

AICPA

QUESTIONS AND ANSWERS ABOUT THE AICPA PEER REVIEW PROGRAM

**For Peer Reviews Commencing on or after
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QUESTIONS & ANSWERS ABOUT THE AICPA PEER REVIEW PROGRAM

PEER REVIEW ENROLLMENT REQUIREMENTS

What is the AICPA's practice monitoring requirement?

In order to be admitted or to retain their membership in the American Institute of Certified Public Accountants (AICPA) members of the AICPA who are engaged in the practice of public accounting in the United States or its territories are required to be practicing as partners or employees of firms enrolled in an AICPA approved practice-monitoring program or, if practicing in firms not eligible to enroll, are themselves enrolled in such a program if the services performed by such a firm or individual are within the scope of the AICPA's practice-monitoring Standards and the firm or individual issues reports purporting to be in accordance with AICPA professional standards. (Depending on how a CPA firm is legally organized, its partner(s) could have other names, such as *shareholder, member, or proprietor.*)

A member can meet the requirement if his or her firm is enrolled in the AICPA Peer Review Program (PRP). Firms that are required to be registered with and inspected by the Public Company Accounting Oversight Board (PCAOB) and those performing audits of non-SEC issuers pursuant to the standards of the PCAOB are required to have their AICPA PRP peer review administered by the National PRC. Firms that are not required to have their review administered by the National PRC may choose to do so. However, such firms are subject to the National PRC's administrative fee structure and should familiarize themselves with that structure prior to making such a decision.

How many firms are enrolled in the AICPA Peer Review Program?

Over 30,000 firms are enrolled in the AICPA Peer Review Program that are required to have a review of its accounting and auditing practice at least once every three years.

Does my firm have to enroll in a peer review program if it does not have an accounting and auditing practice?

If a firm does not perform services that include issuing reports purporting to be in accordance with AICPA professional standards it is not required to enroll in a practice-monitoring program.

For purposes of the *AICPA Peer Review Program Standards*, an accounting and auditing practice is defined as all of a CPA firm's engagements performed under the Statements on Auditing Standards (SASs), Statements on Standards for Accounting and Review Services (SSARS)*, Statements on Standards for Attestation Engagements (SSAEs) and Government Auditing Standards (the Yellow Book), issued by the U.S. General Accounting Office (GAO) and audits of non-SEC issuers performed pursuant to the standards of the PCAOB.

* SSARS that provide an exemption from those standards in certain situations are excluded from the definition of an accounting and auditing practice for peer review purposes.

Does My Firm Have to Enroll in a Peer Review Program if the only engagements it performs are Compilations issued with Engagement Letters and without a Report as detailed in SSARS No. 8?

Under the AICPA bylaws, firms (or individuals in certain situations) are only required to enroll in an Institute-approved practice monitoring program when the engagements they perform are within the scope of the AICPA's practice-monitoring standards *and issue reports* purporting to be in accordance with AICPA professional standards. Therefore, in the case where the (engagement letter) compilations for management's use only are the highest level of service performed by the firm, they would not be required to enroll in the AICPA Peer Review Program because no report is issued. However, firms must check with their Board of Accountancy peer review requirements as some require firms to enroll and have a peer review in this circumstance.

For firms already enrolled in the AICPA Peer Review Program, SSARS No. 8 engagements would fall within the scope of peer review.

Do individuals who are practicing outside of the U.S. have to enroll in a peer review program?

Individuals practicing in firms outside of the United States or its territories are exempt from the AICPA practice monitoring program requirement until they return to the United States or its territories. Please check with your Board of Accountancy or other regulatory peer review requirements as some may require you to have a peer review in this circumstance.

How can my firm enroll in the AICPA Peer Review Program?

A firm should submit an "AICPA Peer Review Programs Enrollment Form" to the AICPA Peer Review team. By enrolling, a firm agrees to comply with the AICPA's quality control standards and to have a peer review of its accounting and auditing practice every three years. A firm seeking to enroll in the peer review program should be in compliance with the Council resolution concerning form of organization (see AICPA Professional Standards, vol. 2 ET Appendix B). In addition, at least one partner of the firm must be an AICPA member in order to enroll in the AICPA Peer Review Program.

Download the AICPA Peer Review Program enrollment form from the AICPA website at: <http://www.aicpa.org/download/members/div/practmon/enroll900.pdf> or request a form from your administering entity. You may view and print this form using Acrobat Reader. If you do not have Acrobat Reader, you can download it from www.adobe.com/prodindex/acrobat/readstep.html.

Once enrolled, when should a firm expect its first review?

Generally, a firm's due date for its initial peer review is ordinarily eighteen months from the date it enrolled in the Program, or should have enrolled, whichever date is earlier. If a firm resigns from the program and subsequently reenrolls in the program, the firm's due date is the later of the due date originally assigned or 90 days after reenrolling. A firm's subsequent peer review ordinarily has a due date of three years and six months from the year-end of the previous review. Firms should also check with their state board of accountancy for any peer review requirements.

Can a firm change its peer review year end?

A firm is expected to maintain the same year-end on subsequent peer reviews. Circumstances may arise that may influence a firm to want to change its year-end. For instance, the nature of the firm's practice may change or they may reevaluate their current year-end and determine as a result that a different year-end is more practical. In such situations, a firm may change its year-end only with prior, written approval of the administering entity.

GENERAL INFORMATION

What are the types of peer reviews?

There are two types of peer reviews - system and engagement.

What is a system review?

A System Review includes determining whether the firm's system of quality control for its accounting and auditing practice is designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards, including SQCS No. 7, in all material respects. This type of review is for firms that perform engagements under the Statement on Auditing Standards (SASs,) the Government Auditing Standards (Yellow Book) or examinations of prospective financial information under the Statement on Standards for Attestation Engagements (SSAEs) or audits of non-SEC issuers performed pursuant to the standards of the PCAOB.

Approximately 14,000 firms are likely to have a system review over the next three years. The scope of the peer review does not encompass other segments of a CPA practice, such as tax services or management advisory services, except to the extent they are associated with financial statements, such as reviews of tax provisions and accruals contained in financial statements.

In a system review, the reviewer will study and evaluate a CPA firm's quality control policies and procedures that were in effect during the peer review year. This includes interviewing firm personnel and examining administrative files. To evaluate the effectiveness of the system and the degree of compliance with the system, the reviewer will test a reasonable cross-section of the firm's engagements with a focus on high-risk engagements in addition to significant risk areas where the possibility exists of engagements being performed and/or reported on that are not in accordance with professional standards in all material respects. The majority of the procedures in a System Review should be performed at the reviewed firm's office.

