

TAXES TODAY

eNewsletter for
Tax Professionals

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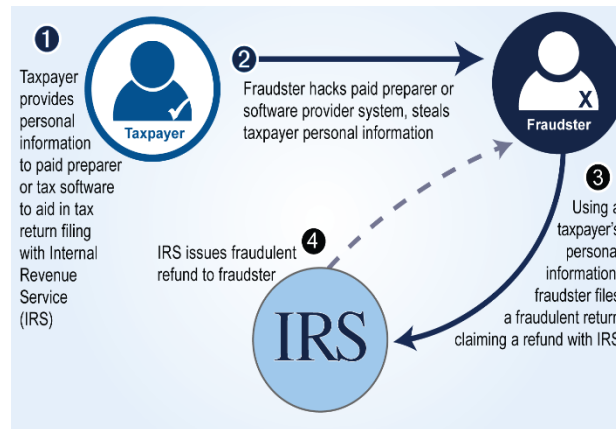
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Cyberattacks: How to Safeguard your Firm

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In my experience working in both public accounting and private wealth management, it's clear that these are (unsurprisingly) two of the most targeted and vulnerable industries for cyberattacks. And the sophistication (and pace of improvement) of the methods used to target clients is downright frightening.



Source: GAO analysis. | GAO-19-340

In fact, just last week, I received an email from a purported client requesting a large wire transaction sent to a bank account I did not recognize. In almost every way imaginable, the email looked legitimate and had I not known the client over the years of working with them and called to verbally confirm this transfer (which we do as a matter of best-practice for any electronic transfer), a terrible mistake could have been made.

How can you protect your firm from cybersecurity attacks? Some of the recommended practices are as follows:

- Create a point-person in the firm to be solely responsible for ensuring that proper safeguards are in place, the data security plan is current (as required by the U.S. Federal Trade Commission), and personnel are properly trained.
- Purchase [anti-virus software](#). *Note: it's important to ensure that this software is set to update automatically.*
- Establish [firewalls](#). Firewalls are designed to prevent unauthorized access to or from outside networks.
- Consider a [multifactor authentication \(MFA\)](#) system. For example, this would require both a password and another method of authentication (such as a rotating number from a phone app) to access important data and software.
- Backup your firm's data using a cloud storage service. This data should also be encrypted.
- Consider [cyber insurance](#). This type of insurance can protect your firm if a cyberattack is initiated on your end instead of the client's.

We are here to help.

As always, please feel free to reach out and call (916-405-9166) or email (spitchford@towerpointwealth.com) with any questions, thoughts, or needs you may have. At Towerpoint Wealth, we are happy to be a direct and no-strings-attached resource for you.



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