

Our Ratios For Developing Your 2022 Practice Budget

Description	General Dentistry	Orthodontics	Periodontics	Pediatric Dentistry	Oral Surgery	Endodontics
Targeted Profit Percentage	39.8%	41.3%	37.4%	48.4%	55.8%	53.4%
Staff Total Compensation*	27.6%	21.0%	23.1%	25.1%	16.7%	17.5%
Clinical Supplies	6.0%	9.3%	11.9%	6.0%	11.3%	8.8%
Lab	6.3%	4.0%	N/A	N/A	N/A	N/A
Rent	6.0%	7.0%	6.0%	6.0%	5.0%	4.0%
Office Supplies/Expenses	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Legal/Accounting	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Continuing Education	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

* Includes salary, wages, bonuses, payroll taxes, and fringe benefits, but excludes retirement plan contributions.

Editor's Note: The Coronavirus impact on practice finances was unprecedented and will likely not reoccur in the future. Accordingly, we recommend basing your 2022 practice budget on the operating expense ratios listed above, which were included in the May 2020 issue (see article "Reader Survey Reveals Record 2019 Production/Collections").