

Frequently Asked Questions (FAQ) to Assist State Boards of Accountancy (SBOAs) with Understanding Peer Review Processes, Terminology, and Information Available in Facilitated State Board Access (FSBA)

The purpose of this FAQ is to assist state boards of accountancy (SBOAs) with understanding certain peer review processes, terminology and information available in Facilitated State Board Access (FSBA). SBOAs are encouraged to utilize FSBA to monitor a firm's compliance with peer review laws and regulations. The AICPA has developed a [video](#) that demonstrates enhancements added to the existing process. These enhancements provide SBOAs access to certain enrollment and objective peer review information when a firm has agreed to make such information available.

The FAQ contains questions regarding:

- [FSBA and Recent Changes](#)
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- [Peer Review Due Dates and Extensions](#)
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FSBA and Recent Changes

1. What is FSBA?

FSBA was developed by the AICPA to assist firms in complying with state peer review document submission requirements. Firms give permission to provide the results of their peer reviews to SBOAs via the secure FSBA website. Several SBOAs allow firms to voluntarily meet their state peer review document submission requirements using FSBA, and many SBOAs require firms to use FSBA. FSBA is an example of a process the AICPA has made available to firms and SBOAs to enhance the efficiency and effectiveness of the AICPA Peer Review Program.

As a result of the AICPA's transparency initiative, FSBA was enhanced in January 2020 to provide certain objective information about a firm's current peer review and enrollment in the AICPA Peer Review Program or a state peer review program (Program).

2. How do SBOAs have access to objective information about a firm's current peer review through FSBA?

SBOAs have access to certain objective review information using FSBA once a firm has given permission to allow the SBOA to access the information. FSBA reports have been specifically designed to assist SBOAs in monitoring a firm's peer review. The *Enrolled Firms* and *Firms Expanding Access* FSBA reports have been modified to assist SBOAs in monitoring a firm's review by including additional objective review information.

To better understand the various reports, click on the Help icon at the top right side of the screen in FSBA that provides information and instructions about the functionality and

reports available to SBOAs. For additional assistance with FSBA, or if an authorized individual at your SBOA requires FSBA access, contact prsupport@aicpa.org.

3. Why can an SBOA see objective review information from some, but not all, firms?

When a firm is scheduling its review, the firm is given the opportunity to grant permission to share certain objective review information with the SBOA of the firm's home state and SBOAs where the firm has expanded access through the FSBA process. At that time, a firm may choose not to grant permission to share information with SBOAs. However, a firm can give permission at any time after the scheduling process through the firm self-service function in PRIMA, which is the computer system used by administering entities (AEs), firms and reviewers for scheduling, monitoring and accepting peer reviews. The firm could expand access to only certain or all SBOAs with FSBA access.

4. If state laws/regulations mandate firms to provide the SBOA access to peer review documents through a secure website, such as FSBA, is it also mandatory that a firm give permission to share objective information?

Although state laws and regulations may mandate submission of documents through a secure website, such as FSBA, a firm must still grant permission to provide objective review information to SBOAs. If a firm does not grant permission to provide objective review information, SBOAs will not have access to objective peer review information through FSBA that may assist in monitoring the firm's peer review.

A firm will still be able to schedule its peer review if it chooses not to share objective review information.

5. What is the most efficient way to monitor peer review information about a firm?

The *FSBA Search* provides SBOAs with information about firms that have a home office in their state and firms that have agreed to share their peer review results with other SBOAs (expanded access). For firms that have not agreed to share information, SBOAs will only have access to publicly available information which includes firm name and address, enrollment status, date of review acceptance and period covered by the firm's last two accepted peer reviews (if the SBOA has participated in FSBA for two review cycles), and whether the firm has been dropped or terminated from the Program.

SBOAs may also run the FSBA *Enrolled Firms* and *Firms Expanding Access* reports to view additional objective review information. Reports of *Firms by Report Grade*, *Accepted Reviews*, *Firms with Pass with Deficiencies or Fail Report Grade* and *Dropped and Terminated Firms* are also available to SBOAs in FSBA to monitor firms.

6. Why do FSBA reports include information about the firm's membership in the Audit Quality Centers and Private Companies Practice Section (Centers)?

Firm membership in these Centers require the firm to have its peer review documents posted to the [AICPA Public File](#). These firms are not permitted to opt out of having their peer review documents made publicly available and are therefore included in FSBA.

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Enrollment and Reenrollment

7. How can SBOAs monitor firm enrollment using FSBA?

The *Enrolled Firms* report provides current enrollment information to the SBOA in the state where the firm's home office is located. Beginning in 2020, FSBA provides SBOAs with both the original enrollment date and the reenrollment date (if applicable) for all firms enrolled in the Program that have elected to provide such information.

8. How can SBOAs monitor enrollment for firms whose home office is not located in their state?

If the firm expanded access to other SBOAs, enrollment information will be available to those SBOAs. Using the *Firms Expanding Access* report, SBOAs may view firms with a home office in another state that have chosen to make their peer review results available to specific SBOAs.

9. Why may a firm's enrollment details not be visible?

Firms that enrolled prior to 2020 may elect to make their enrollment information available to SBOAs, otherwise, the firm's enrollment information will not be available to SBOAs.

10. Will enrollment forms be available to SBOAs in FSBA?

Beginning in 2020, when completing the enrollment form, firms may voluntarily grant permission for FSBA to include a copy of the firm's enrollment letter and due date of the firm's next peer review to the SBOA where the firm's home office is located.

