

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DEPARTMENT ON DISABILITY SERVICES



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| PROCEDURE  |   |
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| Subject: <i>Self-Employment Procedure</i>  | Procedure No.: <i>2015-ADMIN-SELF-EMP-001</i> |
| Responsible Program or Office:<br><i>Rehabilitation Services Administration</i>  | Effective Date: <i>TBD</i>                    |
|  | Number of Pages: 9                            |
| Cross References, Related Policies and Procedures, and Related Documents: <i>Due Process Policy and Procedures; Financial Participation Policy and Procedure (to be developed); Section IV (Individualized Plan for Employment (IPE) Services), Section V (Economic Needs/Comparable Benefits), and Section XII (Contributions) of the DCRSA Policy Manual</i> |   |

**I. PURPOSE**

The purpose of this procedure is twofold. First, this procedure sets forth the steps to be taken for persons who are determined eligible for vocational rehabilitation services and who express an interest in pursuing a self-employment outcome. Second, this procedure ensures that the Department on Disability Services, Rehabilitation Services Administration (“DCRSA” or “Agency”) provides services leading to successful self-employment outcomes for everyone the Agency serves with a vocational goal of self-employment.

**II. APPLICABILITY**

This procedure shall apply to everyone served by DCRSA with a goal of self-employment in an Individualized Plan for Employment (“IPE”); DCRSA staff; and any contractors, providers, or vendors authorized to assess, serve, and/or assist people whom the Agency serves. This procedure shall apply to people served by DCRSA requesting the Agency’s assistance with maintaining an existing business they own, those wishing to begin or expand their own business, and those wishing to acquire an existing business owned by another person or entity.

**III. PROCEDURES**

**A. Preliminary Assessment for Self-Employment**

1. An eligible person who expressed interest to pursue self-employment shall be scheduled to meet with the assigned VR Specialist.
2. The VR Specialist shall provide an overview of the process and requirements for self-employment and explore the expressed interest of the person during the initial meeting.
3. The VR Specialist shall obtain information from the person regarding particular business ventures being considered, previous business experience, related skills, support network, resources and other relevant factors.
4. The VR Specialist and the person, together with a support person when necessary, shall discuss characteristics needed for successful small business operation in terms of the strengths, resources, concerns, abilities, capabilities and interests of the person. These include such traits as:
  - a. Well-developed interpersonal skills in order to develop and maintain a customer base, interact with the public, work with employees, suppliers, etc.
  - b. Initiative.
  - c. Flexibility and problem-solving skills.
  - d. Ability to prioritize and focus.
  - e. Ability to accept risks inherent in self-employment.
5. The VR Specialist and the person (with the support person when necessary) shall discuss the person's financial goals in order to define what would constitute a successful outcome. Such issues as termination of government benefits, supplementing family income, and earning sufficient funds to maintain competitive employment standards should be considered.
6. Persons interested in self-employment shall be informed that the DCRSA shall not provide major financial support for business ventures from the outset. Only limited funding toward specific goods and/or services required according to an approved business plan and IPE will be considered. Such funding will typically not exceed \$5,000 and shall not be provided in the form of cash
7. The VR Specialist shall conduct a cursory evaluation of the eligible person's potential for success as an entrepreneur utilizing *Entrepreneur's Inventory*. (Attachment B)
8. The VR Specialist shall provide feedback about the results of the test and a copy of the results shall be filed in the case record of services.
9. The VR Specialist shall obtain information from providers (e.g., psychologists, physicians, vocational evaluators, counselors) currently or recently treating or evaluating the person in terms of viability of self-employment for the person considering the characteristics required for success (see 4 above) as appropriate. Referral for an assessment of feasibility of self-employment should be considered on an individual basis and include questions for the provider about specific traits required for self-employment.
10. If the person is interested in starting a business to provide a service and does not already have training or skills in this industry, strong consideration should be given to assessment of the person's potential for this field, to be followed, as appropriate, by skills training and at least two years of work experience before consideration of self-employment would be advised.

