



February 8, 2023

Pamela Lemire, Executive Director
David Grippin, CPA, Peer Review Committee Chair
Robert Vachon, CPA, COO
New England Peer Review
115 Riverway Place
Bedford, NH 03110

Dear Ms. Lemire, Mr. Grippin, and Mr. Vachon:

On February 7, 2023, the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight for the New England Peer Review, 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 2024.

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

Sincerely,

Kim D. Meyer

Kim D. Meyer, CPA
Chair – Oversight Task Force
AICPA Peer Review Board

Oversight Report

November 4, 2022

To the New England Peer Review Committee:

We have reviewed New England Peer Review's administration of the AICPA Peer Review Program (program) as part of our oversight program. New England Peer Review is responsible for administering the program in Maine, Rhode Island, and Vermont. 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* (standards) and other guidance established by the board.

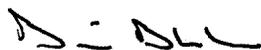
Oversight Task Force's Responsibility

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 New England Peer Review 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.



Brian Bluhm, Member, Oversight Task Force
AICPA Peer Review Board



November 4, 2022

To the New England Peer Review Committee:

We have reviewed New England Peer Review's administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated November 4, 2022. 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.

During the oversight conducted on November 3-4, 2022, I met with the Chief Operating Officer, who serves as the CPA on staff, the Executive Director, who serves as the administrator, technical reviewers, and the peer review committee chair.

In conjunction with the administering entity oversight, the following observations are being communicated.

Administrative Procedures

I met with the CPA on staff and administrator 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 noted that open reviews were being effectively monitored for completion by the administering entity staff and the peer review committee.

I noted committee decision letters are prepared and sent timely.

I reviewed the policies and procedures for granting extensions and noted that extension requests are discussed with the committee when warranted.

The administering entity has developed a backup plan to support the administrator, technical reviewers, and the CPA on staff if they become unable to serve in their respective capacities. I reviewed the backup plan and noted it complied with guidance.

According to discussions with administering entity staff, working paper retention policies for completed reviews are consistently followed.

I noted that the administering entity has policies and procedures in place to determine if the information disseminated on their website regarding the AICPA Peer Review Program is accurate and timely. After 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 determine if peer review information is accurate and timely.

Technical Review Procedures

I met with the technical reviewers to discuss procedures. Based upon the review of the information provided, 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 the reviews were presented to the report acceptance body (RAB), which helped the efficiency and effectiveness of the acceptance process.

During the RAB meeting observed, the technical reviewers were available to answer any questions that arose.

CPA on Staff

I met with the CPA on staff to discuss procedures for monitoring the program. Based upon the review of the information provided, I determined that the CPA on staff met the qualifications set forth in the guidance.

I reviewed the annual confidentiality agreements and noted that appropriate agreements were obtained and signed based on each individual's role in the program.

The administering entity has developed policies and procedures to identify familiarity threats and implement safeguards to maintain objectivity and skepticism while considering the results of peer reviews. I reviewed the familiarity threat policies and procedures and noted they are comprehensive.

RAB and Peer Review Committee Procedures

I met with the peer review committee chair and discussed their procedures, including how comments resulting from RAB observation reports are disseminated to the appropriate individuals.

I reviewed procedures regarding RAB/peer review committee assessments of firms and whether failing to correct deficiencies or significant deficiencies after consecutive non-pass peer review reports may be deemed as noncooperation. After discussion with administering entity staff, I determined that the applicable guidance was not consistently followed. Specifically, in one instance the RAB did not perform an assessment as the firm's next review was "imminent," and in another instance the assessment was not performed.

I attended a RAB meeting on November 4, 2022 and observed the 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.

I also attended a peer review committee meeting.

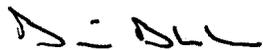
Oversight Program

I reviewed the oversight policies and procedures adopted by the peer review committee and noted the oversight program is comprehensive.

Summary

My recommendations to enhance New England Peer Review's administration of the program are summarized as follows:

The RAB/peer review committee should exercise care to follow applicable guidance when assessing a firm to determine if a referral should be made for noncooperation when the firm has received consecutive non-pass peer review reports.



Brian Bluhm, Member, Oversight Task Force
AICPA Peer Review Board

January 31, 2023

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 New England Peer Review

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 New England Peer Review's administration of the AICPA Peer Review Program (program) performed on November 3-4, 2022. 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.

RAB and Peer Review Committee Procedures

We have reviewed & updated our procedures regarding RAB/Peer Review Committee assessments of firms with consecutive non-pass peer review reports to include a review of the Standards to ensure that the appropriate guidance is followed and that committee assessments are performed timely.

We appreciate Brian Blum's review of NEPR's administration of the AICPA Peer Review Program.

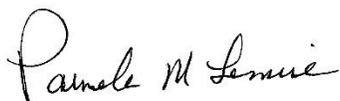
Sincerely,



David C. Grippin, Chair



Robert L. Vachon, COO/CPA on Staff



Pamela M. Lemire, Executive Director