



## Notice of Intent to Adopt Rules

A copy of the proposed rules may be obtained at <https://rules.wyo.gov>

Revised June 2020

<b><u>1. General Information</u></b>			
a. Agency/Board Name*			
b. Agency/Board Address		c. City	d. Zip Code
e. Name of Agency Liaison		f. Agency Liaison Telephone Number	
g. Agency Liaison Email Address			
h. Date of Public Notice		i. Comment Period End Date	
j. Public Comment URL or Email Address:			
k. Program			
Amended Program Name (if applicable):			
* <input type="checkbox"/> By checking this box, the agency is indicating it is exempt from certain sections of the Administrative Procedure Act including public comment period requirements. Please contact the agency for details regarding these rules.			
<b><u>2. Legislative Enactment</u></b> For purposes of this Section 2, "new" only applies to regular non-emergency rules promulgated in response to a Wyoming legislative enactment not previously addressed in whole or in part by prior rulemaking and does not include rules adopted in response to a federal mandate.			
a. Are these non-emergency regular rules new as per the above description and the definition of "new" in Chapter 1 of the Rules on Rules?			
<input type="checkbox"/> No. <input type="checkbox"/> Yes. If the rules are new, please provide the Legislative Chapter Numbers and Years Enacted (e.g. 2015 Session Laws Chapter 154):			
<b><u>3. Rule Type and Information</u></b> For purposes of this Section 3, "New" means an emergency or regular rule that has never been previously created.			
a. Provide the Chapter Number, Title and Proposed Action for Each Chapter. Please use the "Additional Rule Information" form to identify additional rule chapters.			
Chapter Number:	Chapter Name:	<input type="checkbox"/> New <input type="checkbox"/> Amended <input type="checkbox"/> Repealed	
Amended Chapter Name (if applicable):			
Chapter Number:	Chapter Name:	<input type="checkbox"/> New <input type="checkbox"/> Amended <input type="checkbox"/> Repealed	
Amended Chapter Name (if applicable):			
Chapter Number:	Chapter Name:	<input type="checkbox"/> New <input type="checkbox"/> Amended <input type="checkbox"/> Repealed	
Amended Chapter Name (if applicable):			
Chapter Number:	Chapter Name:	<input type="checkbox"/> New <input type="checkbox"/> Amended <input type="checkbox"/> Repealed	
Amended Chapter Name (if applicable):			
Chapter Number:	Chapter Name:	<input type="checkbox"/> New <input type="checkbox"/> Amended <input type="checkbox"/> Repealed	
Amended Chapter Name (if applicable):			

**4. Public Comments and Hearing Information**

a. A public hearing on the proposed rules has been scheduled.  No.  Yes. Please complete the boxes below.

Date:	Time:	City:	Location:
-------	-------	-------	-----------

b. What is the manner in which interested persons may present their views on the rulemaking action?

By submitting written comments to the Agency at the physical and/or email address listed in Section 1 above.

At the following URL: \_\_\_\_\_

A public hearing will be held if requested by 25 persons, a government subdivision, or by an association having not less than 25 members. Requests for a public hearing may be submitted:

To the Agency at the physical and/or email address listed in Section 1 above.

At the following URL: \_\_\_\_\_

c. Any person may urge the Agency not to adopt the rules and request the Agency to state its reasons for overruling the consideration urged against adoption. Requests for an agency response must be made prior to, or within thirty (30) days after adoption, of the rule, addressed to the Agency and Agency Liaison listed in Section 1 above.

**5. Federal Law Requirements**

a. These rules are created/amended/revoked to comply with federal law or regulatory requirements.  No.  Yes. Please complete the boxes below.

Applicable Federal Law or Regulation Citation:
--

Indicate one (1):

The proposed rules meet, but do not exceed, minimum federal requirements.

The proposed rules exceed minimum federal requirements.

Any person wishing to object to the accuracy of any information provided by the Agency under this item should submit their objections prior to final adoption to:

To the Agency at the physical and/or email address listed in Section 1 above.

At the following URL: \_\_\_\_\_

**6. State Statutory Requirements**

a. Indicate one (1):

The proposed rule change *MEETS* minimum substantive statutory requirements.

The proposed rule change *EXCEEDS* minimum substantive statutory requirements. Please attach a statement explaining the reason that the rules exceed the requirements.

b.  The Agency has completed a takings assessment as required by W.S. 9-5-304. A copy of the assessment used to evaluate the proposed rules may be obtained:

By contacting the Agency at the physical and/or email address listed in Section 1 above.

At the following URL: \_\_\_\_\_

**7. Additional APA Provisions**

a. Complete all that apply in regards to uniform rules:

These rules are not impacted by the uniform rules identified in the Administrative Procedure Act, W.S. 16-3-103(j).

The following chapters do not differ from the uniform rules identified in the Administrative Procedure Act, W.S. 16-3-103(j):

\_\_\_\_\_ (Provide chapter numbers)

These chapters differ from the uniform rules identified in the Administrative Procedure Act, W.S. 16-3-103(j) (see Statement of Principal Reasons).

