

PEER REVIEW OVERSIGHT COMMITTEE
ANNUAL REPORT

NEW JERSEY STATE BOARD OF ACCOUNTANCY
124 Halsey Street, 6th Floor
PO Box 45000
Newark, NJ 07101

In accordance with N.J.A.C. Chapter 29, New Jersey Board of Accountancy, Section 13:29-5.7, the Board shall annually appoint a standing committee to be known as the Peer Review Oversight Committee ("PROC") to assist the Board in the administration of the Peer Review Program. The PROC shall consist of no fewer than five members, all of whom shall be holders of active licenses under N.J.S.A. 45:2B-42 et seq. All PROC members shall be licensed certified public accountants, licensed public accountants or registered municipal accountants. At least two PROC members shall also be current members of the Board.

The PROC is responsible for the following:

1. Monitoring sponsoring organizations to provide reasonable assurance that peer reviews are being conducted and reported on in accordance with peer review minimum standards;
2. Reviewing the policies and procedures of sponsoring organizations applicants as to their conformity with the peer review minimum standards; and
3. Reporting to the Board on the conclusions and recommendations reached as a result of performing the functions set forth in 1 and 2 above.

The committee shall make an annual recommendation to the Board as to the continuing qualifications of a sponsoring organization as an approved sponsoring organization.

In reviewing the responsibilities above as well as the evaluation of the processes in place (attachment A), we believe that the peer review oversight committee is meeting the requirements as set forth in the regulations and that peer reviews performed in New Jersey by sponsoring organizations are being conducted and reported on in a proper and consistent manner and in accordance with the Standards for Performing and Reporting on Peer Reviews (the Standards) promulgated by the AICPA Peer Review Board for the year ended December 31, 2017. The New Jersey State Board of Accountancy can rely upon the approved sponsoring organization in carrying out its responsibilities with respect to peer reviews performed in the state of New Jersey.

Peer Review Oversight Committee

Members:

Allison Dunko, CPA, Chair, Board member

John F. Dailey, Jr., CPA, Board member

Joan Paciga, CPA, Board member

Lawrence Gray, CPA

Andrew DuBoff, CPA

Michael Polito, CPA

Attachment A:

Summary of Processes and Oversight:

1. PROC member, Larry Gray - attended AICPA Peer Review Program - Nashville, TN August 2017
2. PROC member, Andrew DuBoff - monitors NJCPA peer review program - ongoing throughout 2017
3. The PROC ordinarily holds three to four committee meetings per year to discuss various peer review reports and related peer review matters. The committee discusses matters related to non-responses of firms, firms that have 3 non "pass" peer reviews and the monitoring of the peer review program at the New Jersey Society of CPAs. The committee is kept informed of developing and evolving matters within the AICPA by a PROC member. The sponsoring organization is monitored and discussed and is annually approved as a sponsoring organization.

Meeting dates for 2017 were as follows:

March 10, 2017

August 28, 2017

January 9, 2018