

SelfInformed

Published by the National Association for the Self-Employed

April 2014



NASE Member
Mary G. Mora



Teens and Students:

Help for Your Company When You Need It

By Sallie Hyman



Affordable help can be difficult to find for small businesses, especially when only part time or seasonal help is needed. Several sources for this help include teenagers, interns and foreign students. These potential employees can bring with them enthusiasm, eagerness to learn, and a vast wealth of untapped knowledge.

When hiring teen employees, think beyond what they can do at the cash register or stock room. Teenagers and young adults are in touch with the latest trends and youth culture that can help a business get a pulse on what's to come. They are also experts in social media and technology and can help businesses expand their marketing platforms (think [Instagram](#), [SnapChat](#)), become familiar with the Cloud, or help with website design.

Small business owners need to be aware of the regulations governing the hiring of teenagers. The [Fair Labor Standards Act \(FLSA\)](#) is a good resource, as is the [Youth Rules](#) website that is geared at parents and teenagers. The rules are rather specific and include:

No worker under 18 may:

- Operate a forklift at any time.
- Operate many types of powered equipment like a circular saw, box crusher, meat slicer, or bakery machine.
- Work in wrecking, demolition, excavation, or roofing.
- Work in mining, logging, or a sawmill.
- Work in meat-packing or slaughtering.
- Work where there is exposure to radiation.
- Work where explosives are manufactured or stored.



Recent changes in the law state that minors under 17 may not drive a motor vehicle; 17-year-olds may drive occasionally, if they meet certain requirements.

Also, no one 14- or 15-years-old may:

- Bake or cook on the job (except at a serving counter).
- Operate power-driven machinery (except certain types that pose little hazard such as those used in offices).
- Work on a ladder or scaffold.
- Work in warehouses.
- Work in construction, building, or manufacturing.
- Load or unload a truck, railroad car, or conveyor.

For young workers between the ages of 14 and 15, work hours are as follows:

- Not before 7 a.m. or after 7 p.m. between Labor Day and June 1 and not after 9 p.m. between June 1 and Labor Day.
- Not during school hours

Maximum hours when school is in session are as follows:

- 18 hours a week, but not over:
 - 3 hours a day on school days
 - 8 hours a day Saturday, Sunday, and holidays

Maximum hours when school is NOT in session are as follows:

- 40 hours a week
- 8 hours a day

By law employers must provide:

- A safe and healthful workplace.
- Safety and health training in many situations, including providing information about chemicals that could be harmful to your health.
- For many jobs, payment for medical care if you get hurt or sick because of your job. You may also be entitled to lost wages.
- At least the minimum wage of \$7.25/hour to most teens, after their first 90 days on the job. Many states have a higher minimum wage than the federal wage. Lower wages may be allowed when workers receive tips from customers, provided that the tip plus the wage is equal to minimum wage. (Call your State Department of Labor listed in this guide for information on minimum wage in your State or visit <http://www.dol.gov/whd/minwage/america.htm>.)



Interns are another source of eager, educated, and often free help. Internships can be paid or unpaid. The determination of whether an internship or training program can be considered unpaid depends upon the following six criteria:

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.

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 overtime provisions do not apply to the intern.

Internships should have a formal structure with a written plan regarding intern qualifications, scope of duties, and learning goals. NASE Member Council member Gary Gygi, President of Gygi Capital Management in Cedar Hills, Utah, concurs that the internship should be formally structured.

“We recently had a not as positive as anticipated experience with an intern,” he says. Gygi’s firm offered a paid internship. “I think it was partly not having the right candidate and partly not having the program and expectations well outlined from the start.”

Interns expect to learn about your industry and to benefit from your experience. They are hoping to gain college credit and a foot in the door of their chosen profession. You will expect interns to be interested in what you do and be eager to learn. This means that you need to carefully screen intern candidates to ensure they are a good fit for your business. Gygi says he is definitely interested in trying the internship program again, but will define the program from the outset and offer a larger salary.

Not all interns are going to be at the same level, but that is ok. You can benefit from them all, whether it is the latest information brought from their recent course work, general enthusiasm, or good old-fashioned hard work.

An often overlooked source of affordable help are foreign students. These students are here on F-1 or J-1 visas that allow for employment under certain conditions. The work must be within their area of academic study and is limited to a certain duration of time.

Practical training is a legal means by which F-1 students can obtain employment in areas related to their academic field of study. Students, in general, must have completed one academic year (approximately nine months) in F-1 status and must maintain their F-1 status to be eligible for practical training.