\_\_\_\_\_ (Provide chapter numbers)

b. Checklist

The Statement of Principal Reasons is attached to this Notice and, in compliance with *Tri-State Generation and Transmission Association, Inc. v. Environmental Quality Council*, 590 P.2d 1324 (Wyo. 1979), includes a brief statement of the substance or terms of the rule and the basis and purpose of the rule.

If applicable: In consultation with the Attorney General's Office, the Agency's Attorney General representative concurs that strike and underscore is not required as the proposed amendments are pervasive (Chapter 3, *Types of Rules Filings*, Section 1, Proposed Rules, of the Rules on Rules).

**8. Authorization**

a. I certify that the foregoing information is correct.

<i>Printed Name of Authorized Individual</i>	
<i>Title of Authorized Individual</i>	
<i>Date of Authorization</i>	

## **STATEMENT OF REASONS FOR ADOPTING RULES**

### Chapter 9

Updates for this chapter are to clarify and provide clear guidance for licensees and firms regarding their requirements for peer review and incorporate the most recent standards and interpretations on peer review. Additionally, the changes help to more closely align the Board's rules with those recommended in the National Association of State Board of Accountancy's Uniform Accountancy Act (UAA) and model rules. The UAA and model rules help to align all fifty-five jurisdictions statutes and rules to provide for easier reciprocity and mobility.

#### Changes to the chapter

- Add clarifying definitions.
- Requirements of the firm when they have changed their level of service or scope of practice.
- Clearer guidance related to merged or divided firms.
- Requirements of the firm to opt into the Facilitated State Board Access system for ease of reporting directly to the state board.
- Clearer guidance related to reporting requirements for CPA firms whose peer review results are reported as "Pass" to keep the firms records updated.
- Implement accelerated reporting requirements for CPA firms whose peer review results are reported as "Fail" or "Pass with Deficiencies." The accelerated reporting requirement allows the Board additional oversight when peer review results are "Fail" or "Pass with Deficiencies."
- Establishment of the peer review committee and peer review oversight committee.
- Other changes throughout the chapter reflect the Board's attempt to streamline rules to the extent possible while also preserving the ease of reference and readability for the user.
- Incorporation by reference the most current standards and interpretations on peer review.

## **Chapter 9 Peer Review**

**Section 1. Authority.** The rules are promulgated pursuant to W.S. 33-3-108(a)(ii).

**Section 2. Definitions.**

(a) “Administering Entity (AE)” means an entity approved by a Board-approved sponsoring organization to administer the Board-approved peer review program.

(b) “Peer Review Oversight Committee” (PROC) – means a Board-appointed committee of at least three licensed CPAs, none of whom is a current member of the Board, for the purpose of monitoring the Board-approved peer review program, including sponsoring organizations’ AE’s, to provide reasonable assurance that AEs and respective Peer Review Committee and Report Acceptance Bodies are functioning in a manner that effectively enforces the performance and reporting of peer review in accordance with peer review standards.

(c) “Sponsoring Organization” means a Board-approved professional association, society, or other organization responsible for the facilitation and administration of peer reviews directly or through its Administering Entities and responsible for the oversight of the Administering Entities pursuant to the sponsoring organization’s peer review standards.

**Section 3. Enrollment in Board-approved peer review program-**

(a) CPA firms permitted under W.S. 33-3-118(a) whose accounting and auditing practice includes one or more engagements performed under the AICPA’s Statements on Auditing Standards (SAS), Statements on Standards for Accounting and Review Services (SSARS), Statements on Standards for Attestation Engagements (SSAEs), or Government Auditing Standards issued by the United States Governmental Accountability Office are subject to review under the requirements of a practice monitoring program at least once every three and one-half (3.5) years.

(i) CPA firms who perform accounting and auditing engagements as set forth in paragraph (a) above for clients with a home office in Wyoming are subject to review under the requirements of a practice monitoring program at least once every three and one-half (3.5) years.

(ii) A CPA firm is not required to enroll in a Board-approved peer review program if its only level of service is performing preparation of financial statements (with or without disclaimer reports) under SSARs. If the firm elects to enroll in a Board-approved peer review program, it is required to have a peer review that includes preparation of financial statements within the scope of the review.

(b) At the time an accounting or auditing engagement as set forth in (a), a CPA firm is subject to practice monitoring. The CPA firm’s designated certificate holder (DCH) shall, within thirty (30) days of the date of the acceptance of the engagement:

(i) Notify the Board of the change in the scope of practice of the firm; and

(ii) Enroll the firm in a Board-approved peer review program and undergo a review as required under the peer review standards and administrative procedures established by the administering entity. The DCH shall send a copy of an enrollment letter to the Board office within thirty (30) days of the enrollment date.

(c) In the event that two (2) or more firms are merged or combined, the resulting firm shall have the peer review year of the firm with the largest number of accounting and auditing hours or the peer review year of the firm as otherwise directed by the AE. The DCH shall notify the Board office within thirty (30) days of any change by the AE to the firm's due date if it differs from that on record with the Board.

