



## AICPA PCPS / CPA.com MAP Survey Reports Guide

Results displayed in this report are for: FY2024

Welcome to the Guide for the AICPA PCPS/CPA.com National Management of an Accounting Practice (MAP) Survey Results Report!

Personalized reports (available to survey participants) include an Excel workbook that has been built specifically for each firm. This workbook includes multiple spreadsheets with a compendium of national statistics for firms of various sizes and those in various regions.

Reports are in "xlsx" format, which can be opened in Microsoft Excel 2007 or more recent version of Excel. If you cannot open your spreadsheet, please email [pcps@aicpa.org](mailto:pcps@aicpa.org) to request an alternate format.

### Private and Confidential

We print "Private and Confidential" at the top of the reports because this report contains information that many firms confine to owners. Benchmark quality is proportional to the number of participants; we lose a valuable incentive for future participation if participating firms share their report with non-participating firms.

### Medians

Statistics have been prepared using medians. The median value represents the middle value in a data range. Median values help to prevent unusually large or small data points (outliers) from skewing results. **Note that the median and respective percentiles are calculated for each metric.**

### Multiple Choice Questions

Results for multiple choice questions are based on firms that provided information for that section. This approach delivers the most accurate picture in these categories eliminating "nil" or "zero" answers, because not all firms had data to incorporate into those sections.

### Report Formatting

The results within the Excel workbook are split into several categories. The report contains the following tabs/spreadsheets:

**Firm Information** – geographic data on firms completing survey along with general demographic information on the firms including number of years in business, location, service lines and more.

**Key Performance Indicators** – detailed calculations provide valuable results and insight into how your firm is performing.

**Financial** – detailed income and expense data as well as breakdown of fee sources and billing protocols statistics.

**Staffing & Compensation** – all the details on staffing, billing rates, utilization, compensation and other talent trends including offshoring.

**Cyber Liability & Security** – details on cyber liability programs, coverage and practices.

**Artificial Intelligence (AI)** – various statistics on how firms view AI use within their practices now and in the foreseeable future.

## Other important information

### FTE (Full-Time Equivalent)

The AICPA PCPS /CPA.com National MAP survey continues to use full time equivalent (FTE) basis for calculating the number of staff, where 2080 hours (52 weeks x 40 hours) equals 1 FTE. That is, if a firm had one manager who worked 2,310 hours, they would have entered the compensated hours, and the system would have interpreted the firm as having 1.11 FTE managers. This response would be equivalent to a firm that had 2 managers, one of whom worked 1,000 hours, and one of whom worked 1,310 hours.

### Comparison with past years

Some respondents may compare this year's results to prior years. With each fielding of the MAP Survey, different firms respond and questions are updated. These differences can have significant impacts on observed metrics. In 2018, significant data mapping was performed to streamline data collection and the n/a option was implemented on survey questions that may not be applicable to all firm respondents. In instances when n/a was selected, the response was treated as "nil" and removed from the reported results. Some changes from year to year may be an artifact of the different firms who completed the survey or use of the n/a option.

### Top Performers

Top Performers are included in the Personalized Report only. "Top Performing" firms include the top 25% of firms with regard to net income per partner. Statistics in this column are the median of this controlled group for each metric. Top Performers are based only on earnings, not benefits or balance.

### Insufficient Data

There may be some areas where not enough responses were gathered to provide meaningful benchmarking statistics. Often a particular survey question is 'not applicable' for the small firm respondent. Under these circumstances, the reports indicate a dash ("-") where there was not enough data collected to include in the report. For example, this is true especially with respect to staffing for the <\$200K tier firms. Data for the \$200-500K firms will have similar instances.

Thank you again for your participation. Please feel free to send your feedback and questions to [pcps@aicpa.org](mailto:pcps@aicpa.org).

AICPA PCPS/CPA.com National MAP Survey

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| Profile   |     |     |      |     |      |     |      |     |     |      |     |
|---|-----|-----|------|-----|------|-----|------|-----|-----|------|-----|
|   |     |     |      |     |      |     |      |     |     |      |     |
| <b>Type of entity</b>                                     |     |     |      |     |      |     |      |     |     |      |     |
| Corporation   | 42% | 36% | 46%  | 40% | 31%  | 41% | 50%  | 56% | 45% | 38%  | 19% |
| LLC   | 33% | 36% | 50%  | 29% | 40%  | 35% | 45%  | 36% | 40% | 40%  | 39% |
| Partnership   | 19% | -   | 4%   | 29% | 2%   | 2%  | 2%   | 8%  | 15% | 23%  | 42% |
| Sole Proprietorship                                       | 6%  | 27% | -    | 2%  | 27%  | 23% | 2%   | -   | 1%  | -    | -   |
|   |     |     |      |     |      |     |      |     |     |      |     |
| <b>Firm operates as an alternative practice structure</b> |     |     |      |     |      |     |      |     |     |      |     |
| Private Equity Investment (minority or majority)          | 4%  | -   | -    | 8%  | -    | -   | -    | -   | -   | -    | 25% |
| Our firm operates as part of a platform                   | -   | -   | -    | -   | -    | 3%  | -    | -   | -   | -    | -   |
| Employee Stock Ownership Plan (ESOP)                      | -   | -   | -    | -   | -    | -   | -    | -   | -   | -    | -   |
| Non-CPA Ownership   | 2%  | -   | -    | 4%  | -    | 3%  | -    | 3%  | 4%  | -    | -   |
| We don't operate in an alternative practice structure     | 94% | -   | 100% | 88% | 100% | 93% | 100% | 97% | 96% | 100% | 75% |
| Other   | -   | -   | -    | -   | -    | -   | -    | -   | -   | -    | -   |
|   |     |     |      |     |      |     |      |     |     |      |     |
| <b>Firm owners and CPAs</b>                               |     |     |      |     |      |     |      |     |     |      |     |
| Equity Owners in firm                                     | 2   | 1   | 1    | 3   | 1    | 1   | 1    | 2   | 2   | 4    | 7   |
| CPAs in firm  | 3   | 1   | 2    | 7   | 1    | 1   | 1    | 2   | 6   | 13   | 37  |
|   |     |     |      |     |      |     |      |     |     |      |     |
| <b>Number of Years in Business</b>                        |     |     |      |     |      |     |      |     |     |      |     |
| Less than one year  | -   | -   | -    | -   | -    | -   | -    | -   | -   | -    | -   |
| 1 to 5 years  | 7%  | 14% | -    | 10% | 23%  | 12% | 5%   | 6%  | 5%  | 3%   | -   |
| 6 to 10 years   | 12% | 9%  | 23%  | 4%  | 17%  | 18% | 23%  | 16% | 4%  | 5%   | 3%  |
| 11 to 20 years  | 19% | 36% | 23%  | 13% | 23%  | 26% | 34%  | 17% | 16% | 8%   | 6%  |
| 21 or more years  | 61% | 41% | 54%  | 73% | 38%  | 44% | 39%  | 61% | 75% | 85%  | 90% |
|   |     |     |      |     |      |     |      |     |     |      |     |
| <b>Firm's major revenue service line</b>                  |     |     |      |     |      |     |      |     |     |      |     |
| Advisory/Consulting Services                              | 3%  | 5%  | 8%   | -   | 6%   | 3%  | 5%   | 2%  | 2%  | 3%   | -   |
| Audit & Assurance Services                                | 11% | 9%  | -    | 19% | 4%   | 3%  | 7%   | 8%  | 16% | 13%  | 29% |
| Client Accounting Advisory Services                       | 7%  | 18% | 12%  | 2%  | 17%  | 11% | 7%   | 11% | 7%  | -    | 3%  |
| Tax Services  | 78% | 68% | 81%  | 77% | 71%  | 80% | 82%  | 80% | 74% | 85%  | 68% |
| Other   | 1%  | -   | -    | 2%  | 2%   | 3%  | -    | -   | 1%  | -    | -   |

