



December 15, 2021

Ron Gitz, CPA, CGMA, CEO
Lance Crappell, CPA, Peer Review Committee Chair
Mark Harris, CPA, CPA on Staff
Society of Louisiana CPAs
P. O. Box 1279
Destrehan, LA 70047

Dear Mr. Gitz, Mr. Crappell, and Mr. Harris:

On December 14, 2021, the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight for the Society of Louisiana CPAs, the administering entity for the AICPA Peer Review Program, and the administering entity's response thereto. A copy of this acknowledgement, the two oversight documents, and your response have now been posted to the AICPA Peer Review Program website.

The next administering entity oversight will be in 2023.

The AICPA Peer Review Board appreciates your cooperation and efforts in making the peer review program a success.

Sincerely,

Brian Bluhm

Brian Bluhm, CPA
Chair – Oversight Task Force
AICPA Peer Review Board

Oversight Report

August 25, 2021

To the Society of Louisiana Certified Public Accountants:

We have reviewed the Society of Louisiana Certified Public Accountants' administration of the AICPA Peer Review Program (program) as part of our oversight program. The Society of Louisiana Certified Public Accountants is responsible for administering the program in Louisiana. Our procedures were conducted in conformity with the guidance established by the AICPA Peer Review Board (board) as contained in the *AICPA Peer Review Program Oversight Handbook*.

Administering Entity's Responsibility

The administering entity is responsible for administering the AICPA Peer Review Program in compliance with the *AICPA Standards for Performing and Reporting on Peer Reviews*, interpretations, and other guidance established by the board.

Oversight Task Force's Responsibility

Our responsibility is to determine whether (1) administering entities are complying with the administrative procedures established by the board, (2) the reviews are being conducted and reported upon in accordance with the standards, (3) the results of the reviews are being evaluated on a consistent basis by all administering entity peer review committees, and (4) information disseminated by administering entities is accurate and timely.

Conclusion

Based on the results of the procedures performed, we have concluded that the Society of Louisiana Certified Public Accountants has complied with the administrative procedures and standards in all material respects as established by the board.

We have also issued a letter of oversight procedures and observations that details the oversight procedures performed and sets forth recommendations that did not affect the conclusions expressed in this report.



Richard Wortmann, CPA, Member, Oversight Task Force
AICPA Peer Review Program



August 25, 2021

To the Society of Louisiana Certified Public Accountants:

We have reviewed the Society of Louisiana Certified Public Accountants' administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated August 25, 2021. That report should be read in conjunction with the observations in this letter. The observations described below were considered but did not affect the conclusions expressed in that report.

The oversight was conducted according to the procedures in the *AICPA Peer Review Program Oversight Handbook*. The oversight program is designed to improve the administering entity's administration of the AICPA Peer Review Program through feedback on its policies and procedures, and to provide resource assistance from an AICPA Peer Review Board Oversight Task Force member on both technical and administrative matters.

In conjunction with the administering entity oversight conducted on August 11 and 24–25, 2021, the following observations are being communicated.

Administrative Procedures

On August 24, 2021, Thomas Parry, a member of the Oversight Task Force, and I met with the Director – Ethics and Practice Quality and Manager of Professional Services to review the program's administration. We believe the administrative processes were being handled in a manner consistent with peer review standards.

We reviewed the status of open reviews, including reviews with corrective actions and implementation plans, which had not yet been completed. We found that open reviews were being effectively monitored for completion by the administering entity staff and the peer review committee.

We reviewed the timeliness of the preparation of committee decision letters. We noted no problems in these areas.

We also reviewed the policies and procedures for granting extensions. We found that the Director – Ethics and Practice Quality and Manager of Professional Services handle extension requests with discussion from the committee when the circumstances warrant.

The administering entity has developed a backup plan to support the program administrators, technical reviewers, and the CPA on staff if they become unable to serve in their respective capacities.

According to discussions with the Director – Ethics and Practice Quality and Manager of Professional Services, we found compliance with the working paper retention policies for completed reviews.

We met with the Director – Ethics and Practice Quality and Manager of Professional Services to review the administering entity's procedures to determine if the information disseminated regarding the AICPA Peer Review Program by the administering entity on their website is accurate and timely.

After the AICPA staff's review of the website material, we noted that the administering entity maintains current information as it relates to the peer review program. In addition, the administering entity has an individual who is responsible for maintaining the website and monitors it periodically to ensure peer review information is accurate and timely.

Technical Review Procedures

On August 24, 2021, we met with the technical reviewers to discuss procedures. We determined that each technical reviewer met the qualifications set forth in the guidance.

