



Peer Review
Program

Peer Review Board Open Session Materials

September 7, 2023

Virtual Meeting

**AICPA Peer Review Board
Open Session Agenda
Thursday September 7, 2023
Teleconference**

Date: Thursday September 7, 2023

Time: 11:00AM – 1:00PM Eastern Time

1.1 Welcome Attendees and Roll Call of Board** – Mr. Kindem/Mr. Fawley

1.2 Task Force Updates*

- Standards Task Force Report – Mr. Fawley
- Oversight Task Force Report – Ms. Meyer
- Education and Communication Task Force Report – Ms. Brenner

1.3 Other Reports*

- Operations Director's Report – Ms. Thoresen
- Report from State CPA Society CEOs – Ms. Pitter
- Update on National Peer Review Committee – Mr. Wagner

1.4 Other Business** - Mr. Fawley

1.5 For Informational Purposes*:

- A. Report on Firms Whose Enrollment was Dropped or Terminated
- B. Compliance Update - Firm Noncooperation

1.6 Future Open Session Meetings**

- A. November 16, 2023 – Teleconference
- B. February 7, 2024 – Teleconference
- C. May 15, 2024 – Teleconference
- D. September 11, 2024 – Teleconference
- E. November 6, 2024 - Teleconference

* Included on SharePoint

** Verbal Discussion

*** Will be provided at a later date

Standing Task Force Updates

Why is this on the Agenda?

Each of the standing task forces of the PRB will provide this information to the Board at each open session meeting to gather feedback on the nature and timing of agenda items that will be considered in the future. The items included in this report represent an evergreen list that will be continually updated to be responsive to feedback received.

Standards Task Force

Accomplished since last PRB meeting:

- At its August 29 meeting the task force discussed
 - the December 2022 reviewer alert article that discusses AR-C section requirements that are deemed to be critical elements in compilation reports, based on conference feedback.
 - proposals to revise the Peer Review Standards to account for the Quality Management Standards, which become effective in December of 2025.
 - whether additional guidance was needed for third party reviewers (e.g. an individual performing a pre-issuance review assigned to the firm as a corrective action)
 - whether recently retired partners could continue to serve on peer review teams and in what capacity
 - changes to the list of documents required to be included in the meeting materials for report acceptance body meetings
 - whether the various 12-month training requirements for reviewers should be lengthened to 18 months

Upcoming tasks:

- The primary objective at its upcoming meetings is to discuss and finalize (for PRB consideration) an exposure draft of proposed changes in response to the issuance of the quality management standards, as well as other technical changes (including those discussed on August 29).

Oversight Task Force

Accomplished since last PRB meeting:

- Approved Report Acceptance Body (RAB) observation reports, and reviewed AE responses
- Approved AE oversight reports and AE responses
- Reviewed required monitoring submitted by two AEs
- OTF members performed AE oversights
- Reviewed AE benchmark summaries and feedback received
- Approved, or deferred AE plans of administration for 2023
- Approved the 2024 plan of administration form due November 1, 2023
- Reviewed enhanced oversight reports with comments for consistency
- Monitored results of enhanced oversights
- Discussed the type of feedback issued by AEs as a result of enhanced oversights
- Monitored reviewer performance

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- Discussed revisions to the AICPA Peer Review Program Oversight Handbook

Upcoming tasks:

- Approve RAB observation reports
- OTF members will perform AE oversights
- Approve AE oversight reports and AE responses
- Discuss revisions to AE benchmarks based on feedback received
- Review enhanced oversight reports with comments for consistency
- Monitor results of enhanced oversights
- Discuss the type of feedback issued by AEs as a result of enhanced oversights
- Monitor reviewer performance
- Discuss revisions to the AICPA Peer Review Program Oversight Handbook
- Joint meeting with NASBA's Peer Review Compliance Committee (PRCC)

Education and Communication Task Force

Accomplished since last PRB meeting:

- Held the 2023 Peer Review Conference from July 31-August 2, 2023 in Philadelphia!
- Published the following Reviewer Alerts
 - May 24, 2023 – Regular Edition
 - February 22, 2023 – Regular Edition
 - March 16, 2023 – Special Edition
- Published the spring 2023 PR Prompts on May 25, 2023
- Held the Q2 2023 Peer Review Forum on May 11, 2023
- Held the Are You Ready for Your Peer Review? webcast for firms on May 15, 2023
- Held the second of three planned AICPA-sponsored 2023 offerings of the “Becoming an AICPA Peer Review Team or Review Captain: Case Study Applications” course.

