

**Subject:** QSM Exposure Draft Comments  
**Date:** Monday, May 24, 2021

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Allen, Gibbs & Houlik, L.C. is a 130+ person firm located in Wichita, KS. Our assurance practice consists of approximately 35 people, including four partner level individuals that provide services to our commercial clients and three partner level individuals providing services to our governmental clients. Our current firm policy requires all attest reports and engagements be subject to a full and comprehensive engagement quality review (EQR). Not all of the partners have been designated to complete EQRs.

#### **PART 6 – OTHER ISSUES**

We strongly disagree with the proposed “cooling off period” as it relates to EQR. This will be difficult to perform for firms our size and nearly impossible to perform for smaller firms. Safeguards related to objectivity include our professional standards already in place, including ethics and integrity that resonates across our practice. In our firm, where quality is of the utmost importance, from our chief executive down to our interns, no partner completing our EQRs will risk the reputation of our firm or risk having a negative peer review result, let alone risk the threat of legal action. Other mitigating factors include the oversight by our peer review firm and ultimately Boards of Accountancy.

The amendments include a risk assessment process to quality management, which we strongly support; however, reducing the number of people qualified to do an EQR (if they have to stand down in a “cooling off period”) is counter intuitive to producing better-quality audits.

Our firm currently requires an EQR on all attest engagements; an unintended consequence could be other firms change their definition of what requires an EQR, perhaps even eliminating the requirement for virtually all attest engagements. This defeats the purpose of the intended amendments.

#### **PART 5 - EFFECTIVE DATES**

The proposed December 2023 date requiring compliance for 2024 projects is overly burdensome. We strongly support the majority of the new SQMs; however, suggest they be delayed 12 months from the current dates included in the exposure draft. Having to completely rewrite quality manuals, revise processes and procedures, train all employees and have ample time to monitor and re-change policy within the current dates is of concern.

We are firmly committed to providing high quality audits, respectfully submit these comments and thank you in advance.

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**Sean P. Weaver**

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