

APPENDIX A:
STATEMENT OF WORK (SOW) FOR THE EVALUATION
EVALUATION OF WAGE & HOUR DIVISION
STATEMENT OF WORK (SOW) FOR CHILD LABOR PROGRAM

SECTION 1. GENERAL INFORMATION

The Center for Program Planning and Results (CPPR) within the Department of Labor's (DOL) Office of the Assistant Secretary for Administration and Management (OASAM) is seeking professional services to implement a firm fixed price non severable service agreement to evaluate the Wage and Hour Division's (WHD) targeting and compliance strategies related to the agency's child labor program.

WHD's child labor program addresses youth employment provisions of the FLSA enacted to ensure that work does not jeopardize young people's health, well-being, or educational opportunities. Since 1995, WHD has implemented strategies with a goal of protecting the most vulnerable populations, including youth workers; a percentage of targeted enforcement and compliance assistance in low-wage industries is specifically focused on child labor. While precise data on the number of children employed in violation of youth employment standards in the United States are not available, results for fiscal year 2005 suggest a reduction in both the average number of minors found employed in violation of the FLSA child labor provisions and the severity of child labor violations. Additionally, the most recent investigation-based surveys of child labor compliance, conducted in fiscal year 2004, show continued high levels of compliance in the full-service restaurant and grocery store industries and improvements in compliance in quick-service restaurants. The survey also found significant reductions in the percent of employers with repeat violations in all three industries.

Although WHD has witnessed apparent improvements in child labor compliance, it is difficult to determine the extent to which each individual strategy affects compliance and to quantitatively demonstrate WHD's overall impact on child labor. Further, in an effort to effectively use scarce resources, WHD must successfully target industries and establishments that employ minors in violation of youth employment standards. As noted by GAO in its 2002 report, this last task is especially challenging, as the highest percentage of child labor violations occurred in industries that employed a small percentage of children. GAO also reported that one-third of child fatalities occurred among children who worked in family businesses and two-thirds occurred among children who worked in small businesses employing 10 or fewer workers; coverage requirements significantly restrict WHD's enforcement of child labor provisions of the FLSA in these situations.

1.1 Scope of Work

WHD is interested in measuring the impact of current strategies, and developing challenging goals, objectives, and measures to aid future planning for its child labor program; documenting what effect, if any, WHD's enforcement, including assessment of CMPs and compliance assistance has on increasing compliance; and obtaining external data to either validate or improve upon its current targeting strategies to positively affect compliance with child labor provisions of the FLSA. To this end, the selected contractor will be asked to answer the following questions:

1. What is the impact of WHD's child labor program?
 - a. In addition to the use of statistically valid surveys, how can WHD quantify the impact of its child labor education and outreach efforts on compliance?
 - b. How can WHD effectively measure the value of partnerships?
 - c. How would the number and percentage of child labor violations differ had WHD not prioritized child labor (i.e. what impact has WHD's child labor compliance program had on child labor compliance)?

- d. How has WHD’s child labor compliance program impacted the incidence and severity of injuries and fatalities among minors?
- e. What relationship, if any, exists between child labor compliance and overall employment of youth?
2. Are Civil Money Penalty (CMP) assessments effective in deterring child labor non-compliance? Would larger penalties further affect compliance?
3. How can WHD improve its child labor enforcement program?
 - a. How can WHD improve its targeting of/in industries that employ a small percentage of minors but may demonstrate a high incidence of child labor violation (i.e., avoid the “needle in a haystack” dilemma)?
 - b. How can WHD improve compliance and reduce occupational injuries and deaths in the agricultural sector?
 - c. Is a national, regional, or local approach most effective in increasing child labor compliance?
 - d. How can WHD best use compliance assistance tools to positively affect compliance?

This evaluation will impact WHD’s reporting, strategic planning and resource allocation. Combating child labor violations is a WHD priority and is critical to the overarching mission. Upon completion of the evaluation, WHD will be better positioned to make informed decisions based on a studied analytical approach to targeting its compliance assistance and directed enforcement resources.

This evaluation will also help WHD to address OMB’s FY 2006 PART recommendations, which included developing challenging goals and measures and measuring the impact and success of partnerships. Specifically, by assessing WHD’s current child labor targeting strategies and recommending new ones, the contractor will document the appropriateness of current goals and measures related to child labor compliance; the contractor will recommend new goals and measures, as needed.

1.2 Level of Effort

This firm fixed price agreement has a ceiling of \$400,000. Proposals with a base year amount over \$400,000 will not be considered for award.

1.3 Period of Performance

The period of performance will be 12 months from the date of award. WHD will assign an appropriate number of staff members to work with contractors and ensure that work is completed on schedule.

1.4 Out of Town and/or Overnight Travel

The Contractor will be reimbursed for the direct costs of transportation, lodging, meals, and incidental expenses of personnel when authorized. Such costs will be reimbursed in accordance with the current Federal Travel Regulations.

