

10 TO-DO'S

BEFORE OPENING DAY FOR A WINNING START

MANAGE YOUR BACK-OFFICE BURDEN AND PROVIDE INFORMATION AND INSIGHT SO YOU CAN SPEND YOUR TIME GROWING YOUR BUSINESS AND FOCUSING ON YOUR CUSTOMERS AND EMPLOYEES - NOT PAPERWORK.

1

GET INTO THE HABIT OF **SAVING**

Set up **two savings accounts**: one for profit and one for taxes. Put 1 percent of sales into each account to get into the habit of saving. Get in the practice of moving this money every other week as you would payroll. Your accounting partner can help you figure out what your actual percentages need to be long term, but when you're starting out, it's all about discipline.

2

COMPLETE YOUR **EMPLOYEE HANDBOOK**

Don't overlook this! Clear expectations and guidelines will save you a lot of headaches in the long run. Your payroll partner should provide onboarding tools to make this task easier, as well as access to a comprehensive online solution, which includes an employee handbook builder. You may also want an HR professional any time you have questions.

3

SET UP A **SEPARATE PAYROLL ACCOUNT**

This is for security reasons. A bank processing error, simple bookkeeping error, or worst case, a fraud situation, could put your employees' paychecks at risk. One way to reduce risk is to require everyone be paid via **direct deposit** or **paycard**. Some states, however, require you to offer paper checks. Once again, your payroll partner should offer both options at no additional cost.

4

SECURE YOUR **RESALE CERTIFICATE**

Set up your **sales and use tax account** so you can get your **resale certificate**. With your resale certificate, you won't have to pay sales tax on items you will be able to pay in your use tax on your initial equipment purchases. Your accounting partner can help you set up these accounts and determine what you need to pay into and when you need to pay into each account.

5

PICK YOUR PAYROLL PARTNER

Choosing the right partner makes a world of difference. They make your life and your employees' life much easier by making sure your team gets paid. But they can also:

1. Determine your **pay frequency** and **schedule**
2. Get all your **tax accounts** set up
3. Finalize your **employee handbook**
4. Make a **great first impression** with your employees
5. Provide **electronic onboarding** tools for easier HR management

6

MAKE SURE ALL YOUR STATE & LOCAL ACCOUNTS ARE SET UP

Between your payroll tax accounts, your sales and use tax accounts, and your local business license, there are a number of accounts to set up. Additionally, some states require disability accounts, personal property tax registration, and a school district tax. Like we said, a BUNCH! Your accounting partner should help you establish and manage these accounts and prepare any initial filings for you.

7

SET UP WORKERS' COMPENSATION INSURANCE BEFORE YOU HIRE

Your local insurance agent or your payroll partner can guide you through this. Consider a pay-as-you go workers' compensation insurance policy. This will allow your cash flow to match your salaries and wages expenses as you add additional team members.

8

SET SOME 3-6 MONTH GOALS

You probably already have sales targets and pro forma financial statements, but write down a couple of simple, fun goals.

Think about a savings goal. If you're taking our advice, you'll have a savings account set up from day one (and you'll be putting **1 percent of your sales** in it). When you hit \$5,000 on that account, you can go buy that cool new pair of sunglasses you've been wanting.

Small targets help you stay on track and pave the way for crushing big goals. Revisit your goals as your business grows.

9

ESTABLISH YOUR **BACK OFFICE PROCESSES** WITH YOUR ACCOUNTING PARTNER

You need a plan for managing receipts, secure communications, bill payment, financial statements and profitability review, as well as tax compliance. You have made a large family tree changing investment, so you should make sure you have access to the right information and insight to make great decisions.

10

PICK YOUR **ACCOUNTING PARTNER**

Your accounting partner should:

- 1.** Provide you with an **accurate set of books** in a timely manner that you can use to make great decisions for your business
- 2.** Give you insights based on your financials that you can act on. In other words, they will help you make more money and keep more after taxes.
- 3.** Handle all the **critical tax and compliance stuff** that you would rather avoid. You have enough on your plate as a new business owner. You need someone in your corner managing your numbers.

