
**AICPA Peer Review Board
Open Session Agenda
Wednesday, May 19, 2021
Teleconference**

Peer Review Board (PRB) Members:

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

AICPA Peer Review Staff:

Karen Aylor
Ivory Bare
Jim Brackens
Toya Ebron
Kim Ellis
Donna Freundlich
Gary Freundlich
Laurel Gron
Jennifer Gum
Gloria Harewood
Lisa Joseph
Tim Kindem
Fran McClintock
Tracy Peterson
Beth Thoresen
Andrew Volz

Observers:

See Attachment A

Absent:

Mike DeFalco
Jeff Graham

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

Discussion Summary: Mr. Kindem began the meeting by taking roll. Mr. Pope then followed by thanking the outgoing board members (Mr. Colgan, Ms. Lewis, and Mr. Miller) for their service to the PRB and indicated that Mike Fawley, Amy Pitter, Mike Sibley and George Victor will be joining the PRB later in the month.

1.2 Approval of Removal of SEC Registered Broker-Dealers from Peer Review – Ms. Lewis

It was agreed that: The changes outlined in agenda item 1.2A were approved subject to changes discussed during the meeting. Additionally, the alerts would be distributed subject to the changes outlined below.

Assignments: Staff will distribute the alerts in late May and will revise the peer review program manual accordingly in June.

Discussion Summary: Ms. Lewis began by describing the reasoning for the proposed changes as outlined in agenda item 1.2. She then noted that after the distribution of meeting materials, additional changes had been proposed which were showcased onscreen. These modifications to the proposal were attached to the email with the highlights.

Mr. Parry asked if surprise examinations should be specifically referenced in Interpretation No. 6-9 as they are performed by SEC registered entities. However, since the interpretation is related to PCAOB permanent inspections and surprise examinations are not subject to PCAOB inspection, the Board elected not to revise the interpretation. Staff will, however, revise the alerts as presented in agenda item 1.2B to reference these engagements.

In response to another question, Mr. Brackens noted that he and Sue Coffey had discussed the proposal with PCAOB staff in part to determine if any potential gaps in coverage would exist (in other words, engagements that might not be subject to peer review or PCAOB inspection).

In response to a final question, Staff indicated that while an exhaustive analysis of state regulations has not been performed, Staff is unaware of any coverage gap from a state legislative requirement perspective based on its knowledge of these requirements. Additionally, Staff have discussed the proposal with NASBA and have reviewed UAA language, which does make clear that the relevant engagements would be covered in some manner.

1.3 Approval of Updates Related to Interpretation No. 8-1 *Performing System Review Procedures Remotely* – Ms. Lewis

It was agreed that: The proposed changes as outlined in agenda item 1.3 were approved unanimously.

Assignments: Staff will modify the peer review program manual accordingly in June and make all necessary communications to alert stakeholders of the change.

Discussion Summary: Ms. Lewis went over the proposal (as described in agenda item 1.3) to extend the temporary suspension of Standards paragraph .08 (which requires that the majority of procedures in a System Review be performed at the reviewed firm's offices) for peer reviews commencing on or before May 31, 2022.

Ms. Lewis also noted that the upcoming exposure draft for clarified peer review guidance would likely propose that requirement be removed by having the review team in a system review plan its peer review procedures, including where those procedures are performed, based on any identified peer review risks.

1.4 Approval of Updates to Technical Reviewer Training Requirements - Mr. Beck

It was agreed that: The proposed revisions to the technical reviewer training requirements as outlined in agenda item 1.4 were approved unanimously.

Assignments: Staff will modify the peer review program manual accordingly in June and make all necessary communications to alert stakeholders of the change.

Discussion Summary: Mr. Beck discussed the proposal to revise the technical reviewer training requirements, specifically for those technical reviewers who have been delegated the review of a single audit engagement(s) in a peer review, as outlined in agenda item 1.4.

Mr. Kindem, Mr. Beck and others provided the following information in response to questions asked:

- The course would still be required for technical reviewers who also perform single audits as practitioners, as the course is intended to focus on how to perform a

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- technical review of a peer review with a single audit engagement, not necessarily how to perform a single audit. This is similar to the must-select training requirements that reviewers of single audit engagements must take.
- Since technical reviewers only review select information as it relates to single audits, having technical reviewers be qualified to perform single audits, from a CPE perspective, was not determined to be necessary.
 - The optional sessions at the conference could count toward the requirement to take 8 hours of single audit CPE every two years but would not take the place of this specific single audit technical reviewer course.
 - Alternative courses could be submitted to Staff who would convene with members of the PRB to determine if the course would satisfy the requirement.
 - Staff can consider incorporating some of the content into various sessions at upcoming Peer Review conferences.
 - Technical reviewers have access to GAQC materials and resources.

