and its auditing process for the issues of interest and the acceptability of the auditing document. For fairness and equity this process must have its own standards and must be transparent. Those auditing organizations that have been vetted need to be publicly identified on the Magen Tzedek web site.

Accepting Second and Third Party Auditing

There should be two ways to identify second and third party programs for evaluation. The first is by the auditing program coming to Magen Tzedek with their materials and requesting recognition by Magen Tzedek of their program. The other approach should be a request from a company to consider adding an auditing program. In the former case, we presume that the auditing program will provide Magen Tzedek with sufficient information to evaluate their program(s) and would be willing to dialog and/or make a presentation if necessary to clarify information.

However, if a company suggests a program, the company should be requested to provide enough preliminary material to determine whether approaching the audit program is worthwhile and the company might also be asked to encourage the program to participate under the same conditions as those that directly apply. [Programs receiving such approval should be allowed to announce publicly that they are part of the Magen Tzedek program.]

First Round Adjustments

For the first round only, companies will be permitted to obtain points for programs they participate in that have not yet been vetted. It is in the company's best interest to not be in the position where its "status" decreases on the second audit. It is in both Magen Tzedek and the company's best interest to fairly accurately evaluate any auditing/certification programs that companies participate in. The key is to have a properly constructed questionnaire that will guide the company through an evaluation of their outside certifications and the process that goes with them.

The Honesty Assumption

A basic assumption of the Magen Tzedek program should be that the company is telling the truth unless the company has been shown to not deserve being covered by this assumption.

Major Guideline for Self-Vetting an Outside Program: Is the program such that in the “Court of Public Opinion” being given the award or being permitted to say that you have passed the audit is credible, meaningful, and relevant. Is it something the company, Magen Tzedek, the Conservative Movement and the consumers using the product can all accept as being a fair representation.

Accepting Awards

Companies that receive awards for being among the “100 best employers” for issue X should be able to get credit for this effort, i.e., the actual winning and the effort made by the company to fill out the forms normally requested by these groups to be considered for their award. The same approach to vetting these programs should be used as for the third party auditing procedures, although given the amount of work, a separate Magen Tzedek committee might be set up to do these evaluations. At this time, until some more specific numbers are approved, each of these would earn 1 bonus point for a company in those awards accepted by the Commission in the relevant “Category.” Some awards are prestigious enough that more than one point should be awarded. Like the second and third party audits, the first round should permit self-vetting following a guideline produced for this purpose.

Public Documents for Verification

The Magen Tzedek Commission needs to have a process for working with governmental agencies to access public records. However, the fundamental reporting requirement remains with the company.

Note: Any citations, convictions, and fines placed on the Magen Tzedek web site need to be properly distinguished.

Magen Tzedek must have the right to speak to people in the company both on and off site. In case of problems, documents confirming a problem must be sought from all legitimate sources, but with professional judgment.

Outside Sources for Verification

Checking public materials, e.g., press reports and conversations with people outside the company, for potential conflicts with the other verification information needs to be done respectfully. Such information is inherently unreliable and should only be used to “trigger” additional internal auditing/verification activities. The Magen Tzedek program must work hard to protect the reputation of the companies in the program from unfair and unjustified criticism – Magen Tzedek should not be part of creating or aggravating a problem.

Company Commitment to Verification

The company vouches for the accuracy of the information submitted and will authorize Magen Tzedek to make spot check audits of the appropriate records with appropriate respect for confidentiality with trained third party auditors although in most cases the company's normal auditors/accountants will be asked to verify any requests for follow up information based on questions raised externally.

The company vouches that it is also prepared to provide Magen Tzedek with the appropriate letters to government agencies allowing them to properly share information with Magen Tzedek as an authorized receiver of such information if such a step is necessary.