No travel costs for Contractor personnel travel from place of residence to and from the normally assigned work-site will be reimbursed by the Government. All travel will be in accordance with the Federal Travel Regulations.

SECTION 2. GOVERNMENT-FURNISHED MATERIALS AND SERVICES

The resources available to the Contractor include:

- Information in WHD’s management information database (WHISARD), including data related to violation cases.

- Relevant internal WHD documents, including planning and reporting documents, survey results and enforcement statistics.
- Evaluation documents, materials and reports from previous child labor evaluations.

WHD staff will be available to provide additional information throughout the contract period.

Records transferred to the contractor will be returned to the government only if specifically required to be returned by this Statement of Work.

SECTION 3. CONTRACTOR-FURNISHED PERSONNEL

Except for those items or services specifically stated in Section 2 as government furnished, the contractor must furnish everything needed to perform this contract according to all its terms.

3.1 Key Personnel

The Contractor shall designate persons as key personnel and essential for the successful completion of all work assigned under this contract.

Required Personnel

WHD anticipates that the successful completion of this project will require the services of the following people. Please note that this excludes persons providing routine services.

- At least one person with familiarity and experience with regulatory agencies, and be highly experienced with GPRA.
- At least one person with have extensive experience in the use of statistical programming languages and be able to carry statistical analyses of complex survey and administrative record data. The person should also be skilled in performing associated data management and data manipulation tasks.

3.2 Change in Personnel

Prior to directing any of the key personnel to other projects, the Contractor shall provide advance notification of at least 14 calendar days to the COR and submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the project. No change shall be made by the Contractor without the written consent of the COR, ratified by the Contracting Officer.

SECTION 4. DELIVERABLES

All deliverable items will be delivered to the Contracting Officer's Representative (COR) within CPPR. Deliverables will be produced in hard copy and an electronic format compatible with WHD's software.

4.1 Products, Tasks, Services and the Standards for Success

The contractor must provide all personnel, equipment, tools, materials, supervision, and other items and services necessary to examine WHD's targeting and compliance strategies as defined in this statement of work. The contractor must provide the deliverables and perform the services listed below to the standards that are included below:

<i>Products (deliverables)</i>	<i>Standards for Success</i>
<p>1. Monthly reports (<i>required by CPPR</i>), including summary of completed and planned work, list of problems and proposed solutions, list of outstanding DOL actions, and statement of progress.</p> <p>2. Work plan and schedule</p> <p>3. Memo analyzing the impact of WHD’s child labor program on compliance, including child labor targeting strategies; recommending new strategies; and suggesting (validating) appropriate goals and measures for strategies.</p>	<p>1a. Must include:</p> <ul style="list-style-type: none"> • summary of work completed each month • summary of work planned for next month • listing of problems encountered • proposed solutions for problems encountered • listing of outstanding things needed from DOL • statement of progress (on schedule) <p>1b. Must be provided by the last day of the month.</p> <p>2a. Must include:</p> <ul style="list-style-type: none"> • detailed study design plan • timeline linking tasks and deliverables to specific dates • strategies for accomplishing evaluation goals • detailed list of information or assistance needed from DOL <p>2b. Must be provided within 30 days of the kickoff meeting.</p> <p>2c. Must be agreed to by WHD and CPPR prior to continuing project.</p> <p>3a. Must address research questions 1 and 3 identified in the Scope of Work section of the Statement of Work.</p> <p>3b. Must include analysis of :</p> <ul style="list-style-type: none"> • Effectiveness using current child labor targeting strategies, including national, regional, and local approaches and partnerships • Quantitative impact of current child labor strategies¹ (for each strategy) on child labor compliance, including injuries and fatalities • Other strategies that could be implemented by WHD • Optimal combination/balance of strategies to increase child labor compliance; must be feasible considering WHD’s limited resources <p>3c. Must recommend (or validate) goals and measures associated with current and recommended strategies.</p> <p>3d. Must be written in good “business English” without grammatical or typographical errors.</p> <p>3e. Deliverable must contain all WHD comments prior to being “finalized”</p> <p>3f. All versions must be labeled “draft” until finalized</p> <p>3g. Must be submitted to WHD and CPPR (electronic and paper copies)</p>

¹ Strategies include enforcement, compliance assistance, partnerships, and public awareness.

