

AMERICAN INSTITUTE OF CPAs
GLOSSARY OF TERMS, ACRONYMS, AND ABBREVIATIONS

A

Accounting and Review Services Committee (ARSC)	AICPA committee whose objective is to develop, on a continuing basis, procedures and standards of reporting by CPAs on the types of accounting and review services a CPA may render in connection with unaudited financial statements, as well as unaudited financial information of an entity that is not required to file financial statements with a regulatory agency in connection with the sale or trading of its securities in a public market.
Accounting Principles Board (APB)	Standards-setting body for accounting principles that issued its opinions from November 1962 to June 1973. Succeeded by Financial Accounting Standards Board.
Accounting Standards Executive Committee (AcSEC)	AICPA committee whose objective is to determine Institute technical policies regarding financial accounting and reporting standards. As a senior technical committee, it is authorized to make public statements, without clearance from Council or the Board of Directors, on matters related to its area of practice.
Accredited in Business Valuation (ABV)	Credential in business valuation awarded by the AICPA to those who have met prescribed requirements and passed an examination.
Adverse Opinion	Auditor's opinion which states that financial statements do not fairly present the financial position, results of operations, or cash flows in conformity with generally accepted accounting principles.
Agreed Upon Procedures	Specific procedures agreed to by a CPA, a client and (usually) a specified third party. The report states what was done and what was found. Additionally, the use of the report is restricted to only those parties who agreed to the procedures.
AICPA Board of Directors	Executive Committee of Council which directs Institute activities between Council meetings. It is comprised of 23 members.
AICPA Council	AICPA governing body which determines Institute procedures and policies. It comprises of approximately 260 members representing every state and four U.S. territories.
AICPA InfoBytes	Online library of CPE materials developed by the AICPA as a subscription service. Provides members with more than 1200 hours of continuing profession courses for an annual fee.
AICPA Personal Liability Umbrella Security Plan (AICPA PLUS)	AICPA insurance plan which provides members and their families with up to \$5 million personal liability coverage.
American Accounting Association (AAA)	National professional association for those involved in accounting education in higher education.
Association to Advance	Recognized agency that accredits academic programs. The Website

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Collegiate Business Schools (AACBS)	address is: http://www.aacsb.edu/
American Taxation Association (ATA)	This is the national professional association for tax professors in higher education.
American Tort Reform Association (ATRA)	Coalition of associations, nonprofit organization, consumer advocates, businesses, and professionals whose purpose is to restore fairness, balance, and predictability to the nation’s civil justice system.
Assurance Services	Services which improve the quality of information, or its context, for decision-makers.
Assurance Services Executive Committee (ASEC)	This committee is responsible for identifying, developing, and communicating new assurance opportunities for the membership. Moreover, if measurement criteria or more detailed performance guidance is required to deliver a particular service, the Committee, or one of its task forces, will develop such criteria or guidance, working cooperatively with other senior technical committees or bodies with specialized expertise in the subject area as necessary and appropriate.
Attestation Standards (AT)	The attestation standards enable practitioners to examine or review non-financial statement information and to perform and report on the results of those engagements in accordance with professional standards.
Audit and Accounting Guides	Materials which provide CPAs with authoritative guidance regarding accounting and auditing of entities in specialized industries or other specialized areas.
Audit Risk	The risk that an auditor will unknowingly fail to appropriately modify his/her opinion on financial statements that are materially misstated.
Audit Risk Alerts	Annual updates alerting auditors to current economic, regulatory, and professional developments in various industries. These include <i>Compilation and Review Alerts</i> , and approximately 18 industry-specific alerts.
Audit Sampling	The application of an audit procedure to less than 100 percent of the items within an account balance or class of transactions for the purpose of evaluating some characteristic of the balance or class.
Audit Committee Effectiveness Center (AudCommCtr)	A key element in the corporate governance process of any organization is its audit committee. As its role expands, making the audit committee as effective and efficient as possible becomes critical. The battle for financial statement integrity and reliability depends on balancing the pressures of multiple stakeholders, including management, regulators, investors and the public interest. Guidance and tools are presented to make audit committee best practices actionable. http://www.aicpa.org/audcommctr/homepage.htm
Audit Committee	This system was built for two reasons— for our members to provide

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Matching System (ACMS)	them with opportunities to serve on boards of directors, and as a public service to provide a list of qualified, credentialed candidates to serve on boards of directors and presumably the audit committees of those boards. http://www.aicpa.org/info/committees/index.asp
Auditing Procedure Studies (APS)	Studies which inform practitioners of developments and advances in auditing procedures to provide practical assistance regarding auditing procedures.
Auditing Standards Board (ASB)	Board authorized by the AICPA to promulgate auditing and attest standards, quality control standards procedures, and implementation guidance for AICPA members performing such services. It comprises 19 members. As a senior technical committee, it is authorized to make public statements, without clearance from Council or the Board of Directors, on matters related to its area of practice.

