

February 6, 2012

Robert Irwin, Peer Review Committee Chair
New York State Society of CPAs
3 Park Avenue, 18th Floor
New York, NY 10016

Dear Mr. Irwin:

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 New York State 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 2012.

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: Joanne Barry, Executive Director
Mark Rachleff, Peer Review Manager
Lisa Joseph, AICPA Peer Review Program Technical Manager

AICPA Peer Review Program
And NYSSCPA Peer Review Program
Administered by New York State Society of CPAs

November 18, 2011

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

Re: Oversight Visit to the New York State Society of CPAs

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 New York State Society of CPA's administration of the AICPA Peer Review Program performed on September 28 and 29, 2010. 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 Robert Bezgin's review of our administration of the AICPA Peer Review Program.

Sincerely,



Robert Irwin, CPA
Chair, Peer Review Committee

Oversight Visit Report

September 29, 2010

To the New York State Society of Certified Public Accountants
Peer Review Committee

We have reviewed the New York State Society of Certified Public Accountant's 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 New York State 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.



Robert C. Bezgin, Member, Oversight Task Force
AICPA Peer Review Program

September 29, 2010

To the New York State Society of Certified Public Accountants
Peer Review Committee

We have reviewed the New York State Society of Certified Public Accountant's administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated September 29, 2010. 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 (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 New York State Society of Certified Public Accountants, the administering entity for the program, conducted on September 28 and 29, 2010, the following observations are being communicated.

Administrative Procedures

On the morning of September 28, 2010, I met with the Quality Assurance Administrator and the Peer Review Administrator to review the program's administration. I believe the administrative processes were being handled in a manner consistent with peer review standards.

I reviewed the 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 Technical Reviewer handles short-term requests with discussion with the committee when circumstances warrant. I noted that some extensions were granted 30 days prior to the due date when the current policy asks that extension requests be made prior to 60 days before the due date.

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

Also, I reviewed the timeliness of the preparation of poor performance and tardiness letters and found these were being issued in a timely and appropriate manner.

The Society has developed a back-up plan to support the Quality Assurance Administrator and the Peer Review Administrator should they become unable to serve in their capacity. The back-up plan is in writing, however, an opportunity to test the plan has not occurred.

Web-Site and Other Media Information

I met with the Technical Reviewer 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 AICPA staff's review of the Web site material and other media information, it was noted that the materials are current and the links to the AICPA website were working.

Working Paper Retention

I reviewed the completed working papers and found no instances of noncompliance with the working paper retention policies.

Technical Review Procedures

I met with the technical reviewer, who performs most of the technical reviews, to discuss procedures. The technical reviewer is experienced and brings many years of public accounting experience to the technical review process.

I reviewed the reports, letters of comment, letters of response, and the working papers for 8 reviews in preparation for the September 28, 2010 committee meeting. 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

All Report Acceptance Body ("RAB") meetings are conducted by telephone. We observed one of the RAB meetings and noted the reviews were brought to the RAB without open technical issues. Accordingly, it was not necessary for the RAB to spend a great deal of time reviewing specific technical issues. The technical reviewer was available for each RAB as necessary and the meeting was orderly and contained appropriate discussion. The RAB 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. I observed the RAB's acceptance process and offered my comments at the close of discussions. 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 RAB on a timely basis.

Committee Procedures

I met with the committee and discussed their procedures for disseminating the comments resulting from the AICPA working paper oversights to the appropriate individuals. It was determined the committee issued reviewer feedback when appropriate.

On September 29, 2010, I attended the on-site peer review committee meeting.

The New York State Board of Accountancy has recently passed a peer review requirement for licensing that will be administered by the New York State Society of Certified Public Accountants. In anticipation of the increased volume of reviews that will be administered, the committee has begun to address the additional personnel resources needed to administer the additional reviews.

Oversight Program

The New York State Society of Certified Public Accountants peer review committee has adopted a formal oversight program which is well documented. I reviewed the document and procedures performed and found it to be comprehensive.

Summary

There are no further observations to be communicated to the New York State Society of Certified Public Accountants.



Robert C. Bezgin, Member, Oversight Task Force
AICPA Peer Review Program