

Michael McNichols
McGowen Hurst Clark & Smith PC
1601 West Lakes Pky Ste 300
West Des Moines, IA 50266-8212

Dear Mr. McNichols:

On January 29, 2014 the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight visit for the Iowa Society of CPAs, the administering entity for the AICPA Peer Review Program, and the administering entity's response thereto. A copy of this acknowledgement, the two oversight visit documents, and your response have now been posted to the AICPA Peer Review Program Web site.

The next state oversight visit will be in 2015.

The AICPA Peer Review Board appreciates your cooperation and efforts in making the peer review program a success.

Sincerely,

Richard Hill

Richard Hill, Chair
Oversight Task Force
AICPA Peer Review Board

cc: Cindy Adams, CPA, CPCU, CGMA, State Society CEO
Judy Chaplin, Iowa Society of CPAs
Karl Ruben, AICPA Peer Review Program Technical Manager

Oversight Visit Report

September 12, 2013

To the Iowa Society of CPAs
Peer Review Committee

We have reviewed the Iowa Society of CPA's administration of the AICPA Peer Review Program as part of our oversight program. Our procedures were conducted in conformity with the guidance established by the AICPA Peer Review Board (board) as contained in the *AICPA Peer Review Program Oversight Handbook*. The administering entity is responsible for administering the AICPA Peer Review Program in compliance with the *AICPA Standards for Performing and Reporting on Peer Reviews*, interpretations, and other guidance established by the board. Our responsibility is to determine whether (1) administering entities are complying with the administrative procedures established by the board as set forth in the *AICPA Peer Review Program Administrative Manual*, (2) the reviews are being conducted and reported upon in accordance with the standards, (3) the results of the reviews are being evaluated on a consistent basis by all administering entity peer review committees, and (4) information disseminated by administering entities is accurate and timely.

Based on the results of the procedures performed, we have concluded that the Iowa Society of CPAs has complied with the administrative procedures and standards in all material respects as established by the board.

As is customary, we have issued a letter of oversight visit procedures and observations that details the oversight procedures performed and sets forth recommendations that were not considered to be of sufficient significance to affect the conclusions expressed in this report.

A handwritten signature in blue ink that reads "John C. Lechleiter".

John C. Lechleiter, Member, Oversight Task Force
AICPA Peer Review Program

September 12, 2013

To the Iowa Society of CPAs
Peer Review Committee

We have reviewed Iowa Society of CPAs administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated September 12, 2013. That report should be read in conjunction with the observations in this letter, which were considered in determining our conclusions. The observations described below were not considered to be of sufficient significance to affect the conclusions expressed in that report.

The oversight visit was conducted according to the procedures in the *AICPA Peer Review Program Oversight Handbook*. An oversight program is designed to improve the administering entity's administration of the AICPA Peer Review Program through feedback on its policies and procedures, and to provide resource assistance from an AICPA Peer Review Board Oversight Task Force member on both technical and administrative matters.

In conjunction with the oversight visit of the Iowa Society of CPAs, the administering entity for the program, conducted on September 12, 2013, the following observations are being communicated.

Administrative Procedures

On the morning of September 11, 2013, I met with the Peer Review Coordinator to review the program's administration. I believe the administrative processes were being handled in a manner consistent with peer review standards.

I reviewed the files, which were still open due to follow-up actions, which had not yet been completed. I found that the follow-up actions were being effectively monitored for completion by the administrative staff and the peer review committee.

I also reviewed the policies and procedures for the granting of extensions. I found that the peer review coordinator handles short-term extension requests with discussion from the committee when the circumstances warrant.

I also reviewed the timeliness of the scheduling process, technical reviews, and the preparation of acceptance and follow-up letters. I found no problems in these areas.

The Iowa Society of CPA's has developed a back-up plan to support the Peer Review Manager, peer review administrators and technical reviewers if they become unable to serve their capacity.

Web Site and Other Media Information

I met with the Peer Review Coordinator to review the administering entity's procedures to determine if the information disseminated regarding the AICPA Peer Review Program by the administering entity on their Web site and other media information (if applicable) is accurate and timely.

After the AICPA staff's review of the Web site material and other media information (if applicable), I noted that the administering entity maintains current information as it relates to the peer review program. In addition, the administering entity has an individual who is responsible

for maintaining the Web site and monitors the Web site periodically to ensure peer review information is accurate and timely.

Working Paper Retention

I reviewed the completed working papers and found no instances of noncompliance with the working paper retention policies.

Technical Review Procedures

I met with the technical reviewers to discuss procedures. They perform all technical reviews and are experienced reviewers.

I reviewed the reports, letters of response, if applicable, and the working papers for 8 reviews. I believe that all review issues were addressed properly by the technical reviewers(s) before reviews were presented to the committee. This helped the acceptance process to be effective and efficient.

Committee Procedures

I met with the committee chair and discussed their procedures for disseminating the comments resulting from the AICPA working paper oversights to the appropriate individuals. It was determined the committee issued reviewer feedback when appropriate.

On September 12, 2013, I attended the peer review committee meeting. I observed the committee's acceptance process and offered my comments at the close of discussions. The committee functioned as the report acceptance body (RAB), and the meeting was very orderly. It was apparent that the committee members had reviewed the reports and working papers thoroughly prior to the meeting and had a good understanding of the program to reach an appropriate decision for each to review.

Appropriate decisions were made in the acceptance process, appropriate follow-up actions were assigned and reviewers were being appropriately monitored. Reviews were being presented to the RABs on a timely basis.

Oversight Program

The Iowa Society of CPAs peer review committee has adopted a formal oversight program that is well documented. I reviewed the document and procedures performed and found them to be comprehensive.

Summary

There are no further observations to be communicated to the Iowa Society of CPAs.



John C. Lechleiter, Member, Oversight Task Force
AICPA Peer Review Program



Iowa Peer Review Program
Administered in Iowa by the
Iowa Society of CPAs



AICPA Peer Review Program
Administered in Iowa by the
Iowa Society of CPAs

October 14, 2013

AICPA Peer Review Board
Oversight Task Force
Palladian I Corporate Center
220 Leigh Farm Rd
Durham NC 27707-8110

RE: Oversight Visit to Iowa Society of CPAs

To whom it may concern:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the Iowa Society of CPA's administration of the AICPA Peer Review Program performed on September 12-13, 2013. The oversight visit documents have been disseminated to all peer review program committee members, administrative staff, and technical reviewers. Also, the report will be communicated to the Iowa Society of CPAs' board of directors at their subsequent meeting. We are pleased to note there were no specific deficiencies or observations included in the oversight documents on which a written response was required. This letter represents our acknowledgement of the oversight visit.

We are fortunate to have dedicated volunteers who have committed their time and knowledge to oversee the administration of the peer review program in Iowa and at a national level. The administrative staff, technical reviewers, and the committee, with guidance from the AICPA, strive to continuously improve the peer review program and the process for reviewers and firms.

The Iowa Peer Review Committee would like to thank John Lechleiter for his time, informative discussion, and observations during his recent oversight visit. We appreciate the opportunity to exchange information and welcome any input that might assist with the improvement of our administration of the Peer Review Program.

Sincerely,

Michael W. McNichols, Chair
Peer Review Committee

cc: Cynthia S. Adams, CEO