

Reviewer Focus

Welcome to the June 2015 edition of ***Reviewer Focus***. We designed this communication to focus your attention on current issues to assist you in more effectively performing your peer reviews and enhancing the quality of the work performed by your peer review clients. The information contained herein has **not** been approved by the AICPA Peer Review Board and thus does not constitute other guidance as defined in the *AICPA Standards for Performing and Reporting on Peer Reviews*.

This edition of Reviewer Focus contains four articles:

1. [Instructions to Search the Federal Audit Clearinghouse Website](#)
2. [Reviewer Performance, Disagreements and Qualifications Changes](#)
3. [AICPA Peer Review Program Manual Update](#)
4. [Save the Dates – Webinars and Conference](#)

Instructions to Search the Federal Audit Clearinghouse Website

Many peer reviewers, technical reviewers and peer review administrators requested instructions to search the Federal Audit Clearinghouse website for Single Audit Data Collection Form filings. Prior to the 2013 year end filings, the website contained various search features that facilitated searching by audit firm. While inquiries by auditee information are still available, inquiries by audit firm are not available for periods ending after December 31, 2012. However, the information may be obtained by downloading some or all portions of the database by year. [Detailed instructions](#) can be accessed under the [For Peer Reviewers](#) section of the Peer Review Interest Area on AICPA.org. Please note, reviewers are not required to search Single Audit filings when performing peer reviews. Yet, there may be instances where review of information in the Federal Audit Clearinghouse should be considered. For instance, when testing population completeness, or clarifying information during the review of a single audit engagement.

Reviewer Performance, Disagreements and Qualifications Changes

As a reminder, several significant changes were made to reviewer performance, disagreements and qualifications guidance. The following is a list of key changes effective for reviews commencing on or after December 31, 2015:

Reviewer Performance

- Revised procedures to more effectively and efficiently address reviewer performance weaknesses
- Identified new category of reviewer performance weaknesses as significant deficiencies
 - Failure to identify nonconforming engagements
 - Failure to properly conclude on a peer review report rating by 2 or more levels
- If 2 or more significant deficiencies (single peer review or cumulative) are identified, the administering entity's peer review committee is expected to require remedial action or recommend reviewer for removal from the list of qualified peer reviewers
- Eliminated issuance of reviewer performance monitoring letter

Disagreements and Reviewer Hearing Process

- Disagreements between firm, reviewer or administering entity will be settled by a disagreement panel of the administering entity's peer review committee
- Appeals of the peer review committee disagreement panel's decision may be appealed to a national ad hoc committee to determine if the disagreement will be heard by a national review panel
- Appeals of reviewer remedial actions required by the administering entity's peer review committee (suspensions, corrective actions or request for removal from list of qualified reviewers) may be appealed to a national ad hoc committee to determine if the appeal will be heard by a national review panel

Reviewer Qualifications

- Reviewers must have spent the last five years in public accounting in the accounting and auditing function
- Reviewers should carefully consider whether their day-to-day involvement in accounting and auditing work is sufficiently comprehensive to enable them to perform a peer review with professional expertise. For example, a reviewer that only currently supervises (or carries out a quality control function on) compilation or preparation engagements should not review audit, SSAE or review engagements.
- Additional requirements for reviewers of certain must-select engagements:
 - Reviewers must have resume experience code "A" for all must-select industries/practice areas, representing that the reviewer is currently involved in those types of engagements in their own firm
 - Reviewer must be associated with Audit Quality Center firm, if it exists (presently Employee Benefit Plan Audit Quality Center and Governmental Audit Quality Center)

For additional information about the Reviewer Performance, Disagreements and Reviewer Qualifications please refer to the [February 2015 Peer Review Update](#), and the related [January 27, 2015 Peer Review Board Open Session materials](#).

Also refer to the Revisions to the Educational Framework summarized in the [May 2015 Peer Review Update](#), which addresses the training requirements for all peer reviewers, and additional training requirements for reviewers of certain must-select industries.

Revisions will be included in the respective sections of the Peer Review Program Manual upon the effective date of the guidance.

[AICPA Peer Review Program Manual Update – June 2015 in the Online Professional Library \(OPL\)](#)

The revised AICPA *Peer Review Program Manual* Update 00-12 (June 2015) (Manual) will be available in OPL by late June 2015.

Peer reviewers should adhere to the revised guidance, forms, and checklists for peer reviews commencing on or after July 1, 2015.

The manual has been updated for recently approved guidance as described in the [May 2015 Peer Review Update](#), "**Revision to Peer Review Guidance for SSARS No. 21 and Areas of Common Noncompliance With Applicable Professional Standards.**" The focus article discusses revisions to Appendix E, *Areas of Common Noncompliance with Applicable*

Professional Standards, of PRP Manual Section 6200, *Instructions to Reviewers Performing Engagement Reviews*.

Further details on the changes made to the Manual can be found in the “What’s New in the Peer Review Program Manual” file that accompanies your subscription in OPL.