What is an engagement review?

This type of review is for firms that are not required to have a system review and only perform services under SSARS or services under the SSAEs not included in System Reviews. The objective of an Engagement Review is to evaluate whether engagements submitted for review are performed and reported on in conformity with applicable professional standards in all material respects. An Engagement Review consists of reading the financial statements or information submitted by the reviewed firm and the accountant's report thereon, together with certain background information and representations and, except for compilation engagements performed under SSARS, the applicable documentation required by professional standards.

This type of review does not cover the firm's system of quality control, so the reviewer cannot express an opinion on the firm's compliance with its own quality control policies and procedures or compliance with AICPA quality control standards.

Engagement reviews should improve the quality of engagements and should protect the public that uses and relies on those reports without imposing any additional burden on reviewed firms. More than 14,000 firms are likely to have an engagement review over the next three years.

Who administers a CPA firm's peer review?

The AICPA Peer Review Program is administered in cooperation with a state CPA society, group of state CPA societies, the AICPA Peer Review Board's National Peer Review Committee (National PRC) that elect to participate as administering entities. When a CPA firm is enrolled in the AICPA Peer Review Program its peer review will be administered by the administering entity in the state in which the CPA firm's main office is located (or, if that state CPA society has elected not to participate, by another administering entity) or the National PRC. The AICPA Peer Review Board (Board) approves all administering entities.

Firms that are required to be registered with and inspected by the PCAOB and those performing audits of non-SEC issuers pursuant to the standards of the PCAOB are required to have their AICPA PRP peer review administered by the National PRC.

How can I find out more about the peer review process?

A summary of the **nature, objectives, scope**, limitations of, and procedures performed in system and engagement **reviews** among other information is located at www.aicpa.org/prsummary. In addition, several sections of the *AICPA Peer Review Program Manual* are available on-line at no charge at <http://www.aicpa.org/members/div/practmon/index.htm>. These include:

- [Standards for Performing and Reporting on Peer Reviews \(Standards\)](#) and the [Interpretations](#).

- [Team Captain Packages](#) for System Reviews and Engagement Reviews. You can download various checklists, questionnaires, and supporting materials which are required in the performance of a review.

The AICPA Peer Review Board has issued a white paper, “[Navigating Through the Revised AICPA Standards for Performing and Reporting on Peer Reviews and Related Interpretations](#)” to assist readers in learning about how the changes, effective for peer reviews commencing on or after January 1, 2009, may affect them.

Are Peer Reviews confidential?

A peer review must be conducted in compliance with the confidentiality requirements set forth in the AICPA Code of Professional Conduct. Information concerning the reviewed firm or any of its clients or personnel that is obtained as a consequence of the review is confidential. Peer reviewers may not disclose such information to anyone who is not involved in carrying out the review or administering the peer review program, or use such information in any way not related to meeting the objectives of the program. Also, no reviewer(s) will have contact with clients of your firm.

Neither the administering entity nor the AICPA shall make the results of the review available to the public, except as authorized or permitted by the firm under certain circumstances such as:

- a. A firm may be a voluntary member of one of the AICPA’s audit quality centers or sections that has a membership requirement that certain peer review documents be open to public inspection
- b. A firm may elect not to opt out of the program’s process for voluntary disclosure of peer review results to state boards of accountancy (SBOAs) where the firm’s main office is located
- c. A firm may voluntarily instruct their administering entity to make the peer review results available to certain other SBOAs.

The administering entity and the AICPA may disclose the following information:

- a. The firm’s name and address
- b. The firm’s enrollment in the program
- c. The date of acceptance and the period covered by the firm’s most recently accepted peer review
- d. If applicable, whether the firm’s enrollment in the program has been dropped or terminated

INFORMATION FOR FIRMS ENROLLED IN THE AICPA PEER REVIEW PROGRAM

Can I have an engagement review if my firm has only one audit?

No. You must have a system review even if your firm only performs one audit. The purpose of an audit is to give assurance to third parties. Because of that third party reliance, state regulators allow these services to be performed by CPAs only. As such, the profession has a responsibility

to ensure that a CPA firm that performs even one audit has an adequate system of quality control over its accounting and auditing practice. Such assurance can only be obtained by reviewing the system of quality control, your firm's compliance with that system, and by reviewing engagement working papers along with the report and financial statements.

How do I switch from an engagement review to a system review (or vice versa) because I acquire or give up an engagement?

You should notify the administering entity in writing of the change in your firm's practice. If your firm has been engaged to perform one or more audit engagements, you should include the number of engagements it has been engaged to perform.

What is the impact on my firm's peer review when my firm completes its first audit engagement after the completion of my engagement review?

When a firm, subsequent to the year-end of its engagement review, performs an engagement under the SASs, Government Auditing Standards or examinations of prospective financial statements under the SSAEs, or an audit of a non-Securities and Exchange Commission issuer performed pursuant to the standards of the PCAOB that would have required the firm to have a system review, the firm should (a) immediately notify the administering entity and (b) undergo a system review. The system review will ordinarily be due 18 months from the year-end of the engagement (for financial forecasts and projections 18 months from the date of report) requiring a system review or by the firm's next scheduled due date, whichever is earlier. However, the administering entity will consider the firm's practice, the year-ends of engagements and when the procedures were performed, and the number of engagements to be encompassed in the review, as well as use its judgment, to determine the appropriate year-end and due date. Firms that fail to immediately inform the administering entity of the performance of such an engagement will be required to participate in a system review with a peer review year-end that covers the engagement. A firm's subsequent peer review ordinarily will be due three years and six months from this peer review year-end.

How much will the peer review cost?

The direct cost of a system review will vary depending on firm size/region, number of engagements/partners/offices and nature of your firm's accounting and auditing practice. Firms with audits in various specialized, complex or high-risk industries, such as banking, governmental, and employee benefit plans will normally pay more than a firm with the same number of audits that are all in one industry or in less sensitive, lower risk areas.

There are also the indirect costs of getting ready for a review that vary based on the condition of your firm's existing system of quality control. Many firms are concerned about these non-chargeable hours. However, if the system of quality control is suitable for your firm's practice, the preparation cost should be minimal. If, on the other hand, your firm finds the opposite is true, it should consider the time well spent since making needed changes should result in your firm providing better services to its clients, and, in most cases, providing those services more efficiently.

The estimated cost of an engagement review will range based on the size of the practice and the number of owners responsible for the issuance of review, compilation and attestation engagement reports.

In addition to the review costs that will be incurred every three years, firms may also pay an annual administrative fee to the administering entity to cover the costs of running the program and, in some states, in the review year, fees for scheduling the review and evaluating the results of the review.

