

**2003 National PCPS / TSCPA Management of an Accounting Practice Survey**  
Survey Report Prepared for: Texas Society of CPAs

THE FOLLOWING REPORT CONTAINS PRIVATE AND CONFIDENTIAL INFORMATION.

**SECTION I**  
**SUMMARY GRAPHS**

**Definitions:**

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<b>States in the West South Central Subregion: AR, LA, OK, TX</b>	
All TX Firms	All firms in Texas
TX - Small	All small firms in Texas
TX - Med	All medium-sized firms in Texas
TX - Large	All large firms in Texas

As defined herein, "Large" refers to firms with more than \$1 million in revenue, "Medium" to firms with \$300,000 to \$1 million in revenue, and "Small" to firms with less than \$300,000 in revenue.

**Caveats**

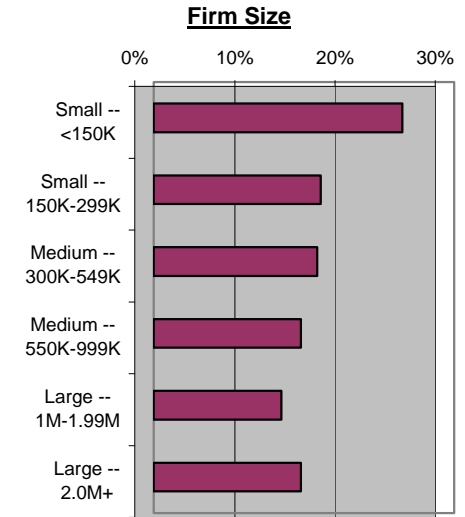
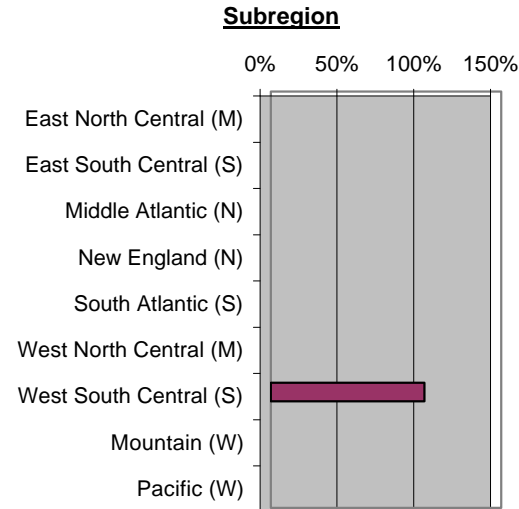
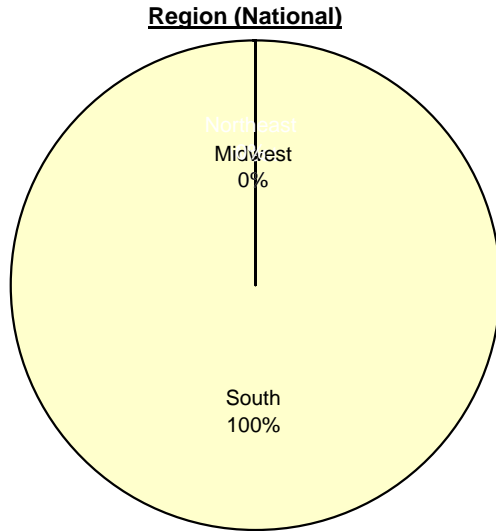
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- Graphs may occasionally be stretched or condensed. Each report has been automatically prepared, so optimal scaling was not always possible. Please note that the actual numbers will be provided in the following tables.
- In certain cases, respondents did not provide internally consistent answers, or their responses transparently indicated that the question had been misunderstood. In such cases, we endeavored to revise the answers to reflect our best understanding of the intention of the respondent.
- There is also an online report available for the 2003 MAP that will enable you to define your own benchmarks. See your invitation email for details.

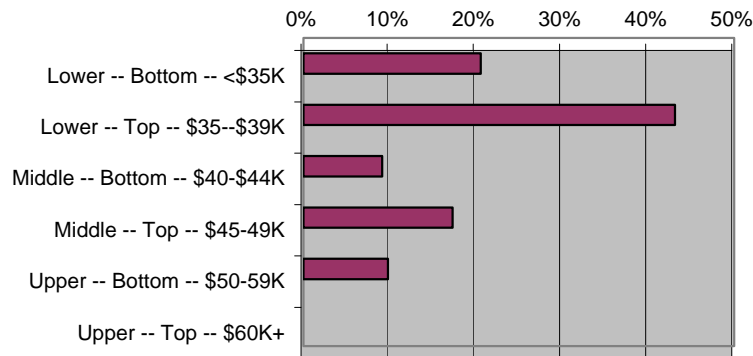
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### SELECTED DEMOGRAPHICS



Average Household Income in Firm's Area (By 3-Digit Zip): Texas



### What is Average Household Income? (AHI)

AHI is a measure developed by the U.S. Department of the Census that divides all income earned within a given area by the total number of households therein. We have assigned each firm an AHI based on zip codes provided (by taking the first three digits of the zip, to smooth data).

We provide AHI data to enable firms to benchmark their practice performance against firms with comparable cost of living indicators. For example, a firm in Manhattan may be more comparable to firms in other ultra-costly areas such as Boston, San Francisco and Los Angeles. A firm in Enid, Oklahoma may compare themselves to other rural communities that have a very low cost of living -- providing them with valuable benchmarks even though few firms in their immediate vicinity may have completed the survey.

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### SELECTED DEMOGRAPHICS -- Texas

**Firm Type:**

Sole prac., no employees	19.3%
Single-office firm	73.5%
Unified multi-office firm*	4.6%
Office of small reg. firm	2.3%
Office of reg./nat. firm	0.3%
Office of a 'Big 4' firm	0.0%

**Firm Tenure:**

Less than one year	2.3%
1 to 5 years	14.7%
6 to 10 years	16.0%
11 to 20 years	33.3%
21 or more years	33.7%

**Fiscal Year End Date:**

1/02-11/02	1.0%
12/02	92.5%
1/03-5/03	5.2%
6/03	1.0%
7/03-9/03	0.3%

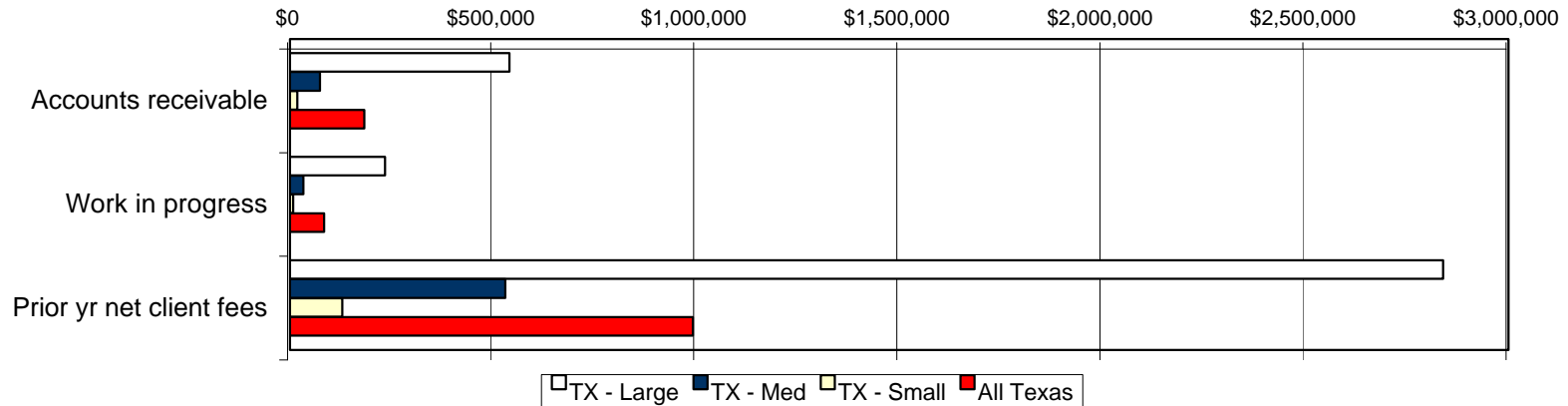
**Change in client Fees:**

None	79.4%
Inc. -- gen. growth	2.3%
Inc. -- other	14.7%
Decrease	1.6%

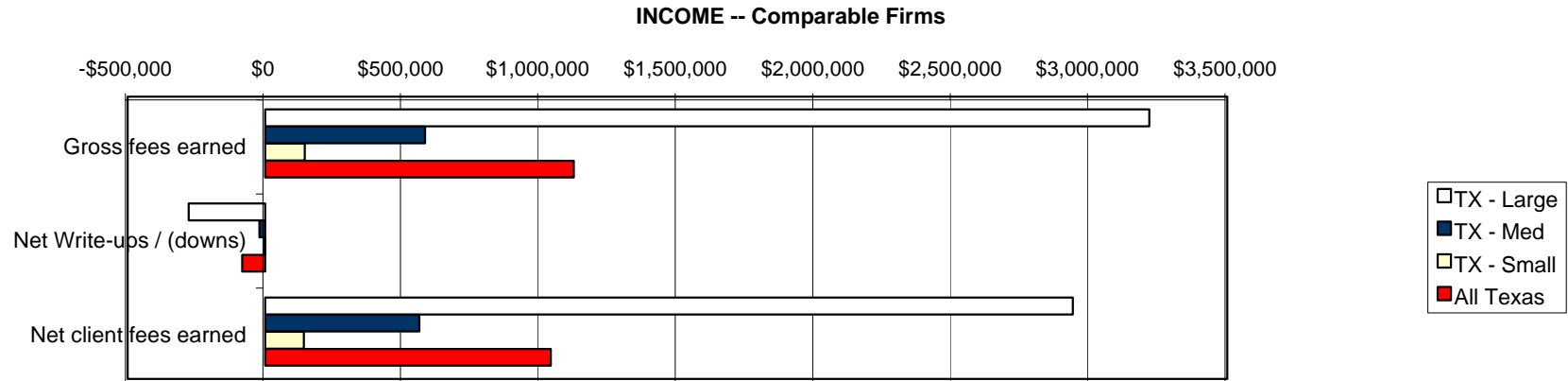
**Satellite Office:**

5.2% have satellite offices

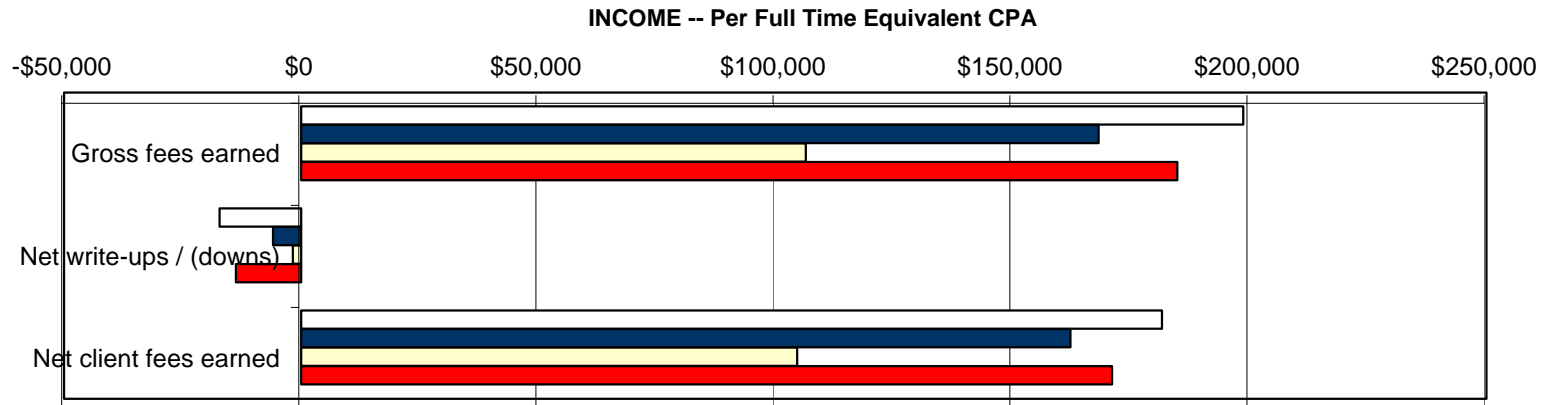
### SELECTED FINANCIALS



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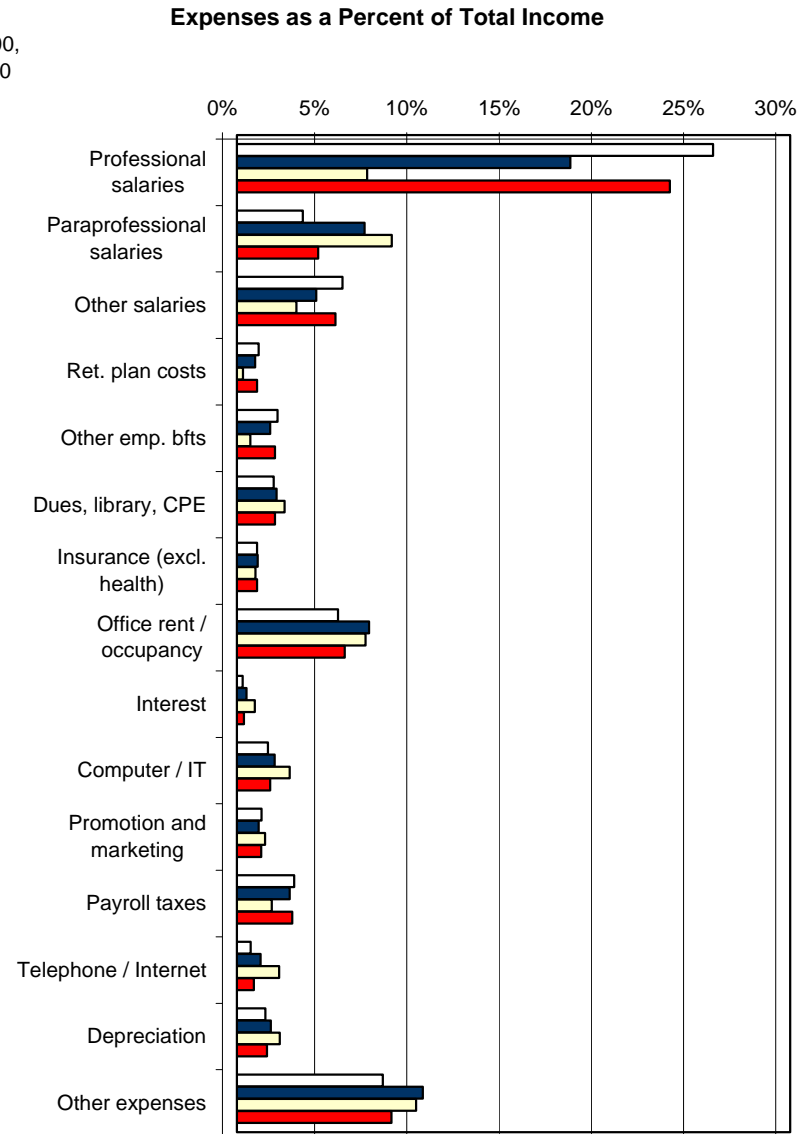
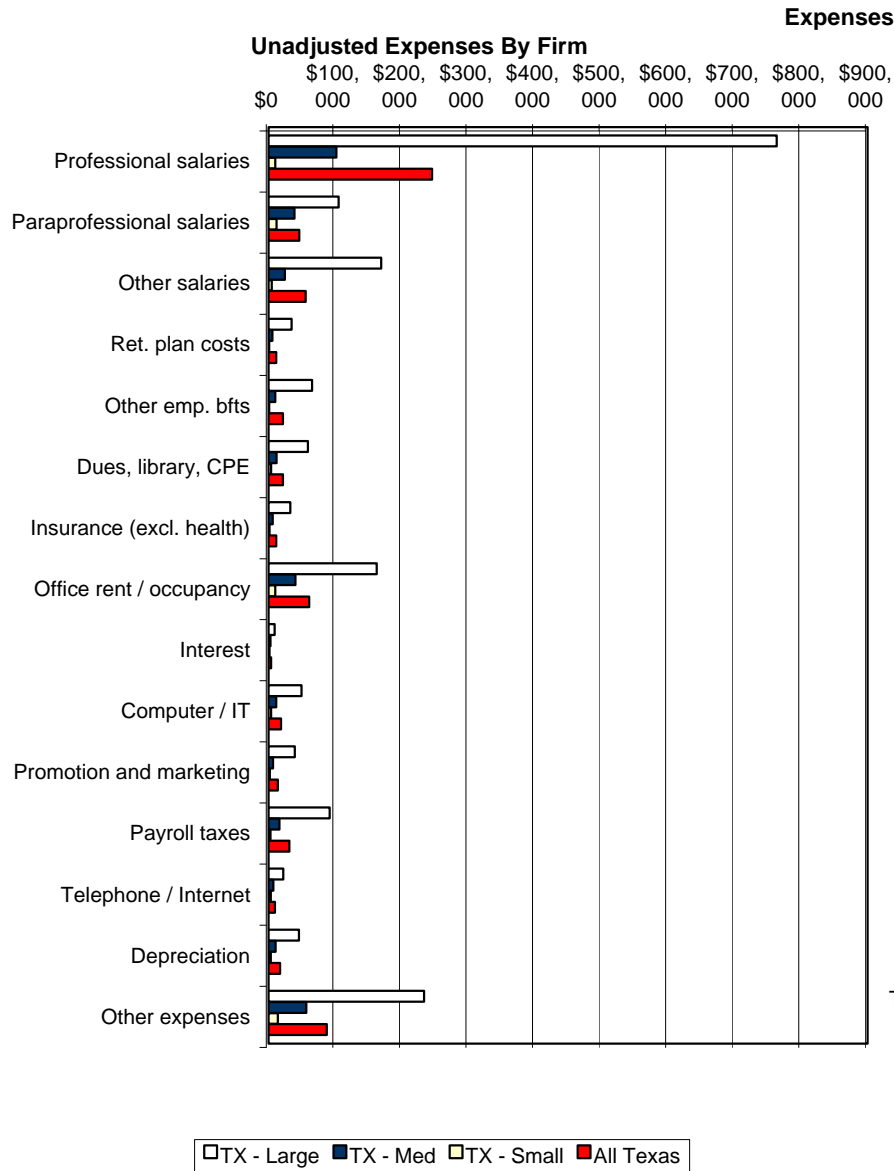
"Other Income" and "Interest Income" are excluded above and below to simplify the graphs. These did not exceed 1.0% for any respondent class. Please note that (1) additional charts in this section will refer to "Total Income", which is slightly greater than the "Net Client Fees" above, and (2) Interest and Other -- rents and royalties is included in the following detailed tables.



Above, the various income statistics have been divided by the total number of full-time equivalent accountants, providing an alternate perspective on productivity.

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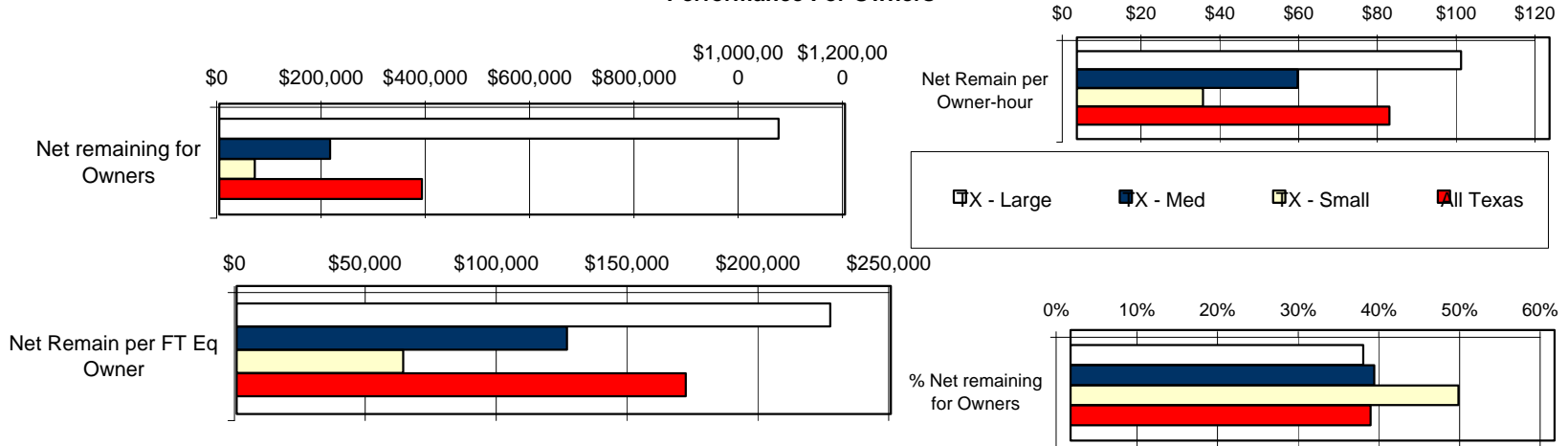
Survey Report Prepared for: Texas Society of CPAs



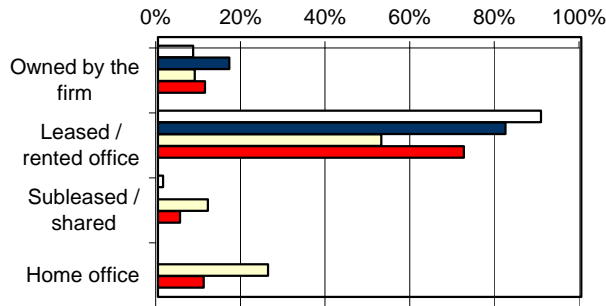
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### Performance For Owners

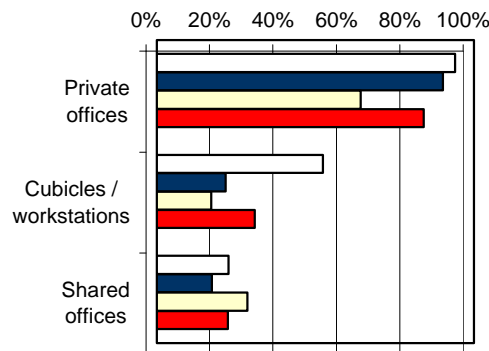


### Office Types

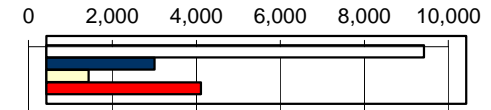


### Premises

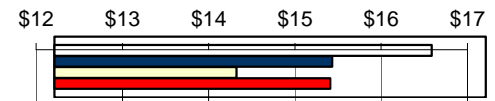
#### Offices Provided



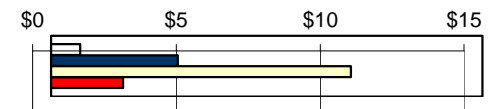
### Square feet



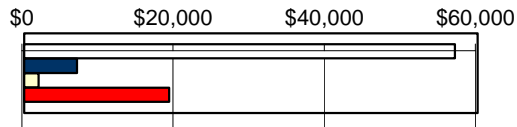
### Rent Per Foot



### Rent Per CPA

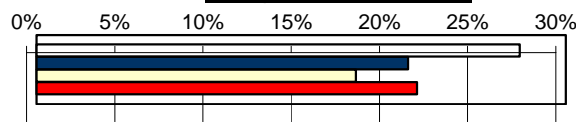


### Bad Debt Written Off

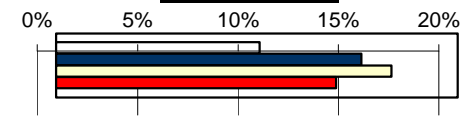


### Accounts Receivable

#### Charge Interest on A/R?

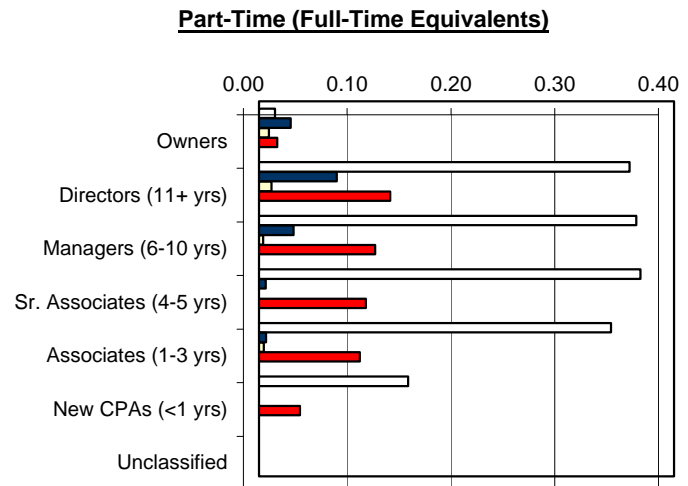
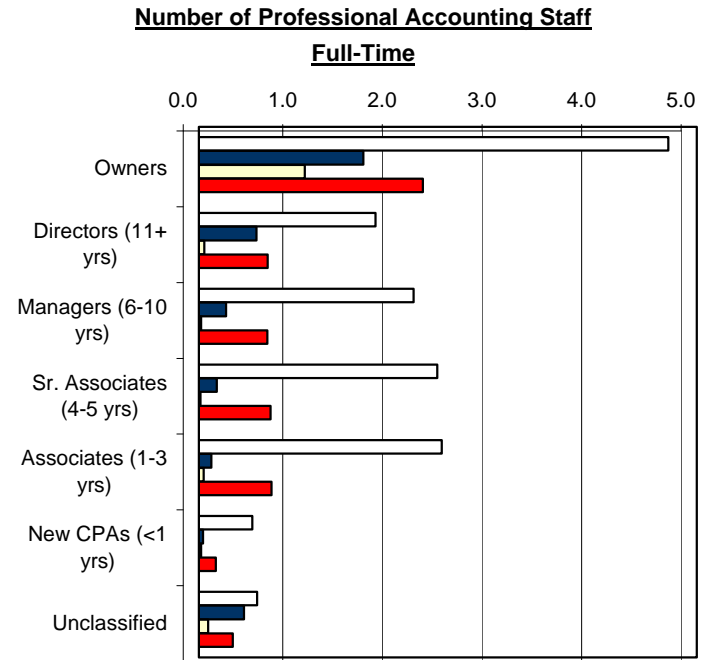
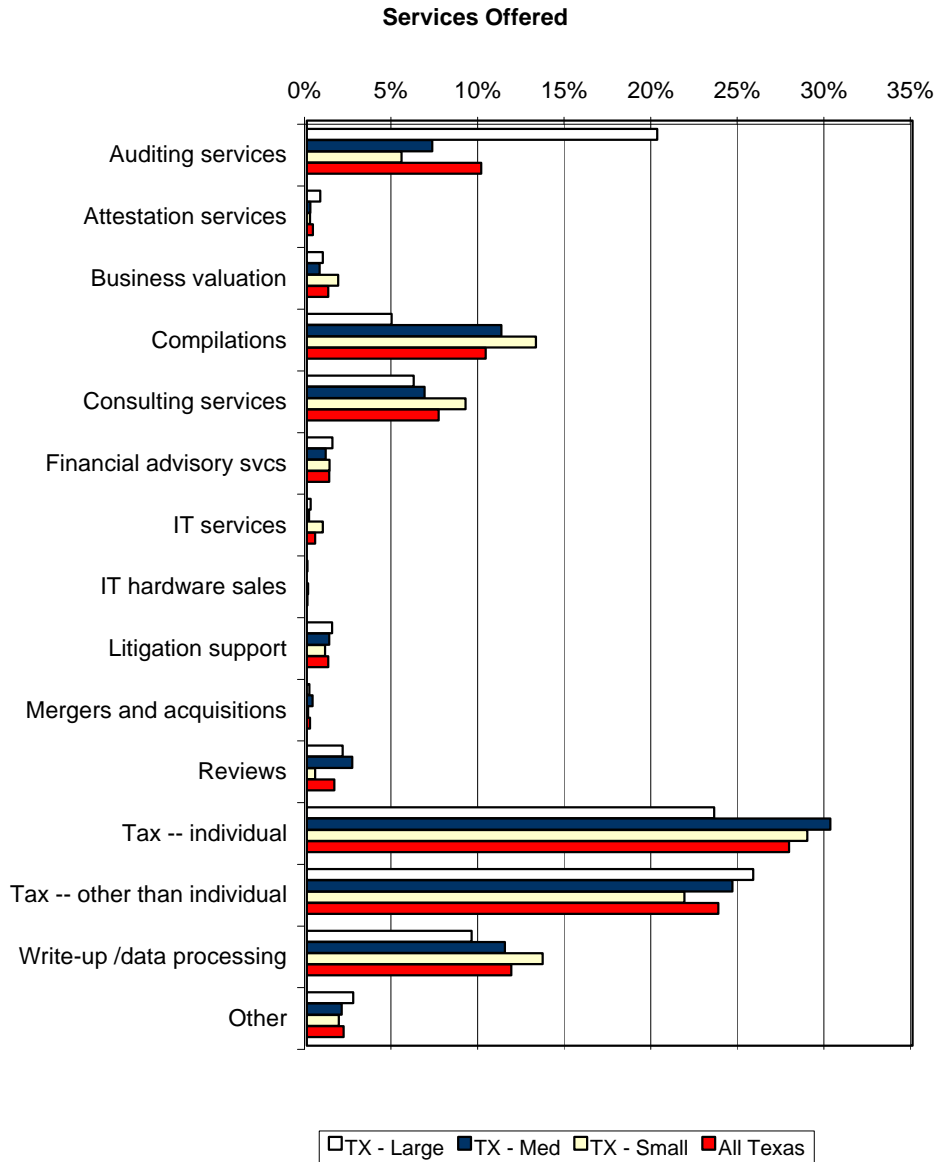


### Interest Amount



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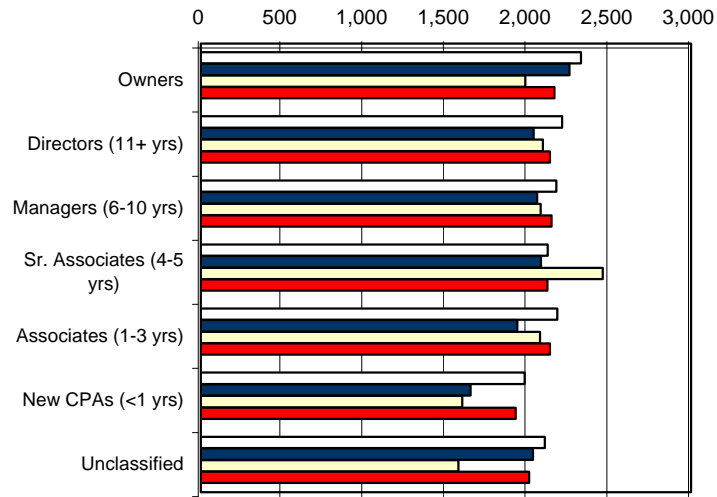


## 2003 National PCPS / TSCPA Management of an Accounting Practice Survey

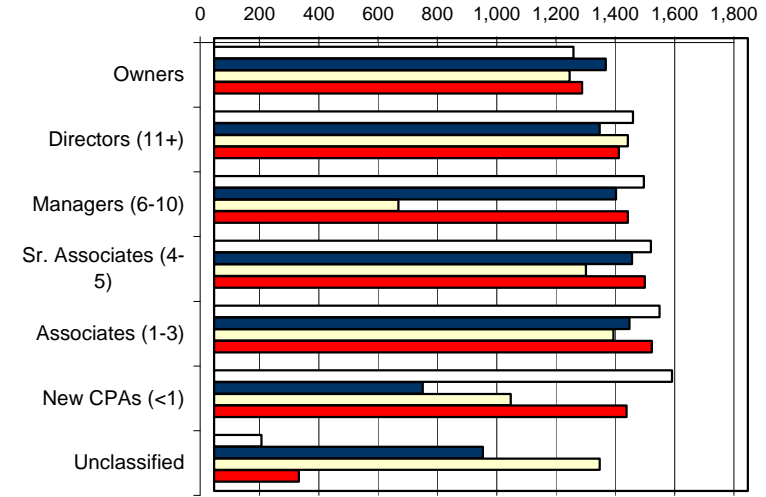
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#### Professional Accounting Staff -- Compensated and Chargeable Hours, and Chargeability Ratio

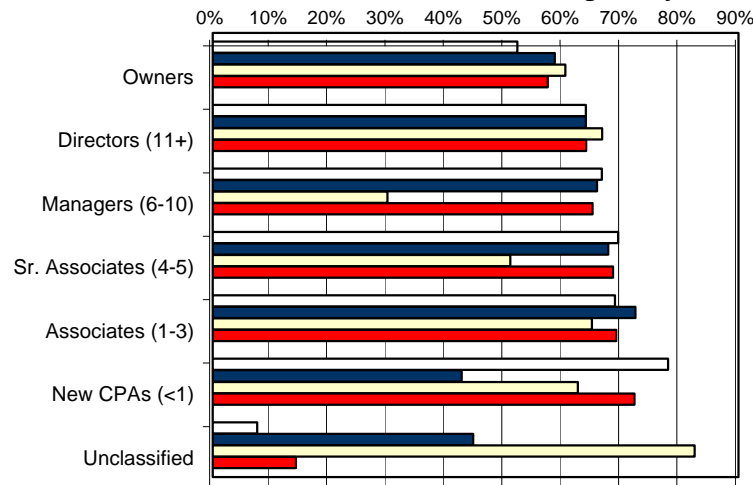
**Compensated Hours per Full-Time Professional Accountant**



**Chargeable Hours per Full-Time Professional Accountant**



**Full-Time Professional Accountants -- Chargeability Ratio**



Please note that the statistics highlighted on this page are based on information entered for full-time professional accountants.

