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CPA profession's practice monitoring of the future. The paper, "Evolving the CPA Profession's Peer Review Program for the Future," paints a picture of how the existing ...

Dec. 15, 2014

The [American Institute of CPAs](#) has issued a concept paper that seeks input on the CPA profession's practice monitoring of the future. The paper, "[Evolving the CPA Profession's Peer Review Program for the Future](#)," paints a picture of how the existing peer review program for firms' accounting and auditing engagements could be transformed into a technology-driven, near-real time practice monitoring process.

"Peer review is at the heart of the profession's commitment to enhancing the quality of accounting and auditing services. It has evolved over the course of 35 years to ably serve the profession and the public," said AICPA President and CEO [Barry C. Melancon](#), CPA, CGMA. "The concept paper, provocative by design, presents a significant leap forward in practice monitoring. It challenges the profession and its stakeholders to imagine a more timely and transparent process that offers insights into quality, in some instances even before an engagement is completed."

The concept as currently envisioned will morph based on feedback from the paper and from pilot participants, and as technology evolves. The concept's primary goal is to increase public protection through enhanced accounting and auditing effectiveness by:

- Highlighting potential quality risk indicators and detecting engagement issues earlier;
- Reviewing all firms that perform accounting, auditing and attestation engagements; and
- Monitoring all engagements subject to review

As currently designed, the concept would be powered by five activities:

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transparency and establishing more connection points between the CPA firm, the reviewer and the AICPA,” explained AICPA Senior Vice President, Public Practice & Global Alliances [Susan S. Coffey](#), CPA, CGMA. “I urge all interested parties to join the dialogue to help shape practice monitoring of the future.”

The AICPA expects that the practice monitoring concept would be developed and implemented in multiple phases. During the first phase, monitoring tools would be developed and piloted by a select voluntary group of small, medium and large firms. Throughout the pilot, the Institute would work with the pilot firms and peer reviewers to consider how to incorporate the concept’s new tools into a more robust interim peer review process.

Stakeholders are invited to provide comments and respond to questions on the [AICPA Community site](#) ([aicpa.org/futurepracticemonitoring](http://aicpa.org/futurepracticemonitoring)). You may also email comments to [prsupport@aicpa.org](mailto:prsupport@aicpa.org). The comment deadline is June 15, 2015.

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