Softdocs

Softdocs SC, LLC
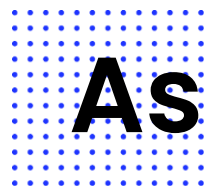
System and Organization Controls Report (SOC 3)

Independent Report of the Controls to Meet the Trust Services Criteria for the Security, Availability, and Confidentiality Categories for the Period of August 1, 2023, through July 31, 2024.

CONFIDENTIAL

AICPA
SOC
aicpa.org/soc4so
SOC for Service Organizations

Table of Contents

Assertion of Softdocs SC, LLC Management
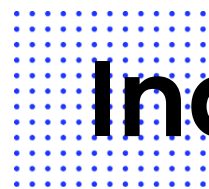
Softdocs

Assertion of Softdocs SC, LLC Management

We are responsible for designing, implementing, operating, and maintaining effective controls within Softdocs SC, LLC's enterprise content management solution system (system) throughout the period August 1, 2023, to July 31, 2024, to provide reasonable assurance that Softdocs SC, LLC's service commitments and system requirements relevant to security, availability, and confidentiality were achieved. Our description of the boundaries of the system is presented in section A and identifies the aspects of the system covered by our assertion.

We have performed an evaluation of the effectiveness of the controls within the system throughout the period August 1, 2023, to July 31, 2024, to provide reasonable assurance that Softdocs SC, LLC's service commitments and system requirements were achieved based on the trust services criteria relevant to security, availability, and confidentiality (applicable trust services criteria) set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy* (AICPA, *Trust Services Criteria*). Softdocs SC, LLC's objectives for the system in applying the applicable trust services criteria are embodied in its service commitments and system requirements relevant to the applicable trust services criteria. The principal service commitments and system requirements related to the applicable trust services criteria are presented in section B.

There are inherent limitations in any system of internal control, including the possibility of human error and the circumvention of controls. Because of these inherent limitations, a service organization may achieve reasonable, but not absolute, assurance that its service commitments and system requirements are achieved.

We assert that the controls within the system were effective throughout the period August 1, 2023, to July 31, 2024, to provide reasonable assurance that Softdocs SC, LLC's service commitments and system requirements were achieved based on the applicable trust services criteria.

Independent Service Auditor's Report

Independent Service Auditor's Report

Adam Park
CEO
Softdocs SC, LLC
807 Bluff Rd
Columbia, SC 29201

Scope

We have examined Softdocs SC, LLC's accompanying assertion titled "Assertion of Softdocs SC, LLC Management" (assertion) that the controls within Softdocs SC, LLC's enterprise content management solution system (system) were effective throughout the period August 1, 2023, to July 31, 2024, to provide reasonable assurance that Softdocs SC, LLC's service commitments and system requirements were achieved based on the trust services criteria relevant to security, availability, and confidentiality (applicable trust services criteria) set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy* (AICPA, *Trust Services Criteria*).

Service Organization's Responsibilities

Softdocs SC, LLC is responsible for its service commitment and system requirements and for designing, implementing, and operating effective controls within the system to provide reasonable assurance that Softdocs SC, LLC's service commitments and system requirements were achieved. Softdocs SC, LLC has also provided the accompanying assertion about the effectiveness of controls within the system. When preparing its assertion, Softdocs SC, LLC is responsible for selecting, and identifying in its assertion, the applicable trust services criteria and for having a reasonable basis for its assertion by performing an assessment of the effectiveness of the controls within the system.

Service Auditor's Responsibilities

Our responsibility is to express an opinion, based on our examination, on whether management's assertion that controls within the system were effective throughout the period to provide reasonable assurance that the service organization's service commitments and system requirements were achieved based on the applicable trust services criteria. 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 management's assertion is fairly stated, in all material respects. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination included:
- Obtaining an understanding of the system and the service organization's service commitments and system requirements

- Assessing the risks that controls were not effective to achieve Softdocs SC, LLC's service commitments and system requirements based on the applicable trust services criteria
- Performing procedures to obtain evidence about whether controls within the system were effective to achieve Softdocs SC, LLC's service commitments and system requirements based on the applicable trust services criteria

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

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

Inherent Limitations

There are inherent limitations in the effectiveness of 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 were achieved based on the applicable trust services criteria. Also, the projection to the future of any conclusions about the 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.

