

Peer Review Board Open Session Meeting

January 13, 2016

Sarasota, FL

**AICPA Peer Review Board
Open Session Agenda
January 13, 2016
Sarasota, FL**

Date/Time: Wednesday, January 13, 2016 10:30 AM – 12:00 PM (Eastern Time)

Location: The Ritz Carlton, Sarasota, FL

- 1.1 Welcome Attendees and Roll Call of Board** – Ms. McClintock/Ms. Ford
- 1.2 Approval of Revisions to Standards and Interpretation for Qualifying for Service as a Peer Reviewer* - Mr. Parry
- 1.3 Update on Revisions to the Termination Process*- Ms. Lieberum
 - A. Expediting Firm Drops and Hearings
 - B. Increase Hearing Panel Frequency
 - C. Firm Termination Language and Communication
- 1.4 Report on the Planning Task Force**- Ms. Ford
- 1.5 Task Force Updates*
 - A. Standards Task Force Report – Mr. Parry
 - B. Education and Communication Task Force Report – Ms. Kerber
 - C. Oversight Task Force Report – Ms. Seefeld
- 1.6 Operations Director's Report** – Ms. Thoresen
- 1.7 Report from State CPA Society CEOs** – Mr. Shapiro
- 1.8 Update on National Peer Review Committee** – Mr. Gray
- 1.9 Update on the Peer Review Program Manual** - Ms. McClintock
- 1.10 For Informational Purposes*:
 - A. Report on Firms Whose Enrollment was Dropped or Terminated*
 - B. Approved 2016 Association Information Forms for Associations of CPA Firms**
 - C. Approved Revisions to AICPA Peer Review Program Question & Answers**
- 1.11 Future Open Session Meetings**
 - A. May 2-3, 2016 Task force meetings/open/closed sessions – Durham, NC
 - B. August 11, 2016 Open/closed sessions (AM) – San Diego, CA
 - C. September 26-27, 2016 Open/closed sessions – Conference call

*- Document Provided

**-Verbal Discussion

***-Will be provided at a later date

Proposed Changes to Interpretations for Qualifying for Service as a Peer Reviewer

Why is this on the Agenda?

The revised reviewer qualifications guidance is effective December 31, 2015. The AICPA has received inquiries from individuals who may be qualified reviewers, but for some reason don't have consecutive five years of experience, as required in paragraph 31e, among other qualification topics. These interpretations have been designed to maintain the essence of the standard as well as provide additional clarity. We also wanted to reinforce that exceptions would be rare and only allowed if approved by the AICPA prior to commencement of the peer review.

Feedback Received

This topic was discussed internally, at the August 2015 PTF meeting, the October 2015 AATF meeting, and the December 2015 STF meeting. The STF approved the interpretation changes at 1.2A.

PRISM Impact

None

AE Impact

None

Communications Plan

Upon approval, a Peer Review Alert will be distributed.

Manual Production Cycle (estimated)

Contingent upon approval.

Effective Date

Effective for reviews commencing on or after December 31, 2015. Any modifications to the reviewer training requirements would be effective for reviews commencing on or after May 1, 2016.

Board Consideration

- Review and approve the proposed interpretations changes in Agenda Item 1.2A.

Proposed Revisions

Peer Review Standards Interpretations

Qualifying for Service as a Peer Reviewer

31-1 *Question-* Paragraph .31 of the standards provides minimum requirements to serve as a peer reviewer. Are there exceptions allowed for any of the requirements?

Interpretation- Peer reviewers should meet the minimum requirements described in paragraph .31 of the standards. However, in rare circumstances, an exception may be approved by the AICPA prior to commencement of the peer review. The request must be made in writing and should thoroughly explain why the exception should be approved.

31-2 *Question-* I recently left my firm where I performed peer reviews and started my own firm. May I continue performing peer reviews in my new firm?

Interpretation- Maybe. Peer Review Standards allow for a transition period. The transition period begins with the earlier of the date you left your previous firm or when you start or become associated with your new firm. The transition period ends with the earlier of 18 months from the beginning date or the peer review due date of your new firm.

Your previous firm should have received a *pass* peer review report. You should also meet all of the other required qualifications (see standards paragraph .31 for complete details);

- A partner or manager with supervisory responsibilities
- Currently active (presently involved) in the accounting or auditing (A&A) function of your firm or carrying out a quality control function on the firm's A&A engagements (see interpretation 31b-1)
- Your firm must be enrolled in the Peer Review Program

31-3 *Question-* I brought several clients over to my new firm with the same practice areas and industry codes as I previously had with my old firm. How do I get approved to perform peer reviews?

Interpretation- First, you need to submit the *AICPA Peer Review Program Enrollment Form* or the *Peer Review Program Change Form*, as applicable, to your administering entity. Then, you contact the Peer Review Hotline at 919-402-4502 to obtain approval as a reviewer with a new firm (provided you meet the qualifications to be a reviewer).

31-4 Question- I was approved to perform peer reviews before I left my old firm, but the reviews have not commenced yet. Since I do not have any clients in my new firm and I no longer meet the qualifications to serve as a peer reviewer, what do I do?

Interpretation- Contact the reviewed firm(s) and the administering entity immediately. You should also update your reviewer resume to reflect your experience. Since you currently do not have any clients in your new firm, you are not eligible to include any experience level codes on your reviewer resume.

31-5 Question- I performed a peer review during a time when I did not meet the qualifications to serve as a peer reviewer. How does this impact the peer review I performed?

Interpretation- Since you did not meet the qualifications to perform a peer review at the time it was performed, the peer review committee (committee) of the administering entity may decide that oversight (onsite or offsite) should be performed at your expense. If the review has already been accepted, it may be necessary for you or the committee to consider recalling the previously accepted peer review documents. This could put the reviewed firm in jeopardy of its practice unit or firm license in states where they are licensed.

31b-5 Question- Paragraph .31(b) of the standards uses the term “presently involved” in defining currently active in accounting or auditing functions. What is meant by “presently involved”?

Interpretation- “Presently involved” means currently performing (working on) accounting or auditing engagements in your firm with the intent to undergo a peer review within 18 months from enrollment.

31b-6 Question- If I did not bring any clients over to my new firm, but actively pursuing clients, does this meet the qualification of “presently involved”?

Interpretation- No, it does not. You do not meet the qualifications to serve as a peer reviewer because you are not performing (working on) accounting or auditing engagements and will likely not undergo a peer review within 18 months of enrollment.

31b-7 Question- I have signed engagement letters, but have not performed any work yet. Does this meet the qualification of “presently involved”?

Interpretation- No, it does not. You do not meet the qualifications to serve as a peer reviewer.

31b-8 Question- I was team captain qualified when I was with my old firm, but have only issued reports on reviews of financial statements in my new firm. Could I still perform a system review?

