

# Buyer Tools for Buy the Practice Not the Problems

Ryan Smith DDS | Working edition | September 17 2026

Sixteen worksheets for screening, evaluating, funding, closing, and operating a dental practice acquisition. These are editable Word forms and printable manual worksheets. They do not calculate automatically. Copy the relevant page for another practice, issue, payer, or week.

The same core tools appear in Appendix A of the manuscript. Complete them with the actual deal evidence and your advisers. Blank amounts are unresolved, not zero. Keep sensitive records in an appropriate secure location and use references here. Maple Street is fictional; its amounts are teaching assumptions, not lending terms, benchmarks, or tax estimates for your purchase.

1. Buyer thesis
2. Household and schedule agreement
3. Financial readiness
4. Adviser responsibilities
5. Search and deal screen
6. Revenue evidence and transfer
7. Buyer operating model
8. Operating evidence and downside
9. Sources and uses
10. Thirteen week cash forecast
11. Practice visit and clinical transfer
12. Offer and loan comparison
13. Diligence issue record
14. Payer handoff record
15. Closing countdown and operating test
16. First hundred days and weekly review

## Tool 1 Buyer thesis

Chapters 1 and 2

Complete this before reviewing listings. Keep the full version private; send only the relevant buying statement to brokers. Revisit a requirement deliberately when evidence changes.

### The ownership decision

I want to own because

---

A better associate job would or would not meet that goal because

---

The practice I can operate

Target market and maximum actual commute

---

Clinical days and ownership hours each week

---

Dentistry I can continue immediately and dentistry I will not assume transfers

---

Required household income and business obligations with calculation reference

---

My limits

Three requirements that must be met

---

Three reasons I would reject a purchase

---

Changes I can lead with available time and cash

---

Buying statement in two sentences

---

Date and reason for any later revision

---

Decision: prepare to buy / investigate another path / wait. Record the next action and review date. A blank income requirement or clinical limit remains unresolved; it does not mean unlimited flexibility.

## Tool 2 Household and schedule agreement

### Chapter 3

Complete together with anyone whose work, time, or finances the purchase depends on. Compare the first month with a sustainable ordinary week.

| Weekly commitment           | First month hours | Ongoing hours |
|-----------------------------|-------------------|---------------|
| Clinical work               |                   |               |
| Owner administration        |                   |               |
| Commuting                   |                   |               |
| Household and care work     |                   |               |
| Protected personal time     |                   |               |
| Sleep and other commitments |                   |               |

**Responsibilities that need new coverage and who has agreed to provide it**

---

**Cost of additional childcare or other help and where it is funded**

---

**Known events or expenses in the next twenty-four months**

---

**Sacrifice we are willing to make and the date it should end**

---

**What would trigger a change in the practice plan**

---

**Next household review date**

---

Check the full week totals against the 168 hours available. Include existing commitments before assuming evenings are free. Agreement today is permission to test a plan, not proof that the arrangement will remain workable.

## Tool 3 Financial readiness

### Chapter 4

Use actual balances and obligations. Keep household funds separate from transaction funding and practice operating cash.

| Cash or obligation                       | Amount | Evidence and date |
|------------------------------------------|--------|-------------------|
| Accessible personal cash                 |        |                   |
| Household reserve retained               |        |                   |
| Known personal expenses before purchase  |        |                   |
| Cash available for the transaction       |        |                   |
| Monthly household outflow including debt |        |                   |
| Other reliable monthly household income  |        |                   |

Available transaction cash = accessible personal cash – retained household reserve – other committed personal uses. Do not subtract an expense twice if it is already in the reserve calculation.

#### My chosen reserve in months and why it fits this household

---

#### Effect of two or three months without expected practice distributions

---

#### Known credit or debt issues and the correction plan

---

#### Lender contacted and documents reviewed

---

#### What remains conditional in the financing discussion

---

#### Readiness decision and date to revisit

---

Ryan prefers testing roughly six months of household expenses as a starting reserve target. That is a planning preference, not a financing requirement or a universal safe amount. Preliminary lender interest is not a commitment to fund a particular purchase.

## Tool 4 Adviser responsibilities

### Chapter 5

Assign the work before deadlines force hurried engagements. Add a row for each specialist the actual practice requires.

| Reviewer                | Represents | Scope and deliverable | Due date |
|-------------------------|------------|-----------------------|----------|
| Transaction counsel     |            |                       |          |
| Dental CPA              |            |                       |          |
| Lender                  |            |                       |          |
| Payer specialist        |            |                       |          |
| Clinical or IT reviewer |            |                       |          |

**Who coordinates unresolved items across the team**

---

**Fee, additional charges, and what is owed if the purchase stops**

---

**Referral compensation or other conflicts disclosed**

---

**Daily contact and urgent response arrangement**

---

**Responsibilities nobody has yet accepted**

---

Example: buyer counsel reviews the proposed lease assignment and reports unresolved consent, guarantee, and use restrictions by the agreed date. “Attorney involved” does not establish that lease work was included.

