



February 2, 2024

Geoffrey Brown, President & CEO
Kim Meyer, CPA, Peer Review Committee Chair
Paul Pierson, CPA, Senior Director, Peer Review & Professional Standards
Peer Review Alliance
550 W Jackson, Ste 900
Chicago, IL 60661-5742

Dear Mr. Brown, Ms. Meyer, and Mr. Pierson:

On February 1, 2024, the AICPA Peer Review Board's Oversight Task Force accepted the report, letter of procedures and observations, and your response thereto on the most recent oversight of the Peer Review Alliance. These documents are now available on the AICPA Peer Review Program website.

We appreciate 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

October 12, 2023

To the Peer Review Committee of the Peer Review Alliance:

We have reviewed the Peer Review Alliance's administration of the AICPA Peer Review Program (program) as part of our oversight program. The Peer Review Alliance is responsible for administering the program in Illinois, Indiana, Iowa, Kentucky, South Carolina, West Virginia, and Wisconsin. 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 program in compliance with the *AICPA Standards for Performing and Reporting on Peer Reviews* (standards) and other guidance.

Oversight Task Force's Responsibility

Our responsibility is to determine whether (1) administering entities are complying with the standards and other guidance, (2) reviews are being conducted and reported upon in accordance with the standards and other guidance, (3) results of 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 Peer Review Alliance has complied with the standards and other guidance, in all material respects.

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.



Thomas J. Parry, Member, Oversight Task Force
AICPA Peer Review Board



October 12, 2023

To the Peer Review Committee of the Peer Review Alliance:

We have reviewed the Peer Review Alliance's administration of the AICPA Peer Review Program (program) as part of our oversight program and have issued our report thereon dated October 12, 2023. 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 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 September 27, 2023 and October 11 – 12, 2023, Karen Welch, a member of the Oversight Task Force, and I met with the President and CEO, the Senior Director, Peer Review & Professional Standards, who serves as the CPA on staff, the Assistant Director, Peer Review & Professional Standards, the scheduling managers, who serve as the administrators, the technical reviewers, and the peer review committee chair.

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

Administrative Procedures

We met with the CPA on staff and administrators to review procedures for administering the program. We believe the administrative processes were being handled in a manner consistent with the *AICPA Standards for Performing and Reporting on Peer Reviews* (standards) and other guidance.

We reviewed the status of open reviews, including reviews with corrective actions and implementation plans which had not yet been completed. We noted that open reviews were being effectively monitored for completion.

We noted peer review committee (committee) decision letters are prepared and sent timely.

We 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 administrators, technical reviewers, and the CPA on staff if they become unable to serve in their respective capacities. We 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.

We noted that the administering entity has policies and procedures in place to determine if information disseminated on their website regarding the program is accurate and timely. We noted the administering entity maintains current information on their website relating to the program. In addition, the administering entity has an individual who is responsible for maintaining the website and monitors it periodically to determine if program information is accurate and timely.

Technical Review Procedures

We met with the technical reviewers to discuss their procedures.

Based on the information provided, we noted that all 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. For each review, we believe the technical reviewer 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 Procedures

We met with the CPA on staff to discuss procedures for monitoring the program.

Based on the information provided, we noted that the CPA on staff met the qualifications set forth in the guidance.

We 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. We reviewed the familiarity threat policies and procedures and noted they are comprehensive.

RAB and Peer Review Committee Procedures

We met with the committee chair to discuss their procedures.

We noted that comments resulting from RAB observation reports are disseminated to the appropriate individuals.

We reviewed procedures regarding RAB/committee evaluations of firms receiving consecutive non-pass peer review reports and whether the failure to correct deficiencies or significant deficiencies should be deemed as noncompliance with the requirements of the program. After reviewing evaluations and discussing with the committee chair and administering entity staff, we believe these are handled in a manner consistent with guidance.

We attended a RAB meeting on September 27, 2023 and observed the acceptance process and offered our 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.

We also attended a peer review executive committee meeting.

Oversight Program

We reviewed the oversight policies and procedures adopted by the committee and noted the oversight program is comprehensive.

Summary

There are no further observations to be communicated to the Peer Review Alliance.



Thomas J. Parry, Member, Oversight Task Force
AICPA Peer Review Board



Administering peer reviews for the following:

Illinois CPA Society | Indiana CPA Society | Iowa Society of CPAs | Kentucky Society of CPAs
South Carolina Association of CPAs | West Virginia Society of CPAs | Wisconsin Institute of CPAs

January 29, 2024

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

Re: Oversight of Peer Review Alliance

To the AICPA Peer Review Board's Oversight Task Force:

This letter represents our acknowledgment of the oversight report and letter of procedures and observations issued in connection with the oversight of the Peer Review Alliance's administration of the AICPA Peer Review Program performed on September 27, 2023 and October 11 – 12, 2023.

The oversight documents have been disseminated to all peer review committee members, administrative staff, and technical reviewers. We are pleased that there were no deficiencies, findings, or observations in the oversight documents.

Sincerely,

Handwritten signature of Geof Brown in black ink.

(Signature of CEO)

Geof Brown, CAE
(Print name)

January 29, 2024
(Date)

Handwritten signature of Kim Meyer in black ink.

(Signature of Peer Review Committee Chair)

Kim Meyer, CPA
(Print name)

January 29, 2024
(Date)

Handwritten signature of Paul Pierson in black ink.

(Signature of CPA on staff)

Paul Pierson, CPA
(Print name)

January 29, 2024
(Date)