

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 26 APRIL 1971
ISSUE II

Finance & FP Hats
Bu IIIs
Dept 8
Check Signers

Finance Series 5

FP ACTIVATION

FP allocation amounts become due for transfer from the FBO No. 1 Acct to the Org's Main Account immediately following FBO approval of the FP and allocation figure.

The FBO is generally watchful of the FP routing and handling lines and prevents any undue delays.

With the FP approved and allocation amount established, the FBO issues his transfer check AT ONCE, rapidly obtaining the needed A/G co-signature (or Exec Dir in the absence of the A/G or AGF) and delivers the check to the hands of the Treas Sec.

The Treas Sec gives his receipt and sees that the allocation check is banked AT ONCE to the Org's Main Account.

When the FP check has cleared and been credited to the Org's Main Account by the Bank, the FP as approved may be activated by Division 3. NOT BEFORE.

Checks drawn or POs activated against an FP for which the allocation check has not yet been deposited or cleared amounts to spending money which is not there, and violates earlier policies and falsely affects the Org's Cash-Bills Stats.

FSM commissions and any refunds due for payment follow the same principle.

Dept 8 prepares all forms and related data and applies via the Treas Sec to the FBO AT ONCE when such payments are due. The FBO rapidly verifies and immediately issues a check to cover valid FSM commissions due and a separate check to cover any refunds payable. His transfer voucher lists the names and amounts.

Org Officers signing FSM or refund checks have the usual check signing data to hand plus the FBO's transfer voucher showing that the org main acct has received funds to cover the checks presented.

A check signer who fails to verify this point for himself risks signing checks against funds not there or allocated to other purposes.

CASH-BILLS

Cash-Bills as reported by Div 3 includes sums actually on hand in the 3 org accounts (Main, Reserve, HCO Book) vs

Bills due and purchases newly ordered.

Thus a check-signer accepting checks without evidence of FBO transfer also risks a falsely reduced Cash-Bills stat which gives an untrue picture of the org's actual financial position.

Lt. Vicki Polimeni
Finance Aide

for

L. RON HUBBARD
FOUNDER

LRH:VP:nt
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