100 Introduction

100.1 Quality. A simple, yet powerful word. The *American Heritage Dictionary* defines *quality* as a "degree or grade of excellence." For a CPA firm, the performance of high-quality professional services is essential to ensuring the firm’s success, profitability, and longevity. A firm’s system of quality control is the bedrock on which its accounting and auditing practice is based. It provides a structure for performing engagement procedures and a safety net for helping to ensure that the firm’s reports are appropriate in the circumstances. An effective quality control system reflects a firm’s commitment to quality at all levels, which usually results in high-quality services.

What Is Quality Control?

100.2 The AICPA *Code of Professional Conduct* requires members to practice in firms that implement and maintain quality control procedures to ensure that services delivered to clients are competently performed and adequately supervised. Statements on Quality Control Standards (SQCSs) are standards issued by the AICPA Auditing Standards Board to provide the framework for developing and maintaining an effective system of quality control. Firms that have accounting and auditing practices are required to follow the quality control (QC) standards. SQCS No. 8, *A Firm’s System of Quality Control* (QC 10), establishes the authoritative guidance over a firm’s system of quality control and is further discussed in section 101.

100.3 **What Is an Accounting and Auditing Practice?** QC 10.13 defines an *accounting and auditing practice* as a practice that performs audit, attestation, compilation, review, and any other services for which standards have been established by the AICPA Auditing Standards Board (ASB) or the AICPA Accounting and Review Services Committee (ARSC) under the *General Standards Rule* (ET 1.300.001) and the *Compliance with Standards Rule* (ET 1.310.001) of the AICPA *Code of Professional Conduct*. (See also the discussion beginning at paragraph 803.6 for how the Peer Review Standards define *accounting and auditing practice.*) Thus, quality control standards apply to virtually all accounting and auditing services covered by AICPA pronouncements, including the SSARS, attestation, and auditing standards. Engagements performed in accordance with standards established by *other* AICPA technical committees are not considered to be accounting and auditing services. For example, quality control standards do not apply to consulting services or valuation services because standards for those services are not established by the ASB or ARSC.
Specifically, the services that are included in a firm’s accounting and auditing practice are as follows:

- Services covered by the auditing standards and *Government Auditing Standards*.

- Services covered by the SSARS—
  - Compilation engagements.
  - Review engagements.
  - Preparation engagements.

- Services covered by the SSAEs, \(^1\) including services on prospective financial information—
  - Reviews.
  - Agreed-upon procedures engagements, including engagements to apply agreed-upon procedures to specified elements, accounts, or items of a financial statement.
  - Examinations.
  - Compilations of prospective financial statements.
  - Reporting on controls at a service organization.
What Is the Purpose of a Quality Control System?

100.5 The purpose of a quality control system is to promote quality in performing accounting and auditing engagements. QC 10 indicates that a firm’s system of quality control is a system designed to provide the firm with reasonable assurance that (a) the firm and its personnel are complying with professional standards and applicable legal and regulatory requirements and (b) that reports issued by the firm are appropriate in the circumstances. In developing and maintaining its quality control system, a firm should establish—

- Policies designed to achieve the objectives associated with obtaining reasonable assurance, and
- Procedures to implement and monitor compliance with those policies.

Whom Is This Guide Designed for?

100.6 All AICPA member firms with an accounting and auditing practice as defined by the AICPA Code of Professional Conduct (see paragraph 100.3) are required to have a system of quality control. All such firms are also required to have a peer review performed every three years, as explained more fully in Chapter 8. The types of engagements performed by an accounting and auditing practice firm determines whether the firm is subject to a system review or an engagement review for its required triennial peer review. Firms that perform audit engagements under the auditing standards or Government Auditing Standards; examinations under the SSAEs; or audits of non-SEC issuers performed under the standards of the PCAOB as their highest level of service are required to have a system review every three years. Firms that have an accounting and auditing practice, but do not perform the types of engagements that require a system review and instead perform only services under the SSARS or the SSAEs (excluding examinations), should undergo an engagement review every three years (but may elect to have a system review).

100.7 This Guide has been designed for firms that are subject to system reviews. The material within this Guide covers the requirements, as they relate to quality control, of the more complex engagements of audits and examinations, as well as preparations, compilations, reviews, and other types of attestation engagements. Firms that have an accounting practice and perform only services under the SSARS or the SSAEs (excluding examinations), and thus are not subject to system reviews, should use PPC’s Guide to Quality Control—Compilation and Review instead of this Guide. PPC’s Guide to Quality Control—Compilation and Review provides a streamlined approach for establishing and maintaining a quality control system for firms that do not provide audits or examinations. It also includes the peer review-related information that applies to the performance of engagement reviews.

Chapter Overview
This chapter provides an overview of quality control, which is the foundation for the material in the rest of the Guide. This chapter discusses—

• Quality control-related standards.

• The importance of the firm's commitment to quality in developing and maintaining an effective system of quality control.

• The steps involved in developing and implementing an effective QC system.

• Considerations for drafting the firm's QC policies and procedures.

• Maintaining the firm's QC system.

• How practice monitoring affects the firm's QC system and the purpose of the AICPA peer review program.

• A summary of the topics included in the remainder of this Guide.

100.9 Use of the Term Partner. This Guide often uses the term partner (for example, partner, engagement partner, or managing partner). For firms structured in legal forms other than partnerships (such as professional corporations and limited liability partnerships), this term is meant to be viewed as interchangeable with shareholder or member. Use of the term partner is not intended to imply that the firm is operating as a partnership.

1 The ASB has recently completed a comprehensive project to clarify the attestation standards, which resulted in one attestation standard that will supersede most of the current guidance in the attestation standards. In conjunction with that project, the authoritative guidance over performing compilations of prospective financial information is moving from the SSAEs to the SSARS. The effective date of these authoritative changes will be no earlier than May 1, 2017. Future editions of this Guide will update for these changes.
101 Overview of SQCS No. 8 and Other Engagement-level QC Requirements

Recent Evolution of the Quality Control Standards

101.1 In 2007, the ASB issued Statement on Quality Control Standard No. 7, A Firm’s System of Quality Control, which superseded and replaced all of the quality control standards that existed at the time. SQCS No. 7 established standards and provided guidance for a CPA firm's responsibilities for its system of quality control over its accounting and auditing practice, effective for a firm's system of quality control as of January 1, 2009. In 2010, the ASB issued Statement on Quality Control Standard No. 8, A Firm’s System of Quality Control (Redrafted), which superseded SQCS No. 7 and was applicable to a CPA firm’s system of quality control for its accounting and auditing practice as of January 1, 2012.

