

QUESTIONS AND ANSWERS ABOUT THE NEW EDUCATION FRAMEWORK FOR PEER REVIEWERS

INITIAL TRAINING REQUIREMENTS

When does the new initial training requirement become effective?

Beginning on May 1, 2016, individuals who wish to become team captain or review captain qualified will be required to fulfill the new initial training requirements.

What are the new training requirements for individuals interested in becoming team captain or review captain qualified?

Individuals who wish to become team captain or review captain qualified after May 1, 2016 will be required to first take the online peer reviewer curriculum “Becoming an AICPA Peer Review Team or Review Captain”. This curriculum is a series of online modules that are similar to self-study on-demand CPE courses. Each module in the series will contain a final exam that is designed to meet the NASBA CPE Standards. This curriculum will be available at cpa2biz.com. During these courses, you learn to successfully plan for, perform, and report on both system and engagement reviews.

After the curriculum is completed, individuals will be required to attend the “Becoming an AICPA Peer Review Team or Review Captain: Case Study Applications” live seminar course. This course features realistic case studies that encompass the most important elements of a system review, as well as several case studies pertaining to an engagement review. A listing of available offerings of this course will be posted to the AICPA Peer Review website.

How long is the curriculum and the live seminar course?

Both the curriculum and the live seminar course are designed to award participants approximately 8 hours of CPE credit for a grand total of 16 CPE credit hours.

Are there alternative options for individuals who are only interested in becoming review captain qualified?

At this time, no, there are no other alternative courses for individuals only seeking to become review captain qualified.

Are there options other than the curriculum and live seminar case study for individuals trying to fulfill the initial training requirement?

At this time, no, there are no other additional options. Individuals seeking to become team captain qualified or review captain qualified after May 1, 2016 must take the online peer reviewer curriculum and the live seminar course as previously described.

If I have met the initial training requirement under the previous education framework, but do not plan to perform my first review until after May 1, 2016, do I need to also meet the new initial training requirement?

No, if an individual has fulfilled the existing initial training requirement prior to May 1, 2016 (for example, by taking the “How To” live seminar course or participating in the Mentor Program), that individual would not be required to fulfill the new initial training requirement. There are certain circumstances, however, where an existing reviewer would be required to take the courses included in the new initial training requirement. The specific example where this would apply is if a reviewer fails to meet the new ongoing training requirement. This situation is described in greater detail below.

Once I have met the initial training requirement, how long can I perform reviews before additional training is required?

Reviewers are eligible to perform reviews commencing on or after May 1, 2016 if they have completed the initial training requirement (either under the old framework or the new framework) within the 12 months preceding the commencement date of the review. If the initial training requirement was completed more than 12 months from the commencement date of the review, the reviewer would need to meet the ongoing training requirement.

Do I need to meet the initial training requirement if I only plan to be a team member on reviews and never plan to serve as a team captain or review captain?

No.

ONGOING TRAINING REQUIREMENTS

When does the new ongoing training requirement become effective?

For reviews that commence on or after May 1, 2016, existing team captains or review captains will have to fulfill the ongoing training requirement within the previous 12 months.

What are the new ongoing training requirements?

Team captains and review captains that have already met their initial training requirement can either attend or complete one of the following options to fulfill their ongoing training requirement:

- 1) Option 1 – Attend the General Session of the annual Peer Review Conference. This conference awards 16 hours of CPE credit hours for attendees and is held annually in early August.
- 2) Option 2 – Complete the AICPA Peer Review Update Course. This course is an on-demand self-study course that will be available for purchase on cpa2biz.com beginning in the fall of 2015. This course is an advanced reviewer training course that will be updated annually and cover recent changes to peer review guidance in addition to how recent changes in auditing or accounting standards impact peer review. This course will contain a final exam that is designed to meet the NASBA CPE Standards.
- 3) Option 3 – Attend an alternative conference session or complete an alternative course that has been approved by the AICPA Peer Review Board. The alternative conference sessions and alternative courses will be selected by the AICPA Peer Review Board and a listing of available options will be maintained on the AICPA peer review website.

How long is the AICPA Peer Review Update Course?

The length of the AICPA Peer Review Update Course will vary year to year and will depend on the extent of material that needs to be covered in any given year.

What is an example of an “alternative conference session” as described in Option 3?

