

Survey Best Practices That Will Help You Right Now

You have received the IPA survey by email. Your firm has determined that you will be the person to get it done. You've added it to your to-do list and put the deadline on your calendar. What can you do to make the process as efficient, accurate and valuable to your firm as possible?



1. **Confirm your participation.** Ensure that you are on IPA's radar screen and avoid unnecessary reminders, by sending an email to survey@plattgroupllc.com to confirm that your firm will participate in the survey this year.
2. **Start now!** Regardless of whether your year-end is December or June, a large portion of the IPA survey can be completed today. Get a head start on the deadline by completing the questions that are not dependent on year-end numbers.
3. **Consult the definitions.** The survey definitions tab is not only included to help you understand what the survey is asking for, but also to "normalize" the responses so they are more comparable with other firms.
4. **Find what you need ahead of time.** Review the questions, and make a list of the various management reports that you will need to complete the various sections. Also, determine if someone else (or multiple people) in your firm have quicker access to accurate information, and consider asking them to complete that section and send it back to you.
5. **Consider tracking new information.** The IPA survey has consulted with practitioners for decades over the kind of information that is most helpful for leaders of CPA firms. If your firm is not measuring or tracking some of this data, consider how it could help if you did.

*Today, benchmarking is not a choice; it is a necessity.
The penalty for neglecting proper benchmarking is the loss of a competitive edge.*

SECTION 1: FIRM INFORMATION

This firm data collection section includes **rows 8-32**.

IPA reviews all survey submissions multiple times, based on a three-tier review system. We anticipate more than 600 firms will participate in the survey this year. We need your cooperation in completing this section accurately and providing the name of a contact we can go back to for clarifications.

Be sure you provide the firm name and MP name exactly AS YOU WISH TO SEE IT IN PRINT. IPA will rely on your submission as approval to identify the firm and the managing partner exactly as you entered it.

It is important to provide contact information in case we have questions. Please use the drop-downs where provided, for consistency of answers.

Complete **rows 8-32** with all requested firm data. Please ensure you list numbers of offices. If you have more than one office, please define how many you gained during your firm's fiscal year end reporting period.

	<p>Please complete the survey and review in its entirety no later than the deadlines on the Welcome Tab and email your complete survey response to survey@plattoroupllc.com. Early submissions are welcomed and appreciated. For instructions and more information, visit the Welcome tab.</p>	
<h3>THE 2018 INSIDE PUBLIC ACCOUNTING SURVEY & ANALYSIS OF FIRMS</h3> <h4>FISCAL YEAR-END 2017-2018</h4>		
<p>PLEASE ENTER ALL DATA IN COLUMN "B" WHITE CELLS UNLESS OTHERWISE SPECIFIED.</p>		
FIRM INFORMATION		
	Firm Name (As you wish it to appear in print)	
	Managing Partner / Chief Executive's Name (As you wish it to appear in print)	
	Managing Partner / Chief Executive's Email	
	Firm Mailing Address (Location of headquarters office)	
	City, State, Zip	
	Phone Number (xxx) xxx-xxxx	
	Year Founded	
	Total Number of Offices	
	Increase / Decrease in Number of Offices (FYE actual number) e.g., 1 or -2	
	Fiscal Year-End (mm/dd/yyyy) Data Being Reported. PLEASE REPORT YOUR FIRM'S ACTUAL FYE DATA	
<p>FOR DEADLINE SUBMISSION DATES, SEE THE WELCOME TAB</p>		
FIRM SURVEY CONTACTS		
	Each survey is reviewed / proofed. We will contact you for any and all questions / clarifications.	
	Name of Person Filling Out This Survey (This person will be the contact for ALL confidential questions / clarifications)	
	Email Address of Person Filling Out This Survey	
	Name of Marketing Contact (For accolade correspondence, imagery, etc.)	
	Email Address of Marketing Contact	
COMPLIMENTARY SUMMARY		
	Fully Participating Firms Only	
	Name of Recipient (one contact per firm)	
	Email Address (required)	
<p>PRE-ORDER YOUR 2018 BENCHMARKING REPORT, FINANCIAL AND OPERATIONAL REPORT CARD AND INTERNAL OPERATIONAL REPORTS - SAVE ON PRE-PUBLICATION PRICING. CLICK HERE</p>		
FIRM MEMBERSHIPS		
	Excluding AICPA and State CPA Societies	
	Is your firm a member of an international association of firms?	
	Name of international association(s)	
	Are you considering changing your association membership this year? (Your response will remain confidential)	
	Is your firm registered with the Public Company Accounting Oversight Board (PCAOB) ?	

