

Peer Review Oversight Committee

Meeting Agenda
NYS Education Department
80 Wolf Rd Albany, NY
May 18, 2022

The following members were present:

Frank S. Venezia, CPA, Chair
David Pitcher, CPA
Mitchell Mertz, CPA

Mary E. MacKrell, CPA, Vice Chair
Grace G. Singer, CPA

The following members were absent:

David Iles, CPA

Others in attendance:

Jennifer Winters, CPA, Executive Secretary, NYS Education Department
Thomas Cordell, Auditor 2, NYS Education Department
Philip Jesmonth, Auditor 1, NYS Education Department

Executive Session: On a motion by Ms. MacKrell and seconded by Mr. Mertz, the Committee voted unanimously to enter executive session at 12:15 p.m.

Minutes and Peer Review Determinations: Based on a motion made by Ms. Singer and seconded by Ms. MacKrell, the Committee approved the February 9, 2022, executive meeting minutes and peer review determinations. Mr. Pitcher abstained.

PROC Members only SharePoint: Ms. Winters informed the Committee that we are moving from the PROC members only website to SharePoint.

PRIMA Peer Review:

The Committee discussed a Firm that had four separate accounts on PRIMA/FSBA with four separate AICPA firm numbers. Ms. Winters noted that we have not received a response back from the Firm concerning this issue and PRIMA has not been updated. There will be no further action on this matter.

AICPA – Disciplinary Actions: The Committee reviewed the disciplinary actions.

Dropped Firms – 43 total - Firm Registration: 29 Current and 14 Delayed Registrations.

Terminated Firms – 5 - Firm Registration: 2 Current and 3 Delayed Registrations

- a.) 21 Firms that require continued oversight
- b.) 13 Firms that were re-enrolled and no longer require any oversight.
- c.) 4 Firms that submitted a Form 6PR to claim exempt that the firm is no longer performing attest services. No longer require oversight.
- d.) 5 Firms that were dropped then subsequently terminated. Referred to OPD and no longer require oversight.
- e.) 5 Firms that no longer require oversight due to previously being referred to OPD:

SUMMARY OF PEER REVIEW DECISIONS

The Committee discussed potential disciplinary, including imposing a fine for firms that miss multiple peer review periods. This will be further discussed with OPD and at future PROC meetings.

Report of Adverse System Reviews: The committee unanimously (except as noted abstentions) agreed to the following (please refer to the executive agenda and packet for additional information):

a.) 76 Firms that require continued oversight.

b.) 21 Firms that no longer require oversight.

2. Report of Adverse Engagement Reviews: The committee unanimously (except as noted) agreed to the following (please refer to the executive agenda and packet for additional information):

a.) 9 Firms that require continued oversight.

b.) 8 Firms that no longer require oversight.

3. NPRC Firm Determinations: The committee unanimously (except as noted) agreed to the following (please refer to the executive agenda and packet for additional information):

a.) 3 Firms that require continued oversight.

b.) 1 Firm that no longer requires oversight.

Follow up on 30-Day letters: The staff reported that 8 of 20 new firms responded to the 30-day letters. The staff will continue to follow-up with the firms.

AICPA Tickets:

The Committee reviewed tickets submitted to the AICPA and PICPA regarding peer review issues.

The Committee examined the limited response from PICPA for one firm.

The Committee examined the issue regarding the Firm being listed on PRIMA twice with two completely different AIPCA numbers. There has been no response from the AICPA concerning this issue.

PCAOB:

The Committee discussed a firm's PCAOB inspection report and noted no further action is needed.

New York Firms – The Committee examined the list of **132** NYS CPA firms subject to PCAOB inspection. The review is to ensure the firms were properly registered and enrolled in the peer review program.

The Committee requested further information from the Form 2 for **4** firms.

The Committee sent a referral of **1** firm to OPD.

NYS Department of Labor form Inquiry: Ms. Winters was notified of an issue with reporting on a NY DOL forms LS 300 and 301. The letter should be modified. This is considered an audit service and the firm performing it, should be enrolled in the Mandatory Peer Review Program.

New Business: None.

On a motion by Ms. MacKrell and seconded by Mr. Mertz, the Committee unanimously agreed to close executive session and end the meeting at 2:22 p.m.

Respectfully submitted,

Jennifer Winters, CPA
Executive Secretary