

Business Plan Considerations

*****The listings below are **only suggestions** of what to consider when you develop a business plan. It is important to consider that Service Designs are an element to an overall Business Plan. You need to consider the type of service you plan to offer and that the service is a business. Therefore, you need to know what makes good business sense for that service. We hope this tool provides you with considerations that will help you better plan for your service(s). *****

Consider Including Basic Information Found in Business Plans:

- Service Mission Statement
- Business Skills Inventory
- Basic Financial Information
- Business evaluation and analysis
- Initial Cost Planning
- Start-Up costs
- On-going service costs
- Operating expenses
- Financial Projections
- Income Statements
- Cash Flow statements
- Business Plan Evaluation
- Best Practices in planning and identify growth
- Service(s) Designs

Business Planning Resources:

- www.irs.gov
- www.sba.gov/business-guide
- www.sos.ca.gov

Additional Considerations:

- Consider your history in business and serving people with developmental disabilities.
- Describe the service(s) that will be offered.
- What is your Mission Statement, paying particular attention to using person-centered language?
- What Research was used to determine why you want to offer this service
- How will you market your service?

Consider Discussing Your Business Organization:

- What type of legal business organization will your company be, such as sole proprietorship, partnership, limited liability company, or corporation?
- Is your business for profit or not for profit?

- Will you have a board of directors?
- Who will fund your service?
- Who determines policies and makes budget decisions?
- What insurances are required for this service? Consider general and professional liability, property and casualty coverage, sexual abuse and molestation coverage, and automobile liability.
 - You may want to consider contacting a few insurance companies for information on types of insurance that may be needed for your service.
- Consider contacting accountants or bookkeepers to help you track your assets and liabilities, as well as help to monitor billing, payroll, payroll taxes, and benefits.
- Discuss how you will ensure taxes are paid for your service and employees.
- Discuss your bookkeeping system and what your plan is to keep account of the monies you receive for your service.
- Consider what State or Federal regulations are pertinent to your service.
- Will zoning regulations effect the service location?
- Are there any building code requirements that will impact your service?

Consider Your Management Operations:

- Consider the needed personnel/management team for this service and what the qualifications, education levels or experiences will be needed to carry out your service.
- Consider including résumés in your business plan.
- What will the job descriptions for the service look like, and what will be the employee requirements for each paid or volunteer position?
- How you will locate and hire staff?
- Consider what your wage scale will be for hired staff?
- Consider how you will provide for ongoing staff trainings and the costs associated with them.
- Consider what your staffing patterns will look like.
- If you plan to provide a residential option for consumers, discuss how you will help staff and yourself prepare for retirement or for unexpected life changes. How will that affect the business?
- What are your major business policies?
- You may want to include a daily/weekly schedule of activities.
- Consider what supplies you need for your service and the costs associated for those supplies.
- Do you have external partners that are not intimately involved with the services such as lawyers, accountants and/or consultants?

Marketing Considerations:

- Consider what is being offered and to whom.
- Are there any specialized services that will be offered as well?
- How will your rates be determined? If you plan to be primarily funded through POS dollars via Regional Center, a rate review team provides the approval for the suggested rate.
- How will you provide transportation to the program or service?

- Advertising – what will your ads look like and what is the cost associated with advertising?
- What is the referral process for your service?

Financial Considerations:

- Will there be start-up costs for purchases, wages, staff recruitment, training, and assessments?
- Consider what you will need financially to totally cover all startup costs.
- Consider your cash flow projections to maintain financial feasibility.
- What are your additional sources of income?
- Consider including what you anticipate for your income and what the expenses will be for a four-year period, month by month, as well as year by year, in statement form.
- Consider including a balance sheet with your assets and liabilities.
- Consider a break-even analysis: revenue versus expenses.
- What is your financing plan? Will you need to borrow money? How much? Will you have a personal line of credit? Will you have a bank loan? How will you use those borrowed monies and what is your plan to repay the borrowed monies?

Supporting Documents:

- Organizational chart
- Personnel résumés
- Letters of reference
- Job descriptions for each part of the service
- Include all copies of contracts, leases, business licenses, and professional certificates and/or licenses,

Remember to Consider:

- What are the real costs are for developing this new service, such as a lease or purchase of a physical site, office space, office equipment?
- What are the costs for staff development, including recruitment, training to start and ongoing, conferences, and wages?
- Are your employee wages competitive? What are other providers paying for this type of work?
- How you will account for medical insurance, dental insurance, vacation time, sick days, and a retirement package?