MFC Project Questions & Answers

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General Information

This document will be updated throughout the project so check back for additional details!

What is the Matter for Further Consideration (MFC) Project?

As part of its Strategic Plan, the Peer Review Board (Board) is developing an ongoing process to gather and summarize practice issues identified during peer reviews, in order to provide meaningful information to AICPA teams for the development of timely tools and education to improve the quality of accounting and auditing engagements performed. To achieve this goal we are implementing an electronic Matter for Further Consideration (MFC) form. The wealth of information collected on MFC forms (excluding firm and reviewer specific data) via an entirely electronic format will allow us to aggregate and use information that is already being gathered. To further ease the peer review process, the Disposition of Matters for Further Consideration (DMFC) form will also be electronic. The MFC and DMFC forms are just the first parts of the peer review process that will be electronic. Our goal is to eventually have all peer review materials available in an electronic format.

What is the Board’s Strategic Plan and what research was performed to determine the peer review process should be electronic?

The strategic vision of the Peer Review Board is to:

- Be the globally recognized, preeminent practice-monitoring program;
- Cultivate exceptional reviewers and superb staff and develop innovative technologies; and
- Lead development of timely, focused recommendations for accounting service and audit quality improvements.

To achieve this vision, Peer Review Board members, task force members and AICPA peer review staff have actively worked on several initiatives, including reviewing and modifying reviewer checklists to streamline and focus on highest risk areas; monitoring new technologies to enhance performance; identifying and implementing ways to improve audit quality; and improving processes.

To confirm its understanding of the areas in need of improvement, input and feedback was solicited via various formats, including surveys of thousands of stakeholders: peer reviewers, technical reviewers, administrators, state society CEOs, committee chairs and enrolled firms. Feedback received overwhelmingly supported a need for improving the administrative processes related to peer review. Much of the specific feedback validated the need for many improvement initiatives already underway, including streamlining communications, simplifying peer review checklists and further automating peer review processes. The next significant technological step forward in improving peer review processes is electronic MFC and DMFC forms in PRISM.
What are MFC and DMFC forms?

The MFC and DMFC forms are an important part of the peer review process as they aid the peer reviewer and report acceptance body (RAB) in determining the appropriate peer review report rating. In a System Review, an MFC form is used to document matters identified in a peer review as a result of a peer reviewer’s evaluation of the design of the reviewed firm’s system of quality control, and/or tests of compliance with it. In an Engagement Review, an MFC form is used to document matters identified in a peer review as a result of a peer reviewer’s evaluation of whether an engagement submitted for review was performed and/or reported on in conformity with applicable professional standards. For both System and Engagement Reviews, a DMFC form is prepared by the peer reviewer to provide a disposition trail of all MFC form(s) for the peer reviewer, administering entities (AEs) and individuals conducting oversight.

How will PRISM be accessed and what functionality will be available?

Using existing username and passwords currently used for logging in to www.aicpa.org and for example, purchasing CPE from CPA2Biz, both reviewed firms and reviewers will be able to access the Peer Review Information System Manager (PRISM) after logging into www.aicpa.org. PRISM is used by AICPA peer review staff and AEs to perform the administrative tasks associated with all peer reviews for member and non-member firms. Managing partners, peer review contacts, and reviewers who need access may register at www.aicpa.org to create a username and password. The website can be accessed from any computer or tablet with an internet connection.

As part of the AICPA Peer Review Program’s self-service initiative (to begin in fall 2012), we are moving toward having all of the documents and communications regarding peer review available through PRISM, accessed via www.aicpa.org. For specific reviews, reviewers will be able to view the firm’s background form and see a summary of the status of their reviews, update their resume and view background forms sent to them for their consideration of whether to perform the peer review. For reviewed firms, by mid-2013, they will be able to see the status of their current review. MFC and DMFC forms will be available on July 1, 2013. Future initiatives include enabling reviewed firms to be able to electronically submit their background form and enroll in peer review. Reviewed firms and reviewers will have the ability to tailor their dashboards with links to frequently used information such as the public file, reviewer search, or AICPA Peer Review Program Home page.

After creation of a username and password on www.aicpa.org, what is the delay before the account is synced up with PRISM data?

