



System Review Report

November 4, 2014

To Bobbie L. Howard, CPA
Bobbie L. Howard, CPA, APAC
and the Peer Review Committee of the Society of Louisiana CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Bobbie L. Howard, CPA, APAC (the firm) in effect for the year ended May 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*.

We noted the following deficiency during our review:

1. Deficiency—The firm's quality control policies and procedures require that the firm's compliance reports are in accordance with professional standards. During our review of the audit engagement of a not-for-profit organization performed in accordance with *Government Auditing Standards* under the Single Audit Act, we noted that the firm's OMB Circular A-133 Report on Compliance for Each Major Program and Report on Internal Control over Compliance contained outdated language and did not reference an applicable industry audit guide. As a result, the firm failed to meet all of the related A-133 reporting standards. However, the firm's compliance report did contain the majority of the required elements and correctly reported the results of its Single Audit procedures and therefore a recall and reissuance of the report was not deemed necessary. The firm is engaged to perform the subsequent year's audit and will correct the compliance report language and reference the industry audit guide.

Recommendation—The owner should ensure that the firm's compliance reports contain language that is in accordance with current professional standards and reference all industry audit guides when applicable. This can be accomplished by properly utilizing a reporting checklist at the completion of each engagement.

In our opinion, except for the deficiency described above, the system of quality control for the accounting and auditing practice of Bobbie L. Howard, CPA, APAC in effect for the year ended



May 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Bobbie L. Howard, CPA, APAC has received a peer review rating of *pass with deficiencies*.

Erickson, Krentel & Laporte LLP

Certified Public Accountants



LCPA Peer Review Program
Administered in Louisiana by the
Society of Louisiana CPAs



AICPA Peer Review Program
Administered by the
Society of Louisiana CPAs

January 29, 2015

Bobbie L Howard, CPA
Bobbie L. Howard
921 Church St
Houma, LA 70360

Dear Mr. Howard:

On January 28, 2015 the Society of Louisiana CPAs Peer Review Committee accepted the report on the most recent system peer review of your firm and your firm's response thereto.

The Committee accepted the aforementioned documents with the understanding that the firm will:

- ensure that all professional staff in your firm who work on accounting and auditing engagements participate in at least 16 hours of continuing professional in the area of single audit no later than May 31, 2015. Please send a letter to the Committee detailing the courses taken by each individual within thirty days of that date, along with proof of attendance at the courses. Self study, teleconferences or webcasts will not satisfy this requirement. If you have taken CPE in this or similar areas in the previous six months, please contact the peer review department to determine if the course qualifies.
- permit an outside party, acceptable to the Committee chair, to review the report, financial statements, and working papers on the next A-133 audit engagement issued subsequent to the review PRIOR to release. The outside party should report to the Committee by May 31, 2015 on the results of the review. You must obtain the services of the outside party at your expense and ensure they are acceptable to the committee by contacting the Peer Review Department. Upon completion of the pre issuance review, the reviewer will be required to issue a letter of corrective action to the committee. The committee will review the letter along with any workpapers prepared during the preissuance review and determine if further action will be required. If you do not expect to have an engagement completed in time to meet the deadline, please contact the Peer Review Department with an expected date.

This review is not considered accepted until we receive the signed document.

State Board Rule 46:XIX:1503.A.5 provides that timely completion of a peer review of firms that have performed attest services (e.g., compilations, reviews, audits, agreed upon procedures, etc.) is required in order to maintain and renew a CPA firm permit to practice.

Letter ID: 955850

As defined in Interpretation 25-2 of the Standards the review will not be considered complete until the committee accepts the report and letter of response (if applicable) or decides that the reviewed firm has performed the agreed-to corrective action(s) to the committee's satisfaction and the committee requires no additional corrective action(s) by the reviewed firm. This date is noted in a final letter from the administering entity to the reviewed firm and is posted on the State Board secure website.

Your firm's agreement to take this action voluntarily demonstrates its commitment to the objectives of the profession's practice-monitoring programs. Please acknowledge that agreement by returning a signed copy of this letter to us via email gsnyder@lcpa.org or fax 985-764-4345.

Sincerely,
SOCIETY OF LOUISIANA CPAs



Stacey Lockwood
Director of Professional Oversight
slockwood@lcpa.org 504 904-1136

cc: William Eric Powers

Firm Number: 10142949 Review Number: 361849

Acknowledged for the Firm:

Signature: Bohcie 2 Home Date: 1-30-15