



# Valuations, Accounting, Taxes, and Basics of Practice Profitability

Minnesota Dental Association Dental Entrepreneurial Program  
May 7, 2022

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

## Your Presenter



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# Agenda



Building your team



When and how do CPAs advise dentists



Legal entities and tax structures



Financial tools practice owners use



Practice estimate of value



Compensation formula overview



# Building your team – CPAs and Advisors

## Who else is on your team?

- ✓ Legal – contracts, employee handbook
- ✓ Banking and financing
- ✓ Insurance – protection, HIPPA guidance and compliance
- ✓ Equipment – technology and data security
- ✓ Real estate – own or lease
- ✓ Marketing – website and online presence
- ✓ Financial advisor – plan and guidance, create long-term vision
- ✓ Practice consultant
- ✓ Clinical mentor



# When do CPAs help Dentists?

## D3, D4 and Associate

- Build clinical skills
- Build your team of advisors
- Focus on learning profession

## Interest in Becoming Owner

- Determine lifestyle and practice philosophy
- Save cash
- Practice budgeting
- Analyze practices for purchase or associate buy-in

## Ownership

- Team leader, effective boss, business partner
- Entrepreneur and community member
- Learning to run a business

## Practicing Dentist

- Tax strategies and planning
- Add associate, practice expansion
- Retirement planning, wealth building

## Plan and Execute Exit Strategy

- Financial freedom, succession planning, retirement
- Trust and estate planning
- Maximize value of practice before retirement



# How CPAs Help Owner Dentists:

What are some metrics to measure how my practice is performing?

How do I compare to other practices?

Am I reaching the goals I have set for my practice?

How do I know if I am managing cash wisely?

Are there ways to minimize my tax bill?

What internal controls can I implement to mitigate fraud?



# Your Business Advantage Checking

for July 1, 2019 to July 31, 2019

## Account summary

Beginning balance on July 1, 2019	\$158,605.56
Deposits and other credits	54,192.49

Accounting Software

Collections  
Less Refunds  
Net Collections

Dollar Amount
100,000
(5,000)
95,000

Type	Production	Collections
Services:	\$80,108.00	---
Deleted Services:	(\$2,899.00)	---
Taxes:	\$105.54	---
Deleted Taxes:	\$0.00	---
Discounts:	(\$301.03)	---
Deleted Discounts:	\$0.00	---
Returned Checks:	\$0.00	\$0.00
Returned Check Service Charges:	\$0.00	\$0.00
Debit Adjustments:	\$0.00	\$0.00
Finance Charges:	\$0.00	\$0.00
Billing Charges:	\$0.00	\$0.00
Deleted Debits:	\$0.00	\$0.00
Cash Payments:	---	\$395.00
Check Payments:	---	\$39,782.74
Other Payments:	---	\$27,097.04
Credit Adjustments:	\$0.00	\$6,687.67
Deleted Credits:	\$0.00	(\$2,210.42)
Write Offs:	\$0.00	\$0.00
Totals:	\$77,013.51	\$71,752.03

DAY SHEET  
From EOD: Jul 05, 19 (07/05/19) To EOD: Jul 31, 19



# Legal entities and tax structures

	C Corporation	S Corporation	Sole Proprietor	Partnership	Limited Liability Company
<b>1) Formation</b>					
A) Method	Articles of Incorporation	Articles of Incorporation	None	Partnership Agreement	Articles of Organization
B) Number of Owners	No Limit	100	One	Two or more	One or more
C) Liability	Limited to shareholder capital contribution	Limited to shareholder's contribution to company	Unlimited	Unlimited to General Partners	Limited to member's capital contribution
<b>2) Operational Phase</b>					
A) Tax year	Any year permitted	Generally calendar year	Calendar year	Generally calendar year	Generally calendar year
B) Tax on Income	Corporate level	Individual level	Individual level	Individual level	Individual level
C) Character of Income/Deductions	No flow through to shareholders	Flow through to shareholders	Flow through to shareholders	Flow through to partners	Flow through to members
<b>3) Compensation Arrangements</b>					
A) Fringe benefits	Shareholder - Officers qualify	Limited participation for shareholders	Subject to individual limits	Limited participation for partners	Limited participation for members
B) Compensation	Salary and Bonus	Salary/Bonus; profits split by Stock Ownership	Draws by sole proprietor	Guaranteed payments, profits by ownership	Guaranteed payments, profits by ownership
C) Buy-Ins	Compensation Shift	Compensation Shift	N/A	Guaranteed Payments	Guaranteed Payments