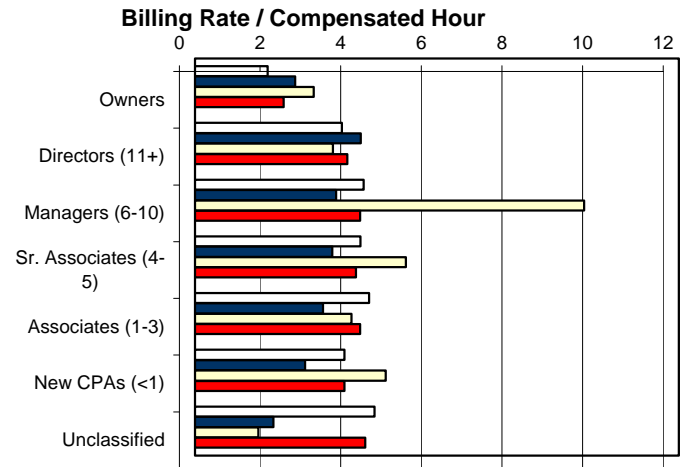
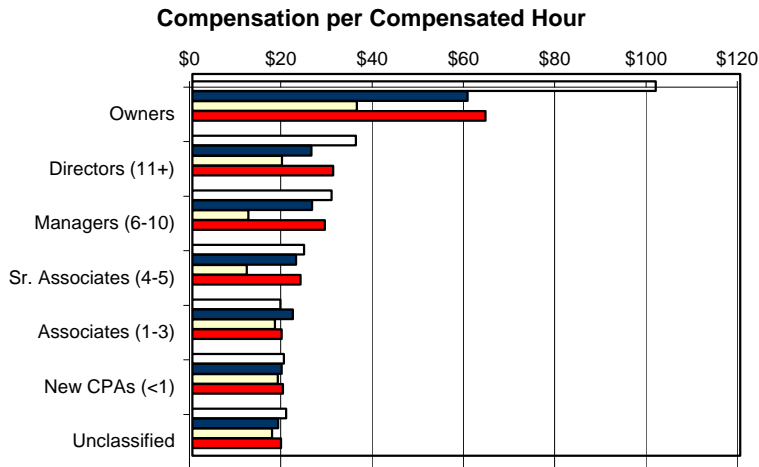
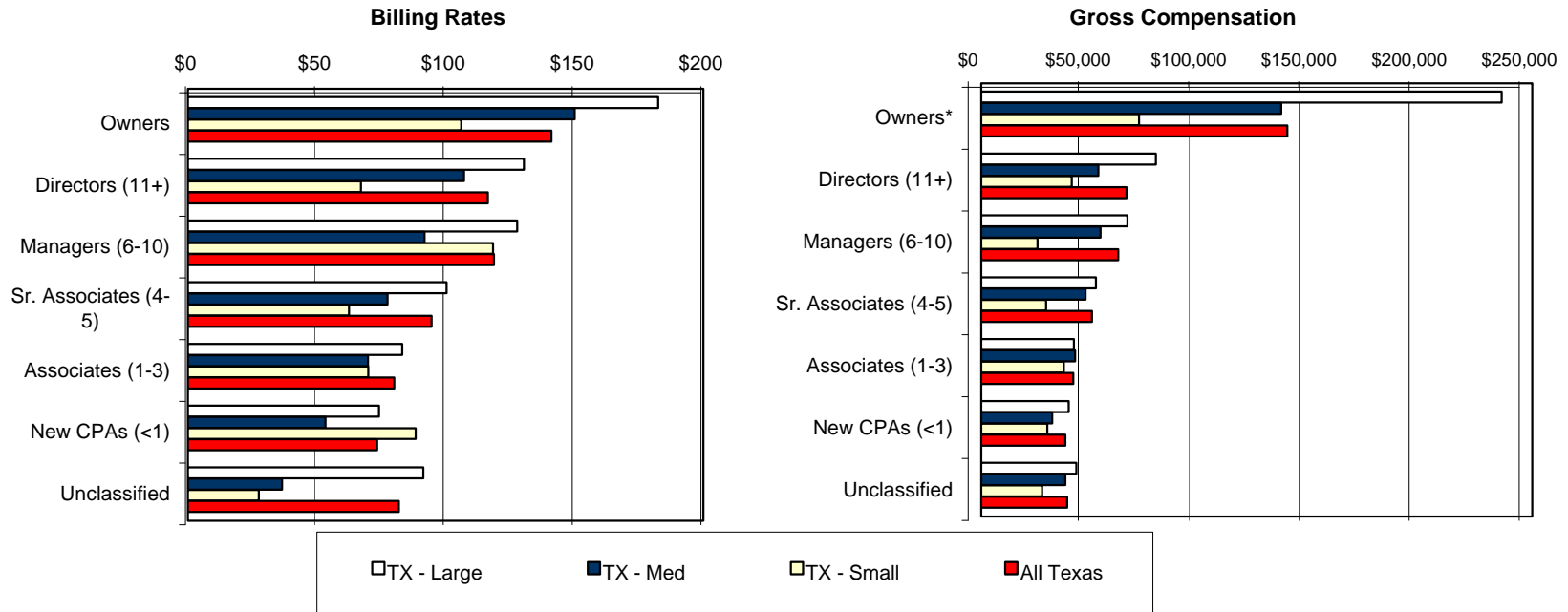
Part-time compensated and chargeable hours are omitted from these graphs in the interest of brevity. Complete detail about these statistics is available in the tables on the following pages.



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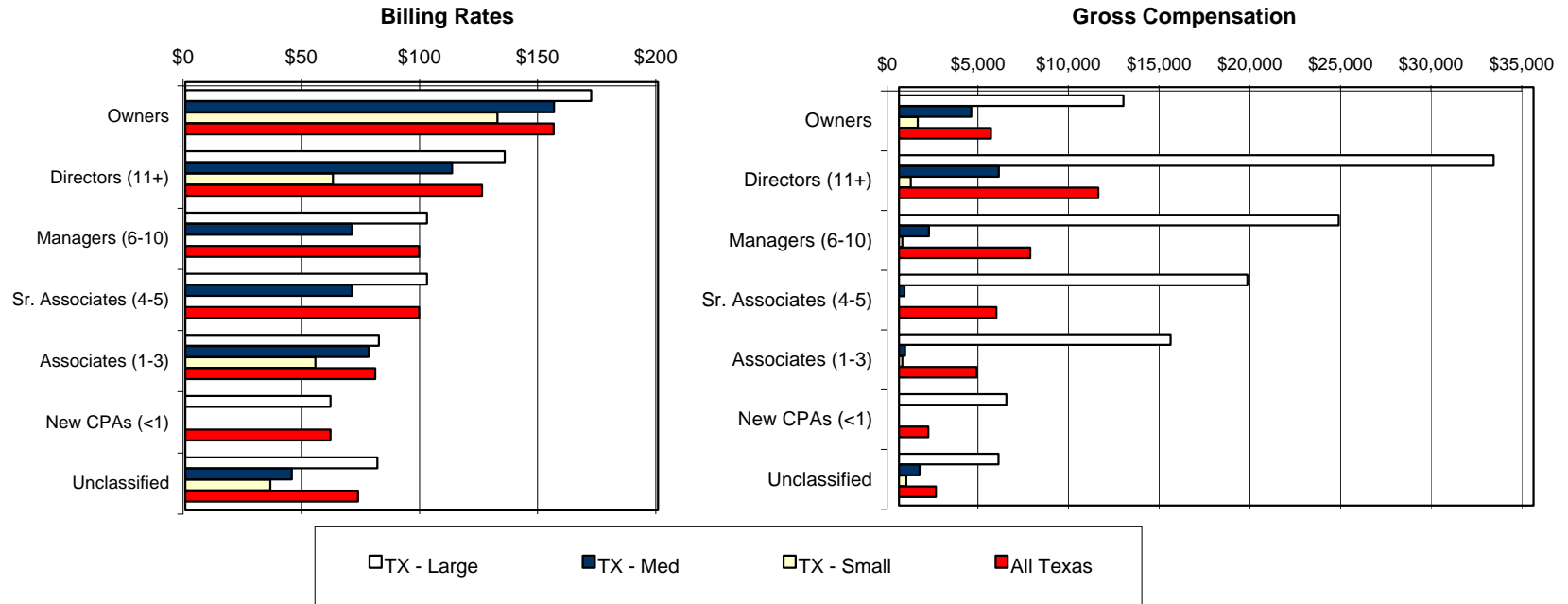
### Statistics for Full-Time Professional Accounting Staff



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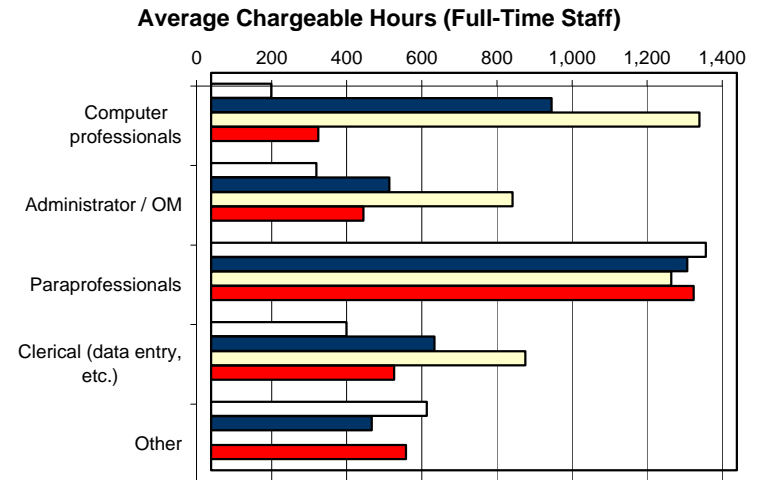
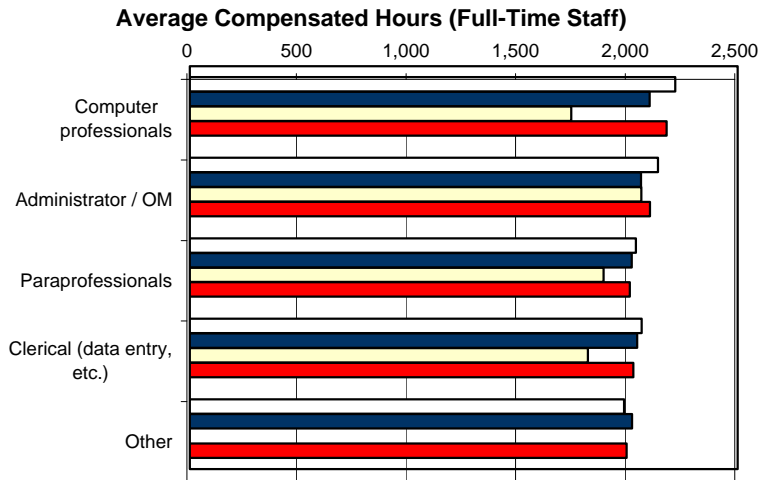
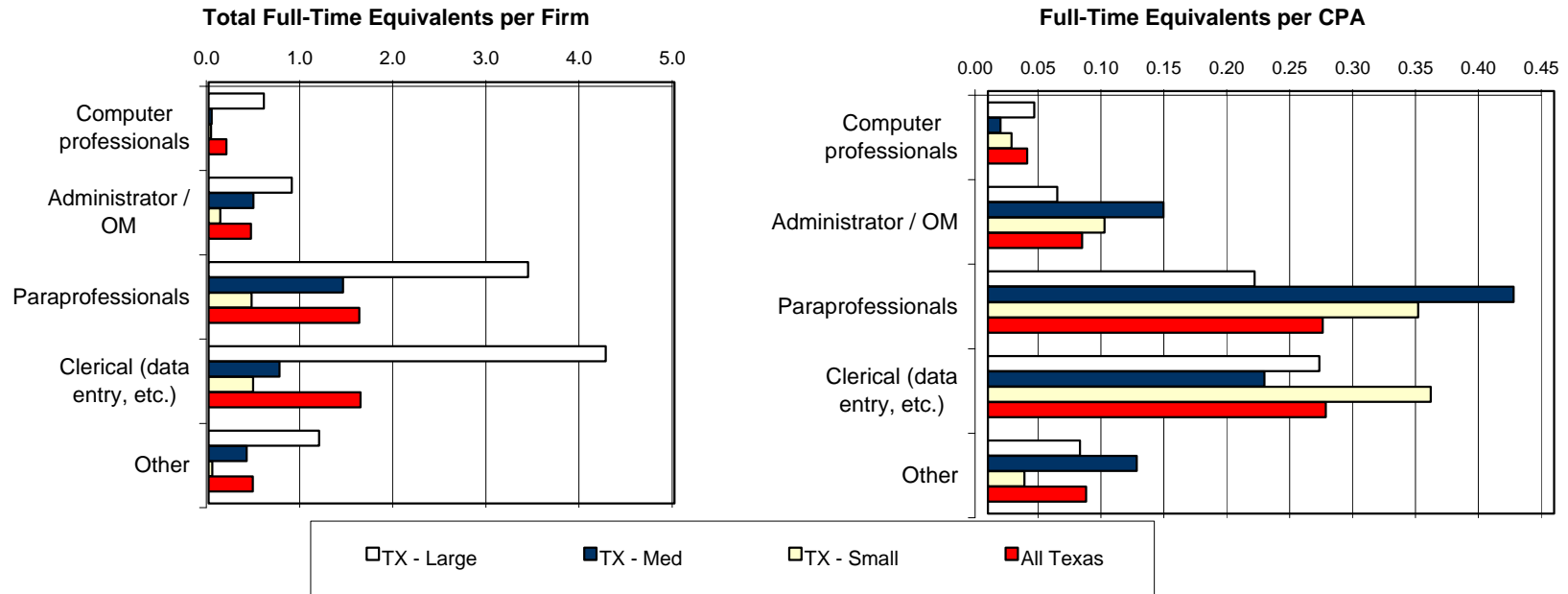
### Statistics for Part-Time Professional Accounting Staff (continued)



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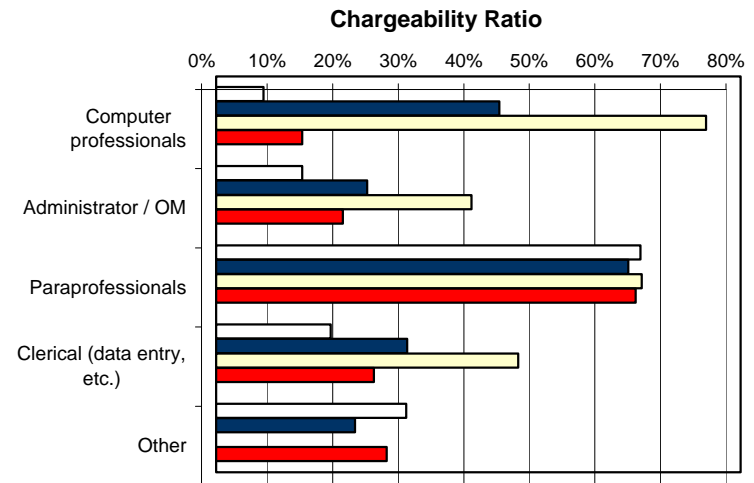
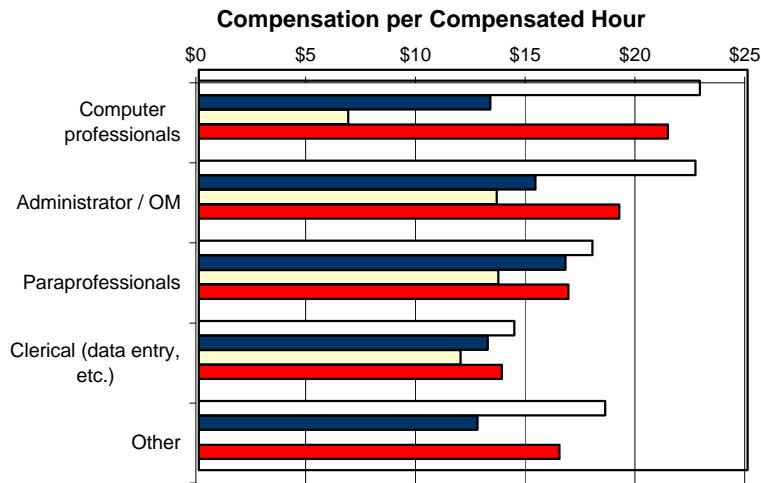
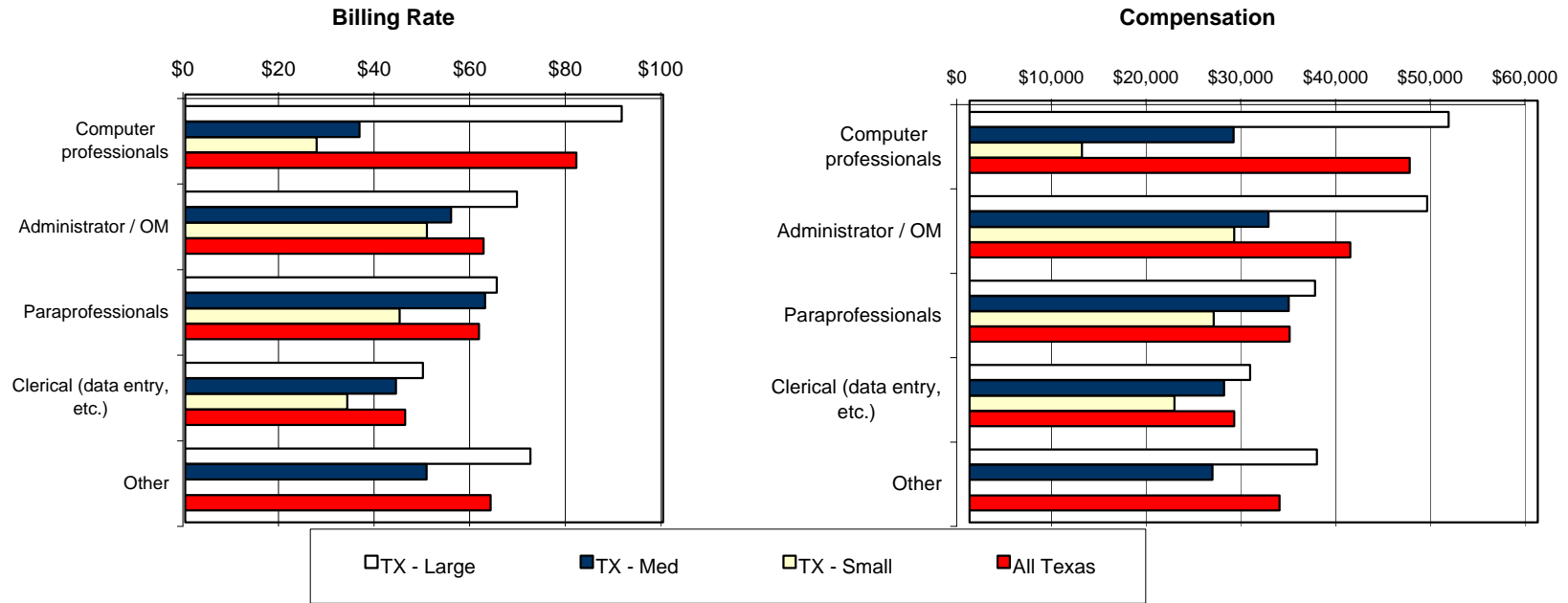
### Statistics for Non-Accounting Staff



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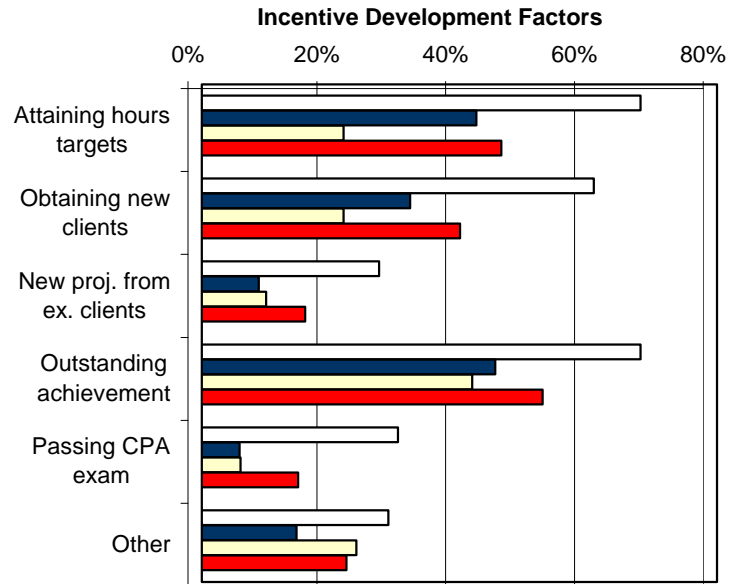
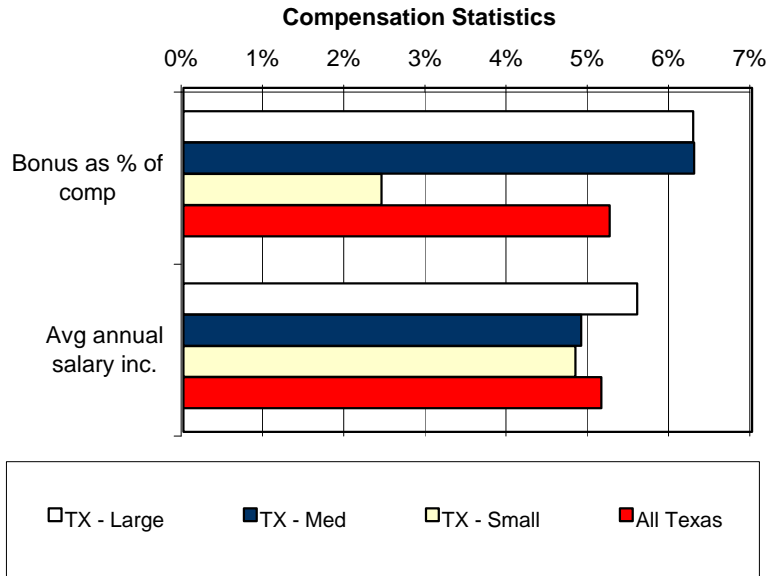
### Statistics for Non-Accounting Staff (continued)



## 2003 National PCPS / TSCPA Management of an Accounting Practice Survey

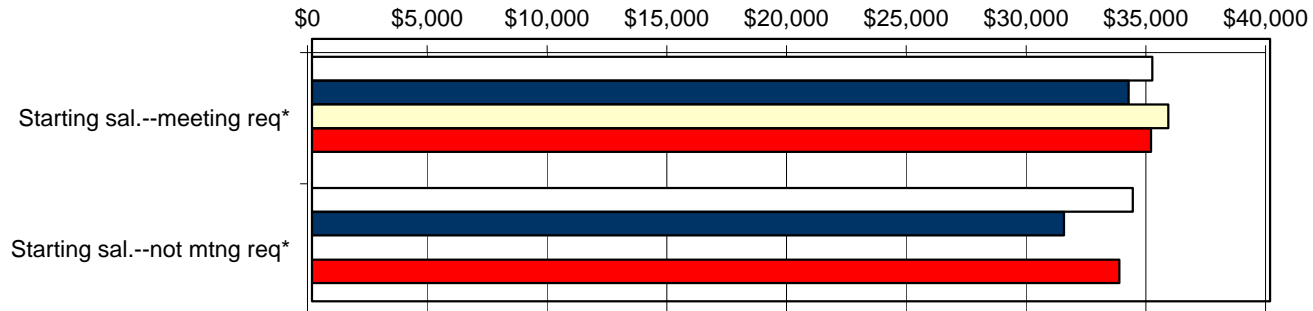
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#### Compensation Background and Statistics



About 80% of respondents reported a calendar year basis for their salary figures.

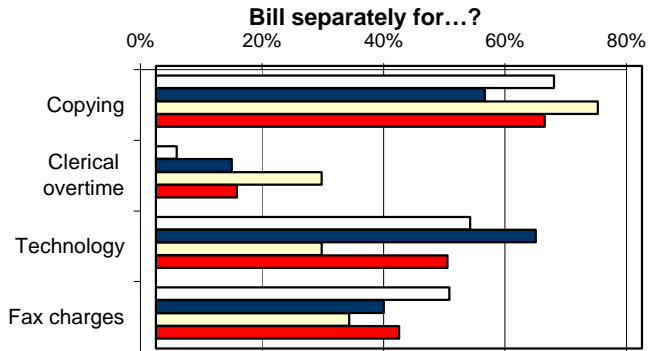
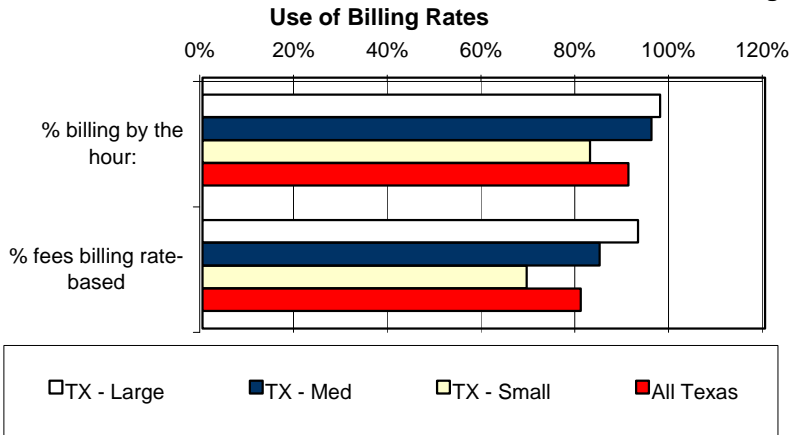
#### Starting Salaries for New CPAs



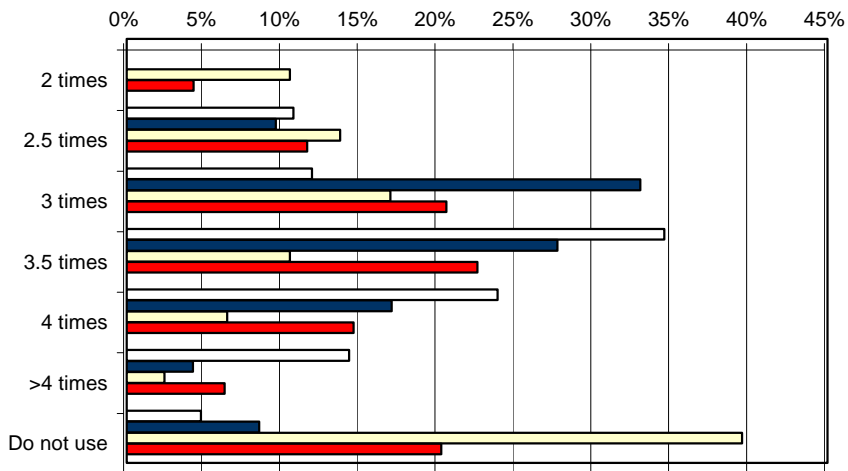
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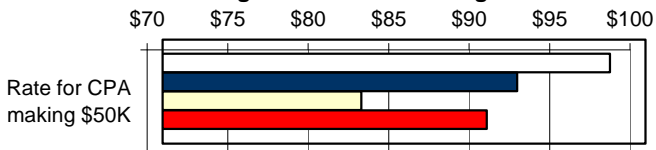
### Billing Practices



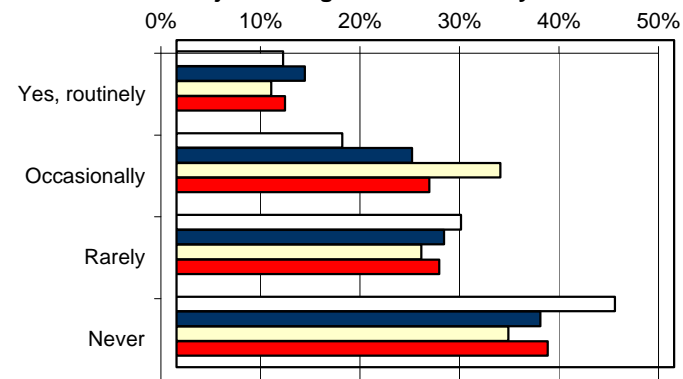
### Approximate Ratio of Billing Rate to Comp



### Billing Rate for CPA Making \$50K

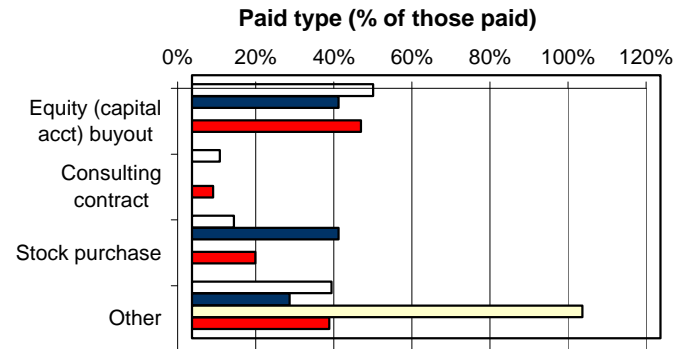
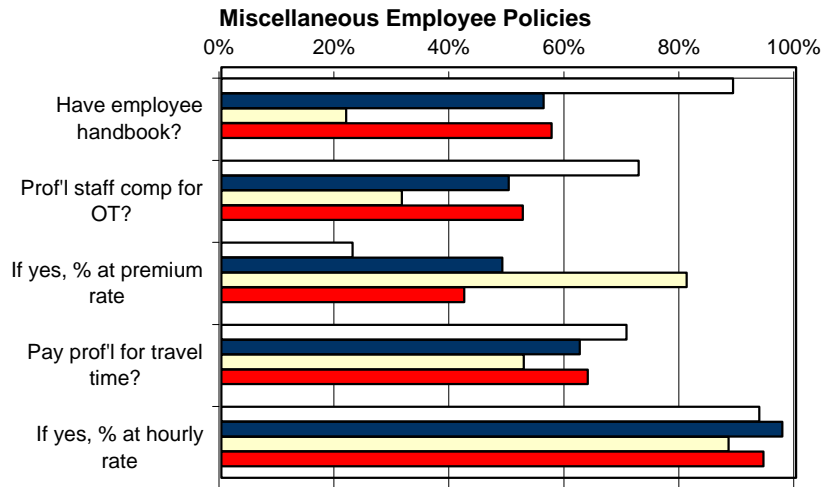
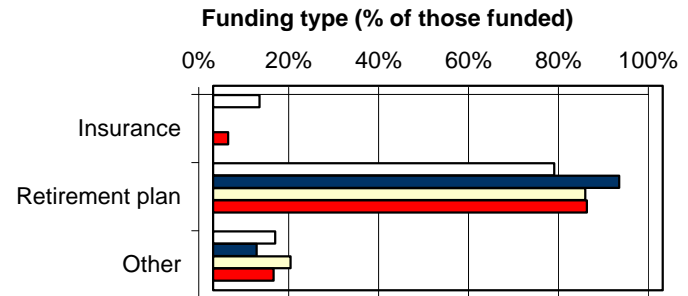
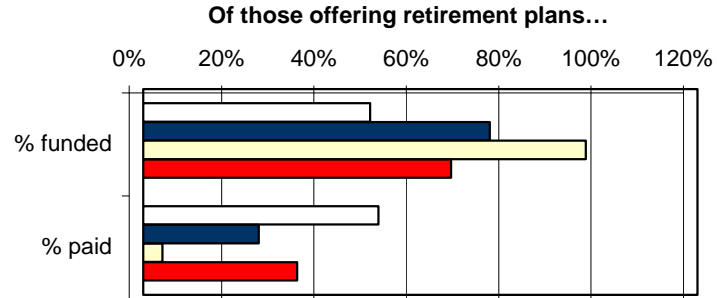
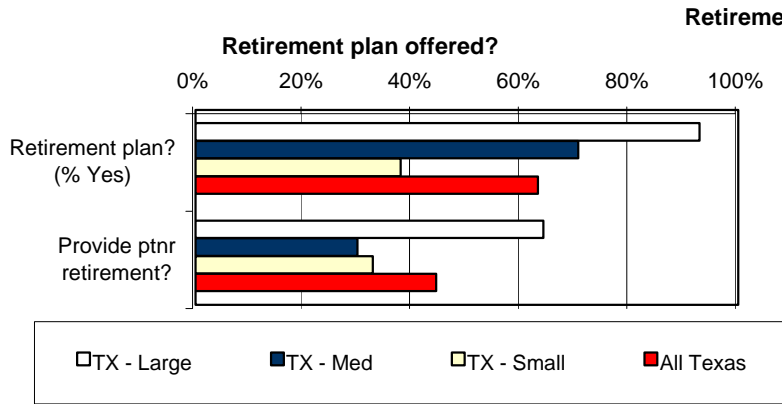


### Adjust Billing Rates Seasonally?



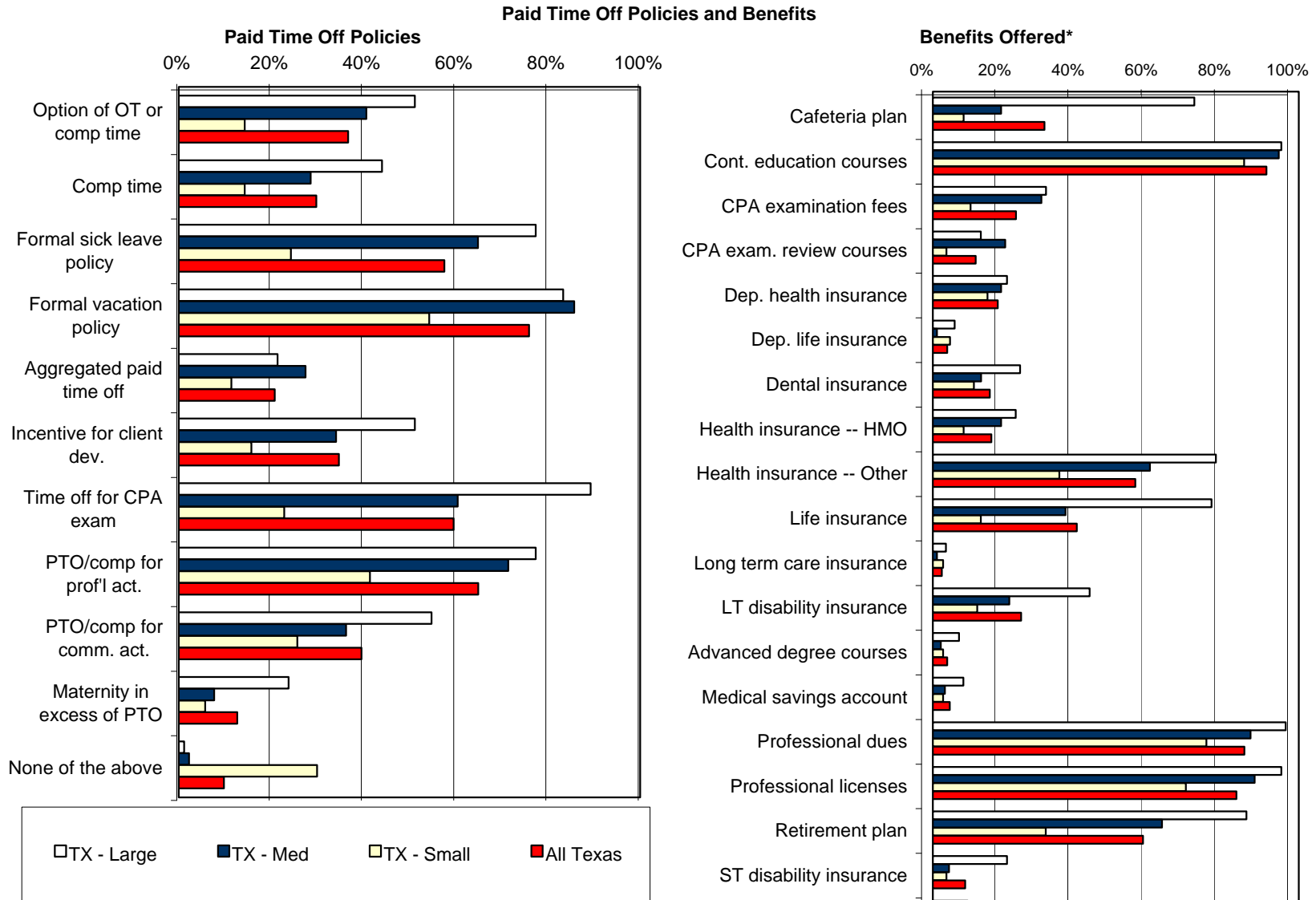
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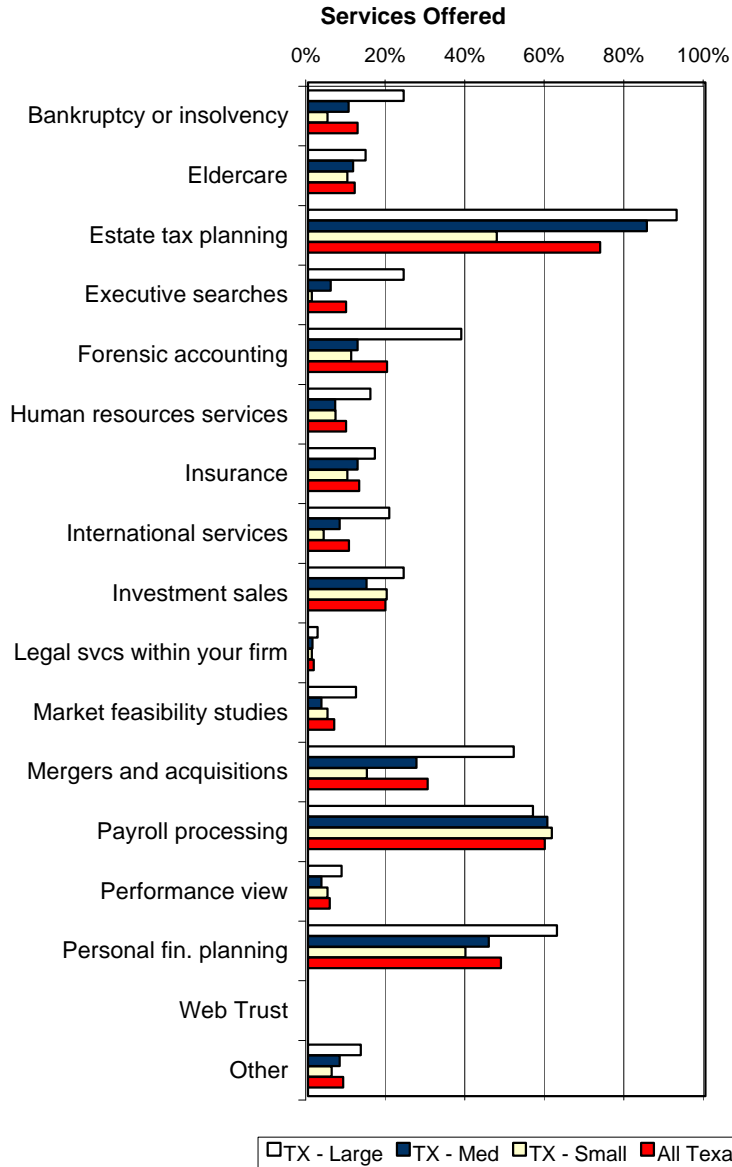
\* In the "Benefits Offered" graph and tables, sole practitioners who marked pay for the specified benefits through their firm are included as offering the benefit (i.e., health insurance).



