



**Lutheran Immigration & Refugee Service**  
**Request for Proposal (RFP)**  
**Direct Mail Marketing and Fundraising Services**  
**Date Issued: February 10<sup>th</sup>, 2011**

**1. NOTICE TO VENDORS**

With this Request for Proposals (RFP), Lutheran Immigration & Refugee Service solicits proposals from vendors to perform direct mail marketing, public education and fundraising services. In issuing this RFP, Lutheran Immigration & Refugee Service makes no commitment to contract for work with any vendor(s) responding to this RFP either within the dates specified in the RFP or at any other date(s). Lutheran Immigration & Refugee Service will not reimburse vendors for any expenses or pay for any implied services associated with responses to this RFP – vendors choosing to respond to this RFP must do so entirely at their own expense. Lutheran Immigration & Refugee Service agrees to maintain all vendor proposal materials as private and confidential and not to display or disseminate them to any individuals other than those evaluating their contents for purposes of this RFP. All proposals and collateral materials submitted in response to this RFP become the property of Lutheran Immigration & Refugee Service and will not be returned to vendors.

**2. RFP INTRODUCTION**

**2.1 RFP Purpose**

With this RFP, Lutheran Immigration & Refugee Service solicits proposals from vendors for direct mail marketing, public education and fundraising services.

With the replies from this RFP, Lutheran Immigration & Refugee Service may select one or more vendor agencies to manage and implement all aspects of a comprehensive direct response fundraising, marketing and public education campaign.

**2.2 Schedule of Events**

This following schedule of events should be considered definitive. Lutheran Immigration & Refugee Service reserves the right, however, to adjust any of these dates as necessary to meet its needs.

- a) Formal release of the RFP 2/10/11
- b) Last day to submit questions or comments 2/15/11
- c) Release of RFP revisions, answers to questions and additional comments by Lutheran Immigration & Refugee Service 2/21/11
- d) Proposals due to Lutheran Immigration & Refugee Service by 5:00pm 2/28/11
- e) Lutheran Immigration & Refugee Service invites selected vendor(s) to make presentations 3/7/11



f) Lutheran Immigration & Refugee Service begins formal decision and negotiation period 3/14/11

g) Lutheran Immigration & Refugee Service announces final contract award decision(s) 3/18/11

Following step e) above, Lutheran Immigration & Refugee Service, at its discretion, reserves the right to request one or more vendors to submit a “best-and-final-offer,” which may involve targeted changes to the requirements stated in this RFP. In this event, the dates for steps f) and g) above will be modified to allow time for the best-and-final-offer to be prepared.

### **3. BACKGROUND ON ABC CHARITY, INC.**

#### ***3.1 Mission***

Witnessing to God’s love for all people, we stand with and advocate for migrants and refugees, transforming communities through ministries of service and justice.

#### ***3.2 Brief History***

Lutheran Immigration and Refugee Service has been resettling refugees and working to support migrants in need since 1939. Our fundraising efforts have ranged over the years and a move from NYC to Baltimore, MD just over 10 years ago saw much of our fundraising staff choose to stay in the NY metro-region rather than move to Baltimore. With this, some momentum was lost. However, in the last 2 years there has been great emphasis on re-building a fundraising unit and creating a solid annual giving program.

#### ***3.3 Current Situation***

This section of the RFP explains Lutheran Immigration & Refugee Service’s existing fundraising situation.

##### **3.3.1 Incumbent Agencies and Ancillary Vendors**

Lutheran Immigration and Refugee Service currently does all direct mail copy creation and design in-house. We currently work with a printer/mail house (Peabody Press) to manage all of our package printing and fulfillment. In the past, we have also worked with AllMedia, Inc. as our list broker for acquisition mailing packages and EU Services to manage printing and mailing. These three firms will be offered the opportunity to submit a response to this RFP.

##### **3.3.2 Housefile Description**

The Raiser's Edge data file contains 78,745 records. Of these, 50,000 are individuals available for solicitation. The database also includes 6,200 organizations that we may solicit. LIRS does not rent or sell any personal information. We do not share, rent, or sell email addresses. LIRS may occasionally share our mailing lists with other Lutheran nonprofit organizations. Primary growth of the database is from two sources: refugee clients and online subscribers. Since 2009, over 3,000 refugee clients who have paid off their travel loans have been added to the database. In addition, almost 1,500 new records have been generated through online



information requests or online interactions. The database has not undergone any formal statistical analysis service.