Upcoming tasks:

- Publish the 2023 conference cases after taking into consideration attendee feedback provided by discussion leaders
- Create on-demand training courses from various conference sessions
 - These courses, currently expected to be released in October or November are designed to meet various peer review training requirements
- Continue analysis of the reviewer pool and implement plans to improve the pool where necessary
- Continue monitoring our available courses to determine if improvements should be made to our overall training framework.
- Develop and publish the September 2023 Reviewer Alert and the winter 2023 publication of the PR Prompts newsletter.
- Hold the September 12, 2023 offering of the Reviewer Forum series

Other Reports

Why is this on the Agenda?

The purpose of this agenda item is to provide PRB members and other attendees an update on various PRB related activities and initiatives.

Operations Director's Report

Please see the items listed in agenda item 1.2 under the Education and Communication Task Force for what we've communicated since the last PRB meeting. Please register or save the date for a few upcoming events:

1. Register for one of our upcoming Reviewer Forums!
 - a. September 12 from 2-3pm ET – Register for [free \(no CPE\)](#) or [paid \(CPE\)](#). We'll answer questions from the Peer Review Conference similar to the Stump the Chumps session
 - b. November 29, 2-3pm ET – Register for [free \(no CPE\)](#) or [paid \(CPE\)](#)
2. Save the Date for the 2024 Peer Review Conference in Denver, CO from August 5-7 at the Denver Grand Hyatt

Report from State CPA Society CEOs

There is no update related to feedback from State CPA Society CEOs from what has been communicated during recent meetings.

Update on the National Peer Review Committee

The NPRC last met on May 11. Two large firm reviews were presented and accepted.

Since the May PRB meeting, the NPRC has held seven RAB meetings. During those meetings:

- 47 reviews have been presented, including:
 - 41 Pass
 - 2 Pass with Deficiencies and
 - 4 Fail

The NPRC's next meeting will be held on October 19, 2023.

Agenda Item 1.5A**Firms Dropped from the AICPA Peer Review Program for Noncooperation
between April 1, 2023 and July 31, 2023**

Enrollment in the Program for the following firms was dropped for noncooperation. Those reenrolled as of August 1, 2023, are denoted by an '*' following the firm name.

Firm Number	Firm Name	State
900255227071	Douglas E. Hanson	AK
900005693021	Pamela A Dunn CPA PC*	AL
900255350066	Harvey & Garner PA*	AR
900010094033	Ken Lance & Company P. C.	AR
900256000129	Kerr CPA Firm, PLLC	AR
900006408538	David W. Goodman, PLC	AZ
900006475878	Donald M. Kretschmar CPA, PLLC	AZ
900005125572	Mary E. Moorman, CPA PLLC*	AZ
900004051816	Amy S Black & Assoc APC*	CA
900005349265	Andrew J. Shaginaw, CPA	CA
900008967969	Bellotti & Murray CPAs	CA
900010046444	Caskey, Mandell, Karp & Block, LLP*	CA
900001078189	Catherine M. March*	CA
900255214818	Choi & Lee CPAs and Associates, A Professional Corporation*	CA
900004164551	CKP LLP*	CA
900005751239	Daren M. McDonald, CPA	CA
900005846219	Dhalla CPA, A Professional Corporation	CA
900010137445	DJK CPA Inc. APAC.	CA
900010146489	Dunn, Jeffries, Hering & Wong LLP*	CA
900001018178	E. Eugene Platt & Associates	CA
900006089157	Ethan Barkett, CPA	CA
900010150010	Gaidano and Associates*	CA
900255192738	HR & Associates, LLP*	CA
900001142137	Hullen & Ross, CPAs	CA
900004906482	J. Mark Olson, CPA, Inc.	CA
900255347030	JDH Accounting Inc	CA
900255350884	Joan O. Tan, CPA*	CA
900011453291	John D. Yoo, CPA	CA
900011932835	Kenneth M. Waldrip	CA
900005627158	KNL Support Services	CA
900001130978	Mauldin & Company	CA
900009195593	National Franchise Financial Services A Professional Accountancy Corporation	CA
900010149060	Osborne Rincon Certified Public Accountants	CA