Interpretation- No. In accordance with Peer Review Standards paragraph 31b, you would only be qualified to perform engagement reviews for firms that have the same type of engagements.

31g-1 *Question*—Paragraph .31(g) of the standards states that reviewers must possess specific additional qualifications to review engagements that must be selected in a System Review under paragraph .63. What additional qualifications must the reviewer possess?

Interpretation—The additional qualifications that reviewers must possess in order to review must-select engagements are identified below. However, these additional qualifications do not apply to must-cover engagements. The peer reviewer should adhere to the general reviewer qualifications in those areas.

- a. The reviewer should have completed additional training focused on must-select engagements that meets the requirements of the board. Peer review training and criteria for demonstrating proficiency in the standards, interpretations and guidance of the program is established by the board. Those criteria are located on the Peer Review page of the AICPA website.
- b. The reviewer must be currently (presently involved in) supervising or performing engagements, in his or her own firm, in the must-select industry or area; performing Engagement Quality Control Reviews on engagements in the must-select industry or area in his or her own firm; or performing the inspection of engagements in the must-select industry or area as part of his or her firm's monitoring process and currently meeting relevant, industry specific educational requirements, as applicable.
- c. Where AICPA Audit Quality Centers exist (such as, but not limited to, the Employee Benefit Plan and Governmental Audit Quality Centers), reviewers of must-select engagements must be associated with firms that are members of the respective Audit Quality Center.

Expediting Firm Drops and Hearings

Why is this on the Agenda?

In order to support the efforts implemented through the Enhancing Audit Quality Initiative, the Peer Review Board is being asked to consider approval of a proposal which will expedite firm drops and hearings. While changes to internal processes of this type do not require Board approval, this proposal is being presented due to potential impact on administering entities, firms, regulatory agencies, and other stakeholders.

As currently designed, it takes a minimum of 130 days to drop a firm's enrollment in the AICPA Peer Review Program ("Program") for failure to submit scheduling and other information prior to the review commencing. A minimum of 84 days (if no delays are encountered) is required to assign a firm to a hearing panel for failure to complete a corrective action.

This proposal utilizes the current fair procedures process without eliminating any letters or outreach. The proposal shortens the minimum days required to drop a firm's enrollment to 94 days and the minimum days required to assign a firm to a hearing panel for failure to complete a corrective action to 36 days. Specific details by process are attached as Agenda Items 1.3A1 and 1.3A2.

Feedback Received

Administering entities, state boards of accountancy, and other stakeholders have expressed that the firm hearing process is too lengthy and that the length of the process does not further encourage compliance.

Staff has provided the proposal to the AATF and AICPA legal counsel. The Oversight Task Force has approved the proposed revisions at their September 11, 2015 meeting.

PRISM Impact

The change in letter timing would have a PRISM impact. Staff has discussed implementation strategies with the AICPA PRISM team and the effective dates below were proposed giving consideration to PRISM programming requirements.

AE Impact

The proposed timing will impact AEs through accelerating the timing of the letters they currently send and requiring them to submit to hearing sooner than in the past.

Communications Plan

Staff will issue a Peer Review Alert. In addition, a robust communication plan targeting AEs, firms, regulatory agencies, and other stakeholders will be developed and executed shortly after approval.

Manual Production Cycle (estimated)

If the proposal is approved by the PRB, the AICPA Peer Review Administrative Manual, including all associated letters, would be updated prior to May 2016.

Effective Date

To provide adequate time for PRISM programming and revisions to guidance, including letters, we propose that the timing be implemented effective May 1, 2016.

Board Consideration

- Review and approve the proposal in Agenda Items 1.3A1 – 1.3A2.

	Current			Proposed		
	Failure to Submit:			Failure to Submit:		
	Background info. (prior to commence)	Team info.	Other info*. (prior to commence)	Background info. (prior to commence)	Team info.	Other info*. (prior to commence)
Initial request	-BGINFO <i>(typically 6 mos. prior to due)</i>	FOFTIRQ/AF TIRQ	+30 days (from req. or due date), NOON(F)1	-BGINFO <i>(typically 6-8 mos. prior to due)</i>	FOFTIRQ/AF TIRQ	+15 days (from req. or due date), NOON(F)1
Reminder letter 1	+30 days, BGINFO2	+30 days, FOFTIRQ2	+21 days, NOON(F)2	+30 days, BGINFO2	+15 days, FOFTIRQ2	+15 days, NOON(F)2
Reminder letter 2	+30 days, BGINFO3	+15 days, FOFTIRQ3	+14 days, NOON(F)3	+15 days, BGINFO3	+15 days, FOFTIRQ3	+15 days, NOON(F)3
Referral to AICPA	+30 days, BGINFO4	+15 days, FOFTIRQ4	+21 days, refer to NOON(F)4	+15 days, BGINFO4	+15 days, FOFTIRQ4	+15 days, NOON(F)4
Warning letter	+10 days, BGINFO5	+1 day, FOFTIRQ5 advises of pending drop & right to JTB	+10 days drop list NOON(F)5	+1 day, BGINFO5	+1 day, FOFTIRQ5	+1 day NOON(F)5
List to Board for negative clearance	+30+ days, PRB consideration	+30 days+ list to PRB	+30 days+ list to PRB	+30 days+ list to PRB	+30 days+ list to PRB	+30 days+ list to PRB
Feedback period	+3 days, PRB consideration	+3 days, PRB consideration	+3 days, recommend ation from PRB	+3 days, PRB consideration	+3 days, PRB consideration	+3 days, PRB consideration
Letter notifying firm of drop	BGINFO06 advises of decision & right to JTB		NOON(F)6, advises of decision & right to JTB	BGINFO06 advises of decision & right to JTB	FOFTIRQ06 advises of decision & right to JTB	NOON(F)6, advises of decision & right to JTB
Minimum Time	=133 days	=94 days	=129 days	=94 days	=79 days	=94 days

*Other info. might include engagement listing, etc.

Legend:

- AE process
- AICPA process

Letters in all CAPS (such as BGINFO) indicate a letter name and sequence within PRISM /guidance.

Legend for Letter Acronyms:

- BGINFO - Background Information Request
- AFTIROQ - Association Information Request
- FOFTIRQ - Firm on Firm Team Information Request
- NOON - No scheduling or information for review planning from firm on System Review
- NOOF - No scheduling or documents required for performance from firm on Engagement Review

Note: As currently functioning, a firm is not typically dropped before its due date. As proposed, it will be possible for a drop to occur before a firm's due date.

