Insight Assurance

Delivering Quality, Assuring Trust.

System and Organization Controls Report (SOC 2® Type 2)

Report on Inspire Outsource Solutions LLC's Description of Its Accounting Staffing Solutions and on the Suitability of the Design and Operating Effectiveness of Its Controls Relevant to Security Throughout the Period October 15, 2024, to January 14, 2025

INSPIRE OUTSOURCE

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SECTION 1: INDEPENDENT SERVICE AUDITOR'S REPORT

INDEPENDENT SERVICE AUDITOR'S REPORT

To: Inspire Outsource Solutions LLC

Scope

We have examined Inspire Outsource Solutions LLC's ("Inspire Outsource" or "the Service Organization") description of its Accounting Staffing Solutions found in Section 3 titled "Inspire Outsource Solutions LLC's description of its Accounting Staffing Solutions" throughout the period October 15, 2024, to January 14, 2025 ("description") based on the criteria for a description of a service organization's system set forth in DC section 200, *2018 Description Criteria for a Description of a Service Organization's System in a SOC 2® Report (With Revised Implementation Guidance—2022)* in AICPA, *Description Criteria*, (description criteria) and the suitability of the design and operating effectiveness of controls stated in the description throughout the period October 15, 2024, to January 14, 2025, to provide reasonable assurance that Inspire Outsource's service commitments and system requirements were achieved based on the trust services criteria relevant to Security (applicable trust services criteria) set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (With Revised Points of Focus—2022)* in AICPA*, Trust Services Criteria.*

Inspire Outsource uses Microsoft to provide hosting services. The description indicates that complementary subservice organization controls that are suitably designed and operating effectively are necessary, along with controls at Inspire Outsource, to achieve Inspire Outsource's service commitments and system requirements based on the applicable trust services criteria. The description presents Inspire Outsource's controls, the applicable trust services criteria and the types of complementary subservice organization controls assumed in the design of Inspire Outsource's controls. The description does not disclose the actual controls at the subservice organization. Our examination did not include the services provided by the subservice organization, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

The description indicates that certain complementary user entity controls that are suitably designed and operating effectively are necessary, along with controls at Inspire Outsource, to achieve Inspire Outsource's service commitments and system requirements based on the applicable trust services criteria. The description presents Inspire Outsource's controls, the applicable trust services criteria and the complementary user entity controls assumed in the design of Inspire Outsource's controls. Our examination did not include such complementary user entity controls, and we have not evaluated the suitability of the design or operating effectiveness of such controls.

Service Organization's Responsibilities

Inspire Outsource is responsible for its service commitments and system requirements and designing, implementing, and operating effective controls within the system to provide reasonable

assurance that Inspire Outsource's service commitments and system requirements were achieved. In Section 2, Inspire Outsource has provided the accompanying assertion titled "Inspire Outsource Solutions LLC's Management Assertion" (assertion) about the description and the suitability of the design and operating effectiveness of controls stated therein. Inspire Outsource is also responsible for preparing the description and assertion, including the completeness, accuracy, and method of presentation of the description and assertion; providing the services covered by the description; selecting the applicable trust services criteria, and stating the related controls in the description; and identifying the risks that threaten the achievement of the service organization's service commitments and system requirements.

Service Auditor's Responsibilities

Our responsibility is to express an opinion on the description and the suitability of design and operating effectiveness of controls stated in the description based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether, in all material respects, the description is presented in accordance with the description criteria and the controls stated therein were suitably designed and operated effectively to provide reasonable assurance that the service organization's service commitments and system requirements were achieved based on the applicable trust services criteria. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with ethical requirements relating to the examination engagement.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of controls involves—

- obtaining an understanding of the system and the service organization's service commitments and system requirements.
- assessing the risks that the description is not presented in accordance with the description criteria and that controls were not suitably designed or did not operate effectively.
- performing procedures to obtain evidence about whether the description is presented in accordance with the description criteria.
- performing procedures to obtain evidence about whether controls stated in the description were suitably designed to provide reasonable assurance that the service organization achieved its service commitments and system requirements based on the applicable trust services criteria.
- testing the operating effectiveness of controls stated in the description to provide reasonable assurance that the service organization achieved its service commitments and system requirements based on the applicable trust services criteria.
- evaluating the overall presentation of the description.

Our examination also included performing such other procedures as we considered necessary in the circumstances.

Inherent Limitations

The description is prepared to meet the common needs of a broad range of report users and may not, therefore, include every aspect of the system that individual report users may consider important to meet their informational needs. There are inherent limitations in any system of internal control, including the possibility of human error and the circumvention of controls. Because of their nature, controls may not always operate effectively to provide reasonable assurance that the service organization's service commitments and system requirements are achieved based on the applicable trust services criteria. Also, the projection to the future of any conclusions about the suitability of the design or operating effectiveness of controls is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Emphasis of Matter – Controls Did Not Operate During the Period Covered by the Report

The Service Organization's description of its system discusses its controls around changes to the service being authorized, formally documented, tested, reviewed, and approved before being implemented in the production environment. However, during the period from October 15, 2024, to January 14, 2025, the Service Organization had no code, system or infrastructure changes that would warrant the operation of the controls stated above. Because these controls did not operate during the period, we were unable to test, and did not test, the operating effectiveness of those controls as evaluated using the following trust services criteria:

- CC8.1, *The entity authorizes, designs, develops or acquires, configures, documents, tests, approves, and implements changes to infrastructure, data, software, and procedures to meet its objectives.*

Our opinion is not modified with respect to the matter emphasized.

Description of Test of Controls

The specific controls we tested, and the nature, timing, and results of those tests are listed in Section 4.

Opinion

In our opinion, in all material respects,

- The description presents Inspire Outsource's Accounting Staffing Solutions that was designed and implemented throughout the period October 15, 2024, to January 14, 2025, in accordance with the description criteria.
- The controls stated in the description were suitably designed throughout the period October 15, 2024, to January 14, 2025, to provide reasonable assurance that Inspire Outsource's service commitments and system requirements would be achieved based on the applicable trust services criteria if its controls operated effectively throughout that period and if the subservice organization and user entities applied the complementary controls assumed in the design of Inspire Outsource's controls throughout that period.
- The controls stated in the description operated effectively throughout the period October 15, 2024, to January 14, 2025, to provide reasonable assurance that Inspire Outsource's

service commitments and system requirements were achieved based on the applicable trust services criteria if complementary subservice organization controls and user entity controls assumed in the design of Inspire Outsource's controls operated effectively throughout that period.

Restricted Use

This report is intended solely for the information and use of Inspire Outsource, user entities of Inspire Outsource's Accounting Staffing Solutions throughout the period October 15, 2024, to January 14, 2025, and business partners of Inspire Outsource subject to risks arising from interactions with the Accounting Staffing Solutions, practitioners providing services to such user entities and business partners, prospective user entities and business partners, and regulators who have sufficient knowledge and understanding of the following:

- The nature of the service provided by the service organization.
- How the service organization's system interacts with user entities, business partners, and other parties.
- Internal control and its limitations.
- Complementary user entity controls and complementary subservice organization controls and how those controls interact with the controls at the service organization to achieve the service organization's service commitments and system requirements.
- User entity responsibilities and how they may affect the user entity's ability to effectively use the service organization's services.
- The applicable trust services criteria.
- The risks that may threaten the achievement of the service organization's service commitments and system requirements and how controls address those risks.

This report is not intended to be, and should not be, used by anyone other than the specified parties.

Insight Assurance LLC

Tampa, Florida
April 16, 2025

SECTION 2: INSPIRE OUTSOURCE SOLUTIONS LLC'S MANAGEMENT ASSERTION

INSPIRE OUTSOURCE SOLUTIONS LLC'S MANAGEMENT ASSERTION

We have prepared the description of Inspire Outsource Solutions LLC's ("Inspire Outsource" or "the Service Organization") Accounting Staffing Solutions entitled "Inspire Outsource Solutions LLC's description of its Accounting Staffing Solutions" throughout the period October 15, 2024, to January 14, 2025 ("description") based on the criteria for a description of a service organization's system set forth in DC section 200, *2018 Description Criteria for a Description of a Service Organization's System in a SOC 2® Report (With Revised Implementation Guidance—2022)* in AICPA, *Description Criteria*, (description criteria) The description is intended to provide report users with information about the Accounting Staffing Solutions that may be useful when assessing the risks arising from interactions with Inspire Outsource's system, particularly information about system controls that Inspire Outsource has designed, implemented, and operated to provide reasonable assurance that its service commitments and system requirements were achieved based on the trust services criteria relevant to Security (applicable trust services criteria) set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (With Revised Points of Focus—2022)* in AICPA*, Trust Services Criteria.*

Inspire Outsource uses Microsoft to provide hosting services. The description indicates that complementary subservice organization controls that are suitably designed and operating effectively are necessary, along with controls at Inspire Outsource, to achieve Inspire Outsource's service commitments and system requirements based on the applicable trust services criteria. The description presents Inspire Outsource's controls, the applicable trust services criteria and the types of complementary subservice organization controls assumed in the design of Inspire Outsource's controls. The description does not disclose the actual controls at the subservice organization.

The description indicates that complementary user entity controls that are suitably designed and operating effectively are necessary, along with controls at Inspire Outsource, to achieve Inspire Outsource's service commitments and system requirements based on the applicable trust services criteria. The description presents the subservice organization controls, the applicable trust services criteria, and the complementary user entity controls assumed in the design of Inspire Outsource's controls.

We confirm, to the best of our knowledge and belief, that-

- the description presents Inspire Outsource's Accounting Staffing Solutions that was designed and implemented throughout the period October 15, 2024, to January 14, 2025, in accordance with the description criteria.
- the controls stated in the description were suitably designed throughout the period October 15, 2024, to January 14, 2025, to provide reasonable assurance that Inspire Outsource's service commitments and system requirements would be achieved based on the applicable trust services criteria, and if the subservice organization and user entities applied the complementary controls assumed in the design of Inspire Outsource's controls.

- the controls stated in the description operated effectively throughout the period October 15, 2024, to January 14, 2025, to provide reasonable assurance that Inspire Outsource's service commitments and system requirements were achieved based on the applicable trust services criteria if complementary subservice organization controls and complementary user entity controls assumed in the design of Inspire Outsource's controls operated effectively throughout that period.

