

OREGON BOARD OF ACCOUNTANCY  
**PEER REVIEW OVERSIGHT COMMITTEE**

Minutes, May 16, 2013

*The Board of Accountancy protects the public by regulating  
the practice and performance of all services  
provided by licensed accountants.*

Members Present:

Roy Rogers, CPA  
Stuart Morris, PA  
Nancy Young, CPA  
Ryan Kramer, CPA

Guests:

Karen Johnson, DOJ, *left the meeting at 10:19 am*  
Phyllis Barker, OSCPA

Staff:

Martin Pittioni, *Executive Director*  
Heather Shepherd, *Committee Coordinator*  
Bethany Reeves, *Compliance Assistant*

Board Liaison:

Scott Wright, CPA

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1. Call to Order

The Peer Review Oversight Committee convened for a scheduled meeting on May 16, 2013. Chair Rogers called the meeting to order at 10:02 a.m. This meeting was recorded.

2. Approval of Minutes

A. January 17, 2013

COMMITTEE RECOMMENDATION: Moved by Young and carried to accept the minutes of January 17, 2013.

VOTE: 4 ayes

3. Report of Board Action

Mr. Wright reported that the Board met on February 4 & 5, 2013, March 18, 2013, and May 6, 2013. The Board in February had a general discussion of what the Board is expecting from the PROC committee. Mr. Wright will discuss this further under "New Business". The Board meetings in March and May did not have PROC-related items to report on.

4. Old Business

A. Personal Services Contract

1. Consideration of edits from counsel dated January 20, 2013

The committee members reviewed the edits that were made to the contract after the last committee meeting. The committee members concur that the contract is complete and should go forward to the Board.

COMMITTEE RECOMMENDATION: Moved by Morris and carried to propose that the Board adopt the personal service contract between the Oregon Board of Accountancy and the Oregon Society of Certified Public Accountants.

VOTE: 4 ayes

Karen Johnson left the meeting at 10:19 a.m.

5. New Business

A. Committee Membership update

The committee currently has three vacant member seats. Mr. Pittioni has mailed a letter to firms requesting names of potential licensees who would be willing to serve on the Peer Review Oversight Committee.

B. Clarification of Committee Scope

Mr. Wright reported that the Board has discussed what is expected of the committee, but will need to discuss further before anything is available for the committee. The PROC committee is the only Board committee created by statute. Mr. Wright noted that a task force was formed to review the Board statutes and rules for inconsistencies, improper references, and ambiguities, and this task force will be looking the rules in Division 50 related to peer review and peer oversight. The task force will make an initial presentation to the Board in June, so there is nothing to report to the PROC at this time. Mr. Wright added that in his personal view the applicable PROC rules mean that the PROC reviews the contract (oral in the past), making sure the contract complies with Board expectations of such a contract with respect to peer review performance, and review of peer review results that come out of that. Another question that came up at the last PROC meeting is that the OSCPA program at this point is doing the peer review for non-AICPA firms. Our contract is for that work, but the OAR is not as clear on that point, so probably we could use some clarifying language on that issue. In addition, the Board's task force may address other issues, so the PROC will need to be informed as those issues develop. Chair Rogers

raised the issue of the development of the safe harbor language, specifically why is there a reference to tax consultants and what was the legislative intent? Mr. Wright replied that intent is unknown to him, but ORS chapter 673 does contain language related to tax consultants and preparers that has nothing to do with public accounting, and contains the unique construct of creating only the PROC in statute. Mr. Wright added that while it may be desirable to have a statutory section focused solely on public accounting, it would be a very difficult legislative lift to change that language. Mr. Wright added that any statutory change would need to be part of a much larger statutory re-write, and there are currently no plans endorse that. Mr. Wright invited the committee members to share any comments and ideas for changes they would like to see in the Board's statutes or rules.

## 6. NEXT MEETING

The next scheduled meeting is scheduled for July 18, 2013. This date does not work for a few of the committee members. At this time, the committee does not anticipate needing to meet in July. If there is work for the committee, Board staff will send an email to members to coordinate a meeting date.

Meeting adjourned at 10:48 a.m.