For additional cost information, contact your administering entity.

Are there ways to reduce the costs of my peer review?

Yes. The best way to reduce costs is to have complete, accurate information available for the reviewer(s) early enough, such as 30 to 40 days before the review is set to begin, so it can be completed by the review due date. Prepare for the review early by making sure everyone in your firm understands the importance of performing engagements in accordance with professional standards, and properly documenting engagement planning issues, key procedures and conclusions. Fewer deficiencies and the reviewer's ability to evaluate what was done without waiting for engagement staff to recall what they did from memory should result in less time to complete the review.

Can the review be performed somewhere besides the firm's office?

Interpretation No. 8-1 to the *Standards*, **Performing System Reviews at a Location Other Than the Reviewed Firm's Office** allows you to mail or bring files, reports, and other materials ordinarily reviewed on a system review to the reviewer's office or another agreed-upon location. If the review can reasonably be performed at the reviewed firm's office, it should be. Although certain planning procedures may be performed at the peer reviewer's office, it is expected that a majority of the peer review procedures, including the review of engagements, testing of functional areas, interviews, and concluding procedures should be performed at the reviewed firm's office.

However, it is recognized that there are some situations that make an on-site peer review cost prohibitive or extremely difficult to arrange, or both. In these situations, if the firm and reviewer mutually agree on the appropriateness and efficiency of an approach to the peer review such that it can be performed at a location other than the reviewed firm's office, then the reviewer can request the administering entity's approval to perform the review at a location other than the reviewed firm's office. This request should be made prior to the commencement of fieldwork, and the firm and reviewer should be prepared to respond to the administering entity's inquiries about various factors that could affect their determination.

Some sole practitioners believe their reviews can be carried out in this manner at less cost. Others have found this not to be the case.

Is my firm required to have a quality control document?

All firms are required to have a written quality control document. The extent of the documentation will depend on the size, structure, and nature of the firm's practice. Documentation may be as simple as a checklist of the firm's policies and procedures or as extensive as practice manuals. The following tools are available on-line at no charge to assist in complying with the documentation of the firm's system of quality control:

- [PRP 4300 - Quality Control Policies and Procedures Documentation Questionnaire for a Sole Practitioner With No Personnel.](#)
- [PRP 4400 - Quality Control Policies and Procedures Documentation Questionnaire for Firms With Two or More Personnel](#)
- [Practice Aid: Establishing and Maintaining a System of Quality Control for a CPA Firm's Accounting and Auditing Practice](#)

Is my firm required to provide copies of individual or firm licenses or registrations to the peer reviewer?

No. Firms are required to comply with the rules and regulations of state boards of accountancy and other regulatory bodies in the states where they practice. For example, in certain circumstances, firms may be required to obtain a firm license/permit in order to issue accounting and audit reports.

Peer reviewers should make inquiries of the firm to determine if it is appropriately licensed as required by the state boards of accountancy in the state or states in which it practices.

Peer reviewers should obtain written representations from the firm's management as a part of the peer review.

If the reviewed firm is aware of any situation whereby they are not in compliance with the laws, rules and requirements of the state regulatory bodies, they should tailor the representation letter to provide information on the areas on non-compliance.

What is a written representation letter?

The representation letter is evidential matter that management is not aware of any situations where it or its personnel has not complied with state board(s) of accountancy or other regulatory bodies rules and regulations, including applicable firm and individual licensing requirements in each state in which it practices for the year under review or has notified the peer reviewer of such situations, has made available to the reviewer communications as stipulated in the Standards, has provided the reviewer with a list of all client engagements with periods ending during the year under review and has provided the reviewer with any other information required by the reviewer. If the reviewed firm is aware of any situation whereby they are not in compliance with the rules and regulations of the state boards of accountancy or other regulatory bodies, they should tailor the representation letter to provide information on the areas of non-compliance. If during the

review, something comes to the reviewer's attention whereby the reviewer believes the reviewed firm is providing contradicting or questionable information, the reviewer should investigate the matter further and may consider having the firm include the matter in the representation letter.

For system reviews, the written representations should be addressed to the team captain performing the review and be dated the same date as the peer review report. For engagement reviews, the representation should be addressed to the reviewer and be dated the same date the firm submits the list of engagements to the reviewer.

If my firm will undergo a change in firm structure due to a firm name change, dissolution, merger, or purchase/sale, who do I notify about this change and how does it affect my peer review?

Your firm should contact your administering entity immediately upon such change. The firm should obtain a *Notification of Change in Firm Structure Form* from the administering entity or http://www.aicpa.org/download/members/Div/practmon/firm_structure.pdf and complete the applicable section. The administering entity will submit this form to the AICPA once all pertinent information has been received and the form is complete. The AICPA staff will determine how this change will affect your firm's peer review based on the information provided on the form and notify your firm of the status.

CHOOSING A PEER REVIEWER (REVIEW TEAM)

What types of review teams are available to conduct my peer review?

You may choose the type of review team you would like to conduct your firm's peer review. You have three choices:

For system reviews, you have two options:

- *Firm-On-Firm Review*¹ – You hire another qualified CPA firm to conduct the review. This option gives you a degree of personal assurance that the reviewer's qualifications fit your firm's needs. It also gives you more control over the cost of the review;
- *Association Review* – You ask the association to which your firm belongs to assemble a review team. That association must be authorized by the AICPA Peer Review Board to assemble such review teams.

For engagement reviews, besides the two options listed above, there is a third option:

- *CART (Committee-Appointed Review Team) Review* – For engagement reviews, you may ask the administering entity to assemble the review team. Once a team is selected, the administering entity prepares an engagement letter that includes an estimate of the

¹ Includes a firm in the same association of CPAs.

number of hours it will take to perform the review and the reviewer's billing rates. Billing rates are set by the administering entity and not by the reviewer. You are not required to accept reviewers that your administering entity selects. This option is not available in from all administering entities.

A review team is comprised of one or more individuals, depending upon the size and nature of the CPA firm's practice.

What questions should I ask when selecting a reviewer to perform my firm's review?

1. How many reviews has the individual performed?
2. How much experience does the reviewer have in the industries in which my firm performs?
3. Will the reviewer be able to complete the review on time, allowing you enough time to submit the report and letter of response, if any, to the administering entity by your firm's review due date?
4. Ask the reviewer for a list of firms for which he or she has conducted peer reviews.
5. Are there any other value-added services you can provide me during the peer review?
6. What type of Government and/or ERISA audits do you perform (if applicable)?