	Current			Proposed		
	Noncooperation Related to:			Noncooperation Related to:		
	Not agreeing to C/A	5h-1 Failure to Complete C/A	Other 5h-1 Noncoop	Not agreeing to C/A	5h-1 Failure to Complete C/A	Other 5h-1 Noncoop
Initial request	Acceptance letter	Acceptance letter	NC1	Acceptance letter	Acceptance letter*	NC1
Reminder letter 1	+14 days NOAGRE1	+21 days after due, FUOD1	+7 days, NC2	+14 days NOAGRE1	+1 days after due, FUOD1	+7 days, NC2
Reminder letter 2	+7 days NOAGRE2	+14 days, FUOD2	+4 days, call	+7 days NOAGRE2	+7 days, FUOD2	+7 days, NC3 (rec't)
Reminder letter 3		+10 days, call	+7 days, NC3		+7 days FUOD3	
Referral to AICPA	+7 days, NOAGRE3	+14 days, FUOD3	+10 days, NC4	+1 days, NOAGRE3	+1 days, FUOD4	+1 days, NC4
Warning letter	Hearing referral letter	Hearing referral letter	Hearing referral letter	+10 days Hearing referral letter	+10 days Hearing referral letter	+10 days Hearing referral letter
Feedback period	+10 days, confirm delivery	+10 days, confirm delivery	+10 days, confirm delivery	+5 days, confirm delivery	+5 days, confirm delivery	+5 days, confirm delivery
Assigned to Panel	+4 days, call/e-mail	+4 days, call/e-mail	+4 days, call/e-mail	+4 days, call/e-mail	+4 days, call/e-mail	+4 days, call/e-mail
Assigned to Panel	+1 days, Hearing notice	+11 days, Hearing notice	+11 days, Hearing notice	+1 days, Hearing notice	+1 days, Hearing notice	+1 days, Hearing notice
Minimum Time	=43 days	=84 days	=53 days	=42 days	=36 days	=35 days

*Firms receive a reminder 30 days prior to due date (FUR1).

Legend:

- AE process
- AICPA process

Letters in all CAPS (such as NOAGRE) indicate a letter name and sequence within PRISM/guidance.

Legend of Letter Acronyms

- NOAGRE -Failure to sign acknowledgement of acceptance provided that firm complete corrective action(s)
- FUOD - Overdue Follow-up (corrective/monitoring actions)
- NC - Noncompliance, other reasons contained within Interpretation 5h-1

Increase Hearing Panel Capacity

Why is this on the Agenda?

In order to support expediting firm drops and hearings, the Peer Review Board is being asked to consider approval of a proposal which will increase hearing panel capacity.

At present, hearing panels have capacity to evaluate three to four hearing referrals per month, depending upon participation and other factors. Changes made to guidance within the past year will result in increased volume. For example, the recent consecutive non-pass changes allow a firm to be referred after a second other than pass report rating is received as opposed to requiring three other than pass reports. In addition, the proposal being considered today to expedite the referral process could result in increased volume.

This proposal utilizes non-Board AICPA members appointed by the Chair of the Board as well as Board members to form panels to provide sufficient resources to conduct more frequent hearing panels. The concept of rescheduling hearings is introduced to allow for all hearings in which a firm wishes to participate to be moved to a single panel date to better align resources such as internal counsel and court reporters. The proposal also eliminates the option for a firm to appear in person as hearing panels are telephonic and in-person meetings of panel members infrequent, cumbersome, and expensive.

Feedback Received

Staff has provided the proposal to AICPA internal legal counsel and all recommended changes are reflected herein.

PRISM Impact

No PRISM impact is anticipated.

AE Impact

This is a procedural change with minimal impact on AEs. However, it should be noted that the changes will allow firms referred for hearing by AEs to be addressed in a more timely fashion.

Communications Plan

N/A

Manual Production Cycle (estimated)

No manual impact is anticipated.

Effective Date

Upon adoption, the revised Rules of Procedures would be provided to firms newly referred for hearing.

Board Consideration

- Review and approve the revised Rules of Procedures located at Agenda Item 1.3B1.



Peer Review Program

AICPA Peer Review Board

**Rules of Procedures for the
Termination of a Firm**

Effective Date – January ~~123~~, 20~~1609~~

FOREWORD

Quality in the performance of accounting and auditing engagements by AICPA members is the goal of the AICPA Peer Review Program. The program seeks to achieve its goal through education and remedial, corrective actions. Firms (and individuals) enrolled in the program have the responsibility to cooperate with the peer reviewer, administering entity and the AICPA Peer Review Board (board) in all matters related to the peer review, including taking remedial, corrective actions or implementing Findings for Further Consideration (“FFC”) plans as needed. Instances of non-cooperation by a reviewed firm would include, but are not limited to:

- Failure to correct deficiencies or significant deficiencies.
- Instances in which the firm is found to be so Seriously deficient in its performance that education and remedial, corrective actions or implementation plans are not adequate.
- Receive peer reviews with recurring deficiencies or significant deficiencies that are not corrected.
- Failure to correct deficiencies or significant deficiencies after consecutive corrective actions requested by a Report Acceptance Body (RAB)
- Failure to receive a report with a rating of pass after (1) receiving a ~~at least two consecutive~~ peer reviews ~~prior to the third that had a~~ report with a peer review rating of *pass with deficiencies* and/or *fail*¹ AND (2) receiving notification via certified mail ~~after the second consecutive report with a peer review rating of pass with deficiencies and/or fail~~ that a ~~third~~ consecutive failure to receive a report with a peer review rating of *pass* may be considered a failure to cooperate with the administering entity.

In addition, ~~an~~ AICPA Peer Review Board Resolution states;

A firm is deemed as failing to cooperate ~~once the review has commenced~~ by actions including but not limited to:

- Not responding to inquiries once the peer review has commenced;
- Withholding information significant to the peer review, for instance but not limited to:
 1. failing to discuss communications received by the reviewed firm relating to allegations or investigations in the conduct of accounting, auditing, or attestation engagements from regulatory, monitoring, or enforcement bodies;
 2. omission or misrepresentation of information relating to its accounting and auditing practice as defined by the AICPA Standards for Performing and Reporting on Peer Reviews, including, but not limited to, engagements performed under Government Auditing Standards; audits of employee benefit plans, audits performed under FDICIA, audits of carrying broker-dealers, and examinations of service organizations [Service Organizations Control (SOC) 1 and 2 engagements];~~including but not limited to failing to discuss communications received by the reviewed firm relating to allegations or~~

¹ Formerly known as modified and/or adverse reports

~~investigations in the conduct of accounting, auditing or attestation engagements from regulatory, monitoring or enforcement bodies;~~

- Not providing documentation including but not limited to the representation letter, quality control documents, engagement working papers, all aspects of functional areas;~~;~~
- Not responding to Matters for Further Consideration (“MFC~~s~~”) or FFCs timely;~~;~~
- Limiting access to offices, personnel or other once the review has commenced;~~;~~
- Not facilitating the arrangement for the exit conference on a timely basis;~~;~~
- Failing to timely file the report, and the response thereto related to its peer review, if applicable;
- Failing to cooperate during oversight; or;

- ~~Failing to cooperate during oversight or,~~
- Failing to timely acknowledge and complete required corrective actions or implementation plans.

