



February 24, 2021

Anna M. Durst, CPA, CGMA, CEO
Patrick Meyer, CPA, Peer Review Committee Chair
Nevada Society of CPAs
5422 Longley Lane, Suite A
Reno, NV 89511

Dear Ms. Durst and Mr. Meyer:

On February 23, 2021, the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight for the Nevada 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 2022.

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 Visit Report

October 28, 2020

To the Nevada Society of Certified Public Accountants' Peer Review Committee

We have reviewed the Nevada Society of Certified Public Accountants' administration of the AICPA Peer Review Program (program) as part of our oversight program. The Nevada Society of Certified Public Accountants is responsible for administering the program in Nevada, Nebraska, Utah, Wyoming, Montana, and Idaho (effective July 1, 2019). 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 the Nevada Society of Certified Public Accountants has complied with the administrative procedures and standards in all material respects as established by the board.

As is customary, we have issued a letter of oversight visit procedures and observations that details the oversight procedures performed and sets forth recommendations that were not considered to be of sufficient significance to affect the conclusions expressed in this report.



Suzanne Heidenreich, CPA, Member, Oversight Task Force
AICPA Peer Review Program



October 28, 2020

To the Nevada Society of Certified Public Accountants' Peer Review Committee

We have reviewed the Nevada 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 October 28, 2020. That report should be read in conjunction with the observations in this letter, which were considered in determining our conclusions. The observations described below were not considered to be of sufficient significance to affect the conclusions expressed in that report.

The oversight was conducted according to the procedures in the *AICPA Peer Review Program Oversight Handbook*. An 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 oversight of the Nevada Society of Certified Public Accountants, the administering entity for the program, conducted on October 27–28, 2020, the following observations are being communicated.

Administrative Procedures

On October 27, 2020, Ivory Bare, AICPA Peer Review Program Senior Manager, and I met with the Chief Executive Officer/CPA on Staff and the Peer Review Program Manager to review the program's administration. We believe the administrative processes were being handled in a manner consistent with peer review standards.

We reviewed the timeliness of the preparation of committee decision letters. We noted no problems in these areas.

We also reviewed the policies and procedures for granting extensions. We found that the Peer Review Program Manager handles extension requests with discussion from the committee when the circumstances warrant. The administering entity has developed a backup plan to support the administrator and technical reviewers if they become unable to serve in their respective capacities.

According to discussions with the Peer Review Program Manager, we found compliance with the working paper retention policies for completed reviews.

We met with the Peer Review Program Manager 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, we 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 the website periodically to ensure peer review information is accurate and timely.

Technical Review Procedures

On October 27, 2020, we met with the technical reviewers to discuss procedures. We determined that the technical reviewers met the qualifications set forth in the guidance.

We reviewed the reports, letters of response, if applicable, and the working papers for several reviews being presented to the Report Acceptance Body (RAB) on October 28, 2020. We noted reviews in which technical matters had not been sufficiently addressed by the technical reviewers, resulting in extended discussions by the RAB, as well as the delay and deferral of several reviews. This observation was noted in the prior oversight visit of the Nevada Society of Certified Public Accountants.

The technical reviewers were available during the RAB meeting we observed to answer any questions that arose.

CPA on Staff

On October 27, 2020, we met with the CPA on staff and discussed her procedures for monitoring the program. We determined that the CPA on staff met the qualifications set forth in the guidance.

We reviewed the annual confidentiality agreements from all administering entity staff associated with peer review. We noted that all confidentiality agreements had been obtained and signed by the staff involved with the peer review program administration.

We discussed the policies and procedures designed to maintain objectivity and skepticism to mitigate familiarity threat and safeguards that had been implemented while considering the results of the peer reviews.

RAB and Peer Review Committee Procedures

On October 27, 2020, we met with the committee chair and discussed his procedures for disseminating the comments resulting from RAB observation reports to the appropriate individuals.

On October 28, 2020, we attended the peer review committee meeting.

The committee functioned as the report acceptance body (RAB), and the meeting was orderly. We observed the committee's acceptance process and offered our comments. It was apparent that the committee members had reviewed the reports and working papers prior to the meeting and had a good understanding of the program to reach an appropriate decision for each review. As detailed above, we noted reviews which were presented to the RAB with open technical issues. The RAB's consideration of those comments resulted in extended discussions by the RAB, as well as the delay and deferral of several reviews.

Overall, appropriate decisions were made in the acceptance process.

Oversight Program

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

Summary

Our observation to enhance the Nevada Society of Certified Public Accountants' administration of the program is summarized as follows:

Technical reviewers should exercise greater care in performing technical reviews to identify issues before the report acceptance process.

Suzanne Heidenreich

Suzanne Heidenreich, CPA, Member, Oversight Task Force
AICPA Peer Review Program

December 9, 2020

Brian Bluhm
Oversight Task Force
AICPA Peer Review Board
220 Leigh Farm Road
Durham, NC 27707-8110

Re: Oversight Visit to Nevada Society of Certified Public Accountants

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 Nevada Society of Certified Public Accountants (NVCPA) administration of the AICPA Peer Review Program (program) performed on October 27-28, 2020. The matters discussed herein were brought to the attention of all peer review program committee members, administrative staff, and technical reviewer(s). In addition, the matters discussed in this letter will be monitored to ensure they are effectively implemented as part of our administration of the AICPA Peer Review Program.

Observations that did not affect the report:

Technical Review Procedures

It was noted that, “there were reviews in which technical matters had not been sufficiently addressed by the technical reviewers, resulting in extended discussions by the RAB, as well as the delay and deferral of several reviews.”

There were two reviews that were deferred or delayed due to the RAB disagreeing with the Technical Reviewer’s assessment of various issues. We feel the Technical Reviewer sufficiently addressed each item as evidenced by the discussion during the meeting. However, the RAB disagreed with the Technical Reviewer’s assessment and asked for additional items to complete the acceptance process.

The CPA on staff and Committee Chair will continue to work with the technical reviewers to resolve open technical issues prior to the RAB meetings, including asking for memos on issues that may require additional documentation for RAB discussions.

The CPA on Staff and Committee Chair will monitor the RAB discussions to evaluate whether the acceptance process is being delayed or deferred because of technical issues not identified during the technical review process. The CPA on staff will provide feedback to the technical reviewers to promote the completeness of reviews going to the committee to reduce the number of delayed or deferred reviews.

We appreciate Suzanne Heidenreich’s constructive advice and suggestions and we continue to take pride in our program.

Sincerely,

Anna Durst

Anna Durst, CPA
Chief Executive Officer & CPA on Staff

Patrick Meyer

Patrick Meyer, CPA
Peer Review Program Chair