



February 18, 2021

Brian Bluhm
Oversight Task Force
AICPA Peer Review Board
Palladian I Corporate Center
220 Leigh Farm Road
Durham, NC 27707-8110

Re: Oversight Visit to National Peer Review Committee

Dear Mr. Bluhm:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the National Peer Review Committee's (NPRC) administration of the AICPA Peer Review Program (program) performed on October 21-29, 2020. The matters discussed herein were brought to the attention of all program committee members, administrative staff, and technical reviewer(s). In addition, the matters discussed in this letter will be monitored to ensure they are effectively implemented as part of our administration of the program.

The OTF provided the following observations that did not affect the report:

- The administering entity should exercise greater care in utilizing current confidentiality agreements.
- The administering entity should perform technical reviewer evaluations specific to the role as a technical reviewer by using the Technical Reviewer Evaluation form or by creating one that is substantially similar.
- The administering entity's RAB packages should include the firm representation letter, the single audit engagement profile, and the Section 22100 – Part A – UG checklist, as applicable.

CPA on Staff

We recognize the importance of using the current confidentiality agreement template for administering entity staff and committee members. Staff confirmed the most recent template was used for 2021 confidentiality letters and will confirm whether there were any updates prior to sending each year. The NPRC would like to request that OTF communicate any changes to required forms via an AE Alert rather than a reviewer alert to ensure that the changes are more easily identified.

We have developed a technical reviewer evaluation form that will be used in conjunction with other monitoring tools that track qualifications. Input will be requested from the NPRC.

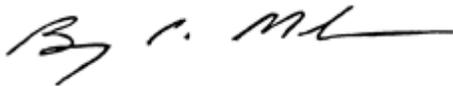
RAB and Peer Review Committee Procedures

Firm representation letters are now included in RAB packages. Single Audit engagement profiles and Part A checklists are currently made available to RAB members upon request. However, staff is investigating the most efficient way to provide all required documents to RAB members. The AICPA is currently upgrading its SharePoint site with the upgraded functionality expected to

be available later in 2021. The NPRC expects that this upgrade will allow RAB members to have access to all information in a peer review folder, including single audit documents. This would eliminate the need for technical reviewers and operations staff to prepare these documents for each review and would allow for a much more efficient RAB package process. As the RAB Handbook requires the single audit documents be available for the RAB members, the NPRC will continue its current process of making documents available upon request. When the new SharePoint site is available, the single audit documents will be provided directly to the RAB.

We appreciate Paul Inserra and Richard Hill's constructive advice and suggestions.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry C. Melancon". The signature is fluid and cursive, with a long horizontal stroke at the end.

Barry C. Melancon
AICPA Chief Executive Officer

A handwritten signature in black ink, appearing to read "Michael Fawley". The signature is cursive and somewhat stylized, with a large loop at the end.

Michael Fawley
NPRC Chair

A handwritten signature in black ink, appearing to read "Gary Freundlich". The signature is cursive and somewhat stylized, with a large loop at the end.

Gary Freundlich
CPA on Staff