

**Rural Utilities Service, USDA**

**§ 1767.29**

4. Payments for accident, sickness, hospital, and death benefits or insurance.

5. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed when not the result of occupational injuries or in excess of statutory awards.

6. Expenses in connection with educational and recreational activities for the benefit of employees.

*Insurance:*

1. Premiums payable to insurance companies for fire, storm, burglary, boiler explosion, lightning, fidelity, riot, and similar insurance.

2. Amounts credited to Account 228.1, Accumulated Provision for Property Insurance, for similar protection.

3. Special costs incurred in procuring insurance.

4. Insurance inspection service.

5. Insurance counsel, brokerage fees, and expenses.

6. Premiums payable to insurance companies for protection against claims from injuries and damages by employees or others, such as public liability, property damages, casualty, employee liability, etc., and amounts credited to Account 228.2, Accumulated Provision for Injuries and Damage, for similar protection.

7. Losses not covered by insurance or reserve accruals on account of injuries or deaths to employees or others and damages to the property of others.

8. Fees and expenses of claim investigators.

9. Payment of awards to claimants for court costs and attorneys' services.

10. Medical and hospital service and expenses for employees as the result of occupational injuries or resulting from claims of others.

11. Compensation payments under workmen's compensation laws.

12. Compensation paid while incapacitated as the result of occupational injuries. (See Account 924, Note A.)

13. Cost of safety, accident prevention, and similar educational activities.

*Materials and Expenses:*

1. Communication service.

2. Miscellaneous office supplies and expenses and stationery and printing other than those specifically provided for in Account 902 and Account 903.

[58 FR 59825, Nov. 10, 1993, as amended at 62 FR 42311, Aug. 6, 1997; 62 FR 43201, Aug. 12, 1997]

**§ 1767.29 Customer service and informational expenses.**

The customer service and informational expense accounts identified in this section shall be used by all RUS borrowers.

**CUSTOMER SERVICE AND INFORMATIONAL EXPENSES**

(Operation)

- 907 Supervision
- 908 Customer Assistance Expenses
- 909 Informational and Instructional Advertising Expenses
- 910 Miscellaneous Customer Service and Informational Expenses

**CUSTOMER SERVICE AND INFORMATIONAL EXPENSES**

(Operation)

907 Supervision

This account shall include the cost of labor, employee pensions and benefits, social security and other payroll taxes, injuries and damages, and expenses incurred in the general direction and supervision of customer service activities, the object of which is to encourage safe, efficient, and economical use of the utility's service. Direct supervision of a specific activity within customer service and informational expense classification shall be charged to the account wherein the costs of such activity are included. (See § 1767.17(a).)

908 Customer Assistance Expenses

This account shall include the cost of labor, employee pensions and benefits, social security and other payroll taxes, injuries and damages, materials used, and expenses incurred in providing instructions or assistance to customers, the object of which is to encourage safe, efficient, and economical use of the utility's service.

*Items*

*Labor:*

- 1. Direct supervision of department.
- 2. Processing customer inquiries relating to the proper use of electric equipment, the replacement of such equipment, and information related to such equipment.
- 3. Advice directed to customers as to how they may achieve the most efficient and safest use of electric equipment.
- 4. Demonstrations, exhibits, lectures, and other programs designed to instruct customers in the safe, economical, or efficient use of electric service, and/or oriented toward conservation of energy.
- 5. Engineering and technical advice to customers, the object of which is to promote safe, efficient, and economical use of the utility's service.

*Taxes:*

- 1. Federal and state unemployment.
- 2. F.I.C.A.

*Employee Pensions and Benefits:* The portion of employee pensions and benefits specifically identifiable with employees' labor

**§ 1767.29**

costs charged herein or, in the absence of specific employee identification, the portion of employee pensions and benefits, allocated on the more equitable basis of either direct labor dollars or direct labor hours, applicable to the labor items detailed above, including:

1. Accruals for or payments to pension funds or to insurance companies for pension purposes.
2. Group and life insurance premiums (credit dividends received).
3. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries.
4. Payments for accident, sickness, hospital, and death benefits or insurance.
5. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed when not the result of occupational injuries or in excess of statutory awards.
6. Expenses in connection with educational and recreational activities for the benefit of employees.

*Insurance:*

1. Premiums payable to insurance companies for protection against claims from injuries and damages by employees or others, such as public liability, property damages, casualty, employee liability, etc., and amounts credited to Account 228.2, Accumulated Provision for Injuries and Damage, for similar protection.
2. Losses not covered by insurance or reserve accruals on account of injuries or deaths to employees or others and damages to the property of others.
3. Fees and expenses of claim investigators.
4. Payment of awards to claimants for court costs and attorneys' services.
5. Medical and hospital service and expenses for employees as the result of occupational injuries or resulting from claims of others.
6. Compensation payments under workmen's compensation laws.
7. Compensation paid while incapacitated as the result of occupational injuries. (See Account 924, Note A.)
8. Cost of safety, accident prevention, and similar educational activities.