Inspire Outsource Solutions LLC
April 16, 2025

SECTION 3: INSPIRE OUTSOURCE SOLUTIONS LLC'S DESCRIPTION OF ITS ACCOUNTING STAFFING SOLUTIONS

INSPIRE OUTSOURCE SOLUTIONS LLC'S DESCRIPTION OF ITS ACCOUNTING STAFFING SOLUTIONS

COMPANY BACKGROUND

Inspire Outsource Solutions LLC ("Inspire" or "Inspire Outsource") is a privately held company established in November 2023 offering Staffing Solutions for US Accounting Firms. Inspire Outsource is an LLC headquartered in Austin, Texas, United States of America with its branch office located in Ortigas, Metro Manila, Philippines.

DESCRIPTION OF SERVICES OVERVIEW OR SERVICES PROVIDED

Inspire Outsource was born from the collective vision of industry veterans Edward Hoynes and Ron Jarlath Asiatico aimed to establish unparalleled accounting staffing solutions for US Accounting firms.

Milestones and Approach:

As Inspire Outsource embarks on its journey, the focus remains on excellence. Inspire Outsource meticulously curate our team, adhering to a stringent process, ensuring that only the top 1% of professionals join our ranks. Our commitment is unwavering—to deliver exceptional expertise and service quality.

Cross-Cultural Expertise:

Operating seamlessly across time zones and cultural nuances between the US and the Philippines, Inspire Outsource leverages this diversity to provide comprehensive support. Our team comprises US-certified accountants and top talents from the Philippines, chosen through a rigorous selection process.

Mission:

Our mission is to provide accounting outsourcing services with a team of the best-trained professionals who communicate effectively in English. Inspire Outsource create a supportive work environment that helps our employees succeed through ongoing training, ensuring excellent service and satisfied clients.

Vision:

Our vision is to be the top choice for accounting outsourcing, recognized for our commitment to quality and exceptional talent. Inspire Outsource aim to develop the best accountants who can communicate clearly in English through strong training programs, ensuring high employee satisfaction and delivering outstanding value to our clients.

PRINCIPAL SERVICE COMITMENTS AND SYSTEM REQUIREMENTS

Inspire Outsource designs its processes and procedures related to the system to meet its objectives. Those objectives are based on the service commitments that Inspire Outsource makes to user entities, the laws, and regulations that govern the provision of the services, and the financial, operational, and compliance requirements that Inspire Outsource has established for the services. The system services are subject to Security commitments established internally for its services. Commitments to user entities are documented and communicated in Service Level

Agreements (SLAs) and other customer agreements, as well as in the description of the service offering that is provided online.

Security Commitments

Security commitments include, but are not limited to, the following:

- System features and configuration settings are designed to authorize user access while restricting unauthorized users from accessing information not needed for their role.
- Use of intrusion detection systems to prevent and identify potential security attacks from users outside the boundaries of the system.
- Quarterly vulnerability scans over the system and network over the production environment.
- Operational procedures for managing security incidents and breaches, including notification procedures.
- Use of encryption technologies to protect confidential data.
- Use of data retention and data disposal.

COMPONENTS OF THE SYSTEM USED TO PROVIDE THE SERVICES

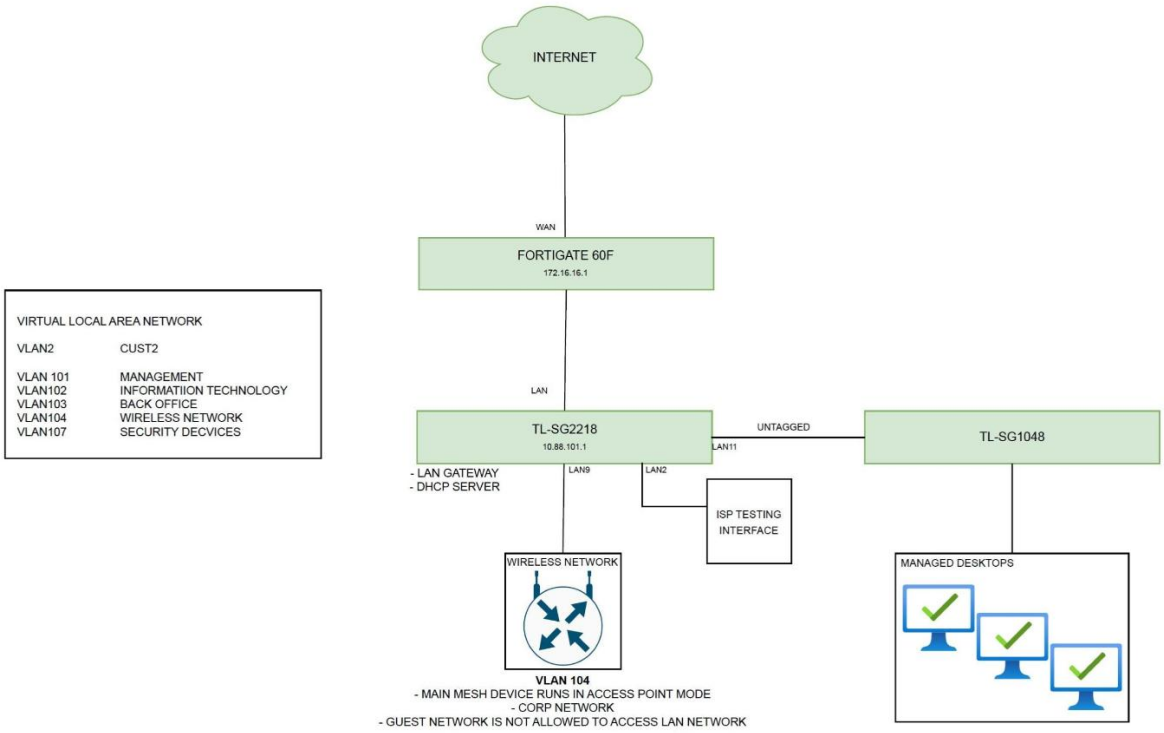
The System description is comprised of the following components:

- **Infrastructure –** The collection of physical or virtual resources that supports an overall IT environment, including the physical environment and related structures, IT, and hardware (for example, facilities, servers, storage, environmental monitoring equipment, data storage devices and media, mobile devices, and internal networks and connected external telecommunications networks) that the service organization used to provide the services.
- **Software –** The application programs and IT system software that supports application programs (operating systems, middleware, and utilities), the types of databases used, the nature of external facing web applications, and the nature of applications developed in-house, including details about whether the applications in use are mobile applications or desktop or laptop applications.
- **People –** The personnel involved in the governance, operation, security, and use of a system (business unit personnel, developers, operators, user entity personnel, vendor personnel, and managers).
- **Data –** The types of data used by the system, such as transaction streams, files, databases, tables, and output used or processed by the system.
- **Procedures –** The automated and manual procedures related to the services provided, including, as appropriate, procedures by which service activities are initiated, authorized, performed, and delivered, and reports and other information prepared.

INFRASTRUCTURE

Inspire Outsource maintains a system inventory that includes computers (desktops and laptops) and networking devices (switches and routers). The inventory documents device name, device type, vendor function, OS, location, and notes. The in-scope infrastructure components are shown in the table below. To outline the topology of its network, the organization maintains the following network diagram.

NETWORK DIAGRAM



Primary Infrastructure		
Asset	**Type**	**Purpose**
Fortinet FortiGate 60f	Firewall	Provides comprehensive network security by enabling network security and threat protection, and traffic filtering and access control.
TL-SG2218	Network Switch	Enables network traffic management and segmentation.
TL-SG1048	Network Switch	Enables network traffic management and segmentation.

SOFTWARE

Inspire Outsource is responsible for managing the development and operation of the system. The software supporting the system consists of the applications, programs, and other software components used to build, secure, maintain, and monitor the system. The list of software is shown in the table below.

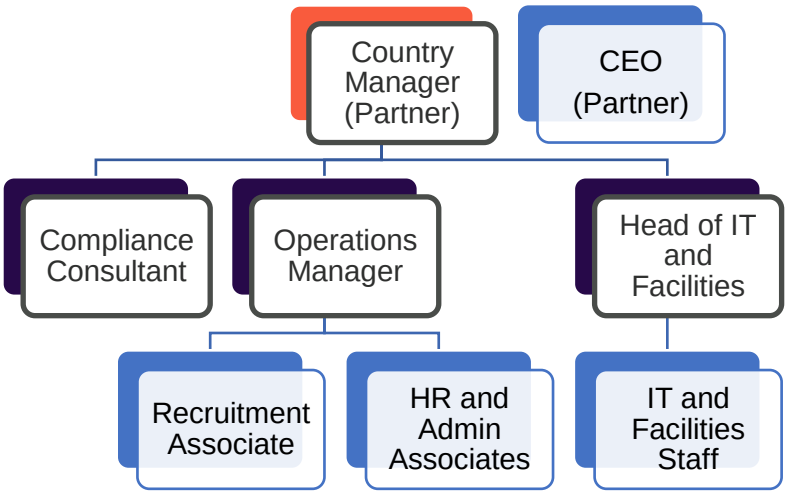
Primary Software		
System/Application	**Operating System**	**Purpose**
Microsoft Entra ID	SaaS	Allows relevant employees to access and manage cloud services and resources provided by Microsoft.
Desk365	SaaS	Cloud-based modern helpdesk for the Microsoft 365 workplace.
Microsoft Teams	SaaS	Workspace for real-time collaboration and communication, meetings, file and app sharing.
Microsoft Outlook	SaaS	Allows users to send and receive email messages, manage their calendar, store names and numbers of their contacts, and track their tasks.

Third party Software	
Software	**Function**
Odoo	Integrate systems and services, automate business processes, and ensure that data is shared securely between different groups. Website service provider.

PEOPLE

The company employs dedicated team members to handle major product functions, including operations that directly support the system. The responsibilities of each group are detailed in the following table.

Inspire Outsource's corporate structure includes the following roles:



Chief Executive Officer (CEO) – Handles the strategic direction of the organization. Oversee financial performance and risk management. The CEO assigns authority and responsibility to key management personnel with the skills and experience necessary to carry out their assignments.