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| Private and Confidential   | Texas State Report - All Results are Reported on Median Values |           |           |             |                                 |           |           |           |             |             |              |
|--|--|-----------|-----------|-------------|---------------------------------|-----------|-----------|-----------|-------------|-------------|--------------|
|  | TX by Net Client Fees  |           |           |             | South Region by Net Client Fees |           |           |           |             |             |              |
|  | All TX   | <500K     | 500K<1.5M | 1.5M+       | <200K                           | 200<500K  | 500<750K  | 750K<1.5M | 1.5<5M      | 5<10M       | 10M+         |
| Number of Firms  | 108  | 22        | 26        | 48          | 48                              | 66        | 44        | 64        | 101         | 40          | 31           |
| <b>Net Client Fees (NCF)</b>                                       |  |           |           |             |                                 |           |           |           |             |             |              |
| Total Net client fees  | \$1,488,283  | \$205,997 | \$910,955 | \$3,432,566 | \$99,969                        | \$339,834 | \$613,181 | \$982,906 | \$2,505,207 | \$6,450,961 | \$20,333,739 |
| Net client fees earned - prior FY                                  | \$1,410,491  | \$207,462 | \$855,084 | \$3,146,255 | \$76,700                        | \$313,561 | \$551,112 | \$935,787 | \$2,392,950 | \$6,132,213 | \$16,093,280 |
| Net client fees per partner/owner                                  | \$821,873  | \$205,997 | \$688,719 | \$1,406,878 | \$89,153                        | \$294,501 | \$580,058 | \$732,919 | \$940,770   | \$1,638,191 | \$2,125,345  |
| Net client fees per FTE professional                               | \$200,000  | \$182,277 | \$180,750 | \$220,985   | \$76,108                        | \$204,400 | \$172,938 | \$170,781 | \$210,565   | \$242,098   | \$231,065    |
| % change in net client fees from prior year                        | 5.68%  | 0.89%     | 8.02%     | 6.03%       | 7.87%                           | 3.96%     | 7.95%     | 5.70%     | 5.53%       | 5.99%       | 10.84%       |
| <b>Partner Compensation and Net Remaining Per Owner</b>            |  |           |           |             |                                 |           |           |           |             |             |              |
| Compensation - equity partner/owner                                | \$245,839  | \$138,682 | \$200,000 | \$355,332   | \$48,500                        | \$120,000 | \$150,000 | \$180,000 | \$304,465   | \$362,784   | \$363,921    |
| Net remaining per partner/owner                                    | \$265,810  | \$106,480 | \$194,679 | \$463,773   | \$42,550                        | \$155,227 | \$189,673 | \$213,601 | \$361,701   | \$489,968   | \$635,761    |
| Net remaining for partner/owners as % of net client fees           | 35.8%  | 66.7%     | 29.5%     | 34.1%       | 59.2%                           | 50.4%     | 39.8%     | 34.5%     | 36.0%       | 28.0%       | 26.9%        |
| <b>Ratios and Expenses</b>   |  |           |           |             |                                 |           |           |           |             |             |              |
| Firm leverage ratio  | 3.79   | -         | 2.65      | 4.48        | -                               | 1.45      | 2.00      | 2.50      | 3.33        | 5.67        | 7.43         |
| Firm realization %   | 99.1%  | 100.0%    | 99.5%     | 94.6%       | 100.0%                          | 100.0%    | 100.0%    | 99.1%     | 97.8%       | 92.8%       | 83.6%        |
| Utilization % - firmwide   | 57.8%  | 59.1%     | 55.4%     | 58.6%       | 50.0%                           | 60.1%     | 61.6%     | 57.7%     | 59.1%       | 59.8%       | 58.4%        |
| Total expenses (leverage ratio)                                    | 64.7%  | 34.2%     | 70.6%     | 67.3%       | 40.8%                           | 50.3%     | 63.4%     | 65.5%     | 64.0%       | 73.2%       | 73.3%        |
| Salary expenses (excluding owners) as a % of net client fees       | 36.1%  | 19.6%     | 34.3%     | 39.3%       | 7.6%                            | 21.9%     | 27.0%     | 32.0%     | 33.9%       | 40.8%       | 39.2%        |
| Office rent and other occupancy expenses as a % of net client fees | 4.0%   | 2.2%      | 5.9%      | 3.8%        | 2.2%                            | 4.2%      | 3.9%      | 4.6%      | 4.0%        | 3.8%        | 3.8%         |
| Firm turnover ratio %  | 0.03%  | 0.00%     | 0.90%     | 8.76%       | 0.00%                           | 0.00%     | 0.00%     | 0.00%     | 3.00%       | 9.00%       | 12.00%       |
| <b>Service Fees (for firms offering the service)</b>               |  |           |           |             |                                 |           |           |           |             |             |              |
| Audit & Attest Service Fees  | \$988,500  | -         | -         | \$1,474,024 | -                               | -         | -         | \$240,356 | \$508,377   | \$980,701   | \$3,823,294  |
| Review, compilation & preparation Service Fees                     | \$127,900  | -         | \$80,495  | \$337,442   | -                               | \$30,940  | \$35,458  | \$80,495  | \$139,125   | \$462,129   | \$1,047,374  |
| SOC Reporting Service Fees   | -  | -         | -         | -           | -                               | -         | -         | -         | -           | -           | -            |
| Tax-Individual Compliance and planning for compliance Service Fees | \$370,435  | \$50,000  | \$200,000 | \$798,923   | \$40,260                        | \$115,080 | \$200,000 | \$324,487 | \$675,012   | \$1,443,675 | \$2,821,291  |
| Tax-Business Compliance and planning Service Fees                  | \$490,842  | \$26,360  | \$274,500 | \$1,009,251 | \$22,385                        | \$78,700  | \$152,704 | \$318,682 | \$700,000   | \$1,694,749 | \$4,249,199  |
| Tax-Other Service Fees   | \$68,288   | \$5,333   | \$26,000  | \$169,046   | \$3,497                         | \$12,063  | \$23,068  | \$48,393  | \$89,897    | \$312,855   | \$1,096,896  |
| Client Accounting Advisory Service Fees                            | \$274,013  | \$22,865  | \$377,959 | \$647,193   | \$29,080                        | \$62,718  | \$141,119 | \$188,407 | \$473,017   | \$1,049,853 | \$2,488,774  |
| Business Valuation Service Fees                                    | \$48,075   | -         | -         | \$58,975    | -                               | -         | -         | -         | \$30,000    | \$32,321    | \$148,860    |
| Cybersecurity Assurance and Consulting Service Fees                | -  | -         | -         | -           | -                               | -         | -         | -         | -           | -           | -            |
| ESG/Sustainability assurance and consulting/advisory Service Fees  | -  | -         | -         | -           | -                               | -         | -         | -         | -           | -           | -            |
| Individual Planning Service Fees                                   | \$37,592   | -         | \$25,000  | -           | \$4,000                         | \$6,000   | \$6,750   | \$29,892  | \$100,000   | \$300,000   | -            |
| Forensic Accounting Service Fees                                   | -  | -         | -         | -           | -                               | -         | -         | -         | -           | -           | -            |
| Other Services Fees  | \$137,649  | -         | \$58,884  | \$257,223   | \$5,295                         | \$18,100  | \$44,585  | \$52,129  | \$126,752   | \$406,329   | \$1,002,049  |
| <b>Net Hourly Rate</b>   |  |           |           |             |                                 |           |           |           |             |             |              |
| Net hourly rate  | \$175  | \$158     | \$175     | \$178       | \$76                            | \$158     | \$136     | \$177     | \$166       | \$190       | \$191        |
| <b>Average Hourly Billing Rates</b>                                |  |           |           |             |                                 |           |           |           |             |             |              |
| Equity Partners/Owners   | \$312.50   | \$190.00  | \$292.50  | \$350.00    | \$175.00                        | \$200.00  | \$217.50  | \$250.00  | \$280.00    | \$320.00    | \$421.53     |
| Directors/Non- Equity Partners (11+ Yrs Exp)                       | \$277.50   | -         | -         | \$317.50    | -                               | -         | -         | -         | \$232.50    | \$276.50    | \$345.00     |
| Senior Managers (8-10 Yrs Exp)                                     | \$243.00   | -         | -         | \$249.00    | -                               | -         | -         | \$130.00  | \$187.50    | \$237.00    | \$269.88     |
| Managers (6-7 Yrs Exp)   | \$194.00   | -         | -         | \$205.00    | -                               | -         | -         | -         | \$166.00    | \$187.18    | \$240.15     |
| Senior Associates (4-5 Yrs Exp)                                    | \$146.67   | -         | -         | \$152.00    | -                               | -         | \$112.50  | \$132.50  | \$148.50    | \$154.75    | \$186.39     |

|  |          |       |       |          |       |         |          |          |          |          |          |
|--|----------|-------|-------|----------|-------|---------|----------|----------|----------|----------|----------|
| Associates (1-3 Yrs Exp)                     | \$126.00 | -     | -     | \$142.00 | -     | -       | \$100.00 | \$110.00 | \$125.00 | \$136.00 | \$147.19 |
| New Professionals (<1Yr Exp)                 | \$125.00 | -     | -     | \$125.00 | -     | -       | -        | \$95.00  | \$106.50 | \$125.00 | \$137.36 |
| Paraprofessionals                            | \$87.00  | -     | -     | \$108.50 | -     | \$75.00 | \$97.57  | \$80.00  | \$104.00 | \$112.00 | \$132.25 |
| Interns                                      | \$100.00 | -     | -     | \$100.00 | -     | -       | -        | -        | \$77.50  | \$95.00  | \$110.00 |
| Prof Subcontractors                          | \$192.00 | -     | -     | \$192.00 | -     | -       | -        | -        | \$178.00 | \$180.00 | -        |
| <b>Average Chargeable Hours</b>              |          |       |       |          |       |         |          |          |          |          |          |
| Equity Partners/Owners                       | 1,090    | 1,281 | 1,215 | 1,009    | 1,000 | 1,300   | 1,478    | 1,270    | 1,271    | 1,019    | 873      |
| Directors/Non- Equity Partners (11+ Yrs Exp) | 1,116    | -     | -     | 1,055    | -     | -       | -        | 1,079    | 1,335    | 1,109    | 1,055    |
| Senior Managers (8-10 Yrs Exp)               | 1,300    | -     | -     | 1,281    | -     | -       | -        | 1,520    | 1,418    | 1,136    | 1,261    |
| Managers (6-7 Yrs Exp)                       | 1,357    | -     | -     | 1,336    | -     | -       | -        | 1,500    | 1,500    | 1,300    | 1,324    |
| Senior Associates (4-5 Yrs Exp)              | 1,429    | -     | -     | 1,384    | -     | -       | 1,604    | 1,546    | 1,457    | 1,429    | 1,405    |
| Associates (1-3 Yrs Exp)                     | 1,313    | -     | 1,087 | 1,353    | -     | 1,500   | 1,206    | 1,352    | 1,357    | 1,373    | 1,310    |
| New Professionals (<1Yr Exp)                 | 1,190    | -     | -     | 1,228    | -     | -       | -        | 1,425    | 1,160    | 1,387    | 1,258    |
| Paraprofessionals                            | 867      | -     | -     | 1,044    | -     | 743     | 1,139    | 800      | 1,131    | 1,306    | 1,271    |
| Interns                                      | 1,160    | -     | -     | 1,065    | -     | -       | -        | 378      | 683      | 1,135    | 1,186    |
| Prof Subcontractors                          | 700      | -     | -     | 850      | -     | -       | -        | -        | 1,300    | 902      | -        |

