



Assisting Firms with SBOA Requests for Objective Information About Peer Reviews (146-3)

State Boards of Accountancy (SBOAs) may ask a firm to provide information about its peer review. In accordance with Interpretation 146-3, a firm must provide written permission to an administering entity (AE) to release this information.

Firms will likely need assistance from their AEs when completing the form, since not all objective information associated with a peer review or a particular stage of a firm's peer review will be relevant to an SBOA's request. When assisting firms, it will be important for the AE to understand what questions the SBOA has asked the firm and/or what information about the firm's peer review the SBOA has requested.

For example, if fieldwork has started and PRIMA indicates that workpapers have been submitted by the reviewer, but the technical review has not started, the AE can inform the firm that the following objective information may be provided to the SBOA:

- Overdue letters (if applicable)
- Extension approval letter (if applicable)
- The date the AE received workpapers

AEs should be careful to not provide subjective information, such as whether a firm is cooperating.

After consulting with the AE, the firm should send the AE and the applicable SBOA a copy of the cover letter and the signed form (which should identify the objective information the firm has authorized the AE to send the SBOA). Once received, the AE should send the SBOA (copying the firm) the objective information as authorized by the firm. The information sent by the AE should be accompanied by the "Information about Peer Reviews for SBOAs" form.

SBOAs also have access to the toolkit. In certain situations, the SBOA may send the form to the firm to sign and submit to the AE. We encourage AEs to work with their SBOA to provide the appropriate objective information when requested.

Please keep in mind that the information form is a tool to assist firms to comply with SBOA requests. If the firm provides written permission in another form and the requested information is objective, that should be sufficient.

If you have any questions about this or information that can be provided to a SBOA, please feel free to contact staff at prsupport@aicpa.org or 919.402.4502, option 3.

Dear [NAME OF MP OR PRC]:

Due to confidentiality reasons, a firm must provide written permission to allow specific information to be submitted to a third party. The attached form should be completed when a state board of accountancy (SBOA) requests information about your firm's peer review.

The form shows the objective information and/or letters that your administering entity (AE) may, with your authorization, provide to your SBOA. This information corresponds to the "stage" of your firm's peer review.

You will need to sign the authorization at the bottom of the form to allow the AE to provide the objective information to the SBOA. Please send the signed and completed form to your AE.

Please contact the AE for assistance regarding completing the attached form. If you have any additional questions, please feel free to contact your AE at <Insert AE Contact Information>.

Sincerely,

[AE SIGNATURE]

<Insert Firm Name & Number:>
 <Insert Peer Review Year End:>
 >Insert Peer Review Due Date:>

Review Stage	Question	Check applicable boxes (but not all) of information to be submitted to SBOA
Fieldwork has started	<p>For engagement reviews – has the firm sent workpapers for the selected engagement(s) to the peer reviewer?</p> <p>For system reviews – has the peer reviewer been to the firm’s office and reviewed engagement workpapers, CPE records, etc.?</p>	<input type="checkbox"/> Date fieldwork started <input type="checkbox"/> Date closing meeting is scheduled <input type="checkbox"/> Date exit conference is scheduled <input type="checkbox"/> Overdue letters (if applicable) <input type="checkbox"/> Extension approval letter (if applicable) <input type="checkbox"/> Date workpapers were received by AE <input type="checkbox"/> Date technical review started <input type="checkbox"/> Date review was presented to RAB <input type="checkbox"/> Date review was accepted by RAB <input type="checkbox"/> Date acceptance letter signed by firm (if applicable) <input type="checkbox"/> Completion letter <input type="checkbox"/> Delay/Defer letters <input type="checkbox"/> Letters scheduling disagreement panels <input type="checkbox"/> Letters communicating additional corrective actions
Scheduling	Has the firm selected a peer reviewer and is scheduling complete?	<input type="checkbox"/> Scheduling Reminder letters <input type="checkbox"/> Firm-on-Firm confirmation letter <input type="checkbox"/> Name of captain and reviewing firm <input type="checkbox"/> Extension approval letter (if applicable) <input type="checkbox"/> Date fieldwork is/was scheduled to start
Pre-Scheduling	Has the firm submitted information about the firm’s A&A practice and personnel to the administering entity (state society) via the peer review system (PRIMA)?	<input type="checkbox"/> Peer Review Information Reminder Letters <input type="checkbox"/> Extension approval letter (if applicable) <input type="checkbox"/> Date peer review information submitted

