PEEC meeting highlights, May 15–16, 2019

The AICPA Professional Ethics Executive Committee (PEEC) held its 2Q meeting in Seattle last week (May 15–16). We will post official minutes of this meeting after the 3Q meeting in August. In the meantime, we’re happy to provide these highlights from Seattle, including key votes.

New podcast: Ethically speaking

Keep an eye out for the announcement of inaugural episodes of “Ethically Speaking,” the AICPA Professional Ethics Division’s new podcast channel.

In addition to an introduction to the channel from Toni Lee-Andrews, our director, you’ll hear from Sam Burke, PEEC’s outgoing chair, and several members of PEEC about key events and discussions at last week’s open meeting.

Key votes

PEEC voted to adopt the following interpretations:

- **“State and Local Government Client Affiliates”** (formerly Entities Included in State and Local Government Financial Statements). The effective date of this revised interpretation is for years beginning after December 15, 2020.

  In the upcoming podcast, Nancy Miller, chair of the task force, will discuss planned educational efforts between now and the effective date as well as the implementation guide and interactive checklist her task force is working on. These tools will ease practitioners’ transition to the new guidance.

- **“Information System Services”** (formerly Information Systems Design, Implementation, or Integration). The interpretation is effective January 1, 2021 and early implementation is allowed. Shelly Van Dyne, PEEC member and chair of the task force will discuss this in the upcoming podcast.

Key discussion

In addition to the key votes, PEEC discussed the “Staff Augmentation Arrangements” interpretation, FAQs on client records and selected procedures engagements, and NOCLAR.