

**BOARD OF HIGHER EDUCATION**

**REQUEST FOR COMMITTEE AND BOARD ACTION**

**COMMITTEE:** Fiscal Affairs and Administrative Policy      **NO.:** FAAP 14-24

**COMMITTEE DATE:** December 3, 2013

**BOARD DATE:** December 10, 2013

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**APPROVAL OF AMENDED STATE UNIVERSITY INTERNSHIP INCENTIVE  
PROGRAM GUIDELINES**

**MOVED:**            The Board of Higher Education hereby adopts the following amended  
guidelines for the State University Internship Incentive Program.

**Authority:**            Massachusetts General Laws, Chapter 15A, Section 9 and 9B; Section  
2 of Chapter 139 of the Acts of 2012 (Item 7066-0000).

**Contact:**            Sean P. Nelson, Deputy Commissioner for Administration and Finance  
Fiscal and Administrative Policy

## **Background**

On December 4, 2012 the Board of Higher Education, through FAAP 13-2, approved guidelines for the State University Internship Incentive Program, outlining the parameters and responsibilities for student, employer and educational institution participation in the program.

The State University Internship Incentive program (SU-II) is designed as a complement to employer internship programs to incentivize and support more students, and a diverse community of students, to participate in important experiential educational opportunities in Health Care, Life Sciences, Information Technology and Advanced Manufacturing.

This program addresses the Vision Project's workforce development three core goals, (1) to address competency needs in innovative and high-growth sectors, (2) strengthen student interest and success in STEM and (3) reduce gaps in STEM fields for African-American, Latino and female students. Overall, a student internship program is a well established strategy to interest and engage students, especially those who have limited prior exposure to careers in key economic sectors, about prospective job opportunities in high-demand fields.

At this time, less than half of our students are currently eligible for this program based on the minimum 3.0 GPA currently required in the guidelines. DHE recommends lowering the qualifying GPA's from 3.0 to 2.75; this will increase eligibility to just over two-thirds of criteria-eligible students. Further, the proposed adjustment would broaden the eligibility of the program and assist the State Universities in their efforts to spend their full allocation in FY2014.

**BOARD OF HIGHER EDUCATION**  
**STATE UNIVERSITY INTERNSHIP INCENTIVE PROGRAM**  
**GUIDELINES**

**PURPOSE**

An incentive program to promote and support increased university-level student participation in employer sponsored internships. This program will raise awareness and interest of a greater and more diverse community of students in career opportunities related to the student's academic program of study and contribute to increased program completion and institutional graduation requirements.

**DEFINITIONS**

**ELIGIBLE INSTITUTION:** State universities within the system of public institutions of higher education as identified in Section 5(ii) of Chapter 15A of the Massachusetts General Laws.

An eligible institution electing to participate in the State University Internship Incentive (SU-II) program is required to sign an Institutional Agreement with the Department of Higher Education, which outlines all responsibilities and requirements for the award of stipends to students in support of their participation in internship placements, as outlined in these guidelines.

**INTERNSHIP:** A supervised work-based learning experience for Massachusetts state university-level students intended to develop awareness and stimulate interest in fields of work and careers. Such work placement shall relate directly or indirectly to the student's academic program of study and be designed to impart relevant knowledge and skills reflected in requirements to enter a range of possible careers.

Internships for this program may be compensated or not, consistent with U.S. Department of Labor requirements.

[Http://www.dol.gov/whd/regs/compliance/whdfs71.htm](http://www.dol.gov/whd/regs/compliance/whdfs71.htm).

**STIPEND:** A sum of money provided to a student for financial assistance to offset costs directly associated with participation in an approved internship, including; tuition, fees, and/or related educational or student support expenses (e.g. travel expenses to and from the externship site) necessary for participation in the internship program

**ACADEMIC PROGRAM AND INTERNSHIP ELIGIBILITY**

Any state-supported undergraduate degree or certificate program offered by an eligible institution qualifies for this program.

- Internships must be directly or indirectly related to a student's program of study and must be approved in advance by a faculty supervisor in regard to the relevance of the leaning objectives to the student's course of study.
- Internships shall qualify for academic credit recognized by the academic department governing the student's program of study. The amount of the credit award shall be

determined by the governing academic department. The award of credit shall be based upon successful completion of the work requirements defined by the sponsor organization and the learning expectations defined by the academic institution.