11. The VR Specialist shall then provide next steps assignment to the person:
  - a. The person shall conduct initial research about his/her proposed business idea and complete a Feasibility Study (Attachment C).
  - b. The person shall review his/her finances and complete a Monthly Personal and Living Expenses Worksheet (Attachment D)
12. The VR Specialist shall provide the person with small business resources to review as part of the next steps:
  - a. Sample Business Plan (Attachment E)
  - b. Business Plan Format (Attachment F)
  - c. Small Business Toolkit from the Washington Area Community Investment Fund (WACIF) – when available
13. The VR Specialist shall meet with the person when the latter has completed the assigned tasks.
14. The VR Specialist shall review the Feasibility Study submitted by the person utilizing a feasibility checklist (Attachment G).
15. The VR specialist shall inform the person in writing using the decision letter template with appeal rights, if based on the evaluation of personal traits and/or business feasibility, it is determined that a goal in self-employment is not feasible and/ or realistic.

| <b>PRELIMINARY ASSESSMENT : AT A GLANCE</b>  |   |
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| <b>VR SPECIALIST RESPONSIBILITIES</b>  | <b>RESPONSIBILITIES OF A PERSON INTERESTED IN SELF-EMPLOYMENT</b>   |
| <ul style="list-style-type: none"> <li>➤ Provide overview of self-employment process and requirements – clearly communicating how the Agency will help with training, developing a business plan and funding the business;</li> <li>➤ Explore business interest and financial goal with the person interested in self-employment;</li> <li>➤ Conduct preliminary assessment utilizing Entrepreneur’s Inventory;</li> <li>➤ Provide small business resources to the person and next steps;</li> <li>➤ Assess the potential of the person to include <i>personal feasibility</i> (work history and determination, financial track record, disability related issues and self-employment, training needs) and <i>business feasibility</i> (concept feasibility, market feasibility, financial feasibility, person’s ability to handle stress and difficult work demands, family and community support, time management, communication skills and problem</li> </ul> | <ul style="list-style-type: none"> <li>➤ Decide what business to pursue;</li> <li>➤ Comply with the requirements of the DCRSA self-employment program to include undergoing evaluation and assessments, as needed;</li> <li>➤ Review small business resources provided by the VR specialist;</li> <li>➤ Conduct a feasibility study, with technical assistance, if needed;</li> <li>➤ Submit required documentation in a timely fashion to include Monthly Personal and Living Expenses worksheet.</li> </ul> |

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| <p>solving skills).</p> <ul style="list-style-type: none"> <li>➤ Determine if self-employment is a feasible goal or not for the person interested in pursuing it and provide counseling and guidance as appropriate.</li> </ul> |   |
| <p><b>Required Documents</b></p> <ul style="list-style-type: none"> <li>➤ Entrepreneur’s Inventory</li> <li>➤ Self-employment Feasibility Checklist</li> </ul>  | <p><b>Required Documents</b></p> <ul style="list-style-type: none"> <li>➤ Feasibility Study</li> <li>➤ Personal Finance Worksheet</li> </ul> <p><b>Useful Tool</b></p> <ul style="list-style-type: none"> <li>➤ Business Plan Format</li> </ul> |

**B. Preparation for Entrepreneurship – IPE Development**

1. The VR specialist shall conduct a comprehensive assessment to ensure that the expressed goal in self-employment is consistent with the person’s interests, aptitude, abilities, strength and informed choice.
2. The VR specialist shall identify developmental and training needs based on the initial feasibility checklist.
3. The VR specialist shall discuss available local trainings with the person who will choose a preferred provider of required training consistent with informed choice.

The following table lists the currently available local resources to include but not limited to:

| <b>BUSINESS DEVELOPMENT AND RELATED TRAINING<br/>COMMUNITY-BASED RESOURCES</b>        |  |  |
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| <i>Provider</i>   | <i>Trainings/ Service</i>  | <i>Website</i>   |
| <p>Small Business Resource Center (DCRA/ DC Small and Local Business Development)</p> | <ol style="list-style-type: none"> <li>1. Regulatory Process: How to Open a Small Business</li> <li>2. Smart Money Workshop: Financial Management and Credit Reporting for Small Business</li> <li>3. Smart Money Workshop: Organizational Types and Tax Planning and Reporting</li> <li>4. A Comprehensive Guide for Small Business Planning.</li> <li>5. Person business counseling sessions:                             <ul style="list-style-type: none"> <li>- Office of Tax and Revenue</li> <li>- Permit Operations</li> </ul> </li> </ol> | <p><a href="http://dcbiz.ecenterdirect.com/Conferences.action">http://dcbiz.ecenterdirect.com/Conferences.action</a></p> |