Firm Number	Firm Name	State
900001195289	Oscar G. Armijo, CPA	CA
900009344024	Paul S. Joo, CPA, An Accountancy Corp.	CA
900005373829	Rivera, Jamjian & Associates LLP	CA
900010150868	Salem & Associates LLP	CA
900255188526	Samuel S. Levy	CA
900001112211	Scott Price & Company	CA
900010106830	Sherwood C. Kingsley CPA Inc*	CA
900255352042	Terra Business Solutions Inc*	CA
900010120619	Timothy C. Stewart	CA
900006596533	White Zuckerman Warsavsky Luna & Hunt, LLP*	CA
900010155001	Wiebe Hinton Hambalek, LLP*	CA
900006447581	Willem Ooms	CA
900010096912	William M. Stark, CPA	CA
900010148601	Yano Accountancy Corporation*	CA
900255180990	Youbert D. Tabar, CPA	CA
900008331915	Cutler & Co LLC	CO
900005615034	Gregory J. Stanley & Company, CPA, PC	CO
900011628834	Nelson & Company PC*	CO
900010104934	Onofrey & Hirschfeld, PC	CO
900255083162	Source CPAs, LLC	CO
900255351928	David Poparad CPA, PA d/b/a Poparad Advisors	FL
900001182520	John P. Miller CPA, P. A.*	FL
900001101936	Keene and Company, PA*	FL
900011479070	Master and Company, P.A.	FL
900255351640	Multiple Accounting Solutions, PA	FL
900001096456	T. W. Stowe CPA, P. A.	FL
900010146810	Wald and Cohen PA	FL
900007000538	Ahart Boyett LLC*	GA
900010140214	C Douglas Erwin Jr., CPA*	GA
900255348889	Houston Group CPA*	GA
900007266596	Integrity Accounting Services LLC	GA
900010101105	John C. Strickland*	GA
900010090625	Rodl Langford de Kock, LLP*	GA
900010061576	Service CPA, PC d/b/a Behar, Reid, Melton & Brown, CPAs	GA
900010070226	Tabor and Co., P. C.	GA
900001181588	Williams & Guined, P. C.	GA
900010125651	CPA Hawaii, LLP*	HI
900255187381	Dennis P Donovan PC*	IA
900255352235	J Raj CPA & Co, PLC*	IA
900001041829	David W. Weger	IL

Firm Number	Firm Name	State
900003870180	Fanning & Company LLC	IL
900010028643	Hancock & Co., P. C.	IL
900010149185	Hubbard Financial, Inc*	IL
900001095498	Jeffrey A. Hickel CPA, P.C.	IL
900001000235	Jones, Savarese, Harrington & Company LLC	IL
900010128062	Lisa A. Watts Ltd.	IL
900004710758	The Walker Group, LLC	IL
900004707204	Zabinski Consulting Services Inc	IL
900010134955	J.R. Helms & Associates, P.C.*	IN
900007872016	The Accounting Group, LLC	IN
900010114414	Wertz & Company, P.C.	IN
900010099231	Nord & Walsh, PA	KS
900010012456	Clemens, Guthrie & Wurth, LLP*	KY
900003833451	Craig M. Harbsmeier, PSC	KY
900001078531	Goodman & Weber, PSC	KY
900011557249	Rick L. Downs, CPA, PSC	KY
900010136773	Schultz & Associates, PLLC*	KY
900255180795	Teddy Michael Prater CPA, PLLC	KY
900008843689	Deblieux, A Professional Corporation*	LA
900010095460	R. Perry Templeton CPA, APAC	LA
900004756680	Allan Smith and Company, CPAs PC*	MA
900010108238	David P. Merkel	MA
900000010842	Kevin F. O'Reilly*	MA
900009266651	Marc D. Schwartz, CPA PC*	MA
900004284704	Mark D. Savage CPA	MA
900010129058	Minsk Gould Tattrie & Lussier, LLP*	MA
900010112042	O'Sullivan and Company, P.C.	MA
900008891374	P Michael Buettner CPA PC	MA
900010155675	Pignatare & Sagan, LLC*	MA
900255350337	Ruslan Burshteyn, CPA	MA
900010095204	Yoshida & Sokolski PC	MA
900010094172	DeBlanc, Murphy & Murphy, LLC	MD
900010104593	Huber & Weakland, P. C.	MD
900004572814	John S. Curtin CPA Chartered	MD
900000018134	Robert L. Waller	MD
900010103235	Plourde, Morneault & Dubay, P.A.	ME
900010140795	Kalwas & Associates PC	MI
900011662812	McQuaid & Associates, PC	MI
900010007816	Morris, Kalish + Walgren, P.C.	MI
900010152877	Pooley, P.C.	MI