Confirm engagements and scope with the actual professionals. The buyer retains the decisions about household fit, clinical capacity, acceptable workload, and whether to buy.

## Tool 5 Search and deal screen

Chapters 6 through 10

Use one row per opportunity. Choose a next action before scheduling another conversation. Preserve rejected entries so the same unsuitable practice does not restart the search.

| ID and location  | Source            | Stage | Next action and owner          | Review date       |
|------------------|-------------------|-------|--------------------------------|-------------------|
| M01 Maple Street | Fictional example | Pause | Buyer requests provider detail | Before site visit |
|                  |                   |       |                                |                   |
|                  |                   |       |                                |                   |
|                  |                   |       |                                |                   |

### Screen one practice

Fit with location, dentistry, schedule, and household requirements

---

Collections definition and period claimed in the packet

---

Who or what may not transfer

---

Whether the money could work and what costs are missing

---

Upside claim and the work required to achieve it

---

Fundamental operating obstacle or firm deal breaker

---

Decision and specific evidence needed next

---

Use proceed, renegotiate, pause, or walk away. At this stage, proceed means investigate further. Missing information is a reason to request evidence; it is not proof of misconduct or permission to enter zero in the forecast.

## Tool 6 Revenue evidence and transfer

Chapters 11 and 33

Keep the historical reconciliation separate from the buyer forecast. Use consistent periods and definitions; record refunds, fees, and timing differences explicitly.

| Historical bridge for the same period | Amount | Report or explanation |
|---------------------------------------|--------|-----------------------|
| Practice software net collections     |        |                       |
| Less fees netted before deposit       |        |                       |
| Plus or minus documented timing items |        |                       |
| Plus or minus other explained items   |        |                       |
| Expected corresponding bank deposits  |        |                       |
| Actual corresponding bank deposits    |        |                       |
| Unexplained difference                |        |                       |

**Entities, providers, locations, period, and report settings included**

---

**Supporting evidence for each reconciling item**

---

**Buyer forecast**

**Supported historical collections**

---

**Collections removed or changed and the reason**

---

**Supported buyer collections and the conditions required**

---

Maple Street example: \$100,000 monthly historical collections – \$6,000 unsupported procedure stream = \$94,000 buyer collections. The historical records reconcile in the teaching case. That does not prove that all of the historical work transfers.

The unexplained difference must remain visible. Do not create a miscellaneous adjustment merely to force the reports to agree.

## Tool 7 Buyer operating model

Chapters 12 and 15

This is a manual planning worksheet. Use monthly dollars throughout, keep original reports intact, and have the CPA reconcile the result to the financial statements. Refer to Chapter 12 for the full Maple Street assumptions.

| Monthly line                                      | Maple Street | Your practice |
|---------------------------------------------------|--------------|---------------|
| Supported collections                             | \$94,000     |               |
| Operating costs before clinical labor and debt    | \$63,200     |               |
| Clinical labor allowance including modeled burden | \$20,000     |               |
| Operating balance before debt                     | \$10,800     |               |
| Full purchase debt payment                        | \$8,492.93   |               |
| Cash before capital and tax provisions            | \$2,307.07   |               |
| Equipment provision                               | \$1,500      |               |
| Additional tax provision                          | \$1,000      |               |
| Balance after provisions                          | (\$192.93)   |               |

**Source, timing, and condition for each buyer adjustment**

---

**Management labor cost and where it is already included**

---

**Accounting basis and noncash items excluded from this model**

---

**Actual tax calculation reference and overlap check**

---

Subtract the full loan payment here because the starting operating costs exclude both principal and interest. If you start with accounting profit that already deducts interest, reconcile it before applying this layout. An economic clinical allowance is not the owner's after-tax take-home pay.

The \$1,000 tax provision is stipulated solely for the example. Do not copy it into a live forecast. Equipment reserves and tax provisions reduce available distributions; earmarking money is not itself a tax deduction.

