

## CONVENTION/HOUSEPARTY BUDGETS

Houseparties are an investment of time and creativity on the part of the Hosting Committee and an extremely important event for our members, but they are a fundraiser for the organization as well. NAME is dependant on the revenue generated from a Convention/Houseparty to stay in business, so NAME is depending on the Convention/Houseparty Hosting Chair and Committee to be conscious of all monies that are spent. There are certain monies generated that go directly to support the organization. The current fees are listed here and are subject to change. There are the \$14 fees generated by workshops and theme luncheons, as well as the \$20 workshop instructor fees (including roundtable instructors). There is also a \$40 administrative fee to cover the costs associated with staff time spent on convention business, as well as to cover a portion of office space and utilities, staff costs, etc. NAME also expects a profit to be generated. (Jan 2015)

Generally, a Committee has specific ideas on where they would like to concentrate their money, be it in a fantastic Hospitality Room with free workshops, a special event, or souvenirs more expensive than their budget will allow. There are really only a few areas of the budget that allow for creative spending on the part of the Committee, but the following has been prepared in the hopes of assisting the Chairman in understanding not only how the money from a Convention/Houseparty Budget is allocated, but what areas of the budget can be used to help a Committee plan financially to accomplish their Convention/Houseparty goals.

### **NAME Policy:**

- I. The NAME Board of Trustees sets the Budget for all Houseparties and Conventions.**
- II. All Convention and Houseparty budgets shall have a line item identifying an amount designated by the Board of Trustees as a NAME donation added as revenue from each registrant and identified to the membership.**
- III. Any modifications to a Budget must have the approval of the NAME Board of Trustees.**
- IV. Permission to conduct fundraisers during the Convention/Houseparty shall be presented to the Convention/Houseparty Advisory Committee for approval of the Board of Trustees.**
- V. The Convention/Houseparty shall not start drawing money from their budget until two (2) years before the event. Keep receipts and submit them witin the two year time frame.**

### **Understanding the Budget:**

A few very important items you should remember throughout the process of planning your convention/houseparty.

**All fundraisers held during a Convention/Houseparty shall be approved by the Convention/Houseparty Advisory Committee except for those fundraisers for NAME. In such case, the fundraiser details shall be presented to the Board of Trustees by the Convention/Houseparty Liaison for approval. Every Convention/Houseparty shall have a fundraiser to benefit NAME.**

If you are hosting a **Convention**, there are fundraisers that will occur at your Convention that are NOT a part of your budget and will not reflect as a profit to your Convention in your final income. The Auction, Gala and Garage Sale proceeds go directly to NAME and are not reflected in your Convention income. Proceeds from Convention Helper tickets are income to your Convention. You may choose to have another Event/Activity which can be used as income to your Convention/Houseparty or as a fundraiser for NAME. You will need to determine which way you wish to proceed prior to the Board of Trustees approval of your budget.

If you are hosting a **Houseparty** you must still conduct a fundraiser to benefit NAME. This fundraiser can be a Garage Sale, Event/Activity, etc.

Your budget is divided into Revenue and Income. Noted on the budget is the portion of the Expenses which are reserved for the NAME Office. A description of the Revenue and Expense line items is below.

## **Revenue:**

### **I. Dealer Table Fees**

Table fee is set by the Board as is the number of tables – currently the number of tables is set at 10% of expected registration. *Variance: You can offer a second table to dealers if you find that your space can accommodate them and possibly increase revenue in this line item by several hundred dollars*

### **II. Convention/Houseparty Helpers**

This figure is arrived at by multiplying the number of registrants by \$12 to \$15. *Variance: \$15 per registrant in Convention/Houseparty Helper Tickets is an attainable goal, however it will require effort. Experience has proven that, while having a wide selection of excellent Houseparty Helpers, the main factor in increased sales is a Committee that is visibly offering tickets for sale – effort in this area pays off.*

### **III. Miscellaneous (Donations, Raffles, etc.)**

This line item covers miscellaneous fundraising income generated by the Committee to spend on the Convention/Houseparty. It could include donations, special raffles, garage sales proceeds, silent auction or any other special fundraisers prior to the Convention/Houseparty. **Permission to conduct fundraisers during the Convention/Houseparty must have the prior approval of the Board of Trustees.** This includes Mini Mart, Silent or Live Auctions for Houseparties or any other fundraising efforts during the Convention/Houseparty.