Opinion

In our opinion, management's assertion that the controls within Softdocs SC, LLC's enterprise content management solution system were effective throughout the period August 1, 2023, to July 31, 2024, to provide reasonable assurance that Softdocs SC, LLC's service commitments and system requirements were achieved based on the applicable trust services criteria is fairly stated, in all material respects.

Joseph Kirkpatrick
CPA, CISSP, CGEIT, CISA, CRISC, QSA
4235 Hillsboro Pike, Suite 300
Nashville, TN 37215

September 20, 2024

Softdocs SC, LLC's Description of Its Enterprise Content Management Solution System

Section A: Softdocs SC, LLC's Description of the Boundaries of Its Enterprise Content Management Solution System

Services Provided

Softdocs SC, LLC (Softdocs) is an enterprise content management (ECM) solutions provider located in Columbia, South Carolina. Softdocs is a provider of process automation and document management solutions for the public sector. The cloud-deployed, scalable Etrieve platform enables organizations to modernize operations and drive organizational success. A professional services team is in place to assist customers with implementations and training. Softdocs' process provides implementation consulting, system migrations, records conversion, training, and support for its customers. The company's offering is a browser-based program through which users complete every action, including scanning and system administration, in a single browser window on any device without needing locally installed software.

The Etrieve platform is a fully browser-based ECM solution that combines document management, electronic forms, and workflow components into a single, scalable platform. The platform has a fully functional component-based architecture that is flexible to meet the needs of the public sector. The primary features of the Etrieve platform include the following:
- Document management
- Electronic forms
- Workflow automation
- Print customization

Client Onboarding

Softdocs' clients are K-12 and higher education institutions and state and local governments. The company begins relationships with customers via word of mouth or advertising. Once a customer signs a contract, the onboarding process is initiated, which includes client registration, pre-discovery, hardware configuration, discovery and documentation, administrative training, end-user training, and post-implementation support.

Technical staff build the environment, and client services staff train the customers and help set up the clients in their environments. The organization encourages customers to use single sign-on to manage user accounts more effectively. Softdocs also communicates the division of roles and responsibilities between the organization and the customer.

Infrastructure

Softdocs maintains the network diagram below to illustrate its environment and infrastructure. The wireless in-office system and the office network are fully separated from the production environment, which is hosted in Azure. The organization only

allows required ports to remain open to ingress traffic. Port 443 is used for inbound traffic.

Softdocs Corporate WAN to LAN Topology
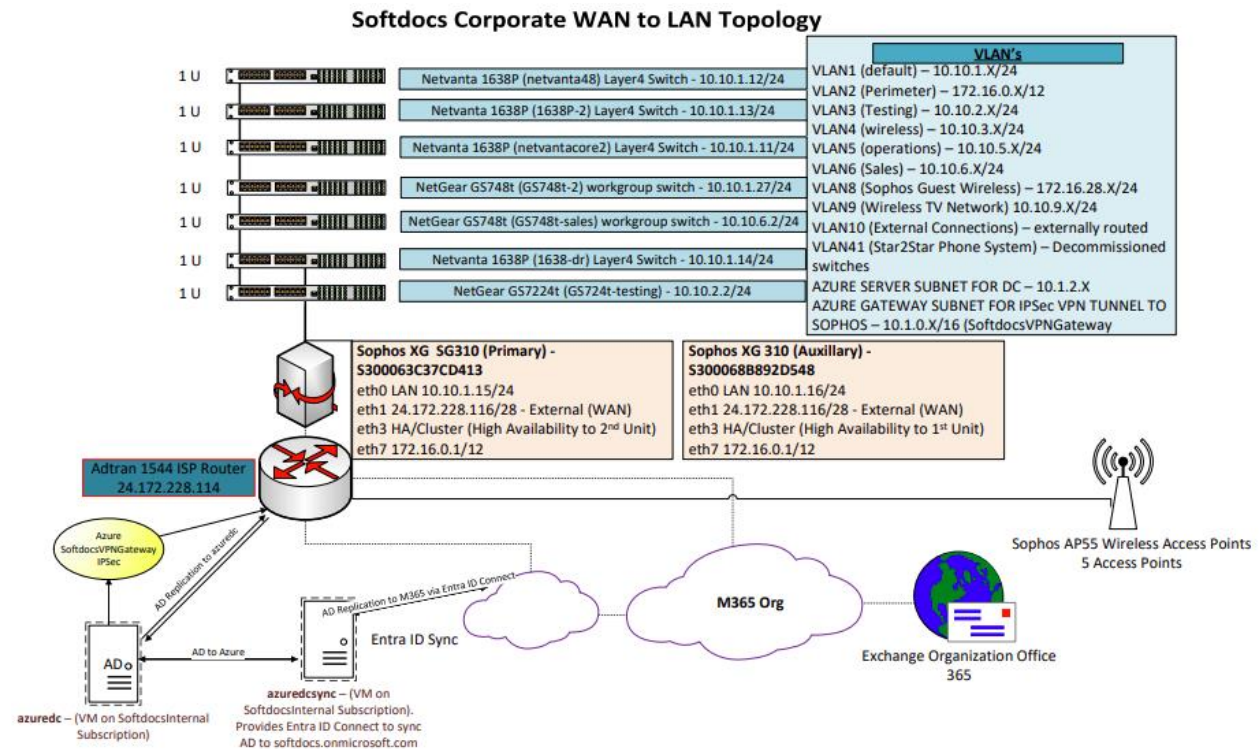
The organization also maintains a hardware inventory and tracks its accuracy through tools such as Active Directory, Intune, and Microsoft 365.