## Tool 8 Operating evidence and downside

Chapters 13 and 15

Choose the three findings most likely to change this purchase. Tie each downside to a practice-specific exposure, not a generic pessimism percentage.

| Metric or concern | Definition and period | Evidence needed | Cash or capacity effect |
|-------------------|-----------------------|-----------------|-------------------------|
|                   |                       |                 |                         |
|                   |                       |                 |                         |
|                   |                       |                 |                         |

**Base-case assumptions and source model version**

---

**Revenue loss and costs that actually disappear with it**

---

**Staffing or other expense increase and expected duration**

---

**Cash delayed, expected receipt week, and permitted billing path**

---

**One-time capital or transition payment and date**

---

**Combined case and checks against double counting**

---

**Lowest cash balance, recurring result, and practical response**

---

Maple Street: an additional 5 percent decline from \$94,000 loses \$4,700 monthly. With only \$940 of expense relief, cash after clinical labor and debt becomes negative \$1,452.93. This is separate from the \$6,000 procedure stream already removed in the base case. A price reduction or reserve must be tested against the remaining loss, not celebrated in isolation.

## Tool 9 Sources and uses

### Chapter 16

Balance the total purchase and transition funding. Show when each source is actually accessible. Keep household reserves out of this schedule unless deliberately committed.

| Transaction item                 | Maple Street | Your practice |
|----------------------------------|--------------|---------------|
| SOURCE Acquisition loan          | \$700,000    |               |
| SOURCE Buyer cash contributed    | \$290,000    |               |
| Total sources                    | \$990,000    |               |
| USE Practice purchase price      | \$850,000    |               |
| USE Fees and setup               | \$40,000     |               |
| USE Capital work paid at closing | \$20,000     |               |
| USE Opening operating cash       | \$80,000     |               |
| Total uses                       | \$990,000    |               |
| Unfunded uses less sources       | \$0          |               |

### Source availability dates and conditions

---

### Items included in the price that must not be counted again

---

### Receivables, patient credits, and prepaid care treatment

---

### Separate household reserve and other personal commitments

---

In this example the buyer also keeps \$75,000 outside the purchase, requiring \$365,000 of accessible buyer cash in total. A loan containing a working-capital component is one source; do not add the same component a second time.

An undrawn credit line is contingent backup, not cash already in the bank. Record its limit, availability, conditions, and repayment cost separately. If the forecast needs another draw, reflect the draw and its payments once.

## Tool 10 Thirteen week cash forecast

Chapters 16 and 50

Maple Street illustration. Values below are rounded to whole dollars for display; the calculation uses cents. Beginning available cash is \$80,000. The chosen \$60,000 minimum is an illustrative operating buffer, not a recommendation for every buyer.

| Week | Base receipts | Base outflows | Base ending cash | Stress ending cash |
|------|---------------|---------------|------------------|--------------------|
| 1    | \$18,000      | \$19,500      | \$78,500         | \$78,500           |
| 2    | \$20,000      | \$21,500      | \$77,000         | \$57,000           |
| 3    | \$22,000      | \$17,500      | \$81,500         | \$61,500           |
| 4    | \$24,000      | \$32,493      | \$73,007         | \$33,007           |
| 5    | \$20,000      | \$19,500      | \$73,507         | \$33,507           |
| 6    | \$22,000      | \$21,500      | \$74,007         | \$34,007           |
| 7    | \$24,000      | \$17,500      | \$80,507         | \$40,507           |
| 8    | \$22,000      | \$32,493      | \$70,014         | \$50,014           |
| 9    | \$20,000      | \$19,500      | \$70,514         | \$50,514           |
| 10   | \$24,000      | \$21,500      | \$73,014         | \$53,014           |
| 11   | \$22,000      | \$17,500      | \$77,514         | \$57,514           |
| 12   | \$22,000      | \$21,500      | \$78,014         | \$58,014           |
| 13   | \$22,000      | \$20,593      | \$79,421         | \$59,421           |

Payment construction: operating costs repeat \$14,500, \$16,500, \$12,500, and \$16,500 for Weeks 1–12, then \$9,600 in Week 13. Clinical labor is \$5,000 in each of Weeks 1–12. Debt of \$8,492.93 and provisions of \$2,500 occur in Weeks 4, 8, and 13.

Outflows include recurring costs, clinical labor, loan payments, and cash earmarked for tax and equipment. Stress moves \$20,000 of receipts from Week 2 to Week 8 and adds an unexpected \$20,000 repair in Week 4. The repair is additional to the capital work funded at closing.

Base-case low: \$70,014.14 in Week 8. Stress low: \$33,007.07 in Week 4, or \$26,992.93 below the chosen buffer. Preserving that buffer would require \$106,992.93 of opening cash under the same assumptions, or another confirmed response with its own costs reflected. Ending stress cash is \$59,421.21; looking only at Week 13 misses the earlier pressure.