(d) In the event that a firm is divided due to dissolution or separation, the new firm(s) retains the review year of the former firm unless otherwise specified by the AE. The new firm(s) shall enroll in the program under the name of the new firm(s). Each firm shall notify the Board office within thirty (30) days of any change by the AE to the firm's due date if it differs from that on record with the Board.

#### **Section 4. Requirements for Review.**

(a) A firm enrolled in a Board-approved peer review program shall schedule, undergo, and complete its initial peer review in compliance with the sponsoring organization's peer review standards and related guidance. A firm's initial peer review is due eighteen (18) months from the date it enrolled or should have enrolled in a Board-approved peer review program. The "due date" is a date by which a review has taken place and all materials have been submitted to the AE.

(b) A firm enrolled in a Board-approved peer review program shall schedule, undergo, and complete its subsequent peer review in compliance with the sponsoring organization's peer review standards and related guidance. Ordinarily, a firm's subsequent peer reviews shall be due such that the peer review has taken place and all peer review materials are submitted to the AE within three and one-half (3.5) years from the peer review year-end of the previous peer review.

(c) The Board may accept extensions for CPA firms undergoing peer reviews granted by AEs provided that the Board is notified in writing and the AE extension letter is provided by the DCH within thirty (30) days from the date that the AE granted the extension.

(d) The DCH shall submit requests for extensions of time to undergo a peer review not already granted by the AE, to the Board in writing no later than the earlier of a firm's renewal date or original peer review due date. The DCH shall notify the AE of any Board-approved extensions. The Board may grant an extension for the following reasons:

- (i) Health;
- (ii) Military Service; or
- (iii) Other good cause outside of the control of the reviewed firm.

(e) All reviews shall be carried out in conformity with the AICPA's Standards for Performing and Reporting on Peer Reviews as of June 1, 2021 with Peer Review Standards Interpretations issued through June 1, 2021 or the Public Company Accounting Oversight Board's (PCAOB) firm inspection standards for firms that audit public companies under federal law.

(f) Reviews shall be carried out under the supervision of one of the following administering entities:

- (i) The AICPA Peer Review Board's National Peer Review Committee;
- (ii) A CPA society or group of state CPA societies fully involved in the administration of the AICPA's peer review program;
- (iii) Other entities fully involved in the administration of the AICPA's peer review program approved by the AICPA Peer Review Board;
- (iv) Any other entities whose Board-approved Peer Review Program is governed by the AICPA Standards for Performing and Reporting on Peer Reviews; or
- (v) The PCAOB.

(g) The Board recognizes the PCAOB's inspection process for reviewing practices subject to its authority, which are not included in the scope of peer review programs. Firms subject to inspection by the PCAOB are also required to meet the peer review requirements under a Board- approved peer review program that covers the portion of the practice unit's practice not subject to the PCAOB permanent inspection.

(h) The Board may contact the administering entity to verify the validity of the documentation submitted by the registrant.

(i) In the event that the firm is no longer providing services required to be peer reviewed by this chapter, the DCH shall:

- (i) Notify the Board that the firm's scope of practice has changed and provide the date of the last service required to be peer reviewed was performed;
- (ii) Notify the administering entity of the scope of practice change and submit any final peer review that entity requires before the firm withdraws from the program; and

(iii) Complete a final peer review if services required to be peer reviewed as outlined in section 3 were provided by the CPA firm during the period which would be under review if the firm continued with the program.

#### **Section 5. Reporting to the Board.**

(a) A firm that enrolls or is required to enroll in a practice-monitoring program shall opt into the Facilitated State Board Access, as administered by the American Institute of Certified Public Accountants, or other national uniform system approved by the Board.

(b) CPA firms that receive a report designated as a “Pass,” shall provide, no later than sixty (60) days after a CPA firm is notified of the AE’s acceptance:

- (i) A copy of the peer review report that has been accepted by the AE; and
- (ii) The acceptance letter from the AE.

(c) CPA firms that receive a report designated as a “Pass with Deficiencies” or “Fail,” shall notify the Board of the rating, in writing, no later than thirty (30) days after a CPA firm is notified of the rating or notified of the AE’s acceptance, whichever occurs first, and provide:

- (i) A copy of the peer review report that has been accepted by the AE within thirty (30) days of the AE’s acceptance;
- (ii) The firm’s letter of response accepted by the AE, if applicable, within thirty (30) days of the AE’s acceptance;
- (iii) The acceptance letter from the AE, within thirty (30) days of the AE’s acceptance;
- (iv) Letter(s) signed by the firm accepting the documents with the understanding that the firm agrees to take any actions required by the AE, within thirty (30) days from the date the letter is signed by the firm; and
- (v) The letter signed by AE notifying the firm that required actions have been appropriately completed, if applicable, within thirty (30) days from the date of the letter.

(d) CPA firms that are required to register with and are subject to inspection by the PCAOB and receive an inspection report by the PCAOB, shall provide no later than sixty (60) days after the report is issued:

- (i) A copy of any final report;



- (ii) Documentation of any significant issues and findings; and
- (iii) The registrant's or CPA firm's response.

