
**AICPA Peer Review Board
Open Session Agenda
Wednesday, September 2, 2020
Teleconference**

Peer Review Board (PRB) Members:

Andrew Pope, Chair
Brian Bluhm
Mike Colgan
Steve Fetterman
Liz Gantnier
Jeff Graham
Clynt Hart
Barbara Lewis
Kristen Mascis
Ethan Miller
Mike Pescatore
Cathy Schweigel
Art Sparks
Bonnie Stewart
Mike Wagner
Dan Wernke
Richard Wortmann

Absent:

Joe Beck
Mike DeFalco

AICPA Staff:

Karen Aylor
Ivory Bare
Jaime Beasley
Justin Long
Jim Brackens
Brad Coffey
Kim Ellis
Donna Freundlich
Gary Freundlich
Laurel Gron
Jennifer Gum
Gloria Harewood
Tim Kindem
Fran McClintock
LaVonne Montague
Tracy Peterson
Susan Rowley
Beth Thoresen
Andrew Volz

Observers:

See Attachment A

1.1 Welcome Attendees and Roll Call of Board – Mr. Kindem/Mr. Pope

Discussion Summary:

Mr. Kindem began the meeting by taking roll and Mr. Pope thanked everyone for attending.

1.2 Vice President's Report – Mr. Brackens

Discussion Summary:

Mr. Brackens brought up two items:

- 1) An update on the Enhancing Audit Quality (EAQ) initiative.
 - a. The EAQ steering committee met recently to discuss themes for 2021 which include:
 - i. COVID related audit implications
 - ii. Auditing revenue recognition
 - iii. Risk assessment and response
 - iv. Client acceptance and continuance, including independence
 - v. Emerging attestation engagements
 - b. Mr. Brackens reinforced peer review's pivotal role in helping achieve the objectives of the EAQ initiative
- 2) An update on COVID-related peer review implications
 - a. The AICPA is committed to supporting members through this time.

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- b. Various communication channels (including a Journal of Accountancy article) will reinforce to firms the importance of scheduling their peer reviews well in advance of the due date.
 - c. Approximately 45% of firms that received an automatic extension related to their peer review due date are still scheduled to complete their review by its original due date.
 - d. The peer review EAQ administrative fee will not increase in 2021.

1.3 Approval of Guidance Changes Related to Performing System Reviews at a Location Other Than the Reviewed Firm's Office – Ms. Lewis

It was agreed that:

- Interpretation No. 8-1 would be revised as shown in agenda item 1.3A
- The "System Reviews Performed at a Location Other Than the Reviewed Firm's Office" section of PRP Section 3100, *Supplemental Guidance*, would be removed
- The "Performing System Reviews at a Location Other Than the Reviewed Firm's Office" request form will be removed from the peer review website

Update: Subsequent to the meeting, the PRB approved a slight modification to the proposed guidance that was approved in agenda item 1.3A. In order to be consistent with what the PRB approved at its [August 20 meeting](#), Interpretation No. 8-1 will be revised to state:

"The board has suspended the requirement in par. .08 for reviews commencing **on or before** June 30, 2021. The reviewer should consider the impact of performing system review procedures remotely on the peer review risk assessment and document those considerations in the SRM."

Assignments:

Staff will ensure the related communication plan (for example, reviewer alert) will indicate that currently either all, some or none of the procedures in a system review can be performed at a location other than the reviewed firm's office.

Discussion Summary:

Nothing additional of note.

1.4 Update on QCM Project – Ms. Forhan

Discussion Summary:

Ms. Forhan reviewed the presentation as shown in Agenda Item 1.4. Mr. Graham then asked what factors the task force would expect to drive the frequency of QCM examination engagements. Ms. Forhan stated that the group expected that the factors that currently drive the performance of QCM reviews would likely remain the same for QCM examination engagements.

1.5 Task Force Updates

Discussion Summary:

In addition to the written report included at agenda item 1.5, Mr. Bluhm noted the Oversight Task Force was reviewing the first administering entity (AE) benchmark reports submitted since the completion of the pilot period. Initial feedback regarding this first period is positive. Additionally, AE oversights in 2020 are being performed remotely. In 2020, AEs themselves are only required to perform oversights on 1% of total reviews, as opposed to the traditional 2%, with at least one system review and one engagement review being selected. Those oversights can be performed remotely and AEs will report on the results with their 2021

Plans of Administration due April 1, 2021. Finally, enhanced oversights are still currently paused.

