

NEW YORK STATE EDUCATION DEPARTMENT

Peer Review Oversight Committee

NYS Education Department
80 Wolf Road, Albany, NY

Other Locations:

410 Upland Road, Ithaca, NY 14850
28 East Main Street, Suite 1000, Rochester, NY 14614
21 Greatwater Avenue, Massapequa, NY 11758
45 Bryant Woods North, Amherst, NY 14228
709 Westchester Avenue, White Plains, NY 10604

February 8, 2024

The following members were present:

Frank S. Venezia, CPA, Chair (not counted for quorum)
David Iles, CPA, Vice Chair
Andy Neyman, CPA
Mitchell Mertz, CPA
Grace G. Singer, CPA
David Pitcher, CPA

Others in attendance:

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

Call to Order: The Committee moved to public session at 9:02 a.m.

Minutes: Based on a motion made by Mr. Iles, seconded by Mr. Mertz, the Committee approved the October 24, 2023, meeting minutes.

Future Committee Meetings:

- May 14, 2024, 10:00 a.m. - 80 Wolf Rd, Albany, NY
- August 13, 2024, 9:00 a.m. - Video Conference

AICPA Peer Review Board Open Meetings:

November 16, 2023 Open Meeting – The Committee will be sending a comment letter with the recommended changes noted below. The Committee discussed the reviewer rule consideration (page 7) regarding a retired firm owner who would be allowed to remain a peer reviewer for 18 months after retirement; be used for a mentor program to reviewers; and the CPA must maintain their CPA license during the 18-month period.

The definition of the enrollment date (page 22) is different than the NYSED guidance on the enrollment date requirements. Mr. Iles notes the discrepancy could be a practical matter as a firm can engage in an engagement and then disengage without performing the qualifying service. The Committee noted to monitor this and if it passes, consider adjusting the frequently asked question on the website.

The Committee discussed a change in “Quality Control” to “Quality Management” throughout the document. The term “Quality Control” in is the Commissioner’s Regulations; however, the Committee discussed the words having the same meaning which will result in no update on NYSED’s end required.

The Committee discussed the allowable information to state boards based on where the firm's main office is located; however, should be any state the firm operates in (Page 97). Likewise, pages 97 and 98 state firms will grant access to a previously unavailable document detailing the firm not performing any engagements subject to review in the last 12 months. The documents listed on these pages should be required and the word "may" should be changed to "must".

February 7, 2024 Open Meeting– Due to the timing of the meeting, this will be deferred until the May PROC meeting.

Future AICPA Peer Review Committee Open Meetings: Ms. Winters and Mr. Cordell will attend the meetings: 2024 – May 15th, September 11th, and November 6th

Uniform Accountancy Act – Exposure Draft – The Committee briefly discussed the exposure draft. Ms. Winters, Mr. Venezia, and Mr. Iles drafted the comment letter and sent it to NASBA. To date, we have not heard back.

New Business:

The Deputy Commissioner of the Office of Professions, Sarah Benson, is officially retiring by the end of February. Ms. Winters noted she did help push the changes in 29.10 regarding peer review. However, her retirement will not impact the PROC.

Mr. Venezia has announced his retirement from the PROC and at the close of the Executive session will be his last meeting. The Committee and staff praised his hard work and being the pillar in the PROC's effectiveness in oversighting firms since the inception of the PROC/QROC. Mr. Venezia wishes there was a better way to penalize firms for not performing peer reviews when required. Ms. Winters noted that the enforcement process has started to hold firms more accountable through penalties. Mr. Iles will now be the Chair and Ms. Singer will be the Vice Chair. The PROC members were asked to reach out and try to find some candidates to replace the new vacancy.

Mr. Iles noticed that the PROC procedures were not added to the resources part of the SharePoint website. This will be added promptly by the staff.

Public Session: On a motion by Mr. Neyman and seconded by Mr. Mertz, the Committee voted unanimously in favor of adjourning the public session at 9:46 a.m.

Executive Session: On a motion by Ms. Singer and seconded by Mr. Mertz, the Committee voted unanimously to enter executive session at 9:54 a.m.

On a motion by Mr. Mertz and seconded by Ms. Singer, the Committee unanimously agreed to close executive session and end the meeting at 11:29 a.m.

Respectfully submitted,

Jennifer Winters, CPA
Executive Secretary