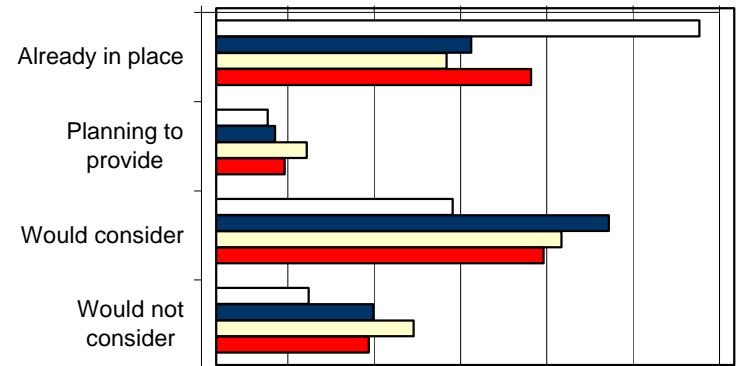
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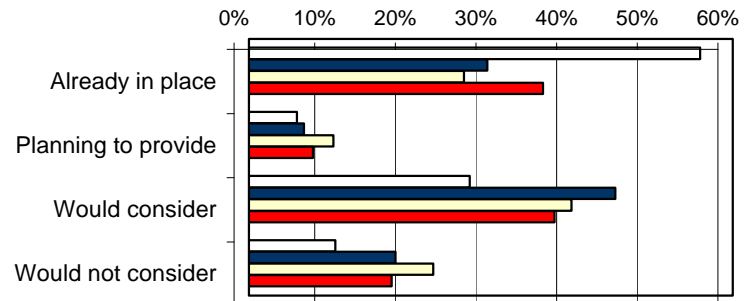
### Services Offered and Strategic Initiatives



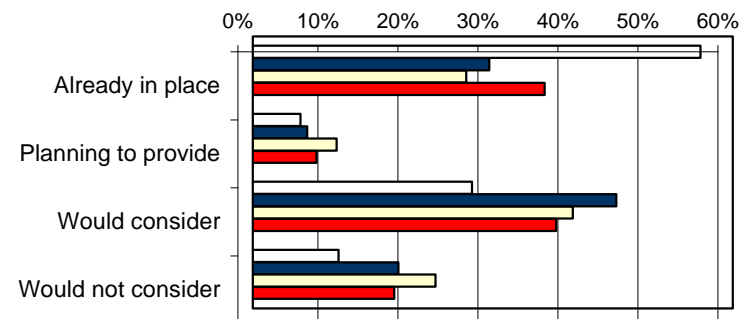
### Strategic Initiatives Hiring non-CPA professionals



### Making non-CPAs owners



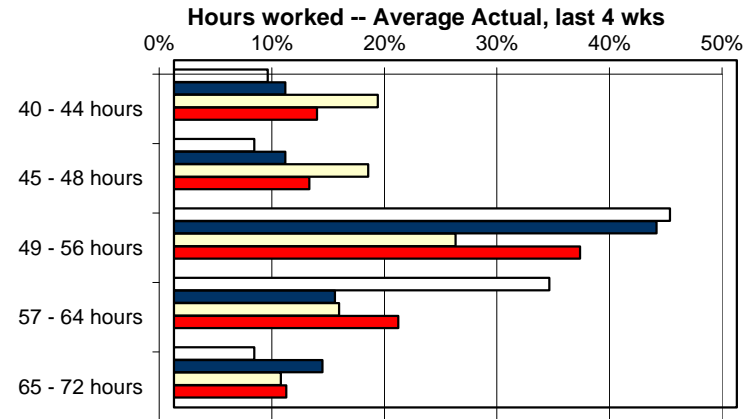
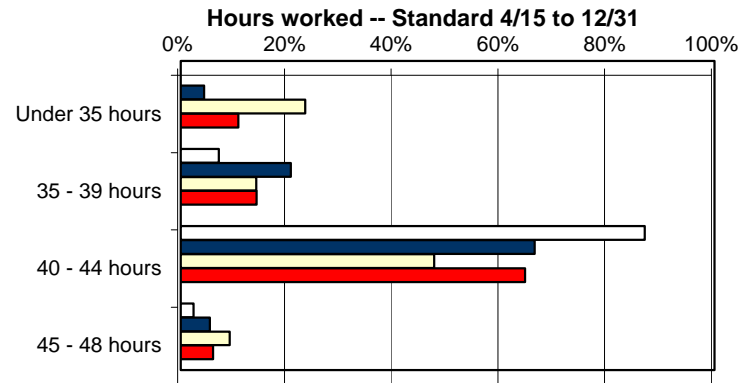
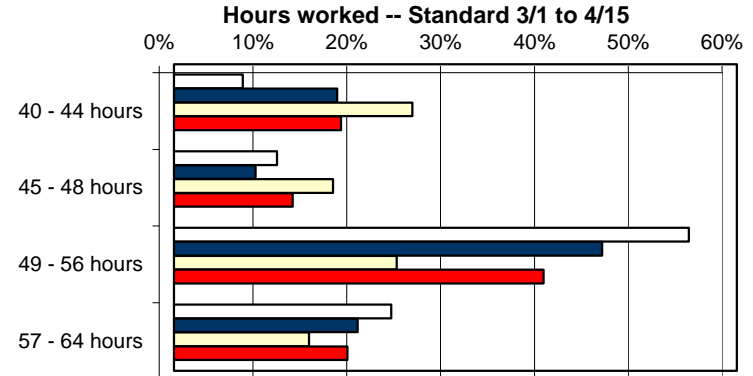
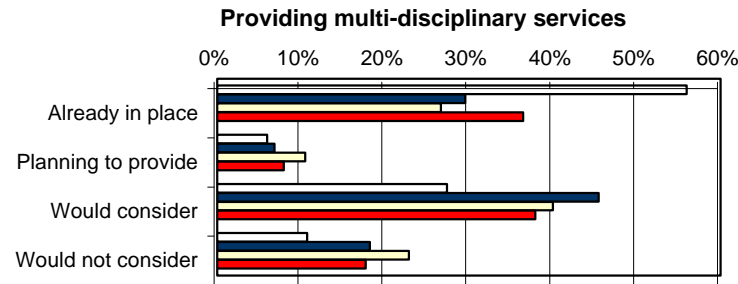
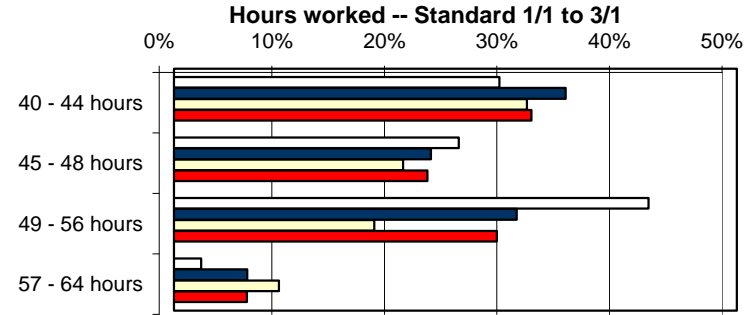
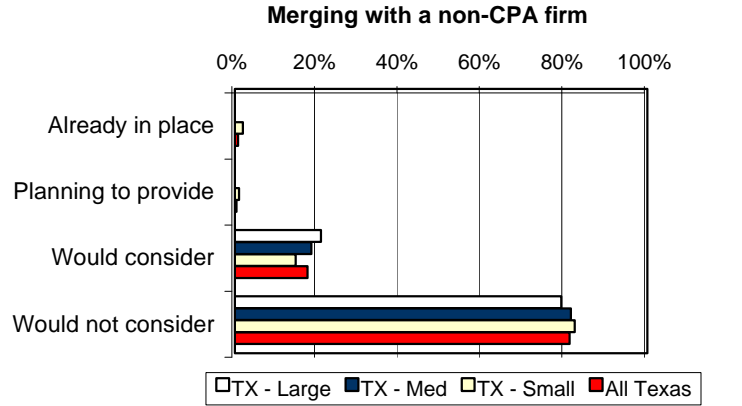
### Hiring interns



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#### Strategic Initiatives and Hours Worked

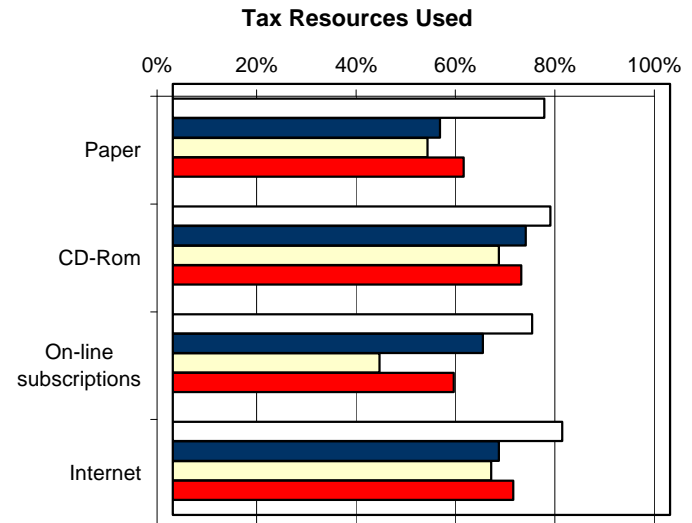
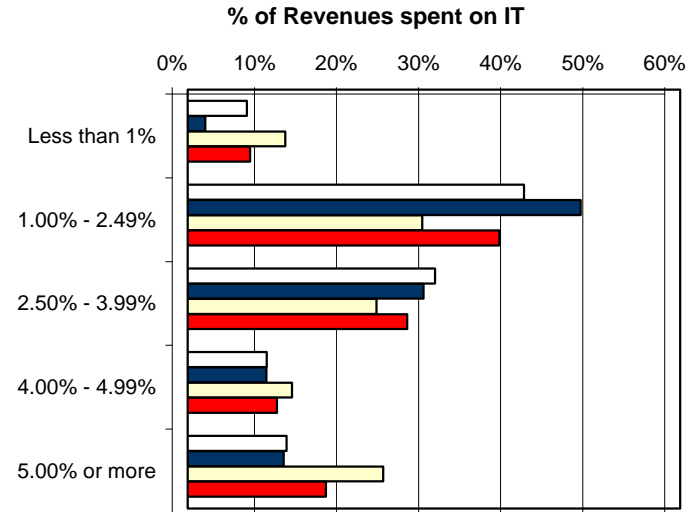
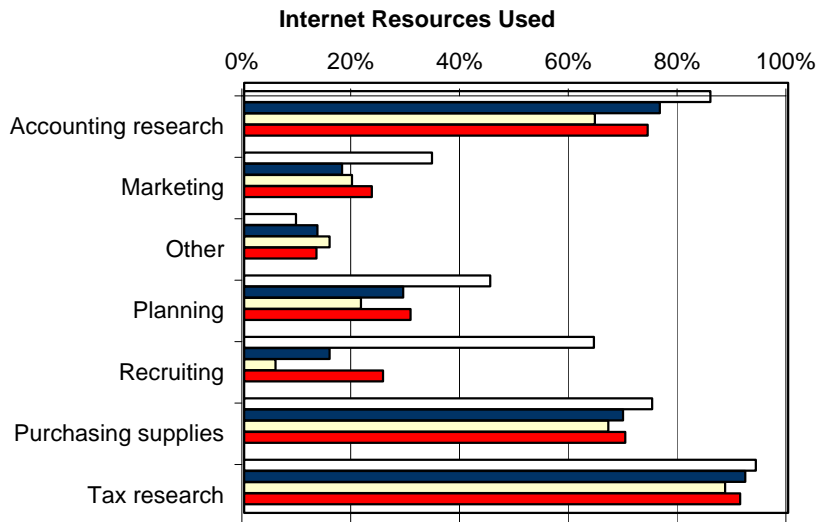
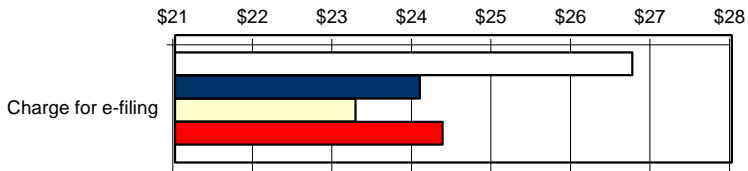
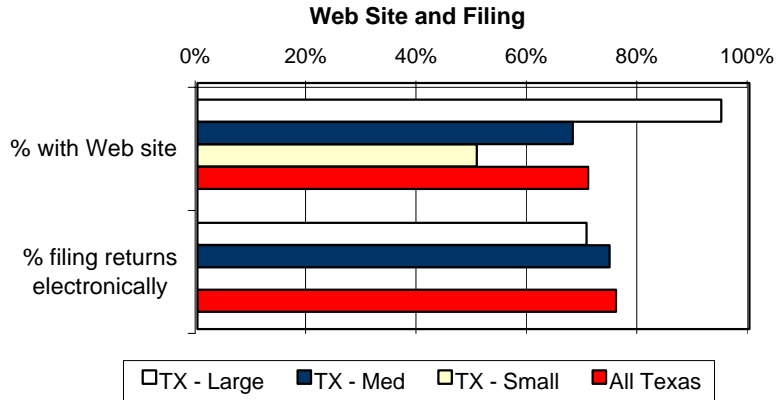


\* Excludes the lowest volume hour buckets.

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### Technology Initiatives



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**APPENDIX II**  
**CUSTOMIZED TABLES**

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
Total # of Respondents	306	127	95	84	101	75	74	61	60	61

Subregion: West South Central  
 AR, LA, OK, TX

Region (as defined by U.S. Census)

Midwest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Northeast	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
West	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

SubRegion (as defined by U.S. Census)

East North Central (M)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
East South Central (S)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Middle Atlantic (N)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New England (N)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South Atlantic (S)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
West North Central (M)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
West South Central (S)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Mountain (W)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pacific (W)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other (O)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Average Household Income (see graphs or summary for definition)

Lower -- Bottom -- <\$35K	20.6%	19.7%	15.8%	27.4%	26.7%	32.0%	27.0%	21.3%	43.3%	32.8%
Lower -- Top -- \$35-\$39K	43.1%	32.3%	46.3%	56.0%	30.7%	44.0%	47.3%	50.8%	48.3%	52.5%
Middle -- Bottom -- \$40-\$44K	9.2%	11.0%	13.7%	1.2%	8.9%	6.7%	9.5%	9.8%	0.0%	1.6%
Middle -- Top -- \$45-49K	17.3%	21.3%	17.9%	10.7%	20.8%	8.0%	10.8%	14.8%	8.3%	6.6%
Upper -- Bottom -- \$50-59K	9.8%	15.7%	6.3%	4.8%	12.9%	9.3%	5.4%	3.3%	0.0%	6.6%
Upper -- Top -- \$60K+	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Firm Size

Small -- <150K	24.8%	59.8%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Small -- 150K-299K	16.7%	40.2%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Medium -- 300K-549K	16.3%	0.0%	52.6%	0.0%	0.0%	0.0%	91.9%	0.0%	0.0%	0.0%
Medium -- 550K-999K	14.7%	0.0%	47.4%	0.0%	0.0%	0.0%	8.1%	100.0%	0.0%	0.0%
Large -- 1M-1.99M	12.7%	0.0%	0.0%	46.4%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Large -- 2.0M+	14.7%	0.0%	0.0%	53.6%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61
<b>Firm Type</b>										
Sole prac., no employees	19.3%	44.1%	3.2%	0.0%	62.4%	14.7%	4.1%	1.6%	0.0%	0.0%
Single-office firm	73.5%	55.9%	90.5%	81.0%	36.6%	85.3%	93.2%	86.9%	93.3%	63.9%
Unified multi-office firm*	4.6%	0.0%	3.2%	13.1%	1.0%	0.0%	2.7%	6.6%	6.7%	26.2%
Office of small reg. firm	2.3%	0.0%	3.2%	4.8%	0.0%	0.0%	0.0%	4.9%	0.0%	8.2%
Office of reg./nat. firm	0.3%	0.0%	0.0%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	1.6%
Office of a 'Big 4' firm	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>% with Satellite Offices</b>	5.2%	1.6%	2.1%	14.3%	3.0%	1.3%	4.1%	9.8%	5.0%	29.5%
<b>No +/- 20% chg, client fees</b>										
Incr. -- Merger	2.3%	2.4%	3.2%	1.2%	2.0%	2.7%	4.1%	1.6%	1.7%	1.6%
Incr. -- General growth	14.7%	20.5%	13.7%	7.1%	25.0%	13.3%	10.8%	9.8%	5.0%	9.8%
Incr. -- Other	1.6%	2.4%	2.1%	0.0%	3.0%	0.0%	5.4%	3.3%	0.0%	0.0%
Decr. -- Sale/downsize	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.7%	0.0%
Decr. -- Client/staff loss	2.0%	4.7%	0.0%	0.0%	5.0%	2.7%	0.0%	0.0%	0.0%	0.0%
Decr. -- Other	1.0%	0.8%	2.1%	0.0%	1.0%	0.0%	1.4%	1.6%	0.0%	0.0%
<b>Firm Tenure:</b>										
Less than one year	2.3%	5.5%	0.0%	0.0%	7.9%	2.7%	2.7%	0.0%	0.0%	0.0%
1 to 5 years	14.7%	26.0%	8.4%	4.8%	38.6%	9.3%	12.2%	8.2%	3.3%	3.3%
6 to 10 years	16.0%	23.6%	13.7%	7.1%	20.8%	25.3%	16.2%	8.2%	13.3%	1.6%
11 to 20 years	33.3%	33.9%	37.9%	27.4%	24.8%	41.3%	28.4%	36.1%	20.0%	29.5%
21 or more years	33.7%	11.0%	40.0%	60.7%	7.9%	21.3%	40.5%	47.5%	63.3%	65.6%
<b>Most Recent FY End Date</b>										
1/02-11/02	1.0%	0.0%	0.0%	3.6%	0.0%	0.0%	0.0%	1.6%	1.7%	6.6%
12/02	92.5%	97.6%	96.8%	79.8%	98.0%	94.7%	97.3%	93.4%	76.7%	82.0%
1/03-5/03	5.2%	1.6%	2.1%	14.3%	0.0%	4.0%	2.7%	3.3%	18.3%	9.8%
6/03	1.0%	0.8%	1.1%	1.2%	2.0%	1.3%	0.0%	1.6%	3.3%	0.0%
7/03-9/03	0.3%	0.0%	0.0%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	1.6%
<b>Member in...</b>										
PCPS	35.3%	20.5%	35.8%	57.1%	18.8%	24.0%	28.4%	39.3%	46.7%	55.7%
AICPA	78.1%	67.7%	78.9%	92.9%	66.3%	80.0%	83.8%	80.3%	90.0%	95.1%
AICPA Major Firms Group	1.6%	0.0%	0.0%	6.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%
Large Firm Network Group	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Firm Network Group	0.7%	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	1.7%	1.6%
Small Firm Network Group	2.0%	0.0%	3.2%	3.6%	1.0%	1.3%	1.4%	3.3%	5.0%	3.3%
None of the above	18.6%	29.1%	16.8%	4.8%	31.7%	17.3%	13.5%	13.1%	5.0%	4.9%

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61

**Financial Information**

**A/R, WIP, and Prior Year**

Accounts receivable	\$182,862	\$17,869	\$73,559	\$540,243	\$11,574	\$27,529	\$53,447	\$106,957	\$272,897	\$825,972
Work in progress	\$84,015	\$7,951	\$32,964	\$234,297	\$2,828	\$12,842	\$26,729	\$46,176	\$117,777	\$313,346
Prior yr net client fees	\$991,560	\$128,955	\$530,404	\$2,838,890	\$66,521	\$209,863	\$375,186	\$728,680	\$1,328,661	\$4,161,805

**Income:**

Gross fees earned	\$1,123,111	\$144,003	\$581,440	\$3,216,034	\$84,740	\$228,747	\$430,053	\$795,895	\$1,490,314	\$4,881,399
Net Write-ups / (downs)	-\$83,730	-\$2,384	-\$20,434	-\$278,302	-\$1,159	-\$5,575	-\$10,976	-\$42,206	-\$111,470	-\$465,927
Net client fees earned	\$1,039,349	\$141,541	\$561,006	\$2,937,732	\$83,482	\$223,172	\$419,077	\$753,689	\$1,378,844	\$4,415,472
Interest income	\$1,278	\$94	\$545	\$3,899	\$62	\$299	\$519	\$1,112	\$1,767	\$5,578
Other - rents & royalties	\$5,252	\$347	\$2,790	\$15,451	\$175	\$560	\$1,742	\$3,592	\$11,067	\$17,799
<b>Total income</b>	<b>\$1,045,879</b>	<b>\$141,983</b>	<b>\$564,341</b>	<b>\$2,957,081</b>	<b>\$83,719</b>	<b>\$224,030</b>	<b>\$421,338</b>	<b>\$758,392</b>	<b>\$1,391,678</b>	<b>\$4,438,849</b>

**Expenses (excluding Owners)**

Professional salaries	\$245,451	\$10,020	\$102,020	\$763,613	\$2,779	\$21,656	\$64,152	\$151,547	\$270,696	\$1,190,680
Paraprofessional salaries	\$46,026	\$11,922	\$39,024	\$105,507	\$3,858	\$26,070	\$36,494	\$42,704	\$68,443	\$169,866
Other salaries	\$55,924	\$4,585	\$24,301	\$169,308	\$3,647	\$7,038	\$20,381	\$33,515	\$64,566	\$257,945
Ret. plan costs	\$11,468	\$463	\$5,544	\$34,806	\$97	\$1,299	\$2,428	\$9,251	\$17,474	\$46,261
Other emp. bfts	\$21,546	\$1,034	\$10,200	\$65,390	\$233	\$2,316	\$5,506	\$14,204	\$24,474	\$96,796
Dues, library, CPE	\$21,570	\$3,672	\$12,186	\$59,245	\$2,816	\$5,058	\$8,780	\$16,168	\$32,266	\$85,824
Insurance (excl. health)	\$11,501	\$1,441	\$6,336	\$32,552	\$807	\$2,825	\$4,945	\$8,613	\$17,346	\$50,120
Office rent / occupancy	\$61,238	\$9,911	\$40,417	\$162,386	\$5,935	\$14,194	\$28,508	\$51,695	\$82,547	\$224,590
Interest	\$4,028	\$1,380	\$2,986	\$9,208	\$847	\$2,099	\$3,768	\$5,626	\$6,202	\$13,972
Computer / IT	\$18,917	\$4,076	\$11,519	\$49,724	\$2,681	\$5,836	\$9,923	\$14,173	\$28,644	\$74,060
Promotion and marketing	\$13,753	\$2,161	\$6,643	\$39,321	\$1,158	\$3,253	\$4,381	\$7,983	\$10,348	\$64,217
Payroll taxes	\$31,345	\$2,684	\$16,197	\$91,811	\$1,096	\$5,390	\$11,297	\$23,123	\$41,819	\$134,770
Telephone / Internet	\$9,624	\$3,256	\$7,226	\$21,965	\$2,500	\$4,371	\$6,251	\$9,106	\$13,394	\$33,431
Depreciation	\$17,118	\$3,303	\$10,360	\$45,646	\$2,940	\$4,728	\$8,894	\$13,959	\$23,017	\$71,838
Other expenses	\$87,573	\$13,797	\$56,932	\$233,767	\$8,704	\$21,457	\$48,091	\$69,729	\$118,873	\$333,554
<b>Total expenses</b>	<b>\$657,082</b>	<b>\$73,705</b>	<b>\$351,891</b>	<b>\$1,884,247</b>	<b>\$40,100</b>	<b>\$127,590</b>	<b>\$263,799</b>	<b>\$471,395</b>	<b>\$820,111</b>	<b>\$2,847,923</b>

<b>Net remaining for Owners</b>	<b>\$388,797</b>	<b>\$68,277</b>	<b>\$212,450</b>	<b>\$1,072,834</b>	<b>\$43,620</b>	<b>\$96,440</b>	<b>\$157,539</b>	<b>\$286,998</b>	<b>\$571,566</b>	<b>\$1,590,926</b>
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Net Remain per FT Eq Owner	\$171,578	\$63,657	\$126,227	\$226,833	\$41,767	\$83,235	\$116,438	\$133,031	\$169,874	\$249,058
Net Remain per Owner-hour	\$79	\$32	\$56	\$98	\$23	\$38	\$52	\$58	\$75	\$107

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
Total # of Respondents	306	127	95	84	101	75	74	61	60	61

**Financial Information as a Percent of Net Client Fees****A/R, WIP, and Prior Year**

Accounts receivable	17.5%	12.6%	13.0%	18.3%	13.8%	12.3%	12.7%	14.1%	19.6%	18.6%
Work in progress	8.0%	5.6%	5.8%	7.9%	3.4%	5.7%	6.3%	6.1%	8.5%	7.1%
Prior yr net client fees	94.8%	90.8%	94.0%	96.0%	79.5%	93.7%	89.0%	96.1%	95.5%	93.8%

**Income:**

Gross fees earned	107.4%	101.4%	103.0%	108.8%	101.2%	102.1%	102.1%	104.9%	107.1%	110.0%
Net write-ups / (downs)	-8.0%	-1.7%	-3.6%	-9.4%	-1.4%	-2.5%	-2.6%	-5.6%	-8.0%	-10.5%
Net client fees earned	99.4%	99.7%	99.4%	99.3%	99.7%	99.6%	99.5%	99.4%	99.1%	99.5%
Interest income	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Other - rents & royalties	0.5%	0.2%	0.5%	0.5%	0.2%	0.2%	0.4%	0.5%	0.8%	0.4%
Total income	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Expenses:**

Professional salaries	23.5%	7.1%	18.1%	25.8%	3.3%	9.7%	15.2%	20.0%	19.5%	26.8%
Paraprofessional salaries	4.4%	8.4%	6.9%	3.6%	4.6%	11.6%	8.7%	5.6%	4.9%	3.8%
Other salaries	5.3%	3.2%	4.3%	5.7%	4.4%	3.1%	4.8%	4.4%	4.6%	5.8%
Ret. plan costs	1.1%	0.3%	1.0%	1.2%	0.1%	0.6%	0.6%	1.2%	1.3%	1.0%
Other emp. bfts	2.1%	0.7%	1.8%	2.2%	0.3%	1.0%	1.3%	1.9%	1.8%	2.2%
Dues, library, CPE	2.1%	2.6%	2.2%	2.0%	3.4%	2.3%	2.1%	2.1%	2.3%	1.9%
Insurance (excl. health)	1.1%	1.0%	1.1%	1.1%	1.0%	1.3%	1.2%	1.1%	1.2%	1.1%
Office rent / occupancy	5.9%	7.0%	7.2%	5.5%	7.1%	6.3%	6.8%	6.8%	5.9%	5.1%
Interest	0.4%	1.0%	0.5%	0.3%	1.0%	0.9%	0.9%	0.7%	0.4%	0.3%
Computer / IT	1.8%	2.9%	2.0%	1.7%	3.2%	2.6%	2.4%	1.9%	2.1%	1.7%
Promotion and marketing	1.3%	1.5%	1.2%	1.3%	1.4%	1.5%	1.0%	1.1%	0.7%	1.4%
Payroll taxes	3.0%	1.9%	2.9%	3.1%	1.3%	2.4%	2.7%	3.0%	3.0%	3.0%
Telephone / Internet	0.9%	2.3%	1.3%	0.7%	3.0%	2.0%	1.5%	1.2%	1.0%	0.8%
Depreciation	1.6%	2.3%	1.8%	1.5%	3.5%	2.1%	2.1%	1.8%	1.7%	1.6%
Other expenses	8.4%	9.7%	10.1%	7.9%	10.4%	9.6%	11.4%	9.2%	8.5%	7.5%
Total expenses	62.8%	51.9%	62.4%	63.7%	47.9%	57.0%	62.6%	62.2%	58.9%	64.2%

% Net remaining for Owners	<b>37.2%</b>	<b>48.1%</b>	<b>37.6%</b>	<b>36.3%</b>	<b>52.1%</b>	<b>43.0%</b>	<b>37.4%</b>	<b>37.8%</b>	<b>41.1%</b>	<b>35.8%</b>
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**Income Per CPA -- Selected Statistics**

Gross fees earned	\$184,812	\$106,436	\$168,174	\$198,740	\$73,597	\$124,587	\$159,343	\$165,307	\$175,771	\$210,925
Net write-ups / (downs)	-\$13,778	-\$1,762	-\$5,910	-\$17,198	-\$1,006	-\$3,037	-\$4,067	-\$8,766	-\$13,147	-\$20,133
Net client fees earned	\$171,029	\$104,616	\$162,263	\$181,542	\$72,505	\$121,551	\$155,276	\$156,541	\$162,624	\$190,792



	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61
<b>Primary Office</b>										
Owned by the firm	11.1%	8.7%	16.8%	8.3%	6.9%	16.0%	14.9%	14.8%	6.7%	6.6%
Leased / rented office	72.2%	52.8%	82.1%	90.5%	50.5%	61.3%	83.8%	83.6%	93.3%	91.8%
Subleased / shared	5.2%	11.8%	0.0%	1.2%	9.9%	10.7%	0.0%	0.0%	0.0%	1.6%
Home office	10.8%	26.0%	0.0%	0.0%	31.7%	10.7%	0.0%	0.0%	0.0%	0.0%
Other	0.7%	0.8%	1.1%	0.0%	1.0%	1.3%	1.4%	1.6%	0.0%	0.0%
Primary office area (sq. ft)	3,685	1,006	2,574	8,991	759	1,447	2,132	3,365	5,332	12,235
Square feet per CPA	606	744	745	556	660	788	790	699	629	529
Annual rent per square foot	\$15.20	\$14.11	\$15.22	\$16.37	\$12.28	\$13.47	\$13.91	\$14.22	\$14.14	\$16.80
Annual rent per CPA	\$2.50	\$10.43	\$4.40	\$1.01	\$10.67	\$7.34	\$5.16	\$2.95	\$1.67	\$0.73
<b>Office types provided to staff (may not total 100%)</b>										
'Hotel' offices	0.8%	1.4%	0.0%	1.2%	2.6%	0.0%	0.0%	0.0%	0.0%	1.6%
Private offices	84.1%	64.3%	90.2%	94.0%	47.4%	81.0%	90.1%	89.8%	90.0%	98.4%
Cubicles / workstations	30.9%	17.1%	21.7%	52.4%	18.4%	12.7%	14.1%	37.3%	41.7%	67.2%
Shared offices	22.4%	28.6%	17.4%	22.6%	42.1%	19.0%	14.1%	22.0%	25.0%	34.4%
Other	1.6%	4.3%	0.0%	1.2%	2.6%	3.2%	0.0%	0.0%	0.0%	3.3%
FY '02 bad debt written off	\$19,198	\$1,920	\$6,969	\$56,979	\$1,194	\$3,104	\$4,820	\$8,966	\$17,658	\$81,278
Charge int. on A/R? (% Yes)	21.6%	18.1%	21.1%	27.4%	18.8%	26.7%	28.4%	27.9%	23.3%	39.3%
-- Interest amount	14.0%	16.7%	15.2%	10.1%	15.5%	15.7%	14.5%	16.0%	12.8%	11.4%
<b>Delinquent fee methods used (may not total 100%):</b>										
Collection agencies	12.0%	9.1%	11.1%	17.5%	11.3%	7.8%	11.1%	18.8%	23.3%	20.4%
Factoring	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Suit for Fees	17.5%	19.3%	11.1%	22.8%	15.5%	25.5%	20.4%	10.4%	11.6%	24.5%
Other	79.3%	76.1%	84.7%	77.2%	76.1%	72.5%	81.5%	77.1%	76.7%	75.5%
<b>Accounts Receivable Aging:</b>										
Current	52.4%	60.3%	51.2%	42.1%	63.8%	58.6%	52.5%	47.5%	46.8%	39.6%
Over 30 Days	14.1%	11.2%	14.8%	17.5%	10.6%	12.2%	14.2%	15.3%	14.6%	18.8%
Over 60 Days	10.3%	7.6%	11.5%	12.9%	6.3%	8.1%	9.9%	12.7%	12.1%	11.9%
Over 90 Days	23.3%	20.9%	22.8%	27.6%	19.2%	21.2%	23.4%	25.0%	26.6%	29.8%
<b>Total</b>	<b>100.1%</b>	<b>100.0%</b>	<b>100.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.1%</b>	<b>100.0%</b>	<b>100.4%</b>	<b>100.0%</b>	<b>100.0%</b>