Individuals must be associated with a firm enrolled in peer review to have access to PRISM data. If the individual is affiliated with an enrolled firm, he/she will be given immediate PRISM access. If the individual is not associated with an enrolled firm, access to PRISM will not be provided until the day after their firm enrolls in peer review. We recommend that you create an account well in advance of performing or having a peer review to ensure there are no delays to the process.

Will any special equipment be needed?

A computer or tablet with an internet connection is all that is needed to access PRISM and the required electronic forms. It will be helpful if peer reviewers are able to access an internet connection during the time of the review so the forms can be completed while on-site. The AICPA
offers member discounts on laptops and other products and services that may be helpful. Access the [member discounts page](#).

**Will the entry of MFC form(s) in PRISM require additional time by the peer reviewer or reviewed firm?**

As with any change and new software, there may be additional time at the beginning as peer reviewers and reviewed firms familiarize themselves with the electronic forms, however, we expect it to be minimal. For the peer reviewer, the electronic form eases preparation. A portion of the data, such as firm information, is pre-populated from information in PRISM. Other fields such as professional standards references, industries and level of service will be available via a drop-down list and therefore the reviewer will not be required to type it in.

**Who will be responsible for delays in the completion or submission of MFC form(s)?**

PRISM will include an MFC form status that is available to the AICPA and AEs. The AEs will be able to identify which part of the process is causing the delay. The party responsible for the delay will be held accountable. For firms, non-cooperation guidance in Interpretation 5h-1 for not responding to MFC form(s) timely will be followed. For reviewers, guidance in Chapter 8 of the RAB Handbook regarding reviewer performance will be followed.

**Revisions to the forms may occur throughout the process. What happens to the old versions?**

Previously submitted versions of the MFC form will be purged in PRISM. Only the most recent version of the MFC form will be available. In accordance with the [AICPA Standards for Performing and Reporting on Peer Reviews (Standards)](#), 120 days after the completion of a peer review, the MFC form will no longer be associated with a particular review and identifying information (such as firm name) will be purged while preserving the details of the MFC for data analysis.

**What information will be captured and maintained by PRISM for reporting and who will have access to it?**

The MFC information maintained in PRISM will be available to all AICPA peer review staff and to others within the AICPA who have requested access to it. AICPA peer review staff must approve access. The data maintained will not contain information that could lead to the identification of a firm or reviewer. As such, the reviewed firm’s name, review number, engagement partner names, and peer reviewer information will be purged after 120 days after completion of the review.

PRISM will maintain both general data about the firm and specific data from the review and MFC form. The following information will be available for reporting:

- **General Data** – administering entity, state, number of personnel, number of CPAs, center membership (Government Audit Quality Center, Employee Benefit Plan Audit Quality Center, or Private Companies Practice Section) and whether or not the firm is an AICPA member firm.
- **Review Data** – the year of the review, the type of review, whether it was a program questionnaire matter or engagement questionnaire matter, and specific checklist, engagement, and professional standards references.
- To aid in understanding the reasoning behind the matter, the reviewer’s description and additional comments and the reviewed firm’s response will also be kept. As such, specific
firm or client names should not be used in these areas. If the names are used, the technical reviewer will request the form to be revised which may require both the firm and the team captain to sign off on the forms again.

What will the information maintained in PRISM be used for?

By preserving the information discussed above for data analysis, AICPA peer review staff can use this information to provide meaningful information to other AICPA teams for the development of timely tools and education for to improve the quality of accounting and auditing engagements performed. We have worked with AICPA internal teams to determine what information would be useful for a collaborative effort to improve the quality of accounting and audit work performed. For example, through focused CPE courses or interpretations and clarified guidance in areas where we identify a significant number of matters, we’ll be able to provide the profession with timely solutions to current problems.

The MFC reporting structure will not contain any firm identifying information and will only be available to internal AICPA teams at this time. Our long-term goal is for all stakeholders such as AEs, regulators, peer reviewers and reviewed firms to be able to utilize this information, while still protecting firm and reviewer data.

What safeguards have been built into PRISM to ensure the integrity of the information provided on the MFC forms?

The AICPA has built in several safeguards to ensure the integrity of the forms.