Show Stoppers

Some practices may be designated as show stoppers, i.e., if a product is affected by one of these show stoppers, the product is NOT permitted to have a Magen Tzedek service mark. At this time all of the “Core Values”, all of whose minimal requirements must be met are essentially show stoppers. Additional examples may include:

- The issue of shackling and hoisting of large animals (e.g., cattle and bison) for religious slaughter – this is simply unacceptable and is a show stopper.
- Is documented contributions to a US Government officially recognized terrorist organization by the company a show stopper?
- Is active, documented union busting activities, such as hiring a consultant specifically known for this purpose, a show stopper?

Lumping or Breaking Out Products

The company can decide which products it wishes to have considered for receiving the Magen Tzedek service mark. They can lump as many products on one application or break them down into as many different applications as they feel they need to reflect their products and production practices most accurately.

The fee structure must be set up to be fair to both large and small companies (and large and small “plants”) and to allow for the multiple applications with a minimal additional charge that mainly reflects the extra work that multiple applications creates.

Special Cases

Kosher private label brands are usually produced in plants that produce other products – the fee for the Magen Tzedek service mark should be small – but there should be a registration fee and the product must be registered so it can be properly tracked.

Soda is handled at two stages – the raw material and the local bottler. The local bottler is a separate entity and will require certification separately even if “Coke” and “Pepsi” are on board and are kosher with the Magen Tzedek Service Mark. Only products that have a kosher supervision at the time of bottling can display a Magen Tzedek Service Mark.

Private Labeling, Co-Packers, and Kitchen Incubators

Many smaller companies do not actually produce their own products, they will use a co-packer or work in a kitchen incubator. In those cases, the “audit” should involve the co-packer/incubator.

Note: The auditing should be so structured that when a company, co-packer or kitchen incubator has more than one “Magen Tzedek” application – the relevant parts of the audit for the facility is only done once and covers all of the relevant applications.

Foreign Products

At this time the program is focused on plants producing kosher food in the US and, hopefully, quickly including Canada. Clearly, if the plant is in a foreign country and producing food for the US kosher market, adjustments will need to be made to the scoring system.

We are postponing dealing with these foreign productions for now only as an expediency to get the program up and running. Foreign companies are therefore ineligible at this time. It is important that this limitation be corrected quickly.

Proportionalization

A number of the items to be covered may not apply to everyone in the plant or to all non-exempt employees or to all plants where more than one plant is involved.

In all of those cases the point value will be adjusted to reflect what is often called a weighted average.

In the simplest case this means that if one of three plants earns one “point”, the value recorded will be 0.34. For two plants it will be 0.67 and the full value for the three plants would be the original one point.

How Proportionality Will Be Dealt With

As a whole, issues that will be evaluated in a proportional fashion need to take into account the number of plants and their differences. This process will use one or more of the following weighing factors:

Number of plants (i.e., weighed by plant, WP), i.e., the total number of plants is the denominator.

Number of employees covered (i.e., weighed by employees, WE), i.e., the total number of employees is the denominator.

How Proportionality Will Be Dealt With

Number of non-exempt employees covered (i.e., weighed by non-exempt (NE) employees, WNEE), i.e., the total number of non-exempt employees is the denominator. WNEEP means that it is done separately for each of the plants for their total non-exempt employees.

Number of products covered (i.e., weighed by products, expressed as SKUs, stocking units, WSKU), i.e., the total number of products covered by the company's submission is the denominator.

Another weighing factor needs to be used (i.e., Wspecial), i.e., another possibility that will be explained at the point where it is used in the standards material of this document.

Advisory and Review Boards

The Magen Tzedek program needs to maintain a broad, consultative advisory board that meets at least twice a year to provide feedback to the program. This board should include people from all areas covered by the program including labor, the environmental movement, business, animal welfare, participating religious organizations, NGOs and possibly even from governmental agencies, etc.

The Magen Tzedek program also needs to maintain an appeals procedure that might include an external appeals board that might in fact draw from the Jewish traditions relating to a “beth din” i.e., Magen Tzedek picks one judge, the company (or other party) picks one judge, those two judges then select the third judge.

The End

Thank you for supporting Magen Tzedek.