If a reviewed firm refuses to cooperate, fails to correct material deficiencies, or is found to be so seriously deficient in its performance that education and remedial or corrective actions are not suitable, the AICPA Peer Review Board may take actions leading to the termination of the firm's enrollment or participation in the AICPA Peer Review Program.

These rules of procedures have been prepared for the use of the AICPA Peer Review Board in connection with proceedings related to the termination of a firm's enrollment in the AICPA Peer Review Program. These procedures have also been prepared for the information of those firms that may be a party to such a proceeding.

Hearings conducted under these procedures are informal in nature. Accordingly, the rules of evidence do not apply and any evidence, whether written or oral, will be considered by a hearing panel if relevant to the case at hand in accordance with these procedures set forth.

The overriding objectives of these procedures are to provide for an orderly proceeding, achieve a fair result, and adequately safeguard the rights of firms and individuals that may become party to a proceeding.

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1. GENERAL

1.1 Authority to Conduct Proceedings

The Board of Directors of the AICPA has authorized the AICPA Peer Review Board (the “Board”) to terminate a firm’s enrollment in the AICPA Peer Review Program (“Program”), or otherwise sanction a firm after due notice and a fair hearing. Pursuant to this grant of authority, the Board hereby establishes the following procedures, which will govern the adjudication of all matters that may lead to the termination of a firm’s enrollment in the Program or other sanctions. Other committees, such as administering entity’s peer review committees or subcommittees or task forces established by the Board to consider peer review reports, may not terminate a firm’s enrollment in the Program.

1.2 Applicability of Rules of Procedures

The Board has authorized the Director of the Program or his designee to determine if a hearing is appropriate. The rules of procedures set forth herein become applicable when the Director of the Program or his designee decides that a hearing to consider whether to terminate a firm’s enrollment in the Program or impose other sanctions should be conducted. Once these rules of procedures become applicable to a proceeding, they are to be applied until a decision to terminate a firm’s enrollment or impose other sanctions becomes effective or the matter is otherwise disposed of.

1.3 Hearings

Hearings are held to adjudicate matters that may lead to the termination of a firm’s enrollment or participation in the Program. Firms affected will be advised that they may participate by telephone~~attend in~~ the hearing to challenge or contest the charges or recommendations being made.

1.4 Nature of Hearings

Hearings are designed both (a) to assist the hearing panel in assessing the facts on which to base a decision as to whether or not to terminate a firm- from the AICPA Peer Review Program or impose other sanctions and (b) to provide procedural fairness thus providing firms the ability to defend themselves.-Hearing procedures are informal to afford all parties maximum flexibility in presenting every side of an issue. Firms may be represented by counsel.- Hearings before a hearing panel shall not be open to the public (see section 3.7).

1.5 Hearing Panel

The hearing panel determines whether or not to terminate a firm's enrollment in the Program. The Board Chair or designee shall appoint ~~five~~ members to the hearing panel, however, action may be taken by the hearing panel as long as a quorum is present as defined below. —The hearing panel will be drawn from either current Board members or other members of the AICPA appointed at the sole discretion of the Chair of the Board or the Chair's designee. One member of the hearing panel will be appointed as the presiding officer by the Chair or the Chair's designee. The Chair, or designee, may appoint himself or herself as a member of a hearing panel or as its presiding officer. A majority of the hearing panel constitutes a quorum.

If a decision is made by the hearing panel not to terminate a firm's enrollment in the Program, the hearing panel may determine whether and what remedial actions should be required of the firm. The hearing panel has the authority to affirm, modify or reverse all or any part of the decision regarding actions previously required by the administering entity that administered the review.

If the hearing panel decides to terminate a firm's enrollment in the Program the firm has the right to appeal to the AICPA Joint Trial Board. The Trial Board has the authority to affirm, modify or reverse all or any part of the Board's decision, but it does not have the authority to increase the severity.

1.6 Parties to the Proceeding

Only the affected firm and the AICPA peer review staff are parties to the proceeding. Intervention by third parties in proceedings shall not be permitted, except other parties may be present as provided in paragraph 3.7. The designated staff of the AICPA or other individuals with responsibility for presenting the charges to the hearing panel and the representative(s) of or on behalf of the affected firm may present evidence, call and question witnesses, and make arguments, including rebuttal arguments. AICPA's Office of General Counsel acts as counsel to the panel to advise on practice and procedures and may be present at the hearing and during any executive sessions.

2. *THE RIGHTS OF PARTIES*

2.1 Right to ~~Participate~~ ~~Appear in Person or~~ via Conference Call

A party to a proceeding has the right to ~~participate~~~~appear~~ and be heard at a hearing which is ~~normally~~ conducted by conference call. In order to secure its right to ~~participate~~~~by conference call~~, the firm is required to notify AICPA staff at least within 14 days prior to of the hearing date of its desire to ~~participate~~~~appear~~. Upon notification that the firm does want to participate, the Board may reschedule the hearing to a day and time convenient to the panel, which may be fewer than 30

days from the originally scheduled date. If rescheduled, the firm will be notified as described in paragraph 3.3.

~~If a firm wants to appear in person, the firm must notify the AICPA staff within 14 days prior to the hearing date and the hearing will be rescheduled at a time and place convenient to the panel.,~~

-A firm may be represented by counsel, other representatives, or both. —A hearing panel is empowered to conduct a hearing in the absence of a representative of the firm, provided a Notice of Hearing pursuant to section 3.3 has been properly served, ~~—~~and there is no compelling reason, in the view of the presiding officer of the hearing panel, not to proceed.

2.2 **Right to Present Evidence and to Cross Examine**

A party to a proceeding has the following rights in a hearing-

- a. To present evidence.
- b. To present arguments on issues relevant to the subject of the proceeding.
- c. To cross-examine witnesses at the hearing.

2.3 **Right to Copy of Transcript**

A firm that is a party to a proceeding who has ~~participat~~appeared ~~in person or~~ by phone may request a copy of the transcript of the hearing when a transcript is prepared in accordance with section 4.3. The request must be made at the time of the hearing. Such a request does not stay the effective date of the decision.

3. BASIC PRINCIPLES

3.1 **Purpose of Rules of Procedures**

Although hearings conducted by a hearing panel are informal, these rules of procedures have been adopted to insure fairness and an orderly disposition of such proceedings.

3.2 **Rules of Evidence**

In hearings governed by these rules of procedures, the formal rules of evidence applicable to proceedings at law or in equity do not apply, and evidence that would be inadmissible in a court of law may be received so long as it is relevant in the

discretion of the presiding officer. The hearing panel shall determine the weight to be given to any evidence.

