

**AICPA Peer Review Board
May 28, 2014 Open Session Meeting Highlights**

Meeting Participants

Board Members

Richard W. Reeder, Chair
Betty Jo Charles
Michael A. Fawley
Lawrence Gray
Richard Jones
Michael LeBlanc
Toni Lee-Andrews
G. Alan Long
Randy L. Milligan
Thomas J. Parry
Jodi L. Rinne
Robert Rohweder
Steven K. Stucky

AICPA Staff

Fran McClintock, staff liaison
Jim Brackens
Sue Coffey
Rachelle Drummond
Kim Ellis
Gary Freundlich
Melissa Geraghty
Laurel Gron
LaVonne Montague
Donna Roethel
Susan Rowley
Beth Thoresen

Absent

James T. Ahler
Anita Ford
Scott Frew
Richard W. Hill
Michael McNichols
Thad E. Porch

Guests Participating Via Telephone

See Exhibit 1

Purpose of the Meeting

Special meeting to review and approve proposed revisions to peer review recall guidance. Ms. McClintock performed the roll call and Mr. Reeder called the meeting to order at 11:10am ET.

Discussion Points

1.1 Welcome Attendees

Mr. Reeder called the open session to order and welcomed the Peer Review Board (PRB) members and guests.

1.4 Approval of Revisions to the Approved Peer Review Recall Guidance

Mr. Reeder provided a brief overview of the peer review recall guidance that was included in the materials. Mr. Freundlich addressed questions raised during a recent CPA SEA (CPA Society Executives Association) meeting. This included the following: due process concerns, impact on the firm's adherence to Government Auditing Standards after peer review recall, impact on the firm's professional liability insurance after peer review recall and potential risk of liability to state societies when a firm does not have a valid peer review in place. Discussion ensued. Several questions were raised regarding notification to State Boards of Accountancy. AICPA staff reiterated the information that the administering entity (AE) and the AICPA are permitted to disclose in accordance with Peer Review Standards. The PRB also discussed whether it is necessary for the AE to be involved in the determination of the peer review period for the firm's

replacement review. The PRB agreed to add to the guidance that the reviewer and firm should consult with the AE. Additional minor editorial revisions were proposed.

Decisions, Next Steps and Action Items:

- The revised peer review recall guidance was approved with the proposed changes.

**Exhibit 1: Peer Review Board Open Session
Guests Participating Via Telephone
May 28, 2014**

<u>Name</u>	<u>Organization</u>
Ella Adkins	SC Board of Accountancy
Anna M. Baker	AL State Board of Public Accountancy
Rita Barnard	KSCPA
Paul Brown	FL Institute of CPAs
Judy Chaplin	IA Society of CPAs
Colleen Conrad	NASBA
Jerry Cross	TX Society of CPAs
Dan Dustin	NASBA
Leighanne Faught	AL State Board of Accountancy
Nichole Favors	IN CPA Society
Wendy Garvin	TN Society of CPAs
Janice Gray	Gray, Blodgett & Company, PLLC
J. Lamar Harris	AL State Board of Public Accountancy
Eric Holbrook	U.S. GAO
Patty Hurley	OK Society of CPAs
Michael Jack	D. Michael Jack CPA
Roger Johnson	Roger D. Johnson, CPA
Peggy Jury	MI Association of CPAs
Marshall Karp	Marshall Karp PC
Mary Kline-Cueter	The Isis Group, P.C.
Pamela Lemire	NEPR
Stacey Lockwood	Society of LA CPAs
Ernest Markezin	NY Society of CPAs
Warren Morrison	MPK Group
Glenna Osier	SCACPA
John E. Patterson	Accountancy Board of Ohio
Julie Phipps	Washington Society of CPAs
Paul Pierson	IL CPA Society
Jennifer Poff	GA Society of CPAs
Carol J. Preston	AL State Board of Public Accountancy
Heather Reimann	PA Institute of CPAs
James Rensi	Luderman & Konst, Inc.
Gloria Roberts	MSCPA
Seid Sadat	California Board of Accountancy –PROC
Julie Salvaggio	KY Society of CPAs
Todd Shapiro	IL CPA Society
Gloria Snyder	Society of LA CPAs
Janice Wood	NJ Society of CPAs