

Answers, Choices, Possibilities  
Work Incentives Connection  
2008 Annual Report

Table of Contents:

Letter from Board Chair and Executive Director – page 1  
Hats Off to Denise– page 2  
Mission and Beliefs – page 3  
Doug Rolls On – page 4  
Year-at-a-Glance – pages 5-7  
Portrait of Jenni – page 8  
Our Donors – page 9  
Financial information – pages 10-11  
Board of Directors and Staff – page 12

Letter from Board Chair and Executive Director:

Dear Friends,

Two years ago on October 1st, the Work Incentives Connection became a nonprofit agency. As the Connection ended a strong and successful second year as a nonprofit, the news about our economy began to turn negative.

As I write this letter, the economic news has gotten as bad as many of us have ever experienced. Connection staff and board are sobered by what is happening to our economy, to nonprofit agencies that serve those most in need, and to our fellow citizens who have fallen on hard times. Like our counterparts in the nonprofit sector, we are strategizing about the future of the services we provide and the well being of the people we serve. In the midst of so much bad news, Connections staff and board hear stories that encourage and inspire us. Some of those stories appear in this annual report.

Every year we need to raise local dollars to match our annual Social Security grant. We rely on individual contributions for a portion of that match. We have seen a particularly heartening trend in the past six months. More of the people we serve are making donations to the Connection for the first time. Most of these individuals are living at or just above the poverty level. Their modest donations are a significant part of their limited monthly budgets. These donations are so meaningful! Not only do these dollars add up, but our clients are making an incredibly strong statement about the importance of the Connection's services to them. Nothing is more gratifying than receiving such powerful feedback from the people you serve! It feeds our fire.

The staff and board of the Connection remain passionate about our work and committed to providing our core services to as many people with disabilities as possible in the coming year. We are hopeful about the Connection's financial situation. With the assistance of all of our generous individual donors and our traditional federal and state funders, the Connection will be able to continue to carry out its mission. In addition, we are cautiously optimistic that our finances, as well as our services will remain stable during our next fiscal year.

There are so many excellent causes that need financial assistance. As you think about how you will parcel out your charitable donation dollars, we hope you will consider a gift to the Connection. Any amount will make a difference! As always, we are grateful for your support in whatever form it takes.

Barb Smith, Executive Director and Sue Abderholden, Chair, Board of Directors

“I think you have done an exceptional job providing help and info to consumers. I wish and hope you can maintain the services you provide with the limited funding and resources you receive.”

--Connection Consumer

Hats Off to Denise!

Denise has traveled a long and rocky road, but making hats helped her emerge on top! Beginning in 1990, mental health problems and chronic physical illness prevented Denise from working. She decided to go back to college, but then was hit by a car, compounding the challenges she already faced. Being out of work for many years, Denise felt she lived in a different world and couldn't believe she would ever be part of the community again. She wanted to be independent, but the thought of losing the Social Security benefits she relied on was scary.

When she called the Connection, Denise was frustrated that she hadn't been able to get clear information about how work would affect her benefits. She needed to know she could make enough money to survive without benefits, and was concerned about what would happen if her health later deteriorated. The Connection provided detailed information about the impact of working on Denise's government benefits and financial bottom line. The Connection explained her options for health coverage and told her about safety nets she could fall back on if things didn't work out.

Denise had sewing skills and an interest in fashion. Through Social Security's Ticket to Work Program and State Vocational Rehabilitation, Denise went back to college to study clothing design. With degree in hand, she found a job at a company that designs hats for department stores. She coordinates with the manufacturer in China to make sure the hats are made correctly. Denise has been working there since 2007 and has given up her Social Security benefits. She has good health insurance through her employer, so she doesn't need Medicare or Medical Assistance any more. Thanks to the Connection, she is reassured to know that benefits can be restarted if she has a health crisis down the road.

Since she went back to work, Denise has faced a few setbacks, but she will tell you it sure beats the life she was living before. Working has made her feel valuable and gives her a place to go where she can interact with other people. She takes pride in being able to tell people she has a job.

Denise offers this advice for other people thinking about going back to work: “Don't think that you have to do everything all at the same time. Establish a goal and then take it one step at a time. You only have to do the thing that is right in front of you.”

## MISSION

To provide answers about the impact of work on benefits, so that people with disabilities can see their choices and take advantage of life's opportunities.

