

#### **Rule 7-4 – Enrollment in Board-Approved Peer Review Program**

- (a) Enrollment in a Board-approved peer review program is a condition for renewal of a permit for firms that issue attest or compilation reports. The Board requires licensees that issue attest or compilation reports pursuant to UAA 6(j) or UAA 7(a)(1)(A) and firms that issue such reports pursuant to UAA 7(a)(1)(C) to be enrolled in a Board-approved peer review program, and to provide a copy of the enrollment letter to the Board within thirty (30) days of enrollment: pursuant to Rules 7-5(b) through 7-5(d).

~~*COMMENT:* The requirement for provision of a copy of the enrollment letter to the Board is new. This will be effective for firms enrolling for the first time or filing for re-enrollment after the date these rules are adopted.~~

...

- (e) The firm shall provide to the Board a copy of a grant of an extension (including the resulting new due date) within thirty (30) days of the date of the letter receipt from the Administering Entity or Sponsoring Organization pursuant to Rules 7-5(b) through 7-5(d).

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#### **Rule 7-5 – Submission of Peer Review Documents and Objective Information**

- (a) The objective of this reporting rule is to reinforce the Board's efforts to ensure that only appropriately qualified CPA firms are engaged in the offering and rendering of services subject to peer review. Based upon its review of the documents submitted pursuant to this rule, the Board may consider, pursuant to hearing or by consent, additional corrective actions such as probation, practice limits, additional continuing education, pre-issuance reviews, more frequent peer reviews, and other measures, including, in severe cases, discipline against the reviewed firm and any individual licensees employed or contracted by the reviewed firm.

*COMMENT:* The reference in ~~this~~ Rule 7-5(a) to possible discipline against "individual licensees employed or contracted by the reviewed firm" is not intended to include peer reviewers or their staffs with regard to firms they review.

- (b) The firm is required to submit a copy of the results of its most recently accepted peer review to the Board within 30 days, which includes the following documents:
- (1) Peer review report which has been accepted by the administering entity.
  - (2) The firm's letter of response accepted by the administering entity, if applicable.
  - (3) The acceptance letter from the administering entity.

- (4) Letter(s) accepting the documents signed by the firm with the understanding that the firm agrees to take any actions required by the Administering Entity, if applicable; and
  - (5) Letter signed by the Administering Entity notifying the firm that required actions have been appropriately completed, if applicable.
- (c) ~~The firm shall submit the peer review documents in (b) (1) through (b) (3) above is required to provide the following additional documents and objective information, as applicable, to the Board within 30 days of the; administering entity's acceptance. The firm shall submit the document in (b) (4) to the Board within 30 days from the date the letter is signed by the firm or with submission of the firm's renewal application, whichever occurs first. The firm shall submit the document in (b) (5) to the Board within 30 days of the date of the letter or with submission of the firm's renewal application, whichever occurs first.~~
- (1) Date of the most current peer review program enrollment or reenrollment letter.
  - (2) Firm representation to the administering entity that it has not performed engagements subject to peer review in the last 12 months.
  - (3) Identification of the due date of the current peer review and due date on any open corrective action(s).
  - (4) Date of the peer review or corrective action extension letter(s).
  - (5) Date of the letter acknowledging the peer review was scheduled.
  - (6) Identification of the estimated dates of the peer review commencement and presentation to a report acceptance body.

**COMMENT:** Pursuant to Rule 7-4(a), firms enrolling in a peer review for the first time or filing for re-enrollment in the peer review program would provide a copy of the enrollment letter to the Board.

- (d) The firm shall allow ~~satisfy this document submission requirement by allowing the~~ administering entity to provide the Board access to the documents and objective information via a secure website process such as the AICPA Facilitated State Board Access (FSBA).

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- (e) The firm shall provide to the Board a copy of a grant of an extension (including the resulting new due date) within thirty (30) days of the date of the letter from the Administering Entity or Sponsoring Organization pursuant to Rules 7-5(b) through 7-5(d).

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**COMMENT:** The reference in Rule 7-5(a) to possible discipline against "individual licensees employed or contracted by the reviewed firm" is not intended to include peer reviewers or their staffs with regard to firms they review.

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- (5) Letter signed by the Administering Entity notifying the firm that required actions have been appropriately completed, if applicable.**
- (c) The firm is required to provide the following additional documents and objective information, as applicable, to the Board within 30 days of the:**
  - (1) Date of the most current peer review program enrollment or reenrollment letter.**
  - (2) Firm representation to the administering entity that it has not performed engagements subject to peer review in the last 12 months.**
  - (3) Identification of the due date of the current peer review and due date on any open corrective action(s).**
  - (4) Date of the peer review or corrective action extension letter(s).**
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***COMMENT:*** Pursuant to Rule 7-4(a), firms enrolling in a peer review for the first time or filing for re-enrollment in the peer review program would provide a copy of the enrollment letter to the Board.

- (d) The firm shall allow the administering entity to provide the Board access to the documents and objective information via a secure website process such as the AICPA Facilitated State Board Access (FSBA).**