# S Corp return

<b>Form 1120-S</b>		<b>U.S. Income Tax Return for an S Corporation</b>		<b>OMB No. 1545-0047</b>	
Do not file this form unless the corporation has filed or is attaching Form 2558 to elect to be an S corporation. Go to <a href="http://www.irs.gov/Form1120S">www.irs.gov/Form1120S</a> for instructions and the latest information.		<b>2021</b>			
Department of the Treasury Internal Revenue Service					
For calendar year 2021 or tax year beginning , ending					
<b>A</b> S election effective date 04/21/2005		<b>B</b> Business activity code number (see instructions) 621210		<b>D</b> Employer identification number	
<b>C</b> Check if S Corp attached		<b>E</b> Date incorporated 04/21/2005		<b>F</b> Total assets (see instructions) \$ 221,579.	
<b>G</b> Is the corporation electing to be an S corporation beginning with this tax year? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		<b>H</b> Check if: (1) <input type="checkbox"/> Final return (2) <input type="checkbox"/> Name change (3) <input type="checkbox"/> Address change (4) <input type="checkbox"/> Amended return (5) <input type="checkbox"/> Election termination			
<b>I</b> Enter the number of shareholders who were shareholders during any part of the tax year		<b>J</b> Check if corporation: (1) <input type="checkbox"/> Aggregated activities for section 465 at-risk purposes (2) <input type="checkbox"/> Grouped activities for section 465 passive activity purposes			
Caution: Include only trade or business income and expenses on lines 1 through 21. See the instructions for more information.					
<b>1</b> a Gross receipts or sales 2,934,496. b Refunds and allowances 23,155. c Net (Subtract line 1b from line 1a) 2,911,341.		<b>2</b> Cost of goods sold (attach Form 1125-A) 2			
<b>3</b> Gross profit. Subtract line 2 from line 1c 2,911,341.		<b>4</b> Net gain (loss) from Form 4797, line 17 (attach Form 4797) 4			
<b>5</b> Other income (loss) (attach statement) 5		<b>6</b> Total income (loss). Add lines 3 through 5 2,911,341.			
<b>7</b> Compensation of officers (see instrs. - attach Form 1125-E) 7		<b>8</b> Salaries and wages (less employment credits) 8 1,306,112.			
<b>9</b> Repairs and maintenance 9		<b>10</b> Bad debts 10 24,058.			
<b>11</b> Rents 11 229,342.		<b>12</b> Taxes and licenses: STATEMENT 1 12 181,289.			
<b>13</b> Interest (see instructions) 13 12,433.		<b>14</b> Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562) 14			
<b>15</b> Depletion (Do not deduct oil and gas depletion.) 15		<b>16</b> Advertising 16 16,011.			
<b>17</b> Pension, profit-sharing, etc., plans 17 34,619.		<b>18</b> Employee benefit programs 18 30,348.			
<b>19</b> Other deductions (attach statement) STATEMENT 2 19 665,850.		<b>20</b> Total deductions. Add lines 7 through 19 20 2,687,811.			
<b>21</b> Ordinary business income (loss). Subtract line 20 from line 6 21 223,530.		<b>22</b> a Excess net passive income or LIFO recapture tax (see instructions) 22a			
<b>23</b> b Tax from Schedule D (Form 1120-S) 23b		<b>24</b> c Add lines 22a and 23b 24c			
<b>25</b> d 2021 estimated tax payments and 2020 overpayment credited to 2021 25a		<b>26</b> b Tax deposited with Form 7004 26b			
<b>27</b> c Credit for federal tax paid on fuels (attach Form 4136) 27c		<b>28</b> d Add lines 23a through 23c 28d			
<b>29</b> e Estimated tax penalty (see instructions). Check if Form 2220 is attached 29		<b>30</b> Amount owed. If line 28d is smaller than the total of lines 25c and 24, enter amount owed 30			
<b>31</b> Overpayment. If line 28d is larger than the total of lines 25c and 24, enter amount overpaid 31		<b>32</b> Enter amount from line 30. Credit to 2022 estimated tax 32 Refunded 32			
Under penalties of perjury, I declare that I have prepared this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.					
<b>Sign Here</b>		<b>Signature of officer</b> _____ <b>Date</b> _____ <b>Title</b> <b>PRESIDENT</b>			
<b>Print/Type preparer's name</b>		<b>Preparer's signature</b>		<b>Date</b> 02/27/22	<b>Check if not employed</b> <input type="checkbox"/> <b>PTIN</b>
<b>Preparer's name</b> CLIFTONLARSONALLEN LLP		<b>Preparer's title</b>		<b>Preparer's EIN</b> 41-0746749	<b>Phone no.</b> 612-376-4500
<b>Preparer's address</b> 220 S 6TH STREET, SUITE 300 MINNEAPOLIS, MN 55402					