## PRINCIPLES/BELIEFS

### Putting People with Disabilities More In Charge of Their Lives

Individual potential is driven by personal goals, wishes, desires, and the need for something more. We teach people about the effect of work on benefits, uncovering new choices and opportunities for them to be more in-charge of their lives.

### The Power of Work

Work improves financial security, community involvement, health, and sense of purpose.

### Providing Clear and Accurate Answers

The complexity of the system requires us to cut through policy-speak and provide a clear understanding of all the implications employment may have on our clients' government benefits.

### Tenaciously Advocating for Our Clients

We are not intimidated by red-tape or bureaucratic barriers. We will work the system and, if need be, challenge the system on our clients' behalf.

"The work that the Connection does is truly priceless to our customers and greatly valued by us as counselors. The staff has done a wonderful job of answering questions and providing valuable information, insight, and understanding about complex benefits systems." --State Services for the Blind Counselor

## Doug Rolls On...

After Doug started receiving Social Security benefits in 1996, he tried working at several different jobs with mixed success. The hardest part for Doug about going to work was the fear of losing his benefits. He also had trouble figuring out what he could do best. Doug knew that he needed a job he would be able to maintain. He said that truck driving was something he had always wanted to do when he was younger. "I love to drive and I like big trucks." However, Doug did not think he would ever qualify to do this job.

Doug received a "Ticket to Work" from Social Security, which encouraged him to think about getting the skills necessary to have an ongoing career. Doug used his "Ticket" to get assistance from the State Rehabilitation Services program. With their help, Doug took a 12-week course to get his Commercial Driver's License and pursue his dream of driving those "big trucks".

Doug contacted the Work Incentives Connection to better understand how his benefits would be affected by working as a truck driver. He was concerned that, if he worked enough to give up his Social Security benefits and his health care, he might not be able to get those benefits back if he needed them again. Doug says the Connection was a great source of help to him, and that the information he received gave

him peace of mind about going back to work again. Because he had the information he needed about his benefits, he knew exactly what lay ahead for him financially as he pursued employment.

Doug succeeded in getting his Commercial Driver's License and found a job almost immediately. That first job was not a perfect fit, but in a short time Doug had another job. This job was full-time and Doug chose to give up both his own and his children's Social Security benefits. The Connection had shown Doug that if he did this, there was a safety net he could use if things did not work out as planned. This gave Doug the confidence to move forward with his long-term goal to give up Social Security benefits and become independent. Doug says, "I wanted to improve my way of life and go for the American Dream!" Doug has been a huge success! He is working his dream job, has health coverage through his employer, and receives no government benefits.

Doug offered some advice for anyone who is considering going to work back to work or getting into the workforce for the first time: "If you think you are capable of doing something, you are. The most important thing is to make sure you have a good support system---people you can rely on to get you through the ups and downs. There are resources out there that can help you get past all the hurdles. Find those resources and get all the help you need."

Doug was one of the Connection's awardees at its 2008 Recognition Banquet. Ironically, Doug could not attend---he was working! However, he sent a message to his fellow awardees from a truck stop in Texas. This message was shared and enthusiastically received at the banquet. To paraphrase Doug: "Congratulations to all of us. We have all traveled different paths to get to where we are today. We know how rocky the road can be and how hard it can be to keep on going. We deserve to be proud of ourselves and to enjoy our success."

2008 Fiscal Year At-a-Glance  
(10/1/07 through 9/30/08)

#### SERVICES DELIVERED:

Anyone can call the Work Incentives Connection's toll-free Hotline with questions about the impact of work on benefits for people with disabilities. The Connection offers a range of services, including:

Specialized Information and Referral, 2,523 contacts

Specialized Information & Referral contacts are one-time calls with questions such as:

- I want to work my way off benefits, but what happens if my disability gets worse and I need my benefits back? Are there any safety nets?
- Will you find me a job?
- Which Social Security office am I supposed to report to?
- How can I access the Medical Assistance for Employed Persons with Disabilities program?

"The services provided by the Connection have been invaluable to my husband. The knowledgeable and experienced staff helped to address the challenges he was facing. As a result, all issues were resolved."

