

**NAU Business Administration Department**

**For-Credit Internship Information for Employers**

NAU’s Business Administration Department strongly encourages MBA and undergraduate Business Administration students to enhance their knowledge and skills through internship experiences during their time at NAU. Internships provide students with opportunities to apply classroom learning, experience professional work environments, and explore career paths. In addition to the valuable experiences an internship can offer, students may also receive academic course credit if all requirements for the internship are fulfilled.

Businesses receive many benefits as well from creating internship positions. Interns can bring in a fresh, new perspective and be a surprising source of inspiration on projects, processes, strategies, and plans. Their enthusiasm and motivation can be catchy and help improve the overall atmosphere in the office. Businesses who are willing to help interns learn the ropes not only give students an opportunity to find out what it’s like to work in a specific business field, but on a larger scale also contribute to strengthening the workforce of the future.

**What is the process for employers?**

Step 1. Determine characteristics of the internship.

*Paid or Unpaid*. Some companies offer paid internships while many others go the traditional route of an unpaid internship. Paid internships may initially attract more applications for the internship position, but students will also seek out unpaid internships where they feel confident they will gain valuable knowledge, work experience, training, and professional contacts. For details on what qualifies as an unpaid internship, please refer to Appendix A which contains the U.S. Department of Labor’s Fact Sheet #71: Internship Programs under the FLSA.

*Part-Time or Full-Time*. Internships should be part-time during the Fall and Spring semesters. During the summer session, internships can be full or part-time. For-credit internships require that students complete a minimum of 135 hours for the internship.

*Start and End Dates*. The internship start and end dates should fall within an academic semester or summer session. For planning purposes, the Fall semester is generally the last week of August to the first week of December. The Spring semester is generally the last week of January to the first week of May. The Summer session generally runs from the last week of May to the first week of August.

*Learning Agenda*. Define elements that will make the internship a valuable educational experience. Identify what type of training, either formal or on-the-job, will be provided.

Step 2. Create an internship announcement.

NAU’s Business Administration Department posts internship announcements it receives from businesses and other organizations in an online learning management system. Registered undergraduate Business Administration students and MBA students at NAU will be able to view announcements posted in the system. A sample template for the internship announcement is in Appendix B.

Step 3. Select intern and prepare an offer letter.

Students will send required application documents directly to the company. Students are interviewed and selected by the company. Once a final selection is made, the company should prepare an offer letter for the student. A sample offer letter is in Appendix C. Once the student accepts the offer, the student will request a signature from the person at the company who will be his/her supervisor on the signed Internship Commitment Form, see Appendix D.

Step 4. During the internship.

The following activities can help the internship run smoothly:

* Set up an orientation to help the intern get acquainted with your workplace; include information about the mission, vision, policies, structure and culture of the company.
* In addition to the intern’s direct supervisor, assign a mentor to the intern.
* Set goals and expectations for the internship, and schedule meetings to check progress.
* Review and schedule time for training activities.
* Provide other colleagues with information about the intern’s projects, responsibilities, and schedule to facilitate the intern’s ability to make more professional contacts.
* Create opportunities for the intern to be involved with projects, meeting, committees, etc.
* Schedule a mid-semester evaluation with the intern to provide constructive feedback, answer questions, and make any needed mid-course corrections.

Step 5. After the internship.

* Complete an exit interview, the final internship evaluation form, and verify number of hours for the internship instructor at NAU; see Appendix E.

**Appendix A: Fact Sheet #71: Internship Programs Under The Fair Labor Standards Act**

Information source : <https://www.dol.gov/agencies/whd/fact-sheets/71-flsa-internships>

(Updated January 2018)

This fact sheet provides general information to help determine whether interns and students working for “for-profit” employers are entitled to minimum wages and overtime pay under the Fair Labor Standards Act (FLSA).[1](https://www.dol.gov/agencies/whd/fact-sheets/71-flsa-internships#1)

**Background**
The FLSA requires “for-profit” employers to pay employees for their work. Interns and students, however, may not be “employees” under the FLSA—in which case the FLSA does not require compensation for their work.

