



SYSTEM REVIEW REPORT

December 28, 2016

To the Owner of Sammy K. Lee, PSC
and the Peer Review Committee of the Kentucky Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Sammy K. Lee, PSC (the firm) in effect for the year ended May 31, 2016. 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. As part of our peer review, we considered reviews by regulatory entities if applicable, in determining the nature and extent of our procedures. 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. 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. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Sammy K. Lee, PSC in effect for the year ended May 31, 2016 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*. Sammy K. Lee, PSC has received a peer review rating of *pass*.

Reed & Co. of Mayfield, PSC



March 16, 2017

Sammy K. Lee, CPA
Sammy K. Lee PSC
208 Pauline Dr., Ste. D
Berea, KY 40403

Dear Mr. Lee:

On February 28, 2017, the Report Acceptance Body (A) determined that as a result of the nature of the findings noted on your firm's Finding for Further Consideration (FFC) Form(s) and your firm's response thereto, that the action(s) outlined in the following implementation plan are required of your firm:

- Engage an outside reviewer to perform quarterly engagement quality control reviews, as discussed in its response to the Finding for Further Consideration. The quarterly reviews are to be at the firm's expense and to be performed by someone agreeable to the committee. The report on the quarterly reviews is also to include an update on the firm's CPE plan and is due to the committee by August 31, 2017.

A separate letter is being sent to you regarding the Committee's decision on the acceptance of the report on the most recent peer review of your firm, and this letter does not reflect the status of such acceptance.

Your firm's agreement to complete this implementation plan demonstrates its commitment to the objectives of the profession's practice-monitoring program. As noted in the *Standards for Performing and Reporting on Peer Reviews*, although not a condition of acceptance of your firm's peer review, agreeing to and completing implementation plans are required as a condition of cooperating with the administering entity and continued enrollment in the KyCPA Peer Review Program. Please acknowledge your firm's agreement by returning a signed copy of this letter to us at the address noted on this letterhead.

Sincerely,

Julie Salvaggio

Julie Salvaggio
Peer Review Manager
jsalvaggio@kycpa.org 502.266.5272

cc: A. Frank Harris, CPA

Firm Number: 10134932

Review Number: 464215

Acknowledged for the Firm:

Signature: *Sammy K Lee*

Date: 4-1-2017



March 4, 2017

Sammy K Lee
Sammy K. Lee P.S.C.
208 Pauline Dr Ste D
Berea, KY 40403

Dear Mr. Lee:

It is my pleasure to notify you that on February 28, 2017 the Report Acceptance Body (A) accepted the report on the most recent system peer review of your firm. The due date for your next review is November 30, 2019. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,

Julie A. Salvaggio
Peer Review Manager
jsalvaggio@kycpa.org 502 736-1360

cc: A. Frank Harris

Firm Number: 10134932 Review Number 464215

Letter ID: 1150309A