

<b>Policy</b>	Production Expenses
<b>Approved by</b>	NSMT Committee
<b>Date of Approval</b>	13 <sup>th</sup> December 2021
<b>Date of Review</b>	13 <sup>th</sup> December 2021

### Organisational Scope

This policy will apply to all North Shore Music Theatre (**NSMT** or **we**) members, including members of the Management Committee (**Committee**), Heads of Department (**HOD**), independent contractors and participating volunteers involved in a NSMT production.

NSMT, through its management committee, has sole and absolute discretion in all matters relating to the establishment, review and ongoing operation of this Policy.

### Purpose

The purpose of this policy is to:

- A. provide guidance on incurring expenses that relate to a production; and
- B. set out individual accountabilities and responsibilities.

### Background

This policy will apply to all expenditure incurred by, or related to, a NSMT production.

A copy of this policy should be provided to all committee members, and to each Head of Department and Budget Holder.

### Budget

1. The Production Manager will prepare the draft budget for a production and present this to the Committee for discussion and approval.
2. The Committee will review, amend (if necessary) and approve the budget for each production and provide this to the Production Manager of the show.
3. Each HOD will be allocated responsibility for a particular part of the budget, and that HOD will become the Budget Holder for that expense or group of expenses.
4. The Budget Holder's responsibility is to deliver their agreed production outcomes within the budget limits set by the Committee.

5. The Production Manager is authorised to approve budget overruns of up to 5% without the need for prior Committee approval, but only where such additional expenses are operationally urgent and/or necessary. All changes in scope or outcomes must have the Committee's prior approval.
6. Under this policy, no member of the creative team (Director, Musical Director or Choreographer, or any assistant) may be a Budget Holder, and may not incur any expenditure on behalf of NSMT without the Committee's prior approval.

### **Incurring Expenses**

1. Each Budget Holder may incur expenditure necessary for a production provided it is approved by the appropriate HOD and it does not exceed the agreed budget total.
2. Only the Production Manager may permit expenditure to be incurred that exceeds an agreed budget total.
3. A person associated with a production who is not a Budget Holder may not incur or claim expenditure from NSMT without the prior approval of the Production Manager.

### **Reimbursement/Payment of Expenses**

1. NSMT's constitution requires that all payments made by NSMT must be approved by the Committee. This will usually take place at a monthly Committee meeting.
2. HODs and Budget Holders should ensure that any invoices or personal expense reimbursements are submitted to the Treasurer by the first Monday of each month.
3. Invoices or personal expense reimbursements submitted for payment will be tabled for approval at the monthly Committee meeting typically scheduled for the second Monday of each month.
4. For a personal expense reimbursement, a member must complete NSMT's expense reimbursement form which will be available from each HOD and/or the Production Manager, and the claimant must provide a GST invoice/receipt to support each reimbursement request.
5. NSMT's policy is that payment of invoices or reimbursement of personal expenses will not be made until after the committee has approved the expense or reimbursement.

### **Unauthorised Expenditure**

Any expenditure incurred by any person outside this Policy will be considered unauthorised expenditure, and NSMT may not reimburse an expense claim made by that person.

**Last updated:** December 2021

**Next review:** December 2022



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