

March 16, 2018

Blaine M. Peterson, CPA, JD, CVA, Executive Director  
David Eatmon, CPA, Peer Review Committee Chair  
Oklahoma Society of CPAs  
1900 N.W. Expressway, #910  
Oklahoma City, OK 73118-1898

Dear Mr. Peterson & Mr. Eatmon:

On March 16, 2018, the AICPA Peer Review Board Oversight Task Force accepted the report and letter of procedures and observations on the most recent oversight visit for the Oklahoma 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 visit documents, and your response have now been posted to the AICPA Peer Review Program website.

The next administering entity oversight visit will be in 2019.

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  
Chair, Oversight Task Force  
AICPA Peer Review Board

cc: Patty Hurley, Associate Executive Director

Laurel Gron, Manager – Peer Review  
AICPA Peer Review Program

## Oversight Visit Report

December 14, 2017

To the Peer Review Committee  
Oklahoma Society of  
Certified Public Accountants

We have reviewed Oklahoma Society of Certified Public Accountants' administration of the AICPA Peer Review Program (program) as part of our oversight program. Oklahoma Society of Certified Public Accountants is responsible for administering the program in Oklahoma and South Dakota. 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*. 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. Our responsibility is to determine whether (1) administering entities are complying with the administrative procedures established by the board as set forth in the *AICPA Peer Review Program Administrative Manual*, (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.

Based on the results of the procedures performed, we have concluded that the Oklahoma 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.

A handwritten signature in blue ink, appearing to read "John M. Guido".

John M. Guido, Member, Oversight Task Force  
AICPA Peer Review Program

December 14, 2017

To the Peer Review Committee  
Oklahoma Society of  
Certified Public Accountants

We have reviewed Oklahoma Society of Certified Public Accountants' (the "Society") administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated December 14, 2017. 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 visit 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 visit of the Society, the administering entity for the program, conducted on December 13<sup>th</sup> and 14<sup>th</sup>, 2017, the following observations are being communicated.

### **Administrative Procedures**

On the morning of December 13, 2017, I met with the Executive Vice President and Chief Operating Officer and Peer Review Coordinator to review the program's administration. I believe the administrative processes were being handled in a manner consistent with peer review standards.

In the spring 2017 the AICPA rolled out a new automated document workflow for processing and tracking the peer review process. The new system requires more interaction with firms, reviewers and administration to successfully document and process the peer reviews. The benefits are the scheduling notifications, letters to firms and reviewers are automatically generated by the system and emailed to the appropriate parties. According to discussions with the Executive Vice President and Chief Operating Officer and Peer Review Coordinator, based their discussions with firms and reviewers the required communications were going out on a timely basis.

I reviewed the files, which were still open due to follow-up actions, which had not yet been completed. I found that the follow-up actions were being effectively monitored for completion by the administrative staff and the peer review committee.

I also reviewed the policies and procedures for the granting of extensions. I found that Executive Vice President and Chief Operating Officer and Peer Review Coordinator handle short-term extension requests with discussion from the committee when the circumstances warrant.

I also reviewed the timeliness of technical reviews and the preparation of acceptance and follow-up letters. I found no problems in these areas.

The Society has developed a back-up plan to support the Executive Vice President and Chief Operating Officer, Peer Review Coordinator, and technical reviewers should they become unable to serve in their respective capacities.

### **Web Site and Other Media Information**

I met with the Web site 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 Web site and other media information is accurate and timely.

After the AICPA staff's review of the Web site material and other media information, 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 Web site and monitors the Web site on a weekly basis to ensure peer review information is accurate and timely.

### **Working Paper Retention**

I reviewed the completed working papers for several reviews and found compliance with the working paper retention policies.

### **Technical Review Procedures**

I met with the two technical reviewers, to discuss procedures. They perform all technical reviews and are experienced reviewers; however, I observed that they have only been evaluated by the committee on a biennial basis when program requirements prescribe annual evaluations. I was assured by the committee chair that annual evaluations of the technical reviewers would be conducted the week after my visit and then on an annual basis in the future.

I reviewed the reports, letters of response, if applicable, and the working papers for several reviews. I believe that all review issues were addressed properly by the technical reviewers before reviews were presented to the committee. This helped the acceptance process to be effective and efficient.

### **Review Presentation**

Reviews are brought to the committee without open technical issues. Accordingly, it was not necessary for the committee to spend a great deal of time reviewing specific technical issues.

### **Committee Procedures**

I met with the committee chair and discussed their procedures for disseminating the comments resulting from RAB observation reports to the appropriate individuals.

On December 14, 2017, I attended the on-site peer review committee meeting. I observed the committee's acceptance process and offered my comments at the close of discussions.

The on-site committee functioned as the report acceptance body (RAB), and the meeting was very orderly. 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.

Appropriate decisions were made in the acceptance process, including assigned corrective actions and reviewer monitoring. Reviews were being presented to the RABs on a timely basis.

### **Oversight Program**

The Society's 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 Society's administration of the program are summarized as follows:

The Society should ensure that technical reviewers are evaluated on an annual basis in future years as prescribed by program requirements.



John M. Guido, Member, Oversight Task Force  
AICPA Peer Review Program

March 9, 2018

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

Re: Oversight Visit to the Oklahoma Society of CPAs

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 Oklahoma Society of CPAs' administration of the AICPA Peer Review Program (program) performed on December 13 and 14, 2017. 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**

We recognize that evaluations of the technical reviewers conducted annually are important; accordingly the 2017 evaluations have now been completed and evaluations of the technical reviewers will be conducted annually going forward.

We appreciate John Guido's constructive advice and suggestions.

Sincerely,



Blaine M. Peterson, CPA, JD  
President and CEO



David L. Eatmon, CPA  
Peer Review Committee Chair