If you are a member of the Governmental Audit Quality Center and/or the Employee Benefit Plan Audit Quality Center, keep in mind the membership requirement to have a quality center member review the GAO, and/or ERISA engagement(s).

What are the benefits of being a peer reviewer?

When you become a peer reviewer, you:

- Are seen as an expert in your field and gain increased respect from your colleagues.
- Help firms achieve their A&A practice goals and enhance the quality of their A&A practices.
- Identify best practices of other firms, which can be applied to other peer review clients and to your own firm.
- Gain broader practice knowledge through the peer review process, which will help sharpen your skills and reinforce your strengths.
- Are creating an opportunity to develop and additional profit center for your firm.
- Often receive referrals for additional consulting services as a result of performing peer reviews.
- Enhance the efficacy of the profession's self-regulatory efforts and contribute to the quality of our profession.

What are the qualifications necessary to become a reviewer?

To qualify as a peer reviewer, you must:

- Be a member of the AICPA.
- Be currently active in public practice at a supervisory level in the accounting or auditing function.
- Be associated with a firm that has received a report with a peer review rating of *pass*
- Possess current knowledge of professional standards
- Have 5 years of recent public accounting experience in the accounting or auditing function
- Have completed a peer review resume form.

In addition, if you are a partner² in your firm, you are qualified to be a team captain. See Appendix A for a complete listing of qualifications.

How do I become a peer reviewer?

To become a team captain (on a system review) or review captain (on an engagement review):

- Meet all the reviewer requirements. A full list of requirements is located in Appendix A and can also be downloaded at http://www.aicpa.org/download/members/div/practmon/Reviewer_Qualifications.pdf.
- Complete the AICPA two-day introductory reviewer training course, “How to Conduct a Review Under the AICPA Practice-Monitoring Program.” Check the AICPA course listings at http://www.aicpa.org/members/div/practmon/Reviewer_Training_Courses.htm to obtain information about the introductory course. Please note that 16 hours of CPE credit is obtained by taking this course.
- Peer reviewers must complete a peer review resume form. The form can be completed online at <http://peerreview.aicpaservices.org>. Once you enter your resume you will automatically be listed in the online searchable database. *Please note: you will need your AICPA login to access the form.*
- Undertake the business development activities suggested in a Peer Review Welcome package sent after you attend the “How to” course.
- Review the documents provided in the [Practitioner’s Tool Kit](#) to help promote your peer review services and develop your practice.

How does the AICPA peer reviewer database function?

The AICPA maintains a database of individuals interested in serving as reviewers. All reviewers involved in the AICPA’s Practice-Monitoring Program must be listed in the database. The database lists information the individual provides to the AICPA on a *Reviewer Resume Form*. The database includes information such as the individual’s firm, the program to which his or her firm belongs, the last training course attended, the industries in which the individual has expertise and how that expertise was obtained. Reviewers are asked to update this information

² A Partner is a proprietor, shareholder, equity or non-equity partner or any individual who assumes the risks and benefits of firm ownership or who is otherwise held out by the firm to be the equivalent of any of the aforementioned.

every year. Reviewers are required to update their resume every two years, otherwise they will be prohibited from performing peer reviews until the resume is updated. Information in the database is available to administering entities for assembling CARTs and for verifying the qualifications of firm-on-firm and association reviewers. If you choose to have a CART, a computer program will compare the information you provided about your firm with information provided by potential reviewers and will select an appropriate peer review team for your size firm with experience in your client's industries, and unless you request otherwise, from the same size firm as yours and geographically close to you, but outside of your zip code area.

Who is responsible for making sure the review team is qualified to perform my firm's peer review?

Since you have the actual contact with the reviewer, you should determine if the team captain or review captain has the experience needed to perform your firm's peer review. A reviewer not only has to have experience in the right industries, but he or she must have the right amount and type of experience. All members of the review team must be approved by the administering entity prior to the commencement of the review. In addition, the administering entity has the authority to determine whether a reviewer/ review team's experience is sufficient to perform a particular review. See Appendix A for additional information on reviewer qualification.

If you are a member of the Governmental Audit Quality Center and/or the Employee Benefit Plan Audit Quality Center, keep in mind the membership requirement to have a quality center member review the GAO, and/or ERISA engagement(s).

Is there a list of firms interested in performing peer reviews?

Yes. The administering entity can supply you with a list of firms in a geographic area that you specify that are interested in performing reviews of other firms. The AICPA also maintains a reviewer search feature on the AICPA peer review program web-site that you can use to search for reviewers by state, industry, or size of firm.

Do I have to notify the administering entity if I have already arranged or plan to arrange for another firm or association to perform my peer review?

Yes. The administering entity is responsible for ensuring that all the reviews it administers are performed in accordance with the *Standards for Performing and Reporting on Peer Reviews*. Therefore, your review must not begin until you have informed the administering entity about your arrangements and the administering entity has acknowledged receipt of the information and has approved the reviewer. Reviewers are required to confirm that the administering entity has been notified about your arrangements before starting the review. You should give the administering entity the name of the reviewing firm, the members of the review team, the date the review will begin, the date of the exit conference, and inform the administering entity promptly of any changes in that information. Providing this information before your review begins minimizes the chance of the acceptance process being delayed by questions about the conduct of the review or the qualifications of the reviewers.

PREPARING FOR THE REVIEW

How can firms prepare for their review?

All firms should establish and maintain appropriate quality control policies and procedures and comply with those policies and procedures to ensure the quality of the services they provide to the public. Several publications are available from the AICPA such as the Standards for Performing and Reporting on Peer Reviews, the AICPA Peer Review Program Manual subscription service, and the Practice Aid for Establishing and Maintaining a System of Quality Control for a Firm's Accounting and Auditing Practice. The AICPA Peer Review Program Standards and Quality Control Standards are available in the AICPA Professional Standards Vol. 2. These publications can be ordered from [CPA2Biz – Store](#). Portions of the manual and the Practice Aid are located on the AICPA website, free of charge, at: <http://www.aicpa.org/members/div/practmon/index.htm>

When should my firm's peer review be finished?

Your firm's peer review should be finished by its due date. The firm's due date is reflected:

- on the letter acknowledging your firm's original enrollment in the AICPA Peer Review Program,
- in the committee acceptance letter related to your firm's last peer review
- on page 1 of the *Information Required for Scheduling Reviews* form (mailed to you approximately six to nine months prior to the due date).

The due date is the date by which peer review documents, including the report and if applicable, the letter of response, should be submitted to the administering entity. To make sure your peer review is completed on time, you should start the review at least three to five months after your firm's peer review year-end. You should plan ahead so that the review takes place at a convenient time for your firm. For example, if you have a heavy tax practice and your review due date falls between January and April, you should plan to start the review in September or October to make sure the review is completed before your busy season begins.

