

AICPA

QUESTIONS AND ANSWERS ABOUT THE AICPA PEER REVIEW PROGRAM

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QUESTIONS & ANSWERS ABOUT THE AICPA PEER REVIEW PROGRAM

PEER REVIEW ENROLLMENT REQUIREMENTS

What is the AICPA's practice monitoring requirement?

In order to be admitted or to retain their membership in the American Institute of Certified Public Accountants (AICPA) members of the AICPA who are engaged in the practice of public accounting in the United States or its territories are required to be practicing as partners or employees of firms enrolled in an approved practice-monitoring program or, if practicing in firms not eligible to enroll, are themselves enrolled in such a program if the services performed by such a firm or individual are within the scope of the AICPA's practice-monitoring Standards and the firm or individual issues reports purporting to be in accordance with AICPA professional standards. (Depending on how a CPA firm is legally organized, its partner(s) could have other names, such as *shareholder, member, or proprietor.*)

A member can meet the requirement if his or her firm is enrolled in the AICPA Peer Review Program (Program) or the Center for Public Company Audit Firms Peer Review Program (CPCAF PRP). Firms that are required to be registered with and inspected by the Public Company Accounting Oversight Board (PCAOB) must enroll in the CPCAF PRP. Reviews of firms enrolled in the CPCAF Peer Review Program are carried out under the Standards issued by the CPCAF Peer Review Committee.

How many firms are enrolled in the AICPA Peer Review Program?

Over 36,000 firms are enrolled in the AICPA Peer Review Program. Approximately 30,000 of these firms are required to have a review of its accounting and auditing practice at least once every three years.

Does my firm have to enroll in a peer review program if it does not have an accounting and auditing practice?

In order to be admitted or retain their membership in the AICPA, members of the AICPA who are engaged in the practice of public accounting in the United States or its territories are required to be practicing as partners or employees of firms enrolled in an approved practice monitoring program, or if authorized by AICPA Council, are themselves enrolled in such a program if the services performed by such firm or, respectively, individual issues reports purporting to be in accordance with AICPA professional standards. If a firm does not perform services that include issuing reports purporting to be in accordance with AICPA professional standards it is not required to enroll in a practice-monitoring program.

For purposes of the *AICPA Peer Review Program Standards*, an accounting and auditing practice is defined as all of a CPA firm's engagements performed under the Statements on Auditing Standards (SASs), Statements on Standards for Accounting and Review Services (SSARS)*, Statements on

Standards for Attestation Engagements (SSAEs) and Government Auditing Standards (the Yellow Book), issued by the U.S. General Accounting Office (GAO).

* SSARS that provide an exemption from those standards in certain situations are excluded from the definition of an accounting and auditing practice for peer review purposes.

Does My Firm Have to Enroll in a Peer Review Program if the only engagements it performs are Compilations issued with Engagement Letters and without a Report as detailed in SSARS No. 8?

Under the AICPA bylaws, firms (or individuals in certain situations) are only required to enroll in an Institute-approved practice monitoring program when the engagements they perform are within the scope of the AICPA's practice-monitoring standards *and issue reports* purporting to be in accordance with AICPA professional standards. Therefore, in the case where the (engagement letter) compilations for management's use only are the highest level of service performed by the firm, they would not be required to enroll in the AICPA Peer Review Program because no report is issued. However, firms must check with their Board of Accountancy peer review requirements as some require firms to enroll and have a peer review in this circumstance.

For firms already enrolled (and that stay enrolled) in the AICPA Peer Review Program, these engagements currently would fall within the scope of peer review and would require a firm to undergo a peer review.

Do individuals who are practicing outside of the U.S. have to enroll in a peer review program?

Individuals practicing in firms outside of the United States or its territories are exempt from the AICPA practice monitoring program requirement until they return to the United States or its territories. Please check with your Board of Accountancy or other regulatory peer review requirements as some may require you to have a peer review in this circumstance.

How can my firm enroll in the AICPA Peer Review Program?

A firm should submit an "AICPA Peer Review Programs Enrollment Form" to the AICPA Peer Review team. By enrolling, a firm agrees to comply with the AICPA's quality control standards and to have a peer review of its accounting and auditing practice every three years. A firm seeking to enroll in the peer review program should be in compliance with the Council resolution concerning form of organization (see AICPA Professional Standards, vol. 2 ET Appendix B). In addition, at least one partner of the firm must be an AICPA member in order to enroll in the AICPA Peer Review Program.

Download the AICPA Peer Review Program enrollment form from the AICPA website at: <http://www.aicpa.org/download/members/div/practmon/enroll900.pdf> or request a form from your state CPA Society. You may view and print this form using Acrobat Reader. If you do not have Acrobat Reader, you can download it from www.adobe.com/prodindex/acrobat/readstep.html.

Once enrolled, when should a firm expect its first review?

Generally, a firm's due date for its initial peer review is eighteen months from the date it enrolled in the Program, or should have enrolled, whichever date is earlier. However, a review may be due earlier if the firm was previously enrolled in the AICPA Peer Review Program or the Center for Public Company Audit Firms Peer Review Program. A firm's subsequent peer review ordinarily has a due date of three years and six months from the year-end of the previous review. Firms should also check with their state board of accountancy for any peer review requirements.

GENERAL INFORMATION

What are the types of peer reviews?

There are three types of peer reviews - system, engagement and report.

What is a system review?

This type of review is for firms that perform engagements under the Statement on Auditing Standards (SASs,) the Government Auditing Standards (Yellow Book) or examinations of prospective financial information under the Statement on Standards for Attestation Engagements (SSAEs). The objective of a system review is intended to provide the reviewer with a reasonable basis for expressing an opinion on whether, during the year under review as to whether the reviewed firm:

- Has designed its system of quality control for its accounting and auditing practice in accordance with AICPA quality control standards.
- Is complying with its quality control policies and procedures in a way that will provide the firm with reasonable assurance of conforming with professional standards.

Approximately 14,000 firms are likely to have a system review over the next three years. The scope of the peer review does not encompass other segments of a CPA practice, such as tax services or management advisory services, except to the extent they are associated with financial statements, such as reviews of tax provisions and accruals contained in financial statements.

In a system review, the reviewer will study and evaluate a CPA firm's quality control policies and procedures that were in effect during the peer review year. This includes interviewing firm personnel and examining administrative files. To evaluate the effectiveness of the system and the degree of compliance with the system, the reviewer will test a reasonable cross-section of the firm's engagements with a focus on high-risk engagements in addition to significant risk areas where the possibility exists of engagements being performed and/or reported on that are not in accordance with professional standards in all material respects.

What is an engagement review?