(e) A registrant employed by state or federal government or political subdivision thereof and who provides services that subject him to peer review under this chapter is not required to submit reports to the Board under this section.

### **Section 6. Findings.**

(a) If the report is designated "Pass,"-the Board shall take action to formally accept the peer review results provided the review was conducted in accordance with this chapter.

(b) If the report is designated "Pass with Deficiencies" or "Fail," the Board, after taking into consideration the reported deficiencies and any remedial action since the issuance of such peer review report, may:

(i) Require deficiencies be corrected within a specified time period, and may require evidence that the deficiencies were corrected;

(ii) Require that the CPA firm to undergo a peer review prior to the next regularly scheduled review;

(iii) Require the the CPA firm undergo preissuance review. The preissuance review CPA engaged by the firm shall submit a report of the findings to the Board within thirty (30) days of completing the services. The firm shall bear the cost of the preissuance review;

(iv) Require that the CPA firm undergo, by a board-approved CPA, a board-prescribed system review of the firm's work product and practices or perform other investigative procedures to assess the degree or pervasiveness of nonconforming work product. The board-approved CPA engaged by the firm shall submit a report of the findings to the Board within thirty (30) days of completing the services. The firm shall bear the cost of the board-prescribed on-site review, or other board-prescribed procedures;

(v) Require the firm to develop quality control procedures;

(vi) Require certificate holders employed by or associated with the registrant or CPA firm to complete continuing education in areas of deficiency, or as specified by the Board, and provide evidence of completion to the Board office;

(vii) Require the registrant or CPA firm to maintain a minimum library of resource material;

(viii) Require the registrant or CPA firm to provide copies of interim inspection reports; or

(ix) Require any other action that will effectuate the purpose of this chapter.

(c) If the registrant or CPA firm fails to comply with requirements established by this chapter, the Board may proceed with disciplinary action pursuant to W.S. 33-3-123 and Chapter 7 of the rules.

(d) Based on its review of the documents submitted pursuant Section 5 and any disciplinary proceeding, the Board may impose additional corrective actions such as probation, practice limits, additional continuing education, pre-issuance reviews, more frequent peer reviews, and other measures constituting discipline against the reviewed firm and any individual licensees employed or contracted by the reviewed firm.

**Section 7. Peer Review Committee.** Each year the Board shall appoint a Board member(s) to serve as the Peer Review Committee (PRC). This committee shall review the peer review results and required documentation of registrants or CPA firms with peer reviews resulting in a “Pass with Deficiencies” or “Fail” rating and make recommendations to the Board consistent with the Board’s options under Section 6(b).

**Section 8. Peer Review Oversight Committee.**

(a) The Board may establish a Peer Review Oversight Committee (PROC) to:

(i) Monitor a board-approved peer review program, including sponsoring organizations’ administering entities, to ensure that peer reviews are being conducted and reported in accordance with peer review minimum standards;

(ii) Review the policies and procedures of an organization applying to the Board to become a sponsoring organization to ensure that such policies and procedures conform with peer review minimum standards; and

(iii) Meet with an AE’s Report Acceptance Body during consideration of the peer review documents;

(iv) Report to the Board any conclusions or recommendations based on the functions performed pursuant to subsections (i) through (iii) of this section.

(b) The PROC members shall:

(i) Not include individuals who have a conflict of interest under applicable law;

(ii) Be subject to removal or replacement by the Board at its discretion; and

(iii) Be required to sign a confidentiality agreement indicating they will not divulge any information to the Board that would identify any firm, licensee, or peer reviewer or reviewing firm as a result of their monitoring the peer review process.

(c) The PROC may:

(i) Visit the Administering Entity (AE) of the approved peer review program;

(ii) Review sponsoring organization procedures for administering the program;

(iii) Meet with an AE's Report Acceptance Body during consideration of the peer review documents; and

(iv) Review the AE's compliance with its program.

(d) The Board may arrange to participate in a regional PROC. If the Board participates in a regional PROC, the regional PROC has the authority and shall perform the functions set forth in (a) through (c).

**Section 9. Records.** Copies of documents provided to show compliance with this Chapter are privileged and shall be purged from the Board's files in accordance with the Board's retention schedules.

**Section 10. Practice Privilege Firms.** Registrants or CPA firms that operate under practice privileges and firm mobility that provide services as defined in Section 43(a)(i) of this chapter must comply with peer review requirements as follows:

(a) AICPA members and other registrants or CPA firms whose principle place of business requires them to comply with peer review shall comply with the requirements imposed by the AICPA, PCAOB, other board-approved AEs, or the applicable state law and are not required to submit reports to the Wyoming Board as set forth in section 45 of this chapter.

(b) Non-AICPA member registrants or CPA firms whose principle place of business is in a state that does not require peer review as a regulatory requirement or other registrants or CPA firms who are not required to comply with peer review in their principal places of business shall submit reports to the Board as set forth in section 5 of this chapter.

(c) Any registrant or CPA firm not required to submit reports to the Board shall maintain records of participation in a qualified peer review organization and shall provide copies of the firm's peer review records upon the Board's written request.