The AICPA Peer Review Board is exploring the possibility of hosting sessions at other AICPA conferences that individuals can attend to meet the ongoing training requirement. For example, the National Advanced Auditing and Accounting Technical Symposium (NAAATS) may offer a ‘Peer Review Update’ session as an option for attendees in the future. By attending this session, a peer reviewer would fulfill their ongoing training requirement. A listing of approved alternative sessions that would fulfill the ongoing training requirement will be maintained on the AICPA Peer Review website.

What is an example of an “alternative course” as described in Option 3?

The AICPA Peer Review Board will continually assess if any other courses offered by the AICPA would fulfill the ongoing training requirement. A listing of any approved alternative courses that would fulfill the ongoing training requirement will be maintained on the AICPA Peer Review website.

Are there any repercussions for failing to fulfill the ongoing training requirement for a significant period of time?

Reviewers that have not completed one of the ongoing training requirements in two consecutive calendar years prior to the commencement date of the review will be required to complete the initial training requirements again in order to become eligible to serve as a team captain or review captain in the future.

For example, Reviewer A takes the AICPA Peer Review Update Course on December 31, 2015 and then decides that he no longer wishes to perform peer reviews. On January 1, 2018 Reviewer A changes his mind and decides he would like to perform more peer reviews. He contacts his administering entity to determine what training is required. As the reviewer has not fulfilled the ongoing training requirement in 2016 or 2017, the reviewer would be required to take the initial training requirements again. On the date the reviewer completes the initial training requirement again, he would be eligible to perform reviews that commence during the subsequent 12 months.

If a reviewer attended the Advanced Course in 2015 would they be eligible to perform reviews after May 1, 2016?

No. Any courses taken in 2015 to meet the existing ongoing training requirements would not fulfill the new ongoing training requirement that is effective for a review that commences on or after May 1, 2016.

If a reviewer attended the General Session of the 2015 Peer Review Conference would they be eligible to perform reviews after May 1, 2016?

Yes. An individual that attended the General Session of the 2015 Peer Review Conference would fulfill the new ongoing training requirement that is effective for a review that commences on or after May 1, 2016. The individual would be eligible to perform reviews that commence before the next Peer Review Conference in 2016.

MUST SELECT TRAINING REQUIREMENTS

When does the new must-select training requirement become effective?

For reviews that commence on or after May 1, 2016, all new and existing peer reviewers reviewing certain must-select engagements will have to fulfill the must-select training requirement within the previous 12 months.

The previous answer mentions “certain must-select engagements”. Does the must-select training requirement not apply to all must-select industries?

Currently, the must-select training requirement applies to Employee Benefit Plan engagements and engagements performed in accordance with Government Auditing Standards. The Peer Review Board will alert reviewers to when or if the must-select training requirements will apply to the other must-select industries.

What is the new must-select training requirement?

Peer reviewers can either attend or complete one of the following options to fulfill their must-select training requirement:

- 1) Option 1 – Attend the relevant Optional Session of the annual Peer Review Conference. These sessions award 4 hours of CPE credit hours each and are held annually in early August.
- 2) Option 2 – Complete the relevant ‘Must-Select Industry Update’ course. These courses are on-demand self-study courses that will be available for purchase on cpa2biz.com beginning in the fall of 2015. These courses are advanced reviewer training courses that explicitly focus on the challenges in peer reviewing engagements in these industries and how changes in these specific industries impact any given peer review. Example topics could include common findings in peer reviews specific to these industries or how recent developments in these industries impact peer reviews. These courses will contain a final exam that is designed to meet the NASBA CPE Standards.
- 3) Option 3 – Complete an alternative course that has been approved by the AICPA Peer Review Board. Interpretation No. 31g-2 states that “Ordinarily, the must select training courses developed and issued by the board are to be used to meet the requirement to review must-select engagements. However, reviewers may undergo training which includes the same elements as, and is as comprehensive as, the must-select training required by the board.”

What is the process for submitting alternative courses to the Board?

The process for submitting an alternative course to the Board for approval is outlined on our website at AICPA.org

August 20, 2015

What is meant by “includes the same elements as, and is as comprehensive as, the must-select training required by the board”?

Each year, the requirements that a course will need in order to be approved as an alternative course will be posted on our website at AICPA.org.