This type of review is for firms that are not required to have a system review, as discussed above, and are not eligible to have a report review, as discussed below. The objectives of an engagement review are to provide the peer reviewer with a reasonable basis for expressing limited assurance that:

- The financial statements or information and the related accountant's report on the accounting, review and attestation engagements the firm submits for review conform, in all material respects, with professional standards.
- The reviewed firm's documentation conforms with professional standards, as applicable, in all material respects.

This type of review does not cover the firm's system of quality control, so the reviewer cannot express an opinion on the firm's compliance with its own quality control policies and procedures or compliance with AICPA quality control standards.

An engagement review consists of reading the financial statements or information submitted by the reviewed firm and the accountant's report thereon, together with certain background information and representations provided by the reviewed firm on the engagements submitted for review, and reviewing the documentation required by professional standards submitted by the reviewed firm. Some examples of documentation include:

- Management representation letter on a review engagement.
- Working papers documenting the matters covered in the accountant's inquiry and analytical procedures on a review of financial statements.
- Documentation requirement of professional standards including Ethics Interpretation No. 101-3.

Engagement reviews should improve the quality of engagements and should protect the public that uses and relies on those reports without imposing any additional burden on reviewed firms. More than 9,000 firms are likely to have an engagement review over the next three years.

What is a report review?

Firms performing only compilations that omit substantially all disclosures are eligible to have report reviews. However, a firm must have an engagement review if it performs, as its highest level of service--compilations referred to in Statement on Standards for Accounting and Review Services (SSARS) as "selected information—substantially all disclosures required are not included." A report review retains the overall integrity of peer review through a streamlined process.

The objective of a report review is to enable the reviewed firm to enhance the overall quality of its compilation engagements that omit substantially all disclosures. To accomplish this objective, the reviewer provides comments and recommendations based on whether the submitted financial statements and related accountant's reports appear to conform with the requirements of professional

standards in all material respects. The reviewer provides comments and identifies those considered significant.

Firms required to have a report review may elect to have a system or engagement review.

On a report review, a reviewer will evaluate a CPA firm's financial statements, accountant's report, the working paper documentation applicable to the SSARS and SSAEs as applicable to those engagements, and certain background information and representations provided to the reviewer. More than 6,000 firms are likely to have a report review over the next three years.

Who administers a CPA firm's peer review?

The AICPA Peer Review Program is administered in cooperation with the state CPA societies and other organizations that elect to participate as administering entities. When a CPA firm is enrolled in the AICPA Peer Review Program its peer review will be administered by the administering entity in the state in which the CPA firm's main office is located or, if that state CPA society has elected not to participate, by another administering entity. The AICPA Peer Review Board (Board) approves all administering entities. Peer reviews are administered and reported on in accordance with the *Standards for Performing and Reporting on Peer Reviews* and other guidance adopted by the Board.

How can I find out more about the peer review process?

The *AICPA Peer Review Program Manual*. The *Manual* contains guidance on how to prepare for the peer review and include the standards that govern peer reviews under the AICPA Peer Review Program. The *Manual* also contains the forms and checklists that the reviewer will use to evaluate a firm's system of quality control and to review the firm's engagements. You will also find guidance on writing a response to the letter of comments. There are two ways to access the manual. You can choose to purchase the entire manual at cpa2biz.com. Alternatively, several sections of the *AICPA Peer Review Program Manual* are available on-line at no charge at <http://www.aicpa.org/members/div/practmon/index.htm>. These include:

- [Standards for Performing and Reporting on Peer Reviews \(Standards\)](#) and the [Interpretations](#).
- [Team Captain Packages](#) for System Reviews and Engagement and Report Reviews. You can download various checklists, questionnaires, and supporting materials which are required in the performance of a review.

Are Peer Reviews confidential?

A peer review must be conducted in compliance with the confidentiality requirements set forth in the AICPA Code of Professional Conduct. Information concerning the reviewed firm or any of its clients or personnel, including the findings of the review that is obtained as a consequence of the review is confidential. Peer reviewers may not disclose such information to anyone who is not involved in carrying out the review or administering the peer review program, or use such information in any way not related to meeting the objectives of the program. Also, no reviewer(s)

will have contact with clients of your firm.

Peer review documents of firms enrolled in the AICPA Peer Review Program are confidential, unless the firm is a member of PCPS, the Center for Public Company Audit Firms, or the Employee Benefit Plan Audit Quality Center, or Governmental Audit Quality Center.

INFORMATION FOR FIRMS ENROLLED IN THE AICPA PEER REVIEW PROGRAM

Can I have an engagement review if my firm has only one audit?

No. You must have a system review even if your firm only performs one audit. The purpose of an audit is to give assurance to third parties. Because of that third party reliance, state regulators allow these services to be performed by CPAs only. As such, the profession has a responsibility to ensure that a CPA firm that performs even one audit has an adequate system of quality control over its accounting and auditing practice. Such assurance can only be obtained by reviewing the system of quality control, your firm's compliance with that system, and by reviewing engagement working papers along with the report and financial statements.

How do I switch from an engagement or a report review to a system review (or vice versa) because I acquire or give up an engagement?

You should notify the administering entity in a letter of the change in your firm's practice. If your firm has been engaged to perform one or more audit engagements, you should include the number of engagements it has been engaged to perform.

What is the impact on my firm's peer review when my firm completes its first audit engagement after the completion of my engagement or report review?

When a firm, subsequent to the year-end of its report or engagement review, performs an engagement under the SASs, Government Auditing Standards or examinations of prospective financial statements under the SSAEs that would require the firm to have a system review, the firm should (a) immediately notify the administering entity and (b) undergo a system review. The system review will be due 18 months from the year-end of the engagement (for financial forecasts and projections 18 months from the date of report) requiring a system review or by the firm's next scheduled due date, whichever is earlier. Firms that fail to inform the administering entity of the performance of such an engagement will be required to participate in a system review that includes such engagement with a peer review year-end that covers the engagement. A firm's subsequent peer review will be due three years and six months from this peer review year-end.

How much will the peer review cost?

The direct cost of a system review will vary depending on firm size/region, number of engagements/partners/offices and nature of your firm's accounting and auditing practice. Firms with audits in various specialized, complex or high-risk industries, such as banking, governmental, and employee benefit plans will normally pay more than a firm with the same number of audits that are all in one industry or in less sensitive, lower risk areas.

There are also the indirect costs of getting ready for a review that vary based on the condition of your firm's existing system of quality control. Many firms are concerned about these non-chargeable hours. However, if the system of quality control is suitable for your firm's practice, the preparation cost should be minimal. If, on the other hand, your firm finds the opposite is true, it should consider the time well spent since making needed changes should result in your firm providing better services to its clients, and, in most cases, providing those services more efficiently.

