

To: Freedom Scholarship Board  
From: Elli and Brandy  
Re: Employment Verification Requirement and related guidance  
Date: April 24, 2023

Scholarship Program Specialist Brandy Drew and Coordinator Elli Haerter have been working diligently to prepare for the first Freedom Scholarship college graduates. Their final requirement is to live and work in South Dakota for at least three years after graduation. The work to track the scholars after graduation is the work of Freedom Scholarship staff, as the colleges no longer track the students. Today we would like to review the guidelines we will follow to monitor students. We would like to get your take on a few areas specifically, which are highlighted in yellow.

#### **Definition of living in SD for three years post-graduation.**

- Sworn affidavit of their physical address in South Dakota is their current residence.
- Proof of address in other ways if we need to investigate further.

#### **Definition of working in South Dakota**

Staff anticipate some questions about "remote" working. We would like to start with this standard for everyone:

- Company has a physical presence in South Dakota, ie an office address.
- Could also show proof of employer paying SD unemployment insurance, via paystub.

#### **Definition of full-time employment**

- Full-time employment is determined by employers and it ranges from 30 to 40 hours weekly. Propose an employer declares them full-time and shares the number of hours with us.
- Annual contracts with school districts, where the work is full-time will constitute 12 months of work, even though it may not include summertime hours.
- Freedom Scholarship will not consider multiple part-time jobs combined to equal full-time status.

#### **Accounting for the Three-Year Employment Phase**

When does the employment phase officially begin?

- Within 6 months of graduation date *upon verification of start date with student and*

*employer.* The student must provide employer contact info when requested. The FS team will send an email to the student's email address shortly after graduation with instructions for verification procedures.

-Any work accrued with an employer prior to the graduation date from the college does not count towards the three-year/ 36-month work requirement.

-Any time spent not actively employed will not apply toward 3-year requirements. Required time owed to FS will be extended to cover gaps and measured and tracked by FS team.

#### How does Freedom Scholarship account for the required time?

-Students disclose their initial employer to Freedom and it is verified with the employer.

-Employment is verified annually from that initial date verified.

-Students must contact the FS team when they make job changes during their 3-year commitment in real-time to monitor gaps.

#### Gaps in Employment

-Any employment gap must be reported to the FS team at the time of loss.

-If the student experiences unemployment, the time unemployed does not count towards their employment obligation timeframe.

-Should a student's unemployment exceed three months, staff will recommend student for repayment, ie, their scholarship reverts to a loan.

#### **Freedom Scholarship will consider self-employment submissions**

Historical Build Dakota Scholarship experience indicates that the rate of default for self-employed scholars is proportionately much higher than those who work for an employer.

Self employed scholars will be required to share such documentation listed to further prove their full-time, self-employment status. Documents include: approved business plan, tax records, tax ID, LLC, references and other documents as necessary to prove full-time commitment.