SECTION 2: MERGERS AND ACQUISITIONS

This data collection section includes **rows 34-39**.

Mergers and Acquisitions: Please provide the data for the fiscal year reporting period. If you hired a partner from another firm (lateral hire) who brought in a book of business, do NOT count this as a merger or acquisition. When providing numbers of staff added, if applicable for a merger, please provide total headcount, not FTE.

33	MERGERS & ACQUISITIONS	Do not include lateral hires in this section.
34		Total number of mergers / acquisitions your firm completed in the CURRENT fiscal year being reported
35		Were the mergers / acquisitions above of CPA firm(s), non-traditional service company(s) (such as a technology company), or both?
36		Total number of STAFF added (INCLUDE ALL partners) from mergers / acquisitions
37		Total number of PARTNERS added from mergers / acquisitions
38	\$	Total NET REVENUE added from mergers / acquisitions
39		Did you report any mergers / acquisitions in the year PRIOR to the fiscal year being reported?

SECTION 3: FINANCIAL INFORMATION / FIRM REVENUES

This data collection section includes **rows 42-67**. This section provides a breakdown of the firm's revenues from all firm-owned entities. If the CPA firm owns less than 100% of the entities, include the percentage (%) of revenue equal to the percentage (%) of ownership of the entity.

40	FINANCIAL INFORMATION	
41	FIRM REVENUES - FROM ALL ENTITIES	
42	\$	GROSS REVENUES - ALL firm entities at your FYE (include ALL firm entities / service areas)
43	\$	NET REVENUES - ALL firm entities at your FYE (total billed less client reimbursable cash disbursements)
44	%	Percentage ORGANIC Net Revenue Growth (+ -) from your previous FYE EXCLUDING mergers / acquisitions
45	%	Percentage ALL Net Revenue Growth (+ -) from your previous FYE INCLUDING mergers / acquisitions, if applicable
46	%	PERCENTAGE of the NET REVENUES derived from something other than charge hours? e.g., commissions, success fees?
47	NET REVENUES BY SERVICE AREA (in \$) REVENUES IN ROWS 48-67 SHOULD EQUAL ROW 43	
48	\$	Audit & Accounting (includes all assurance, accounting and write-up / bookkeeping fees)
49	\$	Tax & Tax Consulting
50	\$	Business Advisory / Management Consulting
51	\$	Business Valuation
52	\$	CFO Services
53	\$	Commission-Based Financial Services
54	\$	Computer & Information Technology Consulting
55	\$	Cost Segregation
56	\$	Cybersecurity Services
57	\$	Employee Benefits Administration
58	\$	Fee-Based Financial Services
59	\$	Health Care Billing and Coding Services
60	\$	Human Resources Consulting & Personnel Placement
61	\$	Litigation Support Services
62	\$	Mergers & Acquisitions
63	\$	Payroll Services
64	\$	Peer Review
65	\$	Other Service Area / Subsidiary Name
66	\$	Other Service Area / Subsidiary Name
67	\$	Other Service Area / Subsidiary Name
68	\$0	TOTAL NET REVENUE (TOTAL REVENUES NEED TO EQUAL ROW 43) If not, please review and revise rows 48-67

Row 42: Gross Revenue: Total gross revenue from all entities at the firm's FYE, net of client reimbursables. Subsidiary revenue should be reported. If the CPA firm owns less than 100% of the subsidiary, include the percentage (%) of revenue equal to the percentage (%) of ownership of the subsidiary. The actual dollar amount should represent all revenues that your time and billing system says you should charge at standard rates. Report accrual basis revenues before bad debt write-offs.

Row 43: Net Revenue: Billed amount (net of actual client reimbursables) from all entities included in the firm's GROSS REVENUE. Write-ups and write-downs should be included in this number, but bad debts should not.

Row 44: Net Revenue Growth Rate Organic: Organic growth should **exclude** the effects of mergers, but should **include** growth in net revenue from the effects of lateral hires.

Row 45: Net Revenue Growth Rate All: 'All' should include the effects of all mergers during the firm's fiscal year. If you had no mergers, 'all' growth and "organic" growth should be the same.

Row 46: Percentage of Net Revenues from Other than Charge Hours: Many firms provide services that generate revenue regardless of charge hours (such as revenues on assets under management or 'success fees' over and above the work performed). Please indicate the percentage of the firm's total net revenues derived from something other than charge hours. If none, please enter "0%."

Rows 48-67: Firm's Net Revenues by Service Areas: Please provide net revenue amounts for the service areas on rows 48-64. If other non-traditional services are not listed in **rows 48-64**, please include the service area name and the net revenue in **rows 65-67**. Please ensure **row 68 equals row 43**.