- Unauthorized access – reviewed firms and reviewers must use their www.aicpa.org usernames and passwords to log into PRISM. Reviewed firms will only be provided access to their reviews. Peer reviewers will have access to reviews for which they have been approved as team captain, review captain or a team member. Technical reviewers and AEs will have access to the MFC forms for all of the reviews they administer.
- Ability to edit information already approved – We have built controls into the process that will not allow a firm to edit any of the information completed by the reviewer. Once the firm approves the MFC form(s), the reviewer will not be able to edit any information on the form except their additional comments without first routing it back to the firm for approval. They will also not be able to edit the firm’s comments.
- Submission of incomplete MFC form(s) – Peer reviewers and reviewed firms will have dashboards that include the status of the MFC form and will inform them of the next step in the process. The system will prevent the MFC form from moving to the next status unless the previous status requirements have been fulfilled. For example, a reviewer can’t route an MFC form to the firm until all of the required information on the MFC form has been completed such as the engagement questionnaire details. Therefore, a reviewed firm will not receive an MFC form that does not include all of the details required for them to prepare a response.

Is the system secure?

The AICPA has built in several safeguards to protect the integrity of the MFC forms including Secure Sockets Layer (SSL) protection, which transmits data securely. Also, a multi-layer security approach requiring end-user secondary authentication has been designed that enables all reviewers and firm representatives to set up security questions on their computer. They will then be able to securely access PRISM via any computer and be presented with their security questions to answer.
What is the effective date for use of the electronic forms?
The required use of the electronic MFC and DMFCs forms is effective for all reviews commencing on or after July 1, 2013.

Will training be available for the use of the forms?
Yes. Prior to July 1, 2013, training will be offered to walk both reviewers and reviewed firms through the process from creation of the MFC form(s) through submission of the MFC form(s) and DMFC to the AE. Written step by step instructions will also be available.

If I have problems while completing the electronic forms, where will I turn for help?
The AICPA will provide support via phone or email for any concerns related to the electronic form(s) or the process. Questions may be directed to AICPA Peer Review staff at (919) 402-4502 or email prsupport@aicpa.org.

If you have any questions about the www.aicpa.org registration or username/password retrieval process, please contact the AICPA Member Service Center at 888.777.7077 or service@aicpa.org.

Where can I find more information on the MFC Project?
This Q&A will serve as the primary source of information regarding the MFC Project. It will be revised throughout the process as necessary. The AICPA MFC Project web page will also be updated as necessary with additional information.

An update of the status of the project will be provided at each quarterly Board meeting. Information regarding Board meetings is located on the AICPA Peer Review Home Page. We encourage you to call into the meetings to offer your feedback on the project.

During the 2012 Peer Review Conference, held August 6-7, 2012 in Indianapolis, details of the project were provided along with screen shots of what reviewers and reviewed firms will use in PRISM. Refer to conference web page for more information via the conference presentation materials.

For Reviewed Firms

Is use of the electronic MFC form required?
Yes, MFC information must be submitted via the electronic form for all reviews commencing on or after July 1, 2013. However, in the rare event you do not have the ability to respond electronically, you may consult with your reviewer. Your reviewer will be able to enter your response on the MFC form(s) on your behalf. Your next scheduling form will request that you acknowledge your understand the change to the peer review process and how it may impact your peer review.

Why should I complete peer review forms electronically?
We strongly encourage all firms to complete the forms electronically to reduce delays in completion of your review and to minimize your peer review fees.
The MFC form is the first form to be provided electronically. However, the entire peer review process is moving to an electronic environment. This provides you with an opportunity to familiarize yourself with the electronic environment for a portion of your review prior to moving to an entirely electronic environment.

It is expected that firms will complete their response to MFC form(s) electronically. As mentioned above, in the rare event you are unable to respond electronically, you do have the option to have your reviewer enter your response to the MFC form(s) for you. However, your reviewer may charge you a fee for that service as it is an extra step that is not necessary for the reviewer to take. Additionally, should the technical reviewer or RAB request changes to the forms, the process to revise them will be lengthier if your reviewer has to obtain a revised hard copy from you and then update the information in PRISM as well. If you complete the information in PRISM yourself, the changes can be made real time, without delay.

Do I need to provide my peer reviewer with access to the internet during the peer review?

To make your peer review as efficient as possible, internet access should be provided to your peer reviewer while he or she is onsite. If your network firewalls prevent guests from accessing the internet from their own computers, you should consider providing the reviewer with access to a firm computer. MFC form(s) may be accessed from any computer with an internet connection at www.aicpa.org with your username and password.