B

Beta Alpha Psi (BAP)	The premier professional accounting and business information fraternity which recognizes academic excellence and complements members' formal education by providing for interaction among students, faculty and professionals.
Big Four	Traditionally, the four largest CPA firms in the world. They are: PricewaterhouseCoopers; Deloitte & Touche LLP; Ernst & Young LLP; and KPMG.
Board of Examiners (BOE)	An executive committee of the AICPA with overall responsibility for preparing and grading the Uniform CPA examination.
Business and Industry Executive Committee (BIEC)	The AICPA committee charged with representing and advocating the needs of members in business and industry.
Business Valuation (BV)	Refers to the discipline involving a process by which a supportable opinion is derived about the worth of a business or individual assets or liabilities.

C

Canadian Institute of Chartered Accountants	The national membership organization of Chartered Accountants of Canada, which works closely with the AICPA on several initiatives of
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(CICA)	common interest, including, but not limited to WebTrust, SysTrust, Eldercare, Performance Views and Continuous Assurance.
Cascade	The cascade of Sarbanes-Oxley Act (SOX) is the extension of provisions contained in SOX that apply only to SEC registrants and their auditors to private companies and not for profit organizations and their CPA firms.
Center for Audit Quality (CAQ)	The Center for Audit Quality (www.theqaq.org) is an autonomous organization created to serve investors, public company auditors and the markets. The Center's mission is to foster confidence in the audit process and to aid investors and the capital markets by advancing constructive suggestions for change rooted in the profession's core values of integrity, objectivity, honesty and trust. U.S. accounting firms registered with the Public Company Accounting Oversight Board are eligible for membership. The CAQ is affiliated with the AICPA.
Certified in Financial Forensics (CFF)	Certified in Financial Forensics, a specialty credential of the AICPA. The CFF encompasses fundamental and specialized forensic accounting skills that CPA practitioners apply in a variety of service areas, including: bankruptcy and insolvency; computer forensics; economic damages; family law; fraud investigations; litigation support; stakeholder disputes and valuations.
Chartered Global Management Accountant (CGMA)	The Chartered Global Management Accountant is designed to elevate management accounting and further emphasize its importance for businesses worldwide. The AICPA and CIMA have joined together to form a joint venture which powers this new designation for management accountants.
Chartered Institute of Management Accountants (CIMA)	The Chartered Institute of Management Accountants is the world's largest professional body of management accountants, with 183,000 members and students in 168 countries. CIMA members and students work in industry, commerce, the public sector and not-for-profit organizations. CIMA regularly updates its qualification, professional experience requirements and continuing professional development. Professionalism is at the core of CIMA's activities. www.cimaglobal.com
Certified Information Technology Professional (CITP)	Credential in information technology awarded by the AICPA to CPAs who have met experience, life long learning and examination requirements. CITPs are involved in information strategic planning, implementation, management, and business strategies for information systems.
Certified Internal Auditor (CIA)	An international certification awarded by the Institute of Internal Auditors (IIA) that reflects competence in the principles and practices of internal auditing.