The estimated cost of an engagement review or report review will range based on the size of the practice and the number of owners responsible for the issuance of review, compilation and attestation engagement reports.

In addition to the review costs that will be incurred every three years, firms may also pay an annual administrative fee to the administering entity to cover the costs of running the program and, in some states, in the review year, fees for scheduling the review and evaluating the results of the review.

For additional cost information, contact your administering entity.

Are there ways to reduce the costs of my peer review?

Yes. The best way to reduce costs is to have complete, accurate information available for the reviewer(s) early enough, such as 30 to 40 days before the review is set to begin, so it can be completed by the review due date. Prepare for the review early by making sure everyone in your firm understands the importance of performing engagements in accordance with professional standards, and properly documenting engagement planning issues, key procedures and conclusions. Fewer deficiencies and the reviewer's ability to evaluate what was done without waiting for engagement staff to recall what they did from memory should result in less time to complete the review.

Interpretation No. 1 to the *Standards, System Reviews Performed at a Location Other Than The Practitioners' Office* allows you to mail or bring files, reports, and other materials ordinarily reviewed on a system review to the reviewer's office or another agreed-upon location. A review conducted at the reviewer's office or another agreed-upon location can achieve the objectives of a system review and can be described as such in the reviewer's report if the following requirements are met:

- You must be a sole practitioner with no professional staff who performs a total of three or less engagements covered by the SASs, Government Auditing Standards or examinations of prospective financial statements under the SSAEs.
- You must hold one or more meetings, by telephone or in person, with the reviewer to discuss your firm's responses to the quality control policies and procedures questionnaire, the engagement findings, and the reviewer's conclusions on the review; and
- Your firm must not have received a modified or adverse report on its last peer review.
- The firm must send all required materials outlined in the "Instructions to Firms Having a System Review" to the reviewer prior to the review.

Some sole practitioners believe their reviews can be carried out in this manner at less cost. Others have found this not to be the case.

If your firm has received an unmodified opinion on its own peer review, it may participate in the program as a reviewing firm and members of your firm may participate as peer reviewers. Firms use these fees obtained as reviewers to offset their own peer review costs, and many reviewers believe the experience and knowledge gained from being so involved in the review process benefits their own firms.

Is my firm required to have a quality control document?

No. However, your firm is required to have a system of quality control and an effective means of communicating that system to your staff. However, you do not need a separate quality control document. To facilitate the review process, firms having system reviews are asked to complete a brief questionnaire about their system of quality control before the review begins. A copy of the questionnaire will be mailed to your firm when the review arrangements are finalized. If properly completed, this questionnaire can serve as your firm's quality control document.

Is my firm required to provide copies of individual or firm licenses or registrations to the peer reviewer?

No. Firms are required to comply with the rules and regulations of state boards of accountancy and other regulatory bodies in the states where they practice. For example, in certain circumstances, firms may be required to obtain a firm license/permit in order to issue accounting and audit reports.

Peer reviewers should make inquiries of the firm to determine if it is appropriately licensed as required by the state boards of accountancy in the state or states in which it practices.

Peer reviewers should obtain written representations from the firm's management as a part of the peer review.

If the reviewed firm is aware of any situation whereby they are not in compliance with the laws, rules and requirements of the state regulatory bodies, they should tailor the representation letter to provide information on the areas on non-compliance. The peer reviewer would include the areas of non-compliance as a comment with a recommendation in the letter of comments.

What is a written representation letter?

The representation letter is evidential matter that management is not aware of any situations where it or its personnel has not complied with state board(s) of accountancy or other regulatory bodies rules and regulations, including applicable firm and individual licensing requirements in each state in which it practices for the year under review or has notified the peer reviewer of such situations, has made available to the reviewer communications as stipulated in the Standards, has provided the reviewer with a list of all client engagements with periods ending during the year under review and has provided the reviewer with any other information required by the reviewer.

For system reviews, the written representations should be addressed to the team captain performing the review and be dated the same date as the peer review report. For engagement and report reviews, the representation should be addressed to the reviewer and be dated the same date the firm submits the list of engagements to the reviewer.

If my firm will undergo a change in firm structure due to a firm name change, dissolution, merger, or purchase/sale, who do I notify about this change and how does it affect my peer review?

Your firm should contact your state administering entity immediately upon such change. The firm should obtain a *Notification of Change in Firm Structure Form* from the administering entity and complete the applicable section. The administering entity will submit this form to the AICPA once all pertinent information has been received and the form is complete. The AICPA staff will determine how this change will affect your firm's peer review based on the information provided on the form and notify your firm of the status.

CHOOSING A PEER REVIEWER (REVIEW TEAM)

What types of review teams are available to conduct my peer review?

You may choose the type of review team you would like to conduct your firm's peer review. You have three choices:

For system reviews, you have two options:

- *Firm-On-Firm Review*⁴—You hire another qualified CPA firm to conduct the review. This option gives you a degree of personal assurance that the reviewer's qualifications fit your firm's needs. It also gives you more control over the cost of the review;
- *Association Review* – You ask the association to which your firm belongs to assemble a review team. That association must be authorized by the AICPA Peer Review Board to assemble such review teams.

For engagement and report reviews, besides the two options listed above, there is a third option:

- *CART (Committee-Appointed Review Team) Review* – For engagement and report reviews, you may ask the administering entity to assemble the review team. Once a team is selected, the administering entity prepares an engagement letter that includes an estimate of the number of hours it will take to perform the review and the reviewer's billing rates. Billing rates are set by the administering entity and not by the reviewer. To protect the other participants in the program, some administering entities will require you to pay 50 percent of the professional fees before the review begins. You are not required to accept reviewers that your administering entity selects. This option is not available in all states.

A review team is comprised of one or more individuals, depending upon the size and nature of the CPA firm's practice.

What questions should I ask when selecting a reviewer to perform my firm's review?

⁴ Includes a firm in the same association of CPAs.

1. How many reviews has the individual performed?
2. How much experience does the reviewer have in the industries in which my firm performs?
3. Will the reviewer be able to complete the review on time, allowing you enough time to submit the report, letter of comments and letter of response, if any, to the state CPA society by your firm's review due date?
4. Ask the reviewer for a list of firms for which he or she has conducted peer reviews.
5. Are there any other value-added services you can provide me during the peer review?
6. What type of Government and/or ERISA audits do you perform (if applicable)?

If you are a member of the Governmental Audit Quality Center and/or the Employee Benefit Plan Audit Quality Center, keep in mind the membership requirement to have a quality center member review the GAO, and/or ERISA engagement(s).

