

September 2015 Reviewer Alert

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Update on Revisions to the Education Framework

As previously communicated, the Peer Review Board (Board) approved revisions to both the initial and the ongoing training requirements for team and review captains. Additionally, the Board approved new training requirements for reviewers of certain must-select engagements. All of these new requirements are effective for reviews commencing on or after May 1, 2016.

The peer review training [webpage](#) on AICPA.org has been updated to include additional information regarding these revisions.

The website now includes:

- 1) An [FAQ](#) related to the new education framework for peer reviewers.
- 2) Revisions to the [initial](#) and the [ongoing](#) training requirement webpages.
- 3) A new [webpage](#) that outlines certain must-select reviewer requirements, including:
 - a. How to submit an alternative course for approval from the Board
 - b. What elements an alternative course would ordinarily be required to contain for consideration by the Board.

The on-demand self-study course option for reviewers to meet the ongoing or the must-select training requirements is under development. These courses should be available for reviewers in mid to late October. We will let reviewers and administering entities know when registration for these courses is available.

Identifying Industries on the Online MFC Form

The industry drop down on the online MFC has been revised to remove codes related to levels of service. The codes now align with scheduling forms and reviewer resume codes. Reviewers should select the most appropriate industry code. If none apply, select "901 Other." This applies to all levels of service. For example, if you are creating an MFC for a compilation without disclosures, you will no longer select the "Reviews and Compilations (SSARS)" industry. You will select "Compilation of financial statements without disclosures" as the level of service and then the appropriate industry code or other.

Free 90 Day Trial of PRPM on Online Professional Library (OPL)

[Activate](#) a free 90 day trial of the Peer Review Program Manual (PRPM) on the AICPA Online Professional Library (OPL). With this trial, you'll get exposure to the newly updated OPL platform with the latest PRPM content, ideal for firms that currently access the PRPM from the Peer Review website, including Team/Review Captain Packages or engagement checklists.

Certain PRPM content will be available only in OPL after December 31, 2015. This includes but is not limited to all engagement checklists. This trial allows you to try out the PRPM on OPL before deciding whether to subscribe to our [standard PRPM product](#). Please plan accordingly to ensure continued access to the most current materials, whether you are performing a peer review, or for your own firm's internal inspection and monitoring.

OPL is the primary online distribution channel for AICPA publications, enabling more frequent content updates and anytime, anywhere online access. In addition to the PRPM, OPL houses the latest guidance, information and standards on a variety of accounting & auditing, industry-specific, and practice management topics, all of which can be purchased separately.

TIPS for Using the PRPM in OPL to Perform a Peer Review

In transitioning to OPL, these “peer review specific” tips will help:

- Save the quick link <https://library.aicpa.org/> to your “favorites”
- Become comfortable with the following two formats for questionnaires and checklists:
 - OPL content, which provides the ability to:
 - link within and between titles in your subscription, including professional standards and other guidance, and
 - save bookmarks and notes.
 - Downloadable PDF form, which provides
 - fillable fields,
 - easy and efficient use, and
 - the ability to save to your peer review work-papers.
- Bookmark the fillable PDF files you need to perform peer reviews:
 - Bookmark the “Table of Effective Dates,” which is in the “About this Publication—Updates to the Manual” PRPM section in OPL.
 - Use this table as a quick “Table of Contents” to access, then ‘download,’ each practice aid you expect to use in your peer review practice to your peer review central files for use on specific peer reviews.
 - Check this table before you commence any review to assess if the practice aid you previously downloaded has been updated since your last download. If it has been, just re-download it to your peer review central files.
- Scan monthly Reviewer Alerts for the “What’s New in the Peer Review Program Manual” article, to be aware of what practice aids have been updated. These articles are also published in the “What’s New” section on the right side of the homepage when you log into OPL.
- Remember that references to other guidance within the OPL database content will link directly to your other subscriptions, resulting in quicker and more efficient research abilities. This will be helpful, for instance, when researching “no” answers to engagement checklists.