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Certified Management Accountant (CMA)	Title bestowed by the Institute of Management Accountants (IMA) on persons meeting certain basic requirements, principally an examination covering economic theory, financial management, cost accounting, etc.
Certified Public Accountant (CPA)	A credential conferred by a state or similar governmental jurisdiction that authorized the holder to practice as a certified public accountant in that jurisdiction.
Certified Public Accountants' Society Executives Association (CPA/SEA)	Independent organization of state CPA society chief executive officers.
Chief Financial Officer (CFO)	The individual in an organization with overall responsibility for accounting, treasury, financial management, financial reporting, finance and related functions. This position reports to the CEO and depending on the size of the organization, it could have many additional responsibilities. The CFO should be the right hand of the CEO, collaborating on strategy and business growth, while at the same time bringing ensuring compliance and conservatism. Sometimes called the VP-Finance or similar title.
Chartered Accountant (CA)	Professional accounting designation used in the United Kingdom, Canada and several other countries.
Compilation	Information presented in the form of financial statements that is the representation of management without the accountant undertaking to express any assurance on the statements.
Computer based Test (CBT)	Term sometimes used to refer to the Uniform CPA Examination. The Uniform CPA Examination is delivered in a computerized format, almost year-round, at test centers across the United States. Go to www.cpa-exam.org for information about the CPA Examination, applying, and scheduling.
Consulting Services (CS)	Consulting Services provided by CPA firms in addition to the traditional audit, accounting, and tax services (e.g. systems work, production planning). The AICPA CS Team provides educational and technical guidance to firms and private sector employees who offer consulting services to clients or employers.
Continuing Professional Education (CPE) Now called Professional Development	An integral part of the life-long learning required for the CPA to provide competent service to the public. The set of activities that enables accounting professionals to maintain and increase their professional competence.
CPA2Biz	Accounting profession's vertical portal to provide tools, support and opportunities, online & offline, to enable CPAs to enhance customer relationships & expand their portfolio of product and service offerings.

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CPA iPack	A package of materials designed to introduce high school/college students to accounting concepts and career opportunities in the profession. The package includes the award winning Takin' Care of Business video, the Education Handbook of lesson plans, a career guide and related materials.
Certified in Financial Forensics (CFF)	Certified in Financial Forensics, a specialty credential of the AICPA. The CFF encompasses fundamental and specialized forensic accounting skills that CPA practitioners apply in a variety of service areas, including: bankruptcy and insolvency; computer forensics; economic damages; family law; fraud investigations; litigation support; stakeholder disputes and valuations. The CFF is one of four AICPA specialty credentials, the others being Personal Financial Specialist (PFS), Accredited in Business Valuation (ABV) and Certified Information Technology Professional (CITP).

D

DIEP	Depository Institutions Expert Panel
Disclaimer of Opinion	Auditor's statement in which he (she) does not express an opinion on financial statements.
Disclosure	The material matters relating to the form, arrangement, and content of financial statements that are "disclosed" during the presentation of financial statements in accordance with generally accepted accounting principles, or, if applicable with OCBOA.
Discussion Memorandum (DM)	Document sometimes issued for public comment to assist an authoritative body in formulating an exposure draft.

E

Educational Competency Assessment Site (ECAS)	A web-based tool to help accounting educators and program administrators integrate the skills-based competencies defined in the AICPA Core Competency Framework for Entry into the Accounting Profession.
ElderCare Services	A host of financial and non-financial services targeted at older adults and their family members to help those older adults maintain their independence for as long as possible and to provide peace of mind for their family members.
Elijah Watt Sells Award	Award presented to those CPA candidates who take all four sections of the Uniform CPA Examination at one time and receive the three highest combined grades.

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Emerging Issues Task Force	The EITF was designed to promulgate implementation guidance within the framework of existing authoritative literature to reduce diversity in practice on a timely basis. The EITF was designed to minimize the need for the FASB to spend time and effort addressing narrow implementation, application, or other emerging issues that can be analyzed within existing GAAP.
Employee Benefit Plan Audit Quality Center (EBP AQC)	An AICPA firm membership Center with the objective of enhancing the quality of audits of employee benefit plans subject to ERISA.
Engagement Reviews under the AICPA Peer Review Program	Peer review for firms that only perform services under SSARS and/or services under the SSAEs not included in system reviews have peer reviews called engagement reviews. The objectives of an engagement review are to provide the reviewer with a reasonable basis for expressing limited assurance that: a. the financial statements or information and the related accountant’s report on the accounting and review engagements and attestation engagements submitted for review conform in all material respects with the requirements of professional standards in all material respects and b. the reviewed firm’s documentation conforms with the requirements of SSARS and the SSAEs applicable to those engagements in all material respects.
Enhanced Business Reporting (EBR)	Enhanced Business Reporting is comprised of voluntary, globally recognized guidelines for providing richer disclosure of business information, allowing companies to better communicate current and expected performance while giving the investment community and other stakeholders the information they need to make better decisions. This includes financial statements, key performance indicators based on industry-specific definitions, and company-specific information about strategy, plans, opportunities and risks.
Enrolled Agent	A tax practitioner who, by passing an examination given by the U.S. Treasury Department, can represent taxpayers before the Internal Revenue Service.
Enterprise Resource Planning (ERP)	A business management system that integrates all facets of the business to the related financial reporting functionality. Software applications have emerged to help business managers implement ERP in business activities such a planning, manufacturing, sales, marketing, inventory control, order tracking, and finance. ERP attempts to integrate all departments and functions across a company to create a single software program that runs off one database.
Evidential Matter	Audit materials supporting the financial statements consisting of the underlying accounting data and all corroborating information available to the auditor.
Examinations Committee (EC)	A standing committee of NASBA which investigates and makes recommendations to boards of accountancy regarding all aspects of the Uniform CPA Examination.

