

# Service organization controls

Building trust in a changing world

How do you deal with requests from your customers with regards to your internal control framework and whether it is designed and operating effectively?

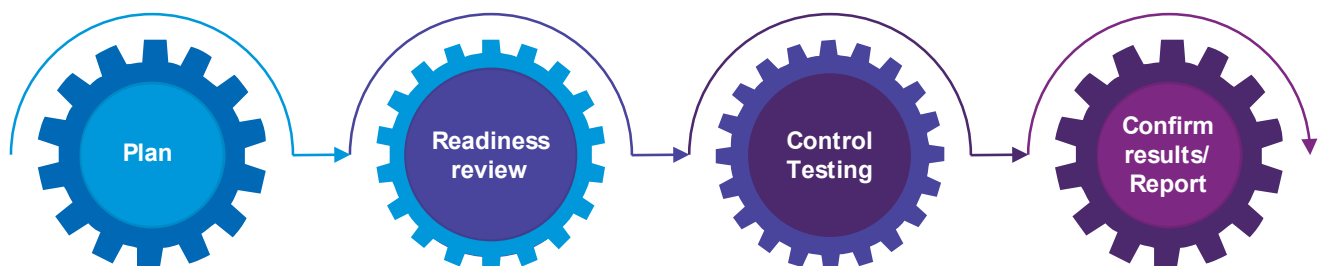
How do you meet new requirements from regulators and supervisory boards around your control environment?

How do you increase the level of trust your customers place in you?

Organizations are increasingly outsourcing processes and systems to service providers. This means service providers need to better manage the risks associated with their services. More specifically, end customers require a degree of assurance that service organizations have a well established control framework that is designed and operating effectively.

We examine the internal control systems of service providers and provide assurance over their internal control framework through ISAE (3402 or 3000) attestation reports. In this way, we help organizations get the right level of assurance over the services they have outsourced.

## Our methodology



Structure approach	Get comfort on the result of the upcoming examination	Obtain assurance	Document results as required by the standard
<ul style="list-style-type: none"> <li>– Confirm key milestones &amp; deadlines for deliverables</li> <li>– Discuss scope of assessment               <ul style="list-style-type: none"> <li>- Location/service</li> <li>- Clients</li> <li>- Control objective/controls</li> <li>- System</li> </ul> </li> <li>– Provide list of formal requirements</li> </ul>	<ul style="list-style-type: none"> <li>– Focus review on key areas that will be covered in the upcoming examination</li> <li>– Identify the control weakness that may need to be corrected before the reporting period</li> </ul>	<ul style="list-style-type: none"> <li>– Perform on-site interviews &amp; walkthroughs</li> <li>– Validate designs of controls</li> <li>– Review samples to determine controls implementation or effectiveness over the period</li> </ul>	<ul style="list-style-type: none"> <li>– Create formal assurance report</li> <li>– Apply formal review and quality assurance procedures</li> <li>– Provide report and answer questions re User Organizations, where necessary</li> <li>– Discuss review results</li> <li>– Confirm results and provide recommendations</li> </ul>

## Benefits

- 1 ISAE reports provide a clear competitive advantage, since it is a method of distinguishing a service organization from its competitors.
- 2 Examination against a standard set of specific control objectives and controls adapted to selected subject matter, such as requirements imposed by regulations or a standard control framework
- 3 Support the statutory & regulatory audit of your client
- 4 Improving communication with external stakeholders
- 5 Supervisory boards increasingly ask for specific controls over outsourced procedures as a consequence of their Risk Management process
- 6 Scope can be tailored to the wishes and needs of the users

## Why KPMG?

 Our dedicated team consists of experienced professionals, that who have gained detailed subject matter experience in both performing external audits and reviewing attestation reports as part of their statutory and regulatory audits as well as assessing attestations and reporting.

 Thanks to our global network of qualified professionals, we are always up-to-date when it comes to new trends in relevant standards, tools or methodology. This information is continuously monitored and incorporated when designing and delivering projects.

 We have identified a sample set of controls objectives to be leveraged when considering the client's control framework. This saves time, helps the clients to benchmark their control environment with standard market expectations and provides the organization with an additional opportunity for maturing their processes.

## Time to act



## Contacts

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