101.2 In 2011, the ASB reissued SQCS No. 8, A Firm’s System of Quality Control, incorporating conforming changes resulting from the issuance of SAS No. 122, Statements on Auditing Standards: Clarification and Recodification. Those conforming changes did not revise any of the existing SQCS No. 8 guidance, but added cross-references to relevant AU-C sections. AU-C 220, Quality Control for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards, issued as part of SAS No. 122, provides engagement-level quality control requirements for audits. AR-C 60, General Principles for Engagements Performed in Accordance With Statements on Standards for Accounting and Review Services, issued as part of SSARS No. 21, provides engagement-level quality control requirements for engagements performed under the SSARS. This Guide incorporates the requirements of SQCS No. 8, and the engagement-level quality control requirements of AU-C 220, and AR-C 60. See further discussion of those engagement-level QC requirements beginning at paragraph 101.15.

101.3 As mentioned in paragraph 100.5, the firm’s system of quality control is a system designed to provide the firm with reasonable assurance that (a) the firm and its personnel are complying with professional standards and applicable legal and regulatory requirements and (b) that reports issued by the firm are appropriate in the circumstances. That statement is the objective of SQCS No. 8 (QC
10). Additionally, QC 10.17 indicates that the firm must establish and maintain a system of quality control.

101.4 The firm’s quality control system should consist of policies and procedures. The nature of the policies and procedures the firm develops to obtain reasonable assurance and comply with the requirements of QC 10 will depend on various factors, such as the following:

- The size of the firm.

- The operating characteristics of the firm, for example:
  - Types of services provided.
  - Types of industries served.
  - Number of partners.
  - Number of professional personnel.
  - Number of offices.
  - Whether any firm engagements are partially performed by foreign affiliate firms.
  - Whether the firm is part of a network.

**Professional Requirements**

101.5 QC 10.08 establishes two categories of professional requirements to describe the degree of responsibility the firm has for complying with the requirements of the QC standard. Those categories are—
• **Unconditional Requirements.** Unconditional requirements are those the firm must follow in all cases if the circumstances apply to the requirement. These requirements use the word *must*.

• **Presumptively Mandatory Requirements.** Firms are also expected to comply with presumptively mandatory requirements if the circumstances apply to the requirement; however, in rare situations, a departure from the requirement is allowed if the firm documents the justification and how alternative procedures that were performed were sufficient to achieve the objectives of the requirement. Presumptively mandatory requirements are identified by the word *should*. If the SQCS uses the words *should consider* for a procedure, the consideration of the procedure is presumptively required.

Throughout this *Guide*, the authors use the terms *must* and *should* in accordance with QC 10.08. The authors also use the term *is required* interchangeably with *should*.

101.6 The application and other explanatory material provides additional guidance on professional requirements or identifies other procedures or actions. While a firm is not required to perform the other procedures or actions, the information is relevant to the proper application of the requirements. The words *may*, *might*, and *could*, among others, are used to describe these actions and procedures. The application and other explanatory material may—

• Explain in more detail what a requirement means or is intended to cover.

• Include examples of policies and procedures that might be appropriate in the circumstances.

• Provide background information on matters addressed in the standard.

**Definition of Terms**

101.7 Before there can be a meaningful discussion of how to establish and maintain an effective quality control system governing a firm's accounting and auditing practice, there needs to be a clear understanding of what the relevant terms in the standard mean. Appendix 1A provides a list of definitions included in QC 10.

**Elements of a Quality Control System**

101.8 QC 10.17 states that the firm's system of quality control should incorporate policies and procedures that address each of the following QC elements:
Leadership responsibilities for quality within the firm (tone at the top).

- Relevant ethical requirements.

- Acceptance and continuance of client relationships and specific engagements.

- Human resources.

- Engagement performance.

- Monitoring.

Exhibit 1-1 presents a brief description of the QC elements in SQCS No. 8, along with how each element contributes to the objective of obtaining reasonable assurance regarding the effectiveness of the QC system and where they are discussed in this Guide.

**Exhibit 1-1**

**The Elements of Quality Control in SQCS No. 8**

<table>
<thead>
<tr>
<th>QC Element</th>
<th>Designed to Provide Reasonable Assurance That:</th>
<th>Discussed in Chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Responsibilities for Quality Within the Firm (Tone at the Top)</td>
<td>The firm establishes policies and procedures to promote an internal culture that is based on the recognition that quality is essential in performing engagements.</td>
<td>2</td>
</tr>
<tr>
<td>Relevant Ethical Requirements</td>
<td>The firm and its personnel comply with relevant ethical requirements.</td>
<td>3</td>
</tr>
<tr>
<td>Acceptance and Continuance of Client Relationships and Specific</td>
<td>The firm undertakes or continues only client relationships and engagements in which the firm (a) considers the client's integrity and does not have information that would indicate the client lacks integrity; (b) determines the firm has the competence,</td>
<td>4</td>
</tr>
</tbody>
</table>
Engagements | capabilities, and resources to perform the engagement; and (c) determines the firm can comply with applicable legal and regulatory requirements.

Human Resources | The firm has sufficient personnel with the competence, capabilities, and commitment to ethical principles to (a) perform engagements in accordance with professional standards and applicable legal and regulatory requirements, and (b) enable the firm to issue reports that are appropriate in the circumstances.

Engagement Performance | Work performed by engagement personnel consistently complies with professional standards and applicable legal and regulatory requirements, and the firm issues reports that are appropriate in the circumstances.

Monitoring | The policies and procedures established by the firm for the other elements of quality control are relevant, adequate, and operating effectively.

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**Documentation and Communication of the Firm's QC Policies and Procedures**

101.9 QC 10.18 requires that the firm document its QC policies and procedures. Matters such as the nature of the firm's practice, its size, and its structure may be considered in determining the _extent_ of documentation of the firm's QC policies and procedures. Documentation of the policies and procedures for a single-office firm with a small number of partners and staff would not be expected to be as extensive as those of a large, multi-office firm.

101.10 It is interesting to note that QC 10 does not require the firm to have a formal quality control policies and procedures _document_; instead, the standard indicates only that the firm's QC policies and procedures be _documented_. Thus, the standard allows the firm flexibility and latitude in determining the documentation method that best suits its individual practice and circumstances. (The use of the phrase QC _document_ in this _Guide_ is not meant to imply that firms need to document their policies and procedures in any particular manner.)

