

November 29, 2021

**F J & Associates and the  
Peer Review Committee of the Nevada Society of CPA's**

We have reviewed the system of quality control for the accounting and auditing practice of F J & Associates (the firm) in effect for the year ended May 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

**Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

**Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

**Required Selections and Considerations**

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

**Deficiencies Identified in the Firm's System of Quality Control**


We noted the following deficiency during our review:

1. The firm's quality control policies and procedures addressing continuing professional education are not suitably designed or complied with to provide reasonable assurance that its personnel will have the competency necessary to perform engagements in accordance with professional and regulatory requirements. Auditing standards requires the Firm to document all non-attest client services provided and what mitigating controls the firm has implemented to reduce these risks. During our review of two audits subject to

governmental audit standards, it was noted that the non-attest services checklists were not completed in their entirety due to the lack of staff training. This resulted in the firm's failure to document the non-attest services provided and the mitigating firm and client controls that reduced these risks to an appropriate level. In our opinion, this contributed to audit engagements in the governmental industry that did not conform to professional standards in all material respects.

### Opinion

In our opinion, except for the deficiencies previously described, the system of quality control for the accounting and auditing practice of F J & Associates, in effect for the year ended May 31, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)*, or *fail*. F J & Associates has received a peer review rating of ***Pass with Deficiency***.

  
LITZ & COMPANY, PC