SECTION 4: FIRM NICHE

This data collection section includes **rows 70-75**.

Top Niches: Using the drop-down menus, for consistent responses, please indicate the firm's top three niche specialties, based on the firm's total net revenues derived from those niche specialties. Please provide the total percentage of the firm's net revenues the niche accounts for. If a niche service / industry is not provided in the drop-down menus on **rows 70, 72 and 74**, please select "other" and define it in column C.

69	INDUSTRY NICHE: Please indicate THE TOP THREE <u>INDUSTRIES</u> SERVED by percentage of the firm's net revenue.	
70		Industry Niche 1 (If not listed on the drop-down menu, define here)
71	%	Total percentage of the firm's net revenues
72		Industry Niche 2 (If not listed on the drop-down menu, define here)
73	%	Total percentage of the firm's net revenues
74		Industry Niche 3 (If not listed on the drop-down menu, define here)
75	%	Total percentage of the firm's net revenues

SECTION 5: FIRM NET INCOME

This data collection section includes **rows 77-80**. This section identifies total firmwide net income BEFORE any equity partner distributions.

Row 77: Firm Net Income: Net revenue from all services (**row 43**) less expenses. Include among expenses; payments to non-equity partners; payments to retired partners, DO NOT include as expenses any unique equity partner benefits such as car allowance(s), salaries / compensation or return-on-capital of current equity partners.

Row 78: Net Income Growth Rate Organic: Organic growth should **exclude** the effects of mergers, and should **include** growth in net income of the effects of lateral hires.

76 FIRM NET INCOME - FROM ALL ENTITIES		
77	\$	TOTAL NET INCOME before EQUITY partner distributions
78	%	Percentage ORGANIC Net Income Growth (+ -) from your previous fiscal year EXCLUDING mergers / acquisitions
79	%	Percentage ALL Net Income Growth (+ -) from your previous fiscal year INCLUDING mergers / acquisitions, if applicable
80	%	Percentage of TOTAL NET INCOME (in Row 85 that was - or will be - DISTRIBUTED to equity partners (see Definitions Tab))

Row 79: Net Income Growth Rate All: All should include the effects of all mergers during the firm's fiscal year. If no mergers, the "all" and "organic" growth should be the same.

Row 80: Equity Partner Distribution: Of the total net income reported for the firm's FY how much was distributed, or will be distributed in the first six months of the firm's current FY, to equity partners in the form of compensation, bonuses, unique benefits, profit sharing etc.?

SECTION 6: FIRMWIDE BILLINGS & COLLECTIONS

This data collection section includes **rows 83-92**. This section identifies billing strategies and cash management.

Row 83-85: An expansion of billing rate increases from previous year's surveys. Identify expected average rate increases for: Auditing and Accounting (A&A), Tax and Consulting.

81 FIRMWIDE BILLING & COLLECTIONS		
82 BILLING RATES & COLLECTIONS		
83	%	AUDIT: What percentage will stated billing rates increase next year?
84	%	TAX: What percentage will stated billing rates increase next year?
85	%	CONSULTING: What percentage will stated billing rates increase next year?
86	%	Realization (%) Total Amount Billed (net of client reimbursables) divided by Actual Charge Hours x Standard Billing Rates
87		What is the standard hourly billing rate multiple for professional staff (based on a 2,080 hour work year)?
88 ACCOUNTS RECEIVABLE / WORK IN PROGRESS (WIP)		
89	\$	Total (\$) Billed Receivables (A/R) at FYE - Total A/R (accrual) include allowance for doubtful accounts
90	%	What (%) percentage of Billed Receivables (A/R) is over 90 days at your FYE?
91	\$	Total (\$) Unbilled Work in Progress (WIP) at FYE (Adjusted for expected billing rates, if applicable)
92	%	What (%) percentage of Unbilled Work in Progress (WIP) is over 90 days at your FYE?

Row 86: Realization Percentage: The formula is Total Amount Billed divided by (Actual Charge Hours x Standard Billing Rates.) The numerator would be what was BILLED. The denominator would be ALL CHARGE HOURS (before any write-offs) multiplied by full standard billing rates (before any

write-downs or write-ups). This metric is a measurement of 1) chargeable time that was not recorded, 2) captured time that was not billed, and 3) billing rates that were different (up or down) from standard rates.

Row 87: Standard Hourly Billing Rate Multiple: The multiplier used by the firm to determine a professional staff person’s billing rate based on their hourly compensation (at 2,080 hours per year). If more than one billing multiple is used (say, for different departments), please select the multiple that most closely resembles the average for the firm.

