

Compliance Assurance Committee  
Summary from 01.07.2015 conference call

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**Attendees:** Janice Gray (chair), Alan Long, Mark Hobbs, Jim Burkes, Jeremy Watson, Henry Krostich, Fred Briggs, Arthur (Art) Sparks and Donnie Burkett; Leona Johnson (staff).

1. Janice Gray opened the meeting at 9:01 a.m. CST. Leona Johnson did roll call. Ms. Gray shared with the group that the two comment letters on the exposure drafts discussed on the December conference call have now been issued to the AICPA.
2. The CAC approved the December CAC meeting minutes.
3. Report from Regulator Representative on the AICPA Peer Review Board – Alan Long reported:
  - A. *Practice monitoring of the Future* – the Concept paper was finalized and released in December.
  - B. *Exposure Drafts* – the Peer Review Board (PRB) Standards Task Force met on January 6, 2015. All comments were reviewed and the exposure drafts were approved and will now be presented to the full Peer Review Board for approval at the next meeting in January. The next Open Session Meeting is January 27, 2015 in Puerto Rico.
4. Report from the NPRC Representative – Mr. Sparks reported that the NPRC held a face-to-face meeting in December where he shared that comments were forthcoming regarding the exposure drafts. He shared that reviews are ongoing and timely and that the NPRC has approved 4 firms peer reviews that had to go to the full committee. The reviews were discussed in great length and certainly not rubber stamped for approval. Mr. Hobbs added that the AICPA has had a slight back log getting peer reviews accepted; however, they have now added more staff and new managers and are in line to get the reviews approved.

Ms. Gray announced to the group that the PROC/CAC conference call has been scheduled for May 13, 2015 and asked that everyone mark their calendars. She also advised that the Concept Paper has a comment due date of June 15, 2015 and that the CAC will be asked to lead the charge to develop a response. We will discuss the paper at our next meeting in late April/early May.

5. Discussion of the UAA and Model Rules – Mr. Burkes reported that the Task Force had reviewed the UAA and Model Rules and held a conference call on December 23, 2014 where they made recommended edits. After the recommendations were shared with the full committee, some feedback and additional edits were offered. There was some confusion and clean up required relating to the indexing and alphabetizing of the sections under Rule 7-3. The committee held a discussion regarding a concern of adding preparation services under Rule 7-3 item (c). The committee agreed not to add preparation services to the UAA and Model Rules. Mr. Burkes reported that the Task Force discussed the
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difference in terminology used, Compliance Assurance vs Peer Review. The Committee discussed this and it was agreed that at some point in time the same terminology needs to be used by all parties; however, now is not the time to make this change since we don't know what other changes are coming down the pike. This discussion sparked the Task Forces edit to Rule 7-3 and item (a) moving the last sentence of item (a) up to the main 7-3 rule which clarifies Compliance Assurance Programs to include, but not be limited to, peer review programs. The Committee approved the recommended edits to be sent to the UAA committee for their consideration.

6. Update on PROC Summit Planning – Mr. Krostich reported that the summit date and location have been set. The date is Friday, July 10<sup>th</sup>, 2015 and the location is Nashville. The CAC and Joint AICPA PRB/NASBA CAC meetings will be held Thursday, July 9<sup>th</sup>, 2015. A summary of the draft agenda was given, providing each session, speaker and some background of the strategy used for the decisions.
7. Next Meeting – Our next meeting will be held after April 15<sup>th</sup>, prior to the May 13, 2015 PROC/CAC conference call.