What are the benefits of being a peer reviewer?

When you become a peer reviewer, you:

- Are seen as an expert in your field and gain increased respect from your colleagues.
- Help firms achieve their A&A practice goals and enhance the quality of their A&A practices.
- Identify best practices of other firms, which can be applied to other peer review clients and to your own firm.
- Gain broader practice knowledge through the peer review process, which will help sharpen your skills and reinforce your strengths.
- Are creating an opportunity to develop an additional profit center for your firm.
- Often receive referrals for additional consulting services as a result of performing peer reviews.
- Enhance the efficacy of the profession's self-regulatory efforts and contribute to the quality of our profession.

What are the qualifications necessary to become a reviewer?

To qualify as a peer reviewer, you must:

- Be a member of the AICPA.
- Be active in public practice at a supervisory level in the accounting or auditing function.
- Have 5 years of public accounting experience.

In addition, if you are a partner¹ in your firm, you are qualified to be a team captain. See Appendix

¹ A Partner is a proprietor, shareholder, equity or non-equity partner or any individual who assumes the risks and

A for a complete listing of qualifications.

How do I become a peer reviewer?

To become a peer reviewer:

- Meet all the reviewer requirements. A full list of requirements is located in Appendix A and can also be downloaded at http://www.aicpa.org/download/members/div/practmon/Reviewer_Qualifications.pdf.
- Complete the AICPA two-day introductory reviewer training course, “How to Conduct a Review Under the AICPA Practice-Monitoring Program.” Check the AICPA course listings at http://www.aicpa.org/members/div/practmon/Reviewer_Training_Courses.htm to obtain information about the introductory course. Please note that 16 hours of CPE credit is obtained by taking this course.
- Peer reviewers must complete a peer review resume form. The form can be completed online at <http://peerreview.aicpaservices.org>. Once you enter your resume you will automatically be listed in the online searchable database. *Please note: you will need your AICPA login to access the form.*
- Undertake the business development activities suggested in a Peer Review Welcome package sent after you attend the “How to” course.
- Review the documents provided in the [Practitioner’s Tool Kit](#) to help promote your peer review services and develop your practice.

How does the AICPA peer reviewer database function?

The AICPA maintains a database of individuals interested in serving as reviewers. All reviewers involved in the AICPA’s Practice-Monitoring Program must be listed in the database. The database lists information the individual provides to the AICPA on a *Reviewer Resume Form*. The database includes information such as the individual’s firm, the program to which his or her firm belongs, the last training course attended, the industries in which the individual has expertise and how that expertise was obtained. Reviewers are asked to update this information every year. Reviewers are required to update their resume every two years, otherwise they will be prohibited from performing peer reviews until the resume is updated. Information in the database is available to administering entities for assembling CARTs and for verifying the qualifications of firm-on-firm and association reviewers. If you choose to have a CART, a computer program will compare the information you provided about your firm with information provided by potential reviewers and will select an appropriate peer review team for your size firm with experience in your client’s industries, and unless you request otherwise, from the same size firm as yours and geographically close to you, but outside of your zip code area.

Who is responsible for making sure the review team is qualified to perform my firm’s peer review?

benefits of firm ownership or who is otherwise held out by the firm to be the equivalent of any of the aforementioned.

Since you have the actual contact with the reviewer, you are responsible for making sure the reviewer has the experience needed to perform your firm's peer review. A reviewer not only has to have experience in the right industries, but he or she must have the right amount and type of experience. All members of the review team must be approved by the administering entity prior to the commencement of the review. In addition, the administering entity has the authority to determine whether a reviewer/ review team's experience is sufficient to perform a particular review. See Appendix A for additional information on reviewer qualification.

If you are a member of the Governmental Audit Quality Center and/or the Employee Benefit Plan Audit Quality Center, keep in mind the membership requirement to have a quality center member review the GAO, and/or ERISA engagement(s).

Is there a list of firms interested in performing peer reviews?

Yes. The administering entity can supply you with a list of firms in a geographic area that you specify that are interested in performing reviews of other firms. The AICPA also maintains a reviewer search feature on the AICPA peer review program web-site that you can use to search for reviewers by state, industry, or size of firm.

Do I have to notify the administering entity if I have already arranged or plan to arrange for another firm or association to perform my peer review?

Yes. The administering entity is responsible for ensuring that all the reviews it administers are performed in accordance with the *Standards for Performing and Reporting on Peer Reviews*. Therefore, your review must not begin until you have informed the administering entity about your arrangements and the administering entity has acknowledged receipt of the information and has approved the reviewer. Reviewers are required to confirm that the administering entity has been notified about your arrangements before starting the review. You should give the administering entity the name of the reviewing firm, the members of the review team, the date the review will begin, the date of the exit conference, and inform the administering entity promptly of any changes in that information. Providing this information before your review begins minimizes the chance of the acceptance process being delayed by questions about the conduct of the review or the qualifications of the reviewers.

PREPARING FOR THE REVIEW

How can firms prepare for their review?

All firms should establish and maintain appropriate quality control policies and procedures and comply with those policies and procedures to ensure the quality of the services they provide to the public. Several publications are available from the AICPA's Order Department, such as the *Standards for Performing and Reporting on Peer Reviews*, the AICPA Peer Review Program Manual subscription service, and the Practice Aid for Establishing and Maintaining a System of Quality Control for a Firm's Accounting and Auditing Practice. The AICPA Peer Review Program Standards and Quality Control Standards are available in the AICPA Professional Standards Vol. 2. These publications can be ordered from [CPA2Biz – Store](#). Portions of the

manual and the Practice Aid are located on the AICPA website, free of charge, at: <http://www.aicpa.org/members/div/practmon/index.htm>

When should my firm's peer review be finished?

Your firm's peer review should be finished by its due date. The firm's due date is reflected:

- on the letter acknowledging your firm's original enrollment in the AICPA Peer Review Program,
- in the committee acceptance letter related to your firm's last peer review
- on page 1 of the *Information Required for Scheduling Reviews* form (mailed to you approximately six to nine months prior to the due date).

The due date is the date by which peer review documents, including the report and if applicable, the letter of comments and letter of response should be submitted to the administering entity. To make sure your peer review is completed on time, you should start the review at least three to five months after your firm's peer review year-end. You should plan ahead so that the review takes place at a convenient time for your firm. For example, if you have a heavy tax practice and your review due date falls between January and April, you should plan to start the review in September or October to make sure the review is completed before your busy season begins.

What if my firm cannot finish its review by the due date?

