



LARIMER COUNTY WORKS POLICY

Title:	Self Employment		
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Desk:	EC & FAP	Revision:	
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Agency Letters:			
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BACKGROUND:

Some Larimer County Works participants desire to pursue self-employment as an employment goal. This policy outlines the criteria utilized in order for self-employment to be considered as the participant's countable work activity. Self-employment ventures may be approved for a timeframe not to exceed six (6) months.

POLICY:

Participants in the Larimer County Works program may engage in self-employment as a countable work activity when the self-employment meets one of the following options:

Option A:

A participant who can substantiate self-employment with a consistent net income, over reasonable and documented expenses, of minimum wage times the number of hours allocated to self-employment is considered to meet the work activity requirement.

For example, if the participant is required to participate in self-employment as a countable work activity for 20 hours per week, the net income after reasonable expenses must be documented to be equal to or greater than 20 hours times the current minimum wage. (Example: minimum wage of \$5.15 per hour x 20 hours = \$103.00 per week). It is expected that participants in Option A achieve this measure on a consistent basis (a reasonable standard would be three out of four months). Participants who meet this criteria will be placed in the appropriate service delivery track and an Individual Responsibility Contract (IRC) will be developed regarding participation in activities that are appropriate for that track.

A self-employment application and approval of the self-employment plan by the Self-Employment Committee is not required for this option. The employment coach will document in the log notes that the participant is meeting the terms of Option A as related to self-employment and will remind the participant of the importance of accurate and timely reporting of income to the eligibility technician.

In the event that a participant no longer meets the terms of Option A, then the participant must meet one of the additional options available within the Self-Employment Policy for the Works Program in order to continue the self-employment as a countable activity. Participants who transition from Option A to another option must meet the Self-Employment Policy for the Works Program within 60 days of notification from the employment coach that the terms of Option A are no longer being met. If a participant has no interest in participating in an additional option, then the participant will be required to participate in other countable activities.

Option B:

If a participant wants to begin and/or maintain self-employment efforts, the participant must apply to the Self-Employment Committee (or any other Committee as designated by the Larimer County Workforce Center) by submitting an application outlining the self-employment plan and the strategies for building the business for the upcoming six months. The application shall follow the format and timetable established by the Committee. The Committee shall evaluate whether the participant's business plan is credible and will approve or deny the request. If the self-employment plan is approved then, at the completion of the approved six months, either Option A or Option C must apply for the participant to continue self-employment as a countable activity.

Option C:

If the participant has been involved in a self-employment activity for six months or more, and is not meeting the guidelines of Option A, the participant will be required to meet the work activity requirement through a work experience placement, unsubsidized employment, or other countable work activities. The participant may continue to pursue self-employment outside of their countable work activity. If the self-employment income increases such that the participant meets the criteria established in Option A for three months, and has exceeded the six month start-up time provided in Option B, they may work with their employment coach to move to self-employment as their countable activity as defined in Option A.

Option D:

If a participant's self-employment is providing child care, and the self-employment does not meet the criteria in option a, the participant will be required to acquire a child care license in order to have the self-employment as a countable work activity. The participant must also increase their client base to meet the option a criteria and requirements. (the normal time to obtain a child care license is 90 days from the date the application for a child care license is submitted to the colorado department of human services division of child care). Participants must document, on the individual responsibility contract (irc), the date that the application is submitted to the division of child care. If, six months after acquiring the child care license, a participant is not meeting the conditions

outlined in option a, then the participant will be required to meet the expectations outlined in option c.

If the participant is not pursuing child care as a career, or does not want to become licensed, the participant will be placed in the appropriate track and will be required to participate in other countable work activities.

If providing child care is assessed by the employment coach to be the only reasonable employment for a participant, the employment coach must obtain prior approval from the Larimer County Works Manager (Workforce Center) before an extension will be considered.

The employment coach will access the situation a minimum of every six months. Providing child care for one's own children does not count as self-employment.

Extensions:

A household will only be allowed one self-employment opportunity during their five years of eligibility for TANF, unless approved by the Larimer County Works Manager (Workforce Center). If, during the allowable six-month timeframe, the participant has successfully demonstrated the viability of the self-employment business, the participant may apply for one additional six-month extension. A new self-employment plan will be submitted to the Self-Employment Committee. The Self-Employment Committee will make a recommendation to either approve or deny the extension to the Larimer County Works Manager (Workforce Center). The Larimer County Works Manager will make the final decision.