The committee may conduct fundraisers prior to the Convention/Houseparty without Board approval. Venues that will at times allow you to conduct a fundraiser are State Days, Round Table Days, President's Retreats, Team Retreats, mini shows, etc. You must first receive permission from the person in charge of the event prior to conducting your fundraiser.

### **IV. Workshop Participant Fees**

These fees are the \$14 that is added on to the workshops to cover processing by the office *referenced above*. For example: The dealer is accepted to teach a workshop at a cost of \$50.00. NAME adds \$14.00 to the cost of the workshop bringing the total price for the

workshop to \$64.00. *While the Convention/Houseparty is expected to generate approximately one workshop fee per registrant, this money goes directly to NAME and any increase in this line item shall not be used to cover any Convention/Houseparty expenses.* (Jan 2015)

**V. Registration**

Registration numbers and costs are set by the Board. Remember that at a Houseparty, the President, NAME Office Staff and Hosting Chair are given complimentary registrations, so you will need to budget these in. If you have a registration of 250 – and the HP is full, you will most likely have only 247 paid registrants.

**VI. Registration Cancellation Fees**

You can expect a cancellation rate of about 5% of the registration – multiplying this by the \$40 cancellation fee will give you the total for this line item. (Jan 2015)

**VII. Souvenir Book Advertising**

This is the money generated by paid advertisements in your Souvenir Book. To generate this amount of income, the Souvenir Book Chair will need to solicit advertising in the Souvenir Book. Ads can be solicited not only from Dealers, but by clubs, sponsorships or individual listings. It is possible to completely fund your Souvenir Book from advertising. You are expected to generate at least as much as the budgeted revenue amount, however; *any income over the budgeted amount may be used to offset other Convention/Houseparty expenses.*

**VIII. Theme Luncheon/Theme Dinner Fees**

If you are having Theme Luncheons or a Theme Dinner, this is the \$14 fee that is automatically added to the cost of the Theme Luncheon or Theme Dinner to cover processing by the office. For example: The instructor is accepted to teach a Theme Luncheon at a cost of \$50.00. NAME adds \$14.00 to the cost of the luncheon bringing the sub total for the workshop to \$64.00. You will then add the cost of the meal at the luncheon, plus the meals for the instructor and his/her helper to the cost of each workshop. *This money goes directly to NAME and any increases in this line item shall not be used to cover any Convention/Houseparty expenses.* (Jan 2015)

**IX. Workshop Instructor Fees**

These are the \$20 fees paid by the instructors to teach a class – Pre-convention, Registered and Roundtables. This money goes directly to NAME and any increases in this line item shall not be used to cover any Convention/Houseparty expenses.

*As you can see, there are very few ways outside of fundraisers (not only special fundraisers, but the active selling of Convention/Houseparty Helper tickets and Souvenir Book ads) to increase the Revenue of a Convention/Houseparty. The number one thing you can do to assure adequate revenue is to actively publicize and promote the Convention/Houseparty prior to the opening day of registration. A filled Convention/Houseparty assures the needed revenue to cover your expenses. Even if your expenses are well within their budget, if the registration is low, you will not be able to meet your expenses.*

## **Expenditures:**

**Your Expenditures total must not exceed your Income total.**

### **I. Advertising and Publicity**

This covers all the advertising expenses for the Convention/Houseparty and may include fliers, local newspaper ads, Regional newsletters, direct mail, etc. The Convention/Houseparty is expected to advertise in the Gazette for three half-page ads free of charge. **No amount of this line item shall be used to offset other Convention/Houseparty expenses.**

### **II. Centerpieces**

You will need to provide one Centerpiece for each table and an additional Centerpiece for the NAME Museum. Extra Centerpieces can be auctioned at the convention, or used as Convention/Houseparty Helpers to create additional revenue. Extra Centerpieces shall not be gifted or sold as these are funded through registration dollars. **Savings from this line item may be used to offset other Convention/ Houseparty expenses.**

### **III. Exhibit Room**

This amount covers items needed to assist in displaying Exhibits – copies, labels, boxes, boards and signage. If the hotel requires money for electricity, tables or draping, this will be insufficient. Double check your contract for information on table and electrical charges. **Savings from this line item may be used to offset other Convention/ Houseparty expenses.**

### **IV. Hospitality Room**

The budget covers supplies, materials and decorations for the Hospitality Room. This is an area that has received more and more effort in the past years. Hospitality rooms have been gathering places for free workshops, special drawings and demonstrations. This may be one of the areas you would want to divert funds to, especially if you would like additional money for supplies for projects. **Savings from this line item may be used to offset other Convention/ Houseparty expenses.**