*Materials and Expenses:*

1. Supplies and expenses pertaining to demonstrations, exhibits, lectures, and other programs.
2. Loss in value on equipment and appliances used for customer assistance programs.
3. Office supplies and expenses.
4. Transportation, meals, and incidental expenses.

NOTE: Do not include in this account expenses that are provided for elsewhere, such as Accounts 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work; 587,

**7 CFR Ch. XVII (1-1-08 Edition)**

Customer Installations Expenses; and 912, Demonstrating and Selling Expenses.

**909 Informational and Instructional Advertising Expenses**

This account shall include the cost of labor, employee pensions and benefits, social security and other payroll taxes, injuries and damages, materials used, and expenses incurred in activities which primarily convey information as to what the utility urges or suggests customers should do in utilizing electric service to protect health and safety, to encourage environmental protection, to utilize their electric equipment safely and economically, or to conserve electric energy.

*Items*

*Labor:*

1. Direct supervision of information activities.
2. Preparing informational materials for newspapers, periodicals, and billboards and preparing and conducting informational motion pictures, radio and television programs.
3. Preparing informational booklets and bulletins used in direct mailings.
4. Preparing informational window and other displays.
5. Employing agencies, selecting media, and conducting negotiations in connection with the placement and subject matter of information programs.

*Taxes:*

1. Federal and state unemployment.
2. F.I.C.A.

*Employee Pensions and Benefits:* The portion of employee pensions and benefits specifically identifiable with employees' labor costs charged herein or, in the absence of specific employee identification, the portion of employee pensions and benefits, allocated on the more equitable basis of either direct labor dollars or direct labor hours, applicable to the labor items detailed above, including:

1. Accruals for or payments to pension funds or to insurance companies for pension purposes.
2. Group and life insurance premiums (credit dividends received).
3. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries.
4. Payments for accident, sickness, hospital, and death benefits or insurance.
5. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed when not the result of occupational injuries or in excess of statutory awards.
6. Expenses in connection with educational and recreational activities for the benefit of employees.

*Insurance:*

## Rural Utilities Service, USDA

§ 1767.29

1. Premiums payable to insurance companies for protection against claims from injuries and damages by employees or others, such as public liability, property damages, casualty, employee liability, etc., and amounts credited to Account 228.2, Accumulated Provision for Injuries and Damage, for similar protection.

2. Losses not covered by insurance or reserve accruals on account of injuries or deaths to employees or others and damages to the property of others.

3. Fees and expenses of claim investigators.

4. Payment of awards to claimants for court costs and attorneys' services.

5. Medical and hospital service and expenses for employees as the result of occupational injuries or resulting from claims of others.

6. Compensation payments under workmen's compensation laws.

7. Compensation paid while incapacitated as the result of occupational injuries. (See Account 924, Note A.)

8. Cost of safety, accident prevention, and similar educational activities.

### *Materials and Expenses:*

1. Use of newspapers, periodicals, billboards, and radio for informational purposes.

2. Postage on direct mailings to customers exclusive of postage related to billings.

3. Printing of informational booklets, dodgers, and bulletins.

4. Supplies and expenses in preparing informational materials by the utility.

5. Office supplies and expenses.

NOTE A: Exclude from this account and charge to Account 930.2, Miscellaneous General Expenses, the cost of publication of stockholder reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate character. Also exclude all expenses of a promotional, institutional, goodwill, or political nature, which are includible in such accounts as 913, Advertising Expenses; 930.1, General Advertising Expenses; and 426.4, Expenditures for Certain Civic, Political and Related Activities.

NOTE B: Entries relating to informational advertising included in this account shall contain or refer to supporting documents which identify the specific advertising message. If references are used, copies of the advertising message shall be readily available.

### 910 Miscellaneous Customer Service and Informational Expenses

This account shall include the cost of labor, employee pensions and benefits, social security and other payroll taxes, injuries and damages, property insurance, property taxes, materials used, and expenses incurred in connection with customer service and informational activities which are not includible in

other customer information expense accounts.

### *Items*

#### *Labor:*

1. General clerical and stenographic work not assigned to specific customer service and informational programs.

2. Miscellaneous labor.

#### *Taxes:*

1. Federal and state unemployment.

2. F.I.C.A.

3. Property.

*Employee Pensions and Benefits:* The portion of employee pensions and benefits specifically identifiable with employees' labor costs charged herein or, in the absence of specific employee identification, the portion of employee pensions and benefits, allocated on the more equitable basis of either direct labor dollars or direct labor hours, applicable to the labor items detailed above, including:

1. Accruals for or payments to pension funds or to insurance companies for pension purposes.

2. Group and life insurance premiums (credit dividends received).

3. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries.