Firm Number	Firm Name	State
900010133038	Chuck Rinkey Ltd	MN
900255352086	CPA Global Portfolio Consulting C.A., LLC	MN
900007062560	DM Hoffbeck PLLC	MN
900010110230	Holmgren - Balster, Ltd	MN
900010094454	Abeles and Hoffman, P. C.*	MO
900010145815	Miller & Associates CPAs*	MS
900255352046	NG Associates CPA LLC	MT
900004482499	Anderson Certified Public Accountant PC	NC
900010142042	C Thomas McLeod Jr CPA	NC
900255351909	Gerald G. Spaugh, Certified Public Accountant	NC
900004153485	Jamal Odeh, CPA, PC	NC
900006098646	Jason Robinson CPA PLLC	NC
900004588458	Long CPA, PLLC	NC
900002196106	Pat Corell, CPA	NE
900010093859	Ritterbush & Piotrowski, LLP	NE
900001057936	Shotkoski & Associates P.C.*	NE
900001180457	Robert A. Greenwood Jr., CPA	NH
900010114763	A. F. Paredes & Co.	NJ
900007379075	Annex CPA, LLC	NJ
900010143400	Burke, Grbelja, Symeonides LLC	NJ
900011557991	Daniel J. Snigg, PC CPA	NJ
900010122470	Fitzpatrick & Fitzpatrick, PC	NJ
900010078922	Fylstra & Associates, LLC	NJ
900005175547	Gaines, Goldenfarb & Associates, PC	NJ
900012170975	Gregory J. Della Pia*	NJ
900011340589	Michael R. Epple, CPA*	NJ
900255347854	Morse & Company CPAs LLP	NJ
900255349151	Preziosi Accounting Services, LLC	NJ
900255332171	Restifo Romano & Associates LLC*	NJ
900010141183	Richard P. Abrams	NJ
900006625582	Robert A. Karpowicz CPA, LLC*	NJ
900010134331	Ronald Zuckerman P. A.	NJ
900255180003	Carney Foy, CPA*	NM
900010150928	David L. Wolf	NM
900004534580	Adam Hodson	NV
900005473775	Barry Herr	NV
900005324653	Hall Family CPA PC	NV
900255351089	Kasminoff & Associates CPA, Ltd.	NV
900255351635	Almonte Lare Company CPAs PLLC*	NY
900255079961	Gardner & Capparelli, CPAs LLP	NY

Firm Number	Firm Name	State
900005298847	J.W. Kischkat CPA P.C.	NY
900255349257	Jay C. Saloman & Associates CPAs P.C.*	NY
900004875783	Kopin & Company, CPA, PC*	NY
900010043680	Lucas, Tucker & Co*	NY
900255351787	Michael O. Howard CPA P.C.	NY
900010055042	Piaker & Lyons, P. C.*	NY
900256000073	R Katz CPA PC*	NY
900255350454	Scott Burgwin, CPA	NY
900010137118	Shah & Pandya, CPA, P.C.	NY
900001181144	Slatky & Slatky*	NY
900255348673	Vinod George Abraham, CPA P.C.*	NY
900255049091	Wolfson, Berbenich & Company, CPAs LLP	NY
900255352039	YCY CPAS PLLC	NY
900010149948	Alex & Company, CPAs*	OH
900001026649	Andrea Maria Lazar*	OH
900004364984	Anthony R. Keys, CPA, Inc	OH
900005681374	Asher & Co. CPAs	OH
900002282803	Conte Company CPA Inc.*	OH
900006436954	Dunbar, Murphy & Co.	OH
900255273073	Elias CPA Group*	OH
900000448330	James W Kerber	OH
900007561415	Jason W. Burton, CPA*	OH
900005845334	Kilbane & Wise Co. CPAs Inc	OH
900010128496	Laura J. MacDonald CPA Inc.	OH
900010101372	Mahle, Wack, Zaidain & Co., PLL*	OH
900005326466	Richardson & Associates, LLC	OH
900255187774	Robinson's Accounting	OH
900010105525	Smith, Denlinger & Co Inc	OH
900255273700	Steen & Company LLC	OH
900002130710	Thomas W. Brankamp, CPA*	OH
900010143333	Bethany D. Bowline, CPA, Inc, P.C.	OK
900010149549	Steven Wilson & Associates, Certified Public Accountants, P.C.	OK
900255351807	Westhoff CPA Firm, PC*	OK
900255167731	Tracy D. Fisher, CPA LLC	OR
900007351884	Cipriani and Associates LLC	PA
900010147653	ITFP, PC	PA
900001079024	Kaunitz & Company, CPAs	PA
900004590893	Limor Goodman, PC	PA
900010091841	Richard B. Guskiewicz Associates	PA
900011979695	The Financial Consulting Firm, Inc.	PA