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|---|--|-----------|-----------|-------------|---------------------------------|-----------|-----------|-----------|-------------|-------------|--------------|
|   | TX by Net Client Fees  |           |           |             | South Region by Net Client Fees |           |           |           |             |             |              |
|   | All TX   | <500K     | 500K<1.5M | 1.5M+       | <200K                           | 200<500K  | 500<750K  | 750K<1.5M | 1.5<5M      | 5<10M       | 10M+         |
| Number of Firms   | 108  | 22        | 26        | 48          | 48                              | 66        | 44        | 64        | 101         | 40          | 31           |
| Income Analysis   |  |           |           |             |                                 |           |           |           |             |             |              |
| Income  |  |           |           |             |                                 |           |           |           |             |             |              |
| Net client fees earned  | \$1,488,283  | \$205,997 | \$910,955 | \$3,432,566 | \$99,969                        | \$339,834 | \$613,181 | \$982,906 | \$2,505,207 | \$6,450,961 | \$20,333,739 |
| Other income  | \$895  | \$38      | \$378     | \$5,740     | \$0                             | \$9       | \$778     | \$200     | \$1,600     | \$21,429    | \$40,394     |
| Net Client Fees (NCF)   |  |           |           |             |                                 |           |           |           |             |             |              |
| Net Client Fees % changed from Prior FY   | 5.68%  | 0.89%     | 8.02%     | 6.03%       | 7.87%                           | 3.96%     | 7.95%     | 5.70%     | 5.53%       | 5.99%       | 10.84%       |
| NCF per partner/owner   | \$821,873  | \$205,997 | \$688,719 | \$1,406,878 | \$89,153                        | \$294,501 | \$580,058 | \$732,919 | \$940,770   | \$1,638,191 | \$2,125,345  |
| Net client fees per FTE professional  | \$200,000  | \$182,277 | \$180,750 | \$220,985   | \$76,108                        | \$204,400 | \$172,938 | \$170,781 | \$210,565   | \$242,098   | \$231,065    |
| Net client fees per total FTE employees (excludes Equity Partners and Subcontractors) | \$164,593  | \$174,972 | \$117,477 | \$171,060   | \$83,305                        | \$163,256 | \$105,956 | \$116,554 | \$154,958   | \$194,976   | \$207,472    |
| Firm realization %  | 99.1%  | 100.0%    | 99.5%     | 94.6%       | 100.0%                          | 100.0%    | 100.0%    | 99.1%     | 97.8%       | 92.8%       | 83.6%        |
| Net Remaining for Partner/Owner   |  |           |           |             |                                 |           |           |           |             |             |              |
| Net remaining for partner/owner   | \$421,325  | \$106,480 | \$252,489 | \$1,255,983 | \$45,930                        | \$156,649 | \$258,036 | \$337,000 | \$887,233   | \$2,110,644 | \$4,745,000  |
| Net remaining for partner/owners as % of net client fees                              | 35.8%  | 66.7%     | 29.5%     | 34.1%       | 59.2%                           | 50.4%     | 39.8%     | 34.5%     | 36.0%       | 28.0%       | 26.9%        |
| Net remaining for partner/owner as a % of total income                                | 35.8%  | 66.2%     | 29.5%     | 33.7%       | 59.2%                           | 49.7%     | 39.7%     | 34.5%     | 36.0%       | 27.4%       | 26.8%        |
| Net remaining per partner/owner   | \$265,810  | \$106,480 | \$194,679 | \$463,773   | \$42,550                        | \$155,227 | \$189,673 | \$213,601 | \$361,701   | \$489,968   | \$635,761    |
| Net remaining per partner/owner per hour  | \$62.20  | \$80.82   | \$81.01   | \$39.30     | \$34.72                         | \$72.08   | \$65.66   | \$66.98   | \$50.51     | \$44.42     | \$29.75      |
| Expense Analysis  |  |           |           |             |                                 |           |           |           |             |             |              |
| Expenses as a % of Net Client Fees  |  |           |           |             |                                 |           |           |           |             |             |              |
| Salary expenses (excluding partner/owner)   | 36.1%  | 19.6%     | 34.3%     | 39.3%       | 7.6%                            | 21.9%     | 27.0%     | 32.0%     | 33.9%       | 40.8%       | 39.2%        |
| Payments to retired partners  | 0.6%   | -         | -         | 2.7%        | -                               | 0.0%      | -         | 1.1%      | 1.0%        | 2.1%        | 2.4%         |
| Retirement plan costs (excluding partner/owner)                                       | 1.2%   | -         | 0.8%      | 1.3%        | -                               | 0.6%      | 0.8%      | 0.8%      | 1.1%        | 1.0%        | 1.4%         |
| Payroll taxes and other employment expenses (including partner/owner)                 | 3.6%   | 1.4%      | 3.1%      | 5.0%        | 0.7%                            | 2.5%      | 4.1%      | 3.9%      | 3.9%        | 5.3%        | 6.1%         |
| Office rent and other occupancy costs   | 4.0%   | 2.2%      | 5.9%      | 3.8%        | 2.2%                            | 4.2%      | 3.9%      | 4.6%      | 4.0%        | 3.8%        | 3.8%         |
| Technology expenses   | 5.7%   | 6.3%      | 5.8%      | 5.2%        | 10.0%                           | 6.2%      | 6.1%      | 6.1%      | 6.3%        | 5.9%        | 5.2%         |
| Recruiting expenses   | 0.2%   | -         | -         | 0.5%        | 0.0%                            | 0.0%      | 0.0%      | 0.1%      | 0.1%        | 0.3%        | 0.4%         |
| Learning and development expenses   | 0.4%   | 0.4%      | 0.5%      | 0.3%        | 0.8%                            | 0.4%      | 0.4%      | 0.4%      | 0.3%        | 0.5%        | 0.6%         |
| Promotional marketing expenses  | 0.5%   | 0.4%      | 0.6%      | 0.5%        | 0.2%                            | 0.4%      | 0.5%      | 0.3%      | 0.3%        | 0.6%        | 0.9%         |
| Professional liability expenses   | 0.4%   | 0.4%      | 0.5%      | 0.4%        | 0.8%                            | 0.5%      | 0.5%      | 0.5%      | 0.5%        | 0.5%        | 0.6%         |
| Other expenses  | 8.8%   | 5.2%      | 11.1%     | 8.2%        | 12.2%                           | 11.0%     | 9.3%      | 11.5%     | 9.8%        | 9.1%        | 9.2%         |
| Expenses as a % of Total Income   |  |           |           |             |                                 |           |           |           |             |             |              |
| Salary expenses (excluding partner/owner)   | 36.0%  | 19.6%     | 33.1%     | 37.9%       | 7.6%                            | 21.6%     | 26.7%     | 31.7%     | 33.9%       | 39.6%       | 39.1%        |
| Payments to retired partners  | 0.6%   | -         | -         | 2.7%        | -                               | 0.0%      | -         | 1.1%      | 1.0%        | 2.1%        | 2.4%         |
| Retirement plan costs (excluding partner/owner)                                       | 1.2%   | -         | 0.7%      | 1.3%        | -                               | 0.6%      | 0.8%      | 0.8%      | 1.1%        | 1.0%        | 1.4%         |
| Payroll taxes and other employment expenses (including partner/owner)                 | 3.5%   | 1.4%      | 3.1%      | 4.9%        | 0.7%                            | 2.5%      | 3.8%      | 3.9%      | 3.9%        | 5.3%        | 6.0%         |
| Office rent and other occupancy costs   | 3.8%   | 2.2%      | 5.8%      | 3.7%        | 2.2%                            | 4.2%      | 3.9%      | 4.6%      | 4.0%        | 3.7%        | 3.8%         |
| Technology expenses   | 5.6%   | 6.2%      | 5.8%      | 5.1%        | 10.0%                           | 6.1%      | 5.9%      | 6.1%      | 6.3%        | 5.9%        | 5.1%         |
| Recruiting expenses   | 0.2%   | -         | -         | 0.5%        | 0.0%                            | 0.0%      | 0.0%      | 0.1%      | 0.1%        | 0.3%        | 0.3%         |
| Learning and development expenses   | 0.4%   | 0.4%      | 0.5%      | 0.3%        | 0.7%                            | 0.4%      | 0.4%      | 0.4%      | 0.3%        | 0.5%        | 0.6%         |
| Promotional marketing expenses  | 0.5%   | 0.4%      | 0.6%      | 0.5%        | 0.2%                            | 0.4%      | 0.5%      | 0.3%      | 0.3%        | 0.6%        | 0.9%         |
| Professional liability expenses   | 0.4%   | 0.4%      | 0.5%      | 0.4%        | 0.8%                            | 0.5%      | 0.5%      | 0.5%      | 0.5%        | 0.5%        | 0.6%         |
| Other expenses  | 8.7%   | 5.2%      | 11.1%     | 8.2%        | 12.2%                           | 11.0%     | 8.9%      | 11.5%     | 9.8%        | 9.1%        | 9.2%         |
| Capital Needs   |  |           |           |             |                                 |           |           |           |             |             |              |
| Firm will explore the following solutions to capital needs over the next 5 years      |  |           |           |             |                                 |           |           |           |             |             |              |
| Bank Loans and Credit Lines   | 34%  | 18%       | 43%       | 37%         | 23%                             | 16%       | 26%       | 36%       | 34%         | 42%         | 52%          |
| Conversion to a leveraged ESOP  | 4%   | -         | 10%       | 2%          | -                               | 2%        | 5%        | 2%        | 1%          | 6%          | -            |
| Internal Funding  | 23%  | 18%       | 24%       | 22%         | 18%                             | 11%       | 18%       | 22%       | 17%         | 27%         | 30%          |
| Outside Investor  | 5%   | -         | 5%        | 7%          | -                               | -         | 5%        | -         | 3%          | 3%          | 7%           |
| Sale of a business line   | 3%   | -         | -         | 5%          | 3%                              | -         | 8%        | 2%        | 3%          | -           | -            |