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Examinations Review Board (ERB)	A standing committee of NASBA which provides a comprehensive audit of the preparation, grading, security, and administration of the exam.
Exposure Draft (ED)	Document issued by the AICPA, Financial Accounting Standards Board (FASB), Governmental Accounting Standards Board (GASB), Federal Accounting Standards Advisory Board (FASAB), or other authority to invite public comment before a final accounting, auditing, or administrative standard, policy or procedure pronouncement is issued.
Extensible Business Reporting Language (XBRL)	Formerly code named XFRML, XBRL is a freely available electronic language for financial reporting. It is an XML-based framework that provides the financial community a standards-based method to prepare, publish in a variety of formats, reliably extract and automatically exchange financial statements of publicly held companies and the information they contain. XBRL is not about establishing new accounting standards but enhancing the usability of the ones that we have through the digital language of business. XBRL will not require additional disclosure from companies to outside audiences.

F

Federal Accounting Standards Advisory Board (FASAB)	Group authorized by the accounting profession to establish generally accepted accounting principles (GAAP) applicable to federal government entities.
Federation of Schools of Accountancy (FSA)	The organization of accredited accounting graduate programs that is dedicated to enhancing, through collegiate education, the capabilities and performance of those entering the accounting profession.
FFIEC	The <u>Federal Financial Institutions Examination Council</u>
Financial Accounting Foundation (FAF)	Independent, private-sector organization whose trustees appoint the members, provide funds, and exercise general oversight of the Financial Accounting Standards Board (FASB), Governmental Accounting Standards Board (GASB), and their respective advisory councils.
Financial Accounting Standards (FAS)	Official promulgations by the Financial Accounting Standards Board and, if not superseded, part of generally accepted accounting principles.
Financial Accounting Standards Advisory Council (FASAC)	The primary function of FASAC is to advise the Board on issues related to projects on the Board's agenda, possible new agenda items, project priorities, procedural matters that may require the attention of the FASB, and other matters as requested by the chairman of the FASB. FASAC meetings provide the Board with an opportunity to obtain and discuss the views of a very diverse group of individuals from varied

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	business and professional backgrounds.
Financial Accounting Standards Board (FASB)	Independent, private, non-government group which is authorized by the accounting profession to establish generally accepted accounting principles in the U.S.
Financial Statements	The presentation of financial data, including accompanying notes derived from accounting records and intended to communicate an entity's economic resources or obligations at a point in time, or the changes therein for a period of time, in accordance with a comprehensive basis of accounting.

G

Government Accountability Office (GAO)	Independent, non-partisan agency which assists Congress in investigating and reporting on government's effectiveness in using public funds.
Generally Accepted Accounting Principles (GAAP)	Uniform minimum standards of and guidelines to financial accounting and reporting. Currently, the Financial Accounting Standards Board (FASB), the Governmental Accounting Standards Board (GASB) and the Federal Accounting Standards Advisory are authorized to establish these principles.
Generally Accepted Auditing Standards (GAAS)	Standards governing the conduct of external audits by CPAs, as determined by the Auditing Standards Board (ASB) of the AICPA.
Generation Skipping Transfer Tax (GSTT)	This is a tax on estate tax transfers, generally through trusts that are intended to avoid estate taxes. There is a \$1 million exemption, but the taxpayer has to elect to allocate it to a transfer, and this is hard to do when it is uncertain what the future value of the transfer will be. The result has been liability for practitioners for failing to elect to allocate some of the exemption to the transfer.
Global Accounting Alliance (GAA)	The Global Accounting Alliance (GAA) was formed in November 2005 and is an alliance of leading professional accountancy bodies in significant capital markets. It was created to promote quality services, share information and collaborate on important international issues. The GAA works with national regulators, governments and stakeholders, through member-body collaboration, articulation of consensus views, and working in collaboration where possible with other international bodies, especially the International Federation of Accountants (IFAC).
Government Audit	An AICPA firm membership Center with objective of enhancing the

