

## Appendix II

### **Customized Benchmarks**

## 2002 PCPS / TSCPA National MAP Survey

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Appendix II - Texas

| Texas                                   | All State | All Multi-Owner Firms |        |       |                  |         |      | All Single Owner Firms |        |       |                  |         |      |
|---|-----------|-----------------------|--------|-------|------------------|---------|------|------------------------|--------|-------|------------------|---------|------|
|   |           | Firm Size             |        |       | Metro Population |         |      | Firm Size              |        |       | Metro Population |         |      |
|   |           | Small                 | Medium | Large | <250K            | 250K-2M | 2M+  | Small                  | Medium | Large | <250K            | 250K-2M | 2M+  |
| <b>Number of Firms</b>                  | 183       | 30                    | 38     | 37    | 30               | 32      | 42   | 24                     | 26     | 28    | 20               | 34      | 23   |
| <b>A. Demographics</b>                  |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| <b>A1. Region of U.S.</b>               |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| a. Northeast                            | 0%        | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%   | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%   |
| b. South                                | 100%      | 100%                  | 100%   | 100%  | 100%             | 100%    | 100% | 100%                   | 100%   | 100%  | 100%             | 100%    | 100% |
| c. Midwest                              | 0%        | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%   | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%   |
| d. West                                 | 0%        | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%   | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%   |
| <b>A2. Metro area (not listed here)</b> | N/A       | N/A                   | N/A    | N/A   | N/A              | N/A     | N/A  | N/A                    | N/A    | N/A   | N/A              | N/A     | N/A  |
| <b>A3. Metro area population</b>        |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| a. < 75K                                | 10%       | 3%                    | 16%    | 6%    | 30%              | 0%      | 0%   | 13%                    | 16%    | 7%    | 45%              | 0%      | 0%   |
| b. 75K-249K                             | 18%       | 23%                   | 18%    | 19%   | 70%              | 0%      | 0%   | 17%                    | 12%    | 14%   | 55%              | 0%      | 0%   |
| c. 250K - 499K                          | 4%        | 0%                    | 13%    | 0%    | 0%               | 16%     | 0%   | 4%                     | 0%     | 4%    | 0%               | 6%      | 0%   |
| d. 500K - 999K                          | 8%        | 3%                    | 8%     | 6%    | 0%               | 19%     | 0%   | 0%                     | 12%    | 18%   | 0%               | 24%     | 0%   |
| e. 1M - 1,999K                          | 25%       | 23%                   | 21%    | 17%   | 0%               | 66%     | 0%   | 33%                    | 32%    | 29%   | 0%               | 71%     | 0%   |
| f. 2M or more                           | 36%       | 47%                   | 24%    | 53%   | 0%               | 0%      | 100% | 33%                    | 28%    | 29%   | 0%               | 0%      | 100% |
| <b>A4. Practice unit type</b>           |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| a. Single office                        | 95%       | 100%                  | 92%    | 81%   | 90%              | 91%     | 93%  | 100%                   | 100%   | 100%  | 100%             | 100%    | 100% |
| b. Unified multi-office                 | 4%        | 0%                    | 3%     | 16%   | 10%              | 3%      | 5%   | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%   |
| c. Office of regional firm              | 2%        | 0%                    | 5%     | 3%    | 0%               | 6%      | 2%   | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%   |
| <b>A5. % with satellite offices?</b>    | 7%        | 3%                    | 8%     | 19%   | 17%              | 9%      | 5%   | 0%                     | 4%     | 0%    | 0%               | 3%      | 0%   |
| <b>A6. +-20% change in firm size?</b>   |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| a. Increase                             | 14%       | 7%                    | 8%     | 14%   | 3%               | 6%      | 17%  | 25%                    | 8%     | 25%   | 16%              | 15%     | 30%  |
| b. Decrease                             | 3%        | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%   | 4%                     | 8%     | 7%    | 5%               | 6%      | 9%   |
| c. No change                            | 84%       | 93%                   | 92%    | 86%   | 97%              | 94%     | 83%  | 71%                    | 84%    | 68%   | 79%              | 79%     | 61%  |
| <b>A7. Length in business (yrs)</b>     |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| a. Less than 5                          | 9%        | 10%                   | 5%     | 0%    | 7%               | 3%      | 5%   | 29%                    | 8%     | 7%    | 15%              | 12%     | 13%  |
| b. 6 to 10                              | 16%       | 17%                   | 16%    | 5%    | 10%              | 22%     | 7%   | 25%                    | 19%    | 18%   | 15%              | 18%     | 30%  |
| c. 11 to 20                             | 30%       | 27%                   | 11%    | 27%   | 3%               | 22%     | 33%  | 33%                    | 58%    | 32%   | 40%              | 41%     | 43%  |
| d. 21 or more                           | 46%       | 47%                   | 68%    | 68%   | 80%              | 53%     | 55%  | 13%                    | 15%    | 43%   | 30%              | 29%     | 13%  |
| <b>A8. Date of last FY end</b>          |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| a. Pre-December, 2001                   | 1%        | 0%                    | 3%     | 3%    | 0%               | 3%      | 2%   | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%   |
| b. December, 2001                       | 92%       | 100%                  | 84%    | 84%   | 87%              | 88%     | 90%  | 100%                   | 100%   | 89%   | 95%              | 100%    | 91%  |
| c. Post-December, 2001                  | 7%        | 0%                    | 13%    | 14%   | 13%              | 9%      | 7%   | 0%                     | 0%     | 11%   | 5%               | 0%      | 9%   |

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Appendix II - Texas

| Texas                                 | All State        | All Multi-Owner Firms |                 |                  |                  |                  |                  | All Single Owner Firms |                |                 |                  |                 |                 |
|---------------------------------------|------------------|-----------------------|-----------------|------------------|------------------|------------------|------------------|------------------------|----------------|-----------------|------------------|-----------------|-----------------|
|                                       |                  | Firm Size             |                 |                  | Metro Population |                  |                  | Firm Size              |                |                 | Metro Population |                 |                 |
|                                       |                  | Small                 | Medium          | Large            | <250K            | 250K-2M          | 2M+              | Small                  | Medium         | Large           | <250K            | 250K-2M         | 2M+             |
| <b>B1. Financial (Avg \$)</b>         |                  |                       |                 |                  |                  |                  |                  |                        |                |                 |                  |                 |                 |
| <b>I. Prior fiscal year</b>           |                  |                       |                 |                  |                  |                  |                  |                        |                |                 |                  |                 |                 |
| a. Accounts receivable                | 231,336          | 82,227                | 205,023         | 749,310          | 251,547          | 309,477          | 471,238          | 21,561                 | 41,942         | 77,278          | 56,750           | 46,792          | 45,659          |
| b. Work-in progress                   | 106,474          | 33,415                | 120,631         | 318,658          | 172,967          | 161,681          | 169,892          | 3,748                  | 9,404          | 22,576          | 11,930           | 17,203          | 7,591           |
| c. Net client fees earned             | 1,309,334        | 578,026               | 1,281,378       | 4,092,854        | 1,684,991        | 2,074,169        | 2,224,800        | 83,823                 | 208,578        | 481,354         | 192,324          | 310,912         | 275,193         |
| <b>II. Last fiscal year revenues</b>  |                  |                       |                 |                  |                  |                  |                  |                        |                |                 |                  |                 |                 |
| d. Gross fees                         | 1,550,205        | 652,531               | 1,437,810       | 5,005,161        | 1,938,346        | 2,458,391        | 2,761,152        | 97,096                 | 223,780        | 576,257         | 226,836          | 356,044         | 323,721         |
| e. <u>Write-up/(down)</u>             | <u>(160,327)</u> | <u>(51,124)</u>       | <u>(87,774)</u> | <u>(500,457)</u> | <u>(194,471)</u> | <u>(230,145)</u> | <u>(247,755)</u> | <u>(1,629)</u>         | <u>(4,617)</u> | <u>(58,600)</u> | <u>(3,782)</u>   | <u>(41,835)</u> | <u>(16,762)</u> |
| f. Net client fees (d+e)              | 1,389,877        | 601,407               | 1,350,036       | 4,504,704        | 1,743,876        | 2,228,246        | 2,513,397        | 95,467                 | 219,163        | 517,657         | 223,055          | 314,209         | 306,959         |
| g. Interest income                    | 75               | 92                    | 126             | 17               | 95               | 62               | 79               | 44                     | 101            | 67              | 80               | 43              | 110             |
| h. <u>Other income</u>                | <u>10,642</u>    | <u>3,069</u>          | <u>11,302</u>   | <u>32,646</u>    | <u>12,086</u>    | <u>15,898</u>    | <u>20,431</u>    | <u>243</u>             | <u>1,435</u>   | <u>6,248</u>    | <u>6,907</u>     | <u>596</u>      | <u>2,594</u>    |
| i. Total income                       | 1,400,594        | 604,567               | 1,361,464       | 4,537,367        | 1,756,057        | 2,244,206        | 2,533,906        | 95,755                 | 220,698        | 523,972         | 230,042          | 314,847         | 309,663         |
| <b>III. Last fiscal year expenses</b> |                  |                       |                 |                  |                  |                  |                  |                        |                |                 |                  |                 |                 |
| a. Non-owner prof'l salaries          | 339,331          | 82,917                | 272,455         | 1,226,591        | 365,995          | 573,699          | 648,295          | 2,084                  | 23,245         | 114,946         | 25,730           | 61,447          | 55,177          |
| b. Paraprof'l. salaries               | 53,084           | 38,201                | 55,772          | 138,123          | 103,148          | 61,558           | 78,849           | 3,104                  | 16,183         | 30,115          | 16,842           | 17,934          | 15,771          |
| c. Other salaries                     | 81,858           | 34,761                | 64,500          | 278,111          | 94,748           | 133,255          | 151,106          | 4,975                  | 8,045          | 30,980          | 13,178           | 16,882          | 15,585          |
| d. Retirement plan costs              | 15,818           | 4,368                 | 22,011          | 48,023           | 21,824           | 23,315           | 30,432           | 82                     | 582            | 4,761           | 1,846            | 1,728           | 2,380           |
| e. Other employee benefits            | 47,672           | 12,074                | 35,689          | 176,556          | 71,295           | 93,245           | 66,358           | 602                    | 1,975          | 14,546          | 2,990            | 6,969           | 7,545           |
| f. Dues, library, CPE                 | 27,195           | 12,297                | 29,239          | 80,095           | 34,032           | 42,349           | 46,864           | 3,411                  | 5,559          | 10,958          | 5,556            | 7,856           | 6,357           |
| g. Insurance (excl health)            | 15,228           | 7,262                 | 16,911          | 45,742           | 23,270           | 29,824           | 20,665           | 1,249                  | 1,192          | 6,170           | 2,515            | 3,070           | 3,378           |
| h. Office rent & related exp.         | 88,215           | 49,205                | 85,452          | 261,062          | 94,151           | 142,550          | 159,689          | 8,203                  | 18,714         | 38,478          | 15,559           | 26,552          | 23,064          |
| i. Interest                           | 7,636            | 4,735                 | 5,840           | 20,839           | 6,528            | 12,578           | 11,854           | 1,783                  | 2,747          | 5,290           | 3,916            | 3,133           | 3,247           |
| j. Computer/technology                | 29,996           | 16,942                | 26,344          | 87,757           | 29,816           | 51,936           | 48,928           | 3,641                  | 5,552          | 17,897          | 8,056            | 10,317          | 9,523           |
| k. Promotion/marketing                | 19,591           | 8,475                 | 14,315          | 66,042           | 22,676           | 39,776           | 28,518           | 1,502                  | 3,254          | 7,955           | 4,585            | 3,144           | 6,266           |
| l. <u>Other expenses</u>              | <u>175,250</u>   | <u>82,044</u>         | <u>146,011</u>  | <u>554,536</u>   | <u>169,312</u>   | <u>265,194</u>   | <u>345,254</u>   | <u>18,236</u>          | <u>32,340</u>  | <u>80,884</u>   | <u>29,153</u>    | <u>51,062</u>   | <u>49,139</u>   |
| m. Total expenses                     | 900,874          | 353,281               | 774,540         | 2,983,475        | 1,036,794        | 1,469,280        | 1,636,811        | 48,872                 | 119,387        | 362,980         | 129,926          | 210,094         | 197,431         |
| <b>IV. Net remaining for owners</b>   | 499,720          | 251,286               | 586,924         | 1,553,891        | 719,262          | 774,926          | 897,095          | 46,883                 | 101,311        | 160,992         | 100,116          | 104,753         | 112,232         |
| <b>V. Key Statistics</b>              |                  |                       |                 |                  |                  |                  |                  |                        |                |                 |                  |                 |                 |
| a. Net remaining per owner            | 184,002          | 110,862               | 175,615         | 256,670          | 163,469          | 195,257          | 246,261          | 46,883                 | 101,311        | 160,992         | 100,116          | 104,753         | 112,232         |
| b. Net client fees / CPA              | 156,961          | 152,442               | 154,126         | 167,424          | 136,686          | 154,501          | 184,748          | 86,999                 | 132,805        | 138,727         | 118,938          | 130,153         | 132,868         |
| c. Net client fees / charged hour     | 91               | 77                    | 86              | 101              | 69               | 94               | 113              | 57                     | 72             | 82              | 73               | 78              | 78              |