Firm Number	Firm Name	State
900255352025	GME Consulting LLC	PR
900010139110	Llavona Casas CPA, PSC*	PR
900005191023	LPG CPA, P.S.C.*	PR
900004558658	Nieves Diaz & Co. CPA PSC	PR
900010154761	Sharon & Gonzalez, CPAS, LLC*	PR
900005690517	Edge Accountants and Advisors LC	SC
900255352055	J. Dupee, CPA, LLC*	SC
900009188228	Jack H. Fink, C.P.A.	SC
900255352214	Jobs Running Daily Accounting Services, LLC*	SC
900255183031	Wm. Lee Lawton, CPA	SC
900010101693	William Neale & Co., P. C.	SD
900005762368	Bratcher, Horton & Associates*	TN
900007622737	Bryant C.P.A*	TN
900255352205	Dental ROI Associates PC	TN
900255351765	Harris CPA Solutions PLLC*	TN
900255351468	Hauser Accounting*	TN
900010112235	Hoskins & Company, P.C.*	TN
900010139798	Hugh W. Smith Sr., CPA	TN
900010148440	Pulley & Associates	TN
900011695972	Richard J. Foster, CPA*	TN
900006943890	Sunil Kawatra, CPA*	TN
900006572843	Wiles + Taylor & Co., P.C.	TN
900010103906	Alpiger, PC	TX
900255349440	Coe Perry, CPA	TX
900004752885	James M. Tate, CPA	TX
900009893604	Lana Lawrence CPA PC*	TX
900010098502	Matthews & Johnson CPAs LLC*	TX
900010102603	Ralph and Ralph, P. C.*	TX
900255308544	TJ Advisors LLC	TX
900010148588	W. Bret Garner PC	TX
900010090032	Prince Hansen Group, PLLC*	UT
900255351465	Walston, LLC*	UT
900255193411	McDemus & Co., LLC	VA
900011793095	Oliveira CPA*	WA
900255352007	Victor Jones, CPA	WA
900011794995	VL Scott PLLC	WA
900255350431	YK Tax & Accounting PLLC*	WA
900255273622	Sanders & Waldvogel, S.C.*	WI
900255020429	Schutz CPA, Ltd.*	WI

Firms Whose Enrollment Was Terminated from the AICPA Peer Review Program since Last Reported

The AICPA Peer Review Board terminated the following firms' enrollment in the AICPA Peer Review Program for failure to cooperate. Firm terminations are also published at <https://us.aicpa.org/forthepublic/prfirmterm>.

Failure to complete a corrective action

The firms did not complete corrective actions designed to remediate deficiencies identified in their most recent peer review.

Agbimson & Co., PLLC – Hauppauge, NY
ASK International, Inc. – Chantilly, VA
CL and Company, CPAs PC – Scottsdale, AZ
John L. Rychel, CPA – Newport Beach, CA
Joseph F. Eaton CPA, PC – Huntington Station, NY
Justas Bovell, CPA – Philadelphia, PA
Olsen, Lynch & Wright, CPA's PA – Punta Gorda, FL
Sueann Porter CPA PLLC – Stephenville, TX
TG Associates CPAs PLLC – Delmar, NY

Consecutive non-pass reports in system reviews

The firms failed to design a system of quality control and sufficiently comply with such a system to provide reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects, resulting in consecutive pass with deficiency or fail reports.

Cree Alessandri & Strauss CPAs LLC – Wellesley, MA
Ceasar & Smilow, LLP – Carle Place, NY
Daniel Greenman & Co. – Oakbrook Terrace, IL
Seikel & Company – Akron, OH
Steven J. Zaffos – Syosset, NY

Failing to complete its peer review after it has commenced

The firm did not cooperate with its administering entity and otherwise cooperate in order to ensure that it met the requirement to have a peer review once every three years.

Earl A. Lawson – Blackshear, GA
Thomas Kieth Rackerby – Healdsburg, CA

Failing to provide documentation

The firm did not provide documentation required to complete the acceptance process of its review.