Exchange students enter the United States on a J-1 visa. Practical training is called “academic training” for J-1 visa students. International students on J-1 visas are eligible for up to 18 months of academic training. Post-doctoral students are permitted three years. Some J-1 program participants are also allowed to work part-time during the academic program.

Training Teen Employees

Teenagers can provide flexible and affordable help for your business. To get the most from these young employees, it is very important to provide them with proper training. What you teach them now will not only help your business, but will also establish (hopefully) strong work and professional skills and ethics that they will take with them into their future careers.

Training should focus on safety and those skills related to their position. Training should be conducted in short sessions. When possible, make the sessions interactive and interesting. Today’s youth are used to quick sound bites of information and being entertained by YouTube videos. Make sure your training program keeps them involved so they actually digest the information you have presented.

Safety

We take a lot for granted in the workplace because we have been in it for so long. For many teenagers, your company may be their first experience in a workplace. Safety should be a top priority in training. Educate teen workers on the safety hazards that exist, such as how to handle sharp instruments, how to identify electrical hazards, improperly stored items, and so forth.

Make sure teen workers know how to protect themselves against physical hazards, such as noise, lighting and sunlight, and extreme temperatures. Teen workers should understand how to minimize stress on the body while performing certain tasks, such as lifting and shelving objects.

Make sure workers are properly trained to handle harmful substances, and know what to do in case of an emergency. Harmful items may include toxic chemicals, metals, solvents, cleaners, and so forth. If all workers clean up after themselves, many falls and tripping hazards can be prevented. Teach teens to clean up spills immediately, clean up items left in walkways, and encourage them to wear shoes with tread to avoid slipping.

All teen workers should know what to do in the event of an emergency. Make sure teen workers know building exit routes in the event of a fire, and understand the protocol for reporting incidents to emergency resources such as 911. OSHA has posters and webpages that can help explain safety measures as well.

Job Skills

Just as with safety issues, teens may never have had any experience with the basic skills necessary to be successful as an employee. Professionalism, and what that means, may not occur to them to apply to their job scooping ice cream. But it is critically important.

You can instill the values of professionalism by having short training sessions that outline your expectations and your reasoning for those expectations. These can be as basic as discussing punctuality and what to do if they are not able to make their scheduled shift.

Another topic may include how to deal with customers. This should include how to act politely, what to do if they are not sure of an answer, and how to deal with dissatisfied customers. Teens may not know how to handle angry customers and can become easily stressed, so preparing them in advance will help them to make the customer happy and to prevent stress on themselves.

Another important topic to cover is use of personal electronic devices and social media while working. The use or prohibition of texting, Facebook, Snapchat, phone calls, etc. needs to be made clear at the outset.

Finally, don’t forget to ask if your young employees have any questions or input. They may be particularly interested in some facet of the business and want extra training. Encourage and foster curiosity and you may just find your next top employee.

Despite what employers think, it is not difficult to hire foreign students. Fortunately, there is little paperwork for an employer who hires F-1 or J-1 students. All paperwork is handled by the students, the school, and Citizenship and Immigration Services. There are no fees involved.

Gygi is a fan of hiring foreign students. "All of our foreign student hires have been extremely hard working and have extra drive. I think they sense the opportunity they are given and seize it," he says, but cautions that there are a few hurdles for businesses. It is very important to know the laws and to know whether the student will require a sponsor.

Hiring foreign students can actually save an employer money. These employees are subject to applicable federal, state, and local taxes, but they

are exempt from Social Security and Medicare tax requirements. And, of course, foreign students are eligible to take unpaid, voluntary internships as well.

Again, look to these students for more than just menial labor. They can provide you with a cross-cultural assessment of your business, inform you regarding the trends in your industry in their country, and perhaps also give you insight into the benefits of diversity.

Finding affordable help for small businesses can be a challenge. Finances are always a concern, yet it often takes extra help to make the business successful. Fortunately there is a pool of affordable and often free employees ready and willing to make your business thrive.



Employing teenagers and interns allows small businesses to have the manpower they need at a price they can afford. In turn, these employees can bring a wealth of youthful enthusiasm, the latest knowledge direct from educational institutions, and of course, their tech-savvy expertise that can be a life-saver for many businesspeople. ■

Sallie Hyman writes on small business issues and owns and operates her own small business in Purcellville, Virginia.



