



Purchasing Services
 3017 Cathedral of Learning
 (Mailbox 2)
 4200 Fifth Avenue
 Pittsburgh, PA 15260
 PHONE: 412-624-6235

REQUEST FOR QUOTATION

Request for Quotation Number:	SJG041924
Date Issued:	April 22, 2024
Quotation Due Date and Time:	Wednesday, May 8, 2024 at 5:00 pm EDT
Send Electronic Quotation to:	sgrayson@cfo.pitt.edu

- I. The University of Pittsburgh - Of the Commonwealth System of Higher Education, 4200 Fifth Avenue, Pittsburgh, Pennsylvania 15260, acting through its Office of the Secretary (hereinafter referred to as the "University"), is accepting Quotations for compensation consulting services. Qualified consulting firms will assist the University's Compensation Committee of the Board of Trustees in its evaluation and determination of the compensation, including fringe benefits and perquisites, of the University's Chancellor and Chief Executive Officer and other senior officers. Consulting firms shall quote price and delivery for the services identified in Schedule A, including a comprehensive description of the proposed offering and a detailed pricing summary and identification of the resources that will be dedicated toward fulfillment of an agreement with the University. Highlights of the organization's capabilities to meet the University's needs should also be included.
- II. This Quotation must remain firm for 180 calendar days from the date this Quotation is due.
- III. All questions/clarifications must be requested via email no later than **Tuesday, April 30, 2024 at 5:00 pm EDT**.
- IV. Quotations for compensation consulting services on Exhibit A should be sent electronically to the Request for Quotation ("RFQ") Administrator:
 RFQ Administrator Name: Sara Grayson
 RFQ Administrator Email Address: sgrayson@cfo.pitt.edu
 Reference: SJG041924

I. INTRODUCTION

University Background

The University of Pittsburgh is a state-related research university, founded as the Pittsburgh Academy in 1787. The University's main campus is located in Pittsburgh, with regional campuses in Bradford, Greensburg, Johnstown, and Titusville. The University is a member of the Association of American Universities (AAU), which comprises 71 leading public and private research universities in the United States and Canada. Pitt offers a broad curriculum of more than 520 academic programs for more than 33,000 students through the efforts of over 14,000 faculty members, research associates, and staff members. Since its founding, the University of Pittsburgh has proudly cultivated a community shaped by ambition, innovation, and excellence as one of the nation's best institutions for undergraduate education and a national leader in science, engineering, and health research. Additional information about the University is available at www.pitt.edu/about.

The Board of Trustees of the University of Pittsburgh bears the full responsibility for the "entire management, control and conduct of the instructional, administrative, and financial affairs of the university" (Section 5 of the University of Pittsburgh – Commonwealth Act of 1966). This responsibility is supported by the authority to "...exercise all powers and franchises of the university and make bylaws for their own government, as well as for the university."

Under the University bylaws thus established, the Board appoints a Chancellor and Chief Executive officer and creates other officer positions with broad powers and duties to carry-out the responsibilities of running the university, while it retains the responsibility of providing review and oversight for these officers and their activities. Currently, the Board has delegated to its Compensation Committee the authority and responsibility to determine the Chancellor and Chief Executive Officer's compensation, including fringe benefits and perquisites, as well as to determine, upon the recommendation of the Chancellor and Chief Executive Officer, the compensation, including fringe benefits and perquisites, of the officers of the University, except assistant treasurers, and associate and assistant secretaries.

In accordance with these provisions, the Compensation Committee determines the Compensation of the following positions, when filled: (1) the Chancellor and Chief Executive Officer; (2) the Provost and Senior Vice Chancellor; (3) the Senior Vice Chancellor for the Health Sciences (who also serves as the Dean of the School of Medicine); (4) the Senior Vice Chancellor and Chief Financial Officer; (5) the Senior Vice Chancellor for Business and Operations; (6) the Vice Chancellor and Secretary of the Board of Trustees; (7) the Senior Vice Chancellor and Chief Legal Officer; (8) the Chief Investment Officer; (9) Treasurer; and (10) the Senior Vice Chancellor for Research.