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61
<b>Proportion of Services:</b>										
Auditing services	10.1%	5.5%	7.2%	20.3%	4.5%	8.3%	5.4%	11.5%	19.5%	22.2%
Attestation services	0.4%	0.2%	0.2%	0.8%	0.3%	0.3%	0.1%	0.4%	0.5%	0.8%
Business valuation	1.2%	1.8%	0.7%	0.9%	0.5%	3.0%	0.4%	1.1%	1.2%	0.7%
Compilations	10.3%	13.2%	11.2%	4.9%	13.0%	11.7%	12.3%	9.6%	6.0%	5.0%
Consulting services	7.6%	9.2%	6.8%	6.2%	11.4%	9.6%	6.4%	7.8%	6.0%	8.0%
Financial advisory svcs	1.3%	1.3%	1.1%	1.5%	1.0%	1.1%	0.6%	1.2%	0.9%	1.9%
IT services	0.5%	0.9%	0.1%	0.2%	1.2%	0.3%	0.5%	0.9%	0.4%	0.3%
IT hardware sales	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Litigation support	1.2%	1.0%	1.3%	1.5%	1.0%	1.2%	0.9%	1.6%	1.7%	1.4%
Mergers and acquisitions	0.2%	0.1%	0.3%	0.2%	0.0%	0.1%	0.1%	0.4%	0.1%	0.3%
Reviews	1.6%	0.5%	2.6%	2.1%	0.4%	0.8%	2.2%	2.9%	2.2%	2.0%
Tax -- individual	27.9%	28.9%	30.3%	23.5%	28.2%	26.7%	30.5%	24.9%	23.6%	21.1%
Tax -- other than individual	23.8%	21.8%	24.6%	25.8%	22.0%	21.3%	24.8%	22.7%	23.2%	24.1%
Write-up /data processing	11.8%	13.6%	11.4%	9.5%	14.5%	14.7%	14.0%	12.4%	10.9%	9.6%
Other	2.1%	1.9%	2.0%	2.7%	1.8%	1.0%	1.9%	2.5%	3.9%	2.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61
<b>Professional Accounting Staff -- Non-Owner staff was assigned by either years as an accountant OR by title</b>										
<b>Number of Full-Time Professional Accounting Staff</b> (average number of full time accountants by class reported for firms)										
Owners	2.248	1.063	1.653	4.714	1.040	1.133	1.324	2.131	3.333	6.361
Directors (11+ yrs)	0.690	0.055	0.579	1.774	0.030	0.147	0.365	0.623	0.900	2.393
Managers (6-10 yrs)	0.686	0.024	0.274	2.155	0.010	0.040	0.230	0.361	0.817	3.557
Sr. Associates (4-5 yrs)	0.719	0.016	0.179	2.393	0.000	0.053	0.108	0.295	0.600	3.607
Associates (1-3 yrs)	0.729	0.047	0.126	2.440	0.010	0.080	0.068	0.361	0.833	3.967
New CPAs (<1 yrs)	0.170	0.024	0.042	0.536	0.000	0.040	0.014	0.066	0.300	0.803
Unclassified	0.340	0.094	0.453	0.583	0.050	0.267	0.446	0.787	1.050	0.262
<b>Total CPAs</b>	<b>5.582</b>	<b>1.323</b>	<b>3.305</b>	<b>14.595</b>	<b>1.139</b>	<b>1.760</b>	<b>2.554</b>	<b>4.623</b>	<b>7.833</b>	<b>20.951</b>
<b>Number of Part-Time Full-Time Equivalents</b> (total number of compensated hours for part-time accountants by class divided by 2,080 for each firm)										
Owners	0.018	0.010	0.030	0.015	0.005	0.025	0.029	0.026	0.031	0.027
Directors (11+ yrs)	0.126	0.012	0.075	0.357	0.008	0.016	0.072	0.073	0.296	0.355
Managers (6-10 yrs)	0.112	0.004	0.033	0.364	0.000	0.007	0.027	0.041	0.155	0.456
Sr. Associates (4-5 yrs)	0.103	0.000	0.007	0.368	0.000	0.000	0.008	0.035	0.049	0.621
Associates (1-3 yrs)	0.097	0.005	0.007	0.339	0.000	0.016	0.009	0.005	0.068	0.526
New CPAs (<1 yrs)	0.039	0.000	0.000	0.144	0.000	0.012	0.000	0.011	0.046	0.207
Unclassified	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total CPAs</b>	<b>0.495</b>	<b>0.030</b>	<b>0.152</b>	<b>1.587</b>	<b>0.013</b>	<b>0.076</b>	<b>0.145</b>	<b>0.192</b>	<b>0.645</b>	<b>2.192</b>
<b>Total Full-Time Equivalents</b> (Full-time professional accountants plus part time equivalents)										
Owners	2.266	1.073	1.683	4.730	1.044	1.159	1.353	2.157	3.365	6.388
Directors (11+ yrs)	0.816	0.067	0.654	2.131	0.038	0.163	0.437	0.696	1.196	2.749
Managers (6-10 yrs)	0.798	0.028	0.307	2.518	0.010	0.047	0.257	0.401	0.972	4.013
Sr. Associates (4-5 yrs)	0.822	0.016	0.185	2.760	0.000	0.053	0.116	0.330	0.649	4.228
Associates (1-3 yrs)	0.826	0.052	0.133	2.780	0.010	0.096	0.076	0.365	0.901	4.493
New CPAs (<1 yrs)	0.209	0.024	0.042	0.679	0.000	0.052	0.014	0.077	0.346	1.010
Unclassified	0.340	0.094	0.453	0.583	0.050	0.267	0.446	0.787	1.050	0.262
<b>Total CPAs</b>	<b>6.077</b>	<b>1.353</b>	<b>3.457</b>	<b>16.182</b>	<b>1.151</b>	<b>1.836</b>	<b>2.699</b>	<b>4.815</b>	<b>8.479</b>	<b>23.143</b>

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
Total # of Respondents	306	127	95	84	101	75	74	61	60	61

**Professional Accounting Staff -- Compensated and Chargeable Hours**

**Full-Time -- Average compensated hours by class (average number of compensated hours per full time accountant by class)**

Owners	2,163	1,986	2,256	2,326	1,834	2,165	2,228	2,307	2,253	2,336
Directors (11+ yrs)	2,136	2,093	2,037	2,211	1,560	2,149	1,976	2,064	2,182	2,160
Managers (6-10 yrs)	2,146	2,080	2,059	2,176	N/A	2,194	2,094	2,056	2,134	2,245
Sr. Associates (4-5 yrs)	2,120	2,460	2,083	2,124	N/A	2,213	1,807	2,200	2,082	2,237
Associates (1-3 yrs)	2,136	2,075	1,936	2,181	2,080	2,073	2,142	2,022	2,113	2,191
New CPAs (<1 yrs)	1,927	1,600	1,650	1,982	N/A	1,600	1,180	2,217	2,114	1,848
Unclassified	2,008	1,576	2,033	2,106	2,080	1,791	2,060	1,993	2,132	2,105

**Part-Time -- Compensated hours per firm (total number of compensated hours for part-time accountants by class)**

Owners	37	20	63	32	10	53	60	55	65	56
Directors (11+ yrs)	263	25	156	743	17	34	150	153	616	739
Managers (6-10 yrs)	233	8	69	756	0	14	56	85	323	948
Sr. Associates (4-5 yrs)	214	0	14	765	0	0	17	73	102	1,293
Associates (1-3 yrs)	202	9	14	706	0	34	18	10	141	1,094
New CPAs (<1 yrs)	82	0	0	299	0	24	0	24	96	430
Unclassified	0	0	0	0	0	0	0	0	0	0

**Full-Time -- Chargeable Hours (average number of chargeable hours per full time accountant by class)**

Owners	1,241	1,199	1,321	1,212	1,177	1,206	1,366	1,354	1,240	1,194
Directors (11+)	1,365	1,395	1,300	1,412	1,080	1,294	1,258	1,371	1,489	1,333
Managers (6-10)	1,395	622	1,355	1,450	580	980	1,396	1,333	1,483	1,486
Sr. Associates (4-5)	1,452	1,254	1,410	1,473	N/A	1,097	1,461	1,426	1,442	1,575
Associates (1-3)	1,476	1,347	1,401	1,502	1,800	1,233	1,431	1,472	1,429	1,555
New CPAs (<1)	1,391	1,000	703	1,545	N/A	1,000	1,037	897	1,441	1,465
Unclassified	286	1,300	907	160	700	1,850	792	1,282	764	144

**Part-Time -- Chargeable Hours (total number of chargeable hours for part-time accountants by class)**

Owners	24	10	48	18	1	21	43	43	43	35
Directors (11+)	182	17	129	490	12	25	124	132	448	478
Managers (6-10)	169	8	55	540	0	13	46	59	270	637
Sr. Associates (4-5)	153	0	10	544	0	0	13	60	85	914
Associates (1-3)	149	6	12	518	0	27	15	7	115	800
New CPAs (<1)	53	0	0	193	0	16	0	15	76	260
Unclassified	8	0	0	28	0	1	0	11	32	15

**Full-Time Professional Accounting Staff -- Chargeability Ratio (Chargeable Hours / Compensated Hours)**

Owners	57%	60%	59%	52%	64%	56%	61%	59%	55%	51%
Directors (11+)	64%	67%	64%	64%	69%	60%	64%	66%	68%	62%
Managers (6-10)	65%	30%	66%	67%	N/A	45%	67%	65%	69%	66%
Sr. Associates (4-5)	69%	51%	68%	69%	N/A	50%	81%	65%	69%	70%
Associates (1-3)	69%	65%	72%	69%	87%	59%	67%	73%	68%	71%
New CPAs (<1)	72%	63%	43%	78%	N/A	63%	88%	40%	68%	79%
Unclassified	14%	83%	45%	8%	34%	103%	38%	64%	36%	7%

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
Total # of Respondents	306	127	95	84	101	75	74	61	60	61

**Professional Accounting Staff -- Billing Rates and Gross Compensation or Net Remaining**

**Full-Time Professional Accounting Staff -- Average Billing Rates**

Owners	\$141.06	\$106.06	\$150.03	\$182.49	\$91.27	\$119.48	\$137.75	\$147.57	\$154.60	\$189.15
Directors (11+)	\$116.43	\$67.14	\$107.10	\$130.32	\$95.00	\$70.45	\$104.42	\$104.51	\$108.27	\$138.53
Managers (6-10)	\$118.74	\$118.33	\$91.87	\$127.72	\$150.00	\$93.67	\$92.61	\$83.82	\$99.36	\$127.37
Sr. Associates (4-5)	\$94.56	\$62.50	\$77.50	\$100.38	N/A	\$67.00	\$81.25	\$74.19	\$83.57	\$100.18
Associates (1-3)	\$80.12	\$70.00	\$69.85	\$83.13	\$100.00	\$61.00	\$76.75	\$61.03	\$74.61	\$82.45
New CPAs (<1)	\$73.47	\$88.33	\$53.33	\$74.15	N/A	\$88.33	\$50.00	\$53.33	\$73.29	\$68.89
Unclassified	\$81.84	\$27.50	\$36.50	\$91.33	\$25.00	\$25.00	\$38.00	\$57.50	\$55.33	\$89.42

**Part-Time Professional Accounting Staff -- Average Billing Rates**

Owners	\$155.90	\$132.00	\$156.00	\$171.67	\$75.00	\$121.33	\$170.00	\$100.00	\$132.50	\$157.00
Directors (11+)	\$125.57	\$62.50	\$112.89	\$135.06	\$32.00	\$79.25	\$109.83	\$99.39	\$111.03	\$139.68
Managers (6-10)	\$98.89	N/A	\$70.50	\$102.24	N/A	N/A	\$70.50	\$65.50	\$81.50	\$98.95
Sr. Associates (4-5)	\$98.89	N/A	\$70.50	\$102.24	N/A	N/A	\$70.50	\$65.50	\$81.50	\$98.95
Associates (1-3)	\$80.38	\$55.00	\$77.50	\$81.86	N/A	\$69.50	\$77.50	\$54.00	\$82.44	\$77.24
New CPAs (<1)	\$61.36	N/A	N/A	\$61.36	N/A	\$25.00	N/A	\$36.00	\$61.75	\$59.50
Unclassified	\$73.10	\$36.00	\$45.00	\$81.25	\$36.00	\$50.00	\$45.00	\$28.00	\$97.00	\$58.22

**Full-Time Professional Accounting Staff -- Gross compensation (if Owner, net remaining) -- (average gross compensation per full-time employee)**

Owners*	\$ 138,862	\$ 71,566	\$ 136,069	\$ 236,078	\$ 47,854	\$ 93,314	\$ 127,548	\$ 139,474	\$ 187,114	\$ 264,834
Directors (11+)	\$ 65,901	\$ 41,040	\$ 53,068	\$ 79,152	\$ 25,750	\$ 40,915	\$ 50,123	\$ 57,950	\$ 68,573	\$ 102,068
Managers (6-10)	\$ 62,221	\$ 25,500	\$ 54,038	\$ 66,381	\$ 27,000	\$ 36,500	\$ 53,962	\$ 48,440	\$ 57,148	\$ 69,228
Sr. Associates (4-5)	\$ 50,261	\$ 29,392	\$ 47,359	\$ 51,990	N/A	\$ 34,083	\$ 43,181	\$ 46,516	\$ 44,003	\$ 56,446
Associates (1-3)	\$ 41,771	\$ 37,453	\$ 42,627	\$ 42,031	\$ 65,000	\$ 29,443	\$ 44,978	\$ 46,264	\$ 38,470	\$ 42,756
New CPAs (<1)	\$ 38,187	\$ 29,900	\$ 32,250	\$ 39,682	N/A	\$ 29,900	\$ 15,298	\$ 38,663	\$ 37,197	\$ 36,693
Unclassified	\$ 38,941	\$ 27,545	\$ 38,193	\$ 43,182	\$ 28,250	\$ 27,311	\$ 30,847	\$ 37,958	\$ 41,129	\$ 37,419

**Part-Time Professional Accounting Staff -- Salary or Net Remaining (if Owners)**

Owners	\$ 5,069	\$ 1,041	\$ 3,991	\$ 12,378	\$ 245	\$ 2,187	\$ 4,351	\$ 4,901	\$ 16,022	\$ 18,443
Directors (11+)	\$ 10,988	\$ 658	\$ 5,506	\$ 32,805	\$ 399	\$ 802	\$ 5,171	\$ 5,064	\$ 20,845	\$ 35,337
Managers (6-10)	\$ 7,247	\$ 181	\$ 1,645	\$ 24,264	N/A	\$ 307	\$ 1,187	\$ 1,976	\$ 9,321	\$ 30,131
Sr. Associates (4-5)	\$ 5,373	N/A	\$ 308	\$ 19,223	N/A	N/A	\$ 396	\$ 1,559	\$ 2,277	\$ 31,288
Associates (1-3)	\$ 4,288	\$ 176	\$ 330	\$ 14,983	N/A	\$ 298	\$ 423	\$ 127	\$ 3,245	\$ 22,397
New CPAs (<1)	\$ 1,625	N/A	N/A	\$ 5,920	N/A	\$ 0	N/A	\$ 276	\$ 1,444	\$ 8,526
Unclassified	\$ 2,027	\$ 398	\$ 1,139	\$ 5,495	\$ 957	\$ 155	\$ 1,361	\$ 1,045	\$ 7,345	\$ 3,818

\* This number does not exactly match the number calculated earlier on page 23. Some respondents firms entered net remaining amounts for individual owners that did not sum exactly to the amount remaining in the financial statement. In instances where this difference was large, the net remaining was replaced by the total average net remaining per Owner (i.e., total net remaining divided by the number of Owners). In instances where the difference was not large, entries by respondents were preserved to enable more detailed statistical analyses (which are improved when there is line-item detail for each Owner).

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
Total # of Respondents	306	127	95	84	101	75	74	61	60	61

**Professional Accounting Staff -- Selected Ratios**

**Full-Time -- Compensation by Compensated Hour**

Owners	\$ 64.19	\$ 36.03	\$ 60.30	\$ 101.51	\$ 26.09	\$ 43.11	\$ 57.24	\$ 60.47	\$ 83.04	\$ 113.39
Directors (11+)	\$ 30.85	\$ 19.61	\$ 26.06	\$ 35.80	\$ 16.51	\$ 19.04	\$ 25.36	\$ 28.07	\$ 31.42	\$ 47.26
Managers (6-10)	\$ 29.00	\$ 12.26	\$ 26.25	\$ 30.51	N/A	\$ 16.64	\$ 25.76	\$ 23.56	\$ 26.78	\$ 30.83
Sr. Associates (4-5)	\$ 23.71	\$ 11.95	\$ 22.74	\$ 24.48	N/A	\$ 15.40	\$ 23.90	\$ 21.14	\$ 21.14	\$ 25.23
Associates (1-3)	\$ 19.55	\$ 18.05	\$ 22.02	\$ 19.27	\$ 31.25	\$ 14.20	\$ 21.00	\$ 22.88	\$ 18.21	\$ 19.51
New CPAs (<1)	\$ 19.81	\$ 18.69	\$ 19.55	\$ 20.02	N/A	\$ 18.69	\$ 12.96	\$ 17.44	\$ 17.59	\$ 19.86
Unclassified	\$ 19.39	\$ 17.48	\$ 18.79	\$ 20.51	\$ 13.58	\$ 15.25	\$ 14.97	\$ 19.05	\$ 19.29	\$ 17.78

**Part-Time -- Compensation by Compensated Hour (not calculated if average compensated hours is less than 40, for statistical reasons)**

Owners	N/A	N/A	\$ 63.02	N/A	N/A	\$ 41.53	\$ 72.98	\$ 89.83	\$ 245.93	\$ 327.04
Directors (11+)	\$ 41.83	N/A	\$ 35.30	\$ 44.15	N/A	N/A	\$ 34.43	\$ 33.18	\$ 33.86	\$ 47.84
Managers (6-10)	\$ 31.15	N/A	\$ 23.77	\$ 32.08	N/A	N/A	\$ 21.30	\$ 23.31	\$ 28.88	\$ 31.79
Sr. Associates (4-5)	\$ 25.09	N/A	N/A	\$ 25.14	N/A	N/A	N/A	\$ 21.36	\$ 22.32	\$ 24.20
Associates (1-3)	\$ 21.22	N/A	N/A	\$ 21.23	N/A	N/A	N/A	N/A	\$ 22.99	\$ 20.48
New CPAs (<1)	\$ 19.81	N/A	N/A	\$ 19.81	N/A	N/A	N/A	N/A	\$ 15.07	\$ 19.82
Unclassified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Full-Time Professional Accounting Staff -- Billing Rate / Compensation per Hour**

Owners	2.20	2.94	2.49	1.80	3.50	2.77	2.41	2.44	1.86	1.67
Directors (11+)	3.77	3.42	4.11	3.64	5.76	3.70	4.12	3.72	3.45	2.93
Managers (6-10)	4.09	9.65	3.50	4.19	N/A	5.63	3.59	3.56	3.71	4.13
Sr. Associates (4-5)	3.99	5.23	3.41	4.10	N/A	4.35	3.40	3.51	3.95	3.97
Associates (1-3)	4.10	3.88	3.17	4.31	3.20	4.30	3.66	2.67	4.10	4.23
New CPAs (<1)	3.71	4.73	2.73	3.70	N/A	4.73	3.86	3.06	4.17	3.47
Unclassified	4.22	1.57	1.94	4.45	1.84	1.64	2.54	3.02	2.87	5.03

**Part-Time Professional Accounting Staff -- Billing Rate / Compensation per Hour**

Owners	N/A	N/A	2.48	N/A	N/A	2.92	2.33	1.11	0.54	0.48
Directors (11+)	3.00	N/A	3.20	3.06	N/A	N/A	3.19	3.00	3.28	2.92
Managers (6-10)	3.17	N/A	2.97	3.19	N/A	N/A	3.31	2.81	2.82	3.11
Sr. Associates (4-5)	3.94	N/A	N/A	4.07	N/A	N/A	N/A	3.07	3.65	4.09
Associates (1-3)	3.79	N/A	N/A	3.86	N/A	N/A	N/A	N/A	3.59	3.77
New CPAs (<1)	3.10	N/A	N/A	3.10	N/A	N/A	N/A	N/A	4.10	3.00
Unclassified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61

**Non-Accounting Staff**

**Full-Time Number of Non-Accounting Employees Per Firm**

Computer professionals	0.15	0.02	0.02	0.48	0.01	0.03	0.01	0.04	0.05	0.79
Administrator / OM	0.40	0.09	0.45	0.80	0.04	0.19	0.30	0.67	0.51	1.05
Paraprofessionals	1.20	0.25	1.07	2.67	0.26	0.67	1.01	1.24	1.73	3.89
Clerical (data entry, etc.)	1.02	0.18	0.38	2.89	0.07	0.34	0.36	0.59	1.27	4.51
Other	0.29	0.00	0.21	0.80	0.00	0.00	0.11	0.37	0.29	1.22
Non-CPA Total	3.07	0.55	2.13	7.63	0.38	1.23	1.79	2.90	3.85	11.45

**Part-Time -- Number Full Time Equivalents (Part-Time Compensated Hours / 2080)**

Computer professionals	0.04	0.01	0.01	0.12	0.01	0.01	0.03	0.02	0.07	0.20
Administrator / OM	0.05	0.03	0.03	0.10	0.03	0.01	0.12	0.02	0.05	0.13
Paraprofessionals	0.42	0.21	0.38	0.76	0.07	0.39	0.41	0.31	0.77	1.20
Clerical (data entry, etc.)	0.61	0.29	0.38	1.37	0.15	0.45	0.45	0.38	1.00	1.92
Other	0.18	0.04	0.20	0.38	0.02	0.07	0.12	0.23	0.13	0.57
Non-CPA Total	1.30	0.58	1.00	2.73	0.28	0.93	1.12	0.95	2.02	4.01

**Total Full-Time Equivalents**

Computer professionals	0.19	0.03	0.03	0.59	0.02	0.04	0.04	0.06	0.12	0.98
Administrator / OM	0.45	0.13	0.48	0.89	0.07	0.20	0.42	0.68	0.56	1.18
Paraprofessionals	1.62	0.46	1.44	3.43	0.32	1.05	1.42	1.55	2.50	5.08
Clerical (data entry, etc.)	1.63	0.48	0.76	4.26	0.22	0.79	0.80	0.96	2.27	6.43
Other	0.47	0.04	0.41	1.19	0.02	0.07	0.23	0.60	0.42	1.79
Non-CPA Total	4.37	1.13	3.13	10.36	0.66	2.16	2.91	3.85	5.87	15.46

**Full-Time Equivalents Non-CPAs per Full-Time Equivalent CPA**

Computer professionals	0.031	0.019	0.010	0.037	0.018	0.024	0.015	0.012	0.014	0.042
Administrator / OM	0.075	0.093	0.139	0.055	0.063	0.111	0.155	0.142	0.066	0.051
Paraprofessionals	0.266	0.342	0.418	0.212	0.282	0.574	0.526	0.323	0.295	0.220
Clerical (data entry, etc.)	0.268	0.352	0.220	0.263	0.192	0.431	0.297	0.200	0.267	0.278
Other	0.078	0.029	0.118	0.073	0.017	0.036	0.086	0.124	0.050	0.077
Non-CPA Total	0.719	0.835	0.905	0.640	0.572	1.177	1.079	0.800	0.692	0.668

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61

**Non-Accounting Staff -- Compensated and Chargeable Hours**

**Average Compensated Hours for Full-Time Non-Accounting Staff**

Computer professionals	2,176	1,740	2,099	2,216	1,400	1,940	2,080	2,112	2,319	2,215
Administrator / OM	2,100	2,061	2,059	2,136	1,876	2,114	2,137	2,085	2,119	2,181
Paraprofessionals	2,008	1,888	2,017	2,036	1,811	1,963	1,968	2,025	2,005	2,109
Clerical (data entry, etc.)	2,024	1,816	2,041	2,062	2,082	1,847	1,952	2,076	2,057	2,055
Other	1,994	N/A	2,018	1,981	N/A	N/A	1,891	2,058	1,923	2,110

**Average Compensated Hours for Part-Time Non-Accounting Staff**

Computer professionals	40	10	13	115	12	7	22	26	81	200
Administrator / OM	63	31	29	148	30	13	76	23	82	180
Paraprofessionals	315	114	268	671	74	228	315	210	648	1,066
Clerical (data entry, etc.)	390	126	231	968	100	198	264	182	808	1,448
Other	118	18	70	325	14	29	42	70	95	704

**Full-Time -- Chargeable Hours per Full-Time Employee**

Computer professionals	286	1,300	907	160	700	1,850	792	1,282	764	144
Administrator / OM	406	802	474	281	1,192	527	608	553	378	160
Paraprofessionals	1,285	1,225	1,268	1,317	1,290	1,220	1,291	1,237	1,297	1,396
Clerical (data entry, etc.)	487	837	594	360	1,010	970	529	635	408	356
Other	519		428	575			488	636	372	738

**Part-Time -- Total Chargeable Hours Per Firm**

Computer professionals	8	0	0	28	0	1	0	11	32	15
Administrator / OM	9	7	7	16	8	1	17	8	17	7
Paraprofessionals	212	65	180	473	53	145	224	114	499	722
Clerical (data entry, etc.)	82	57	64	140	48	93	53	46	184	208
Other	28	13	29	49	11	13	5	41	24	151

**Full-Time -- Billing Rates**

Computer professionals	\$81.84	\$27.50	\$36.50	\$91.33	\$25.00	\$25.00	\$38.00	\$57.50	\$55.33	\$89.42
Administrator / OM	\$62.47	\$50.56	\$55.64	\$69.40	\$37.50	\$51.90	\$61.88	\$49.53	\$54.93	\$77.05
Paraprofessionals	\$61.45	\$44.84	\$62.77	\$65.20	\$46.67	\$46.36	\$58.39	\$57.93	\$61.17	\$65.49
Clerical (data entry, etc.)	\$46.01	\$33.93	\$44.08	\$49.77	\$32.86	\$33.71	\$40.40	\$37.72	\$44.26	\$51.73
Other	\$63.88		\$50.50	\$72.25			\$56.29	\$47.10	\$48.71	\$78.36

**Part-Time -- Billing Rates**

Computer professionals	\$73.10	\$36.00	\$45.00	\$81.25	\$36.00	\$50.00	\$45.00	\$28.00	\$97.00	\$58.22
Administrator / OM	\$63.86	\$50.00	\$33.67	\$84.71	\$56.67	\$30.00	\$38.20	\$32.00	\$74.00	\$83.57
Paraprofessionals	\$58.44	\$48.93	\$59.76	\$62.33	\$43.75	\$46.00	\$60.19	\$49.73	\$52.50	\$61.93
Clerical (data entry, etc.)	\$41.40	\$41.00	\$39.89	\$42.26	\$38.60	\$44.00	\$36.47	\$38.78	\$40.89	\$40.87
Other	\$51.33	\$50.00	\$76.67	\$43.33	\$42.50	\$42.00	\$46.67	\$75.00	\$36.67	\$41.00



	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61

**Non-Accounting Staff -- Billing Rates, Compensation, and Selected Ratios**

**Full-Time Non-Accounting Staff -- Compensation**

Computer professionals	46,489	11,857	27,889	50,584	11,714	14,100	28,000	46,221	37,452	51,393
Administrator / OM	40,221	27,958	31,557	48,334	29,003	26,636	33,002	32,672	37,767	53,013
Paraprofessionals	33,811	25,769	33,710	36,495	23,663	24,924	30,793	32,371	34,650	36,720
Clerical (data entry, etc.)	27,945	21,647	26,873	29,640	21,651	20,438	25,968	24,515	27,437	30,189
Other	32,742		25,638	36,688			24,190	29,929	28,278	38,307

**Part-Time Non-Accounting Staff -- Total Compensation**

Computer professionals	\$700	\$104	\$55	\$2,331	\$131	\$267	\$119	\$243	\$1,838	\$2,970
Administrator / OM	\$1,733	\$1,675	\$253	\$3,494	\$1,928	\$240	\$782	\$271	\$1,391	\$4,658
Paraprofessionals	\$4,909	\$1,144	\$4,150	\$11,461	\$382	\$2,192	\$5,363	\$2,241	\$9,742	\$18,113
Clerical (data entry, etc.)	\$4,829	\$1,232	\$2,633	\$12,749	\$922	\$2,163	\$2,753	\$1,902	\$8,979	\$17,932
Other	\$1,968	\$212	\$2,564	\$3,947	\$155	\$276	\$511	\$3,471	\$860	\$8,335

**Full-Time --- Compensation per Compensated Hour\***

Computer professionals	\$21.36	\$6.81	\$13.29	\$22.83	\$8.37	\$7.27	\$13.46	\$21.88	\$16.15	\$23.20
Administrator / OM	\$19.15	\$13.57	\$15.33	\$22.63	\$15.46	\$12.60	\$15.44	\$15.67	\$17.82	\$24.31
Paraprofessionals	\$16.84	\$13.65	\$16.71	\$17.93	\$13.07	\$12.70	\$15.65	\$15.99	\$17.28	\$17.41
Clerical (data entry, etc.)	\$13.81	\$11.92	\$13.16	\$14.38	\$10.40	\$11.07	\$13.31	\$11.81	\$13.34	\$14.69
Other	\$16.42	N/A	\$12.70	\$18.52	N/A	N/A	\$12.79	\$14.54	\$14.71	\$18.16

**Full-Time --- Chargeability Ratio**

Computer professionals	13.1%	74.7%	43.2%	7.2%	50.0%	95.4%	38.1%	60.7%	32.9%	6.5%
Administrator / OM	19.3%	38.9%	23.0%	13.1%	63.5%	25.0%	28.4%	26.5%	17.8%	7.3%
Paraprofessionals	64.0%	64.9%	62.9%	64.7%	71.2%	62.1%	65.6%	61.1%	64.7%	66.2%
Clerical (data entry, etc.)	24.1%	46.1%	29.1%	17.5%	48.5%	52.5%	27.1%	30.6%	19.8%	17.3%
Other	26.0%	N/A	21.2%	29.0%	N/A	N/A	25.8%	30.9%	19.4%	35.0%

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
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<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61

**Compensation Background and Statistics**

**Compensation Year Basis**

Fiscal 2002	16.3%	10.2%	14.7%	27.4%	8.9%	17.3%	12.2%	19.7%	23.3%	32.8%
Calendar 2002	83.0%	89.0%	85.3%	71.4%	89.1%	82.7%	87.8%	80.3%	75.0%	67.2%
Other	0.7%	0.8%	0.0%	1.2%	2.0%	0.0%	0.0%	0.0%	1.7%	0.0%

Bonus as % of comp	5.2%	2.4%	6.3%	6.3%	2.2%	2.2%	4.7%	7.4%	7.4%	5.5%
Avg annual salary inc.	5.1%	4.8%	4.9%	5.6%	5.9%	3.7%	4.2%	5.4%	5.6%	5.4%

**Factors in bonus calc (may not total 100%)**

Attaining hours targets	46.5%	22.0%	42.6%	68.1%	21.7%	23.1%	32.1%	46.5%	62.8%	68.5%
Obtaining new clients	40.1%	22.0%	32.4%	60.9%	21.7%	23.1%	28.3%	39.5%	53.5%	68.5%
New proj. from ex. clients	16.0%	10.0%	8.8%	27.5%	8.7%	10.3%	11.3%	7.0%	16.3%	40.7%
Outstanding achievement	52.9%	42.0%	45.6%	68.1%	39.1%	46.2%	45.3%	48.8%	62.8%	63.0%
Passing CPA exam	15.0%	6.0%	5.9%	30.4%	0.0%	10.3%	3.8%	18.6%	18.6%	46.3%
Other	22.5%	24.0%	14.7%	29.0%	13.0%	23.1%	13.2%	16.3%	25.6%	33.3%

**Number of New CPA hires and Starting Salaries (by whether meeting 150 hour requirement)**

# new hires--meeting req.	0.20	0.03	0.06	0.62	0.02	0.07	0.01	0.15	0.47	1.41
# new hires--not meeting req	0.13	0.00	0.06	0.39	0.00	0.00	0.05	0.13	0.20	0.54
Starting sal.--meeting req*	\$35,026	\$35,750	\$34,100	\$35,086	\$23,000	\$32,800	\$25,000	\$33,167	\$32,289	\$34,463
Starting sal.--not mtng req*	\$33,712		\$31,400	\$34,262			\$26,000	\$33,438	\$33,318	\$33,474

\* Starting salary amounts are approximate.

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					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61

**Billing Detail**

% billing by the hour:	90.8%	82.7%	95.8%	97.6%	82.2%	89.3%	94.6%	91.8%	100.0%	93.4%
% fees billing rate-based	80.7%	69.1%	84.7%	92.9%	69.7%	70.3%	82.9%	83.0%	94.6%	90.8%

**No standard billing rates for... (may not total 100%)**

Professional staff	57.8%	56.1%	53.3%	75.0%	53.1%	61.9%	53.3%	75.0%	75.0%	75.0%
Clerical/administrative	92.2%	87.8%	100.0%	100.0%	78.1%	85.7%	100.0%	100.0%	100.0%	100.0%

**Bill separately for.. (may not total 100%)**

Copying	64.0%	72.7%	54.2%	65.5%	56.3%	80.0%	50.0%	73.3%	59.1%	68.2%
Clerical overtime	13.3%	27.3%	12.5%	3.4%	25.0%	20.0%	20.0%	0.0%	0.0%	4.5%
Technology	48.0%	27.3%	62.5%	51.7%	37.5%	20.0%	70.0%	46.7%	50.0%	50.0%
Fax charges	40.0%	31.8%	37.5%	48.3%	37.5%	35.0%	40.0%	46.7%	50.0%	59.1%

**Approx comp/billing rate ratio (X times salary per hour)**

2 times	4.3%	10.5%	0.0%	0.0%	10.4%	9.5%	0.0%	1.7%	3.3%	0.0%
2.5 times	11.6%	13.7%	9.6%	10.7%	12.5%	13.5%	8.2%	10.2%	10.0%	9.8%
3 times	20.5%	16.9%	33.0%	11.9%	15.6%	24.3%	35.6%	33.9%	11.7%	13.1%
3.5 times	22.5%	10.5%	27.7%	34.5%	9.4%	10.8%	24.7%	30.5%	45.0%	37.7%
4 times	14.6%	6.5%	17.0%	23.8%	3.1%	14.9%	19.2%	15.3%	18.3%	21.3%
>4 times	6.3%	2.4%	4.3%	14.3%	1.0%	2.7%	4.1%	1.7%	8.3%	13.1%
Do not use	20.2%	39.5%	8.5%	4.8%	47.9%	24.3%	8.2%	6.8%	3.3%	4.9%

Rate for CPA making \$50K	\$90.15	\$82.35	\$92.03	\$97.79	\$79.41	\$86.30	\$90.28	\$90.30	\$91.03	\$99.20
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**Adjust billing rates seasonally?**

Yes, routinely	10.9%	9.5%	12.9%	10.7%	12.0%	6.7%	12.2%	6.8%	8.3%	16.4%
Occasionally	25.4%	32.5%	23.7%	16.7%	31.0%	34.7%	29.7%	18.6%	15.0%	16.4%
Rarely	26.4%	24.6%	26.9%	28.6%	24.0%	22.7%	25.7%	33.9%	26.7%	27.9%
Never	37.3%	33.3%	36.6%	44.0%	33.0%	36.0%	32.4%	40.7%	50.0%	39.3%

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		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61
<b>Policies and Procedures</b>										
Retirement plan? (% Yes)	63.1%	37.8%	70.5%	92.9%	27.7%	54.7%	67.6%	83.6%	91.7%	86.9%
Provide ptrn retirement?	44.3%	32.7%	29.9%	64.1%	39.3%	28.6%	24.0%	37.3%	58.2%	77.8%
<b>Of those with...</b>										
% funded	66.7%	95.8%	75.0%	49.1%	100.0%	90.9%	91.3%	70.4%	54.3%	47.7%
% paid	33.3%	4.2%	25.0%	50.9%	0.0%	9.1%	8.7%	29.6%	45.7%	52.3%
<b>Funding type (% of those funded)</b>										
Insurance	3.4%	0.0%	0.0%	10.3%	0.0%	0.0%	0.0%	0.0%	5.0%	23.8%
Retirement plan	83.1%	82.8%	90.3%	75.9%	75.0%	82.6%	91.7%	91.7%	75.0%	61.9%
Other	13.5%	17.2%	9.7%	13.8%	25.0%	17.4%	8.3%	8.3%	20.0%	14.3%
<b>Paid type (% of those paid)</b>										
Equity (capital acct) buyout	43.2%	0.0%	37.5%	46.4%	0.0%	0.0%	0.0%	33.3%	64.3%	45.8%
Consulting contract	5.4%	0.0%	0.0%	7.1%	0.0%	0.0%	0.0%	0.0%	0.0%	8.3%
Stock purchase	16.2%	0.0%	37.5%	10.7%	0.0%	100.0%	0.0%	33.3%	14.3%	4.2%
Other	35.1%	100.0%	25.0%	35.7%	100.0%	0.0%	100.0%	33.3%	21.4%	41.7%
Have employee handbook?	57.4%	21.7%	56.0%	89.0%	16.7%	36.1%	44.3%	73.3%	84.7%	96.7%
Prof'l staff comp for OT?	52.4%	31.4%	50.0%	72.6%	23.7%	38.1%	47.9%	51.7%	80.0%	66.1%
If yes, % at premium rate	42.3%	81.0%	48.9%	22.8%	85.7%	68.2%	51.5%	33.3%	33.3%	10.5%
Pay prof'l for travel time?	63.7%	52.6%	62.3%	70.5%	64.7%	48.8%	72.7%	51.0%	65.5%	76.7%
If yes, % at hourly rate	94.3%	88.2%	97.6%	93.6%	77.8%	100.0%	97.4%	100.0%	84.8%	87.2%
<b>Paid Time Off Policies</b>										
Option of OT or comp time	36.7%	14.3%	40.7%	51.2%	10.8%	20.3%	40.0%	41.7%	56.7%	52.5%
Comp time	29.8%	14.3%	28.6%	44.0%	18.9%	26.6%	25.7%	31.7%	43.3%	45.9%
Formal sick leave policy	57.6%	24.3%	64.8%	77.4%	18.9%	35.9%	54.3%	66.7%	75.0%	80.3%
Formal vacation policy	75.9%	54.3%	85.7%	83.3%	40.5%	67.2%	81.4%	83.3%	83.3%	85.2%
Aggregated paid time off	20.8%	11.4%	27.5%	21.4%	10.8%	15.6%	27.1%	31.7%	20.0%	31.1%
Incentive for client dev.	34.7%	15.7%	34.1%	51.2%	10.8%	17.2%	28.6%	45.0%	45.0%	55.7%
Time off for CPA exam	59.6%	22.9%	60.4%	89.3%	18.9%	35.9%	50.0%	80.0%	88.3%	91.8%
PTO/comp for prof'l act.	64.9%	41.4%	71.4%	77.4%	35.1%	50.0%	65.7%	73.3%	75.0%	80.3%
PTO/comp for comm. act.	39.6%	25.7%	36.3%	54.8%	24.3%	26.6%	31.4%	36.7%	51.7%	57.4%
Maternity in excess of PTO	12.7%	5.7%	7.7%	23.8%	5.4%	12.5%	7.1%	8.3%	18.3%	27.9%
None of the above	9.8%	30.0%	2.2%	1.2%	35.1%	17.2%	2.9%	1.7%	1.7%	1.6%