11. If a firm was previously enrolled and no longer performs engagements requiring a peer review, how does an SBOA know the firm resigned from the peer review program?

A firm may resign from the Program if it:

1. Does not have a peer review that has commenced
2. No longer performs engagements that require a peer review

Beginning in mid-2020, when firms update their practice information in PRIMA, firms may voluntarily grant permission to provide the SBOA a representation that the firm has not performed any engagements in the past 12 months that would require the firm to undergo a peer review. If a firm grants permission, this information will be available to the SBOA where the firm's home office is located.

SBOAs can perform a search in FSBA to determine whether the firm is enrolled, or run the *Dropped and Terminated Firms* report to view firms that have been dropped or terminated and have not re-enrolled in the Program.

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Peer Review Due Dates and Extensions

12. What is the firm's peer review due date?

A firm's peer review due date is ordinarily six months after the peer review year-end. The due date is the date the peer reviewer's workpapers must be submitted to the AE. It does not represent the date the peer review has been accepted or completed. For example, if a firm's peer review year-end is June 30, 2020, the peer reviewer should have all peer review workpapers (including the firm's Letter of Response, if applicable) submitted by December 31, 2020, which is also the firm's peer review due date.

13. How is the peer review due date determined for a newly enrolled firm?

A firm's initial peer review is ordinarily due 18 months from the date the firm enrolled or should have enrolled, whichever date is earlier, in the Program. The peer review year must include a 12-month period.

The due date is calculated as 18 months from the earliest report date entered at the time of enrollment OR 18 months from the firm's date of enrollment, whichever is earlier. If a firm's calculated due date is in the past or less than 90 days from the date of enrollment, the firm will be assigned a due date 90 days from the date of enrollment. All due date calculations are rounded to the end of the calculated month.

Once a firm's enrollment has been approved by the AE, it will receive an enrollment letter that includes the peer review due date of the firm's next review. For enrollments as of January 2020, SBOAs will have access to enrollment letters in FSBA if a firm grants permission to provide this information to SBOAs.

14. Can the peer review due date of a newly enrolled firm change after the enrollment letter has been issued?

Yes. If more information becomes available as the firm goes through the peer review process, the due date could be changed with an extension. For example, when a firm accepts an engagement in a new industry or level of service (i.e. audit) after enrolling, the peer reviewer may determine that the new engagement is an engagement with risk (i.e. ERISA engagement) and should be included in the peer review. If that engagement is not completed by the due date, the due date may be extended. Other circumstances may arise that require the firm to request an extension of its review due date. In such situations, a firm may do so only with prior, written approval of the AE. When an AE approves an extension, the letter will be available in FSBA.

15. Will SBOAs be provided copies of extension letters?

Yes. Beginning in 2020, if the firm has allowed other objective review information to be made available to SBOAs, SBOAs will have access to extension letters. If the firm has elected to expand access to SBOAs other than the SBOA where the firm's home office is located, those SBOAs will also have access to extension letters.

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Review Commencement and Acceptance

16. Why are peer review commencement dates estimated?

A firm selects a reviewer/review team during the scheduling process that occurs months in advance of the peer review due date. During that process, the firm and reviewer agree on an estimated commencement date for the review to begin. Since the commencement date is scheduled months in advance, several factors can contribute to a date change. For example, when the firm has not completed an engagement that should be included in the scope of the peer review and expects to have it completed soon after the estimated commencement date. As a result, the peer reviewer and firm may change the commencement date as they get closer to performing the peer review.

17. What is the Report Acceptance Body (RAB) presentation date?

A review must be presented to RAB within 120 days after the workpapers have been received. When the review is ready to be presented for acceptance, the AE schedules and assigns the review to a RAB meeting, which appears as the RAB presentation date.

18. Can a RAB presentation date change?

Yes. AEs try to avoid changing RAB presentation dates but due to unforeseen circumstances, the date may need to be changed. For example, prior to sending peer review documents to the RAB, it is discovered that certain questions need to be answered or more information is needed prior to presentation to the RAB. Also, there may be times when unexpected circumstances, such as RAB members identifying a conflict of interest once they receive reviews presented to the RAB that cause the RAB to not have a quorum.

19. What is a peer review acceptance date?

If a RAB does not require any revisions to the peer review documents, have additional questions about the review nor require the firm to complete any corrective actions, the acceptance date is the date of the RAB meeting.

If a RAB requires the firm to complete corrective action(s), the acceptance date is the date when the reviewed firm digitally signs the acceptance letter agreeing to perform the required corrective action(s). If the review's acceptance is delayed (without any corrective actions), the acceptance date is the date when any open questions have been answered to the satisfaction of the RAB or technical reviewer.

20. What are some SBOA FSBA best practices?

- Maintaining a set monitoring schedule (i.e. weekly, monthly, quarterly) to get updates using a date range that starts with the last date of monitoring. For example, if monitoring is to be performed quarterly, the date acceptance range should begin with the first date of the quarter and end with the last date of the quarter.
- Exporting reports to Excel.
- Utilizing the FSBA report column header drop downs to sort and filter information.

- For monitoring specific firms, using the *FSBA Search* feature which may provide objective peer review information including certain documents if the firm has granted permission.
- If a firm has not granted permission for SBOAs to access the firm's enrollment or objective peer review information, SBOAs may contact the firm and request the firm to grant permission, which firms can do at any time through the firm self-service function in PRIMA.
- Use the *FSBA Search* and FSBA reports regularly to increase familiarity and efficiency.
- Contact prsupport@aicpa.org to obtain FBSA training.

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