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Ask The Experts

Q: *My husband and I operate a corporation together, although business has slowed considerably. Last October, my husband got a job as a full-time employee for a government agency in Alaska, but he does most of the work remotely (there are others in the office who are also based elsewhere). However, he is required to show up in-person for two weeks each in January and April. We are wondering what, if any, of his related expenses can be deducted? Here are some examples of things we have purchased that we hope can be deducted:*

- **A second cell phone to be on-call at all times**
- **Plane tickets to Alaska for his face-time with his employer**
- **Internet/phone plans for teleconferences with his employers and fellow staff while working remotely**
- **Transportation, food and lodging while in Alaska**

A: The business expenses, including *all* those you mentioned, will be deductible but won't be included on the corporate tax return but instead must be included on your Schedule A, Itemized Deductions. The key point is that any expenses that he incurs in connection with his full-time job that are not reimbursed will be deductible.

GET MORE ANSWERS

The NASE's small-business experts are here to help you understand the ins and outs of operating a successful small business. Access to these professionals is free with your NASE Membership!

Just go online to the [NASE Business Learning Center](#) where you can ask the experts questions about:

- Taxes
- Marketing
- Financial issues
- Employee relations
- Accounting rules
- And much more

The experts are available 24/7 and ready to help!

The downside is that the non-reimbursed employee business expenses are subject to limitation. Only the amount that is over 2 percent of your Adjusted Gross Income will end up being deductible on the return. In other words, if he has \$2,500 in employee business expenses, and your AGI per your tax return is say, \$100,000, then 2 percent of that gross income, or \$2,000, will be the "floor" for deductibility, meaning the deduction will end up being \$500.

If your total costs are close to the floor for deductibility, you might consider getting a bit more aggressive with things like business meals, strategic planning meals, office supplies, and things like that which you already spent anyway but most likely were related to business and could be included. My best guess is that you and your husband had a dinner or lunch or something like that at least once a month, where the entire meal conversation was solely dedicated to managing the business.

Keith Hall, NASE Tax Expert ■

Member Spotlight

Speaking of Success. . .

Mary G. Mora, founder of MGM Speakers Bureau, has been a NASE member since 2011. Her company is a talent agency that provides speakers for a wide range of engagements – they include inspirational and motivational speakers, keynote speakers, entertainers, masters of ceremonies, athletes, international authors, training consultants, life/business coaches, and more. MGM Speakers Bureau is located in Winston-Salem, North Carolina.

What inspired you to enter the field you are in?

I attended a variety of events/conferences where no new information was being shared, and others where it seemed that the presenters were only interested in selling their products. I wanted to participate in events where the person had a passion for what they shared, and audiences were left with content that they could use afterwards.

When and why did you start your business?

In January 2009 I filed my sole-preneurship. Having my own business was number one on my bucket list.

How do you market your business?

I market my business mainly through social media, word of mouth, and remaining in contact with business connections and building relationships with them. We are based in North Carolina and available worldwide, it's fun to connect with professionals all over the world.

Your title is “Abundant Talent Connector.” Tell us about that.

The title “Owner” did not do it for me. I have been blessed with the talent that we represent. We have inspirational, keynote, motivational speakers, as well as athletes, entertainers, life coaches, training consultants, and more. So connecting our talented individuals with meeting planners, associations, and organizations that need customized programs is what gave me the idea for my title Abundant Talent Connector.

You also have a radio show called “Abundant Business Knowledge.” How does that tie in to your business and how does it help you market your company?

Providing free information that others can use gives us the opportunity to spotlight our guests and gives them the opportunity to share their knowledge and products to our listening audience. The majority of our radio show guests are members of MGM, but we've also had guests that do not belong to MGM. This is another way that helps with Word of Mouth Advertisement to market our Talent Agency.



Member Spotlight

There are number of highly successful speakers bureaus across the nation. What makes yours special and unique?

Being persistent, having high ethics and values, and listening to the needs of others works for MGM. We are also members of the International Association of Speakers Bureaus (IASB) and as members we abide by a Code of Ethics. Staying positive and Thinking Big! also helps.

You are a founding member of the Women Speakers Association. Tell us about that organization and your role in it.

“Women Speakers Association (WSA) is the go-to place for innovative leaders, change-agents and women with a message to connect, collaborate and grow their visibility worldwide in order to fulfill their mission.” As a WSA founding Premier member, my role is to support the organization’s vision and participate in the activities that it offers.

What challenges have you faced in your business? How have you overcome them?

Having your own business definitely brings trials and tribulations. There are both time and financial challenges. I learned that I cannot do everything by myself, and there is nothing wrong with asking for help. Also if you can build a relationship with a competitor you may be able to share things that have been done and worked that you have not tried, and become a sounding board for each other.

What’s the best thing about being self-employed?

Although sometimes it may be a 24/7 day, you are able to set your own hours most of the time. Having the satisfaction of an accomplishment is worth it!