1.5 Update on the Project to Clarify Peer Review Standards – Ms. Lewis

Discussion Summary: Ms. Lewis indicated that all meeting observers received a preliminary version of the exposure draft to clarify the peer review standards and related guidance. The Standards Task Force will provide a finalized draft for PRB approval at a later meeting. The proposal contains drafting conventions similar to other AICPA standard setters and is broken into sections by user and review type.

Ms. Lewis also alerted observers that there are some items included in the proposal that would be changes to the current peer review process and the STF will request specific feedback for those items. Finally, Ms. Lewis provided attendees an overview of recent STF meetings and the tentative timing of future milestones related to the project.

1.6 Task Force Updates

Discussion Summary:

Ms. Lewis began with an overview of recent Standards Task Force activity by highlighting the items included in agenda item 1.6.

Mr. Bluhm continued by going over recent Oversight Task Force activity, particularly its meeting on May 12. The task force addressed COVID-19 implications such as:

- Administering entities (AEs) showing consistent improvement in performance and reporting as it relates to complying with benchmark and planned remediation for any non-compliance
 - The OTF uses this information, in part, to assess how benchmarks could be improved.
 - The OTF also has no intention to start fair procedures for any administering entities at this time related to noncompliance with benchmarks.
- AE oversight requirements for 2021 will be similar to 2020 in that:
 - AEs are only required to select a minimum of 1 system review and 1 engagement review
 - Oversight selected should total, at a minimum, 1% of all peer reviews for the AE and,
 - No onsite system review oversights are required
- Resume verification will not be required in 2021, but AEs are encouraged to use the process to assess reviewer performance, if necessary

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- The OTF also plans to assess the resume verification process to determine if it is meeting its objectives.
 - The OTF will perform oversights of 11 AEs in 2021 and Staff will send out the initial communications to these AEs in the coming weeks to begin the planning process.
 - Enhanced oversights will resume later in 2021, likely in September. In the near term, the OTF plans to discuss what enhanced oversight process will look like in 2021. Details surrounding the process will likely be discussed at the Peer Review Conference in August.

Finally, Mr. Bluhm noted that the OTF will meet with NASBA's peer review compliance committee on June 17 to discuss recent activity of each group.

Mr. Beck concluded by summarizing recent ECTF activity, including:

- The development of the Peer Review Conference agenda, presentations and conference cases.
- Virtual offerings for team captain initial training
- A webcast for firms to help them prepare for their upcoming peer reviews
- A special edition of PR Prompts that focuses on the quality management exposure draft issued by the ASB.

Mr. Beck then provided some logistical information related to the Conference, specifically:

The Conference will be held both in-person and virtually. There is currently a cap on in-person attendance set at 150, but if that is lifted or adjusted, Staff will adjust registration accordingly.

1.7 Other Reports

Discussion Summary:

Ms. Thoresen discussed the following during her Operations Director's Report:

Conference logistics:

- The Peer Review Conference will be held on August 2nd through the 4th in San Diego, CA.
- Staff sent out a survey to peer reviewers to determine the appetite for an in-person conference.
- Staff received over 500 responses to that survey.
- Based on survey results, there will be both in-person and virtual attendance options at this year's peer review conference.
- Initially, based on restrictions imposed by the state of California, registration (which will launch in approximately two weeks from the date of this meeting) will be capped at 150 people.
- Should the restrictions be lifted or modified, Staff will update registration accordingly.

Warning letter timing:

- At the onset of the pandemic, the timing between warning letters (for example, for overdue items), was extended by 30 days
- Staff had intended on going back to the original timing in the near term, but received feedback from some AEs that going back to the original timing could be premature
- Staff will send a survey to all AEs to determine the preferences of the AE community as it relates to letter timing.

