

# BDO KNOWS:

## THIRD PARTY ATTESTATION



### SUBJECT

## NEW CHANGES TO TRUST SERVICES CRITERIA AND SOC 2 REPORTING

### SUMMARY

The AICPA continues to adjust and refine the SOC 2 reporting requirements. The most recent release includes significant changes to the Trust Services Criteria and also addresses cybersecurity risks while offering increased flexibility. The AICPA also issued a Description Criteria.

### DETAILS

#### **Background**

Available for use now, the AICPA has recently released new Trust Services Criteria for SOC 2 reporting. The new criteria will be *required* for reports with a period that ends on or after December 16 of this year. The recent changes are significant, and require additional time and attention from the companies who issue SOC 2 reports. These changes include:

- ▶ Trust Services criteria now align with COSO 2013 and lay out points of focus.
- ▶ Five principles are now called five categories.
- ▶ Trust Services criteria, adjusted to better address cybersecurity risks.
- ▶ Separate Description Criteria requirements that specify requirements of the system description, along with implementation guidance.

### EFFECTIVE DATE AND TRANSITION

Companies are required to use the new criteria for all reports whose period ends on or after December 16th, 2018.

### CONTACT

## BDO INSIGHTS

Prepare for the new standards – sooner rather than later.

If you issue SOC 2 reports or plan to issue a SOC 2 report, it's essential for your business to understand the new SOC 2 requirements – and how they'll impact your organization's SOC 2 reporting process. Early preparation will help companies stay ahead of the curve when it comes to attestation.

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- ▶ Gain an understanding of the reporting needs in light of the updates to the Trust Services Criteria and the Description Criteria;
- ▶ Develop a SOC 2 reporting plan for the new requirements;
- ▶ Complete an assessment/gap analysis based on selected SOC 2 criteria against the new requirements;
- ▶ Identify any reporting gaps to determine any necessary incremental controls and system description updates.

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