

Common Peer Reviewer Deficiencies
Georgia Society of CPAs Peer Review Committee
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Reports:

Error	Remedy
1. Typos, misspellings, punctuation, and wording errors, including incorrect peer review year	Proof-read all reports carefully when signing
2. Incorrect report form or language, eg not including GAGAS, ERISA and FDICIA engagements reviewed, not including “Significant Deficiencies” in a fail report, or not applying recent report wording changes	Prepare and use a Peer Review Report Checklist, and update for each Peer Reviewer Alert
3. Repeat findings are not identified, or are incorrectly identified	Read the prior report and FFC s carefully from a system viewpoint, and be careful not to focus on the specifics of the finding/deficiency. Document close calls (either way) on MFCs.
4. Report of <i>Pass with deficiencies</i> or <i>fail</i> is not agreed to by RAB	Read the Manual, and then consult with a Technical Reviewer

Workpapers

Error	Remedy
1. Risk assessment does not include all relevant inherent and control risk factors	Develop and use a comprehensive checklist. Examples are available in peer review course materials and in the <i>Standards</i>
2. Not completing all sections of the Matters for Further Consideration to provide the RAB with a clear understanding of what was found, what caused it, what is its significance/materiality, and what was done or needs to be done about it,	Follow the directions provided with the MFC form and in the reviewer courses, and answer the questions with the RAB in mind
3. Firm Comments on Matter for Further Consideration forms are not responsive to circumstances, importance, etc.	Coach the Firm in how to respond the Matter, and provide them suggested language based on your understanding
4. Finding for Further Consideration forms repeat the MFC rather than restate it from a systemic view.	Write Findings at higher level than Matters, and write them so the Firm , the RAB and the next Team Captain have a clear understanding of the Finding
5. MFC form does not “close the loop” regarding the disposition of the Matter, ie <u>why</u> cleared, discussed, FFC or Report, and if omitted procedures or incorrect report what the resolution is	This is the place to justify your conclusions regarding the Matter to the RAB. Keep them in your mind as you complete your Comments

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6. Matters are considered without a sound basis.	Relate "isolated" to the systemic reason for the Matter
7. Matters are considered immaterial without regard to the system	Relate materiality to other opportunities of the systemic reason for the Matter, eg minor disclosure matter may reflect inadequate relevant CPE
8. Matter for Further Consideration forms not properly signed	Matters related to functional areas should be signed by the person responsible at the Firm, engagement matters should be signed by person with final responsibility for the engagement
9. FFCs do not focus on the systemic reason for the Finding	Discuss the Matters with the Firm and arrive at an agreed-upon systemic reason the Matter(s) occurred
10. There are differences in the Firm's client base in the Scheduling Information form and in the SRM Statistics or Risk Assessment	Read the Scheduling Information form and compare it to the Firm's client list
11. The GSCPA is not notified of changes in commencement and exit conference dates	As soon as you know of a change, send e-mail to jeff.wells@gscpa.org
12. The "substandard engagements" are not consistent between the MFCs, Sec. IV of the SRM, and Attachment 1	Compare these 3 when sending the materials to the Committee