|  |       |       |       |       |       |       |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Selling/merging the firm   | 13%   | 18%   | 10%   | 12%   | 13%   | 16%   | 18%   | 9%    | 14%   | 6%    | -     |
| Don't anticipate needing additional capital  | 51%   | 53%   | 48%   | 54%   | 54%   | 66%   | 55%   | 58%   | 53%   | 52%   | 44%   |
| Other  | 3%    | -     | -     | 5%    | -     | -     | -     | -     | 2%    | -     | -     |
| Technology Investments   |       |       |       |       |       |       |       |       |       |       |       |
| Firm plans to increase technology spend this year by X% (over prior year)                |       |       |       |       |       |       |       |       |       |       |       |
| 0%-20%   | 93%   | 89%   | 84%   | 98%   | 94%   | 93%   | 86%   | 89%   | 97%   | 85%   | 97%   |
| 21% - 50%  | 4%    | -     | 11%   | 2%    | 3%    | 5%    | 11%   | 9%    | 3%    | 15%   | 3%    |
| More than 50%  | 4%    | 11%   | 5%    | -     | 3%    | 3%    | 3%    | 2%    | -     | -     | -     |
| Firm plans to increase technology spend next year by X% (over current year)              |       |       |       |       |       |       |       |       |       |       |       |
| 0%-20%   | 95%   | 94%   | 82%   | 100%  | 100%  | 88%   | 88%   | 90%   | 99%   | 100%  | 93%   |
| 21% - 50%  | 4%    | -     | 18%   | -     | -     | 10%   | 9%    | 10%   | 1%    | -     | 7%    |
| More than 50%  | 1%    | 6%    | -     | -     | -     | 2%    | 3%    | -     | -     | -     | -     |
| How firm handles technology investments  |       |       |       |       |       |       |       |       |       |       |       |
| Firm charges a separate technology fee   | 15%   | 10%   | 5%    | 22%   | 14%   | 9%    | 15%   | 6%    | 18%   | 21%   | 42%   |
| Firm has increased fees to factor in an increase in our technology investment            | 48%   | 55%   | 60%   | 39%   | 62%   | 56%   | 51%   | 63%   | 57%   | 53%   | 48%   |
| Firm is tracking efficiencies due to technological advancements                          | 13%   | 10%   | 5%    | 17%   | 5%    | 6%    | 3%    | 11%   | 7%    | 21%   | 32%   |
| Firm has NOT YET figured out how to track efficiencies due to technological advancements | 42%   | 45%   | 45%   | 39%   | 46%   | 52%   | 49%   | 44%   | 41%   | 32%   | 39%   |
| Firm has added to or enhanced our service offerings due to advanced technology           | 21%   | 10%   | 20%   | 26%   | 11%   | 15%   | 15%   | 9%    | 17%   | 21%   | 19%   |
| Billing Analysis   |       |       |       |       |       |       |       |       |       |       |       |
| Billings as a % of Total Revenues  |       |       |       |       |       |       |       |       |       |       |       |
| Value pricing and value billing  | 25.0% | 72.0% | 60.0% | 20.0% | 98.0% | 60.0% | 51.5% | 40.0% | 27.0% | 20.0% | 10.0% |
| Hourly-based billing   | 75.0% | 57.5% | 60.0% | 80.0% | 69.0% | 60.0% | 35.0% | 50.0% | 75.0% | 75.0% | 70.0% |
| Fixed pricing  | 20.0% | -     | 18.0% | 22.5% | 79.0% | 36.0% | 29.0% | 20.0% | 25.0% | 25.0% | 15.0% |
| Per tax form fee   | 40.0% | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |
| Other  | -     | -     | -     | -     | -     | -     | -     | -     | 4.0%  | -     | -     |
| Billing Protocols  |       |       |       |       |       |       |       |       |       |       |       |
| Tax services billing practices   |       |       |       |       |       |       |       |       |       |       |       |
| Deposit required   | 13%   | 11%   | 21%   | 10%   | 10%   | 5%    | 7%    | 17%   | 5%    | 15%   | 10%   |
| Retainer required  | 15%   | 6%    | 17%   | 15%   | 15%   | 6%    | 10%   | 14%   | 13%   | 10%   | 16%   |
| Full payment required to begin work  | 3%    | -     | -     | 7%    | 2%    | 2%    | 2%    | -     | 5%    | 8%    | 3%    |
| No upfront payment required  | 85%   | 89%   | 75%   | 90%   | 83%   | 92%   | 83%   | 88%   | 92%   | 97%   | 94%   |
| Audit and assurance services billing practices   |       |       |       |       |       |       |       |       |       |       |       |
| Deposit required   | 13%   | -     | -     | 14%   | -     | -     | 14%   | 8%    | 5%    | 14%   | 13%   |
| Retainer required  | 18%   | -     | -     | 21%   | -     | 21%   | 7%    | 17%   | 16%   | 17%   | 16%   |
| Full payment required to begin work  | 3%    | -     | -     | 4%    | -     | -     | -     | -     | 2%    | 3%    | 3%    |
| No upfront payment required  | 77%   | -     | -     | 75%   | -     | 86%   | 79%   | 75%   | 84%   | 86%   | 90%   |
| Client Accounting Services (CAS) billing practices                                       |       |       |       |       |       |       |       |       |       |       |       |
| Deposit required   | 8%    | 17%   | 11%   | 3%    | 9%    | 2%    | 3%    | 10%   | 8%    | 8%    | 10%   |
| Retainer required  | 20%   | 8%    | 28%   | 18%   | 9%    | 8%    | 15%   | 24%   | 15%   | 18%   | 19%   |
| Full payment required to begin work  | 14%   | -     | 22%   | 15%   | 27%   | 10%   | 12%   | 10%   | 13%   | 5%    | 3%    |
| No upfront payment required  | 71%   | 75%   | 56%   | 79%   | 55%   | 82%   | 71%   | 76%   | 78%   | 84%   | 84%   |
| Other Advisory services billing practices  |       |       |       |       |       |       |       |       |       |       |       |
| Deposit required   | 8%    | 9%    | 6%    | 9%    | 10%   | 2%    | -     | 11%   | 7%    | 6%    | 17%   |
| Retainer required  | 31%   | 9%    | 38%   | 33%   | 10%   | 12%   | 17%   | 18%   | 26%   | 26%   | 43%   |
| Full payment required to begin work  | 5%    | -     | -     | 9%    | 15%   | 7%    | 3%    | 4%    | 8%    | 6%    | 3%    |
| No upfront payment required  | 68%   | 82%   | 56%   | 70%   | 65%   | 81%   | 83%   | 73%   | 72%   | 80%   | 67%   |
| Engagement Letters   |       |       |       |       |       |       |       |       |       |       |       |
| Firm requires engagement letter for tax services?  |       |       |       |       |       |       |       |       |       |       |       |
| Yes, firm requires engagement letters for tax services                                   | 84%   | 88%   | 76%   | 87%   | 95%   | 93%   | 85%   | 89%   | 80%   | 92%   | 97%   |
| No, firm doesn't require engagement letters because of cost (including time)             | 8%    | 6%    | 14%   | 5%    | -     | 2%    | 10%   | 4%    | 9%    | 5%    | -     |

|   |     |     |     |     |     |     |     |     |     |     |     |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| No, firm is afraid requiring engagement letters may jeopardize client relationship                            | -   | -   | -   | -   | -   | -   | 2%  | -   | -   | -   | -   |
| No, firm does not prioritize engagement letters   | 9%  | 6%  | 10% | 8%  | 5%  | 3%  | 2%  | 5%  | 9%  | 3%  | -   |
| No, firm doesn't know how to draft an engagement letter   | -   | -   | -   | -   | -   | -   | -   | -   | -   | -   | -   |
| Other   | -   | -   | -   | -   | -   | 2%  | -   | 2%  | 2%  | -   | 3%  |
| <b>Firm practices used to secure engagement letters for tax clients</b>                                       |     |     |     |     |     |     |     |     |     |     |     |
| Communicate with client directly (mail and sign a paper copy, call or email to discuss the engagement letter) | 56% | 47% | 47% | 62% | 55% | 65% | 56% | 67% | 60% | 56% | 63% |
| Prohibit commencement of work or issuance of deliverable until signed engagement letter is submitted          | 32% | 24% | 26% | 38% | 30% | 32% | 28% | 33% | 29% | 22% | 53% |
| Utilize technology (sent via a portal, E-signatures, engagement letter software, tax organizer software)      | 78% | 65% | 84% | 79% | 68% | 70% | 74% | 76% | 77% | 78% | 83% |
| Utilize unilateral engagement letters which do not require client signature                                   | 10% | 6%  | 16% | 10% | 8%  | 5%  | 5%  | 5%  | 10% | 11% | 3%  |
| Firm does not use tax engagement letters  | 9%  | 12% | 5%  | 10% | 5%  | 5%  | 8%  | 2%  | 6%  | 6%  | 3%  |
| Other   | -   | -   | -   | -   | 3%  | 2%  | 3%  | -   | 1%  | -   | 3%  |
| <b>Firm staff responsible for securing signed engagement letters</b>  |     |     |     |     |     |     |     |     |     |     |     |
| Tax partner responsible for the client  | 19% | 64% | 6%  | 11% | 84% | 60% | 22% | 11% | 18% | 15% | 18% |
| Front-line team on the engagement   | 25% | 9%  | 29% | 27% | 6%  | 9%  | 17% | 28% | 22% | 15% | 25% |
| Firm administrative staff   | 46% | 27% | 53% | 51% | 3%  | 24% | 47% | 56% | 49% | 65% | 50% |
| Firm doesn't have a standardized process in place   | 4%  | -   | 6%  | 5%  | 3%  | 7%  | 6%  | 4%  | 6%  | 3%  | -   |
| No one, firm does not use tax engagement letters  | 4%  | -   | 6%  | 5%  | -   | -   | 6%  | 2%  | 5%  | 3%  | -   |
| Other   | -   | -   | -   | -   | 3%  | -   | 3%  | -   | -   | -   | 7%  |