### **3.3.3 Current Mailing Program**

In 2010, we mailed 8 distinct appeals. % of these appeal packages were based on our house-file, 1 mailing was a list exchange (exchanged with Lutheran Church--Missouri Synod World Missions, 950 pieces) and 2 mailings were list rentals of lists ranging from Sojourners magazine, World Religions Masterfile, A Helping Hand file, Christian Donors from Home Solutions file. These two mailings were distributed to a total of 50,000 prospects. The typical package created by LIRS is a 4 piece mailer containing a letter/card, full-color lift, business reply envelope and a carrier. All of our copy-writing segmenting and design is done in-house. At least one mailing per year in language specific and usually distributed in the following languages to former consumers of our services: Spanish, Vietnamese, Farsi, Burmese, Russian, Bosnian/Serbo-Croatian. Each gift received is personally thanked by staff in-house and thank you packages typically include: letter, BRE, carrier envelope.

In 2011, we would like to increase our mailings to 16 across the calendar year to include: 8 in-house database mailings, 4 acquisition mailings and 4 soft/informational mailings--some of which are occurring currently.

### **3.3.4 Other Important Fundraising Media**

We also distribute 8 or more email appeals per year, and in 2011 we will be distributing several pieces of collateral as "soft asks or informational pieces." Finally, each refugee we serve is required to remit payments for an interest free loan that covered their travel costs to the United States, each month, we are sending statements and closing letters to refugees paying off their loans.

### **3.3.5 Internal Support Staff**

Our fundraising unit consists of three staff: a database manager—the point person in managing and maintaining integrity of all of our data, an assistant director—charged with leading our refugee alumni engagement efforts and director ---oversees and manages all annual giving, prospecting, cultivation and stewardship activities along with data analysis against goals. All staff are located in Baltimore, MD

## **4. GOODS AND SERVICES DESIRED**

Lutheran Immigration & Refugee Service seeks a vendor to work with it to develop, test, manage, and implement all aspects of its direct mail program. This will include public education and fundraising appeal strategies, design and creation of direct mail materials, list brokerage and management, getting materials in the mail, management of all data processing requirements including file maintenance, hygiene, list de-duplication and merge-purge, file updates and all subsequent data analysis and reporting.



Lutheran Immigration & Refugee Service wants an integrated solution with a single point of contact. If the vendor intends to use other subcontracting agencies to fulfill some aspects of the fundraising campaign, this must be known by LIRS, and should be functionally transparent to Lutheran Immigration & Refugee Service. In this case, this proposal must reveal explicitly who the intended subcontractors are and their roles in the fundraising work. This proposal also must include costing for all aspects of the work, including those that will be performed by subcontractors, and the vendor must accept accountability and final responsibility for the quality and timeliness of everything done by the subcontractor(s). Pricing need not be provided for services independently contracted for by Lutheran Immigration & Refugee Service as noted above in section 3.3.1.

Your proposal should include average return rates for past question mailings and in-house database mailings.

Your proposal also should explain your philosophy toward and your approach to integrating direct mail with Lutheran Immigration & Refugee Service's other fundraising channels and ongoing fundraising campaigns.

The performance period for this agreement should begin on March 21<sup>st</sup>, 2011 and end on March 20<sup>th</sup>, 2012.

Proposals should explain in good detail the vendor's proposed processes for working with Lutheran Immigration & Refugee Service, formulating program and fundraising strategies and budgets, designing and creating direct mail packages and yearly schedules, selecting lists and developing test strategies, reporting results, holding account reviews, modifying fundraising plans based upon empirical results, ensuring use of proper logo, corporate color pallet, corporate image management and coordinating with other aspects of clients' overall fundraising operations. Please include existing mail package examples or mock-ups of mail plans, appeal letters, analytical reports, etc. to help explain these items. Where relevant, estimated package costs should be shown.

Your proposal must clearly specify your plans for acquisition mailings, housefile mailings, thank-you mailings, etc. You must make clear how and when you will introduce and test new packages, reuse old packages, test package characteristics, etc.

Lutheran Immigration & Refugee Service will advance necessary prepaid list rental and postage costs from its own funds and will have ultimate responsibility for all costs or expenses associated with the marketing efforts. Other financial relationships may be explained and proposed. Lutheran Immigration & Refugee Service will exclusively control, manage, and exercise dominion over all funds donated to it and any lists created as a result of this relationship.



## **5. PROPOSAL REQUIREMENTS**

### ***5.1 General Instructions***

#### **5.1.1 Format**

All proposals should have: 1.25-inch left and right margins, 1-inch top and bottom margins, 12-point typeface using only Arial, Calibri or Times Roman fonts, single spaced and consecutive numbering of ALL pages, with the exception of Attachments. Proposals should not exceed 10 single spaced pages—excluding attachments

#### **5.1.2 Proposal Submission Instructions**

All proposals can be emailed in PDF format to: [kstraker@lirs.org](mailto:kstraker@lirs.org)

#### **5.1.3 Inquiries**

All suggestions and inquiries pertaining to this RFP should be addressed to:

Katrina Klettke Straker  
Director for Development  
LIRS  
700 Light Street, Baltimore, MD, 21230  
410-230-2786  
[kstraker@lirs.org](mailto:kstraker@lirs.org)

Suggestions and questions about the RFP may be sent via email to Lutheran Immigration & Refugee Service until 2/15/11 and after that date, no further comments or inquiries will be accepted. Answers to all questions will be distributed to all vendors as quickly as possible. Lutheran Immigration & Refugee Service reserves the right to modify the RFP based on these comments and questions, as well as its own predilections, up until 2/21/11. All final RFP modifications will then be distributed to all vendors.

