



## **WRITING A SUCCESSFUL “REQUEST FOR PROPOSAL” FOR ASSOCIATION MANAGEMENT SERVICES**

In this guide, I am happy to share with you what I've learned about developing a request for proposal (RFP) that will attract just the kind of top flight management your organization needs. Half the battle is knowing what you want. The other half is communicating it.

Since writing an RFP takes some time, I urge you to make the most of this guide to save your organization unnecessary expense and delay. You won't find any "boilerplate" language, here, because that would defeat the purpose. Rather, you will see the principles at work in a real-life format.

This information will also enable us to respond with a comprehensive proposal that accurately projects the degree of effort and skill sets required to staff your organization. By receiving proposals in consistent formats based on this guide, organizations will be able to fairly and efficiently measure capabilities and fees.

Of course, I will be overjoyed to see your RFP come through Bostrom's door! I hope you find this a useful tool in attracting the quality management your members deserve.

*Kenneth E. Monroe  
President and CEO  
Bostrom Corporation*



# STEP-BY-STEP RFP GUIDE

## I. INTRODUCTION

- Is your organization incorporated? If so, in what state?
- Does the Internal Revenue Service recognize your organization as tax exempt? If so, under what code (i.e., 501(c)(3), 501(c)(6), or other)?
- What is the purpose of your organization?
- What type of organization is it?
- Who is currently managing the organization?
- What has precipitated your interest in changing management at this time?
- What is your annual gross revenue?
- What are the categories of membership? How many members do you have?
- What is the potential number of members available in your profession or industry?
- What is your current membership retention rate?
- What is your total budget?
- What is the present dues structure?
- Describe your governance structure. Attach an organizational chart if available.
- How often does your governing body meet?
- What goals or accomplishments has your board set for the next year? The next three years?
- What are the organization's most urgent problems or concerns?
- What are the major issues facing the industry or profession?
- What are the major concerns facing your members?
- What are the most significant accomplishments you wish to achieve through a management transition and what do you feel is a reasonable time frame in which you would expect them to be achieved?

## II. SCOPE OF WORK

### A. PROFESSIONAL MANAGEMENT REQUIREMENTS

Typical management services are detailed in Appendix 1. Use this section to specify additional or more detailed services required by your organization. Feel free to use the appendix in whole or part in your request for proposal. In addition to these standard items you may wish to include the answers to the following questions:

#### *Management*

- What are the governing body's expectations of the management firm?
- Does the organization utilize outside legal counsel and a public accounting firm? What services are performed?
- What vendor relationships do you plan to retain?



### ***Finance and Accounting***

- Who is involved in the preparation of the budget?
- What percent of payments are received by credit card?
- Are dues invoiced on one annual date (once a year) or on a monthly (member anniversary) basis?
- What is the role of the volunteer treasurer in the financial management of the organization?

### ***Information Technology***

- What is the software used to maintain the current membership database?
- Assuming the organization maintains a web site, what is the role of staff and volunteers in its maintenance?
- How is the web site hosted (in-house, volunteer, third party)?
- Who is responsible for web site maintenance and updates?
- Do you utilize content management software?
- If an outside provider is utilized to maintain and enhance the site, does the organization wish to retain this relationship?
- If the organization does not have a web site, have you established a budget for site development?
- What is (or will be) the primary purpose of the web site?
- Does/will the site utilize electronic commerce?
- Does the organization utilize any special purpose software, i.e. fundraising, job bank, abstract submission, statistical reporting? If so, who owns it?

### ***Conferences and Meetings***

- Describe the present or proposed conferences or meetings of the organization.
- What is the role of staff and volunteers?
- Are exhibits part of the conferences and meetings? If so, how many exhibiting companies, and what is the net square feet and what is the cost per exhibit and the total revenue?
- How many attendees? What percent register on-site?
- How are these events marketed?

### ***Programs and Services***

Describe all programs and services currently provided by the organization, such as:

- Certification
- Scholarships
- Awards
- Referral
- Job bank
- How are these programs currently marketed?
- Are there any programs or services the organization would like to add?
- What is the staff role in support of committees?
- Does the organization receive any grants? If not, is there any opportunity for grants?



### ***Relations***

- Are there any legislative or regulatory issues facing the profession/industry?
- What is the organization's role in government relations?
- Does the organization retain a lobbyist?
- Does the organization participate in joint ventures with other organizations?
- What does the organization do in regards to public relations for the profession/industry?
- Does the organization have a press kit?

