The Professional Ethics Executive Committee (Committee) held a duly called meeting on November 28, 2017. The meeting convened 11:00 a.m. and concluded at 2:30 p.m. on November 28, 2017.

**Attendance:**
- Samuel L. Burke, Chair
- Coalter Baker
- Carlos Barrera
- Stanley Berman
- Michael Brand
- Chris Cahill
- Tom Campbell
- Robert E. Denham
- Anna Dourdourekas
- Brian S. Lynch
- William Darrol Mann
- William McKeown
- Andrew Mintzer
- Steven Reed
- James Smolinski
- Laurie Tish
- Shelly Van Dyne
- Lisa Snyder

**Not In Attendance:**
- Janice Gray
- Greg Guin

**Staff:**
- James Brackens, VP - Ethics & Practice Quality
- Toni Lee-Andrews, Director
- Ellen Goria, Associate Director
- Shelley Truman, Ethics Specialist
- Brandon Mercer, Senior Manager
- April Sherman, Manager
- Shannon Ziemba, Manager
- James West, Manager
- Michele Craig, Manager
- Liese Faircloth, Manager
- Kristie Illuzzi, Senior Manager
- Carl Peterson, VP – Small Firms Practice Section
- Jennifer Kappler, Manager
- Jennifer Clayton, Senior Manager
- Summer Young, Manager
- John Wiley, Manager

**Guests:**
- Jeff Lewis, Chair, Independence/Behavioral Standards Subcommittee
- Ian Benjamin, Chair, Technical Standards Subcommittee
- Kelly Hnatt, External Counsel
- Nancy Miller, KPMG
- Sonia Araujo, PwC
- George Dietz, PwC
- Vince DiBlenda, Deloitte
- Barbara Rommer, PwC
- Jennifer Kary, Crowe Horwath
1. **Welcome and Introductions**  
Mr. Burke welcomed the Committee and expressed appreciation for their efforts in joining the meeting.

2. **Information Technology and Cloud Services**  
Ms. VanDyne provided the Committee with an overview of the proposed revisions the Task Force recommends be made to the *Information Systems Design, Implementation, or Integration* interpretation. In addition to providing the Task Force with some clarifying editorial revisions, the Committee requested the Task Force:
   - Discuss the proposed definition of “financial information system”.
   - Incorporate more examples of maintenance issues members may encounter into paragraph .20.
   - Discuss if the example “monitors the attest client’s network on a routine or continual basis” in paragraph .20 would include cybersecurity monitoring as a second level of security.
   - Make some specific editorial revisions to the proposed revised interpretation.

3. **Long Association**  
Ms. Dourdourekas explained that the comment letters indicated that Long Association is more troubling to smaller firms. The Task Force initially thought that in order to converge with IESBA, it needed to issue an interpretation. Mr. Burke asked if there was anything we needed to do to report to IESBA, and staff indicated that there is an annual reporting that is done to IESBA.

One PEEC member asked whether members would evaluate using the conceptual framework if there is not an interpretation, and whether doing otherwise would be in the best interests of the public. Other members inquired whether staff should add guidance to the Plain English Guide to Independence or in the Conceptual Framework Toolkit. Mr. Brand noted that firms reading the Code will follow the conceptual framework.

The PEEC took a straw poll regarding the next steps for the Task Force, with the Committee determining that members should rely on the conceptual framework approach in the extant Code, but that PEEC should supplement that with nonauthoritative guidance. The Task Force was instructed to formulate such guidance for consideration at the next PEEC meeting.

4. **IESBA Update**  
Ms. Goria provided an update on IESBA activities, including the Inducements Exposure Draft.

5. **NOCLAR Update**  
Mr. Denham noted that NASBA does not think the guidance should exist in the Code, but should be in the UAA. Pursuant to this, the UAA committee will undertake a joint project. The Task Force agrees that there needs to be whistle protection and that PEEC and NASBA should go down the same road at the same time. The Task Force has invited UAA members and NASBA staff to observe the task force.
6. **Committee Project Agenda**
   This item was on the agenda for informational purposes only.

7. **Minutes of the Professional Ethics Executive Committee Open Meeting**
   It was moved, seconded and unanimously agreed to adopt the minutes from the July 2017 open meeting.