101.11 In reality though, having a quality control policies and procedures document reflecting the firm's structure and operations is expected by the AICPA. The questionnaires used by reviewers during the course of peer review specifically state that the comprehensive QC document used by the firm that was effective for the _peer review year_ should be provided to the reviewer. That is, the firm is expected to provide to the peer reviewer a QC document that has been followed for the past year, not a document or questionnaire completed solely for peer review purposes.

101.12 In addition to documenting its QC policies and procedures, QC 10.18 indicates that the firm should communicate its QC policies and procedures to firm personnel. That communication is not
required to be in writing, although written communication is preferable. The firm's communication of its QC policies and procedures, as described in QC 10.A2, generally incorporates the following:

- A description of the policies and procedures and the objectives they achieve.

- A message that each person is responsible for maintaining quality, as well as being familiar with the policies and procedures and complying with them.

- Comments stressing the importance of receiving feedback on how the QC system is operating and encouraging staff to communicate their concerns on quality control issues.

101.13 This practice monitoring requirement is applicable to firms that provide preparation, compilation, review, audit, or attestation services (referred to hereafter as accounting and auditing services) and requires those firms to undergo a peer review at least once every three years. As a result, firms that provide such services should have in place a quality control system that will withstand such a review or risk termination of firm membership in the program, individual memberships in the AICPA, and, in some states, loss of their licenses to practice.

Documentation Requirements

101.14 QC 10 includes general documentation requirements as well as various requirements to prepare and maintain documentation related to specific QC element areas. Those requirements are discussed throughout this Guide in the relevant topic areas. To assist the firm in determining whether it is complying with those documentation requirements, the authors have developed the “Quality Control Documentation Checklist” at GQC-PA-1.4, which identifies and summarizes the documentation requirements in one place.

Quality Control Auditing Standard (AU-C 220)

101.15 AU-C 220, *Quality Control for an Engagement Conducted in Accordance With Generally Accepted Auditing Standards*, provides requirements and guidance to the auditor and engagement partner as they implement each element of quality control during the performance of an audit of financial statements. Thus, for every quality control element discussed in QC 10, AU-C 220 provides information that conveys how the firm ensures that the requirements of the QC standard are met in an audit engagement. The responsibility to ensure compliance with AU-C 220 is primarily placed on the audit engagement partner. However, certain requirements are also imposed on the engagement team and, if applicable, engagement quality control reviewer. In meeting the requirements of AU-C 220, the engagement partner is permitted to delegate his or her responsibilities, and the engagement team may rely on the firm’s quality control system unless the engagement partner has indicated that it is inappropriate to do so.
101.16 The objective of AU-C 220 indicates that the auditor should implement quality control procedures at the engagement level that provide him or her with reasonable assurance that (a) the audit complies with professional standards and applicable legal and regulatory requirements and (b) the auditor’s report is appropriate in the circumstances.

101.17 The guidance in AU-C 220.04-.05 indicates that engagement teams are responsible to implement quality control procedures that apply to the audit engagement. Additionally, engagement teams are expected to provide the firm with relevant information needed to enable the firm’s system of quality control relating to independence to function appropriately.

101.18 AU-C 220.06 explains that engagement partners may use the assistance of other engagement team members or other personnel in the firm to assist in meeting the requirements of the standard. Additionally, the requirements that are imposed on engagement partners under AU-C 220 do not relieve other engagement team members of any of their professional responsibility.

**Engagement-level Quality Control under SSARS 21 (AR-C 60)**

101.19 AR-C 60, *General Principles for Engagements Performed in Accordance With Statements on Standards for Accounting and Review Services*, provides general principles for firms to follow when performing an engagement under SSARS No. 21. AR-C 60 is a standard that directs the firm in more than applying quality control at the engagement level. However, it does provide certain engagement-level quality control requirements and guidance that the engagement partner should follow. While there is not a requirement for every QC element included in QC 10 (unlike AU-C 220), several of the QC elements are specifically addressed in AR-C 60. The responsibility to ensure compliance with those engagement-level quality control requirements is primarily placed on the engagement partner. However, the related application guidance indicates that the engagement team also has responsibility to implement engagement-level quality control procedures. In meeting the requirements, the engagement team may rely on the firm's quality control system unless the firm or other parties have indicated that it is inappropriate to do so.

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102 Commitment to Quality

102.1 Improving engagement quality is the foundational concept pervasive in SQCS No. 8. In order to capture the spirit of the QC standard, the firm needs to make a serious commitment to quality. The need for commitment cannot be emphasized too strongly, and it should be viewed by firm personnel as long-term and coming from the top down. Improving and maintaining excellence within the firm demands a commitment on the part of every individual.

102.2 To make a true commitment to quality, firm management has to exhibit effective leadership; change or reinforce firm culture; and devote sufficient financial, personnel, and physical resources to the quality control effort.

Effective Leadership

102.3 Effective leadership is an essential ingredient for success in most team-oriented endeavors. A commitment to quality compels firm management to lead by example. The firm's quality control system needs to be rooted in firm management's expectations of, and insistence on, quality. The firm's partners have a responsibility to ensure that a commitment to quality is clearly embedded in the firm's values and culture. Their actions need to reflect an appropriate tone at the top that engenders a commitment to quality throughout the firm. In many cases, the ultimate determination of whether the firm maintains an effective system of quality control over time is largely a function of how well the firm's leadership group supports the system. See Chapter 2 for a detailed discussion regarding the responsibility of firm leadership to promote quality.

Firm Culture

102.4 An assessment of the firm's culture is an important step in the process of developing, improving, and keeping current a firm's system of quality control. Firm culture can be defined in this context as the shared assumptions, beliefs, and behaviors of firm personnel. To a large extent, what we do is determined by our culture. The same individual in two different firms may act in different ways, depending on the firm's culture.
102.5 Essential elements in sustaining a quality-conscious firm culture include an unwavering belief in the importance of quality and adaptability and a cooperative attitude among partners. If those elements do not exist or exist to an insufficient degree, they need to be cultivated. In some cases, that may mean emphasizing to those who lack the appropriate attitude that the stakes are high. They may have to be reminded that failing to establish and maintain an effective system of quality control can have a crippling effect on the firm over time.

