

## **Phone Charges**

We have received questions about the cell phone & home phone charges on budgets. We have consulted with National Office and are providing guidance to be consulted when preparing budgets:

Please see 7 CFR 3560 & HB-2-3560. The expense of a cell phone used by an off-site manager is to be provided within the management fee.

### **HB-2-3560**

#### **ATTACHMENT 3-D**

#### **COSTS AND SERVICES TO BE PAID FROM THE MANAGEMENT FEE**

The following items and services are provided in return for the management fee:

L. Overhead of management agent including:

- Expense of telephone and facsimile communication to the properties, tenants, RHS, HUD, HFA, or other governmental agency and the borrowers.

#### **ATTACHMENT 3-E**

#### **COSTS AND SERVICES TO BE PAID FROM PROJECT INCOME**

There are some generally accepted project expenses that may be paid out of the project operating account. These expenses are listed below.

E. Specific costs that may be charged to the project include:

- Costs of site-based telephone, including initial installation, basic services, directory listings, and long distances charges.
- Site office furniture and equipment including site-based computer and copiers. Service agreements and warranties for copiers, telephone systems, and computers are also included (if approved by RHS and make good business sense).

If there is not an on-site office, the phone charges cannot be charged to the project. It is part of the management fee.

If the site is too small for an office, then the calls would go to the main office & dispersed from there as management chooses. "Site-based" continues to refer to a land-line phone in an onsite office.

Cell or Home Phone charges cannot be charged whether there is an onsite office or not.