

10:15-33-7. Peer review oversight committee (a) The Board shall appoint a Peer Review Oversight Committee for the purpose of: (1) Monitoring sponsoring organizations to provide reasonable assurance that peer reviews are being conducted and reported on in accordance with peer review minimum standards; (2) Reviewing the policies and procedures of sponsoring organization applicants as to their conformity with the peer review minimum standards; and (3) Reporting to the Board on the conclusions and recommendations reached as a result of performing functions in paragraphs (A) and (B) of this subsection. (b) The Peer Review Oversight Committee shall consist of three (3) members nominated by the Chair and approved by the Board, none of whom is a current member of the Board. Subsequent committee members shall serve three (3) year terms. Compensation, if any, of Peer Review Oversight Committee members shall be set annually by the Board, ~~not to exceed One Hundred Fifty Dollars (\$150.00) per hour.~~ Each member of the Peer Review Oversight Committee must be active in the practice of public accounting at a supervisory level or above in the accounting or auditing function while serving on the committee or any employee involved at a supervisory level or above in an audit function of a state or local government. The member, ~~or~~ member's firm ~~or consulting clients~~ must be enrolled in an approved practice/monitoring program and have received ~~an unmodified or~~ pass report on its most recently completed peer review. ~~A majority of the committee members must satisfy the qualifications required of system peer review team captains as established and reported in the AICPA Standards for Performing and Reporting on Peer Reviews.~~ (1) No more than one Peer Review Oversight Committee member may be from the same firm. (2) A Peer Review Oversight Committee member may not concurrently serve as a member of the AICPA's or any state's CPA society ethics or peer review committee. (3) A Peer Review Oversight Committee member may not participate in any discussion or have any vote with respect to a reviewed firm when the committee 8 member lacks independence or has a conflict of interest. The Board may appoint alternate committee member(s) to serve in these situations. (c) Information concerning a specific firm or reviewer obtained by the Peer Review Oversight Committee during oversight activities shall be confidential, and the firm's or reviewer's identity shall not be reported to the Board. Reports submitted to the Board will not contain information concerning specific registrants, firms or reviewers. (d) As determined by the Board, the Peer Review Oversight Committee shall make periodic recommendations to the Board, but not less than annually, as to the continuing qualifications of each sponsoring organization as an approved sponsoring organization. (e) The Peer Review Oversight Committee may: (1) Establish and perform procedures for ensuring that reviews are performed and reported on in accordance with the AICPA Standards for Performing and Reporting on Peer Reviews or other standards as approved by the Board and the rules promulgated herein by the Board; (2) Review remedial and correction actions prescribed that address the deficiencies in the reviewed firm's system of quality control policies and procedures; (3) Monitor the prescribed remedial and corrective actions to determine compliance by the reviewed firm; (4) Establish a report acceptance process, which facilitates the exchange of viewpoints among committee members and sponsoring organization; and (5) Communicate to the Board on a recurring basis: (A) Problems experienced by the enrolled registrants in their systems of quality control as noted in the peer reviews conducted by the sponsoring organization; (B) Problems experienced in the implementation of the peer review program; and (C) A summary of the historical results of the peer review program. (f) Committee members shall become disqualified to serve on Peer Review Oversight Committee if any of the provisions that qualify the committee member no longer exist or by majority vote of the Board.

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