

► Disability Supplemental Guide to ENTREPRENEURSHIP INSTRUCTOR GUIDE



The Disability Supplemental Guide to Hands on Banking® Entrepreneurship Instructor Guide provides a variety of resources and tools that support individuals with disabilities who want to start and maintain their own business.

Hands on Banking content was leveraged in the creation of these materials.

Acknowledgements

This Disability Supplemental Guide was developed by National Disability Institute's Training and Technical Assistance Team.

National Disability Institute is a national research and development organization with the mission to drive social impact to build a better economic future for people with disabilities and their families.

National Disability Institute's Real Economic Impact (REI) Network is comprised of an alliance of organizations and individuals dedicated to advancing the economic empowerment of people with disabilities. The network consists of more than 4,500 partners in all 50 states.

Members include nonprofits, community tax coalitions, asset development organizations, financial education initiatives, corporations and private-sector businesses, federal/state/local governments and agencies, and individuals and families with disabilities. All partners join forces to embrace, promote, pursue access to and the inclusion of people with disabilities in the economic mainstream.

To learn more about how to make a Real Economic Impact, join us: www.realeconomicimpact.org.

For more information about the Disability Supplemental Guide, please send an email to:
ask@ndi-inc.org.

National Disability Institute would like to thank Wells Fargo for their support of the Disability Supplemental Guide.



Financial Education Tools and Resources

OVERVIEW OF HANDS ON BANKING

Hands on Banking®/El futuro en tus manos® (handsonbanking.org/ndi) is a free, fun, non-commercial financial education program available in both English and Spanish that teaches people, in all stages of life, about the basics of responsible money management, including how to create a budget, save and invest, borrow responsibly, buy a home, and establish a small business.

Program Highlights

- Available online with printed instructor guides;
- Courses for kids, teens, young adults, and adults;
- Financial fundamentals for entrepreneurs;
- Personal finance lessons for members of the military, seniors, and their families;
- Resources for individuals, educators, non-profits, and workplace
- Available in English and Spanish;
- Designed for individual or classroom learning;
- Aligns with state and national education standards for mathematics, reading, and economics;
- Free, non-commercial content;
- Animated, interactive, and entertaining; and
- Easy to navigate and fun to present.

Hands on Banking offers flexibility in the ways information can be delivered in the American Job Centers. The program includes individual resources and instructor guides with tools and detailed information on content, activities, and tips on how to deliver the information.

Hands on Banking can be offered as a workshop or job seekers can access the online program, courses and more at handsonbanking.org/ndi



**Hands on
Banking®**

Money skills you need for life

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Disability Supplemental Guide to HANDS ON BANKING ENTREPRENEURSHIP INSTRUCTOR GUIDE

The Disability Supplemental Guide to Hands on Banking® Entrepreneurship Instructor Guide provides additional information specific to persons with disabilities. Each of the topics and lessons provided in the *Hands on Banking Entrepreneurship Instructor Guide* are important topics for persons with disabilities to learn as well. This supplemental guide will provide you with additional tools and resources specific to entrepreneurship and persons with disabilities. The disability community is very diverse and some persons with disabilities may rely on a public benefit as their main source of income. Some of the public benefits they receive might have limitations attached, such as a resource limit that may prevent an individual from enhancing their financial well-being. There are protected options that allow a person with a disability to increase income and save for their future. This guide introduces some of those options in an attempt to eliminate barriers to achieving financial well-being and economic self-sufficiency.

To learn more about disability, please refer to the Disability Sensitivity Guide, a tool to increase awareness among educators and instructors and provide communication strategies to create a more inclusive environment.

Entrepreneurship for People with Disabilities

Entrepreneurship can be a viable employment option for persons with disabilities, particularly if their disability requires them to have flexible hours and work environment. There are a variety of resources and tools that support individuals with disabilities who want to start and maintain their own business. An individual who is receiving a public benefit may be able to access programs that allow them to earn more without impacting their needs-based benefit. Oftentimes, within the disability provider community, the terms "self-employment" or "micro-enterprise" are used instead of entrepreneurship.