Save the Dates – Upcoming Webinars and Conference

Peer Review Update Webinar Rebroadcasts – June 29 and July 20, 2015

Save the Date for the Peer Review Update webinar rebroadcast. This webinar provides valuable information essential to all peer reviewers as it covers changes in guidance made during the last year. Our speakers are Anita Ford (Chair of the Peer Review Board), Tom Parry (Chair of the Peer Review Board’s Standards Task Force) and James Brackens (AICPA VP, Ethics & Practice Quality). You’ll hear a high level overview of changes to Standards and Guidance that have occurred in the last year. You’ll also hear about short- and long- term enhancements to audit quality currently being developed by the PRB. This webcast counts toward meeting the current peer reviewer training requirement. [Register](#) for the June 29 webcast.

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

July 7, 2015 2-4:00pm ET

The AICPA Peer Review Program will host this webcast 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 July 7 webcast.

Save the Date! Are You Ready for your Peer Review? – July 24 and October 7, 2015

Save the Date for the 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). Registration information will be available at a later date.

Drive your Competitive Edge with Audit Quality – Free Webcast July 30, 2015 1-3pm ET

This free CPE webcast will map your route to making your firm’s audit practice more profitable by focusing on quality and identifying and addressing risks in your practice. Further, hear tips on how to demonstrate audit quality and how to articulate it as a competitive edge to clients. In addition to CPE credit, you will receive a toolkit of practical resources to ignite your firm’s pathway to effectively and efficiently providing quality services and showcasing the firm’s value.

Learning objectives for this webcast include:

- Tune-up your understanding of the requirements of Statements on Quality Control Standard (SQCS) No. 8

- Avoid pot-holes in your next peer review by hearing the types of questions peer reviewers will be asking
- Obtain tips and tools on how to supercharge engagement acceptance policies and proposal strategies for a more profitable audit practice

[Register](#) for the free CPE webcast.

2015 Peer Review Conference – August 3-4, 2015 in New Orleans, LA

The AICPA Peer Review Team will host our annual conference from August 3-4, 2015, with optional sessions on August 2, in New Orleans, Louisiana. Please join us in New Orleans for what is sure to be another exciting installment of our annual conference. [Register](#) for the Peer Review Conference.

How-To Course – August 3-4, 2015 in New Orleans, LA

Co-sponsored by the Society of Louisiana CPAs, the AICPA is hosting its annual “How To Conduct a Review Under the AICPA Practice-Monitoring Program” course at the Peer Review Conference in New Orleans, Louisiana on August 3-4, 2015. Potential reviewers can network and meet with experienced peer reviewers during meals, breaks and at the reception. [Register](#) for the How-To course.

Governmental and Single Audit CPE Opportunities

The Government Audit Quality Center (GAQC) has recently announced rebroadcast opportunities of some of its most popular 2-hour GAQC Web events. All of these CPE opportunities qualify as Yellow Book CPE.

For GAQC Members Only:-

- *June 25, 2015 11am to 1pm ET: Audit Quality Discussion Part II: Avoiding Common Deficiencies in Yellow Book and Single Audits*
- *June 25, 2015 1pm to 3pm ET: Uniform Guidance for Federal Awards: Auditor Planning Considerations for the New Single Audit Rules*
- *June 26, 2015 11am to 1pm ET: Audit Quality Discussion Part I: Avoiding Common Deficiencies in State and Local Government Financial Statement Audits*
- *June 26, 2015 1pm to 3pm ET: 2015 GAQC Annual Update Webcast*

GAQC members please see [GAQC Alert #277](#) for member registration information and discounted pricing.

The following events are also being rebroadcast for GAQC members and are open to the general public. If your firm is a GAQC member please refer to [GAQC Alert #277](#) for appropriate member registration information. If your firm is not a GAQC member, or if you would like to share with your audit clients please see the rebroadcast registration information below:

- *June 23, 2015 11am to 1pm ET: [The GASB's Pension Standards Part I: Considerations for Cost-Sharing Plans, Participating Employers](#)*
- *June 23, 2015 1pm to 3pm ET: [GASB Pensions: Are You Ready for June 30, 2015, Audit Implementation?](#)*
- *June 24, 2015 11am to 1pm ET: [Uniform Guidance for Federal Awards: The New Cost Principles, Time and Effort Reporting, Procurement and Other Administrative Requirements](#)*

- *June 24, 2015 1pm to 3pm ET: [Uniform Guidance for Federal Awards: How Clients will Need to Monitor Subrecipients Going Forward](#)*

In addition to the aforementioned courses, the GAQC will be offering a series of 2-hour webcasts on the new Uniform Guidance for Federal Awards in fall 2015. This series would be a great opportunity for technical reviewers to meet the single audit training requirement. As a reminder, when the RAB has delegated the review of single audit engagements to the technical reviewer, he or she must complete eight hours of CPE related to Single Audits every two years.

If you are not a member of the GAQC and are interested in learning more about membership, please visit the [GAQC website](#) to learn more.