Were there any significant changes made to the MFC form to allow for easier data entry and approval in PRISM?

Changes were made throughout the Peer Review Program Manual (PRPM) in relation to this project, including reordering of the MFC form to allow for easier data entry and approval in PRISM. Refer to the October 2012 Peer Review Board Open Session materials for a complete listing of changes. The significant changes are as follows:

- For both System and Engagement Reviews, a reviewed firm representative will be responsible for completing the firm’s portion of the MFC form and is selected by the firm during completion of its scheduling form. The reviewed firm representative may be the peer review contact or the managing partner. For firms that have different managing partners and peer review contacts, both individuals will have access but only one should respond to MFC form(s). Prior to signing the MFC form(s), the reviewed firm representative should discuss the MFC form(s) with the appropriate individuals within the firm, including those charged with governance.

- For Engagement Reviews, the reviewed firm’s signature is now required. Previously, due to the ability to perform Engagement Reviews offsite, the review captain was permitted to complete the firm’s response on its behalf after a teleconference to discuss the matter identified. Due to the ability of the firm to access the MFC form(s) electronically, this option is no longer necessary. The reviewed firm representative will be expected to complete the firm’s portions of the MFC form(s) and to sign the form(s) after discussing it with the appropriate individuals within the firm, including those charged with governance.

Who from my firm should complete and sign the electronic MFC?

Scheduling forms are completed prior to scheduling your review. The form requests the names of your firm’s managing partner and peer review contact (or identifies you as a sole practitioner). Each of these individuals will be authorized to act as your firm representative for purposes of completing the electronic MFC form(s). Prior to signing the MFC form(s), the reviewed firm rep-
representative should discuss the MFC with the appropriate individuals within the firm, including those charged with governance.

**Does my firm representative have to be a CPA?**

No, however, the individual must be some who is authorized to complete the electronic MFC form(s).

**What if my firm representatives change?**

If your firm has changes to its managing partner or peer review contact, you should contact your AE to notify them of the change to ensure the appropriate individuals have access to PRISM to complete the MFC forms. This will also ensure that prior managing partners and peer review contact will not have unauthorized access to PRISM data.

**How do I complete and sign the electronic MFC form(s)?**

Your firm representatives will have the ability to access, edit, and sign MFC form(s) from an MFC dashboard by logging into www.aicpa.org. For firms that have different managing partners and peer review contacts, both individuals will have access but only one should respond to MFC form(s). The dashboard will provide you with the ability to request a revision to any of the MFC form(s) or complete your response and then forward back to your peer reviewer. If the MFC form(s) do not require revision, you should indicate whether you agree with the description of the matter, whether you discussed the MFC information with the appropriate individuals within the firm, including those charged with governance and include your comments on the circumstances, relative importance of the matter, etc. Prior to signing the MFC form(s), the MFC form(s) should be discussed with the appropriate individuals within the firm, including those charged with governance. After you sign the form, you will no longer have the ability to edit unless it is returned to you by your peer reviewer but you may view or print the MFC form(s) until they are purged 120 days after completion of the review.

**How will I be notified that an MFC form is waiting on my response?**

After your peer reviewer creates MFC form(s), they will route them to you via PRISM. Your firm representatives will receive an email from PRISM stating that MFC form(s) are waiting for review. It will also be shown on your firm representatives’ dashboard in PRISM. If there was an email transmission failure, your reviewer will be notified.

**What can I do to prepare for the use of electronic MFC and DMFC forms?**

*Don’t use client/firm names* – Due to the aggregation of information collected on the MFC form for data analysis purposes, specific firm or client names should not be used in your response to the reviewer’s description. If names are used on the electronic form, the technical reviewer will request the form to be revised which may require both you and the team captain to sign off on the forms again.

*Don’t provide attachments* – The MFC forms provide ample space for reviewed firm’s responses. You should not provide proprietary information, such as a practice aid, to support your response. RABs do not need this additional information to conclude about the review.
Respond to Engagement Review MFC Form(s) – Review captains will no longer have the ability to complete the MFC form on your behalf after a teleconference regarding the details of the form. You will be required to complete your response and sign the form (either electronically or on a hard copy). Getting involved now will prepare both you and your reviewer for the upcoming changes.