If your firm cannot have its review on time, write a letter to the administering entity to request an extension. Try to request the extension at least sixty days before the due date. Explain why your firm cannot have its review on time and offer an alternative date for the review. The administering entity considers extension requests on a case-by-case basis. Extensions beyond the end of the calendar year will not be granted except in extreme circumstances, and extensions are not granted simply because a firm believes it needs more time to prepare for the review.

In certain circumstances extension requests for due dates may be granted by the administering entities, however, the extensions may not be recognized by your state board of accountancy or other regulators. *Government Auditing Standards* require a firm to have an external quality control review every three years. This three year period begins with the date your firm starts fieldwork on its first engagement under *GAO Standards*. Subsequent reviews under *GAO Standards* should be completed within three years after the issuance of the prior report. If your firm performs governmental audits, don't forget to take these requirements and potential changes into account when you request an extension of your firm's due date. The GAO and state boards of accountancy are not required to recognize extensions granted by the AICPA.

What period should my firm's peer review cover?

The review normally covers a one-year period mutually agreed upon by you and the reviewer and should not change from review to review. Engagements selected for review in a system review would generally be those with periods ending during the year under review. For attest engagements, including a financial forecast or projection, the selection for review ordinarily should be those with report dates during the year under review. If the current years' engagement is not completed and a comparable engagement within the peer review year is not available, the prior years' engagement should be reviewed. If the subsequent years' engagement has been completed, the peer review team should consider, based on its assessment of peer review risk, whether the more recently completed engagement should be reviewed instead.

The criteria for selecting the peer review year-end and the period to be covered by engagement and report reviews are the same as those for a system review (discussed above).

It is generally anticipated that a firm will keep the same peer review year-end from review to review. If the prior peer review year-end was not the most convenient for firm personnel or the most natural year-end for your firm's practice, write to your administering entity to request that you be allowed a permanent change to a year-end that is more natural for your firm. Your letter should describe the reasons for your request.

What if my client does not want their financial information reviewed by the peer reviewer?

Firms may have legitimate reasons for excluding an engagement from the scope of peer reviewers. The following explanations are reasonable for excluding an engagement from selection in the peer review (this is not intended to be an all inclusive list):

1. The engagement is subject to litigation
2. Client will not permit the firm to make the engagement available

In these situations, the reviewed firm should submit a written statement to the administering entity, prior to commencement of the review, indicating a) it plans to exclude an engagement(s) from the peer review selection process, b) the reasons for the exclusion and c) it is requesting a waiver from a scope limitation in the peer review report. The administering entity must decide if the reviewed firms request to exclude an engagement is reasonable and whether the firm should receive an exemption from the scope limitation.

The Board has agreed that the following explanations are unacceptable reasons for excluding an engagement from selection in the peer review (this is not intended to be an all inclusive list):

1. The engagement working papers are in a warehouse
2. The firm no longer performs the audit for that client (and still has access to the documentation)
3. The firm decided to no longer perform audits
4. The engagement was selected during the last peer review
5. The partner on that engagement will not be available when we scheduled the peer review
6. The firm no longer performs engagements in that industry

These reasons would result in a scope limitation. A modified report should be issued when the scope of the review is limited by conditions that preclude the application of one or more review procedures considered necessary in the circumstances and the review team cannot accomplish the objectives of those procedures through alternate procedures.

When should I contact my system review team captain and what will he or she want from me?

You should contact your team captain and begin planning the review together early enough, at least six to nine months prior to the due date, to make sure all documents will be submitted to the administering entity by your firm's due date. The team captain will ask for:

- The completed quality control questionnaire (describing your quality control system).
- Relevant manuals, checklists, etc. that your firm uses in its practice
- Background form, which includes summary information on the nature of your practice, services provided, clients served, industry concentrations and the number of accounting and auditing hours for these clients/industries. This summary information does not have to identify your clients. You can use codes.
- Personnel statistics -- names, positions and years of experience with the firm and in total.
- A brief history of your firm and the number and location of offices.
- Any other pertinent information.

Based on this information, the team captain will make a preliminary selection of the offices and engagements he or she intends to review. The initial selection of engagements to be reviewed will be provided no earlier than two weeks before the commencement of the peer review. This should provide ample time to enable the firm (or office) to assemble the required client information and engagement documentation before the review team commences the review. However, at least one engagement from the initial selection to be reviewed will be provided to the firm once the review commences and not provided to the firm in advance. This engagement should be the firm's highest level of service and should not increase the scope of the review.

All engagements performed and issued by the firm should be available to the team captain at the start of fieldwork.

How Should My Firm Prepare for a Subsequent Peer Review?

In preparing for its next review, your firm should:

- Read the report, the findings and recommendations in the prior letter of comments and your firm's response to the letter of comments, and be certain that you have taken the actions in your letter of response.

- Perform on-going monitoring procedures to make sure prior deficiencies have been corrected.
- Prepare the appropriate quality control policies and procedures questionnaire

HAVING THE REVIEW

How are engagements selected for a system review?

The AICPA Peer Review Program Standards require engagements selected for review should provide a reasonable cross section of the reviewed firm's accounting and auditing practice, with greater emphasis on those engagements in the practice with higher assessed levels of peer review risk. Examples of the factors considered when assessing peer review risk at the engagement level include size, industry area, level of service, personnel (including turnover, use of merged-in personnel, or personnel not routinely assigned to accounting and auditing engagements), litigation in industry area, extent of non-audit services to audit clients, significant clients' fees to a practice office(s) and a partner(s) and initial engagements. In addition, at least one of each type of engagement subject to Government Auditing Standards (GAS), Employment Retirement Income Security Act (ERISA) or the Federal Deposit Insurance Corporation Improvement Act (FDICIA), must be selected for review.

How are engagements selected for an engagement review?

The reviewer or the administering entity will select the number and types of engagements to be reviewed based on the following guideline:

At least one engagement should be selected from each of the following areas of service performed by the firm;

- Review of historical financial statements;
- Compilation of historical financial statements with full disclosures;
- Compilation of historical financial statements that omits substantially all the disclosures required by GAAP or OCBOA;
- Attestation, which can be either prospective financial statements or assertions; and
- One engagement should be selected from each partner, or individual of the firm, if not a partner, responsible for the issuance of reports listed above and ordinarily, at least two engagements should be selected for review.

The preceding criteria are not mutually exclusive. One of every type of engagement that a partner, or individual if not a partner, responsible for the issuance of the reports listed above performs does not have to be reviewed as long as for the firm taken as a whole, all types of engagements noted above

performed by the firm are reviewed.

How are engagements selected for a report review?

