

PEER REVIEW OVERSIGHT COMMITTEE
Washington State Board of Accountancy (ACB)

RE: Annual Report on Oversight of AICPA Peer Review Program
Administered by the Washington Society of CPAs until April 30, 2023
Administered by the Colorado Society of CPAs starting May 1, 2023
For the period from January 1, 2023 through December 31, 2023

Dear NASBA Representative:

We have completed our monitoring and evaluation of the AICPA Peer Review Program administered by the Washington Society of CPAs (WSCPA) and the Colorado Society of CPAs (CSCPA) for the period from January 1, 2023 through December 31, 2023.

The purpose of the Peer Review Oversight Committee (PROC) is to provide reasonable feedback to the administrative entity (AE) and report to the Board.

The administered peer review program is performed by a Peer Review Committee and a Report Acceptance Body (RABs). They are assisted by technical reviewers who receive peer review reports from firms upon completion of their reviews. These reports and certain review documents provided by the peer reviewer are reviewed by the technical reviewers who summarize the information and obtain explanations from peer reviewers and require revisions as considered necessary. The RABs receive this information for review, acceptance, modification, and determination of any follow up and/or monitoring actions to be performed relative to the peer review.

The data is as follows:

- a) The total number of Peer Review Executive Committee meetings conducted in the year (As of May 1, 2023):

Executive Committee meetings 2 and Committee meetings - 1

- b) The total number of RAB meetings conducted in the year:

Engagement RAB – 10, System RAB - 10 No RABs for non-attest work.

- c) The number of total RAB meetings attended by the PROC expressed as a percentage:

PROC attended 70% of Engagement RAB meetings.

PROC attended 0% of System RAB meetings.

- d) The number of RABs working with the Administering Entity (As of May 1, 2023): 19

- e) The number of technical reviewers May through December: 6

- f) The number of total reviews conducted broken down by engagement and system reviews:

Total ACCEPTED (reports are based on Acceptance Dates) in 2023:

Engagement – 75, System – 27

- g) The number of reports accepted without further monitoring expressed as a percentage of the total, broken down by engagement and system reviews.

There were 31 engagement reviews that were accepted by the technical reviewers that were not sent to a RAB.

- h) The number of reports accepted with additional monitoring expressed as a percentage of the total, broken down by engagement and system reviews.

There were 43 reviews that had corrective actions or implementation plans but are not segregated by type of review. $43/102 = 42\%$

- i) Number of firms' reviews that were deferred to obtain additional information, broken down by engagement and system reviews.

Engagement – 2, System – 5

- j) The number of reports that were rated “pass” by the peer reviewer, broken down by engagement and system reviews.

Engagement – 65, System – 25

- k) The number of reports that were rated “pass with deficiencies”, broken down by engagement and system reviews

Engagement – 7, System - 1

- l) The number of reports that were rated “fail”, broken down by engagement and system reviews

Engagement – 3, System - 1

Please contact me if you have any questions.



Michael Paquette, CPA

Executive Director

Washington State Board of Accountancy