LHA For Paperwork Reduction Act Notice, see separate instructions. 111901 12-23-21 Form 1120-S (2021)



# Single Member LLC

**SCHEDULE C**  
(Form 1040)

**Profit or Loss From Business**  
(Sole Proprietorship)

Go to [www.irs.gov/ScheduleC](http://www.irs.gov/ScheduleC) for instructions and the latest information.  
Attach to Form 1040, 1040-SR, 1040-NR, or 1041; partnerships must generally file Form 1065.

OMB No. 1545-0047  
**2021**  
Department of the Treasury  
Internal Revenue Service (IRS)

Employer of the Taxpayer  
Name of proprietor

Social security number (SSN)

A Principal business or profession, including product or service (see instructions)  
**DENTISTRY**

B Enter code from instructions  
**621210**

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN) (see instructions)

E Business address (including suite or room no.)  
City, town or post office, state, and ZIP code

F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ☐

G Did you "materially participate" in the operation of this business during 2021? If "No," see instructions for limit on losses ☒ Yes ☐ No

H If you started or acquired this business during 2021, check here ☐

I Did you make any payments in 2021 that would require you to file Form(s) 1099? See instructions ☒ Yes ☐ No

J If "Yes," did you or will you file required Form(s) 1099? ☒ Yes ☐ No

**Part I Income**

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked ☐ 1 **1,730,365.**

2 Retains and allowances 2 **25,852.**

3 Subtract line 2 from line 1 3 **1,704,513.**

4 Cost of goods sold (from line 42) 4

5 Gross profit. Subtract line 4 from line 3 5 **1,704,513.**

6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) 6

7 Gross income. Add lines 5 and 6 7 **1,704,513.**

**Part II Expenses. Enter expenses for business use of your home only on line 30.**

8 Advertising 8 **10,982.**

9 Car and truck expenses (see instructions) 9

10 Commissions and fees 10

11 Contract labor (see instructions) 11 **49,690.**

12 Depreciation 12

13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions) 13 **4,552.**

14 Employee benefit programs (other than on line 19) 14

15 Insurance (other than health) 15 **12,261.**

16 Interest (see instructions):  
a Mortgage (paid to banks, etc.) 16a **4,956.**  
b Other 16b **6,640.**

17 Legal and professional services 17 **17,224.**

18 Office expense 18

19 Pension and profit-sharing plans 19

20 Rent or lease (see instructions):  
a Vehicles, machinery, and equipment 20a  
b Other business property 20b

21 Repairs and maintenance 21 **6,130.**

22 Supplies (not included in Part III) 22

23 Taxes and licenses 23 **6,806.**

24 Travel and meals:  
a Travel 24a  
b Deductible meals (see instructions) 24b **2,459.**

25 Utilities 25 **19,054.**

26 Wages (less employment credits) 26 **592,142.**

27 a Other expenses (from line 48) 27a **335,405.**  
b Reserved for future use 27b