Exact Accounting & Financial Services – Madison, WI

Compliance Update - Firm Noncooperation

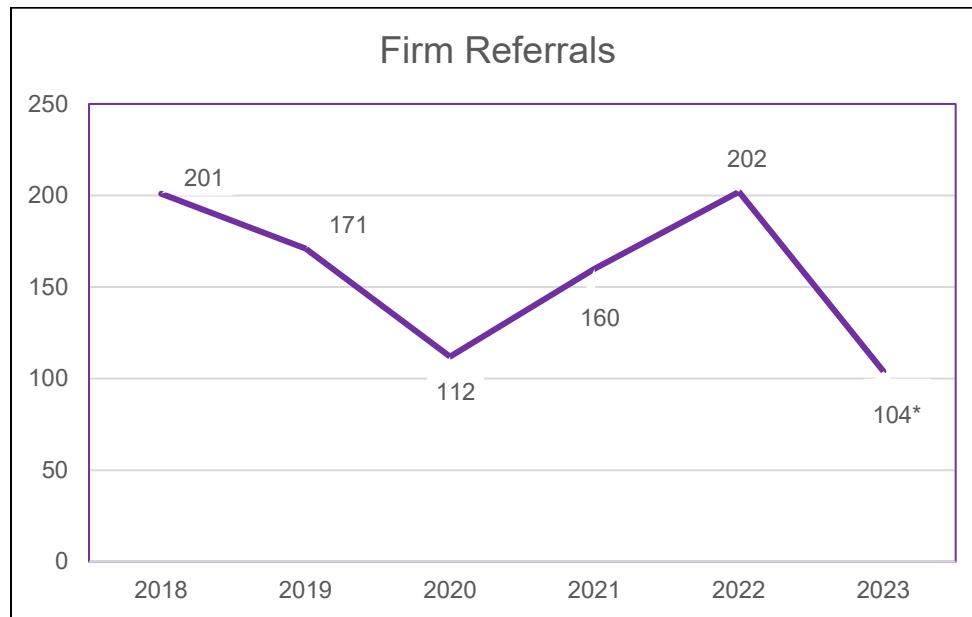
Why is this on the Agenda?

This is an informational item to keep AICPA Peer Review Board (PRB) members informed about firm noncooperation, such as drops and terminations.

Hearings, Drops and Terminations

Firm Hearing Referrals and Mediation

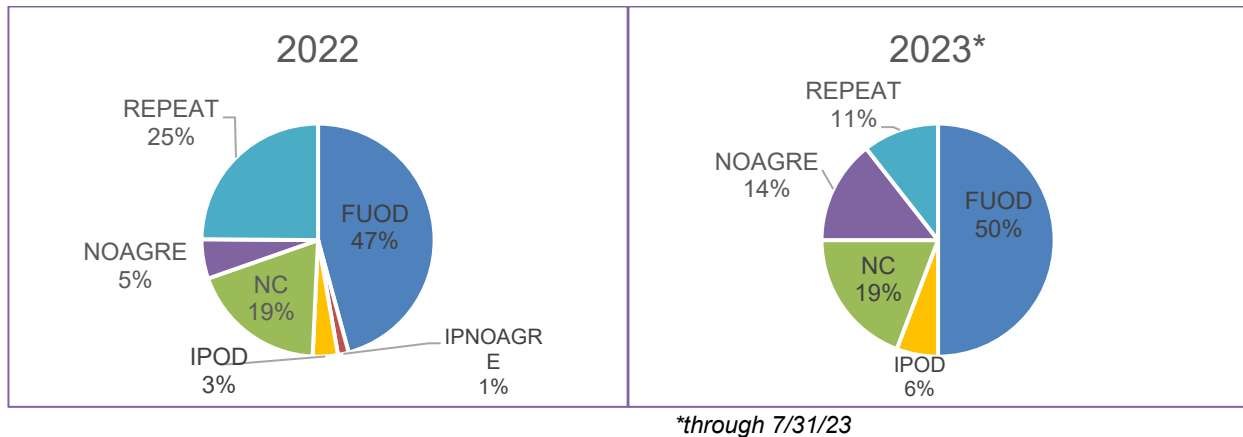
Referrals are firm noncooperation cases for which the administering entity (AE) has submitted documentation to AICPA staff to proceed with a termination hearing. Termination hearings align closely with the Enhancing Audit Quality (EAQ) initiatives. The table below shows overall hearing referral volume through July 2023:



*through 7/31/2023

Efforts to increase consistency, efficiency, and effectiveness of administration of the AICPA Peer Review Program (PRP) resulted in a marked increase in hearings volume in 2018. The decrease shown in 2020 relates to several temporary changes made by the AICPA Peer Review Program (PRP) in response to the coronavirus impact on firms, providing firms with additional time to complete peer reviews, corrective actions, and implementation plans. Since that time, normal operations have resumed and volume appears to have returned to a level consistent with 2018 volume. Similar results are expected through the end of the year.