102.6 Adaptability, the willingness to change and support change, is a critical component of infusing a commitment to quality into firm culture. Adaptability may take the form of a new system of policies, procedures, and the related supporting documentation; a significant change to the existing system; or a requirement to hire additional technical personnel. In any case, the quality control effort will necessitate a willingness from firm personnel to accept those changes.

102.7 Likewise, developing, improving, and keeping the quality control system current will entail a cooperative attitude among the firm’s partners. Passive resistance can sabotage the effort. If the firm’s existing culture is deficient and needs to be changed or improved to instill a commitment to quality, such change or improvement may take time because cultural change is not easy. When a change in culture is needed, the effectiveness of the firm’s leadership in promoting quality is critical.

102.8 Once new procedures are adopted, the message from the firm’s leadership needs to be clear. The firm’s commitment to quality will not be compromised, regardless of the engagement or the circumstances. No compilation, review, audit, or other attestation service can be considered too insignificant or too rushed to dispense with required QC policies and procedures.

**Dedication of Time and Resources**

102.9 To establish and maintain an effective quality control system, the firm needs to devote the time and resources necessary to ensure that the QC system put into place is adequate and that it continues to be effective. It is important to recognize that there will be start-up costs associated with establishing a QC system and, unless the firm is willing to commit to those costs, the effort cannot succeed. A realistic assessment needs to be made of the total investment in terms of time, money, and personnel resources that will be necessary. That investment is ordinarily recouped in later years through improved efficiency and well-managed growth. Many firms recognize an even earlier recovery of their investment by implementing time-saving suggestions and eliminating unnecessary procedures uncovered as the quality control system is refined. In the initial stages, though, the effort to develop or improve a quality control system represents a resource commitment by the firm.

**Benefits to the Firm of Establishing and Maintaining an Effective QC System**

102.10 Delivering high quality services is the driver for success for most professional service firms, and CPA firms are no exception. As mentioned in paragraph 100.1, performing quality services is vital to increasing the firm’s profitability, maximizing the firm’s value, and potentially even guaranteeing its long-term succession plans and viability. Clearly, there are sound business reasons for establishing and maintaining an effective system of quality control. The most noteworthy of those reasons are to improve the quality of the firm’s accounting and auditing services and increase its
efficiency in delivering those services.

102.11 **Improved Quality of Work.** It logically follows that an effective quality control system will yield an improved work product. Quality control measures reduce the risk of error and noncompliance with professional standards. Clearly communicated policies and procedures provide greater assurance to partners that staff members are performing appropriately and that the firm’s work product is accurate and complete. In addition, improved work quality ordinarily has residual benefits, such as improved staff morale and reduced litigation risk.

102.12 **Improved Staff Morale.** Association with a firm that actively strives to perform only high-quality services buttresses professionalism. It enhances the self images of partners and staff, pride in the firm, and overall morale. A quality control system that is operating effectively will often have an especially beneficial effect on staff morale, and ultimately staff retention, because of the heightened emphasis placed on increasing technical proficiency, professional development, career counseling, advancement, and related matters that are important to staff.

102.13 **Reduced Risk of Litigation.** The risk of being involved in a lawsuit, or more importantly, the risk of having a successful suit brought against the firm, can be minimized by a QC system that reduces the potential for error and increases the quality of engagement and other required documentation.

102.14 **Increased Efficiency in Delivering Services.** Over time, as the quality control system is refined and administrative and operating procedures are improved, the general efficiency of the firm’s quality control system operations often increases. Documentation, standardization, and consistency of operations usually have the effect of improved productivity. This is particularly important as the firm and its staff grows. It is during periods of growth that operational efficiency and structure become increasingly critical to ensuring that the firm continues performing high-quality engagements. The lack of such structure and order can cause a firm to lose its competitive edge.

**AICPA’s 6-Point Plan to Improve Quality Initiative**

102.15 Having an effective QC system has always been a vital aspect of performing effective and compliant engagements. A recent AICPA initiative focuses even more attention on the importance of engagement quality. In May 2014, the AICPA launched its *Enhancing Audit Quality* (EAQ) initiative to consider auditing of private entities, and in August 2014, released a paper on the initiative seeking public feedback. In response to the feedback received, in May 2015, the AICPA released its *6-Point Plan to Improve Audits* (6-Point Plan), which addresses specific audit quality issues and provides a roadmap to the profession for maintaining and improving audit quality. The 6-Point Plan concentrates on financial statement audits of private companies, with a focus on the specialized audits of employee benefit plans and governmental entities. The 6-Point Plan intends to align all AICPA efforts to improve audit performance and outlines enhancements in support of audit quality in the following areas (certain of the following enhancements are already in process, as further discussed in paragraph 102.16):

- **Pre-licensure.** Enhancements would update the CPA exam to increase assessment of higher-
order skills such as critical thinking and professional skepticism, add high school advance placement classes in accounting, and revise college-level accounting education.

• **Standards and Ethics.** Proposed changes include quality control standards implementation support, revisions to the auditor’s report, codification of the ethics requirements, and evaluation of the implementation of the clarified auditing standards.

• **CPA Learning and Support.** Enhancements would include competency models for audits, competency assessment tools and resources, new certificate programs, and new learning programs.

• **Peer Review.** Enhancements would include an increased peer review focus on higher-risk industries, including employee benefit plans and single audits, and more significant remediation plans.

• **Practice Monitoring of the Future.** This long-term initiative focuses on real-time, ongoing monitoring of firm quality checks.

• **Enforcement.** Enforcement focuses on aggressive investigation of referrals of deficiencies and enhanced coordination with state boards of accounting.

102.16 As discussed in various places throughout this *Guide*, the AICPA has already begun proposing and implementing changes as part of the EAQ and 6-Point Plan. For example, the AICPA completed its codification of the *Code of Professional Conduct* in 2014, including providing new online functionality, and revisions to the Peer Review standards and the CPE standards have been proposed in the past year. Additionally, other changes occurring in the peer review process as part of the 6-Point Plan are discussed beginning at paragraph 801.22. Detailed information about the AICPA’s EAQ initiative and its 6-Point Plan is available at [www.aicpa.org/InterestAreas/PeerReview/Pages/EAQ.aspx](http://www.aicpa.org/InterestAreas/PeerReview/Pages/EAQ.aspx).
103 Developing and Implementing an Effective QC System

103.1 There is not just one right approach to developing and implementing a system of quality control. However, a general project management approach that may be used by the quality control director is outlined in this section. More specific recommendations regarding each of the individual elements of quality control are provided in Chapters 2-7 of this Guide. Taken in chronological order, the authors believe that firms can benefit from performing the following steps:

- Set a realistic timetable for implementation.
- Accumulate and review all relevant professional literature.
- Assess the current status of the firm's QC policies and procedures and establish a plan for developing the system.
- Review the plan and timetable with the other partners.
- Develop quality control policies and procedures for all elements and relevant activities of quality control.
- Communicate the policies and procedures to firm partners and other professionals to initiate implementation of the system.
Monitor implementation of the system and provide additional training to individuals or groups, as needed.

