

Peer Review Checklist Coverage Guide

How the SQMS No. 1 Monitoring Toolkit maps to AICPA PRP Section 4600

PRP Section 4600 is the questionnaire a peer reviewer completes during the planning phase of a system review to evaluate whether a firm's system of quality management is suitably designed under QM section 10. The October 2025 edition applies to peer reviews with years ending on or after December 31, 2025. It contains twenty-six questions across nine sections, and a concluding section in which the reviewer answers yes or no for each. This sheet shows where each question is answered in the toolkit. The toolkit supplies the documentation structure. The firm supplies the content, tailored to its own practice.

SECTION A · THE FIRM'S RISK ASSESSMENT PROCESS

A.1

Did the firm perform and document a risk assessment that establishes the required quality objectives, identifies and assesses the risks to achieving them, and includes responses designed to address those risks?

SQM Risk Matrix (FRM-1.1) tabs .1, .2, .3
SQM-FRM-1.3 Milestone 1

SECTIONS B THROUGH G · THE SIX COMPONENTS

Each of the six component sections asks the same three questions. One workbook answers all eighteen, with each tab linked to the next so a reviewer can trace an objective to its risks, and a risk to the policy that responds to it.

QUESTION 1 Does the risk assessment documentation address all quality objectives required for this component? SQM Risk Matrix (FRM-1.1), tab .1 Carries every quality objective specified in QM sec. 10.29 through .34, with a relevance determination and a documented basis for any marked otherwise.	QUESTION 2 Did the firm identify and assess appropriate quality risks to the achievement of those objectives? SQM Risk Matrix (FRM-1.1), tab .2 Each risk carries an inherent likelihood and magnitude, the firm-specific reasons supporting that assessment, and a conclusion on whether it is a quality risk.	QUESTION 3 For each quality risk, did the firm design appropriate quality responses, including those specified by QM sec. 10.35? SQM Risk Matrix (FRM-1.1), tab .3 Policies grouped by component and linked back to the specific risks they address. The six responses specified by QM sec. 10.35 are each mapped to a named policy.			
B Governance and leadership	C Relevant ethical requirements	D Acceptance and continuance	E Engagement performance	F Resources	G Information and communication

Supporting Workpapers

Evidence behind the component policies, and Section H of PRP Section 4600

GOVERNANCE AND ETHICS SQM-GOV-1.1 Responsibility Designation SQM-GOV-1.2 Competencies Memo SQM-ETH-1.1 Independence Questionnaire SQM-ETH-1.2 Independence Representation SQM-ETH-1.3 Impairment List SQM-FRM-1.5 Quarterly Partner Review	ENGAGEMENT PERFORMANCE SQM-EP-1.1 Planning and Risk Assessment SQM-EP-2.1 EQR Requirements and Policy SQM-EP-2.2 EQR Requirements Checklist SQM-EP-2.3 EQR Procedures Form SQM-EP-3.X to 7.X Engagement checklists by engagement type	RESOURCES AND INFORMATION SQM-RES-1.1 Training Log SQM-RES-1.2 Resources Workpaper SQM-RES-2.1 / 2.2 New hire onboarding SQM-RES-3.1 QM Performance Evaluation SQM-RES-4.1 / 4.2 / 4.3 Materials, technology and service provider assessments SQM-IC-1.1 Annual Information System Review
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SECTION H · THE FIRM'S MONITORING AND REMEDIATION PROCESS

REF	CHECKLIST QUESTION, SUMMARIZED	QM SEC. 10	TOOLKIT WORKPAPER
H.1	Did the firm establish a monitoring and remediation process that provides relevant, reliable and timely information about the system, and that responds to identified deficiencies on a timely basis?	.36	SQM Risk Matrix (FRM-1.1) tab .3 (MR-1 to MR-10) SQM-FRM-1.6 Monitoring Cycle Roadmap SQM-FRM-1.3 QM Milestone Tracker
H.2	Did the firm design monitoring activities to provide a basis for the identification of deficiencies?	.37	SQM-MON-1.1 Monitoring Questionnaire SQM-MON-1.2 Inspection Review Checklist SQM-MON-1.3 Interview Questionnaire
H.3	Did the firm take the required factors into account in determining the nature, timing and extent of monitoring activities?	.38	SQM-EP-1.1 tab 2, Sections 1 to 6
H.4	Did the firm include an inspection of completed engagements, including the determination of which engagements and engagement partners to select?	.39	SQM-EP-1.1 tabs 3, 3b, 4 and .5
H.5	Did the firm establish policies addressing the competence and capabilities, and the objectivity, of the individuals performing monitoring activities?	.40	SQM-GOV-1.3 Inspection Team Designation

Documentation and Conclusion

Sections I and J of PRP Section 4600

REF	DOCUMENTATION	QM SEC. 10	TOOLKIT WORKPAPER
I.1	Is the documentation sufficient to support a consistent understanding of the system, support consistent implementation and operation of the responses, and provide evidence for the evaluation of the system?	.58	SQM Risk Matrix (FRM-1.1) SQM-FRM-1.2 QM Policy SQM-FRM-1.4 Workpaper Index
I.2	Does the documentation include the responsible individuals, the quality objectives and risks, the responses and how they address those risks, the monitoring and remediation evidence, and the annual conclusion?	.59	SQM-GOV-1.1 Responsibility Designation SQM-MON-2.1 Findings and Deficiencies Log SQM-MON-2.2 Root Cause Analysis SQM-MON-2.3 Remediation Tracker SQM-MON-3.1 Annual Communication
I.3	If applicable, did the firm document its considerations relating to network requirements or network services?	.50b, .60	SQM Risk Matrix (FRM-1.1) tab .1
I.4	Did the firm establish a retention period for system documentation sufficient to enable the firm and its peer reviewer to monitor the system?	.61	SQM Risk Matrix (FRM-1.1) tab .3 (MR-10, EP-9)
REF	CONCLUSION	QM SEC. 10	TOOLKIT WORKPAPER
J	The reviewer concludes, for each of Sections A through I, whether the system of quality management is suitably designed. The firm's own annual conclusion, and the basis for it, is part of what the reviewer evaluates.	.55	SQM-MON-3.2A / 3.2B / 3.2C Annual Declaration Forms

A workpaper listed here supports an answer. It does not produce one. The peer reviewer applies professional judgment to the firm's completed documentation, and the answers depend on whether the firm has tailored the objectives, risks, assessments and responses to its own practice. Question text is summarized for locating purposes. Refer to PRP Section 4600 for the full text and the reviewer considerations that accompany each question.