What if my firm cannot finish its review by the due date?

If your firm cannot have its review on time, write a letter to the administering entity to request an extension before the due date. Ordinarily, extensions requested after the due date has passed will not be granted. Try to request the extension at least sixty days before the due date. Explain why your firm cannot have its review on time and offer an alternative date for the review. The administering entity considers extension requests on a case-by-case basis. Extensions are not granted simply because a firm believes it needs more time to prepare for the review.

In certain circumstances extension requests for due dates may be granted by the administering entities, however, the extensions may not be recognized by your state board of accountancy or other regulators. *Government Auditing Standards* require a firm to have an external quality control review every three years. This three year period begins with the date your firm starts fieldwork on its first engagement under *GAO Standards*. Subsequent reviews under *GAO Standards* should be completed within three years after the issuance of the prior report. If your firm performs governmental audits, don't forget to take these requirements and potential changes into account when you request an extension of your firm's due date. The GAO and state boards of accountancy are not required to recognize extensions granted by the AICPA.

What period should my firm's peer review cover?

The initial review normally covers a one-year period mutually agreed upon by you and the reviewer and should not change from review to review. Engagements selected for review in a system review **would** generally be those with periods ending during the year under review. For attest engagements, including a financial forecast or projection, the selection for review ordinarily should be those with report dates during the year under review. If the current years' engagement is not completed and a comparable engagement within the peer review year is not available, the prior years' engagement should be reviewed. If the subsequent years' engagement has been completed, the peer review team should consider, based on its assessment of peer review risk, whether the more recently completed engagement should be reviewed instead.

The criteria for selecting the peer review year-end and the period to be covered by engagement reviews are the same as those for a system review.

It is generally anticipated that a firm will keep the same peer review year-end from review to review. If the prior peer review year-end was not the most convenient for firm personnel or the most natural year-end for your firm's practice, write to your administering entity to request that you be allowed a permanent change to a year-end that is more natural for your firm. Your letter should describe the reasons for your request.

What if my client does not want their financial information reviewed by the peer reviewer?

Firms may have legitimate reasons for excluding an engagement from the scope of peer reviewers. The following explanations are reasonable for excluding an engagement from selection in the peer review (this is not intended to be an all inclusive list):

1. The engagement is subject to litigation
2. Client will not permit the firm to make the engagement available

In these situations, the reviewed firm should submit a written statement to the administering entity, prior to commencement of the review, indicating a) it plans to exclude an engagement(s) from the peer review selection process, b) the reasons for the exclusion and c) it is requesting a waiver from a scope limitation in the peer review report. The administering entity must decide if the reviewed firms request to exclude an engagement is reasonable and whether the firm should receive an exemption from the scope limitation.

The Board has agreed that the following explanations are unacceptable reasons for excluding an engagement from selection in the peer review (this is not intended to be an all inclusive list):

1. The engagement working papers are in a warehouse
2. The firm no longer performs the audit for that client (and still has access to the documentation)
3. The firm decided to no longer perform audits
4. The engagement was selected during the last peer review
5. The partner on that engagement will not be available when we scheduled the peer review
6. The firm no longer performs engagements in that industry

These reasons would result in a report with a scope limitation.

When should I contact my system review team captain and what will he or she want from me?

You should contact your team captain and begin planning the review together early enough, at least six to nine months prior to the due date, to make sure all documents will be submitted to the administering entity by your firm's due date. The team captain will ask for:

- The completed Quality Control Policies and Procedures Questionnaire (describing your quality control system).
- An engagement list
- Background form, which includes summary information on the nature of your practice, services provided, clients served, industry concentrations and the number of accounting and auditing hours for these clients/industries. This summary information does not have to identify your clients. You can use codes.
- A list of the firm's professional personnel showing name, position and years of experience with the firm and in total.
- A copy of the firm's documentation maintained since its last peer review to demonstrate compliance with the monitoring element of quality control.

Based on this information, the team captain will make a preliminary selection of the offices and engagements he or she intends to review. The initial selection of engagements to be reviewed will be provided no earlier than three weeks before the commencement of the peer review. This should provide ample time to enable the firm (or office) to assemble the required client information and engagement documentation before the review team commences the review. However, at least one engagement from the initial selection to be reviewed will be provided to the firm once the review commences and not provided to the firm in advance. This engagement should be the firm's highest level of service and should not increase the scope of the review.

All engagements performed and issued by the firm should be available to the team captain at the start of fieldwork.

How Should My Firm Prepare for a Subsequent Peer Review?

In preparing for its next review, your firm should:

- Read the report, the findings and recommendations in the prior letter of comments³, if applicable, and your firm's response to the letter of comments², and be certain that you have taken the actions in your letter of response.
- Perform on-going monitoring procedures to make sure prior deficiencies have been corrected.
- Review its document of quality control policies and procedures and that determine that the size, structure, and nature of the practice of the firm are considered in determining the extent of the documentation of established quality control policies and procedures.
- Prepare the appropriate quality control policies and procedures questionnaire

HAVING THE REVIEW

How are engagements selected for a system review?

The AICPA Peer Review Program Standards require engagements selected for review should provide a reasonable cross section of the reviewed firm's accounting and auditing practice, with greater emphasis on those engagements in the practice with higher assessed levels of peer review risk. Examples of the factors considered when assessing peer review risk at the engagement level include size, industry area, level of service, personnel (including turnover, use of merged-in personnel, or personnel not routinely assigned to accounting and auditing engagements), communications from regulatory, monitoring, or enforcement bodies; extent of non-audit services to audit clients, significant clients' fees to a practice office(s) and a partner(s) and initial engagements. In addition, at least one of each type of engagement subject to Government Auditing Standards (GAS), Employment Retirement Income Security Act (ERISA) or the Federal Deposit Insurance Corporation Improvement Act (FDICIA), must be selected for review.

How are engagements selected for an engagement review?

The review captain or the administering entity ordinarily should select the types of engagements to be submitted for review in accordance with the following guidelines:

- a. One engagement should be selected from each of the following areas of service

³ For reviews completed prior to January 1, 2009

performed by the firm;

1. Review of historical financial statements (performed under SSARS)
 2. Compilation of historical financial statements, with disclosures (performed under SSARS)
 3. Compilation of historical financial statements that omits substantially all disclosures (performed under SSARS)
 4. Engagements performed under the SSAEs other than examinations of prospective financial statements.
- b.** One engagement should be selected from each partner, or individual of the firm, if not a partner, responsible for the issuance of reports listed in item (a). Ordinarily, at least two engagements should be selected for review.