Perform monitoring procedures on the system and make modifications as necessary.

103.2 GQC-PA-1.1 and GQC-PA-1.2 present these steps in a checklist format that can be used for developing and implementing a quality control system. The checklists provide an overview of the development and implementation process, as well as references to the sections of this Guide that contain the appropriate guidance. The checklists allow firms that have read this Guide to focus on the specific chapters and sections that are most relevant to their practices in developing and implementing an effective quality control system.

Setting a Realistic Timetable for Implementation

103.3 Before the firm is ready to begin the process of establishing a QC system, a realistic timetable for completing the project needs to be established. It is important for the timetable to consider when the firm will be undergoing its first or next review. Firms that enroll in the AICPA Peer Review Program generally have only 18 months during which to implement an effective QC system and undergo their first review. Newly formed firms with AICPA members (and other firms that will have a peer review for the first time) are required to establish an appropriate quality control system as soon as practical after the firm is established. As a result, firms need to set their timetables to ensure that their quality control systems are in place within the first few months, if possible, so their QC systems are fully operational prior to the commencement of their first peer review. (See section 106 for a discussion of practice monitoring and Chapter 8 for a detailed discussion of the peer review process.)

103.4 The authors believe that a realistic (although ambitious) timetable for implementing a quality control system within an 18-month period could be apportioned as follows:

• First two months—develop and implement the system.

• Next 12 months—complete one year's work (the peer review period) and monitor the QC system.

• Last four months—complete the first peer review.
103.5 It is unlikely the firm can successfully meet this ambitious timetable unless the project is given a high priority. It takes some firms significantly longer than anticipated to implement and refine their systems to a point where they are ready to undergo peer review.

**Reviewing Relevant Professional Literature**

103.6 The nature of the professional literature that is relevant will vary with each element of quality control and the type of services the firm provides. Ordinarily, professional literature will consist of authoritative literature (such as the AICPA's SSARS, SSAEs, and SASs and the *Code of Professional Conduct*), the requirements of various professional associations (the AICPA Audit Quality Centers, state societies of CPAs, etc.), and the requirements of various regulatory bodies (state boards of accountancy and other regulatory agencies that regulate clients' industries). (The GAO's *Government Auditing Standards* includes quality control system requirements, which are included in the QC policies and procedures in this *Guide.*) Specific guidance for each element is highlighted in each of the chapters that discuss those elements.

**Assessing the Current QC System and Establishing a Plan**

103.7 In this planning stage, the individual designated by the firm to be responsible for developing the QC system (usually the quality control director) obtains the information necessary to begin developing an implementation plan. (See section 204 for a discussion of the role of the quality control director.) Since most firms have some aspects of a quality control system already in place, the firm would ordinarily perform an analysis of the existing system first. The extent to which aspects of a system already exist will impact how much additional work needs to be done to put an effective QC system in place. Documentation of existing policies and procedures can be reviewed to determine what is still relevant. The firm can then devise an implementation plan that reflects what remains to be done and considers the resources needed.

**Reviewing the Implementation Plan and Timetable with Partners**

103.8 It is appropriate for the quality control director or another designated partner to present the plan and timetable to the partner group. How formal and structured such a presentation is will depend on the size and operating style of the firm. However, in considering how elaborate to make the presentation, the preparer needs to keep in mind that this is the primary communication device to elicit the support of the partner group. The presenter needs to provide whatever information is considered necessary to obtain partner cooperation and commitment to the project.

**Developing the QC Policies and Procedures**

103.9 The drafting of the firm's policies and procedures and related documentation is discussed in detail for each element and activity of the system in Chapters 2-7. In addition, the practice aids with this *Guide* provide the authors' suggested policies and procedures relating to each QC element and activity. These suggested procedures can be used as a starting point for drafting the firm's QC document. See section 104 for a more detailed discussion on drafting the firm's QC policies and procedures.
Communicating the QC Policies and Procedures to all Professionals

103.10 The nature and format of such a communication is generally a function of firm size. For firms with a sufficient number of professionals to warrant it, a seminar or formal presentation may be desirable. This step represents the introduction of the QC system to firm personnel. It is the beginning of the implementation stage. To reach this point, the following conditions ordinarily exist:

• Agreement has been reached regarding all aspects of the system.

• Access to the firm's policies and procedures is readily available to all professional staff.

• Forms, checklists, and other necessary practice aids and documentation are readily available.

When a seminar or formal presentation is conducted, the firm might desire to have the session qualify for in-house CPE credit. See Chapter 5 on professional development for a discussion on designing in-house CPE programs.

Monitoring Implementation of the QC System and Providing Additional Training

103.11 Monitoring the progress of the QC system implementation is an ongoing process designed to determine that the policies and procedures put into place by the firm are appropriately designed and operating effectively. This will generally require the quality control director to:

• Actively inquire whether the partners and staff understand and adhere to new policies and procedures and use the related forms and checklists.

• Create a mechanism for staff to openly communicate any problems or issues that occur when performing engagement services. This may include forming a quality assurance committee, composed of all levels of professionals, to discuss issues that arise and propose suggestions for improvements.

• Perform periodic spot inspections/reviews of workpapers, reports, forms, and checklists to determine whether or not the system is functioning properly.

103.12 In performing the procedures described in paragraph 103.11, the quality control director will often identify areas for improvement. The quality control director then determines what changes are needed in the firm's QC policies and procedures. Once that is done, the quality control director may
find it beneficial to provide training to specific individuals or groups regarding the changes to the QC policies and procedures to ensure that those involved both understand and comply with the changes.