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| Texas                                   | All State     | All Multi-Owner Firms |              |               |                  |               |              | All Single Owner Firms |              |               |                  |               |              |
|---|---------------|-----------------------|--------------|---------------|------------------|---------------|--------------|------------------------|--------------|---------------|------------------|---------------|--------------|
|   |               | Firm Size             |              |               | Metro Population |               |              | Firm Size              |              |               | Metro Population |               |              |
|   |               | Small                 | Medium       | Large         | <250K            | 250K-2M       | 2M+          | Small                  | Medium       | Large         | <250K            | 250K-2M       | 2M+          |
| <b>B1. Financial Statistics</b>         |               |                       |              |               |                  |               |              |                        |              |               |                  |               |              |
| <b>(% of LY Total Revenues)</b>         |               |                       |              |               |                  |               |              |                        |              |               |                  |               |              |
| <b>I. Prior fiscal year</b>             |               |                       |              |               |                  |               |              |                        |              |               |                  |               |              |
| a. Accounts receivable                  | 16.5%         | 13.6%                 | 15.1%        | 16.5%         | 14.3%            | 13.8%         | 18.6%        | 22.5%                  | 19.0%        | 14.7%         | 24.7%            | 14.9%         | 14.7%        |
| b. Work-in progress                     | 7.6%          | 5.5%                  | 8.9%         | 7.0%          | 9.8%             | 7.2%          | 6.7%         | 3.9%                   | 4.3%         | 4.3%          | 5.2%             | 5.5%          | 2.5%         |
| c. Net client fees earned               | 93.5%         | 95.6%                 | 94.1%        | 90.2%         | 96.0%            | 92.4%         | 87.8%        | 87.5%                  | 94.5%        | 91.9%         | 83.6%            | 98.7%         | 88.9%        |
| <b>II. Last fiscal year revenues</b>    |               |                       |              |               |                  |               |              |                        |              |               |                  |               |              |
| d. Gross fees                           | 110.7%        | 107.9%                | 105.6%       | 110.3%        | 110.4%           | 109.5%        | 109.0%       | 101.4%                 | 101.4%       | 110.0%        | 98.6%            | 113.1%        | 104.5%       |
| e. Write-up/(down)                      | <u>-11.4%</u> | <u>-8.5%</u>          | <u>-6.4%</u> | <u>-11.0%</u> | <u>-11.1%</u>    | <u>-10.3%</u> | <u>-9.8%</u> | <u>-1.7%</u>           | <u>-2.1%</u> | <u>-11.2%</u> | <u>-1.6%</u>     | <u>-13.3%</u> | <u>-5.4%</u> |
| f. Net Client Fees (d+e)                | 99.2%         | 99.5%                 | 99.2%        | 99.3%         | 99.3%            | 99.3%         | 99.2%        | 99.7%                  | 99.3%        | 98.8%         | 97.0%            | 99.8%         | 99.1%        |
| g. Interest Income                      | 0.0%          | 0.0%                  | 0.0%         | 0.0%          | 0.0%             | 0.0%          | 0.0%         | 0.0%                   | 0.0%         | 0.0%          | 0.0%             | 0.0%          | 0.0%         |
| h. <u>Oth. Income (rents/royalties)</u> | <u>0.8%</u>   | <u>0.5%</u>           | <u>0.8%</u>  | <u>0.7%</u>   | <u>0.7%</u>      | <u>0.7%</u>   | <u>0.8%</u>  | <u>0.3%</u>            | <u>0.7%</u>  | <u>1.2%</u>   | <u>3.0%</u>      | <u>0.2%</u>   | <u>0.8%</u>  |
| i. Total Income                         | 100.0%        | 100.0%                | 100.0%       | 100.0%        | 100.0%           | 100.0%        | 100.0%       | 100.0%                 | 100.0%       | 100.0%        | 100.0%           | 100.0%        | 100.0%       |
| <b>III. Last fiscal year expenses</b>   |               |                       |              |               |                  |               |              |                        |              |               |                  |               |              |
| a. Non-owner prof'l salaries            | 24.2%         | 13.7%                 | 20.0%        | 27.0%         | 20.8%            | 25.6%         | 25.6%        | 2.2%                   | 10.5%        | 21.9%         | 11.2%            | 19.5%         | 17.8%        |
| b. Paraprof'l salaries                  | 3.8%          | 6.3%                  | 4.1%         | 3.0%          | 5.9%             | 2.7%          | 3.1%         | 3.2%                   | 7.3%         | 5.7%          | 7.3%             | 5.7%          | 5.1%         |
| c. Other salaries                       | 5.8%          | 5.7%                  | 4.7%         | 6.1%          | 5.4%             | 5.9%          | 6.0%         | 5.2%                   | 3.6%         | 5.9%          | 5.7%             | 5.4%          | 5.0%         |
| d. Retirement plan costs                | 1.1%          | 0.7%                  | 1.6%         | 1.1%          | 1.2%             | 1.0%          | 1.2%         | 0.1%                   | 0.3%         | 0.9%          | 0.8%             | 0.5%          | 0.8%         |
| e. Other employee benefits              | 3.4%          | 2.0%                  | 2.6%         | 3.9%          | 4.1%             | 4.2%          | 2.6%         | 0.6%                   | 0.9%         | 2.8%          | 1.3%             | 2.2%          | 2.4%         |
| f. Dues, library, CPE                   | 1.9%          | 2.0%                  | 2.1%         | 1.8%          | 1.9%             | 1.9%          | 1.8%         | 3.6%                   | 2.5%         | 2.1%          | 2.4%             | 2.5%          | 2.1%         |
| g. Insurance (excl health)              | 1.1%          | 1.2%                  | 1.2%         | 1.0%          | 1.3%             | 1.3%          | 0.8%         | 1.3%                   | 0.5%         | 1.2%          | 1.1%             | 1.0%          | 1.1%         |
| h. Office rent & related exp.           | 6.3%          | 8.1%                  | 6.3%         | 5.8%          | 5.4%             | 6.4%          | 6.3%         | 8.6%                   | 8.5%         | 7.3%          | 6.8%             | 8.4%          | 7.4%         |
| i. Interest                             | 0.5%          | 0.8%                  | 0.4%         | 0.5%          | 0.4%             | 0.6%          | 0.5%         | 1.9%                   | 1.2%         | 1.0%          | 1.7%             | 1.0%          | 1.0%         |
| j. Computer/technology                  | 2.1%          | 2.8%                  | 1.9%         | 1.9%          | 1.7%             | 2.3%          | 1.9%         | 3.8%                   | 2.5%         | 3.4%          | 3.5%             | 3.3%          | 3.1%         |
| k. Promotion/marketing                  | 1.4%          | 1.4%                  | 1.1%         | 1.5%          | 1.3%             | 1.8%          | 1.1%         | 1.6%                   | 1.5%         | 1.5%          | 2.0%             | 1.0%          | 2.0%         |
| l. <u>Other expenses</u>                | <u>12.5%</u>  | <u>13.6%</u>          | <u>10.7%</u> | <u>12.2%</u>  | <u>9.6%</u>      | <u>11.8%</u>  | <u>13.6%</u> | <u>19.0%</u>           | <u>14.7%</u> | <u>15.4%</u>  | <u>12.7%</u>     | <u>16.2%</u>  | <u>15.9%</u> |
| m. Total expenses                       | 64.3%         | 58.4%                 | 56.9%        | 65.8%         | 59.0%            | 65.5%         | 64.6%        | 51.0%                  | 54.1%        | 69.3%         | 56.5%            | 66.7%         | 63.8%        |
| <b>IV. Net remaining for owners</b>     |               |                       |              |               |                  |               |              |                        |              |               |                  |               |              |
|   | 35.7%         | 41.6%                 | 43.1%        | 34.2%         | 41.0%            | 34.5%         | 35.4%        | 49.0%                  | 45.9%        | 30.7%         | 43.5%            | 33.3%         | 36.2%        |