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61
<b>Benefits Offered</b> (For sole practitioners, benefits paid through the firm)										
Cafeteria plan	30.5%	8.4%	18.7%	71.4%	3.9%	16.2%	21.4%	26.2%	51.7%	91.7%
Cont. education courses	91.1%	85.0%	94.5%	95.2%	86.8%	82.4%	97.1%	91.8%	98.3%	93.3%
CPA examination fees	22.7%	10.3%	29.7%	31.0%	5.3%	17.6%	28.6%	39.3%	31.7%	25.0%
CPA exam. review courses	11.7%	3.7%	19.8%	13.1%	2.6%	11.8%	15.7%	26.2%	13.3%	18.3%
Dep. health insurance	17.7%	15.0%	18.7%	20.2%	9.2%	19.1%	22.9%	19.7%	16.7%	35.0%
Dep. life insurance	3.9%	4.7%	1.1%	6.0%	3.9%	7.4%	5.7%	3.3%	3.3%	8.3%
Dental insurance	15.6%	11.2%	13.2%	23.8%	9.2%	11.8%	10.0%	19.7%	16.7%	40.0%
Health insurance -- HMO	16.0%	8.4%	18.7%	22.6%	6.6%	11.8%	21.4%	18.0%	16.7%	28.3%
Health insurance -- Other	55.3%	34.6%	59.3%	77.4%	18.4%	52.9%	47.1%	65.6%	75.0%	83.3%
Life insurance	39.4%	13.1%	36.3%	76.2%	11.8%	17.6%	38.6%	47.5%	66.7%	86.7%
Long term care insurance	2.5%	2.8%	1.1%	3.6%	1.3%	2.9%	1.4%	0.0%	0.0%	6.7%
LT disability insurance	24.1%	12.1%	20.9%	42.9%	13.2%	5.9%	21.4%	14.8%	30.0%	51.7%
Advanced degree courses	3.9%	2.8%	2.2%	7.1%	1.3%	4.4%	4.3%	3.3%	6.7%	11.7%
Medical savings account	4.6%	2.8%	3.3%	8.3%	2.6%	2.9%	7.1%	0.0%	8.3%	13.3%
Professional dues	85.1%	74.8%	86.8%	96.4%	80.3%	69.1%	81.4%	95.1%	100.0%	93.3%
Professional licenses	83.0%	69.2%	87.9%	95.2%	75.0%	63.2%	80.0%	95.1%	98.3%	95.0%
Retirement plan	57.4%	30.8%	62.6%	85.7%	23.7%	47.1%	64.3%	68.9%	81.7%	86.7%
ST disability insurance	8.9%	3.7%	4.4%	20.2%	2.6%	5.9%	4.3%	8.2%	21.7%	20.0%
Other	7.1%	3.7%	8.8%	9.5%	3.9%	1.5%	1.4%	16.4%	8.3%	6.7%
% using engagement letters	84.3%	77.2%	86.3%	92.9%	79.2%	80.0%	83.8%	90.2%	91.7%	95.1%
% w/ control of client funds	14.1%	13.4%	14.7%	14.3%	14.9%	8.0%	14.9%	13.1%	10.0%	24.6%
<b>Services Offered</b>										
Bankruptcy or insolvency	12.5%	5.0%	10.2%	24.1%	9.1%	6.0%	14.1%	17.5%	24.1%	29.5%
Eldercare	11.8%	9.9%	11.4%	14.5%	10.4%	6.0%	11.3%	7.0%	8.6%	18.0%
Estate tax planning	73.5%	47.5%	85.2%	92.8%	44.2%	56.7%	77.5%	87.7%	91.4%	96.7%
Executive searches	9.6%	1.0%	5.7%	24.1%	3.9%	3.0%	2.8%	14.0%	19.0%	31.1%
Forensic accounting	19.9%	10.9%	12.5%	38.6%	9.1%	14.9%	11.3%	17.5%	27.6%	45.9%
Human resources services	9.6%	6.9%	6.8%	15.7%	6.5%	9.0%	7.0%	12.3%	6.9%	27.9%
Insurance	12.9%	9.9%	12.5%	16.9%	10.4%	13.4%	15.5%	10.5%	8.6%	23.0%
International services	10.3%	4.0%	8.0%	20.5%	2.6%	3.0%	5.6%	5.3%	3.4%	31.1%
Investment sales	19.5%	19.8%	14.8%	24.1%	14.3%	20.9%	15.5%	15.8%	19.0%	29.5%
Legal svcs within your firm	1.5%	1.0%	1.1%	2.4%	1.3%	0.0%	0.0%	1.8%	0.0%	4.9%
Market feasibility studies	6.6%	5.0%	3.4%	12.0%	5.2%	7.5%	4.2%	5.3%	6.9%	19.7%
Mergers and acquisitions	30.1%	14.9%	27.3%	51.8%	18.2%	13.4%	28.2%	35.1%	36.2%	72.1%
Payroll processing	59.6%	61.4%	60.2%	56.6%	67.5%	62.7%	71.8%	70.2%	56.9%	67.2%
Performance view	5.5%	5.0%	3.4%	8.4%	2.6%	6.0%	2.8%	3.5%	5.2%	13.1%
Personal fin. planning	48.5%	39.6%	45.5%	62.7%	37.7%	38.8%	42.3%	57.9%	50.0%	73.8%
Web Trust	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%
Other	8.8%	5.9%	8.0%	13.3%	6.5%	9.0%	9.9%	10.5%	15.5%	14.8%

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
Total # of Respondents	306	127	95	84	101	75	74	61	60	61

Considerations of selected strategic initiatives:

**Hiring non-CPA professionals**

Already in place	36.5%	26.7%	29.5%	56.0%	12.9%	41.3%	27.3%	36.2%	45.0%	67.2%
Planning to provide	7.9%	10.5%	6.8%	6.0%	17.6%	4.8%	7.6%	6.9%	5.0%	3.3%
Would consider	37.9%	40.0%	45.5%	27.4%	41.2%	39.7%	50.0%	37.9%	33.3%	26.2%
Would not consider	17.7%	22.9%	18.2%	10.7%	28.2%	14.3%	15.2%	19.0%	16.7%	3.3%

**Making non-CPAs Owners**

Already in place	2.3%	1.0%	1.2%	5.3%	1.2%	0.0%	3.1%	1.9%	1.9%	7.1%
Planning to provide	1.1%	2.9%	0.0%	0.0%	2.4%	3.3%	0.0%	0.0%	0.0%	0.0%
Would consider	14.9%	9.7%	13.4%	23.7%	9.8%	19.7%	18.5%	15.4%	23.1%	14.3%
Would not consider	81.6%	86.4%	85.4%	71.1%	86.6%	77.0%	78.5%	82.7%	75.0%	78.6%

**Hiring interns**

Already in place	18.8%	8.7%	12.0%	38.8%	3.6%	15.9%	6.1%	20.8%	38.2%	54.2%
Planning to provide	8.6%	6.8%	9.6%	10.0%	4.8%	11.1%	10.6%	11.3%	3.6%	10.2%
Would consider	51.1%	54.4%	57.8%	40.0%	57.1%	54.0%	63.6%	50.9%	40.0%	32.2%
Would not consider	21.4%	30.1%	20.5%	11.3%	34.5%	19.0%	19.7%	17.0%	18.2%	3.4%

**Merging with a non-CPA firm**

Already in place	0.8%	2.0%	0.0%	0.0%	1.2%	1.7%	0.0%	0.0%	2.0%	0.0%
Planning to provide	0.4%	1.0%	0.0%	0.0%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Would consider	17.6%	14.7%	18.5%	20.8%	13.3%	21.7%	19.7%	24.5%	26.5%	26.4%
Would not consider	81.2%	82.4%	81.5%	79.2%	84.3%	76.7%	80.3%	75.5%	71.4%	73.6%

**Providing multi-disciplinary services**

Already in place	8.7%	5.2%	12.0%	9.5%	6.1%	5.2%	10.8%	13.5%	8.0%	9.3%
Planning to provide	5.9%	8.3%	3.6%	5.4%	9.8%	3.4%	4.6%	1.9%	2.0%	5.6%
Would consider	42.7%	47.9%	38.6%	40.5%	45.1%	53.4%	41.5%	38.5%	38.0%	42.6%
Would not consider	42.7%	38.5%	45.8%	44.6%	39.0%	37.9%	43.1%	46.2%	52.0%	42.6%

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
<b>Total # of Respondents</b>	306	127	95	84	101	75	74	61	60	61

**Hours worked**

**Standard -- 4/15 to 12/31**

Under 35 hours	10.8%	23.3%	4.3%	0.0%	29.9%	14.1%	6.9%	1.7%	0.0%	0.0%
35 - 39 hours	14.2%	14.2%	20.7%	7.1%	16.5%	16.9%	27.8%	13.3%	10.0%	6.6%
40 - 44 hours	64.5%	47.5%	66.3%	86.9%	39.2%	56.3%	58.3%	75.0%	86.7%	85.2%
45 - 48 hours	6.1%	9.2%	5.4%	2.4%	6.2%	8.5%	2.8%	6.7%	1.7%	1.6%
49 - 56 hours	2.7%	4.2%	1.1%	2.4%	4.1%	4.2%	1.4%	1.7%	1.7%	3.3%
57 - 64 hours	0.7%	0.0%	1.1%	1.2%	1.0%	0.0%	1.4%	0.0%	0.0%	3.3%
65 - 72 hours	0.3%	0.0%	1.1%	0.0%	1.0%	0.0%	1.4%	0.0%	0.0%	0.0%
Over 72 hours	0.7%	1.7%	0.0%	0.0%	2.1%	0.0%	0.0%	1.7%	0.0%	0.0%

**Minimum expected -- 1/1 to 3/1**

Under 35 hours	3.1%	5.9%	2.2%	0.0%	6.3%	1.4%	2.8%	0.0%	0.0%	0.0%
35 - 39 hours	3.8%	7.6%	1.1%	1.2%	7.3%	5.7%	2.8%	0.0%	1.7%	0.0%
40 - 44 hours	31.7%	31.4%	34.8%	28.9%	24.0%	42.9%	37.5%	28.3%	26.7%	21.7%
45 - 48 hours	22.5%	20.3%	22.8%	25.3%	19.8%	27.1%	20.8%	23.3%	33.3%	30.0%
49 - 56 hours	28.7%	17.8%	30.4%	42.2%	26.0%	14.3%	29.2%	38.3%	36.7%	43.3%
57 - 64 hours	6.5%	9.3%	6.5%	2.4%	8.3%	5.7%	4.2%	6.7%	1.7%	3.3%
65 - 72 hours	2.0%	4.2%	1.1%	0.0%	4.2%	2.9%	1.4%	1.7%	0.0%	0.0%
Over 72 hours	1.7%	3.4%	1.1%	0.0%	4.2%	0.0%	1.4%	1.7%	0.0%	1.7%

**Minimum expected -- 3/1 to 4/15**

Under 35 hours	2.4%	4.2%	1.1%	1.2%	4.2%	1.4%	1.4%	0.0%	1.7%	0.0%
35 - 39 hours	0.7%	1.7%	0.0%	0.0%	1.0%	1.4%	1.4%	0.0%	0.0%	0.0%
40 - 44 hours	17.8%	25.4%	17.4%	7.3%	24.0%	24.3%	22.2%	8.3%	10.2%	6.7%
45 - 48 hours	12.7%	16.9%	8.7%	11.0%	15.6%	21.4%	9.7%	15.0%	11.9%	5.0%
49 - 56 hours	39.4%	23.7%	45.7%	54.9%	21.9%	34.3%	40.3%	46.7%	59.3%	60.0%
57 - 64 hours	18.5%	14.4%	19.6%	23.2%	16.7%	11.4%	18.1%	21.7%	16.9%	23.3%
65 - 72 hours	3.8%	5.9%	2.2%	2.4%	8.3%	2.9%	2.8%	3.3%	0.0%	3.3%
Over 72 hours	4.8%	7.6%	5.4%	0.0%	8.3%	2.9%	4.2%	5.0%	0.0%	1.7%

**Average actual, last 4 wks of busy season**

Under 35 hours	1.4%	2.6%	1.1%	0.0%	2.1%	1.5%	1.4%	0.0%	0.0%	0.0%
35 - 39 hours	1.4%	2.6%	1.1%	0.0%	2.1%	4.4%	1.4%	3.4%	0.0%	0.0%
40 - 44 hours	12.7%	18.1%	9.9%	8.3%	14.6%	19.1%	11.1%	3.4%	8.5%	4.9%
45 - 48 hours	12.0%	17.2%	9.9%	7.1%	16.7%	16.2%	12.5%	13.6%	11.9%	0.0%
49 - 56 hours	36.1%	25.0%	42.9%	44.0%	29.2%	27.9%	43.1%	39.0%	49.2%	47.5%
57 - 64 hours	19.9%	14.7%	14.3%	33.3%	14.6%	16.2%	16.7%	20.3%	25.4%	36.1%
65 - 72 hours	10.0%	9.5%	13.2%	7.1%	10.4%	8.8%	9.7%	13.6%	5.1%	9.8%
Over 72 hours	6.5%	10.3%	7.7%	0.0%	10.4%	5.9%	4.2%	6.8%	0.0%	1.6%

	All TX Firms	Texas			Firm Size (Minor) for West South Central Subregion					
		Small Firms	Medium Firms	Large Firms	Small		Medium		Large	
					<150K	150-299K	300-549K	550-999K	1-1.99M	2.0M+
Total # of Respondents	306	127	95	84	101	75	74	61	60	61

**Technology Initiatives**

% with Web site	70.8%	50.6%	68.0%	94.9%	44.6%	62.3%	61.4%	75.0%	84.6%	98.4%
% filing returns electronically	75.8%	81.9%	74.7%	70.5%	87.7%	81.1%	86.0%	63.5%	73.1%	68.9%
Charge for e-filing	\$24.36	\$23.27	\$24.08	\$26.75	\$21.96	\$25.80	\$24.20	\$28.57	\$20.64	\$30.18

**Internet resources used**

Accounting research	74.1%	64.5%	76.4%	85.7%	74.2%	58.6%	85.1%	76.7%	86.7%	86.9%
Marketing	23.5%	19.8%	18.0%	34.5%	21.6%	25.7%	19.4%	15.0%	23.3%	41.0%
Other	13.3%	15.7%	13.5%	9.5%	12.4%	22.9%	14.9%	16.7%	8.3%	9.8%
Planning	30.6%	21.5%	29.2%	45.2%	25.8%	21.4%	25.4%	28.3%	38.3%	52.5%
Recruiting	25.5%	5.8%	15.7%	64.3%	5.2%	8.6%	7.5%	20.0%	40.0%	70.5%
Purchasing supplies	70.1%	66.9%	69.7%	75.0%	71.1%	64.3%	73.1%	73.3%	80.0%	72.1%
Tax research	91.2%	88.4%	92.1%	94.0%	90.7%	82.9%	95.5%	91.7%	93.3%	98.4%

**% of Revenues spent on IT**

Less than 1%	7.6%	11.9%	2.1%	7.2%	11.1%	10.7%	2.7%	1.6%	6.7%	8.3%
1.00% - 2.49%	38.0%	28.6%	47.9%	41.0%	21.2%	34.7%	43.8%	50.8%	31.7%	41.7%
2.50% - 3.99%	26.7%	23.0%	28.7%	30.1%	22.2%	21.3%	24.7%	29.5%	41.7%	25.0%
4.00% - 4.99%	10.9%	12.7%	9.6%	9.6%	11.1%	14.7%	9.6%	11.5%	6.7%	18.3%
5.00% or more	16.8%	23.8%	11.7%	12.0%	34.3%	18.7%	19.2%	6.6%	13.3%	6.7%

**Tax research resources used:**

Paper	58.5%	51.2%	53.8%	74.7%	50.0%	43.8%	41.7%	57.4%	78.3%	71.7%
CD-Rom	70.1%	65.6%	71.0%	75.9%	66.0%	71.2%	65.3%	62.3%	71.7%	70.0%
On-line subscriptions	56.5%	41.6%	62.4%	72.3%	42.0%	41.1%	59.7%	60.7%	68.3%	81.7%
Internet	68.4%	64.0%	65.6%	78.3%	64.0%	56.2%	61.1%	65.6%	76.7%	80.0%



	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Region (as defined by U.S. Census)**

Midwest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Northeast	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
West	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**SubRegion (as defined by U.S. Census)**

East North Central (M)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
East South Central (S)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Middle Atlantic (N)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New England (N)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South Atlantic (S)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
West North Central (M)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
West South Central (S)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Mountain (W)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pacific (W)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other (O)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Average Household Income (see graphs or summary for definition)**

Lower -- Bottom -- <\$35K	20.6%	0.0%	15.0%	5.3%	0.0%	0.0%	0.0%	0.0%	5.9%	0.0%
Lower -- Top -- \$35-\$39K	43.1%	46.9%	65.0%	78.9%	54.2%	73.9%	94.4%	0.0%	0.0%	94.4%
Middle -- Bottom -- \$40-\$44K	9.2%	3.1%	0.0%	0.0%	12.5%	13.0%	0.0%	52.9%	47.1%	0.0%
Middle -- Top -- \$45-49K	17.3%	15.6%	5.0%	0.0%	0.0%	0.0%	0.0%	47.1%	47.1%	0.0%
Upper -- Bottom -- \$50-59K	9.8%	34.4%	15.0%	15.8%	33.3%	13.0%	5.6%	0.0%	0.0%	5.6%
Upper -- Top -- \$60K+	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Firm Size**

Small -- <150K	24.8%	59.4%	0.0%	0.0%	50.0%	0.0%	0.0%	70.6%	0.0%	0.0%
Small -- 150K-299K	16.7%	40.6%	0.0%	0.0%	50.0%	0.0%	0.0%	29.4%	0.0%	0.0%
Medium -- 300K-549K	16.3%	0.0%	65.0%	0.0%	0.0%	39.1%	0.0%	0.0%	35.3%	0.0%
Medium -- 550K-999K	14.7%	0.0%	35.0%	0.0%	0.0%	60.9%	0.0%	0.0%	64.7%	0.0%
Large -- 1M-1.99M	12.7%	0.0%	0.0%	21.1%	0.0%	0.0%	50.0%	0.0%	0.0%	50.0%
Large -- 2.0M+	14.7%	0.0%	0.0%	78.9%	0.0%	0.0%	50.0%	0.0%	0.0%	50.0%

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18
<b>Firm Type</b>										
Sole prac., no employees	19.3%	53.1%	5.0%	0.0%	33.3%	0.0%	0.0%	41.2%	0.0%	0.0%
Single-office firm	73.5%	46.9%	95.0%	68.4%	66.7%	91.3%	88.9%	58.8%	88.2%	88.9%
Unified multi-office firm*	4.6%	0.0%	0.0%	10.5%	0.0%	0.0%	11.1%	0.0%	11.8%	11.1%
Office of small reg. firm	2.3%	0.0%	0.0%	15.8%	0.0%	8.7%	0.0%	0.0%	0.0%	0.0%
Office of reg./nat. firm	0.3%	0.0%	0.0%	5.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Office of a 'Big 4' firm	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>% with Satellite Offices</b>	5.2%	0.0%	0.0%	15.8%	0.0%	0.0%	22.2%	0.0%	5.9%	22.2%
<b>No +/- 20% chg, client fees</b>										
Incr. -- Merger	2.3%	3.1%	10.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Incr. -- General growth	14.7%	9.4%	20.0%	5.3%	29.2%	17.4%	16.7%	35.3%	23.5%	16.7%
Incr. -- Other	1.6%	0.0%	0.0%	0.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
Decr. -- Sale/downsize	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Decr. -- Client/staff loss	2.0%	6.3%	0.0%	0.0%	4.2%	0.0%	0.0%	5.9%	0.0%	0.0%
Decr. -- Other	1.0%	0.0%	0.0%	0.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
<b>Firm Tenure:</b>										
Less than one year	2.3%	3.1%	0.0%	0.0%	12.5%	0.0%	0.0%	5.9%	0.0%	0.0%
1 to 5 years	14.7%	18.8%	0.0%	5.3%	25.0%	17.4%	5.6%	47.1%	5.9%	5.6%
6 to 10 years	16.0%	28.1%	20.0%	5.3%	12.5%	17.4%	11.1%	5.9%	5.9%	11.1%
11 to 20 years	33.3%	37.5%	50.0%	36.8%	41.7%	26.1%	22.2%	35.3%	58.8%	22.2%
21 or more years	33.7%	12.5%	30.0%	52.6%	8.3%	39.1%	61.1%	5.9%	29.4%	61.1%
<b>Most Recent FY End Date</b>										
1/02-11/02	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	16.7%	0.0%	0.0%	16.7%
12/02	92.5%	96.9%	95.0%	89.5%	95.8%	95.7%	77.8%	94.1%	100.0%	77.8%
1/03-5/03	5.2%	0.0%	5.0%	10.5%	4.2%	0.0%	0.0%	5.9%	0.0%	0.0%
6/03	1.0%	3.1%	0.0%	0.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
7/03-9/03	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	5.6%	0.0%	0.0%	5.6%
<b>Member in...</b>										
PCPS	35.3%	15.6%	30.0%	42.1%	25.0%	47.8%	55.6%	11.8%	17.6%	55.6%
AICPA	78.1%	78.1%	65.0%	100.0%	58.3%	78.3%	88.9%	70.6%	82.4%	88.9%
AICPA Major Firms Group	1.6%	0.0%	0.0%	5.3%	0.0%	0.0%	5.6%	0.0%	0.0%	5.6%
Large Firm Network Group	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Firm Network Group	0.7%	0.0%	0.0%	5.3%	0.0%	0.0%	5.6%	0.0%	0.0%	5.6%
Small Firm Network Group	2.0%	0.0%	10.0%	5.3%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
None of the above	18.6%	21.9%	35.0%	0.0%	33.3%	13.0%	11.1%	29.4%	17.6%	11.1%

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18

**Financial Information**

**A/R, WIP, and Prior Year**

Accounts receivable	\$182,862	\$14,346	\$54,373	\$517,245	\$19,998	\$76,980	\$1,012,036	\$10,514	\$68,984	\$1,012,036
Work in progress	\$84,015	\$11,027	\$38,344	\$306,017	\$7,811	\$18,896	\$273,090	\$3,170	\$22,875	\$273,090
Prior yr net client fees	\$991,560	\$142,979	\$470,107	\$3,635,845	\$135,741	\$563,071	\$3,348,442	\$101,112	\$530,145	\$3,348,442

**Income:**

Gross fees earned	\$1,123,111	\$145,929	\$533,771	\$4,015,649	\$144,771	\$591,413	\$3,733,072	\$129,712	\$591,050	\$3,733,072
Net Write-ups / (downs)	-\$83,730	-\$936	-\$10,256	-\$283,854	-\$1,674	-\$9,048	-\$380,445	-\$3,260	-\$10,810	-\$380,445
Net client fees earned	\$1,039,349	\$144,680	\$523,515	\$3,731,795	\$143,097	\$582,365	\$3,352,628	\$126,452	\$580,239	\$3,352,628
Interest income	\$1,278	\$41	\$994	\$4,413	\$57	\$332	\$5,299	\$4	\$240	\$5,299
Other - rents & royalties	\$5,252	\$536	\$2,853	\$18,239	\$30	\$3,768	\$14,292	\$0	\$1,097	\$14,292
<i>Total income</i>	<i>\$1,045,879</i>	<i>\$145,257</i>	<i>\$527,362</i>	<i>\$3,754,447</i>	<i>\$143,184</i>	<i>\$586,465</i>	<i>\$3,372,218</i>	<i>\$126,456</i>	<i>\$581,576</i>	<i>\$3,372,218</i>

**Expenses (excluding Owners)**

Professional salaries	\$245,451	\$4,534	\$96,802	\$1,093,153	\$10,451	\$112,106	\$909,116	\$5,135	\$81,622	\$909,116
Paraprofessional salaries	\$46,026	\$13,125	\$34,912	\$141,840	\$10,084	\$45,595	\$80,742	\$17,018	\$37,603	\$80,742
Other salaries	\$55,924	\$1,362	\$26,236	\$257,867	\$7,391	\$20,683	\$179,396	\$5,247	\$36,432	\$179,396
Ret. plan costs	\$11,468	\$64	\$9,941	\$36,883	\$427	\$6,285	\$42,303	\$277	\$4,212	\$42,303
Other emp. bfts	\$21,546	\$1,490	\$9,590	\$96,596	\$1,241	\$6,608	\$70,173	\$6	\$13,689	\$70,173
Dues, library, CPE	\$21,570	\$2,915	\$9,270	\$65,909	\$3,328	\$11,203	\$60,225	\$3,053	\$10,812	\$60,225
Insurance (excl. health)	\$11,501	\$1,477	\$3,883	\$36,124	\$1,194	\$7,501	\$40,180	\$1,596	\$5,315	\$40,180
Office rent / occupancy	\$61,238	\$10,380	\$33,457	\$229,538	\$13,636	\$48,926	\$173,123	\$8,763	\$37,593	\$173,123
Interest	\$4,028	\$1,279	\$3,355	\$12,166	\$1,539	\$2,438	\$4,545	\$1,646	\$2,532	\$4,545
Computer / IT	\$18,917	\$4,051	\$9,847	\$69,666	\$4,498	\$9,834	\$48,782	\$4,236	\$10,299	\$48,782
Promotion and marketing	\$13,753	\$1,598	\$4,046	\$73,301	\$4,171	\$10,407	\$41,161	\$1,820	\$6,716	\$41,161
Payroll taxes	\$31,345	\$2,530	\$14,977	\$119,645	\$3,181	\$17,385	\$110,537	\$1,542	\$13,241	\$110,537
Telephone / Internet	\$9,624	\$3,211	\$6,672	\$26,588	\$3,601	\$8,576	\$23,558	\$3,014	\$6,997	\$23,558
Depreciation	\$17,118	\$3,281	\$11,021	\$52,573	\$3,227	\$8,123	\$43,106	\$2,352	\$12,582	\$43,106
Other expenses	\$87,573	\$16,741	\$57,205	\$309,164	\$11,946	\$66,374	\$276,992	\$13,107	\$39,993	\$276,992
<i>Total expenses</i>	<i>\$657,082</i>	<i>\$68,037</i>	<i>\$331,217</i>	<i>\$2,621,015</i>	<i>\$79,914</i>	<i>\$382,044</i>	<i>\$2,103,938</i>	<i>\$68,813</i>	<i>\$319,638</i>	<i>\$2,103,938</i>

<b>Net remaining for Owners</b>	<b>\$388,797</b>	<b>\$77,220</b>	<b>\$196,144</b>	<b>\$1,133,433</b>	<b>\$63,269</b>	<b>\$204,421</b>	<b>\$1,268,281</b>	<b>\$57,644</b>	<b>\$261,937</b>	<b>\$1,268,281</b>
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Net Remain per FT Eq Owner	\$171,578	\$74,872	\$128,700	\$288,551	\$56,239	\$118,217	\$265,454	\$54,441	\$145,329	\$265,454
Net Remain per Owner-hour	\$79	\$37	\$60	\$120	\$29	\$55	\$113	\$29	\$65	\$113

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Financial Information as a Percent of Net Client Fees****A/R, WIP, and Prior Year**

Accounts receivable	17.5%	9.9%	10.3%	13.8%	14.0%	13.1%	30.0%	8.3%	11.9%	30.0%
Work in progress	8.0%	7.6%	7.3%	8.2%	5.5%	3.2%	8.1%	2.5%	3.9%	8.1%
Prior yr net client fees	94.8%	98.4%	89.1%	96.8%	94.8%	96.0%	99.3%	80.0%	91.2%	99.3%

**Income:**

Gross fees earned	107.4%	100.5%	101.2%	107.0%	101.1%	100.8%	110.7%	102.6%	101.6%	110.7%
Net write-ups / (downs)	-8.0%	-0.6%	-1.9%	-7.6%	-1.2%	-1.5%	-11.3%	-2.6%	-1.9%	-11.3%
Net client fees earned	99.4%	99.6%	99.3%	99.4%	99.9%	99.3%	99.4%	100.0%	99.8%	99.4%
Interest income	0.1%	0.0%	0.2%	0.1%	0.0%	0.1%	0.2%	0.0%	0.0%	0.2%
Other - rents & royalties	0.5%	0.4%	0.5%	0.5%	0.0%	0.6%	0.4%	0.0%	0.2%	0.4%
Total income	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Expenses:**

Professional salaries	23.5%	3.1%	18.4%	29.1%	7.3%	19.1%	27.0%	4.1%	14.0%	27.0%
Paraprofessional salaries	4.4%	9.0%	6.6%	3.8%	7.0%	7.8%	2.4%	13.5%	6.5%	2.4%
Other salaries	5.3%	0.9%	5.0%	6.9%	5.2%	3.5%	5.3%	4.1%	6.3%	5.3%
Ret. plan costs	1.1%	0.0%	1.9%	1.0%	0.3%	1.1%	1.3%	0.2%	0.7%	1.3%
Other emp. bfts	2.1%	1.0%	1.8%	2.6%	0.9%	1.1%	2.1%	0.0%	2.4%	2.1%
Dues, library, CPE	2.1%	2.0%	1.8%	1.8%	2.3%	1.9%	1.8%	2.4%	1.9%	1.8%
Insurance (excl. health)	1.1%	1.0%	0.7%	1.0%	0.8%	1.3%	1.2%	1.3%	0.9%	1.2%
Office rent / occupancy	5.9%	7.1%	6.3%	6.1%	9.5%	8.3%	5.1%	6.9%	6.5%	5.1%
Interest	0.4%	0.9%	0.6%	0.3%	1.1%	0.4%	0.1%	1.3%	0.4%	0.1%
Computer / IT	1.8%	2.8%	1.9%	1.9%	3.1%	1.7%	1.4%	3.3%	1.8%	1.4%
Promotion and marketing	1.3%	1.1%	0.8%	2.0%	2.9%	1.8%	1.2%	1.4%	1.2%	1.2%
Payroll taxes	3.0%	1.7%	2.8%	3.2%	2.2%	3.0%	3.3%	1.2%	2.3%	3.3%
Telephone / Internet	0.9%	2.2%	1.3%	0.7%	2.5%	1.5%	0.7%	2.4%	1.2%	0.7%
Depreciation	1.6%	2.3%	2.1%	1.4%	2.3%	1.4%	1.3%	1.9%	2.2%	1.3%
Other expenses	8.4%	11.5%	10.8%	8.2%	8.3%	11.3%	8.2%	10.4%	6.9%	8.2%
Total expenses	62.8%	46.8%	62.8%	69.8%	55.8%	65.1%	62.4%	54.4%	55.0%	62.4%

% Net remaining for Owners	<b>37.2%</b>	<b>53.2%</b>	<b>37.2%</b>	<b>30.2%</b>	<b>44.2%</b>	<b>34.9%</b>	<b>37.6%</b>	<b>45.6%</b>	<b>45.0%</b>	<b>37.6%</b>
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**Income Per CPA -- Selected Statistics**

Gross fees earned	\$184,812	\$122,757	\$174,707	\$207,850	\$100,486	\$167,558	\$211,392	\$100,232	\$181,075	\$211,392
Net write-ups / (downs)	-\$13,778	-\$788	-\$3,357	-\$14,692	-\$1,162	-\$2,563	-\$21,543	-\$2,519	-\$3,312	-\$21,543
Net client fees earned	\$171,029	\$121,707	\$171,350	\$193,157	\$99,324	\$164,995	\$189,849	\$97,713	\$177,763	\$189,849

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18
<b>Primary Office</b>										
Owned by the firm	11.1%	3.1%	10.0%	5.3%	4.2%	8.7%	0.0%	0.0%	23.5%	0.0%
Leased / rented office	72.2%	40.6%	85.0%	89.5%	70.8%	91.3%	100.0%	64.7%	76.5%	100.0%
Subleased / shared	5.2%	18.8%	0.0%	5.3%	12.5%	0.0%	0.0%	17.6%	0.0%	0.0%
Home office	10.8%	34.4%	0.0%	0.0%	12.5%	0.0%	0.0%	17.6%	0.0%	0.0%
Other	0.7%	3.1%	5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Primary office area (sq. ft)	3,685	816	2,279	10,442	1,021	2,415	9,101	868	2,686	9,101
Square feet per CPA	606	686	746	540	708	684	515	671	823	515
Annual rent per square foot	\$15.20	\$21.53	\$15.94	\$19.71	\$14.97	\$15.34	\$17.35	\$11.87	\$14.37	\$17.35
Annual rent per CPA	\$2.50	\$18.11	\$5.22	\$1.02	\$10.39	\$4.35	\$0.98	\$9.18	\$4.40	\$0.98
<b>Office types provided to staff (may not total 100%)</b>										
'Hotel' offices	0.8%	0.0%	0.0%	5.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Private offices	84.1%	64.3%	94.7%	100.0%	62.5%	73.9%	88.9%	50.0%	94.1%	88.9%
Cubicles / workstations	30.9%	7.1%	15.8%	78.9%	18.8%	30.4%	55.6%	30.0%	29.4%	55.6%
Shared offices	22.4%	28.6%	15.8%	15.8%	18.8%	30.4%	33.3%	60.0%	5.9%	33.3%
Other	1.6%	0.0%	0.0%	5.3%	6.3%	0.0%	0.0%	10.0%	0.0%	0.0%
FY '02 bad debt written off	\$19,198	\$1,673	\$4,149	\$82,172	\$997	\$12,385	\$92,695	\$1,497	\$3,784	\$92,695
Charge int. on A/R? (% Yes)	21.6%	18.8%	15.0%	36.8%	25.0%	26.1%	22.2%	17.6%	5.9%	22.2%
-- Interest amount	14.0%	16.8%	13.7%	6.6%	16.4%	15.8%	14.5%	18.0%	18.0%	14.5%
<b>Delinquent fee methods used (may not total 100%):</b>										
Collection agencies	12.0%	14.3%	7.7%	46.7%	10.0%	15.8%	9.1%	8.3%	8.3%	9.1%
Factoring	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Suit for Fees	17.5%	19.0%	15.4%	33.3%	20.0%	5.3%	27.3%	25.0%	33.3%	27.3%
Other	79.3%	71.4%	100.0%	46.7%	75.0%	89.5%	81.8%	75.0%	58.3%	81.8%
<b>Accounts Receivable Aging:</b>										
Current	52.4%	63.8%	52.2%	34.7%	53.0%	56.4%	38.8%	59.4%	40.5%	38.8%
Over 30 Days	14.1%	14.5%	15.1%	18.2%	11.7%	13.1%	21.0%	13.5%	18.0%	21.0%
Over 60 Days	10.3%	6.3%	10.2%	16.6%	12.5%	10.4%	11.6%	6.9%	13.5%	11.6%
Over 90 Days	23.3%	15.4%	22.6%	30.5%	22.8%	21.1%	28.6%	20.2%	27.9%	28.6%
<b>Total</b>	<b>100.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>101.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18
<b>Proportion of Services:</b>										
Auditing services	10.1%	1.6%	3.9%	15.8%	7.0%	7.4%	20.6%	3.2%	4.5%	20.6%
Attestation services	0.4%	0.0%	0.1%	2.3%	0.2%	0.3%	0.1%	0.6%	0.1%	0.1%
Business valuation	1.2%	0.1%	0.3%	0.6%	0.2%	0.3%	0.3%	0.0%	2.3%	0.3%
Compilations	10.3%	13.0%	12.6%	4.3%	13.4%	15.2%	7.9%	17.1%	10.9%	7.9%
Consulting services	7.6%	11.2%	5.9%	5.8%	6.2%	9.8%	8.3%	13.2%	8.9%	8.3%
Financial advisory svcs	1.3%	1.4%	0.3%	3.6%	0.0%	2.1%	0.4%	0.6%	0.9%	0.4%
IT services	0.5%	0.0%	0.2%	0.1%	0.6%	0.0%	0.2%	2.6%	0.1%	0.2%
IT hardware sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Litigation support	1.2%	1.6%	1.5%	0.6%	0.0%	1.5%	1.5%	1.4%	2.1%	1.5%
Mergers and acquisitions	0.2%	0.0%	0.3%	0.2%	0.4%	0.2%	0.5%	0.0%	0.8%	0.5%
Reviews	1.6%	0.2%	2.6%	1.4%	1.3%	2.2%	3.3%	0.5%	2.9%	3.3%
Tax -- individual	27.9%	32.5%	29.6%	23.6%	27.7%	27.0%	22.3%	24.8%	31.6%	22.3%
Tax -- other than individual	23.8%	23.1%	31.6%	31.2%	24.1%	26.1%	22.8%	27.1%	19.1%	22.8%
Write-up /data processing	11.8%	14.6%	8.6%	7.5%	16.0%	5.6%	7.4%	8.5%	15.4%	7.4%
Other	2.1%	0.8%	2.8%	2.9%	2.9%	2.1%	4.4%	0.3%	0.4%	4.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18