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Quality Center (GAQC)	quality of audits of entities subject to GAGAS.
Government Auditing Standards, a.k.a Generally Accepted Government Auditing Standards (GAGAS)	Commonly referred to as the “Yellow Book,” it contains standards for audits of government organizations, programs, activities, and functions, and of governmental funds received by contractors, nonprofit organizations, and other non-government organizations. Revisions are issued as required by the Comptroller General of the U.S.
Government Finance Officers Association (GFOA)	Private, nonprofit organization which has actively supported the advancement of governmental accounting, auditing, and financial reporting since 1906.
Governmental Accounting Standards (GAS)	Official promulgations by the Governmental Accounting Standards Board (GASB) and, if not superseded, part of generally accepted accounting principles applicable to state and local governmental entities.
Governmental Accounting Standards Board (GASB)	Group authorized by the accounting profession to establish generally accepted accounting principles (GAAP) applicable to state and local governmental entities.
Governmental Performance and Accountability Committee (GPAC)	The AICPA Government Performance and Accountability Committee (GPAC) represents CPAs working in all levels of federal, state and local government. It also serves the public who depend on CPAs to help ensure government accountability. The mission of the GPAC is to 1) promote greater government accountability and the integrity of government operations, information and information systems, 2) promote and encourage increased participation and involvement by CPAs in government within the AICPA, 3) enhance the professional image and value of CPAs in government, 4) provide advice and counsel to the Institute on the needs of CPAs in government, and 5) serve as a conduit for communications among CPAs in government, the Institute and other professional organizations.

I

Information Technology Executive Committee (ITEC)	An AICPA committee organized to research, monitor, assess, educate, and communicate the impact of technology developments on business solutions; to enhance the quality of information technology services provided by members; to achieve recognition that the CPA is the preeminent trusted professional to provide business solutions by applying information technology; and to enable all members to provide value to their clients and their employers through effective application of current, emerging and future information technologies.
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Information Technology Membership Section	Voluntary AICPA membership section for CPA specialist in information technology.
Institute of Internal Auditors (IIA)	An international organization that provides certification, education, research, and technological guidance for internal audit practitioners.
Institute of Management Accountants (IMA)	National membership organization of CPAs and others involved in accounting, financial and data processing work for industry, commerce and government. Issues the designation Certified Management Accountant (CMA).
International Accounting Standards Board (IASB)	An organization whose members represent 153 accounting bodies in 112 countries. The group is dedicated to bringing about the harmonization of international accounting standards.
International Auditing and Assurance Standards Board (IAASB)	The committee authorized by the IFAC to issue International Standards on Auditing (ISAs) and guidance.
International Federation of Accountants (IFAC)	Global organization for the accountancy profession representing 158 accounting organizations in 118 countries. Encourages high-quality practices by the worlds’ accountants. Sponsors World Congress of Accountants every five years.
International Financial Reporting Standards (IFRS)	International Financial Reporting Standards (IFRS) is a set of accounting standards, developed by the International Accounting Standards Board (IASB), that is becoming the global standard for the preparation of public company financial statements. The IASB is an independent accounting standards body, based in London, that is unaffiliated with the AICPA, CPA2Biz or this website.
International Innovation Network (IIN)	A group of Institutes located in 17 different countries meeting to exchange ideas and best practices related to innovation. These areas (or “innovation”) include new service lines, new products, new education, etc. Countries involved in this network include the US (AICPA), Canada, England and Wales, Ireland, Scotland, France, Germany, Argentina, Israel, Japan, Netherlands, Denmark, Sweden, Hong Kong, Australia, New Zealand, Spain, Italy and others.
International Public Sector Accounting Standards (IPSAS)	Issued by the International Public Sector Accounting Standards Board, these standards set out the requirements for financial reporting by governments and others in public sector organizations.
International Public Sector Accounting Standards Board (IPSASB)	This Board focuses on the accounting and financial reporting needs of national, regional and local governments, related governmental agencies, and the constituencies they serve. It addresses these needs by issuing and promoting benchmark guidance, conducting educational and research programs, and facilitating the exchange of information among accountants and those who work in the public sector or rely on

