

## FLSA-108

August 23, 1974

This is in reply to your letter of June 22, 1974, regarding the application of the Fair Labor Standards Act to students involved in an off-campus training program.

Our reply is based on information contained in your letter and program modifications resulting from conversations with our staff member \*\*\*. It is now agreed that the program will be as follows:

In the program, the student will spend an academic quarter (12 weeks) in residence at a selected radio or television station, while enrolled for 12 hours of academic credit. The student will pay the stated tuition to the University for the academic quarter. During the time the student is at the radio or television station he will receive on-the-job training, counseling, and instruction by observation. The radio or television station will prepare an evaluation report of training progress for forwarding to the University. The student, upon completion of the training program, will prepare a report of his training activities outlining the instruction received and any comments or observations concerning the program he considers appropriate. The training facility will not pay wages to the trainee. However, the University will make sufficient funds available in the form of a grant or scholarship to the student to defray part of the student's living expenses while off campus.

The criteria listed on page 3 of the enclosed pamphlet on Employment Relationship under the Fair Labor Standards Act were reviewed with you in your conversation with Mr. \*\*\* and it is your belief that the program will satisfy all of the requirements listed.

Based on your representations, we would not assert an employer-employee relationship when college or university students are engaged in on-the-job training which is a prescribed part of the educational opportunities provided to those students selected to participate in the program, is oriented to each student's curriculum, and is predominantly for the benefit of the students. The payment of a stipend or scholarship is not considered to establish the relationship so long as it does not exceed the reasonable approximation of the expenses incurred by the trainee taking the course or where it serves as an allowance for subsistence.

If you have further questions, we suggest you contact the Wage and Hour Division office at Room 25 Federal Building, 600 East Monroe Street, Springfield, Illinois ( telephone: 217-525-4060). The people in that office will be pleased to assist you in any way possible.

Sincerely,

Betty Southard Murphy  
Administrator  
Wage and Hour Division

Enclosures