

August 30, 2010

Ms. LaShaun King  
Technical Manager  
AICPA Peer Review Program  
American Institute of Certified Public Accountants  
220 Leigh Farm Road  
Durham, NC 27707-8110

File Reference: Exposure Draft, *Proposed Revisions to the AICPA Standards for Performing and Reporting on Peer Reviews: Performing and Reporting on Peer Reviews of Quality Control Materials (QCM) and Continuing Professional Education (CPE) Programs*

Dear Ms. King:

We are pleased to comment on the *Proposed Revisions to the AICPA Standards for Performing and Reporting on Peer Reviews: Performing and Reporting on Peer Reviews of Quality Control Materials (QCM) and Continuing Professional Education (CPE) Programs*.

We support issuance of the proposed revision to the standards. The following are our comments on the specific questions identified in the exposure draft:

1. *Do you believe that the peer review relationship currently permitted by paragraph 159 is appropriate (e.g. if Firm A develops and markets QCM or CPE programs that has been independently peer reviewed and Firm B uses those materials or programs, is it appropriate for Firm A to perform the peer review of Firm B)?*

We do not believe that the peer review relationship currently permitted by paragraph 159 is appropriate. We believe that being a provider of the QCM or CPE programs results in an inherent lack of objectivity with respect to the QCM and CPE materials used by the user firm.

McGladrey & Pullen, LLP in affiliation with RSM McGladrey, Inc. are providers of QCM and CPE programs to member firms of the McGladrey Alliance. McGladrey & Pullen has a long-established policy of not performing peer reviews for McGladrey Alliance firms for the reason specified in the preceding paragraph.

2. *Are there any independence concerns that arise as a result of the peer review relationship currently permitted by paragraph 159?*

We believe that the threat to independence (both in fact and in appearance) created by a provider performing a peer review of a user firm is too great to be effectively mitigated by the safeguards currently provided for in paragraph 159 (or any other safeguards) and, therefore, must be prohibited in compliance with the Conceptual Framework for Independence.

3. *Do you believe that the proposed revisions are necessary to serve the main goal of the AICPA Peer Review Program (promoting quality in the accounting and auditing services provided by AICPA members and their CPA firms in order to serve the public interest and enhance the significance of AICPA membership)?*

We believe that the elimination of the peer review relationship currently allowed in paragraph 159 of the Standards would serve to promote quality in accounting and auditing services, serve the public interest by eliminating the threat to objectivity and independence, and, thereby, enhance the significance of AICPA membership and protect the AICPA brand.

4. *Is it more appropriate to have safeguards instead of prohibition?*

As previously stated, we believe the threats to independence are too great to be effectively mitigated through safeguards and, therefore, in compliance with the Conceptual Framework for Independence, must be prohibited.

5. *If the proposed revisions are implemented, do you believe there will be a negative impact on your firm's ability to obtain QCM or CPE programs and/or ability to find qualified peer reviewers?*

The proposed revisions to the Standards will not have any impact on our firm's ability to obtain QCM or CPE programs and/or ability to find qualified peer reviewers since we are a provider firm and use an unaffiliated firm to perform our peer review.

We appreciate the opportunity to provide these comments and would be pleased to respond to questions the Peer Review Board or its staff may have about any of the forgoing comments. Please direct any questions to Bruce Jorth, Executive Partner – Risk Management (561.682.1623) or Bruce Webb, Executive Partner – National Professional Standards Group (515-281-9240).

Sincerely,



McGladrey & Pullen, LLP