

March 1, 2011

Timothy J. Makela, Peer Review Committee Chair
Wisconsin Institute of CPAs
235 North Executive Drive, Suite 200
Brookfield, WI 53005

Dear Mr. Makela:

On January 28, 2011, 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 Wisconsin Institute 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 will be posted to the AICPA Peer Review Program Web site.

The next state oversight visit will be in 2012.

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

Sincerely,

Randy Watson

Randy Watson, Chair
Oversight Task Force
AICPA Peer Review Board

cc: Dennis Tomorsky, Executive Director, Wisconsin Institute of CPAs
Jessica Barillari, Peer Review Manager, Wisconsin Institute of CPAs
Teresa Bordeaux, AICPA Peer Review Program Technical Manager



**Wisconsin Institute of
Certified Public Accountants**

November 8, 2010

Mr. Randy Watson
AICPA Peer Review Board
Oversight Task Force
Palladian I Corporate Center
220 Leigh Farm Road
Durham, NC 27707-8110

Re: Oversight Visit to Wisconsin Institute of Certified Public Accountants

Dear Mr. Watson,

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the Wisconsin Institute of Certified Public Accountants' administration of the AICPA Peer Review Program performed on September 27 and 28, 2010. 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.

Web Site and Other Media Information

We recognize that having accurate and timely information on our Web site as well as other media information is important. The few broken links found on the website have been corrected and the administering entity has chosen to link directly to the appropriate sections of AICPA Peer Review website. The direct link to the AICPA Peer Review website will also ensure the forms used are the proper edition and updated.

Working Paper Retention

The administering entity has immediately implemented the workpaper destruction period to 120-days after the acceptance of the review versus destroying documents at 90-days after acceptance (under the standards for peer reviews performed prior to January 1, 2009). The administering entity has implemented procedures to ensure no review is destroyed prior to the 120-day guidance.

We appreciate Paul Inserra's constructive advice and suggestions.

Sincerely,

Timothy J. Makela, CPA
Wisconsin Institute of Certified Public Accountants
Peer Review Committee Chair

Oversight Visit Report

September 28, 2010

To the Wisconsin Institute of Certified Public Accountants
Peer Review Committee

We have reviewed the Wisconsin Institute of Certified Public Accountant's 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 Wisconsin Institute of Certified Public Accountants 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

September 28, 2010

To the Wisconsin Institute of Certified Public Accountants
Peer Review Committee

We have reviewed the Wisconsin Institute of Certified Public Accountant's administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated September 28, 2010. 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 (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 Wisconsin Institute of Certified Public Accountants, the administering entity for the program, conducted on September 27 and 28, 2010, the following observations are being communicated.

Administrative Procedures

On the morning of September 27, 2010, I met with the Peer Review 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 Peer Review Manager 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 Institute has developed a back-up plan to support the Peer Review Manager should she become unable to serve in her capacity.

Web-Site and Other Media Information

I met with the Peer Review Manager 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. The Peer Review Manager 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.

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; however, a few broken links to the AICPA Web site were noted. Also, an outdated form was noted on the Web site as well.

Working Paper Retention

I reviewed the completed working papers and found that although the reviewers were being informed of the 120-day record retention policy, the administrative entity was still destroying peer review workpapers based on the former 90-day record retention guidance. I also noted a few instances where workpapers were mistakenly destroyed prior to the 90-day period.

Technical Review Procedures

I met with the technical reviewer, who performs all of the technical reviews, to discuss procedures. The technical reviewer is an experienced technical reviewer and brings with her many years of public accounting experience. This technical reviewer also performs technical reviews for other administering entities.

I reviewed the reports, findings for further consideration, and letters of response (there were none) and the workpapers for eight reviews in preparation for the September 28, 2010 committee meetings. 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.

Review Presentation

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

Committee Procedures

I met with the committee chairman 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 September 28, 2010, I attended the on-site peer review committee meeting, as well as the state's executive committee meeting. I observed the committee's acceptance process and offered my comments at the close of discussions.

The on-site committee functioned as two report acceptance bodies (RAB) and the meetings were orderly. It was apparent that the committee members had reviewed the reports and workpapers thoroughly 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, appropriate follow-up actions were assigned and reviewers were being appropriately monitored. Reviews were being presented to the RABs on a timely basis.

Oversight Program

The Wisconsin Institute of Certified Public Accountant's 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 Wisconsin Institute of Certified Public Accountant's administration of the program are summarized as follows:

- The administering entity should review their Web site and update the links to the AICPA Web site and also update or remove old forms.
- The administering entity should immediately implement the 120-day record retention policy for peer review workpapers within the administering entity's office.



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