Request for proposal

Compliments of Wipfli LLP

Updated March 2024

(Organization Name)

Request for proposal for wage comparability study and compensation analysis

**OR**

Request for proposal for wage comparability study and compensation analysis,   
including a review of employee benefit offerings

Inquiries and proposals should be directed to:

(Contact’s Name)

(Contact’s Title)

(Organization Name)

(Company Mailing Address)

(Contact’s email address)

(Contact’s Phone Number)

Please consider sending your completed request for proposal (RFP) to Wipfli.

Direct the RFP to Jorge Estrada via email at [Jorge.Estrada@wipfli.com](mailto:Jorge.Estrada@wipfli.com).

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General information

1. Purpose

This request for proposal (RFP) is to contract for the development of a compensation program to give (Organization Name) better control over salary expenditures and help maintain a proper balance in the relationship between pay levels and the relative value of jobs within (Organization Name) and the labor market. The selected offeror will render professional consulting services and assist in providing competitive and equitable base compensation pay practices aligned with (Organization Name)’s goals and objectives.

1. Who may respond

*(Note to organization: select one below)*

* Only qualified organizations with experience working with grant-funded programs may respond to this RFP.

**OR**

* Only qualified organizations with experience and expertise in conducting wage comparability studies for nonprofits, government or educational institutions may respond to this RFP.

1. Instructions on proposal submission
2. Closing date for proposal submissions: Proposals must be submitted no later than 4:30 p.m. *(time zone)* on(enter submission date). It is the responsibility of the offeror to ensure the proposal is received by (Organization Name) by the date and time specified. Late proposals will not be considered.
3. Questions:
4. (Organization Name) will be holding a virtual pre-proposal conference on (enter date and time) *(time zone)*. Offerors interested in participating should email (Contact’s email address) to confirm their attendance and to receive instructions.
5. Inquiries concerning this RFP should be directed to the contact on the cover page. Offerors may direct questions via email, phone or meeting request.
6. Instructions for submission: Proposals must be submitted electronically to the following email address: (Contact’s email address). “(Organization Name) RFP – For Wage Comparability Study” should be included in the subject line of electronic submissions.
7. Conditions of proposal: All costs incurred in the preparation of a proposal responding to this RFP will be the responsibility of the offeror and will not be reimbursed by (Organization Name).
8. Right to reject: (Organization Name) reserves the right to reject any and all proposals received in response to this RFP. A contract for the accepted proposal will be based on the factors described in this RFP.
9. Presentations: At the discretion of (Organization Name), offerors submitting proposals may be requested to make oral presentations as part of the evaluation process. Presentations may be delivered in person or via teleconference. Reasonable advance notice will be provided to selected offerors. Not all offerors submitting a proposal will be asked to participate in oral presentations.
10. Important Dates:

|  |  |
| --- | --- |
| * Virtual pre-proposal conference | (enter date) (enter time). (time zone) |
| * Deadline for submit questions | (enter date) (enter time). (time zone) |
| * RFP responses due | (enter date) 4:30 p.m. (time zone) |
| * Notification of award | (enter date) (enter time). (time zone) |
| * Anticipated engagement completion date | (enter date) **OR** (# days from contract signed) |

1. Notification of award:
   1. It is expected a decision about selection of the successful offeror will be made within (#). weeks of the closing date for the receipt of proposals.
   2. Upon conclusion of final negotiations with the successful offer, all offerors submitting proposals in response to this RFP will be informed, in writing, of the name of the successful offeror.
2. Description of organization

(Organization Name) is a nonprofit organization serving (#). counties in (state/s).. (Organization Name) is a private, nonprofit corporation and has been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. It is governed by a (#).*-*member volunteer board of directors. Offices are located throughout the following counties: (list counties).

*(Note to organization: Include a description of the compensation and benefit goals and objectives or philosophy. Mention any specific program or regulatory restrictions, if you are part of a union, and the last update to the wage comparability/benefits analysis.)*

(Organization Name) has (#). full-time employees and (#). part-time employees, for a total of (#). employees.

