

Mark Malachin
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Akron, OH 44313-6995

Dear Mr. Malachin:

On January 26, 2015 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 The Ohio 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 Web site.

The next state oversight visit will be in 2016.

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

Sincerely,

Richard Hill

Richard Hill, Chair
Oversight Task Force
AICPA Peer Review Board

cc: Scott D. Wiley, CAE, State Society CEO
Lisa Brown, The Ohio Society of CPAs
Karl Ruben, AICPA Peer Review Program Technical Manager



Oversight Visit Report

November 21, 2014

To The Ohio Society of CPAs
Peer Review Committee

We have reviewed The Ohio Society 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 Ohio 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.

Paul V. Inserra, Member, Oversight Task Force
AICPA Peer Review Program



November 21, 2014

To The Ohio Society of CPAs
Peer Review Committee

We have reviewed The Ohio Society of CPAs' administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated November 21, 2014. 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 Ohio Society of CPAs, the administering entity for the program, conducted on November 20 and 21, 2014, the following observations are being communicated.

Administrative Procedures

On the morning of November 20, 2014, I met with the manager, technical services 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 manager, technical services handles short-term requests with discussion with the committee when circumstances warrant.

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

Also, I reviewed the timeliness of the preparation of poor performance and tardiness letters and found these were being issued in a timely and appropriate manner.

The Society has developed a back-up plan to support the manager, technical services should she become unable to serve in that capacity. The plan includes the peer review administrators handling the day to day operations.

Web Site and Other Media Information

I met with the manager, technical services to review 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 AICPA staff's review of the web site material and other media information, we noted that the administering entity maintains current information as it relates to the peer review program. The manager, technical services is responsible for maintaining the peer review section of the web site and monitors the Web site on a periodic basis to ensure peer review information is accurate and timely.

Working Paper Retention

I reviewed the completed working papers and found compliance with the working paper retention policy. I found no problems in this area.

Technical Review Procedures

I met with the technical reviewers, to discuss procedures. They perform all technical reviews and are experienced reviewers.

I reviewed the reports, letters of response, if applicable, and the workpapers for 17 reviews in preparation for the November 21, 2014 committee meeting. I believe that all review issues were addressed properly by the technical reviewer before reviews were presented to the committee. This helped the acceptance process to be effective and efficient.

Committee Procedures

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

On November 21, 2014, I attended the report acceptance body (RAB) meeting and full peer review committee meeting. I observed the committee's acceptance process and offered my comments at the close of the discussions. The meetings were orderly. It was

apparent that the committee members had reviewed the reports and working papers thoroughly prior to the meeting and had a good understanding of the program to reach an appropriate decision on each review.

Appropriate decisions were made in the acceptance process, appropriate follow-up actions were assigned and reviewers were being appropriately monitored. Reviews were being presented to the RAB on a timely basis.

I did note, however, two reviews that the RAB deferred as a result of my comments. In one instance, a review was deferred pending additional clarification from the team captain on a matter. In another instance, I noted three MFC forms that should have been evaluated to an FFC.

Oversight Program

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

Summary

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

- The technical reviewers and RAB members should more carefully evaluate MFC forms that team captains and review captains do not elevate beyond the exit conference, to discern whether an FFC or report deficiency would be warranted.

Paul V. Inserra, Member, Oversight Task Force
AICPA Peer Review Program



January 16, 2015

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

Re: Oversight Visit to The Ohio Society of CPAs

Dear Mr. Hill:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of The Ohio Society of CPA's administration of the AICPA Peer Review Program (program) performed on November 20 & 21, 2014. 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.

The observations to enhance The Ohio Society of CPA's administration of the program are the technical reviewer and RAB members should more carefully evaluate MFC forms that team captains and review captains do not elevate beyond the exit conference, to discern whether an FFC or report deficiency would be warranted.

Technical Reviewer and Committee Procedures

The technical reviewers and committee members recognize that a more thorough evaluation of the MFC forms is important and this will be implemented as a regular practice going forward to ensure that MFC forms are elevated to an FFC or report deficiency when warranted.

We appreciate Mr. Inserra's constructive advice and suggestions.

Sincerely,

Mark A. Malachin, Chair
OSCPA Peer Review Committee