Row 91: Work In Progress: Total Unbilled Work in Progress (WIP) should be adjusted, if applicable, for any additional potential write-offs or write-downs to reflect truer value.

SECTION 7: FIRM COSTS / OFFICE SPACE / FIRM CAPITAL

This data collection section includes **rows 95-107**. This section identifies major expense “buckets,” space utilization and the amount of capital available in the firm. Include ALL firm costs for administrative staff, professional staff, compensation, commissions, bonuses, payroll taxes and direct benefit costs for ALL non-equity partners, interns, professional staff, administrative staff and all firmwide staff.

Rows 95-101: Firm Costs: These costs should be tracked. The firm costs in **rows 95-101** are NOT mutually exclusive (for example a marketing director’s salary *should be* included in the firmwide personnel percentage on row 95, and also included in the marketing costs, on row 97; the same will apply for technology costs on row 98, etc.). **Exclude all equity partner compensation and unique benefits from rows 95-101.**

93	FIRM COSTS: AS A PERCENTAGE (%) OF THE FIRM'S NET REVENUE WHAT ARE THE FOLLOWING COSTS?	
94	EXCLUDE ALL EQUITY PARTNER COMPENSATION, TIME, UNIQUE PARTNER BENEFITS, ETC. IN ROWS 95-101	
95	%	Firmwide (ALL) Personnel (%) costs (Include total compensation, including bonuses, payroll taxes, firmwide benefits)
96	%	Professional Liability Insurance (%) costs (If less than 1% use 0.5% or 0.75%)
97	%	Marketing (%) costs (Include marketing staff compensation, bonuses, payroll taxes, benefits and all direct marketing costs)
98	%	Technology (%) costs (Include internal IT staff compensation, bonuses, payroll taxes, benefits and all direct technology costs)
99	%	Professional Staff Training (%) costs (Include travel expenses, registration, etc.) Exclude administrative staff training
100	%	Rent / Occupancy Costs (%) costs (Include rent, real estate taxes, personal property taxes, insurance depreciation, amortization)
101	%	Recruiting (%) costs (Include recruiting staff compensation, bonuses, payroll taxes, benefits and all direct recruiting costs)
102	OFFICE SPACE	
103		How many total square feet does your firm utilize? (Total ALL offices)
104		In the current fiscal year will your office space... Increase, Decrease, or Remain the Same?
105	FIRM CAPITAL: The classic accrual basis 'GAAP' definition: Assets minus liabilities = capital	
106	\$	What is the total dollar amount (\$) of firm capital at the fiscal year-end?
107		In the past fiscal year, did partners' capital requirements... Increase, Decrease, or Remain the Same?

Rows 103-104: Office Space: This section identifies the total office square footage your firm owns and/or leases. If the firm is obligated for space that isn’t being utilized, please include it on the overall square footage for the firm’s FY. If the firm has office space that is being sub-leased, please exclude that from row 103.

Rows 106-107: Firm Capital: This is the classic GAAP definition [Working Capital = Assets – Liabilities]. If the firm has future obligations to retired partners that are currently earmarked and are not available for the firm’s working capital, please include those obligations as a liability.

SECTION 8: PARTNERS / CHARGE AND WORK HOURS / BILL RATES AND COMPENSATION

This section includes **rows 112-118**. This matrix captures the firm’s full-time equivalents (FTE) of partners, their charge hours, work hours, average bill rates and average compensation, for both equity and non-equity partners in the firm. Please provide data in every non-shaded cell in the matrix.

PERSONNEL / CHARGE HOURS / WORK HOURS / BILLING RATES / COMPENSATION							
(FULL-TIME EQUIVALENTS - FTE) Complete the FTE metrics below as: Total No. of FTE available to you during your entire fiscal year (not the FTE number on the last day of your fiscal year). If you have staff that helps generate revenue but does not charge hours, or is otherwise non-chargeable, please identify them in Column D. See Definitions tab if needed.							
Please complete ALL non-shaded [white] cells in the matrix below. Time worked should EXCLUDE all PTO (vacation, holidays, sick leave, jury duty, etc.)							
111	Equity Partners (FTE)	No. of FTE Equity Partners CHARGEABLE	No. of FTE Equity Partners NON-CHARGEABLE	Please see definitions tab for compensation details for all equity partners in Column H			
112	Male Equity Partners			Total Charge Hours All Equity Partners	Total Work Hours (Excluding PTO) All Equity Partners	Average Stated Billing Rates For Equity Partners	Average Annual Compensation For Equity Partners
113	Female Equity Partners						
114	Total Equity Partners	0.00	0.00			\$	\$
115	Non-Equity (Salary Partners) (FTE)	No. of FTE Non-Equity Partners CHARGEABLE	No. of FTE Non-Equity Partners - NON-CHARGEABLE	Please see definitions tab for compensation details for all non-equity partners in Column H			
116	Male Non-Equity Partners			Total Charge Hours All Non-Equity Partners	Total Work Hours (Excluding PTO) All Non-Equity	Average Stated Billing Rates For Non-Equity Partners	Average Annual Compensation For Non-Equity Partners
117	Female Non-Equity Partners						
118	Total Non-Equity Partners	0.00	0.00			\$	\$