# AICPA PCPS/CPA.com National MAP Survey

| Private and Confidential  | Texas State Report - All Results are Reported on Median Values |       |           |          |                                 |          |          |           |          |          |          |
|---|--|-------|-----------|----------|---------------------------------|----------|----------|-----------|----------|----------|----------|
|   | TX by Net Client Fees  |       |           |          | South Region by Net Client Fees |          |          |           |          |          |          |
|   | All TX   | <500K | 500K<1.5M | 1.5M+    | <200K                           | 200<500K | 500<750K | 750K<1.5M | 1.5<5M   | 5<10M    | 10M+     |
| Number of Firms   | 108  | 22    | 26        | 48       | 48                              | 66       | 44       | 64        | 101      | 40       | 31       |
| <b>New Hires</b>  |  |       |           |          |                                 |          |          |           |          |          |          |
| Graduates hired with master's degree or equivalent                            | 2.00   | -     | -         | 2.00     | -                               | -        | -        | 1.00      | 1.00     | 2.00     | 2.00     |
| Average annual salary for graduates hired with master's degree or equivalent  | \$68,000   | -     | -         | \$68,000 | -                               | -        | -        | \$64,740  | \$67,500 | \$65,000 | \$65,000 |
| Graduates hired with bachelor's degree  | 1.83   | -     | 1.00      | 2.00     | -                               | -        | 1.00     | 1.00      | 2.00     | 2.00     | 6.00     |
| Average annual salary for graduates hired with bachelor's degree              | \$60,000   | -     | \$52,500  | \$60,667 | -                               | -        | \$52,625 | \$52,000  | \$55,790 | \$61,000 | \$61,000 |
| <b>Firm outsources domestically</b>   |  |       |           |          |                                 |          |          |           |          |          |          |
| Currently doing; and plan to increase use in the future                       | 11%  | -     | -         | 7%       | -                               | -        | 14%      | 3%        | 6%       | 9%       | 17%      |
| Currently doing; but plan to decrease use in the future                       | 4%   | -     | -         | 7%       | -                               | -        | -        | 7%        | 6%       | 5%       | 9%       |
| Currently doing; will maintain same level of use in the future                | 13%  | -     | -         | 19%      | 6%                              | 23%      | 14%      | 7%        | 10%      | 18%      | 13%      |
| Not currently doing; but plan to use in the future                            | 11%  | -     | -         | 15%      | 11%                             | 14%      | 14%      | 7%        | 12%      | 5%       | 17%      |
| Not currently doing; and no plan to do in the near future                     | 61%  | -     | -         | 52%      | 83%                             | 64%      | 59%      | 77%       | 66%      | 64%      | 43%      |
| <b>Firm outsources offshore</b>   |  |       |           |          |                                 |          |          |           |          |          |          |
| Currently doing; and plan to increase use in the future                       | 24%  | -     | 40%       | 27%      | -                               | -        | 9%       | 21%       | 16%      | 33%      | 33%      |
| Currently doing; but plan to decrease use in the future                       | 8%   | -     | 10%       | 3%       | 6%                              | -        | 4%       | -         | 4%       | 4%       | 3%       |
| Currently doing; will maintain same level of use in the future                | 2%   | -     | -         | 3%       | 6%                              | 10%      | 4%       | 3%        | 2%       | 8%       | 33%      |
| Not currently doing; but plan to use in the future                            | 12%  | -     | -         | 13%      | 6%                              | 10%      | 17%      | 3%        | 12%      | -        | 3%       |
| Not currently doing; and no plan to do in the near future                     | 53%  | -     | 50%       | 53%      | 82%                             | 80%      | 65%      | 72%       | 65%      | 54%      | 27%      |
| <b>Outsourcing or offshoring model used by the firm</b>                       |  |       |           |          |                                 |          |          |           |          |          |          |
| Build, Operate and Transfer Model (includes wholly-owned)                     | 10%  | -     | -         | 7%       | -                               | -        | -        | -         | -        | 7%       | 5%       |
| Employee of Record Model  | 24%  | -     | -         | 21%      | -                               | -        | -        | -         | 31%      | 7%       | 5%       |
| Vendor Model  | 62%  | -     | -         | 64%      | -                               | -        | -        | -         | 69%      | 79%      | 85%      |
| Other   | 5%   | -     | -         | 7%       | -                               | -        | -        | -         | -        | 7%       | 5%       |
| <b>Percent of work currently being outsourced or performed by global team</b> |  |       |           |          |                                 |          |          |           |          |          |          |
| 1-5%  | 68%  | -     | -         | 79%      | -                               | -        | -        | -         | 54%      | 79%      | 68%      |
| 6-15%   | 23%  | -     | -         | 14%      | -                               | -        | -        | -         | 38%      | 14%      | 27%      |
| 16-25%  | 5%   | -     | -         | -        | -                               | -        | -        | -         | -        | -        | -        |
| 25%+  | 5%   | -     | -         | 7%       | -                               | -        | -        | -         | 8%       | 7%       | 5%       |
| <b>Percent of work targeted to be outsourced or performed by global team</b>  |  |       |           |          |                                 |          |          |           |          |          |          |
| 1-5%  | 41%  | -     | -         | 40%      | -                               | -        | -        | -         | 29%      | 57%      | 45%      |
| 6-15%   | 27%  | -     | -         | 27%      | -                               | -        | -        | -         | 36%      | 29%      | 30%      |
| 16-25%  | 18%  | -     | -         | 27%      | -                               | -        | -        | -         | 29%      | 7%       | 15%      |
| 25%+  | 14%  | -     | -         | 7%       | -                               | -        | -        | -         | 7%       | 7%       | 10%      |
| <b>Services lines currently outsourced by firm</b>                            |  |       |           |          |                                 |          |          |           |          |          |          |
| Administrative  | 12%  | -     | -         | 20%      | -                               | -        | -        | 18%       | 16%      | -        | 16%      |
| Audit   | 32%  | -     | -         | 33%      | -                               | -        | -        | 27%       | 16%      | 27%      | 52%      |
| Business Tax  | 64%  | -     | -         | 73%      | -                               | -        | -        | 45%       | 42%      | 53%      | 56%      |
| Client Accounting Services (CAS)  | 52%  | -     | -         | 53%      | -                               | -        | -        | 64%       | 32%      | 60%      | 32%      |
| Individual Tax  | 44%  | -     | -         | 53%      | -                               | -        | -        | 45%       | 47%      | 60%      | 52%      |
| Technology consulting   | -  | -     | -         | -        | -                               | -        | -        | 9%        | 11%      | 7%       | 4%       |
| Transaction advisory  | -  | -     | -         | -        | -                               | -        | -        | 9%        | -        | -        | 8%       |

|   |       |       |       |       |       |       |       |       |       |       |        |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| Other   | -     | -     | -     | -     | -     | -     | -     | 9%    | 11%   | -     | 16%    |
| <b>Country or region used for offshoring</b>                                    |       |       |       |       |       |       |       |       |       |       |        |
| Central America   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -      |
| India   | 61%   | -     | -     | 55%   | -     | -     | -     | -     | 55%   | 75%   | 73%    |
| Mexico  | 6%    | -     | -     | -     | -     | -     | -     | -     | -     | -     | 5%     |
| Philippines   | 28%   | -     | -     | 45%   | -     | -     | -     | -     | 36%   | 25%   | 36%    |
| South Africa  | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | 9%     |
| South America   | 6%    | -     | -     | 9%    | -     | -     | -     | -     | 9%    | 8%    | 5%     |
| Other   | 11%   | -     | -     | 9%    | -     | -     | -     | -     | -     | -     | 9%     |
| <b>Firm Staffing Details</b>  |       |       |       |       |       |       |       |       |       |       |        |
| <b>Firm is culling clients</b>  |       |       |       |       |       |       |       |       |       |       |        |
| Currently doing; and plan to increase use in the future                         | 19%   | 20%   | 14%   | 21%   | 25%   | 28%   | 9%    | 14%   | 13%   | 22%   | 31%    |
| Currently doing; but plan to decrease use in the future                         | 5%    | 7%    | -     | 5%    | 3%    | 8%    | -     | 5%    | 5%    | 5%    | 3%     |
| Currently doing; will maintain same level of use in the future                  | 34%   | 33%   | 50%   | 34%   | 13%   | 24%   | 39%   | 24%   | 28%   | 41%   | 34%    |
| Not currently doing; but plan to use in the future                              | 21%   | 13%   | 21%   | 21%   | 28%   | 18%   | 27%   | 31%   | 29%   | 19%   | 17%    |
| Not currently doing; and no plan to do in the near future                       | 21%   | 27%   | 14%   | 18%   | 31%   | 22%   | 24%   | 26%   | 24%   | 14%   | 14%    |
| <b>Firm utilizes non-accountants in client-facing roles</b>                     |       |       |       |       |       |       |       |       |       |       |        |
| Currently doing; and plan to increase use in the future                         | 17%   | -     | 29%   | 10%   | 8%    | 10%   | 18%   | 14%   | 18%   | 3%    | 33%    |
| Currently doing; but plan to decrease use in the future                         | -     | -     | -     | -     | -     | 3%    | -     | -     | -     | 3%    | -      |
| Currently doing; will maintain same level of use in the future                  | 31%   | -     | 24%   | 38%   | 17%   | 43%   | 50%   | 39%   | 44%   | 45%   | 41%    |
| Not currently doing; but plan to use in the future                              | 11%   | -     | 12%   | 10%   | 29%   | -     | 8%    | 11%   | 5%    | 15%   | 4%     |
| Not currently doing; and no plan to do in the near future                       | 41%   | -     | 35%   | 43%   | 46%   | 45%   | 24%   | 36%   | 34%   | 33%   | 22%    |
| <b>Compensation Year Basis</b>  |       |       |       |       |       |       |       |       |       |       |        |
| Fiscal year   | 10%   | 5%    | 13%   | 10%   | 7%    | 6%    | 11%   | 10%   | 12%   | 26%   | 52%    |
| Calendar year   | 88%   | 89%   | 88%   | 88%   | 93%   | 92%   | 89%   | 90%   | 88%   | 72%   | 48%    |
| Other   | 2%    | 5%    | -     | 2%    | -     | 2%    | -     | -     | -     | 3%    | -      |
| <b>Compensation Statistics</b>  |       |       |       |       |       |       |       |       |       |       |        |
| Average annual base salary percentage increase (for professionals)              | 5.0%  | 3.0%  | 5.0%  | 5.3%  | 0.0%  | 3.0%  | 5.0%  | 5.0%  | 5.0%  | 5.9%  | 6.0%   |
| Firm turnover ratio (percentage)  | 0.03% | 0.00% | 0.90% | 8.76% | 0.00% | 0.00% | 0.00% | 0.00% | 3.00% | 9.00% | 12.00% |
| <b>Primary reasons for voluntary turnover at the firm</b>                       |       |       |       |       |       |       |       |       |       |       |        |
| Retirement  | 22%   | 17%   | 10%   | 28%   | 9%    | 17%   | 8%    | 16%   | 27%   | 21%   | 39%    |
| Left the profession/career change   | 28%   | 8%    | 25%   | 37%   | 9%    | 4%    | 13%   | 18%   | 22%   | 42%   | 58%    |
| Accepted position at another firm   | 31%   | -     | 25%   | 43%   | 6%    | 4%    | 15%   | 20%   | 28%   | 53%   | 61%    |
| Employee or family member relocation/moved to another city/state                | 10%   | -     | -     | 17%   | -     | -     | 5%    | 4%    | 8%    | 18%   | 16%    |
| Safety concerns   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -      |
| Remote work not available   | 1%    | -     | -     | 2%    | -     | 2%    | -     | -     | 2%    | -     | 6%     |
| Need for more flexibility to manage family demands                              | 16%   | 8%    | 5%    | 24%   | 3%    | 4%    | 13%   | 4%    | 9%    | 24%   | 19%    |
| Unknown   | 12%   | 17%   | 5%    | 13%   | 25%   | 28%   | 18%   | 8%    | 16%   | 16%   | 10%    |
| Other   | 34%   | 50%   | 40%   | 26%   | 53%   | 43%   | 46%   | 35%   | 24%   | 24%   | 23%    |
| <b>Firm Operations Staff in Position (FTE)</b>                                  |       |       |       |       |       |       |       |       |       |       |        |
| Total Firm Operations Staff   | 4.06  | 1.00  | 4.90  | 6.50  | 1.00  | 1.00  | 3.00  | 6.00  | 8.00  | 10.95 | 17.00  |
| <b>Client-facing Professionals</b>  |       |       |       |       |       |       |       |       |       |       |        |
| Number of client-facing professionals that are not accounting graduates or CPAs | 2     | -     | 1     | 3     | 0     | 1     | 1     | 2     | 2     | 5     | 11     |