28 Total expenses before expenses for business use of home. Add lines 8 through 27a 28 **1,068,301.**

29 Tentative profit or (loss). Subtract line 28 from line 7 29 **636,212.**

30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method. See instructions.  
Simplified method filers only. Enter the total square footage of (a) your home: \_\_\_\_\_ and (b) the part of your home used for business: \_\_\_\_\_  
Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30

31 Net profit or (loss). Subtract line 30 from line 29.  
a If a profit, enter on both Schedule 1 (Form 1040), line 8, and on Schedule SE, line 2. (If you checked the box on line 1, see instructions.) Estates and trusts, enter on Form 1041, line 8.  
b If a loss, you must go to line 32.

32 If you have a loss, check the box that describes your investment in this activity. See instructions.  
a If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 8, and on Schedule SE, line 2. (If you checked the box on line 1, see instructions.) Estates and trusts, enter on Form 1041, line 8.  
b If you checked 32b, you must attach Form 6198. Your loss may be limited.

32a ☐ All investment in activity  
32b ☐ Some investment

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120801 10-28-21



# Balance Sheet

- Snapshot in time (i.e., as of 12/31/2021)
- What do you own?
- What do you owe?

## Assets

### Current assets

Checking account	\$ 110,000
Savings account	5,000
Total Current assets	<u>\$ 115,000</u>

### Fixed assets

Office furniture	\$ 35,000
Dental equipment	240,000
Computer equipment	60,000
CEREC	75,000
Fixed assets before Depreciation	<u>\$ 410,000</u>
<b>Less:</b> Accumulated Depreciation	(100,000)
Total Fixed assets	<u>\$ 310,000</u>

## Total Assets

\$ 425,000

## Liabilities and Equity

### Current liabilities

Business credit card	\$ 12,000
Payroll withholding	\$ 1,000
Total Current liabilities	<u>\$ 13,000</u>

### Long-Term liabilities

Loan Payable - CEREC	\$ 50,000
Loan Payable - Practice financing	300,000
Total Long-Term liabilities	<u>\$ 350,000</u>

## Total Liabilities

\$ 363,000

## Equity

Owner Distributions	\$ (10,000)
Retained Earnings	29,250
Net Income (profits from this year)	42,750
Total Equity	<u>\$ 62,000</u>

## Total Liabilities and Equity

\$ 425,000



# Profit and Loss (P&L)

- Period of time (i.e., month, quarter, year)
- Revenue
- Expenses
- Also called Income Statement

	Actual Dollars	% of Net Collections
Collections	100,000	
Less Refunds	(5,000)	
Net Collections	95,000	100%
1) Employee wages	22,800	24%
2) Clinical supplies	6,650	7%
3) Lab fees	7,600	8%
4) Rent	4,750	5%
5) Office supplies	1,900	2%
6) Other business costs	8,550	9%
Income before Owner Expense	42,750	



# Why is understanding your financial statements important?

- Understand and know what you are paying for
- Monitor your expenses – have a disciplined approach to financial management
- Having an accurate P&L allows you to compare apples to apples
- This information is reported on your practice tax return



## *Estimate of Practice Value*

### *December 31, 201X*

#### **METHOD 1 - ASSET VALUE**

	<b><u>Low</u></b>	<b><u>High</u></b>
<i>Dental equipment -</i>	<i>\$150,000</i>	<i>\$150,000</i>
<i>Office equipment and furniture</i>	<i>10,500</i>	<i>10,500</i>
<i>Leasehold improvements</i>	<i>20,000</i>	<i>20,000</i>
<i>Dental supplies &amp; hand instruments</i>	<i>15,000</i>	<i>15,000</i>
<i>Accounts receivable</i>	<i>110,000</i>	<i>125,000</i>
<i>Patient records/goodwill</i>	<i>490,000</i>	<i>765,000</i>
<b><i>Total value</i></b>	<b><i>\$795,500</i></b>	<b><i>\$1,085,500</i></b>