Country Manager – Executes the strategic plan. Manages day-to-day operations of the company. Ensure company policies align with corporate objectives.

Head of IT and Facilities – Responsible for the technological direction and advancements of the organization. Directs the operations, engineering, and support teams to efficiently create/present new services, maintain existing ones, and help support the Inspire Outsource customer based using the service.

IT and Facilities Staff – Assists employees with technical issues, install and configure IT equipment, manage facilities and equipment upkeep, and ensure information security protocols are followed.

Operations Manager – This role is responsible for overseeing daily business operations, ensuring efficiency, and maintaining strong client relationships. Acts as the main point of contact for issue resolution, feedback, and business updates.

Recruitment Associate – Plays a key role in supporting the hiring process by sourcing, screening, and coordinating candidates to ensure a smooth and efficient recruitment experience.

HR and Admin Associates – They assist with recruitment, onboarding, payroll, and benefits administration, while maintaining employee records.

Compliance Consultant – Helps ensure that the organization adheres to industry regulations, legal requirements, and internal policies. The Compliance Consultant helps Inspire Outsource mitigate its risks, improve compliance processes, and provide expert guidance on compliance matters.

DATA

Customer data is managed and processed in accordance with the relevant data protection and other regulations, with specific requirements formally established in customer agreements. Inspire Outsource does not store any customer data within its environment.

All employees and contractors of the company are obligated to respect and, in all cases, to protect customer data. Additionally, Inspire Outsource has policies and procedures in place for proper and secure handling of customer data. These policies and procedures are reviewed on at least an annual basis.

Data is classified into four major categories as outlined in the Data Management Policy:

Data		
Category	**Description**	**Examples**
Public	Public information is not confidential and can be made public without any implications.	• Press releases • Public website

Data		
Category	**Description**	**Examples**
Internal	Access to internal information is approved by management and is protected from external access.	• Internal memos • Design documents • Product specifications • Correspondences
Customer data	Information received from customers for processing. The company must uphold the highest possible levels of integrity, confidentiality, and restricted availability for this information.	• Customer operating data • Customer PII • Customers' customers' PII • Anything subject to a confidentiality agreement with a customer
Company data	Information collected and used by the company to operate the business. The company must uphold the highest possible levels of integrity, confidentiality, and restricted availability for this information.	• Legal documents • Contractual agreements • Employee PII • Employee salaries

PROCESSES AND PROCEDURES

Management has developed and communicated policies and procedures involved in the operation of the system. These procedures are developed in alignment with the overall information security policy and are reviewed, updated, and approved as necessary for changes in the business at least annually. The following provides a summary of Inspire Outsource's policies and procedures that comprise internal control for the system.

Physical Security

Inspire Outsource's production servers are maintained by Microsoft. Physical and environmental security protections are the responsibility of Inspire Outsource. Inspire Outsource reviews the attestation reports and performs a risk analysis of Microsoft on at least an annual basis.

Logical Access

Inspire Outsource provides employees and contractors access to infrastructure via a role-based access control system, to ensure uniform, least privileged access to identified users and to maintain simple user provisioning and deprovisioning processes.

Access to these systems is split into three levels: Administrator, User, and No Access. User access and roles are reviewed on a quarterly basis to ensure the least privileged access.

The IT team is responsible for providing access to the system based on the employee's role, while the HR and Admin team is responsible in performing a background check. The employee is responsible for reviewing Inspire Outsource's policies and completing the security training.

When an employee is terminated, the IT and Facilities team is responsible for deprovisioning access to all in-scope systems within 24 – 48 working hours from the time of employee's separation.

Change Management

Inspire Outsource maintains documented policies and procedures to guide personnel in documenting and implementing application and infrastructure changes. Change control procedures include change request and initiation processes, documentation requirements, development practices, quality assurance testing requirements, and required approval procedures.

A ticketing system is utilized to document the change control procedures for changes in the application and implementation of new changes. Testing of changes is performed in an environment that is logically separated from the production environment. Change Control Board approves changes prior to migration to the production environment and documents those approvals within the ticketing system.

Patch Management

Software patches and updates are applied to systems in a timely manner. Infrastructure supporting the services provided is patched as a part of the change management process to help ensure that servers supporting the service are hardened against security threats. Routine updates are applied after thorough testing. In the case of updates to correct known vulnerabilities, priority will be given to testing to speed the time to production. Critical security patches are applied within thirty (30) days from identification and non-critical security patches are applied one hundred twenty (120) days after identification.

Backups and Recovery

OneDrive and SharePoint serve as the primary repository of internal data. As part of Microsoft 365, they include built-in backup and recovery features to protect backed up data.

Computer Operations

Inspire Outsource maintains an incident response plan to guide employees on reporting and responding to any information security or data privacy events or incidents. Procedures are in place for identifying, reporting, and acting upon breaches or other incidents.

Inspire Outsource internally monitors all applications, including its network devices, to ensure that service delivery matches SLA requirements.

Problem Management

Inspire Outsource maintains an Incident Response Plan that describes the process for identifying and addressing potential security incidents. The policy details exactly what must occur if an incident is suspected and covers both electronic and physical security incidents. Plans for detecting, responding to, and recovering from incidents are included in the policy, and post-incident activity requirements are defined. To ensure responsible employees are prepared to respond to incidents, the organization provides formal security breach training.

Inspire Outsource provides dedicated email channels for clients to report potential security breaches, along with a designated phone number for the same purpose. Internal users are required to report incidents through email, ensuring proper documentation and tracking.

Data Communications

Inspire Outsource has elected to use FortiGate appliance-as-a-service (AaaS) to run its production infrastructure in part to avoid the complexity of network monitoring, configuration, and operations.

The AaaS simplifies the company's logical network configuration by providing an effective firewall around all the Inspire Outsource application containers, with only ingress from the network via HTTPS connections to designated web frontend endpoints.

System Monitoring

The Vulnerability Management Policy describes the organization's policies and procedures related to network logging and monitoring as well as vulnerability identification and remediation. The organization uses Microsoft 365 for system logging within the M365 environment, and the organization collects logs from all its endpoint devices and firewall. The organization monitors its bandwidth usage using FortiGate.

Microsoft Defender is used for threat detection purposes.

The vulnerability assessment process involves running Microsoft Defender Vulnerability Management, implementation of antivirus software, and system patching. The organization uses Microsoft Defender anti-malware and has configured the software to run updates daily and prohibit end-users from disabling or altering the software. Alerts are sent immediately when a potential virus is detected, and logs are generated and retained for at least one year with at least three months readily available. Microsoft Defender Vulnerability Management is used to identify newly emerging vulnerabilities, and the organization monitors vendors, for patch updates to correct vulnerabilities.

Vendor Management

The organization maintains a Vendor Management Policy that includes requirements for interacting with vendors/service providers. The policy includes requirements for performing due diligence measures prior to engaging with a new provider. Due diligence procedures include evaluating each material IT vendors' cost-effectiveness, functionality/services, risk, financial viability, compliance, and performance. The organization is required to define service levels when negotiating an arrangement with a new vendor or re-negotiating an existing arrangement, and all service levels are agreed upon and documented clearly. The organization monitors its providers' service levels to ensure each provider is providing the agreed-upon services and is compliant with all requirements. The organization executes non-disclosure agreements with third parties before any information is shared.

Boundaries of the System

The scope of this report includes the Inspire's software, people, procedures, and infrastructure system performed in its facilities in the Philippines.

This report does not include the software, procedures, and infrastructure provided by Microsoft with multiple facilities.

RELEVANT ASPECTS OF THE CONTROL ENVIRONMENT, RISK ASSESSMENT PROCESS, CONTROL ACTIVITIES, INFORMATION AND COMMUNICATION, AND MONITORING

CONTROL ENVIRONMENT

The control environment is the set of standards, processes, and structures that provide the basis for carrying out internal control across an organization. The organizational structure, separation of job responsibilities by departments and business function, documentation of policies and procedures, and internal audits are the methods used to define, implement and ensure effective operational controls. The Board of Directors and/or senior management establish the tone at the top regarding the importance of internal control and expected standards of conduct.

Integrity and Ethical Values

The effectiveness of controls cannot rise above the integrity and ethical values of the people who create, administer, and monitor them. Integrity and ethical values are essential elements of Inspire Outsource's control environment, affecting the design, administration, and monitoring of other components. Integrity and ethical behavior are the product of Inspire Outsource's ethical and behavioral standards, how they are communicated, and how they are reinforced in practices. They include management's actions to remove or reduce incentives and temptations that might prompt personnel to engage in dishonest, illegal, or unethical acts. They also include the communication of entity values and behavioral standards to personnel through policy.

Specific control activities that the service organization has implemented in this area are described below:

- Formally, documented organizational policy statements and codes of conduct communicate entity values and behavioral standards to personnel.
- Policies and procedures require employees to sign an acknowledgment form indicating they have been given access to the employee manual and understand their responsibility for adhering to the policies and procedures contained within the manual.
- A confidentiality statement agreeing not to disclose proprietary or confidential information, including client information, to unauthorized parties, is a component of the employee handbook.
- Background checks are performed for employees as a component of the hiring process.

Management Philosophy and Operating Style

The Inspire Outsource management team must balance two competing interests: continuing to grow and develop in a cutting-edge, rapidly changing technology space while remaining excellent and conservative stewards of the highly sensitive data and workflows our customers entrust to us.

The management team frequently meets to be briefed on technology changes that impact the way Inspire Outsource can help customers build data workflows, as well as new security technologies that can help protect those workflows, and finally any regulatory changes that may require Inspire Outsource to alter its software to maintain legal compliance. Major planned

changes to the business are also reviewed by the management team to ensure they can be conducted in a way that is compatible with our core product offerings and duties to new and existing customers.

Specific control activities that the service organization has implemented in this area are described below:

- Management is periodically briefed on regulatory and industry changes affecting the services provided.
- Executive management meetings are held to discuss major initiatives and issues that affect the business.

Commitment to Competence

Inspire Outsource's management defines competence as the knowledge and skills necessary to accomplish tasks that define employees' roles and responsibilities. Management's commitment to competence includes management's consideration of the competence levels for jobs and how those levels translate into the requisite skills and knowledge.

