# The Strategic Value of Internships

This explores the strategic benefits of expanding internship opportunities within Nevada County government, the largest employer in the region. It presents research supporting the efficacy of local internships in talent development, employee retention, and community investment. The paper proposes continued budgetary support for \$599 intern stipends and argues that increasing internship supply is a critical investment in the future of local governance and workforce sustainability.

#### 1. Local Government as a Talent Incubator

Internships serve as "entry-level proving grounds" that allow individuals to build public service competencies and connections while providing real value to public agencies (National Association of Colleges and Employers [NACE], 2023). When hosted by a public entity like a county government, internships become powerful tools for workforce cultivation.

Numerous studies suggest that employees who live or were educated locally are more likely to remain in their jobs long-term, reducing turnover and recruitment costs (Swan et al., 2019). Moreover, when young people are exposed to meaningful work experiences in their home communities, they are more likely to envision and pursue long-term careers there (Harvard Kennedy School Government Performance Lab, 2022).

#### 2. Departmental Value and Organizational Benefits

Departments across Nevada County have reported that interns provide additional capacity, particularly in data collection, communications, outreach, and special projects. Beyond task completion, interns bring enthusiasm, fresh perspectives, and a willingness to learn emerging technologies (California State Association of Counties, 2023).

Departments can also derive long-term benefits by "auditioning" potential future employees through internships—effectively reducing the risks and costs of future hiring. Interns who perform well can be mentored into full-time roles, already acclimated to County systems, policies, and values.

#### 3. Barriers to Access: Demand vs. Supply

Despite strong demand from departments, intern supply remains limited. Anecdotal and survey-based evidence suggests that awareness, transportation, and financial concerns inhibit participation by many qualified local youth (Nevada County HR Department, 2024). This is especially true for low-income students who may not be able to afford unpaid or underpaid internships.

Continued provision of stipends—capped at \$599 to comply with tax and administrative requirements—helps mitigate financial barriers and widen access. The IRS recognizes \$599 as the maximum threshold for income not requiring issuance of Form 1099, making it a strategic amount for low-administration micro-compensation (Internal Revenue Service, 2023).

### **Budget and Policy Considerations**

Funding internship stipends at \$599 per participant is a cost-effective investment. For a fraction of the cost of a full-time position, departments can benefit from up to 12 weeks of intern contributions. The stipend also reinforces equity and accessibility for students who might otherwise be excluded from professional development opportunities.

Additionally, departments can be encouraged to include stipend allocations in their annual budgets. Central coordination through Human Resources can support matching interns to needs, tracking outcomes, and ensuring program equity across departments.

### Recommendations

To strengthen the internship program and address current limitations, this paper proposes the following:

1. **Expand the number of student-internship slots from 5 to 10** across all County departments, particularly in fields with high future hiring needs.

2. **Continue funding \$599 education stipends** per intern, ensuring accessibility and maintaining administrative simplicity through a combination of *Special Revenues and General Funds* 

3. **Increase collaboration with schools and workforce boards** to recruit local candidates and promote County student-internship programs.

4. **Encourage departments to identify new roles for interns**, including administrative support, communications, and community engagement projects

5. **Evaluate long-term outcomes**, including intern conversion to employment and impacts on recruitment pipelines.

### Conclusion

Internships are more than short-term staffing solutions—they are strategic investments in Nevada County's future. By increasing internship opportunities and maintaining equitable stipend support, the County can develop local talent, address workforce challenges, and foster a stronger sense of civic engagement among young residents. With minimal financial burden and maximum potential for return, expanding the internship program is a prudent and forward-thinking policy decision.

## References

California State Association of Counties. (2023). *Innovative Workforce Practices in California Counties.* 

Harvard Kennedy School Government Performance Lab. (2022). *Building Local Talent Pipelines: The Role of Municipal Internships.* 

Internal Revenue Service. (2023). *Form 1099 Filing Requirements*. Retrieved from <u>irs.gov</u> National Association of Colleges and Employers. (2023). *2023 Internship and Co-op Survey*. Nevada County. (2024). *Human Resources Annual Workforce Report*.

Swan, K., King, J., & Renaud, C. (2019). *Rural Recruitment and Retention: The Case for Local Hiring.* Journal of Public Administration, 45(2), 78-94.

# Summary: Expanding Nevada County Internship Program

- **Nevada County is the largest employer** in the region, uniquely positioned to support local workforce development.
- Internships are effective tools for:
  - Cultivating homegrown talent
  - Improving retention of local employees
  - Reducing recruitment and onboarding costs
- **Research shows local interns are more likely to stay** in their communities and pursue public sector careers.
- Interns provide value to County departments through:
  - Project assistance (e.g., data entry, communications)
  - Fresh perspectives and tech skills
  - Potential to convert into full-time hires
- There is strong departmental demand for interns, but limited supply due to:
  - Lack of awareness
  - Financial and transportation barriers
- \$599 stipends:
  - Help level the playing field for low-income participants
  - Avoid complex tax/HR requirements
  - Are cost-effective (low cost compared to full-time positions)

#### • Recommendations:

- Increase student-internship slots across departments from five to ten
- Continue and promote \$599 stipend support

- Partner with schools and workforce agencies to recruit locally
- Use interns in new roles (e.g., outreach, digital services)
- Track long-term outcomes (e.g., intern-to-hire pipeline)
- **Conclusion**: Expanding internships is a **low-cost**, **high-impact investment** in the County's workforce and civic future.

## **Guiding Questions**

### **Career Technical Education (CTE)**

- 1. How can the County sustainably expand internship opportunities while balancing fiscal constraints and department capacity (e.g., space, equipment)?
- 2. What measurable impact have interns had on your department, and how might their roles evolve to bring greater value?
- 3. How can a centralized or county-wide internship fund or resource pool be structured to maximize internship growth and equity across departments?