**Performing Monitoring Procedures on the System and Making Modifications**

103.13 Monitoring procedures are performed to determine whether the firm's quality control policies and procedures are working properly and are being complied with in practice. Naturally, this assumes that the system has been designed, implemented, and fine-tuned. In many cases, monitoring procedures may identify situations that require remedial action. This is particularly true with regard to a newly-introduced system. (See Chapter 7 for a detailed discussion of monitoring procedures.)

103.14 Designing, or significantly modifying, and implementing a firm's quality control system is not generally an endeavor that will be completely correct the first time. As the new, or significantly modified, QC system starts getting used by the firm, both small and not-so-small changes may need to be incorporated into the QC system before firm leadership starts to feel like they have gotten it right. Thus, firms can expect a period of continued modifications to the QC system after it is first implemented.

103.15 **Obtaining External QC Consulting Assistance.** For some firms, especially those whose partners specialize in tax work, the task of implementing a QC system over their accounting and auditing practice may be especially challenging. The ongoing demands of the practice or the lack of familiarity with formalized administrative and supervisory systems may make it extremely difficult to develop and implement a QC system in a timely manner. If a firm fits into this category, the firm's time, money, and effort might best be spent hiring a firm of comparable size or a consultant to assist in implementing the system. Ideally, firms hired for such assistance have already had a peer review and received a report with a rating of *pass*.

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104 Drafting QC Policies and Procedures

104.1 What is the difference between a quality control system and a quality control document? The quality control document is the written form of the system. It represents the documented policies and procedures and the related forms, checklists, etc., that support those policies and procedures. As discussed in section 101, SQCS No. 8 requires that the firm document its policies and procedures. However, the extent to which the firm documents such procedures may vary depending on its size, structure, and nature of the practice. The authors believe that many small and medium-sized firms can comply with the requirement to document its QC policies and procedures without designing a sophisticated QC system.

104.2 The firm is required to comply with all requirements of SQCS No. 8, including considering whether other matters or circumstances exist within the firm that require it to establish additional QC policies and procedures to satisfy the objective of the quality control standard. On the other hand, the authors recommend that firms avoid unnecessary policies and procedures, as they can create an excessive and burdensome QC system that is difficult to comply with. For example, a firm with four professional staff members might not need to adopt policies requiring a formal staff evaluation for every job of 80 hours or more. For that size firm, such a policy may be overly stringent, with no comparable contribution to the quality of the firm's practice. Instead, the firm might adopt a policy requiring oral evaluations after every engagement of 150 hours or more, with an annual formal (written) evaluation. The authors believe that firms should attempt to achieve a balance between designing a detailed and structured QC system and a system that complies with the QC standard as simply and straightforward as possible, based on the firm's facts and circumstances.

Creating a Comprehensive Quality Control Document

104.3 Many firms, especially smaller ones, may prefer to document their quality control system in the form of an all-inclusive statement that contains the firm's policies and procedures relating to the elements and activities of quality control. This approach may also include the relevant documents (forms, checklists, etc.) for illustrative purposes; or, it may just make reference to them. If the latter approach is chosen, such documents need to be maintained and readily available and accessible to
all staff. Other firms with less complex quality control systems may choose to develop basic written
QC policies and procedures that are relatively simple but address all the required elements under
SQCS No. 8. The “Quality Control Policies and Procedures Drafting Form” at GQC-PA-13.5
provides a fill-in-the-blank type form firms may use to document their quality control policies and
procedures by QC element.

Referring to Personnel and Accounting and Auditing Manuals

104.4 Some firms maintain separate personnel manuals and/or accounting and auditing manuals for
their practices. These manuals generally contain a mix of policies, procedures, and documentation to
cover personnel and technical matters. Firms that have such manuals may choose to create an
abbreviated quality control document that makes reference to the appropriate procedures and
documents within those manuals rather than to create a separate comprehensive quality control
document. However, caution is needed when using abbreviated QC documents, as further explained
in paragraph 104.7.

104.5 Quality Control Materials. Many other firms adopt, or adapt to their practices, accounting
and auditing manuals developed by other large accounting firms or commercial publishers, referred
to as quality control materials. For example, the PPC brand of accounting and auditing guides
published by Thomson Reuters is widely used. A listing of PPC guides is available at
tax.thomsonreuters.com.

104.6 Quality control materials (QCM) provide guidance to assist firms in performing and reporting in
conformity with professional standards and may include, but are not limited to, engagement aids
(including accounting and auditing manuals), checklists, questionnaires, work programs, electronic
accounting and auditing tools, and similar materials designed to be used by accounting and auditing
engagement teams. When designing the firm’s quality control policies and procedures, the firm
should indicate the QCM that are being used, or make reference to the firm’s auditing or accounting
manuals that contain the firm’s QCM. Beginning at paragraph 605.21 is a discussion about the use of
QCM, including the firm’s responsibilities for evaluating the reliability and suitability of the QCM
before adopting and integrating the materials into the quality control system. Because the QCM found
in the PPC brand accounting and auditing guides are interrelated, the authors recommend their use.
The PPC brand of accounting and auditing guides undergo peer review by an independent third party
that includes the quality control system used in developing the materials.

104.7 A Caution about the Use of Abbreviated QC Documents. While referencing to QC
procedures contained in accounting and auditing manuals can greatly reduce the time needed to
document the firm’s QC system, there is one dangerous drawback to this approach. Seldom does a
firm follow verbatim all of the policies and procedures contained in the manuals used by the firm.
More often, the firm adapts the manuals to its own practice by using some of the checklists, forms,
and procedures and discarding others. If a firm makes a blanket reference in its QC document to its
use of a separate manual containing QCM, the firm could be held accountable during a peer review
to all the procedures recommended by the manual unless any deviations from the QCM are
documented in the firm’s QC policies and procedures. Therefore, if the firm does not plan to follow all
the procedures in its manuals, it needs to design some type of *bridging document* between its QC documents and the QCM to explain which procedures in the QCM are used. See beginning at paragraph 605.14 for a discussion about creating bridging documents.

**Considering the AICPA Quality Control Practice Aid**

104.8 The AICPA issued guidance for developing QC policies and procedures in its Practice Aid, *Establishing and Maintaining a System of Quality Control for a CPA Firm’s Accounting and Auditing Practice* (the AICPA Practice Aid). The AICPA Practice Aid provides illustrative examples of various types of policies and procedures a firm may consider when developing its system of quality control under the guidelines of SQCS No. 8. Illustrative examples of quality control documents are provided for four hypothetical firms varying in size, as follows:

- Firm with multiple offices.
- Single-office firm.
- Sole practitioner.
- An alternative practice structure (see discussion at paragraph 104.10).