**The Test for Unpaid Interns and Students**
Courts have used the “primary beneficiary test” to determine whether an intern or student is, in fact, an employee under the FLSA.[2](https://www.dol.gov/agencies/whd/fact-sheets/71-flsa-internships#2) In short, this test allows courts to examine the “economic reality” of the intern-employer relationship to determine which party is the “primary beneficiary” of the relationship. Courts have identified the following seven factors as part of the test:

1. 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.
2. 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.
3. The extent to which the internship is tied to the intern’s formal education program by integrated coursework or the receipt of academic credit.
4. The extent to which the internship accommodates the intern’s academic commitments by corresponding to the academic calendar.
5. The extent to which the internship’s duration is limited to the period in which the internship provides the intern with beneficial learning.
6. 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.
7. 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.

Courts have described the “primary beneficiary test” as a flexible test, and no single factor is determinative. Accordingly, whether an intern or student is an employee under the FLSA necessarily depends on the unique circumstances of each case.

If analysis of these circumstances reveals that an intern or student is actually an employee, then he or she is entitled to both minimum wage and overtime pay under the FLSA. On the other hand, if the analysis confirms that the intern or student is not an employee, then he or she is not entitled to either minimum wage or overtime pay under the FLSA.

Where to Obtain Additional Information
This publication is for general information and is not a regulation. For additional information, visit our Wage and Hour Division Website: [http://www.wagehour.dol.gov](http://www.wagehour.dol.gov/) and/or call our toll-free information and helpline, available 8 a.m. to 5 p.m. in your time zone, 1-866-4USWAGE (1-866-487-9243).

**Footnotes**

1 - The FLSA exempts certain people who volunteer to perform services for a state or local government agency or who volunteer for humanitarian purposes for non-profit food banks. WHD also recognizes an exception for individuals who volunteer their time, freely and without anticipation of compensation, for religious, charitable, civic, or humanitarian purposes to non-profit organizations. Unpaid internships for public sector and non-profit charitable organizations, where the intern volunteers without expectation of compensation, are generally permissible.

2 - E.g., Benjamin v. B & H Educ., Inc., --- F.3d ---, 2017 WL 6460087, at \*4-5 (9th Cir. Dec. 19, 2017); Glatt v. Fox Searchlight Pictures, Inc., 811 F.3d 528, 536-37 (2d Cir. 2016); Schumann v. Collier Anesthesia, P.A., 803 F.3d 1199, 1211-12 (11th Cir. 2015); see also Walling v. Portland Terminal Co., 330 U.S. 148, 152-53 (1947); Solis v. Laurelbrook Sanitarium & Sch., Inc., 642 F.3d 518, 529 (6th Cir. 2011).

The contents of this document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

**Appendix B: Sample Internship Announcement**

Company/Organization’s letterhead/logo

Company/Org.: Company/Org. Name and Address

Title of Internship: For ex., Management Intern; Business Research Intern; HR Intern, etc.

Dept./Division: For ex., specify area(s)—Operations, HR, Finance, Marketing

Location: Address and/or indicate if virtual/online

Start and End Dates: Internship should be completed within one semester or summer session

 Summer session (generally the last week of May to first week of Aug)

 Fall semester (generally the last week of Aug. to first week of Dec.)

 Spring semester (generally the last week of Jan. to first week of May)

Work Schedule: Full or part time (should be part time during fall and spring semesters;

can be full time during the summer); expected number of hrs. per week;

state if schedule is flexible; each student is required to complete at

minimum 135 hrs during the internship

Salary: Paid or Unpaid

Description: Provide your organization’s background and mission statement;

Describe training the intern will receive; skills the intern will develop

Briefly outline the intern’s specific duties, tasks, projects

Qualifications: List preferences you have: for ex., prefer junior or senior level, MBA;

GPA of 3.0 or higher; business students in a particular concentration area;

students with advanced skills using Excel, presentation skills; students

fluent in other languages, etc.