The preceding criteria are not mutually exclusive. One of every type of engagement that a partner, or individual if not a partner, responsible for the issuance of the reports listed in item (a) in the previous list performs does not have to be reviewed as long as, for the firm taken as a whole, all types of engagements noted in item (a) in the previous list performed by the firm are covered.

TYPES OF REPORTS

What types of peer review reports are issued on system reviews?

The reviewer may issue one of three opinions on the firm's system of quality control (system): pass, pass with deficiencies and fail.

Pass

A report with a peer review rating of *pass* should be issued when the team captain concludes that the firm's system of quality control for the accounting and auditing practice has been suitably designed and complied with to provide the firm reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. .

There are no deficiencies or significant deficiencies that affect the nature of the report and, therefore, the report does not contain any deficiencies, significant deficiencies, or recommendations. In the event of a scope limitation, a report with a peer review rating of *pass (with a scope limitation)* is issued.

Pass with Deficiencies

A report with a peer review rating of *pass with deficiencies* should be issued when the team captain concludes that the firm's system of quality control for the accounting and auditing practice has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting with applicable professional standards in all material respects with the exception of a certain deficiency or deficiencies that are described in the report. These deficiencies are conditions related to the firm's design of and compliance with its system of quality control that could create a situation in which the firm would have less than reasonable assurance of performing and/or reporting in conformity with applicable professional standards in one or more important respects due to the nature, causes, pattern, or pervasiveness, including the relative importance of the deficiencies to the quality control system taken as a whole.

In the event of a scope limitation, a report with a peer review rating of *pass with deficiencies (with a scope limitation)* is issued.

Fail

A report with a peer review rating of fail should be issued when the team captain has identified significant deficiencies and concludes that the firm's system of quality control is not suitably designed to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects or the firm has not complied with its system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects.

In the event of a scope limitation, a report with a peer review rating of *fail (with a scope limitation)* is issued.

What types of peer review reports are issued on Engagement Reviews?

A review captain on an engagement review can issue three types of peer review reports: Pass, Pass with Deficiencies and Fail.

Pass

A report with a peer review rating of *pass* is issued when the review captain concludes that nothing came to his or her attention that caused him or her to believe that the engagements submitted for review were not performed and reported on in conformity with applicable professional standards in all material respects. There are no deficiencies or significant deficiencies that affect the nature of the report and, therefore, the report does not contain any deficiencies, significant deficiencies, or recommendations. In the event of a scope limitation, a report with a peer review rating of *pass (with a scope limitation)* is issued.

Pass with Deficiencies

A report with a peer review rating of *pass with deficiencies* is issued when the review captain concludes that nothing came to his or her attention that caused him or her to believe that the engagements submitted for review were not performed and reported on in conformity with applicable professional standards in all material respects except for the deficiencies that are described in the report. The deficiencies are one or more findings that the peer reviewer concludes are material to the understanding of the report of financial statements or represents omission of a critical procedure, including documentation, required by applicable professional standards. A report with a peer review rating of *pass with deficiencies* issued when at least one but not all of the engagements submitted for review contain a deficiency. However, when more than one engagement has been submitted for review, and the exact same deficiency occurs on each of the engagements, and there are no other deficiencies, a report with a peer review rating of *pass with deficiency* should be issued rather than with a peer review rating of *fail*.

In the event of a scope limitation, a report with a peer review rating of *pass with deficiencies (with a scope limitation)* is issued.

Fail

A report with a peer review rating of *fail* is issued when the review captain concludes that, as a result of the deficiencies described in the report, the engagements submitted for review were not performed and/or reported on in conformity with applicable professional standards in all material respects. A report with a peer review rating of *fail* is issued when deficiencies are evident on all of the engagements submitted for review. However, a report with a peer review rating of *pass with deficiency* should be issued when more than one engagement has been submitted for review, and the exact same deficiency occurs on each of the engagements, and there are no other deficiencies. The review captain should not expand scope beyond the original selection of engagements in an effort to change the conclusion from a peer review rating of *fail* in these circumstances.

In the event of a scope limitation, a report with a peer review rating of *fail (with a scope limitation)* is issued.

PEER REVIEW COMMITTEE CONSIDERATION AND ACCEPTANCE

Who is responsible for submitting review documents to the administering entity?

The *team captain or review captain* is responsible for submitting the peer review documentation and report to the administering within 30 days of the exit conference date, or completion date for engagement review, or by your firm's peer review due date, whichever is earlier. If the report is a peer review rating of *pass with deficiencies* or *fail*, the firm is responsible for submitting the report and the related letter of response within 30 days of the exit conference date, or completion date for engagement review, or by your firm's peer review due date, whichever is earlier.. See Interpretations 94-1 and 99-1 of the Standards for a list of other documentation required.

What happens if deficiencies are found by my peer reviewer?

If deficiencies are found, your firm is expected to identify and take corrective measures to prevent the same/similar types of deficiencies from occurring in the future. Such actions could include making appropriate changes in your firm's system of quality control or having personnel take additional continuing professional education in specified areas. In addition, the peer review committee may ask your firm to agree to certain other actions it deems appropriate in the circumstances, such as the submission of a monitoring report or a revisit by the reviewer. The main objective of a review is to help the firm improve the quality of its practice.

What if I don't agree with the peer reviewer's conclusions?

Because peer review is a subjective process, there may be differences of opinion between you and the reviewer as to whether a deficiency exists that is not resolved to your satisfaction. In such circumstances, the reviewed firm or reviewer may consult with their administering entity and, if necessary, request that the administering entity's peer review committee resolve the disagreement. If the administering entity's full peer review committee is unable to resolve the disagreement, the administering entity may refer unresolved issues to the board for a final determination. Only the administering entity's peer review committee will be responsible for determining whether a disagreement still exists, or whether the reviewed firm or review team is not cooperating, in order for the administering entity to refer the issue to the board.

When are the results of my peer review communicated to me?

For system reviews, the review team should communicate its conclusions at the exit conference. The exit conference is a meeting attended by senior members of your firm, the review team and possibly representatives of the administering entity, the board, AICPA staff, or other board authorized organizations with oversight responsibilities. At the exit conference the CPA firm is entitled to be informed about any matters documented on the MFC form(s), findings documented on the FFC form(s), deficiencies or significant deficiencies to be included in the peer review report and the type of report to be issued.

For engagements reviews, the review captain will hold a meeting, via telephone or in person with your firm to communicate the results of the peer review.