The number of engagements selected should ordinarily adhere to the following guidelines:

- Select one engagement from each partner, or individual if not a partner, of the firm responsible for the issuance of compiled financial statements that omit substantially all disclosures
- Ordinarily, at least two engagements should be selected for review

TYPES OF REPORTS

What types of peer review reports are issued on system reviews?

The reviewer may issue one of three opinions on the firm's system of quality control (system): unmodified report, modified report or adverse report.

Unmodified Report

An unmodified report is issued when the reviewer believes that reviewed firm's system of quality control for the accounting and auditing practice is appropriately designed to meet the quality control standards for and accounting and auditing practice established by the AICPA and being complied with during the year ended to provide reasonable assurance that the firm complies with professional standards.

An unmodified report may be issued with a letter of comment. A letter of comment is issued if there are matters that the review team believes resulted in conditions being created in which there was more than a remote possibility that the firm would not conform with professional standards on accounting and auditing engagements in all material respects, but were not of such significance to cause the report to be modified or adverse. The letter should also include comments on such matter even if they did not result in engagement deficiencies on the engagements reviewed, such as when an element of the firm's quality control could be more suitably designed for a particular firm.

Modified Report

A modified report is issued when the reviewer believes the reviewed firm's system of quality control for the accounting and auditing practice in effect for the year ended is appropriately designed to meet the quality control standards for and accounting and auditing practice established by the AICPA and being complied with to provide reasonable assurance that the firm complies with professional standards except for any deficiencies noted by the reviewer. A modified report indicates that there are some failures to adhere to professional standards. The reasons for the modified opinion and recommendations will be included in the report.

A modified report can also be issued when the scope of the review is limited and the reviewer is unable to perform all of the necessary review procedures.

A letter of comment may be issued if the reviewer notes other departures from professional standards that are not significant departures, and therefore not included in the report, but that should be considered by the reviewed firm in evaluating the quality controls policies and procedures over its accounting practice.,

Adverse Report

An adverse report is issued whenever the reviewer believes the firm's system is not appropriately designed to meet the quality control standards for and accounting and auditing practice established by the AICPA or being complied with during the year under review to provide the firm with reasonable assurance that the firm complies with professional standards. An adverse report indicates that there are several significant failures to adhere to professional standards. The reasons for the adverse opinion and recommendations will be included in the report.

What types of peer review reports are issued on Engagement Reviews?

A reviewer on an engagement review can issue three types of peer review reports giving limited assurance; unmodified, modified and adverse.

Unmodified Report

An unmodified report is issued when the reviewer believes the financial statements or information and the related accountant's reports submitted for review were in conformity with professional standards in all material respects.

Modified Report

A modified report is issued when -

- a) The firm did not adhere to generally accepted accounting principles or an other basis of accounting. This failure could have a significant effect on the user's understanding of the financial information.
- b) A misleading report has been issued on an accounting or review engagement;
- c) A misleading report has been issued on an attestation engagement;
- d) There is a failure to obtain a management representation letter* (define this in a footnote) or the failure of the accountant's working papers to document the matters covered in the accountant's inquiry and analytical procedures on a review engagement; and
- e) There are other departures from professional standards noted in a significant number of engagements submitted for review that individually may not be considered a significant departure from professional standards but collectively would warrant the issuance of a modified report.

The reasons for the modified report and recommendations will be included in the report.

Adverse Report

An adverse report is issued when all of the engagements submitted for review had significant departures from professional standards on the engagements submitted for review.

The reasons for the adverse report and recommendations will be included in the report.

What types of peer review reports are issued on Report Reviews?

Unlike system and engagement reviews, report reviews do not have different types of reports. A report review does not provide the reviewer with a basis for expressing any assurance on the firm's system of quality control for its accounting practice. The report will include comments and recommendations, if any. It specifically identifies which comments are significant comments.

An authorized member of the firm is then required to sign the report, whether or not there are any comments, acknowledging receipt of the report and that there are no disagreements on the comments and that the firm agrees to correct all comments by implementing the recommendations.

PEER REVIEW COMMITTEE CONSIDERATION AND ACCEPTANCE

Who is responsible for submitting review documents to the administering entity?

The *team captain, engagement or report reviewer* is responsible for submitting the peer review working papers to the administering entity and for issuing the report and, if applicable, the letter of comments to you within 30 days of the exit conference date, or completion date for engagement or report reviews, or by your firm's peer review due date, whichever is earlier. You are responsible for sending a copy of the report and, if applicable, the letter of comments, along with your response to the matters discussed in the report and letter of comments, to the administering entity within 30 days of the date you receive the report and letter of comments or by the due date, whichever is earlier. You must send your letter of response, if any, to the team captain or reviewer prior to sending it along with a copy of the report and letter of comments to the administering entity. This is to solicit the team captain's or reviewer's response to the planned actions stated in your letter of response prior to submission of the aforementioned documents to the administering entity. Although reviewers and firms have their own guidelines for document submission, it is your firm's peer review, and therefore you are ultimately responsible for ensuring that all submissions are made on time.

What happens if deficiencies are found by my peer reviewer?

If deficiencies are found, your firm is expected to identify and take corrective measures to prevent the same/similar types of deficiencies from occurring in the future. Such actions could include making appropriate changes in your firm's system of quality control or having personnel take additional continuing professional education in specified areas. In addition, the peer review committee may ask your firm to agree to certain other actions it deems appropriate in the circumstances, such as the submission of a monitoring report or a revisit by the reviewer. The main

objective of a review is to help the firm improve the quality of its practice.

My firm just received an unmodified peer review report with a couple of minor letter of comment findings. I agree with the LOC findings but not the team captain's recommendations. Must I implement the team captain's recommendations or can I suggest an alternative solution?

You should discuss the findings and recommendations with the team captain and suggest alternative recommendations for improvement that you both agree to.

What if I don't agree with the peer reviewer's conclusions?

During fieldwork on a system review, the peer reviewer will inform you of any deficiencies noted during the peer review, and generally will note those deficiencies on a form entitled, "Matter for Further Consideration" (MFC). On an engagement review, any identified deficiencies will be communicated to you either by telephone or in writing on the MFC form. You will have the opportunity to discuss the identified deficiencies during the peer review and to respond in writing concerning the deficiencies on the response section of the MFC form.

Because peer review is a subjective process, there may be differences of opinion between you and the reviewer as to whether a deficiency exists that is not resolved to your satisfaction. In such circumstances, ask the peer reviewer to cite the applicable section of the professional standards that supports his or her conclusion that a deficiency exists. Ordinarily, such matters are resolved by the exit conference on a system review and before the peer review report and letter of comments are issued in an engagement review. If you are still dissatisfied with the reviewer's conclusions, you or the reviewer should consult with the administering entity. If the matter is not resolved, you should respond to the letter of comments by addressing each deficiency noted and citing the section of the professional standards that supports your views. The administering entity peer review committee will attempt to resolve the disagreement.

