

ARIZONA DEPARTMENT OF ECONOMIC SECURITY

Program Name: Vocational Rehabilitation (VR)

Policy Number: VR-4.5.3-v1

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CHAPTER 4: IPE

Section 4.5.3: Self-Employment - Business Plan Review and Approval for VR Funding

I. Policy Statement

This policy provides the guidelines regarding the review and approval of a business plan for clients that are pursuing a self-employment work setting.

II. Authority

Authority for policies contained in this document includes the following:

- Workforce Innovation and Opportunity Act (WIOA), 29 U.S.C. § 3101 et seq.
- Title IV Amendments to the Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq.
- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200
- State Vocational Rehabilitation Services Program, 34 C.F.R. §§:
 - Applicable Definitions 361.5 (c)(9)(i)
 - Scope of vocational rehabilitation services for individuals with disabilities 361.48(b)(16)(19) and (21)
 - Development of the individualized plan for employment 361.45
 - Content of the individualized plan for employment 361.46
 - United States Department of Education, Office of Special Education and Rehabilitative Services, Policy Directive RSA-PD-16-04, Other Service Data Elements IV. E and H
- A.R.S. §§ 23-502 and 503
- Arizona Administrative Code, Title 6, Chapter 4:
 - General considerations R6-4-201 (A)(1)(m) and (n)
 - Economic need and similar benefits R-6-4-403 (A)(1)(a)(vi) and (vii) and (B)(1) and (2)(a)(iv) and (c-e) and (3)

III. Applicability

This applies to clients on a current Self-Employment IPE that request VR support in pursuing a self-employment work setting and approval of their self-employment business plan. The client must:

- A. Present the business plan to the VR Self-Employment Review Committee (SERC) or the Program Supervisor as per A. 1 or 2 below.

IV. Standards

- A. The proposed business plan must be submitted for review and presentation as follows:
 - 1. To the Program Supervisor for plans up to \$5,000.00,
 - 2. To the VR Self-Employment Review Committee (SERC) for plans over \$5,000.01 up to \$18,000.00.
- B. The VR Counselor must:
 - 1. Complete the agency VR Comprehensive Summary form prior to submission for review, and
 - 2. Contact the Program Supervisor or SERC chairperson as per A above to schedule the client's presentation.
- C. The following must be included in the client's business plan proposal submission for review and approval:
 - 1. Client's resume,
 - 2. VR Comprehensive Summary,
 - 3. Pertinent documentation from the contracted small business consultation provider,
 - 4. Complete business plan proposal; and
 - 5. Any presentation materials developed by the client (optional).
- D. All items listed in IV. C above must be submitted two weeks prior to the date of the client's proposed business plan presentation.
- E. The Program Supervisor may refer any proposed business plans of any cost to the SERC for review and consideration at any time to ensure a quality review and feedback by an impartial second party.
- F. The proposed business plan may be presented by the client in any method that meets the client's disability-related needs and with the assistance of another individual chosen by the client as applicable.

- G. The VR Counselor must provide an introduction and brief overview of the client's preparedness for self-employment before the client presents their proposed business plan.
- H. The SERC Chairperson or Program Supervisor must review the proposed business plan for accuracy and completeness and ensure that the plan meets the criteria in Section 4.5.2 H and I of this manual prior to the client's business plan presentation.
- I. One of the following recommendations must be issued when the review and presentation of the proposed business plan are completed:
 - 1. Approval: the business plan is complete, has correct financial information, and no further changes need to be made,
 - 2. Conditional approval: the business plan needs some additional information and/or minor changes are recommended, or
 - 3. Denial: the business plan is incomplete, financial information is incomplete, or major changes are recommended.
- J. The SERC Chairperson or Program Supervisor must draft a detailed letter notifying the VR Counselor of the recommendation regarding the approval, conditional approval, or denial of the proposed business plan within 7 business days after the presentation.
- K. The VR Counselor must provide the client with an RSA Decision letter with Appeal Rights referencing the SERC or Program Supervisor's recommendation within 2 business days upon receipt.
- L. When the proposed business plan receives a conditional approval or a denial, the client may proceed with recommendations as outlined in the decision letter and re-submit their updated business plan proposal for a second review and presentation.
- M. In instances when the updated business plan proposal receives a denial, the VR Counselor must assist the client in exploring alternative employment outcomes or employment settings.

V. Procedure

- A. Refer to Section IV.B, E, G, H, J, and K above.
- B. Refer to Standard Work (if available).

VI. Documentation Requirements

The client's electronic case file must include the following documentation:

- A. Documentation listed in IV.C above, and
- B. SERC or Program Supervisor's letter summarizing the reasons for approval, conditional approval, or denial of the business plan.