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	its work.
IQAB	International Qualifications Appraisal Board
International Qualification Examination (IQEX)	Examination prepared by the AICPA for use by state boards of accountancy to measure the professional competence, in a U.S. context, of Canadian and Australian Chartered Accountants, Australian CPAs and Mexican Contadores Publicos Certificados who desire a CPA certificate. Only a limited number of states use IQEX.
Issuer	The term “issuer” means an issuer (as defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C.78c)). The securities of which are registered under section 12 of that Act (15 U.S.C.78l), or that is required to file reports under section 15(d) (15 U.S.C 78o (d)), or that files or has filed a registration statement that has not yet become effective under the Securities Act of 1933 (15 U.S.C. 77a et seq.) and that it has not withdrawn.
Issues Papers	Materials which provide information on financial accounting and reporting issues that the Institute believes the Financial Accounting Standards Board (FASB) or Governmental Accounting Standards Board (GASB) should consider and on which those organizations should provide guidance.

J

Joint Ethics Enforcement Program (JEEP)	Program of cooperation between the AICPA and the state CPA societies in the enforcement of the Code of Professional Conduct.
Joint Trial Board (JTB)	An AICPA Board, which provides for uniform enforcement of professional standards by adjudicating disciplinary charges against AICPA and state society members. It comprises of at least 36 members.

L

Letters of Comment (LOC)– Peer Review	<p>For system reviews within the AICPA Peer Review Program, comments and recommendations issued by the review team if there are matters that the review team believes resulted in conditions being created in which there was more than a remote possibility that the firm would not conform with professional standards on accounting and auditing engagements in all material respects, but were not of such significance to cause the report to be modified or adverse.</p> <p>For engagement reviews within the AICPA Peer Review Program, comments and recommendation issued by the review team if there are</p>
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	departures from professional standards that are not deemed to be significant but that should be considered by the reviewed firm in evaluating the quality control policies and procedures over its accounting practice.
Letters of Response (LOR) – Peer Review	A written response from the reviewed firm addressed to the entity administering the Peer Review Program which describes the actions taken or planned by the reviewed firm with respect to each matter in the letter of comments.

M

Minority Initiatives Committee	The AICPA committee that works to actively integrate minorities into the accounting profession to become CPAs and enhance their upward mobility.
Mutual Recognition Agreements	A joint NASBA-AICPA body (IQAB) considers applications from accounting organizations in other countries and issues Mutual Recognition Agreements (MRAs) to qualify their members to sit for the IQEX.

N

National Accreditation Commission (NAC)	Senior AICPA committee that recommends and implements specialization/certification programs for CPAs and oversees existing accreditation programs.
National Association of State Boards of Accountancy (NASBA)	National organization representing the 54 state licensing boards/agencies which regulate the CPA profession in all states and four U.S. territories.
National Council of Governmental Accounting (NCGA)	Private sector standard-setting body for governmental accounting, auditing, and financial reporting from 1968 until 1984, when the Governmental Accounting Standards Board (GASB) was established.
Negative Assurance	An accountant’s statement which says that as a result of specified procedures, nothing came to his (her) attention that caused him (her) to believe that specified matters did not meet a specified standard.

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Nonissuer	Entities not subject to the Sarbanes-Oxley Act of 2002 or the rules of the SEC.
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O

Office of the Comptroller of the Currency (OCC)	A bureau of the U.S. Treasury Department designed to safeguard bank operations and the public interest through its general supervision over the operations of national banks.
Other Comprehensive Basis of Accounting (OCBOA)	A basis of accounting, other than GAAP, that an entity uses to report its assets, liabilities, equity, revenues and expenses. Examples of OCBOA include income tax basis and cash basis of accounting.