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| Texas                                     | All State | All Multi-Owner Firms |        |        |                  |         |       | All Single Owner Firms |        |       |                  |         |       |
|---|-----------|-----------------------|--------|--------|------------------|---------|-------|------------------------|--------|-------|------------------|---------|-------|
|   |           | Firm Size             |        |        | Metro Population |         |       | Firm Size              |        |       | Metro Population |         |       |
|   |           | Small                 | Medium | Large  | <250K            | 250K-2M | 2M+   | Small                  | Medium | Large | <250K            | 250K-2M | 2M+   |
| <b>B2. Premises</b>                       |           |                       |        |        |                  |         |       |                        |        |       |                  |         |       |
| a. Primary office location type           |           |                       |        |        |                  |         |       |                        |        |       |                  |         |       |
| i. Owned by the firm                      | 8%        | 3%                    | 5%     | 16%    | 17%              | 6%      | 5%    | 0%                     | 4%     | 18%   | 20%              | 6%      | 0%    |
| ii. Home office                           | 4%        | 0%                    | 0%     | 0%     | 0%               | 0%      | 0%    | 21%                    | 8%     | 0%    | 15%              | 9%      | 4%    |
| iii. Leased/rented office                 | 88%       | 97%                   | 95%    | 84%    | 83%              | 94%     | 95%   | 79%                    | 88%    | 82%   | 65%              | 85%     | 96%   |
| b. Primary office area (ft <sup>2</sup> ) | 4,906     | 3,063                 | 5,328  | 12,997 | 7,315            | 7,137   | 7,417 | 590                    | 1,303  | 2,509 | 1,669            | 1,465   | 1,529 |
| c. Annual rent / square foot (\$)         | 16        | 15                    | 15     | 18     | 11               | 16      | 19    | 14                     | 14     | 17    | 9                | 17      | 16    |
| d. Offices provided to staff              |           |                       |        |        |                  |         |       |                        |        |       |                  |         |       |
| i. "Hotel" offices                        | 0%        | 0%                    | 0%     | 0%     | 0%               | 0%      | 0%    | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%    |
| ii. Private offices                       | 83%       | 87%                   | 95%    | 92%    | 93%              | 94%     | 88%   | 33%                    | 81%    | 93%   | 70%              | 74%     | 65%   |
| iii. Cubicles/workstations                | 34%       | 40%                   | 32%    | 76%    | 33%              | 63%     | 50%   | 4%                     | 19%    | 18%   | 20%              | 18%     | 4%    |
| iv. Shared offices                        | 16%       | 10%                   | 8%     | 19%    | 13%              | 13%     | 12%   | 25%                    | 12%    | 25%   | 10%              | 32%     | 13%   |
| v. Other                                  | 4%        | 0%                    | 0%     | 3%     | 0%               | 3%      | 0%    | 25%                    | 4%     | 0%    | 15%              | 6%      | 9%    |
| g. Square feet / FTE                      | 373       | 473                   | 414    | 330    | 372              | 343     | 372   | 423                    | 514    | 429   | 545              | 407     | 451   |
| <b>B3. Total number of owners</b>         | 2.72      | 2.27                  | 3.34   | 6.05   | 4.40             | 3.97    | 3.64  | 1.00                   | 1.00   | 1.00  | 1.00             | 1.00    | 1.00  |
| <b>B4. Sources of fees</b>                |           |                       |        |        |                  |         |       |                        |        |       |                  |         |       |
| a. Auditing and attestation               | 13.4%     | 11.3%                 | 18.3%  | 22.5%  | 20.7%            | 19.8%   | 14.1% | 5.8%                   | 6.8%   | 9.4%  | 12.3%            | 7.1%    | 3.9%  |
| b. Reviews                                | 2.0%      | 2.8%                  | 2.3%   | 2.1%   | 1.5%             | 3.8%    | 1.9%  | 1.8%                   | 0.5%   | 2.5%  | 0.5%             | 1.4%    | 3.0%  |
| c. Compilations                           | 9.3%      | 13.7%                 | 5.2%   | 3.6%   | 5.6%             | 5.8%    | 9.2%  | 14.5%                  | 13.2%  | 9.5%  | 12.4%            | 13.3%   | 11.1% |
| d. Tax services                           | 49.2%     | 45.0%                 | 50.6%  | 46.4%  | 48.8%            | 47.4%   | 47.5% | 47.4%                  | 56.4%  | 50.3% | 53.9%            | 48.4%   | 54.7% |
| e. Write-up/data processing               | 11.3%     | 13.5%                 | 10.6%  | 8.3%   | 13.8%            | 10.0%   | 8.9%  | 11.7%                  | 10.4%  | 14.6% | 11.0%            | 13.6%   | 11.4% |
| f. Consulting services                    | 7.2%      | 5.8%                  | 5.7%   | 6.9%   | 4.3%             | 3.9%    | 8.5%  | 11.5%                  | 7.7%   | 6.9%  | 6.0%             | 11.7%   | 6.0%  |
| g. Business valuation                     | 0.7%      | 1.4%                  | 0.5%   | 1.1%   | 0.6%             | 0.6%    | 1.4%  | 0.4%                   | 0.0%   | 0.5%  | 0.1%             | 0.3%    | 0.5%  |
| h. Litigation support                     | 1.9%      | 1.6%                  | 2.8%   | 1.3%   | 0.4%             | 1.7%    | 3.2%  | 0.2%                   | 1.6%   | 3.7%  | 0.4%             | 1.4%    | 4.1%  |
| i. IT services                            | 0.5%      | 0.5%                  | 0.2%   | 1.1%   | 0.3%             | 0.2%    | 1.1%  | 0.4%                   | 0.4%   | 0.1%  | 0.5%             | 0.1%    | 0.5%  |
| j. IT hardware                            | 0.0%      | 0.0%                  | 0.0%   | 0.1%   | 0.1%             | 0.0%    | 0.0%  | 0.0%                   | 0.0%   | 0.0%  | 0.0%             | 0.0%    | 0.0%  |
| k. Financial advisory svcs                | 1.3%      | 0.7%                  | 1.0%   | 1.9%   | 1.1%             | 1.7%    | 1.0%  | 2.5%                   | 0.2%   | 1.6%  | 1.6%             | 1.4%    | 1.3%  |
| l. Mergers & acquisitions                 | 0.1%      | 0.1%                  | 0.0%   | 0.2%   | 0.0%             | 0.2%    | 0.0%  | 0.0%                   | 0.0%   | 0.1%  | 0.0%             | 0.1%    | 0.0%  |
| m. Other svcs                             | 3.1%      | 3.6%                  | 2.7%   | 4.6%   | 2.8%             | 4.7%    | 3.2%  | 3.9%                   | 2.8%   | 0.9%  | 1.6%             | 1.2%    | 3.5%  |

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Appendix II - Texas

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| Texas                              | All State   | All Multi-Owner Firms |             |             |                  |             |             | All Single Owner Firms |             |             |                  |             |             |
|------------------------------------|-------------|-----------------------|-------------|-------------|------------------|-------------|-------------|------------------------|-------------|-------------|------------------|-------------|-------------|
|                                    |             | Firm Size             |             |             | Metro Population |             |             | Firm Size              |             |             | Metro Population |             |             |
|                                    |             | Small                 | Medium      | Large       | <250K            | 250K-2M     | 2M+         | Small                  | Medium      | Large       | <250K            | 250K-2M     | 2M+         |
| <b>B5. Accounts receivable</b>     |             |                       |             |             |                  |             |             |                        |             |             |                  |             |             |
| a. Current                         | 48%         | 49%                   | 42%         | 37%         | 44%              | 46%         | 39%         | 72%                    | 57%         | 42%         | 55%              | 56%         | 59%         |
| b. Over 30 days                    | 15%         | 13%                   | 16%         | 20%         | 16%              | 16%         | 18%         | 10%                    | 9%          | 15%         | 8%               | 11%         | 15%         |
| c. Over 60 days                    | 12%         | 10%                   | 16%         | 13%         | 14%              | 13%         | 14%         | 2%                     | 14%         | 14%         | 5%               | 15%         | 9%          |
| d. Over 90 days                    | 24%         | 27%                   | 27%         | 29%         | 26%              | 25%         | 30%         | 16%                    | 16%         | 29%         | 26%              | 19%         | 17%         |
| e. Bad debt written off            | N/A         | N/A                   | N/A         | N/A         | N/A              | N/A         | N/A         | N/A                    | N/A         | N/A         | N/A              | N/A         | N/A         |
| f. % charging interest on A/R?     | 23%         | 27%                   | 16%         | 38%         | 30%              | 19%         | 32%         | 8%                     | 23%         | 23%         | 21%              | 18%         | 18%         |
| <b>C. Personnel &amp; Staffing</b> |             |                       |             |             |                  |             |             |                        |             |             |                  |             |             |
| <b>C1A. Personnel</b>              |             |                       |             |             |                  |             |             |                        |             |             |                  |             |             |
| a. Total Staff -- FT Employees     |             |                       |             |             |                  |             |             |                        |             |             |                  |             |             |
| i. Active owners                   | 2.72        | 2.27                  | 3.34        | 6.05        | 4.40             | 3.97        | 3.64        | 1.00                   | 1.00        | 1.00        | 1.00             | 1.00        | 1.00        |
| ii. CPA >10 yrs exp                | 1.69        | 0.50                  | 1.92        | 5.38        | 2.40             | 2.69        | 2.93        | 0.00                   | 0.23        | 0.57        | 0.25             | 0.26        | 0.35        |
| iii. CPA 6-10 yrs exp              | 0.97        | 0.37                  | 1.16        | 2.89        | 1.13             | 1.78        | 1.62        | 0.00                   | 0.08        | 0.46        | 0.20             | 0.18        | 0.22        |
| iv. CPA 4-5 yrs exp                | 0.81        | 0.10                  | 0.63        | 3.03        | 1.13             | 1.50        | 1.31        | 0.00                   | 0.12        | 0.21        | 0.15             | 0.12        | 0.09        |
| v. CPA 1-3 yrs exp                 | 1.08        | 0.27                  | 0.76        | 3.84        | 1.67             | 1.88        | 1.52        | 0.00                   | 0.04        | 0.61        | 0.10             | 0.35        | 0.17        |
| vi. CPA <1 yr exp                  | <u>0.26</u> | <u>0.07</u>           | <u>0.08</u> | <u>0.89</u> | <u>0.47</u>      | <u>0.41</u> | <u>0.26</u> | <u>0.04</u>            | <u>0.00</u> | <u>0.29</u> | <u>0.00</u>      | <u>0.09</u> | <u>0.26</u> |
| vii Total CPAs                     | 7.51        | 3.57                  | 7.89        | 22.08       | 11.20            | 12.22       | 11.29       | 1.04                   | 1.46        | 3.14        | 1.70             | 2.00        | 2.09        |
| viii Computer professional         | 0.21        | 0.00                  | 0.08        | 0.95        | 0.33             | 0.19        | 0.48        | 0.00                   | 0.00        | 0.04        | 0.05             | 0.00        | 0.00        |
| ix Administrator/OM                | 0.55        | 0.40                  | 0.76        | 1.03        | 0.60             | 0.69        | 0.88        | 0.04                   | 0.19        | 0.54        | 0.15             | 0.38        | 0.22        |
| x Paraprofessionals                | 1.07        | 1.03                  | 1.21        | 2.57        | 2.30             | 1.38        | 1.24        | 0.04                   | 0.27        | 0.54        | 0.35             | 0.26        | 0.30        |
| xi Clerical                        | 1.38        | 0.73                  | 1.34        | 4.38        | 2.17             | 2.22        | 2.31        | 0.08                   | 0.15        | 0.39        | 0.30             | 0.12        | 0.30        |
| xii Other                          | <u>0.21</u> | <u>0.07</u>           | <u>0.13</u> | <u>0.76</u> | <u>0.37</u>      | <u>0.53</u> | <u>0.17</u> | <u>0.00</u>            | <u>0.00</u> | <u>0.11</u> | <u>0.00</u>      | <u>0.03</u> | <u>0.09</u> |
| xiii Non-CPAs                      | <u>3.41</u> | <u>2.23</u>           | <u>3.53</u> | <u>9.68</u> | <u>5.77</u>      | <u>5.00</u> | <u>5.07</u> | <u>0.17</u>            | <u>0.62</u> | <u>1.61</u> | <u>0.85</u>      | <u>0.79</u> | <u>0.91</u> |
| xiv Total Staff (inc. owners)      | 10.92       | 5.80                  | 11.42       | 31.76       | 16.97            | 17.22       | 16.36       | 1.21                   | 2.08        | 4.75        | 2.55             | 2.79        | 3.00        |

