



Host Company Manual

The purpose of this document is to explain CDS training programs as well as program responsibilities of CDS, host companies, and participants. Our intention is to provide clear information and delineated responsibilities that will result in a quality program for participants as well as smooth administration for host companies and CDS.

CDS Training Programs

Overall, CDS International is responsible for selection, orientation, and monitoring of trainees within the United States.

CDS provides *Form DS-2019* (formerly IAP-66) *Certificate of Eligibility* to participants, subject to compliance with the U.S. Department of State, Bureau of Educational and Cultural Affairs (ECA) regulations, and arranges required health and accident insurance. CDS maintains contact with companies and explains the program and CDS' role in the program, as well as requests and oversees training plans/third party agreements. CDS distributes orientation materials and conducts orientation seminars for participants before the start of their program, and offers assistance wherever needed. CDS staff is available during the program to answer questions and help participants with any problems that may arise.

As the sponsor, CDS reserves the right to discontinue participants' programs at any time should CDS or ECA regulations not be met. CDS also reserves the right to reject program applicants who do not meet minimum participation requirements.

CDS Program Designation

ECA Authorization

The Bureau of Educational and Cultural Affairs (ECA) in the U.S. Department of State has designated CDS as the sponsor of an Exchange Visitor Program in accordance with the administrative regulations issued under the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87-256, also known as the Fulbright-Hays Act).

Program Fields

CDS may sponsor trainees in the following fields:

- **Arts and Culture**: graphics, painting, sculpture, crafts, ceramics, design, photography, and museum conservation and restoration.
- **Information Media and Communications**: general communications, mass communications, journalism, radio journalism, television journalism, film technology, printing and publishing, press and newspapers, electronic communications technology and news agencies.
- **Management, Business, Commerce, and Finance**: 1) Management: general business management and hotel management 2) Business: personnel, business statistics, operations, logistics, marketing, advertising, public relations, international business and international trade 3) Commerce and Finance: cost and financial administration, accounting, general finance, investments and securities, banking and commerce.
- **The Sciences, Engineering, Architecture, Mathematics, and Industrial Occupations**: 1) The Sciences: biology, chemistry, computer science and physics 2) Engineering: civil, architectural, construction, environmental, bio, electrical, electronic, computer, communications, mechanical, combustion, chemical, industrial and textile 3) Architecture: general, city planning, urban and landscape 4) Mathematics: general, analysis, logic, statistics and probability 5) Industrial Occupations: building and engineering.

Program Duration

CDS is authorized to sponsor programs of 2 to 18 months.

ECA website:

<http://exchanges.state.gov/education/>

J-1 Exchange Visitor Visa

What Is It?

The J-1 Exchange Visitor Visa provides for the exchange of students, scholars, trainees, teachers, professors, researchers, specialists, leaders in a specialized field of knowledge or skill, or other persons of similar description. CDS' program designation, as outlined above, is that of "trainee". The main purpose of the J-1 trainee visa is to provide individuals with bona fide practical training in the U.S. in their professional fields.

How Do Participants Apply for the Visa?

CDS prepares form DS-2019 (Certificate of Eligibility) for participants. They must bring the DS-2019 to the United States Embassy or Consulate in their home country and apply for the J-1 Visa. (*Note: Canadian citizens obtain J-1 visa status by presenting their Form DS-2019, receipt of the \$100 SEVIS fee payment and passport at the point of entry to the U.S.*). Normally participants must present two passport-size photographs, complete an application and pay an application fee. However, procedures for application vary from country to country.

Important Documents Relating to the Visa and Immigration

Below is a list of important documents, a description of each, and some important notes. Please encourage participants to make copies of these documents. It is much easier to replace lost or stolen documents if participants have copies.

- **Passport:** Participants must have a valid passport. We recommend that the passport be valid for at least six months after the program completion date. The Embassy or Consulate may have similar requirements for issuing the visa.
- **Form DS-2019 (Certificate of Eligibility for an Exchange Visitor (J-1) Visa):** The DS-2019 is required for participants to apply for their J-1 Visa. It contains the official dates of training as well as the training location.
- **J-1 Visa:** The J-1 Visa, affixed with a photograph in the passport, is required for training. The visa dates normally correspond with the dates on the DS-2019. However, sometimes the visa is valid for as long as five years. The J-1 Visa is normally valid for multiple entries, allowing participants to travel outside the U.S. during the program. Participants with single entry visas may not exit the United States during the program. Canadian citizens do not receive a J-1 visa document, as they obtain J-1 visa status at U.S. customs instead of at the consulate.
- **Form I-94:** The I-94 Arrival-Departure Record form is given to the participants on the airplane when flying to the U.S. It must be completed and given to the immigration officer at the airport. It will then be validated and stapled into the passport. If the trainees leave the country during the program, the I-94 will be taken by officials on departure and a new I-94 will be issued upon their return.