P

PEEC	Professional Ethics Executive Committee
Peer Review	An evaluation of whether a CPA firm’s system of quality control for its accounting and auditing practice has been designed in accordance with quality controls standards established by the AICPA and whether the CPA firm’s quality control policies and procedures were being complied with to provide the firm with reasonable assurance of conforming with professional standards or a review of the firms’ accounting reports and financial statements to determine conformity with professional standards, applicable to those engagements in all material respects. Peer reviews are performed in accordance with standards established by the AICPA Peer Review Board for firms enrolled in the AICPA Peer Review Program, and by the Center for Public Company Audit Firms Peer Review Committee for firms enrolled in the Center for Public Company Audit Firms Peer Review Program. Also see Engagement, Report and System Reviews (under the AICPA Peer Review Program) and Peer Reviews under the Center for Public Company Audit Firms Peer Review Program.
Peer Review Board (PRB)	The executive committee having senior status with authority to establish, conduct and administer the AICPA Peer Review Program in cooperation with administering entities. Its objective is to enhance the quality of accounting and auditing engagements by CPA firms by establishing and conducting, in cooperation with the state CPA societies, a peer review program for AICPA and state CPA society members engaged in the practice of public accounting.
Peer Review Committees (PRC)	AICPA committees (both the Private Companies Practice Section and the Securities and Exchange Commission Practice Section have this committee) responsible for ensuring that member firms of the Division for CPA Firms maintain their practices in conformity with quality control standards of the AICPA and comply with Division membership requirements.
Peer Review Programs (PRP)	Practice monitoring programs in which peer reviews are conducted. The AICPA has two peer review programs: the AICPA Peer Review Program and the Center for Public Audit Firms Peer Review Program

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	(CPCAF PRP).
Performance View	This service identifies critical success factors that lead to measures that can be tracked over time. These measures are then used to assess progress in achieving specific targets linked to an entity’s vision and performance.
Personal Financial Planning (PFP)	Process of addressing a client’s financial concerns in the context of his or her overall financial situation. The AICPA PFP Team provides support to members with a special interest in advising clients on the planning and management of their personal finances.
Personal Financial Planning Section	Voluntary AICPA membership section for CPA specialists in personal financial planning.
Personal Financial Specialist (PFS)	Credential in personal financial planning awarded by AICPA to those who have met practice requirements and passed an examination.
Private Company Financial Reporting	An initiative of the AICPA to determine if, and where, privately-held companies have a need for different accounting standards than publicly-traded companies, and if so, to work to create those standards. This initiative is currently focused on working collaboratively with the FASB to meet the needs of companies, users of financial reporting and the CPAs who serve these clients.
Private Companies Practice Section (PCPS)	One of two sections of the AICPA Division for CPA Firms that primarily serves local and regional CPA firms with non-public clients.
Professional Ethics Executive Committee (PEEC)	To develop standards of ethics, promote understanding and voluntary compliance with such standards, establish and present charges of violations of the standards and the AICPA’s bylaws to the Joint Trial Board for disciplinary action in cooperation with State Societies under the Joint Ethics Enforcement Program (JEEP), improve the profession’s enforcement procedures, coordinate the subcommittees of the Professional Ethics Division, and promote the efficiency and effectiveness of JEEP Program.
Public Company Accounting Oversight Board (PCAOB)	The PCAOB is a private-sector, non-profit corporation, created by the Sarbanes-Oxley Act of 2002 , to oversee the auditors of public companies in order to protect the interests of investors and further the public interest in the preparation of informative, fair, and independent audit reports.
Public Accountant (PA)	Generic term for persons/firms which practice public accounting but are not CPAs. Some states license public accountants.

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Q

Qualified Opinion	Auditor’s opinion which states that, except for the effects of the matter to which a qualification relates, the financial statements fairly present financial position, results of operations, cash flows in conformity with generally accepted accounting principles.
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R

Report Acceptance Body (RAB)	Peer Review Committee members from approved state CPA society administering entities that discuss and accept peer review reports and other peer review related documents for firms enrolled in the AICPA Peer Review Program.
Report Reviews Under the AICPA Peer Review Program	A peer review where the objective is to enable the reviewed firm to enhance the overall quality of its compilation engagements that omit substantially all disclosure. To accomplish this objective, the reviewer provides comments and recommendations based on whether the submitted financial statements and related accountant’s reports appear to conform with the requirements of professional standards in all material respects. A report review does not provide the reviewer with a basis for expressing an opinion on the firm’s system of quality control for its accounting practice.
Revenue Procedure	A published official statement of the IRS regarding a matter of federal tax procedure, published by the National Office of the IRS.
Revenue Ruling	A published official interpretation of the tax law by the National Office of the IRS. Rulings are often based on replies to request for rulings by taxpayers.
Review	Performing inquiry and analytical procedures that provide the accountant with a reasonable basis for expressing limited assurance that there are no material modifications that should be made to the financial statements for them to be in conformity with GAAP or, if applicable, with OCBOA.
Risk Advisory Services	Services designed to identify, assess and manage risks of an entity and measure and monitor the risk management strategies implemented by that entity.

