

WHAT TO DO WHEN STARTING A NEW BUSINESS CHECKLIST

The checklist below shows some of the many things that have to be done when starting a new business – before the start-up, once the business is in operation and on an ongoing basis thereafter.

BEFORE START-UP

- Choose management advisers – an accountant, an attorney and a banker.
- Develop a business plan, including cash flow projections
- Using the business plan, establish a relationship with a banker. Possible bank services include:
 1. Credit-card merchant account
 2. Business checking account
 3. Working capital loan
 4. Equipment loan
 5. Lock-box services
- Select the legal entity and yearend
- Find a location for the business
- Negotiate a lease
- Design the layout of the facility
- Prepare all the necessary legal documents, as applicable:
 1. Partnership agreements
 2. Articles of incorporation and first organizational minutes
 3. Bylaws
 4. Federal identification number (SS-4)
 5. State and local license applications
 6. Sales tax identification number
 7. State unemployment number
 8. Industry-specific license
- Obtain quotes for and then order office furnishings and equipment
- Order office supplies
- Order business cards and business stationery
- Order office telephone number
- Purchase adequate insurance:
 1. Health
 2. Malpractice
 3. Liability
 4. Workers' compensation
 5. Life
 6. Fidelity bond
 7. Computer and equipment
 8. Umbrella
 9. Employee dishonesty
- Register the business name with local and state authorities

START-UP

- Establish prices for your goods and services
- Promote the business' opening through:
 1. Press releases to local and national media
 2. Advertising
 3. Direct-mail announcement
 4. Other: (This depends on the target market defined in the business plan. For example, a restaurant or store might send special coupons for discounts to local residents or present a grand opening event and send invitations to prospective customers, or a manufacturer or supplier of office supplies might offer special discounts to local businesses.)
- Seek, interview and make offers to job candidates
- Select and implement a financial recordkeeping system. (While this can be either manual or computerized, it must be implemented consistently. If the business records a particular type of transaction one way at the start, such transactions must continue to be recorded in a similar manner to avoid confusion.) Aspects of recordkeeping include:
 1. Accounts payable
 2. Accounts receivable
 3. Inventory Tracking
 4. Order entry

ONGOING OPERATIONS

- Develop personnel policies and procedures
- Prepare quarterly payroll returns and verify timely tax deposits
- Prepare quarterly or monthly financial statements
- Perform yearend tax planning, at least one month before the yearend
- Prepare annual federal, state and payroll returns
- Develop employee job descriptions
- Review existing insurance coverage at least one a year
- Prepare and maintain personnel files
- Establish a petty cash fund and policy
- Establish answering mechanism for after hours
- Join industry associations and groups
- Verify listing in the yellow pages of area phone directories
- Register trademarks (word, name, symbol or device) that indicate a unique identity on which your business is building