Entering the United States on Other Visas

Participants should not enter the U.S. without the J-1 visa. If a participant enters the U.S. on a visa other than the J-1, s/he will not be able to begin the training program until after changing visa status, which could take two to three months.

The Home-Country Physical-Presence Requirement (Two-Year-Residency-Rule)

This requirement states that participants who have received funding for their training program in the United States (directly or indirectly) from the U.S. government or their home governments, or are training in a field that is on their

country's "skills list", they must return home upon completion of their training and not participate in another training or work related program in the U.S. for two years. The purpose of this regulation is to ensure that participants' home countries benefit from the Exchange Visitor's experience in the United States.

SEVIS

The Bureau of Citizenship and Immigration Services (BCIS, formerly INS) implemented the *Student and Exchange Visitor Information System* (SEVIS) in January 2003. The purpose of SEVIS is to track all non-immigrant visitors to the U.S., including all J-1 visa holders. SEVIS mandates that CDS monitor trainees and their programs in order to enter certain information into the system. CDS will need your assistance in obtaining and verifying the following information about your trainee(s):

- Verification that your **trainee has started training**
- Obtaining the **home address** of your trainee, and any subsequent changes in their address during their stay in the U.S.
- Any **problems** or **changes in the program**, such as an early termination

All of the above information must be reported to CDS within **two weeks** of the event in question. Failure on the part of your trainee to provide this information to CDS will lead to termination of program sponsorship and may result in potential deportation by BCIS.

Immigration Information and BCIS Forms:
www.bcis.gov/graphics/index.htm

Host Company Responsibilities

Training Program

The primary responsibility of host companies is to provide a bona fide training experience for participants. The primary objectives of training are to enhance the participant's skills in his or her occupation through participation in a structured training program and to improve the participant's knowledge of American techniques, methodologies, or expertise within the individual's field of endeavor.

Training Plan

The training plan gives a general outline of the training program, detailing the skills to be learned. ECA regulations require that companies hosting trainees submit completed training plans to CDS for each participant. CDS will not issue visa documents without first receiving completed training plans.

You may download an electronic version of the training plan, which allows you to type directly into the document.

Training Plan Form:
<http://www.cdsintl.org/tousa/training.htm>

Evaluation Forms

In order to maintain program quality and meet U.S. Department of State reporting requirements, we would appreciate it if you would complete intermediate and final evaluations.

Evaluation Forms:

<http://www.cdsintl.org/host/company.htm>

Assisting Participants

Though participants are responsible for finding accommodations, obtaining a social security card, opening a bank account, and buying and insuring a car, it is appreciated if the company can assist in those matters.

Compensation

Compensation is agreed upon by company and participant and generally should be commensurate with an entry-level position.

Taxes

Any wages trainees earn in the U.S. are subject to income tax withholding. J-1 visa holders are subject to Federal, State and Local Income Tax, but are **NOT subject to Social Security, Medicare or FUTA** (Federal Unemployment Tax Act) taxes, per Treas. Reg. 31.3121(b)(19).

J-1 trainees are considered “exempt individuals” (NOT exempt from tax!) and file Form **1040NR** or **1040NR-EZ** if they have income that is subject to tax, such as wages, interest, dividends, etc. To document their exempt status, they must complete form **8843** and attach it to their income tax return.

Tax Treaties with some countries **exempt** participants from paying taxes. See Publication 901 for a summary of tax treaties. Participants who are exempt from paying taxes must file form 8233.

If your trainee applied for a Social Security Number but has not yet received it, you can file the W-4 form by entering “applied for” on the form. When the trainee receives the SSN, file Form W-4c, Corrected Wage and Tax Statement, to show the trainee’s SSN.

IRS Publications 515 and 519 provide basic tax information for host companies and participants.

IRS Publications and Forms:

www.irs.gov

Participant Responsibilities

Visa

Once participants receive Form DS-2019 from CDS, it is their responsibility to apply for the J-1 Visa at the American Embassy or Consulate. Application procedures differ from country to country. **Participants must not enter the U.S. on any visa other than the J-1.**

Travel Outside the U.S.

Participants who travel outside the U.S. during the program to countries other than Canada or Mexico must send Form DS-2019 to CDS for validation in order to ensure re-entry with J-1 Visa Status. This is extremely important. Participants may not remain outside of the United States for more than 30 days as this is considered an interruption of the program, voiding the J-1 Visa.

Insurance

All participants are required to purchase health and accident insurance, either directly or through CDS. Participants who buy their own insurance must submit a Statement of Insurance Coverage that indicates their insurance meets U.S. government requirements.

