

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 15 MAY 1970

Remimeo

ISSUE II

(Reissue of HASI Policy Letter of 1 May 1958
Financial Management.)

FINANCIAL MANAGEMENT

Purpose: Makes certain the org. makes money and continues in good credit.

Hat Worn By: The Assoc. Sec. and by his deputization, the Dir. Admin.
Policy comes from Assoc. Sec. Execution comes from Dir. Admin.

Financial Management guarantees solvency. It does not concern itself with accuracy of bills, payments or collection. This is the job of the Treasurer and by deputization, the Disbursement Clerk. For example: The order to pay "it" comes from Assoc. Sec. The correctness of "it" is the task of the Treasurer and Accounting. Accounting receives the order from Assoc. Sec. to pay, passes the bill to Treasurer for correctness, and then Accounting pays. Assoc. Sec. passes an order to collect "it" to Accounting. Accounting checks with Treas. as to correctness and then collects it. The cost of an item must be less than selling price. All pertinent items to cost no matter how remote are part of the cost. Using this rule, financial management prices items. He adds to cost all profit that can be made and still make the item sell. He publishes, then, an item's "price". That the price of an item is collected is the business of the Treasurer who issues proper orders concerning it.

Financial Management must now establish cost and price of all items sold. And must adjust, for organization credit, what bills must be paid in concert with how much money there is to pay them.

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