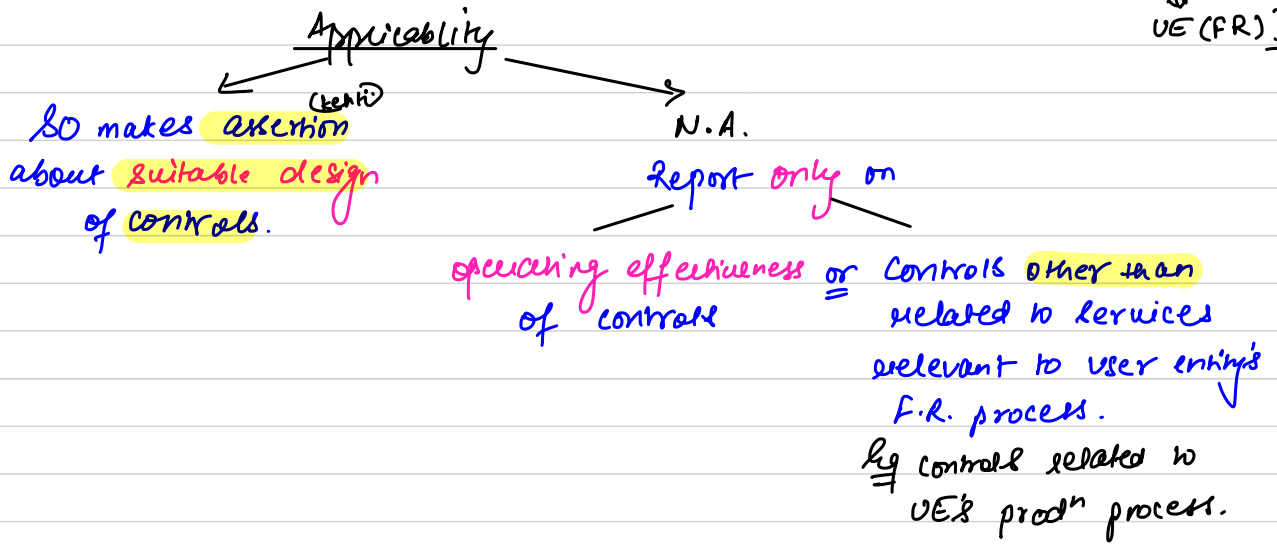


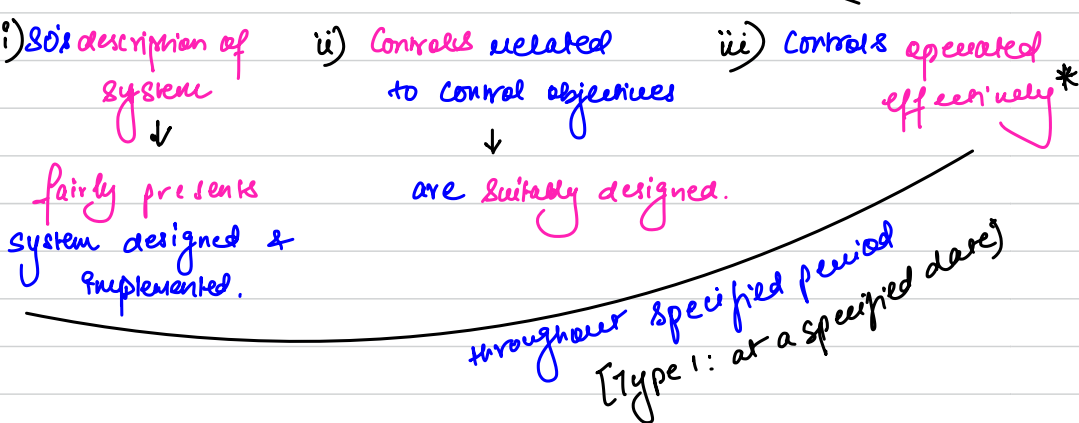
SAE 3402: Assurance Report on Controls at SO.

- ⊗ User Entry Auditor [P.S.]
- ⊗ Service auditor [S.O. → IC ↓
Services ↓
UE (FR).]



Objective of Service Auditor

- ① obtain **Reasonable Assurance** (R.A.) that
 - In all **material** respects
 - as per **applicable criteria**
- ② **Report** the findings.



* Type 2 report.

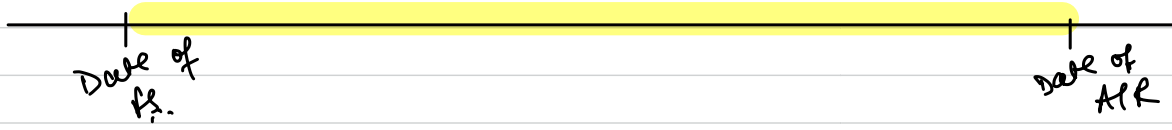
⊗ System describe → Payroll data → Reviewed by ~~⊗ Chinnu~~ ⊗ Nintu (Annual system material)

* Control design → Salaries edit → Any H.R. staff. (material)

* Op. effectiveness → payroll changes → ⊗ Approve + log maintain. (4/12 months material)

Insurance (material)

Subs. Events.



S.O.'s Responsibility

- a) Preparing description of system
- b) Providing services covered by S.O.'s description.
- c) Stating control objectives
- d) Designing & implementing controls to achieve control objectives

Auditor's opinion (Type 2 Report)

- Type 1
 - a) Description → fairly represents S.O.'s system as designed & implemented.
 - b) Controls → related to control objectives are → suitably designed.
 - c) Controls tested → operated effectively.
- throughout period.

(Tols + Results)

Additional matters covered by Type 2 Report

- ① Include separate section in report that describes
 - Tols & Results
 - State controls tested & nature of tests
 - Deviations identified (including extent of testing (sample size) & nature of deviations)
- ④ Report deviations even if control objectives achieved.