

Question 1 of 6

A CPA firm was engaged to perform a SOC 2® type 2 examination on a service organization for the first time. Two months before the examination, the CPA firm had made recommendations to the service organization's management about how to improve their controls. According to the AICPA Code of Professional Conduct, would this action impair the CPA firm's independence with respect to the service organization?

- A. No, because the service organization was responsible for designing controls.
 - B. No, because the service organization paid a fee for the CPA firm's advice.
 - C. Yes, because the CPA firm participated in management responsibilities.
 - D. Yes, because the CPA firm would be reviewing their own work product.
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Question 2 of 6

Under the AICPA Statements on Standards for Attestation Engagements, a service auditor performing a SOC for Service Organizations engagement must always be independent of which of the following types of organizations?

	<u>User entities</u>	<u>Subservice organizations</u>
A.	Yes	Yes
B.	Yes	No
C.	No	Yes
D.	No	No

Question 3 of 6

Which of the following statements is correct regarding the application of the AICPA Code of Professional Conduct independence rules for SOC 1® engagements performed in accordance with the *Statements on Standards for Attestation Engagements*?

- A. The service auditor does **not** need to be independent of all responsible parties if there is more than one responsible party.
 - B. The service auditor does **not** need to be independent of the engaging party if the engaging party is not a responsible party.
 - C. The service auditor must be independent of the engaging party and all responsible parties but **not** of intended users.
 - D. The service auditor must be independent of all engaging parties, responsible parties, and intended users.
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Question 4 of 6

A bank outsources the processing of its mortgage loans to a third-party loan servicer. To receive assurance regarding the effect of the loan servicer's system on the bank's internal control over financial reporting, the bank engaged a CPA firm to perform a SOC 1® engagement. Under these circumstances, the CPA firm must be independent of the

	<u>Bank</u>	<u>Loan Servicer</u>
A.	No	No
B.	No	Yes
C.	Yes	No
D.	Yes	Yes

Question 5 of 6

Which of the following circumstances would impair the independence of a service auditor performing a SOC 2® engagement?

- A.** The audit firm holds a material, direct financial interest in one of the user entities of the service organization.
 - B.** The audit firm provides consulting services to design the service organization's software as a service (SaaS) application.
 - C.** The service auditor performed a SOC readiness assessment of the service organization in the prior year.
 - D.** The service auditor's spouse is the CIO of a subservice organization presented under the carve-out method.
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Question 6 of 6

A service auditor has been engaged to perform a SOC 1® engagement. During the auditor's acceptance procedures, it is discovered that the auditor is not independent with respect to the service organization's primary user entity. What action should the auditor take regarding the SOC engagement?

- A.** Accept the engagement and perform additional procedures to compensate for the lack of independence.
 - B.** Accept the engagement because independence from user entities is not required in a SOC 1® engagement.
 - C.** Decline the engagement and declare a lack of independence to the service organization and the primary user entity.
 - D.** Decline the engagement because lack of independence cannot be mitigated with additional procedures.
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