In accordance with Peer Review Standards Interpretation 146-3, <Insert Firm Name> agrees to allow the AICPA or the administering entity to provide the identified objective information about the status of the firm’s peer review.

[MANAGING PARTNER or PEER REVIEW CONTACT]

Cc: Applicable State Board of Accountancy



Information about the review stage

Review stage	Pertinent details
Fieldwork has started	<p><u>Engagement Reviews</u></p> <ol style="list-style-type: none"> 1. Engagement reviews start when a firm’s peer reviewer begins the review of engagements selected for review. 2. Firms and reviewers agree on an estimated review start date but the due date for the peer review report, letter of response (if applicable) and the reviewer’s workpapers is six months after the firm’s peer review year-end (or by the extended due date if applicable).
	<p><u>System Reviews</u></p> <ol style="list-style-type: none"> 1. System reviews normally start when the review team begins fieldwork (normally at the office of the reviewed firm) but the start date could be earlier if review team members begin reviewing engagements assigned to them prior to the team captain beginning his/her fieldwork. 2. Firms and reviewers agree on an estimated review start date but the due date for the peer review report, letter of response (if applicable) and the reviewer’s workpapers is six months after the firm’s peer review year-end (or by the extended due date if applicable).
Post-scheduling	<ol style="list-style-type: none"> 1. During post-scheduling, firms send the reviewer information (e.g. quality control document, list of engagements, list of firm personnel, etc.) needed to start/plan the peer review. 2. This stage ends when fieldwork starts. 3. Firms that do not send such information to their reviewer are dropped from the Peer Review Program after appropriate notification letters are sent.
Scheduling	<ol style="list-style-type: none"> 1. During scheduling, firms select a peer reviewer, peer reviewers accept or decline a peer review, peer reviewers add members to the peer review team (if necessary) and administering entities (AEs) approve scheduling (or identify scheduling errors). 2. The scheduling stage begins when an AE approves a firm’s Peer Review Information. 3. The scheduling stage ends when an AE approves a firm’s peer review team. 4. Firms that do not complete the scheduling process are dropped from the Peer Review Program (see Scheduling Reminder Letters below).
Pre-scheduling	<ol style="list-style-type: none"> 1. During pre-scheduling, firms submit information (Peer Review Information) about their accounting and auditing practice and personnel to their AEs via PRIMA. 2. Pre-scheduling ends when AEs approve a firm’s Peer Review Information. 3. The pre-scheduling stage starts 220 days before a firm’s peer review due date. 4. Firms that do not submit Peer Review Information are dropped from the Peer Review Program (see Peer Review Information Reminder Letters below).