CDS' group plan, for participants who want to buy insurance through CDS, is administered by Cultural Insurance Services International and underwritten by the Virginia Surety Company.

After the \$50 deductible (per accident or illness) is met, sicknesses and injuries are covered 100% for the first \$10,000 and 80% for the next \$40,000. An additional \$50,000 is covered at 100%. This plan does NOT include dental or vision coverage.

Social Security

Most participants will be required to apply for a social security number for tax identification purposes. Your trainee should be sure that the Social Security office issues a number that will allow him or her to work. If "Not Valid For Employment" is printed on the card, ask your trainee to have it changed immediately.

If your trainee applied for a Social Security Number but has not yet received it, you can file the W-4 form by entering "applied for" on the form. When the trainee receives the SSN, file Form W-4c, Corrected Wage and Tax Statement, to show the trainee's SSN.

Please **do not** insist that your trainee/s apply for a SSN on the first day of training. Social Security office advises J-1 visa holders to wait at least 10 days after entering the US and after having their J-1 visa status validated by their program sponsor (CDS Intl.) before applying for a SSN. It takes about that long before Social Security office has access to information that allows them to process a J-1 visa holder's SSN application.

Bank Account

Most trainees will find it helpful to open a bank account (checking); it is their responsibility to obtain information about banking options.

Accommodations

Participants are responsible for locating their own accommodations. CDS provides general information and advice during the orientation seminar to assist participants in their housing search.

Transportation

All trainees are responsible for their own round-trip international transportation, as well as domestic transportation while in the U.S. If the participants need to buy a car, they are responsible for getting a driver's license, buying insurance, and registering the car.

Changing Host Companies

Participants are generally not permitted to change host companies, except under extreme circumstances. In these cases, participants cannot change companies without written permission from CDS. Participants who change companies without permission will be asked to return to their home country.

Contact CDS

If you have any questions regarding points outlined in this handbook or require assistance on another matter, you may contact CDS staff at:

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Tel: (212) 497-3500
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CDS International Bookstore

Through our affiliation with Barnes&Noble.com, you can automatically make a donation to CDS International's endowed Scholarship Fund to help support American students and young professionals gain work experience overseas.

It's easy, and there is no additional cost to you! Any book that you buy, whether on our List of Favorites, or simply found through a general search, will generate a commission of 5% to the Scholarship Fund. If none of the books on our site strikes your fancy, just make one more click and you can easily browse through Barnes & Nobles' enormous listing of *books, magazine subscriptions, music, software programs, gifts, eCards, prints & posters and more!*

CDS Bookstore:

<http://www.cdsintl.org/about/bookstore.htm>

CDS Scholarship Fund

With the dawn of the 21st century and the increasing interconnectedness of the world through the use of advanced technology, there is a growing professional need for individuals who possess the skills necessary for successful communication and interaction in a globally oriented society. In addition to technical acumen, some critical skills are needed to attain this success. These include proficiency in a foreign language, the ability to work in an intercultural environment, a knowledge of differing business practices, as well as an ability to successfully face challenges and the unknown.

The interest and desire of young Americans to gain such international experience is great. Unfortunately, many students and young professionals lack the funds necessary to undertake a program. Only 2% of American students participate in an exchange while at college. Whereas other governments may provide stipends for individuals to acquire international practical training in the United States or take part in language programs, scholarship opportunities for these activities are not as prevalent in the United States for young professionals.

Therefore, CDS International created an endowed Scholarship Fund to help support American participants going abroad on practical training programs. By granting scholarships to American participants, we hope to assist students and young professionals complete an internship in a foreign country and help finance the cost of an intensive one-month language course. This initial investment will provide a long-term resource to help support participants for years to come. As of December 2002, CDS International has raised almost \$250,000.

Exchange initiatives are a multi-lateral investment in the future that will contribute to a more prosperous and safer world. By investing a small amount today, you or your company can help considerably strengthen the future of a notable number of emerging American young professionals!

To make a contribution to the Scholarship Fund, just fill out the form below. **Your support is greatly appreciated!**

Contribution Form CDS Scholarship Fund – 2008

- Enclosed is my gift of \$ _____ for 2008.
 Unfortunately, I cannot give at this time, but I would like to make a pledge of \$ _____ for 2008. Please contact me again.

Name: _____

Company/Organization: _____

Address: _____

City / State / Zip: _____

Tel: _____ Fax: _____ E-mail: _____

Affiliation (contribution noted on behalf of): ___ Individual ___ Company

Please make checks payable to **CDS International Scholarship Fund**. You may send your tax-deductible contribution, along with completed form, to:

CDS International, Inc.
Attn: Scholarship Fund
871 United Nations Plaza, 15th Floor
New York, NY 10017-1814