## Tool 10 Your weekly forecast

Chapters 16 and 50

Use one row per week, supported by a payment calendar. These are manual fields, not spreadsheet formulas. Copy the page when rolling the forecast forward.

| Week | Opening cash | Receipts and funding | Payments and provisions | Ending cash |
|------|--------------|----------------------|-------------------------|-------------|
| 1    |              |                      |                         |             |
| 2    |              |                      |                         |             |
| 3    |              |                      |                         |             |
| 4    |              |                      |                         |             |
| 5    |              |                      |                         |             |
| 6    |              |                      |                         |             |
| 7    |              |                      |                         |             |
| 8    |              |                      |                         |             |
| 9    |              |                      |                         |             |
| 10   |              |                      |                         |             |
| 11   |              |                      |                         |             |
| 12   |              |                      |                         |             |
| 13   |              |                      |                         |             |

Ending cash = opening cash + receipts + available funding – payments – new provisions. Next week begins with the prior ending balance. Explain any release of previously earmarked reserves; do not charge the same bill and reserve twice.

**Chosen buffer, reason, and lowest projected balance**

---

**Required funding or action, responsible person, and latest safe date**

---

**Daily check around payroll and other large withdrawals**

---

Do not treat a blank receipt or payment as zero. Confirm the missing amount or leave the forecast incomplete. When a week ends, enter actual results, explain the variance, and add the next week.

## Tool 11 Practice visit and clinical transfer

Chapters 17 through 25

Separate observation from interpretation. Conduct any chart or patient-information review only through the authorized process with appropriate clinical and privacy safeguards.

| Area                             | Observed fact | What must be verified |
|----------------------------------|---------------|-----------------------|
| Finding and entering the office  |               |                       |
| Patient care and checkout        |               |                       |
| Recall and unfinished care       |               |                       |
| Facility and installed equipment |               |                       |
| Digital access and recovery      |               |                       |

**A procedure stream the purchase depends on**

**Procedure, provider, monthly amount, and production or collection definition**

---

**Patient sources, presentation, referral relationships, and clinical capacity needed**

---

**What I can continue now and what requires training or another clinician**

---

**Lost revenue, avoidable costs, and bridge cost if it does not transfer**

---

**Chart-review finding and record of responsibility for unfinished care**

---

**Site conclusion**

**Facility works as is, needs priced changes, or cannot support the intended practice**

---

**Lease issue and landlord approval needed**

---

**Separate property decision and supporting analysis**

---

A promising site visit does not replace the specialist inspections, lease review, chart review, or system tests. Record the unanswered question and the person obtaining the evidence.

## Tool 12 Offer and loan comparison

Chapters 26 through 31 and 37

Compare the whole package at the same time. The offer worksheet records business choices; it is not an LOI or a substitute for counsel drafting the actual terms.

### Proposed assets and obligations included or excluded

---

### Price, cash at closing, seller compensation, rent, and required repairs

---

### Maximum price at these terms and evidence supporting it

---

### Conditions that would change the maximum or end the purchase

---

### Diligence access, financing conditions, and deadlines for counsel to address

---

### Deposit, exclusivity, binding provisions, and exit procedure explained by counsel

---

| Financing term                        | Option A | Option B |
|---------------------------------------|----------|----------|
| Amount and funding date               |          |          |
| Rate and whether fixed or variable    |          |          |
| Amortization and maturity             |          |          |
| Payment and any balloon               |          |          |
| Fees and prepayment terms             |          |          |
| Guarantees and collateral             |          |          |
| Covenants and limits on future action |          |          |

Maple Street payment:  $\$700,000 \times (0.08 \div 12) \div [1 - (1 + 0.08 \div 12)^{-120}] = \$8,492.93$ . Assumed fixed rate, monthly payments, no fees, no balloon. At a zero rate, payment is principal divided by months. Obtain the actual lender schedule rather than treating this illustration as a quote.

### Worst payment date and what happens if refinancing is unavailable

---

## Tool 13 Diligence issue record

Chapters 32 through 39

Use one record per material issue. Keep requested, received, reviewed, resolved, and accepted risk distinct. A required field left blank keeps the issue open.

### Completed teaching example

Issue P01 — Maple Street payer receipts. Review indicates that \$20,000 expected in Week 2 may arrive in Week 8. The enrollment confirmation is available; payment routing and the timing assumption remain unverified. Status: reviewed, not resolved.

Effect: with the separate repair stress, available cash falls to \$33,007.07 in Week 4. Owner: buyer coordinates payer specialist and CPA. Next evidence: written permitted billing path, effective details, payment-routing confirmation, and a revised cash schedule. Deadline: before the contractual commitment identified by counsel.