### ***Membership***

- How active are volunteers in membership development and recruitment?
- Is there a membership committee and what is its role?
- Are there chapters, councils or special interest groups?
- Are chapters individually incorporated?
- What is staff's role with these groups?
- What was the date of your last member needs assessment?
- What benefits are included with the annual member dues?

### ***Publications***

Describe the present publications including frequency and number of pages.

- Newsletter
- Journal
- Magazine
- Directories
- Consumer brochures
- Are there existing contracts with editors or publishers for any of these publications?
- What is the volunteer and staff's role in these publications?
- Is advertising available in any of these publications?

## **B. FIRM CAPABILITIES**

- Profile the ideal firm for your organization, i.e. size of firm, management philosophy, scope of not-for-profit experience, years in business, etc.
- Would it be an advantage for the management firm to operate from multiple office locations?
- Is it important that the firm be able to add value through in-house consulting expertise?
- Is it important that your management firm be a member of its own trade association and abide by a code of ethics?
- Is it important that your management firm be accredited by the American Society of Association Executives (ASAE)?
- Describe other features that would add value to your organization.
- Describe the types of firm alliances that would be beneficial to your organization.



### **C. STAFF CAPABILITIES**

- What is the ideal profile of the chief staff executive for your organization?
- Describe the role of the chief staff executive.
- Describe the competencies you believe are important for the chief staff executive.
- Is it an advantage to have access to senior executives of the firm in addition to your Executive Director?
- Describe your current staff structure and responsibilities. What percent of time does each staff member spend on your organization's activities?
- Do you have any external contractors, such as technical content experts?
- Describe the staff skill sets required or preferred.

### **D. TRANSITION PLAN**

Are there any transition issues or activities that require special handling?

## **VI. PROPOSAL SUBMISSION REQUIREMENTS**

This section should include any specific requirements of the firms submitting proposals.

- How long is the term of the contract? When is the start date?
- What should be included in the proposal?
- Are there any minimum firm requirements to submit a bid?
- Where should the proposal be sent? Are electronic submissions acceptable?
- If hard copy, how many copies?
- Who should firms call with any questions?
- When is the deadline for submission?

## **V. PROPOSAL EVALUATION AND DECISION PROCESS**

- How will the proposal be evaluated? Has the Selection Committee developed a criteria list?
- What is the timetable?
- Who will make the final decision?
- Will there be an opportunity to make a personal presentation to the final decision-makers?
- When will we be informed of the decision?



## **VI. ATTACHMENTS**

The following items should be included with the request for proposal:

- Bylaws
- Organizational chart
- Long range plan
- Sample membership application
- Most recent member survey
- Annual report
- Annual meeting brochure and exhibitor prospectus
- Samples of publications
- Most recent financial statement
- Annual budget
- Most current year end audit, review or compilation



## **SAMPLE**

### **ABC ASSOCIATION**

#### **REQUEST FOR PROPOSAL**

#### **FOR**

#### **PROFESSIONAL MANAGEMENT SERVICES**

### **I. INTRODUCTION**

The ABC Association (ABCA) is an association of professional accountants. Founded in 1981, ABCA was incorporated in the District of Columbia and is recognized by the Internal Revenue Service under code 501(c)(6). Our web site address is [www.abca.org](http://www.abca.org).

The purpose of ABCA is to enhance the quality of accounting services for educational institutions, to promote high professional practices in accounting and to promote the value of the financial statements and services to the public.

ABCA is presently managed by volunteers and is seeking management by a professional services firm. ABCA has 1,800 members in the categories of education, public accounting firms and associates. The potential number of members in this area of practice is approximately 10,000. The total budget of the association is currently \$450,000. The average dues are \$100.00 per member.

ABCA is governed by an executive committee of five officers: President, President-Elect, Vice President, Secretary and Treasurer. The Board of Directors consists of the officers and 15 additional members. The officers are elected from the board and serve a one-year term. The directors serve a three-year term and five are rotated on and off the board each year. The board meets on a quarterly basis.

The goals for ABCA for the next year are:

- Select and transition management to a professional services firm
- Create and implement a membership development program to increase membership by 5% by the end of the fiscal year
- Increase retention of membership from 82% to 86%
- Develop and implement a new conference on tax changes for educational institutions
- Begin the development of a certification program

The goals for ABCA for the next *three* years are:

- Establish a certification program and certify 100% of the members
- Increase membership by 20% and increase retention to 90%
- Establish criteria and develop chapters in five cities
- Solicit articles and advertising to transform newsletter to a magazine



## **II. SCOPE OF WORK**

### ***A) PROFESSIONAL MANAGEMENT REQUIREMENTS***

The services highlighted in Appendix 1, in addition to the services listed below, are required of a professional services firm under the direction of the ABCA Board of Directors.

