organization must require the employer to pay the non-Federal share of the student earnings.

(2) The institution may enter into an agreement with an agency or organization that has professional direction and staff.

(3) The institution is responsible for ensuring that—
   (i) Payment for work performed under each agreement is properly documented; and
   (ii) Each student’s work is properly supervised.

(4) The agreement between the institution and the employing agency or nonprofit organization may require the employer to pay—
   (i) The non-Federal share of the student earnings; and
   (ii) Required employer costs such as the employer’s share of social security or workers’ compensation.

(c) FWS general employment conditions and limitation. (1) Regardless of the student’s employer, the student’s work must be governed by employment conditions, including pay, that are appropriate and reasonable in terms of—
   (i) Type of work;
   (ii) Geographical region;
   (iii) Employee proficiency; and
   (iv) Any applicable Federal, State, or local law.

(2) FWS employment may not—
   (i) Impair existing service contracts;
   (ii) Displace employees;
   (iii) Fill jobs that are vacant because the employer’s regular employees are on strike;
   (iv) Involve the construction, operation, or maintenance of any part of a facility used or to be used for religious worship or sectarian instruction; or
   (v) Include employment for the U.S. Department of Education.

(d) Academic credit and work-study. (1) A student may be employed under the FWS program and also receive academic credit for the work performed. Those jobs include, but are not limited to, work performed when the student is—
   (i) Enrolled in an internship;
   (ii) Enrolled in a practicum; or
   (iii) Employed in a research, teaching, or other assistantship.

(2) A student employed in an FWS job and receiving academic credit for that job may not be—
   (i) Paid less than he or she would be if no academic credit were received;
   (ii) Paid for receiving instruction in a classroom, laboratory, or other academic setting; and
   (iii) Paid unless the employer would normally pay the person for the same position.

(Approved by the Office of Management and Budget under control number 1845–0019)

(Authority: 42 U.S.C. 2753)