Specific control activities that the service organization has implemented in this area are described below:

- Management has considered the competence levels for particular jobs and translated
- required skills and knowledge levels into written position requirements.
- Training is provided to maintain the skill level of personnel in certain positions.

Organizational Structure and Assignment of Authority and Responsibilities

Inspire Outsource's organizational structure provides the framework within which its activities for achieving entity-wide objectives are planned, executed, controlled, and monitored. Management believes establishing a relevant organizational structure includes considering key areas of authority and responsibility. An organizational structure has been developed to suit its needs. This organizational structure is based, in part, on its size and the nature of its activities.

Inspire Outsource's assignment of authority and responsibility activities includes factors such as how authority and responsibility for operating activities are assigned and how reporting relationships and authorization hierarchies are established. It also includes policies relating to appropriate business practices, knowledge, and experience of key personnel, and resources provided for carrying out duties. In addition, it includes policies and communications directed at ensuring personnel understand the entity's objectives, know how their actions interrelate and contribute to those objectives, and recognize how and for what they will be held accountable.

Specific control activities that the service organization has implemented in this area are described below:

- Organizational charts are in place to communicate key areas of authority and responsibility.
- Organizational charts are communicated to employees and updated as needed.

Human Resources Policies and Procedures

Inspire Outsource has formal hiring procedures that are designed to ensure that new team members can meet or exceed the job requirements and responsibilities. All candidates go through interviews and assessments of their education, professional experience, and certifications. Background checks are performed for all newly hired employees and include a review of their education and criminal records.

During the onboarding process, the new employees review the Employee Handbook, Code of Conduct, and any other relevant policies and procedures relevant to their role. Newly hired employees are required to sign an acknowledgment of receipt and understanding of the Employee Handbook and Code of Conduct. These policies and procedures are also available to employees through the internal policies repository. Security awareness training is also completed at least annually by all employees, which includes the areas of security and confidentiality to communicate the security implications around their roles and how their actions could affect the organization.

Ongoing performance feedback is provided to all employees and contractors. Formal performance reviews are completed annually by management to discuss expectations, goals, and the employees' performance for the last fiscal year.

RISK ASSESSMENT PROCESS

Inspire Outsource's risk assessment process identifies and manages risks that could potentially affect Inspire Outsource's ability to provide reliable and secure services to our customers. As part of this process, Inspire Outsource maintains a risk register to track all systems and procedures that could present risks to meeting the company's objectives. Risks are evaluated by likelihood and impact, and management creates tasks to address risks that score highly on both dimensions. The risk register is reevaluated annually, and tasks are incorporated into the regular Inspire Outsource product development process so they can be dealt with predictably and iteratively.

Integration with Risk Assessment

The environment in which the system operates; the commitments, agreements, and responsibilities of Inspire Outsource's system; as well as the nature of the components of the system result in risks that the criteria will not be met. Inspire Outsource addresses these risks through the implementation of suitably designed controls to provide reasonable assurance that the criteria are met. Because each system and the environment in which it operates are unique, the combination of risks to meet the criteria and the controls necessary to address the risks will be unique. As part of the design and operation of the system, Inspire Outsource's management identifies the specific risks that the criteria will not be met and the controls necessary to address those risks.

CONTROL ACTIVITIES

Control activities are the actions established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are executed. Control activities are performed at all levels of the organization and various stages within business processes, and over the technology environment.

INFORMATION AND COMMUNICATION SYSTEMS

Inspire Outsource has an information security policy to help ensure that employees understand their roles and responsibilities concerning processing and controls to ensure significant events are communicated in a timely manner. These include formal and informal training programs and the use of email to communicate time-sensitive information and processes for security, confidentiality, and availability purposes that notify the key personnel in the event of problems.

Additional communication methods include department meetings to communicate company policies, procedures, industry or business issues, or other topics management deems key to the achievement of the organization's objectives. Communication is encouraged at all levels to promote the operating efficiency of Inspire Outsource.

Inspire Outsource also updates their website on an ongoing basis to inform clients and other external parties of company and industry-related issues that could affect their services and what steps the company is taking to reduce or avoid the impact to their operations. The organization's security commitments regarding the Accounting Staffing Solutions services system is included in the services agreement.

MONITORING CONTROLS

Management monitors controls to ensure that they are operating as intended and that controls are modified as conditions change. Inspire Outsource's management performs monitoring activities to continuously assess the quality of internal control over time. Necessary corrective actions are taken as required to correct deviations from company policies and procedures. Employee activity and adherence to company policies and procedures are also monitored. This process is accomplished through ongoing monitoring activities, separate evaluations, or a combination of the two.

Ongoing Monitoring

Inspire Outsource's management conducts quality assurance monitoring on a regular basis and additional training is provided based upon results of monitoring procedures. Monitoring activities are used to initiate corrective action through department meetings, internal conference calls, and informal notifications.

Management's close involvement in Inspire Outsource's operations helps to identify significant variances from expectations regarding internal controls. Upper management evaluates the facts and circumstances related to any suspected control breakdown. A decision to address any control's weakness is made based on whether the incident was isolated or requires a change in the company's procedures or personnel. The goal of this process is to ensure legal compliance and to maximize the performance of Inspire Outsource's personnel.

Monitoring of the Subservice Organization

Inspire Outsource uses a subservice organization to provide hosting services.

The management of Inspire Outsource receives and reviews the SOC 2 report of the subservice organization on an annual basis. In addition, through its daily operational activities, the management of Inspire Outsource monitors the services performed by the subservice

organization to ensure that operations and controls expected to be implemented at the subservice organization are functioning effectively.

Reporting Deficiencies

Our internal risk management tracking tool is utilized to document and track the results of ongoing monitoring procedures. Escalation procedures are maintained for responding and notifying management of any identified risks, and instructions for escalation are supplied to employees in company policy documents. Risks receiving a high rating are responded to immediately. Corrective actions, if necessary, are documented and tracked within the internal tracking tool.

Annual risk meetings are held for management to review reported deficiencies and corrective actions.

CHANGES TO THE SYSTEM DURING THE PERIOD

No significant changes have occurred to the services provided to user entities during the examination period.

SYSTEM INCIDENTS DURING THE PERIOD

No significant incidents have occurred to the services provided to user entities during the examination period.

COMPLEMENTARY SUBSERVICE ORGANIZATION CONTROLS (CSOCs)

Inspire Outsource's controls related to the System cover only a portion of overall internal control for each user entity of Inspire Outsource. It is not feasible for the trust services criteria related to the System to be achieved solely by Inspire Outsource. Therefore, each user entity's internal controls should be evaluated in conjunction with Inspire Outsource's controls and the related tests and results described in Section 4 of this report, considering the related complementary subservice organization controls expected to be implemented at the subservice organization as described below.

#	Complementary Subservice Organization Controls (CSOC)	Related Criteria
1	Microsoft is responsible for maintaining physical security and environmental protection controls over the data centers hosting the company's infrastructure.	CC6.4
2	Microsoft is responsible for the destruction of physical assets hosting the production environment.	CC6.5

COMPLEMENTARY USER ENTITY CONTROLS (CUECs)

Inspire Outsource, along with the service provider, define the scope and responsibility of the controls necessary to meet all the relevant trust services criteria through written contracts, such as Service Level Agreements. In addition, Inspire Outsource performs monitoring of the subservice organization controls, including the following procedures:

- Reconciling and reviewing output reports
- Reviewing attestation reports on services provided by the vendor

- Monitoring external communications, such as customer complaints relevant to the services by the subservice organization.

TRUST SERVICES CATEGORY, CRITERIA, AND RELATED CONTROLS

The Security category and applicable trust services criteria were used to evaluate the suitability of the design of controls stated in the description. The criteria and controls designed, implemented, and operated to meet them ensure that information, systems, and access (physical and logical) are protected against unauthorized access, and systems are available for operation and use. The controls supporting the applicable trust services criteria are included in Section 4 of this report and are an integral part of the description of the system.

For specific criteria, which were deemed not relevant to the system, see Section 4 for the related explanation.

SECTION 4: TRUST SERVICES CATEGORY, CRITERIA, RELATED CONTROLS AND TESTS OF CONTROLS

Trust Services Category, Criteria, Related Controls, and Tests of Controls

This SOC 2 Type 2 report was prepared in accordance with the AICPA attestation standards and has been performed to examine the suitability of the design and operating effectiveness of controls to meet the criteria for the Security category set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy* (*With Revised Points of Focus—2022)* in AICPA*, Trust Services Criteria* throughout the period October 15, 2024, to January 14, 2025.

The applicable trust services criteria and related controls specified by Inspire Outsource are presented in Section 4 of this report.

Test procedures performed in connection with determining the operating effectiveness of controls detailed here in Section 4 are described below:

- Inquiries – Inquiry of appropriate personnel and corroboration with management.
- Observation – Observation of the application, performance, or existence of the control.
- Inspection – Inspection of documents and reports indicating the performance of the control.
- Reperformance – Reperformance of the control.

Footnotes for Test Results When No Tests of Operating Effectiveness Were Performed

1. The circumstances that warranted the operation of the control did not occur during the examination period; therefore, no tests of operating effectiveness were performed.
2. The operation of the periodic control was performed prior to the examination period; therefore, no tests of operating effectiveness were performed.

