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Sleep Like a Baby with SAS70 and Americollect

YOUTOWN, USA - - - You are standing in your kitchen, coffee cup in hand, ready to take in a few pages of the local paper when your phone rings. You hear: ***“Good morning. This is Tom Smith from City Times Newspaper. We recently learned that the collection agency your organization uses had a data breach and an estimated 15,000 records containing customer data have been released. We would like your comments on the situation.”***

That’s a call no one wants to receive. Americollect wants to make sure that doesn’t happen to any of our valuable clients, so we partnered with an accounting firm and in the spring of 2011 received our SAS70 Type I.

How do you make reasonably certain you won’t get that call? An Agency that is SAS70 audited on a regular basis will have you sleeping like a baby, resting assured that your data is protected.

Since the 1970’s, Statement on Auditing Standards no. 70 (SAS 70) and its predecessors have set the standard for controls at service organizations. The International Auditing and Assurance Standards Board (IAASB) and the Auditing Standards Board (ASB) have developed new standards under the SSAE 16 but the same standard of protection is still embodied under the new standard.

Why is it important for an organization to align itself with a service organization that has undergone either a SAS 70 or SSAE 16 type audit?

When you partner with a collection agency that has undergone a SAS70/SSAE16 type audit, you receive valuable information regarding the agency controls, policies, and the effectiveness of those controls and policies. Most business partners, such as Americollect, who have undergone the audit, will be proud to show you a copy of their report. Or, you may request one. Such a report will provide you with a detailed description of the controls and policies as well as an independent assessment of whether the controls and policies were placed into practice, effectively designed, and if they are operating as they should be (for the Type II Report). Don’t you want to know that your collection agency has a well designed, compliant plan and that they are following that plan?

Should you demand your collection agency or business partner complete a SAS70/SSAE16? One of our clients did, and we are glad because it made us better. Put it into your contract – ask that they start within three months and complete it within a certain time frame to help the process move along. You, as a creditor, have a right to request this. After all, it’s your data they are handling – and you are the one

that will be receiving the phone call from the City Times Newspaper. There are other certifications out there that are association drive, as a SAS70/SSAE16 auditor which certification will help you feel comfortable enough to sleep like a baby each and every night.

A SAS70/SSAE16 type audit will include a plan for some or all of the following: Security of your data, Privacy of your customers, Accounting processes, Monitoring to quality assurance, Risk management, as well as standards for business partner relationships. If any of these things (are all of them) are important to you, aligning yourself with a collection agency that has undergone a SAS70/SSAE16 type audit should be equally important to you.

No one wants to see their company scrutinized in the way Sony Corp has been recently. Sony apologized for a recent breach and said it would gradually restart the PlayStation network with increased security and would offer some free content to users. Saying I'm sorry is a great start, but analysts warn that restoring customers' faith will take some time. Recent headlines read: "From Worse to Awful - Sony Admits Over 23,000 Credit Cards, Bank Accounts Exposed", you wouldn't want to be in that position anymore than they do. Customers feel violated, as shown through thousands of comments on the PlayStation blog and Facebook page. One such comment sums it up: "The point is you took our money and didn't secure our credit card and personal data. I'm not even sure how you can possibly make up for that," said a post by a user under the name *rawstory*.

Mistakes can still happen, but they are less likely when you partner with a collection agency who has thought about a breach ahead of time, put mechanisms into place to avoid such a breach, and has engaged with an independent auditor to provide the official SAS70/SSAE16 type audit report to assure you that such steps have been taken. As Benjamin Franklin once said, "An ounce of prevention is worth a pound of cure."