Other resources for transitioning to OPL include OPL’s “How To” guide and video overview under “My Tools,” and “Help.”

Selection of Preparation Engagements in a System Review

As part of the risk assessment process, peer reviewers use professional judgment to select a sample of engagements that is a reasonable cross section of the reviewed firms’ accounting and auditing practice. A reasonable cross section does not always require that at least one engagement from every level of service provided by the firm be selected for review; however, it often may be appropriate in the circumstances. If a preparation engagement is not selected, the rationale involved in this judgment should be documented in the Summary Review Memorandum

as required by Interpretation 59-1. Interpretation 59-1 states that the reviewer should document key decisions in support of not selecting a level of service, industries in which a significant public interest exists, and industries in which the firm performs a significant number of engagements. This does not give authority to the reviewer to avoid selecting an engagement(s) by simply documenting the reason(s) why he or she did not select certain engagement(s).

Invigorate the Focus on Quality Toolkit

Take advantage of resources to help evaluate your firm's quality control systems. For the past few years, audit quality has surfaced as a focus around the globe, for both public and private companies. The AICPA is working to bring solutions to the auditing challenges for private companies (defined as non-SEC registrants, including not-for-profit organizations, employee benefit plans and governmental entities).

The AICPA's [Enhancing Audit Quality \(EAQ\)](#) initiative addresses quality challenges on a holistic, ongoing basis with the goal of improving audit performance. This [toolkit](#), a great EAQ resource, contains tools to help invigorate the focus on quality in your practice.

Upcoming Peer Review Webcasts

Coming Soon: *Free RAB Training Webcast – No CPE*

This course, designed for RAB members and technical reviewers, will provide a refresher of the various roles and responsibilities of RAB members and technical reviewers. This will include an overview of the:

- guidelines for preparing for a RAB meeting,
- impact of the changes to the reviewer performance guidance,
- available monitoring actions,
- the considerations needed for nonconforming engagements.”

Please check back [here](#) in the next two weeks for more information including date, time and registration.

October 7, 2015 Rebroadcast: *Are You Ready for your Peer Review?*

[Register](#) for the October 7, 2015 Are You Ready for your Peer Review rebroadcast. This webcast will benefit CPA firms undergoing peer reviews in 2015. Please forward the details to your new peer review clients or your current clients you believe could benefit from the webcast. The webcast will provide firms with an overview of the AICPA Peer Review Program and what they can expect during their review. Our presenters will be Toni Lee-Andrews (Chair of the Peer Review Board's Education and Communications Task Force) and James Brackens (AICPA VP, Ethics & Practice Quality).

October 22, 2015 Rebroadcast:

Surviving the Deep Dive – A Closer Look at the Peer Review Focus Areas Webcast

The AICPA Peer Review Program will host this rebroadcast covering specifics on:

- Independence as it relates to nonattest services provided to attest clients
- Sufficiency of audit evidence, particularly:
 - Risk assessment,
 - Internal controls and
 - Sampling.

This webcast will equip firms to navigate the peer review focus areas as well as assist peer reviewers with their understanding of the new peer review checklist questions specific to these

areas. The webcast will provide continuing professional education and be eligible for peer reviewer training. [Register](#) for the October 22 rebroadcast.

Governmental Auditing Learning Resources Available on the AICPA | CIMA Competency and Learning Website

The AICPA now offers knowledge checks and targeted learning resources for state and local governmental financial statement audits, Single Audits and Yellow Book audits, all on the AICPA | CIMA Competency and Learning website. Knowledge checks help identify growth areas and recommend learning resources such as publications, self-study courses, webcasts and more. The learning content is served up in a [competency framework-based](#) approach, allowing you to sharpen your skills and advance in the areas important to you, your clients, your firm and your career.

Visit the [AICPA | CIMA Competency and Learning website](#) to learn more.