GUIDELINES FOR POSTING UNPAID INTERNSHIPS

When are interns considered employees?
If an employer uses interns as substitutes for regular workers or to augment its existing workforce during specific time periods, these interns should be paid at least the minimum wage and overtime compensation for hours worked over forty in a workweek. If the employer would have hired additional employees or required existing staff to work additional hours had the interns not performed the work, then the interns will be viewed as employees and entitled compensation under the Fair Labor Standards Act (FLSA).

Does your internship meet these guidelines?
The Department of Labor has been establishing firm guidelines regarding compensation for internships. In order to determine if an intern needs to be paid, the following six FSLA criteria must be applied:

1. The internship, even though it includes actual operation of the facilities of the employer, is similar to training which would be given in an educational environment.
2. The internship experience is for the benefit of the intern.
3. The intern does not displace regular employees, but works under close supervision of existing staff.
4. The employer that provides the training derives no immediate advantage from the activities of the intern; and on occasion its operations may actually be impeded.
5. The intern is not necessarily entitled to a job at the conclusion of the internship.
6. The employer and the intern understand that the intern is not entitled to wages for the time spent in the internship.

Learn more at http://www.dol.gov/whd/regs/compliance/whdfs71.pdf

If all of the factors listed above are met, an employment relationship does not exist under the FLSA, and the Act’s minimum wage and over-time provisions do not apply to the intern.

What is the average compensation for an intern?
Undergraduate students: $10-$20 per hour
Graduate students: $15-$30 per hour