104.9 The AICPA Practice Aid is not authoritative and only presents the recommendations of the AICPA Quality Control Standards Task Force on the applicability of the QC standard. Even so, the AICPA Practice Aid may be a good resource for use by the firm when drafting its QC policies and procedures. Various portions of the AICPA Practice Aid for a single-office firm are discussed and have been included in Chapters 2-7 of this *Guide*. Beginning in October 2014, as part of the AICPA’s Enhancing Audit Quality initiative (see the discussion beginning at paragraph 102.15), an electronic version of the AICPA Practice Aid has been made available at no charge on the AICPA’s website at [www.aicpa.org/interestareas/frc/pages/enhancingauditqualitypracticeaid.aspx](http://www.aicpa.org/interestareas/frc/pages/enhancingauditqualitypracticeaid.aspx).

104.10 **Alternative Practice Structures.** Alternative practice structures are allowed by ET 1.810.050 of the AICPA *Code of Professional Conduct*, which states that a member may practice public accounting only in a form of organization permitted by law or regulation whose characteristics conform to resolutions of the AICPA Council. A Council resolution (ET Appendix B) allows non-CPA partnership in CPA firms, subject to certain conditions. The Council resolution requires that CPAs own a majority of the financial interests and voting rights of a firm engaged in attest services and remain responsible, financially and otherwise, for the attest work performed. An alternative practice structure is a nontraditional structure in which nonattest services are performed under public or private partnership and attest services are performed through a separate firm owned and controlled
by a member.

Considering the AICPA *Peer Review Program Manual* Questionnaires

104.11 As discussed in Chapters 2-7 of this *Guide*, the AICPA *Peer Review Program Manual* (PRPM) includes questionnaires for firms to complete prior to the commencement of a peer review (see Chapter 8). The PRPM questionnaires are designed by the Peer Review Board of the AICPA as suggested policies and procedures that firms are encouraged to consider in designing and maintaining a system of quality control. Accordingly, firms may consider this information when designing or revising its QC system. Having a general understanding of what is suggested by the AICPA for the QC system can be helpful when drafting the firm’s policies and procedures.

104.12 The PRPM includes QC policies and procedures questionnaires for two categories of firms—firms with two or more professional staff and sole practitioners with no personnel. When developing and documenting a firm’s QC system, it is often helpful to read the portions of the peer reviewer’s checklists and questionnaires that relate to the QC elements and activities for the appropriate size firm. These checklists provide insight as to what a reviewer would look for, which, in turn, will help the firm decide how much documentation it needs.

Example Model Quality Control Documents

104.13 To help firms develop their own QC documents, the authors have developed example model QC documents at GQC-PA-13.1 through GQC-PA-13.4. The example model QC document presented in GQC-PA-13.1 is designed so it can be used by many local firms as a QC document starting point. GQC-PA-13.1 is an illustrative quality control document designed for a local one-office accounting firm that provides a full range of accounting and auditing services (as described at paragraph 100.4). However, the example model QC documents presented in this *Guide* are not intended to be used *as is* but are instead designed to be customized and tailored to the unique operations of each firm. It is important to remember that effective quality control system documentation needs to fit a firm’s unique operations. The authors have developed the following illustrations of how the example model quality control document in GQC-PA-13.1 might be tailored:

• *GQC-PA-13.2* presents an example QC document tailored for small firms desiring a somewhat less formal and less detailed QC document than provided in GQC-PA-13.1. Generally, the firm using the illustrative document at GQC-PA-13.2 as its QC document starting point will have two or more partners and one or more professional staff. This firm is generally small enough so that the partners are closely involved in all aspects of the firm’s operations. When making the assessment of whether your firm is considered a small firm, concentrate on your firm’s environment rather than a predetermined number of partners and professional staff.

• *GQC-PA-13.3* presents an example QC document tailored for a sole practitioner with one or more professional staff.
• GQC-PA-13.4 presents an example QC document for a sole practitioner with no professional staff.

• GQC-PA-13.5 presents a *fill-in-the-blank* type form for firms to document their quality control policies and procedures by QC element. This practice aid is not necessarily geared toward any particular category of firm, but provides room below each QC element and activity policy for the firm to describe its procedures for complying with the policy.

104.14 The example model QC documents at GQC-PA-13.2-GQC-PA-13.4 are intended only to provide illustrations of how the example quality control document for local firms at GQC-PA-13.1 can be adapted. If a firm uses GQC-PA-13.2, GQC-PA-13.3, or GQC-PA-13.4 to develop its QC system, it needs to also consider the footnotes accompanying the related quality control element policies and procedures drafting forms presented at GQC-PA-2.1, GQC-PA-3.1, GQC-PA-4.1, GQC-PA-5.1, GQC-PA-11.1, and GQC-PA-12.1. Considering those footnotes will help ensure that the QC system tailoring fits the unique operations of the firm. A firm developing or reviewing its QC system may want to draw from portions of two or more of the example QC documents illustrated at GQC-PA-13.2-GQC-PA-13.4. For example, a firm with two partners and no professional staff might select portions of GQC-PA-13.2 and GQC-PA-13.3 in drafting its own QC document.

104.15 The example model quality control documents, as well as the discussion in Chapters 2-7 of this *Guide*, provide guidance to firms as they determine the amount of documentation necessary when designing their firm's QC system.

**Quality Control System Assessment Practice Aids**

104.16 The authors have provided practice aids for assessing the overall adequacy of a quality control system. The firm can use those practice aids to assess its current QC system and to make revisions where weaknesses are noted, or where changes have occurred in the firm's practice. Completing the appropriate quality control system checklist requires answering questions about the firm's existing QC policies and procedures and providing descriptions of the QCM that the firm utilizes to ensure compliance with professional standards. Those checklists can be used either as an aid in developing and implementing a new QC system or in performing a final check of the firm's QC system after it has been developed. The checklists are intended to provide a summary of the various aspects of quality control that should be addressed by the firm's QC policies and procedures, and they vary by firm size and structure, as follows:

• **GQC-PA-14.1** is a checklist for use by firms with two or more professionals.

• **GQC-PA-14.2** is a checklist for use by sole practitioners with no staff.
The Standards Task Force of the AICPA Peer Review Board noted during the January 2016 Peer Review Board meeting that it is working with the ASB on a project to reorganize and reformat the AICPA Practice Aid, focusing on best practices, among other things. The new guidance being developed will provide both firms and peer reviewers with information necessary for appropriately establishing and maintaining systems of quality control. A future update of this Guide will provide further information on the status of this project.