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- Based on feedback received, Staff will consult with the Task Force to develop a plan for to when to resume normal warning letter timing

A June 11th webcast for peer reviewers related to the peer review risks associated with a likely increase in single audit engagements as well as the quality management exposure draft. The webcast will be free and 1 hour in duration

The AICPA's Chief Auditor will discuss the quality management exposure draft and the chair of the GAQC's executive committee will discuss developments related to single audit engagements.

Mr. Colgan then followed by encouraging AEs to complete the survey related to warning letter timing as that has been the issue that has generated the most feedback from the state society community.

Mr. Fawley then provided a brief update on NPRC activity including:

- Two meetings have occurred since the last PRB meeting in February
- The committee has accepted the reports for 4 large firms and 1 QCM review
- RABs have met 7 times since the last PRB meeting and have accepted:
 - 102 pass reports
 - 9 pass with deficiency reports and
 - 3 fail reports
- 2 more committee meetings will occur in 2021 (one in October another in December).
- Mr. Fawley is completing his term on the NPRC this month and Mr. Wagner will be assuming the role of NPRC chair.

1.8 Other Business

Discussion Summary: No other business was raised.

1.9 For Informational Purposes

Discussion Summary: No questions were raised related to the items provided for informational purposes. Mr. Pope thanked everyone he has worked with on the PRB, as this is his last meeting. Mr. Brackens and Mr. Bluhm, the incoming Chair, thanked the outgoing Board members for their contributions to the Board and in particular Mr. Pope for his leadership during the past two years.

1.10 Future Open Session Meetings

Discussion Summary:

Included in the agenda were dates for future open session meetings, which are as follows:

- September 2, 2021 – Teleconference
- October 6, 2021 – Teleconference

The meeting was adjourned at approximately 12:35pm.

AICPA Peer Review Board Meeting
Participants for Peer Review Board Open Session
May 19, 2021

	Name	Company
1.	Dan Weaver	Texas State Board of Public Accountancy
2.	Vinit Shrawagi	California Society of CPAs
3.	Paul Burns	KPMG
4.	Stephen Young	ICPAS
5.	Lisa Brown	lbrown@ohiocpa.com
6.	Richard Hill	Mitchell Emert & Hill
7.	Thomas Parry	Navolio & Tallman LLP
8.	Stephen Langowski	NASBA Peer Review Compliance Committee
9.	Heather Trower	PICPA
10.	Dipesh Patel	TXCPA
11.	Paul Pierson	Illinois CPA Society
12.	Heather Lindquist	Illinois CPA Society
13.	Rafael Wiesenberg	ICPAS
14.	Todd Shapiro	Illinois CPA Society
15.	Melinda Hart	Illinois CPA Society
16.	Niranjan Kumar	Sree Venkateswara College of Engineering
17.	Kristy Illuzzi	AICPA
18.	Duncan Will	CAMICO Mutual Insurance
19.	Thomas Kirwin	Sullivan Bille PC
20.	Aimee D'Amato	Peer Review Oversight Committee member
21.	Kim Meyer	Hudgens & Meyer, LLC
22.	Karen Welch	Walsh & Company, PC
23.	Kristine Sheedy	Sullivan Bille
24.	Sharon Romere-Nix	Thomson Reuters
25.	Dawn Brenner	Grant Bennett Associates
26.	Paul Brown	Florida Institute of CPAs
27.	Kathy Creel	Florida Institute of CPAs

	Name	Company
28.	Kristen Wilcox	FICPA
29.	Richard Daisley	Surgent CPE
30.	Jennifer Winters	NY Peer Review Oversight Committee
31.	Monica Farrell	PICPA
32.	Jessica Mytrohovich	Georgia Society of CPAs
33.	Gloria Roberts	Gloria P. Roberts CPA LLC
34.	Gloria Snyder	LCPA
35.	Laura Harrison	GSCPA
36.	Cheryl Hartfield	AICPA
37.	Mittie Benham	Virgin Islands CPA Society
38.	Colleen Conrad	NASBA
39.	Boyd Busby	Alabama State Board of Public Accountancy
40.	Michael Barton	Indiana Board of Accountancy
41.	Horace Emery	Suttle & Stalnaker, PLLC - WV Board of Accountancy
42.	Jaime Sanabria	Colegio de Contadores Publicos Autorizados de Puerto Rico
43.	Suzanne Heidenreich	Heidenreich & Heidenreich CPAs PLLC
44.	Bimpe McMillon	Texas Society of CPAs
45.	Jerry Cross	TXCPA
46.	Viki Windfeldt	Nevada State Board of Accountancy
47.	Dan Dustin	NASBA
48.	Patty Hurley	Oklahoma Society of CPAs
49.	Kathleen Hoover	Corbets & Associates
50.	Marissa Mahoney	TSBPA
51.	Kristi Justice	WV Board of Accountancy
52.	Marc Feinstein	PICPA
53.	Thomas Cordell	NYS Education Department
54.	Michelle Thompson	Iowa Society of CPAs
55.	Mary Beth Halpern	Coastal Peer Review
56.	Julie Phipps	Washington Society of CPAs
57.	Alan Lee	Tang & Lee, LLP (c/o CBA PROC)
58.	Ashley Sellers	Alabama Society of CPAs
59.	Julie McNeal	CT Society of CPAs
60.	Heather Myers	NE Board of Public Accountancy
61.	Dan Sweetwood	NE Board of Public Accountancy