3.3 Notification of Proceeding

Within a reasonable period of time after the Director of the Program or designee decides that it will conduct a hearing, the staff of the Board shall mail to the firm at least 30 days prior to the proposed hearing date, a "Notice of Hearing" containing a description of the charges against the firm, ~~and indicating~~ the time and date the ~~hearing panel will hear the matter~~~~telephonic hearing will be held,~~ and ~~indicating~~ that the firm has a right to ~~participate~~~~appear by telephone in person~~ as long as the firm advises the Director of the Program or designee ~~at least within~~ 14 days ~~prior to~~ ~~of~~ the hearing date of its desire to do so. ~~Upon notification that the firm elects~~~~does want to participate, the Board may reschedule the hearing to a day and time convenient to the panel, which may be fewer than 30 days from the originally scheduled date. If rescheduled, the staff of the Board will notify the firm by mail of the new hearing date within five days of the firm's notification of their wish to participate.~~~~The firm will thereafter be advised as to whether the hearing will continue on the date scheduled and if so the location or whether the hearing will be adjourned to a future time and place. When the firm requests an in person hearing, they will be informed by certified mail as to the time and place.~~ The notice of hearing shall also advise the firm that it may answer the charges in writing as set forth in paragraph 3.4.

The staff to the Board shall present the hearing panel with a hearing memorandum containing the charges against the firm and the material upon which it intends to rely upon at the hearing. Copies of this hearing memorandum and related material shall be furnished to the firm at the time of the mailing of the Notice of Hearing. Such Notice, when mailed by registered or certified mail (~~postage prepaid~~), ~~return receipt requested, or other means of delivery providing proof of delivery,~~ ~~postage prepaid~~, addressed to the managing partner, shareholder, or sole owner (chief executive officer) of the firm at its last known address as reflected in Program's enrollment records shall be deemed to be properly served.

The firm has the right to ~~acknowledge the plead guilty to the~~ charges that are contained in the hearing memorandum. The firm would ~~indicate that it acknowledges the charges against the firm~~ ~~enter a plea of guilty~~ by signing a statement included on the Notice of Hearing and returning it to the Director of the Program or his designee ~~at least within~~ 14 days ~~prior to from~~ the date on the Notice of Hearing. By ~~acknowledging the charges~~~~pleading guilty~~, the firm waives its rights to a hearing, accepts the sanctions proposed by the charging authority and consents to publication as provided in AICPA Bylaw Section 7.6.

A copy of these rules of procedures shall accompany the Notice of Hearing to the firm.

3.4 Answer to Notice of Hearing

It is in the best interests of the firm to provide the hearing panel with an answer in writing to the charges and hearing memorandum enclosed with the Notice of Hearing, and the firm is requested to do so. In order for any such answer to be considered it must be timely filed with the staff of the Board as follows. To be timely filed, the answer must be received by the staff to the Board registered or certified mail (~~—~~postage prepaid), return receipt requested, or other means of delivery providing proof of delivery, or by electronic delivery with confirmation of delivery (the firm has proof that the email was opened) at least within 14 days prior to from the date of the hearing. ~~—~~The answer may contain a denial of some or all of the charges, an explanation of some or all of the facts described in the hearing memorandum, any defenses being asserted, and any other information deemed relevant by the enrolled firm. No written or electronic submissions will be considered by the hearing panel after this period except in extraordinary circumstances and at the sole discretion of the presiding officer. ~~—~~The answer may be in the form of a reply memorandum to the memorandum and material accompanying the Notice of Hearing. In all cases, however, the firm is required to notify the AICPA staff at least within 14 days prior to from the date of the hearing whether the firm will participate in attend the hearing ~~either~~ by conference call ~~—~~ or in person and the identity and affiliation of the individual(s) who will represent the firm, and who will participate on behalf of the firm; at the hearing. See also Section 2.1

3.5 Postponements

A firm may request a postponement of a hearing for good cause. ~~—~~To be considered, any request for postponement must be received by the Director of the Program or his designee at least fourteen (14) days prior to the date scheduled for a hearing. Prior to the hearing, the presiding officer of the hearing panel, or Chair of the Board, if no presiding officer has been appointed, shall have sole discretion regarding the granting of a postponement. ~~—~~Only in extraordinary circumstances may a postponement be granted less than fourteen (14) days prior to from the hearing date. Within a reasonable period of time from the date the postponement is granted, the presiding officer shall reschedule the hearing. ~~—~~A postponement is not a matter of right and will be granted only upon the showing of good cause.

A hearing panel, when in session for the purpose of hearing a case, may postpone or adjourn the hearing and designate a new date upon a showing of good cause. Such action shall be taken by a majority vote of the hearing panel in executive session.

Denial of a request for postponement does not prevent the firm whose request is denied from reasserting the substance of its request as a basis for an appeal of a hearing panel's decision on the merits of the case to the AICPA Joint Trial Board.

3.6 **Witnesses**

Both the representatives of the firm and the staff or other individuals with responsibility for presenting the charges to a hearing panel may produce such witnesses as they deem appropriate. Witnesses will normally be excluded from a hearing except during such time as they are actually giving testimony. -Since it is assumed they will testify truthfully, witnesses at a hearing will not be sworn.

3.7 **Confidentiality of Proceedings**

No hearing before a hearing panel shall be open to the public. -However, relevant staff of the AICPA, and Board members may observe a hearing. Briefs, memoranda, documentary evidence introduced at hearings and stenographic transcripts of hearings, except as otherwise provided in Section 4.2, shall be available to the following on a confidential basis:

- a. The parties to the proceeding, observers to the preceding as set out in the preamble above, and their consultants, advisors or representatives.
- b. The AICPA Joint Trial Board, if the firm appeals the decision by the hearing panel, members of the hearing panel, staff, and parties to the proceeding. In addition, a firm's state board of accountancy, if such firm holds a permit or license to practice issued by a state board, shall be notified of any expulsions from the peer review program if the hearing panel decides, by majority vote, it is appropriate.
- c. Members of the AICPA Peer Review Board and hearing panel members.

3.8 **-Decisions**

Once a hearing panel is convened to hear a case, every effort will be made to reach a decision while it is convened. Thus, all parties shall be prepared to present their full case at that time.

3.9 **Public Disclosure of Terminations**

If a firm's enrollment in the Program is terminated, that fact shall be published as provided for in AICPA Bylaw Section 7.6 and the implementing resolution. Also, the termination will be reflected in the records maintained by the AICPA so that individuals making inquiries about the firm may be so advised.

Information contained in the files of the AICPA or the administering entity regarding pending proceeding(s) and matters that may result in the initiation of a proceeding, are to be held in confidence but maybe produced if legally required.