Software

Softdocs uses the following critical software for its daily operations:

- Adobe Creative Cloud
- Adobe DC Pro
- Adobe Premiere Pro
- Aeon2
- Ardira
- Ascensus
- Atalasoft
- Avalara AvaTax
- Azure Storage Explorer
- Azure DevOps
- bill.com
- Burp Suite
- Calendly
- Chrome Browser

- CodeTwo Email Signature Management App
- ConnectWise
- CPQ (Salesforce Integration)
- CrowdStrike Falcon
- Datadog
- Docker
- Docotic
- Disk2VHD
- Edge Browser
- emailable
- Eraser

- Evive (eFolder) cloud backup software
- ExpertPDF
- Firefox Browser
- GitHub Copilot
- Gong
- Grafana
- Dropbox Sign
- IIS Crypto
- Loom
- Kantata
- Mend
- MFCMAPI
- M365 Office Professional

- Microsoft 365 Apps for Enterprise
- Microsoft Visio Professional M365 Online
- Microsoft Teams
- Microsoft Teams Phone
- Microsoft OneDrive
- Mural
- Navan
- NetSuite
- ngrok
- Notepad ++
- Open SSL
- Outreach.io
- PandaDoc
- Pardot
- Partition Master Unlimited/Disk Copy Unlimited

- Phish Alert Button (For M365)
- Postman
- Prey
- Python
- Putty Terminal Software
- Quest Rapid Recovery
- Salesforce
- Salesforce Service Cloud Voice
- Snyk
- SnagIt
- SonarQube
- Sophos Endpoint Advanced w/ Intercept X
- Sophos Intercept X Mobile
- Swagger Hub

- TeamViewer
- Typeform
- Visual Studio
- Visual Studio Code
- Windows 11 Enterprise
- Windows 10 Professional
- Windows Server 2016 Datacenter
- Windows Server 2016 Standard
- Windows Server 2019
- Windows Server 2022
- Zap
- Zoom Web Conference Client
- Workflowy

People

The organization consists of a hierarchical structure, led by the CEO with reporting from major department heads. The Director of Operations & Compliance Officer and the IT department report to the Vice President of Growth and Operations. Additionally, the Director of Operations & Compliance also has a reporting line to the Chief Operating Officer.

The organization's board members are outside of the company but keeps a vested interest in the company. The CEO is the only staff member that reports directly to the board. During quarterly Board of Directors meetings, board members discuss recent audits, and review financial reports and metrics, operations dashboards, Go-to-Market reviews, sales and marketing updates, net promoter scores with client feedback, client services metrics, and compliance updates with discussions related to audits.

Softdocs' hierarchical structure is laid out in its organizational chart.