**Professional Accounting Staff -- Non-Owner staff was assigned by either years as an accountant OR by title**

**Number of Full-Time Professional Accounting Staff** (average number of full time accountants by class reported for firms)

Owners	2.248	1.000	1.500	3.895	1.125	1.696	4.778	1.059	1.706	4.778
Directors (11+ yrs)	0.690	0.031	0.450	2.789	0.000	0.478	1.389	0.059	0.588	1.389
Managers (6-10 yrs)	0.686	0.000	0.100	3.368	0.000	0.304	2.778	0.059	0.176	2.778
Sr. Associates (4-5 yrs)	0.719	0.000	0.050	3.579	0.000	0.174	2.833	0.000	0.294	2.833
Associates (1-3 yrs)	0.729	0.031	0.150	2.947	0.000	0.087	2.722	0.118	0.000	2.722
New CPAs (<1 yrs)	0.170	0.063	0.000	0.526	0.042	0.043	0.611	0.000	0.000	0.611
Unclassified	0.340	0.031	0.650	0.474	0.250	0.609	0.278	0.000	0.235	0.278
<b>Total CPAs</b>	<b>5.582</b>	<b>1.156</b>	<b>2.900</b>	<b>17.579</b>	<b>1.417</b>	<b>3.391</b>	<b>15.389</b>	<b>1.294</b>	<b>3.000</b>	<b>15.389</b>

**Number of Part-Time Full-Time Equivalents** (total number of compensated hours for part-time accountants by class divided by 2,080 for each firm)

Owners	0.018	0.031	0.024	0.033	0.000	0.034	0.000	0.000	0.096	0.000
Directors (11+ yrs)	0.126	0.000	0.084	0.179	0.000	0.055	0.566	0.000	0.134	0.566
Managers (6-10 yrs)	0.112	0.001	0.014	0.379	0.000	0.050	0.463	0.000	0.000	0.463
Sr. Associates (4-5 yrs)	0.103	0.000	0.000	0.701	0.000	0.000	0.357	0.000	0.033	0.357
Associates (1-3 yrs)	0.097	0.000	0.033	0.265	0.024	0.000	0.768	0.000	0.000	0.768
New CPAs (<1 yrs)	0.039	0.000	0.000	0.185	0.000	0.000	0.116	0.000	0.000	0.116
Unclassified	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total CPAs</b>	<b>0.495</b>	<b>0.033</b>	<b>0.155</b>	<b>1.741</b>	<b>0.024</b>	<b>0.138</b>	<b>2.271</b>	<b>0.000</b>	<b>0.264</b>	<b>2.271</b>

**Total Full-Time Equivalents** (Full-time professional accountants plus part time equivalents)

Owners	2.266	1.031	1.524	3.928	1.125	1.729	4.778	1.059	1.802	4.778
Directors (11+ yrs)	0.816	0.031	0.534	2.969	0.000	0.533	1.955	0.059	0.723	1.955
Managers (6-10 yrs)	0.798	0.001	0.114	3.747	0.000	0.354	3.241	0.059	0.176	3.241
Sr. Associates (4-5 yrs)	0.822	0.000	0.050	4.280	0.000	0.174	3.191	0.000	0.327	3.191
Associates (1-3 yrs)	0.826	0.031	0.183	3.212	0.024	0.087	3.490	0.118	0.000	3.490
New CPAs (<1 yrs)	0.209	0.063	0.000	0.711	0.042	0.043	0.728	0.000	0.000	0.728
Unclassified	0.340	0.031	0.650	0.474	0.250	0.609	0.278	0.000	0.235	0.278
<b>Total CPAs</b>	<b>6.077</b>	<b>1.189</b>	<b>3.055</b>	<b>19.320</b>	<b>1.441</b>	<b>3.530</b>	<b>17.659</b>	<b>1.294</b>	<b>3.264</b>	<b>17.659</b>

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large

Total # of Respondents	306	32	20	19	24	23	18	17	17	18
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**Professional Accounting Staff -- Compensated and Chargeable Hours**

**Full-Time -- Average compensated hours by class** (average number of compensated hours per full time accountant by class)

Owners	2,163	2,013	2,164	2,410	1,918	2,151	2,342	1,880	2,256	2,342
Directors (11+ yrs)	2,136	N/A	1,870	2,177	N/A	2,061	2,199	2,060	2,117	2,199
Managers (6-10 yrs)	2,146	N/A	1,773	2,119	N/A	2,055	2,121	N/A	2,058	2,121
Sr. Associates (4-5 yrs)	2,120	N/A	1,079	2,073	N/A	2,086	1,889	N/A	2,189	1,889
Associates (1-3 yrs)	2,136	2,080	1,574	2,253	N/A	2,183	2,164	2,070	N/A	2,164
New CPAs (<1 yrs)	1,927	2,200	N/A	1,779	1,000	N/A	1,922	N/A	N/A	1,922
Unclassified	2,008	N/A	2,207	2,386	1,062	2,103	2,154	N/A	1,970	2,154

**Part-Time -- Compensated hours per firm** (total number of compensated hours for part-time accountants by class)

Owners	37	65	50	69	0	70	0	0	201	0
Directors (11+ yrs)	263	0	175	373	0	114	1,177	0	279	1,177
Managers (6-10 yrs)	233	2	29	788	0	104	963	0	0	963
Sr. Associates (4-5 yrs)	214	0	0	1,457	0	0	744	0	69	744
Associates (1-3 yrs)	202	0	68	550	50	0	1,597	0	0	1,597
New CPAs (<1 yrs)	82	0	0	384	0	0	242	0	0	242
Unclassified	0	0	0	0	0	0	0	0	0	0

**Full-Time -- Chargeable Hours** (average number of chargeable hours per full time accountant by class)

Owners	1,241	1,056	1,328	1,153	1,272	1,258	1,259	1,174	1,395	1,259
Directors (11+)	1,365	N/A	1,498	1,279	N/A	1,306	1,410	1,800	1,389	1,410
Managers (6-10)	1,395	N/A	1,516	1,300	N/A	1,225	1,478	580	1,492	1,478
Sr. Associates (4-5)	1,452	N/A	927	1,450	N/A	1,146	1,202	N/A	1,654	1,202
Associates (1-3)	1,476	1,200	984	1,471	N/A	1,586	1,477	1,800	N/A	1,477
New CPAs (<1)	1,391	1,150	N/A	1,180	850	0	1,612	N/A	N/A	1,612
Unclassified	286	N/A	792	81	N/A	N/A	16	N/A	N/A	16

**Part-Time -- Chargeable Hours** (total number of chargeable hours for part-time accountants by class)

Owners	24	35	50	40	0	60	0	0	129	0
Directors (11+)	182	0	166	282	0	98	754	0	198	754
Managers (6-10)	169	2	29	554	0	89	697	0	0	697
Sr. Associates (4-5)	153	0	0	1,048	0	0	518	0	51	518
Associates (1-3)	149	0	57	394	33	0	1,237	0	0	1,237
New CPAs (<1)	53	0	0	266	0	0	121	0	0	121
Unclassified	8	0	0	21	0	0	87	0	0	87

**Full-Time Professional Accounting Staff -- Chargeability Ratio** (Chargeable Hours / Compensated Hours)

Owners	57%	52%	61%	48%	66%	58%	54%	62%	62%	54%
Directors (11+)	64%	N/A	80%	59%	N/A	63%	64%	87%	66%	64%
Managers (6-10)	65%	N/A	86%	61%	N/A	60%	70%	N/A	72%	70%
Sr. Associates (4-5)	69%	N/A	86%	70%	N/A	55%	64%	N/A	76%	64%
Associates (1-3)	69%	58%	63%	65%	N/A	73%	68%	87%	N/A	68%
New CPAs (<1)	72%	52%	N/A	66%	85%	N/A	84%	N/A	N/A	84%
Unclassified	14%	N/A	36%	3%	#VALUE!	#VALUE!	1%	N/A	#VALUE!	1%



	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Professional Accounting Staff -- Billing Rates and Gross Compensation or Net Remaining**

**Full-Time Professional Accounting Staff -- Average Billing Rates**

Owners	\$141.06	\$111.41	\$149.75	\$224.55	\$105.78	\$175.61	\$202.39	\$95.82	\$141.81	\$202.39
Directors (11+)	\$116.43	\$75.00	\$108.57	\$161.42	N/A	\$110.07	\$142.14	\$50.00	\$111.50	\$142.14
Managers (6-10)	\$118.74	N/A	\$85.00	\$153.86	N/A	\$115.00	\$143.75	\$150.00	\$92.50	\$143.75
Sr. Associates (4-5)	\$94.56	N/A	\$75.00	\$117.48	N/A	\$93.33	\$111.56	N/A	\$70.00	\$111.56
Associates (1-3)	\$80.12	\$50.00	\$67.50	\$94.92	N/A	\$80.00	\$92.73	\$75.00	N/A	\$92.73
New CPAs (<1)	\$73.47	\$87.50	N/A	\$75.14	\$90.00	N/A	\$97.75	N/A	N/A	\$97.75
Unclassified	\$81.84	N/A	\$38.00	\$101.40	N/A	N/A	\$106.25	N/A	N/A	\$106.25

**Part-Time Professional Accounting Staff -- Average Billing Rates**

Owners	\$155.90	\$150.00	\$140.00	\$140.00		\$125.00			\$90.00	
Directors (11+)	\$125.57	N/A	\$116.25	\$186.40	N/A	\$131.67	\$145.07	N/A	\$101.67	\$145.07
Managers (6-10)	\$98.89	N/A	N/A	\$114.57	N/A	N/A	\$124.33	N/A	\$75.00	\$124.33
Sr. Associates (4-5)	\$98.89	N/A	N/A	\$114.57	N/A	N/A	\$124.33	N/A	\$75.00	\$124.33
Associates (1-3)	\$80.38	N/A	\$77.50	\$93.25	\$55.00	N/A	\$97.29	N/A	N/A	\$97.29
New CPAs (<1)	\$61.36	N/A	N/A	\$69.00	N/A	N/A	\$63.33	N/A	N/A	\$63.33
Unclassified	\$73.10	N/A	N/A	\$55.00	\$36.00	\$45.00	\$58.33	N/A	N/A	\$58.33

**Full-Time Professional Accounting Staff -- Gross compensation (if Owner, net remaining) -- (average gross compensation per full-time employee)**

Owners*	\$ 138,862	\$ 84,374	\$ 146,278	\$ 318,924	\$ 70,790	\$ 126,347	\$ 266,483	\$ 59,662	\$ 165,145	\$ 266,483
Directors (11+)	\$ 65,901	\$ 36,000	\$ 51,350	\$ 96,534		\$ 57,076	\$ 78,543	\$ 42,000	\$ 59,068	\$ 78,543
Managers (6-10)	\$ 62,221		\$ 54,070	\$ 77,494		\$ 59,054	\$ 70,506	\$ 27,000	\$ 52,000	\$ 70,506
Sr. Associates (4-5)	\$ 50,261		\$ 22,031	\$ 56,073		\$ 56,634	\$ 56,834		\$ 53,804	\$ 56,834
Associates (1-3)	\$ 41,771	\$ 40,000	\$ 41,601	\$ 43,754		\$ 50,125	\$ 44,350	\$ 50,500		\$ 44,350
New CPAs (<1)	\$ 38,187	\$ 40,000		\$ 30,674	\$ 19,800	\$ 41,605	\$ 49,469			\$ 49,469
Unclassified	\$ 38,941		\$ 36,248	\$ 50,261	\$ 21,000	\$ 39,527	\$ 47,541		\$ 44,667	\$ 47,541

**Part-Time Professional Accounting Staff -- Salary or Net Remaining (if Owners)**

Owners	\$ 5,069	\$ 1,399	\$ 4,981	\$ 10,485	\$ -	\$ 5,896	\$ -	\$ -	\$ 1,907	\$ -
Directors (11+)	\$ 10,988	\$ -	\$ 7,288	\$ 20,351	\$ -	\$ 5,228	\$ 67,084	\$ -	\$ 8,822	\$ 67,084
Managers (6-10)	\$ 7,247	\$ 95	\$ 970	\$ 28,228	\$ -	\$ 2,861	\$ 36,287	\$ -	\$ -	\$ 36,287
Sr. Associates (4-5)	\$ 5,373	\$ -	\$ -	\$ 42,084	\$ -	\$ -	\$ 23,119	\$ -	\$ 1,499	\$ 23,119
Associates (1-3)	\$ 4,288	\$ -	\$ 1,567	\$ 13,478	\$ 930	\$ -	\$ 36,232	\$ -	\$ -	\$ 36,232
New CPAs (<1)	\$ 1,625	\$ -	\$ -	\$ 6,932	\$ -	\$ -	\$ 9,641	\$ -	\$ -	\$ 9,641
Unclassified	\$ 2,027	\$ -	\$ -	\$ 5,424	\$ -	\$ 1,702	\$ 1,172	\$ -	\$ 1,059	\$ 1,172

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large

Total # of Respondents 306 32 20 19 24 23 18 17 17 18

**Professional Accounting Staff -- Selected Ratios**

**Full-Time -- Compensation by Compensated Hour**

Owners	\$ 64.19	\$ 41.92	\$ 67.61	\$ 132.32	\$ 36.91	\$ 58.74	\$ 113.79	\$ 31.74	\$ 73.19	\$ 113.79
Directors (11+)	\$ 30.85	N/A	\$ 27.46	\$ 44.35	N/A	\$ 27.70	\$ 35.71	\$ 20.39	\$ 27.90	\$ 35.71
Managers (6-10)	\$ 29.00	N/A	\$ 30.50	\$ 36.57	N/A	\$ 28.73	\$ 33.25	N/A	\$ 25.26	\$ 33.25
Sr. Associates (4-5)	\$ 23.71	N/A	\$ 20.42	\$ 27.05	N/A	\$ 27.15	\$ 30.08	N/A	\$ 24.58	\$ 30.08
Associates (1-3)	\$ 19.55	\$ 19.23	\$ 26.43	\$ 19.42	N/A	\$ 22.96	\$ 20.49	\$ 24.40	N/A	\$ 20.49
New CPAs (<1)	\$ 19.81	\$ 18.18	N/A	\$ 17.25	\$ 19.80	N/A	\$ 25.74	N/A	N/A	\$ 25.74
Unclassified	\$ 19.39	N/A	\$ 16.42	\$ 21.06	\$ 19.78	\$ 18.80	\$ 22.07	N/A	\$ 22.67	\$ 22.07

**Part-Time -- Compensation by Compensated Hour** (not calculated if average compensated hours is less than 40, for statistical reasons)

Owners	\$ 138.13	\$ 21.44	\$ 99.62	\$ 151.50	N/A	\$ 84.49	N/A	N/A	\$ 9.50	N/A
Directors (11+)	\$ 41.83	N/A	\$ 41.54	\$ 54.51	N/A	\$ 45.89	\$ 56.98	N/A	\$ 31.58	\$ 56.98
Managers (6-10)	\$ 31.15	N/A	N/A	\$ 35.84	N/A	\$ 27.52	\$ 37.68	N/A	N/A	\$ 37.68
Sr. Associates (4-5)	\$ 25.09	N/A	N/A	\$ 28.88	N/A	N/A	\$ 31.09	N/A	\$ 21.63	\$ 31.09
Associates (1-3)	\$ 21.22	N/A	\$ 23.04	\$ 24.50	\$ 18.60	N/A	\$ 22.69	N/A	N/A	\$ 22.69
New CPAs (<1)	\$ 19.81	N/A	N/A	\$ 18.06	N/A	N/A	\$ 39.80	N/A	N/A	\$ 39.80
Unclassified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Full-Time Professional Accounting Staff -- Billing Rate / Compensation per Hour**

Owners	2.20	2.66	2.21	1.70	2.87	2.99	1.78	3.02	1.94	1.78
Directors (11+)	3.77	N/A	3.95	3.64	N/A	3.97	3.98	2.45	4.00	3.98
Managers (6-10)	4.09	N/A	2.79	4.21	N/A	4.00	4.32	N/A	3.66	4.32
Sr. Associates (4-5)	3.99	N/A	3.67	4.34	N/A	3.44	3.71	N/A	2.85	3.71
Associates (1-3)	4.10	2.60	2.55	4.89	N/A	3.48	4.53	3.07	N/A	4.53
New CPAs (<1)	3.71	4.81	N/A	4.36	4.55	N/A	3.80	N/A	N/A	3.80
Unclassified	4.22	N/A	2.31	4.81	#VALUE!	#VALUE!	4.81	N/A	#VALUE!	4.81

**Part-Time Professional Accounting Staff -- Billing Rate / Compensation per Hour**

Owners	1.13	7.00	1.41	0.92	N/A	1.48	N/A	N/A	9.47	N/A
Directors (11+)	3.00	N/A	2.80	3.42	N/A	2.87	2.55	N/A	3.22	2.55
Managers (6-10)	3.17	N/A	N/A	3.20	N/A	#VALUE!	3.30	N/A	N/A	3.30
Sr. Associates (4-5)	3.94	N/A	N/A	3.97	N/A	N/A	4.00	N/A	3.47	4.00
Associates (1-3)	3.79	N/A	3.36	3.81	2.96	N/A	4.29	N/A	N/A	4.29
New CPAs (<1)	3.10	N/A	N/A	3.82	N/A	N/A	1.59	N/A	N/A	1.59
Unclassified	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18

**Non-Accounting Staff**

**Full-Time Number of Non-Accounting Employees Per Firm**

Computer professionals	0.15	0.00	0.05	0.50	0.00	0.00	0.29	0.00	0.00	0.29
Administrator / OM	0.40	0.10	0.47	1.00	0.09	0.52	0.83	0.07	0.40	0.83
Paraprofessionals	1.20	0.28	0.68	2.79	0.10	1.00	2.00	0.43	1.41	2.00
Clerical (data entry, etc.)	1.02	0.07	0.16	2.79	0.38	0.61	3.00	0.13	0.53	3.00
Other	0.29	0.00	0.35	1.94	0.00	0.29	0.61	0.00	0.13	0.61
Non-CPA Total	3.07	0.44	1.72	9.02	0.57	2.42	6.74	0.63	2.48	6.74

**Part-Time -- Number Full Time Equivalents (Part-Time Compensated Hours / 2080)**

Computer professionals	0.04	0.00	0.00	0.11	0.04	0.04	0.17	0.00	0.00	0.17
Administrator / OM	0.05	0.03	0.05	0.11	0.04	0.00	0.06	0.06	0.00	0.06
Paraprofessionals	0.42	0.31	0.35	0.47	0.04	0.30	0.39	0.18	0.35	0.39
Clerical (data entry, etc.)	0.61	0.25	0.30	0.68	0.25	0.30	1.33	0.35	0.24	1.33
Other	0.18	0.00	0.15	0.37	0.04	0.43	0.17	0.12	0.18	0.17
Non-CPA Total	1.30	0.59	0.85	1.74	0.42	1.09	2.11	0.71	0.76	2.11

**Total Full-Time Equivalents**

Computer professionals	0.19	0.00	0.05	0.61	0.04	0.04	0.46	0.00	0.00	0.46
Administrator / OM	0.45	0.13	0.52	1.11	0.13	0.52	0.89	0.13	0.40	0.89
Paraprofessionals	1.62	0.59	1.03	3.26	0.14	1.30	2.39	0.61	1.76	2.39
Clerical (data entry, etc.)	1.63	0.32	0.46	3.47	0.63	0.91	4.33	0.49	0.77	4.33
Other	0.47	0.00	0.50	2.31	0.04	0.72	0.78	0.12	0.31	0.78
Non-CPA Total	4.37	1.04	2.57	10.77	0.98	3.51	8.85	1.34	3.24	8.85

**Full-Time Equivalents Non-CPAs per Full-Time Equivalent CPA**

Computer professionals	0.031	0.000	0.017	0.031	0.029	0.012	0.026	0.000	0.000	0.026
Administrator / OM	0.075	0.110	0.171	0.058	0.092	0.148	0.050	0.101	0.123	0.050
Paraprofessionals	0.266	0.495	0.339	0.169	0.095	0.370	0.135	0.468	0.541	0.135
Clerical (data entry, etc.)	0.268	0.266	0.150	0.180	0.438	0.259	0.245	0.376	0.235	0.245
Other	0.078	0.000	0.164	0.120	0.029	0.204	0.044	0.091	0.095	0.044
Non-CPA Total	0.719	0.872	0.841	0.557	0.683	0.993	0.501	1.035	0.994	0.501

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18

**Non-Accounting Staff -- Compensated and Chargeable Hours**

**Average Compensated Hours for Full-Time Non-Accounting Staff**

Computer professionals	2,176	N/A	2,080	2,164	N/A	N/A	2,295	N/A	N/A	2,295
Administrator / OM	2,100	1,803	2,075	2,228	1,749	1,975	2,139	2,060	2,115	2,139
Paraprofessionals	2,008	1,880	2,008	2,095	1,900	1,994	2,038	1,797	1,925	2,038
Clerical (data entry, etc.)	2,024	1,650	2,233	1,989	1,723	1,990	1,944	1,040	2,083	1,944
Other	1,994	N/A	1,778	2,087	N/A	2,040	1,852	N/A	2,080	1,852

**Average Compensated Hours for Part-Time Non-Accounting Staff**

Computer professionals	40	0	0	68	52	54	173	0	0	173
Administrator / OM	63	30	17	154	21	0	99	64	0	99
Paraprofessionals	315	121	316	522	13	171	433	171	228	433
Clerical (data entry, etc.)	390	68	219	436	142	134	1,377	228	115	1,377
Other	118	0	32	331	46	130	142	11	117	142

**Full-Time -- Chargeable Hours per Full-Time Employee**

Computer professionals	286		792	81			16			16
Administrator / OM	406	846	442	161	641	476	217	1,000	727	217
Paraprofessionals	1,285	1,069	1,424	1,494	1,075	1,255	1,196	1,075	1,350	1,196
Clerical (data entry, etc.)	487	375	806	270	1,019	745	233	428	493	233
Other	519		425	610		825	324		100	324

**Part-Time -- Total Chargeable Hours Per Firm**

Computer professionals	8	0	0	21	0	0	87	0	0	87
Administrator / OM	9	3	11	3	2	0	0	18	0	0
Paraprofessionals	212	84	251	395	13	151	194	138	155	194
Clerical (data entry, etc.)	82	24	59	41	121	75	125	145	75	125
Other	28	0	15	0	42	109	58	0	0	58

**Full-Time -- Billing Rates**

Computer professionals	\$81.84		\$38.00	\$101.40			\$106.25			\$106.25
Administrator / OM	\$62.47	\$31.67	\$55.60	\$79.27	\$49.00	\$62.22	\$79.14	\$50.00	\$48.60	\$79.14
Paraprofessionals	\$61.45	\$47.80	\$66.80	\$73.33	\$42.50	\$61.31	\$73.50	\$50.00	\$64.54	\$73.50
Clerical (data entry, etc.)	\$46.01	\$37.50	\$53.33	\$55.85	\$38.75	\$50.75	\$59.00	\$42.50	\$45.83	\$59.00
Other	\$63.88		\$55.00	\$79.20		\$63.33	\$113.33		\$37.50	\$113.33

**Part-Time -- Billing Rates**

Computer professionals	\$73.10			\$55.00	\$36.00	\$45.00	\$58.33			\$58.33
Administrator / OM	\$63.86	\$30.00	\$26.00	\$122.50	\$50.00		\$50.00	\$75.00		\$50.00
Paraprofessionals	\$58.44	\$53.17	\$56.67	\$76.50	\$75.00	\$79.00	\$73.25	\$35.00	\$54.00	\$73.25
Clerical (data entry, etc.)	\$41.40	\$36.00	\$35.00	\$47.40	\$47.50	\$46.20	\$46.18	\$40.75	\$36.67	\$46.18
Other	\$51.33		\$52.50	\$46.00	\$60.00	\$125.00	\$48.00			\$48.00

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Non-Accounting Staff -- Billing Rates, Compensation, and Selected Ratios**

**Full-Time Non-Accounting Staff -- Compensation**

Computer professionals	46,489		28,000	63,236			63,011			63,011
Administrator / OM	40,221	24,667	30,977	60,357	32,856	34,486	55,384	30,000	29,873	55,384
Paraprofessionals	33,811	29,703	38,239	42,751	26,000	32,410	40,715	28,667	30,765	40,715
Clerical (data entry, etc.)	27,945	28,500	28,280	33,011	25,285	30,772	34,168	17,000	26,518	34,168
Other	32,742		27,750	41,557		28,902	52,787		22,960	52,787

**Part-Time Non-Accounting Staff -- Total Compensation**

Computer professionals	\$700	\$0	\$0	\$1,351	\$550	\$228	\$3,503	\$0	\$0	\$3,503
Administrator / OM	\$1,733	\$563	\$270	\$5,698	\$200	\$0	\$2,228	\$10,175	\$0	\$2,228
Paraprofessionals	\$4,909	\$2,205	\$6,032	\$9,866	\$188	\$2,367	\$9,673	\$1,533	\$4,658	\$9,673
Clerical (data entry, etc.)	\$4,829	\$671	\$2,422	\$7,091	\$1,375	\$1,729	\$15,744	\$2,408	\$1,104	\$15,744
Other	\$1,968	\$0	\$495	\$5,549	\$508	\$8,757	\$2,150	\$76	\$1,410	\$2,150

**Full-Time --- Compensation per Compensated Hour\***

Computer professionals	\$21.36	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*
Administrator / OM	\$19.15	\$13.68	\$14.93	\$27.09	\$18.79	\$17.46	\$25.90	\$14.56	\$14.12	\$25.90
Paraprofessionals	\$16.84	\$15.80	\$19.04	\$20.41	\$13.68	\$16.25	\$19.98	\$15.96	\$15.98	\$19.98
Clerical (data entry, etc.)	\$13.81	\$17.27	\$12.66	\$16.60	\$14.67	\$15.47	\$17.57	\$16.35	\$12.73	\$17.57
Other	\$16.42	N/A	\$15.61	\$19.91	N/A	\$14.17	\$28.50	N/A	\$11.04	\$28.50

**Full-Time --- Chargeability Ratio**

Computer professionals	13.1%	N/A	38.1%	3.7%	N/A	N/A	0.7%	N/A	N/A	0.7%
Administrator / OM	19.3%	46.9%	21.3%	7.2%	36.6%	24.1%	10.2%	48.5%	34.4%	10.2%
Paraprofessionals	64.0%	56.9%	70.9%	71.3%	56.6%	62.9%	58.7%	59.8%	70.2%	58.7%
Clerical (data entry, etc.)	24.1%	22.7%	36.1%	13.6%	59.1%	37.4%	12.0%	41.1%	23.7%	12.0%
Other	26.0%	N/A	23.9%	29.2%	N/A	40.4%	17.5%	N/A	4.8%	17.5%

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Compensation Background and Statistics****Compensation Year Basis**

Fiscal 2002	16.3%	12.5%	10.0%	26.3%	0.0%	21.7%	27.8%	11.8%	5.9%	27.8%
Calendar 2002	83.0%	87.5%	90.0%	73.7%	100.0%	78.3%	72.2%	88.2%	94.1%	72.2%
Other	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Bonus as % of comp	5.2%	1.9%	9.1%	5.9%	3.3%	7.7%	4.4%	3.0%	4.1%	4.4%
Avg annual salary inc.	5.1%	3.8%	6.3%	6.0%	3.5%	4.2%	5.5%	5.0%	4.7%	5.5%

**Factors in bonus calc (may not total 100%)**

Attaining hours targets	46.5%	30.8%	46.7%	66.7%	25.0%	52.9%	69.2%	0.0%	50.0%	69.2%
Obtaining new clients	40.1%	30.8%	40.0%	72.2%	12.5%	11.8%	46.2%	28.6%	33.3%	46.2%
New proj. from ex. clients	16.0%	23.1%	13.3%	44.4%	0.0%	5.9%	15.4%	0.0%	0.0%	15.4%
Outstanding achievement	52.9%	38.5%	53.3%	72.2%	50.0%	47.1%	84.6%	57.1%	41.7%	84.6%
Passing CPA exam	15.0%	0.0%	13.3%	50.0%	12.5%	0.0%	23.1%	14.3%	8.3%	23.1%
Other	22.5%	38.5%	6.7%	33.3%	12.5%	17.6%	30.8%	0.0%	41.7%	30.8%

**Number of New CPA hires and Starting Salaries (by whether meeting 150 hour requirement)**

# new hires--meeting req.	0.20	0.03	0.00	0.26	0.04	0.00	0.67	0.00	0.18	0.67
# new hires--not meeting req	0.13	0.00	0.15	0.47	0.00	0.04	0.28	0.00	0.00	0.28
Starting sal.--meeting req*	\$35,026	\$39,000		\$37,000	\$48,000		\$41,400		\$38,750	\$41,400
Starting sal.--not mtng req*	\$33,712		\$33,000	\$38,833		\$33,000	\$38,833			\$38,833

\* Starting salary amounts are approximate.

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Billing Detail**

% billing by the hour:	90.8%	71.9%	100.0%	100.0%	87.5%	95.7%	88.9%	82.4%	88.2%	88.9%
% fees billing rate-based	80.7%	56.7%	85.4%	92.5%	73.0%	83.5%	87.1%	58.9%	78.0%	87.1%

**No standard billing rates for... (may not total 100%)**

Professional staff	57.8%	63.6%	20.0%	100.0%	80.0%	60.0%	100.0%	50.0%	50.0%	100.0%
Clerical/administrative	92.2%	81.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Bill separately for.. (may not total 100%)**

Copying	64.0%	66.7%	83.3%	57.1%	66.7%	42.9%	75.0%	66.7%	66.7%	75.0%
Clerical overtime	13.3%	16.7%	0.0%	0.0%	33.3%	28.6%	0.0%	0.0%	0.0%	0.0%
Technology	48.0%	33.3%	50.0%	71.4%	33.3%	85.7%	25.0%	33.3%	33.3%	25.0%
Fax charges	40.0%	33.3%	33.3%	42.9%	0.0%	28.6%	75.0%	33.3%	33.3%	75.0%

**Approx comp/billing rate ratio (X times salary per hour)**

2 times	4.3%	22.6%	0.0%	0.0%	4.3%	0.0%	0.0%	5.9%	0.0%	0.0%
2.5 times	11.6%	12.9%	20.0%	10.5%	8.7%	4.5%	0.0%	17.6%	11.8%	0.0%
3 times	20.5%	16.1%	30.0%	5.3%	26.1%	22.7%	16.7%	11.8%	29.4%	16.7%
3.5 times	22.5%	3.2%	30.0%	42.1%	17.4%	27.3%	50.0%	11.8%	23.5%	50.0%
4 times	14.6%	3.2%	10.0%	31.6%	4.3%	36.4%	5.6%	5.9%	17.6%	5.6%
>4 times	6.3%	0.0%	0.0%	5.3%	4.3%	9.1%	27.8%	5.9%	0.0%	27.8%
Do not use	20.2%	41.9%	10.0%	5.3%	34.8%	0.0%	0.0%	41.2%	17.6%	0.0%

Rate for CPA making \$50K	\$90.15	\$70.16	\$92.90	\$107.58	\$82.33	\$98.43	\$100.72	\$81.57	\$92.07	\$100.72
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**Adjust billing rates seasonally?**

Yes, routinely	10.9%	12.5%	5.3%	10.5%	8.3%	17.4%	0.0%	17.6%	12.5%	0.0%
Occasionally	25.4%	25.0%	42.1%	10.5%	33.3%	17.4%	27.8%	29.4%	25.0%	27.8%
Rarely	26.4%	25.0%	26.3%	26.3%	12.5%	26.1%	33.3%	29.4%	25.0%	33.3%
Never	37.3%	37.5%	26.3%	52.6%	45.8%	39.1%	38.9%	23.5%	37.5%	38.9%

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18

**Policies and Procedures**

Retirement plan? (% Yes)	63.1%	40.6%	70.0%	89.5%	33.3%	60.9%	88.9%	29.4%	82.4%	88.9%
Provide ptrn retirement?	44.3%	23.1%	21.4%	64.7%	55.6%	42.9%	56.3%	0.0%	28.6%	56.3%

**Of those with...**

% funded	66.7%	100.0%	85.7%	53.8%	100.0%	62.5%	75.0%	100.0%	100.0%	75.0%
% paid	33.3%	0.0%	14.3%	46.2%	0.0%	37.5%	25.0%	0.0%	0.0%	25.0%

**Funding type (% of those funded)**

Insurance	3.4%	0.0%	0.0%	16.7%	0.0%	0.0%	16.7%	0.0%	0.0%	16.7%
Retirement plan	83.1%	87.5%	85.7%	50.0%	100.0%	83.3%	83.3%	100.0%	100.0%	83.3%
Other	13.5%	12.5%	14.3%	33.3%	0.0%	16.7%	0.0%	0.0%	0.0%	0.0%

**Paid type (% of those paid)**

Equity (capital acct) buyout	43.2%	0.0%	0.0%	50.0%	0.0%	33.3%	0.0%	0.0%	0.0%	0.0%
Consulting contract	5.4%	0.0%	0.0%	16.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stock purchase	16.2%	0.0%	100.0%	0.0%	0.0%	33.3%	25.0%	0.0%	0.0%	25.0%
Other	35.1%	100.0%	0.0%	33.3%	0.0%	33.3%	75.0%	0.0%	100.0%	75.0%

Have employee handbook?	57.4%	6.7%	50.0%	88.9%	25.0%	73.9%	82.4%	30.0%	41.2%	82.4%
Prof'l staff comp for OT?	52.4%	28.6%	47.4%	63.2%	31.3%	39.1%	83.3%	30.0%	41.2%	83.3%
If yes, % at premium rate	42.3%	100.0%	33.3%	20.0%	80.0%	37.5%	6.7%	100.0%	57.1%	6.7%
Pay prof'l for travel time?	63.7%	37.5%	56.3%	75.0%	33.3%	61.1%	77.8%	40.0%	61.5%	77.8%
If yes, % at hourly rate	94.3%	100.0%	87.5%	88.9%	100.0%	100.0%	92.9%	50.0%	100.0%	92.9%