CONTROL ACTIVITIES SPECIFIED BY THE SERVICE ORGANIZATION

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.1 – COSO Principle 1: The entity demonstrates a commitment to integrity and ethical values.			
CC1.1.1	The company has an approved Code of Conduct that is reviewed annually and updated as needed. Sanction policies are documented within the information security policies and procedures.	Inspected the company's Code of Conduct to determine that the company had an approved Code of Conduct that is reviewed annually and updated as needed.	No exceptions noted.
		Inspected the company's information security policies and procedures to determine that sanction policies were documented within the information security policies and procedures.	No exceptions noted.
CC1.1.2	The company requires new employees and contractors to review and acknowledge the Code of Conduct at the time of hire and active employees and contractors to acknowledge the Code of Conduct at least annually.	Inspected the Code of Conduct acknowledgment for a sample of new employees to determine that the Code of Conduct was acknowledged at the time of hire.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
		Per inquiry with management and inspection of Code of Conduct acknowledgements for a sample of active employees and contractors, the Code of Conduct acknowledgment occurred in August 2024; therefore, no testing was performed.	No testing performed.[2]

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.1.3	The company requires new employees and contractors to review and acknowledge the information security policies at the time of hire and active employees and contractors to acknowledge the information security policies at least annually.	Inspected the information security policies acknowledgment for a sample of new employees to determine that the information security policies were acknowledged at the time of hire.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
		Inspected the information security policies acknowledgment for a sample of active employees and contractors to determine that the information security policies were acknowledged at least annually.	No exceptions noted.
CC1.1.4	The company's managers are required to complete performance evaluations for direct reports at least annually.	Inspected the completed performance evaluation for a sample of employees and contractors to determine that the company's managers were required to complete performance evaluations for direct reports annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.1.5	The company performs background checks on new employees and contractors.	Inspected the completed background check for a sample of new employees to determine whether the company performed background checks on new employees.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
CC1.1.6	Employees and contractors are required to review and acknowledge the confidentiality agreement at the time of hire.	Inspected the signed confidentiality agreements for a sample of new employees to determine that employees were required to review and acknowledge the confidentiality agreement at the time of hire.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
CC1.2 – COSO Principle 2: The board of directors demonstrates independence from management and exercises oversight of the development and performance of internal control.			
Inspire Outsource does not have an independent board of directors; therefore, this criterion is not applicable.			

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.3 – COSO Principle 3: Management establishes, with board oversight, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.			
CC1.3.1	The company maintains an organizational chart that describes the organizational structure and reporting lines.	Inspected the company's organizational chart to determine that the company maintained an organizational chart that described the organizational structure and reporting lines.	No exceptions noted.
CC1.3.2	Roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls are formally assigned in job descriptions within the Information Security Roles and Responsibilities Policy.	Inspected the company's Information Security Roles and Responsibilities Policy to determine roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls were formally assigned in the Information Security Roles and Responsibilities Policy.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.3.3	The company requires employees and contractors to review and acknowledge the information security policies at the time of hire and active employees and contractors to acknowledge the information security policies at least annually.	Inspected the information security policies acknowledgment for a sample of new employees to determine that the information security policies were acknowledged at the time of hire.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
		Inspected the information security policies acknowledgment for a sample of active employees and contractors to determine that the information security policies were acknowledged at least annually.	No exceptions noted.
CC1.4 – COSO Principle 4: The entity demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives.			
CC1.4.1	The company performs background checks on new employees and contractors.	Inspected the completed background check for a sample of new employees to determine whether the company performed background checks on new employees.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.4.2	The company's managers are required to complete performance evaluations for direct reports at least annually.	Inspected the completed performance evaluation for a sample of employees and contractors to determine that the company's managers were required to complete performance evaluations for direct reports annually.	No exceptions noted.
CC1.4.3	Roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls are formally assigned in job descriptions within the Information Security Roles and Responsibilities Policy.	Inspected the company's Information Security Roles and Responsibilities Policy to determine roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls were formally assigned in the Information Security Roles and Responsibilities Policy.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.4.4	The company requires new employees and contractors to complete security awareness training at the time of hire and active employees and contractors to complete security training at least annually.	Inspected the security awareness training topics to determine that the security awareness training covered areas to educate personnel on information security topics and the latest trends to protect sensitive data.	No exceptions noted.
		Inspected the training records for a sample of new employees to determine that the company required employees to complete security awareness training at the time of hire.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
		Inspected the training records for a sample of active employees and contractors to determine that the company required active employees and contractors to complete security awareness training annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.5 – COSO Principle 5: The entity holds individuals accountable for their internal control responsibilities in the pursuit of objectives.			
CC1.5.1	The company has an approved Code of Conduct that is reviewed annually and updated as needed. Sanction policies are documented within the information security policies and procedures.	Inspected the company's Code of Conduct to determine that the company had an approved Code of Conduct that is reviewed annually and updated as needed.	No exceptions noted.
		Inspected the company's information security policies and procedures to determine that sanction policies were documented within the information security policies and procedures.	No exceptions noted.
CC1.5.2	The company requires new employees and contractors to review and acknowledge the Code of Conduct at the time of hire and active employees and contractors to acknowledge the Code of Conduct at least annually.	Inspected the Code of Conduct acknowledgment for a sample of new employees to determine that the Code of Conduct was acknowledged at the time of hire.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
		Per inquiry with management and inspection of Code of Conduct acknowledgements for a sample of active employees and contractors, the Code of Conduct acknowledgment occurred in August 2024; therefore, no testing was performed.	No testing performed.[2]