(Organization Name)’sannual funding/operating budget, based on(year). federal awards, is $($XX,XXX,XXX).*.*

Currently, (Organization Name) has(#). job titles with supporting job descriptions for utilization in the wage comparability study and compensation analysis.

*Include* ***if*** *organization is requesting an employee benefits review:*

The following is a list of current benefits offered to (Organization Name) employees*:*

*(Note to organization: select from below and customize as needed)*

* *(Paid time off)*
* *(Vacation time)*
* *(Sick time)*
* *(Health insurance)*
* *(Short-term disability insurance)*
* *(Long-term disability insurance)*
* *(Pension)*
* *(Retirement contributions)*
* *(Etc.)*
* *(Etc.)*
* *(Etc.)*

Specification schedule

1. Scope of services

*This part of the RFP should be customized to outline the services requested by the organization. Include only the services needed.*

Based upon our needs, and the inclusion of up to (#). positions, we request the following scope and approach:

* Hold a project kick-off call to discuss (Organization Name) process and approach, answer questions, identify any concerns with current compensation practices, and explore various compensation philosophies to support (Organization Name) goals and objectives.
* Request information about (Organization Name) to provide an understanding of the positions, organizational structure, compensation philosophy, and current compensation structure.
* Engage in consultative discussions with (Organization Name) to share best practices and assist in addressing concerns and questions on base compensation administration through the course of project meetings.
* Compensation philosophy *(Note to organization: select one below)*
  + Provide a draft of a formal compensation philosophy for consideration if one does not currently exist.

**OR**

* + Facilitate customizing the compensation philosophy to reflect specific goals and objectives.
* Use the existing job descriptions as the basis for the analysis. It is important the job descriptions are an accurate reflection of roles and responsibilities.
* Conduct a Fair Labor Standards Act (FLSA) exemption status review and identify positions that may need to have the status (exempt/non-exempt) changed.
* Internal equity analysis *(Note to organization: select one below)*
  + Conduct an independent internal equity analysis for each position using the point factor method to determine the relative value of each position. Review preliminary findings with (Organization Name) and make adjustments as necessary to reflect internal conditions and finalize.

**OR**

* + Provide internal equity analysis training and tools so the point factor analysis method can be used to define organizational value of each position. Conduct a high-level review of findings, assist (Organization Name) with making adjustments as necessary to reflect internal conditions and finalize.

**OR**

* + Provide a refresher training on conducting an internal equity analysis (if needed) so the point factor analysis method defines organizational value to each position. Conduct a high-level review of findings and assist (Organization Name) with making adjustments as necessary to reflect internal conditions and finalize.
* Conduct a competitive pay analysis using market salary data to determine external pay equity of the positions in the study/analysis utilizing the job descriptions (Organization Name) provides. Create a competitive pay analysis worksheet for each benchmark position.
* Base compensation structure: *(Note to organization: select one below)*
  + Update the current base compensation structure following widely accepted compensation methodology using the competitive pay analysis worksheets to group similarly valued jobs. Propose pay ranges based on internal and external equity considerations. Pay ranges will be comprised of a series of overlapping ranges with an established minimum, midpoint and maximum. Review with you to determine the most appropriate structure. Modify as appropriate to finalize.

**OR**

* + Develop a base compensation structure following widely accepted compensation methodology using the competitive pay analysis worksheets to group similarly valued jobs. Propose pay ranges based on internal and external equity considerations. Pay ranges will be comprised of a series of overlapping ranges with an established minimum, midpoint and maximum. Review with you to determine the most appropriate structure. Modify as appropriate to finalize.
* Perform a comparative ratio analysis to illustrate impact to employees and evaluate how current pay practices align with the newly created ranges. Identify budgetary implications of bringing all employees within range.
* Evaluate and discuss positions and/or employees falling outside of the newly created ranges, wage compression, and other potential concerns. Explore options for responding to these situations.
* Conduct a wage compression analysis to release compression using key wage differentiation metrics important to (Organization Name). For example, performance or length of service. Identify budgetary implications of releasing compression.
* Develop an additional base compensation structure forecasted to (Organization Name)’s specifications (e.g., 5–10-year projection), projecting the financial impact of annual salary structure updates and employee wage increases year-over-year for specified period and related budgetary implications.
* Administrative base compensation guide template (Note to organization: select one below)
  + Provide an administrative base compensation guide template with sample guidelines and procedures (Organization Name) can customize to reflect pay practices when administering and maintaining the base compensation plan.