Columns C, D Rows 112-118: (FULL-TIME EQUIVALENTS - FTE) Complete the FTE metrics on **rows 112-118**, Cols. C, D as: Total No. of FTE available to you during your entire fiscal year (not the FTE number on the day of your fiscal year end). Please provide Full Time Equivalent (FTE) numbers only based on 2,080 hours per year. FTE can never be more than 1.0 FTE, but can be less than 1.0 FTE. Example: 1 equity partner works 2,600 hrs. annually; 2 professional staff members work 1,040 hrs. annually and 1 professional staff works 520 hrs. annually. The FTE for this group would be 2.25 FTE. Include in the FTE count a prorated number for partial year staff (e.g. partner hired six months into your fiscal year would equal 0.5 FTE.)

Column E Rows 114 and 118: Indicate the total charge hours generated by both the equity partner group and the non-equity partner group.

Column F Rows 114 and 118: Indicate the total work hours by both the equity partner group and the non-equity partner group. Exclude / back out ALL paid time off (holidays, vacation, sick time, jury duty) from your totals.

Column G Rows 114 and 118: Indicate the AVERAGE stated billing rate for both the equity partner group and the non-equity partner group.

Column H Rows 114 and 118: Indicate the AVERAGE annual compensation for both the equity partner group and the non-equity partner group. Include salaries / guaranteed payments, bonuses

/ commissions or other discretionary allocations from all entities, and return on capital (interest payments). Exclude retirement contributions and non-unique benefits.

SECTION 9: STAFF / CHARGE AND WORK HOURS / BILL RATES AND COMPENSATION

This data collection section includes **rows 120-130**. This matrix captures the firm's full-time equivalents (FTE) of all non-partner staff, their charge hours, work hours, average bill rates and average compensation. Please ensure the metrics you report are for the staff groups identified on **rows 120-126** and **rows 129-130**. Please provide data in all non-shaded [white] cells in the matrix.

119	Client Service Professionals (FTE) (Exclude ALL Partners) - See Definitions	No. of FTE Client Serving Professionals CHARGEABLE	No. of FTE Client Serving Professionals NON-CHARGEABLE	Total Charge Hours By Client Service Prof.	Total Work Hours (Excluding PTO) By Client Service Prof.	Average Stated Billing Rates For Client Service Prof.	Average Annual Compensation For Client Service Prof.
120	Interns Only					\$	
121	0-2 Years Experience in Public Accounting					\$	\$
122	3-5 Years Experience in Public Accounting					\$	\$
123	6-8 Years Experience in Public Accounting					\$	\$
124	9+ Years Experience in Public Accounting					\$	\$
125	Paraprofessionals					\$	\$
126	Other Professional Staff (not elsewhere classified)					\$	\$
127	FTE Totals / Prof. Staff (including partners)	0.00	0.00	0	0		
128	Non-Client Service Staff (FTE)	No. of FTE Non-Client Serving Staff		Total Charge Hours By Non-Client Serving Staff	Total Work Hours (Excluding PTO) By Non-Client Serving Staff	Average Stated Billing Rates For Non-Client Serving Staff	
129	Administrative & Support Staff					\$	
130	Other Admin. Staff (not elsewhere classified)					\$	
131	FTE Totals / Non-Client Service Staff	0.00		0	0		
132	FIRMWIDE TOTALS (FTE)	0.00		0	0		

Columns C, D Rows 120-130: Staff FTE: Complete the FTE metrics on Rows 120-130, Cols. C, D as: Total No. of FTE available to you during your entire fiscal year (not the FTE number on the day of your fiscal year end). Please provide Full Time Equivalent (FTE) numbers only based on 2,080 hours per year. FTE can never be more than 1.0 FTE, but can be less than 1.0 FTE. Example: 1 staff member works 2,600 hrs. annually; 2 professional staff members work 1,040 hrs. annually and 1 professional staff works 520 hrs. annually. The FTE for this group would be 2.25 FTE. Include in the FTE count a prorated number for partial year staff (e.g. staff hired six months into your fiscal year would equal 0.5 FTE), and all seasonal staff, including interns. Note: Professional staff years of experience are based on the amount of time a staff member has worked in public accounting, not necessarily your firm. Seasonal staff should be included based on their years of experience and counted as a partial FTE based on a 2,080-hour year. Ensure ROW 132 accurately reflects the total FTE of your firm at your FYE.