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.5.3	The company's managers are required to complete performance evaluations for direct reports at least annually.	Inspected the completed performance evaluation for a sample of employees and contractors to determine that the company's managers were required to complete performance evaluations for direct reports annually.	No exceptions noted.
CC1.5.4	Roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls are formally assigned in job descriptions within the Information Security Roles and Responsibilities Policy.	Inspected the company's Information Security Roles and Responsibilities Policy to determine roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls were formally assigned in the Information Security Roles and Responsibilities Policy.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ENVIRONMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC1.5.5	The company requires new employees and contractors to complete security awareness training at the time of hire and active employees and contractors to complete security training at least annually.	Inspected the security awareness training topics to determine that the security awareness training covered areas to educate personnel on information security topics and the latest trends to protect sensitive data.	No exceptions noted.
		Inspected the training records for a sample of new employees to determine that the company required employees to complete security awareness training at the time of hire.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
		Inspected the training records for a sample of active employees and contractors to determine that the company required active employees and contractors to complete security awareness training annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
INFORMATION AND COMMUNICATION			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC2.1 – COSO Principle 13: The entity obtains or generates and uses relevant, quality information to support the functioning of internal control.			
CC2.1.1	The company's information security policies and procedures are documented and reviewed at least annually.	Inspected the company's information security policies and procedures to determine that the company's information security policies and procedures were documented and reviewed annually.	No exceptions noted.
CC2.1.2	The company performs control self-assessments at least quarterly to gain assurance that controls are in place and operating effectively. Corrective actions are taken based on relevant findings.	Inspected the company's Quarterly ISMS Compliance Checklist to determine that control self-assessments were performed quarterly, and corrective actions were taken based on relevant findings.	No exceptions noted.
CC2.1.3	The company utilizes a log management tool to identify events that may potentially impact the company's ability to achieve its security objectives.	Inspected the log management tool configurations to determine that the company utilized a log management tool to identify events that may potentially impact on the company's ability to achieve its security objectives.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
INFORMATION AND COMMUNICATION			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC2.2 – COSO Principle 14: The entity internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.			
CC2.2.1	The company has security incident response policies and procedures that are documented and communicated to authorized users.	Inspected the company's Incident Response Plan and confirmation with the management to determine that the company had security incident response policies and procedures that were documented and communicated to authorized users.	No exceptions noted.
CC2.2.2	Roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls are formally assigned in job descriptions within the Information Security Roles and Responsibilities Policy.	Inspected the company's Information Security Roles and Responsibilities Policy to determine roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls were formally assigned in the Information Security Roles and Responsibilities Policy.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
INFORMATION AND COMMUNICATION			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC2.2.3	The company requires new employees and contractors to complete security awareness training at the time of hire and active employees and contractors to complete security training at least annually.	Inspected the security awareness training topics to determine that the security awareness training covered areas to educate personnel on information security topics and the latest trends to protect sensitive data.	No exceptions noted.
		Inspected the training records for a sample of new employees to determine that the company required employees to complete security awareness training at the time of hire.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
		Inspected the training records for a sample of active employees and contractors to determine that the company required active employees and contractors to complete security awareness training annually.	No exceptions noted.
CC2.2.4	The company's information security policies and procedures are documented and reviewed at least annually.	Inspected the company's information security policies and procedures to determine that the company's information security policies and procedures were documented and reviewed annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
INFORMATION AND COMMUNICATION			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC2.2.5	The company describes its products and services to internal and external users.	Inspected the company's website to determine that the company provided a description of its products and services to internal and external users.	No exceptions noted.
CC2.2.6	The company communicates system changes to authorized internal users.	Inspected the internal communication channel to determine that the company communicated system changes to authorized internal users.	No exceptions noted.
CC2.3 – COSO Principle 15: The entity communicates with external parties regarding matters affecting the functioning of internal control.			
CC2.3.1	The company's security commitments are communicated to customers in the Privacy Policy.	Inspected the Privacy Policy to determine that the company's security commitments were communicated to customers in the Privacy Policy.	No exceptions noted.
CC2.3.2	The company provides guidelines and technical support resources relating to system operations to customers.	Inspected the company's website to determine that the company provides guidelines and technical support resources relating to system operations to customers.	No exceptions noted.
CC2.3.3	The company describes its products and services to internal and external users.	Inspected the company's website to determine that the company provided a description of its products and services to internal and external users.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
INFORMATION AND COMMUNICATION			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC2.3.4	The company has contact information on its website to allow users to report system information on failures, incidents, concerns, and other complaints to appropriate personnel.	Inspected the company's website to determine that the company had contact information on their website to allow users to report system information on failures, incidents, concerns, and other complaints to appropriate personnel.	No exceptions noted.
CC2.3.5	The company has written agreements in place with vendors and related third parties. These agreements include security and confidentiality commitments applicable to that entity.	Inspected the Privacy Policy and Terms and Conditions for vendors to determine that security and confidentiality commitments were in place for vendors and related third parties.	No exceptions noted.
CC2.3.6	The company notifies customers of critical system changes that may affect their processing.	As confirmed with the management, email is the primary method of communication used to notify customers of critical system changes that may impact their processing.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
RISK ASSESSMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC3.1 – COSO Principle 6: The entity specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.			
CC3.1.1	The company specifies its objectives to enable the identification and assessment of risk related to the objectives.	Inspected the annual security risk assessment to determine that the company specified its objectives to enable the identification and assessment of risk related to the objectives.	No exceptions noted.
CC3.1.2	The company has a documented risk management program in place that includes guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	Inspected the company's Risk Management Policy to determine that the company had a documented risk management program in place that included guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	No exceptions noted.
CC3.1.3	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
RISK ASSESSMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC3.2 – COSO Principle 7: The entity identifies risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed.			
CC3.2.1	The company has a documented risk management program in place that includes guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	Inspected the company's Risk Management Policy to determine that the company had a documented risk management program in place that included guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	No exceptions noted.
CC3.2.2	The company has a third-party management program in place. Components of this program include: - critical vendor inventory. - vendor's security requirements; and - annual review of critical vendors and subservice organizations.	Inspected the company's Third-Party Management Policy to determine that the company had a third-party management program in place that included the security requirements for vendors.	No exceptions noted.
		Inspected the vendor listing to determine that the critical vendor inventory was in place.	No exceptions noted.
		Inspected the vendor review to determine that a review of critical vendors and subservice organizations was performed annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
RISK ASSESSMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC3.2.3	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.
CC3.2.4	The company has a documented business continuity/disaster recovery (BC/DR) Plan and tests it at least annually.	Inspected the company's BC/DR Plan to determine that the company has a documented BC/DR plan.	No exceptions noted.
		Inspected the company's latest BC/DR Plan tabletop exercise meeting minutes to determine that the BC/DR plan was tested annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
RISK ASSESSMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC3.3 – COSO Principle 8: The entity considers the potential for fraud in assessing risks to the achievement of objectives.			
CC3.3.1	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.
CC3.3.2	The company has a documented risk management program in place that includes guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	Inspected the company's Risk Management Policy to determine that the company had a documented risk management program in place that included guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
RISK ASSESSMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC3.4 – COSO Principle 9: The entity identifies and assesses changes that could significantly impact the system of internal control.			
CC3.4.1	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.
CC3.4.2	The company has a documented risk management program in place that includes guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	Inspected the company's Risk Management Policy to determine that the company had a documented risk management program in place that included guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
MONITORING ACTIVITIES			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC4.1 – COSO Principle 16: The entity selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning.			
CC4.1.1	The company performs control self-assessments at least annually to gain assurance that controls are in place and operating effectively. Corrective actions are taken based on relevant findings.	Inspected the company's Quarterly ISMS Compliance Checklist to determine that control self-assessments were performed quarterly, and corrective actions were taken based on relevant findings.	No exceptions noted.
CC4.1.2	Vulnerability scans are performed quarterly on in scope systems. Critical and high vulnerabilities are tracked to remediation in accordance with SLAs.	Inspected the vulnerability scan report policy to determine that vulnerability scans were performed quarterly on in-scope systems.	No exceptions noted.
		Inspected the remediation report to determine that the remediation plan was developed, and changes were implemented to remediate critical and high vulnerabilities in accordance with SLAs.	No exceptions noted.
CC4.1.3	The company has a third-party management program in place. Components of this program include: - critical vendor inventory. - vendor's security requirements; and - annual review of critical vendors and subservice organizations.	Inspected the company's Third-Party Management Policy to determine that the company had a third-party management program in place that included the security requirements for vendors.	No exceptions noted.
		Inspected the vendor listing to determine that the critical vendor inventory was in place.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
MONITORING ACTIVITIES			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
		Inspected the vendor review to determine that a review of critical vendors and subservice organizations was performed annually.	No exceptions noted.
CC4.2 – COSO Principle 17: The entity evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate.			
CC4.2.1	The company performs control self-assessments at least annually to gain assurance that controls are in place and operating effectively. Corrective actions are taken based on relevant findings.	Inspected the company's Quarterly ISMS Compliance Checklist to determine that control self-assessments were performed quarterly, and corrective actions were taken based on relevant findings.	No exceptions noted.
CC4.2.2	The company has a third-party management program in place. Components of this program include: - critical vendor inventory. - vendor's security requirements; and - annual review of critical vendors and subservice organizations.	Inspected the company's Third-Party Management Policy to determine that the company had a third-party management program in place that included the security requirements for vendors.	No exceptions noted.
		Inspected the vendor listing to determine that the critical vendor inventory was in place.	No exceptions noted.
		Inspected the vendor review to determine that a review of critical vendors and subservice organizations was performed annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
MONITORING ACTIVITIES			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC4.2.3	Vulnerability scans are performed quarterly on in scope systems. Critical and high vulnerabilities are tracked to remediation in accordance with SLAs.	Inspected the vulnerability scan report policy to determine that vulnerability scans were performed quarterly on in-scope systems.	No exceptions noted.
		Inspected the remediation report to determine that the remediation plan was developed, and changes were implemented to remediate critical and high vulnerabilities in accordance with SLAs.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ACTIVITIES			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC5.1 – COSO Principle 10: The entity selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.			
CC5.1.1	The company has a documented risk management program in place that includes guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	Inspected the company's Risk Management Policy to determine that the company had a documented risk management program in place that included guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	No exceptions noted.
CC5.1.2	The company's information security policies and procedures are documented and reviewed at least annually.	Inspected the company's information security policies and procedures to determine that the company's information security policies and procedures were documented and reviewed annually.	No exceptions noted.
CC5.1.3	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ACTIVITIES			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC5.1.4	Role-based access is configured within Microsoft and other supporting applications to enforce the segregation of duties and restrict access to confidential information.	Inspected the system configuration for Microsoft and other supporting applications to determine that role-based access was configured to enforce segregation of duties and restrict access to confidential information.	No exceptions noted.
CC5.2 – COSO Principle 11: The entity also selects and develops general control activities over technology to support the achievement of objectives.			
CC5.2.1	The company's Access Control Policy documents the requirements for the following access control functions: - adding new users; - modifying users; and/or - removing an existing user's access.	Inspected the company's Access Control Policy to determine that the Access Control Policy documented the requirements for adding, modifying, and removing user access.	No exceptions noted.
CC5.2.2	The company has a formal procedure that governs the acquisition, implementation, changes (including emergency changes), and maintenance of information systems and related technology requirements.	Inspected the company's Change Management Policy and Asset Management Policy to determine that the company had a formal procedure in place that governed the acquisition, implementation, changes (including emergency changes), and maintenance of information systems and related technology requirements.	No exceptions noted.
CC5.2.3	The company's information security policies and procedures are documented and reviewed at least annually.	Inspected the company's information security policies and procedures to determine that the company's information security policies and procedures were documented and reviewed annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ACTIVITIES			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC5.3 – COSO Principle 12: The entity deploys control activities through policies that establish what is expected and in procedures that put policies into action.			
CC5.3.1	The company's information security policies and procedures are documented and reviewed at least annually.	Inspected the company's information security policies and procedures to determine that the company's information security policies and procedures were documented and reviewed annually.	No exceptions noted.
CC5.3.2	The company requires changes to software and infrastructure components of the service to be authorized, formally documented, tested, reviewed, and approved before being implemented in the production environment / infrastructure.	Inspected the company's Change Management Policy to determine that the company required changes to software and infrastructure components of the service to be authorized, formally documented, tested, reviewed, and approved before being implemented in the infrastructure.	No exceptions noted.
		Per inquiry with management and inspection of the change management tracker and Desk 365 dashboard, there were no code, system and infrastructure changes during the examination period; therefore, no testing was performed.	No testing performed.[1]