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|   | <ul style="list-style-type: none"> <li>- Business Licensing Instruction</li> <li>- Basic Steps to Obtaining a Business License</li> <li>- DC Women’s Business Center</li> </ul>   |   |
| DC Small Business Development Center                    | <ol style="list-style-type: none"> <li>1. Business Planning Process</li> <li>2. Starting a Business: A Legal Perspective</li> </ol>   | <a href="https://dcsbdc.org/events.aspx">https://dcsbdc.org/events.aspx</a>   |
| Washington Area Community Investment Fund               | <ol style="list-style-type: none"> <li>1. Enterprise DC (year-long training)</li> <li>2. Seminars and Workshops <ul style="list-style-type: none"> <li>- Business Management and Best Practices: HR and Payroll</li> <li>- DC Health Link Forum: HCA and your company</li> </ul> </li> <li>3. Specialized Technical Assistance</li> </ol> | <a href="http://wacif.org/">http://wacif.org/</a>   |
| DC SCORE  | <ol style="list-style-type: none"> <li>1. Local Workshops <ul style="list-style-type: none"> <li>- How to Start a Business</li> <li>- Small Business Loans</li> </ul> </li> <li>2. Online training</li> <li>3. Mentoring</li> </ol>   | <a href="http://washingtondc.score.org/">http://washingtondc.score.org/</a>   |
| DC Department of Small and Local Business Development   | Small Business University   | <a href="http://dslbd.dc.gov/service/small-business-university">http://dslbd.dc.gov/service/small-business-university</a>   |
| <b>MATRICULATED TRAINING</b>                            |   |   |
| <b><i>Provider</i></b>                                  | <b><i>Trainings/ Service</i></b>  | <b><i>Website</i></b>   |
| University of the District of Columbia                  | 1 year certificate in Entrepreneurship  | <a href="http://www.udc.edu/school_business_and_public_admin/cert_entrepreneurship">http://www.udc.edu/school_business_and_public_admin/cert_entrepreneurship</a>   |
| <b>FINANCE-RELATED, FINANCIAL LITERACY AND WELLNESS</b> |   |   |
| <b><i>Provider</i></b>                                  | <b><i>Trainings/ Service</i></b>  | <b><i>Website</i></b>   |
| National Disability Institute (NDI)                     | Financial Literacy/ Education<br>Work Incentives and Benefits Planning  | <a href="http://essential.elogiclearning.com/scormengine/content/Steps_to_Achieving_My_American_Dreamv2/index_lms.html">http://essential.elogiclearning.com/scormengine/content/Steps_to_Achieving_My_American_Dreamv2/index_lms.html</a> |
| Capital Area Asset                                      | Consumer education  | <a href="http://www.caab.org/en/p">http://www.caab.org/en/p</a>   |

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| Builders (CAAB) | programs, research and advocacy<br>Financial Education<br>Matched Savings Program | <a href="#">rograms/matched-savings-programs</a> |
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4. The person may be referred to a vendor for technical assistance to develop and finalize a business plan that meets governing DCRSA standards, laws, policies and regulations. This shall be included as part of the IPE if required.
5. The VR specialist shall conduct an economic needs assessment to determine the person’s financial participation, if any, before IPE development. The person’s contribution, if one is required, can be applied toward the startup costs or to the cost of training or business consultation.
6. The IPE shall be developed collaboratively between the VR specialist and the person to include the required training and supports.
7. The plan type shall be developed as either Vocational Rehabilitation or Supported Employment (if necessary) because self-employment as a goal is not approved yet at this point. The IPE employment goal shall be the specific occupation or occupational grouping based on the type of business the person wishes to start.
8. The VR Specialist shall continue to identify and coordinate other rehabilitation services which may be required by the person throughout the time required for exploring self-employment as an option, developing and implementing a business plan.
9. The person shall pursue and complete the training as planned and submit a business plan as a deliverable.
10. Persons may decide during or after required courses that they wish to pursue another type of employment outcome. The VR Specialist shall meet with the person if this occurs, consider other vocational options, and amend the IPE, as appropriate.

