

AACN CHAPTER CONTRACT & GRANT GUIDELINES

INTRODUCTION

The following contract and grant guidelines were developed to assist Chapters. Because each Chapter is part of the National AACN corporation, National shares with the chapter all of its financial obligations. This means that if a chapter enters into a contract and for any reason cannot meet the financial obligations of the contract, that National is liable and responsible for ensuring the financial obligations are paid. Just as two signers are required for signing checks, **two signers are also required on all contracts** to which the chapter commits. Those two contract signers are the chapter President, and Treasurer or the appropriate Chairperson.

Given this joint financial responsibility, it is important that National know of and understand the contracts that chapters are entering. Additionally, National has staff that are trained and regularly negotiate contracts. These individuals provide an invaluable resource to chapters by ensuring that the contracts you enter are in your best interest and provide you the protection they should.

Therefore, chapters must obtain written approval from AACN's Chapter Specialist before entering into contracts which involve a financial commitment. This includes but is not limited to speaker agreements, vendor or support agreements, property or equipment leases, and hotel or venue contracts according to the following:

- Grants – all contracts
- Exhibit / Vendor – all contracts
- Sponsorship – all contracts
- Hotel / Facility – all contracts with a financial obligation greater than \$5,000
- Speakers – all contracts with a financial obligation greater than \$1,000
- Co-sponsored programs – submit all agreements to National. National AACN recommends a “letter of agreement” among chapters collaborating on programs and special projects that outline each chapter’s responsibilities and commitments along with a performance timeline.
- Regional Meeting agreements – all contracts
- Any other contract or lease, including property or equipment leases – submit all other types of contracts or leases.
- Any financial commitments, regardless of the amount, which obligate the chapter for longer than 1 year.

If your contract does not need to be reviewed by National, it is recommended that the chapter conduct its own review, using these guidelines. Contracts that meet the above criteria need to be submitted to ChapterContracts@aacn.org. Contracts will be reviewed within 10 business days and recommended changes, if any, will be communicated back to the chapter.

Please be sure to read and fully understand every clause of every agreement in which your chapter enters into before signing the agreement. You should negotiate with the other party the terms of the agreement so that both parties are comfortable with those terms. If you are unsure about any contracts, please contact the Chapter Specialist.

Chapters contemplating obtaining office space must discuss with and acquire National AACN approval. Please contact AACN's Chapter Specialist at chapters@aacn.org or 800-394-5995, ext. 313.

Questions should be directed to ChapterContracts@aacn.org, or to the AACN Chapter Specialist.

GRANTS

****AACN must review and approve all Grant Agreements****

Please allow up to 10 working days for the contract to be reviewed.

Chapters that apply for and are awarded grant monies must submit the grant agreement to the AACN National Office for approval. Grants are different from sponsorship (below) in that you must apply for the grant money and fulfill certain requirements.

1. Contract Details:

The grant agreement should specify all requirements of the grantor in order for the chapter to be awarded the monies.

2. Questions:

Questions should be directed to ChapterContracts@aacn.org.

EXHIBITS/VENDORS AND SPONSORSHIPS

Exhibits/Vendors:

****AACN must review and approve all Exhibit/Vendor Agreements****

Please allow up to 10 working days for the contract to be reviewed.

Always offer your exhibitors as many opportunities, and as much time as possible, to visit with your event's audience/attendees. Dedicated exhibit time (unopposed by educational sessions or other programming) is valued and appreciated by exhibitors, and helps them justify ROI (Return on Investment) for your event.

Whenever possible, include a package of furnishings and services with your exhibit space or table. We recommend including booth carpet, skirted 6-ft. table, two chairs and a waste basket (and electrical and telecomm services if possible) in the price of your exhibit space. Exhibitors prefer one package price rather than having to pay extra for carpet, tables, chairs, electrical, telecomm/phone line services, etc.

1. Payment:

Require full payment of the exhibit space before your show or event opens. Once the show opens, it will be difficult to collect payment from exhibitors

2. Pricing Guidelines:

The suggested exhibit space prices below reflect typical 2009 prices. Prices should be based on estimated/expected attendance. Following is suggested pricing only. Actual rates should be determined at the chapter's discretion:

< 200 nurse attendees	\$300-\$500 per table/booth
200-300 nurse attendees	\$500-\$600 per table/booth
300-500 nurse attendees	\$600-\$800 per table/booth
500-1,000 nurse attendees	\$800-\$1,000 per table/booth
1,000-2,000 nurse attendees	\$1,000-\$1,500 per table/booth
2,000-3,000 nurse attendees	\$1,500-\$2,000 per table/booth
> 3,000 nurse attendees	\$2,000-\$2,500 per table/booth