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ACTIVITIES			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC5.3.3	The company has a formal procedure that governs the acquisition, implementation, changes (including emergency changes), and maintenance of information systems and related technology requirements.	Inspected the company's Change Management Policy and Asset Management Policy to determine that the company had a formal procedure in place that governed the acquisition, implementation, changes (including emergency changes), and maintenance of information systems and related technology requirements.	No exceptions noted.
CC5.3.4	The company has security incident response policies and procedures that are documented and communicated to authorized users.	Inspected the company's Incident Response Plan and confirmation with the management to determine that the company had security incident response policies and procedures that were documented and communicated to authorized users.	No exceptions noted.
CC5.3.5	The company specifies its objectives to enable the identification and assessment of risk related to the objectives.	Inspected the annual security risk assessment to determine that the company specified its objectives to enable the identification and assessment of risk related to the objectives.	No exceptions noted.
CC5.3.6	The company has a documented risk management program in place that includes guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	Inspected the company's Risk Management Policy to determine that the company had a documented risk management program in place that included guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CONTROL ACTIVITIES			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC5.3.7	Roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls are formally assigned in job descriptions within the Information Security Roles and Responsibilities Policy.	Inspected the company's Information Security Roles and Responsibilities Policy to determine roles and responsibilities for the design, development, implementation, operation, maintenance, and monitoring of information security controls were formally assigned in the Information Security Roles and Responsibilities Policy.	No exceptions noted.
CC5.3.8	The company has a third-party management program in place. Components of this program include: - critical vendor inventory. - vendor's security requirements; and - annual review of critical vendors and subservice organizations.	Inspected the company's Third-Party Management Policy to determine that the company had a third-party management program in place that included the security requirements for vendors.	No exceptions noted.
		Inspected the vendor listing to determine that the critical vendor inventory was in place.	No exceptions noted.
		Inspected the vendor review to determine that a review of critical vendors and subservice organizations was performed annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.1: The entity implements logical access security software, infrastructure, and architectures over protected information assets to protect them from security events to meet the entity's objectives.			
CC6.1.1	The company's Access Control Policy documents the requirements for the following access control functions: - adding new users; - modifying users; and/or - removing an existing user's access.	Inspected the company's Access Control Policy to determine that the Access Control Policy documented the requirements for adding, modifying, and removing user access.	No exceptions noted.
CC6.1.2	The company has a Data Management Policy in place to help ensure that confidential data is properly secured and restricted to authorized personnel.	Inspected the company's Data Management Policy to determine that the company had a Data Management Policy in place to help ensure that confidential data was properly secured and restricted to authorized personnel.	No exceptions noted.
CC6.1.3	The company's end-user assets housing sensitive information are encrypted at rest.	Inspected the encryption configurations to determine that the company's end-user assets housing sensitive information are encrypted at rest.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.1.4	The company restricts privileged access to encryption keys to authorized users with a business need.	Inspected the company's Cryptography Policy to determine that the company restricted privileged access to encryption keys to authorized users with a business need.	No exceptions noted.
		Inspected the list of users with privileged access to encryption keys to determine that the company restricted privileged access to authorized users with a business need.	No exceptions noted.
CC6.1.5	Role-based access is configured within Microsoft and other supporting applications to enforce the segregation of duties and restrict access to confidential information.	Inspected the system configuration for Microsoft and other supporting applications to determine that role-based access was configured enforce segregation of duties and restrict access to confidential information.	No exceptions noted.
CC6.1.6	The company restricts privileged access to the network, application, databases, and supporting cloud infrastructure to authorized users with a business need.	Inspected the list of users with privileged access to the cloud infrastructure and application to determine that the company restricted privileged access to the network, application, databases, and supporting cloud infrastructure to authorized users with a business need.	No exceptions noted.
CC6.1.7	The company restricts privileged access to the firewall to authorized users with a business need.	Inspected the list of users with privileged access to the firewall to determine that the company restricted privileged access to the firewall to authorized users with a business need.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.1.8	The firewall is configured to prevent unauthorized access to the company's network.	Inspected the firewall rules to determine that the firewall was configured to prevent unauthorized access to the company's network.	No exceptions noted.
CC6.1.9	The company ensures that user access to in-scope system components is based on job role and function.	Inspected the user access and in-scope user listings for a sample of new employees to determine that the company ensured that user access to in-scope system components was based on job role and function.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
CC6.1.10	The company requires passwords for in-scope system components to be configured according to the company's policy.	Inspected the password configurations and written password policy to determine that the company required passwords for in-scope system components to be configured according to the company's policy.	No exceptions noted.
CC6.1.11	The company's production systems can only be remotely accessed by authorized employees possessing a valid multi-factor authentication (MFA) method.	Inspected the MFA configurations to determine that the company's production systems could only be remotely accessed by authorized employees possessing a valid MFA method.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.1.12	The company's production systems can only be remotely accessed by authorized employees via an approved encrypted connection.	Inspected the company's Infrastructure as a Service provider's TLS certificate to determine that the company's production systems could only be remotely accessed by authorized employees via an approved encrypted connection.	No exceptions noted.
CC6.1.13	The company maintains a formal inventory of production system assets.	Inspected an inventory listing of information assets to determine that the company maintained a formal inventory of production system assets.	No exceptions noted.
CC6.1.14	The company's network is segmented to prevent unauthorized access to customer data.	Inspected the network diagram to determine that the company's network was segmented to prevent unauthorized access to customer data.	No exceptions noted.
CC6.2: Prior to issuing system credentials and granting system access, the entity registers and authorizes new internal and external users whose access is administered by the entity. For those users whose access is administered by the entity, user system credentials are removed when user access is no longer authorized.			
CC6.2.1	The company's Access Control Policy documents the requirements for the following access control functions: - adding new users; - modifying users; and/or - removing an existing user's access.	Inspected the company's Access Control Policy to determine that the Access Control Policy documented the requirements for adding, modifying, and removing user access.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.2.2	The company conducts quarterly access reviews for the in-scope system components to help ensure that access is restricted appropriately. The required changes are tracked to completion.	Inspected the user access review documentation to determine that the company conducted quarterly access reviews for the in-scope system components to help ensure that access was restricted appropriately.	No exceptions noted.
CC6.2.3	Logical access to systems is revoked as a component of the termination process within the company's SLAs.	Inspected the user access and in-scope user listings for a sample of terminated employees to determine that logical access to systems was revoked as a component of the termination process within the company's SLAs.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no terminated contractors during the examination period; therefore no testing performed.	No testing performed.[1]
CC6.2.4	The company ensures that user access to in-scope system components is based on job role and function.	Inspected the user access request and in-scope user listings for a sample of new employees to determine that the company ensured that user access to in-scope system components was based on job role and function.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.3: The entity authorizes, modifies, or removes access to data, software, functions, and other protected information assets based on roles, responsibilities, or the system design and changes, giving consideration to the concepts of least privilege and segregation of duties, to meet the entity's objectives.			
CC6.3.1	The company's Access Control Policy documents the requirements for the following access control functions: - adding new users; - modifying users; and/or - removing an existing user's access.	Inspected the company's Access Control Policy to determine that the Access Control Policy documented the requirements for adding, modifying, and removing user access.	No exceptions noted.
CC6.3.2	The company conducts quarterly access reviews for the in-scope system components to help ensure that access is restricted appropriately. The required changes are tracked to completion.	Inspected the user access review documentation to determine that the company conducted quarterly access reviews for the in-scope system components to help ensure that access was restricted appropriately.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.3.3	Logical access to systems is revoked as a component of the termination process within the company's SLAs.	Inspected the user access and in-scope user listings for a sample of terminated employees to determine that logical access to systems was revoked as a component of the termination process within the company's SLAs.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no terminated contractors during the examination period; therefore no testing performed.	No testing performed.[1]
CC6.3.4	The company ensures that new user access to in-scope system components is based on job role and function.	Inspected the user access request and in-scope user listings for a sample of new employees to determine that the company ensured that user access to in-scope system components was based on job role and function.	No exceptions noted.
		Per inquiry with management and inspection of the HR listing, there were no new contractors hired during the examination period; therefore, no testing was performed.	No testing performed.[1]
CC6.4: The entity restricts physical access to facilities and protected information assets (for example, data center facilities, backup media storage, and other sensitive locations) to authorized personnel to meet the entity's objectives.			
CC6.4.1	Management contracts with Microsoft to provide physical access security of its production systems.	This control activity is the responsibility of the subservice organization. Refer to the subservice organization section above for controls managed by the subservice organization.	