Register on www.aicpa.org – To prevent potential delays during your firm’s peer review, your managing partner and peer review contact should register on www.aicpa.org and obtain a username and password. You do not have to wait for your peer review to start. We recommend you have a username and password prior to your review. It will be helpful for you to familiarize yourself with the PRISM system and tailor your homepage to include information you access often.

For Peer Reviewers

Is use of the electronic MFC and DMFC forms required?

Yes, electronic forms are required for all reviews commencing on or after July 1, 2013. Interpretation 24-1 of the Standards, Peer Review Documentation and Retention Policy, states that materials and checklists developed and issued by the Board are to be used by reviewers in carrying out their responsibilities under the Standards. Failure to comply with Standards, including use of Board issued materials, may be deemed as a failure to cooperate. Refer to Chapter 8 of the RAB Handbook for more information on reviewer qualifications, responsibilities and performance.

What happens if the reviewed firm doesn’t have the ability to enter MFC data electronically?

You will be able to enter the firm’s response on their behalf. This option should only be elected on the rare occasion when the firm is unable to complete the form electronically (such as when an internet connection is not available). We recommend that you encourage reluctant firms to complete the forms electronically by explaining the ease of the process and the benefits of having this information available for the creation of alerts, interpretations, CPE, etc. We also recommend that you charge a fee for your data entry services if the firm will not be completing the forms electronically.

If the firm is unable to complete the forms electronically, you will still be required to enter the MFC data into PRISM. You will complete the program or engagement questionnaire data and your description of the matter, including whether it was a design or compliance issue in a System Review. You will then provide a printed copy of the form to the firm to complete their response. Their response should be accompanied by the reviewed firm representative’s signature. You will then enter the firm’s response, the reviewed firm representative name, and any additional comments in PRISM prior to completing the DMFC and routing to the AE. You will also have to send the paper copy of the MFC form to the AE with the rest of your working papers. Should a revision be requested by the technical reviewer or RAB, you will obtain a revised paper copy of the MFC form from the firm and make the corresponding changes in PRISM. If the firm completes the form electronically, subsequent revisions can be completed faster if you will not have to revise both the paper and electronic copy.

Were there any significant changes made to the MFC and DMFC forms to allow for easier data entry and approval in PRISM?
Changes were made throughout the PRPM in relation to this project, including reordering of the MFC form to allow for easier data entry and approval in PRISM. Refer to the October 2012 Peer Review Board Open Session materials for a complete listing of changes. The electronic process will allow team members and team or review captains to enter all of their information, route the form(s) to the firm to complete its portion, and then wrap it up with additional comments. As such, the paper copy was reordered as well. The following are the significant changes to the MFC and DMFC forms:

- For both System and Engagement Reviews, detailed explanations of why an MFC form was not taken to a Finding for Further Consideration (FFC) form or the report should be provided in the additional comments section of the MFC form (for example, to describe why an MFC form is isolated). A brief explanation will also be required on the DMFC form (such as, isolated). Explanations on the MFC form(s) should be detailed to reduce the number of questions received during technical review.

- For both System and Engagement Reviews, a reviewed firm representative will be responsible for completing the firm’s portion of the MFC form. The reviewed firm representative is selected by the firm on its Scheduling Form and may be the managing partner or the peer review contact. Prior to signing the MFC form, the reviewed firm representative should discuss the MFC form with the appropriate individuals within the firm, including those charged with governance.

- For Engagement Reviews, the reviewed firm’s signature is now required. Previously, due to the ability to perform Engagement Reviews offsite, the review captain was permitted to complete the firm’s response on its behalf after a teleconference to discuss the matter identified. Due to the ability of the firm to access the MFC form electronically, this option is no longer necessary. The reviewed firm representative will be expected to complete the firm’s portions of the MFC form and to sign the form after discussing it with the appropriate individuals within the firm, including those charged with governance.

- DMFC forms were removed from the Summary Review Memorandum (SRM) and the Review Captain Checklist and are in new sections of the PRPM. The key change to the DMFC form is that a brief explanation is required for why the team/review captain did not take the matter to an FFC form or the report (such as, isolated).

How do I complete and sign the electronic MFC form?