Ms. Lewis thanked those volunteering in the clarity project and noted that another Standards Task Force clarity meeting will occur the week following open session.

1.6 Other Reports

Discussion Summary:

In addition to the written update, Mr. Colgan noted that some administering entities are concerned about the backlog of peer reviews that could occur given the automatic due date extensions that were granted earlier in 2020. These administering entities did acknowledge that having automatic extensions reduced staff burden as it relates to processing extension requests.

1.7 Other Business

Discussion Summary:

None

1.8 For Informational Purposes

Discussion Summary:

None

1.9 Future Open Session Meetings

Discussion Summary:

Mr. Pope noted the dates for future open session are as follows:

- November 11, 2020 – Teleconference
- February 11, 2021 – Teleconference
- May 19, 2021 – Durham, NC
- August 5, 2021 – San Diego, CA
- October 6, 2021 – Durham, NC

However, it was noted that:

- the November 2020 meeting would likely be moved to November 6
- the August 2021 meeting would likely be held later in the month.

Staff will send out updated meeting invitations as appropriate.

The meeting was adjourned at approximately 2:00pm.

Attachment A

PRB Observers

Dan Weaver Paul Pierson Susanna Sharpe Stephen Langowski Wade Jewell Vinit Shrawagi Richard Hill Dipesh Patel Kary Arnold Thomas Kirwin Sharon Romere-Nix Chuck Jordan Heather Trower Richard Daisley Stephen Hicks Heather Lindquist Daniel Wamhoff Lisa Brown Anna Durst Chris Rouse Bimpe McMillon Gloria Roberts Maria Laboy Mary Kline-Cueter David Holland Wende Wadsworth Katie Cheek Glenn Roe Marc Feinstein Julie Phipps Todd Shapiro Deidre Budahl Julie Salvaggio C. Jack Emmons Monica Farrell Allison Henry Laura Harrison Gregg Taketa Beth Lyons Andrea Byrd Alma Velez	Mittie Benham Rafael Wiesenberg William Bailey Kevin Humphries Marybeth Halpern Jennifer Winters Viki Windfeldt Rita Barnard Michelle Thompson Faye Hayhurst William J Black, Jr Phyllis Barker Patty Hurley Jerry Cross Kent Absec Heather Myers Dan Sweetwood Darlene Zibart Adelina Burke Tara Loghing John Roller Bob Brooks Ashley Sellers David Nance Rebecca Tres Abby Dawson Melinda Hart Pamela Lemire Nancy Glynn Patty Faenger Stacey Lockwood John Baumer Phil Windschitl Mary Kelly Gloria Snyder Colin Autin Mark Mersmann Santiago Sabocor Dan Hevia Diana Mccalpin David Hicks	John Skukalek Frank Sanchez- Ruiz Tobbie Wells Richard Carter Lonnie Heim Jessica Mytrohovich Iryna Corporation Michael Fredrickson Reza Mahbod Kris Samiley Samuel Johnson Scott Clelland Nancy Bechanan Stella Marie Santos Nancy Jones Brian Skluzacek Robert Vachon Shelby Goldgrab Wendy Andong Kelli Bernstein Ben Lozano Brittney Williams Charles Gregg Darla Saux Gregory Caudill Joelle Pulver Richard Cristini Steve Grohne John Uberti Fausto Hinojosa Janice Gray Kevin Howell Diane Smith Shawn Emerson Paul Goetz Levonina Reese John Saracena	Craig Myers Gerard Demetrius Ellen Adkins Andrew Merryman John Oeltjen Thomas Cordell Yanick Michel Jay Tolsm Mike Gladney Jeff Sabetta Mark Wille Dustin Verity Rodney Harano Debra Seefeld John Flatowicz Larry Dodson Cora Edwards Karen Welch Laura Minnick Victoria Mwangi Mark Malachin Cheryl Hartfield Art Sparks Dawn Carlson Colleen Conrad Boyd Busby Wendy Garvin Monday Rufus Mary Mackrell Steven Kessler Silvia Yehezkel William Oyster Tracey Etchberger Edward Rose Nina Sorelle Keith Thompson Sue Thompson
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