|   |           |           |           |           |          |           |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Staff Working Remotely</b>                                   |           |           |           |           |          |           |           |           |           |           |           |
| Percent of firm staff working remotely (part-time or full-time) | 25%       | 67%       | 20%       | 21%       | 95%      | 50%       | 50%       | 10%       | 17%       | 20%       | 12%       |
|   |           |           |           |           |          |           |           |           |           |           |           |
| <b>Professionals</b>  |           |           |           |           |          |           |           |           |           |           |           |
|   |           |           |           |           |          |           |           |           |           |           |           |
| <b>Professionals in position (FTE)</b>                          |           |           |           |           |          |           |           |           |           |           |           |
| Equity Partners/Owners  | 2.00      | 1.00      | 1.00      | 3.00      | 1.00     | 1.00      | 1.00      | 1.62      | 2.43      | 4.77      | 7.00      |
| Total Professionals (includes Equity/Partners)                  | 7.00      | 1.00      | 5.00      | 15.00     | 1.00     | 2.00      | 3.75      | 5.92      | 12.00     | 29.54     | 69.20     |
|   |           |           |           |           |          |           |           |           |           |           |           |
| <b>Average Chargeable Hours per Position</b>                    |           |           |           |           |          |           |           |           |           |           |           |
| Equity Partners/Owners  | 1,090     | 1,281     | 1,215     | 1,009     | 1,000    | 1,300     | 1,478     | 1,270     | 1,271     | 1,019     | 873       |
| Directors (11+ Yrs Exp)   | 1,116     | -         | -         | 1,055     | -        | -         | -         | 1,079     | 1,335     | 1,109     | 1,055     |
| Sr Managers (8-10 Yrs Exp)                                      | 1,300     | -         | -         | 1,281     | -        | -         | -         | 1,520     | 1,418     | 1,136     | 1,261     |
| Managers (6-7 Yrs Exp)  | 1,357     | -         | -         | 1,336     | -        | -         | -         | 1,500     | 1,500     | 1,300     | 1,324     |
| Sr Associates (4-5 Yrs Exp)                                     | 1,429     | -         | -         | 1,384     | -        | -         | 1,604     | 1,546     | 1,457     | 1,429     | 1,405     |
| Associates (1-3 Yrs Exp)  | 1,313     | -         | 1,087     | 1,353     | -        | 1,500     | 1,206     | 1,352     | 1,357     | 1,373     | 1,310     |
| New Professionals (<1Yr Exp)                                    | 1,190     | -         | -         | 1,228     | -        | -         | -         | 1,425     | 1,160     | 1,387     | 1,258     |
| Paraprofessionals   | 867       | -         | -         | 1,044     | -        | 743       | 1,139     | 800       | 1,131     | 1,306     | 1,271     |
| Interns   | 1,160     | -         | -         | 1,065     | -        | -         | -         | 378       | 683       | 1,135     | 1,186     |
| Prof Subcontractors   | 700       | -         | -         | 850       | -        | -         | -         | -         | 1,300     | 902       | -         |
|   |           |           |           |           |          |           |           |           |           |           |           |
| <b>Average Hourly Billing Rate per Position</b>                 |           |           |           |           |          |           |           |           |           |           |           |
| Equity Partners/Owners  | \$312.50  | \$190.00  | \$292.50  | \$350.00  | \$175.00 | \$200.00  | \$217.50  | \$250.00  | \$280.00  | \$320.00  | \$421.53  |
| Directors (11+ Yrs Exp)   | \$277.50  | -         | -         | \$317.50  | -        | -         | -         | -         | \$232.50  | \$276.50  | \$345.00  |
| Sr Managers (8-10 Yrs Exp)                                      | \$243.00  | -         | -         | \$249.00  | -        | -         | -         | \$130.00  | \$187.50  | \$237.00  | \$269.88  |
| Managers (6-7 Yrs Exp)  | \$194.00  | -         | -         | \$205.00  | -        | -         | -         | -         | \$166.00  | \$187.18  | \$240.15  |
| Sr Associates (4-5 Yrs Exp)                                     | \$146.67  | -         | -         | \$152.00  | -        | -         | \$112.50  | \$132.50  | \$148.50  | \$154.75  | \$186.39  |
| Associates (1-3 Yrs Exp)  | \$126.00  | -         | -         | \$142.00  | -        | -         | \$100.00  | \$110.00  | \$125.00  | \$136.00  | \$147.19  |
| New Professionals (<1Yr Exp)                                    | \$125.00  | -         | -         | \$125.00  | -        | -         | -         | \$95.00   | \$106.50  | \$125.00  | \$137.36  |
| Paraprofessionals   | \$87.00   | -         | -         | \$108.50  | -        | \$75.00   | \$97.57   | \$80.00   | \$104.00  | \$112.00  | \$132.25  |
| Interns   | \$100.00  | -         | -         | \$100.00  | -        | -         | -         | -         | \$77.50   | \$95.00   | \$110.00  |
| Prof Subcontractors   | \$192.00  | -         | -         | \$192.00  | -        | -         | -         | -         | \$178.00  | \$180.00  | -         |
|   |           |           |           |           |          |           |           |           |           |           |           |
| <b>Average Compensation per Position</b>                        |           |           |           |           |          |           |           |           |           |           |           |
| Equity Partners/Owners  | \$245,839 | \$138,682 | \$200,000 | \$355,332 | \$48,500 | \$120,000 | \$150,000 | \$180,000 | \$304,465 | \$362,784 | \$363,921 |
| Directors (11+ Yrs Exp)   | \$148,300 | -         | -         | \$153,560 | -        | -         | -         | \$130,000 | \$149,150 | \$179,121 | \$185,342 |
| Sr Managers (8-10 Yrs Exp)                                      | \$118,530 | -         | -         | \$121,368 | -        | -         | -         | \$86,599  | \$101,533 | \$117,315 | \$129,678 |
| Managers (6-7 Yrs Exp)  | \$93,867  | -         | -         | \$98,750  | -        | -         | -         | \$79,585  | \$90,142  | \$95,667  | \$109,722 |
| Sr Associates (4-5 Yrs Exp)                                     | \$77,835  | -         | -         | \$78,387  | -        | -         | \$72,507  | \$64,842  | \$75,953  | \$73,505  | \$78,387  |
| Associates (1-3 Yrs Exp)  | \$57,300  | -         | \$49,099  | \$59,574  | -        | \$44,678  | \$52,000  | \$55,000  | \$57,888  | \$62,815  | \$62,362  |
| New Professionals (<1Yr Exp)                                    | \$52,057  | -         | -         | \$52,057  | -        | -         | -         | \$44,856  | \$50,702  | \$57,764  | \$58,906  |
| Paraprofessionals   | \$56,000  | -         | -         | \$59,579  | -        | \$46,654  | \$49,751  | \$46,000  | \$57,154  | \$60,318  | \$64,904  |
| Interns   | \$30,490  | -         | -         | \$32,381  | -        | -         | -         | -         | \$23,086  | \$36,972  | \$48,708  |
| Prof Subcontractors   | \$50,000  | -         | -         | \$50,000  | -        | -         | -         | \$29,130  | \$77,000  | \$55,981  | -         |
|   |           |           |           |           |          |           |           |           |           |           |           |
| <b>Utilization per Position</b>                                 |           |           |           |           |          |           |           |           |           |           |           |
| Equity Partners/Owners  | 52.4%     | 61.6%     | 58.4%     | 48.5%     | 48.1%    | 62.5%     | 71.0%     | 61.1%     | 61.1%     | 49.0%     | 42.0%     |
| Directors (11+ Yrs Exp)   | 53.7%     | -         | -         | 50.7%     | -        | -         | -         | 51.9%     | 64.2%     | 53.3%     | 50.7%     |
| Sr Managers (8-10 Yrs Exp)                                      | 62.5%     | -         | -         | 61.6%     | -        | -         | -         | 73.1%     | 68.2%     | 54.6%     | 60.6%     |
| Managers (6-7 Yrs Exp)  | 65.2%     | -         | -         | 64.2%     | -        | -         | -         | 72.1%     | 72.1%     | 62.5%     | 63.7%     |
| Sr Associates (4-5 Yrs Exp)                                     | 68.7%     | -         | -         | 66.5%     | -        | -         | 77.1%     | 74.3%     | 70.0%     | 68.7%     | 67.5%     |
| Associates (1-3 Yrs Exp)  | 63.1%     | -         | 52.3%     | 65.0%     | -        | 72.1%     | 58.0%     | 65.0%     | 65.2%     | 66.0%     | 63.0%     |
| New Professionals (<1Yr Exp)                                    | 57.2%     | -         | -         | 59.0%     | -        | -         | -         | 68.5%     | 55.8%     | 66.7%     | 60.5%     |

