

## SSAE 16/SOC 1 (formerly SAS 70) Service Organization Control Examinations | ACCOUNTING |



### About Reznick Group

Reznick Group is a top 20 national CPA firm providing accounting, tax and business advisory services to clients nationwide. The firm's industry experience includes affordable housing, financial services, renewable energy, nonprofits, professional services, commercial real estate and technology.

For more information, visit:  
[www.reznickgroup.com](http://www.reznickgroup.com)

Building **confidence**.  
Maintaining **security**.

Third-party service providers are entrusted by their clients to manage and process critical data. Through our SSAE 16/SOC 1 service organization control examinations, Reznick Group helps these organizations implement processes designed to ensure that the right controls are in place.



## SSAE 16 Examinations

When you are a third-party service provider handling critical data, success is often measured by how well you've maintained controls around processing and storage of data. That's why service organizations are investing in due diligence processes designed to assure clients that the services they provide are reliable, secure and thoroughly vetted.

Statement on Standards for Attestation Engagement No.16 (SSAE 16) examinations provide this assurance by examining, documenting and testing an array of internal controls within third-party service organizations. As a top 20 national CPA firm, Reznick Group performs numerous SSAE 16 (formerly SAS 70) and third-party service organization control assessments for public and private entities in a variety of industries. These include companies involved in payroll and billing services, claims handling, payment processing, investment advisory services, data centers and other areas where critical data are collected and processed.

Our experienced and certified risk and advisory services professionals help to ensure a quality report that accurately reflects your environment and controls. Whether you require a readiness assessment with reasonable recommendations or a SSAE 16 Type I or SSAE 16 Type II examination, Reznick Group can guide you through the process.



## Changing Standards for Service Organizations

The American Institute of Certified Public Accountants (AICPA) has replaced SAS 70 with the new SSAE 16 standard. SSAE 16 updated the U.S. service organization reporting standard, also known as SOC 1, to comply more closely with the international service organization reporting standard ISAE 3402.

Reznick Group's extensive SAS 70 audit experience, and active involvement with the AICPA position us well to help our clients benefit from a SSAE 16 engagement. By achieving the new standard, your company will be at the forefront of third-party audits, providing your clients with greater confidence that their data are secure within your environment.

## Reznick Group – Your SSAE 16 Team

In addition to SSAE 16 examinations, we provide our clients with related services designed to enhance the integrity of internal controls.

These services include:

- ISAE 3402 assurance reports on controls at a service organization
- Report on controls at a service organization relevant to security, processing integrity, availability, privacy or security (SOC 2)
- Trust services reports for service organizations (SOC 3)
- Technology assurance

## Learn More:

Including Reznick Group as part of your SSAE 16 team will provide you with access to deep industry knowledge and experience.

For more information on how your company can benefit from our SSAE 16 services, please visit us at:

[www.reznickgroup.com/ssae16](http://www.reznickgroup.com/ssae16)

## Case Study: Payroll Services Provider

### Client

A payroll-processing company providing services for a major department of the U.S. federal government.

### Situation

The client had never had a service organization controls audit, and it was now being required by the government department it was servicing. The client had numerous control deficiencies.

### Challenge

Reznick Group needed to investigate thoroughly and identify internal controls the client had in place and then assist the client in implementing the most effective solutions to compensate for the lack of controls in areas where deficiencies were identified.

### Reznick Group Solution

Reznick Group's team worked with the client within its specific environment to identify areas where compensating controls were needed to ensure that the control environment was sufficient.

### Results

As part of the initial audit, Reznick Group was required to report the client's original control deficiencies in an independent service auditors' report. The client then worked with Reznick Group for the year following the service organization audit to implement the specified controls recommended by our team. Once these controls were fully implemented, Reznick Group conducted a follow-up audit where the payroll-processing company received a "clean" auditors' report, to the satisfaction of its government client.