Self-employment is defined as when an individual works for himself instead of working for an employer that pays a salary or a wage.

Microenterprise is defined as a business having five or fewer employers and start-up capital typically of less than \$35,000.

Entrepreneurship Support Programs for Persons with Disabilities

SMALL BUSINESS ADMINISTRATION

The Small Business Administration (SBA) provides a list of resources specifically for persons with disabilities which can provide additional support.

To learn more, visit the Small Business Resources for People with Disabilities (bit.ly/SBA-PWD-Resources) on the SBA website.

STATE VOCATIONAL REHABILITATION SERVICES

Each state has an office of Vocational Rehabilitation (VR). The goal of vocational rehabilitation services is to support eligible persons with disabilities to obtain and maintain employment. Services provided by state VR offices may include assistance paying for training, assistive technology or supports for an individual to start their own business. For entrepreneurs, that support may include assistance with writing a business plan, start-up capital for equipment, mentoring or benefits counseling. To learn more about vocational rehabilitation in your state, visit bit.ly/JAN-VR-Agencies.

U.S. DEPARTMENT OF LABOR

The U.S. Department of Labor (DOL), in partnership with the Small Business Administration, created the Self-Employment Assistance Program (SEA) to support unemployed workers in creating their own jobs by starting their own small businesses. The SEA Centers provide information, resources and tools to help build state entrepreneurial programs for individuals eligible for unemployment insurance compensation.

To learn more, visit sea.workforcegps.org/About on the WorkforceGPS website.

Social Security Administration Benefits

A person with a disability may receive payments from the Social Security Administration (SSA). There are two types of SSA benefits an individual might receive. They include: Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI). Some people with a disability receive both. It is common for financial education instructors to get questions from individuals who are receiving SSA disability benefits asking about certain rules attached to each benefit to maintain eligibility. There are resources and programs that are available to answer those questions. Financial education instructors should refrain from addressing any of those questions unless they are a certified benefits counselor. The following information will provide a high-level overview of the two programs and resources to guide individuals to if they have any questions on the benefit programs they receive.

SOCIAL SECURITY BENEFITS

Social Security Disability Insurance (SSDI) is based on a medical diagnosis and the inability to earn Substantial Gainful Activity (wages). To receive a SSDI cash payment, a person must have a current work history and sufficient work credits (earned over time through FICA [Federally Insured Contribution Act]) or meet certain criteria to be able to draw from a parent's work history. All SSDI is based on a work history and provides Medicare after two years. An individual's personal/family resources are not considered.

Supplemental Security Income (SSI) is a needs-based program, not a work history program. A person eligible for SSI must meet the same medical eligibility as a person eligible for SSDI. They must also be financially eligible and not have resources totaling more than \$2,000 for an individual.

BENEFITS COUNSELORS

The Social Security Administration funds over 80 programs across the country called Work Incentive Planning and Assistance (WIPA) projects that provide benefits counseling to persons with disabilities. Community Work Incentive Coordinators (CWIC) are trained by SSA to provide the following to individuals who are receiving benefits:

- ➲ Provide in-depth counseling about benefits and the effect of work on those benefits;
- ➲ Conduct outreach efforts to beneficiaries of SSI and SSDI (and their families) who are potentially eligible to participate in federal or state work incentives programs; and
- ➲ Work in cooperation with federal, state and private agencies and nonprofit organizations that serve SSI and SSDI beneficiaries.

To find a Work Incentive Planning and Assistance project or a Community Work Incentive Coordinator, visit the Find Help webpage (www.choosework.ssa.gov) on the SSA/Ticket to Work website.

KEEP IN MIND TIP: It is important that an instructor refer individuals to a WIPA project rather than trying to answer any specific questions pertaining to SSA benefits.