Column E Rows 120-130: Provide the total CHARGE hours for each specified GROUP based on the firm's total FTE for each GROUP. Firmwide totals will be auto-summed in Column E, Row 132

Column F Rows 120-130: Provide the total WORKED hours for each specified GROUP, based on the firm's total FTE for each group. Include all professional training time, CPE, but **EXCLUDE** PTO - vacation, paid holidays, sick time, jury duty, etc. Firmwide totals will be auto-summed in Column F,

Row 132. Please ensure that the total work hours in row 132 match your records for total work hours for the firm. If you don't track work hours, please leave those sections blank.

Column G Rows 120-130: Provide the AVERAGE stated billing rate for each GROUP.

Column H Rows 121-126: AVERAGE COMPENSATION: Provide all salary, bonuses, overtime and commissions. If less than 1.0 FTE, please annualize compensation.

SECTION 10: PROFESSIONAL STAFF TURNOVER AND TRAINING

This data collection section includes **rows 136-140**. This section provides staff turnover, tenure and CPE requirements for PROFESSIONAL STAFF only.

PROFESSIONAL STAFF TURNOVER / TRAINING (FTE can not be more than 1.0, but can be less than 1.0.) Exclude interns and seasonal staff from this section.		
136	%	Percentage of Professional Staff Turnover (FTE staff who left during the FY divided by total FTE at the beginning of the FY)
137	0.00	Voluntary Turnover: Number (x.x) of FTE Professional Staff who left on their own during the FY
138	0.00	Involuntary Turnover: Number (x.x) of FTE Professional Staff who were let go / fired during the FY
139		AVERAGE LENGTH of employment (x.x years) per Professional Staff (EXCLUDE Equity Partners)
140		Total FTE Client Service Professionals with an Active CPA License

Row 136: Percentage of Professional Staff Turnover: This is the (%) percentage of Full Time Equivalent (FTE) professional staff (including all professional staff, paraprofessionals, ALL PARTNERS) who left the firm during your FY divided by the number of FTE professional staff at the start of the firm's FY. **EXCLUDE ALL interns and seasonal staff.** Example: 10.5 voluntary and 2.0 involuntary **should not equal** 12.5% for the professional staff turnover percentage on row 136.

Rows 137-138: Turnover - Voluntary and Involuntary: Report a number (*not a percentage*); Report based on FTE, not headcount; Report only the turnover of professional staff including ALL PARTNERS; Exclude administrative staff, interns and seasonal staff from your turnover calculations.

SECTION 11: INTERNAL FIRM OPERATIONS

This data collection section includes **rows 143-190**. This section identifies the professional management / administrative positions within the firm. **Salary information will be kept confidential and will not appear in any IPA publication.**

141	INTERNAL FIRM OPERATIONS	
142	DO YOU HAVE THE FOLLOWING POSITIONS? If less than FTE of 1.0, please ANNUALIZE compensation.	
143		Business Development or Sales Director
144	\$	Annualized Compensation
145		Years of experience
146		Years with the firm
147		Chief Operating Officer (COO)
148	\$	Annualized Compensation
149		Years of experience
150		Years with the firm
151		Chief Financial Officer (CFO)
152	\$	Annualized Compensation
153		Years of experience
154		Years with the firm

Rows 143-190: Administrative / Management Staff Positions:

Include salary, bonuses, overtime and commissions. If less than 1.0 FTE, please **annualize total compensation**. If you have more than one FTE in a specific position, please provide an average for the FTE in that position.

If outsourced, include the fees paid directly for the service, EXCLUDE any other costs for the outsourced professional. If available, please also provide years of experience and years with the firm (years under contract with the firm) for outsourced professionals.

SECTION 12: FIRM OWNERSHIP

This data collection section includes **rows 193-230**. This section identifies compensation and demographics of partners in the firm.

