

Compliance Assurance Committee
Summary from 06.24.2014 conference call

Attendees: Janice Gray, Chair; Alan Long, Henry Krostich, Jim Gero, Edwin (Ed) Jolicoeur, Mark Hobbs, Elizabeth Gantnier, and Michael McClure; Leona Johnson (staff); and Rebecca Gebhardt (staff).

1. Janice Gray opened the meeting at 1:05 p.m. CST. Leona Johnson did roll call
 2. The CAC approved the January CAC meeting minutes.
 3. Report from Regulator Representative on Peer Review Board – Alan Long gave a report on the Peer Review Board (PRB) Meeting held May 13, 2014. Mr. Long informed the committee of the following items:
 - a. Exposure draft for changes to reports, doing away with exceptions, was approved by PRB – comment deadline is July 5th
 - b. The PRB approved peer review recall guidance.
 - c. Quality control manual representation letter was approved.
 - d. ARSC update: an exposure draft on new levels of service which removes financial statement preparation services out of peer review. The exposure draft should be ready for the August PRB meeting, it has a 45 day comment period.
 - e. Practice monitoring of the future – Mr. Long reported that he and Sue Coffey made a presentation at each of the NASBA Regional meetings. This is still a work in progress and they don't know what it is all going to look like just yet.
 4. Discussion of DOL issues and recall guidance. - Ms. Gray assured the committee that the AICPA and NASBA are taking this very seriously. Elizabeth Gantnier shared with the group that she is a member of the AICPA's Audit Standards Board (ASB) committee. Ms. Gantnier reported that the ASB is now working with the PRB and has also met with a subgroup of the NPRC.
 5. Report from NPRC Representatives –Mark Hobbs reported that NPRC has been busy with firms that didn't properly complete engagement population – EBP. Mr. Hobbs reported that he continues to participate and observe RAB meetings each two weeks; sometimes he is a chair and other times he is member. He reports the process is working well and the peer review season is going strong. Ms. Gray asked Mark and Art to include stats of the peer reviews in the NPRC report for our August meeting.
 6. The matrix for the basis of the guidance on failed reports was approved and the task force will be providing an initial draft of the white paper in August.
 7. A task force was appointed to begin planning for the 2015 PROC Summit.
 8. Dates were discussed for the semi-annual PROC call to provide guidance to PROCs as needed and to share information.
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