Learn More in the NASE Small Business Locator

Learn more about Mary G. Mora and MGM Speakers Bureau in the [NASE Small Business Locator](#) directory, where the company is listed under [Business Services: Event Speakers](#), [Business Services: Motivational Speakers](#), and [Entertainment: Event Speaker](#). You can [add your own company](#) to the NASE Small Business Locator in up to three categories at no charge – it is a free benefit to NASE members.

Where do most of your business leads come from and how do you get them?

Staying in touch with your connections, being a good listener and showing them that you do care, and asking them how you can help them. People will remember you! Asking for referrals and following up with them is another good way for receiving leads.

What’s the best compliment you’ve ever received from a client?

One client said, “Thank you for helping to make our conference a success. The speaker you were able to send was an inspiring speaker. We need more speakers like him to come talk to our organization.”

Which NASE member benefit is most important to you?

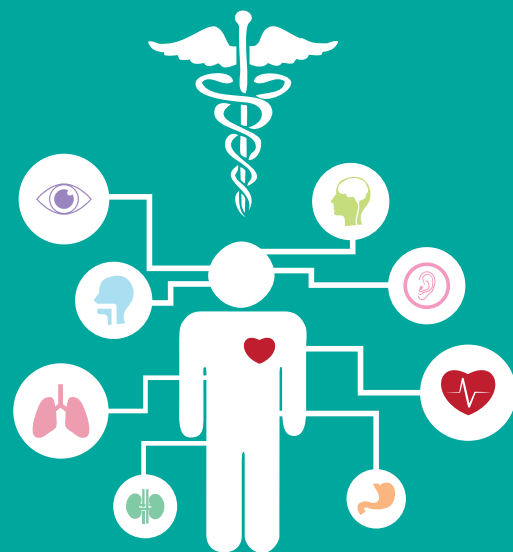
There are two benefits that are the most important for me: Advocacy information and the Expert Advice. ■

GET PUBLICITY FOR YOUR BUSINESS!

Your business could be featured in the *SelfInformed* Member Spotlight or another NASE publication. Let us know you’d like to be featured and tell us more about your business on our [Publicity Form](#).

Federal Guidance on HRAs Offered by Small Businesses

REQUIRES CLARIFICATION



By Katie Vlietstra

On September 13, 2013, the Departments of Treasury, Health and Human Services, and Labor released [Technical Release No. 2013-03, "Application of Market Reform and other Provisions of the Affordable Care Act to HRAs, Health FSAs, and Certain other Employer Healthcare Arrangements."](#)

The guidance stipulates that an employer that offers an HRA to two or more employees, but does not offer a group health care plan, is not compliant with annual limit regulations and the business would be subject to penalty. However, a single employee business can still offer an HRA plan and would not run afoul of compliance issues under the ACA.

The NASE does not believe that an HRA should be viewed under any circumstance as a qualified

group plan and we do not disagree with the following assessment within the technical guidance, "HRA 105 Plans, by definition, will not meet the requirements of an ACA compliant health insurance plan."

Established in 2002, Health Reimbursement Arrangements (HRAs) or Health Reimbursement Accounts are employer-funded, tax-advantaged employer health

benefit plans that reimburse employees for out-of-pocket medical expenses and individual health insurance premiums. Health Reimbursement Accounts are funded solely by the employer,

and cannot be funded through employee salary deductions. The employer sets the parameters for the Health Reimbursement Accounts, and any unused funds remain with the employer. There are only two requirements to establish an HRA plan: 1) the plan must be in writing; 2) The plan must be non-discriminatory (i.e. each employee receives the same reimbursable rate).

The National Association for the Self-Employed (NASE) believes the technical guidance misinterprets the intent of the ACA as it relates to these types of tools used to provide financial support to employers with less than 50 employees.

HRAs should be viewed as a tool used by businesses with fewer than 50 employees to provide some monetary relief for out-of-pocket medical expenses incurred by the employee, including co-pays, prescription drug costs and health care deductibles.

The unintended consequence is that many groups have recommended that self-employed and small business owners discontinue using such plans until further notice. This reduces affordability, and therefore access to quality health coverage, which was the initial cornerstone of the ACA.

The NASE is calling on Congress to clarify, through legislative action, the applicability of HRAs by employers with 50 or fewer employees as a means of providing financial relief to their employees as it relates to out-of-pocket health care expenses. ■

An employer that offers an HRA to two or more employees, but does not offer a group health care plan, is not compliant with annual limit regulations and the business would be subject to penalty.

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