



# Self-Employment Or Starting a Small Business with Help from VRS

Vocational Rehabilitation Services (VRS) can help you become self-employed or start a small business by paying for some of the start-up costs. But you must meet a number of requirements before VRS gives you funding.

## Can I get help from VRS to be self-employed or start a small business?

If you are eligible for vocational rehabilitation services, you may get funding to become self-employed or start a small business **if** you meet **all** of the requirements below. Your start-up costs **have to be** listed in detail in your written Employment Plan (EP).



1. Your rehabilitation counselor must decide that you can handle self-employment. To make this decision, you may need to do different kinds of assessments. The assessments must show that you can handle being self-employed or in running a small business.
2. You have to write a business plan. Your counselor or a small business expert in the community can help you with your business plan.

You can also get information about business plans and starting a small business from the Secretary of State: <http://www.sos.state.mn.us/index.aspx?page=92>. OR look for other local small business help centers.

Your business plan should have:

- a. A description of the business
  - Include: the product and/or service
  - the type of legal entity for the business (like assumed name or limited liability company etc.)
  - location
  - hours of the business
- b. Financial information
  - Include: sources of funding (where the money is coming from)
  - capital equipment list (a list of the equipment you need)
  - balance sheet
  - break even analysis

net and gross income projections  
cash flow projections

- c. A market analysis.  
Include: business competition  
a marketing plan
  - d. A description of the technical and management expertise of the consumer
  - e. Zoning, licensing, taxation, and insurance requirements
  - f. An implementation or stabilization schedule  
Include: initial start-up or stabilization costs
  - g. A list of possible risks and problems along with ideas and plans for how to avoid or fix them
3. If you need technical help or other consultation services to help you reach your goals, VRS has to provide it. If you need help doing assessment activities or developing and writing the business plan because of your disability, VRS must provide you with reasonable supports.
  4. If your business is fairly small, VRS helps evaluate your business plan to make sure it's complete, that all risks have been looked at, and that your business is financially possible. If your small business is big enough, this evaluation must be done by a state or nationally chartered lending institution or Micro-Enterprise program.
  5. Once your small business plan is done and found to be financially possible, you must develop a written Employment Plan (EP). You can work on your EP with your rehabilitation counselor, or you can write it yourself and present it to your counselor for written approval.  
  
Either way, you have to identify a specific vocational goal that shows the type of job you want, like "cabinet maker." You also have to identify **all** necessary vocational rehabilitation services **and** start-up/stabilization costs for your business on your EP. See our fact sheet [Employment Plans](#).
  6. You have to put money towards the cost of your business expenses. How much you put in depends on your family income level. You fill out a "Consumer Financial Participation" form with your rehabilitation counselor. This shows if and how much you need to pay out of your own pocket.
  7. You must help your counselor look for "comparable benefits." These are other sources of financial assistance to help pay for your needs, like a community social service agency.



## What will VRS pay for?

VRS helps pay for startup or stabilization costs that you put in your EP. They help pay for up to \$8,400.00 or the amount that is set in VRS' small business fee schedule. The fee schedule is adjusted each year. Things they help pay for include:

- occupational licenses
- tools and equipment
- start-up stocks and supplies
- a vehicle for the business and/or
- technical or marketing consultation assistance

VRS **won't** pay for salaries or for buying land or buildings. VRS also **won't** pay for costs that have to do with the ongoing operation of your business, or bankruptcy costs.

The VRS spending limit does not include the costs of rehabilitation technology or training. Rehabilitation technology is specialized equipment that you need because of your disability to be self-employed or run your business.



### Client Assistance Project (CAP)

If you are a client or an applicant of VRS or SSB, you can call the Client Assistance Project (CAP) for help if you have questions, concerns, or complaints about your vocational rehabilitation services. CAP **does not** provide direct vocational rehabilitation services, such as education, training or equipment. See our fact sheet [Client Assistance Project \(CAP\)](#).

For more information about CAP or to apply for CAP services, call:

- (612) 334-5970 (metro area)
- 1-800-292-4150 (statewide)
- (612) 332-4668 (TDD)

**Fact Sheets are legal information NOT legal advice. See a lawyer for advice.**

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