

WISPWOLF · COMPLIANCE STARTER KIT

FTC Safeguards Rule Checklist

This is a free starter resource from WISPWOLF to help tax preparers and small firms identify their compliance gaps. It is **not** a completed Written Information Security Program. For a customized WISP, compliance score, remediation tracking, and evidence organization, generate yours at **wispswolf.com**.

Why this checklist exists

The FTC Safeguards Rule (16 CFR Part 314) applies to every paid tax preparer, CPA firm, bookkeeper, and financial professional. Use this checklist to identify your gaps. It is a starter resource — not a completed compliance program.

The 9 required elements (§ 314.4)

Walk each element and mark whether you have written, documented evidence — not just intent.

- Designated Qualified Individual responsible for the program
- Written risk assessment (relief for firms under 5,000 customers)
- Safeguards: access controls, data inventory, encryption, secure development, MFA, secure disposal, change management, monitoring
- Regular testing — continuous monitoring OR annual pen test + biannual vulnerability scan
- Training of personnel and use of qualified security staff
- Service provider oversight — due diligence, contracts, reassessment
- Program evaluation and adjustment based on testing and material changes
- Written and tested incident response plan
- Qualified Individual reports at least annually to the governing body

Technical baselines auditors look for

These are the controls cyber insurers and FTC examiners specifically ask about.

- MFA on every system that touches customer information
- Encryption at rest and in transit (AES-256 / TLS 1.2+)
- Centralized logging and monitoring
- Documented change management process
- Annual penetration test or continuous monitoring program
- 30-day FTC breach notification workflow (events affecting 500+)

What this checklist does NOT replace

Run your tailored controls, risk register, vendor inventory, and evidence packets in WISPWolf. Want a compliance score? Take the 15-question quiz at wispwolf.com/quiz.

Next step

Generate a customized WISP, get a compliance score, and track remediation evidence at **wispwolf.com/quiz**. Want a complete Written Information Security Program instead of a starter template? Generate your WISP with WISPWolf.

Disclaimer: Provided for educational purposes only. Not legal, tax, or compliance advice. Customize for your firm and confirm with qualified advisors.