October 11, 2016 (report date)

Ms. Denise Denning, CPA, Chair
Kansas Board of Accountancy
Landon State Office Building
900SW Jackson St, Ste. 556
Topeka, KS 66612-1239

Re: Oversight of Kansas Society of Certified Public Accountants Peer Review Program Administration

Dear Ms. Denning:

The purpose of this report is to summarize the procedures performed and the findings reached during my oversight of the Kansas Society of Certified Public Accountants (KSCPA) Peer Review Program Administration during the period of October 30, 2015 through this date. During this period, I performed oversight of 7 of the 10 Report Acceptance Body telephone conferences.

An AICPA oversight was performed by Richard W. Hill and was conducted in conformity with the guidance established by the AICPA Peer Review Board as contained in the AICPA Peer Review Oversight Handbook. The administrative oversight program is designed to ensure that the peer review program is being administered in accordance with the guidance issued by the Peer Review Board.

The AICPA Oversight Visit Report, dated August 25, 2016, concluded that the Kansas Society of CPAs complied with the administrative procedures and standards in all material respects as established by the board.

Based on the results of my procedures, observations and the AICPA Peer Review Program Oversight Visit Report I have concluded that the Kansas Society of CPAs has complied with the administrative procedures and standards in all material respects as established by the Peer Review Board.

Respectfully,

Mark W. Dick, CPA
Peer Review Oversight Committee Member

Note: This report was released March 10, 2017 when the KSCPA advised me of the AICPA acceptance letter dated February 28, 2017.

Enclosures

cc: Natasha Schamberger, CPA, President/CEO KSCPA
    Marshall Hull, Peer Review Committee Chair, KSCPA
February 28, 2017

Marshal Hull, CPA
Peer Review Committee Chair
Kansas Society of CPAs
100 SE 9th St., Ste. 502
Topeka, KS 66612

Dear Mr. Hull:

On February 23, 2017, the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight visit for the Kansas Society of CPAs, the administering entity for the AICPA Peer Review Program, and the administering entity's response thereto. A copy of this acknowledgement, the two oversight visit documents, and your response have now been posted to the AICPA Peer Review Program website.

The next administering entity oversight visit will be in 2018.

The AICPA Peer Review Board appreciates your cooperation and efforts in making the peer review program a success.

Sincerely,

Brian Bluhm

Brian Bluhm, CPA, Vice Chair
Oversight Task Force
AICPA Peer Review Board

cc: Natasha Schamberger, CPA, President/CEO
Rita Barnard, Technical Services Manager
Laurel Gron, Manager – Peer Review
AICPA Peer Review Program
Oversight Visit Report

August 25, 2016

To the Kansas Society of CPAs Peer Review Committee

We have reviewed the Kansas Society of CPAs' administration of the AICPA Peer Review Program as part of our oversight program. Our procedures were conducted in conformity with the guidance established by the AICPA Peer Review Board (board) as contained in the AICPA Peer Review Program Oversight Handbook. The administering entity is responsible for administering the AICPA Peer Review Program in compliance with the AICPA Standards for Performing and Reporting on Peer Reviews, interpretations, and other guidance established by the board. Our responsibility is to determine whether (1) administering entities are complying with the administrative procedures established by the board as set forth in the AICPA Peer Review Program Administrative Manual, (2) the reviews are being conducted and reported upon in accordance with the standards, (3) the results of the reviews are being evaluated on a consistent basis by all administering entity peer review committees, and (4) information disseminated by administering entities is accurate and timely.

Based on the results of the procedures performed, we have concluded that the Kansas Society of CPAs has complied with the administrative procedures and standards in all material respects as established by the board.

As is customary, we have issued a letter of oversight visit procedures and observations that details the oversight procedures performed and sets forth recommendations that were not considered to be of sufficient significance to affect the conclusions expressed in this report.

Richard W. Hill, CPA, Member, Oversight Task Force
AICPA Peer Review Program
August 25, 2016

To the Kansas Society of CPAs
Peer Review Committee

We have reviewed Kansas Society of CPAs' administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated August 25, 2016. That report should be read in conjunction with the observations in this letter, which were considered in determining our conclusions. The observations described below were not considered to be of sufficient significance to affect the conclusions expressed in that report.

The oversight visit was conducted according to the procedures in the AICPA Peer Review Program Oversight Handbook. An oversight program is designed to improve the administering entity's administration of the AICPA Peer Review Program through feedback on its policies and procedures, and to provide resource assistance from an AICPA Peer Review Board Oversight Task Force member on both technical and administrative matters.