How to Apply: Explain how student should apply and what documents are required

for ex., applications may be accepted through your website or via email;

documents reqd. may include: for example, application, resume,

cover letter, transcript, essay stating why the student is interested;

provide contact information and deadline to submit documents

**Appendix C: Sample outline for offer letter from employer**

Company/Organization’s letterhead/logo

Date

RE: For-credit Internship

Dear NAU Internship Instructor,

This letter is to confirm that (Company Name) is offering (Student’s Name) an internship position during the (Fall/Spring/Summer) of (year).

The start date will be:

The end date will be:

The hours per week will be:

(Internships require at least 135 hours of work.)

Internship position title:

Salary: Paid or Unpaid

Location:

(Student’s Name) will be reporting to (Internship Supervisor’s Name).

Email address:

Phone number:

As an intern with (Company Name) responsibilities will include:

List duties of the internship position.

Should you have any questions regarding the specifics of the internship, please feel free to contact me at (include preferred method email/phone).

Sincerely,

Employer Name, Title and Signature

**Appendix D. Internship Commitment Form**

This completed form, signed by the student, supervisor, and internship instructor, creates a commitmentu to the internship. If the student fails to complete all requirements of the internship course, you will not receive academic credit for the internship.

STUDENT INFORMATION

Name:

Address:

City, State, Zip:

Phone:

Email:

INTERNSHIP INFORMATION

Internship Start Date:

Internship End Date:

(Start and end dates must fall within the semester or summer session.)

Term and year you will register for the internship course:

SUPERVISOR INFORMATION

Supervisor’s Name:

Title:

Company:

Address:

City, State, Zip:

Phone:

Email:

We (Student and Supervisor) agree to the terms of the internship outlined above. We understand that an internship is to provide the student with a learning experience that has immediate real-world application(s). This internship will also provide the student with an opportunity to practice some of the concepts he/she has learned in the classroom and at the same time provide an opportunity to learn new skills and applications. The student understands the internship is conducted without entitlement to a paid job at the conclusion of the internship.

|  |  |  |
| --- | --- | --- |
| Name of Student | Signature of Student | Date |
| Name of Supervisor | Signature of Supervisor | Date |
| Name of Internship Instructor | Signature of Internship Instructor | Date |

**Appendix E - Intern Evaluation Form (to be completed by Supervisor)**

Please complete the following two-page evaluation form. The form can be used to structure a final summative conversation and conference with the intern, as the culminating event of the internship experience. You are free to share the evaluation and your responses with the intern. Please complete the evaluation form and return it to the Internship Instructor in NAU’s Business Administration Department or the Department Chair.

Intern Name:

Internship Dates:

Company Name:

Supervisor’s Name:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Rate your intern's preparation and performance** **in the following areas:** | **Excellent** | **Very Good** | **Satisfactory** | **Needs Improvement** | **Unsatisfactory** |
| Arrived at the appointed time |  |  |  |  |  |
| Behaved in a professional manner |  |  |  |  |  |
| Dressed appropriately |  |  |  |  |  |
| Effectively performed assignments |  |  |  |  |  |
| Showed ability to work with limited supervision |  |  |  |  |  |
| **Rate your intern’s skill sets:** |  |  |  |  |  |
| Application of management and analytical skills |  |  |  |  |  |
| Leadership and teamwork skills |  |  |  |  |  |
| Communication skills |  |  |  |  |  |
| Addressing and resolving ethical dilemmas |  |  |  |  |  |
|  |  |  |  |  |  |
| Overall rating of intern's performance and skill sets |  |  |  |  |  |

Describe how the intern's performance benefited your company:

What were the intern's strengths?

In what areas could the intern improve?

Other comments:

The student has successfully completed a minimum of 135-hours in this supervised internship.

|  |  |  |
| --- | --- | --- |
| Name of Supervisor | Signature of Supervisor | Date |