



January 21, 2022

Amy A. Pitter, President/CEO
Douglas Rodrigues, CPA, Peer Review Committee Chair
Jay Kaufman, CPA, Peer Review Director
Massachusetts Society of CPAs
105 Chauncy St. 10th Floor
Boston, MA 01527

Dear Ms. Pitter, Mr. Rodrigues, and Mr. Kaufman:

On January 20, 2022, the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight for the Massachusetts Society of CPAs, the administering entity for the AICPA Peer Review Program, and the administering entity's response thereto. A copy of this acknowledgement, the two oversight documents, and your response have now been posted to the AICPA Peer Review Program website.

The next administering entity oversight will be in 2023.

The AICPA Peer Review Board appreciates your cooperation and efforts in making the peer review program a success.

Sincerely,

Brian Bluhm

Brian Bluhm, CPA
Chair – Oversight Task Force
AICPA Peer Review Board

Oversight Report

November 18, 2021

To the Massachusetts Society of Certified Public Accountants Peer Review Committee:

We have reviewed Massachusetts Society of Certified Public Accountants' administration of the AICPA Peer Review Program (program) as part of our oversight program. Massachusetts Society of Certified Public Accountants is responsible for administering the program in Massachusetts and New Hampshire. Our procedures were conducted in conformity with the guidance established by the AICPA Peer Review Board (board) as contained in the *AICPA Peer Review Program Oversight Handbook*.

Administering Entity's Responsibility

The administering entity is responsible for administering the AICPA Peer Review Program in compliance with the AICPA *Standards for Performing and Reporting on Peer Reviews*, interpretations, and other guidance established by the board.

Oversight Task Force's Responsibility

Our responsibility is to determine whether (1) administering entities are complying with the administrative procedures established by the board, (2) the reviews are being conducted and reported upon in accordance with the standards, (3) the results of the reviews are being evaluated on a consistent basis by all administering entity peer review committees, and (4) information disseminated by administering entities is accurate and timely.

Conclusion

Based on the results of the procedures performed, we have concluded that Massachusetts Society of Certified Public Accountants has complied with the administrative procedures and standards in all material respects as established by the board.

We have also issued a letter of oversight procedures and observations that details the oversight procedures performed and sets forth recommendations that did not affect the conclusions expressed in this report.



Paul V. Inserra, Member, Oversight Task Force
AICPA Peer Review Program

November 18, 2021

To the Massachusetts Society of Certified Public Accountants Peer Review Committee:

We have reviewed the Massachusetts Society of Certified Public Accountants' administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated November 18, 2021. That report should be read in conjunction with the observations in this letter. The observations described below were considered but did not affect the conclusions expressed in that report.

The oversight was conducted according to the procedures in the *AICPA Peer Review Program Oversight Handbook*. The oversight program is designed to improve the administering entity's administration of the AICPA Peer Review Program through feedback on its policies and procedures, and to provide resource assistance from an AICPA Peer Review Board Oversight Task Force member on both technical and administrative matters.

In conjunction with the administering entity oversight conducted on November 17–18, 2021, the following observations are being communicated.

Administrative Procedures

On November 17, 2021, I met with the Peer Review Director and the Senior Peer Review Manager to review the program's administration. I believe the administrative processes were being handled in a manner consistent with peer review standards.

I reviewed the status of open reviews, including reviews with corrective actions and implementation plans, which had not yet been completed. I found that open reviews were being effectively monitored for completion by the administering entity staff and the peer review committee.

I reviewed the timeliness of the preparation of committee decision letters. I noted no problems in this area.

I reviewed procedures regarding peer review committee assessments of firms with consecutive non-pass peer review reports and whether the failure to improve may be deemed as non-cooperation. During my review, I noted a referral decision letter was sent even though it was unclear if an assessment had been performed and documented in accordance with guidance.

I also reviewed the policies and procedures for granting extensions. I found that the Senior Peer Review Manager handles extension requests with discussion from the committee when the circumstances warrant.

The administering entity has developed a backup plan to support the program administrator, technical reviewers, and the CPA on staff if they become unable to serve in their respective capacities.