**Section 11. Incorporation by Reference.**

(a) The Board hereby incorporates by reference the following uniform rules which are referred to throughout the rules:

(i) AICPA's Standards for Performing and Reporting on Peer Reviews effective June 1, 2021 found at: [https://drive.google.com/file/d/1r3\\_1XXS\\_YYX2-ihTDfZL7iFcOAJzVUYg/view?usp=sharing](https://drive.google.com/file/d/1r3_1XXS_YYX2-ihTDfZL7iFcOAJzVUYg/view?usp=sharing)

(ii) AICPA's Peer Review Standards Interpretations issued through June 1, 2021 found at: <https://drive.google.com/file/d/1NF3Dk42HkHAv6sk4zM9BzHuiGfVIFAjk/view?usp=sharing>

(iii) AICPA's Supplemental Guidance issued through June 1, 2021 found at: <https://drive.google.com/file/d/1prwXVOsHjk-VRxXYKj2lBi6h3xoIQ-AV/view?usp=sharing>

(b) For these rules incorporated by reference:

(i) The Board has determined that incorporation of the full text in these rules would be cumbersome or inefficient given the length or nature of the rules:

(ii) The incorporation by reference does not include any later amendments editions of the incorporated matter beyond the applicable date identified in subsections (a)(i)-(ii); and

(iii) The incorporated rules are maintained at 325 West 18<sup>th</sup> Street, Ste. 4, Cheyenne, Wyoming, 82002 and are available for public inspection and copying at cost at the same location.

**CHAPTER 9**  
**Chapter 9**  
**PEER REVIEW**  
**Peer Review**

**Section 1. Authority.** The rules are promulgated pursuant to W.S. 33-3-108(a)(ii).

**Section 2. Definitions.**

(a) “Administering Entity (AE)” means an entity approved by a Board-approved sponsoring organization to administer the Board-approved peer review program.

(b) “Peer Review Oversight Committee” (PROC) – means a Board-appointed committee of at least three licensed CPAs, none of whom is a current member of the Board, for the purpose of monitoring the Board-approved peer review program, including sponsoring organizations’ AE’s, to provide reasonable assurance that AEs and respective Peer Review Committee and Report Acceptance Bodies are functioning in a manner that effectively enforces the performance and reporting of peer review in accordance with peer review standards.

(c) “Sponsoring Organization” means a Board-approved professional association, society, or other organization responsible for the facilitation and administration of peer reviews directly or through its Administering Entities and responsible for the oversight of the Administering Entities pursuant to the sponsoring organization’s peer review standards.

**Section 13. General Provisions Enrollment in Board-approved peer review program.**

(a) ~~Registrants or CPA firms with a principal place of business in Wyoming permitted under W.S. 33-3-118(a) whose accounting and auditing practice includes one or more engagements performed under the AICPA’s Statements on Auditing Standards (SAS);<sub>2</sub> Statements on Standards for Accounting and Review Services (SSARS);<sub>2</sub> Statements on Standards for Attestation Engagements (SSAEs);<sub>2</sub> or Government Auditing Standards issued by the United States Governmental Accountability Office are subject to review under the requirements of a practice monitoring program at least once every three and one-half (3.5) years.~~

(i) ~~Other registrants or CPA firms who perform accounting and auditing engagements as set forth in paragraph (a) above for clients with a home office in Wyoming are subject to review under the requirements of a practice monitoring program at least once every three and one-half (3.5) years.~~

(ii) ~~Registrants or CPA firms that audit public companies must comply with the standards required under the Sarbanes-Oxley Act of 2002 and are subject to review as determined by the PCAOB. A CPA firm is not required to enroll in a Board-approved peer review program if its only level of service is performing preparation of financial statements (with or without disclaimer reports) under SSARs. If the firm elects to enroll in a Board-approved peer review program, it is required to have a peer review that includes preparation of financial statements within the scope of the review.~~

(b) ~~All reviews must be carried out in conformity with the AICPA's Standards for Performing and Reporting on Peer Reviews as of January 1, 2009 with Peer Review Standards Interpretations issued through May 22, 2012 or the PCAOB's firm inspection standards with various effective dates last published May 22, 2012. All standards referenced in this Chapter and applicable interpretations thereto are adopted by the Board and do not include any later amendments or editions than specifically referenced. Copies of all standards referenced in the Chapter are available for inspection at the Board office or may be purchased from the AICPA electronically at <http://www.cpa2biz.com/Stores/AICPAs>. The Government Accountability Office standards may be accessed electronically at <http://www.gao.gov/govaudit>. The PCAOB's rules and standards may be accessed electronically at <http://www.pcaobus.org>. At the time an accounting or auditing engagement as set forth in (a), a CPA firm is subject to practice monitoring. The CPA firm's designated certificate holder (DCH) shall, within thirty (30) days of the date of the acceptance of the engagement:~~

~~(i) Notify the Board of the change in the scope of practice of the firm; and~~

~~(ii) Enroll the firm in a Board-approved peer review program and undergo a review as required under the peer review standards and administrative procedures established by the administering entity. The DCH shall send a copy of an enrollment letter to the Board office within thirty (30) days of the enrollment date.~~

