

### § 32.3

to the expense accounts. Whereas in the past, specific organizations may have performed specific functions, the future environment with its increasing mechanization and other changes will result in entirely new or restructured organizations. Thus, any relationships drawn between organizations and accounts would become increasingly meaningless with the passage of time.

(e) These accounts, then, are intended to reflect a functional and technological view of the telecommunications industry. This view will provide a stable and consistent foundation for the recording of financial data.

(f) The financial data contained in the accounts, together with the detailed information contained in the underlying financial and other subsidiary records required by this Commission, will provide the information necessary to support separations, cost of service and management reporting requirements. The basic account structure has been designed to remain stable as reporting requirements change.

### § 32.3 [Reserved]

### § 32.4 Communications Act.

Attention is directed to the following extract from section 220 of the Communications Act of 1934, 47 U.S.C. 220 (1984):

(e) Any person who shall willfully make any false entry in the accounts of any book of accounts or in any record or memoranda kept by any such carrier, or who shall willfully destroy, mutilate, alter, or by any other means or device falsify any such account, record, or memoranda, or who shall willfully neglect or fail to make full, true, and correct entries in such accounts, records, or memoranda of all facts and transactions appertaining to the business of the carrier, shall be deemed guilty of a misdemeanor, and shall be subject, upon conviction, to a fine of not less than \$1,000 nor more than \$5,000 or imprisonment for a term of not less than one year nor more than three years, or both such fine and imprisonment: Provided, that the Commission may in its discretion issue orders specifying such operating, accounting or financial papers, records, books, blanks, or documents which may, after a reasonable time, be destroyed, and prescribing the length of time such books, papers, or documents shall be preserved.

### 47 CFR Ch. I (10–1–20 Edition)

For regulations governing the periods for which records are to be retained, see part 42, Preservation of Records of Communications Common Carriers, of this chapter which relates to preservation of records.

## Subpart B—General Instructions

### § 32.11 Companies subject to this part.

(a) This part applies to every incumbent local exchange carrier, as defined in section 251(h) of the Communications Act, and any other carrier that the Commission designates by order. This part refers to such carriers as “companies” or “Class B companies.” Incumbent local exchange carriers’ successor or assign companies, as defined in section 251(h)(1)(B)(ii) of the Communications Act, that are found to be non-dominant by the Commission, will not be subject to this Uniform System of Accounts.

(b)–(f) [Reserved]

(g) Notwithstanding paragraph (a) of this section, a price cap company, or a rate-of-return telephone company offering business data services pursuant to §61.50 of this chapter, that elects to calculate its pole attachment rates pursuant to §1.1406(e) of this chapter will not be subject to this Uniform System of Accounts.

[67 FR 5679, Feb. 6, 2002, as amended at 69 FR 53648, Sept. 2, 2004; 82 FR 20840, May 4, 2017; 83 FR 67121, Dec. 28, 2018]

### § 32.12 Records.

(a) The company’s financial records shall be kept in accordance with generally accepted accounting principles to the extent permitted by this system of accounts.

(b) The company’s financial records shall be kept with sufficient particularity to show fully the facts pertaining to all entries in these accounts. The detail records shall be filed in such manner as to be readily accessible for examination by representatives of this Commission.

(c) The Commission shall require a company to maintain financial and other subsidiary records in such a manner that specific information, of a type not warranting disclosure as an account or subaccount, will be readily available. When this occurs, or where