

The Firm Owner's Guide to **AI** — and the Rule You're Already Under

What AI can do for your firm, what it can't, and the federal security requirement most accounting and financial firms don't know applies to them.

AI is coming into your firm whether you plan for it or not

Your staff have seen the ads. "AI bookkeeping." "AI tax prep." "AI client intake." Some may already be pasting client financials into free AI tools to save time during a crunch. That's the part that should concern you.

Here's the honest truth most vendors won't lead with: **the risk isn't adopting AI — it's adopting it without a compliance foundation underneath.** The moment an AI tool touches client financial information, it falls under a federal rule you're very likely already subject to — one most firms have never heard of.

That rule is the **FTC Safeguards Rule**, and if your firm handles customer financial information, it almost certainly applies to you — whether or not anyone at the firm has ever set it up. This guide is about getting ahead of it: understanding what AI can genuinely do for your firm, and the obligation to settle *before* you turn anything on.

ONE LINE TO REMEMBER

Adding AI to a firm that hasn't documented its security program doesn't make you modern — it makes you the firm that took on new client-data risk without writing it down, under a rule that requires you to. The order matters: **foundation first, then AI.**

You don't need to become a security expert. You need to ask a handful of the right questions and have someone accountable for the answers. The rest of this guide gives you exactly those questions.

What AI can actually do for a firm like yours

Set aside the "AI does your taxes" headlines. The AI that pays for itself in a small or mid-sized accounting or financial firm isn't replacing your judgment — it's giving your team back the hours lost to intake, data entry, and chasing clients. Here's the grounded menu.

Client intake & communication

The front-office load, handled around the clock.

- Intelligent scheduling and automated reminders for consultations and deadlines
- After-hours call capture — every prospective-client call answered, qualified, and booked instead of lost to voicemail
- Document-request and follow-up outreach during tax season that runs itself

Back-office workflow automation

The repetitive hours nobody has time for.

- Data entry and document processing — turning statements and forms into clean records
- Reconciliation prep and exception flagging for your team to review
- Client onboarding and engagement-letter workflows, minus the manual shuffle

Where we draw the line — on purpose

This guide is about **operational and administrative AI**: intake, scheduling, document processing, back-office workflow. It is **not** about replacing professional judgment — the actual accounting, advising, tax positions, or fiduciary decisions your license and expertise cover.

AI drafts and organizes; your professionals decide and sign. Any tool that implies it can replace the judgment you're licensed and liable for is a tool to be skeptical of — and a conversation for your partners, not an IT decision.

Notice what these have in common: every one is a **time-and-money** win, not a "look how advanced we are" win. If an AI tool can't tell you which staff hours it gives back, it's a toy, not an investment.

03 • THE PART VENDORS SKIP

The rule you're under — and what AI does to it

Here's where "helpful AI tool" quietly becomes "a gap in your federally-required security program." Under the FTC Safeguards Rule, three things have to be true when AI touches client financial data — and most firms can't confirm any of them.

1. You're required to have a Written Information Security Program (WISP)

If your firm handles customer financial information — as accountants, tax preparers, bookkeepers, financial advisors, and many others do — the FTC treats you as a "financial institution" under the Safeguards Rule. That means a **Written Information Security Program**, a designated Qualified Individual, and a documented risk assessment are **required**, AI or no AI. Most firms don't have one.

2. Any AI vendor handling client data must meet your safeguards

The Rule requires you to oversee your service providers. An AI tool processing client financials is a service provider — it needs the right contractual terms, and it must **not train its models on your clients' data**. "Where does our data go, and what do you do with it?" is a required question, not a rude one.

3. Every AI tool belongs in your risk assessment

The Safeguards Rule requires an ongoing risk assessment and, for many firms, annual penetration testing and regular vulnerability scanning. Adding an AI tool and *not* updating that assessment is exactly the gap a regulator, a client's auditor, or your cyber-insurer looks for.

THE UNCOMFORTABLE QUESTION

Do you have a Written Information Security Program — and could you produce it if the FTC, a client, or your insurance carrier asked tomorrow? If that question made you pause, that pause *is* the finding. It's also the right place to start, before any AI decision.

04 • KEEP THIS PAGE

5 questions to ask before you buy any AI tool

Print this. Tape it to the administrator's monitor. Any AI vendor who can't answer all five, in writing, isn't ready for a firm that handles client financial data.

1

Will you meet our FTC Safeguards service-provider requirements in writing?

If the vendor doesn't know what that means, they aren't ready for a financial firm's data.

2

Where does our data physically go, and who can access it?

Cloud region, subprocessors, staff access. Vague answers are a red flag.

3**Do you train your models on the data we put in?**

For client financial data the only acceptable answer is a documented, contractual "no."

4**Can we get an audit trail of what the tool accessed and did?**

If you can't see it, you can't defend it to a regulator or after an incident.

5**Is this tool reflected in our WISP and risk assessment?**

This one's on you, not the vendor — and it's the one most firms miss.

If you can't answer question five for the tools you *already* use — or you don't have a WISP to reflect them in — you've just found your starting point, and you're far from alone.

05 • THE SANE SEQUENCE

Where to start — without boiling the ocean

You do not need an "AI transformation." You need three steps in the right order. Ignore anyone selling you all of it at once.

1**Document your foundation first**

Get your FTC Safeguards assessment and Written Information Security Program in place. Know where client data lives and how it's protected today. Required regardless of AI — and the map for everything after.

2**Start with front- and back-office AI, not judgment calls**

Intake, scheduling, document processing, reconciliation prep. Low risk, fast payback, staff feel the relief in weeks — especially heading into tax season. Prove the value where the stakes are lowest.

3**Expand deliberately, with compliance keeping pace**

Every new tool goes through the five questions and into your WISP and risk assessment before it goes live. Growth with a paper trail, not growth you'll have to explain later.

The whole strategy in one sentence

Get your security program documented, adopt operational AI where the payback is fast and the risk is low, and let your paperwork keep pace with your tools — so AI makes your firm more efficient **and** more defensible, not less.

THE RIGHT FIRST STEP

Before you add AI, know where you stand.

Everything in this guide starts from the same foundation: a current, honest picture of where your client data lives and how it's protected — and whether your firm meets the FTC Safeguards Rule it's already under. That's the natural first step before any AI decision.

TampaTeks FTC Safeguards Assessment & WISP

A fixed-fee, fixed-scope assessment that tells you where you stand against the Safeguards Rule, delivers your Written Information Security Program, and maps any AI tools already in use — in plain English.

The fee credits back in full against a managed agreement signed within 60 days. Engage us, and the assessment was free.

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This guide is general information for firm operators, not legal or compliance advice. FTC Safeguards Rule obligations vary by firm; an assessment provides the specifics for yours. TampaTeks provides IT, security, and operational AI services — not accounting, tax, legal, or financial-advisory services.