According to discussions with the Peer Review Director and the Senior Peer Review Manager, I found compliance with the working paper retention policies for completed reviews.

I met with the Peer Review Director to review the administering entity's procedures to determine if the information disseminated regarding the AICPA Peer Review Program by the administering entity on their website is accurate and timely.

After the AICPA staff's review of the website material, 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 website and monitors it periodically to ensure peer review information is accurate and timely.

Technical Review Procedures

On November 17, 2021, I met with the primary technical reviewer to discuss procedures. I determined that all technical reviewers met the qualifications set forth in the guidance.

I reviewed the reports, letters of response, if applicable, and the working papers for several reviews. I believe the technical reviewer for each review properly addressed issues before presenting them to the committee. This helped the efficiency and effectiveness of the acceptance process.

During the observed RAB meetings, the primary technical reviewer was available to answer any questions that arose.

CPA on Staff

On November 17, 2021, I met with the Peer Review Director, who serves as the CPA on staff, and discussed procedures for monitoring the program. I determined that the CPA on staff met the qualifications set forth in the guidance.

I reviewed the annual confidentiality agreements, noting the current confidentiality agreement templates were utilized. Based on each individual's role in the program, all administering entity staff had an appropriately signed a confidentiality agreement in place.

I discussed the policies and procedures designed to mitigate familiarity threats and the implemented safeguards to ensure objectivity and skepticism while considering the results of peer reviews.

RAB and Peer Review Committee Procedures

On November 17, 2021, I met with the committee chair and discussed their procedures for disseminating comments resulting from report acceptance body (RAB) observation reports to the appropriate individuals.

On November 18, 2021, I attended the peer review committee meeting and noted it was orderly. There were three concurrent RAB meetings and I observed reviews from each of the three RABs. I observed the RABs' acceptance process and offered my comments at the close of discussions. It was apparent that the RAB members had reviewed the reports and working papers prior to the meeting and had a good understanding of the program. Appropriate decisions were made in the acceptance process.

Oversight Program

The Massachusetts Society of Certified Public Accountants' peer review committee has adopted a formal oversight program that is well documented. I reviewed the document and procedures performed and found it to be comprehensive.

Summary

My observations to enhance Massachusetts Society of Certified Public Accountants' administration of the program are summarized as follows:

The administering entity should exercise care to maintain appropriate documentation of peer review committee assessments when firms have received consecutive non-pass reports and process decision letters at the appropriate time in accordance with guidance.



Paul V. Inserra, Member, Oversight Task Force
AICPA Peer Review Program

January 3, 2022

Brian Bluhm, Chair
Oversight Task Force
AICPA Peer Review Board
Palladian I Corporate Center
220 Leigh Farm Road
Durham, NC 27707-8110

Re: Oversight of Massachusetts

Dear Mr. Bluhm:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the Massachusetts Society of CPAs' administration of the AICPA Peer Review Program (program) performed on November 17 and 18, 2021. The matter discussed herein was brought to the attention of all peer review program committee members, administrative staff, and technical reviewers. In addition, the matter discussed in this letter will be monitored to ensure it is effectively complied with as part of our administration of the AICPA Peer Review Program.

Administrative Procedures

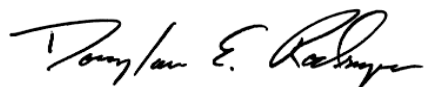
We recognize that following the administrative processes for the program, including appropriate documentation, is important; accordingly, we have policies and procedures in place for peer review committee assessments of firms with consecutive non-pass peer review reports and whether the failure to improve may be deemed as noncooperation. We will exercise greater care to ensure we maintain appropriate documentation of peer review committee assessments when firms have received consecutive non-pass reports and process decision letters at the appropriate time in accordance with guidance.

We appreciate Paul Inserra's review of our administration of the AICPA Peer Review Program.

Sincerely,



Amy A. Pitter, President and CEO



Douglas E. Rodrigues, Peer Review Executive Committee Chair



Jay J. Kaufman, Peer Review Director