



Internship Definition & Criteria

What is an Internship?

by Dream Careers, Inc.

Because the parties involved in the internship process - students, colleges and universities, and employers - have differing objectives, it is important to have a definition of "internship" upon which all parties can agree.

Currently, the term "internship" is used to describe various experiences. Moreover, it can be confusing to ensure proper guidelines by which employers, educators, and students can consistently define "internships."

To establish uniformity in the use and application of the term "internship," Dream Careers recommends the following definition:

"An internship is a form of experiential learning that integrates knowledge and theory learned in the classroom with practical application and skills development in a professional setting. This gives students the opportunity to apply experience and make connections in professional fields they are considering for career paths; and give employers the opportunity to guide and evaluate talent."



How are Internships defined by law?

The definition of an Intern in an Internship offered by a For-Profit Employer that is exempted of the requirements of the Minimum Wage Act and Orders is supported by the Second Circuit's Primary Beneficiary Test, a summary is as follows:

- The extent to which the intern and the employer clearly understand that there is no expectation of compensation. Any promise of compensation, express or implied, suggests that the intern is an employee—and vice versa.
- The extent to which the internship provides training that would be similar to that which would be given in an educational environment, including the clinical and other hands-on training provided by educational institutions.
- The extent to which the internship is tied to the intern's formal education program by integrated coursework or the receipt of academic credit.
- The extent to which the internship accommodates the intern's academic commitments by corresponding to the academic calendar.
- The extent to which the internship's duration is limited to the period in which the internship provides the intern with beneficial learning.
- The extent to which the intern's work complements, rather than displaces, the work of paid employees while providing significant educational benefits to the intern.
- The extent to which the intern and the employer understand that the internship is conducted without entitlement to a paid job at the conclusion of the internship.

Impact and understanding of recent legal actions

In a recent NACE (National Association for Colleges and Employers) survey, both career services and employers agreed with five of the six FLSA criteria; both groups disagreed with the criterion that the employer derives no immediate advantage from the

activities of the student.

Students pursue internships because they want to gain professional experience that links their academic coursework to the disciplines they want to pursue for their careers. To gain this experience, students want to engage in projects and tasks that contribute to the professional work of the organization. This means that the employer *does* benefit from the work of the intern while, at the same time, it provides a meaningful experience that allows for the application of academic knowledge.

Employers located in states that are under the jurisdiction of the Second Circuit can breathe a little bit easier when it comes to using unpaid interns as interns need not meet the DOL's rigid six-factor test in order to be excluded from the definition of "employees" under the FLSA or NYLL.

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The primary tenet of an internship is that it is a legitimate learning experience benefitting the student and not simply the operations of the employer.

What Employers should do now

Accordingly, in planning and implementing internship programs, employers should:

- Review their unpaid internship program(s) to ensure that, when analyzing the above seven factors, the intern is the "primary beneficiary" of the internship;
- Work with those supervisors and others who may currently be managing internship programs to ensure that a majority of the factors listed above are met;
- Review and revise, where applicable, summaries or other descriptions of existing or new internship

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programs to ensure compliance with the Second Circuit's guidance;

- In particular, ensure, to the extent possible, that interns receive academic credit for internships and/or that the internship corresponds with the academic calendar, and that the internship contains aspects similar to that which the intern would receive in an academic setting; and
- limit the length of internships to the period in which the internship provides the intern with beneficial learning—if an internship does not have a clear end date, this will likely be considered as a negative factor for a company seeking to maintain

a lawful unpaid internship program.

Should our interns be paid or unpaid?

All Internships should be aligned to the academic merit and the academic objective of the intern. Programs should be evaluated to ensure the definitions and criteria articulated above are followed. This is particularly important for unpaid internships exempt from the requirements of the Minimum Wage Act and Orders.

Dream Careers will help you to ensure that the guidelines for unpaid internships are followed, managed, and delivered.

How we support you and our Internship Program.

For 17 years, as a Managed Internship Program Provider Dream Careers has coordinated the framework required to support and define Internship best-practices to ensure that you are legitimately and ethically running an Internship Program that meets and exceeds the objectives of students, colleges and universities, and employers.

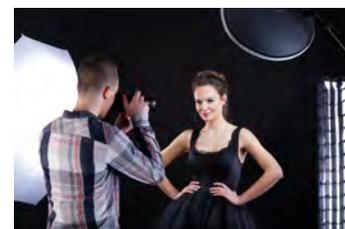
We align Academic Merit, Employer Practices, and the Intern Experience to the criteria that defines an internship set by the FLSA, NYLL, and the Primary Beneficiary test, this includes:

Academic Merit – To ensure that an internship is educational, and thus eligible to be considered a legitimate internship, we align all educational learning objectives/goals to academic credit with the intern's university. This is in support of their learning and serves as an extension of the classroom.

Employer Practices - While academic credit alone cannot legitimize a paid/unpaid internship experience, in order to be identified as an internship. We coordinate with each employer to ensure that supervision for the skills and knowledge provided to the intern are not simply to advance the operations of the employer, but designed to benefit the intern's knowledge of the industry.

Intern Experience – Our comprehensive programs provide housing, meal plans, planned program events, daily transportation to and from work, and career oriented training to ensure that the employer objectives are aligned to academic requirements and are for the benefit of the intern. Our programs make for a fun, safe, and extremely valuable experience for college students to explore a career in their desired city.

Via our structured academic internship program educational institutions and employment professionals can work collaboratively to ensure that an experience meets and adheres to the criteria noted above so that you can be confident in the internship experience that you provide.



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About Dream Careers

Dream Careers is the premier internship program provider, offering internship programs around the world. Founded in 2000, Dream Careers has placed over 17,000 participants. For more information please visit the website at www.SummerInternships.com.

As always please contact us at: Info@dreamcareersinc.com

1-800 251-2933

Dream Careers, Inc.