

Welcome to the PCPS / TSCPA 2008 National MAP Survey!

The survey covers key practice management issues that will allow your firm to compare its management policies and financial results to other firms, and gain strategic guidance to build a more profitable and rewarding practice. Your responses will also help leaders within the profession measure change and develop strategies to address the challenges within the accounting environment.

Please keep a copy of your email invitation and access the survey by clicking on the link it contains. If you lose your email invitation, simply visit the reminder section at <http://map.pcps.org> and we will re-send you your link. **The survey is scheduled to close on Friday, July 11, 2008.**

We know your time is extremely valuable. For 2008, we have re-structured the survey to ease and speed completion. At any time, you can return to this screen ("About"), and later instruction screens, by clicking on the link in the upper right hand corner.

We have integrated a detailed glossary and instructions into the survey using "mouseovers". In the live survey, you will observe some text has been underlined and colored in light blue; placing your cursor over these items will reveal definitions and instructions. If additional clarification is required, please click on the "help" link in the upper right hand corner of the screen to contact the support team. We will respond to all inquiries within one business day. There are some critical definitions and issues that we think it's important to note at the outset:

- The financial and staffing questions cover Fiscal 2007; for most firms, this will be calendar 2007; if your firm's fiscal year ends in May or June, please wait to complete the financial section until your year closes.
- Please only enter whole numbers. The survey neither requires, nor will accept, decimal quantities.
- The online survey will also calculate and validate responses, and skip questions not relevant to you. The survey has also been programmed to recognize common mistakes -- so you may see notes as you are proceeding.

Keep Your Email Invitation, and Be Prepared

You do not need to complete this survey in one sitting. Responses are stored as you proceed. By clicking on the URL in your email invitation, the survey will recognize you and return you to where you left off. We strongly recommend that you gather your income statement and staff hours report before commencing the survey.

SECTION A: BACKGROUND INFORMATION

State of your **primary office**: _____

Metropolitan area of your **primary office**: _____

Zip code of your **primary office**: _____

Which of the following categories best describes your practice? (select one)

- | | | |
|---|--|---|
| <input type="checkbox"/> Sole practitioner | <input type="checkbox"/> Multiple office firm | <input type="checkbox"/> Office of regional/national firm |
| <input type="checkbox"/> Single-office firm | <input type="checkbox"/> Office of small regional firm | <input type="checkbox"/> Office of a "Big 4" firm |

Approximately how did firm size (measured in gross fees) change in Fiscal 2007 versus 2006? ____%

How long has your firm been in business?

- Less than one year 1 to 5 years 6 to 10 years 11 to 20 years 21 or more years

When did your firm's most recently completed fiscal year end? (mm/yy) _____

Is your firm a member of any one of the following? (check all that apply)

- | | |
|--|---|
| <input type="checkbox"/> PCPS | <input type="checkbox"/> CPA Association or Network |
| <input type="checkbox"/> AICPA (individual membership by one or more owners) | <input type="checkbox"/> State Society |

SECTION B1. INCOME STATEMENT AND KEY FINANCIAL METRICS

Please enter the following for your firm for Fiscal 2007. Please do not enter items not related to the accounting practice. Please only enter whole numbers. The Web survey will automatically calculate shaded fields.

The date of your financial information should be consistent with the Fiscal Year provided in Section A. If you do not regularly prepare financial statements for your firm, please estimate to the best of your ability. Please submit the income statement on the accrual basis. However, you may submit your tax basis income statement if it is reasonably representative of your annual results. If accounts payable are not material, cash basis statements adjusted for the estimated net value of accounts receivable and unbilled work-in-progress at beginning and end of year may be submitted as "accrual basis statements".