Can my peer review acceptance letter be withheld until peer review administrative fees are paid?

No. If the fieldwork has begun, the review should be performed, technically reviewed, considered by a report acceptance body and then the appropriate acceptance letter should be issued. However, failure to pay fees related to the administration of the peer review program that have been authorized by the governing body of an administering entity can lead to the firm's enrollment in the AICPA Peer Review Program being dropped.

When are the results of my peer review available for publication?

The results of your review can be publicized the date the administering entity's peer review committee accepts the report. This step ensures that a panel of your peers agrees with your review team's conclusions. (Committee members must excuse themselves from discussions if they have a conflict of interest with respect to the reviewed firm or the review team members.) You should not publicize the results of the review or distribute copies of the report until the committee has advised you that the report has been accepted.

When is my peer review complete?

Generally, a peer review is complete the date the administering entity's peer review committee (committee) accepts your firm's peer review without any further action(s) required of your firm. However, in the event that further action(s) is required, the peer review is deemed completed when the firm has taken any action(s) deemed necessary by the committee and has been notified of the completion of the review by the administering entity.

When would further action(s) be required?

When a firm receives a report with a rating of pass with deficiencies or fail, the committee ordinarily would require some type of further action(s). The type of action required would depend on the nature of the deficiencies.

What is an implementation plan?

During the peer review, if a reviewer finds a matter that does not rise to the level of a deficiency, the reviewer will complete a Finding for Further Consideration Form (FFC). The reviewer will make a recommendation to the firm to correct the matter and the firm will be asked to respond. The firm's response should include a description of the action(s) taken or planned to be taken (and timing). The reviewed firm can also instead choose to check a box that they agree with the finding and will implement the reviewer's recommendation and they should provide the date of the action(s) taken or to be taken. The administering entity's peer review committee will evaluate whether reviewed firm's responses to those recommendations appear comprehensive, genuine, and feasible. The peer review committee will determine if a finding should require an implementation plan from the reviewed firm in addition to or as an affirmation of the plan described by the firm in its response to the findings on the FFC form.

An implementation plan is not tied to the reporting process or to the acceptance or completion of the peer review, but as with all documents, needs to be completed properly before the review can be accepted. It is considered a part of the working papers and administrative files when a firm implementation plan is required by the peer review committee. Firms are expected to agree to and complete any such implementation plans as a part of cooperating with the administering entity and the board in all matters related to the review.

How can I obtain a copy of a firm's latest peer review report?

Peer review results for firms enrolled in the AICPA Peer Review Program are confidential. However, if asked, the reviewed firm is allowed to give you a copy if it chooses to do so.

The latest peer review report for a firm that is a voluntary member of one of the AICPA's audit quality centers or sections that has a membership requirement such that certain peer review documents be open to public inspection may be obtained from the firm's [Public File](#).

How will my firm's affiliation with a non CPA-Owned entity impact my peer review?

Under an alternative practice structure, certain portions of the CPA firm's system of quality control may reside at or operate in conjunction with the system of control of the non-CPA owned entity, which the CPA firm is closely aligned through common employment, leasing of employees, equipment, facilities, or similar arrangements. This would generally include the following elements of quality control: (1) independence, integrity, and objectivity, (2) personnel management, and (3) monitoring of the two preceding quality control elements. Reviewers will perform additional procedures to test these elements at the alternative practice structure.

Can my firm resign from the AICPA peer review program at anytime?

A firm may resign from the AICPA Peer Review Program (Program) as long as the peer review has not commenced and your firm submits a letter of resignation to the Peer Review Board. A peer review commences when the review team begins field work on a system review or begins the review of engagements on an engagement review. However, once a peer review commences a firm would not be able to resign from the Program unless the firm submits a letter pleading guilty, acknowledging its non-cooperation with the program, waiving its right to a hearing and agrees to allow the AICPA to publish in such a form and manner as the AICPA Council may prescribe, the fact the firm has resigned from the program before completion of its peer review, evidencing non-cooperation with the program.

If my firm is terminated from the AICPA peer review program, how does the firm get reenrolled?

A firm that has been terminated from the program may reenroll in the program once it completes the delinquent action that caused the firm to be terminated. The administering entity and the board make the determination of whether the action is satisfactorily completed. If the firm is past its next peer review due date, the firm will be required to complete its subsequent peer review within 90 days of reenrolling.

OTHER MATTERS

AICPA Audit Risk Alerts -- A Good Way to Keep Current

A good way to keep current on professional and industry developments is to obtain the AICPA audit risk alerts that are pertinent to your firm's practice. Each year, the AICPA publishes a general audit risk alert and audit risk alerts for various industries to advise auditors of current economic, industry, and professional developments they should be aware of as they perform audits in the current period. Risk alerts also assist reviewers and firms in identifying high-risk areas of audit engagements that should be reviewed during a peer review.

The AICPA also publishes a compilation and review alert, which provides valuable information that can be used during the review of these engagements. The alert clarifies certain existing professional standards, suggests ways of implementing Statements on Standards for Accounting and Review Services (SSARSs) in special circumstances, points out pitfalls that frequently occur in compilation and review engagements, and summarizes new professional pronouncements. Risk alerts can be ordered from [CPA2Biz – Store](#).

We hope we have answered most of your questions about peer review. If your question is not answered here, you may call the administering entity for assistance or the AICPA Peer Review Team at 919-402-4502.

APPENDIX A

Reviewer Qualifications

Performing and reporting on a peer review requires the exercise of professional judgment by peers (see paragraphs 147–153 of the Standards for a discussion of a reviewer’s responsibilities when performing a peer review). Accordingly, an individual serving as a reviewer on a System or Engagement Review should at a minimum:

- a. Be a member of the AICPA in good standing (that is, AICPA membership in active, nonsuspended status) licensed to practice as a CPA.
- b. Be currently active in public practice at a supervisory level in the accounting or auditing function of a firm enrolled in the program (see [interpretations](#)), as a partner of the firm, or as a manager or person with equivalent supervisory responsibilities.^{4 5} To be considered currently active in the accounting or auditing function, a reviewer should be presently involved in the accounting or auditing practice of a firm supervising one or more of the firm’s accounting or auditing engagements or carrying out a quality control function on the firm’s accounting or auditing engagements.
- c. Be associated with a firm (or all firms if associated with more than one firm) that has received a report with a peer review rating of *pass*⁶ for its most recent System or Engagement Review that was accepted timely, ordinarily within the last three years and six months (see [interpretations](#)).⁷
- d. Possess current knowledge of professional standards applicable to the kind of practice to be reviewed, including quality control and peer review standards. This includes recent experience in and knowledge about current rules and regulations appropriate to the level of service applicable to the industries of the engagements that the individual will be reviewing (see [interpretations](#)).
- e. Have at least five years of recent experience in the practice of public accounting in the accounting or auditing function.⁸
- f. Have provided the administering entity with information that accurately reflects the qualifications of the reviewer including recent industry experience, which is updated on a timely basis (see [interpretations](#)).

