

A pair of hands is shown from above, holding several small, light-colored wooden figures that resemble stylized human figures. The figures are arranged in a loose circle on a dark, textured surface. The hands are positioned on the left and right sides of the frame, with fingers slightly curled as if holding the figures.

System and Organization Controls (SOC)

With identity theft, cybersecurity breaches, and fraud on the rise, companies are being forced to pay closer attention to the protection of both company and customer information. As a third-party service provider, you are likely receiving requests from clients and prospects for an independent review of your internal controls. We are able to provide these reviews, which are known as System and Organization Controls (SOC) examinations.

Protecting your customers. Protecting you.

Diverse Clientele

Companies that typically need a SOC report are organizations that perform outsourced services on behalf of their customers, including:

- » Financial services/payroll processors
- » Healthcare claim processors
- » Software as a Service (SaaS) providers
- » Network administrators
- » Managed security service providers
- » ISP and web hosting service providers
- » Application service providers
- » Co-location data centers
- » Cloud computing providers
- » Financial services processors
- » Customer support call centers
- » Accounts receivable processors
- » Credit recovery managers
- » Trust departments
- » Transfer agents
- » Financial custodians
- » Mortgage servicers

Experience & Expertise

KraftCPAs has been performing service organization examinations for more than 20 years. We were one of the first firms in the country to issue a SOC 2.

Our team members hold various relevant certifications, including:

- » Certified Public Accountant
- » AICPA Advanced SOC Certified Practitioner
- » AICPA SOC for Cybersecurity Certified Practitioner
- » AICPA National SOC Peer Reviewer
- » Certified Information Technology Professional
- » Certified in Risk and Information Systems Controls
- » Certified Information Systems Auditors
- » Certified in Risk Management Assurance
- » Certified Internal Auditors
- » Certified Quality Auditor
- » Master of Business Administration



Benefits of a SOC Examination

A SOC examination provides you with independent assurance that your company's internal controls are working properly. It also sends a message to current customers that they can rely on your company to accurately and securely handle their information. In addition, a SOC 3 (associated with the Trust Services Principles) can be posted on your website and used as a marketing tool to attract new customers.



Sean Owens



Gina Pruitt



KraftCPAs
PLLC

What's Involved?

Like a financial statement audit, a SOC attestation report can only be issued by a CPA. But because of the sophisticated technology intrinsic to many service organizations, few firms have the high-level of technological skill and credentials needed to perform SOC examinations. We assign a team of experienced, management-level CPAs and technology professionals to each SOC engagement.

We review the company's policies, procedures, and controls that relate to specific control objectives (SOC 1) or trust services criteria (SOC 2) for the outsourced functions provided for clients or customers. The standards are separated into three different types of reports using two different methods. If you're not sure which SOC report you need or if you fear that your controls aren't adequate, we can assist you.

Readiness Review

Provides a summary of the controls in place to meet the control objectives (SOC 1) or trust services criteria (SOC 2), the gaps identified, and a list of controls to implement to address those gaps. Can be performed prior to a SOC 1 or SOC 2 to help reduce findings.

SOC 1 Internal Controls Over Financial Reporting

Report on whether the internal controls over financial reporting can achieve the related control objectives.

Type 1: Controls identified and evaluated for suitable design at a point in time, but not tested for operating effectiveness.

Type 2: Controls identified and evaluated for suitable design and tested for operating effectiveness for a period of time.

SOC 2 Principles Related to Security, Availability, Confidentiality, Processing Integrity & Privacy

Report on whether controls can achieve the related Trust Service Principles.

Type 1: Controls identified and evaluated for suitable design at a point in time, but not tested for operating effectiveness.

Type 2: Controls identified and evaluated for suitable design and tested for operating effectiveness for a period of time.

SOC 3

Can be performed after performing testing related to the Trust Services Principles used for a SOC 2. The purpose is to provide the organization with a report that can be posted on their website and used as a marketing tool.