**Section 590.320 Program** **for Self-Employment**

a) Prior to the provision of self-employment services, the customer must complete a business plan for development of the business. The business plan shall include, but not be limited to:

1) a full description of the proposed business or service operation;

2) the customer's qualifications for, interest in, and need for self-employment as an employment outcome as evidenced by the customer's Assessment (see 89 Ill. Adm. Code 553.100);

3) the estimated total capital needs for the establishment of the business and evidence of the availability of such funds (i.e., personal account statements, verification of loan availability, complete listing of all personal liabilities);

4) financial estimates for the first 12 months of operation;

5) plans for business development and marketing;

6) evidence that the proposed business has a reasonable chance of success (i.e., provide net income to meet a majority of the customer's living expenses) as established by:

A) market surveys;

B) signed statements from consultants and experts that the business has a reasonable chance of success based on market conditions, demand and competition; and

7) evidence of additional financing necessary to make the business operational.

b) Tools, equipment, supplies and initial stock necessary to begin a specific business may be provided to a customer in order for him or her to obtain a successful employment outcome when it has been determined by the customer, counselor and the Supervisor that self-employment is a realistic employment goal for the individual. All tools, equipment, supplies and initial stock purchased for a customer must be specifically listed in the customer's IPE (see 89 Ill. Adm. Code 572).

c) DHS-DRS shall pay up to 50% of the eligible costs of the customer's Program for Self-Employment not to exceed the $10,000 maximum limit. The appropriate Bureau Chief may grant exceptions to the DHS-DRS contribution limit.

1) The cost shall not include those listed as ineligible in Section 590.330 or any in-kind contributions.

2) All required financial participation from the financial analysis in 89 Ill. Adm. Code 562 is in addition to the customer's 50% contribution and shall be applied to the DHS-DRS share of the cost.

d) DHS-DRS shall pay up to 100% of any Program for Self- Employment cost associated with accommodating the customer's disability.

e) The customer must provide monthly statements to the counselor detailing the financial activity of the business, including a statement of profit or loss for a minimum of nine months.

f) At a minimum of every three months of operation, the customer must provide the counselor with a full detailed inventory of all tools, equipment, supplies and stock purchased to establish the business, regardless of the purchaser, until disposition of the operation as identified under Sections 590.350 and 590.360. Frequency of the inventory shall be determined by the counselor and appropriate DHS-DRS staff.

g) All tools, equipment, supplies and initial stock shall be maintained by the customer in good order. The customer must ensure all proper up-keep and maintenance is done as specified by the manufacturer. In the event of break-down or defect, the customer must have the item repaired. As most items carry a manufacturer warranty, all costs should be covered under those provisions.

h) The customer is expected to maintain and replenish an adequate supply of all initial stock and supplies.

i) DHS-DRS shall maintain title to all tools and equipment purchased with DHS-DRS funds for at least nine months of operation of the business enterprise. Disposition of the title shall be determined per Sections 590.350 and 590.360.

j) The customer shall have appropriate business insurance coverage that includes personal liability, property damage/loss, and worker's compensation.

(Source: Amended at 36 Ill. Reg. 6598, effective April 13, 2012)