



March 28, 2019

Boyd Search, President & CEO  
Todd Stone, CPA, Peer Review Committee Chair  
Georgia Society of CPAs  
6 Concourse Pkwy, Ste. 800  
Atlanta, GA 30328

Dear Mr. Search and Mr. Stone:

On March 27, 2019, the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight visit for the Georgia Society of CPAs, the administering entity for the AICPA Peer Review Program, and the administering entity's response thereto. A copy of this acknowledgement, the two oversight visit documents, and your response have now been posted to the AICPA Peer Review Program website.

The next administering entity oversight visit will be in 2020.

The AICPA Peer Review Board appreciates your cooperation and efforts in making the peer review program a success.

Sincerely,

*Brian Bluhm*

Brian Bluhm, CPA  
Chair – Oversight Task Force  
AICPA Peer Review Board

cc: Jessica Mytrohovich, CPA, Director of Finance & Technical Service  
Georgia Society of CPAs

Laurel Gron, CPA, Senior Manager – Peer Review  
AICPA Peer Review Program



## Oversight Visit Report

December 12, 2018

To the Georgia Society of CPAs  
Peer Review Committee

We have reviewed the Georgia Society of CPAs' administration of the AICPA Peer Review Program (program) as part of our oversight program. The Georgia Society of CPAs is responsible for administering the program in Georgia. Our procedures were conducted in conformity with the guidance established by the AICPA Peer Review Board (board) as contained in the *AICPA Peer Review Program Oversight Handbook*.

### **Administering Entity's Responsibility**

The administering entity is responsible for administering the AICPA Peer Review Program in compliance with the *AICPA Standards for Performing and Reporting on Peer Reviews*, interpretations, and other guidance established by the board.

### **Oversight Task Force's Responsibility**

Our responsibility is to determine whether (1) administering entities are complying with the administrative procedures established by the board as set forth in the *AICPA Peer Review Program Administrative Manual*, (2) the reviews are being conducted and reported upon in accordance with the standards, (3) the results of the reviews are being evaluated on a consistent basis by all administering entity peer review committees, and (4) information disseminated by administering entities is accurate and timely.

### **Conclusion**

Based on the results of the procedures performed, we have concluded that the Georgia Society of CPAs has complied with the administrative procedures and standards in all material respects as established by the board.

As is customary, we have issued a letter of oversight visit procedures and observations that details the oversight procedures performed and sets forth recommendations that were not considered to be of sufficient significance to affect the conclusions expressed in this report.

*Suzanne Heidenreich*

Suzanne Heidenreich, CPA, Member, Oversight Task Force  
AICPA Peer Review Program



December 12, 2018

To the Georgia Society of CPAs  
Peer Review Committee

We have reviewed the Georgia Society of CPAs' administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated December 12, 2018. That report should be read in conjunction with the observations in this letter, which were considered in determining our conclusions. The observations described below were not considered to be of sufficient significance to affect the conclusions expressed in that report.

The oversight visit was conducted according to the procedures in the *AICPA Peer Review Program Oversight Handbook*. An oversight program is designed to improve the administering entity's administration of the AICPA Peer Review Program through feedback on its policies and procedures, and to provide resource assistance from an AICPA Peer Review Board Oversight Task Force member on both technical and administrative matters.

In conjunction with the oversight visit of the Georgia Society of CPAs, the administering entity for the program, conducted on December 11 and 12, 2018, the following observations are being communicated.

### **Administrative Procedures**

On December 11, 2018, Laurel Gron, AICPA Peer Review Program Manager, and I met with the Director of Finance and Technical Services to review the program's administration. Except as noted below, we believe the administrative processes were being handled in a manner consistent with peer review standards.

We determined that administrative staff did not understand the process for sending overdue letters to peer reviewers.

We reviewed the files, which were still open due to follow-up actions, which had not yet been completed. We found that the follow-up actions were being effectively monitored for completion by the administrative staff and the peer review committee.

We also reviewed the policies and procedures for the granting of extensions. We found that the Director of Finance and Technical Services handles short-term extension requests with discussion from the committee when the circumstances warrant.

Additionally, we reviewed the timeliness of technical reviews and the preparation of committee decision letters. We found no significant problems in these areas.

The administering entity has developed a backup plan to support the administrators and technical reviewers if they become unable to serve in their respective capacities.

### **Website Information**

We met with the website manager to review the administering entity's procedures to determine if the information disseminated regarding the AICPA Peer Review Program by the administering entity on their website is accurate and timely.

After the AICPA staff's review of the website material, we noted that the administering entity maintains current information as it relates to the peer review program. In addition, the administering entity has an individual who is responsible for maintaining the website and monitors the website periodically to ensure peer review information is accurate and timely.

### **Working Paper Retention**

According to discussions with the Director of Finance and Technical Services, we found compliance with the working paper retention policies for completed reviews.

### **Technical Review Procedures**

The administering entity has three technical reviewers. We met with one in person and one by phone to discuss procedures. They perform most of the technical reviews and are experienced reviewers.

We reviewed the reports, letters of response, if applicable, and the working papers for several reviews. We noted instances where technical reviewers were not recommending appropriate implementation plans. One had been issued that was not in accordance with guidance and, at the RAB meeting, another was recommended that was not in accordance with guidance.

As noted below, we believe that review issues were not consistently addressed by the technical reviewers before reviews were presented to the committee. This was also a comment in prior RAB observation reports and the October 10, 2017 administering entity oversight visit report.

We have some concern about the level of involvement from a technical reviewer during the deliberation process; which was discussed with administering entity staff and the committee chair.