<p>4. Memo analyzing the effectiveness of CMP assessments on deterring child labor violations.</p>	<p>4a. Must address:</p> <ul style="list-style-type: none"> • WHD’s use of CMPs from 1990-present • Impact of CMP assessments on improving child labor compliance • Limitations on use/assessment of CMPs as a deterrent • Recommended improvements of WHD’s use of CMPs <p>4b. Must be written in good “business English” without grammatical or typographical errors.</p> <p>4c. Deliverable must contain all WHD comments prior to being “finalized”</p> <p>4d. All versions must be labeled “draft” until finalized</p> <p>4e. Must be submitted to WHD and CPPR (electronic and paper copies)</p>
<i>Tasks</i>	<i>Standards for Success</i>
<p>1. Conduct information gathering; review WHD and WHISARD materials; compile child labor statistics for each strategy</p> <p>2. Develop a work plan</p> <p>3. Review self-directed child labor initiatives</p> <p>4. Select, review and analyze sample case files, including those associated with initiatives (task 3)</p> <p>5. Conduct interviews, as appropriate</p> <p>6. Present findings to WHD leadership</p>	<p>1a. Review WHD background materials, including regional and local PARRs</p> <p>1b. Compile descriptive statistics on impact of each child labor strategy</p> <p>2. Work plan is agreed upon by CPPR and WHD staff</p> <p>3. Contractor completes the following:</p> <ul style="list-style-type: none"> • Review selected initiatives • Analyze initiatives <p>4. Contractor completes the following:</p> <ul style="list-style-type: none"> • Identify sample of cases needed from WHISARD database • Review selected case file information • Extract data from case files • Analyze files to answer research questions <p>5. Contractor should conduct staff interviews with DOL staff to collect or compile any information not available through WHISARD or other WHD sources</p> <p>5a. Questions reflect an understanding of the scope of the evaluation to be conducted.</p> <p>5b. Questions reflect an understanding of WHD’s mission.</p> <p>6. Contractor should be prepared to present findings to identified WHD leadership after analysis has been completed.</p>

4.2 Notice to the Government of Delay

Whenever the Contractor has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, the Contractor will notify the COR within ten days.

SECTION 5. APPLICABLE PUBLICATIONS AND FORMS

5.1 Confidentiality

The Contractor cannot make use of any information obtained through this agreement for any activity outside the scope of this project.

All records developed during the course of this agreement shall be protected from examination by unauthorized agencies or persons. Such records include all forms, computer files, program listings,

manuals, documentation, correspondence files, contract records, and reports. The Contractor shall retain all copies in a secure manner with release to the Department of Labor. No materials or any summary of these materials shall be released to any individual or organization without prior written permission from the COR.

No work involving information furnished under this agreement will be subcontracted without the specific approval of the COR.

In performance of the agreement, the Contractor agrees to comply with and assume responsibility for compliance by employees with the following requirements:

1. All work will be performed under the supervision of the Contractor or the Contractor's responsible employees.
2. Any information provided to the Contractor, in any format, will be used only for the purpose of carrying out the provisions of this contract. This information will be treated as confidential and will not be made known in any manner to any person except as may be necessary in the performance of the Agreement.
3. All information provided to the Contractor will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output shall be given the same level of protection as required for the source material.
4. The contractor will certify that the data processed during the performance of this agreement will be completely purged from all data storage components of the computer facility in accordance with instructions from the COR. Until purging of all data storage components, the Contract certifies that any data remaining in any storage component will be safeguarded to prevent unauthorized disclosure.

5.2 Rights in Data and Copyright

Throughout the period of this Agreement, the Government reserves exclusive and unlimited rights to the information provided to the Contractor, except for the information the Government makes available to the public. The Government also reserves exclusive rights to the results and findings produced by this project.

The Contractor will not place any unauthorized restrictive or limiting markings or labels on any of the deliverables.

SECTION 6: EVALUATION CRITERIA

The merit of proposals will be evaluated against the following factors:

FACTOR	RATING	POINTS
<p>a. Technical merit: The proposal should be technically strong.</p> <ul style="list-style-type: none"> • The proposal should demonstrate a good understanding of the project’s technical needs (<i>3 points</i>). • The proposal should be technically appropriate for the evaluation goals (<i>3 points</i>). • The proposal should be clearly written and well-designed (<i>3 points</i>). 	Most Important	9
<p>b. Quality Control: The proposal should reflect the importance of high quality performance.</p> <ul style="list-style-type: none"> • The proposal should outline controls for monitoring and reviewing work (<i>3 points</i>). • The proposal show address all of the “standards for successful accomplishment” for each of the deliverables (<i>3 points</i>). 	Very Important	6
<p>c. Project Management: The project should have a clear management plan that provides control over all the complexities of the effort.</p> <ul style="list-style-type: none"> • The management plan should include a strong contingency plan to cover any problems (e.g., data collection barriers or staffing emergencies) that arise during the course of the project (<i>3 points</i>). • The management plan should include a timeline and strategy for keeping the timeline on target (<i>3 points</i>). 	Very Important	6
<p>d. Staffing: The Vendor should commit the right mix of technical staff to this project and ensure that they are available when needed (<i>3 points</i>).</p>	Important	3

Price will be evaluated separately by the Office of Procurement.