## *Estimate of Practice Value* *December 31, 201X*

### **METHOD 2 - ANNUALIZED NET PRODUCTION (Weighted Ave)**

12/31/xx	\$1,100,000	times 1	\$1,100,000
12/31/xy	1,350,000	times 2	\$2,700,000
12/31/xz	<u>1,530,000</u>	<u>times 3</u>	<u>\$4,590,000</u>
		6	\$8,390,000
divide by 6			<u><u>\$1,398,333</u></u>
Average annual net production			<u><u>\$1,398,333</u></u>

**Total value**

**\$769,083**

**\$1,048,750**

55%

75%



## *Estimate of Practice Value*

*December 31, 201X*

### **METHOD 3 - CAPITALIZED EARNINGS**

<i>Average annual net production-(from above)</i>		<i>\$1,398,333</i>
<i>Less: Average operating expenses</i>	<i>60%</i>	<i>(839,000)</i>
<i>Professional labor (38% of net Dr. prod after lab)</i>		<i>(350,000)</i>
<i>Equipment contribution</i>		<u><i>(25,000)</i></u>
<i>Excess Earnings</i>		<u><u><i>\$184,333</i></u></u>

*Capitalization Rate*

	<u><u><i>20%</i></u></u>	<u><u><i>16%</i></u></u>
	<i>(5 times)</i>	<i>(6.25 times)</i>

***Total value***

<u><u><i>\$921,667</i></u></u>	<u><u><i>\$1,152,083</i></u></u>
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***Estimate of Practice Value***  
***December 31, 201X***

**METHOD 4 - ANNUALIZED EARNINGS**

**Low**

**High**

*Total earnings(amt available for doctors)*

12/31/xx \$420,000

12/31/xy \$520,000

12/31/xz \$650,000

*Total earnings for the above years*

\$1,590,000

*div by 3*

*Average annual earnings*

\$530,000

2

2.5

***Total value***

\$1,060,000

\$1,325,000



## *Estimate of Practice Value*

*December 31, 201X*

### *Average value of the four methods presented*

<i>Method 1</i>	<i>\$795,500</i>	<i>\$1,085,500</i>
<i>Method 2</i>	<i>769,083</i>	<i>1,048,750</i>
<i>Method 3</i>	<i>921,667</i>	<i>1,152,083</i>
<i>Method 4</i>	<i>1,060,000</i>	<i>1,325,000</i>
<i>Total of the four methods presented</i>	<u><i>\$3,546,250</i></u>	<u><i>\$4,611,333</i></u>
	<i>div by 4</i>	<i>div by 4</i>
<i>Average of the above valuation methods</i>	<u><i>\$886,563</i></u>	<u><i>\$1,152,833</i></u>

### *Calculated value (average of low & high)*

*\$1,019,698*

### *Other Balance Sheet items at 12/31/1X*

<i>Cash</i>	<i>\$20,000</i>
<i>Accounts payable</i>	<i>(2,500)</i>
<i>Payroll withholdings payable</i>	<i>(7,500)</i>
<i>Notes payable</i>	<i>(100,000)</i>
<i>Current year profit</i>	<u><i>0</i></u>
<i>Net total</i>	<u><i>(\$90,000)</i></u>

*Net value*

*929,698*

*Net value-rounded*

*930,000*



# Compensation Formula Overview

- Two or more dentists sharing ownership of the practice
- How is income allocated between owners?
- Compensation formula defines the financial payouts from practice



# Compensation Formula

## January 1 - December 31, 2020

Net Income through December 31, 2020	\$	42,750
Add: Salaries and Benefits of Owner Doctors		554,500
<b>Compensation Pool</b>	<b>\$</b>	<b>597,250</b>