| <b>PREPARATION FOR ENTREPRENEURSHIP :AT A GLANCE</b>   |   |
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| <b>VR SPECIALIST RESPONSIBILITIES</b>  | <b>RESPONSIBILITIES OF A PERSON INTERESTED IN SELF-EMPLOYMENT</b>   |
| <ul style="list-style-type: none"> <li>➤ Conduct a Comprehensive Assessment;</li> <li>➤ Identify developmental and training needs required by the person;</li> <li>➤ Assist the person in exercising informed choice in the selection of training and training provider;</li> <li>➤ Determine person’s financial contribution based on economic needs assessment;</li> <li>➤ Assist the person in developing the IPE;</li> </ul> | <ul style="list-style-type: none"> <li>➤ Accept training as recommended by DCRSA;</li> <li>➤ Accept counseling from experts or consultants if recommended by DCRSA;</li> <li>➤ Contribute time, effort and financial resources as agreed upon in planning with the VR specialist;</li> <li>➤ Pursue and complete training;</li> <li>➤ Develop, complete and submit a Business Plan, with technical assistance if needed;</li> </ul> |

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| <ul style="list-style-type: none"> <li>➤ Monitor the person’s progress while in training and address training issues as appropriate;</li> <li>➤ Provide information necessary to assist the person with developing a business plan;</li> <li>➤ Provide continuous counseling and guidance;</li> </ul> | <p style="text-align: center;">or</p> <ul style="list-style-type: none"> <li>➤ Identify another employment outcome upon deciding that self-employment is not an option s/he would like to pursue.</li> </ul> |
| <p><b>Required Documentation</b></p> <ul style="list-style-type: none"> <li>➤ Comprehensive Assessment</li> </ul> <p><b>Required Forms</b></p> <ul style="list-style-type: none"> <li>➤ Financial Participation</li> <li>➤ IPE</li> <li>➤ VR Authorization</li> </ul>                                 | <p><b>Required Documents</b></p> <ul style="list-style-type: none"> <li>➤ Financial documents</li> </ul>   |

**C. Business Plan Evaluation and Application for Funding**

1. The completed business plan shall be submitted to the VR specialist for sufficiency review.
2. The VR Specialist shall review the business plan utilizing the Business Plan Checklist (Attachment H) to be sure all of the required elements are included. The VR Specialist shall also document and identify the needs and services that shall be incorporated in the IPE for self-employment.
3. A self-employment packet shall be prepared for review and plan approval and shall include:
  - a. Self-employment Review and Approval Form (Attachment I)
  - b. Business Plan
  - c. Completed Business Plan Checklist
4. The business plan determined sufficient for review and plan approval shall then be recommended for approval by the VR specialist’s supervisor before it is forwarded to the DDS RSA Deputy Director for plan approval.
5. The business plan shall be reviewed and approved or disapproved by the DDS RSA Deputy Director.
  - a. If disapproved—the VR Specialist shall inform the person of his or her due process rights in writing using the Decision letter template with Appeal Rights from System 7. Counseling and guidance shall be offered to explore other goals and options available to the person.
  - b. If the business plan is approved, the VR Specialist shall assist the person to begin implementing the steps identified in the business plan, including but not limited to securing funding from non-VR sources.
6. The person approved for a self-employment goal shall apply for funding and secure the business start-up funds as well as obtain the necessary permits, licenses and insurance.

