

April 16, 2024

Important Change to Your Firm's Peer Review Program

Dear Managing Partner / Peer Review Contact:

After detailed analysis and thoughtful consideration, the NEPR Executive Committee has decided to discontinue administration of our state program, New England Peer Review Program, effective May 16, 2024. Most administering entities (AEs) have discontinued their state programs, with only a few remaining. The AICPA charges the AEs for the use of PRIMA to manage the state peer reviews, and as there are now so few state programs left, the cost per enrolled firm to continue to maintain the programming will increase dramatically this year. The majority of this cost has been passed on to our Non-AICPA firms. Last year, the cost was \$75 per firm and is expected to increase to \$200 per firm this year.

AICPA allows firms with no AICPA member partners to enroll in the AICPA Peer Review Program so that all firms may continue to meet state board of accountancy licensure requirements.

While the two programs share similar procedures and goals, some important differences exist:

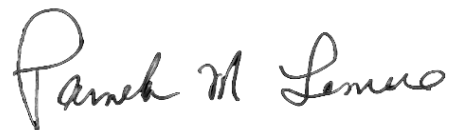
- Peer reviews in state CPA society programs are subject to the fair procedures of the state CPA society. In other words, the state CPA society administering the program is fully responsible for the dispute/fair procedures process; no appeal to the AICPA Peer Review Board or the AICPA Joint Trial Board is available.
- Peer reviews in state CPA society programs are not subject to the AICPA oversight process, including oversights that are part of the AICPA's Enhancing Audit Quality (EAQ) Initiative, although they are subject to the NEPR oversight process.
- As part of the EAQ Initiative, a national peer review administrative fee is charged to firms subject to system reviews. The fee is used to foster improvements in the peer review process and to provide additional resources required for a more robust AICPA Peer Review Program. Your firm will no longer be charged for the use of PRIMA.

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

Beginning on May 16, 2024 the AICPA will automatically enroll firms into the AICPA Peer Review Program. If you do not want your firm to be enrolled in the program, please notify New England Peer Review at pamela@nepr.org or 603.623.3513. prior to May 16, 2024 to opt your firm out of the enrollment process by resigning your firm from the Program. Please note, when firms enroll in the AICPA Peer Review Program, neither the firms nor individuals at the firms need to join the AICPA.

If you have any additional questions or concerns, please feel free to contact me at pamela@nepr.org or 603.623.3513.

Sincerely,

A handwritten signature in black ink that reads "Pamela M. Lemire". The signature is written in a cursive style with a large initial 'P'.

Pamela M. Lemire
CEO