### ***5.2 Proposal Content Requirements***

#### **5.2.1 Statement of Work**

The vendor must provide a complete explanation of the policies, processes, tools, procedures, schedules, reports, etc. that will be used to deliver the desired goods and services as described in, and covering all questions raised in, section 4 of this RFP.

#### **5.2.2 Staffing**

The vendor must name a specific person who will act in the capacity of Account Executive for Lutheran Immigration & Refugee Service For this person, the proposal must include:

- A detailed biography or resume
- A job description for the person vis-à-vis this contract



- A chart showing the person's place within the vendor's organizational structure
- Identification and functional description of this person's manager or superior
- Office location
- Estimated percent of this person's time that will be dedicated to this account
- Names of other accounts this person would be involved with and in what capacity
- 3 references from current or former clients that identified project lead has worked with

The proposal must identify, at least by job function, other agency staff who will assist the Account Executive in successfully performing the work on this contract.

If vendor will be making use of subcontractors, the key person for each subcontractor should be identified and a bio or resume should be provided.

### **5.2.3 Agency Description**

The proposal must include:

- A brief history of the vendor's organization
- Current agency descriptive information
- A list of the vendor's five largest (by work volume) current clients
- Names, addresses, phone numbers, and email addresses of at least four current and one previous clients, whom we may contact for references
- Names of ALL other current or recent clients engaged in programs closely similar to those of Lutheran Immigration & Refugee Service

### **5.2.4 Management and Quality Assurance**

Your proposal must explain the management processes your agency uses regularly to ensure that the products and services you provide are timely, correct, consistent, complete, and high in quality. Please explain any policies you have related to warranties of your work, and how those policies are implemented and enforced. Explain the avenues of recourse Lutheran Immigration & Refugee Service will have in the event it is not pleased with the services and products it receives from you.

### **5.2.5 Samples of Previous Work**

As an attachment to the proposal, please submit at least 3 samples of fundraising materials prepared for current or recent clients. These materials will be kept confidential and they will not be returned.

### **5.2.6 Affirmations**

Your proposal must affirm ALL the following statements. In doing so, please fill in the required information. You must explicitly reveal and explain any exceptions to or deviations from these statements.



- a) The \_\_\_\_ Agency is properly registered and/or bonded in all states requiring charitable solicitation registration and has no current state regulatory enforcement actions pending against it relating to charitable registration or fundraising that would interfere with Lutheran Immigration & Refugee Service’s ability to fundraise in any and all jurisdictions.
- b) None of the \_\_\_\_ Agency, or its officers, directors or owners, nor any current client of the \_\_\_\_ Agency has any state, federal, internal revenue, postal, federal trade commission criminal enforcement actions pending against it, nor have any of these organizations or individuals had such an action pending or current in the past 36 months to the best of the knowledge of any officer, director or owner of the Agency.
- c) The \_\_\_\_ Agency or our principals and owners have the following affiliates which are partially or wholly owned by our agency or our principals and owners or with which we deal other than completely “at arms length.” (List \_\_\_\_ )
- d) Of the preceding list of affiliates the following are proposed as subcontractors under the \_\_\_\_ Agency proposal to (List \_\_\_\_ )
- e) The \_\_\_\_ Agency agrees that before entering into any contract with Lutheran Immigration & Refugee Service it will be required to agree not to enter into any agreements or understandings of any type or description with any vendors or subcontractors to Lutheran Immigration & Refugee Service which would provide commissions, finders fees, discounts, or any form of compensation or benefit to the \_\_\_\_ Agency or to any third party (including officers, directors or staff of Lutheran Immigration & Refugee Service) other than directly to Lutheran Immigration & Refugee Service except as specifically approved in writing by Lutheran Immigration & Refugee Service

### **5.2.7 Signature**

Your proposal must be signed by an owner, principal, officer of the corporation, or another person who is legally authorized to enter into agreements on behalf of your agency.

### **5.3 Price Proposal, Fees, Expenses, and Expected Returns**

The proposed pricing of vendor agency products and services must encompass all anticipated expenses. These might include creative and production fees, artwork, typesetting, production of camera-ready art, mail and courier costs, data processing and analytical costs, costs for outside consultant services, etc. List management commissions should be expressed as a percentage to be retained by the list manager.

