

February 6, 2012

Sondi Stanton, Peer Review Committee Chair
Massachusetts Society of CPAs
105 Chauncy St., 10th Floor
Boston, MA 02111

Dear Ms. Stanton:

On December 5, 2011, 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 Massachusetts 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 will be posted to the AICPA Peer Review Program Web site.

The next state oversight visit will be in 2013.

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

Sincerely,

Randy Watson

Randy Watson, Chair
Oversight Task Force
AICPA Peer Review Board

cc: Theodore J. Flynn, Executive Director
Beth Lyons, Peer Review Manager
Lisa Joseph, AICPA Peer Review Program Technical Manager



Massachusetts Society of
Certified Public Accountants, Inc.®
MSCPA Peer Review Program
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Massachusetts Society of CPA's



AICPA Peer Review Program
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Massachusetts Society of CPA's

September 30, 2011

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

Re: Oversight Visit to Massachusetts

Dear Mr. Watson:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the Massachusetts's administration of the AICPA Peer Review Program performed on August 24 and 25. The oversight visit documents have been disseminated to all peer review program committee members, administrative staff, and technical reviewer(s). We are pleased to note there were no specific deficiencies or observations included in the oversight documents on which a written response was required. This letter represents our acknowledgement of the oversight visit.

We appreciate Del Hoover's review of our administration of the AICPA Peer Review Program.

Sincerely,

Sondi B. Stanton, CPA
Chair, Massachusetts Peer Review Executive Committee

Oversight Visit Report

August 25, 2011

To the Massachusetts Society of CPAs
Peer Review Committee

We have reviewed Massachusetts Society of CPAs' administration of the AICPA Peer Review Program as part of our oversight program. 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 Massachusetts Society of CPAs 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.



Del Hoover, Member, Oversight Task Force
AICPA Peer Review Program

Peer Review Program

August 25, 2011

To the Massachusetts Society of CPAs
Peer Review Executive Committee

We have reviewed Massachusetts Society of CPAs' administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated August 25, 2011. 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 Massachusetts Society of CPAs, the administering entity for the program, conducted on August 24 and 25, 2011, the following observations are being communicated.

Administrative Procedures

On the morning of August 24, 2011, I met with the Vice President, Member Services/Peer Review (director) and the 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.

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 the administrative staff handles short-term extension requests up to three months and the committee handles longer extensions.

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

The Massachusetts Society of CPAs has developed a back-up plan to support the director, coordinator and the technical reviewer if they become unable to serve in their capacity.

Web Site and Other Media Information

I met with the director 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 any 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 periodic basis to ensure peer review information is accurate and timely.

Working Paper Retention

I reviewed the completed working papers and found that the administering entity was complying with the working paper retention policies.

Technical Review Procedures

I met with the technical reviewer, to discuss procedures. He performs substantially all technical reviews and participates in a system review as an observer annually.

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

Review Presentation

Reviews are generally presented to the committee without open technical issues. Accordingly, it was not necessary for the report acceptance body (RAB) to spend a great deal of time reviewing specific technical issues.

Committee Procedures

I met with the committee chair and discussed the procedures for disseminating the comments resulting from the AICPA working paper oversights to the appropriate individuals and determined that the appropriate actions were taken including the issuance of reviewer feedback.

On August 25, 2011, I attended two of the three RAB meetings to observe the discussions. Both meetings were very orderly. It was apparent that the RAB members had reviewed the reports and working papers thoroughly 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, appropriate follow-up actions were assigned and reviewers were being appropriately monitored. Reviews were being presented to the RABs on a timely basis.

I also attended the peer review executive committee meeting and observed the committee's discussions regarding, among other things, a reviewer performance issue. I made an oral report to the committee regarding my observations of the peer review program.

Oversight Program

The Massachusetts Society of CPAs' peer review executive committee has adopted a formal oversight program that is well documented. I reviewed the document and procedures performed and found them to be comprehensive.

Summary

There are no further observations to be communicated to the Massachusetts Society of CPAs.

A handwritten signature in black ink that reads "Del Hoover". The signature is written in a cursive style with a large initial "D" and "H".

Del Hoover, Member, Oversight Task Force
AICPA Peer Review Program