3.10 **Disqualification of Board Members from Participating in a Proceeding**

The following preclude a person from participating in any part of a proceeding on behalf of the Board or serving on a hearing panel:

- a. The individual's firm has performed a peer review in the last two peer review cycles of the affected enrolled firm's accounting and auditing practice.
- b. The individual has served on the review team that performed a peer review in the last two peer review cycles of the affected enrolled firm.
- c. The individual's firm is the subject of the proceeding.
- d. The individual serves on the board of accountancy of the state in which any office of the firm is located or where the firm has a license to practice public accounting.
- e. The individual serves on the peer review committee of the administering entity that administered the review.
- f. The individual serves ~~in on~~ any enforcement capacity at the AICPA, or state CPA society (including any professional ethics committee), state board, or on the AICPA Joint Trial Board.
- g. The individual believes he or she could not be impartial and objective with respect to the charges or has a conflict of interest.

3.11 **Effective Date**

A decision by the hearing panel to terminate a firm's enrollment in the Program or to impose other sanctions shall become effective 30 calendar days after the decision is made, unless, with respect to a termination, an appeal has been filed by the affected firm to the Joint Trial Board. A decision by the Joint Trial Board shall be effective immediately.

4. CONDUCTING A HEARING

4.1 **Responsibilities of the Presiding Officer**

The Chair of the Board or the Chair's designee shall appoint a member of the Board to serve as the presiding officer. The Chair can also appoint himself or herself as the presiding officer.

The presiding officer is to take action necessary to maintain order; rule on motions and procedural questions arising during the hearing; call recesses or adjourn the hearing; examine witnesses (along with other members of the hearing panel); determine the admissibility of evidence; and take such reasonable actions as may be necessary to provide for a fair and orderly hearing.

4.2 ~~Telephone Panel~~ Conferences When Firm Does Not ~~Participate Attend~~

If a firm does not advise the AICPA staff that it will ~~participate in attend~~ the hearing as set forth in section 2.1, the hearing may be conducted by ~~a telephone~~ conference call of the panel members, the date of which shall be contained in the Notice of Hearing, as provided in paragraph 3.3, set by the presiding officer without further notice to the firm. During the conference call, the presiding officer calls the roll of the members of the hearing panel by firm name and announces whether a quorum is present. (A quorum is a majority of those members appointed to the hearing panel including the presiding officer.) Thereafter, the panel members may discuss the hearing memorandum, any submissions by the firm, and any other matters they deem relevant to their decision. ~~Only hearing panel members, relevant AICPA staff, and other Board members may listen in the telephone conference call.~~ The hearing panel decides in executive session, without the presence of AICPA or the other observers, except the representative, if any, of the AICPA Office of the General Counsel may also be present at the executive session to advise the panel as to the appropriate rules of procedures. The hearing panel decides the case by polling all participating members, including the presiding officer (see section 5). A decision of the hearing panel requires the affirmative vote of a majority of the participating members. In the event that the hearing panel is unable to reach a decision during the executive session, it may adjourn the hearing to such later date as it shall determine. When the firm is not participating, no transcript of the ~~telephone~~ conference call hearing will be prepared. The firm shall be notified of the decision by letter via certified mail (postage prepaid, return receipt requested, or other means of delivery providing proof of delivery) within a reasonable period of time after the decision. The decision of the hearing panel will also be read into the open and/or closed session minutes of the next meeting of the Board.

4.3 Order of Proceedings

If a firm advises that it will ~~participate in attend either on the phone or in person at~~ the hearing as set forth in section 2.1 and 3.4, the hearing shall be conducted in accordance with the following rules:

- a. The presiding officer calls the session to order, identifies a representative of the office of General Counsel, if present, who will serve as legal counsel to the panel, identifies the case by firm name and firm number, and determines that a reporter is present and prepared to make a transcript of the hearing.

- b. The presiding officer requests that the representatives of the enrolled firm and counsel, if any, identify themselves for the record.
- c. If no representatives of the firm are present, the presiding officer may proceed if he or she determines on the record that it is appropriate to do so.
- d. He or she calls the roll of the members of the hearing panel. The presiding officer asks all those present to identify themselves for the record. —The presiding officer announces for the record whether a quorum is present. (A quorum is a majority of those members appointed to the hearing panel, including the presiding officer.)
- e. The presiding officer states for the record a brief summary of the subject of the hearing and the authority for holding it.
- f. The presiding officer states that the hearing will be conducted under these rules of procedures, noting in particular the informal nature of the hearing, especially as it relates to rules of evidence, and the need to maintain confidentiality.
- g. The presiding officer allows the parties to the proceeding to state for the record any objection they have to any prehearing proceeding, such as service of the Notice of Hearing, and to make any prehearing motions they have, such as request for postponement (see Section 3.5).
- h. The presiding officer requests the parties to the proceeding to identify their witnesses for the record.
- i. The presiding officer requests the staff or other individuals with the responsibility for presenting the charges to the hearing panel to present the evidence against the firm. In the course of this presentation, which may include taking testimony from witnesses, any exhibits to be introduced as evidence are passed to the representative of the firm for inspection. They are then passed to the presiding officer, who indicates orally whether they are to be admitted. The presiding officer should see that all documentary and physical evidence is marked for identification and that a list is kept that describes the exhibit and its identification.
- j. The presiding officer permits the following individuals to question witnesses called on behalf of the Board upon completion of their testimony:
 - i) The representatives of the enrolled firm, or counsel.
 - ii) Members of the hearing panel and the representative from the Office of the General Counsel, if present.

- k. The presiding officer requests the representatives of the firm, or counsel, to present any evidence in the firm’s defense, following the same procedures in (i) above.
- l. The presiding officer permits the following individuals to question witnesses called on behalf of the firm upon completion of their testimony:
 - i) The staff or other individuals with responsibility for presenting the charges to the hearing panel.
 - ii) Members of the hearing panel and the representative from the Office of the General Counsel, if present.
- m. The presiding officer permits the individual(s) with the responsibility for presenting evidence against the firm to offer rebuttal evidence.
- n. The presiding officer permits the representatives of the firm, or counsel, to make a closing statement that is then followed by the closing statement of the individual(s) with responsibility for presenting evidence against the firm.
- o. The presiding officer requests that all individuals other than the members of the hearing panel and its counsel, if any, ~~disconnect from the conference call/retire from the hearing room~~. (If for any reason the members of the hearing panel desire to speak with any other individual after this point, the representatives of the enrolled firm including its counsel, if any, shall be ~~recalled permitted~~ to observe the discussion.)
- p. In the executive session, the hearing panel discusses and decides its disposition of the case by polling all participating members, including the presiding officer (see section 5). A decision of the hearing panel requires the affirmative vote of a majority of the participating members. In the event that the hearing panel is unable to reach a decision during the executive session, it may adjourn the executive session to such later date as it shall determine or it may agree to reach its final decision by telephone.
- q. If a decision is reached on the day of the hearing, all persons present prior to executive session and the reporter are recalled (assuming they are still ~~available~~present) for the purpose of recording the decision. If a decision cannot be reached on the day of the hearing, the parties to the proceeding shall be informed of the decision by letter, which is to be mailed within a reasonable period of time after the decision in the same manner as a Notice of Hearing (see section 3.3).