### **Review Presentation**

Some reviews are brought to the committee with open technical issues. Accordingly, it was necessary for the committee to spend time reviewing specific technical issues and as a result, many reviews were deferred.

### **Committee Procedures**

We noted that administrative staff were not appropriately monitoring the qualifications of RAB members to determine their eligibility to participate in RAB meetings. Prior to the meeting, we noted all four committee members scheduled for the RAB meeting were suspended for overdue workpapers. After we brought this to the attention of administrative staff, they determined two of the four should not have been suspended. They were able to find two other eligible committee members so they could hold the RAB meeting while we were onsite.

We met with the committee chair and discussed procedures for disseminating the comments resulting from RAB observation reports to the appropriate individuals.

On December 11 and 12, 2018, we attended the on-site peer review committee and the executive committee meetings. The on-site committee functioned as the report acceptance body (RAB), and the meeting was very orderly. We observed the committee's acceptance process and offered our comments at the close of discussions. It was apparent that the committee members had reviewed the reports and working papers prior to the meeting and had a good understanding of the program to reach an appropriate decision for each review.

Appropriate decisions were made in the acceptance process, including assigned corrective actions and reviewer monitoring. Reviews were being presented to the RABs on a timely basis.

### **Oversight Program**

The Georgia Society of CPAs' peer review committee has adopted a formal oversight program that is well documented. We reviewed the document and procedures performed and found it to be comprehensive.

### **Summary**

Our observations to enhance Georgia Society of CPAs' administration of the program are summarized as follows:

- Administrative staff should obtain additional training in areas that are not completely understood, such as the process for sending overdue letters to peer reviewers.
- Administrative staff should monitor the qualifications of RAB members to determine their eligibility to participate in RAB meetings.
- Technical Reviewers should review the RAB Handbook to ensure that proposed implementation plans are in accordance with current guidance.
- Administering entity staff and the committee chair should ensure that technical reviewers are clear as to their role during RAB meetings and monitor their participation.
- Technical Reviewers should exercise greater care in performing technical reviews to identify issues before the report acceptance process.

*Suzanne Heidenreich*

Suzanne Heidenreich, CPA, Member, Oversight Task Force  
AICPA Peer Review Program

March 6, 2019

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 the Georgia Society of CPAs

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 Georgia Society of CPA's administration of the AICPA Peer Review Program (program) performed December 11-12, 2018. The matters discussed herein were brought to the attention of all peer review 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 AICPA Peer Review Program.

### **Administrative Procedures**

We recognize providing reviewers with information related to overdue files in a timely manner when necessary is a vital part of the Peer Review Program. Accordingly, we have accessed the latest copy of the administrator handbook, reviewed the information, and will continue to reference regarding the issue of overdue letters. Additionally, we will begin utilizing the help feature within the PRIMA website to learn more about the letters and when it is appropriate to send them out. Finally, all peer review staff will continue to attend AICPA led monthly calls, attend additional trainings, and attend the Peer Review Conference in August 2019 to ensure we are continually educated on these procedures.

### **Technical Review Procedures**

As mentioned during the oversight procedures, our CPA on staff has begun to perform a due diligence review of files subsequent to technical review, but prior to providing files to the RAB volunteers, to assist in the review process. The CPA on staff has pulled the appropriate information from the RAB handbook and will begin to review the technical reviewer's recommendations as a part of the due diligence review. When issues are identified, the CPA on staff will notify the technical reviewer and will ask for clarification or corrections in order to provide technical reviewers with timely feedback and remedial considerations. The CPA on staff will also provide technical reviewers with a listing of the reasons peer reviews were deferred. This listing will be updated after each meeting so technical reviewers can have a reference tool for common items missing in their review.

Technical reviewers are provided the comments to each RAB observation and are reminded of their role in the meeting in emails as well as our quarterly technical reviewer calls. Guidance related to the technical reviewer role, as well as guidance regarding the allowable implementation plans and corrective actions are disseminated regularly.

Additionally, GSCPA invites technical reviewers to all RAB calls and will continue to do so in an effort to keep technical reviewers aware of issues discussed and found by the RAB volunteers.

### **Review Presentation**

During the observation, it was noted that some reviews are brought to committee with open technical issues. The CPA on staff has begun to review the files prior to each RAB presentation to assist in identification of these open technical issues. Additionally, technical reviewers are invited to all RAB meetings, so they can hear the discussion and items considered during the meeting. Finally, GSCPA will begin to send reasons for deferrals to all technical reviewers after each meeting, regardless of whether it was a file they reviewed to assist technical reviewers in identifying why files are being deferred.

### **Committee Procedures**

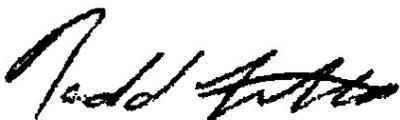
The GSCPA Peer Review Executive Committee will review the guidance on RAB qualifications and take appropriate steps to ensure that RAB volunteers are eligible to participate in the discussion and voting, including review of the reviewer dashboard to ensure there are no late workpaper filings for that reviewer. Additionally, GSCPA staff will be more vigilant in monitoring ineligibility codes and reviewing the RAB handbook regularly to guarantee scheduled RAB members are eligible. Procedures have been added as part of our RAB preparation to review the reviewer dashboards prior to meetings so that volunteers are notified of eligibility issues.

We appreciate Suzanne Heidenreich's constructive advice and suggestions.

Sincerely,



Boyd Search, CAE  
President & CEO



Todd Stone, CPA  
Georgia Society of CPAs Peer Review Committee Chair