June 2020

This edition of the Reviewer Alert contains the articles below:

- May Peer Review Board Meeting Update
- Updates on Peer Review Educational Offerings
- Quick Hits

May Peer Review Board Meeting Update

On May 20, the Peer Review Board (PRB) met and discussed the following topics:

**An Update on the Coronavirus Impact on Peer Review**

The PRB reiterated its support of several steps that are being taken in response to the ongoing coronavirus pandemic. This included:

- Allowing greater flexibility in performing offsite system reviews, through at least September 30
- Providing six-month automatic extensions for peer reviews, corrective actions and implementation plans due from January 1, 2020 to September 30, 2020
- Temporarily stopping or delaying firm drop and termination procedures
- Extending the time period between warning letters for firm noncooperation by 30 days

**Exposure Draft Related to Remote Performance of System Review Procedures**

The PRB deferred a potential exposure draft containing guidance changes related to onsite performance requirements for system reviews. The Standards Task Force will determine next steps related to this proposal, based on the feedback discussed, at an upcoming meeting. Reviewers are reminded that for system reviews commencing prior to September 30, advanced approval from your administering entity is not required to perform a system review offsite. The PRB will reassess throughout the year whether that date should be extended.

**Meeting Highlights**

Summaries of other items discussed are included in the meeting highlights which will be available shortly on the AICPA’s peer review web page. Any questions regarding the meeting highlights can be directed to Peer Review Staff.

Updates on Peer Review Educational Offerings

*Virtual 2020 Annual Peer Review Conference*

After closely monitoring the risk and impact of COVID-19, the 2020 Peer Review Conference will be held virtually, instead of in-person. However, the dates will remain the same and
attending will still satisfy your ongoing training requirements for team and review captains. The schedule for the conference will consist of:

- Two optional sessions, one for reviewers of employee benefit plan engagements and another for reviewers of governmental engagements will be held Monday, August 3. Each session will be two hours, with the first beginning at 1pm ET and the other at 3pm ET.

- A general session to be held from 1pm to 5pm ET on both Tuesday, August 4 and Wednesday August 5. Sessions will include, but are not limited to:
  - A peer review update
  - Conference cases (presented in a group setting)
  - Breakout sessions for peer reviewers, committee members and technical reviewers

See the [draft agenda](#) and check back soon for registration.

*Team/Review Captain Training at ENGAGE the Week of June 8th*
Peer review sessions designed to meet the ongoing training requirements for team and review captains will be held as part of the ENGAGE 2020 Digital Kickoff on June 10 from 2pm – 4pm. This content is part of the Interactive Solution and Key Initiatives Sessions and is free for anyone who signs up. Get more information on how to sign up [here](#).

*On-Demand and other Peer Review Training Options*
As mentioned in our March Reviewer Alert, we recognize that options for live seminar peer review training may be limited in the coming months. In addition to the on-demand training course for EBP engagements mentioned earlier, you can access the following on-demand training courses (that can be taken at any time) through the links below:

- Team and Review Captain Ongoing Training
- Governmental Must-Select Training
- Employee Benefit Plan Must-Select Training

Finally, an archive of the Peer Review Update: Performing System Reviews in a COVID-19 World webcast is available. Watching this archive will satisfy the ongoing training requirement for team captains. Upon registering for the archive, you will receive a registration confirmation email; you may submit a copy of this email as proof of attendance.

*Quick Hits*

*AICPA COVID-19 A&A Resource Center Launches*
The AICPA has launched an A&A resource center at [aicpa.org/eaq/covid19](http://aicpa.org/eaq/covid19) where you can access free resources addressing pressing topics like remote auditing, subsequent event disclosures and going concern. To learn more about how the pandemic might impact your upcoming audits, join our webcast, COVID-19 Audit Implications, where Bob Dohrer, AICPA chief auditor, and Mike Manspeaker, CPA, will answer questions submitted by hundreds of practitioners. For information about how COVID-19 may impact other areas of your practice, from tax and personal financial planning to forensic accounting, check out [aicpa.org/coronavirus](http://aicpa.org/coronavirus).

*Additional PRIMA Implications – Automatic Extensions*
Please be sure to update your planned exit conference date for any reviews that you have scheduled that will be impacted by the recently approved automatic six-month extension. Making this update will help ensure that you don’t receive unnecessary overdue notices.

Perceptions about analytics-aided audit quality
Peer reviewers are encouraged to read the Journal of Accountancy article Perceptions about analytics-aided audit quality that describes the results of a recent study supported by the AICPA's Assurance Research Advisory Group. The study was focused on firms using data and analytics tools and techniques and their concerns on how external reviewers will scrutinize these approaches.

ARSC Issues SSARS No. 25
The ARSC has issued SSARS No. 25, Materiality in a Review of Financial Statements and Adverse Conclusions, to amend AR-C sections 60, 70, 80 and 90 in AICPA Professional Standards. The revisions largely converge the SSARSs with other professional standards for consistency. Reviewers should be aware of the following key revisions to review engagements:

- The inclusion of an explicit requirement to determine materiality
- The ability for the accountant to express an adverse conclusion
- The requirement for the accountant to include a statement regarding independence in the accountant’s report

SSARS 25 is effective for engagements performed in accordance with the SSARSs for periods ending on or after December 15, 2021, but early implementation is permitted.

PRIMA Survey Tool
PRIMA has a new tool. You’ll now see a PRIMA Feedback button on the right side of the home screen which will allow you to give real-time feedback on your PRIMA experience. It asks a few questions, including your main role in PRIMA and overall satisfaction. A subsequent open text field seeks suggestions for improvement. Our team takes feedback on PRIMA very seriously and will use any information received for future updates and enhancements.

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