Financial Information		2007 Fiscal Year Expenses	
As of 2007 Fiscal Year End		Professional salaries (excl. owners)	\$
Accounts receivable (billed less allowances)	\$	Paraprofessional salaries (excl. owners)	\$
Work-in progress (unbilled less allowances)	\$	Other salaries (excl. owners)	\$
Firm capital (net capital of the firm)	\$	Payment to retired partners	\$
Revenues -- Previous Fiscal Year [2006]		Retirement plan costs (excl. owners)	\$
Net client fees earned	\$	Other employee benefits (excl. owners)	\$
Last Fiscal Year [2007]		Dues, library	\$
Gross fees earned	\$	CPE	\$
Net write-ups/(write-downs)*	\$	Malpractice insurance	\$
Net client fees earned	\$	Office rent & other occupancy costs***	\$
Interest income	\$	Interest	\$
Other income (rents and royalties)**	\$	Computer and technology expenses	\$
Total income	\$	Promotion and marketing	\$
* For write-downs, please enter a negative sign in advance of the appropriate number (e.g., "-10000"). Please check net client fees earned to ensure that the sign was entered correctly. ** Only include income accruing from practice of accountancy. *** Includes real estate taxes, utilities, improvements, and maintenance. Please estimate if you are not certain.		Payroll taxes	\$
		Telephone and Internet connectivity	\$
		Depreciation	\$
		Other expenses (i.e., insurance)	\$
		Total expenses	\$
		Net remaining for owners	\$

SECTION B2. PREMISES, ACCOUNTS RECEIVABLE (A/R), AND SOURCES OF FEES

Total square footage of primary office: _____ square feet

At the end of Fiscal 2007, what portion of **billed receivables** were...

%	Current
%	Over 30 Days
%	Over 60 Days
%	Over 90 Days
%	Total (must be 100%)

How much bad debt was written off in Fiscal 2007? \$ _____

Do you charge interest on A/R?
 Yes, ____% per year No

Please enter the approximate percentage of fees earned in Fiscal 2007 in each of the following.

% Audit: Non-public clients	% Mergers and acquisitions
% Audit: Publicly held clients	% Risk Services/Internal Auditing
% Other Attest/Assurance Services	% Tax -- Individual
% Niche specialties (BV, Lit Support, Cost Segregation, and R&D)	% Tax -- Other than individual
% Compilations and Reviews	% Write-up
% Consulting services	% Other
% Financial advisory services	% Total (must be 100%)
% Information technology consulting * (Gross Profit)	

SECTION C1. STAFF HOURS, SALARIES, AND BILLING RATES FOR FISCAL 2007

Please provide the following information for your firm. Please estimate years of experience if necessary to fit the titles used by your firm. **Please only enter information about full time, full-year staff below. If your firm also has part-time or part-year staff, please fill out a separate grid for your part time / part-year staff.**

Full Time Staff ⁽¹⁾							
Professionals	Yrs. of Exp.	# of Persons	# of CPAs	Compensated Hours ⁽²⁾	Hours Chg/Billed	Gross Compensation	Avg Billing Rate
Partner/Owner	N/A						
Director	11+						
Manager	6-10						
Sr. Associate	4-5						
Associate	1-3						
New Prof'l	<1						
Non-Professionals		# of Persons	# of CPAs	Compensated Hours ⁽²⁾	Hours Chg/Billed	Gross Compensation	Avg Billing Rate
Internal technical support			n/a				
Administrator / OM			n/a				
Paraprofessionals			n/a				
Clerical (data entry, etc.)			n/a				
Other: _____			n/a				

* FT definition

* If you have multiple staff for any category, please enter the TOTAL number of Compensated Hours, Hours Charged / Billed, and Gross Compensation. That is, if your firm has 10 Associates, each of whom billed 1,500 hours, you would enter 15,000 in "Hours charged / billed" for associates. Please enter the average billing rate for employee categories above.

** "Compensated Hours" are hours actually worked, regardless of whether or not they were billed. **This includes vacation time.** A typical full time employee who worked 50 weeks at 40 hours per week, and took a two week vacation, would total 2,080.

SECTION C2. BONUS, BILLING PROTOCOLS, STARTING SALARIES, AND TERMINATIONS

Non-owner professional bonus or incentive comp. % of total: _____%

Average annual % increase in base salary for professionals: _____%

Compensation year basis: Fiscal '07 Calendar '07 Other: _____

Does your firm bill by the hour for client engagements?

Yes (approximate % of fees based primarily on standard hourly billing rates? _____%) No

Which of the following non-hourly billing methods did your firm use? (check all that apply)

Commissions Periodic Percentage of assets Transaction-based
 Fixed Fee Per tax form fee Risk-based Value billing

Do you typically bill separately for the following services? (check all that apply)

Copying Clerical overtime Technology Overnight Mail Delivery
 Fax charges Travel time Mileage

What would be the estimated billing rate for a professional with an annual salary of \$50,000? \$_____ per hour

Please enter the following about recent graduates (less than 3 months prof'l experience) your firm hired in Fiscal 2007.