--Wife of a Consumer

Problem-solving, 1,115 cases

Problem-solving cases involve more complicated questions, requiring multiple calls, research, written follow up and/or advocating for the consumer with their Social Security representative, county financial

worker or housing manager. A wide variety of concerns are addressed, such as:

- I've been offered a promotion, but am afraid I'll lose benefits and be financially worse off. How much money will I keep in my pocket?
- I can't understand the letters I received from Social Security and the County. Can you help me?
- I got a letter saying I have an SSI overpayment. How could this happen? I'm going to quit working.
- My disability requires me to start slowly and gradually increase my work hours over time. How can Social Security's work incentive rules help me?

"They helped me get the information I need to confidently begin working without the fear of losing benefits." --Connection Consumer

#### Benefits Analysis, 299 participants

Benefits Analysis is the Connection's most intensive service, involving research and development of a written report, including: explanations of how working at various levels will affect each government benefit received; a bottom-line assessment of available income (wages + benefits) prior to and after working; identification of appropriate health care options and applicable work incentives; and a Benefits Management Plan to help working individuals monitor their own benefits and report changes to benefit providers, as required. Data is gathered from multiple sources, including the Social Security Administration, the county and subsidized housing programs. It is necessary to be aware of detailed rules for each program and to perform different calculations related to each benefit. The Work Incentives Connection provides a one-stop shop to make this process easier for the people we serve.

"They make life a whole lot easier, and deal compassionately with all disabilities. Makes me glad to have a life." --Connection Consumer

#### Outreach and Training, 60 sessions

Each year, the Connection conducts community meetings, conference presentations, exhibits and in-depth training sessions throughout Minnesota. Sessions are attended by consumers with disabilities, family members, disability advocates, government representatives and private providers serving people with disabilities. The Connection also publishes a newsletter and hosts a website ([www.mnworkincentives.com](http://www.mnworkincentives.com)), which includes extensive information on government benefit rules and incentives affecting people with disabilities who want to work.

For answers about the impact of work on benefits for people with disabilities, call the Work Incentives Connection:

Phone (Twin Cities metro): 651-632-5113  
Toll-free throughout MN: 1-800-976-6728  
TTY: 651-632-5110 or MN Relay – 711

#### OTHER FISCAL YEAR 2008 ACCOMPLISHMENTS:

- Held 9<sup>th</sup> Annual Recognition Banquet, recognizing 25 consumers with disabilities who worked off Social Security benefits, along with 10 State Vocational Rehabilitation counselors and Social Security Administration representatives who went beyond the call of duty in assisting consumers and reducing barriers related to work and benefits.

- Published Annual Newsletter, distributed to almost 5,000 individuals.
- Reductions in benefits for participants studied yield potential savings to taxpayers of \$671,516 per year or \$6.7 million over 10 years.
- Conducted 2008 Satisfaction Survey with 91% of respondents indicating they were satisfied or very satisfied with the Connection.
- Solidified infrastructure as a non-profit agency.
- Raised local matching funds from foundations and individuals to leverage federal funding.
- Renewed contracts with federal and state government sources to continue providing services throughout Minnesota.
- Completed successful financial audit.

“They are great! I would have been afraid to go back to work without their help.”

--Connection Consumer

The Connection completed its Annual Evaluation Report, which continues to show statistically significant, positive outcomes for Benefits Analysis participants within just one year after intake:

Graph: 11.5% percent increase in employment rate at 12-month follow up (48.3% employed) as compared to intake (43.3% employed)

Graph - 14.1% percent increase in hours worked per month at 12-month follow up (63.84 hours) as compared to intake (55.96 hours)

Graph - 30.3% percent increase in earnings per month (\$630) as compared to intake (\$483.32)

Statistically significant decreases in government benefit amounts received at 12-month follow up, as compared to intake:

Supplemental Security Income: -16.0%

MN Supplemental Aid (MSA): -24.9%

Minnesota Family Investment Program (MFIP): -58.8.0%

Food Support: -34.9%

Housing Subsidy: -13.2%

Group Residential Housing: -35.5%

## PORTRAIT OF JENNI

Jenni is a young woman with great determination. She told Connection staff right from the beginning that her goal was to work full-time. At the same time, Jenni noted that due to her Multiple Sclerosis (M.S.), her health fluctuates a lot, making it hard to plan for the future. When her M.S. flares up, she can become quite ill and has at times, experienced physical paralysis. Even during healthy periods, Jenni

deals with numbness, tingling and chronic fatigue. Her family and friends, who are her primary supporters, were concerned that working would cause her to lose needed benefits. Jenni's illness, her active physical symptoms and worries about the future would be enough to immobilize most people. Jenni, however, said she was "brought up to pull your own weight" and she intended to do just that as long as she was able.