#### ***Management***

The firm will assist ABCA by making periodic recommendations on the goals and objectives of ABCA in regard to implementation of programs and services and to facilitate an annual long range planning retreat for the Board. In addition, the firm will annually orient the Board of Directors on the operations of ABCA and the roles of volunteers and staff. Each year, ABCA and the firm will jointly set expectations for the firm and the Board to accomplish. The firm will be evaluated based on these expectations. ABCA expects that the chief staff executive and firm will be proactive in recommending policy and new programs for the Board's consideration. ABCA expects to take advantage of the knowledge and experience of the firm.

A nominating committee appointed by the Board of Directors nominates new Directors. The Board of Directors and the organization's staff together prepare the budget based on the long range plan and goals for that particular year. The Treasurer chairs the budget and finance committee, prepares and recommends the budget to the Board with the partnership of staff. Outside legal counsel is utilized when deemed necessary, and an audit is prepared by a public accounting firm on an annual basis.

#### ***Administrative***

Financial statements are to be prepared on a monthly basis and sent to the Treasurer and President for review before the financial report is sent to the entire Board. Presently, an average of 2,000 checks is received each month and 75 payments are processed. The Treasurer will sign checks in excess of \$3,000.00 and review financial statements and management firm bills on a monthly basis.

#### ***Conferences and Meetings***

The Annual Conference and Exposition attracts 500 participants and 50 exhibiting companies. The staff is responsible for the logistics, registration and exposition. A volunteer program committee is responsible for the conference program, invites speakers and oversees the organization of the conference. The cost per 10x10 exhibit is \$1,200, gross exhibit sales is \$55,000 and total conference registration is \$160,000.

#### ***Programs and Services***

ABCA presently provides a job bank, a continuing education program, and a disability insurance program for members. In addition, ABCA is planning to develop a certification program and requires assistance from the management firm in its development. ABCA presently has an Annual Meeting Committee, Budget Committee, and Nominating Committee. Staff participates in teleconference calls of those committees and implements activities of the committees. Presently, ABCA does not receive grants and does not have an awards program.



### ***Relations***

ABCA monitors both legislative and regulatory issues affecting the profession and requests that the firm assists in this effort. A government relations and public relations committee consisting of volunteer members provides a forum of discussion and action on behalf of the membership. The public relations efforts have been limited to date with press releases at the conferences and to specific issues facing the profession.

### ***Membership***

All membership efforts have been volunteer driven. The database of members is a simple Access system with names and addresses. ABCA would like to know what information software and system is presently being used by your firm, and what its capabilities are. ABCA plans to establish chapters and provide local programming to the members. ABCA would like to automate membership dues processing using e-commerce. The proposal should describe the firm's capability for on-line dues processing.

### ***Publications***

A bi-monthly newsletter with limited advertising and an annual membership directory are provided to members. The firm will be responsible for editing, production and selling advertising for the newsletter and directory and volunteers will provide articles for the newsletter.

### ***B) FIRM CAPABILITIES***

The firm will serve as the principal office of ABCA providing a central identity and service location for members and public. Mail and phone answering, referral, technical and clerical service and professional management services will be rendered for the entire organization. The offices should be accessible to a major airport with easy access to public transportation. ABCA requires that responding firms must have been in business for at least five years with at least ten full time employees. The firm's experience must include professional associations preferably accounting related. The firm should be of the highest integrity and reputation to represent our profession.

ABCA is interested in working with a firm that has a key employee ownership structure designed to ensure a high level of commitment to client service. Computer and technology equipment, services and software available to clients of the firm should be outlined in the proposal. The firm will produce financial statements in a format that complies with all not-for-profit reporting requirements. Staff time should be tracked by actual hours spent on each specific program. Availability of a conference room at the office is also preferred.



### **C) STAFF CAPABILITIES**

The capabilities of the assigned staff are essential for ABCA's success and the firm should provide examples of successful work.

Biographies of any staff specialists that may assist ABCA should also be included.

The role of the chief staff executive will be that of manager, leader and advisor to work in partnership with the elected volunteer leadership. Ideally, the management firm should have one or more key executives who are either familiar with our industry/profession, or have experience working with similar issues effecting our industry.

### **D) TRANSITION PLAN**

The firm should also provide a detailed timetable outlining a transition plan that includes conversion of files and the database. Please include an estimate of staff time and fees required for transition activities. This amount should be separate from the annual fee.