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105 Maintaining the Firm’s QC System

105.1 It is apparent from the discussion of quality control policies and procedures in Chapters 2-7 that there are many tasks to be performed during the year that are essential to maintaining the QC system. Regardless of how quality-conscious firm management and staff are, important procedures may not be performed because someone simply forgets to perform them.

105.2 To guard against the possibility of forgetting to perform a critical administrative procedure required by the QC system, the authors suggest that firms (a) identify the administrative tasks required by the system, (b) assign responsibility for performing the tasks, and (c) schedule the tasks on a critical date calendar. Administrative tasks required by the system normally can be identified by reviewing the QC document. However, determining timing and frequency of such tasks requires a consideration of factors including (a) peak workloads (ideally, QC tasks are best performed during nonpeak periods); (b) lead time needed for feedback (for example, a firm generally desires to review CPE files in advance of its State Board deadlines so deficiencies can be identified and corrected); and (c) coordination with other administrative procedures.

QC Maintenance Calendar Drafting Form

105.3 GQC-PA-1.3 presents a calendar for maintaining the firm’s QC policies and procedures discussed in Chapters 2-7. This practice aid can be used as a model to help design a maintenance calendar that is suitable for the firm’s unique QC system.

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106 Practice Monitoring and Peer Review

General

106.1 The AICPA Code of Professional Conduct requires members to practice in firms that have quality control procedures for ensuring that services are competently delivered. The bylaws of the AICPA include a requirement at BL Section 220 at 2.2.3 and BL Section 230 at 2.3.4 that persons engaged in public practice as an owner or as an employee who has been licensed as a CPA for more than two years, either:

a. are practicing in a CPA firm that is enrolled in an AICPA-approved practice monitoring program if the firm performs services that are within the scope of the AICPA practice monitoring standards and the firm issues reports purporting to be in accordance with the AICPA professional standards, or

b. if authorized by Council, are themselves enrolled in such a program. ³

106.2 Practice monitoring programs are intended to reduce substandard performance by CPA firms in their delivery of accounting and auditing services. This is accomplished by periodic peer review of firms’ quality control systems. Currently, 49 states require firms engaged in accounting and auditing practice to have a peer review in order to be issued their practice unit license, regardless of whether the firm or its personnel are AICPA members. These factors have required and will continue to require many firms to either develop or improve their quality control systems so they can successfully complete a peer review. Also, firms that are enrolling in an AICPA practice monitoring program for the first time must have a system of quality control in order to successfully complete such a review.

106.3 Firms with partners or employees who are members of the AICPA and that are engaged in public practice must be enrolled in an AICPA practice-monitoring program (see paragraph 106.1).
This practice monitoring requirement is applicable to firms that provide accounting and auditing services and requires those firms to undergo a peer review at least once every three years. As a result, firms providing accounting and auditing services must have in place a quality control system that will withstand such a review or risk termination of firm membership in the program, individual memberships in the AICPA, and, in many states, loss of their licenses to practice.

106.4 Firm with No Accounting and Auditing Practice. The discussion in the earlier paragraphs of this section means that if a firm has no accounting and auditing practice, it is not required to participate in a practice monitoring program in order for its partners and employees to retain their AICPA memberships. However, a firm will generally be required to notify the AICPA when it accepts its first accounting and auditing client, and a peer review will be required within 18 months of the fiscal year-end of the first accounting and auditing engagement accepted.

106.5 AICPA Peer Review Program. In a generic sense, peer review means a review of a firm's accounting and auditing practice (which may vary in scope, purpose, nature, and procedures) by peers, that is, an independent CPA or CPAs with experience and expertise in practice areas similar to those of the firm being reviewed. The AICPA established its first practice monitoring program in 1977. Called the Division for CPA Firms, it was a voluntary program built around the concept of member firms undergoing a clearly defined form of peer review. The AICPA description of the term seems to be the most widely used. It established qualifications for reviewers, guidelines and procedures to be followed, the frequency with which reviews were to be conducted (once every three years), and specific objectives. (Section 801 discusses the evolution of the peer review process and the AICPA Peer Review Program in more detail.)

106.6 The peer review process focuses on the professional aspects of the reviewed firm's accounting and auditing practice and not on the firm's business aspects. Peer reviewers have no contact with any client. The peer review of a firm with an audit practice, for example, involves a visit to the firm's office by the reviewers who review the work performed on selected engagements and the financial statements and reports that were issued on those engagements (part of reviewing the engagement performance element), along with other documentation to determine whether the firm has complied with its policies and procedures related to the other QC elements.

106.7 The AICPA peer review process is discussed in detail in Chapter 8.

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Individual CPAs in non-CPA owned firms who perform compilations under the SSARS must also be enrolled in a practice monitoring review program. If the highest level of service is financial statement preparation, the firm is not required, but may choose, to be enrolled in peer review.

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107 Organization of This Guide

107.1 This chapter lays the foundation for the material in the rest of the Guide. An overview of information in this chapter is presented in paragraph 100.8. Chapters 2-7 discuss each of the six elements of a firm's system of quality control as required by SQCS No. 8. Those chapters also include information about the requirements of AU-C 220 and AR-C 60, which are pertinent to quality control for audit and SSARS No. 21 engagements, respectively. Chapter 8 discusses participating in the AICPA Peer Review Program under the requirements of the Standards for Performing and Reporting on Peer Reviews. [Firms subject to engagement review, as opposed to system review (see the discussion at paragraph 100.7), should use PPC’s Guide to Quality Control—Compilation and Review and not this Guide.] The titles of the other chapters in this Guide are listed below.

- Chapter 2—Leadership Responsibilities for Quality Within the Firm.

- Chapter 3—Relevant Ethical Requirements.

- Chapter 4—Acceptance and Continuance of Client Relationships and Specific Engagements.

- Chapter 5—Human Resources.

- Chapter 6—Engagement Performance.

- Chapter 7—Monitoring.
Chapter 8—The Peer Review Process and Undergoing System Review.

107.2 Included in this Guide are almost 70 practice aids to assist firms more efficiently develop, implement, and maintain their system of quality control. Use of those practice aids is discussed in the relevant chapter and each practice aid includes specific instructions.

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