

# EMPLOYMENT CONTRACT CHECKLIST

# Employment Contract Checklist

This checklist provides a guide for things to consider when establishing employment contracts for new employees.

## Duration

- Length of contract (One year, annual extensions)
- Conditions under which contract can be dissolved (*Death, disability, retirement, other*)
- Effective date of contract

## Relationship of Parties

- Employee, at will?
- Independent contractor

## Compensation

- Amount of salary
- Compensation method
- Salary increases: (*Salary, draw & bonus, expenses offset*)
  - How often?
  - How much?
- Bonuses:
  - Signing?
  - Annual?
  - How computed?
- Benefits available (to employees only):
  - Pension and profit sharing plans (*Waiting periods, percent paid, vesting*)
  - Medical insurance
  - Malpractice premiums paid
  - Disability insurance paid (*Paid by employee, employer*)
  - Dental insurance
  - Long-term care insurance
  - Life insurance paid
  - Vacation (*# of weeks, tie into disability*)
  - Sick leave / discretionary days (*Maternity issues, tie into disability*)
  - Boards
  - Conferences
  - Continuing Medical Education (*Minimum time, maximum dollars*)
  - Post-graduate work
  - Professional books and periodicals
  - Professional dues paid
  - Medical equipment
  - Office space
  - Clerical help
  - Automobile allowance
  - Moving allowance
  - Expense offset
  - Medical reimbursement plan
  - Other



## Duties

- Required work hours
- Required on-call schedule
- Restrictions on employment outside of practice (teaching, speeches, other clinical work)
- Type of patients to be assigned
- Restrictions on acceptance of patients and mode of treatment
- Provisions when called to jury duty or military service
- Confidentiality, trade secrets

## Termination

- Penalties for leaving practice
- Covenant not to compete (time, area)
  - Loss of patients
  - Loss of accounts receivable
  - Access to medical records
  - Collection, ratio / costs
  - Compensatory damages

*This checklist is not intended to be a substitute for legal advice. If you have specific questions or concerns regarding an employment or shareholder contract, you should contact your attorney.*

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