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Appendix II - Texas

| Texas                                 | All State | All Multi-Owner Firms |        |        |                  |         |        | All Single Owner Firms |        |       |                  |         |       |
|---------------------------------------|-----------|-----------------------|--------|--------|------------------|---------|--------|------------------------|--------|-------|------------------|---------|-------|
|                                       |           | Firm Size             |        |        | Metro Population |         |        | Firm Size              |        |       | Metro Population |         |       |
|                                       |           | Small                 | Medium | Large  | <250K            | 250K-2M | 2M+    | Small                  | Medium | Large | <250K            | 250K-2M | 2M+   |
| <b>C1B. Personnel -- FT Employees</b> |           |                       |        |        |                  |         |        |                        |        |       |                  |         |       |
| <b>a. Total compensated hours</b>     |           |                       |        |        |                  |         |        |                        |        |       |                  |         |       |
| i. Active owners                      | 5,814     | 4,736                 | 7,370  | 13,979 | 10,176           | 8,241   | 8,142  | 1,668                  | 2,085  | 2,319 | 2,153            | 2,097   | 1,887 |
| ii. CPA >10 yrs exp                   | 3,492     | 1,057                 | 3,950  | 11,379 | 5,078            | 5,408   | 6,298  | 0                      | 422    | 1,150 | 448              | 549     | 656   |
| iii. CPA 6-10 yrs exp                 | 2,073     | 749                   | 2,505  | 6,438  | 2,507            | 3,861   | 3,503  | 0                      | 156    | 878   | 428              | 362     | 318   |
| iv. CPA 4-5 yrs exp                   | 1,629     | 167                   | 1,357  | 6,279  | 2,525            | 2,976   | 2,666  | 0                      | 188    | 345   | 234              | 222     | 98    |
| v. CPA 1-3 yrs exp                    | 2,168     | 509                   | 1,543  | 8,411  | 3,608            | 3,667   | 3,306  | 0                      | 43     | 999   | 160              | 637     | 152   |
| vi. CPA <1 yr exp                     | 404       | 151                   | 82     | 1,458  | 834              | 692     | 334    | 63                     | 0      | 443   | 0                | 130     | 411   |
| vii Total CPAs                        | 15,580    | 7,369                 | 16,806 | 47,944 | 24,728           | 24,845  | 24,250 | 1,730                  | 2,895  | 6,135 | 3,424            | 3,997   | 3,522 |
| viii Computer professional            | 451       | 0                     | 173    | 1,994  | 719              | 445     | 946    | 0                      | 0      | 71    | 100              | 0       | 0     |
| ix Administrator/OM                   | 1,145     | 740                   | 1,653  | 2,296  | 1,318            | 1,487   | 1,852  | 87                     | 365    | 1,036 | 288              | 755     | 393   |
| x. Paraprofessionals                  | 2,194     | 1,942                 | 2,588  | 5,516  | 4,602            | 2,876   | 2,620  | 75                     | 528    | 1,106 | 658              | 561     | 607   |
| xi. Clerical                          | 2,770     | 1,462                 | 2,771  | 8,780  | 4,326            | 4,606   | 4,644  | 167                    | 267    | 795   | 603              | 226     | 574   |
| xii Other                             | 357       | 139                   | 236    | 1,367  | 687              | 1,099   | 270    | 0                      | 0      | 145   | 0                | 68      | 77    |
| xiii Non-CPAs                         | 6,917     | 4,283                 | 7,422  | 19,952 | 11,652           | 10,513  | 10,332 | 328                    | 1,160  | 3,153 | 1,649            | 1,609   | 1,650 |
| xiv Total Staff (inc. owners)         | 22,498    | 11,652                | 24,228 | 67,897 | 36,380           | 35,358  | 34,581 | 2,058                  | 4,055  | 9,288 | 5,073            | 5,606   | 5,172 |
| <b>b. Comp hours per employee</b>     |           |                       |        |        |                  |         |        |                        |        |       |                  |         |       |
| i. Active owners                      | 2,141     | 2,089                 | 2,205  | 2,309  | 2,313            | 2,077   | 2,235  | 1,668                  | 2,085  | 2,319 | 2,153            | 2,097   | 1,887 |
| ii. CPA >10 yrs exp                   | 2,068     | 2,114                 | 2,056  | 2,116  | 2,116            | 2,012   | 2,151  | 0                      | 1,830  | 2,013 | 1,791            | 2,073   | 1,886 |
| iii. CPA 6-10 yrs exp                 | 2,144     | 2,044                 | 2,163  | 2,226  | 2,212            | 2,167   | 2,164  | 0                      | 2,030  | 1,891 | 2,142            | 2,054   | 1,461 |
| iv. CPA 4-5 yrs exp                   | 2,014     | 1,671                 | 2,149  | 2,074  | 2,228            | 1,984   | 2,036  | 0                      | 1,631  | 1,611 | 1,560            | 1,888   | 1,128 |
| v. CPA 1-3 yrs exp                    | 2,014     | 1,908                 | 2,022  | 2,192  | 2,165            | 1,956   | 2,169  | 0                      | 1,126  | 1,646 | 1,603            | 1,804   | 877   |
| vi. CPA <1 yr exp                     | 1,574     | 2,262                 | 1,034  | 1,635  | 1,787            | 1,704   | 1,277  | 1,500                  | 0      | 1,551 | 0                | 1,479   | 1,574 |
| vii Computer professional             | 2,114     | 0                     | 2,195  | 2,108  | 2,156            | 2,375   | 1,987  | 0                      | 0      | 2,000 | 2,000            | 0       | 0     |
| viii Administrator/OM                 | 2,096     | 1,851                 | 2,166  | 2,236  | 2,196            | 2,163   | 2,102  | 2,080                  | 1,898  | 1,934 | 1,920            | 1,974   | 1,806 |
| ix. Paraprofessionals                 | 2,059     | 1,879                 | 2,138  | 2,148  | 2,001            | 2,092   | 2,116  | 1,800                  | 1,962  | 2,065 | 1,881            | 2,119   | 1,994 |
| x. Clerical                           | 2,011     | 1,994                 | 2,064  | 2,005  | 1,997            | 2,076   | 2,011  | 2,000                  | 1,735  | 2,023 | 2,009            | 1,923   | 1,887 |
| xi. Other                             | 1,721     | 2,080                 | 1,796  | 1,806  | 1,874            | 2,070   | 1,621  | 0                      | 0      | 1,353 | 0                | 2,300   | 880   |

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| Texas                                  | All State | All Multi-Owner Firms |        |        |                  |         |       | All Single Owner Firms |        |       |                  |         |      |
|--|-----------|-----------------------|--------|--------|------------------|---------|-------|------------------------|--------|-------|------------------|---------|------|
|  |           | Firm Size             |        |        | Metro Population |         |       | Firm Size              |        |       | Metro Population |         |      |
|  |           | Small                 | Medium | Large  | <250K            | 250K-2M | 2M+   | Small                  | Medium | Large | <250K            | 250K-2M | 2M+  |
| <b>C1C. Personnel -- Part-Time Ees</b> |           |                       |        |        |                  |         |       |                        |        |       |                  |         |      |
| <b>a. Total compensated hours</b>      |           |                       |        |        |                  |         |       |                        |        |       |                  |         |      |
| i. Active owners                       | 77        | 60                    | 30     | 119    | 135              | 54      | 36    | 75                     | 77     | 106   | 100              | 111     | 44   |
| ii. CPA >10 yrs exp                    | 682       | 165                   | 434    | 2,388  | 592              | 844     | 1,378 | 0                      | 169    | 377   | 145              | 273     | 120  |
| iii. CPA 6-10 yrs exp                  | 522       | 140                   | 315    | 1,911  | 454              | 792     | 1,072 | 19                     | -      | 293   | 55               | 101     | 179  |
| iv. CPA 4-5 yrs exp                    | 342       | 234                   | 226    | 1,164  | 290              | 580     | 737   | -                      | 81     | 67    | 65               | 56      | 35   |
| v. CPA 1-3 yrs exp                     | 594       | 70                    | 367    | 2,370  | 451              | 1,235   | 1,098 | 1                      | 25     | 153   | -                | 115     | 46   |
| vi. CPA <1 yr exp                      | 573       | 119                   | 427    | 2,083  | 1,319            | 1,078   | 501   | 21                     | 41     | 229   | -                | 206     | 41   |
| vii Total CPAs                         | 2,790     | 787                   | 1,798  | 10,036 | 3,241            | 4,583   | 4,823 | 116                    | 393    | 1,224 | 365              | 861     | 464  |
| viii Computer professional             | 100       | 53                    | 46     | 377    | 214              | 262     | 59    | -                      | -      | 37    | -                | -       | 45   |
| ix Administrator/OM                    | 101       | 132                   | 70     | 138    | 153              | 73      | 114   | -                      | 36     | 208   | 46               | 171     | -    |
| x. Paraprofessionals                   | 593       | 106                   | 581    | 1,665  | 956              | 885     | 605   | 58                     | 305    | 441   | 200              | 357     | 184  |
| xi. Clerical                           | 821       | 301                   | 422    | 2,797  | 811              | 1,011   | 1,460 | 214                    | 220    | 384   | 458              | 282     | 124  |
| xii Other                              | 226       | 23                    | 115    | 979    | 250              | 596     | 351   | -                      | -      | -     | -                | -       | -    |
| xiii Non-CPAs                          | 1,840     | 616                   | 1,234  | 5,956  | 2,384            | 2,826   | 2,589 | 272                    | 561    | 1,070 | 704              | 810     | 353  |
| xiv Total Staff (inc. owners)          | 4,630     | 1,403                 | 3,032  | 15,992 | 5,626            | 7,410   | 7,412 | 388                    | 953    | 2,294 | 1,069            | 1,671   | 818  |
| <b>b. PT Employee full-time equiv.</b> |           |                       |        |        |                  |         |       |                        |        |       |                  |         |      |
| i. Active owners                       | 0.04      | 0.03                  | 0.01   | 0.06   | 0.06             | 0.03    | 0.02  | 0.04                   | 0.04   | 0.05  | 0.05             | 0.05    | 0.02 |
| ii. CPA >10 yrs exp                    | 0.33      | 0.08                  | 0.21   | 1.15   | 0.28             | 0.41    | 0.66  | 0.00                   | 0.08   | 0.18  | 0.07             | 0.13    | 0.06 |
| iii. CPA 6-10 yrs exp                  | 0.25      | 0.07                  | 0.15   | 0.92   | 0.22             | 0.38    | 0.52  | 0.01                   | 0.00   | 0.14  | 0.03             | 0.05    | 0.09 |
| iv. CPA 4-5 yrs exp                    | 0.16      | 0.11                  | 0.11   | 0.56   | 0.14             | 0.28    | 0.35  | 0.00                   | 0.04   | 0.03  | 0.03             | 0.03    | 0.02 |
| v. CPA 1-3 yrs exp                     | 0.29      | 0.03                  | 0.18   | 1.14   | 0.22             | 0.59    | 0.53  | 0.00                   | 0.01   | 0.07  | 0.00             | 0.06    | 0.02 |
| vi. CPA <1 yr exp                      | 0.28      | 0.06                  | 0.21   | 1.00   | 0.63             | 0.52    | 0.24  | 0.01                   | 0.02   | 0.11  | 0.00             | 0.10    | 0.02 |
| vii Total CPAs                         | 1.34      | 0.38                  | 0.86   | 4.82   | 1.56             | 2.20    | 2.32  | 0.06                   | 0.19   | 0.59  | 0.18             | 0.41    | 0.22 |
| viii Computer professional             | 0.05      | 0.03                  | 0.02   | 0.18   | 0.10             | 0.13    | 0.03  | 0.00                   | 0.00   | 0.02  | 0.00             | 0.00    | 0.02 |
| ix Administrator/OM                    | 0.05      | 0.06                  | 0.03   | 0.07   | 0.07             | 0.03    | 0.05  | 0.00                   | 0.02   | 0.10  | 0.02             | 0.08    | 0.00 |
| x. Paraprofessionals                   | 0.29      | 0.05                  | 0.28   | 0.80   | 0.46             | 0.43    | 0.29  | 0.03                   | 0.15   | 0.21  | 0.10             | 0.17    | 0.09 |
| xi. Clerical                           | 0.39      | 0.14                  | 0.20   | 1.34   | 0.39             | 0.49    | 0.70  | 0.10                   | 0.11   | 0.18  | 0.22             | 0.14    | 0.06 |
| xii Other                              | 0.11      | 0.01                  | 0.06   | 0.47   | 0.12             | 0.29    | 0.17  | 0.00                   | 0.00   | 0.00  | 0.00             | 0.00    | 0.00 |
| xiii Non-CPAs                          | 0.88      | 0.30                  | 0.59   | 2.86   | 1.15             | 1.36    | 1.24  | 0.13                   | 0.27   | 0.51  | 0.34             | 0.39    | 0.17 |
| xiv Total Staff (inc. owners)          | 2.23      | 0.67                  | 1.46   | 7.69   | 2.70             | 3.56    | 3.56  | 0.19                   | 0.46   | 1.10  | 0.51             | 0.80    | 0.39 |