Objective information about the firm's peer review

Review stage	Objective information
Fieldwork has started	<ol style="list-style-type: none"> 1. <u>Date fieldwork started</u>: for engagement reviews this is the date the reviewer starts reviewing engagements selected for review. For system reviews this is the date the team captain starts fieldwork or, if earlier, the date team members begin reviewing engagements. 2. <u>Date Closing Meeting is scheduled</u>: a closing meeting is a meeting between the captain and the senior members of the reviewed firm and is conducted before the captain issues the report or finalizes MFC and FFC forms. The purpose of the meeting is for the captain to communicate his or her conclusions. This date is estimated during scheduling. 3. <u>Date Exit Conference is scheduled</u>: an exit conference is held after the firm has responded to MFC forms, FFC forms, and deficiencies or significant deficiencies in the report and after the captain has assessed whether the responses are appropriate and the captain has considered any additional impact of firm responses on the peer review results. This date is estimated during scheduling. 4. <u>Overdue letters</u>: these letters include the following: <ol style="list-style-type: none"> a. Letters sent to the firm's peer reviewer if workpapers have not been submitted by the peer review due date or if requested revisions to workpapers were not submitted by the due date. Note that overdue workpapers could be the fault of either the firm or the reviewer. b. Letters sent to the firm if the firm has not signed/acknowledged a review acceptance letter that includes corrective actions. c. Letters sent to the firm if corrective actions agreed to by the firm are overdue. 5. <u>Extension Approval letter</u>: this letter is sent to a firm if its AE approved an extension of the firm's peer review due date. 6. <u>Date workpapers received by AE</u>: this is the date a firm's reviewer submits his/her workpapers to the AE. 7. <u>Date technical review started</u>: this is the date the AE's technical reviewer began the technical review of the peer review workpapers. 8. <u>Date the review was presented to a RAB</u>: this does not imply that the review was accepted as the review's acceptance could have been deferred or delayed. 9. <u>Acceptance letter</u>: this letter is issued to the firm indicating the peer review report has been accepted and, if applicable, the firm is required to perform corrective actions. 10. <u>Date the acceptance letter was signed by the firm</u>: this is applicable if the acceptance letter included corrective actions required by the firm and the date is the date the firm signed/acknowledged the letter. 11. <u>Completion letter</u>: this letter is issued to the firm indicating that required corrective actions have been appropriate completed, if applicable. 12. <u>Delay/Defer letters</u>: these letters are sent if a RAB defers or delays acceptance of a peer review so that a reviewer can clarify information about the review or for the reviewer and/or firm to revise the report, letter of response, etc. 13. <u>Letters scheduling a disagreement panel</u>: this letter is sent if a disagreement arises between the reviewer, reviewed firm or the AE and the parties have requested a panel to resolve the disagreement. A disagreement panel does not imply fault on the part of the firm. 14. <u>Letters communicating additional corrective actions</u>: these letters are sent to a firm if a RAB, after considering the results of corrective actions required by an acceptance letter, believes that the firm requires additional corrective actions to correct deficiencies or significant deficiencies.

Scheduling	<ol style="list-style-type: none"> 1. <u>Scheduling Reminder letters</u>: the first letter is sent to the firm when the firm's Peer Review Information is approved by the AE. If the firm does not submit scheduling information, a second letter is sent 122 days before the review due date and a third letter is sent 106 days before the due date. If necessary, a fourth letter (warning the firm its enrollment could be dropped) is sent 90 days before the due date and a fifth letter dropping the firm's enrollment is sent 59 days before the due date. 2. <u>Firm-on-firm-confirmation letter</u>: this letter sent to the firm after scheduling is approved and confirms the approval of the firm's review team. This letter also communicates the date the review is expected to start and the expected exit conference date. 3. <u>The name of the captain and reviewing firm</u>: self-explanatory 4. <u>Extension Approval letter</u>: this letter is sent to a firm if its AE approved an extension of the firm's peer review due date. 5. <u>Date the review is scheduled to start</u>: self-explanatory
Pre-scheduling	<ol style="list-style-type: none"> 1. <u>Peer Review Information reminder letters</u>: the first letter is sent to the firm 220 days before the peer review due date. If the firm does not submit the required information, a second letter is sent 189 days before the review due date and a third is sent 174 days before the due date. If necessary, a fourth letter (warning the firm its enrollment could be dropped) is sent 157 days before the due date and a fifth letter dropping the firm's enrollment is sent 126 days before the due date. 2. <u>Extension Approval letter</u>: this letter is sent to a firm if its AE approved an extension of the firm's peer review due date. 3. <u>Date Peer Review Information is submitted by firm</u>: self-explanatory