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.5: The entity discontinues logical and physical protections over physical assets only after the ability to read or recover data and software from those assets has been diminished and is no longer required to meet the entity's objectives.			
CC6.5.1	The company has formal retention and disposal procedures in place to guide the secure retention and disposal of company and customer data.	Inspected the data retention and disposal procedures to determine that the company had formal retention and disposal procedures in place to guide the secure retention and disposal of company and customer data.	No exceptions noted.
CC6.5.2	The company has electronic data/media containing confidential information purged or destroyed in accordance with best practices.	Per inquiry with management and inspection of data/media disposals within ticketing tool, there were no data/media disposals during the examination period; therefore, no testing was performed.	No testing performed.[1]
CC6.5.3	The destruction of physical assets hosting the production environment is the responsibility of Microsoft.	This control activity is the responsibility of the subservice organization. Refer to the subservice organization section above for controls managed by the subservice organization.	
CC6.6: The entity implements logical access security measures to protect against threats from sources outside its system boundaries.			
CC6.6.1	The company's production systems can only be remotely accessed by authorized employees and contractors via an approved encrypted connection.	Inspected the company's Infrastructure as a Service provider's TLS certificate to determine that the company's production systems could only be remotely accessed by authorized employees and contractors via an approved encrypted connection.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC6.6.2	The company's production systems can only be remotely accessed by authorized employees and contractors possessing a valid multi-factor authentication (MFA) method.	Inspected the MFA configurations to determine that the company's production systems could only be remotely accessed by authorized employees and contractors possessing a valid MFA method.	No exceptions noted.
CC6.6.3	The firewall is configured to prevent unauthorized access to the company's network.	Inspected the firewall rules to determine that the firewall was configured to prevent unauthorized access to the company's network.	No exceptions noted.
CC6.6.4	The company uses secure data transmission protocols to encrypt confidential and sensitive data when transmitted over public networks.	Inspected the company's website and TLS certificate to determine that the company used secure data transmission protocols to encrypt confidential and sensitive data when transmitted over public networks.	No exceptions noted.
CC6.6.5	The company uses an Intrusion Prevention System IPS to provide continuous monitoring of the company's network and early detection of potential security breaches.	Inspected the IPS configurations to determine that the company used an IPS to provide continuous monitoring of the company's network and early detection of potential security breaches.	No exceptions noted.
CC6.7: The entity restricts the transmission, movement, and removal of information to authorized internal and external users and processes, and protects it during transmission, movement, or removal to meet the entity's objectives.			
CC6.7.1	The company encrypts portable and removable media devices when used.	Inspected the company's Cryptography Policy to determine that the company encrypted portable and removable media devices when used.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
		Inspected the encryption configurations to determine that the company encrypted portable media devices when used.	No exceptions noted.
CC6.7.2	The company uses secure data transmission protocols to encrypt confidential and sensitive data when transmitted over public networks.	Inspected the company's website and TLS certificate to determine that the company used secure data transmission protocols to encrypt confidential and sensitive data when transmitted over public networks.	No exceptions noted.
CC6.7.3	The company has a Mobile Device Management System in place to centrally monitor mobile devices supporting the service.	Inspected the company's Mobile Device Management System to determine that the company had a mobile device management system in place to centrally monitor mobile devices supporting the service.	No exceptions noted.
CC6.8: The entity implements controls to prevent or detect and act upon the introduction of unauthorized or malicious software to meet the entity's objectives.			
CC6.8.1	The company deploys anti-malware technology to environments commonly susceptible to malicious attacks. The anti-malware software is configured to scan workstations daily and install updates as new updates/signatures are available.	Inspected the anti-malware configurations for a sample of workstations OR anti-malware configurations to determine that the company deployed anti-malware technology to environments commonly susceptible to malicious attacks.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
LOGICAL AND PHYSICAL ACCESS CONTROLS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
		Inspected the anti-malware configurations for a sample of workstations OR anti-malware configurations to determine that the anti-malware software was configured to scan workstations daily and install updates as new updates/signatures were available.	No exceptions noted.
CC6.8.2	The company has a formal procedure that governs the acquisition, implementation, changes (including emergency changes), and maintenance of information systems and related technology requirements.	Inspected the company's Change Management Policy and Asset Management Policy to determine that the company had a formal procedure in place that governed the acquisition, implementation, changes (including emergency changes), and maintenance of information systems and related technology requirements.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
SYSTEM OPERATIONS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC7.1: To meet its objectives, the entity uses detection and monitoring procedures to identify (1) changes to configurations that result in the introduction of new vulnerabilities, and (2) susceptibilities to newly discovered vulnerabilities.			
CC7.1.1	The company requires changes to software and infrastructure components of the service to be authorized, formally documented, tested, reviewed, and approved before being implemented in the production environment / infrastructure.	Inspected the company's Change Management Policy to determine that the company required changes to software and infrastructure components of the service to be authorized, formally documented, tested, reviewed, and approved before being implemented in the infrastructure.	No exceptions noted.
		Per inquiry with management and inspection of the change management tracker and Desk 365 dashboard, there were no code, system and infrastructure changes during the examination period; therefore, no testing was performed.	No testing performed.[1]
CC7.1.2	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
SYSTEM OPERATIONS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC7.1.3	Vulnerability scans are performed quarterly on in scope systems. Critical and high vulnerabilities are tracked to remediation in accordance with SLAs.	Inspected the vulnerability scan report policy to determine that vulnerability scans were performed quarterly on in-scope systems.	No exceptions noted.
		Inspected the remediation report to determine that the remediation plan was developed, and changes were implemented to remediate critical and high vulnerabilities in accordance with SLAs.	No exceptions noted.
CC7.1.4	The company has a configuration management procedure in place to ensure that system configurations are deployed consistently throughout the environment.	Inspected the company's Operations Security Policy to determine that the company had a configuration management procedure in place to ensure that system configurations were deployed consistently throughout the environment.	No exceptions noted.
CC7.1.5	The company's formal policies outline the requirements for the following functions related to IT / Engineering: - vulnerability management; - system monitoring.	Inspected the company's Operations Security Policy to determine that the company's formal policies outlined the requirements for the following functions related to IT / Engineering: - vulnerability management; - system monitoring.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
SYSTEM OPERATIONS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC7.2: The entity monitors system components and the operation of those components for anomalies that are indicative of malicious acts, natural disasters, and errors affecting the entity's ability to meet its objectives; anomalies are analyzed to determine whether they represent security events.			
CC7.2.1	The company uses an Intrusion Prevention System IPS to provide continuous monitoring of the company's network and early detection of potential security breaches.	Inspected the IPS configurations to determine that the company used an IPS to provide continuous monitoring of the company's network and early detection of potential security breaches.	No exceptions noted.
CC7.2.2	The company utilizes a log management tool (or compliance tool) to identify events that may potentially impact the company's ability to achieve its security objectives.	Inspected the log management (or compliance) tool configurations to determine that the company utilized a log management (or compliance) tool to identify events that may potentially impact the company's ability to achieve its security objectives.	No exceptions noted.
CC7.2.3	The company's formal policies outline the requirements for the following functions related to IT / Engineering: - vulnerability management; - system monitoring.	Inspected the company's Operations Security Policy to determine that the company's formal policies outlined the requirements for the following functions related to IT / Engineering: - vulnerability management; - system monitoring.	No exceptions noted.
CC7.2.4	An infrastructure monitoring tool is utilized to monitor systems, infrastructure, and performance and generates alerts when specific predefined thresholds are met.	Inspected the monitoring tool configurations to determine that an infrastructure monitoring tool was utilized to monitor systems, infrastructure, and performance and generated alerts when specific predefined thresholds were met.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
SYSTEM OPERATIONS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC7.2.5	Vulnerability scans are performed quarterly on in scope systems. Critical and high vulnerabilities are tracked to remediation in accordance with SLAs.	Inspected the vulnerability scan report policy to determine that vulnerability scans were performed quarterly on in-scope systems.	No exceptions noted.
		Inspected the remediation report to determine that the remediation plan was developed, and changes were implemented to remediate critical and high vulnerabilities in accordance with SLAs.	No exceptions noted.
CC7.2.6	Security incidents are reported to the IT personnel and tracked through to resolution in a ticketing system.	Inspected the incident Report for a sample of security incidents to determine that security incidents were reported to the IT personnel and tracked through to resolution in a ticketing system.	No exceptions noted.
CC7.3: The entity evaluates security events to determine whether they could or have resulted in a failure of the entity to meet its objectives (security incidents) and, if so, takes actions to prevent or address such failures.			
CC7.3.1	The company has security incident response policies and procedures that are documented and communicated to authorized users.	Inspected the company's Incident Response Plan and confirmation with the management to determine that the company had security incident response policies and procedures that were documented and communicated to authorized users.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
SYSTEM OPERATIONS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC7.3.2	The company's security incidents are logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	Inspected the company's Operations Security Policy and Incident Response Plan to determine that the company's security incidents were logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	No exceptions noted.
		Inspected the incident ticket for a sample of incidents to determine that the company's security incidents are logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	No exceptions noted.
CC7.4: The entity responds to identified security incidents by executing a defined incident response program to understand, contain, remediate, and communicate security incidents, as appropriate.			
CC7.4.1	The company has security incident response policies and procedures that are documented and communicated to authorized users.	Inspected the company's Incident Response Plan and confirmation with the management to determine that the company had security incident response policies and procedures that were documented and communicated to authorized users.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
SYSTEM OPERATIONS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC7.4.2	The company's security incidents are logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	Inspected the company's Operations Security Policy and Incident Response Plan to determine that the company's security incidents were logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	No exceptions noted.
		Inspected the incident ticket for a sample of incidents to determine that the company's security incidents are logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	No exceptions noted.
CC7.4.3	The company has an Incident Response Plan and tests its Incident Response Plan at least annually.	Inspected the company's Incident Response Plan to determine that the incident response plan was in place and approved by management.	No exceptions noted.
		Inspected the company's incident response plan test notes to determine that the company tests its incident response plan at least annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
SYSTEM OPERATIONS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC7.5: The entity identifies, develops, and implements activities to recover from identified security incidents.			
CC7.5.1	The company has security incident response policies and procedures that are documented and communicated to authorized users.	Inspected the company's Incident Response Plan and confirmation with the management to determine that the company had security incident response policies and procedures that were documented and communicated to authorized users.	No exceptions noted.
CC7.5.2	The company's security incidents are logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	Inspected the company's Operations Security Policy and Incident Response Plan to determine that the company's security incidents were logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	No exceptions noted.
		Inspected the incident ticket for a sample of incidents to determine that the company's security incidents are logged, tracked, resolved, and communicated to affected or relevant parties by management according to the company's security incident response policy and procedures.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
SYSTEM OPERATIONS			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC7.5.3	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.
CC7.5.4	The company has a documented business continuity/disaster recovery (BC/DR) Plan and tests it at least annually.	Inspected the company's BC/DR Plan to determine that the company has a documented BC/DR plan.	No exceptions noted.
		Inspected the company's latest BC/DR Plan tabletop exercise meeting minutes to determine that the BC/DR plan was tested annually.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CHANGE MANAGEMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC8.1: The entity authorizes, designs, develops or acquires, configures, documents, tests, approves, and implements changes to infrastructure, data, software, and procedures to meet its objectives.			
CC8.1.1	The company has a formal procedure that governs the acquisition, implementation, changes (including emergency changes), and maintenance of information systems and related technology requirements.	Inspected the company's Change Management Policy and Asset Management Policy to determine that the company had a formal procedure in place that governed the acquisition, implementation, changes (including emergency changes), and maintenance of information systems and related technology requirements.	No exceptions noted.
CC8.1.2	The company requires changes to software and infrastructure components of the service to be authorized, formally documented, tested, reviewed, and approved before being implemented in the production environment / infrastructure.	Inspected the company's Change Management Policy to determine that the company required changes to software and infrastructure components of the service to be authorized, formally documented, tested, reviewed, and approved before being implemented in the infrastructure.	No exceptions noted.
		Per inquiry with management and inspection of the change management tracker and Desk 365 dashboard, there were no code, system and infrastructure changes during the examination period; therefore, no testing was performed.	No testing performed.[1]

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CHANGE MANAGEMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC8.1.3	Segregation of duties is in place within the change management process.	Inspected the change management documentation and workflow for a sample of changes to determine that segregation of duties was in place within the change management process.	No exceptions noted.
CC8.1.4	The company restricts access to the production environment to authorized personnel.	Inspected the users with access to production to determine that the company restricts access to the production environment to authorized personnel.	No exceptions noted.
CC8.1.5	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
CHANGE MANAGEMENT			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC8.1.6	Vulnerability scans are performed quarterly on in scope systems. Critical and high vulnerabilities are tracked to remediation in accordance with SLAs.	Inspected the vulnerability scan report policy to determine that vulnerability scans were performed quarterly on in-scope systems.	No exceptions noted.
		Inspected the remediation report to determine that the remediation plan was developed, and changes were implemented to remediate critical and high vulnerabilities in accordance with SLAs.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
RISK MITIGATION			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC9.1: The entity identifies, selects, and develops risk mitigation activities for risks arising from potential business disruptions.			
CC9.1.1	The company's risk assessments are performed at least annually. As part of this process, threats, and changes (environmental, regulatory, and technological) to service commitments are identified and the risks are formally assessed. The risk assessment includes a consideration of the potential for fraud and how fraud may impact the achievement of objectives.	Inspected the annual security risk assessment to determine that the company performed a risk assessment annually that included the identification and assessment of threats and changes to services commitments, a consideration of the potential for fraud, and how fraud may impact the achievement of objectives.	No exceptions noted.
CC9.1.2	The company has a documented risk management program in place that includes guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	Inspected the company's Risk Management Policy to determine that the company had a documented risk management program in place that included guidance on the identification of potential threats, rating the significance of the risks associated with the identified threats, and mitigation strategies for those risks.	No exceptions noted.
CC9.2: The entity assesses and manages risks associated with vendors and business partners			
CC9.2.1	The company has written agreements in place with vendors and related third parties. These agreements include security and confidentiality commitments applicable to that entity.	Inspected the Terms of Service for vendors to determine that security and confidentiality commitments were in place for vendors and related third parties.	No exceptions noted.

TRUST SERVICES CRITERIA FOR THE SECURITY CATEGORY			
RISK MITIGATION			
Control Number	**Controls**	**Detailed Tests of Controls**	**Test Results**
CC9.2.2	The company has a third-party management program in place. Components of this program include: - critical vendor inventory. - vendor's security requirements; and - annual review of critical vendors and subservice organizations.	Inspected the company's Third-Party Management Policy to determine that the company had a third-party management program in place that included the security requirements for vendors.	No exceptions noted.
		Inspected the vendor listing to determine that the critical vendor inventory was in place.	No exceptions noted.
		Inspected the vendor review to determine that a review of critical vendors and subservice organizations was performed annually.	No exceptions noted.