Wherever possible, fees and revenues should be expressed both as total amounts and in terms of per-letter-mailed.



### **5.3.1 One-Time Setup Costs**

The vendor must provide complete, detailed information on ALL the one-time setup costs that Lutheran Immigration & Refugee Service will incur. The timing (and cash-flow implications) of these costs must be clearly indicated.

### **5.3.2 Ongoing Fees and Costs**

Your proposal must include complete, detailed information on ALL ongoing fees that will be incurred for the direct mail fundraising campaign.

If you wish to propose services based upon a monthly management fee, summarize all aspects of what the fee will include (e.g., staff time, creative) and what additional expenses will be required as separate charges.

If you wish to propose fees based upon itemized expenses, summarize all the items that will be included therein and provide your estimates of what a “typical” billing would be.

If you are doing any pass-through billings from suppliers or subcontractors, your proposal must show what those are, along with estimates of a “typical” billing period, and complete disclosure of your company’s related markups and commissions if any.

If any other related services (e.g., caging, data processing, etc.) will be required for the direct mail campaign that your agency will NOT include in its package, you must identify what those are, explain why your agency chooses not to provide them, and recommend how Lutheran Immigration & Refugee Service should best procure those services.

Your proposal should fully explain optional, additional, special, and alternative services, which are related to but not necessarily required for the direct mail campaign, that your agency can recommend or make available to Lutheran Immigration & Refugee Service, along with the financial and non-financial benefits or reasons for Lutheran Immigration & Refugee Service to choose those options. Estimate and explain the costs of these options.

Your proposal should include a comprehensive, best-guess, three-year budget for the direct mail campaign that would be your agency’s strongest recommendation. Describe clearly all the elements of this campaign, the number and size of the mailings, the nature of the packages, etc.

### **5.3.3 Realistic Return Estimates**

The vendor should explain realistic estimates of the return on investment for these fundraising services. Based upon the best-guess campaign recommended, realistically estimate expected cash flows and revenues and show them as a function of time for a period of at least three years. The vendor should make clear all the assumptions inherent in these estimates.





#### **5.4 Contractual Requirements**

Contracts will extend for 12 months –all pieces outlined in section 3.3.3 shall be completed by Dec 31, 2011 and planning for 2012 will commence in July of 2011. The contract can be amended (with both parties in agreement of amendment) as contract period moves along. All contract shall include:

- Key staff provisions
- Provisions for data ownership and intellectual property rights
- Agreements on privacy and confidentiality
- Agreements on exclusivity
- Agreements not to hire each other's staff
- Invoicing terms and payment schedules
- All fees and contingency fees
- Provisions for reimbursement of expenses
- Warranty provisions
- Staff hours of availability (both directions)
- Provisions for making changes to the contract
- Consequences for nonperformance
- Insurance, indemnification, and bonding requirements
- Conditions and procedures to terminate the agreement]

#### **5.5 Proposal Evaluation Criteria**

Lutheran Immigration & Refugee Service intends to enter into a contract with the vendor(s) that provide Lutheran Immigration & Refugee Service the best value and benefit, not necessarily on the basis of the lowest price.

To select the winning vendor, Lutheran Immigration & Refugee Service will use the following evaluation method.

1) Threshold Criteria – Before judging proposals on their merits, Lutheran Immigration & Refugee Service will eliminate all proposals that fail to meet these criteria:

- Adherence to submission instructions (including deadlines)
- Adherence to format guidelines
- Positive fulfillment of all the Affirmations (section 5.2.6)
- All contractual terms agreeable to Lutheran Immigration & Refugee Service

2) Merit Criteria – Lutheran Immigration & Refugee Service will award merit points to each proposal. A proposal can earn up to 1000 points. The evaluation criteria and their point values are these:

2A) Organization background, reputation, stability (250 points). Factors that will be included in this criterion are:

- Successful history of business and ethical reputation (45 points)



- History of successful fundraising in our area of concern (45)
- Reports from references (45)
- Control relationships to subcontractors (if any are needed) (45)
- Financial stability (45)
- Miscellaneous extras (25)

2B) Pricing (350 points). Factors that will be included in this criterion are:

- Overall cost of work (setup and ongoing) (55 points)
- Reasonable markups and commissions (45)
- Presentation of options (35)
- Realistic estimates (45)
- Likely ROIs (55)
- Clarity of budgets and plans (35)
- Completeness of financial considerations (45)
- Miscellaneous extras (35)

2C) Agency approach (400 points). Factors that will be included in this criterion are:

- Fundraising approach and methodology (80 points)
- Proposed staffing (55)
- Quality and appeal of work plans and processes (70)
- Management and QA plan (65)
- Creativity in approaching our needs (50)
- Quality and appeal of sample materials (50)
- Miscellaneous extras (30)