

State of Florida Regulatory Peer Review Requirements

The Law

In June 2013 the Governor signed [legislation](#) requiring a licensed firm that performs certain audit and attestation services under FS 473.302(8)(a) to enroll in a Florida Board of Accountancy (Board) approved peer review program as a condition of the firm licensure. The law becomes effective January 1, 2015. The law brought Florida closer in line with the rest of the country by implementing more of the Uniform Accountancy Act. Unlike the UAA and most other states however, firms that perform no audit or attestation services will be exempt from the enrollment requirement.

The Requirement

- Firms who already participate in a voluntary peer review program for purposes of meeting AICPA membership requirements, Government Auditing Standards and/or other regulatory requirements **will be unaffected** by the new law. Those firm's peer review year-ends and due dates will not change.
- Firms who **do not already participate** in a voluntary peer review program and meet the requirements set forth in the Law will need to enroll in an approved program beginning January 1, 2015.
- Firms enrolled in the program will be expected to pay an enrollment fee to the approved administering entity. Other costs associated with the peer review process may include: annual administrative fees to the approved administering entity and reviewer costs for the performance of the peer review. Review costs vary depending upon the size and nature of the firm's practice.
- A firm that is terminated from the program by a Board approved administering entity shall notify the Board in writing within 30 days of the effective date of the termination and provide a copy of the termination letter.

Frequently Asked Questions (FAQs)

What types of engagements require a review under the state of Florida peer review requirements?

If your firm performs audits or engagements under the Statement on Standards for Attestation Engagements (SSAEs), that are not compilations or reviews, your firm is subject to the requirements and must enroll in a Board approved program by January 1, 2015.

What types of engagements are excluded under the state of Florida peer review requirements?

If your firm performs no audit or engagements under the SSAEs your firm is exempted from the enrollment requirements of the program.

I am not a member of the AICPA and my firm performs only compilation and/or review engagements. Do I need to enroll in a peer review program?

No. Unless a third party requires you to undergo a peer review.

If I am an AICPA member and my firm only performs compilations and reviews do I still need to undergo peer review?

Yes. This law does not change any peer review requirements for AICPA member firms.

If my firm performs audits requiring me to enroll in the state of Florida peer review program are my firm's compilation and review engagements peer reviewed?

Yes. The Board has adopted the AICPA *Standards for Performing and Reporting on Peer Reviews* and its Interpretations as its minimum standards. Those standards require any engagements performed under the SASs, GAS, SSAEs, and SSARS to be subject to peer review. Since your firm performs audits, which requires you to be enrolled in a peer review program, the standards for performing those reviews will determine what engagements are subject to and selected for peer review.

What if my firm only performs tax and consulting services?

Firms that provide only tax and consulting services are not subject to peer review under the state of Florida peer review requirement.

What period will be covered by the peer review?

The scope of the peer review will include all accounting and auditing engagements with client periods ending during a twelve-month period mutually agreed to by you and your peer reviewer (i.e., the peer review year). The peer review year generally ends six months prior to your peer review due date.

Who will assign my firm's peer review due date?

The rules for administration of the Florida Public Accounting Act authorize the AICPA, and other peer review programs administered by entities fully involved in the administration of the AICPA Peer Review Program (which includes the FICPA) to assign peer review due dates. The Board may approve other administering entities. The peer review administrator may consider the number and types of engagements to be encompassed in the review, the year-ends and report date of the engagements, and state licensing requirements in determining an appropriate due date. A firm's subsequent peer review ordinarily will be due three years and six months from its prior peer review year-end.

How much will this cost?

If the FICPA administers your peer review your direct peer review costs will have two components: (1) an annual fee paid to the peer review administrator to cover the costs of running the program and (2) the fee paid to the peer reviewer for the actual review.

For peer reviews administered by the Florida Institute of CPAs visit this web page for an explanation of [fees](#).

Are peer review results to be submitted to the Board?

No.

However, if you practice in other states that require submission you can elect to have those results submitted to those states via the AICPA's Facilitated State Board Access.