Historically the Compensation Committee has relied on consulting firms to gather information that will help the Committee evaluate and determine the appropriate compensation of these officers and reach an informed decision.

II. SCOPE OF WORK

The selected firm shall assist the Compensation Committee in its evaluation and assessment of officers' compensation. Specifically, consulting services will include:

- 1) **General Review and Recommendations regarding Executive Compensation.** The review of the University's executive compensation practices shall include review and advice regarding: (a) the University's compensation philosophy; (b) the peer group against which the University's compensation levels are compared; (c) determination of and weight given to the factors that should be considered in salary-setting methodology (e.g., peer salaries, geography and other market influences, individual performance measures, bonuses and/or deferred compensation); (d) methods and practices with respect to other compensation elements (e.g., bonuses, benefits); and (e) any other considerations which should be part of executive compensation decision-making.
- 2) **Best Practices Recommendations.** The firm shall also make recommendations to the Compensation Committee regarding any improvements to strengthen the University's current executive compensation process and practices, based upon best practices in the field of higher education. Recommendations may address any or all of the elements outlined in Item 1 above. As appropriate, the firm may suggest an alternative practices, or alternatives to discrete elements of the current practices, to the extent that a fundamental change to the current practice or

elements thereof would reflect best practices and significantly improve the effectiveness of the University's compensation decision-making.

- 3) **Compensation Committee Support.** As requested, the firm shall attend Compensation Committee meetings to support the work of the Compensation Committee, including providing updates of executive compensation trends specific to higher education. It is anticipated that attendance shall be required for at least one (1) Committee meeting per year.
- 4) **Periodic Reports.** From time to time, the firm shall provide in-depth, written executive compensation studies in connection with the initial employment of new officers, as well as updated written reports in connection with annual and/or other compensation reviews.

III. REQUIREMENTS OF THE QUOTATION

Introduction. Provide the official name, address, phone number, and email of the consulting firm, as well as the name of the principal contact person and the name of the person authorized to execute the contract.

Experience and Qualifications

- A brief description of the organization, including overall experience and capabilities to administer the project.
- Names and a brief description of the experience and qualifications of the proposed staff member(s) who will be performing the services.
- A minimum of three recent references from comparable projects with contact information – Appendix A.
- Names of entities, other than above, where your firm has performed successful projects in the past two years along with contact information – Appendix A.

Approach/Strategy Used to Perform Project

- A brief description of your approach and strategy.
- How do you develop assessment measures, reports, and recommendations?
- How do you set expectations with the Committee?
- Methods used to communicate and to work with the Committee and its designated representatives.
- Ability to focus on this project.
- Describe major challenges to Board assessment and how the project team will address them.
- Describe your firm's commitment to diversity, equity, and inclusion.
- Describe how success will be measured.

Fees

- The total cost, as well as an itemized breakdown of the cost associated with major or important components of the project, as determined by the firm.
- Clearly define, identify, and provide an estimate of additional services and/or reimbursable expenses not included in the basic fee.

Additional Material

- Sample work products such developed by the firm in similar projects.
- Philosophy and policies regarding meeting client needs and prioritizing work.

IV. EVALUATION

Quotations will be evaluated on several criteria, including but not limited to the following, which are not listed in any order of priority:

- **Responsiveness**: Shall be determined by the firm's demonstration of a method of approach that fully meets all terms and conditions of the RFQ and Scope of Work.
- **Expertise and Reliability**: Shall be determined by the submission of client references and positive reference checks demonstrating the firm's success potential based on similar projects and by years of experience.
- **Completeness of Proposal**: Shall be determined by the content of the proposal, which fully addresses the requirements specified herein.
- **Access and Ease of Use**: Shall be determined by the firm's ability to demonstrate the requisite availability to perform the Scope of Work in a timely manner, proposed initiatives and resources to keep the University's Compensation Committee informed of material issues, and the ability to provide responsive and timely communications with the Compensation Committee on routine items as well as matters of urgency.
- **Expertise of Staff**: Shall be determined by showing the assigned staff members have the requisite knowledge to provide the information required by the Compensation Committee and by demonstrating that the assigned staff members have the requisite authority to act upon the Compensation Committee's direction.
- **Cost**: Shall be evaluated for budget constraints, method of costing, method of pricing and comparisons of cost in relation to other competitive proposals.