191	FIRM OWNERSHIP	
192	PARTNER COMPENSATION - Include salaries, guaranteed payments, bonuses, commissions or other discretionary allocations from all entities, and return on capital (interest payments). EXCLUDE retirement contributions and <i>UNIQUE</i> benefits offered to the equity partner group.	
193	\$	Average compensation for NEWLY ADMITTED NON-EQUITY partners
194	\$	Average compensation for NEWLY ADMITTED EQUITY partners
195	\$	HIGHEST EQUITY partner compensation
196	\$	LOWEST EQUITY partner compensation
197		The RATIO between the HIGHEST and LOWEST in EQUITY partner compensation
198	\$	Total Managing Partner compensation, including salary, bonuses, etc.
199		Do you have an OPEN compensation system? (do all partners know what all other partners earn?)
200		What type partner compensation SYSTEM does your firm utilize?
201		If "Other" please enter in Column B
202		Average mix of DISCRETIONARY (based on individual performance) versus NON-DISCRETIONARY compensation for equity partners?
203		Do EQUITY PARTNERS receive compensation credit(s) for any of the items listed below in Rows 205-216?

Rows 193-196: Partner Compensation: Please include salaries / guaranteed payments, bonuses / commissions or other discretionary allocations from all entities, and return on capital (interest payments). Exclude retirement contributions and unique benefits.

Rows 193-194: Please report the AVERAGE compensation for NEWLY ADMITTED non-equity and NEWLY ADMITTED equity partners. Include salary, bonuses, overtime and commissions. If less than 1.0 FTE, please annualize compensation.

Rows 195-196: Please provide the highest and lowest EQUITY partner compensation. Include salary, bonuses, overtime and commissions. If less than 1.0 FTE, please annualize total compensation.

Row 202: Discretionary / Non-Discretionary Equity Partner Compensation: Select the option from the drop-down menu that most closely approximates your firm's average percentage mix of the discretionary component of compensation (the "extra" credit(s) an equity partner receives based on his/her individual performance) versus all other non-discretionary components of compensation (base salary, ownership percentage, seniority, etc.)

Rows 222-230: This section is exclusive to EQUITY partners. If you are not tracking some of this information, you should consider the potential value of doing so.

Row 230: Please provide the total number of EQUITY partners who are NOT licensed CPAs. This is NOT the total of non-equity partners.

204	If yes on Row 203, what do EQUITY PARTNERS receive compensation credit(s) for?	
205		Chargeable hours? i.e., meeting charge hour budget?
206		Excess billable hours?
207		Goals and objectives met?
208		Management responsibility?
209		Marketing initiatives?
210		Originating new work?
211		Realization rate?
212		Soft skills?
213		Teamwork / "One Firm" efforts?
214		Technical skills?
215		Training and mentoring staff?
216		If "Other" please enter in Column B
217	If compensation credit is given to equity partners, on average which three are given the most weight in the compensation formula?	
218		Equity Partner Compensation Credit #1
219		Equity Partner Compensation Credit #2
220		Equity Partner Compensation Credit #3
221	EQUITY PARTNERS / PARTNERSHIP ISSUES - PLEASE USE TOTAL HEADCOUNT	
222		Did you terminate any equity partners (excluding retirement or voluntary departure) during your fiscal year?
223		Number of equity partners who retired during the fiscal year
224		Number of equity partners expected to retire during the current fiscal year
225		What is the average age of all equity partners?
226		Number of equity partners work part-time schedules? (less than 2,000 hrs./year)
227		Number of equity partners work an alternative schedule?
228	%	Highest percentage (%) of firm equity owned by any one partner
229	%	Lowest percentage (%) of firm equity owned by any one partner
230		Total number of Equity Partners who ARE NOT licensed CPAs?

SECTION 13: FIRM OWNERSHIP

This data collection section includes **rows 232-252**. This section includes information on the managing partner(s), newly admitted partners and equity partner retirement.

231	MANAGING PARTNER / CEO	
232		What is the age of the managing partner(s) / CEO(s)?
233		How many years has the current individual(s) held the position of managing partner / CEO?
234		Do you have a term limit on how long a managing partner(s) / CEO(s) may serve?
235		If yes, what is the limit? (e.g., No more than 10 years, or to age 65)
236		Did you name a new managing partner / CEO during the fiscal year?
237		If yes, what is the effective date? mm/dd/yyyy
238	\$	What dollar (\$) amount of client business does the managing partner(s) / CEO(s) personally manage?
239		Managing partner(s) / CEO(s) CHARGEABLE HOURS per year?
240	NEWLY ADMITTED PARTNERS PLEASE USE TOTAL HEADCOUNT	
241		Number of equity partners admitted during your fiscal year
242		Of the equity partners admitted, how many were lateral hires (brought in from another firm)?
243		Number of non-equity partners admitted during the fiscal year
244		Of the non-equity partners admitted, how many were lateral hires (brought in from another firm)?
245		What is the average number of years from entry-level staff to being admitted / named to equity partner ?
246	\$	What is the capital requirement (buy-in \$ amount) for a new equity partner? If none, put \$0.
247	EQUITY PARTNER RETIREMENT	
248		Does your firm have a retirement plan for equity partners? (Do partner agreements define terms of a retirement plan? Exclude 401(k))
249		If yes, is the plan Fully Funded , Partially Funded , or Unfunded ?
250	\$	Total dollar (\$) amount paid to retired equity partners (not of the capital payout) during the firm's FY
251		How does the firm compute equity partner retirement payments?
252		If "Other" please enter in Column B