5. THE HEARING PANEL'S DECISION

5.1 Decisions to be Made

All hearing panels must make the following determinations based on the evidence presented at the hearing.

- a. Whether the facts, as determined, support the charges brought against the firm.
- b. Whether the charges brought are a violation of the *Standards for Performing and Reporting on Peer Reviews* established by the Board.
- c. Whether the firm's enrollment in the Program should be terminated.
- d. Whether and what remedial actions should be required of the firm if its enrollment is not terminated.

A hearing panel will not reconsider a prior decision when a firm corrects the matter causing the hearing after the hearing is held. The completion of required actions after a decision has been made to terminate the firm's enrollment does not negate the fact that the firm has failed to cooperate and the firm is not deemed to be in compliance with the requirements of the Program.

However, this does not preclude the Board's Chair from deciding that a hearing panel (but not necessarily the same hearing panel that decided the matter initially) should reconsider a prior decision when there is new evidence, that was not available to the hearing panel and which is likely to have made a difference in the hearing panel's decision. The procedures to be used in such instances shall be at the discretion of the Chair. Firms that completed required actions after termination may request reenrollment into the program. However, notice of the termination shall be published as required by Bylaw Section 7.6 and the implementing resolution.

5.2 Appeal

As noted in section 1.5, a firm enrolled in the Program will have the right to appeal to the AICPA Joint Trial Board. Such request must be received within 30 calendar days of the date of the notice of the decision, be in writing, mailed in accordance with 3.3 and shall set forth the petitioner's reasons why the decision of the Board should be modified or set aside. However, the firm will not have the right to appeal a panel's decision when they have imposed sanctions other than termination.

5.3 Burden of Proof

A determination that the facts support the charges brought against the firm must be based on the preponderance of the evidence and the charging authority has the burden of proof as to the charges it brings.

Firm Termination Language and Communication

Why is this on the Agenda?

In order to increase transparency, the Peer Review Board is being asked to consider approval of proposed language for use in describing the underlying reasons for firm terminations.

At present, language used to describe the reasons for firm terminations is very general, pointing simply to noncooperation. While this language is accurate, it is vague and doesn't allow state boards, regulators, or other interested parties to determine the reason for the firm's termination.

This proposal provides specific language for matters leading to termination. The language would be used in the publication of terminations in open session materials as well as at <http://www.aicpa.org/forthepublic/prfirmterm/pages/default.aspx>. In addition, the language will be used in letters provided to state boards on a monthly basis.

Feedback Received

Staff has provided the proposal to AICPA internal legal counsel and all recommended changes are reflected herein.

PRISM Impact

No PRISM impact is anticipated.

AE Impact

This is a procedural change with little anticipated impact on AEs.

Communications Plan

A robust communication plan targeting AEs, regulatory agencies, and other stakeholders will be developed and executed shortly after approval.

Manual Production Cycle (estimated)

No manual impact is anticipated.

Effective Date

The revised termination language would be used for terminations resulting from hearing panels after the date of adoption.

Board Consideration

- Review and approve the revised termination language, as follows:

Examples of communications regarding terminated firms

Consecutive non-pass reports in system reviews:

The AICPA Peer Review Program terminated the following firm for failure to cooperate by failing to design a system of quality control, and/or sufficiently complying with such a system, that would provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects, such that the firm received consecutive pass with deficiency or fail reports.

Consecutive non-pass reports in engagement reviews:

The AICPA Peer Review Program terminated the following firm for failure to cooperate by continually failing to perform and report on engagements selected for peer review in conformity with applicable professional standards in all material respects, such that the firm received consecutive pass with deficiency or fail reports.

Failure to complete a corrective action [or implementation plan]:

The AICPA Peer Review Program terminated the following firm for failure to cooperate. The firm did not complete corrective actions [or implementation plan] designed to remediate deficiencies identified in the firm's most recent peer review.

Noncooperation related to omission or misrepresentation of information:

The AICPA Peer Review Program terminated the following firm for failure to cooperate. The firm either omitted or misrepresented information that should have been provided [to their peer reviewer] relating to its accounting and auditing practice. (Note that the bracketed text may be administering entity for CART reviews instead of peer reviewer)

Failing to complete its peer review after it has commenced:

The AICPA Peer Review Program terminated the following firm for failure to cooperate. The firm did not timely submit to its administering entity documents required to complete the acceptance process of its peer review.

Failing to submit revised documents:

The AICPA Peer Review Program terminated the following firm for failure to cooperate. The firm did not timely submit to its administering entity revised documents required to complete the acceptance process of its peer review.

Failing to submit signed acknowledgement letters:

The AICPA Peer Review Program terminated the following firm for failure to cooperate. The firm did not timely submit evidence of agreement to perform remedial actions as required as a condition of completion of its peer review.

Failing to submit signed Finding for Further Consideration forms [or Matter for Further Consideration forms]:

The AICPA Peer Review Program terminated the following firm for failure to cooperate. The firm did not timely submit to its administering entity documents required to complete the acceptance process of its peer review.

Failing to notify AICPA of allegations, etc.

The AICPA Peer Review Program terminated the following firm for failure to cooperate. The firm failed to disclose to its reviewer and/or administering entity communications received from regulatory, monitoring, or enforcement bodies regarding allegations or investigations in the conduct of accounting, auditing, or attestation engagements.

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 as a way to garner feedback and input 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 meeting

The STF focused on the Exposure Draft, “Improving Transparency and Effectiveness of Peer Review”, that was released for comments on November 10, 2015. As a reminder, the following are some of the main changes to standards, interpretations and related guidance;

- Clarify the peer review report by adding headings to the report, restructuring the placement of information within the report, clarifying when tailoring of the report is appropriate, etc.
- Clarify what the SQCS element requires and related nonconforming engagements in deficiency descriptions.
- Shift responsibility of determining appropriate remedial actions from the reviewer to the firm by removing reviewer recommendations and “closing the loop” from the report and requiring the firm to address these items in its LOR.

The STF also began work on the following, which is planned to be presented at the May 2016 PRB open session;

- Conforming changes from the Exposure Draft
- Peer Review Quality Control Enhancements
 - The ASB and PRB have been working together to provide firms and peer reviewers the guidance necessary for appropriately establishing, maintaining, and peer reviewing systems of quality control. Some of the topics being discussed include:
 - A more in depth Guidelines for Review of Quality Control Policies and Procedures checklist to assist reviewers in assessing the design of policies and procedures, along with example tests of compliance to determine compliance with SQCS 8. The checklist will provide guidance on identifying risks that a firm’s system of quality control will not provide the firm with reasonable assurance that engagements will be performed in conformity with professional standards and when an MFC should be created.
 - Enhanced staff interviews to assist with testing compliance with the firm’s policies and procedures.
 - Clarified guidance for determining how risks in the firm’s system of quality control impact overall risk assessment, engagement selection, and peer review reporting.

