



**Summer Internships and Wage and Hour Rules -
Must You Pay Your Interns?**

Fees and Burgess, P.C.,
Emphasizes:

Frequently, employers utilize the services of student interns during the summer, both in an effort to help provide students with valuable work experience and to help provide the company with additional, temporary labor. However, many employers run afoul of wage and hour laws related to these workers, and by doing so may expose their company to liability for violation of the Fair Labor Standards Act (FLSA).

As a general rule, any individual performing work that benefits your company must be paid at least the then-current minimum wage, and interns are no exception to this rule. Contrary to popular perception, most employers cannot simply title an intern as an unpaid intern and avoid wage and hour obligations under the FLSA. Aside from non-profit organizations or certain governmental entities, for-profit employers must analyze the work provided by the intern to determine whether it is legally required to pay the intern for his or her services.

The Department of Labor (DOL) has created a six-factor test to analyze whether an intern must be paid. The primary consideration is the purpose of the internship – is the intern simply shadowing workers and/or visiting a company for his or her own learning experience, or is the intern performing work that benefits the company? Specifically, to qualify as a true “intern” (who may be unpaid) as opposed to an “employee” (for whom wages are due), the DOL has stated that the internship must meet the following criteria:

- “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;
- The internship experience is for the benefit of the intern;
- The intern does not displace regular employees, but works under close supervision of existing staff;
- 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;
- The intern is not necessarily entitled to a job at the conclusion of the internship; and
- The employer and the intern understand that the intern is not entitled to wages for the time spent in the internship.”

General Civil Litigation

**Commercial Law &
Litigation**

**Municipal Law &
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**Police Civil Liability
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**Employment Law &
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Accordingly, companies should closely monitor any internship that it offers in light of these considerations. Minimum wage violations may expose the company to liability, and the DOL has the authority to enforce such violations regardless of whether the intern/employee chooses to force the issue. Furthermore, individuals may not waive their rights to minimum wage payments that are required by law, so any release or other settlement agreement would be ineffective in preventing such claims.

The DOL fact sheet regarding this information is available here:

<http://www.dol.gov/whd/regs/compliance/whdfs71.htm>.

Fees & Burgess, P.C. - Calendar of Events

Fees & Burgess, P.C., is proud to present, or participate in the presentation of, the following upcoming seminars/webinars.

July 19, 11:15–12:30; July 19, 2:30–3:45; July 20, 11:15–12:30; July 20, 2:30–3:45, July 21, from 9:30–10:45, Fort Lauderdale, Florida, Greater Fort Lauderdale Broward County Convention Center
[*NCMA 2010 World Congress*](#)

At the 2010 National Contract Management Association (NCMA) World Congress, Allen Anderson and Jeff Roth will be presenting *Logistically Speaking: Using Delivery Terms to Allocate Supply Chain Risks and Uniform Commercial Code, Parts 1 – 4*.

Uniform Commercial Code, Parts 1 – 4: The program, divided into four sections, covers an overview of the Uniform Commercial Code, Articles 1, 2, and 2A. This training is used as a fast track study session as preparation for the Certified Commercial Contracts Manager exam.

Part 1: July 19, 11:15 – 12:30 Part 2: July 19, 2:30 – 3:45

Part 3: July 20, 11:15 – 12:30 Part 4: July 20, 2:30 – 3:45



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June 2010

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Logistically Speaking: Using Delivery Terms to Allocate Supply Chain Risks: Contract professionals grapple on a day-to-day basis with risk and responsibility for transportation, warehousing, domestic and international regulation, and overall logistics, often as both exporters and importers. A thorough understanding of delivery terms, and their use and impact, is the only method by which such contract professionals can effectively manage their supply chains and control the associated risk.

Click [here](#) for more information on the 2010 NCMA World Congress.

September 1, 2010– Huntsville, Alabama, Holiday Inn, Research Park

Employment Law Survival Training for Managers: 10 Key Areas of Legal and Practical Knowledge

This daylong program, presented by Jeffrey Roth, Allen Anderson, and Leah Green, is a must for training managers and supervisors to recognize and deal with challenging employee issues that arise daily in the workplace. Attendees will learn key aspects of critical issues and how to work with existing company policies to address and resolve them.

The 10 key areas covered in the program will include:

- The Employment Relationship
- Company Policies/Handbook/Code of Conduct
- Equal Employment Opportunity
- Medical Issues in the Workplace
- Hiring/Promotion
- Wages/Hours/Compensation
- Labor Relations/Union Free
- Occupational Safety and Health Act of 1970
- Conflict Management/Grievances
- Discipline/Termination

This highly interactive program includes discussion of real-life scenarios encountered by supervisors, and how, and how not, to respond to each scenario or crisis. This program is designed to help managers and supervisors from small and large businesses recognize high-risk situations and minimize, or eliminate, those risks.

*Ask about group discounts.





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SPEAKERS

Fees & Burgess, P.C., provides speakers, training programs, seminars, and webcasts for various trade associations; business groups; and clients. For information regarding a program, contact seminars@feesburgess.com.

NEWSLETTERS

Fees & Burgess, P.C., also publishes *F&B Quarterly Bytes*, focusing on multiple practice areas; and *F&B SCM Memo*, focusing on the supply chain management industry. To receive any of these newsletters, please e-mail newsletters@feesburgess.com with your contact information.

To remove your name from our mailing list, please e-mail newsletters@feesburgess.com.

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“No representation is made that the quality of legal services to be performed is greater than the quality of legal services performed by other lawyers.”

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