

Oklahoma Society of CPAs

2025 Annual Report on Peer Review Activities

I. Administering Entity Oversight Process and Procedures

Background

The Oklahoma Society of CPAs (OSCPA) is an administering entity (AE) for the AICPA Peer Review Program and administers peer reviews for Oklahoma, South Dakota, and Kansas Peer Review firms. The OSCPAs Peer Review Committee (Committee) is made up of the Committee's chair, 12 Report Acceptance Bodies (RAB) voting members, and 4 contracted technical reviewers.

Oversight selection

AE staff advise OSCPAs committee on the minimum number of reviews to be oversights each year. For firms enrolled in the AICPA peer review program, the minimum for 2025 was 2% each of system reviews and engagement reviews, with a minimum of two each. The minimum number is verified in a letter from the AICPA to the AE.

The committee has established an Oversight Policy and Procedure which contains considerations in selecting reviewers or reviewed firms for oversight and makes recommendations for oversight. AE staff, including the CPA on staff, use the recommendations of the Peer Review Committee, the Oversight Policy and Procedures, and a risk-based approach in selecting firms or reviewers to oversight.

Firms may be selected for oversight based on several factors including, but not limited to, the types of peer review reports previously received, high risk engagements performed by the firm, or if it's the firm's first peer review.

Reviewers may be selected randomly or due to other factors including but not limited to past performance deficiencies such as issuance of an inappropriate peer review report or failure to properly reach the appropriate conclusion during a review, recent qualification as a team or review captain, or if the reviewer has had no oversight in the past three years.

Oversight Procedures

Oversight procedures are typically performed by a committee member. For system reviews and must-select engagement oversights, the assigned committee member or technical reviewer is required to have completed all applicable team captain training and possess relevant experience in accordance with AICPA requirements. Oversight procedures include a review of the peer review report and financial statements, examination of firm workpapers for selected engagements, and attendance at the exit conference. The final oversight report is prepared on the reviewer's letterhead and submitted to the Peer Review Committee.

II. Summary of the Peer Review Program

1. The OSCPA serves as the AE for Oklahoma, South Dakota, and Kansas for the AICPA Peer Review Program. As of December 31, 2025, there were 387 enrolled firms.

2. Results of Peer Reviews Accepted During the Year 2025

a) Results by Type of Peer Review and Report Issued

System Reviews	Number	%
Pass	35	64%
Pass with deficiency(ies)	15	27%
Fail	5	9%
Total	55	100%

Engagement Reviews	Number	%
Pass	75	86%
Pass with deficiency(ies)	9	10%
Fail	3	3%
Total	87	100%

b) Type and Number of Reasons for Report Deficiencies for System Reviews

Leadership responsibilities for quality within the firm (“the tone at the top”)	2
Relevant ethical requirements	2
Acceptance and continuance of client relationships and specific engagements	1
Human resources	8
Engagement performance	19
Monitoring	13
Total	45

c) Number of Engagements Not Performed or Reported on in Conformity with Professional Standards in All Material Respects (Nonconforming engagements)

Nonconforming Engagements	Reviewed	Non-Conforming	%
Agreed-upon Procedures Engagements	25	4	16.00%
Agreed-upon Procedures Engagements (SSAE)	15	2	13.33%
All others subject to GAS	43	18	41.86%
Attestation Engagements (Examination, Review, or Agreed-upon Procedures under GAS)	6	0	0.00%
Compilations of financial statements that omit substantially all disclosures	112	5	4.46%
Compilations of financial statements with disclosures	16	0	0.00%
Compilations Omit Disclosures	39	2	5.13%
Compilations with Disclosures	26	3	11.54%
Employee Retirement Income Security Act (ERISA):Defined Benefit Plans	2	0	0.00%
Employee Retirement Income Security Act (ERISA):Defined Contribution Plans	17	2	11.76%
Employee Retirement Income Security Act (ERISA):Employee Stock Ownership Plans (ESOP)	3	0	0.00%
Employee Retirement Income Security Act (ERISA):Health and Welfare	4	0	0.00%
Examination Engagements	2	0	0.00%
FDICIA Audits of Federally Insured Depository Institutions (with more than \$1 billion in beginning total assets and required annual report on internal controls)	1	0	0.00%
FDICIA Audits of Federally Insured Depository Institutions (with more than \$500 million or greater, but not more than \$1 billion in beginning total assets)	1	0	0.00%
OMB Single Audit Engagements	40	12	30.00%
Other Audits Under Statements on Auditing Standards	61	20	32.79%
Preparation Engagements Omit Disclosures	11	0	0.00%
Preparation Engagements with Disclosures	1	0	0.00%
Preparation of financial statements that omit substantially all disclosures(with or without disclaimer reports)	12	3	25.00%
Preparation of financial statements with disclosures (with or without disclaimer reports)	7	0	0.00%
Reviews	40	8	20.00%
Reviews of financial statements	41	7	17.07%
Total	525	86	16.38%

d) Summary of Required Follow-up Actions
(includes corrective actions and implementation plans)

Submit Proof of Certain CPE Taken	33
TC/Outside Party Review Correction of Non-Conforming Engagements	8
Agree to Pre-issuance Review by TC/Outside Party	6
Submit to TC/Outside Party Post-issuance Review of Subsequent Engagements w/o wp's	4
Agree to Hire TC/Outside Party to Perform Inspection	2
Submit to TC/Outside Party Post-issuance Review of Subsequent Engagements w/ wp's	1
Team Captain/Outside Party to Review Quality Control Document/Quality Management Documentation	1
Total	55

III. Oversight Process

Oversight Results

a) Peer reviews

Type of Review	Must Select Engagement (GAGAS, ERISA, FDICIA, SOC)	Total Oversight
System	ERISA	2
Engagement		2

The results of our most recent oversight performed by the AICPA Oversight Task Force, which covers only the AICPA Peer Review Program, are available on [AICPA's website](#).