**Paid Time Off Policies**

Option of OT or comp time	36.7%	13.3%	33.3%	57.9%	13.3%	39.1%	50.0%	20.0%	52.9%	50.0%
Comp time	29.8%	6.7%	22.2%	47.4%	13.3%	34.8%	50.0%	10.0%	35.3%	50.0%
Formal sick leave policy	57.6%	26.7%	44.4%	73.7%	26.7%	65.2%	61.1%	10.0%	64.7%	61.1%
Formal vacation policy	75.9%	53.3%	77.8%	78.9%	66.7%	95.7%	72.2%	60.0%	82.4%	72.2%
Aggregated paid time off	20.8%	6.7%	16.7%	36.8%	13.3%	26.1%	38.9%	10.0%	23.5%	38.9%
Incentive for client dev.	34.7%	13.3%	27.8%	68.4%	13.3%	43.5%	55.6%	10.0%	41.2%	55.6%
Time off for CPA exam	59.6%	13.3%	55.6%	89.5%	33.3%	56.5%	83.3%	30.0%	70.6%	83.3%
PTO/comp for prof'l act.	64.9%	40.0%	72.2%	73.7%	20.0%	69.6%	72.2%	20.0%	64.7%	72.2%
PTO/comp for comm. act.	39.6%	20.0%	38.9%	57.9%	6.7%	17.4%	27.8%	20.0%	47.1%	27.8%
Maternity in excess of PTO	12.7%	6.7%	5.6%	36.8%	0.0%	17.4%	16.7%	20.0%	0.0%	16.7%
None of the above	9.8%	40.0%	5.6%	0.0%	33.3%	4.3%	5.6%	20.0%	0.0%	5.6%



	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	32	20	19	24	23	18	17	17	18
<b>Benefits Offered</b> (For sole practitioners, benefits paid through the firm)										
Cafeteria plan	30.5%	0.0%	5.3%	73.7%	18.8%	19.0%	66.7%	0.0%	17.6%	66.7%
Cont. education courses	91.1%	89.3%	89.5%	94.7%	68.8%	100.0%	94.4%	80.0%	88.2%	94.4%
CPA examination fees	22.7%	7.1%	21.1%	31.6%	12.5%	42.9%	38.9%	13.3%	35.3%	38.9%
CPA exam. review courses	11.7%	3.6%	10.5%	10.5%	6.3%	28.6%	5.6%	0.0%	29.4%	5.6%
Dep. health insurance	17.7%	25.0%	26.3%	15.8%	0.0%	14.3%	27.8%	6.7%	23.5%	27.8%
Dep. life insurance	3.9%	7.1%	0.0%	5.3%	0.0%	4.8%	5.6%	0.0%	0.0%	5.6%
Dental insurance	15.6%	21.4%	10.5%	31.6%	18.8%	23.8%	38.9%	6.7%	17.6%	38.9%
Health insurance -- HMO	16.0%	7.1%	5.3%	31.6%	0.0%	19.0%	38.9%	13.3%	11.8%	38.9%
Health insurance -- Other	55.3%	50.0%	68.4%	89.5%	37.5%	61.9%	72.2%	26.7%	52.9%	72.2%
Life insurance	39.4%	25.0%	26.3%	78.9%	6.3%	47.6%	83.3%	6.7%	17.6%	83.3%
Long term care insurance	2.5%	0.0%	0.0%	5.3%	0.0%	0.0%	5.6%	0.0%	5.9%	5.6%
LT disability insurance	24.1%	17.9%	26.3%	57.9%	6.3%	9.5%	33.3%	20.0%	5.9%	33.3%
Advanced degree courses	3.9%	3.6%	0.0%	15.8%	0.0%	0.0%	5.6%	0.0%	5.9%	5.6%
Medical savings account	4.6%	0.0%	0.0%	21.1%	6.3%	9.5%	5.6%	0.0%	5.9%	5.6%
Professional dues	85.1%	75.0%	73.7%	89.5%	68.8%	85.7%	94.4%	66.7%	94.1%	94.4%
Professional licenses	83.0%	71.4%	73.7%	89.5%	56.3%	90.5%	88.9%	60.0%	94.1%	88.9%
Retirement plan	57.4%	25.0%	52.6%	84.2%	37.5%	52.4%	77.8%	20.0%	76.5%	77.8%
ST disability insurance	8.9%	7.1%	0.0%	31.6%	6.3%	4.8%	27.8%	0.0%	5.9%	27.8%
Other	7.1%	3.6%	15.8%	10.5%	0.0%	4.8%	11.1%	0.0%	11.8%	11.1%
% using engagement letters	84.3%	78.1%	80.0%	100.0%	83.3%	95.7%	94.4%	76.5%	82.4%	94.4%
% w/ control of client funds	14.1%	3.1%	10.0%	10.5%	8.3%	8.7%	5.6%	5.9%	11.8%	5.6%
<b>Services Offered</b>										
Bankruptcy or insolvency	12.5%	0.0%	21.1%	21.1%	22.2%	4.5%	23.5%	7.7%	0.0%	23.5%
Eldercare	11.8%	7.7%	0.0%	15.8%	5.6%	9.1%	5.9%	23.1%	6.3%	5.9%
Estate tax planning	73.5%	42.3%	78.9%	89.5%	33.3%	90.9%	82.4%	38.5%	68.8%	82.4%
Executive searches	9.6%	0.0%	0.0%	36.8%	5.6%	9.1%	11.8%	0.0%	0.0%	11.8%
Forensic accounting	19.9%	3.8%	10.5%	42.1%	11.1%	13.6%	29.4%	7.7%	18.8%	29.4%
Human resources services	9.6%	11.5%	0.0%	36.8%	5.6%	13.6%	11.8%	7.7%	6.3%	11.8%
Insurance	12.9%	11.5%	10.5%	10.5%	22.2%	22.7%	11.8%	7.7%	0.0%	11.8%
International services	10.3%	3.8%	5.3%	26.3%	5.6%	27.3%	35.3%	7.7%	0.0%	35.3%
Investment sales	19.5%	38.5%	5.3%	26.3%	22.2%	27.3%	5.9%	15.4%	6.3%	5.9%
Legal svcs within your firm	1.5%	0.0%	0.0%	0.0%	0.0%	4.5%	11.8%	0.0%	0.0%	11.8%
Market feasibility studies	6.6%	7.7%	10.5%	15.8%	5.6%	0.0%	0.0%	0.0%	6.3%	0.0%
Mergers and acquisitions	30.1%	7.7%	31.6%	63.2%	22.2%	27.3%	52.9%	7.7%	25.0%	52.9%
Payroll processing	59.6%	73.1%	63.2%	47.4%	55.6%	40.9%	35.3%	69.2%	62.5%	35.3%
Performance view	5.5%	3.8%	5.3%	10.5%	16.7%	4.5%	5.9%	0.0%	0.0%	5.9%
Personal fin. planning	48.5%	50.0%	26.3%	57.9%	38.9%	72.7%	70.6%	15.4%	37.5%	70.6%
Web Trust	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	8.8%	3.8%	5.3%	15.8%	0.0%	9.1%	23.5%	0.0%	6.3%	23.5%

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Considerations of selected strategic initiatives:**

**Hiring non-CPA professionals**

Already in place	36.5%	30.0%	27.8%	68.4%	31.3%	33.3%	50.0%	20.0%	11.8%	50.0%
Planning to provide	7.9%	10.0%	5.6%	5.3%	0.0%	9.5%	11.1%	13.3%	17.6%	11.1%
Would consider	37.9%	36.7%	44.4%	26.3%	31.3%	42.9%	27.8%	53.3%	47.1%	27.8%
Would not consider	17.7%	23.3%	22.2%	0.0%	37.5%	14.3%	11.1%	13.3%	23.5%	11.1%

**Making non-CPAs Owners**

Already in place	2.3%	0.0%	0.0%	15.8%	0.0%	0.0%	7.1%	6.7%	6.7%	7.1%
Planning to provide	1.1%	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Would consider	14.9%	7.7%	21.1%	26.3%	11.1%	17.6%	14.3%	13.3%	13.3%	14.3%
Would not consider	81.6%	88.5%	78.9%	57.9%	88.9%	82.4%	78.6%	80.0%	80.0%	78.6%

**Hiring interns**

Already in place	18.8%	7.4%	5.9%	36.8%	5.3%	15.0%	23.5%	6.7%	20.0%	23.5%
Planning to provide	8.6%	7.4%	11.8%	5.3%	10.5%	10.0%	11.8%	6.7%	6.7%	11.8%
Would consider	51.1%	51.9%	58.8%	52.6%	52.6%	50.0%	41.2%	53.3%	40.0%	41.2%
Would not consider	21.4%	33.3%	23.5%	5.3%	31.6%	25.0%	23.5%	33.3%	33.3%	23.5%

**Merging with a non-CPA firm**

Already in place	0.8%	0.0%	0.0%	0.0%	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Planning to provide	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Would consider	17.6%	11.5%	16.7%	5.6%	5.6%	27.8%	33.3%	33.3%	31.3%	33.3%
Would not consider	81.2%	88.5%	83.3%	94.4%	88.9%	72.2%	66.7%	66.7%	68.8%	66.7%

**Providing multi-disciplinary services**

Already in place	8.7%	7.1%	0.0%	5.6%	6.7%	33.3%	5.9%	7.7%	0.0%	5.9%
Planning to provide	5.9%	14.3%	0.0%	5.6%	6.7%	5.6%	5.9%	0.0%	6.3%	5.9%
Would consider	42.7%	46.4%	44.4%	27.8%	26.7%	27.8%	41.2%	69.2%	43.8%	41.2%
Would not consider	42.7%	32.1%	55.6%	61.1%	60.0%	33.3%	47.1%	23.1%	50.0%	47.1%

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Hours worked**

**Standard -- 4/15 to 12/31**

Under 35 hours	10.8%	16.7%	0.0%	0.0%	20.8%	4.8%	0.0%	33.3%	5.9%	0.0%
35 - 39 hours	14.2%	13.3%	26.3%	15.8%	8.3%	19.0%	11.1%	26.7%	23.5%	11.1%
40 - 44 hours	64.5%	40.0%	63.2%	78.9%	66.7%	61.9%	77.8%	20.0%	64.7%	77.8%
45 - 48 hours	6.1%	13.3%	5.3%	0.0%	4.2%	9.5%	5.6%	13.3%	5.9%	5.6%
49 - 56 hours	2.7%	13.3%	0.0%	5.3%	0.0%	0.0%	5.6%	0.0%	0.0%	5.6%
57 - 64 hours	0.7%	0.0%	5.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
65 - 72 hours	0.3%	0.0%	0.0%	0.0%	0.0%	4.8%	0.0%	0.0%	0.0%	0.0%
Over 72 hours	0.7%	3.3%	0.0%	0.0%	0.0%	0.0%	0.0%	6.7%	0.0%	0.0%

**Minimum expected -- 1/1 to 3/1**

Under 35 hours	3.1%	10.0%	0.0%	0.0%	8.7%	0.0%	0.0%	0.0%	0.0%	0.0%
35 - 39 hours	3.8%	10.0%	0.0%	0.0%	4.3%	0.0%	5.6%	26.7%	5.9%	5.6%
40 - 44 hours	31.7%	16.7%	21.1%	22.2%	39.1%	52.4%	38.9%	26.7%	23.5%	38.9%
45 - 48 hours	22.5%	23.3%	21.1%	33.3%	30.4%	23.8%	16.7%	6.7%	5.9%	16.7%
49 - 56 hours	28.7%	10.0%	42.1%	44.4%	13.0%	23.8%	38.9%	13.3%	41.2%	38.9%
57 - 64 hours	6.5%	13.3%	5.3%	0.0%	4.3%	0.0%	0.0%	13.3%	23.5%	0.0%
65 - 72 hours	2.0%	3.3%	5.3%	0.0%	0.0%	0.0%	0.0%	13.3%	0.0%	0.0%
Over 72 hours	1.7%	13.3%	5.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Minimum expected -- 3/1 to 4/15**

Under 35 hours	2.4%	10.0%	0.0%	0.0%	4.3%	0.0%	5.9%	0.0%	0.0%	5.9%
35 - 39 hours	0.7%	0.0%	0.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%	0.0%
40 - 44 hours	17.8%	16.7%	21.1%	5.6%	21.7%	19.0%	17.6%	26.7%	17.6%	17.6%
45 - 48 hours	12.7%	6.7%	0.0%	5.6%	21.7%	23.8%	11.8%	33.3%	5.9%	11.8%
49 - 56 hours	39.4%	30.0%	36.8%	44.4%	30.4%	57.1%	41.2%	6.7%	23.5%	41.2%
57 - 64 hours	18.5%	13.3%	26.3%	38.9%	17.4%	0.0%	23.5%	6.7%	35.3%	23.5%
65 - 72 hours	3.8%	3.3%	5.3%	5.6%	0.0%	0.0%	0.0%	20.0%	5.9%	0.0%
Over 72 hours	4.8%	20.0%	10.5%	0.0%	0.0%	0.0%	0.0%	6.7%	11.8%	0.0%

**Average actual, last 4 wks of busy season**

Under 35 hours	1.4%	6.9%	0.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%	0.0%
35 - 39 hours	1.4%	3.4%	0.0%	0.0%	8.7%	0.0%	0.0%	0.0%	5.9%	0.0%
40 - 44 hours	12.7%	10.3%	0.0%	5.3%	21.7%	21.1%	22.2%	13.3%	5.9%	22.2%
45 - 48 hours	12.0%	0.0%	20.0%	5.3%	13.0%	15.8%	0.0%	40.0%	0.0%	0.0%
49 - 56 hours	36.1%	34.5%	30.0%	42.1%	17.4%	63.2%	33.3%	13.3%	35.3%	33.3%
57 - 64 hours	19.9%	3.4%	10.0%	31.6%	30.4%	0.0%	44.4%	6.7%	17.6%	44.4%
65 - 72 hours	10.0%	13.8%	30.0%	15.8%	4.3%	0.0%	0.0%	13.3%	11.8%	0.0%
Over 72 hours	6.5%	27.6%	10.0%	0.0%	0.0%	0.0%	0.0%	13.3%	23.5%	0.0%

	All TX Firms	Dallas			Houston			Fort Worth		
		Small	Medium	Large	Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	32	20	19	24	23	18	17	17	18

**Technology Initiatives**

% with Web site	70.8%	61.9%	68.8%	94.7%	50.0%	75.0%	100.0%	57.1%	53.3%	100.0%
% filing returns electronically	75.8%	85.7%	75.0%	68.4%	75.0%	60.0%	60.0%	78.6%	80.0%	60.0%

Charge for e-filing	\$24.36	\$19.38	\$14.40	\$22.50	\$32.22	\$10.33	\$17.50	\$24.00	\$28.64	\$17.50
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**Internet resources used**

Accounting research	74.1%	69.0%	70.6%	84.2%	62.5%	72.7%	77.8%	50.0%	60.0%	77.8%
Marketing	23.5%	34.5%	17.6%	47.4%	16.7%	18.2%	27.8%	25.0%	20.0%	27.8%
Other	13.3%	13.8%	17.6%	5.3%	8.3%	18.2%	5.6%	18.8%	6.7%	5.6%
Planning	30.6%	37.9%	41.2%	52.6%	8.3%	27.3%	22.2%	18.8%	13.3%	22.2%
Recruiting	25.5%	6.9%	11.8%	73.7%	8.3%	18.2%	61.1%	6.3%	26.7%	61.1%
Purchasing supplies	70.1%	65.5%	76.5%	78.9%	62.5%	59.1%	72.2%	68.8%	73.3%	72.2%
Tax research	91.2%	86.2%	88.2%	100.0%	91.7%	86.4%	94.4%	87.5%	93.3%	94.4%

**% of Revenues spent on IT**

Less than 1%	7.6%	9.4%	0.0%	5.3%	8.3%	0.0%	16.7%	11.8%	11.8%	16.7%
1.00% - 2.49%	38.0%	25.0%	47.4%	47.4%	41.7%	56.5%	38.9%	5.9%	52.9%	38.9%
2.50% - 3.99%	26.7%	37.5%	31.6%	26.3%	20.8%	21.7%	22.2%	35.3%	17.6%	22.2%
4.00% - 4.99%	10.9%	9.4%	10.5%	15.8%	8.3%	13.0%	16.7%	17.6%	5.9%	16.7%
5.00% or more	16.8%	18.8%	10.5%	5.3%	20.8%	8.7%	5.6%	29.4%	11.8%	5.6%

**Tax research resources used:**

Paper	58.5%	40.6%	47.4%	77.8%	62.5%	52.2%	77.8%	58.8%	75.0%	77.8%
CD-Rom	70.1%	65.6%	63.2%	72.2%	66.7%	65.2%	77.8%	58.8%	81.3%	77.8%
On-line subscriptions	56.5%	34.4%	68.4%	66.7%	29.2%	60.9%	66.7%	47.1%	56.3%	66.7%
Internet	68.4%	56.3%	63.2%	83.3%	66.7%	56.5%	77.8%	70.6%	68.8%	77.8%

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	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	24	23	18	17	17	18

**Region (as defined by U.S. Census)**

Midwest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Northeast	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
West	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**SubRegion (as defined by U.S. Census)**

East North Central (M)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
East South Central (S)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Middle Atlantic (N)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New England (N)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South Atlantic (S)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
West North Central (M)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
West South Central (S)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Mountain (W)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pacific (W)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other (O)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Average Household Income (see graphs or summary for definition)**

Lower -- Bottom -- <\$35K	20.6%	0.0%	0.0%	0.0%	0.0%	5.9%	0.0%
Lower -- Top -- \$35--\$39K	43.1%	54.2%	73.9%	94.4%	0.0%	0.0%	94.4%
Middle -- Bottom -- \$40-\$44K	9.2%	12.5%	13.0%	0.0%	52.9%	47.1%	0.0%
Middle -- Top -- \$45-49K	17.3%	0.0%	0.0%	0.0%	47.1%	47.1%	0.0%
Upper -- Bottom -- \$50-59K	9.8%	33.3%	13.0%	5.6%	0.0%	0.0%	5.6%
Upper -- Top -- \$60K+	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Firm Size**

Small -- <150K	24.8%	50.0%	0.0%	0.0%	70.6%	0.0%	0.0%
Small -- 150K-299K	16.7%	50.0%	0.0%	0.0%	29.4%	0.0%	0.0%
Medium -- 300K-549K	16.3%	0.0%	39.1%	0.0%	0.0%	35.3%	0.0%
Medium -- 550K-999K	14.7%	0.0%	60.9%	0.0%	0.0%	64.7%	0.0%
Large -- 1M-1.99M	12.7%	0.0%	0.0%	50.0%	0.0%	0.0%	50.0%
Large -- 2.0M+	14.7%	0.0%	0.0%	50.0%	0.0%	0.0%	50.0%

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	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18
<b>Firm Type</b>							
Sole prac., no employees	19.3%	33.3%	0.0%	0.0%	41.2%	0.0%	0.0%
Single-office firm	73.5%	66.7%	91.3%	88.9%	58.8%	88.2%	88.9%
Unified multi-office firm*	4.6%	0.0%	0.0%	11.1%	0.0%	11.8%	11.1%
Office of small reg. firm	2.3%	0.0%	8.7%	0.0%	0.0%	0.0%	0.0%
Office of reg./nat. firm	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Office of a 'Big 4' firm	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>% with Satellite Offices</b>	5.2%	0.0%	0.0%	22.2%	0.0%	5.9%	22.2%
<b>No +/- 20% chg, client fees</b>							
Incr. -- Merger	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Incr. -- General growth	14.7%	29.2%	17.4%	16.7%	35.3%	23.5%	16.7%
Incr. -- Other	1.6%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
Decr. -- Sale/downsize	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Decr. -- Client/staff loss	2.0%	4.2%	0.0%	0.0%	5.9%	0.0%	0.0%
Decr. -- Other	1.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
<b>Firm Tenure:</b>							
Less than one year	2.3%	12.5%	0.0%	0.0%	5.9%	0.0%	0.0%
1 to 5 years	14.7%	25.0%	17.4%	5.6%	47.1%	5.9%	5.6%
6 to 10 years	16.0%	12.5%	17.4%	11.1%	5.9%	5.9%	11.1%
11 to 20 years	33.3%	41.7%	26.1%	22.2%	35.3%	58.8%	22.2%
21 or more years	33.7%	8.3%	39.1%	61.1%	5.9%	29.4%	61.1%
<b>Most Recent FY End Date</b>							
1/02-11/02	1.0%	0.0%	0.0%	16.7%	0.0%	0.0%	16.7%
12/02	92.5%	95.8%	95.7%	77.8%	94.1%	100.0%	77.8%
1/03-5/03	5.2%	4.2%	0.0%	0.0%	5.9%	0.0%	0.0%
6/03	1.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
7/03-9/03	0.3%	0.0%	0.0%	5.6%	0.0%	0.0%	5.6%
<b>Member in...</b>							
PCPS	35.3%	25.0%	47.8%	55.6%	11.8%	17.6%	55.6%
AICPA	78.1%	58.3%	78.3%	88.9%	70.6%	82.4%	88.9%
AICPA Major Firms Group	1.6%	0.0%	0.0%	5.6%	0.0%	0.0%	5.6%
Large Firm Network Group	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Firm Network Group	0.7%	0.0%	0.0%	5.6%	0.0%	0.0%	5.6%
Small Firm Network Group	2.0%	0.0%	4.3%	0.0%	0.0%	0.0%	0.0%
None of the above	18.6%	33.3%	13.0%	11.1%	29.4%	17.6%	11.1%

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	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18

**Financial Information****A/R, WIP, and Prior Year**

Accounts receivable	\$182,862	\$19,998	\$76,980	\$1,012,036	\$10,514	\$68,984	\$1,012,036
Work in progress	\$84,015	\$7,811	\$18,896	\$273,090	\$3,170	\$22,875	\$273,090
Prior yr net client fees	\$991,560	\$135,741	\$563,071	\$3,348,442	\$101,112	\$530,145	\$3,348,442

**Income:**

Gross fees earned	\$1,123,111	\$144,771	\$591,413	\$3,733,072	\$129,712	\$591,050	\$3,733,072
Net Write-ups / (downs)	-\$83,730	-\$1,674	-\$9,048	-\$380,445	-\$3,260	-\$10,810	-\$380,445
Net client fees earned	\$1,039,349	\$143,097	\$582,365	\$3,352,628	\$126,452	\$580,239	\$3,352,628
Interest income	\$1,278	\$57	\$332	\$5,299	\$4	\$240	\$5,299
Other - rents & royalties	\$5,252	\$30	\$3,768	\$14,292	\$0	\$1,097	\$14,292
<i>Total income</i>	<i>\$1,045,879</i>	<i>\$143,184</i>	<i>\$586,465</i>	<i>\$3,372,218</i>	<i>\$126,456</i>	<i>\$581,576</i>	<i>\$3,372,218</i>

**Expenses (excluding Owners)**

Professional salaries	\$245,451	\$10,451	\$112,106	\$909,116	\$5,135	\$81,622	\$909,116
Paraprofessional salaries	\$46,026	\$10,084	\$45,595	\$80,742	\$17,018	\$37,603	\$80,742
Other salaries	\$55,924	\$7,391	\$20,683	\$179,396	\$5,247	\$36,432	\$179,396
Ret. plan costs	\$11,468	\$427	\$6,285	\$42,303	\$277	\$4,212	\$42,303
Other emp. bfts	\$21,546	\$1,241	\$6,608	\$70,173	\$6	\$13,689	\$70,173
Dues, library, CPE	\$21,570	\$3,328	\$11,203	\$60,225	\$3,053	\$10,812	\$60,225
Insurance (excl. health)	\$11,501	\$1,194	\$7,501	\$40,180	\$1,596	\$5,315	\$40,180
Office rent / occupancy	\$61,238	\$13,636	\$48,926	\$173,123	\$8,763	\$37,593	\$173,123
Interest	\$4,028	\$1,539	\$2,438	\$4,545	\$1,646	\$2,532	\$4,545
Computer / IT	\$18,917	\$4,498	\$9,834	\$48,782	\$4,236	\$10,299	\$48,782
Promotion and marketing	\$13,753	\$4,171	\$10,407	\$41,161	\$1,820	\$6,716	\$41,161
Payroll taxes	\$31,345	\$3,181	\$17,385	\$110,537	\$1,542	\$13,241	\$110,537
Telephone / Internet	\$9,624	\$3,601	\$8,576	\$23,558	\$3,014	\$6,997	\$23,558
Depreciation	\$17,118	\$3,227	\$8,123	\$43,106	\$2,352	\$12,582	\$43,106
Other expenses	\$87,573	\$11,946	\$66,374	\$276,992	\$13,107	\$39,993	\$276,992
<i>Total expenses</i>	<i>\$657,082</i>	<i>\$79,914</i>	<i>\$382,044</i>	<i>\$2,103,938</i>	<i>\$68,813</i>	<i>\$319,638</i>	<i>\$2,103,938</i>

<b>Net remaining for Owners</b>	<b>\$388,797</b>	<b>\$63,269</b>	<b>\$204,421</b>	<b>\$1,268,281</b>	<b>\$57,644</b>	<b>\$261,937</b>	<b>\$1,268,281</b>
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Net Remain per FT Eq Owner	\$171,578	\$56,239	\$118,217	\$265,454	\$54,441	\$145,329	\$265,454
Net Remain per Owner-hour	\$79	\$29	\$55	\$113	\$29	\$65	\$113

## Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	24	23	18	17	17	18

**Financial Information as a Percent of Net Client Fees****A/R, WIP, and Prior Year**

Accounts receivable	17.5%	14.0%	13.1%	30.0%	8.3%	11.9%	30.0%
Work in progress	8.0%	5.5%	3.2%	8.1%	2.5%	3.9%	8.1%
Prior yr net client fees	94.8%	94.8%	96.0%	99.3%	80.0%	91.2%	99.3%

**Income:**

Gross fees earned	107.4%	101.1%	100.8%	110.7%	102.6%	101.6%	110.7%
Net write-ups / (downs)	-8.0%	-1.2%	-1.5%	-11.3%	-2.6%	-1.9%	-11.3%
Net client fees earned	99.4%	99.9%	99.3%	99.4%	100.0%	99.8%	99.4%
Interest income	0.1%	0.0%	0.1%	0.2%	0.0%	0.0%	0.2%
Other - rents & royalties	0.5%	0.0%	0.6%	0.4%	0.0%	0.2%	0.4%
Total income	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Expenses:**

Professional salaries	23.5%	7.3%	19.1%	27.0%	4.1%	14.0%	27.0%
Paraprofessional salaries	4.4%	7.0%	7.8%	2.4%	13.5%	6.5%	2.4%
Other salaries	5.3%	5.2%	3.5%	5.3%	4.1%	6.3%	5.3%
Ret. plan costs	1.1%	0.3%	1.1%	1.3%	0.2%	0.7%	1.3%
Other emp. bfts	2.1%	0.9%	1.1%	2.1%	0.0%	2.4%	2.1%
Dues, library, CPE	2.1%	2.3%	1.9%	1.8%	2.4%	1.9%	1.8%
Insurance (excl. health)	1.1%	0.8%	1.3%	1.2%	1.3%	0.9%	1.2%
Office rent / occupancy	5.9%	9.5%	8.3%	5.1%	6.9%	6.5%	5.1%
Interest	0.4%	1.1%	0.4%	0.1%	1.3%	0.4%	0.1%
Computer / IT	1.8%	3.1%	1.7%	1.4%	3.3%	1.8%	1.4%
Promotion and marketing	1.3%	2.9%	1.8%	1.2%	1.4%	1.2%	1.2%
Payroll taxes	3.0%	2.2%	3.0%	3.3%	1.2%	2.3%	3.3%
Telephone / Internet	0.9%	2.5%	1.5%	0.7%	2.4%	1.2%	0.7%
Depreciation	1.6%	2.3%	1.4%	1.3%	1.9%	2.2%	1.3%
Other expenses	8.4%	8.3%	11.3%	8.2%	10.4%	6.9%	8.2%
Total expenses	62.8%	55.8%	65.1%	62.4%	54.4%	55.0%	62.4%

% Net remaining for Owners	<b>37.2%</b>	<b>44.2%</b>	<b>34.9%</b>	<b>37.6%</b>	<b>45.6%</b>	<b>45.0%</b>	<b>37.6%</b>
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**Income Per CPA -- Selected Statistics**

Gross fees earned	\$184,812	\$100,486	\$167,558	\$211,392	\$100,232	\$181,075	\$211,392
Net write-ups / (downs)	-\$13,778	-\$1,162	-\$2,563	-\$21,543	-\$2,519	-\$3,312	-\$21,543
Net client fees earned	\$171,029	\$99,324	\$164,995	\$189,849	\$97,713	\$177,763	\$189,849



## Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18
<b>Primary Office</b>							
Owned by the firm	11.1%	4.2%	8.7%	0.0%	0.0%	23.5%	0.0%
Leased / rented office	72.2%	70.8%	91.3%	100.0%	64.7%	76.5%	100.0%
Subleased / shared	5.2%	12.5%	0.0%	0.0%	17.6%	0.0%	0.0%
Home office	10.8%	12.5%	0.0%	0.0%	17.6%	0.0%	0.0%
Other	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Primary office area (sq. ft)</b>							
Primary office area (sq. ft)	3,685	1,021	2,415	9,101	868	2,686	9,101
Square feet per CPA	606	708	684	515	671	823	515
Annual rent per square foot	\$15.20	\$14.97	\$15.34	\$17.35	\$11.87	\$14.37	\$17.35
Annual rent per CPA	\$2.50	\$10.39	\$4.35	\$0.98	\$9.18	\$4.40	\$0.98

**Office types provided to staff (may not total 100%)**

'Hotel' offices	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Private offices	84.1%	62.5%	73.9%	88.9%	50.0%	94.1%	88.9%
Cubicles / workstations	30.9%	18.8%	30.4%	55.6%	30.0%	29.4%	55.6%
Shared offices	22.4%	18.8%	30.4%	33.3%	60.0%	5.9%	33.3%
Other	1.6%	6.3%	0.0%	0.0%	10.0%	0.0%	0.0%

FY '02 bad debt written off	\$19,198	\$997	\$12,385	\$92,695	\$1,497	\$3,784	\$92,695
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Charge int. on A/R? (% Yes)	21.6%	25.0%	26.1%	22.2%	17.6%	5.9%	22.2%
-- Interest amount	14.0%	16.4%	15.8%	14.5%	18.0%	18.0%	14.5%

**Delinquent fee methods used (may not total 100%):**

Collection agencies	12.0%	10.0%	15.8%	9.1%	8.3%	8.3%	9.1%
Factoring	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Suit for Fees	17.5%	20.0%	5.3%	27.3%	25.0%	33.3%	27.3%
Other	79.3%	75.0%	89.5%	81.8%	75.0%	58.3%	81.8%

**Accounts Receivable Aging:**

Current	52.4%	53.0%	56.4%	38.8%	59.4%	40.5%	38.8%
Over 30 Days	14.1%	11.7%	13.1%	21.0%	13.5%	18.0%	21.0%
Over 60 Days	10.3%	12.5%	10.4%	11.6%	6.9%	13.5%	11.6%
Over 90 Days	23.3%	22.8%	21.1%	28.6%	20.2%	27.9%	28.6%
<b>Total</b>	<b>100.1%</b>	<b>100.0%</b>	<b>101.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

## Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18
<b>Proportion of Services:</b>							
Auditing services	10.1%	7.0%	7.4%	20.6%	3.2%	4.5%	20.6%
Attestation services	0.4%	0.2%	0.3%	0.1%	0.6%	0.1%	0.1%
Business valuation	1.2%	0.2%	0.3%	0.3%	0.0%	2.3%	0.3%
Compilations	10.3%	13.4%	15.2%	7.9%	17.1%	10.9%	7.9%
Consulting services	7.6%	6.2%	9.8%	8.3%	13.2%	8.9%	8.3%
Financial advisory svcs	1.3%	0.0%	2.1%	0.4%	0.6%	0.9%	0.4%
IT services	0.5%	0.6%	0.0%	0.2%	2.6%	0.1%	0.2%
IT hardware sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Litigation support	1.2%	0.0%	1.5%	1.5%	1.4%	2.1%	1.5%
Mergers and acquisitions	0.2%	0.4%	0.2%	0.5%	0.0%	0.8%	0.5%
Reviews	1.6%	1.3%	2.2%	3.3%	0.5%	2.9%	3.3%
Tax -- individual	27.9%	27.7%	27.0%	22.3%	24.8%	31.6%	22.3%
Tax -- other than individual	23.8%	24.1%	26.1%	22.8%	27.1%	19.1%	22.8%
Write-up /data processing	11.8%	16.0%	5.6%	7.4%	8.5%	15.4%	7.4%
Other	2.1%	2.9%	2.1%	4.4%	0.3%	0.4%	4.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18

**Professional Accounting Staff -- Non-Owner staff was assigned by either years as an accountant OR by title**

**Number of Full-Time Professional Accounting Staff** (average number of full time accountants by class reported for firms)

Owners	2.248	1.125	1.696	4.778	1.059	1.706	4.778
Directors (11+ yrs)	0.690	0.000	0.478	1.389	0.059	0.588	1.389
Managers (6-10 yrs)	0.686	0.000	0.304	2.778	0.059	0.176	2.778
Sr. Associates (4-5 yrs)	0.719	0.000	0.174	2.833	0.000	0.294	2.833
Associates (1-3 yrs)	0.729	0.000	0.087	2.722	0.118	0.000	2.722
New CPAs (<1 yrs)	0.170	0.042	0.043	0.611	0.000	0.000	0.611
Unclassified	0.340	0.250	0.609	0.278	0.000	0.235	0.278
<b>Total CPAs</b>	<b>5.582</b>	<b>1.417</b>	<b>3.391</b>	<b>15.389</b>	<b>1.294</b>	<b>3.000</b>	<b>15.389</b>

**Number of Part-Time Full-Time Equivalent** (total number of compensated hours for part-time accountants by class divided by 2080)

Owners	0.018	0.000	0.034	0.000	0.000	0.096	0.000
Directors (11+ yrs)	0.126	0.000	0.055	0.566	0.000	0.134	0.566
Managers (6-10 yrs)	0.112	0.000	0.050	0.463	0.000	0.000	0.463
Sr. Associates (4-5 yrs)	0.103	0.000	0.000	0.357	0.000	0.033	0.357
Associates (1-3 yrs)	0.097	0.024	0.000	0.768	0.000	0.000	0.768
New CPAs (<1 yrs)	0.039	0.000	0.000	0.116	0.000	0.000	0.116
Unclassified	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total CPAs</b>	<b>0.495</b>	<b>0.024</b>	<b>0.138</b>	<b>2.271</b>	<b>0.000</b>	<b>0.264</b>	<b>2.271</b>

**Total Full-Time Equivalent** (Full-time professional accountants plus part time equivalents)

Owners	2.266	1.125	1.729	4.778	1.059	1.802	4.778
Directors (11+ yrs)	0.816	0.000	0.533	1.955	0.059	0.723	1.955
Managers (6-10 yrs)	0.798	0.000	0.354	3.241	0.059	0.176	3.241
Sr. Associates (4-5 yrs)	0.822	0.000	0.174	3.191	0.000	0.327	3.191
Associates (1-3 yrs)	0.826	0.024	0.087	3.490	0.118	0.000	3.490
New CPAs (<1 yrs)	0.209	0.042	0.043	0.728	0.000	0.000	0.728
Unclassified	0.340	0.250	0.609	0.278	0.000	0.235	0.278
<b>Total CPAs</b>	<b>6.077</b>	<b>1.441</b>	<b>3.530</b>	<b>17.659</b>	<b>1.294</b>	<b>3.264</b>	<b>17.659</b>

Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	24	23	18	17	17	18

**Professional Accounting Staff -- Compensated and Chargeable Hours**

**Full-Time -- Average compensated hours by class** (average number of compensated hours per full time accountant by class)

Owners	2,163	1,918	2,151	2,342	1,880	2,256	2,342
Directors (11+ yrs)	2,136	N/A	2,061	2,199	2,060	2,117	2,199
Managers (6-10 yrs)	2,146	N/A	2,055	2,121	N/A	2,058	2,121
Sr. Associates (4-5 yrs)	2,120	N/A	2,086	1,889	N/A	2,189	1,889
Associates (1-3 yrs)	2,136	N/A	2,183	2,164	2,070	N/A	2,164
New CPAs (<1 yrs)	1,927	1,000	N/A	1,922	N/A	N/A	1,922
Unclassified	2,008	1,062	2,103	2,154	N/A	1,970	2,154

