



Abbott, Jordan & Koon, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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January 20, 2011

Peer Review Committee
Georgia Society of CPAs
3353 Peachtree Road, N.E., Suite 400
Atlanta, Georgia 30326

Re: Administrative Oversight Visit to the Georgia Society of Certified Public Accountants

The oversight was conducted according to the procedures in the *AICPA Peer Review Program Oversight Handbook*. The administrative oversight program is designed to insure that the AICPA Peer Review Program is being administered in accordance with guidance as issued by the Peer Review Board.

In conjunction with the oversight visit of the Georgia Society of CPAs, the administering entity for the AICPA Peer Review Program, conducted on January 20, 2011, the following observations are being communicated.

Administrative Procedures

On the morning of January 20, 2011, I met with the Honorene Hazeur, Peer Review Director to review the program's administration. I also met with Jeff Wells, the peer review coordinator, and Gary Julian, the Executive Director of the GSCPA. I determined that GSCPA peer review staff persons are knowledgeable of the program and understand their role and responsibilities. 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 director handles short-term extension requests with discussion from the committee when the circumstances warrant.

I also reviewed the timeliness of the scheduling process, technical reviews, and the preparation of acceptance and follow-up letters. I reviewed the procedures for determining reviewer and committee member compliance with program requirements, including CPE and reviewer resumes. I found no problems in these areas.

The Georgia Society has a back-up plan to support the program administrator, should she become unable to serve in that capacity.

Web Site and Other Media Information

I reviewed the administering entity's procedures to determine if the information disseminated regarding the AICPA Peer Review Program by administering entity on their Web site and other media information (if applicable) is accurate and timely.

I noted that the administering entity maintains current information as it relates to the peer review program. In addition, the administering entity has an individual who is responsible for maintaining the Web site to ensure peer review information is accurate and timely.

Working Paper Retention

I randomly selected 10 peer review files completed more than 120 days prior to this review and found no instances of noncompliance with the working paper retention policies. I noted that team captains are currently not receiving working paper retention policy memos when reviews are completed. This serves to remind the team captains of the Program's retention requirements. The peer review coordinator will develop and distribute a memo on all future reviews.

Technical Review Procedures

The technical reviewers of The GSCPA program are Alan Grothe, CPA and Christopher Rouse, CPA. They perform all technical reviews and are experienced reviewers. By inquiry and observations I determined that the reviewers understand their role and responsibilities and meet the qualifications for serving as a technical reviewer.

Review Presentation

The peer review committee meets one time a year for an update on any changes to the program. All reviews are accepted via telephone conference calls by RABs comprised of a few committee members, along with the peer review director.

I selected five engagements completed within the last 120 days to review the technical reviewer and RAB process. On these reviews, 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.

Oversight Program

I reviewed the most recent report of the AICPA Oversight Task Force. Through discussion and review of documents, I determined that the comments and recommendations from the visit have been appropriately addressed.

Summary

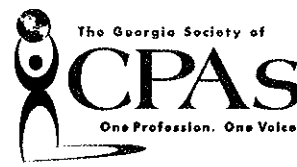
There are no further observations to be communicated to the Georgia Society of CPAs.



David C. Jordan, Member, Peer Review Committee



American Institute of CPAs



Peer Review Program

Administered by the
Georgia Society of CPAs

May 27, 2011

David C. Jordan, CPA
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Manchester, GA 31816-0609

Re: Internal Oversight Visit of the Georgia Society of CPAs Peer Review Department

Dear Mr. Jordan:

This letter represents our response to the observations noted in connection with the Internal Oversight Visit to the Georgia Society of CPAs Peer Review Department by David Jordan, CPA on January 20, 2011. The matters discussed herein were brought to the attention of all peer review committee members, state society peer review administrative staff, and peer review program technical reviewers. In addition, the matters discussed in this letter will be monitored to ensure they are effectively implemented as part of our system of quality control.

Observations to enhance the Program are summarized as follows:

1. It was noted that team captains are currently not receiving working paper retention policy memos when reviews are completed. This serves to remind the team captains of the Peer Review Program's retention requirements.

Working paper retention memos are sent to all reviewers, with the acceptance letter, for all peer reviews, as February 1, 2011.

We appreciate David Jordan's constructive advice and suggestions.

Sincerely,

Honorene Hazeur
Peer Review Director

cc: Randy Watson, CPA, Chair, PRB Oversight Task Force
Teresa Bordeaux, CPA, AICPA
Boyd Search, CAE, MBA, Chief Executive Officer, GSCPA