| <b>BUSINESS PLAN EVALUATION AND APPROVAL :AT A GLANCE</b>  |   |
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| <b>VR SPECIALIST RESPONSIBILITIES</b>  | <b>RESPONSIBILITIES OF A PERSON INTERESTED IN SELF-EMPLOYMENT</b>   |
| <ul style="list-style-type: none"> <li>➤ Review the business plan for sufficiency utilizing the Business Plan Checklist;</li> <li>➤ Coordinate with the person if there are changes or additional information requiring revision of the business plan;</li> <li>➤ Identify services, goods and supports that will be provided and included in the IPE;</li> <li>➤ Prepare a self-employment packet once the business plan has been determined sufficient for approval review;</li> <li>➤ Submit self-employment packet to Unit Supervisor for approval recommendation and afterwards to DCRSA Deputy Director for final approval.</li> </ul> | <ul style="list-style-type: none"> <li>➤ Revise business plan accordingly when prompted by the VR Specialist;</li> <li>➤ <u>Upon Plan Approval:</u></li> <li>➤ Obtain the necessary permits, licenses and insurance;</li> <li>➤ Apply for and secure funding for business start-up.</li> <li>➤ <u>If Plan is not approved:</u></li> <li>➤ Identify another goal or employment outcome;</li> <li>➤ Explore options with VR specialist</li> </ul> |
| <p><b>Required Documents</b></p> <ul style="list-style-type: none"> <li>➤ Business Plan Checklist</li> <li>➤ Self-employment approval form</li> </ul>  | <p><b>Required Documents</b></p> <ul style="list-style-type: none"> <li>➤ Business Plan</li> </ul>  |

**D. Initiating Business, Monitoring and Case Closure**

1. The VR specialist shall then ensure that the previously identified required services and supports for self-employment - such as purchasing initial stocks and incurring other startup costs in accordance with governing laws, regulations, and policies including but not limited to those on maximum allowable rates and reimbursement of expenses - are amended in the IPE which is then signed by both the VR specialist and the person. The plan type will indicate the IPE as self-employment at this time.
2. The goods and services as stipulated in the self-employment IPE shall be provided to the person to enable him/her to start the business or enterprise.
3. The case will be moved to Status 22 once the business is initiated. The business is considered to have been established when the person is ready to serve customers or render services and DCRSA has provided the services designated in the IPE.
4. The VR specialist shall monitor the person’s progress in self-employment and document this in case notes.
5. The person shall submit a monthly report of income and expenses from the business during the 90 days of monitoring and:
  - a. Case may be closed in competitive employment if the person is averaging a business profit or salary over a 90-day period at a rate equal to or above

Washington DC minimum wage. This is the anticipated outcome to be reached; or

- b. Case may be closed in non-competitive employment if the person is averaging a business profit or salary over a 90-day period at a rate less than minimum wage BUT the business should be earning a profit for the past 90 days. Moreover, a plan should be in place on how the person will achieve competitive self-employment.

| <b>INITIATING BUSINESS TO CLOSURE :AT A GLANCE</b>  |  |
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| <b>VR SPECIALIST RESPONSIBILITIES</b>   | <b>RESPONSIBILITIES OF A PERSON INTERESTED IN SELF-EMPLOYMENT</b>  |
| <ul style="list-style-type: none"> <li>➤ Assist the person in amending the IPE to include the goods, services and supports that were previously identified;</li> <li>➤ Coordinate provision of goods, services and supports as stipulated in the self-employment IPE;</li> <li>➤ Monitor the person’s business ;</li> <li>➤ Follow-up monthly submission of income and expenses report for at least 90 days;</li> <li>➤ Determine when to close the case successfully.</li> </ul> | <ul style="list-style-type: none"> <li>➤ Hire employees, locate suppliers, start the business and develop the customer base;</li> <li>➤ Submit monthly report of income and expenses to the VR specialist;</li> <li>➤ Maintain and grow the business beyond case closure.</li> </ul> |
| <p><b>Required Forms and Letter</b></p> <ul style="list-style-type: none"> <li>➤ IPE Amendment</li> <li>➤ VR Authorization</li> <li>➤ VR Case and Closure Information</li> <li>➤ Rehabilitation Closure Letter</li> </ul>   | <p><b>Required documents</b></p> <ul style="list-style-type: none"> <li>➤ Monthly report of business income and expenses</li> </ul>  |

**Attachments:**

- A. Process Map – Self-Employment Procedure
- B. Assessment: Entrepreneur’s Inventory
- C. Feasibility Study
- D. Monthly Personal and Living Expenses Worksheet
- E. Sample Business Plan
- F. Business Plan Format
- G. Feasibility Checklist
- H. Business Plan Checklist
- I. Self-employment Review and Approval Form