Leadership @ Softdocs

Adam Park — Chief Executive Officer
Steve Johnston — Chief Operating Officer
Andrea Link — SVP Engineering & Cloud
Scott Craig — Chief Product & Strategy Officer
Christie Williams — VP Employee Success

Andrea Robinson — VP of Finance
Benji Whitney — VP of Client Services
Gary Young — SVP of Sales & Success
Abe Gruber — VP Growth Operations

Designated Softdocs team members are responsible for handling different aspects of daily operations:

- The Director of Operations & Compliance Officer along with the COO, Director of IT, System Administrator, Cloud Engineering Manager, Application Security Architect, and VP of Employee Success are collectively responsible for implementing security controls.
- The Systems Administrator, Director of IT, Cloud Engineering Manager, and Cloud Engineers are responsible for malware prevention and management.
- The Systems Administrator, Director of IT, Cloud Engineering Manager, and Cloud Engineers are responsible for network monitoring and log management.
- The System Administrator, Director of IT and Cloud Engineering Manager are collectively responsible for defining access rights.
- The Systems Administrator, Director of IT, Cloud Engineering Manager, Cloud Engineers and Engineering are responsible for the encryption of data in transit.
- The System Administrator, Director of IT, Cloud Engineering Manager, and Application Security Architect are responsible for security testing and intrusion prevention.
- Everybody is responsible for protecting sensitive data, but the management of it falls to the Security Team.
- The Director of IT and Director of Operations & Compliance Officer are responsible for physical security.

Data

Softdocs' employees are responsible for handling and processing information that is considered PII and/or PHI. Softdocs' Personally Identifiable Information (PII) and Personal Health Information (PHI) data policy and procedures are in place to ensure

that data is processed according to those guidelines. The organization's Access Control policy secures access to data as well.

The organization's data classification scheme includes restricted, private (sensitive), and public data types. The Data Encryption Policy provides examples and direction on the transmission and storage for each type of data, and the requirements for data encryption.

The organization requires the use of RSA 2048-bit encryption and AES 256-bit encryption or higher. Rijndael is used within Etrieve Content for encryption of document files. The organization requires TLS 1.2 or higher to protect data in transit. Data encryption is enabled on all of the organization's interfaces, and a pre-shared key is used.

Clients of Softdocs own their data and are responsible for the removal of records. Softdocs removes consumer records if that is requested by the organization. If PII is exposed, the organization reports it to consumers and regulatory bodies, but the data belongs to the client, who is responsible for compliance with notification of consumers and regulatory bodies.

Processes and Procedures

Management has developed and communicated procedures to guide the provision of the organization's services. Changes to procedures are performed annually and authorized by management. These procedures cover the following key security life cycle areas:
- Data classification
- Categorization of information
- Assessment of the business impact resulting from proposed security approaches
- Selection, documentation, and implementation of security controls
- Performance of annual management self-assessments to assess security controls
- Authorization, changes to, and termination of information system access
- Monitoring security controls
- Management of access and roles
- Maintenance and support of the security system and necessary backup and offline storage
- Incident response
- Maintenance of restricted access to system configurations, user functionality, master passwords, and security devices

Section B: Principal Service Commitments and System Requirements

Regulatory Commitments

Softdocs' platform is subject to GLBA, FERPA, and privacy regulations. While not required, Softdocs also complies with HIPAA, PCI, FISMA, and FDCPA standards as applicable to meet client needs.

Contractual Commitments

Softdocs communicates its service commitments to its clients through contractual documentation. Clients are required to sign a licensing agreement and a statement of work that defines the scope and deliverables for the project, respective Softdocs and client responsibilities, and time estimates. A service level agreement is provided to cloud clients. Contracts also include pricing agreements and the Master Service Agreement.

System Design

Softdocs designs its enterprise content management solution system to meet its regulatory and contractual commitments. These commitments are based on the services that Softdocs provides to its clients, the laws and regulations that govern the provision of those services, and the financial, operational, and compliance requirements that Softdocs has established for its services. Softdocs establishes operational requirements in its system design that support the achievement of its regulatory and contractual commitments. These requirements are communicated in Softdocs' system policies and procedures, system design documentation, and contracts with clients.