Proposed response: delay or restructure only if legally and contractually available; otherwise establish funded, documented coverage or do not proceed. No agreed remedy is claimed. Enrollment approval alone does not close the issue. Recheck proof and cash availability before changing status.

### Your issue

**Issue ID, finding, and evidence location**

---

**What remains unknown and assigned reviewer**

---

**Effect on price, cash, obligations, or safe operation**

---

**Proposed remedy, counterparty agreement, and document location**

---

**Owner, deadline, and contractual notice or exit date**

---

**Proof required and proof actually received**

---

**Residual risk, funding, monitoring, and buyer decision**

---

An accepted risk requires a reason and a workable response. It is not a way to relabel a prohibited or unsafe operating condition as complete.

## Tool 14 Payer handoff record

Chapters 21 and 42

Use a separate record for each material payer, network, provider, and location combination. Keep specialist confirmation with the record. Do not infer buyer participation from the seller's contract.

### **Payer and governing network or contract**

---

### **Buyer entity, tax identifier, billing and rendering identifiers, location**

---

### **Fee schedule and allowed-amount evidence**

---

### **Application or contract status and dated confirmation**

---

### **Confirmed effective date and any unresolved condition**

---

### **Permitted claim-submission path before and after that date**

---

### **Electronic funds and remittance setup with correct buyer account**

---

### **Patient communication required and person approving it**

---

### **First submitted claim, acceptance, payment, and reconciled deposit**

---

### **Cash exposed, expected receipt week, and slower-payment case**

---

### **Owner, follow-up date, contingency, and escalation trigger**

---

Example: application approved but electronic deposit routing untested means the handoff remains incomplete. The specialist may establish another permitted path; record it and adjust the forecast before relying on it. "Submitted," "effective," and "paid" describe different events.

Store identifiers and supporting records securely. The public teaching case and shared author manuscript should not contain patient identifiers, bank credentials, or private employee data.

## Tool 15 Closing countdown and operating test

Chapters 40 through 44

Work backward from the first clinical day and contractual deadlines. Add the adviser-specific requirements for this transaction. This is an operating organizer, not a complete legal closing checklist.

| Critical task                           | Owner and due date | Proof and location | Contingency |
|-----------------------------------------|--------------------|--------------------|-------------|
| Entity, identifiers, licenses, coverage |                    |                    |             |
| Payer and payment readiness             |                    |                    |             |
| Payroll roster and funding              |                    |                    |             |
| Bank and merchant control               |                    |                    |             |
| Records, software, recovery test        |                    |                    |             |
| Clinical supplies and equipment         |                    |                    |             |
| Team and patient announcements          |                    |                    |             |
| Lease, access, and final documents      |                    |                    |             |

**Dependency that could delay several other tasks**

---

**Task still incomplete and latest safe resolution date**

---

**Monday rehearsal result and person who witnessed the test**

---

**Wire verification through an independently trusted contact path**

---

**Documented decision on any exception with counsel as needed**

---

A rehearsal follows a permitted test from scheduling and clinical readiness through billing, payment routing, and payroll. Use approved test methods; do not submit a false patient claim to test a system. Require proof of completion, not merely an email saying someone is working on it.

If a critical prerequisite remains open, completing another row does not make the practice ready. Escalate early enough for counsel to address remedies and contractual deadlines.

## Tool 16 First hundred days and weekly review

Chapters 45 through 54

Carry unresolved handoff tasks forward. Keep the first month focused on safe care, team clarity, reliable cash, and understanding the operation.

| Review             | Evidence to bring                                              | Decision to record                          |
|--------------------|----------------------------------------------------------------|---------------------------------------------|
| First clinical day | Schedule, team questions, payroll and system readiness         | Who fixes each urgent gap                   |
| Day 30             | Listening findings, actual cash, staffing, payer status        | What to protect and first controlled change |
| Day 60             | Provider and patient trends, project results, updated forecast | Continue, revise, or stop each project      |
| Day 100            | Acquisition assumptions versus operating evidence              | Funded priorities for Months 4–12           |

### Weekly cash and operating review

Expected versus actual receipts and payments

---

Cause of variance: timing, volume, billing or deposit error, cost, or model error

---

Next payroll and tax dates and lowest projected cash

---

Action, accountable person, due date, and evidence of completion

---

One change to test

Problem and baseline measure

---

Chosen change, cost, owner, and patient or team effect

---

Review date, success measure, and reason to stop

---

Household and owner workload check

---

Before another acquisition, confirm that the current practice can tolerate the cash and attention it would lose. A growing bank balance or collection total does not by itself establish that staffing, leadership, or patient continuity can support expansion.