**OR**

* + Assist *(Organization Name)* with customizing an administrative base compensation guide template to reflect pay practices when administering and maintaining the base compensation plan.
* *(Note to organization: Include if a high-level review of employee benefit offerings is included in the scope)* Utilize published reputable benefits survey data to provide a high-level review of traditional benefit offerings and a summary of market trends. Illustrate opportunities to modify and/or enhance benefit offerings to remain competitive in the market. The benefit categories compared include insured benefits (health, dental, life, etc.), paid time off practices (vacation, holiday, sick/disability, etc.), and retirement saving options.
* Prepare a written report summarizing your process, findings, recommendations, and resulting documentation.
* Present the final report to select stakeholders upon request. This presentation should include an overview of your process, findings, recommendations, and resulting documentation. (Organization Name) anticipates this presentation to be held within two weeks of the final report being issued.

1. Other service options

At the discretion of (Organization Name),this engagement can be extended to include bids for the following additional services. *(Note to organization: List the services you would like to have quoted separately from the compensation services.)*

* Job description updates, including title consolidation
* Human resources department review
* Employee handbook review
* Performance management process evaluation
* Organizational structure assessment
* Talent assessment
* Succession planning
* Change management
* Strategic planning

1. Delivery schedule

*(Note to organization: select one below)*

* The offeror shall issue the final report to (Organization Name) no later than (enter final report due date) **OR** within (#) days of the contract being signed.

**OR**

* For internal planning purposes, the offeror is to issue draft materials to (Organization Name) by (enter draft materials date), with the final report issued by (enter final report date).

**OR**

* Upon award notice and acceptance of engagement, we will initiate discussions with the offeror to develop a comprehensive timeline and will provide a materials request describing the information needed for the project.

1. Pricing

The offeror’s proposed price for services should include a not-to-exceed total fee. Any out-of-pocket expenses should also be indicated.

1. Payment

Payment terms will be agreed upon with the offeror.

1. Confidentiality

The offeror agrees to keep the information related to all contracts in strict confidence. Other than the reports submitted to (Organization Name), the offeror agrees not to publish, reproduce or otherwise divulge such information in whole or in part, in any manner or form, or authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to the information, while in the offeror’s possession, to those employees on the offeror’s staff who must have the information on a “need to know” basis.

The offeror agrees to immediately notify, in writing, (Organization Name)’s authorized representative in the event the offeror determines or has reason to suspect a breach of this requirement.

Technical qualifications

The offeror, in its proposal, shall, as a minimum, include the following:

1. Understanding our needs

The offeror should describe the current challenges and opportunities specific to our organization. Offeror to describe how they are best suited to assist our organization in facing those challenges and opportunities moving forward.

1. Understanding the scope of work

The offeror should clearly describe the scope of work to be performed in alignment with this RFP.

1. Understanding our industry

The offeror should describe its understanding of our industry by providing specific industry knowledge and expertise, including:

1. Prior experience working with nonprofit organizations.
2. Prior experience consulting with organizations similar to (Organization Name).
3. Prior experience providing other services to organizations similar to (Organization Name).
4. Engagement team

The offeror should briefly describe the qualifications of staff to be assigned to the engagement. Descriptions should include:

1. Consulting team makeup.
2. Prior experience of the individual team members; team bios should include education and position.
3. Organization, size and structure

The offeror should describe its organization, size (in relation to work to be performed) and structure. Description should include:

1. Size of the offeror, including number of employees.
2. Explanation of independence.
3. Any conflicts of interest that exist.
4. Approach to the engagement

The offeror should describe its approach to the work to be performed.