**Part-Time -- Compensated hours per firm** (total number of compensated hours for part-time accountants by class)

Owners	37	0	70	0	0	201	0
Directors (11+ yrs)	263	0	114	1,177	0	279	1,177
Managers (6-10 yrs)	233	0	104	963	0	0	963
Sr. Associates (4-5 yrs)	214	0	0	744	0	69	744
Associates (1-3 yrs)	202	50	0	1,597	0	0	1,597
New CPAs (<1 yrs)	82	0	0	242	0	0	242
Unclassified	0	0	0	0	0	0	0

**Full-Time -- Chargeable Hours** (average number of chargeable hours per full time accountant by class)

Owners	1,241	1,272	1,258	1,259	1,174	1,395	1,259
Directors (11+)	1,365	N/A	1,306	1,410	1,800	1,389	1,410
Managers (6-10)	1,395	N/A	1,225	1,478	580	1,492	1,478
Sr. Associates (4-5)	1,452	N/A	1,146	1,202	N/A	1,654	1,202
Associates (1-3)	1,476	N/A	1,586	1,477	1,800	N/A	1,477
New CPAs (<1)	1,391	850	0	1,612	N/A	N/A	1,612
Unclassified	286	N/A	N/A	16	N/A	N/A	16

**Part-Time -- Chargeable Hours** (total number of chargeable hours for part-time accountants by class)

Owners	24	0	60	0	0	129	0
Directors (11+)	182	0	98	754	0	198	754
Managers (6-10)	169	0	89	697	0	0	697
Sr. Associates (4-5)	153	0	0	518	0	51	518
Associates (1-3)	149	33	0	1,237	0	0	1,237
New CPAs (<1)	53	0	0	121	0	0	121
Unclassified	8	0	0	87	0	0	87

**Full-Time Professional Accounting Staff -- Chargeability Ratio** (Chargeable Hours / Compensated Hours)

Owners	57%	66%	58%	54%	62%	62%	54%
Directors (11+)	64%	N/A	63%	64%	87%	66%	64%
Managers (6-10)	65%	N/A	60%	70%	N/A	72%	70%
Sr. Associates (4-5)	69%	N/A	55%	64%	N/A	76%	64%
Associates (1-3)	69%	N/A	73%	68%	87%	N/A	68%
New CPAs (<1)	72%	85%	N/A	84%	N/A	N/A	84%
Unclassified	14%	#VALUE!	#VALUE!	1%	N/A	#VALUE!	1%

Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	24	23	18	17	17	18

**Professional Accounting Staff -- Billing Rates and Gross Compensation or Net Remaining**

**Full-Time Professional Accounting Staff -- Average Billing Rates**

Owners	\$141.06	\$105.78	\$175.61	\$202.39	\$95.82	\$141.81	\$202.39
Directors (11+)	\$116.43	N/A	\$110.07	\$142.14	\$50.00	\$111.50	\$142.14
Managers (6-10)	\$118.74	N/A	\$115.00	\$143.75	\$150.00	\$92.50	\$143.75
Sr. Associates (4-5)	\$94.56	N/A	\$93.33	\$111.56	N/A	\$70.00	\$111.56
Associates (1-3)	\$80.12	N/A	\$80.00	\$92.73	\$75.00	N/A	\$92.73
New CPAs (<1)	\$73.47	\$90.00	N/A	\$97.75	N/A	N/A	\$97.75
Unclassified	\$81.84	N/A	N/A	\$106.25	N/A	N/A	\$106.25

**Part-Time Professional Accounting Staff -- Average Billing Rates**

Owners	\$155.90		\$125.00			\$90.00	
Directors (11+)	\$125.57	N/A	\$131.67	\$145.07	N/A	\$101.67	\$145.07
Managers (6-10)	\$98.89	N/A	N/A	\$124.33	N/A	\$75.00	\$124.33
Sr. Associates (4-5)	\$98.89	N/A	N/A	\$124.33	N/A	\$75.00	\$124.33
Associates (1-3)	\$80.38	\$55.00	N/A	\$97.29	N/A	N/A	\$97.29
New CPAs (<1)	\$61.36	N/A	N/A	\$63.33	N/A	N/A	\$63.33
Unclassified	\$73.10	\$36.00	\$45.00	\$58.33	N/A	N/A	\$58.33

**Full-Time Professional Accounting Staff -- Gross compensation (if Owner, net remaining) -- (average gross compensation)**

Owners*	\$ 138,862	\$ 70,790	\$ 126,347	\$ 266,483	\$ 59,662	\$ 165,145	\$ 266,483
Directors (11+)	\$ 65,901		\$ 57,076	\$ 78,543	\$ 42,000	\$ 59,068	\$ 78,543
Managers (6-10)	\$ 62,221		\$ 59,054	\$ 70,506	\$ 27,000	\$ 52,000	\$ 70,506
Sr. Associates (4-5)	\$ 50,261		\$ 56,634	\$ 56,834		\$ 53,804	\$ 56,834
Associates (1-3)	\$ 41,771		\$ 50,125	\$ 44,350	\$ 50,500		\$ 44,350
New CPAs (<1)	\$ 38,187	\$ 19,800	\$ 41,605	\$ 49,469			\$ 49,469
Unclassified	\$ 38,941	\$ 21,000	\$ 39,527	\$ 47,541		\$ 44,667	\$ 47,541

**Part-Time Professional Accounting Staff -- Salary or Net Remaining (if Owners)**

Owners	\$ 5,069	\$ -	\$ 5,896	\$ -	\$ -	\$ 1,907	\$ -
Directors (11+)	\$ 10,988	\$ -	\$ 5,228	\$ 67,084	\$ -	\$ 8,822	\$ 67,084
Managers (6-10)	\$ 7,247	\$ -	\$ 2,861	\$ 36,287	\$ -	\$ -	\$ 36,287
Sr. Associates (4-5)	\$ 5,373	\$ -	\$ -	\$ 23,119	\$ -	\$ 1,499	\$ 23,119
Associates (1-3)	\$ 4,288	\$ 930	\$ -	\$ 36,232	\$ -	\$ -	\$ 36,232
New CPAs (<1)	\$ 1,625	\$ -	\$ -	\$ 9,641	\$ -	\$ -	\$ 9,641
Unclassified	\$ 2,027	\$ -	\$ 1,702	\$ 1,172	\$ -	\$ 1,059	\$ 1,172

Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	24	23	18	17	17	18

**Professional Accounting Staff -- Selected Ratios**

**Full-Time -- Compensation by Compensated Hour**

	Small	Medium	Large	Small	Medium	Large
Owners	\$ 64.19	\$ 36.91	\$ 58.74	\$ 113.79	\$ 31.74	\$ 73.19
Directors (11+)	\$ 30.85	N/A	\$ 27.70	\$ 35.71	\$ 20.39	\$ 27.90
Managers (6-10)	\$ 29.00	N/A	\$ 28.73	\$ 33.25	N/A	\$ 25.26
Sr. Associates (4-5)	\$ 23.71	N/A	\$ 27.15	\$ 30.08	N/A	\$ 24.58
Associates (1-3)	\$ 19.55	N/A	\$ 22.96	\$ 20.49	\$ 24.40	N/A
New CPAs (<1)	\$ 19.81	\$ 19.80	N/A	\$ 25.74	N/A	N/A
Unclassified	\$ 19.39	\$ 19.78	\$ 18.80	\$ 22.07	N/A	\$ 22.67

**Part-Time -- Compensation by Compensated Hour** (not calculated if average compensated hours is less than 40, for statistic)

	Small	Medium	Large	Small	Medium	Large
Owners	\$ 138.13	N/A	\$ 84.49	N/A	N/A	\$ 9.50
Directors (11+)	\$ 41.83	N/A	\$ 45.89	\$ 56.98	N/A	\$ 31.58
Managers (6-10)	\$ 31.15	N/A	\$ 27.52	\$ 37.68	N/A	N/A
Sr. Associates (4-5)	\$ 25.09	N/A	N/A	\$ 31.09	N/A	\$ 21.63
Associates (1-3)	\$ 21.22	\$ 18.60	N/A	\$ 22.69	N/A	N/A
New CPAs (<1)	\$ 19.81	N/A	N/A	\$ 39.80	N/A	N/A
Unclassified	N/A	N/A	N/A	N/A	N/A	N/A

**Full-Time Professional Accounting Staff -- Billing Rate / Compensation per Hour**

	Small	Medium	Large	Small	Medium	Large
Owners	2.20	2.87	2.99	1.78	3.02	1.94
Directors (11+)	3.77	N/A	3.97	3.98	2.45	4.00
Managers (6-10)	4.09	N/A	4.00	4.32	N/A	3.66
Sr. Associates (4-5)	3.99	N/A	3.44	3.71	N/A	2.85
Associates (1-3)	4.10	N/A	3.48	4.53	3.07	N/A
New CPAs (<1)	3.71	4.55	N/A	3.80	N/A	N/A
Unclassified	4.22	#VALUE!	#VALUE!	4.81	N/A	#VALUE!

**Part-Time Professional Accounting Staff -- Billing Rate / Compensation per Hour**

	Small	Medium	Large	Small	Medium	Large
Owners	1.13	N/A	1.48	N/A	N/A	9.47
Directors (11+)	3.00	N/A	2.87	2.55	N/A	3.22
Managers (6-10)	3.17	N/A	#VALUE!	3.30	N/A	N/A
Sr. Associates (4-5)	3.94	N/A	N/A	4.00	N/A	3.47
Associates (1-3)	3.79	2.96	N/A	4.29	N/A	N/A
New CPAs (<1)	3.10	N/A	N/A	1.59	N/A	N/A
Unclassified	N/A	N/A	N/A	N/A	N/A	N/A

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	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18

**Non-Accounting Staff**

**Full-Time Number of Non-Accounting Employees Per Firm**

Computer professionals	0.15	0.00	0.00	0.29	0.00	0.00	0.29
Administrator / OM	0.40	0.09	0.52	0.83	0.07	0.40	0.83
Paraprofessionals	1.20	0.10	1.00	2.00	0.43	1.41	2.00
Clerical (data entry, etc.)	1.02	0.38	0.61	3.00	0.13	0.53	3.00
Other	0.29	0.00	0.29	0.61	0.00	0.13	0.61
<b>Non-CPA Total</b>	<b>3.07</b>	<b>0.57</b>	<b>2.42</b>	<b>6.74</b>	<b>0.63</b>	<b>2.48</b>	<b>6.74</b>

**Part-Time -- Number Full Time Equivalents (Part-Time Compensated Hours / 2080)**

Computer professionals	0.04	0.04	0.04	0.17	0.00	0.00	0.17
Administrator / OM	0.05	0.04	0.00	0.06	0.06	0.00	0.06
Paraprofessionals	0.42	0.04	0.30	0.39	0.18	0.35	0.39
Clerical (data entry, etc.)	0.61	0.25	0.30	1.33	0.35	0.24	1.33
Other	0.18	0.04	0.43	0.17	0.12	0.18	0.17
<b>Non-CPA Total</b>	<b>1.30</b>	<b>0.42</b>	<b>1.09</b>	<b>2.11</b>	<b>0.71</b>	<b>0.76</b>	<b>2.11</b>

**Total Full-Time Equivalents**

Computer professionals	0.19	0.04	0.04	0.46	0.00	0.00	0.46
Administrator / OM	0.45	0.13	0.52	0.89	0.13	0.40	0.89
Paraprofessionals	1.62	0.14	1.30	2.39	0.61	1.76	2.39
Clerical (data entry, etc.)	1.63	0.63	0.91	4.33	0.49	0.77	4.33
Other	0.47	0.04	0.72	0.78	0.12	0.31	0.78
<b>Non-CPA Total</b>	<b>4.37</b>	<b>0.98</b>	<b>3.51</b>	<b>8.85</b>	<b>1.34</b>	<b>3.24</b>	<b>8.85</b>

**Full-Time Equivalents Non-CPAs per Full-Time Equivalent CPA**

Computer professionals	0.031	0.029	0.012	0.026	0.000	0.000	0.026
Administrator / OM	0.075	0.092	0.148	0.050	0.101	0.123	0.050
Paraprofessionals	0.266	0.095	0.370	0.135	0.468	0.541	0.135
Clerical (data entry, etc.)	0.268	0.438	0.259	0.245	0.376	0.235	0.245
Other	0.078	0.029	0.204	0.044	0.091	0.095	0.044
<b>Non-CPA Total</b>	<b>0.719</b>	<b>0.683</b>	<b>0.993</b>	<b>0.501</b>	<b>1.035</b>	<b>0.994</b>	<b>0.501</b>

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	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18

**Non-Accounting Staff -- Compensated and Chargeable Hours**

**Average Compensated Hours for Full-Time Non-Accounting Staff**

Computer professionals	2,176	N/A	N/A	2,295	N/A	N/A	2,295
Administrator / OM	2,100	1,749	1,975	2,139	2,060	2,115	2,139
Paraprofessionals	2,008	1,900	1,994	2,038	1,797	1,925	2,038
Clerical (data entry, etc.)	2,024	1,723	1,990	1,944	1,040	2,083	1,944
Other	1,994	N/A	2,040	1,852	N/A	2,080	1,852

**Average Compensated Hours for Part-Time Non-Accounting Staff**

Computer professionals	40	52	54	173	0	0	173
Administrator / OM	63	21	0	99	64	0	99
Paraprofessionals	315	13	171	433	171	228	433
Clerical (data entry, etc.)	390	142	134	1,377	228	115	1,377
Other	118	46	130	142	11	117	142

**Full-Time -- Chargeable Hours per Full-Time Employee**

Computer professionals	286			16			16
Administrator / OM	406	641	476	217	1,000	727	217
Paraprofessionals	1,285	1,075	1,255	1,196	1,075	1,350	1,196
Clerical (data entry, etc.)	487	1,019	745	233	428	493	233
Other	519		825	324		100	324

**Part-Time -- Total Chargeable Hours Per Firm**

Computer professionals	8	0	0	87	0	0	87
Administrator / OM	9	2	0	0	18	0	0
Paraprofessionals	212	13	151	194	138	155	194
Clerical (data entry, etc.)	82	121	75	125	145	75	125
Other	28	42	109	58	0	0	58

**Full-Time -- Billing Rates**

Computer professionals	\$81.84			\$106.25			\$106.25
Administrator / OM	\$62.47	\$49.00	\$62.22	\$79.14	\$50.00	\$48.60	\$79.14
Paraprofessionals	\$61.45	\$42.50	\$61.31	\$73.50	\$50.00	\$64.54	\$73.50
Clerical (data entry, etc.)	\$46.01	\$38.75	\$50.75	\$59.00	\$42.50	\$45.83	\$59.00
Other	\$63.88		\$63.33	\$113.33		\$37.50	\$113.33

**Part-Time -- Billing Rates**

Computer professionals	\$73.10	\$36.00	\$45.00	\$58.33			\$58.33
Administrator / OM	\$63.86	\$50.00		\$50.00	\$75.00		\$50.00
Paraprofessionals	\$58.44	\$75.00	\$79.00	\$73.25	\$35.00	\$54.00	\$73.25
Clerical (data entry, etc.)	\$41.40	\$47.50	\$46.20	\$46.18	\$40.75	\$36.67	\$46.18
Other	\$51.33	\$60.00	\$125.00	\$48.00			\$48.00



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	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	24	23	18	17	17	18

**Non-Accounting Staff -- Billing Rates, Compensation, and Selected Ratios****Full-Time Non-Accounting Staff -- Compensation**

Computer professionals	46,489			63,011			63,011
Administrator / OM	40,221	32,856	34,486	55,384	30,000	29,873	55,384
Paraprofessionals	33,811	26,000	32,410	40,715	28,667	30,765	40,715
Clerical (data entry, etc.)	27,945	25,285	30,772	34,168	17,000	26,518	34,168
Other	32,742		28,902	52,787		22,960	52,787

**Part-Time Non-Accounting Staff -- Total Compensation**

Computer professionals	\$700	\$550	\$228	\$3,503	\$0	\$0	\$3,503
Administrator / OM	\$1,733	\$200	\$0	\$2,228	\$10,175	\$0	\$2,228
Paraprofessionals	\$4,909	\$188	\$2,367	\$9,673	\$1,533	\$4,658	\$9,673
Clerical (data entry, etc.)	\$4,829	\$1,375	\$1,729	\$15,744	\$2,408	\$1,104	\$15,744
Other	\$1,968	\$508	\$8,757	\$2,150	\$76	\$1,410	\$2,150

**Full-Time --- Compensation per Compensated Hour\***

Computer professionals	\$21.36	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*
Administrator / OM	\$19.15	\$18.79	\$17.46	\$25.90	\$14.56	\$14.12	\$25.90
Paraprofessionals	\$16.84	\$13.68	\$16.25	\$19.98	\$15.96	\$15.98	\$19.98
Clerical (data entry, etc.)	\$13.81	\$14.67	\$15.47	\$17.57	\$16.35	\$12.73	\$17.57
Other	\$16.42	N/A	\$14.17	\$28.50	N/A	\$11.04	\$28.50

**Full-Time --- Chargeability Ratio**

Computer professionals	13.1%	N/A	N/A	0.7%	N/A	N/A	0.7%
Administrator / OM	19.3%	36.6%	24.1%	10.2%	48.5%	34.4%	10.2%
Paraprofessionals	64.0%	56.6%	62.9%	58.7%	59.8%	70.2%	58.7%
Clerical (data entry, etc.)	24.1%	59.1%	37.4%	12.0%	41.1%	23.7%	12.0%
Other	26.0%	N/A	40.4%	17.5%	N/A	4.8%	17.5%

## Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	24	23	18	17	17	18

**Compensation Background and Statistics****Compensation Year Basis**

Fiscal 2002	16.3%	0.0%	21.7%	27.8%	11.8%	5.9%	27.8%
Calendar 2002	83.0%	100.0%	78.3%	72.2%	88.2%	94.1%	72.2%
Other	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Bonus as % of comp	5.2%	3.3%	7.7%	4.4%	3.0%	4.1%	4.4%
Avg annual salary inc.	5.1%	3.5%	4.2%	5.5%	5.0%	4.7%	5.5%

**Factors in bonus calc (may not total 100%)**

Attaining hours targets	46.5%	25.0%	52.9%	69.2%	0.0%	50.0%	69.2%
Obtaining new clients	40.1%	12.5%	11.8%	46.2%	28.6%	33.3%	46.2%
New proj. from ex. clients	16.0%	0.0%	5.9%	15.4%	0.0%	0.0%	15.4%
Outstanding achievement	52.9%	50.0%	47.1%	84.6%	57.1%	41.7%	84.6%
Passing CPA exam	15.0%	12.5%	0.0%	23.1%	14.3%	8.3%	23.1%
Other	22.5%	12.5%	17.6%	30.8%	0.0%	41.7%	30.8%

**Number of New CPA hires and Starting Salaries (by whether meeting 150 hour requirement)**

# new hires--meeting req.	0.20	0.04	0.00	0.67	0.00	0.18	0.67
# new hires--not meeting req	0.13	0.00	0.04	0.28	0.00	0.00	0.28
Starting sal.--meeting req*	\$35,026	\$48,000		\$41,400		\$38,750	\$41,400
Starting sal.--not mtng req*	\$33,712		\$33,000	\$38,833			\$38,833

\* Starting salary amounts are approximate.

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	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18
% billing by the hour:	90.8%	87.5%	95.7%	88.9%	82.4%	88.2%	88.9%
% fees billing rate-based	80.7%	73.0%	83.5%	87.1%	58.9%	78.0%	87.1%

**No standard billing rates for...** (may not total 100%)

Professional staff	57.8%	80.0%	60.0%	100.0%	50.0%	50.0%	100.0%
Clerical/administrative	92.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Bill separately for..** (may not total 100%)

Copying	64.0%	66.7%	42.9%	75.0%	66.7%	66.7%	75.0%
Clerical overtime	13.3%	33.3%	28.6%	0.0%	0.0%	0.0%	0.0%
Technology	48.0%	33.3%	85.7%	25.0%	33.3%	33.3%	25.0%
Fax charges	40.0%	0.0%	28.6%	75.0%	33.3%	33.3%	75.0%

**Approx comp/billing rate ratio (X times salary per hour)**

2 times	4.3%	4.3%	0.0%	0.0%	5.9%	0.0%	0.0%
2.5 times	11.6%	8.7%	4.5%	0.0%	17.6%	11.8%	0.0%
3 times	20.5%	26.1%	22.7%	16.7%	11.8%	29.4%	16.7%
3.5 times	22.5%	17.4%	27.3%	50.0%	11.8%	23.5%	50.0%
4 times	14.6%	4.3%	36.4%	5.6%	5.9%	17.6%	5.6%
>4 times	6.3%	4.3%	9.1%	27.8%	5.9%	0.0%	27.8%
Do not use	20.2%	34.8%	0.0%	0.0%	41.2%	17.6%	0.0%

Rate for CPA making \$50K	\$90.15	\$82.33	\$98.43	\$100.72	\$81.57	\$92.07	\$100.72
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**Adjust billing rates seasonally?**

Yes, routinely	10.9%	8.3%	17.4%	0.0%	17.6%	12.5%	0.0%
Occasionally	25.4%	33.3%	17.4%	27.8%	29.4%	25.0%	27.8%
Rarely	26.4%	12.5%	26.1%	33.3%	29.4%	25.0%	33.3%
Never	37.3%	45.8%	39.1%	38.9%	23.5%	37.5%	38.9%

## Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18
<b>Policies and Procedures</b>							
Retirement plan? (% Yes)	63.1%	33.3%	60.9%	88.9%	29.4%	82.4%	88.9%
Provide ptr retirement?	44.3%	55.6%	42.9%	56.3%	0.0%	28.6%	56.3%
<b>Of those with...</b>							
% funded	66.7%	100.0%	62.5%	75.0%	100.0%	100.0%	75.0%
% paid	33.3%	0.0%	37.5%	25.0%	0.0%	0.0%	25.0%
<b>Funding type (% of those funded)</b>							
Insurance	3.4%	0.0%	0.0%	16.7%	0.0%	0.0%	16.7%
Retirement plan	83.1%	100.0%	83.3%	83.3%	100.0%	100.0%	83.3%
Other	13.5%	0.0%	16.7%	0.0%	0.0%	0.0%	0.0%
<b>Paid type (% of those paid)</b>							
Equity (capital acct) buyout	43.2%	0.0%	33.3%	0.0%	0.0%	0.0%	0.0%
Consulting contract	5.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stock purchase	16.2%	0.0%	33.3%	25.0%	0.0%	0.0%	25.0%
Other	35.1%	0.0%	33.3%	75.0%	0.0%	100.0%	75.0%
Have employee handbook?	57.4%	25.0%	73.9%	82.4%	30.0%	41.2%	82.4%
Prof'l staff comp for OT?	52.4%	31.3%	39.1%	83.3%	30.0%	41.2%	83.3%
If yes, % at premium rate	42.3%	80.0%	37.5%	6.7%	100.0%	57.1%	6.7%
Pay prof'l for travel time?	63.7%	33.3%	61.1%	77.8%	40.0%	61.5%	77.8%
If yes, % at hourly rate	94.3%	100.0%	100.0%	92.9%	50.0%	100.0%	92.9%
<b>Paid Time Off Policies</b>							
Option of OT or comp time	36.7%	13.3%	39.1%	50.0%	20.0%	52.9%	50.0%
Comp time	29.8%	13.3%	34.8%	50.0%	10.0%	35.3%	50.0%
Formal sick leave policy	57.6%	26.7%	65.2%	61.1%	10.0%	64.7%	61.1%
Formal vacation policy	75.9%	66.7%	95.7%	72.2%	60.0%	82.4%	72.2%
Aggregated paid time off	20.8%	13.3%	26.1%	38.9%	10.0%	23.5%	38.9%
Incentive for client dev.	34.7%	13.3%	43.5%	55.6%	10.0%	41.2%	55.6%
Time off for CPA exam	59.6%	33.3%	56.5%	83.3%	30.0%	70.6%	83.3%
PTO/comp for prof'l act.	64.9%	20.0%	69.6%	72.2%	20.0%	64.7%	72.2%
PTO/comp for comm. act.	39.6%	6.7%	17.4%	27.8%	20.0%	47.1%	27.8%
Maternity in excess of PTO	12.7%	0.0%	17.4%	16.7%	20.0%	0.0%	16.7%
None of the above	9.8%	33.3%	4.3%	5.6%	20.0%	0.0%	5.6%

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	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18
<b>Benefits Offered</b> (For sole practitioners, benefits paid through the firm)							
Cafeteria plan	30.5%	18.8%	19.0%	66.7%	0.0%	17.6%	66.7%
Cont. education courses	91.1%	68.8%	100.0%	94.4%	80.0%	88.2%	94.4%
CPA examination fees	22.7%	12.5%	42.9%	38.9%	13.3%	35.3%	38.9%
CPA exam. review courses	11.7%	6.3%	28.6%	5.6%	0.0%	29.4%	5.6%
Dep. health insurance	17.7%	0.0%	14.3%	27.8%	6.7%	23.5%	27.8%
Dep. life insurance	3.9%	0.0%	4.8%	5.6%	0.0%	0.0%	5.6%
Dental insurance	15.6%	18.8%	23.8%	38.9%	6.7%	17.6%	38.9%
Health insurance -- HMO	16.0%	0.0%	19.0%	38.9%	13.3%	11.8%	38.9%
Health insurance -- Other	55.3%	37.5%	61.9%	72.2%	26.7%	52.9%	72.2%
Life insurance	39.4%	6.3%	47.6%	83.3%	6.7%	17.6%	83.3%
Long term care insurance	2.5%	0.0%	0.0%	5.6%	0.0%	5.9%	5.6%
LT disability insurance	24.1%	6.3%	9.5%	33.3%	20.0%	5.9%	33.3%
Advanced degree courses	3.9%	0.0%	0.0%	5.6%	0.0%	5.9%	5.6%
Medical savings account	4.6%	6.3%	9.5%	5.6%	0.0%	5.9%	5.6%
Professional dues	85.1%	68.8%	85.7%	94.4%	66.7%	94.1%	94.4%
Professional licenses	83.0%	56.3%	90.5%	88.9%	60.0%	94.1%	88.9%
Retirement plan	57.4%	37.5%	52.4%	77.8%	20.0%	76.5%	77.8%
ST disability insurance	8.9%	6.3%	4.8%	27.8%	0.0%	5.9%	27.8%
Other	7.1%	0.0%	4.8%	11.1%	0.0%	11.8%	11.1%
% using engagement letters	84.3%	83.3%	95.7%	94.4%	76.5%	82.4%	94.4%
% w/ control of client funds	14.1%	8.3%	8.7%	5.6%	5.9%	11.8%	5.6%
<b>Services Offered</b>							
Bankruptcy or insolvency	12.5%	22.2%	4.5%	23.5%	7.7%	0.0%	23.5%
Eldercare	11.8%	5.6%	9.1%	5.9%	23.1%	6.3%	5.9%
Estate tax planning	73.5%	33.3%	90.9%	82.4%	38.5%	68.8%	82.4%
Executive searches	9.6%	5.6%	9.1%	11.8%	0.0%	0.0%	11.8%
Forensic accounting	19.9%	11.1%	13.6%	29.4%	7.7%	18.8%	29.4%
Human resources services	9.6%	5.6%	13.6%	11.8%	7.7%	6.3%	11.8%
Insurance	12.9%	22.2%	22.7%	11.8%	7.7%	0.0%	11.8%
International services	10.3%	5.6%	27.3%	35.3%	7.7%	0.0%	35.3%
Investment sales	19.5%	22.2%	27.3%	5.9%	15.4%	6.3%	5.9%
Legal svcs within your firm	1.5%	0.0%	4.5%	11.8%	0.0%	0.0%	11.8%
Market feasibility studies	6.6%	5.6%	0.0%	0.0%	0.0%	6.3%	0.0%
Mergers and acquisitions	30.1%	22.2%	27.3%	52.9%	7.7%	25.0%	52.9%
Payroll processing	59.6%	55.6%	40.9%	35.3%	69.2%	62.5%	35.3%
Performance view	5.5%	16.7%	4.5%	5.9%	0.0%	0.0%	5.9%
Personal fin. planning	48.5%	38.9%	72.7%	70.6%	15.4%	37.5%	70.6%
Web Trust	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	8.8%	0.0%	9.1%	23.5%	0.0%	6.3%	23.5%

Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
Total # of Respondents	306	24	23	18	17	17	18

**Hiring non-CPA professionals**

Already in place	36.5%	31.3%	33.3%	50.0%	20.0%	11.8%	50.0%
Planning to provide	7.9%	0.0%	9.5%	11.1%	13.3%	17.6%	11.1%
Would consider	37.9%	31.3%	42.9%	27.8%	53.3%	47.1%	27.8%
Would not consider	17.7%	37.5%	14.3%	11.1%	13.3%	23.5%	11.1%

**Making non-CPAs Owners**

Already in place	2.3%	0.0%	0.0%	7.1%	6.7%	6.7%	7.1%
Planning to provide	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Would consider	14.9%	11.1%	17.6%	14.3%	13.3%	13.3%	14.3%
Would not consider	81.6%	88.9%	82.4%	78.6%	80.0%	80.0%	78.6%

**Hiring interns**

Already in place	18.8%	5.3%	15.0%	23.5%	6.7%	20.0%	23.5%
Planning to provide	8.6%	10.5%	10.0%	11.8%	6.7%	6.7%	11.8%
Would consider	51.1%	52.6%	50.0%	41.2%	53.3%	40.0%	41.2%
Would not consider	21.4%	31.6%	25.0%	23.5%	33.3%	33.3%	23.5%

**Merging with a non-CPA firm**

Already in place	0.8%	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Planning to provide	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Would consider	17.6%	5.6%	27.8%	33.3%	33.3%	31.3%	33.3%
Would not consider	81.2%	88.9%	72.2%	66.7%	66.7%	68.8%	66.7%

**Providing multi-disciplinary services**

Already in place	8.7%	6.7%	33.3%	5.9%	7.7%	0.0%	5.9%
Planning to provide	5.9%	6.7%	5.6%	5.9%	0.0%	6.3%	5.9%
Would consider	42.7%	26.7%	27.8%	41.2%	69.2%	43.8%	41.2%
Would not consider	42.7%	60.0%	33.3%	47.1%	23.1%	50.0%	47.1%

**Hours worked**

Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18
<b>Standard -- 4/15 to 12/31</b>							
Under 35 hours	10.8%	20.8%	4.8%	0.0%	33.3%	5.9%	0.0%
35 - 39 hours	14.2%	8.3%	19.0%	11.1%	26.7%	23.5%	11.1%
40 - 44 hours	64.5%	66.7%	61.9%	77.8%	20.0%	64.7%	77.8%
45 - 48 hours	6.1%	4.2%	9.5%	5.6%	13.3%	5.9%	5.6%
49 - 56 hours	2.7%	0.0%	0.0%	5.6%	0.0%	0.0%	5.6%
57 - 64 hours	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
65 - 72 hours	0.3%	0.0%	4.8%	0.0%	0.0%	0.0%	0.0%
Over 72 hours	0.7%	0.0%	0.0%	0.0%	6.7%	0.0%	0.0%
<b>Minimum expected -- 1/1 to 3/1</b>							
Under 35 hours	3.1%	8.7%	0.0%	0.0%	0.0%	0.0%	0.0%
35 - 39 hours	3.8%	4.3%	0.0%	5.6%	26.7%	5.9%	5.6%
40 - 44 hours	31.7%	39.1%	52.4%	38.9%	26.7%	23.5%	38.9%
45 - 48 hours	22.5%	30.4%	23.8%	16.7%	6.7%	5.9%	16.7%
49 - 56 hours	28.7%	13.0%	23.8%	38.9%	13.3%	41.2%	38.9%
57 - 64 hours	6.5%	4.3%	0.0%	0.0%	13.3%	23.5%	0.0%
65 - 72 hours	2.0%	0.0%	0.0%	0.0%	13.3%	0.0%	0.0%
Over 72 hours	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Minimum expected -- 3/1 to 4/15</b>							
Under 35 hours	2.4%	4.3%	0.0%	5.9%	0.0%	0.0%	5.9%
35 - 39 hours	0.7%	4.3%	0.0%	0.0%	0.0%	0.0%	0.0%
40 - 44 hours	17.8%	21.7%	19.0%	17.6%	26.7%	17.6%	17.6%
45 - 48 hours	12.7%	21.7%	23.8%	11.8%	33.3%	5.9%	11.8%
49 - 56 hours	39.4%	30.4%	57.1%	41.2%	6.7%	23.5%	41.2%
57 - 64 hours	18.5%	17.4%	0.0%	23.5%	6.7%	35.3%	23.5%
65 - 72 hours	3.8%	0.0%	0.0%	0.0%	20.0%	5.9%	0.0%
Over 72 hours	4.8%	0.0%	0.0%	0.0%	6.7%	11.8%	0.0%
<b>Average actual, last 4 wks of busy season</b>							
Under 35 hours	1.4%	4.3%	0.0%	0.0%	0.0%	0.0%	0.0%
35 - 39 hours	1.4%	8.7%	0.0%	0.0%	0.0%	5.9%	0.0%
40 - 44 hours	12.7%	21.7%	21.1%	22.2%	13.3%	5.9%	22.2%
45 - 48 hours	12.0%	13.0%	15.8%	0.0%	40.0%	0.0%	0.0%
49 - 56 hours	36.1%	17.4%	63.2%	33.3%	13.3%	35.3%	33.3%
57 - 64 hours	19.9%	30.4%	0.0%	44.4%	6.7%	17.6%	44.4%
65 - 72 hours	10.0%	4.3%	0.0%	0.0%	13.3%	11.8%	0.0%
Over 72 hours	6.5%	0.0%	0.0%	0.0%	13.3%	23.5%	0.0%

Technology Initiatives

## Survey Report Prepared for: Texas Society of CPAs

	All TX Firms	Austin/San Antonio			Other		
		Small	Medium	Large	Small	Medium	Large
<b>Total # of Respondents</b>	306	24	23	18	17	17	18
% with Web site	70.8%	50.0%	75.0%	100.0%	57.1%	53.3%	100.0%
% filing returns electronically	75.8%	75.0%	60.0%	60.0%	78.6%	80.0%	60.0%
Charge for e-filing	\$24.36	\$32.22	\$10.33	\$17.50	\$24.00	\$28.64	\$17.50

**Internet resources used**

Accounting research	74.1%	62.5%	72.7%	77.8%	50.0%	60.0%	77.8%
Marketing	23.5%	16.7%	18.2%	27.8%	25.0%	20.0%	27.8%
Other	13.3%	8.3%	18.2%	5.6%	18.8%	6.7%	5.6%
Planning	30.6%	8.3%	27.3%	22.2%	18.8%	13.3%	22.2%
Recruiting	25.5%	8.3%	18.2%	61.1%	6.3%	26.7%	61.1%
Purchasing supplies	70.1%	62.5%	59.1%	72.2%	68.8%	73.3%	72.2%
Tax research	91.2%	91.7%	86.4%	94.4%	87.5%	93.3%	94.4%

**% of Revenues spent on IT**

Less than 1%	7.6%	8.3%	0.0%	16.7%	11.8%	11.8%	16.7%
1.00% - 2.49%	38.0%	41.7%	56.5%	38.9%	5.9%	52.9%	38.9%
2.50% - 3.99%	26.7%	20.8%	21.7%	22.2%	35.3%	17.6%	22.2%
4.00% - 4.99%	10.9%	8.3%	13.0%	16.7%	17.6%	5.9%	16.7%
5.00% or more	16.8%	20.8%	8.7%	5.6%	29.4%	11.8%	5.6%

**Tax research resources used:**

Paper	58.5%	62.5%	52.2%	77.8%	58.8%	75.0%	77.8%
CD-Rom	70.1%	66.7%	65.2%	77.8%	58.8%	81.3%	77.8%
On-line subscriptions	56.5%	29.2%	60.9%	66.7%	47.1%	56.3%	66.7%
Internet	68.4%	66.7%	56.5%	77.8%	70.6%	68.8%	77.8%