

## Practice Management Seminar

November 11, 2011

Updated: September 26, 2011

### WHAT IS PRACTICE MANAGEMENT

#### 1. Practice management design

- Manager, rainmaker
- Preparer, manager

#### 2. The Elements of a successful tax practice

- Contact Relationships Management (CRM) – Good People – Time Management
- Communications – news letters, websites, mass email
- Professional Networking – MSEA, CSEA, Other professional organizations
- Accounting and budgeting
- Technology
- Tax preparation strategies
- Legal – attorney relationship
- Human Resources
- Form of Entity
- Tax compliance
- Security

#### 3. Business and personal Goals

- Setting Goals and mission statement
- Business plan
- Revenue
- Number of clients/returns and types
- Market Segment
- Expertise – education
- Staffing
- Specific – Measurable – verifiable – time Bound

### TIME MANAGEMENT

#### 1. Appointment scheduling options

- Walk-in tax preparation
- Advantages and disadvantages
- Traditional appointments
- Pre-scheduling
- Open scheduling – Client calls for available times
- Confirming appointments

- Methods – email, letter, call, mass communication
- Confirmation verification and reporting
- Use of technology

#### 2. Controlling personal time and access

- Planning day, contingencies, training clients, telephone access
- Appointment schedule – control
- Time blocking

### TAX PREPARATION STRATEGIES

#### 1. Client orientation and get to know you

- Engagement letters
- Disclosures
- Client Solicitation and Use Agreements
- Questionnaires
- Expectations
- In-processing client arrival

#### 2. Interviewing techniques

- Client personalities
- Establishing rapport
- Psychological issues

#### 3. Data gathering

- Client data packets and contents
- Organizers, document request lists, etc.
- Retrieval: In person, email, document portal
- Advantages and disadvantages
- Missing information retrieval
- Information document request
- Email, portal, drop-off, telephone (written only)
- Use of questionnaires – before or during interview
- Data Verification

#### 4. Processing, monitoring and quality control

- Data input – interactive or batch
- Inventory control and monitoring
- Data review and checking
- Tracking data gathering and input

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- Audit trail methods and procedures (source document to return)
- Preparer note systems

### 5. Return delivery

- Client pickup, mail (US Post Office, Ups Fedx), portal, email – advantages & disadvantages
- Confirmation of delivery receipt
- Return packaging
- Final review and sign-off

### 6. Tax extension strategies

- Advantages and disadvantages
- Information required
- Client approval

### REVIEW OF PREVIOUSLY PREPARED RETURN

1. Methods
2. Disclosure issues
3. Fees

### TAX PLANNING

1. Fees
2. Software

### TAX RESEARCH

1. Internet
2. Continuing education
3. Research products (CCH, RIA, On-line)

### COMPUTER AND HARDWARE NEEDS

1. Computer processing speed and power
2. Monitors – size, number, quality
3. Servers and networking
4. Use – preparer, client
5. Internet access – information retrieval
6. during interview
7. Desk size and configuration
8. Printers, copiers and scanning equipment

### SOFTWARE

1. Tax preparation
2. Tax utility software
3. Word processing and spreadsheet
4. Bookkeeping software (i.e. Quickbooks, etc.)
5. CRM (Outlook, Goldmine, Sales Force, etc.)
6. Security and anti-virus

### DATA STORAGE AND RETRIEVAL

1. Paper files
2. Scanned files
3. Storage software (e-file cabinet, Laser Fische, other)
4. Document portal – plus/minus

### FEES AND BILLING PRACTICES

1. Setting fee amount – market rates
2. Use of fee schedules – when to provide
3. Methods of charging – hourly, by form, combination
4. Allowable contingency billing (retainers) – value added billing – complexity – special circumstances
5. Minimum fees
6. Technology and mailing charges
7. Late processing charges
8. Discounts, add-on's and coupons
9. Billing systems – (software – Time Slips, ASA Form, Bill Quick)
10. banking payment)

### 11. Pre-paid billing offers

- Tax Services
  - Tax planning
1. Fee collection methods: bill, upon receipt, before e-file, other.
  2. Form of payment – Cash/Check, Credit/Debit Card, PayPal, Other payment systems (cell phone, online banking receipt).
  3. Credit card processing services – vendor choices (CSEA, Costco, Other).
  4. Using collection agencies
  5. Fee increases

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6. Small claims court, reporting to credit bureau, credit checks, bad checks

### VALUE ADDED SERVICES

1. Consulting agreements
2. Free access policies (answer question)
3. Offering financial services in a tax practice

### INSURANCE SERVICES

#### 1. Errors and omissions

- Purpose
  - Where to buy
  - Coverage – what's covered and what is not
  - E & O claim prevention ideas
2. Liability insurance – general office packages and overhead insurance
  3. Business Interruption
  4. Disability Insurance

### PERSONNEL AND EMPLOYEE ISSUES

1. Why hire employees? Advantages and disadvantages
2. Level of experience
3. Interviewing and selection criteria
4. Types of positions
5. Employment offers
6. Proprietary Information Agreements
7. Employee reviews and raises
8. Compensation formulas: hourly, salary, bonuses, profit sharing agreements
9. Employee handbooks
10. Using temporary employees
11. Contract employees

### AFFILIATIONS AND NETWORKING

1. Resource sharing
2. Education opportunities
3. Expertise, knowledge and problem solving
4. Best practices development
5. Time commitment

### DISCLOSURE ISSUES

1. Mortgage and finance companies verification of income
2. Verification of employment requests
3. Third party pickup of tax return
4. Other

### POTPURRI

1. Office hours
2. Job sharing
3. Delegation
4. Exit interviews
5. Buying a tax practice (valuation, agreements, due diligence)
6. Purchasing office supplies (where, on-line, bulk, mail order)
7. Interview and practice management forms