## 2002 PCPS / TSCPA National MAP Survey

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Appendix II - Texas

| Texas                                | All State    | All Multi-Owner Firms |              |              |                  |              |              | All Single Owner Firms |            |              |                  |            |              |
|--------------------------------------|--------------|-----------------------|--------------|--------------|------------------|--------------|--------------|------------------------|------------|--------------|------------------|------------|--------------|
|                                      |              | Firm Size             |              |              | Metro Population |              |              | Firm Size              |            |              | Metro Population |            |              |
|                                      |              | Small                 | Medium       | Large        | <250K            | 250K-2M      | 2M+          | Small                  | Medium     | Large        | <250K            | 250K-2M    | 2M+          |
| <b>C1D. Personnel -- hrs charged</b> |              |                       |              |              |                  |              |              |                        |            |              |                  |            |              |
| <b>a. Total hours charged</b>        |              |                       |              |              |                  |              |              |                        |            |              |                  |            |              |
| i. Active owners                     | 3,506        | 3,103                 | 4,251        | 7,044        | 5,935            | 4,656        | 4,609        | 1,120                  | 1,403      | 1,523        | 1,347            | 1,438      | 1,298        |
| ii. CPA >10 yrs exp                  | 2,755        | 790                   | 3,055        | 8,642        | 3,873            | 4,107        | 4,892        | 0                      | 462        | 959          | 262              | 622        | 566          |
| iii. CPA 6-10 yrs exp                | 1,853        | 701                   | 2,060        | 5,808        | 2,210            | 3,351        | 3,182        | 0                      | 95         | 802          | 297              | 314        | 327          |
| iv. CPA 4-5 yrs exp                  | 1,429        | 293                   | 1,230        | 5,129        | 2,097            | 2,651        | 2,289        | 0                      | 178        | 317          | 204              | 180        | 156          |
| v. CPA 1-3 yrs exp                   | 1,946        | 419                   | 1,377        | 7,712        | 3,047            | 3,310        | 3,143        | 0                      | 45         | 742          | 116              | 448        | 176          |
| vi. CPA <1 yr exp                    | <u>662</u>   | <u>217</u>            | <u>322</u>   | <u>2,337</u> | <u>1,600</u>     | <u>1,447</u> | <u>518</u>   | <u>50</u>              | <u>0</u>   | <u>455</u>   | <u>0</u>         | <u>296</u> | <u>250</u>   |
| vii Total CPAs                       | 12,150       | 5,523                 | 12,295       | 36,672       | 18,761           | 19,522       | 18,632       | 1,170                  | 2,183      | 4,799        | 2,226            | 3,298      | 2,772        |
| viii Computer professional           | 93           | 0                     | 52           | 394          | 263              | 119          | 101          | 0                      | 0          | 0            | 0                | 0          | 0            |
| ix Administrator/OM                  | 186          | 209                   | 311          | 66           | 207              | 171          | 226          | 29                     | 199        | 210          | 66               | 218        | 154          |
| x. Paraprofessionals                 | 1,823        | 1,451                 | 2,127        | 4,743        | 4,075            | 2,412        | 2,116        | 97                     | 517        | 853          | 480              | 453        | 566          |
| xi. Clerical                         | 976          | 581                   | 903          | 2,296        | 1,755            | 1,320        | 1,143        | 373                    | 131        | 402          | 302              | 28         | 421          |
| xii Other                            | <u>80</u>    | <u>0</u>              | <u>18</u>    | <u>414</u>   | <u>221</u>       | <u>229</u>   | <u>1</u>     | <u>0</u>               | <u>0</u>   | <u>30</u>    | <u>0</u>         | <u>17</u>  | <u>12</u>    |
| xiii Non-CPAs                        | <u>3,157</u> | <u>2,241</u>          | <u>3,410</u> | <u>7,912</u> | <u>6,521</u>     | <u>4,252</u> | <u>3,587</u> | <u>498</u>             | <u>846</u> | <u>1,495</u> | <u>848</u>       | <u>716</u> | <u>1,153</u> |
| xiv Total Staff (inc. owners)        | 15,308       | 7,764                 | 15,705       | 44,584       | 25,283           | 23,773       | 22,219       | 1,668                  | 3,029      | 6,294        | 3,074            | 4,014      | 3,925        |
| <b>b. Hours Charged Per Employee</b> |              |                       |              |              |                  |              |              |                        |            |              |                  |            |              |
| i. Active owners                     | 1,273        | 1,352                 | 1,266        | 1,153        | 1,329            | 1,165        | 1,259        | 1,081                  | 1,353      | 1,450        | 1,286            | 1,365      | 1,271        |
| ii. CPA >10 yrs exp                  | 1,367        | 1,365                 | 1,434        | 1,324        | 1,443            | 1,328        | 1,362        | 0                      | 1,481      | 1,275        | 819              | 1,571      | 1,395        |
| iii. CPA 6-10 yrs exp                | 1,521        | 1,614                 | 1,574        | 1,524        | 1,635            | 1,550        | 1,491        | 0                      | 1,235      | 1,326        | 1,311            | 1,397      | 1,077        |
| iv. CPA 4-5 yrs exp                  | 1,468        | 1,379                 | 1,661        | 1,430        | 1,648            | 1,491        | 1,376        | 0                      | 1,154      | 1,287        | 1,127            | 1,247      | 1,500        |
| v. CPA 1-3 yrs exp                   | 1,428        | 1,397                 | 1,466        | 1,549        | 1,618            | 1,341        | 1,532        | 0                      | 895        | 1,089        | 1,155            | 1,097      | 901          |
| vi. CPA <1 yr exp                    | 1,243        | 1,753                 | 1,132        | 1,234        | 1,453            | 1,566        | 1,029        | 967                    | 0          | 1,150        | 0                | 1,579      | 890          |
| vii Computer professional            | 355          | 0                     | 511          | 349          | 603              | 380          | 200          | 0                      | 0          | 0            | 0                | 0          | 0            |
| viii Administrator/OM                | 312          | 450                   | 391          | 60           | 308              | 237          | 241          | 691                    | 951        | 331          | 384              | 469        | 706          |
| ix. Paraprofessionals                | 1,349        | 1,338                 | 1,427        | 1,408        | 1,477            | 1,340        | 1,384        | 1,400                  | 1,242      | 1,141        | 1,076            | 1,040      | 1,441        |
| x. Clerical                          | 551          | 662                   | 585          | 401          | 687              | 488          | 380          | 2,000                  | 503        | 697          | 580              | 109        | 1,156        |
| xi. Other                            | 255          | 0                     | 95           | 337          | 455              | 280          | 3            | 0                      | 0          | 280          | 0                | 565        | 138          |

