CPA
Practice Advisor

Mary Girsch-Bock • Sep. 28, 2022

Your clients trust you to prepare their tax returns and advise them on sensitive financial topics. They also trust you with data that needs to be properly safeguarded against online criminal behavior. There are actually a lot of things that you can do to ensure that confidential data remains confidential, with many of the suggestions, such as shredding all paper documents, easily accomplished. But there are other ways to safeguard firm data and to keep it out of the hands of criminals.

1. Install the proper safeguards

These safeguards include both anti-virus software and malware scanners. Both are

course taking place at least every six months, since threats change and evolve quickly.

3. Use complicated passwords

This goes for everyone that has access to a computer. Set parameters for passwords, such as making them a certain length. It’s also helpful to require symbols, lower case and upper-case letters, and numbers. While many of us tend to create passwords that are easily remembered, the more complicated the password, the less likely it is to be guessed by online criminals. But even a complicated password may not be enough (see #4).

4. Require multi-factor authentication on everything that requires a password

Today, it may not be enough to use a complex password. That’s why multi-factor authentication is a great idea. Multi-factor authentication requires you to input a passcode that is delivered through an outside system such as your cellphone or email. This helps identify the person attempting to access the system. On a side note, multi-factor authentication has saved me several times when hackers gained access to my apps using a stolen password. It may save you from a potentially catastrophic data breach as well.

5. Manage application accessibility

Managing application accessibility should start with the onboarding process. Remember, not every employee needs or should have access to all applications. Properly managing application access also means that terminated employees need to have their login and password privileges revoked once they leave.

There are other ways to keep your data safe from hackers, including using an online portal to communicate with your clients. A secure online portal allows you and your clients to share sensitive information, eliminating the need to share confidential

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