⁴The board recognizes that practitioners often perform a number of functions, including tax and consulting work, and cannot restrict themselves to accounting and auditing work. These standards are not intended to require that reviewers be individuals who spend all their time on accounting and auditing engagements. However, CPAs who wish to serve as reviewers should carefully consider whether their day-to-day involvement in accounting and auditing work is sufficiently comprehensive to enable them to perform a peer review with professional expertise. For instance, in a System Review, a reviewer of auditing engagements should be currently reviewing or performing auditing engagements. In an Engagement Review, a reviewer of engagements performed under the Statements on Standards for Attestation Engagements should also be currently reviewing or performing the same type of engagements.

⁵A manager or person with equivalent supervisory responsibilities is a professional employee of the firm who has either a continuing responsibility for the overall planning and supervision of engagements for specified clients or authority to determine that an engagement is complete subject to final partner approval if required.

⁶A peer review report with a rating of *pass* was previously referred to as an unmodified report (with or without a letter of comments). If a firm’s most recent peer review rating was a *pass with deficiencies* or *fail*, the firm’s members are not eligible to perform peer reviews.

⁷If a firm’s most recent review was a report review, then the firm’s members are not eligible to perform peer reviews.

⁸For this purpose, *recent* means having experience within the last five years in the industries and related levels of service for which engagements are reviewed. However, a reviewer should be cautious of those high-risk engagements or industries in which new standards have been issued. For example, in those cases in which new industry standards or practices have occurred in the most recent year, it may be necessary to have *current* practice experience in that industry in order to have *recent* experience.

Team Captain or Review Captain

In addition to adhering to the general requirements in paragraph 31 to be a peer reviewer, a System Review team captain must be a partner. For an Engagement Review, the review captain is not required to be a partner. The team captain, or the review captain in limited circumstances, is required to ensure that all team members possess the necessary capabilities and competencies to perform assigned responsibilities and that team members are adequately supervised. The team captain or review captain has the ultimate responsibility for the review, including the work performed by team members.

Also, team captains and review captains should have completed peer review training that meets the requirements established by the board (see [interpretations](#)). For additional team captain qualification requirements, see the interpretations.

Other Peer Reviewer or Reviewing Firm Qualification Considerations

Communications from regulatory, monitoring, or enforcement bodies relating to allegations or investigations of a peer reviewer or reviewing firm's accounting and auditing practice, and notifications of limitations or restrictions on a peer reviewer or reviewing firm to practice, may impact the peer reviewer or reviewing firm's ability to perform the peer review. The peer reviewer or reviewing firm has a responsibility to inform the administering entity of such communications or notifications (see [interpretations](#)).

If required by the nature of the reviewed firm's practice, individuals with expertise in specialized areas may assist the review team in a consulting capacity. For example, computer specialists, statistical sampling specialists, actuaries, or experts in continuing professional education (CPE) may participate in certain segments of the review.

Appendix B—Staff Contacts, Resources, Publications and important web-site links.

AICPA Peer Review Program Staff

Name	Title	E-mail address
Jim Brackens	VP Firm Quality & Practice Monitoring	jbrackens@aicpa.org
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Desiree Kimbrough	State Society Coordinator	dkimbrough@aicpa.org
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Valarie Johnson	Coordinator – National PRC	vjohnson@aicpa.org
Joy Young	Administrative Assistant – National PRC	ayoung@aicpa.org
Crystal Branch	Secretary	cbranch@aicpa.org

Resources and Tools

The *AICPA Peer Review Program Manual*. This manual provides up-to-date standards, policies, procedures, checklists, and programs for use when arranging, administering and carrying out a peer review. There are two ways to access the manual. You can choose to purchase the entire manual at cpa2biz.com. Alternatively, several sections of the *AICPA Peer Review Program Manual* are available on-line at no charge at <http://www.aicpa.org/members/div/practmon/index.htm>. These include:

- [Standards for Performing and Reporting on Peer Reviews \(Standards\) and the Interpretations.](#)
- [Team Captain Packages](#) for System Reviews and Engagement and Report Reviews. You can download various checklists, questionnaires, and supporting materials which are required in the performance of a review.

The AICPA Peer Review Board has issued a white paper, “[Navigating Through the Revised AICPA Standards for Performing and Reporting on Peer Reviews and Related Interpretations](#)” to assist readers in learning about how the changes, effective for peer reviews commencing on or after January 1, 2009, may affect them.

Quality Control Standards

This AICPA Audit and Accounting Practice Aid updated the 2004 edition of *Establishing and Maintaining a System of Quality Control for a CPA Firm’s Accounting and Auditing Practice*. This Practice Aid is intended to help practitioners better understand and apply Statements on Quality Control Standard (SQCS) No 7. That standard is included in Appendix A of this Practice Aid. This version of the Practice Aid, prepared by the Quality Control Standards Task Force, has been revised to incorporate new policies and procedures that a firm should consider including in its system of quality control to be responsive to the issuance of SQCS No. 7. The Practice Aid is available free of charge at: http://www.aicpa.org/centerprp/PA_QualityControl.htm.

Important Web-site Links

The AICPA website can be found at: <http://www.aicpa.org>

Information regarding the AICPA Peer Review Program can be found at: <http://www.aicpa.org/members/div/practmon/index.htm>

In Our Opinion Newsletter (The Newsletter of the AICPA Audit and Attest Standards Group): <http://www.aicpa.org/Professional+Resources/Accounting+and+Auditing/Audit+and+Attest+Standards/Opinion/>

Newly Released Ethics Rulings and Interpretations: <http://theqaq.aicpa.org/Resources/Ethics+and+Independence/>

General Accounting Standards Board: www.gasb.org

Federal Accounting Standards Advisory Board: www.fasab.gov

Government Auditing Standards (Yellow Book) www.gao.gov/govaud/ybk01.htm

Office of Management and Budget (Grants Management):
<http://www.whitehouse.gov/omb/grants/>

Information on State Boards/Societies <http://www.aicpa.org/states/index.htm>

Public Company Accounting Oversight Board <http://www.pcaobus.org>

Government Audit Quality Center <http://gaqc.aicpa.org/>

Employee Benefit Plan Audit Quality Center <http://ebpaqc.aicpa.org/>