Through the Connection, Jenni found out about Social Security work incentives that applied to her situation. The Connection provided detailed examples, showing the impact of working at various levels on Jenni's cash benefits, health coverage and financial bottom line. She was happy to know that the "Trial Work Period" would allow her to keep her Social Security Disability Insurance (SSDI) benefits while she tested her ability to work full-time. Jenni started out working at a major financial firm 8 hours a week and gradually increased her hours.

Jenni currently works full-time. She does sales and labor reporting for a photography studio that has contracts with Target and JC Penney stores. She gives her employer tremendous credit for accommodations that make it possible for her to work full-time. Jenni has flexible hours and typically works 5 to 6 hours in the office each day. She then goes home to rest, completing her work day at home with a laptop provided by the employer. Jenni became eligible for her employer's health insurance and worked enough to give up her Social Security benefits.

Last year, Jenni was named "most valuable employee of the quarter". When asked what being able to work means to her, Jenni replied, "I am proud to say I am doing it all on my own." She acknowledged the long journey to get to this point, as well as the pride she has in her work and knowing that her employer trusts her with responsibilities and relies on her to get the job done.

Jenni offers this advice for others thinking about going back to work: "Start slowly and test the waters." She points out that no one knows what is going to happen in the future. This is true whether you are managing a disability or not. "The biggest thing," she reminds us, "is to keep going and don't give up."

When this story was almost completed, Jenni proudly added, "Another recent success as a result of working full-time – I just bought my first home!"

#### OUR FISCAL YEAR 2008 DONORS (10/1/07 TO 9/30/08)

With their generous contributions, the following individuals and organizations helped to continue the Work Incentives Connection as a long term resource for people with disabilities who want to work. We are deeply grateful for their support!

#### Foundation Grants

Sisters of Saint Joseph of Carondelet, Partners in Justice Fund  
SPEDCO Economic Development Foundation of The Saint Paul Foundation

#### Government Support

Minnesota Department of Employment and Economic Development  
Minnesota Department of Human Services, HIV/AIDS Program  
Minnesota Department of Human Services, Pathways to Employment  
Social Security Administration, Work Incentives Planning and Assistance

Gifts from Individuals and Businesses

Abderholden, Susan  
Adams, Lynda and Dave  
Bach, Lynn  
Bangsberg, T. Jeff  
Bolstad, Kristian, MOSSWA Group LLC  
Boucher, Ellen  
Boucher, Anita  
Boucher, Richard and Brehm, Carolyn  
Cullen, Diane, In Memory of Vi Chatfield  
Dekro, Karen  
Eisenbeisz, Bonna  
Emanuel, Ellen  
Foslien, Kathie  
Gerber, Kathryn  
Giese, Don  
Giese, Linda  
Goldberg, Marge  
Hagen, Kathleen  
Hanson, Michael  
Harker, Jennifer  
Hart, Cynthia and John  
Heiland, Marie  
Heinen, Mary  
Johnson, Earl  
Johnson, Gary  
Koukkari, Kristina  
LaMirande, M. Trudy  
Lentsch, M.J.  
Lingen, Linda  
MBW Company  
Majewski, Wade and Sara  
Martin, Joyce  
McCaughan, Laura  
Michaels, Jane  
Michaelson, Owen  
Nelson Shellhart, Joyce  
O'Keefe, Becky and Mike  
The PegiJohn Supplemental Needs Trust  
Robertson-Smith, Kristen  
Schlichting, Jodi  
Schoepke, Tom  
Smith, Phyllis  
Smith, Barbara  
Spitzack, Mark  
Stang, Lisa and Eric  
Steffl Enterprises  
Stender, Michele  
Thalhuber, James

Van Cleaf, Bill  
Wobschall, Rachel  
Yanta, Susan and Jim

Plus 10 additional donors who wished to remain anonymous

“Staff are very knowledgeable and can explain a complicated system so others can understand it. Also, many consumers will not pursue employment without the facts laid out in black and white. Your services really help facilitate their return to work.” --State Vocational Rehabilitation Counselor

