

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 29 JANUARY 1971R
REVISED 27 OCTOBER 1982

Remimeo
Finance Packs
SO and Scn Orgs
FBO Hat

(Revised to align with current
organizational structure)

Finance Series 1R

FLAG BANKING OFFICERS

The International Finance Office is an autonomous Office. It has representatives in every Bureaux and every Flag Operations Liaison Office and every org, SO and Scn.

It is located on the Org Board in the Office of LRH.

Its authority stems from the authority of the ecclesiastical hierarchy of Church of Scientology International.

Its representative is called the FLAG BANKING OFFICER (FBO).

When the office is established in an area the following is the operating procedure.

The FBO verifies and collects all income received by the org from the Cashier or Income Dept, Div III, Treasury Division. This is done daily.

Appropriate receipts are given the Cashier or Director of Income.

The FBO immediately banks this money in a Finance Office Account or in his safe, making express and useful records of this action.

When the org or activity has undertaken its financial planning (FP) to the satisfaction of the Exec Council who can verify that the FP covers the necessities of org operation, the FP is transmitted to the FBO.

Accompanying the FP from Exec Council level must be a statement of expected future income and its planning.

The FP is then forwarded to the FBO complete with all papers and FP.

The FBO on his own discretion then transfers to that Org's Main Account the needed funds. This is the ALLOCATION.

From this Main Account the org now further transfers funds to its other accounts.

Any reserves being built by the org are taken from the Allocation.

The management of the Allocation remains with the org.

The judgement of the FBO, based on the org's expected income as stated in the FP, and on the FP submitted, as to what amount the FBO allocates is entirely up to the FBO and is not subject to appeal. The FBO must make his experienced allowances for down periods and for the actual production of Final Valuable Products of the org.

Any cash shown on a Cash/Bills Graph is cash salvaged from former allocations (org reserves) or current allocations. The cash expressed on the Cash/Bills Graph of the org must exist in actuality and must be real sums that can be expended. It may not be "credit coming to us from an FBO" nor collectible but not received sums. Even cheques delayed in clearing may not be part of this org cash figure.

The FBO also pays from his own funds so collected from orgs, management expenses incurred locally. These are no part of org's expenses.

The sums and accounts of the FBO are solely under the control of the FBO and no longer under the org's control. Allocated sums for the org are under the org's control.

Funds requested by an org FP from the FBO's accounts for a specific use must be applied to that use or refunded to the FBO if not so used.

The orderliness and in-admin of a Treasury Division in an org are under the overall supervision of the Org's Treasury Sec and the Org's Treasury Sec and the state of his division and the reality of his activities are the responsibility of as well as under the Executive Director or the Commanding Officer of that org or activity.

Balance sheets and other reports are under the same responsibility as the Treasury Division but in the matter of balance sheets and tax also come under the Finance Network to which both Treasury Aides and A/Aides are answerable.

The viability of the org and area is the local responsibility of Treasury Secretaries and A/Aides and Aides of the Treasury Bureaux and, as it may seem to them to apply, the Finance Network.

The solvency of the orgs and areas is the responsibility of the FBO.

The FBO statistics consist of cash paid in to central reserves and the allocation-production ratio of each org and of the area.

Central reserves are used for defenses and management overall cost and viability.

Org Reserves are used for local emergencies or periods of down stats or large acquisitions to increase production.

Nothing in this policy letter disturbs in any way existing Finance Policy except to modify the Cashier's and Dir Income's actions in turning over all income properly accounted for to an FBO and receiving from the FBO, via FP the allocation passed upon by the FBO.

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FOUNDER
Revision written at the request
of the
CHURCH OF SCIENTOLOGY
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