In conjunction with the oversight visit of the Kansas Society of CPAs, the administering entity for the program, conducted on August 24 and 25, 2016, the following observations are being communicated.

**Administrative Procedures**

On August 24, 2016, I met with the Technical Services Manager to review the program's administration. I believe the administrative processes were being handled in a manner consistent with peer review standards.

I reviewed the files, which were still open due to follow-up actions, which had not yet been completed. I found that the follow-up actions were being effectively monitored for completion by the administrative staff and the peer review committee.

I also reviewed the policies and procedures for the granting of extensions. I found that the technical services manager handles short-term extension requests with discussion from the committee when the circumstances warrant.

I also reviewed the timeliness of the scheduling process, technical reviews, and the preparation of acceptance and follow-up letters. I found no problems in these areas.

I reviewed the confidentiality letters for all committee members and noted these had not been updated since 2013. The RAB Handbook requires those to be signed annually. The letters were prepared on August 25, 2016 and I reviewed these before I completed my visit.
**Web Site and Other Media Information**

I reviewed the administering entity's procedures to determine if the information disseminated regarding the AICPA Peer Review Program by the administering entity on their Web site and other media information is accurate and timely.

After the AICPA staff's review of the Web site material and other media information, I noted that the administering entity maintains current information as it relates to the peer review program. In addition, the administering entity has an individual who is responsible for maintaining the Web site and monitors the Web site on a weekly basis to ensure peer review information is accurate and timely.

**Working Paper Retention**

I reviewed the completed working papers for several reviews and found compliance with the working paper retention policies.

**Technical Review Procedures**

I met with the technical reviewers to discuss procedures. They perform all technical reviews and are experienced reviewers. I noted that the annual technical reviewer evaluations had not been completed since 2013. The evaluations were completed on August 25, 2016 and I reviewed these before I completed my visit.

I reviewed the reports, letters of response, if applicable, and the working papers for reviews. I believe that all review issues were addressed properly by the technical reviewer(s) before reviews were presented to the committee. This helped the acceptance process to be effective and efficient.

**Review Presentation**

Reviews are brought to the committee without open technical issues. Accordingly, it was not necessary for the RAB to spend a great deal of time reviewing specific technical issues.

**Committee Procedures**

I met with the committee chair and discussed their procedures for disseminating the comments resulting from the AICPA working paper oversights and RAB observation reports to the appropriate individuals. It was determined the committee issued reviewer feedback when appropriate.

On August 25, 2015, I attended the on-site peer review committee meeting. I observed the committee's acceptance process and offered my comments at the close of discussions.
The on-site committee functioned as the report acceptance body (RAB), and the meeting was very orderly. It was apparent that the committee members had reviewed the reports and working papers prior to the meeting and had a good understanding of the program to reach an appropriate decision for each review.

Appropriate decisions were made in the acceptance process, including assigned corrective actions and reviewer monitoring. Reviews were being presented to the RABs on a timely basis.

**Oversight Program**

The Kansas Society of CPAs' peer review committee has adopted a formal oversight program that is well documented. I reviewed the document and procedures performed and found it to be comprehensive.

**Summary**

My observations to enhance Kansas Society of CPAs' administration of the program are summarized as follows:

The administering entity should ensure each technical reviewer is evaluated annually and these evaluations are documented.

The administering entity should develop procedures to ensure confidentiality letters are obtained annually.

Richard W. Hill, CPA, Member, Oversight Task Force
AICPA Peer Review Program
October 1, 2016

Debra Seefeld, Chair, Oversight Task Force
AICPA Peer Review Board
Palladian I Corporate Center
220 Leigh Farm Road
Durham, NC 27707-8110

Re: Oversight Visit to Kansas

Dear Ms. Seefeld:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the Kansas' administration of the AICPA Peer Review Program (program) performed on August 24 and 25, 2016. The matters discussed herein were brought to the attention of all peer review program committee members, administrative staff, and technical reviewer(s). In addition, the matters discussed in this letter will be monitored to ensure they are effectively implemented as part of our administration of the AICPA Peer Review Program.

Administrative Procedures
We will continue to obtain signed confidentiality letters for committee members annually.

Technical Review Procedures
We will complete annual evaluations for technical reviewers. The peer review administrator and peer review committee chair will develop a process to ensure technical reviewer evaluations are completed annually.

We appreciate Richard Hill's constructive advice and suggestions.

Sincerely,

[Signature]

Marshall Hull, CPA
Kansas Peer Review Committee Chair

cc: Natasha Schamberger, CPA, KSCPA CEO
    Rita Barnard, Technical Services Manager