4. Payments for accident, sickness, hospital, and death benefits or insurance.

5. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed when not the result of occupational injuries or in excess of statutory awards.

6. Expenses in connection with educational and recreational activities for the benefit of employees.

#### *Insurance:*

1. Premiums payable to insurance companies for fire, storm, burglary, boiler explosion, lightning, fidelity, riot, and similar insurance.

2. Amounts credited to Account 228.1, Accumulated Provision for Property Insurance, for similar protection.

3. Special costs incurred in procuring insurance.

4. Insurance inspection service.

5. Insurance counsel, brokerage fees, and expenses.

6. Premiums payable to insurance companies for protection against claims from injuries and damages by employees or others, such as public liability, property damages, casualty, employee liability, etc., and amounts credited to Account 228.2, Accumulated Provision for Injuries and Damage, for similar protection.

7. Losses not covered by insurance or reserve accruals on account of injuries or

§ 1767.30

7 CFR Ch. XVII (1-1-08 Edition)

deaths to employees or others and damages to the property of others.

- 8. Fees and expenses of claim investigators.
- 9. Payment of awards to claimants for court costs and attorneys' services.
- 10. Medical and hospital service and expenses for employees as the result of occupational injuries or resulting from claims of others.
- 11. Compensation payments under workmen's compensation laws.
- 12. Compensation paid while incapacitated as the result of occupational injuries. (See Account 924, Note A.)
- 13. Cost of safety, accident prevention, and similar educational activities.

Materials and Expenses:

- 1. Communication service.
- 2. Printing, postage, and office supplies expenses.

[58 FR 59825, Nov. 10, 1993, as amended at 62 FR 42313, Aug. 6, 1997]

§ 1767.30 Sales expenses.

The sales expense accounts identified in this section shall be used by all RUS borrowers.

SALES EXPENSES

(Operation)

- 911 Supervision
- 912 Demonstrating and Selling Expenses
- 913 Advertising Expenses
- 916 Miscellaneous Sales Expenses

SALES EXPENSES

(Operation)

- 911 Supervision

This account shall include the cost of labor, employee pensions and benefits, social security and other payroll taxes, injuries and damages, and expenses incurred in the general direction and supervision of sales activities, except merchandising. Direct supervision of a specific activity, such as demonstrating, selling, or advertising shall be charged to the account wherein the costs of such activity are included. (See §1767.17(a).)

- 912 Demonstrating and Selling Expenses

This account shall include the cost of labor, employee pensions and benefits, social security and other payroll taxes, injuries and damages, materials used, and expenses incurred in promotional, demonstrating, and selling activities, except by merchandising, the object of which is to promote or retain the use of utility services by present and prospective customers.

Items

Labor:

- 1. Demonstrating uses of utility services.
- 2. Conducting cooking schools, preparing recipes, and related home service activities.
- 3. Exhibitions, displays, lectures, and other programs designed to promote use of utility services.
- 4. Experimental and development work in connection with new and improved appliances and equipment, prior to general public acceptance.
- 5. Solicitation of new customers or of additional business from old customers, including commissions paid employees.
- 6. Engineering and technical advice to present or prospective customers in connection with promoting or retaining the use of utility services.
- 7. Special customer canvasses when their primary purpose is the retention of business or the promotion of new business.

Taxes:

- 1. Federal and state unemployment.
- 2. F.I.C.A.

Employee Pensions and Benefits: The portion of employee pensions and benefits specifically identifiable with employees' labor costs charged herein or, in the absence of specific employee identification, the portion of employee pensions and benefits, allocated on the more equitable basis of either direct labor dollars or direct labor hours, applicable to the labor items detailed above, including:

- 1. Accruals for or payments to pension funds or to insurance companies for pension purposes.
- 2. Group and life insurance premiums (credit dividends received).
- 3. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries.
- 4. Payments for accident, sickness, hospital, and death benefits or insurance.
- 5. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed when not the result of occupational injuries or in excess of statutory awards.
- 6. Expenses in connection with educational and recreational activities for the benefit of employees.

Insurance:

- 1. Premiums payable to insurance companies for protection against claims from injuries and damages by employees or others, such as public liability, property damages, casualty, employee liability, etc., and amounts credited to Account 228.2, Accumulated Provision for Injuries and Damage, for similar protection.
- 2. Losses not covered by insurance or reserve accruals on account of injuries or deaths to employees or others and damages to the property of others.
- 3. Fees and expenses of claim investigators.