IV. GENERAL PROCEDURES

Questions, Inquiries, and Clarifications

Except as specifically set forth herein, all communications regarding this RFQ must be directed to the RFQ Administrator, Sara Grayson. Any questions or other inquiries from your organization concerning this RFQ must be submitted in writing via email to sgrayson@cfo.pitt.edu.

Please note:

- Firms may not contact members of the University Board of Trustees, the Secretary of the Board, or any other employee of the University, except the RFQ Administrator, concerning this procurement while the quotation and evaluation are in process. Such contact will cause disqualification of the firm's quotation.
- After the initial receipt of quotations, discussions may be conducted with firms who submit quotations determined to be reasonably likely of being selected for award.

Supplemental RFQ Information

All material statements from the University regarding any substantive matter associated with this RFQ will be in writing and copies thereof will be forwarded to all firms under consideration.

Modification of Request for Proposal

After the Compensation Committee's analysis of quotations submitted in response to this RFQ, the Compensation Committee may elect to modify the requirements of this RFQ. The Compensation Committee may also request resubmission from some or all of the initial responders.

Selection and Contract Award

The primary objective of this RFQ is to select the organization that most fully meets the requirements for an experienced and highly responsive executive compensation consulting firm that can support the Compensation Committee of the Board of Trustees. The final decision regarding selection and agreement award shall be subject to the approval of the Compensation Committee.

All quotations and agreement terms and conditions are subject to negotiation by the University prior to the execution of a final agreement, as determined to be acceptable to the Compensation Committee for the proposed services.

Disclaimers

You are hereby advised that the University's Compensation Committee is not committed to any course of action as a result of its issuance of this RFQ and/or its receipt of a quotation from you or other organizations in response to it.

In particular, please note that the University's Compensation Committee may:

- Reject any quotation which does not conform to instructions and specifications which are issued herein;
- Reject all or a portion of any or all quotations, if it so decides;
- Negotiate with one or more organizations;
- Award one or more agreement(s) in connection with this RFQ; and
- Make no award of an agreement.

You are also advised that the University will not reimburse your organization for any quotation preparation costs or other work performed in connection with this RFQ, whether or not your firm is awarded a contract.

Confidentiality

All quotations become the property of the University of Pittsburgh, for the benefit of its Compensation Committee, upon receipt. It is the obligation of the respondent to mark all items included in the quotation which are of a confidential or proprietary nature. To the extent possible as permitted by law, the University shall keep all quotations received confidential.

RFQ INSTRUCTIONS AND CONDITIONS

1. PREPARATION OF QUOTATIONS

- a. Offerors are expected to examine the specifications, drawings, schedule, and all instructions. Failure to do so will be at the Offeror's risk.
- b. Each Offeror shall furnish the information required by this RFQ. The Offeror shall sign its Quotation and print or type its Name, Firm, Address, Telephone and Fax Numbers, Email Address and Date. The individual signing the Quotation must be an authorized agent of the Offeror.
- c. The University of Pittsburgh's Pennsylvania Sales Tax Exemption Number is 75-436-298. Certificate will be provided upon request. Do not quote sales tax.
- d. The Offeror is to quote all transportation charges prepaid and add. Quotations must be firm.

2. EXPLANATION TO OFFERORS

- a. Any explanation desired by an Offeror regarding the meaning or interpretation of the RFQ, drawings, specifications, etc., must be requested in writing at least seven (7) calendar days prior to the Quotation Due Date and Time. Please submit all questions to the RFQ Administrator. The University will provide a written response to all prospective Offerors if such information is necessary to Offerors in submitting Quotations on the RFQ.
- b. Receipt of an amendment to an RFQ by an Offeror must be acknowledged by signing and returning the amendment, or by letter. Such acknowledgement must be received prior to the Quotation Due Date and Time.