~~(c) — Reviews must be carried out under the supervision of one of the following administering entities:~~

~~(i) — the AICPA Peer Review Board's National Peer Review Committee (PRC);~~

~~(ii) — a CPA Society or group of state CPA societies fully involved in the administration of the AICPA's peer review program;~~

~~(iii) — other entities fully involved in the administration of the AICPA's peer review program approved by the AICPA Peer Review Board; or~~

~~(iv) — any other entities whose Board approved Peer Review Program is governed by the AICPA Standards for Performing and Reporting on Peer Reviews; or~~

~~(v) — the PCAOB.~~

(c) In the event that two (2) or more firms are merged or combined, the resulting firm shall have the peer review year of the firm with the largest number of accounting and auditing hours or the peer review year of the firm as otherwise directed by the AE. The DCH shall notify the Board office within thirty (30) days of any change by the AE to the firm's due date if it differs from that on record with the Board.

(d) The Board may contact the administering entity to verify the validity of the documentation submitted by the registrant. In the event that a firm is divided due to dissolution or separation, the new firm(s) retains the review year of the former firm unless otherwise specified by the AE. The new firm(s) shall enroll in the program under the name of the new firm(s). Each firm shall notify the Board office within thirty (30) days of any change by the AE to the firm's due date if it differs from that on record with the Board.

#### **Section 24. Requirements for Review.**

(a) — All registrants or CPA firms should arrange and schedule their reviews as required by the peer review standards and in compliance with the administrative procedures established by the administering entity. A firm enrolled in a Board-approved peer review program shall schedule, undergo, and complete its initial peer review in compliance with the sponsoring organization's peer review standards and related guidance. A firm's initial peer review is due eighteen (18) months from the date it enrolled or should have enrolled in a Board-approved peer review program. The "due date" is a date by which a review has taken place and all materials have been submitted to the AE.

(b) — A registrant or CPA firm is not subject to review if it represents to the Board that it does not perform engagements as set forth in this Chapter or that it does not report on financial statements that are, or reasonably might be expected to be, used by a third party. A firm enrolled in a Board-approved peer review program shall schedule, undergo, and complete its subsequent peer review in compliance with the sponsoring organization's peer review standards and related guidance. Ordinarily, a firm's subsequent peer reviews shall be due such that the peer review has taken place and all peer review materials are submitted to the AE within three and one-half (3.5) years from the peer review year-end of the previous peer review.

(c) — Concurrently with the acceptance of an accounting and/or auditing engagement as set forth in this Chapter, a registrant or CPA firm is subject to practice monitoring and its designated certificate holder must within sixty (60) days notify the Board of the acceptance of an engagement, enroll in a Board approved peer review program, and undergo a review as required under the peer review standards and administrative procedures established by the administering entity. The Board may accept extensions for CPA firms undergoing peer reviews granted by AEs provided that the Board is notified in writing and the AE extension letter is provided by the DCH within thirty (30) days from the date that the AE granted the extension.

(d) The Board may accept extensions for registrants or CPA firms undergoing peer reviews granted by AEs provided that the Board is notified by the registrant or CPA firm within fourteen (14) days from the date of the letter from the AE granting the extension. The DCH shall submit requests for extensions of time to undergo a peer review not already granted by the AE, to the Board in writing no later than the earlier of a firm's renewal date or original peer review due date. The DCH shall notify the AE of any Board-approved extensions. Ordinarily, The Board may grant an extensions are granted for the following reasons:

- (i) Health;

- (ii) Military Service; or
- (iii) Other good cause clearly outside of the control of the reviewed firm.

(e) All reviews shall be carried out in conformity with the AICPA's Standards for Performing and Reporting on Peer Reviews as of June 1, 2021 with Peer Review Standards Interpretations issued through June 1, 2021 or the Public Company Accounting Oversight Board's (PCAOB) firm inspection standards for firms that audit public companies under federal law.

(f) Reviews shall be carried out under the supervision of one of the following administering entities:

- (i) The AICPA Peer Review Board's National Peer Review Committee;
- (ii) A CPA society or group of state CPA societies fully involved in the administration of the AICPA's peer review program;
- (iii) Other entities fully involved in the administration of the AICPA's peer review program approved by the AICPA Peer Review Board;
- (iv) Any other entities whose Board-approved Peer Review Program is governed by the AICPA Standards for Performing and Reporting on Peer Reviews; or
- (v) The PCAOB.

(g) The Board recognizes the PCAOB's inspection process for reviewing practices subject to its authority, which are not included in the scope of peer review programs. Firms subject to inspection by the PCAOB are also required to meet the peer review requirements under a Board- approved peer review program that covers the portion of the practice unit's practice not subject to the PCAOB permanent inspection.

(h) The Board may contact the administering entity to verify the validity of the documentation submitted by the registrant.