We reviewed the reports, letters of response, if applicable, and the working papers for several reviews. Other than the items noted in the *RAB and Peer Review Committee Procedures* section below, we believe the technical reviewer for each review properly addressed issues before presenting them to the committee. This helped the efficiency and effectiveness of the acceptance process.

During the observed RAB meeting, the technical reviewers were available to answer any questions that arose.

CPA on Staff

On August 24, 2021, we met with the Director of Professional Services, who serves as the CPA on staff. We discussed procedures for monitoring the program. We determined that the CPA on staff met the qualifications set forth in the guidance.

We reviewed the annual confidentiality agreements, noting the current confidentiality agreement templates were utilized. Based on each individual's role in the program, all administering entity staff had an appropriately signed a confidentiality agreement in place.

We discussed the policies and procedures designed to mitigate familiarity threats and the implemented safeguards to ensure objectivity and skepticism while considering the results of peer reviews.

RAB and Peer Review Committee Procedures

On August 11, 2021, we attended a Report Acceptance Body (RAB) meeting. We observed the RAB and offered comments at the close of discussions. It was apparent that the RAB members had reviewed the reports and working papers prior to the meeting. Except as noted below, appropriate decisions were made in the acceptance process.

On one system review, the reviewer identified a pervasive audit documentation issue that resulted in multiple non-conforming engagements. We believe additional information should have been obtained from the reviewer to determine the impact of this matter on the report rating; however, the RAB agreed to accept the pass report.

On another system review, the Findings for Further Consideration (FFCs) did not clearly identify the systemic causes of the findings. Based upon our comments, the RAB delayed acceptance of the review for the reviewer to revise the FFC.

On a third system review, the firm's response on an FFC was not clear regarding their planned remediation for monitoring and inspections. Although the RAB had already expressed its intent to defer the review, our comments were added to the reasons for deferral.

On August 24, 2021, we met with the committee chair and discussed their procedures for disseminating comments resulting from RAB observation reports to the appropriate individuals.

On August 25, 2021, we attended the peer review committee meeting, and the meeting was orderly.

Oversight Program

The Society of Louisiana Certified Public Accountants' peer review committee has adopted a formal oversight program that is well documented. We reviewed the document and procedures performed and found it to be comprehensive.

Summary

Our observations to enhance the Society of Louisiana Certified Public Accountants' administration of the program are summarized as follows:

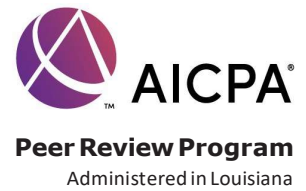
Technical reviewers should exercise greater care in performing technical reviews to identify and resolve issues before the report acceptance process. The RAB should also exercise care to ensure that all critical matters have been considered and properly disposed of.



Richard Wortmann, CPA, Member, Oversight Task Force
AICPA Peer Review Program



Society of Louisiana
Certified Public Accountants



November 11, 2021

Brian Bluhm, Chair
Oversight Task Force
AICPA Peer Review Board
Palladian I Corporate Center
220 Leigh Farm Road
Durham, NC 27707-8110

Re: Oversight of Society of Louisiana CPAs

Dear Mr. Bluhm:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the Society of Louisiana CPA's administration of the AICPA Peer Review Program (program) performed on August 11, 24 and 25, 2021. The matters discussed herein were brought to the attention of all peer review program committee members, administrative staff, and technical reviewer(s). In addition, the matters discussed in this letter will be monitored to ensure they are effectively implemented as part of our administration of the AICPA Peer Review Program.

RAB and Peer Review Committee Procedures

We appreciate the oversight process and the collective opinions and observations presented. Technical reviewers and RAB members are charged with using professional judgement in the acceptance process and the application of standards and guidance. The depth of consideration by the reviewer, technical reviewer and RAB was sufficient. This was discussed in detail during the oversight process. Technical reviewers, staff, committee members and members of the PROC analyzed and discussed the report and observation comments. Communication is paramount to ensure that matters are resolved in a manner that is appropriate and these parties maintain the highest level of accessibility with each other in our process.

We are committed to the success of the program. The committee will elevate the consideration of issuing reviewer feedback in instances when FFC content revisions are required, thereby documenting specific areas of needed improvement. This will also help us monitor reviewer performance, including whether there is a pattern of reviewer performance findings or deficiencies.

Sincerely,
Society of Louisiana CPAs

Ronald A. Gitz, II, CPA, CGMA
Executive Director/CEO

Lance E. Crappell, CPA, CGMA
Peer Review Committee Chair

Mark P. Harris, CPA
Director of Professional Services/CPA on Staff