The types of matters for which firms are referred for termination hearings were as follows:



Legend:	
FUOD/IPOD	Failure to complete corrective action(s) or implementation plan
NC	General noncooperation (includes completeness activities/material omission from scope, failure to undergo/complete peer review, failure to improve after consecutive corrective actions, etc.)
NOAGRE/IPNOAGRE	Failure to agree to corrective action or implementation plan, including those subsequently revised upon firm request.
REPEAT	Failure to receive a pass report rating after consecutive non-pass peer reviews

Through July 31, 2023, there has been an increase in the number of firms referred for failure to agree to corrective actions (reflected in the NOAGRE category above) and a decrease in the number of firms referred for failure to receive a pass report rating after consecutive non-pass peer reviews (reflected in the REPEAT category above). Investments made in automation of warning letter delivery as required by guidance as well as education and monitoring will likely result in increases in REPEAT referrals, which aligns with EAQ initiatives and the overall objective of the program.

Firms referred for certain charges, such as failing to agree to or complete corrective actions, can sometimes be encouraged and assisted to resolve these matters prior to hearing. AICPA staff attempts to mediate hearing referrals, where appropriate, to assist in keeping cooperative firms enrolled in the program and reduce panel and other resource usage. Mediation is not attempted for charges such as consecutive non-pass reports or material omission from scope because those firms do not have any recourse. Through July 31, 2023, mediation was attempted on 64 of the hearing referrals received in 2023, resulting in 24 (or 37%) of those hearings being resolved prior to hearing.

Firm Enrollment Drops

A firm's enrollment may be dropped from the AICPA PRP without a hearing prior to the commencement of a review for failure to submit requested information concerning the arrangement or scheduling of its peer review or timely submit requested information necessary to plan or perform the peer review. A detailed list of noncooperation reasons that may lead to a drop is included in the [AICPA Standards for Performing and Reporting on Peer Reviews](#) (PR-C 300.12, .A6-.A7) (previously in the [Peer Review Board Drop Resolution](#) included in Interpretation 5h-1).

Although warning letters are sent, staff does not perform mediation outreach to firms that may be dropped. Firms whose enrollment will be dropped from the AICPA PRP are sent to PRB members for approval via negative clearance and subsequently reported in PRB open session materials. Firms may appeal an enrollment drop from the PRP and mediation is attempted for firms filing an appeal. Through July 31, 2023:

<u>Action/Status</u>	<u>#</u>
Appeals received	16
Less:	
Reenrolled prior to appeal hearing	12
Panel affirmed decision	<u>3</u>
Awaiting appeal panel	<u>1</u>