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Appendix II - Texas

PRIVATE & CONFIDENTIAL

| Texas                                 | All State | All Multi-Owner Firms |         |         |                  |         |         | All Single Owner Firms |         |         |                  |         |         |
|---------------------------------------|-----------|-----------------------|---------|---------|------------------|---------|---------|------------------------|---------|---------|------------------|---------|---------|
|                                       |           | Firm Size             |         |         | Metro Population |         |         | Firm Size              |         |         | Metro Population |         |         |
|                                       |           | Small                 | Medium  | Large   | <250K            | 250K-2M | 2M+     | Small                  | Medium  | Large   | <250K            | 250K-2M | 2M+     |
| <b>C1D. Personnel Compensation</b>    |           |                       |         |         |                  |         |         |                        |         |         |                  |         |         |
| <b>a. FT Compensation (\$ / year)</b> |           |                       |         |         |                  |         |         |                        |         |         |                  |         |         |
| i. Active owners (net remain)         | 163,540   | 116,077               | 193,822 | 266,603 | 161,537          | 186,929 | 226,957 | 49,595                 | 103,539 | 187,265 | 105,824          | 116,150 | 132,622 |
| ii. CPA >10 yrs exp                   | 70,033    | 52,920                | 73,176  | 80,283  | 60,319           | 79,168  | 79,740  | 0                      | 46,246  | 58,278  | 43,891           | 56,179  | 61,824  |
| iii. CPA 6-10 yrs exp                 | 55,503    | 44,327                | 49,176  | 63,525  | 48,022           | 52,878  | 62,535  | 0                      | 36,090  | 57,024  | 42,363           | 50,589  | 81,500  |
| iv. CPA 4-5 yrs exp                   | 45,054    | 34,187                | 40,789  | 48,522  | 38,201           | 45,497  | 52,016  | 0                      | 35,344  | 44,586  | 36,250           | 40,280  | 60,000  |
| v. CPA 1-3 yrs exp                    | 36,742    | 35,040                | 33,671  | 43,025  | 33,615           | 36,473  | 46,875  | 0                      | 10,368  | 27,566  | 20,684           | 29,831  | 17,924  |
| vi. CPA <1 yr exp                     | 31,433    | 32,046                | 26,000  | 38,316  | 28,797           | 44,530  | 36,508  | 25,000                 | 0       | 23,925  | 0                | 28,867  | 21,724  |
| vii Computer professional             | 49,852    | 0                     | 34,040  | 52,224  | 36,645           | 54,813  | 60,008  | 0                      | 0       | 0       | 0                | 0       | 0       |
| vii Administrator/OM                  | 40,420    | 31,855                | 38,862  | 55,513  | 36,833           | 46,530  | 49,015  | 24,000                 | 23,476  | 26,119  | 21,330           | 26,735  | 23,875  |
| ix. Paraprofessionals                 | 34,274    | 30,372                | 34,819  | 38,657  | 29,962           | 34,793  | 40,108  | 25,117                 | 29,133  | 32,743  | 24,128           | 31,674  | 35,571  |
| x. Clerical                           | 27,704    | 22,999                | 25,800  | 31,821  | 23,578           | 27,674  | 32,363  | 20,000                 | 19,597  | 30,062  | 24,071           | 29,416  | 25,833  |
| xi. Other                             | 46,988    | 23,000                | 21,485  | 59,754  | 23,304           | 86,236  | 41,399  | 0                      | 0       | 27,041  | 0                | 27,082  | 27,000  |
| <b>b. Comp Per Hour Charged (\$)</b>  |           |                       |         |         |                  |         |         |                        |         |         |                  |         |         |
| i. Active owners (net remain)         | 128       | 86                    | 153     | 231     | 122              | 160     | 180     | 46                     | 77      | 129     | 82               | 85      | 104     |
| ii. CPA >10 yrs exp                   | 51        | 39                    | 51      | 61      | 42               | 60      | 59      | N/A                    | 31      | 46      | 54               | 36      | 44      |
| iii. CPA 6-10 yrs exp                 | 36        | 27                    | 31      | 42      | 29               | 34      | 42      | N/A                    | 29      | 43      | 32               | 36      | 76      |
| iv. CPA 4-5 yrs exp                   | 31        | 25                    | 25      | 34      | 23               | 31      | 38      | N/A                    | 31      | 35      | 32               | 32      | 40      |
| v. CPA 1-3 yrs exp                    | 26        | 25                    | 23      | 28      | 21               | 27      | 31      | N/A                    | 12      | 25      | 18               | 27      | 20      |
| vi. CPA <1 yr exp                     | 25        | 18                    | 23      | 31      | 20               | 28      | 35      | 26                     | N/A     | 21      | N/A              | 18      | 24      |
| vii Computer professional             | N/A       | N/A                   | N/A     | N/A     | N/A              | N/A     | N/A     | N/A                    | N/A     | N/A     | N/A              | N/A     | N/A     |
| vii Administrator/OM                  | N/A       | N/A                   | N/A     | N/A     | N/A              | N/A     | N/A     | N/A                    | N/A     | N/A     | N/A              | N/A     | N/A     |
| ix. Paraprofessionals                 | 25        | 23                    | 24      | 27      | 20               | 26      | 29      | 18                     | 23      | 29      | 22               | 30      | 25      |
| x. Clerical                           | 50        | 35                    | 44      | 79      | 34               | 57      | 85      | 10                     | 39      | 43      | 41               | 270     | 22      |
| xi. Other                             | 185       | N/A                   | 226     | 177     | 51               | 308     | 14,774  | N/A                    | N/A     | 96      | N/A              | 48      | 196     |
| <b>c. Compensation year basis</b>     |           |                       |         |         |                  |         |         |                        |         |         |                  |         |         |
| i. Calendar 2001                      | 93.2%     | 96.2%                 | 93.8%   | 88.2%   | 88.0%            | 96.6%   | 91.9%   | 100.0%                 | 100.0%  | 91.3%   | 90.9%            | 100.0%  | 90.9%   |
| ii. Other                             | 6.8%      | 3.8%                  | 6.3%    | 11.8%   | 12.0%            | 3.4%    | 8.1%    | 0.0%                   | 0.0%    | 8.7%    | 9.1%             | 0.0%    | 9.1%    |
| <b>d. Average annual % increase</b>   |           |                       |         |         |                  |         |         |                        |         |         |                  |         |         |
| i. Professionals                      | 6.5%      | 5.4%                  | 6.3%    | 7.2%    | 6.5%             | 6.2%    | 6.4%    | 0.0%                   | 6.4%    | 8.0%    | 11.6%            | 5.6%    | 5.3%    |

## 2002 PCPS / TSCPA National MAP Survey

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| Texas                                     | All State | All Multi-Owner Firms |        |        |                  |         |        | All Single Owner Firms |        |        |                  |         |        |
|---|-----------|-----------------------|--------|--------|------------------|---------|--------|------------------------|--------|--------|------------------|---------|--------|
|   |           | Firm Size             |        |        | Metro Population |         |        | Firm Size              |        |        | Metro Population |         |        |
|   |           | Small                 | Medium | Large  | <250K            | 250K-2M | 2M+    | Small                  | Medium | Large  | <250K            | 250K-2M | 2M+    |
| <b>C3. Starting salary</b>                |           |                       |        |        |                  |         |        |                        |        |        |                  |         |        |
| a. New hires -- with 150 hours            |           |                       |        |        |                  |         |        |                        |        |        |                  |         |        |
| i. % of firms hiring                      | 18.6%     | 6.7%                  | 18.4%  | 51.4%  | 36.7%            | 21.9%   | 23.8%  | 0.0%                   | 0.0%   | 21.4%  | 5.0%             | 8.8%    | 8.7%   |
| ii. Avg # hired (of those hiring)         | 2.3       | 1.0                   | 1.7    | 3.0    | 2.3              | 4.3     | 1.6    | N/A                    | N/A    | 1.2    | 1.0              | 1.3     | 1.0    |
| iii. Average salary                       | 33,912    | 36,000                | 30,429 | 35,711 | 29,727           | 34,714  | 39,350 | N/A                    | N/A    | 31,583 | 19,000           | 36,333  | 30,750 |
| b. New hires -- w/o 150 hours             |           |                       |        |        |                  |         |        |                        |        |        |                  |         |        |
| i. % of firms hiring                      | 20.8%     | 10.0%                 | 26.3%  | 43.2%  | 40.0%            | 25.0%   | 19.0%  | 4.2%                   | 3.8%   | 25.0%  | 0.0%             | 14.7%   | 17.4%  |
| ii. Avg # hired (of those hiring)         | 1.7       | 1.3                   | 1.2    | 2.2    | 1.8              | 1.3     | 2.3    | 1.0                    | 3.0    | 1.1    | N/A              | 1.0     | 1.8    |
| iii. Average salary                       | 32,750    | 32,333                | 29,800 | 34,469 | 28,833           | 34,000  | 36,938 | 23,000                 | 42,500 | 33,214 | N/A              | 36,100  | 29,375 |
| <b>C4A. Average billing rates (\$)</b>    |           |                       |        |        |                  |         |        |                        |        |        |                  |         |        |
| i. Active owners                          | 153       | 138                   | 161    | 200    | 139              | 172     | 186    | 98                     | 132    | 155    | 103              | 134     | 148    |
| ii. CPA >10 yrs exp                       | 120       | 99                    | 118    | 139    | 106              | 125     | 134    | 100                    | 96     | 117    | 104              | 103     | 127    |
| iii. CPA 6-10 yrs exp                     | 101       | 91                    | 90     | 119    | 84               | 108     | 114    | 88                     | 62     | 96     | 87               | 87      | 110    |
| iv. CPA 4-5 yrs exp                       | 88        | 86                    | 80     | 96     | 67               | 94      | 99     | 0                      | 61     | 93     | 70               | 74      | 110    |
| v. CPA 1-3 yrs exp                        | 73        | 74                    | 70     | 79     | 60               | 76      | 89     | 38                     | 50     | 70     | 67               | 64      | 64     |
| vi. CPA <1 yr exp                         | 62        | 61                    | 59     | 66     | 51               | 67      | 74     | 0                      | 0      | 59     | 80               | 58      | 56     |
| vii Computer professional                 | 85        | 46                    | 113    | 88     | 60               | 114     | 93     | 0                      | 0      | 53     | 45               | 50      | 65     |
| vii Administrator/OM                      | 63        | 46                    | 57     | 85     | 56               | 71      | 71     | 50                     | 38     | 49     | 54               | 45      | 48     |
| ix. Paraprofessionals                     | 60        | 57                    | 58     | 66     | 50               | 66      | 67     | 37                     | 60     | 56     | 48               | 54      | 65     |
| x. Clerical                               | 44        | 42                    | 43     | 51     | 40               | 49      | 50     | 30                     | 34     | 42     | 37               | 36      | 46     |
| xi. Other                                 | 58        | 45                    | 61     | 66     | 48               | 54      | 92     | 0                      | 35     | 47     | 0                | 50      | 44     |
| <b>C4B. % NOT using billing rates for</b> |           |                       |        |        |                  |         |        |                        |        |        |                  |         |        |
| a. Professional staff                     | 5%        | 3%                    | 3%     | 0%     | 3%               | 0%      | 2%     | 21%                    | 4%     | 4%     | 10%              | 6%      | 13%    |
| b. Clerical/admin staff                   | 13%       | 17%                   | 8%     | 8%     | 13%              | 6%      | 12%    | 25%                    | 12%    | 11%    | 15%              | 15%     | 17%    |
| <b>C4C. % using billing rates for</b>     |           |                       |        |        |                  |         |        |                        |        |        |                  |         |        |
| a. Copying                                | 25%       | 23%                   | 26%    | 43%    | 40%              | 38%     | 19%    | 8%                     | 19%    | 21%    | 20%              | 18%     | 13%    |
| b. Clerical overtime                      | 6%        | 3%                    | 8%     | 3%     | 7%               | 9%      | 0%     | 8%                     | 8%     | 7%     | 10%              | 9%      | 4%     |
| c. Technology                             | 32%       | 27%                   | 42%    | 43%    | 40%              | 38%     | 36%    | 25%                    | 19%    | 29%    | 20%              | 29%     | 22%    |
| d. Fax charges                            | 19%       | 20%                   | 24%    | 24%    | 27%              | 16%     | 24%    | 4%                     | 8%     | 29%    | 20%              | 15%     | 9%     |