Allocation of Compensation Pool:		
Doctor Production Pool	70%	418,075
Ownership Pool	30%	179,175
	100%	<b>\$ 597,250</b>

	Dr. 1	Dr. 2	Total
70% Comp Pool x Net Production Percentage	252,587	165,488	418,075
30% Comp Pool x Ownership Percentage	89,588	89,588	179,175
<b>Total Compensation Earned</b>	<b>342,174</b>	<b>255,076</b>	<b>\$ 597,250</b>

Less:			
Salary	270,000	210,000	480,000
Dues and Licenses	2,000	3,000	5,000
Health Insurance	18,000	10,000	28,000
Continuing Education	3,500	1,000	4,500
Retirement Plan Contribution	31,000	6,000	37,000
Total Salary and Benefits	324,500	230,000	554,500
Balance of Comp Due / (Overpaid)	17,674	25,076	42,750

Gross Production	725,000	475,000	1,200,000
Less: Lab Fees	(58,000)	(38,000)	(96,000)
Production less Lab	667,000	437,000	1,104,000
Percent of Net Production	60.4%	39.6%	100.0%
Percent of Ownership	50.0%	50.0%	100.0%



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Staff In-Charge	Date assigned	Completed	Notes
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- [illegible]

[illegible]

# Practice checklist example

## III Practice site

### If Leasing:

Type of lease: triple net, gross lease - ask professional  
 Leasehold improvements needed / landlord or tenant pay?  
 Landlord concessions? (Free rent, tenant improvement allowance, build out period)  
 Size (Square footage) needed for current / future use  
 Type of space? I.e. Retail, medical office building, office, mixed use  
 Location / demographics  
 Term of lease and cancellation clauses  
 Renewal terms & timelines  
 Liability insurance coverage - tenant or landlord responsible?  
 Limit on operating hours?  
 Parking?  
 Snow & ice removal?


### If Building:

Architect  
 Construction company  
 Preliminary plans  
 Construction documents  
 Timeline  
 Construction contracts / details / negotiations  
 Location / available property search  
 Size: total buildings square footage and acreage of site required  
 Zoning ordinances / permits


Examine current security systems and determine needs, contact vendors  
 Square footage requirements of office design  
 Signage restrictions for outdoor signs? Brightness or size?  
 Specific insurance requirements for leased or built space?


## IV Financing

Review existing Tax Returns & Financial Statements if buying existing

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### Revenue

Patient volume  
 Procedures performed or referred out  
 Payor mix / insurances accepted  
 Systems to collect same day payment and receivables


### Expenses

Fixed  
 Variable  
 Projected Overhead  
 Any immediate increase in costs?




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- Cash Flow Projection
- Break-even Analysis
- Develop or review Fee Schedule
- Programs or Education on CDT coding for you & team
- Installation of credit card machine
  - At Front desk
  - One per Op / chairside
- Review existing or set up petty cash system
- Develop expense sharing methods / system / agreement, if partners
- Develop schedule of Lease or Rent payments
- Develop schedules for payments of Practice Loan, Equipment Loan, etc..
- Develop system for purchasing decisions / threshold requiring Dr. review
- Banking arrangements
  - Personal banking
  - Business banking
  - Loans
  - Line of credit

[illegible]

- Choose CPA
- Choose accounting software
- Choose payroll platform
- Obtain checks / business credit card
- Develop Chart of Accounts
- Develop Accounts Payable procedures
- Apply for Federal & State Employment Identification Numbers
- Apply for Unemployment Insurance Identification Number
- Review or develop Internal Controls policies & procedures
- Set agreed upon dates to review practice financial information

[illegible]

# Practice checklist example

## VI Office Equipment

- Develop list of major furniture, fixtures & equipment needed
- Review inventory
  - Dental supplies
  - Office supplies
- Explore group bulk purchasing options