Plan to Achieve Self-Support (PASS): A person who is eligible for Supplemental Security Income (SSI) and would like to save money towards an employment goal, such as self-employment, can potentially save money in a PASS account. The savings are used for specific costs that the person with the disability will pay to support their work goal, such as completing education, covering costs associated with starting work or self-employment and eventually reducing their reliance on disability benefits. The following provides additional information about PASS.

SETTING UP A PLAN TO ACHIEVE SELF-SUPPORT

A Plan to Achieve Self-Support (PASS) must be submitted in writing to SSA. A Community Work Incentive Coordinator can assist an individual to complete a PASS and submit for approval to SSA. The following steps will help an individual set up a PASS plan:

Step One	Decide on a work goal. The work goal could be to gain skills for a specific job or it could be to start a microenterprise or small business.
Step Two	Try to identify all the steps needed to reach the employment goal and how long it will take to complete each step.
Step Three	Determine what items and services will be needed to reach the goal. Identify estimated costs to purchase the items or services and prepare a spending plan.
Step Four	Develop a savings plan that determines how much income will need to be set aside each month to pay for these items and services. A PASS allows a person to set aside income while continuing to receive SSI and in some cases, SSDI. The PASS can increase the funds available to reach the person's employment goal.
Step Five	Open a separate bank account specifically for the PASS savings and expenses.
Step Six	Develop a detailed business plan as part of the PASS application if the goal is to start a business.
Step Seven	Contact a Community Work Incentive Coordinator to help you review the plan and fill out the PASS application.
Step Eight	Mail the completed application to the Social Security office to the attention of the PASS cadre. Schedule a time to meet with their PASS expert.

When a written PASS application is submitted to SSA, SSA reviews the PASS plan to see if it gives the individual the ability to reach their goal of self-sufficiency. SSA reviews the expenses to see if they are reasonably priced and are needed to reach the goal. Additional supporting documentation may be requested. After reviewing the application, SSA will let the individual know if there are any changes, if they need to submit a revised plan and if their PASS was approved.

To learn more, visit the PASS web page (passonline.org).

PROPERTY ESSENTIAL TO SELF-SUPPORT (PESS)

Property Essential to Self-Support (PESS) is an SSA work support that individuals with disabilities receiving Supplemental Security Income, and who are starting or have their own business, can use to potentially exclude certain resources used in a business that would not count towards the \$2,000 resource limit. Examples may include:

- ➔ Property you own and use in a business such as a farm, a machine shop or a beauty parlor.
- ➔ Personal property that you use for work, such as tools, uniforms or safety equipment.
- ➔ Property you use to produce goods or services.

SSI will not count up to \$6,000 of equity value of non-business property, which is used to produce goods or services.

It is important for an individual to further speak with a Community Work Incentive Coordinator about this work support from Social Security Administration. To learn more about PESS, read Social Security's Red Book (ssa.gov/redbook).

Individual Development Accounts

Individual Development Accounts, or IDAs, are an ideal savings option for persons with disabilities receiving Supplemental Security Income, which has a resource limit of \$2,000. Individual Development Accounts are matched savings accounts designed to help low-income workers plan for and reach specific asset building goals. An individual has to have a savings goal to achieve one of the following activities: homeownership,

self-employment or continuing their education. If an eligible individual selects self-employment as their goal, they can use the funds to either start or grow their business. A key characteristic of the program is to build a savings behavior. An eligible individual will need to contribute earned income into the IDA savings account. Once an individual qualifies to participate in an IDA program, they will need to set a goal of the total amount to be saved and matched, and set a savings schedule for specific amounts to be deposited at regular intervals.

The IDA, established for an individual, has two other core program elements in addition to setting an asset goal and savings plan to meet the goal:

- The IDA program provider will offer a match for each dollar saved in the account. The dollar match may range from one to four dollars.
- Each participant will also be required to participate in financial education classes.

Case Example:

- Jane has set an asset goal to start a business. Jane enters into a savings agreement with the IDA provider to save \$50 per month for two years.
- The IDA provider indicates that the program will match her contribution with four dollars for every dollar she saves and places in the account.
- At the end of two years, Jane has contributed \$1,200 to her IDA. The IDA program will match her savings with \$4,800.
- Jane now has \$6,000 to start her business.

