Peer Review News:

Due Dates, Enhancements, and Resources

A Q&A with AICPA Peer Review Director of Operations Beth Thoresen

Beth Thoresen

The AICPA recently issued new requirements for the administration of the peer review program. These new guidelines, coupled with last year's launch of the PRIMA online portal, have significantly changed the structure and management of peer review programs nationwide.

As members and their firms acclimate to changes in peer review and PRIMA, there have been many questions regarding peer review engagement timelines, due dates, and how to adjust to the new online system.

In order to bring more clarity to our members, we asked the AICPA's Director – Peer Review Operations – Public Accounting **Beth Thoresen** to give us some additional insight into the program with the following Q&A.

PRIMA is the AICPA's new peer review online portal. What were the goals for the new system?

PRIMA was designed to more quickly adapt to the changing needs of practice monitoring and our users through its robust and flexible technology. In addition, PRIMA was designed to more closely align with the *AICPA Standards for Performing and Reporting on Peer Reviews* (Standards) and guidance. As a result, PRIMA holds firms and reviewers accountable in a way that the prior system could not.

Please explain the relevance of the peer review due date and what is expected of firms, reviewers, and administering entities (AEs) to comply with the due dates.

A firm's due date for its initial peer review is ordinarily 18 months from the date it enrolled in the program, or should have enrolled, whichever date is earlier.

If the peer review is not completed or documents are not submitted to the AE by the firm's due date (including any approved extensions), the firm will receive notifications about the overdue documents. If the overdue documents are not received after a specified time, the AE may recommend to the Peer Review Board (PRB) that a hearing be held to determine whether a firm should be terminated from the program for failure to cooperate with the AE.

If the firm has cooperated in the completion of the peer review and the delay is caused by the reviewer, the firm should communicate this matter to the AE so that appropriate actions can be taken with regards to the reviewer.

What happens if a firm does not complete its peer review in a timely manner?

Ultimately, if the PRB holds a hearing and deems the firm as non-cooperating, the firm is terminated from the program. Most state boards of accountancy require enrollment in a practice-monitoring program for firm license renewal, so the firm's license to practice public accountancy may then be in jeopardy.

To meet the due date, when should the firm have its review?

To make sure your peer review is completed on time, you should start the review soon after your firm's peer review year-end. You should plan accordingly so that the review takes place at a convenient time for your firm and to allow your reviewer time to properly plan and schedule your review.

Is the timing different for system and engagement reviews?

System reviews focus on a firm's system of quality control, and engagement reviews focus on work performed on selected engagements.

In addition, paragraph .08 of the Standards states that most procedures in a system review should be performed at the reviewed firm's office. Engagement reviews are normally performed at a location other than the reviewed firm's office. While system reviews generally take longer than engagement reviews, both types of reviews should be planned accordingly.

Were there any PRIMA launch issues and how did you work to resolve them?

We did have some launch issues. Most of them stemmed from incomplete or inaccurate information in our membership database, which prevented firms from logging in to PRIMA. Our IT team worked around the clock to resolve those issues. In addition, the peer review support team was doubled to handle the increased call and email volume.

What enhancements have been made to PRIMA since it launched?

We have implemented more than 200 changes to PRIMA since its launch in 2017, further streamlining the peer review process.

The latest enhancements were designed to make PRIMA easier for firms, peer reviewers, and administrators to use, decrease how often firms must access PRIMA, address gaps in programming, and add new functionality to existing processes.

To highlight a few:

- Team captains can now add/ remove team members.
- The number of times the scheduling form needs to be reopened has been reduced.
- Firms can now enter scheduling information and select a captain when completing the Peer Review Information (PRI) form.
- Both the managing partner and peer review contact can now make changes in PRIMA.

- The layout has been updated to improve usability.
- If a case is in read-only mode, there is a red message across the top of the screen indicating that the case is not editable. (Please note: This change applies to every user and case.)
- The firm can now delete an Update (UPD) case if it was created accidentally or if the captain requests an unnecessary update. UPD cases must be deleted or submitted by the firm prior to the captain submitting the working papers or before the Review (RVW) case can move to the next status.
- Captains can now make changes to peer review team members within the RVW case.

How does user feedback figure into these enhancements?

Our goal is to continually improve the user experience. We provide various outlets for feedback to improve the system including an email designated specifically for PRIMA feedback, group calls, trainings, webinars, and meetings. We also provide opportunities for users to test PRIMA before we launch new enhancements.

This process allows our IT team to fix as many issues as possible before go-live. Users also help us find common issues and identify areas for improvement. This has helped us implement significant enhancements to the system and the overall peer review process.

What help does the AICPA provided to assist PRIMA users?

We offer numerous training opportunities and resources, including our Peer Review Support email (PRSupport@ aicpa.org) and hotline (919-402-4502, press 2).

We also encourage anyone who is having trouble with PRIMA to access the information available through the "Help" link in the top right corner of any PRIMA screen. There are more than 250 articles and several videos designed to help various peer review stakeholders (firms, reviewers, and AEs) navigate the PRIMA system.

Articles and videos are categorized by topics including:

- General Information
- Known Issues
- Scheduling
- Review Process

In addition, for every new batch of enhancements, we offer training on the changes and new processes and post archives of these in PRIMA.

Now that PRIMA has been live for more than a year, what plans does the AICPA have for future versions?

The AICPA has transitioned from releasing new versions to releasing enhancements in smaller batches. This method allows more time and opportunities for user testing and issue resolution. We are also engaging a consultant to further evaluate PRIMA while we also work directly with users. Finally, we have been reaching out to high-volume support users and other groups for additional feedback.

Have Questions? We're Here to Help!

>> AICPA Peer Review Support
   www.aicpa.org/interestareas/peerreview

   Email: PRSupport@aicpa.org
   Hotline: 919-402-4502; press 2

>> CTCPA Peer Review Team
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