

NEW YORK STATE EDUCATION DEPARTMENT

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

Call to Order: On a motion by Ms. MacKrell, seconded by Mr. Mertz, the Committee unanimously agreed to move to public session at 10:54 a.m.

Minutes: Based on a motion made by Ms. Singer, seconded by Mr. Mertz, the Committee approved the February 9, 2022, meeting minutes after making the following adjustments:

Page 3. *“Mr. Mertz attended the August 24, 2021, RAB meeting and noted the PICPA RAB members were reasonable in their meeting.”* changed to *“Mr. Mertz attended the August 24, 2021, RAB meeting and noted the PICPA RAB members were fair and unbiased in the conduct of their meeting.”*

Mr. Pitcher abstained.

Future Meetings: Ms. Winters noted that future meetings done via WebEx Video Conference, must list the individual member’s address of where they will be attending. These locations must be open to the public. The Committee has scheduled the following future meetings:

- August 3, 2022, 9:00 a.m. - Video Conference
- October 26, 2022, 9:00 a.m. - Video Conference
- February 1, 2023, 9:00 a.m. - Video Conference

AICPA Peer Review Board Open Meetings

May 4, 2022 – The Committee decided to include the information from the Open Board Meeting in the annual PROC report (page 19). AICPA Peer Review Program Paragraph found on page 22 reinforces the PROC’s stance on firms that are subject to PCAOB inspection but not performing any engagements subject to peer review as there are 1400 firms with this status. Ms. Winters noted a large increase in nonconforming audits (page 23). A discussion ensued regarding the decrease in peer reviewers, accounting students, and firms that provide peer review services. Ms. Singer pointed out that New York appears to be in line with the peer review data reflected on page 34.

Ms. Singer and Mr. Pitcher will be attending the upcoming AICPA Peer Review Conference August 5-8th. They will report back to the Committee.

Future AICPA Peer Review Committee Open Meetings in 2022:

September 9th, November 16th - Ms. Winters and Mr. Cordell will attend the calls.

Mandatory Peer Review Website FAQs – Ms. Winters noted that the FAQs are still pending legal review due to WestLaw being backlogged. They are currently processing updates from February 2021.

Page 76, number 17 – Ms. Singer suggested changing the title from “*What are the requirements for firms that do not provide attest services?*” to “*What are the requirements for firms that do not provide or no longer provide attest services?*”.

Ms. Winters and Mr. Venezia will make final modifications to the FAQs and have them posted to the website. The finalized version will be provided to the Committee.

PCAOB - 2021 Annual Report: Mr. Mertz noted a correlation between failing on peer reviews and PCAOB inspection report findings.

PROC – 2021 Annual Report: The Committee discussed finalizing the annual report before the Board for Public Accountancy’s in person meeting in NYC on July 27th. It will be determined how the Mr. Venezia deliver the report to the Board. Pages 118, 120-122 and 123 have been updated accordingly.

Updating the pages listed below will be handled by the following Committee Members:

Page 116 – Message from the Committee: Mr. Venezia

Page 124 section e – Mr. Venezia

Page 124 section f – Ms. Singer

Page 125 – Committee will recommend to the department that WestLaw update the regulations on our website in a timely manner.

Page 125 – Committee decided to keep the current conclusion listed.

The changes listed above should all be updated by June 10th.

PICPA Oversight: Ms. Singer attended the May 3, 2022, Report Acceptance Body meeting and noted everyone was fair and unbiased in the conduct of the meeting.

New Business: None.

Public Session: A motion by Ms. Singer and seconded by Ms. MacKrell, the Committee voted unanimously in favor of adjourning the public session at 12:10 p.m.

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.

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

Respectfully submitted,

Jennifer Winters, CPA
Executive Secretary