Other Future Topics

- Consideration of providing clarification on proper identification of nonconforming engagements.
- Consideration of standards impact from the recently issued ARSC ED.
- Consideration of non-AICPA firm enrollment in the Peer Review Program.
- Consideration of drafting a summary of no answers template.

- Consideration of guidance for selecting engagements outside of the peer review year.
- Consideration of engagement selection criteria for Engagement Reviews.
- Consideration of removing industries from the Engagement Summary Form.
- Consideration of clarified review standards (e.g. including definitions, capitalize "Board", referencing QC10 in lieu of SQCS 8, etc.)
- Consideration of QCM review of AICPA materials
- Develop guidance addressing firms operating under more than one name or legal entity (e.g. when is it appropriate that only one peer review occurs vs. when there should be separate peer reviews, reporting considerations, etc.).
- Update definitions of "personnel" and "professionals" used in various forms, practice aids, and guidance.
- Modify, expand and finalize guidance in Interpretations 6-7 and 6-8 for engagements performed under international standards.
- Consideration of whether past history of firms and reviewers should be part of the reviewer process.
- Consideration of whether surprise engagements are necessary in an electronic working paper environment.
- Consideration of subsequent events and the impact on the peer review.

Education and Communications Task Force

Accomplished since last meeting

- 2016 instructor approvals
- Review of formal and informal conference feedback
- Delivered the first RAB training
- Review of revised training modules (ongoing)
- Approval of revisions to FAQ document (ongoing)

Upcoming tasks:

- Conference planning
 - Development and approval of the general session agenda
 - Approval of conference cases
 - Approval of Exchange of Idea topics
- RAB Handbook updates related to training framework
- Training framework for new and existing RAB members

Oversight Task Force

What has been accomplished since the last PRB meeting:

- Accepted or conditional accepted plans of administration
- Accepted RAB Observation reports
- Reviewed responses from AEs to RAB Observation reports
- OTF members conducted AE oversight visits
- Monitor the Enhanced Oversight results
- Discussed type of feedback issued by AEs as a result of the Enhanced Oversight
- Reviewed hearing backlog

Upcoming tasks:

- Finalize OTF member assignments for AE Oversight Visits
- Monitor results of Enhanced Oversight
- Approve RAB Observation reports
- Monitor open reviews
- Monitor hearings backlog

Agenda Item 1.10A

Firms Dropped from the AICPA Peer Review Program for Non-Cooperation between November 10, 2015 and December 18, 2015, and Not Enrolled as of December 18, 2015.

Firm Number	Firm Name	State	Admin By	Letter Name
10104209	Gallo and Company P C	NJ	NJ	BGINFO5
10082007	Yates, Kluttz & Frazier, CPA's, Inc.	VA	VA	QRF2
10083135	Fouts & Co., LLC	IN	IN	QRF2
10091935	Hampton & Co PLLC	OK	OK	BGINFO5
10094095	Burke, Dennehy & Company, P. C.	MA	MA	BGINFO5
10096362	Wallace, Savage & Davis, P.C.	MA	MA	BGINFO5
10097788	Zusman & Associates, LLP	CA	CA	BGINFO5
10098841	George F. Maruska Ltd.	MN	MN	BGINFO5
1001841	Issac S. Schlesinger, CPA, LLC	NY	NY	BGINFO5
1003202	Strong & Strong	NV	NV	BGINFO5
1008857	Wilber & Townshend P. C.	MI	MI	BGINFO5
1017650	Theodore F. Kuchta, P.C.	TX	TX	BGINFO5
1023893	W. A. Group, P.C.	NM	NM	BGINFO5
1061244	Linda R. Sharp	NC	NC	BGINFO5
381622	David M. Hoffman & Co. PC	TX	TX	BGINFO5
414159	Marvin E Jeane	TX	TX	BGINFO5
609251	Paul W. Mugnier Professional Corporation	TX	TX	BGINFO5
1117398	Thomas L. Waldrep	TX	TX	BGINFO5
1188560	David R. Williams	NV	NV	BGINFO5
10104912	Margaret W. Moses CPA, P. C.	TN	TN	BGINFO5
10110450	Eddy & Eddy, CPAs, P. C.	TN	TN	FOFTIRQ5
10112926	Carlson Woo and Company, PC	VA	VA	BGINFO5
10125403	Kitty Peterson Associates PC	CO	CO	BGINFO5
10134205	David Neidhart CPA PC	TX	TX	BGINFO5
10137772	Regan, Grace & Kerley, L.L.C.	MD	MD	FOFTIRQ5
10139689	Schafer Accountancy Corp	CA	CA	BGINFO5
10141820	Stacey A Milbourne	MD	MD	FOFTIRQ5
10147813	R. Dwight Crisson	AL	AL	BGINFO5
10152119	Michael S Dunham & Company, PA	MD	MD	BGINFO5
10154774	Susan Bergstrom Brackney CPA/ABV, MST (APC)	NV	NV	BGINFO5
81520747	Karl Edwin Knox, CPA	TX	TX	BGINFO5
4162305	M. F. Magnan, CPA, PLLC	CA	CA	BGINFO5
4297968	Otis & Associates, P.C.	MD	MD	NOON5
4347719	Hardee Accounting PC	TN	TN	BGINFO5

4847594	Smith, Kunz & Associates	ID	ID	NOOFF5
4869296	Skrobarczyk & Partridge, CPAs, LLP	TX	TX	BGINFO5
5026724	Bruce A. Moore CPA , LLC	AL	AL	BGINFO5
5335358	Keller & Jarvis CPAs	TX	TX	BGINFO5
5633624	Matthew W. Cox, CPA LLC	VA	VA	BGINFO5
5705283	Amarco LLC	VA	VA	BGINFO5
6127175	Robert J Wade & Associates PLLC	VA	VA	BGINFO5
7330836	Frehiwet Asefaw, CPA	TX	TX	BGINFO5
7582855	Virag Associates, CPA PLLC	VA	VA	QRF2
8154457	John P. Osborn, CPA, PLLC	TX	TX	BGINFO5
8344266	Joelee Holdaway, CPA	NV	NV	BGINFO5
8567309	Medema & Company	MI	MI	ENGOSOD 4
8567309	Medema & Company	MI	MI	NOOFF5
8595986	Ellen Denise Hovington	VA	VA	QRF2

Firms Whose Enrollment Was Terminated from the AICPA Peer Review Program

Maloney & Jackson - Saint Louis, MO
E Coppock LLC – Saddle Brook, NJ
Carl F. Root, Jr., PA - Brevard, NC
Thomas O. Bailey - Dallas, TX



Peer Review Program