3. Cancellation:

Should an exhibitor cancel before the show opens, require written notice of the cancellation and assess a cancellation fee or penalty. The following guidelines are provided as a suggestion of how to structure the cancellation fees. Actual fees should be determined at the chapter's discretion:

> 150 days before the event	25% of the cost of the exhibit space retained
150 days – 90 days before the event	50% of the cost of the exhibit space retained
< 90 days before the event	100% of the cost of the exhibit space retained

4. General Service Contractors:

If you hire a general service contractor (sometimes called a “decorator”), be sure your contract with the contractor addresses:

- a. Cost per general service booth/table (listing what's included in the package price)
- b. Electrical and other services, such as cleaning of aisles & booths, signs, banners
- c. Event cancellation penalties – what's owed if/when you cancel your event

5. Contract Details:

When using a hotel for your conference, be sure the contract addresses:

- a. Rental fee for meeting/ballroom space for exhibits (request a food & beverage discount)
- b. Does hotel provide skirted tables for exhibits? If so, is there a charge?
- c. Does hotel provide electrical/telecom services? What is the charge?
- d. Does hotel provide overnight security? Is exhibit area locked/secure?
- e. Does hotel install banners in exhibit hall? If so, what do they charge?

6. Questions:

Questions should be directed to ChapterContracts@aacn.org.

Sponsorships:

****AACN must review and approve all event Sponsorship Agreements****

Please allow up to 10 working days for the contract to be reviewed.

Chapters are required to send the AACN national office any proposal, agreement, RFP (Request for Proposal) or invitation which addresses sponsorship of the conference, show, or event. This includes sponsorship agreements addressing Title Sponsors, Presenting Sponsors, Co-Sponsors, or similar language that implies partnership, ownership, or management of the chapter event.

In addition to covering some or all direct costs of a sponsorship, always add in an “audience access” fee (15-20%) to offset your costs to attract/deliver an audience.

1. Payment:

Have sponsors pay the Chapter. The Chapter then pays the supplier (you want to be the middle man with sponsors).

2. In-Kind and Trade Sponsorships:

In-kind and trade sponsorships are acceptable, provided the Chapter receives “fair” value in return (try to get as close to dollar-for-dollar value as possible).

3. Exhibit Space:

If you include exhibit space as part of a sponsorship, be sure you include the cost of the exhibit space in the total value of the sponsorship.

4. Contract Details:

Document all sponsorship agreements – who provides what; who does what.

5. Acknowledgement:

Recognize and thank sponsors for their support – you can never thank or recognize a sponsor often enough.

6. Questions:

Questions should be directed to ChapterContracts@aacn.org.

HOTELS / FACILITIES

****AACN must review and approve all Hotel/Facility Agreements ≥ \$5,000****

Please allow up to 10 working days for the contract to be reviewed.

1. Contract Details:

- a. Don't feel obligated to sign a contract sent by a hotel. Each meeting has its own unique, individual needs. Modify the contract to accommodate the particulars of the meeting.
- b. Always have the hotel/facility clearly define the meeting space assigned to you.
- c. Whenever possible, include the name(s) of the meeting rooms in the contract. Always require prior written approval before meeting space is reassigned.

2. Cancellation:

Be sure that any damages/fees owed due to cancellation are based on lost profit, not lost revenue (see sample at the end of this section).

3. Resell Clause:

Include a provision stating the hotel will make a concerted effort to resell any functions that you cancel and will reduce your damages by the amount of profit from the events it sells (see sample at the end of this section).

4. Force Majeure:

Webster's Collegiate Dictionary defines force majeure as "*an event or effect that cannot be reasonably anticipated or controlled; an act of God.*" It is important for your contracts to have a clause covering such events. Utilize the following in your contracts: "The performance of this Agreement by either party is subject to acts of God, government authority, disaster, curtailment of transportation, or other emergencies, any of which make it illegal or impossible to provide the facilities and/or services for your meeting. It is provided that this Agreement may be terminated for any one or more of such reasons by written notice from one party to the other without liability."

5. Billing Arrangements/Payment:

Be sure the contract indicates how the bill will be paid (credit card, invoice) and when final payment is due (example - 30 days after the meeting takes place).

6. Food & Beverage Attrition (if applicable):

Attrition is the allowable deduction or decrease in estimated food & beverage contracted.

7. Guest Room Attrition (if applicable):

Attrition is the allowable deduction or decrease in the number of guest room nights contracted. The industry standard is 80%.

8. Questions:

Questions should be directed to ChapterContracts@aacn.org.

Key elements to consider:

- Meeting dates – will group rates apply to early arrivals and late departures?
- Cutoff dates for special rates – the contract should specify what happens if you fail to pick up all the sleeping rooms in the contracted block (guest room attrition – industry standard is 80%).
- Deposit requirements – at times a deposit may be required to hold meeting space/sleeping rooms.