## **VI. PROPOSAL SUBMISSION REQUIREMENTS**

ABCA is requesting a one-year renewable contract. The start date will be January 1. Your proposal must include the scope of work as outlined in this RFP. Our criteria includes: a firm that has been in business for more than five years and employs more than ten full time employees. Please include a list of references and a representative listing of clients. Submit your proposal to the Committee Chair John Smith no later than August 15.

Send 5 printed copies to John Smith at 4545 Fern Hollow Place, Columbus, OH 33342. Proposals may also be sent by email to John Smith at [jsmith@abca.org](mailto:jsmith@abca.org).

Additional information may be obtained from

- John Smith (614) 425-xxxx [jsmith@abca.org](mailto:jsmith@abca.org)
- Judy Jones (212) 575-xxxx [jjones@abca.org](mailto:jjones@abca.org)

## **V. PROPOSAL EVALUATION AND DECISION PROCESS**

Your proposal will be reviewed by ABCA's Special Committee on Association Management and evaluated based on how clearly ABCA's needs are identified, firm experience, capabilities and value. Once the Special Committee has determined that the proposal meets ABCA's criteria, the firm will be invited to present the proposal to the Board of Directors.

The decision timetable is as follows:

Proposal Due: August 15

Presentation Date: September 15

Board Decision: October 1

Start Date: January 1

We will confirm the presentation date and details by September 1.



## **VI. ATTACHMENTS**

The following items are included with the request for proposal:

Bylaws & Articles of Incorporation

Minutes of last two Board of Directors' meetings

Organizational chart

Long range plan

Policy manual

Membership application

Member surveys or needs assessment

Annual report

Annual meeting brochure

Exhibitor prospectus

Journal, magazine and/or newsletter

Advertising rate card

Publications order form

Most recent financial statement

Current budget

Year end audit/review



## **APPENDIX 1 – PROFESSIONAL MANAGEMENT SERVICES**

### ***MANAGEMENT***

- Implement Board decisions for services requested of the headquarters operation.
- Communicate regularly to the Board of Directors regarding implementation of member programs and services.
- Develop agendas for all board meetings and prepare back-up materials.
- Record and transcribe minutes of all board meetings and distribute to Board of Directors on a timely basis.
- Work with outside legal or other counsel as necessary.

### ***ADMINISTRATIVE***

- Establish a headquarters office that is staffed and equipped to render all services required by the organization.
- Enhance the organization's image by providing a high quality member services center.
- Maintain correspondence and distribute to appropriate leaders.
- Respond to inquiries about the organization and its activities.
- Maintain permanent records and files of the organization.
- Establish and maintain bank accounts.
- Receive, record, and deposit income.
- Disburse funds as authorized, using procedures that will maximize the organization's control over its funds.
- Allocate expenditures to proper expense categories.
- Prepare and distribute periodic reports on the status of finances and membership.
- Supervise preparation of tax returns and related statements.
- Assist in preparation of annual budget.
- Provide controls to operate within budget.
- Manage mailing and reproduction services.
- Provide conference room facilities for small meetings.

### ***CONFERENCES AND MEETINGS***

- Negotiate favorable contracts for facilities and sleeping rooms.
- Assist in program planning and development.
- Work with officers or appropriate committees to develop detailed program.
- Develop, for Board review and approval, complete budgets and monitor expenses.
- Promote attendance through effective use of direct mail, broadcast fax and email alerts.
- Handle pre-registration and on-site registration.
- Prepare name badges and other appropriate identification.
- Coordinate all meeting details.
- Promote, sell and manage exhibits.
- Provide on-site management.
- Provide post-meeting follow-up and reports.



### ***MEMBERSHIP MAINTENANCE AND DEVELOPMENT***

- Maintain accurate, up-to-date records on all members and prospective members currently in the organization's database and membership files.
- Provide regular reports to track progress.
- Prepare annual dues billing and follow-up invoices.
- Provide membership services such as application processing, preparing mailings, following up with members as necessary.
- Develop and maintain ballot tabulation systems for elections.
- Develop membership growth campaigns consistent with the organization's objectives.
- Develop and maintain membership retention programs.
- Create and recommend meaningful member services.

### ***PUBLICATIONS***

- Coordinate production and distribution of newsletter.
- Maintain subscription fulfillment services for journal, magazine and other publications.
- Produce annual directory providing alphabetical and geographical listings of members.
- Prepare other member communications materials (such as white papers and annual reports) as requested.
- Coordinate with external sources/vendors on publication design and layout, type preparation/final copy production as needed.
- Distribute publications to members of the organization and others, as appropriate.