## 2002 PCPS / TSCPA National MAP Survey

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Appendix II - Texas

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| Texas                                   | All State | All Multi-Owner Firms |        |       |                  |         |      | All Single Owner Firms |        |       |                  |         |      |
|---|-----------|-----------------------|--------|-------|------------------|---------|------|------------------------|--------|-------|------------------|---------|------|
|   |           | Firm Size             |        |       | Metro Population |         |      | Firm Size              |        |       | Metro Population |         |      |
|   |           | Small                 | Medium | Large | <250K            | 250K-2M | 2M+  | Small                  | Medium | Large | <250K            | 250K-2M | 2M+  |
| <b>C5A. Billing rates / hourly comp</b> |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| i. Active owners                        | 1.19      | 1.61                  | 1.05   | 0.86  | 1.14             | 1.07    | 1.03 | 2.13                   | 1.73   | 1.20  | 1.25             | 1.58    | 1.42 |
| ii. CPA >10 yrs exp                     | 2.34      | 2.55                  | 2.32   | 2.29  | 2.53             | 2.10    | 2.29 | N/A                    | 3.09   | 2.56  | 1.93             | 2.87    | 2.87 |
| iii. CPA 6-10 yrs exp                   | 2.77      | 3.30                  | 2.88   | 2.85  | 2.84             | 3.16    | 2.73 | N/A                    | 2.12   | 2.24  | 2.68             | 2.39    | 1.45 |
| iv. CPA 4-5 yrs exp                     | 2.88      | 3.48                  | 3.26   | 2.82  | 2.89             | 3.08    | 2.63 | N/A                    | 1.99   | 2.67  | 2.18             | 2.29    | 2.75 |
| v. CPA 1-3 yrs exp                      | 2.83      | 2.94                  | 3.06   | 2.85  | 2.88             | 2.80    | 2.91 | N/A                    | 4.32   | 2.75  | 3.72             | 2.34    | 3.23 |
| vi. CPA <1 yr exp                       | 2.45      | 3.34                  | 2.55   | 2.12  | 2.58             | 2.34    | 2.09 | 0.00                   | N/A    | 2.84  | N/A              | 3.16    | 2.29 |
| vii Computer professional               | N/A       | N/A                   | N/A    | N/A   | N/A              | N/A     | N/A  | N/A                    | N/A    | N/A   | N/A              | N/A     | N/A  |
| vii Administrator/OM                    | N/A       | N/A                   | N/A    | N/A   | N/A              | N/A     | N/A  | N/A                    | N/A    | N/A   | N/A              | N/A     | N/A  |
| ix. Paraprofessionals                   | 2.35      | 2.52                  | 2.39   | 2.42  | 2.49             | 2.53    | 2.31 | 2.04                   | 2.54   | 1.96  | 2.15             | 1.76    | 2.65 |
| x. Clerical                             | 0.88      | 1.20                  | 0.96   | 0.65  | 1.15             | 0.87    | 0.58 | 3.00                   | 0.86   | 0.97  | 0.88             | 0.13    | 2.04 |
| xi. Other                               | 0.31      | N/A                   | 0.27   | 0.37  | 0.94             | 0.18    | 0.01 | N/A                    | N/A    | 0.49  | N/A              | 1.04    | 0.22 |
| <b>C5B. Billing rate multiple</b>       |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| a. % of fees based on rates             | 86%       | 80%                   | 95%    | 91%   | 89%              | 92%     | 87%  | 74%                    | 80%    | 88%   | 85%              | 82%     | 74%  |
| <b>b. Reported billing rate / comp</b>  |           |                       |        |       |                  |         |      |                        |        |       |                  |         |      |
| i. 2 x salary / hour                    | 3%        | 3%                    | 0%     | 3%    | 0%               | 0%      | 2%   | 14%                    | 4%     | 0%    | 10%              | 0%      | 9%   |
| ii. 2.5 x salary / hour                 | 9%        | 10%                   | 8%     | 8%    | 10%              | 9%      | 7%   | 14%                    | 8%     | 11%   | 5%               | 18%     | 5%   |
| iii. 3 x salary / hour                  | 27%       | 37%                   | 13%    | 22%   | 20%              | 16%     | 31%  | 23%                    | 46%    | 25%   | 40%              | 18%     | 41%  |
| iv. 3.5 x salary / hour                 | 28%       | 23%                   | 42%    | 30%   | 23%              | 38%     | 36%  | 9%                     | 15%    | 36%   | 10%              | 36%     | 9%   |
| v. 4 x salary / hour                    | 15%       | 20%                   | 24%    | 16%   | 40%              | 13%     | 12%  | 0%                     | 8%     | 14%   | 10%              | 9%      | 5%   |
| vi. 4+ x salary / hour                  | 7%        | 0%                    | 5%     | 16%   | 3%               | 13%     | 7%   | 5%                     | 8%     | 4%    | 5%               | 6%      | 5%   |
| vii. Do not use                         | 12%       | 7%                    | 8%     | 5%    | 3%               | 13%     | 5%   | 36%                    | 12%    | 11%   | 20%              | 12%     | 27%  |
| c. Est. rate for \$50K EE               | 87        | 83                    | 95     | 91    | 93               | 92      | 87   | 77                     | 80     | 88    | 85               | 82      | 77   |

## 2002 PCPS / TSCPA National MAP Survey

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Appendix II - Texas

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| Texas                             | All State | All Multi-Owner Firms |        |       |                  |         |     | All Single Owner Firms |        |       |                  |         |     |
|-----------------------------------|-----------|-----------------------|--------|-------|------------------|---------|-----|------------------------|--------|-------|------------------|---------|-----|
|                                   |           | Firm Size             |        |       | Metro Population |         |     | Firm Size              |        |       | Metro Population |         |     |
|                                   |           | Small                 | Medium | Large | <250K            | 250K-2M | 2M+ | Small                  | Medium | Large | <250K            | 250K-2M | 2M+ |
| <b>D. Policies and Procedures</b> |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| <b>D1. Personnel policies</b>     |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| a1. Provide for ptrn retirement?  |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. Yes                            | 46%       | 27%                   | 66%    | 59%   | 57%              | 53%     | 50% | 38%                    | 35%    | 43%   | 25%              | 32%     | 61% |
| ii. No                            | 42%       | 60%                   | 34%    | 35%   | 40%              | 44%     | 40% | 42%                    | 46%    | 36%   | 45%              | 50%     | 22% |
| iii. N/A                          | 11%       | 10%                   | 0%     | 5%    | 3%               | 0%      | 10% | 21%                    | 19%    | 21%   | 30%              | 18%     | 17% |
| a2. Funding / payment method      |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. Funded by ins / other          | 6%        | 0%                    | 9%     | 9%    | 4%               | 14%     | 3%  | 5%                     | 4%     | 5%    | 0%               | 4%      | 10% |
| ii. Funded by ret. plan           | 36%       | 35%                   | 39%    | 38%   | 38%              | 39%     | 38% | 23%                    | 33%    | 45%   | 17%              | 36%     | 48% |
| iii. Paid by equity buyout        | 7%        | 5%                    | 15%    | 9%    | 17%              | 11%     | 6%  | 5%                     | 0%     | 5%    | 0%               | 4%      | 5%  |
| iv. Paid by other                 | 6%        | 5%                    | 12%    | 13%   | 21%              | 4%      | 9%  | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%  |
| v. N/A                            | 45%       | 55%                   | 24%    | 31%   | 21%              | 32%     | 44% | 68%                    | 63%    | 45%   | 83%              | 57%     | 38% |
| b1. Professionals paid for OT?    |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. Yes, at premium rates          | 23%       | 32%                   | 22%    | 15%   | 25%              | 30%     | 15% | 13%                    | 30%    | 25%   | 32%              | 30%     | 5%  |
| ii. Yes, at regular rates         | 34%       | 29%                   | 54%    | 53%   | 54%              | 50%     | 40% | 4%                     | 17%    | 25%   | 16%              | 15%     | 19% |
| iii. No                           | 33%       | 39%                   | 24%    | 32%   | 21%              | 20%     | 45% | 13%                    | 39%    | 50%   | 37%              | 24%     | 48% |
| iv. N/A                           | 11%       | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%  | 70%                    | 13%    | 0%    | 16%              | 30%     | 29% |
| b2. Paid for non-wking hr travel  |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. Yes, at regular rates          | 44%       | 52%                   | 58%    | 58%   | 74%              | 50%     | 48% | 13%                    | 29%    | 40%   | 39%              | 24%     | 24% |
| ii. Yes, at other rates           | 3%        | 0%                    | 8%     | 3%    | 4%               | 7%      | 3%  | 4%                     | 0%     | 0%    | 6%               | 0%      | 0%  |
| iii. No                           | 33%       | 26%                   | 34%    | 27%   | 19%              | 33%     | 35% | 13%                    | 46%    | 52%   | 22%              | 42%     | 43% |
| iv. N/A                           | 20%       | 22%                   | 0%     | 12%   | 4%               | 10%     | 15% | 71%                    | 25%    | 8%    | 33%              | 33%     | 33% |
| b3. Have a sick leave policy?     |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. Yes, dep illness covered       | 43%       | 47%                   | 54%    | 65%   | 87%              | 43%     | 43% | 0%                     | 23%    | 54%   | 35%              | 33%     | 10% |
| ii. Yes, w/o dep illness          | 19%       | 23%                   | 32%    | 18%   | 0%               | 40%     | 30% | 13%                    | 5%     | 18%   | 5%               | 12%     | 20% |
| iii. No                           | 27%       | 30%                   | 14%    | 18%   | 13%              | 17%     | 28% | 29%                    | 64%    | 25%   | 45%              | 27%     | 45% |
| iv. N/A                           | 10%       | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%  | 58%                    | 9%     | 4%    | 15%              | 27%     | 25% |
| c1. Policies in place:            |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. Option of OT or comp time      | 32%       | 30%                   | 42%    | 49%   | 37%              | 41%     | 45% | 4%                     | 19%    | 32%   | 15%              | 29%     | 9%  |
| ii. Comp PTO for OT               | 34%       | 40%                   | 32%    | 57%   | 43%              | 53%     | 36% | 8%                     | 27%    | 32%   | 30%              | 18%     | 26% |
| iii. Incentives for client dev    | 50%       | 67%                   | 58%    | 59%   | 57%              | 59%     | 67% | 21%                    | 23%    | 57%   | 35%              | 29%     | 39% |
| iv. Time off for the CPA exam     | 66%       | 63%                   | 87%    | 100%  | 80%              | 94%     | 81% | 13%                    | 35%    | 68%   | 35%              | 44%     | 39% |
| v. PTO/comp - prof'l activities   | 62%       | 70%                   | 79%    | 81%   | 90%              | 75%     | 69% | 8%                     | 46%    | 64%   | 45%              | 41%     | 35% |
| vi. PTO/comp - comm activities    | 39%       | 43%                   | 58%    | 43%   | 73%              | 34%     | 40% | 4%                     | 23%    | 46%   | 25%              | 26%     | 22% |
| vii. Maternity leave              | 13%       | 10%                   | 18%    | 24%   | 27%              | 19%     | 12% | 4%                     | 8%     | 7%    | 10%              | 3%      | 9%  |
| c2. % Hiring PT Personnel         | 82%       | 83%                   | 89%    | 95%   | 87%              | 94%     | 88% | 63%                    | 72%    | 82%   | 65%              | 74%     | 77% |