In a report review if your firm believes there are significant matters of disagreement, the firm should prepare a "written response" and attach it to the report it has signed and submit both to the technical reviewer of the administering entity. When the technical reviewer determines there are significant issues (and there may be other issues), the report review should be submitted for committee consideration. The technical reviewer alone may not impose corrective actions on your firm or peer reviewer. The committee must consider any corrective actions.

Many professional standards require the use of professional judgment, therefore, you should not assume that the reviewer's interpretation is always the correct one. If a reviewer identifies deficiencies in an engagement, it is in your best interest to read the applicable section of the professional standards to broaden your knowledge of the subject and to verify that the comment is applicable in the particular situation.

When are the results of my peer review communicated to me?

For system reviews, the review team should communicate the results of the peer review at the exit conference. The exit conference is a meeting attended by senior members of your firm, the review team and possibly representatives of the administering entity, the Board, AICPA staff, or other Board authorized organizations with oversight responsibilities. At the exit conference the CPA firm is entitled to be informed about any matters that may affect the peer review report, including the deficiencies, comments and recommendations that will be included in the report and letter of comments.

For engagements and report reviews, the peer reviewer will hold a meeting, via telephone or in person with your firm to communicate the results of the peer review.

Can my peer review acceptance letter be withheld until peer review administrative fees are paid?

No. If the fieldwork has begun, the review should be performed, technically reviewed, considered by a report acceptance body and then the appropriate acceptance letter should be issued. However, failure to pay fees related to the administration of the peer review program that have been authorized by the governing body of an administering entity can lead to the firm's enrollment in the AICPA Peer Review Program being dropped.

When are the results of my peer review available for publication?

The results of your system, engagement and certain report reviews can be publicized the date the administering entity's peer review committee accepts the report and, if applicable, the letter of comments (LOC) and the letter of response (LOR). This step ensures that a panel of your peers agrees with your review team's conclusions. (Committee members must excuse themselves from discussions if they have a conflict of interest with respect to the reviewed firm or the review team members.) Technical reviewers should accept the report on report reviews without any significant comments within 45 days of receipt of the report from the reviewed firm. You should not publicize the results of the review or distribute copies of the report until the committee has advised you that the report has been accepted.

For system, engagement and report reviews with significant comments, reviews must be presented to a report acceptance body in a timely manner, ordinarily within 120 days of receipt of the report, letter of comments, and letter of response, if applicable, from the reviewed firm.

When is my peer review complete?

Generally, a peer review is complete the date the administering entity's peer review committee (committee) accepts your firm's peer review without any further action(s) required of your firm. However, in the event that further action(s) is required, the peer review is deemed completed when the firm has taken any action(s) deemed necessary by the committee and has been notified of the completion of the review by the administering entity.

How can I obtain a copy of a firm's latest peer review report, letter of comment and letter of

response?

Peer review results for firms enrolled in the AICPA Peer Review Program are confidential. However, if asked, the reviewed firm is allowed to give you a copy if it chooses to do so.

The latest peer review report, letter of comment and letter of response for a firm that is enrolled in the Center for Public Company Audit Firms Peer Review Program, or the Employee Benefit Plan Audit Quality Center, or Governmental Audit Quality Center or a member of PCPS may be obtained from the firm's [Public File](#).

How will my firm's affiliation with a non CPA-Owned entity impact my peer review?

Under an alternative practice structure, certain portions of the CPA firm's system of quality control may reside at or operate in conjunction with the system of control of the non-CPA owned entity, which the CPA firm is closely aligned through common employment, leasing of employees, equipment, facilities, or similar arrangements. This would generally include the following elements of quality control: (1) independence, integrity, and objectivity, (2) personnel management, and (3) monitoring of the two preceding quality control elements. Reviewers will perform additional procedures to test these elements at the alternative practice structure.

Can my firm resign from the AICPA peer review program at anytime?

A firm may resign from the AICPA Peer Review Program (Program) as long as the peer review has not commenced and your firm submits a letter of resignation to the Peer Review Board. A peer review commences when the review team begins field work on a system review or begins the review of engagements on engagement and report reviews. However, once a peer review commences a firm would not be able to resign from the Program unless the firm submits a letter waiving its right to a hearing and agrees to allow the AICPA to publish in such a form and manner as the AICPA may prescribe the fact the firm has resigned from the program.

If my firm is terminated from the AICPA peer review program, how does the firm get reinstated?

Your firm should submit a letter requesting reinstatement to the AICPA Peer Review Program Staff. The firm will be reinstated provided that the actions that caused the firm to be terminated have been waived or corrected to the satisfaction of the AICPA and the entity administering the peer review. The AICPA will require a firm that has been terminated to have another review by the due date originally assigned or within 90 days of reenrolling, whichever is earlier.

OTHER MATTERS

AICPA Audit Risk Alerts -- A Good Way to Keep Current

A good way to keep current on professional and industry developments is to obtain the AICPA audit risk alerts that are pertinent to your firm's practice. Each year, the AICPA publishes a general audit risk alert and audit risk alerts for various industries to advise auditors of current economic, industry, and professional developments they should be aware of as they perform audits in the current period. Risk alerts also assist reviewers and firms in identifying high-risk areas of audit engagements that should be reviewed during a peer review.

The AICPA also publishes a compilation and review alert, which provides valuable information that can be used during the review of these engagements. The alert clarifies certain existing professional standards, suggests ways of implementing Statements on Standards for Accounting and Review Services (SSARSs) in special circumstances, points out pitfalls that frequently occur in compilation and review engagements, and summarizes new professional pronouncements. Risk alerts can be ordered from [CPA2Biz – Store](#).

We hope we have answered most of your questions about peer review. If your question is not answered here, you may call the administering entity for assistance or the AICPA Peer Review Team at 919-402-4502.