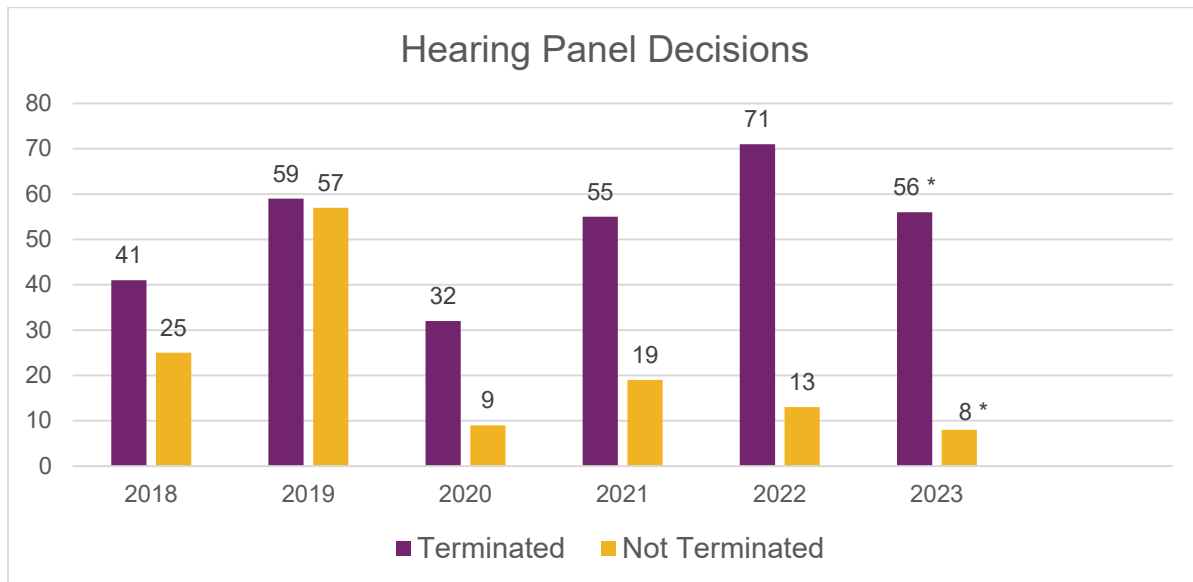
Firm Enrollment Terminations

A firm's enrollment may be terminated for other failures to cooperate with the PRP (typically after the commencement of a review). A detailed list of reasons that may lead to termination is included in the [AICPA Standards for Performing and Reporting on Peer Reviews](#) (PR-C 300.13) (previously in the [Peer Review Board Termination Resolution](#) (Interpretation 5h-1) on aicpa.org. Terminations from the PRP must be decided upon by a hearing panel of the PRB. Firms may appeal PRP enrollment termination.

Drops and terminations of firms enrolled in the PRP are ordinarily reported in a monthly communication to state boards of accountancy Executive Directors and State Society CEOs and maintained on a listing for AEs.

[Firms \(with AICPA members\) for which enrollment in the AICPA Peer Review Program was terminated](#) are published on aicpa.org and included in the PRB open session materials. Firms without AICPA members for which enrollment in AICPA PRP has been terminated are not published by the AICPA but are included in the statistics of this agenda item.

Below is a summary of firm hearing panel decisions over the past five years and through July 2023:



**through 7/31/2023*

Enrollment terminations reported above represent hearing panel decisions to terminate, including firms within their available appeal period and firms that agreed to the charges and were terminated without a hearing.

Firms not terminated reported above represent a hearing panel decision not to terminate the firm's enrollment. In such cases, hearing panels may require corrective, remedial actions to remain enrolled. Examples of additional corrective actions that might be required include, but are not limited to:

- Replacement review (omission cases)
- Formalization (in writing) of a firm's decision to limit practice in a certain industry or engagement type or
- Pre-issuance or post-issuance review

In the rare circumstance that additional corrective actions are not required, the review continues uninterrupted. For example, any outstanding corrective actions would need to be completed and accepted before the review is completed.

The number of panel decisions increased significantly in 2019, corresponding to the increase in firm referrals during 2018. A significant portion of those referrals were the result of completeness activities, or material omission from scope, and were not terminated but required to complete replacement reviews. The decrease shown in 2020 relates to the previously mentioned temporary changes made by the PRP in response to the coronavirus impact on firms.

This summary does not reflect:

- Later decisions by an appeal mechanism to reverse or modify PRB hearing panel termination decisions or
- Cases that are mediated or the underlying cause is resolved (stopped hearings)

Firm Reenrollments

If a firm's enrollment in the PRP is dropped or terminated, it should address or remediate the cause of the drop or termination to be considered for reenrollment. For example, a firm terminated for failure to complete a corrective action may be reenrolled by completing the corrective action to the peer review committee's satisfaction. However, reenrollment requests for some firms must be considered by a hearing panel (PR-C 300.16 .A14). These include firms:

- Dropped for not accurately representing its accounting and auditing practice;
- Terminated for:
 - Omission or misrepresentation of information relating to its accounting and auditing practice;
 - Failure to improve after consecutive non-pass peer reviews; and
 - Failure to improve after consecutive corrective actions

Reenrollment approvals by a hearing panel may be contingent upon some required action(s), such as a successful pre- or post-issuance review of a particular engagement type. Such required actions are a condition of reenrollment and, as such, evidence of satisfaction of the required action must be completed (attached to the reenrollment case in PRIMA) at the time of reenrollment. During 2022, two reenrollment requests were considered and approved. Through July 31, 2023, one reenrollment request was considered but denied.



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