## VII Licenses /permits / registrations

- Evaluate requirements for City & County:
  - Occupational licenses
  - Business licenses
  - Chamber of Commerce
- Inform State Board of Dentistry re: address change
- Submit change of address for Federal DEA number
- Review or develop compliance processes for:
  - OSHA
  - CDC
  - HIPAA
  - Employee Handbook
  - CPR or Basic Life Support certifications
- Secure government forms
  - W-4 for employee tax withholdings
  - W-9 before paying vendors
  - Federal I-9 for HR records
  - Tax tables / withholding calculator






# Practice checklist example

## VIII Provider numbers & credentialing applications

- Submit credentialing applications for payors
- Contact Medicare/Medicaid for provider applications
- Organize electronic credentialing information for annual renewal, if applicable
- Review /decide on memberships
  - ADA
  - Local dental groups
  - Specialty associations
- Organize DEA,NPI, Dental License numbers for easy access during transition


## IX Personnel & Your team

- Meet & greet with existing team
- Structured introduction of new Dentist to team
- Begin advertising for open positions and interviewing applicants
- Develop staffing wages/salary budgets & projections
- Develop internal job descriptions
- Develop personnel policies / procedures
- Schedule staff orientation / meeting
- Dentist & staff benefit package
- Team set up in payroll system
- Bonus structure communicated & team buy-in
- Schedule blocks of Team PTO & office closing, if applicable
- Evaluate team building events / building team culture
- Identify / articulate an agreed Mission Statement or Vision
- Evaluate CE opportunities for scripting, patient experience, hand-offs


## X Practice Information Technology

- Evaluate current computer systems
- Communicate with IT professionals for your practice needs
- Schedule PMS/EMR demo's & training
- Schedule training for team to use equipment to your expectations
- Select IT consultant for software patches, IT threats, cyber security, etc..
- Evaluate purchase or lease options for IT
- Evaluate data breach insurance policy
- Develop a data breach / IT security protocol
- Consider testing your Practice defense against phishing, hacks, other IT threats




# Practice checklist example

## XI Business office / Front desk

- Select or develop Business office forms
- Develop patient questionnaires / intake forms
- Develop system for delinquent payments or collections
- Select or develop system for tracking new patients "how did you hear about us"


## XII Clinical procedures

Develop Clinical policies / procedures for:

Patient care:

- Lab
- X-ray
- Infection control
- Employee safety & health
- Patient referrals
- Medical emergencies
- On-call schedule / coverage
- Patient flow processes
- Appointment scheduling


## XIII Insurance

Choose professional Insurance partner for:

- Professional Liability
- Workers Comp
- Employee dishonesty
- IT Data Breach
- General & premise liability
- Property/contents
- Health
- Disability
- Life
- Special coverages
- Umbrella policy
- Business Interruption
- Home / Auto / Personal




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## XV Marketing

Review / develop marketing plan & budget

Consider interior & exterior signage & appearance to outside world

Review / develop practice logo, prepare & order:

Letterhead / envelopes / postcards

## Practice brochures

Transition letter / announcements

## Business cards

### Appointment cards

### Recall cards / letters

### Newspaper announcements

Review &amp; order patient education materials

Referral form

Note pads / pens / marketing knick-knacks

Review / develop social media presence, if wanted

Develop smart phone compatible website

### Review process for managing online reviews

Consider patient forms hosted online to complete before appt.

Consider networking / marketing methods for:

### Other dentists

## Hospitals

Nursing homes or assisted living

Home health agencies

### Community Organizations

Chamber of Commerce

### Major Employers

## Local Media

New resident information (welcome brochures from all businesses)

Plan reception / open house!

[illegible]

# Additional Resources

- A Guide To STARTING A BUSINESS IN MINNESOTA is updated annually. Copies are available without charge from the Minnesota Department of Employment and Economic Development (DEED), Small Business Assistance Office, Great Northern Building, 12th Floor, 180 E. 5th Street, St. Paul, MN 55101-1678. Telephone: 651-556-8425 | 800-310-8323
- [Small Business Assistance Office \(SBAO\) / Minnesota Department of Employment and Economic Development \(mn.gov\)](#)





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