



May 20, 2020

Blaine M. Peterson, CPA, JD, CVA, Executive Director  
David Eatmon, CPA, Peer Review Committee Chair  
Oklahoma Society of CPAs  
1900 NW Expressway St. Ste. 910  
Oklahoma City, OK 73118-1898

Dear Mr. Peterson and Mr. Eatmon:

On May 18, 2020, 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 Oklahoma 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 have now been posted to the AICPA Peer Review Program website.

The next administering entity oversight visit will be in 2021.

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

cc: Patty Hurley, Executive Vice President and COO  
Oklahoma Society of CPAs

Lori D. Warden, CPA, CGMA, Manager – Peer Review  
AICPA Peer Review Program

## Oversight Visit Report

December 12, 2019

To the Oklahoma Society of CPAs Peer Review Committee

We have reviewed the Oklahoma Society of CPAs' administration of the AICPA Peer Review Program (program) as part of our oversight program. The Oklahoma Society of CPAs is responsible for administering the program in Oklahoma and South Dakota. 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.

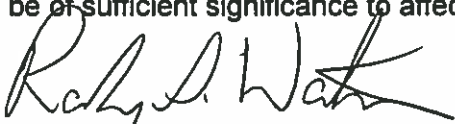
### **Oversight Task Force's Responsibility**

Our responsibility is to determine whether (1) administering entities are complying with the administrative procedures established by the board, (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 the Oklahoma 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.



Randy S. Watson, CPA, Member, Oversight Task Force  
AICPA Peer Review Program



December 12, 2019

To the Oklahoma Society of CPAs  
Peer Review Committee

We have reviewed the Oklahoma Society of CPAs' administration of the AICPA Peer Review Program as part of our oversight program and have issued our report thereon dated December 12, 2019. 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 Oklahoma Society of CPAs, the administering entity for the program, conducted on December 11 and 12, 2019, the following observations are being communicated.

### **Administrative Procedures**

On December 11, 2019, I met with the Executive Vice President 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 status of open reviews, including reviews with corrective actions and implementation plans, which had not yet been completed. I found that open reviews were being effectively monitored for completion by the administrative staff and the peer review committee.

I also reviewed the timeliness of the preparation of committee decision letters. I noted no problems in these areas.

Additionally, I reviewed the policies and procedures for granting extensions. I found that the Executive Vice President handles extension requests with discussion from the committee when the circumstances warrant.

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

According to discussions with the Executive Vice President, I found compliance with the working paper retention policies for completed reviews.

I met with the Executive Vice President 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, 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 website and monitors the website periodically to ensure peer review information is accurate and timely.

### **Technical Review Procedures**

I met with one of the technical reviewers, to discuss procedures. I determined that the technical reviewers met the qualifications set forth in the guidance.

I reviewed the reports, letters of response, if applicable, and the working papers for several reviews being presented to the report acceptance body (RAB) on December 12, 2019, and for reviews which had previously been accepted by the RAB. I noted a few reviews in which technical matters had not been sufficiently addressed by the technical reviewer, resulting in extended discussion by the RAB as well as delay or deferral of a few reviews.

The technical reviewers were available during the RAB meeting we observed to answer any questions that arose.

### **CPA on Staff**

Administering entities are required to have a CPA on staff by January 1, 2021. The Oversight Task Force has approved a waiver for this requirement for the Oklahoma Society of CPAs and the Executive Vice President is the designated individual for managing the program.

I met with the Executive Vice President and discussed their procedures for monitoring the program.

I reviewed the annual confidentiality agreements from all administering entity staff associated with peer review. I noted that all confidentiality agreements had been obtained and signed by the staff involved with the peer review program administration.

I discussed the policies and procedures designed to maintain objectivity and skepticism to mitigate familiarity threat and safeguards that had been implemented while considering the results of the peer reviews.

## **RAB and Peer Review Committee Procedures**

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

On December 12, 2019, I attended the on-site peer review committee meeting.

There were three concurrent RAB Meetings. Lori Warden, AICPA Peer Review Program Manager, and I observed reviews from each RAB and found the meetings were orderly. We observed the committee's acceptance process and offered our comments at the close of discussions. 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.

Although a few reviews included matters not sufficiently addressed by the technical reviewers, the RAB made appropriate decisions in the acceptance process.

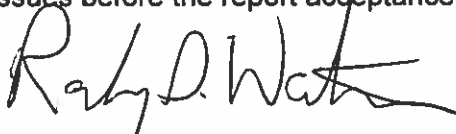
## **Oversight Program**

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

## **Summary**

My observation to enhance the Oklahoma Society of CPAs' administration of the program is summarized as follows:

Technical reviewers should exercise greater care in performing technical reviews to identify issues before the report acceptance process.

A handwritten signature in black ink, appearing to read "Randy S. Watson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Randy S. Watson, CPA, Member, Oversight Task Force  
AICPA Peer Review Program

April 29, 2020

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

Re: Oversight Visit to The Oklahoma Society of CPAs

This letter represents our response to the report and letter of procedures and observations issued in connection with the review of the Oklahoma Society of CPAs' administration of the AICPA Peer Review Program performed on December 11-12, 2019. The matters discussed herein were brought to the attention of all peer review program committee members, administrative staff, and technical reviewer(s). 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.

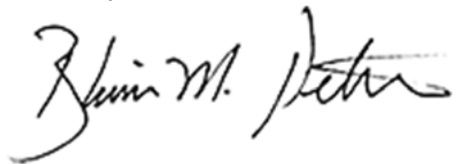
Observations that did not affect the report:

#### **Technical Review Procedures**

We have provided feedback to the technical reviewers to promote completeness and consistency for the preparation of reviews going to the RABs. Policies and procedures have been implemented to limit reviews with open items and missing relevant information from the RAB package unless RAB consultation is necessary.

We appreciate Oversight Task Force Member Randy Watson's constructive advice and suggestions.

Sincerely,



Blaine M. Peterson, CPA, JD  
President and CEO



David L. Eatmon, CPA  
Peer Review Committee Chair



Patty Hurley  
Executive Vice President and COO  
Individual Managing the Program/CPA on Staff