|   |          |         |         |          |         |         |         |         |          |          |          |
|---|----------|---------|---------|----------|---------|---------|---------|---------|----------|----------|----------|
| Paraprofessionals                                     | 41.7%    | -       | -       | 50.2%    | -       | 35.7%   | 54.7%   | 38.5%   | 54.4%    | 62.8%    | 61.1%    |
| Interns   | 55.7%    | -       | -       | 51.2%    | -       | -       | -       | 18.1%   | 32.9%    | 54.6%    | 57.0%    |
| Prof Subcontractors                                   | 33.7%    | -       | -       | 40.9%    | -       | -       | -       | -       | 62.5%    | 43.4%    | -        |
|   |          |         |         |          |         |         |         |         |          |          |          |
| <b>Compensation per Compensated Hour</b>              |          |         |         |          |         |         |         |         |          |          |          |
| Equity Partners/Owners                                | \$103.10 | \$66.43 | \$98.74 | \$138.61 | \$31.25 | \$51.59 | \$69.44 | \$89.05 | \$124.46 | \$170.22 | \$176.85 |
| Directors (11+ Yrs Exp)                               | \$72.87  | -       | -       | \$73.90  | -       | -       | -       | \$68.12 | \$72.50  | \$80.13  | \$93.84  |
| Sr Managers (8-10 Yrs Exp)                            | \$58.96  | -       | -       | \$60.44  | -       | -       | -       | \$40.24 | \$51.28  | \$57.24  | \$62.33  |
| Managers (6-7 Yrs Exp)                                | \$49.03  | -       | -       | \$52.90  | -       | -       | -       | \$37.98 | \$45.36  | \$52.66  | \$51.36  |
| Sr Associates (4-5 Yrs Exp)                           | \$37.66  | -       | -       | \$37.69  | -       | -       | \$34.86 | \$36.14 | \$36.59  | \$38.32  | \$37.69  |
| Associates (1-3 Yrs Exp)                              | \$31.06  | -       | \$27.76 | \$31.61  | -       | \$25.27 | \$26.52 | \$26.67 | \$28.82  | \$31.56  | \$29.73  |
| New Professionals (<1Yr Exp)                          | \$29.32  | -       | -       | \$30.02  | -       | -       | -       | \$24.47 | \$26.36  | \$27.81  | \$28.57  |
| Paraprofessionals                                     | \$27.55  | -       | -       | \$28.33  | -       | \$24.10 | \$25.99 | \$23.08 | \$27.58  | \$28.63  | \$29.82  |
| Interns   | \$18.00  | -       | -       | \$20.62  | -       | -       | -       | -       | \$16.69  | \$21.93  | \$24.83  |
| Prof Subcontractors                                   | \$62.02  | -       | -       | \$64.34  | -       | -       | -       | \$24.19 | \$60.45  | \$49.95  | -        |
|   |          |         |         |          |         |         |         |         |          |          |          |
| <b>Billing Rate/Compensation per Compensated Hour</b> |          |         |         |          |         |         |         |         |          |          |          |
| Equity Partners/Owners                                | 2.55     | -       | 3.66    | 2.53     | 4.68    | 3.73    | 3.68    | 3.66    | 2.32     | 2.06     | 2.27     |
| Directors (11+ Yrs Exp)                               | 3.62     | -       | -       | 3.99     | -       | -       | -       | -       | 3.61     | 3.69     | 3.55     |
| Sr Managers (8-10 Yrs Exp)                            | 3.94     | -       | -       | 3.95     | -       | -       | -       | -       | 3.88     | 3.94     | 4.54     |
| Managers (6-7 Yrs Exp)                                | 3.93     | -       | -       | 3.91     | -       | -       | -       | -       | 3.87     | 3.47     | 4.77     |
| Sr Associates (4-5 Yrs Exp)                           | 3.95     | -       | -       | 4.01     | -       | -       | 3.70    | 4.46    | 3.97     | 4.05     | 4.93     |
| Associates (1-3 Yrs Exp)                              | 4.11     | -       | -       | 4.24     | -       | -       | 3.94    | 4.11    | 4.21     | 4.19     | 4.91     |
| New Professionals (<1Yr Exp)                          | 4.08     | -       | -       | 4.09     | -       | -       | -       | 3.70    | 3.82     | 3.90     | 4.62     |
| Paraprofessionals                                     | 3.85     | -       | -       | 3.69     | -       | -       | 3.39    | 3.26    | 3.48     | 3.74     | 4.58     |
| Interns   | 4.00     | -       | -       | 3.95     | -       | -       | -       | -       | 4.85     | 3.86     | 4.42     |
| Prof Subcontractors                                   | 2.90     | -       | -       | 2.90     | -       | -       | -       | -       | 2.89     | 2.70     | -        |

# AICPA PCPS/CPA.com National MAP Survey

| Private and Confidential   | Texas State Report - All Results are Reported on Median Values |       |           |       |                                 |          |          |           |        |       |      |
|--|--|-------|-----------|-------|---------------------------------|----------|----------|-----------|--------|-------|------|
|  | TX by Net Client Fees  |       |           |       | South Region by Net Client Fees |          |          |           |        |       |      |
|  | All TX   | <500K | 500K<1.5M | 1.5M+ | <200K                           | 200<500K | 500<750K | 750K<1.5M | 1.5<5M | 5<10M | 10M+ |
| Number of Firms  | 108  | 22    | 26        | 48    | 48                              | 66       | 44       | 64        | 101    | 40    | 31   |
| <b>Cyber Liability and Security</b>                                    |  |       |           |       |                                 |          |          |           |        |       |      |
| <b>Firm purchases insurance to cover Cyber Liability risk</b>          |  |       |           |       |                                 |          |          |           |        |       |      |
| Yes  | 83%  | 68%   | 74%       | 93%   | 76%                             | 82%      | 71%      | 84%       | 85%    | 95%   | 100% |
| No   | 13%  | 26%   | 17%       | 7%    | 20%                             | 14%      | 20%      | 6%        | 11%    | 3%    | -    |
| No, but plan to purchase this year                                     | 3%   | 5%    | 9%        | -     | 5%                              | 4%       | 10%      | 10%       | 3%     | 3%    | -    |
| <b>Type of Cyber Liability insurance policy purchased by firm</b>      |  |       |           |       |                                 |          |          |           |        |       |      |
| Endorsement to current prof. liability coverage                        | 39%  | 47%   | 48%       | 31%   | 66%                             | 57%      | 61%      | 56%       | 38%    | 26%   | 10%  |
| Module in current mgmt. liability package                              | 2%   | 5%    | -         | 2%    | 5%                              | 11%      | 5%       | 2%        | 3%     | -     | -    |
| Separate standalone policy   | 43%  | 16%   | 30%       | 60%   | 5%                              | 14%      | 12%      | 31%       | 43%    | 71%   | 90%  |
| Other  | -  | -     | -         | -     | -                               | -        | -        | -         | -      | -     | -    |
| None   | 16%  | 32%   | 22%       | 7%    | 24%                             | 18%      | 22%      | 10%       | 16%    | 3%    | -    |
| <b>Cyber Liability coverage limit for endorsement or module policy</b> |  |       |           |       |                                 |          |          |           |        |       |      |
| Under \$100,000  | 13%  | 16%   | 20%       | 9%    | 33%                             | 30%      | 38%      | 18%       | 13%    | 8%    | 10%  |
| \$250,000  | 13%  | 16%   | 15%       | 12%   | 15%                             | 9%       | 13%      | 9%        | 10%    | 11%   | -    |
| \$500,000  | 8%   | 5%    | 10%       | 5%    | -                               | 4%       | 3%       | 14%       | 10%    | 3%    | -    |
| \$1,000,000  | 14%  | 11%   | 10%       | 19%   | 15%                             | 14%      | 13%      | 18%       | 21%    | 8%    | 14%  |
| Over \$1,000,000   | 4%   | -     | -         | 7%    | 5%                              | 2%       | 3%       | 5%        | 3%     | 11%   | 7%   |
| Other  | 2%   | 5%    | -         | 2%    | 3%                              | 13%      | -        | -         | -      | -     | 7%   |
| None   | 45%  | 47%   | 45%       | 47%   | 28%                             | 29%      | 31%      | 36%       | 42%    | 61%   | 62%  |
| <b>Cyber Liability coverage limit for standalone policy</b>            |  |       |           |       |                                 |          |          |           |        |       |      |
| Under \$500,000  | 13%  | 13%   | 25%       | 7%    | 11%                             | 18%      | 8%       | 14%       | 11%    | 8%    | -    |
| \$1,000,000  | 33%  | 25%   | 15%       | 44%   | 11%                             | 14%      | 13%      | 24%       | 37%    | 42%   | 23%  |
| \$2,000,000  | 6%   | -     | 5%        | 9%    | -                               | -        | -        | 7%        | 7%     | 24%   | 17%  |
| \$3,000,000  | 3%   | -     | -         | 5%    | -                               | -        | -        | -         | 1%     | 3%    | 23%  |
| \$5,000,000  | 3%   | -     | -         | 5%    | -                               | -        | -        | -         | -      | 3%    | 17%  |
| Over \$5,000,000   | -  | -     | -         | -     | -                               | -        | -        | -         | -      | 3%    | 10%  |
| Other  | -  | -     | -         | -     | -                               | 2%       | -        | -         | -      | -     | -    |
| None   | 44%  | 63%   | 55%       | 30%   | 78%                             | 66%      | 79%      | 55%       | 44%    | 18%   | 10%  |
| <b>Cyber Security annual premium</b>                                   |  |       |           |       |                                 |          |          |           |        |       |      |
| Under \$500  | 16%  | 33%   | 23%       | 5%    | 55%                             | 47%      | 33%      | 16%       | 6%     | 3%    | -    |
| Between \$501 and \$1,000  | 12%  | 17%   | 9%        | 11%   | 11%                             | 11%      | 13%      | 23%       | 16%    | 8%    | -    |
| Between \$1,001 and \$2,000  | 18%  | 17%   | 18%       | 18%   | 8%                              | 15%      | 8%       | 23%       | 26%    | 11%   | -    |
| Between \$2,001 and \$5,000  | 20%  | -     | 14%       | 32%   | -                               | 4%       | 13%      | 16%       | 27%    | 47%   | 7%   |
| Between \$5,001 and \$10,000   | 8%   | -     | 5%        | 14%   | -                               | -        | 3%       | 2%        | 3%     | 21%   | 43%  |
| Over \$10,000  | 6%   | -     | -         | 11%   | -                               | -        | -        | -         | 3%     | 5%    | 47%  |
| None   | 20%  | 33%   | 32%       | 9%    | 26%                             | 24%      | 33%      | 19%       | 18%    | 5%    | 3%   |