### **V. Convention/Houseparty Helpers**

The amount in this area covers supplies – the purchase of tickets and supplies used for selling – boxes for Convention/Houseparty Helper tickets, photos, copies, funny hats for ticket sellers, etc. **Savings from this line item may be used to offset other Convention/ Houseparty expenses.**

### **VI. Meals**

This is the one single area that can put you over your budget faster than anything else. Poor planning in this area could leave you severely over budget, but with careful planning, you could actually pull money from this area. The first thing you need to do is to look at the meal costs at your hotel. Ideally, you would like an opening lunch, a

Banquet and a Brunch. Start by choosing mid-range meals – on top of that total you will need to add taxes, any service charges and gratuity as indicated in your contract. Most hotels do not include the tax and gratuity in the price of the meal in their banquet packets. A \$9 meal can quickly become a \$13 meal after the hotel has added tax and gratuity resulting in you being over budget. (*Variance: in some states, as a non-profit, we are tax exempt.*)

*Double check on the paperwork required to file tax exempt status with the hotel. This could save you money.)* By now, you are probably way over budget. Now is the time to adjust to less expensive meals – you may even need to start with an opening dessert instead of a lunch. If you do, spell it out in the packet. This is an area where you will probably need to make some tough decisions. It is the responsibility of the Hosting Chair to see that the total meal costs (including tax and gratuities) fall within this budget. A consideration here is that sometimes hotels give better rates based on the number of meal functions. The committee will need to determine if having a dessert opening vs. a sit down luncheon will impact the contract before making a decision. Failure to meet the minimum expenses on the contract can result in stiff penalties as well, so read your contract thoroughly. Hotels will often cut costs if you select a buffet. Buffets are difficult as this is unsafe for many of our attendees who have mobility difficulty and not everyone stops to help them. **No amount of this line item shall be to offset other Convention/Houseparty expenses.**

**Meal Guest:** Should you have a member sign up his/her non-registered companion to attend the three meal functions (opening luncheon, banquet, brunch) you will need to calculate the cost of the meals. This is very costly. The meal budget is usually in the neighborhood of \$130.00 for the three meals. This is your starting base. To this you will need to add whatever the service fee the hotel is charging in your contract (ex: 23% equals \$29.90 on a \$130 meal base). To this is added the gratuity which is sometimes stated in the contract. We use 22% if not dictated in the contract. That is another \$28.60. To that, add the \$14 per capita fee and \$5.75 for the badge and printing. Round this up the nearest dollar and you will publish the guest meals cost at \$209.00 for the three meals. Choosing to attend one meal only is not an option. (Feb 2018)

## **VII. Meeting Expense**

Generally, meeting expense is two items: the cost of having a staff person at the Convention/Houseparty to handle administrative tasks – these costs include food, lodging, and transportation and can be between \$500-\$1,000 and any costs incurred by your committee meeting in person prior to the Convention/Houseparty. Often committee controlled budgeted expenses are around \$1,000-\$1,500. This line item is a good one to use to cover other areas of your budget where you need extra money. Many committees have saved this money by having committee members purchase their own meals during committee meetings so they can use this budgeted money elsewhere. *Variance: We have the option of staff using the 1/50 rooms we receive from the hotel for NAME staff personnel, but generally, these rooms are given as recognition to volunteers on the committee.* **Savings from this line item controlled by the committee item may be used to offset other Convention/ Houseparty expenses.**

**VIII. National Administration Fees**

This fee covers costs associated with staff time spent on Convention/Houseparty business – i.e., collect and record fees, issue receipts, process bills, etc., as well as to cover a portion of office space and utilities, staff costs, etc. **This money goes directly to NAME and shall not be used to cover any Convention/ Houseparty expenses.**

**IX. Operations Expenses**

This fee covers miscellaneous expenses that are associated with the Convention/Houseparty – signage, expenses incurred by the Chairman, decorations, general expenses not belonging to a specific committee etc. **Savings from this line item may be used to offset other Convention/ Houseparty expenses.**

**X. Postage**

Fee covers mailing costs for the Dealer and Instructor contracts, the registration packet and receipts for workshops as well as miscellaneous postage expenses submitted by the Chairman. **No amount of this line item shall be used to offset other Convention/Houseparty expenses.**

