

ETHICS AND THE USE OF THE INTERNET: TWO CASE STUDIES

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Ethics and the Use of the Internet

- What is Social Media?
 - Generally websites or other electronic technologies that allow people and organizations to create, share or exchange information, interests, ideas and pictures/videos in virtual communities and networks
 - The most common social media sites used in the work place: Facebook, LinkedIn, Twitter and YouTube

Ethics and the Use of the Internet

- Common situations where ethical dilemmas may be encountered by the use of the internet:
 - Recruiting and hiring
 - Misuse of the internet by employees
 - Employee advancement and disciplinary actions
 - Employee productivity
 - Relationships with clients
 - Firm promotion
 - Personal promotion

Ethics and the Use of the Internet

- Legal considerations/issues encountered through the use of social media in the workplace:
 - Many states have passed privacy protection laws
 - Prohibits the request or requirement of applicants or employees to provide access to their personal internet accounts
 - Prohibits penalizing, disciplinary action or discharging of an employee or the failure to hire an applicant if access to their personal account is denied

Ethics and the Use of the Internet

- The privacy limitations do not prohibit an employer from:
 - Accessing, viewing or using information about an applicant or employee that is either in the public domain or obtained without required access information

Ethics and the Use of the Internet

- Accessing or monitoring electronic data or information stored on a device paid for by the employer or traveling through an employer's network
- Prohibiting or restricting an employee's access to certain websites using a device or network paid for by the employer

Ethics and the Use of the Internet

- Best practice today is to adopt a social media policy statement. It should address the employer's expectations with regard to:
 - An employee's use of social media for personal, business or marketing purposes
 - The employer's intention to monitor the employee's activities on social media
 - The disciplinary action that will be taken for breach of the policy

**Treasury Department
Circular No. 230
(Rev. 6-2014)**

**Catalog Number 16586R
www.irs.gov**

**Regulations Governing Practice before
the Internal Revenue Service**

Circular 230

**Department
of the
Treasury**

**Title 31 Code of Federal Regulations,
Subtitle A, Part 10,
published (June 12, 2014)**

**Internal
Revenue
Service**

Circular 230 – Subpart B

- Solicitation – Section 10.30
 - A practitioner may not with respect to any IRS matter use any form of public communication containing a false, fraudulent, or misleading or deceptive statement or claim.
 - Enrolled Agents may not utilize the term “certified” or imply an employer/employee relationship with the IRS. An acceptable description of an Enrolled Agent is “enrolled in practice before the IRS.”

Circular 230 – Subpart B

- Competence – Section 10.35
 - A practitioner must possess the requisite competence to practice before the IRS.
 - Competence requires knowledge, skill, thoroughness and preparation necessary for the matter.

Circular 230 – Subpart B

- Procedures to Ensure Compliance – Section 10.36
 - A practitioner with principal responsibility for overseeing firm's practice
 - Must ensure Circular 230 compliance procedures are in place for all members
 - Disciplinary action possible

AICPA CODE OF PROFESSIONAL CONDUCT



AICPA CODE OF PROFESSIONAL CONDUCT

- Professional Conduct
 - Section 0.300.020
 - In carrying out their responsibilities as professionals, members should exercise sensitive professional and moral judgment in all of their activities.

AICPA CODE OF PROFESSIONAL CONDUCT

- Due Care
 - Section 0.300.060
 - Members must act with due care.
 - Members must adequately supervise professional activity in order to meet their due care responsibility.

AICPA CODE OF PROFESSIONAL CONDUCT

- Confidentiality
 - Section 1.700.0001.01
 - A member shall not disclose any confidential client information without the specific consent of the client. Confidential client information includes any information obtained from the client that is not available to the public.