All IDA savings plans must be accomplished within five years.

IDA PROGRAM ELIGIBILITY

Eligibility is based on a maximum household level of income and often relies on the Federal Poverty Level (FPL) as a guideline.

- Typical eligibility is 100 to 200 percent of the FPL. Household net worth must be less than \$10,000, excluding the value of a car or home.
- Individuals with disabilities who are working part-time or full-time, and are eligible for Earned Income Tax Credit (EITC), would also be eligible for an IDA.
- Minimum age requirements will vary by IDA program provider.

Impact on Other Public Benefits

- Federally-funded IDAs are exempt from counting as an asset for the purposes of remaining eligible for SSI and Medicaid.
- An IDA with savings plans could actually help preserve eligibility for Social Security benefits. To learn more about Individual Development Accounts, go to bit.ly/2yRVNWd.

ABLE Accounts

A person who has a disability, with the age of onset before age 26, is eligible to open one ABLE account if they receive SSI, SSDI or have a certification of a disability from a licensed physician. Friends, family and the individual can contribute up to \$14,000 to the account each year. Savings up to \$100,000 are excluded from the \$2,000 resource limit for SSI eligibility. If the savings is more than \$100,000, the SSI beneficiary's payments will be suspended for those months. However, when the balance in the account falls below \$100,000, the person will again start receiving their SSI based upon the monthly income and resource calculation. This means that the person continues to be eligible for SSI and does not need to reapply due to their ABLE savings. Savings in an ABLE account are also exempt from Medicaid resource limits. Money saved in an ABLE account can be used to support an individual's business expenses such as legal and business planning expenses, purchase of computers and internet services, benefits planning assistance, office furniture and supplies, assistive technology or transportation costs. To learn more about ABLE Accounts, refer to the *Hands on Banking ABLE Account Supplemental Guide*.

To learn more about ABLE and ABLE accounts, visit the ABLE National Resource Center website (ablenrc.org).

Quick Reference Guide to Resources

ABLE National Resource Center

ABLE National Resource Center provides information on ABLE account programs.

ablenrc.org

National Disability Institute

National Disability Institute is a national nonprofit whose mission is to drive social impact to build a better economic future for people with disabilities and their families.

realeconomicimpact.org

Office of Disability Employment

The Office of Disability Employment Policy (ODEP), U.S. Department of Labor, is the only non-regulatory federal agency that promotes policies and coordinates with employers and all levels of government to increase workplace success for people with disabilities. They provide information on self-employment for persons with disabilities.

bit.ly/DOL-Blog-SelfEmployment

Plan to Achieve Self-Support (PASS)

A Social Security Administration work incentive that allows an individual to potentially save money to support a work goal.

passonline.org

Small Business Administration

The Small Business Administration (SBA) provides support to individuals who or are operating a small business and provides information specifically to persons with disabilities who want to start their own business.

bit.ly/SBA-PWD-Resources

Social Security Administration Guide to Disability Work Incentives

The Social Security Administration Red Book is a valuable resource for individuals to learn more about Social Security benefits and work incentives.

ssa.gov/redbook

Vocational Rehabilitation

Each state has a vocational rehabilitation agency that assists individuals with disabilities obtain and maintain employment.

bit.ly/JAN-VR-Agencies

Work Incentive Planning and Assistance (WIPA)

The Work Incentive Planning and Assistance program assists individuals who are receiving a Social Security Administration benefit to ensure accurate and timely support for beneficiaries on the road to employment and financial independence.

choosework.ssa.gov

Helping you prepare for financial success



It's never too soon to teach the importance of saving, and to show our commitment, Wells Fargo has developed a free, financial education program to make learning about saving easy. Hands on Banking® helps take learning to the next level.

To find out more, visit handsonbanking.org.

Wells Fargo salutes the National Disability Institute's commitment to increasing financial capability among people with disabilities.

Together we'll go far



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