Financial Picture

**Minnesota Work Incentives Connection  
Statement of Activities and Changes in Net Assets  
For the Year Ended September 30, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues and Support:			
Government Contracts and Grants	\$ 184,180	\$ 562,165	\$746,345
Contributions	5,395	18,000	23,395
In-Kind Contributions	12		12
Interest Income	1,806		1,806
Miscellaneous income	482		482
Net assets released upon expiration of use restrictions	629,957	(629,957)	-
	<hr/>	<hr/>	<hr/>
Total revenues and support	821,832	(49,792)	772,040
Expenses:			
Program Services			
Benefits Planning and Assistance	492,385	-	492,385
Training (Education)	23,969	-	23,969
Outreach (Education)	42,686	-	42,686
WISE (Education)	8,137	-	8,137
	<hr/>	<hr/>	<hr/>
Total program services	567,177	-	567,177
Management and general	112,011	-	112,011
Fundraising	11,168	-	11,168
	<hr/>	<hr/>	<hr/>
Total Expenses	690,356	-	690,356
Change in net assets	131,476	(49,792)	81,684
Net assets, beginning of year	107,442	267,190	374,632
Net assets, end of year	<u>\$ 238,918</u>	<u>\$ 217,398</u>	<u>\$456,316</u>

Fiscal Year 2008 Expenses  
 Program Services, 82.2%  
 Management and General, 16.2%  
 Fundraising, 1.6%

**MINNESOTA WORK INCENTIVES CONNECTION**  
**STATEMENT OF FINANCIAL POSITION**  
**September 30, 2008**

**ASSETS**

Cash and cash equivalents	\$ 234,294
Contracts receivable - government grants	233,325
Program fees receivable - government	22,100
Prepaid expenses	3,007
Furniture and equipment, net	<u>26,727</u>
Total Assets	<u><u>\$ 519,453</u></u>

**LIABILITIES AND NET ASSETS**

Accounts payable	\$ 11,969
Accrued payroll expenses	<u>51,168</u>
Total Liabilities	<u>63,137</u>

Net Assets:

Unrestricted	
Board designated	10,000
Other	<u>228,918</u>
	238,918
Temporarily restricted	<u>217,398</u>
Total Net Assets	<u>456,316</u>

Total Liabilities and net assets	<u><u>\$ 519,453</u></u>
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Fiscal Year 2008 Revenues

Government Contracts and Grants, 96.7%

Contributions, 3.0%

Other, 0.3% (Other revenue included in-kind contributions, interest income and miscellaneous income)

The Connection's financial statements for the year ending September 30, 2008, were audited by the firm of Mahoney, Ulbrich, Christiansen, Russ, P.A. The information above is derived from audited information. For a full copy of the Connection's Audited Financial Statements for the year ending September 30, 2008, please call 651-632-5113 or 1-800-976-6728 (TTY: 651-632-5110 or MN Relay – 711).

## BOARD OF DIRECTORS

A Board of Directors, composed of members with extensive experience with disability programs and nonprofit management, guided the Connection through its second year of operation as a nonprofit.

### Chair

Sue Aberholden, Executive Director, National Alliance on Mental Illness of Minnesota

### Treasurer

Jim Thalhuber, Vice President, Development and Marketing, Goodwill/Easter Seals Minnesota

### Secretary

Joyce Nelson Shellhart, Author and Consumer

### Directors

Janice Blake, Factory Motor Parts Company

Lori Guzman, Guzman Law Firm, P.A.

Mary Heinen, Director, Advocacy and Ethics, St. Mary's Health Clinics

Lucy Huppert, Consumer

Rachel Wobschall, Executive Director, Alumni and Constituent Relations, University of St. Thomas

"I can always trust the information I get from the Connection." They are my number one resource that I pass along to other people. This type of service is unique and absolutely essential to empowering people with disabilities to take control of their life." --Service Provider

## STAFF

One of the Connection's chief assets is the expertise and longevity of its staff. Two new staff people were added in Fiscal Year 2008. The other nine have worked for the Connection for between 5 and 9 years.

Executive Director, Barb Smith

Community Work Incentives Coordinators (CWIC's):

Linda Giese

Jen Harker

Christine Knutson

Kris Koukkari

Meredith Larson

Laura McCaughan

Becky O'Keefe

Lisa Stang

Administrative Services Director, Anita Boucher

Administrative Assistant, Joan Cloutier

"I have many positive things to say, but most importantly is that Connection staff understand this extremely complicated subject matter and can explain it so I can understand."

--Connection Consumer

Back cover:

Minnesota Work Incentives Connection  
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