

NEW YORK STATE EDUCATION DEPARTMENT

Peer Review Oversight Committee

Meeting Agenda

NYS Education Department: Room 201, 89 Washington Avenue  
Albany, NY 12234

Other Locations:

28 East Main Street, Rochester, NY 14614  
33 Century Hill Drive, Latham 12110  
454 Western Ave., Albany, NY 12203  
21 Greatwater Avenue, Massapequa, NY 11758  
360 Madison Avenue, New York, NY 10017

October 26, 2022

The following members were present:

|   |                      |
|---|----------------------|
| Frank S. Venezia, CPA, Chair                | David Pitcher, CPA   |
| David Iles, CPA (non-voting public session) | Grace G. Singer, CPA |
| Mitchell Mertz, CPA                         |                      |

The following members were absent:

Mary E. MacKrell, CPA, Vice Chair

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:** Chair called to order at 9:00 a.m.

**Minutes:** Based on a motion made by Mr. Mertz, seconded by Mr. Pitcher, the Committee approved the August 3, 2022, meeting minutes.

**Future Meetings:** Ms. Winters noted that future meetings 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:

- February 1, 2023, 9:00 a.m. - Video Conference
- May 17, 2023, 10:00 a.m. -80 Wolf Rd, Albany, NY
- August 2023, TBD

**AICPA Peer Review Board Open Meetings**

September 9<sup>th</sup> – Mr. Cordell noted the following: The Guidance is outdated when it comes to familiarity threats and will be revised and presented to the AICPA's Peer Review Board later this year. The AICPA will be working with the Administering Entities to achieve this. A successful peer review conference was completed in August. There is an issue with peer reviewers performing bad reviews. They are not looking to decrease the number of peer reviewers in the pool but will be addressing the issue. Peer reviewers will need to find successors to conduct future peer reviews. Peer reviewers are too busy to take on more peer

reviews thus creating a backlog. A suggestion for firms to begin the peer review process earlier to help alleviate this shortage. The goal is a more timely and efficient peer review process to not discourage new peer reviewers right out of the gate. Future meetings will continue to be virtual due to being effective.

Ms. Singer asked if they are addressing the increasing non-cooperation and Mr. Venezia mentioned it could be due to the lack of peer reviewers causing information not being addressed timely. If they can close out the backlog, it may be easier to form a succession plan. Mr. Pitcher noted that there is no supervision over technical reviewers. The Committee discussed writing a letter to the AICPA and NASBA to address the lack of succession plans, the issue of technical reviewers and lack of oversight, and punitive/money issues. Mr. Pitcher will draft the technical side of the letter and Ms. Singer will address the succession plan and punitive/money issue side. They will have these drafted by December 9, 2022 in hopes of creating a complete draft of the letter by January 18, 2023 to be included in the next PROC meeting materials for discussion.

Mr. Iles notes that the peer review conference had a lot of technical issues as a virtual attendee. The technical reviewers do not seem to be allowing for professional judgement and they are getting two different messages from both the Standards and the Administering Entity, PICPA.

**Future AICPA Peer Review Committee Open Meetings in 2022:**

November 16<sup>th</sup> - Ms. Winters and Mr. Cordell will attend the call.

**PICPA PRC and RAB Meetings:**

Mr. Mertz will attend the November 15, 2022, PRC meeting.

Ms. Singer will attend the December 15, 2022 RAB and May 18, 2023 PRC meetings,

**PICPA – Administering Entity Oversight Information Sheet –** As a follow up to the last meeting, Mr. Venezia contacted Ms. Henry asking if question 10 was a typo. Ms. Henry responded back that it is not a typo. They are no longer required to do an internal oversight inspection in the non-AICPA oversight year.

**New Business:**

NA

**Public Session:** With no other new business, a motion by Mr. Mertz and seconded by Ms. Singer, the Committee voted unanimously in favor of adjourning the public session at 9:35 a.m.

**Executive Session:** On a motion by Ms. Singer and seconded by Mr. Mertz, the Committee voted unanimously to enter executive session at 9:37 a.m.

On a motion by Ms. Singer and seconded by Mr. Pitcher, the Committee unanimously agreed to close executive session and end the meeting at 10:47 a.m.

Respectfully submitted,

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Jennifer Winters, CPA  
Executive Secretary