

THE VIRGINIA BOARD OF ACCOUNTANCY (VBOA)

The Peer Review Oversight Committee (PROC) met on Monday, November 14, 2011 in Training Room #2 of the Perimeter Center, 9960 Mayland Drive, Henrico, Virginia 23233.

MEMBERS PRESENT: Samuel E. Johnson, CPA, PROC Chairman
Nadia Rogers, CPA
Douglas L. Bowles, CPA
Lawrence D. Samuel, CPA, VBOA Liaison

STAFF PRESENT: Wade A. Jewell, Executive Director (portion of the meeting)
Dreana L. Gilliam, Board Administrator

PRESENT FOR A PORTION OF THE MEETING: Darshae Dabney, Peer Review Administrator, Virginia Society of Certified Public Accountants

CALL TO ORDER

Mr. Johnson called the meeting to order at 10:35 a.m. Mr. Johnson addressed the Committee and thanked the members for their attendance and participation.

SECURITY BRIEFING

Ms. Gilliam provided the emergency evacuation procedures.

REVIEW OF ACTIVITIES TO DATE

Mr. Johnson provided a summary of the events leading to today's meeting. He advised that the Virginia Society of Certified Public Accountants (VSCPA) has done an excellent job overseeing the peer review process. He stated that the PROC Committee is charged with ensuring that the program is uniformly applied and that the full Board understands the peer review process.

Mr. Samuel, as the VBOA Liaison advised the Committee that they are making progress towards determining the appropriate track for the VBOA. He commented that the members of the Board need to be educated on how the peer review process works and ultimately receive assurance from the PROC Committee that the process is functioning as designed and can be relied upon.

Following a discussion that included input from each of the members and Ms. Dabney, the members unanimously agreed that the delivery of the information should be clear and concise. In addition, looking into the process as it currently stands is critical because the processes have evolved over the years.

AICPA CONFERENCE SUMMARY

Mr. Johnson reported on the AICPA PROC Summit held August 17, 2011 in Charleston, South Carolina. He provided a summary of the sessions attended. Topics included but were not limited to; states relying on the process that is currently in place, Board member understanding of the process is not a guarantee, legal support for oversight, the Technical Reviewers process, and the overwhelming number of Boards seeking guidance on this issue.

MEETING WITH THE BOARD

The PROC Committee will make a presentation at the January 24, 2012 Board meeting. The presentation will include the first annual report.

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VSCPA PEER REVIEW COMMITTEE MEETING SUMMARY

Ms. Rogers reported on the VSCPA Peer Review Committee's June 14, 2011 and October 25, 2011 meetings. She provided a summary of events and advised the members that the Peer Review committee members were very professional, interactive, and knowledgeable. In addition, they strived to come to fair conclusions on each review considered. She led the discussion regarding the AICPA Oversight feedback provided by Randy Watson, Chair, Oversight Task Force of the AICPA Peer Review Board following the meeting. The VSCPA received a clean report and is considered more automated than most states per Mr. Watson. In addition, they are considered one of the most peer review-involved states. He praised the Technical Reviewers but advised they could do a better job of monitoring feedback. He also identified instances where the peer reviewers failed to meet the required due dates (one review wherein financial statements were not removed from the file within 120 days) and a Peer Reviewer(s) that did not have the appropriate expertise to perform a review.

ADJOURNMENT

There being no further business before the VBOA PROC, the meeting was adjourned at 1:16 p.m.

APPROVED:

Samuel Johnson, CPA, PROC Chairman

COPY TESTE:

Wade A. Jewell, Executive Director