	Number of New Hires	Average Annual Salary
Meeting 150 Hour Requirement		\$
Not Meeting 150 Hour Requirement		\$

Did you lose professional staff during 2007?

Yes, ___ voluntary terminations, ___ involuntary terminations No

SECTION D. PAID TIME OFF AND BENEFITS

On average (for all firm employees), how many paid time off (PTO) days do you give per year? *If not applicable, leave blank.*

Sick days _____ Compensatory days (time off for overtime) _____
 Vacation days _____ Other (e.g. for prof'l or community activities) _____

If your firm has an aggregate PTO plan, please enter the average number of days given at right. _____

Does your firm provide/pay for the following benefits for staff? (check all that apply)

- | | | |
|---|---|--|
| <input type="checkbox"/> Cafeteria plan | <input type="checkbox"/> Dependent health insurance | <input type="checkbox"/> Professional licenses |
| <input type="checkbox"/> Continuing education courses | <input type="checkbox"/> Dental insurance | <input type="checkbox"/> Retirement plan |
| <input type="checkbox"/> CPA examination fees | <input type="checkbox"/> Life insurance | <input type="checkbox"/> <i>Health insurance</i> (if so, please provide) |
| <input type="checkbox"/> CPA examination review courses | <input type="checkbox"/> Professional dues | Plan Type (e.g., HMO, etc.) _____ |
| | | Approx employer contribution % _____ |

SECTION E. TECHNOLOGY

Does your firm have a Web site? Which software package, if any, do you use for the following functions?

- | | | |
|------------------------------|--------------------------------------|----------------------|
| <input type="checkbox"/> Yes | Auditing & Accounting Research _____ | Tax Research _____ |
| <input type="checkbox"/> No | Write-up/Bookkeeping _____ | Time & Billing _____ |
| | Tax Preparation _____ | |

SECTION F. OWNER / PARTNER ISSUES

Which of the following do you have in place?

- Succession plan
- Formal partner in training / mentoring program
- Practice continuation agreement with another firm
- Malpractice insurance coverage (if applicable, what is your coverage limit? \$ _____)
- Written firm partnership agreement (if so, when last updated? _____)
- Partner compensation formula

Which of the following does the partner agreement provide for?

- | | | | |
|---|-------------------------------------|--|-------------------------------------|
| <input type="checkbox"/> Buy-out | <input type="checkbox"/> Disability | <input type="checkbox"/> Non-competition | <input type="checkbox"/> Conduct |
| <input type="checkbox"/> Early withdraw | <input type="checkbox"/> Death | <input type="checkbox"/> Mandatory age | <input type="checkbox"/> Retirement |

If applicable, which of the following components are included in your buy-out valuation provision?

- | | | |
|--|---|--|
| <input type="checkbox"/> Clients retained | <input type="checkbox"/> Life insurance in place | <input type="checkbox"/> Fixed amount for X years |
| <input type="checkbox"/> Discount for early withdrawal | <input type="checkbox"/> Outside appraisal or valuation | <input type="checkbox"/> Terms of payments self-funded |
| <input type="checkbox"/> Fee multiples | <input type="checkbox"/> Years as partner/owner | <input type="checkbox"/> Compensation multiple |

Which of the following are included in your partner compensation formula? (if applicable, check all that apply)

- | | | | |
|--|--|--|--|
| <input type="checkbox"/> Administrative duties | <input type="checkbox"/> Interest on capital | <input type="checkbox"/> Niche/new service developed | <input type="checkbox"/> New bus. from present clients |
| <input type="checkbox"/> Client billing | <input type="checkbox"/> New clients | <input type="checkbox"/> Timely billing | <input type="checkbox"/> Years of service |
| <input type="checkbox"/> Ownership % | <input type="checkbox"/> Staff training/dev. | <input type="checkbox"/> Client satisfaction | |

SECTION G. FEEDBACK

We welcome your comments, suggestions, and impressions of this survey.