Rows 232-239: This section is specific to the managing partner(s) of the firm. If you don't have an MP or if you have several, please provide an average for rows 232, 233, 238 and 239.

Row 238: This question asks for the dollar amount of client

business the MP personally manages. This is the MP's **book of business**, not the firm's total revenues. If the MP is focused 100% on firm management, indicate \$0.

Rows 242 and 244: Lateral Hires: Please indicate how many equity or non-equity partners were hired in from another firm and brought into your firm as a partner.

Row 246: Newly Admitted Equity Partners: What is the firm's current buy-in (Capital Requirement) amount for newly admitted equity partners?

Rows 248-252: Partner Retirement Plan: This section identifies specifics of your firm’s partner retirement plan. Indicate if the firm’s partnership agreement defines terms for a retirement plan for equity partners. A traditional 401(k) **would not qualify** as a partner retirement plan. If you do not have a retirement plan defined by the terms of your partnership agreement, indicate “No” on row 248.

Row 250: Payments to Retired Equity Partners: Please indicate the total amount paid to retired partners during the firm’s fiscal year.

SECTION 14: FIRM PLANNING & GOVERNANCE

This data collection section includes **rows 255-277**. This section provides a snapshot of the tools of planning and governance used within the firm.

Rows 255-277: Please select “Yes” if you have any of these tools in place in the firm. If you are unsure if you have them, leave it blank.

253 FIRM PLANNING / GOVERNANCE	
254 DO YOU HAVE THE FOLLOWING FORMALIZED (defined, written, partner approved)? Please answer YES to all that apply.	
255	360-degree performance review program?
256	Advisory board that includes non-firm personnel?
257	Department strategic plan(s)?
258	Disaster recovery plan?
259	Diversity recruiting plan?
260	Firmwide strategic plan?
261	Client acceptance guidelines?
262	Marketing plan?
263	Mentoring program in place for ALL professional staff?
264	Requirements for becoming an <u>equity</u> partner?
265	Requirements for becoming a <u>non-equity</u> partner?
266	Training program(s) for <u>current</u> partners?
267	Training program(s) for <u>emerging</u> leaders/partners?
268	Training program(s) for ALL professional staff?
269	Mandatory partner retirement age?
270	If yes, at what age?
271	Signed partnership agreements?
272	Upward evaluation process (review of partners by staff)?
273	Written core values?
274	Written firm vision?
275	Written partner code of conduct?
276	Written partner performance reviews?
277	Written succession plan?

SECTION 16: YOUR FEEDBACK

This data collection section includes **rows 401-410**. This section identifies your firm’s opinion on several issues and provides an opportunity to opt-out of IPA accolades if so desired.

Rows 401-403: Firm Challenges: Please select from the drop-down menu. If your selection is not listed, select “other” and type in your issue in column C.

Rows 405-407: Most Recommended Consultant(s): Please identify three consultants or companies in the profession that your firm has utilized in the past year that you would recommend.

Row 409: Opt-Out: IPA uses the results of this survey to identify firms for accolades such as Best of the Best, IPA 100, IPA 200 and IPA 300 firms. Most firms would like to be considered for these accolades, but if for some reason you don’t want your firm to receive the recognition from IPA, you may OPT OUT of accolades.

Row 410: Approval of Submission: To help ensure that all data submitted is correct and has been approved by the managing partner(s) and/or board and to reduce the need for clarifications, please have the managing partner(s) and/or board review this survey prior to submission.

OPTIONAL SURVEYS FOR CONSIDERATION

INSIDE Public Accounting conducts three Internal Operational surveys, the Firm Administration survey, the Human Resources survey and the Information Technology survey.

If you’d like to participate in any of these optional surveys, please contact survey@plattgroupllc.com to request your survey form(s). All fully participating firms will receive an executive summary of the surveys they participated in. You will also receive preferred pricing on the entire internal operational report package.

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