**XI. Registration (Packets, Badges, etc.)**

This covers expenses for both the packet that is sent by the office to registrants when they register as well as the on-site packet, badges, ribbons, etc. Gold star pins are also included in this item. **No amount of this line item shall be used to offset other Convention/Houseparty expenses.**

**XII. Sales Room Expense**

Sales Room expenses vary greatly from hotel to hotel. Be sure to check your contract. There are almost always charges for electricity for each sales table (hotel may charge not only for the electrical boxes, but for the set-up as well.) Hotels also may charge for tables, draping, microphones, etc. A microphone shall be available in the Sales Room for announcements. Should you need to have two separate rooms for your Sales Room, a second microphone will be necessary. Expenses for table signage and dealer goodie bags are also included in this line. Be sure to check your contract for specifics. **Savings from this line item may be used to offset other Convention/ Houseparty expenses.**

**XIII. Security**

The Convention/Houseparty Committee must provide a locked room for both the exhibit and sales areas. It is important to look for hotels which meet these criteria. Should the hotel not be able to lock the room(s), security personnel must be hired to secure the room(s) during all hours the sales and/or exhibit room is closed after initial setup. When security guards are used, they must be hired from a security firm that is licensed, bonded and insured to work in the locality of the convention/houseparty. It is important to know this cost before your budget is finalized. **No amount of this line item shall be used to offset other Convention/Houseparty expenses.**

**XIV. Souvenir Book**

The budget for the Souvenir Book is very generous. Not only can a huge portion of the

book itself be paid for by creative solicitation of advertisement, a reduction of size or donation of printing costs can free up a lot of money for other Convention/Houseparty expenses. An additional Souvenir Book shall be provided for the NAME Museum.

**Savings above and beyond the budgeted amount from this line item may be used to offset other Convention/ Houseparty expenses.**

**XV. Souvenirs**

Souvenirs are the largest controllable expense of a Convention/Houseparty. Remember to allow money for packing, shipping and other unexpected expenses such as transportation to the Houseparty. The souvenir artisan's price includes individual packaging and shipping of the souvenir. Only after you have seriously looked at all other expenses to make sure they are within their budgets can you begin to look at increasing your souvenir budget. If you are over in your food budget, over in sales room costs or security, your souvenir costs may have to be reduced. If all expenses are in line and you decide to have a small souvenir book, no paid entertainment, inexpensive tote bags and donated centerpieces, or if you decide to do an additional fundraiser, then you may find you have enough to supplement your souvenir budget. You will need to order 4 (four) additional souvenirs for a houseparty and 6 (six) additional souvenirs for a convention. One of these souvenirs is reserved for the NAME Museum. **No amount of this line item shall be used to offset other Convention/Houseparty expenses.**

**XVI. Telephone**

This covers reimbursement for phone calls made by the hosting committee or conference calls related to your convention/houseparty. The office has unlimited long distance phone coverage and does not submit for their phone calls. **No amount of this line item shall be used to offset other Convention/Houseparty expenses.**

**XVII. Theme Luncheons/ Theme Dinners**

Remember that costs for theme luncheons or dinner need to include the cost of meals plus tip, taxes and gratuity, the souvenir or gift, rental of equipment where applicable as well as covering the cost of the meal for the instructor and an assistant. Round up, not down. **No amount of this line item shall be used to offset other Convention/Houseparty expenses.**

**XVIII. Totebags**

Totebags are generally given a small budget for the purchase of the totebag itself. Variance: If the totebag itself is not an integral component for carrying out the theme of the event, consider donated bags, some Chambers of Commerce have bags from the city that they will donate or sell for a very reasonable price. **Savings from this line item may be used to offset other Convention/ Houseparty expenses.**

**XIX. Tours**

Frequently Tours is an area that is extremely over budget. There is no budget and no cushion for this item, so careful planning and contingency planning are essential. Make sure you do not guarantee too many spaces. Make certain that should a bus not fill, a smaller bus can be used without penalty. Realistically estimate the number of attendees

who will register for tours. The NAME office will add the \$14 per capita fees to the cost of the tour. Add enough onto the tour costs to cover a host or hostess if not provided by the tour company. Pay careful attention to non-refundable deposits. Be certain that the vendor sets the cancellation date to at least 10 days after the Convention/Houseparty cancellation date. **Savings from this line item may be used to offset other Convention/ Houseparty expenses. (May 2015)**