

## The Simple Budget Worksheet – Instructions

### Period

First, select the period of time that you would like to include in your budget. This could be for an entire year, quarter or a month. Enter your starting and ending dates here. Monthly or quarterly periods are best.

### Projections

Here you will need to make some predictions on the percentages for your Net Operating Income and each individual expense “buckets”. It’s best to use historical data from your own practice. If you’re not sure, use these guidelines based on previously published data\*:

Net Operating Income	25-35%
Cost of Goods Sold (COGS)	25-30%
People	20-30%
Place	6-10%
Things	5-15%

\*Remember, these must total 100%.

### Income

Here you will project your Income for the given period that you have chosen. Again, this can be accomplished by looking at historical data and building in a growth factor over the prior period or prior year. Enter your projected income in the “Projected” box. You will enter the “Actual” information after the period is completed.

### Expenses

**Projected (%)** – enter each percentage based on your projections above. Multiply this percentage by your Income projection. This will give you the actual dollar amount projected for each expense category. Do this for each of the following categories:

- ✓ Cost of Goods Sold (COGS)
- ✓ People
- ✓ Place
- ✓ Things
- ✓ Net Operating Income (NOI)

**Doctor’s Compensation** – record the compensation for both owners and associate doctors, including taxes, benefits and any additional investments.

**Business Debt** - now enter any additional expenses you have unrelated to the above expense categories. These include:

- ✓ Bank notes
- ✓ Bank debt
- ✓ Lines of credit
- ✓ Equipment loans
- ✓ Other debt
- ✓ Family debt

Finally, enter your projected **Net Income**. This is the amount of income you expect to make after all expenses are paid, or your Net Cash Flow (NCF).

After you have completed the period and have gathered all of your financial results, enter your actual data in the “Actual” boxes and calculate the percentages for each category.

### Analyze

Now take a few minutes and look at your results. How close were you to hitting your projections both in income and expenses? What areas need attention? What caused your projections to be off in any particular category? What could have you done differently to achieve your goals?

# The Simple Budget Worksheet

## Period Enter time period (month, quarter or year)

From: \_\_\_\_\_ To: \_\_\_\_\_

## Projections\* Enter historical percent of collections for each expense bucket

Cost of Goods Sold (COGS) \_\_\_\_\_% Place \_\_\_\_\_%

People \_\_\_\_\_% Things \_\_\_\_\_%

Total percentages above and subtract from 100. This is your Net Operating Income. Enter result below.

Net Operating Income \_\_\_\_\_% \* **Must equal 100%**

## Income Enter projected income for the period

Projected (\$)	Actual (\$)

## Expenses Apply historical percentages from above

	Projected (%)		Actual (%)
Cost of Goods Sold _____%			
People _____%			
Place _____%			
Things _____%			
Net Operating Income (NOI) _____%			

## Doctor Compensation

<b>Associate Comp</b>		
<b>Owner's Comp</b>		
Salary		
Taxes		
Additional Draw		
Auto		
Health/Dental		
Retirement		
Reserve		
Addn'l investments		

## Business Debt

_____		
_____		
_____		
_____		
_____		
_____		
_____		
_____		

## Net Cash Flow