(i) In the event that the firm is no longer providing services required to be peer reviewed by this chapter, the DCH shall:

(i) Notify the Board that the firm's scope of practice has changed and provide the date of the last service required to be peer reviewed was performed;

(ii) Notify the administering entity of the scope of practice change and submit any final peer review that entity requires before the firm withdraws from the program; and



(iii) Complete a final peer review if services required to be peer reviewed as outlined in section 3 were provided by the CPA firm during the period which would be under review if the firm continued with the program.

### **Section 35. Reporting to the Board.**

~~(a) No later than June 30 of each year, registrants or CPA firms with reviews scheduled in the prior calendar year, must submit to the Board a copy of peer review documents as follows:~~

~~\_\_\_\_\_ (i) If the report is designated “Pass”, a copy of the report and acceptance letter;~~

~~(ii) If the report is designated “Pass with Deficiencies” or “Fail”, a copy of the review report, reviewed firm’s letter of response, and letter(s) signed by the firm accepting the documents with the understanding that the firm agrees to take any actions required by the sponsoring organization; and the letter signed by the sponsoring organization notifying the firm that required actions have been appropriately completed;~~

~~\_\_\_\_\_ (iii) If an inspection report by the PCAOB, a copy of any final report, documentation of any significant issues and findings, and the registrant’s or CPA firm’s response;~~

~~\_\_\_\_\_ (iv) Firms may meet the requirement in Section 4 (a)(i) (ii) by participating in the AICPA Facilitated State Board Access (FSBA) program which authorizes the administering entity to release peer review results to the state boards of accountancy.~~

(a) A firm that enrolls or is required to enroll in a practice-monitoring program shall opt into the Facilitated State Board Access, as administered by the American Institute of Certified Public Accountants, or other national uniform system approved by the Board.

(b) CPA firms that receive a report designated as a “Pass,” shall provide, no later than sixty (60) days after a CPA firm is notified of the AE’s acceptance:

(i) A copy of the peer review report that has been accepted by the AE; and

(ii) The acceptance letter from the AE.

(c) CPA firms that receive a report designated as a “Pass with Deficiencies” or “Fail,” shall notify the Board of the rating, in writing, no later than thirty (30) days after a CPA firm is notified of the rating or notified of the AE’s acceptance, whichever occurs first, and provide:

(i) A copy of the peer review report that has been accepted by the AE within thirty (30) days of the AE’s acceptance;

(ii) The firm's letter of response accepted by the AE, if applicable, within thirty (30) days of the AE's acceptance;

(iii) The acceptance letter from the AE, within thirty (30) days of the AE's acceptance;

(iv) Letter(s) signed by the firm accepting the documents with the understanding that the firm agrees to take any actions required by the AE, within thirty (30) days from the date the letter is signed by the firm; and

(v) The letter signed by AE notifying the firm that required actions have been appropriately completed, if applicable, within thirty (30) days from the date of the letter.

(d) CPA firms that are required to register with and are subject to inspection by the PCAOB and receive an inspection report by the PCAOB, shall provide no later than sixty (60) days after the report is issued:

(i) A copy of any final report;

(ii) Documentation of any significant issues and findings; and

(iii) The registrant's or CPA firm's response.

~~(b)~~(e) A registrant who is employed by state or federal government or political subdivision thereof and who provides services that subject him to peer review under this chapter is not required to submit reports to the Board under this section.

#### **Section 46. Findings.**

(a) If the report is designated "Pass," the Board shall take ~~no further~~ action to formally accept the peer review results provided the review was conducted in accordance with this Chapter.

(b) If the report is designated "Pass with Deficiencies" or "Fail," the Board, after taking into consideration the reported deficiencies and any remedial action since the issuance of such peer review report, may:

(i) ~~Require~~ deficiencies be corrected within a specified time period, and may require evidence that the deficiencies were corrected;

(ii) ~~Require~~ that the CPA firm to undergo a peer review prior to the next regularly scheduled review;

(iii) Require the the CPA firm undergo preissuance review. The preissuance review CPA engaged by the firm shall submit a report of the findings to the Board within thirty (30) days of completing the services. The firm shall bear the cost of the preissuance review;

(iv) Require that the CPA firm undergo, by a board-approved CPA, a board-prescribed system review of the firm’s work product and practices or perform other investigative procedures to assess the degree or pervasiveness of nonconforming work product. The board-approved CPA engaged by the firm shall submit a report of the findings to the Board within thirty (30) days of completing the services. The firm shall bear the cost of the board-prescribed on-site review, or other board-prescribed procedures;

(v) Require the firm to develop quality control procedures;

(~~iii~~vi) ~~R~~Require certificate holders employed by or associated with the registrant or CPA firm to complete continuing education in areas of deficiency, or as specified by the Board, and provide evidence of completion to the Board office;

(~~i~~vii) ~~R~~Require the registrant or CPA firm to maintain a minimum library of resource material;

(~~v~~viii) ~~R~~Require the registrant or CPA firm to provide copies of interim inspection reports; or

(~~v~~ix) ~~R~~Require any other action that will effectuate the purpose of this ~~C~~chapter.

(c) If the registrant or CPA firm fails to comply with requirements established by this ~~C~~chapter, the Board may proceed with ~~the initiation of~~ disciplinary action pursuant to W.S. 33-3-123 and Chapter 7 of the ~~R~~rules ~~and~~ ~~R~~egulations.