S

Securities and Exchange Commission (SEC)	Agency of the federal government that regulates the public trading of securities. The SEC has the authority to establish accounting and auditing regulations but defers to the Financial Accounting Standards Board and the Public Company Accounting Oversight Board.
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Statement of Position (SOP)	Statements which provide guidance on practice or industry financial accounting or reporting problems until the Financial Accounting Standards Board or Governmental Accounting Standards Board provides standards in those areas. They are also intended to influence the establishment of such standards, and to update, revise, or clarify audit and accounting guides or provide freestanding guidance.
Statements of Tax Policy	Statements which present the thinking of the AICPA's Taxation Team on questions of broad tax policy and are designed to aid in the development of federal tax legislation.
Statements on Auditing Standards (SAS)	Statements issued by the Auditing Standards Board to provide CPAs with guidance regarding the application of Generally Accepted Auditing Standards (GAAS).
Statements on Standards for Accounting and Review Services (SSARS)	Statements issued by the Accounting and Review Services Committee to provide CPAs with guidance regarding reporting on the unaudited financial statements or other unaudited financial information of nonpublic entities.
Statements on Standards for Attestation Engagements (SSAE)	Statements issued by the Auditing Standards Board, Accounting and Review Services Committee, or the Management Advisory Services Executive Committee to provide guidance to CPAs engaged to perform attest services.
Statements on Standards for Consulting Services (SSCS)	Statements which provides behavioral standards for the conduct of consulting services. The SSCS includes the General Standards found in Rule 201 of the AICPA Code of Professional Conduct plus three additional standards found in Rule 203, including Client Interest, Understanding with the Client and Communication with the Client.
Statements on Standards for Tax Services (SSTS)	Tax behavioral standards that are binding under the AICPA Code of Professional Conduct.
Substantial Equivalency	Substantial Equivalency is a concept that provides greater ease of mobility across state lines for CPAs both in person and electronically. Under this concept, if a CPA has a license in good standing from a state that utilizes CPA certification criteria that are essentially those outlined in the UAA, then the CPA would be qualified to practice in that state without a reciprocal license.
Successor Auditor	An auditor who has accepted an engagement or an auditor who has been invited to make a proposal for an engagement from an entity changing auditors.
System Reviews Under the AICPA Peer Review Program	Peer review for firms that perform engagements under the SASs Government Auditing Standards or examinations of prospective financial statements under the SSAEs have peer reviews called system

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	reviews. A system review is intended to provide the reviewer with a reasonable basis for expressing an opinion on whether, during the year under review: a) the reviewed firm's system of quality control for its accounting and auditing practice has been designed in accordance with quality control standards established by the AICPA and b) the reviewed firm's quality control policies and procedures were being complied with to provide the firm with reasonable assurance of conforming with professional standards.
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T

Tax Executive Committee	AICPA senior technical committee responsible for formulating and articulating technical and policy positions of the AICPA in tax matters.
Technical Bulletin (TB)	Information issued by the Financial Accounting Standards Board which provides timely guidance on certain financial accounting and reporting problems.
Technical Issues Committee (TIC)	AICPA committee of the PCPS whose objective is to monitor technical developments that could have a significant effect on private companies and the CPA firms that serve them and, when necessary, submit comments and recommendations in support of the interest of these firms.
Transaction Trail	Chains of evidence provided through coding, cross references, and documentation connecting accounting balances and other summary results with original transactions and calculations.

U

Uniform Accountancy Act (UAA)	The Uniform Accountancy Act is a single comprehensive piece of model legislation that seeks to eliminate differing requirements on issues including CPA certification, reciprocity, and temporary practice by promoting uniformity in state accountancy licensing laws. Uniformity would be achieved by adopting the UAA in place of existing laws in the 55 American licensing jurisdictions. The AICPA and the National Association of State Boards of Accountancy (NASBA) published the first joint model bill, later renamed the Uniform Accountancy Act (UAA), in 1984.
Unqualified Opinion	An auditor's opinion which states that the financial statements present fairly, in all material respects, financial position, results of operations, cash flows in conformity with generally accepted accounting principles.

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W

Work/Life and Women’s Initiatives Executive Committee (WLWIEC)	This executive committee of the AICPA promotes within the accounting profession a work environment that provides opportunities for the successful integration of personal and professional lives and the advancement of women to positions of leadership.
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