# AICPA PCPS/CPA.com National MAP Survey

| Private and Confidential  | Texas State Report - All Results are Reported on Median Values |       |           |       |                                 |          |          |           |        |       |      |
|---|--|-------|-----------|-------|---------------------------------|----------|----------|-----------|--------|-------|------|
|   | TX by Net Client Fees  |       |           |       | South Region by Net Client Fees |          |          |           |        |       |      |
|   | All TX   | <500K | 500K<1.5M | 1.5M+ | <200K                           | 200<500K | 500<750K | 750K<1.5M | 1.5<5M | 5<10M | 10M+ |
| Number of Firms   | 108  | 22    | 26        | 48    | 48                              | 66       | 44       | 64        | 101    | 40    | 31   |
| <b>Artificial Intelligence &amp; Automation</b>   |  |       |           |       |                                 |          |          |           |        |       |      |
| <b>Firm's confidence in its ability to adapt to AI and automation over the next 3 years</b>                               |  |       |           |       |                                 |          |          |           |        |       |      |
| Very confident – Firm has a clear plan and are already taking steps   | 16%  | 11%   | 21%       | 15%   | 13%                             | 12%      | 5%       | 12%       | 16%    | 19%   | 35%  |
| Somewhat confident – Firm is exploring possibilities but hasn't made firm decisions                                       | 46%  | 37%   | 38%       | 57%   | 43%                             | 36%      | 48%      | 28%       | 48%    | 49%   | 55%  |
| Neutral – Not sure where firm will stand  | 24%  | 32%   | 29%       | 20%   | 30%                             | 40%      | 36%      | 42%       | 27%    | 24%   | 10%  |
| Somewhat concerned – Firm is behind and unsure how to catch up  | 11%  | 16%   | 8%        | 9%    | 10%                             | 10%      | 5%       | 12%       | 9%     | 5%    | -    |
| Very concerned – Firm sees major risk in not adapting but doesn't have the resources to act                               | 2%   | 5%    | 4%        | -     | 5%                              | 2%       | 7%       | 5%        | -      | 3%    | -    |
| <b>Firm's approach to upskilling or training staff for higher-value work as AI and automation take over routine tasks</b> |  |       |           |       |                                 |          |          |           |        |       |      |
| Firm has a formal training plan focused on advisory/strategic roles   | 10%  | 7%    | 13%       | 9%    | 3%                              | 4%       | 5%       | 5%        | 7%     | 6%    | 7%   |
| Firm offers occasional training but nothing formal  | 20%  | 7%    | 13%       | 29%   | 11%                             | 15%      | 18%      | 20%       | 29%    | 19%   | 47%  |
| Firm is discussing how to address this but hasn't started   | 42%  | 33%   | 35%       | 49%   | 43%                             | 36%      | 33%      | 36%       | 37%    | 53%   | 47%  |
| Firm hasn't addressed this at all yet   | 23%  | 40%   | 30%       | 11%   | 34%                             | 28%      | 38%      | 31%       | 22%    | 17%   | -    |
| Firm doesn't expect to change its staffing needs  | 6%   | 13%   | 9%        | 2%    | 9%                              | 17%      | 8%       | 7%        | 4%     | 6%    | -    |
| <b>Firm's plans for using freed-up capacity as automation and AI reduce manual work</b>                                   |  |       |           |       |                                 |          |          |           |        |       |      |
| Provide more advisory or consulting services  | 41%  | 22%   | 36%       | 52%   | 25%                             | 27%      | 38%      | 35%       | 43%    | 50%   | 63%  |
| Increase client load without adding staff   | 42%  | 17%   | 50%       | 50%   | 31%                             | 14%      | 33%      | 42%       | 46%    | 61%   | 63%  |
| Offer new services or niche specialization  | 19%  | 6%    | 18%       | 26%   | 8%                              | 16%      | 18%      | 20%       | 21%    | 17%   | 47%  |
| Reduce hours to improve work-life balance   | 39%  | 56%   | 41%       | 33%   | 61%                             | 49%      | 44%      | 42%       | 32%    | 31%   | 50%  |
| No clear plan yet   | 32%  | 33%   | 32%       | 28%   | 25%                             | 39%      | 36%      | 38%       | 37%    | 31%   | 10%  |
| <b>Outcomes firm tracks, or plans to track, when evaluating the success of AI or automation initiatives</b>               |  |       |           |       |                                 |          |          |           |        |       |      |
| Time saved on routine tasks   | 33%  | 31%   | 32%       | 33%   | 47%                             | 22%      | 34%      | 33%       | 39%    | 48%   | 67%  |
| Reduction in error rates  | 22%  | 19%   | 32%       | 19%   | 17%                             | 15%      | 13%      | 22%       | 20%    | 15%   | 50%  |
| Staff satisfaction and engagement   | 27%  | 13%   | 26%       | 33%   | 17%                             | 11%      | 25%      | 35%       | 26%    | 45%   | 43%  |
| Increased revenue per client  | 29%  | 19%   | 21%       | 38%   | 28%                             | 20%      | 28%      | 27%       | 30%    | 39%   | 33%  |
| Growth in advisory service revenue  | 19%  | 6%    | 21%       | 24%   | 14%                             | 2%       | 22%      | 16%       | 23%    | 27%   | 37%  |
| Firm doesn't currently track and/or doesn't have a good way to track  | 55%  | 56%   | 74%       | 48%   | 53%                             | 65%      | 59%      | 65%       | 48%    | 42%   | 33%  |
| <b>Firm's annual budget (or planned investment) for AI or automation-related tools and training?</b>                      |  |       |           |       |                                 |          |          |           |        |       |      |
| Less than \$1,000   | 18%  | 50%   | 11%       | 10%   | 44%                             | 36%      | 29%      | 27%       | 15%    | 9%    | 4%   |
| \$1,000–\$4,999   | 19%  | 14%   | 26%       | 17%   | 26%                             | 23%      | 21%      | 18%       | 14%    | 9%    | 7%   |
| \$5,000–\$14,999  | 16%  | 7%    | 11%       | 22%   | -                               | 10%      | 18%      | 11%       | 22%    | 15%   | 15%  |
| \$15,000–\$50,000   | 9%   | -     | 16%       | 10%   | -                               | -        | 3%       | 9%        | 9%     | 15%   | 19%  |
| Over \$50,000   | 5%   | -     | -         | 10%   | -                               | -        | -        | -         | 1%     | 3%    | 33%  |
| Firm has not allocated any budget   | 32%  | 29%   | 37%       | 32%   | 30%                             | 31%      | 29%      | 34%       | 39%    | 48%   | 22%  |
| <b>Firm's current AI/automation mindset</b>   |  |       |           |       |                                 |          |          |           |        |       |      |
| Proactive – Firm is actively testing and adopting new tools   | 27%  | 17%   | 29%       | 30%   | 21%                             | 14%      | 12%      | 18%       | 30%    | 29%   | 45%  |
| Open – Firm is observing developments and plan to adopt in the future   | 44%  | 39%   | 38%       | 50%   | 42%                             | 36%      | 51%      | 45%       | 40%    | 50%   | 55%  |
| Cautious – Firm is waiting to see how it impacts the profession   | 19%  | 17%   | 21%       | 17%   | 18%                             | 34%      | 29%      | 27%       | 25%    | 18%   | -    |
| Resistant – Firm is skeptical or don't see the value  | 6%   | 17%   | 8%        | -     | 11%                             | 9%       | 2%       | 7%        | 1%     | 3%    | -    |
| Unaware – Firm isn't having current conversations around AI/automation  | 4%   | 11%   | 4%        | 2%    | 8%                              | 7%       | 5%       | 4%        | 4%     | -     | -    |
| <b>Firm staff responsible for driving AI or automation efforts</b>  |  |       |           |       |                                 |          |          |           |        |       |      |
| Managing partner or firm owner  | 66%  | 82%   | 61%       | 61%   | 91%                             | 85%      | 63%      | 48%       | 59%    | 59%   | 26%  |
| Dedicated operations or technology leader   | 9%   | -     | 4%        | 16%   | -                               | 2%       | 5%       | 8%        | 9%     | 22%   | 55%  |
| External consultant or vendor   | -  | -     | -         | -     | -                               | -        | 5%       | -         | 1%     | -     | -    |
| Individual staff members experimenting independently  | 13%  | 12%   | 13%       | 14%   | 6%                              | 10%      | 5%       | 15%       | 13%    | 5%    | 16%  |

|  |     |     |     |     |     |     |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| No one – there is no clear ownership yet   | 12% | 6%  | 22% | 9%  | 3%  | 4%  | 21% | 29% | 18% | 14% | 3%  |
| <b>How the firm is currently using AI or automation for higher-value or advisory services</b>    |     |     |     |     |     |     |     |     |     |     |     |
| Automating cash flow forecasting, tax planning, or scenario modeling                             | 14% | -   | 16% | 19% | -   | 6%  | 9%  | 8%  | 15% | 15% | 23% |
| Assisting with client communications or recommendations  | 52% | 61% | 58% | 47% | 52% | 45% | 31% | 42% | 54% | 39% | 67% |
| Supporting real-time dashboards or business insights   | 11% | 11% | 11% | 12% | -   | 16% | 13% | 19% | 11% | 15% | 23% |
| Firm is not yet using AI/automation for advisory services  | 41% | 33% | 37% | 44% | 36% | 33% | 53% | 50% | 35% | 58% | 27% |
| Firm doesn't offer advisory services   | 10% | -   | 21% | 9%  | 15% | 20% | 19% | 15% | 9%  | -   | -   |
| <b>Firm's belief about AI and offshore talent replacing lower-level tasks</b>                    |     |     |     |     |     |     |     |     |     |     |     |
| Positive – Firm sees it as an opportunity to focus staff on higher-impact work                   | 28% | 19% | 19% | 36% | 17% | 18% | 32% | 21% | 24% | 44% | 53% |
| Mixed – Firm is unsure how it will affect staff roles and client expectations                    | 38% | 38% | 33% | 41% | 22% | 19% | 18% | 42% | 35% | 39% | 37% |
| Concerned – Firm has concerns about staff displacement and firm culture impact                   | 12% | 6%  | 24% | 7%  | 6%  | 19% | 21% | 11% | 13% | 6%  | 7%  |
| Unaffected – Firm doesn't use offshore talent or automation significantly                        | 22% | 38% | 24% | 16% | 56% | 44% | 29% | 26% | 28% | 11% | 3%  |
| <b>Firm's biggest barrier to adopting AI or automation</b>                                       |     |     |     |     |     |     |     |     |     |     |     |
| Lack of time to explore or implement   | 43% | 6%  | 35% | 64% | 35% | 40% | 46% | 35% | 49% | 50% | 41% |
| Limited budget or ROI concerns   | 9%  | 17% | 9%  | 5%  | 27% | 9%  | 8%  | 12% | 3%  | 6%  | 3%  |
| Lack of internal expertise or leadership   | 19% | 33% | 9%  | 18% | 3%  | 17% | 23% | 12% | 24% | 11% | 14% |
| Staff resistance or fear of change   | 5%  | -   | 4%  | 7%  | -   | 10% | -   | 4%  | 3%  | 11% | 10% |
| Don't know where to start  | 13% | 33% | 17% | 2%  | 22% | 17% | 15% | 24% | 10% | 6%  | -   |
| Firm is already adopting AI/automation successfully  | 12% | 11% | 26% | 5%  | 14% | 7%  | 8%  | 14% | 10% | 17% | 31% |
| <b>Firm's plan for developing/implementing AI solutions</b>                                      |     |     |     |     |     |     |     |     |     |     |     |
| Firm plans to develop AI solutions in-house  | 5%  | 5%  | 9%  | 2%  | 10% | 2%  | 3%  | 6%  | 6%  | 3%  | 3%  |
| Firm plans to rely on third-party vendors for AI implementation                                  | 41% | 32% | 41% | 45% | 23% | 26% | 51% | 37% | 37% | 53% | 33% |
| Firm is considering a hybrid approach, leveraging both in-house development and vendor solutions | 17% | 21% | 14% | 18% | 8%  | 9%  | 13% | 12% | 17% | 14% | 47% |
| Firm has not yet decided on an AI development approach   | 37% | 42% | 36% | 34% | 59% | 63% | 33% | 46% | 40% | 31% | 17% |