	Name	Company
62.	Chris Rouse	Windham Brannon, LLC
63.	Mark Mersmann	MOCPA, GSCPA, ASCPA
64.	Marysue Bulcavage	Marysue Bulcavage, CPA
65.	Darlene Boles	Oregon Society of CPAs
66.	April Boudreaux	Smith Dukes & Buckalew LLP
67.	Mary Kline-Cueter	Kline Group PC
68.	Jim O'Hallaron	MOCPA
69.	Kathleen Meyer	MOCPA
70.	Chuck Jordan	Partners in Peer Review
71.	Allison Henry	PICPA
72.	Debra Seefeld	Texas State Board of Public Accountancy
73.	Randy Watson	Watson Coon Ryan LLC
74.	David Eatmon	OSCPA
75.	Faye Hayhurst	Minnesota Society of CPAs
76.	Kellyann Kelly	Accountancy Board of Ohio
77.	Pamela Lemire	New England Peer Review
78.	Raegen Nuffer	Alabama Society of CPAs
79.	Adelina Burke	PICPA
80.	Gavin Burnham	Olsen Thielen & Co., Ltd
81.	Colin Autin	Oklahoma Accountancy Board
82.	Stacey Lockwood	LCPA
83.	Jay Kaufman	Mass Society of CPAs
84.	Karen Guerra	Michigan Association of CPAs
85.	Dave Trujillo	Washington State Board of Accountancy
86.	Robert Vachon	New England Peer Review
87.	Roger Scarborough	Florida Board of Accountancy
88.	Clay Huffman	Georgia State Board of Accountancy
89.	Ross Roye	Gray, Blodgett & Company, PLLC / OSCPAs Peer Review Committee Chair
90.	Mark Hobbs	The Hobbs Group, PA
91.	Abby Dawson	F.G. Briggs Jr. CPA Professional Association
92.	Hunter Cook	NASBA
93.	Wendy Garvin	Tennessee State Board of Accountancy
94.	Peggy Jury	MICPA

	Name	Company
95.	Maria Laboy	Puerto Rico Society of CPAs
96.	Marilee Lau	COCPA
97.	Donna Oklok	Accountancy Board of Ohio
98.	Mark Harris	Society of Louisiana CPAs
99.	Mary Kelly	Coastal Peer Review, Inc.
100.	Kent Absec	Idaho State Board of Accountancy
101.	Tara Loghing	PICPA
102.	Andrea Byrd	Arizona Board of Accountancy
103.	Sherry Chesser	Landmark PLC, Certified Public Accountants
104.	Bruce Kingshill	Ray,Bumgarner, Kingshill&Assoc.,P.A.
105.	Jim Therrell	TXCPA Peer Review Committee
106.	C Jack Emmons	Retired
107.	Robert Irwin	Bridges, Horning & Company, PC
108.	Jill Turner	COCPA
109.	Laura Hay	The Ohio Society of CPAs
110.	Kara Fitzgerald	TSCPA
111.	Natalie Martin	SEC
112.	James Clausell	Clausell & Associates P.C.
113.	Amber Bowman	Florida Board of Accountancy
114.	Alyssa Boerenko	CTCPA
115.	Patti Woods	Missouri Society of CPAs
116.	Jim O'Hallaron	MOCPA
117.	Jeff Conway	Florida Institute of Certified Public Accountants