Sample Clauses:

Resell Clause After Group Cancellation (sleeping rooms only)

Revenue received by the hotel from the resell of sleeping rooms will be deducted from Attrition/Cancellation owed by (Name of Chapter). Room cancellation charges are due after the meeting dates and payable within 30 days of invoice from the (Name of Hotel or venue where meeting is taking place), provided the (Hotel or Venue) provides proof of its best faith efforts to mitigate damages and prove rooms being sold were unsold.

*Include meeting room rental if necessary (heavy room rental fees or more food & beverage consumed in meeting rooms).

**Resell Clause After Group Cancellation (sleeping rooms & meeting space)*

Revenue received by the hotel from the resell of sleeping rooms and meeting space will be deducted from Attrition/Cancellation owed by (Name of Chapter). Room cancellation charges are due after the meeting dates and payable within 30 days of invoice from the (Name of Hotel or Venue), provided the (Hotel or Venue) provides proof of its best faith efforts to mitigate damages and prove rooms being sold were unsold.

Relocation Clause

In the event any member of your Group with a guaranteed guest room reservation cannot be accommodated by Hotel, Hotel will provide the following:

- 1. Accommodations at a comparable Hotel as close as reasonably possible, at no charge to the guest for the first night the guest is displaced from Hotel.*
- 2. Offer to relocate displaced guest back to the first available guest room.*
- 3. Credit to group for any guests displaced toward its guest room block pick up for purposes of the Contract and for calculation of Group complimentary guest room credit.*

SPEAKERS

****AACN must review and approve all event Speaker Agreements ≥ \$1,000****

Please allow up to 10 working days for the contract to be reviewed.

Please refer to the Sample Speaker Contract when developing speaker contracts (see sample at end of this section).

It is important for chapters to “vet the speaker” before you contract with them. By that we mean to be sure the speaker and their presentation is of the quality you expect. One way to do that is to check references. Ask speakers what other groups they have spoken for, request references, and then follow through by contacting those folks.

If your chapter ever has a poor experience with a speaker during a chapter event, whether it's due to inappropriate comments made by the speaker during their presentation or the presentation itself did not meet the quality in content that the chapter expected, please notify the Chapters department. If your chapter contracted with a company for a speaker and there are any issues, it is your chapter's duty to send a formal letter of complaint to the company about the speaker, requesting return communication from the head of the company on how the matter will be addressed with the speaker, and letting the company know that your chapter is obligated to share this complaint with national AACN. Please be sure to send a copy of this type of correspondence to the Chapters department.

In addition to a contract, Speakers need to sign a release/disclosure agreement. Please refer to the Sample Presenter/Author Release and Disclosure Statement (see sample at end of this section). Chapters may use this document as a model to develop their own document.

1. Negotiate the Speaker's Fee:

After the Chapter Board has determined the budget available for the program speaker, we suggest that you contact a few speakers and advise them of the program detail. In negotiating a speaker fee, you should advise them that your Chapter has non-profit income tax status and you're working with a fixed budget. Some speakers will be amenable to fee negotiation if your event is planned during non-peak times or if they are looking to gain visibility within the larger AACN umbrella. Speaker fees come in a wide range, depending on the experience of the speaker. Some speakers are well-known on the national speaker circuit, and others are in the beginning stages.

2. Contract Details:

It is very important to clearly lay out the expectations in the contract of the Chapter and of the speaker. If you are providing for travel, hotel, ground transportation, mileage, or any additional expense in addition to the speaker fee, make sure that you have maximum amounts or limits in place.

Bad Outcome: XX Chapter will provide for air travel to and from (destination) and 2 days hotel upon speaker providing invoice with receipts.

The speaker traveled 1st class and stayed at a 5 star hotel. Chapter was liable to reimburse speaker as contract did not specify limits.

Good Outcome: XX Chapter will provide for coach class air travel to and from (destination) and 2 nights at (XX hotel) on (dates).

3. Speaker's Contract or Chapter's Contract:

Many speakers have their own speaker contracts and they are fine to use, as long as they provide for the protective clauses and maximums / per diems / caps. Alternatively, feel free to develop your own contract based on the information provided in the Sample Speaker contract.

4. W9 Form:

An IRS W9 Form must be completed by every speaker. Chapters should request the completed W9 from each speaker before any monies are paid to that speaker. Chapters are required to submit the completed W9 Forms along with their Non-Employee Compensation Forms at the end of each calendar year. Please refer to your Chapter Charter Agreement for reporting requirements. Blank W9 Forms are available on the website under Chapter Forms.

5. Questions:

Questions should be directed to ChapterContracts@aacn.org.