



February 12, 2019

Pamela Lemire, Executive Director
Leo Moretti, Peer Review Committee Chair
New England Peer Review
103 Liberty Street
Manchester, NH 03104

Dear Ms. Lemire and Mr. Moretti:

On February 8, 2019, 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 England Peer Review, the administering entity for the AICPA Peer Review Program, and the administering entity's response thereto. A copy of this acknowledgement, the two oversight visit documents, and your response have now been posted to the AICPA Peer Review Program website.

The next administering entity oversight visit will be in 2020.

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

Sincerely,

Brian Bluhm

Brian Bluhm, CPA
Chair – Oversight Task Force
AICPA Peer Review Board

Laurel Gron, CPA, Senior Manager – Peer Review
AICPA Peer Review Program

Oversight Visit Report

November 15, 2018

To the New England Peer Review
Peer Review Committee

We have reviewed New England Peer Review's administration of the AICPA Peer Review Program (program) as part of our oversight program. New England Peer Review is responsible for administering the program in Maine, Rhode Island and Vermont. 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*.

Administering Entity's Responsibility

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.

Oversight Task Force's Responsibility

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.

Conclusion

Based on the results of the procedures performed, we have concluded that New England Peer Review 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.



Lori Warden CPA, Member, Oversight Task Force
AICPA Peer Review Program

November 15, 2018

To the New England Peer Review
Peer Review Committee

We have reviewed New England Peer Review's administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated November 15, 2018. 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 New England Peer Review, the administering entity for the program, conducted on November 14 and 15 of 2018, the following observations are being communicated.

Administrative Procedures

On the morning of November 14, 2018, Karl Ruben, a technical manager with the AICPA Peer Review Program and I met with the Executive Director to review the program's administration. We believe the administrative processes were being handled in a manner consistent with peer review standards.

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

We also reviewed the policies and procedures for the granting of extensions. We found that the Executive Director handles short-term extension requests with discussion from the committee when the circumstances warrant.

We also reviewed the timeliness of technical reviews and the preparation of committee decision letters. We found no problems in these areas.

The administering entity has developed a backup plan to support the administrator and technical reviewers if they become unable to serve in their respective capacities.

Website Information

We met with the Executive 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 website is accurate and timely.

After the AICPA staff's review of the website material, we noted links to resources and documents were broken. Procedures should be established to update and review the website on an ongoing basis.

Working Paper Retention

According to discussions with the Executive Director, we found compliance with the working paper retention policies for completed reviews.

Technical Review Procedures

We met with the technical reviewers to discuss procedures. They perform all technical reviews and are experienced reviewers.

We reviewed the reports, letters of response, if applicable, and the working papers for several reviews. We noted some reviews in which technical matters had not been sufficiently addressed by the technical reviewers, resulting in extended deliberation by the RAB, as well as the delay or deferral of a number of reviews. This was also a comment in prior RAB observation reports.

Review Presentation

As detailed above, we noted some reviews are brought to the committee with open technical issues. It appeared that the technical reviewers wanted the committee to assist in the final resolution of those issues before completing the review. Our concern is that a great deal of time is spent reviewing specific technical issues in the meeting that could have been resolved beforehand. We suggested that there is generally enough guidance to address most technical issues, and that these issues should be addressed before the committee meeting. The Report Acceptance Body issued the appropriate feedback to the technical reviewers.

Committee Procedures

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

On November 15, 2018, we attended the on-site peer review committee meeting, as well as the administering entity's executive committee meeting. We observed the committee's acceptance process and offered our comments at the close of discussions.

The on-site committee functioned as the report acceptance body (RAB), and the meeting was very orderly. It was apparent that the committee members had reviewed the reports and working

papers prior to the meeting and had a good understanding of the program to reach an appropriate decision for each review.

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

Oversight Program

The New England Peer Review's peer review committee has adopted a formal oversight program that is well documented. We reviewed the document and procedures performed and found it to be comprehensive.

We noted that one of the required peer review oversights was not performed timely. As a result, the Plan of Administration was not approved until July 13, 2018.

Summary

Our observations to enhance New England Peer Review's administration of the program are summarized as follows:

- The administering entity should establish procedures to ensure that peer review information on their website is updated and that information is accurate and timely.
- Technical reviewers should exercise greater care in performing technical reviews to identify issues before the report acceptance process.
- Required oversights of peer reviews should be performed timely. All component of the Plan of Administration should be completed and filed by the deadline.

A handwritten signature in blue ink that reads "Lori Warden".

Lori Warden CPA, Member, Oversight Task Force
AICPA Peer Review Program

February 6, 2019

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

Re: Oversight Visit to New England Peer Review

Dear Mr. Bluhm:

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the New England Peer Review's administration of the AICPA Peer Review Program (program) performed on November 14-15, 2018. The matters discussed herein were brought to the attention of all peer review program committee members, administrative staff, and technical reviewers. In addition, the matters discussed in this letter will be monitored to ensure they are effectively implemented as part of our administration of the AICPA Peer Review Program.

Observations that did not affect the report:

Web Site and Other Media Information

We recognize that having accurate and timely information on our Web site as well as other media information is important; accordingly, we have put into place a procedure for which the peer review program administrator communicates with the web site manager on all changes as it relates to the peer review program.

Technical Review Procedures

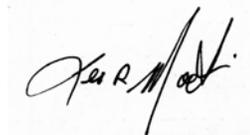
The NEPR Committee will continue to provide feedback to the technical reviewers and monitor their performance. We plan to recruit additional technical reviewers in 2019 to enhance our technical reviewer pool.

Required Oversight of Peer Reviews

We will ensure that all required oversight of peer reviews are scheduled and completed on a timely basis.

We appreciate Lori Warden's constructive advice and suggestions.

Sincerely,



Leo R. Moretti
Committee Chair



Pamela M. Lemire
Executive Director