You will have access to peer reviews through www.aicpa.org for which you are an approved team member, team captain or review captain. For each peer review, an MFC dashboard will provide you with the ability to indicate there are no MFC form(s) associated with the review, create MFC form(s), submit them to the firm, complete the DMFC, submit the MFC and DMFC forms to the AE and print either form. When you select the option to create an MFC form, PRISM will take you to the appropriate MFC entry form for either a System Review or an Engagement Review. All of the firm information will be pre-populated by data already in PRISM. PRISM will generate the MFC number. The data entry screen will have drop down menus for some of the information, including checklist numbers, industries and professional standards references, to ease data entry. After entry of the initial data, the MFC form(s) will be routed to the firm for their comments and signature. Once the MFC form(s) are approved and signed by the reviewed firm, you will enter any additional comments. In the rare instance where the firm doesn’t have access to the internet, you will enter the firm’s response on their behalf, prior to completing additional comments. Prior to submitting MFC form(s) to the AE, you will be required to complete a DMFC form. After submission of the MFC and DMFC forms to the AE, the AE will have access to view the documents. Therefore there will be no need for you to submit the documents with the remainder of your peer review workpapers (unless you complete the form(s) on the firm’s behalf).
How will I be notified that the firm has responded to MFC form(s)?

After the firm responds, the form(s) will be routed back to you. You will receive an email from PRISM stating the firm has responded to the MFC form(s) or has requested a revision. It will also appear on your dashboard in PRISM. If there was an email transmission failure, the firm will be notified.

Can team members enter MFC data or is it limited to team/review captains?

Peer reviewers will have access to the MFC dashboard for all reviews for which they have been approved as a team member, team captain or review captain. However, the primary responsibilities for MFC form(s) reside with the team/review captain. All team members can create MFC form(s) but routing to the firm and submission to the AE is restricted to the captain and team members that the captain has designated (in PRISM) with the authority to perform these steps.

What if I am unable to complete the MFC form(s) by the exit conference or completion of field work?

As a best practice, you should try to complete the MFC form(s) by the exit conference or completion of field work. The reviewed firm will not be accessing PRISM as often as you. By completing MFC form(s) prior to the exit conference, this will allow you to be onsite to aid with the completion of the firm’s portion of the MFC form(s). However, if you are unable to complete the MFC form(s) prior to the exit conference or leaving the field, the firm will have instructions available in PRISM to guide them through the process. The firm can also contact the AICPA for help.

What if additional or revised MFC form(s) are requested by the technical reviewer or RAB?

You may create or edit MFCs until the review is submitted to the AE. If the technical reviewer or RAB require revisions, they will route the MFC form(s) back to you.

The status of the review will not change in PRISM if additional MFCs are requested after original submission to the AE. It will remain the reviewer and technical reviewer’s responsibility to ensure that any additional MFCs are created and reviewed prior to RAB approval. There is no change from how the process currently works.

What can I do to prepare for the use of electronic MFC and DMFC forms?

*Use the pdf version of the MFC form* - You should complete the pdf version of the MFC form to become familiar with electronic entry. The electronic signature on the pdf by both the reviewer and the reviewed firm will prepare both parties for the collaborative effort needed to complete the MFCs in PRISM.

*Complete MFC form(s) prior to the exit conference or completion of field work* – The reviewed firm will not be accessing PRISM as often as you. By completing MFC form(s) prior to the exit conference or completion of field work, this will allow you to be onsite to aid with the completion of the firm’s portion of the MFC form(s).

*Use professional standards references provided* – Professional standards references may be obtained from the respective engagement checklist question and the entry of references on the MFC form(s) should align with those provided in the checklists. You should ensure you are using
these references instead of ones you may be more familiar with. For example, you should be using AU 380.40-.41 as provided in the checklist instead of SAS 114.

*Include systemic cause* – On System Reviews, you should still consider systemic cause and shouldn’t lose sight of this by focusing on the professional standards. There can be multiple professional standards references for the same systemic cause on one MFC form.

*Don’t use client/firm names* – Due to the aggregation of information collected on the MFC form(s) for data analysis purposes, specific firm or client names should not be used in your description and additional comments or the reviewed firm’s response. If the names are used, the technical reviewer will request the form to be revised which may require both you and the firm to sign off on the forms again.

*Firms should not provide attachments* – The MFC forms provide ample space for reviewed firm’s responses. Reviewed firms should not provide proprietary information, such as a practice aid, to support their response. RABs do not need this additional information to conclude about the review.