(d) Based on its review of the documents submitted pursuant Section 5 and any disciplinary proceeding, the Board may impose additional corrective actions such as probation, practice limits, additional continuing education, pre-issuance reviews, more frequent peer reviews, and other measures constituting discipline against the reviewed firm and any individual licensees employed or contracted by the reviewed firm.

**Section 7. Peer Review Committee.** Each year the Board shall appoint a Board member(s) to serve as the Peer Review Committee (PRC). This committee shall review the peer review results and required documentation of registrants or CPA firms with peer reviews resulting in a “Pass with Deficiencies” or “Fail” rating and make recommendations to the Board consistent with the Board’s options under Section 6(b).

**Section 8. Peer Review Oversight Committee.**

(a) The Board may establish a Peer Review Oversight Committee (PROC) to:

(i) Monitor a board-approved peer review program, including sponsoring organizations' administering entities, to ensure that peer reviews are being conducted and reported in accordance with peer review minimum standards;

(ii) Review the policies and procedures of an organization applying to the Board to become a sponsoring organization to ensure that such policies and procedures conform with peer review minimum standards; and

(iii) Meet with an AE's Report Acceptance Body during consideration of the peer review documents;

(iv) Report to the Board any conclusions or recommendations based on the functions performed pursuant to subsections (i) through (iii) of this section.

(b) The PROC members shall:

(i) Not include individuals who have a conflict of interest under applicable law;

(ii) Be subject to removal or replacement by the Board at its discretion; and

(iii) Be required to sign a confidentiality agreement indicating they will not divulge any information to the Board that would identify any firm, licensee, or peer reviewer or reviewing firm as a result of their monitoring the peer review process.

(c) The PROC may:

(i) Visit the Administering Entity (AE) of the approved peer review program;

(ii) Review sponsoring organization procedures for administering the program;

(iii) Meet with an AE's Report Acceptance Body during consideration of the peer review documents; and

(iv) Review the AE's compliance with its program.

(d) The Board may arrange to participate in a regional PROC. If the Board participates in a regional PROC, the regional PROC has the authority and shall perform the functions set forth in (a) through (c).

**Section 59. Records.** Copies of documents provided to show compliance with this Chapter are privileged and shall be purged from the Board's files in accordance with the Board's formally adopted retention schedules. ~~Individual actions taken by the Board pursuant to Section~~

~~5(b) 6(c) of this Chapter which do not result in the Board's initiating formal disciplinary action are not public actions and shall not be made a part of the Board's public record.~~

**Section 610. Practice Privilege Firms.** Registrants or CPA firms that operate under practice privileges and firm mobility that provide services as defined in Section 13(a)(i) of this chapter must comply with peer review requirements as follows:

(a) AICPA members and other registrants or CPA firms whose principle place of business requires them to comply with peer review shall comply with the requirements imposed by the AICPA, PCAOB, other board-approved AEs, or the applicable state law and are not required to submit reports to the Wyoming Board as set forth in Section 45 of this Chapter.

(b) Non-AICPA member registrants or CPA firms whose principle place of business is in a state that does not require peer review as a regulatory requirement or other registrants or CPA firms who are not required to comply with peer review in their principal places of business shall submit reports to the Wyoming Board as set forth in Section 45 of this Chapter.

(c) Any registrant or CPA firm not required to submit reports to the Wyoming Board shall maintain records of participation in a qualified peer review organization and shall provide copies of ~~such~~ the firm's peer review records upon the Board's written request ~~for good cause.~~

### **Section 11. Incorporation by Reference.**

(a) The Board hereby incorporates by reference the following uniform rules which are referred to throughout the rules:

(i) AICPA's Standards for Performing and Reporting on Peer Reviews effective June 1, 2021 found at: [https://drive.google.com/file/d/1r3\\_1XXS\\_YYX2-ihTdfZL7iFcOAJzVUYg/view?usp=sharing](https://drive.google.com/file/d/1r3_1XXS_YYX2-ihTdfZL7iFcOAJzVUYg/view?usp=sharing)

(ii) AICPA's Peer Review Standards Interpretations issued through June 1, 2021 found at: <https://drive.google.com/file/d/1NF3Dk42HkHAv6sk4zM9BzHuiGfVIFAjk/view?usp=sharing>

(iii) AICPA's Supplemental Guidance issued through June 1, 2021 found at: <https://drive.google.com/file/d/1prwXVOsHjk-VRxXYKj2lBi6h3xolQ-AV/view?usp=sharing>

(b) For these rules incorporated by reference:

(i) The Board has determined that incorporation of the full text in these rules would be cumbersome or inefficient given the length or nature of the rules:

(ii) The incorporation by reference does not include any later amendments editions of the incorporated matter beyond the applicable date identified in subsections (a)(i)-(ii); and

(iii) The incorporated rules are maintained at 325 West 18<sup>th</sup> Street, Ste. 4, Cheyenne, Wyoming, 82002 and are available for public inspection and copying at cost at the same location.