APPENDIX A

Reviewer Qualifications

AICPA Peer Review Program Reviewer Requirements

- Should be an AICPA member in good standing (that is, AICPA membership in active status) licensed to practice as a certified public accountant with an enrolled firm that should have received an unmodified report on the review of its system of quality control or an unmodified report on its engagement review for its most recent peer review that was accepted within the last three years and six months.⁵

If the individual is associated as a partner with more than one firm, then each of the firms the individual is associated with should have received an unmodified report on the review of its system of quality control or an unmodified report on its engagement review for its most recent peer review that was accepted within the last three years and six months

- Should possess current knowledge of applicable professional standards, including quality control and peer review standards. This includes knowledge about current rules and regulations applicable to the industries for which engagements are reviewed. Such knowledge may be obtained from on-the-job training, training courses, or a combination of both.
- Should have at least five years of recent experience in the practice of public accounting in the accounting or auditing function⁶
- Should be currently active in the practice of public accounting at a supervisory level in the accounting or auditing function of a firm enrolled in an approved practice monitoring program (that is, a firm enrolled in the AICPA Peer Review Program or in the CPCAF PRP) as a partner of the firm or as a manager or person with equivalent supervisory responsibilities. To be considered currently active in the accounting or auditing function, a reviewer should be presently involved in the accounting or auditing practice of a firm supervising one or more of the firm's accounting or auditing engagements or carrying out a quality control function on the firm's accounting or auditing engagements.
- Have completed a peer review training course or courses that meet requirements established by the Board, when the function of the reviewer goes beyond reviewing engagements.

An individual who was previously a team captain or engagement/report reviewer qualified to perform peer reviews that starts, or becomes associated with, a newly formed firm (a firm which has not had a peer review) may serve as a system review team captain, or as an engagement or report reviewer during a transition period. The transition period begins with the earlier of the dates of

⁵ In those cases where a firm's most recent peer review was a report review, the firm's members are not eligible to perform peer review.

⁶ For this purpose, recent means having experience in the industries for which engagements are reviewed within the last five years

disassociation from the previous firm or when the individual starts or becomes associated with a new firm. The transition period ends with the earlier of eighteen months from the beginning date or the peer review due date of the new firm. In no circumstances will the transition period exceed eighteen months. The previous firm should have received an unmodified report on its most recently accepted peer review, and the individual should meet all of the other qualifications for service as a system review team captain, or as an engagement or report reviewer.

Special Requirements for System Review Team Captains

In addition to adhering to the general requirements for a reviewer, an individual serving as a team captain on a system review should:

- Be a partner of an enrolled firm that has received an unmodified report on a review of its system of quality control for its accounting and auditing practice for its most recent peer review that was accepted within the last three years and six months. If the individual is associated as a partner with more than one firm, then each of the firms the individual is associated with should have received an unmodified report on a review of its system of quality control for its accounting and auditing practice for its most recent peer review that was accepted within the last three years and six months.

Peer Reviewer Qualifications and the Approval Process to Perform Peer Reviews

The AICPA Peer Review Board (Board) approved revisions to the background and resume forms to create a mechanism to better identify industries and levels of service in which firms practice, and to facilitate the matching of reviewer qualifications on system, engagement and report reviews.

Key Revisions to the Background and Resume Forms

- Firms no longer identify industries in which they practice accounting, (firms now provide only audit industries).
- Firms indicate any industries in which they practice, regardless of the percentage of the practice.
- Firms identify any industries in which over ten percent of the firm's auditing (only) practice hours are concentrated and these result in a must cover for the review team
- Industries were narrowed down to include only the must cover industries on system reviews
- Resume instructions were changed to request reviewers to identify practice areas in which they were currently active in auditing.
- Resume and background forms were revised to contain more similar information.

Appendix B—Staff Contacts, Resources, Publications and important web-site links.

AICPA Peer Review Program Staff

Name	Title	E-mail address
Jim Brackens	Vice President	jbrackens@aicpa.org
Gary Freundlich	Director	gfreundlich@aicpa.org
Sue Lieberum	Senior Technical Manager	slieberum@aicpa.org
Susan Allison	Technical Manager	sallison@aicpa.org
Ty Leatherman	Technical Manager	tleatherman@aicpa.org
Meghan Sullivan	Technical Manager	msullivan@aicpa.org
Donna Roethel	Senior Manager-Self Regulation	droethel@aicpa.org
JoAnna Bartholomew	Supervisor	jbartholomew@aicpa.org
Rachel Johnson	State Society Coordinator	rajohnson@aicpa.org
Desiree Kimbrough	State Society Coordinator	dkimbrough@aicpa.org
Laquita Cotton	State Society Coordinator	lcotton@aicpa.org
Felecia Harrison	Administrative Assistant	fharrison@aicpa.org

Resources and Tools

- The *AICPA Peer Review Program Manual*. This manual provides up-to-date standards, policies, procedures, checklists, and programs for use when arranging, administering and carrying out a peer review. There are two ways to access the manual. You can choose to purchase the entire manual at cpa2biz.com. Alternatively, several sections of the *AICPA Peer Review Program Manual* are available on-line at no charge at <http://www.aicpa.org/members/div/practmon/index.htm>. These include:
 - [Standards for Performing and Reporting on Peer Reviews \(Standards\)](#) and the [Interpretations](#).
 - [Team Captain Packages](#) for System Reviews and Engagement and Report Reviews. You can download various checklists, questionnaires, and supporting materials which are required in the performance of a review.

Quality Control Standards

This AICPA Audit and Accounting Practice Aid updated the 2004 edition of *Establishing and Maintaining a System of Quality Control for a CPA Firm's Accounting and Auditing Practice*. This Practice Aid is intended to help practitioners better understand and apply Statements on Quality

Control Standard (SQCS) No 7. That standard is included in Appendix A of this Practice Aid. This version of the Practice Aid, prepared by the Quality Control Standards Task Force, has been revised to incorporate new policies and procedures that a firm should consider including in its system of quality control to be responsive to the issuance of SQCS No. 7. This publication can be ordered from [CPA2Biz – Store](#). The Practice Aid is available free of charge at: http://www.aicpa.org/centerprp/PA_QualityControl.htm.

Important Web-site Links

The AICPA website can be found at: <http://www.aicpa.org>

Information regarding the AICPA Peer Review Program can be found at: <http://www.aicpa.org/members/div/practmon/index.htm>

In Our Opinion Newsletter (The Newsletter of the AICPA Audit and Attest Standards Group): <http://www.aicpa.org/Professional+Resources/Accounting+and+Auditing/Audit+and+Attest+Standards/Opinion/>

Newly Released Ethics Rulings and Interpretations: <http://thecaq.aicpa.org/Resources/Ethics+and+Independence/>

General Accounting Standards Board: www.gasb.org

Federal Accounting Standards Advisory Board: www.fasab.gov

Government Auditing Standards (Yellow Book) www.gao.gov/govaud/ybk01.htm

Office of Management and Budget (Grants Management): <http://www.whitehouse.gov/omb/grants/>

Information on State Boards/Societies <http://www.aicpa.org/states/index.htm>

Public Company Accounting Oversight Board <http://www.pcaobus.org>

Government Audit Quality Center <http://gaqc.aicpa.org/>

Employee Benefit Plan Audit Quality Center <http://ebpaqc.aicpa.org/>