Proposal evaluation

1. Nonresponsive proposals

Proposals may be judged nonresponsive and removed from further consideration if any of the following occur:

1. The proposal is not received in a timely manner in accordance with the terms of this RFP.
2. The proposal is not adequate to form a judgment by the reviewers in which the proposed undertaking would comply with requested work.
3. Proposal evaluation

Evaluation of each proposal will be scored on the following six factors.

Point range

1. Understanding our needs 0-5
   1. Understanding our current challenges and opportunities
   2. Offeror’s approach to addressing our challenges
2. Understanding our industry 0-20
   1. Prior experience working with nonprofit organizations
   2. Prior experience consulting with organizations similar to (Organization Name)
   3. Prior experience providing other services to organizations similar to(Organization Name)
3. Organization, size and structure of offeror 0-5
   1. Adequate size of the offeror
   2. Expertise within the nonprofit sector
4. Qualifications of staff to be assigned to the project. 0-20

This will be determined from the resumes/professional profiles submitted.

1. Offeror’s approach to the engagement 0-30
   1. Uses comprehensive methodology
   2. Utilizes diverse set of data sources
   3. Leverages local, regional and national compensation information
   4. Aligns market rates more specifically to (Organization Name)
   5. Collaborates with key leadership to achieve the desired outcomes
   6. Creates realistic engagement timetable
2. Price 0-20

Maximum points 100

1. Review process

(Organization Name) may, at its discretion, request presentations by or meetings with any or all offerors to clarify or negotiate modifications to the offerors’ proposals.

However, (Organization Name) reserves the right to make an award without further discussion of the proposals submitted. Therefore, proposals should be submitted initially on the most favorable terms, from both technical and price standpoints, the offeror can propose.

(Organization Name) contemplates award of the contract to the responsible offeror with the highest total points.

Appendix

A. Sample proposal evaluation

Total points will be calculated from each board member, providing a total point value for each responding offeror. The offeror, meeting all of the outlined criteria, also accumulates the highest total point value will be awarded the contract.

|  |  |  |  |
| --- | --- | --- | --- |
| Proposal evaluation | |  |  |
|  | | Point range | Points earned |
| Understanding our needs | | **0-5** |  |
|  | Understanding our current challenges and opportunities |  |  | |
|  | Offeror’s approach to addressing our challenges |  |  | |
|  | |  |  |
| Understanding our industry | | **0-20** |  |
|  | Prior experience working with nonprofit organizations |  |  | |
|  | Prior experience and consulting with organizations similar to (Organization Name) |  |  | |
|  | Prior experience providing other services to organizations similar to (Organization Name) |  |  | |
|  | |  |  |
| Organization, size and structure of offeror | | **0-5** |  |
|  | Adequate size of the offeror |  |  | |
|  | Expertise with nonprofit sector |  |  | |
|  | |  |  |
| Qualifications of staff to be assigned to the project | | **0-20** |  |
|  | Experience of the individual consulting team members |  |  | |
|  | |  |  |
| Offeror’s approach to the engagement | | **0-30** |  |
|  | Comprehensive methodology  Utilizes diverse set of data sources  Leverages local, regional and national compensation information  Aligns market rates more specifically to (Organization Name)  Collaborates with key leadership to achieve the desired outcomes |  |  | |
|  | Realistic timetable |  |  | |
|  | |  |  |
| Price | | **0-20** |  | |
|  | |  |  |
| Total points | | ***0-100*** |  |

THANK YOU for your RFP!

Do you know Wipfli offers more than just this requested service? Wipfli provides products and services specifically for nonprofit organizations. Our specialists are ready to help your organization with:

Audit and tax

Keep your budget and finances balanced

Outsourced services

Finance and technology experience by your side, but not on your payroll

Online subscription services

Stay up to date on important compliance changes and get access to our specialists

Consulting

Consulting in HR, IT, leadership and operations

Tools to keep you compliant

Policy and procedure manuals you can customize for your organization

Training

More than 120 topics available through on-site, webinar and on-demand training

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