Concerns about data security in the cloud can keep some companies from using the service. The main issue customers have is trusting a third-party to host company data, said Dr. Sanjay Ahuja, a Fidelity distinguished full professor of computer and information sciences at the University of North Florida.

"Cloud service has pluses and minuses when it comes to data security," he said.

"On the plus side, you know the cloud provider has a dedicated security team and infrastructure in place that it offers to the end user. Also, cloud providers offer disaster recovery. If the system fails, you can reconstitute service in another location and rapidly bring everything back up. "On the minus side, you must be able to trust the vendor's security model."

But, there is a multitude of certifications out there for cloud vendors, Ahuja said. Third-party certification audits can ensure cloud providers meet industry established standards, such as the following:

- ISO 27001 — A global standard that covers a broad range of information security issues. With respect to virtual machines or the cloud, the standard requires an encrypted connection isolating the customer from the cloud provider, regular scanning to ensure there are no viruses, data encryption when information is at rest and denial of botnet or false user attacks.
- Federal Information Security Management Act standard or FISMA — A certification needed to do business with the federal government.
- SSAE 16 — A standard for companies that perform outsourced services affecting the financial statements of another company.
- International Standards for Assurance Engagements 3402 or ISAE — A standard that applies when doing business internationally.
- Health Insurance Portability and Accountability Act or HIPAA — Data centers can receive an audit for compliance with medical record privacy laws.
- Payment Card Industry Data Security Standard or PCI DSS — Helps control and minimize the risk of fraud or the compromise of sensitive financial information.