## 2002 PCPS / TSCPA National MAP Survey

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Appendix II - Texas

| Texas                              | All State | All Multi-Owner Firms |        |       |                  |         |     | All Single Owner Firms |        |       |                  |         |     |
|------------------------------------|-----------|-----------------------|--------|-------|------------------|---------|-----|------------------------|--------|-------|------------------|---------|-----|
|                                    |           | Firm Size             |        |       | Metro Population |         |     | Firm Size              |        |       | Metro Population |         |     |
|                                    |           | Small                 | Medium | Large | <250K            | 250K-2M | 2M+ | Small                  | Medium | Large | <250K            | 250K-2M | 2M+ |
| <b>D2. Staff benefits provided</b> |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| a. Cafeteria plan                  | 40%       | 37%                   | 55%    | 92%   | 67%              | 69%     | 55% | 4%                     | 8%     | 14%   | 10%              | 6%      | 13% |
| b. Continuing education courses    | 84%       | 97%                   | 95%    | 100%  | 100%             | 97%     | 95% | 29%                    | 65%    | 100%  | 65%              | 74%     | 57% |
| c. CPA examination fees            | 34%       | 47%                   | 39%    | 38%   | 30%              | 41%     | 48% | 4%                     | 12%    | 54%   | 20%              | 29%     | 22% |
| d. CPA exam review courses         | 20%       | 23%                   | 18%    | 24%   | 23%              | 28%     | 17% | 4%                     | 12%    | 32%   | 10%              | 21%     | 17% |
| e. Dependent health insurance      | 25%       | 20%                   | 16%    | 46%   | 20%              | 31%     | 29% | 4%                     | 15%    | 39%   | 15%              | 18%     | 30% |
| f. Dependent life insurance        | 4%        | 0%                    | 3%     | 16%   | 0%               | 6%      | 12% | 0%                     | 4%     | 0%    | 0%               | 0%      | 4%  |
| g. Dental insurance                | 18%       | 23%                   | 11%    | 41%   | 7%               | 22%     | 40% | 0%                     | 8%     | 18%   | 5%               | 9%      | 13% |
| h. Health insurance -- HMO         | 20%       | 13%                   | 29%    | 24%   | 17%              | 34%     | 19% | 13%                    | 8%     | 29%   | 10%              | 18%     | 22% |
| i. Health insurance -- Other       | 57%       | 73%                   | 63%    | 89%   | 73%              | 72%     | 79% | 8%                     | 35%    | 54%   | 20%              | 35%     | 39% |
| j. Life insurance                  | 44%       | 33%                   | 61%    | 89%   | 60%              | 69%     | 60% | 13%                    | 15%    | 29%   | 10%              | 18%     | 26% |
| k. Long term care insurance        | 3%        | 0%                    | 5%     | 8%    | 3%               | 6%      | 5%  | 0%                     | 0%     | 0%    | 0%               | 0%      | 0%  |
| l. Long term disability ins.       | 27%       | 20%                   | 32%    | 62%   | 33%              | 47%     | 38% | 4%                     | 4%     | 25%   | 10%              | 6%      | 17% |
| m. Master's degree courses         | 5%        | 0%                    | 3%     | 11%   | 0%               | 6%      | 7%  | 4%                     | 4%     | 7%    | 0%               | 6%      | 9%  |
| n. Medical savings account         | 6%        | 0%                    | 5%     | 14%   | 3%               | 6%      | 10% | 4%                     | 8%     | 4%    | 5%               | 6%      | 4%  |
| o. Professional dues               | 80%       | 93%                   | 100%   | 97%   | 100%             | 100%    | 93% | 25%                    | 50%    | 93%   | 55%              | 62%     | 52% |
| p. Professional licenses           | 80%       | 93%                   | 97%    | 97%   | 100%             | 97%     | 93% | 25%                    | 58%    | 89%   | 65%              | 59%     | 52% |
| q. Retirement plan                 | 68%       | 67%                   | 92%    | 95%   | 93%              | 94%     | 74% | 25%                    | 31%    | 75%   | 45%              | 50%     | 39% |
| r. Short term disability ins.      | 12%       | 3%                    | 18%    | 27%   | 13%              | 25%     | 14% | 0%                     | 0%     | 14%   | 10%              | 3%      | 4%  |
| s. Other                           | 5%        | 3%                    | 5%     | 14%   | 0%               | 16%     | 7%  | 0%                     | 0%     | 7%    | 0%               | 0%      | 9%  |
| <b>D3. Services provided</b>       |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| a. Bankruptcy                      | 17%       | 10%                   | 24%    | 27%   | 27%              | 28%     | 12% | 13%                    | 4%     | 21%   | 10%              | 12%     | 17% |
| b. Business valuation              | 46%       | 37%                   | 58%    | 78%   | 60%              | 59%     | 57% | 21%                    | 19%    | 46%   | 30%              | 32%     | 26% |
| c. Computer hardware sales         | 3%        | 3%                    | 3%     | 3%    | 7%               | 3%      | 0%  | 4%                     | 4%     | 4%    | 0%               | 0%      | 13% |
| d. IT hardware select/install      | 15%       | 10%                   | 24%    | 27%   | 20%              | 22%     | 21% | 8%                     | 4%     | 7%    | 0%               | 6%      | 13% |
| e. Computer software sales         | 9%        | 10%                   | 13%    | 11%   | 20%              | 13%     | 5%  | 4%                     | 4%     | 7%    | 0%               | 0%      | 17% |
| f. IT software select/install      | 36%       | 37%                   | 42%    | 46%   | 50%              | 38%     | 40% | 25%                    | 31%    | 29%   | 25%              | 24%     | 35% |
| g. Estate tax planning             | 76%       | 87%                   | 95%    | 97%   | 100%             | 94%     | 88% | 33%                    | 42%    | 79%   | 70%              | 50%     | 39% |
| h. Executive searches              | 16%       | 3%                    | 24%    | 41%   | 13%              | 28%     | 26% | 0%                     | 4%     | 11%   | 0%               | 6%      | 4%  |
| i. Forensic accounting             | 26%       | 13%                   | 32%    | 49%   | 27%              | 31%     | 36% | 17%                    | 12%    | 25%   | 10%              | 18%     | 26% |
| j. Human resources                 | 15%       | 13%                   | 8%     | 38%   | 13%              | 16%     | 29% | 13%                    | 8%     | 7%    | 0%               | 6%      | 17% |
| k. Insurance                       | 19%       | 13%                   | 16%    | 22%   | 23%              | 13%     | 17% | 29%                    | 4%     | 32%   | 10%              | 29%     | 22% |
| l. International                   | 15%       | 13%                   | 8%     | 41%   | 3%               | 25%     | 29% | 8%                     | 12%    | 4%    | 0%               | 6%      | 13% |
| m. Investment advisory             | 29%       | 37%                   | 37%    | 32%   | 37%              | 38%     | 33% | 21%                    | 19%    | 21%   | 15%              | 26%     | 17% |
| n. Litigation support              | 46%       | 20%                   | 66%    | 78%   | 47%              | 63%     | 60% | 29%                    | 15%    | 50%   | 20%              | 35%     | 39% |
| o. Market feasibility studies      | 9%        | 3%                    | 8%     | 22%   | 7%               | 16%     | 12% | 8%                     | 4%     | 4%    | 5%               | 9%      | 0%  |
| p. Mergers and acquisitions        | 34%       | 20%                   | 45%    | 70%   | 37%              | 56%     | 45% | 17%                    | 15%    | 21%   | 15%              | 18%     | 17% |
| q. Payroll processing              | 56%       | 63%                   | 58%    | 62%   | 90%              | 56%     | 43% | 46%                    | 42%    | 57%   | 50%              | 41%     | 57% |
| r. Personal financial planning     | 58%       | 53%                   | 66%    | 78%   | 63%              | 69%     | 67% | 46%                    | 42%    | 54%   | 45%              | 47%     | 52% |
| s. Securities sales                | 23%       | 17%                   | 29%    | 24%   | 30%              | 22%     | 21% | 17%                    | 23%    | 25%   | 10%              | 35%     | 13% |
| t. Other                           | 7%        | 10%                   | 5%     | 8%    | 3%               | 9%      | 10% | 13%                    | 4%     | 4%    | 10%              | 6%      | 4%  |

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Appendix II - Texas

| Texas                                  | All State | All Multi-Owner Firms |        |       |                  |         |     | All Single Owner Firms |        |       |                  |         |     |
|--|-----------|-----------------------|--------|-------|------------------|---------|-----|------------------------|--------|-------|------------------|---------|-----|
|  |           | Firm Size             |        |       | Metro Population |         |     | Firm Size              |        |       | Metro Population |         |     |
|  |           | Small                 | Medium | Large | <250K            | 250K-2M | 2M+ | Small                  | Medium | Large | <250K            | 250K-2M | 2M+ |
| <b>E. Other Information</b>            |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| <b>E1. Hours worked per week</b>       |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| a. Standard -- 4/15 - 12/31            |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. <40 hours                           | 23%       | 17%                   | 13%    | 5%    | 10%              | 13%     | 12% | 65%                    | 39%    | 29%   | 39%              | 43%     | 43% |
| ii. 40-48 hours                        | 74%       | 83%                   | 84%    | 95%   | 90%              | 84%     | 88% | 29%                    | 48%    | 71%   | 61%              | 54%     | 43% |
| iii. 49-56 hours                       | 2%        | 0%                    | 3%     | 0%    | 0%               | 3%      | 0%  | 6%                     | 9%     | 0%    | 0%               | 4%      | 10% |
| iv. 57+ hours                          | 1%        | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%  | 0%                     | 4%     | 0%    | 0%               | 0%      | 5%  |
| b. Min. expected -- 1/1 - 3/1          |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. <40 hours                           | 6%        | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%  | 29%                    | 13%    | 7%    | 6%               | 11%     | 29% |
| ii. 40-48 hours                        | 57%       | 57%                   | 53%    | 51%   | 37%              | 56%     | 62% | 35%                    | 70%    | 71%   | 50%              | 71%     | 57% |
| iii. 49-56 hours                       | 34%       | 30%                   | 47%    | 46%   | 53%              | 44%     | 33% | 24%                    | 17%    | 21%   | 39%              | 14%     | 14% |
| iv. 57+ hours                          | 4%        | 13%                   | 0%     | 3%    | 10%              | 0%      | 5%  | 12%                    | 0%     | 0%    | 6%               | 4%      | 0%  |
| c. Min. expected -- 3/1 - 4/15         |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. <40 hours                           | 3%        | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%  | 19%                    | 9%     | 4%    | 6%               | 4%      | 20% |
| ii. 40-48 hours                        | 27%       | 37%                   | 18%    | 14%   | 20%              | 19%     | 24% | 19%                    | 43%    | 36%   | 44%              | 29%     | 30% |
| iii. 49-56 hours                       | 48%       | 40%                   | 68%    | 62%   | 57%              | 56%     | 62% | 31%                    | 26%    | 39%   | 11%              | 50%     | 30% |
| iv. 57+ hours                          | 22%       | 23%                   | 13%    | 24%   | 23%              | 25%     | 14% | 31%                    | 22%    | 21%   | 39%              | 18%     | 20% |
| d. Avg., last 4 wks/busy season        |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| i. <40 hours                           | 3%        | 0%                    | 0%     | 0%    | 0%               | 0%      | 0%  | 18%                    | 13%    | 0%    | 6%               | 4%      | 19% |
| ii. 40-48 hours                        | 23%       | 30%                   | 13%    | 5%    | 7%               | 16%     | 19% | 18%                    | 35%    | 43%   | 44%              | 29%     | 29% |
| iii. 49-56 hours                       | 37%       | 33%                   | 50%    | 46%   | 47%              | 34%     | 50% | 24%                    | 26%    | 29%   | 17%              | 36%     | 24% |
| iv. 57+ hours                          | 37%       | 37%                   | 37%    | 49%   | 47%              | 50%     | 31% | 41%                    | 26%    | 29%   | 33%              | 32%     | 29% |
| <b>E2. Use seasonal billing rates?</b> |           |                       |        |       |                  |         |     |                        |        |       |                  |         |     |
| a. Yes, routinely                      | 10%       | 7%                    | 5%     | 5%    | 7%               | 6%      | 5%  | 25%                    | 8%     | 18%   | 25%              | 15%     | 13% |
| b. Occasionally                        | 24%       | 33%                   | 16%    | 19%   | 10%              | 34%     | 21% | 21%                    | 35%    | 25%   | 25%              | 32%     | 22% |
| c. Rarely                              | 27%       | 27%                   | 18%    | 38%   | 40%              | 22%     | 24% | 21%                    | 35%    | 21%   | 25%              | 26%     | 22% |
| d. Never                               | 39%       | 33%                   | 61%    | 38%   | 43%              | 38%     | 50% | 33%                    | 23%    | 36%   | 25%              | 26%     | 43% |