

NEW YORK STATE EDUCATION DEPARTMENT

Peer Review Oversight Committee

Meeting Agenda
NYS Education Department
80 Wolf Road, Albany, NY

Other Locations:

45 Bryant Woods North, Amherst, NY 14228
360 Madison Avenue, New York, NY 10017
21 Greatwater Avenue, Massapequa, NY 11758
17 Old Dock Road, Brant Lake, NY 12815
28 E Main Street, Suite 1000, Rochester, NY 14614
410 Upland Road, Ithaca, NY 14850

August 9, 2023

The following members were present:

Frank S. Venezia, CPA, Chair
Andy Neyman, CPA
Mitchell Mertz, CPA

David Iles, CPA, Vice Chair
David Pitcher, CPA
Grace G. Singer, 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. Singer and seconded by Mr. Mertz, the Committee voted unanimously to enter executive session at 9:38 a.m.

Minutes and Peer Review Determinations: Based on a motion made by Mr. Mertz and seconded by Mr. Neyman, the Committee approved the May 17, 2023, executive meeting minutes and peer review determinations.

PRIMA Peer Review: NA

Dropped and Terminated Firms

Dropped Firms – 25 total - Firm Registration: 14 Current, 9 Delayed Registrations and 2 Not Registered.

Terminated Firms – 5 total - Firm Registration: 2 Current, 3 Delayed Registrations and 0 Not Registered.

- a). **Firms that require continued oversight:** 12 firms will remain on the dropped monitoring list.
- b). **Firms that submitted a Form 6PR/6T to claim exempt that the firm is no longer performing attest services. No longer require oversight:** 3 firms will be removed from the monitoring list.
- c). **Firms that are reenrolled and no longer require oversight:** 3 firms will be removed from the monitoring list.

- d.) **Firms that were dropped and no response was received. Referred to OPD and no longer require oversight:** 6 firms will be removed from the monitoring list.
- e.) **Firms that were dropped then subsequently terminated. Referred to OPD and no longer require oversight:** 5 firms will be removed from the monitoring list.
- f.) **Firms that were closed in NYSED records and no longer require oversight:** 1 firm will be removed from the monitoring list.

1. 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.) **Firms that require continued oversight:** 90 firms will remain on the monitoring list.
- b.) **Firms that completed the corrective actions and no longer require oversight:** 8 firms will be removed from the monitoring list.
- c.) **Firms that were monitored, referred to OPD and no longer require oversight:** 3 firms will be removed from the monitoring list.

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.) **Firms that require continued oversight:** 20 firms will remain on the monitoring list.
- b.) **Firms that completed the corrective actions and no longer require oversight:** 5 firms will be removed from the monitoring list.

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.) **Firms that require continued oversight:** 9 firms will remain on the monitoring list.
- b.) **Firms that completed the corrective actions and no longer require oversight:** None

Discussion on Reinstated Firms – The Committee held a discussion on firms that were terminated from the peer review program, referred to the Office of Professional Discipline, removed from monitoring of the corrective actions, and then reinstated into the peer review program. The Committee decided that the firms fitting this scenario would go back on the active monitoring list. It will monitor of the firm’s corrective actions related to its peer review prior to being terminated.

AICPA Tickets:

Firm A –The Committee briefly discussed the error in the Facilitated State Board Access (FSBA)between the pass with deficiency and fail peer review report and the search of the firm. The report showed that the firm failed the peer review. However, the search did not show the peer review report or acceptance letter. It showed that the firm was not enrolled. The PICPA noted the four pieces of information that is publicly available and did not address the discrepancy. The AICPA also responded and noted that there was a data error with this specific firm. They corrected the FSBA and submitted a copy of the firm’s most recent peer review documents. In the end the Committee received the firm’s peer review information including the completion letter.

Firm B –The Committee briefly discussed the ticket submitted to the AICPA with a peer review due date of 1970. The response from PICPA did not address the issue of the 1970 peer review due date. The AICPA also

responded, and their response resulted in the AICPA noting there was a data error and corrected the issue to display the proper peer review due date.

Firm C – The Committee was informed that the firm with a failed peer review report was no longer found on the Facilitated State Board Access and a ticket had been submitted. A follow up at the next meeting will be provided.

Regents Action: The Committee discussed the Regents action of a firm resulting in a 2 year stayed suspension, 2 year probation, and \$10,000 fine.

New Business: The members discussed confidential matters related to the AE.

The Committee discussed a road map being created for peer review determinations for the dropped/termination and adverse reports.

On a motion by Ms. Singer and seconded by Mr. Mertz, the Committee unanimously agreed to close executive session and end the meeting at 11:30 a.m.

Respectfully submitted,

Jennifer Winters, CPA
Executive Secretary