- The duration of a qualifying internship shall be no shorter than any defined academic term or session to qualify for credit award. The internship may be scheduled to begin or end at times that are outside of but adjacent to the scheduled academic term or session to accommodate the sponsors work schedules, e.g. a summer internship following the spring academic term or prior to the fall term or a winter inter-session.
- Student learning progress during the internship shall be monitored by a faculty supervisor in collaboration with the sponsor organization's internship site supervisor. Specific obligations of the employer to plan the internship, and supervise and evaluate the student's successful completion of the internship shall be defined in an institutional agreement between the university and employer.
- Priority shall be given to internship sites located within the Commonwealth. Internships in Massachusetts based businesses and industries will promote future employment opportunities for students, better align the curriculum of our academic programs with the needs of key industry sectors and address the workforce needs of local employers for a highly-skilled and educated workforce.
- Specific programs that regularly provide specialized student internships in out-of-state placement are also eligible for this program. Individual exceptions may be approved by the governing academic department when the exception offers a uniquely valuable and relevant workplace experience for students that cannot be readily attained within the Commonwealth.
- To promote broad student participation in internships across academic departments, no single academic program shall represent more than 50% of the institution's available funds for this purpose.
- International internship placements are not eligible for student stipends from this program.
- Eligible institutions electing to participate in the State University Internship Incentive (SU-II) program are required to sign an Institutional Agreement which outlines all responsibilities and requirements for the awarding of funds, student support services, and data sharing with the Department of Higher Education.

### **STUDENT ELIGIBILITY FOR INTERNSHIP STIPENDS**

To be eligible to participate in this program, students must:

- be enrolled full-time in an undergraduate program of study at an eligible institution;
- be a permanent legal resident of Massachusetts for at least one year prior to the start of the academic year;
- be a United States citizen or a non-citizen eligible under Federal Title IV guidelines;

- be an undergraduate certificate or degree-seeking student enrolled full-time in a Massachusetts public state university, and has not earned a prior bachelors degree;
- maintain a cumulative 3.0-2.75 GPA on all academic coursework in accordance with institutional standards;
- annually file the Free Application for Federal Student Aid (FAFSA);
- if required, be in compliance with applicable law regarding Selective Service Registration;
- not be in default with applicable law regarding any Federal or State student education loans for attendance at any institution or owes a refund for any previous financial aid received; and
- meet any additional institutional eligibility or selection criteria, which may include financial need or merit considerations.

### **MATCHING REQUIREMENT**

This program requires a committed one-for-one match of private funds for each dollar of state appropriated funds. Each state university will conduct general fundraising to secure matching funds. Any gift or donation made to the institution or its foundation for the express purpose of supporting internships or other gifts or donations made available through general fundraising by the institution and assigned as matching funds to the internship incentive program in the current fiscal year will qualify to meet this matching requirement.

- No other state funds, including any other state-assisted internship stipends, may be counted as a match.
- Documentation of all claimed matches must be maintained by each state university consistent with generally accepted accounting practices, including for wages and/or stipends.

### **ALLOTMENT OF STATE FUNDS**

To promote broad-based student participation in internship placements across academic departments, statewide, and to provide a minimum baseline of funding for each campus, 50% of available state funds shall be allotted equally to each eligible institution and the remaining 50% shall be allotted on the basis of each institution's percentage of full-time enrolled undergraduate students across the State University system.

### **STIPEND AWARD VALUE**

To promote broad-based student participation in internship placements, students are only eligible for one stipend award from this program. The maximum student award under this program is \$5,000 per internship. Individual awards shall be determined by each institution to include a base award plus the option of an additional award up to the \$5,000 limit for extraordinary expenses..

### **AWARD PROCEDURE**

Participating institutions are required to verify the enrollment status of all students identified to participate in the SU-II program. Based on enrolled status and upon verification of Grade Point Average (GPA), the institution shall disburse stipends to all eligible students through the standard procedures used for disbursing state financial aid funds. Such disbursement may occur at the beginning of the academic term in which the student commences the internship program.

If a student is participating in an internship program that requires a mandatory program fee, the institution may forward such funds to the agency on behalf of the student, once invoiced. Such payments may not exceed the maximum stipend available to a student under this program.

Payments must be provided directly to each student, unless a balance is owed to the institution for direct charges.

### **ANNUAL REVIEW**

The Department of Higher Education is responsible for evaluating the effectiveness of this program. Institutions that have signed an agreement to participate in this program are required to share data (for all students involved in the SU-II) with the Department of Higher Education. The program may be evaluated annually in an effort to determine any immediate impact or to determine if adjustments are required for various processes, such as disbursement of funds.

### **PARTICIPATION AGREEMENTS**

Campuses participating in the SU-II pilot must also execute an Institutional Agreement, which outlines all terms and responsibilities between the institution and the Department of Higher Education.

### **AUDIT REQUIREMENTS**

It shall be the responsibility of each college and university to maintain documentation of a recipient student's eligibility for the SU-II program.

The Commissioner shall require each campus to furnish annually to the Board of Higher Education a report detailing specific information regarding recipients of the SU-II.

All financial books, records and documents pertaining to this program shall at all times be open to inspection, review, and audit by the Commissioner, the State Auditor or their authorized representatives who shall have access to the premises wherever such books, records, and documents are located. The institution shall retain such financial books, records, and documents for seven years. An institution may retain such records for a period of five years if approval is received from the Records Conservation Board in accordance with General Laws, Chapter 30, Section 42.