*Reviewed Firm should sign Engagement Review MFC Form(s)* – You will no longer have the ability to complete the firm’s response on its behalf after a teleconference regarding the details of the form. The reviewed firm will be required to complete their response and sign the form (either electronically or on a hard copy). Getting the firm involved now will prepare both parties for the upcoming changes.

*Consider electronic process during A&C* – You should follow your firm’s acceptance and continuance policies and procedures. However, you may also want to consider whether the firm is willing and able complete required peer review working papers electronically. If not, consider whether your peer review fee is sufficient as you may be required to complete the documents on their behalf.

*Prepare yourself and the firm for the electronic environment* – Ensure you have a username and password for [www.aicpa.org](http://www.aicpa.org). Confirm that the firm is aware of the change to electronic documents for peer review, that they have registered on [www.aicpa.org](http://www.aicpa.org), and have a username and password so they are able to complete the electronic MFC forms. Reviewers and firms can register now and we recommend doing so prior to commencing reviews.

### For Non-AICPA Member Firms

All of the *For Reviewed Firms* questions above also apply to non-AICPA member firms.

**Is use of the electronic MFC form required?**

Yes. The process will be the same for non-AICPA firms. Many individuals at these firms already have a username and password to access [www.aicpa.org](http://www.aicpa.org) and managing partners or peer review contacts that need access may register at [www.aicpa.org](http://www.aicpa.org) and to create a username and password for purposes of peer review.

**How can the AICPA require use of the electronic MFC form for non-AICPA member firms?**

Refer to “Why should I complete peer review forms electronically?” above. Ordinarily, materials and checklists developed by the Peer Review Board are to be used by reviewers in carrying out
their responsibilities under the Peer Review Standards (Interpretation 24-1). Therefore, peer reviewers are required to use the electronic MFC form. If your peer review is performed by a peer reviewer following the AICPA Peer Review Standards, the electronic MFC form will be required.

How will non-member firms benefit from the MFC Project?

The ultimate goal of this project is to enhance the quality of accounting and auditing engagements. We will be better able to accomplish this with an understanding of issues identified by all types of accounting and auditing firms. The information obtained from the project will be used to develop interpretations, clarified guidance, and CPE, in a timely manner and will be made available to assist you in ensuring you provide the best quality service to your clients.

For Administrators, Technical Reviewers, and Committee Members

What is expected of AEs?

You will have read-only access to the reviews, MFC form(s) and DMFC for all reviews that you administer and you will be able to indicate there are no MFC forms on a review after discussion with the peer reviewer. Only MFC forms that have been submitted to the AE will be available. You will have the ability to save the MFC and DMFC forms as a PDF file to provide to your committee for acceptance of the review.

Be sure to update your technical reviewer’s name and contact information in PRISM. For AEs with only one technical reviewer, this information will be used to automatically assign your technical reviewer to the review. Also, when you enter the working papers into Mail Receipts, if the reviewer has not yet submitted the electronic MFC and DMFC forms, you can click a button to request those electronic documents from the reviewer.

Additional details regarding the process and expectations for AEs will be provided during AE bi-weekly calls.

What is expected of technical reviewers?

All technical reviewers for an AE will have read-only access to the reviews, MFCs and DMFC for all reviews administered by that AE. Only MFC forms that have been submitted to the AE will be available. Your procedures when performing a technical review will be fairly similar to your current procedures. There may be three additional steps: 1) requesting a revised MFC if it contains specific firm or client names in the reviewer’s description or additional comments; or the reviewed firm’s response, 2) requesting a revised DMFC if the explanation of why an MFC was not taken to an FFC or to the report is not appropriate, and 3) if the reviewed firm did not respond to the MFC form(s) electronically and PRISM was unable to send an email to indicate to the firm that the MFC form(s) were entered on their behalf by the reviewer, the technical reviewer will be required to compare the hard copy MFC form(s) to the information entered into PRISM by the reviewer.

The status of the review will not change in PRISM if additional MFCs are requested after original submission to the AE. It will remain the technical reviewer’s responsibility to ensure that any additional MFCs are created and reviewed prior to RAB approval or completion of the review. There is no change from how the process currently works. You will be able to request additional or revised MFC form(s) through PRISM.
What is expected of committee members?

Committee members are not expected to access MFCs and DMFCs in PRISM. AEs will provide a PDF copy of the MFC and DMFC forms with the remainder of the review workpapers for your consideration in approval of the review.