



**Corporate Benefit
Strategies, Inc.**

Corporate Benefit Strategies, Inc.

Service Auditor's Report on Controls Placed
in Operations and Tests of Operating
Effectiveness for the Period

January 1, 2009 – December 31, 2009

SAS70 TYPE II



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I. INDEPENDENT SERVICE AUDITOR'S REPORT

INDEPENDENT SERVICE AUDITOR'S REPORT

Scott Crumback
Chief Executive Officer
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We have examined the accompanying description of controls related to the payroll, human resources, and benefits administration application development and hosting environment of Corporate Benefits Strategies, Inc (CBS) for users of these services. Our examination included procedures to obtain reasonable assurance about whether (1) the accompanying description presents fairly, in all material respects, the aspects of CBS' controls that may be relevant to a user organization's internal control as it relates to an audit of financial statements; (2) the controls included in the description were suitably designed to achieve the control objectives specified in the description, if those controls were complied with satisfactorily and user organizations applied the controls contemplated in the design of CBS' controls, and (3) such controls had been placed in operation as of December 31, 2009. The control objectives were specified by the management of CBS. Our examination was performed in accordance with standards established by the American Institute of Certified Public Accountants and included those procedures we considered necessary in the circumstances to obtain a reasonable basis for rendering our opinion.

In our opinion, the accompanying description of the aforementioned controls presents fairly, in all material respects, the relevant aspects of CBS' controls that had been placed in operation as of December 31, 2009. Also, in our opinion, the controls, as described, are suitably designed to provide reasonable assurance that the specified control objectives would be achieved if the described controls were complied with satisfactorily and user organizations applied the user control considerations contemplated in the design of CBS' controls.

In addition to the procedures we considered necessary to render our opinion as expressed in the previous paragraph, we applied tests to specific control activities, listed in Section III, to obtain evidence about their effectiveness in meeting the related control objectives, described in Section II, during the period from January 1, 2009 to December 31, 2009. The specific controls and the nature, timing, extent, and results of the tests are listed in Section III. This information has been provided to user organizations of CBS and to their auditors to be taken into consideration, along with information about internal control at user organizations, when making assessments of control risk for user organizations. In our opinion, the controls that were tested as described in Section III were operating with sufficient effectiveness to provide reasonable, but not absolute, assurance that the control objectives specified in Section III were achieved during the period from January 1, 2009 to December 31, 2009.

The relative effectiveness and significance of specific controls at CBS and their effect on assessments of controls risk at user organizations are dependent on their interaction with the controls and other facts present at individual user organizations. We have performed no procedures to evaluate the effectiveness of control activities at individual user organizations.

The description of controls at CBS is as of December 31, 2009. Any projection of such information to the future is subject to the risk that, because of change, the description may no longer portray the controls in existence. The potential effectiveness of specific controls at CBS is subject to inherent limitations and, accordingly, errors or fraud may occur and not be detected.

Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that changes made to the system or controls, or the failure to make needed changes to the system or controls, or changes required because of the passage of time may alter the validity of such conclusions.

This report is intended solely for the use of management of CBS, its user organizations, and the independent auditors of its user organizations.

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February 10, 2010