

RESIDENT MANAGER QUICKGUIDE

ALABAMA STATE BOARD OF PUBLIC ACCOUNTANCY
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The Alabama State Board of Public Accountancy (Board) is providing this informational guide to inform resident managers (RM) of their responsibilities as the supervisor of their registered firm office. It also informs of the potential Board action if there is a violation of Board Rules or State Law.

- Each office shall be under the direct supervision of a RM who must be registered in this state, who may only serve in such capacity in only one office in this state, which office shall be his or her principal place of employment and which he or she manages on a continuous full-time basis. [Ala. Admin. Code r. 30-X-3-.05\(2\)](#).
- The RM is the person responsible to ensure the firm remains in compliance with applicable Board Rules and State Laws.
- All firm correspondence from the Board is addressed to the RM. If a response is warranted, the Board requires a response within 30 days of the correspondence.
Potential Board Action: failing to respond to the Board, is a violation of Board rules and could result in disciplinary actions and possible revocation of the RM's license. [Ala. Admin. Code r. 30-X-7-.11](#).
- Firms are required to register annually. Like the individual registration, the firm registration is due every October 1. It is the responsibility of the RM to make sure this is complete.
Potential Board Action: failing to register the firm, is a violation of Board rules and could result in disciplinary actions and possible revocation of the RM's license. [Ala. Admin. Code r. 30-X-3-.07](#) and [Section 34-1-11 and Section 34-1-12\(a\)\(10\), Code of Alabama 1975](#).
- If the firm issues any of the reports listed below, it is a requirement that the Board is notified of the date the first report was issued. Once established, the Board will assign a peer review due date. At this point, it is the responsibility of the firm, therefore the RM, to enroll into the peer review program (Program) (i.e. Partners in Peer Review, a division of the Alabama Society of CPAs).
Potential Board Action: failing to complete a required peer review is a violation of Board rules and could result in disciplinary actions and possible revocation of the RM's license. [Ala. Admin. Code r. 30-X-8-.04\(1\)](#) and [Section 34-1-12\(a\)\(13\), Code of Alabama 1975](#).
 - Participation in the Program and compliance with all rules of the Program and administrative guidelines issued pursuant to the Program are required of all Practice Units (firms) who perform accounting and auditing engagements for the public, including but not limited to audits, reviews, compilations, forecasts, or projections. [Ala. Admin. Code r. 30-X-8-.03\(1\)](#).
- Going forward, when annually registering the firm with the Board, and if the peer review was due, it is the responsibility of the firm, therefore the RM, to submit to the Board a copy of the acceptance letter (from the administering entity) and systems/engagement report (from the peer reviewer).
Potential Board Action: failing to submit required peer review documentation is a violation of Board rules and could result in disciplinary actions and possible revocation of the RM's license. [Ala. Admin. Code r. 30-X-8-.03\(5\)](#).
- If the firm has closed it is the RM's responsibility to notify the Board within 30 days by completing the Closure of Firm form. In the case of a merger or acquisition, it is the responsibility of both firm's RMs to notify the Board within 30 days.
Potential Board Action: failing to notify the Board of any changes is a violation of Board rules and could result in disciplinary actions and possible revocation of the RM's license. [Ala. Admin. Code r. 30-X-3-.05](#).

DISCLAIMER: THIS SUMMARY IS DESIGNED AS A QUICK GUIDE AND CANNOT BE RELIED UPON IN ALL SITUATIONS. For a complete understanding of all statutes, see the [Code of Alabama 1975](#) and the [Alabama Administrative Code](#).