3. SUBMISSION OF QUOTATIONS

- a. To receive consideration, Offeror must provide either one hard copy Quotation or one electronic Quotation. All price quotations must be made directly in the provided document (either electronic or hard copy).
- b. Hard copy Quotations shall be enclosed in sealed envelopes and addressed to the RFQ Administrator.
- c. Samples of items, when required, must be submitted within the time specified, and unless otherwise specified at no expense. If not destroyed by testing, samples will be returned at Offeror's request and expense, unless otherwise specified by the RFQ.

4. MODIFICATION OR WITHDRAWAL OF QUOTATIONS

Quotations may be modified or withdrawn by written notice received prior to the Quotation Due Date and Time. A Quotation also may be withdrawn in person by the Offeror or his authorized representative, provided his identity is made known and he signs a receipt for the Quotation, but only if the withdrawal is made prior to the Quotation Due Date and Time.

5. REFERENCES

Offeror must submit three references in accordance with Appendix A (OFFEROR REFERENCES FORM) as part of its Quotation.

6. LATE OFFERS AND MODIFICATIONS OR WITHDRAWALS

Offers and modifications of Quotations received at the office designated in the RFQ after the Quotation Due Date and Time will not be considered.

7. OFFEROR PRESENTATIONS

Offeror(s) may be requested to virtually present the details of their Quotation at a date to be determined. Presentations will be scheduled by the University and may not include all Offerors who submit a Quotation.

8. AWARD OF SERVICES AGREEMENT OR PURCHASE ORDER

- a. A services agreement or purchase order will be awarded to that responsible Offeror whose Quotation conforming to the RFQ will be most advantageous to the University. Price, quality, delivery, Offeror's past performance and other factors may be considered in the award of a services agreement or purchase order. The University may investigate and/or require additional information deemed pertinent by the University to fully evaluate an Offeror and its response to this RFQ.
- b. The University reserves the right to reject any or all Quotations and, unless otherwise specified by the Offeror, the University reserves the right to add and/or delete any or all of the requested items.

9. COMPLIANCE TO UNIVERSITY TERMS AND CONDITIONS

By submitting a Quotation the Offeror acknowledges and accepts –

- a. For a purchase order - the University's Standard Terms & Conditions - <https://www.ppt.pitt.edu/sites/default/files/tc.pdf>;
or
- b. For a services agreement valued at \$10,000 or less – the terms and conditions of the Services Agreement (Short Form - Domestic) – https://www.ppt.pitt.edu/sites/default/files/shortformservicesagreement_domestic.docx; or
- c. For a services agreement valued at more than \$10,000 – the University will forward the Services Agreement to the apparent low bidder in order to negotiate and execute the Services Agreement.

**APPENDIX A
OFFEROR REFERENCES FORM
RFQ #TBD**

Complete the following information in detail. If necessary, attach additional information or data that will assist in evaluating the questionnaire. The submission of this document shall constitute permission for the University of Pittsburgh to check, verify and have certified all information contained herein.

List three (3) companies or clients to whom Offeror has provided similar services in scope and size to this RFQ. If Offeror does business with other educational institutions, please include these as references.

Company Name _____
Address _____
Contact Person _____ Title _____
Telephone No. () _____ Fax _____
Email Address _____
Sales Volume _____
Number of Years Offeror Has Provided Service to this Company _____
Examples of Applicable Projects _____

Company Name _____
Address _____
Contact Person _____ Title _____
Telephone No. () _____ Fax _____
Email Address _____
Sales Volume _____
Number of Years Offeror Has Provided Service to this Company _____
Examples of Applicable Projects _____

Company Name _____
Address _____
Contact Person _____ Title _____
Telephone No. () _____ Fax _____
Email Address _____
Sales Volume _____
Number of Years Offeror Has Provided Service to this Company _____
Examples of Applicable Projects _____

List companies or clients to whom Offeror has successfully provided services in the past two (2) years.

Company Name _____
Address _____
Contact Person _____ Title _____
Telephone No. () _____ Fax _____
Email Address _____
Sales Volume _____
Number of Years Offeror Has Provided Service to this Company _____
Examples of Applicable Projects _____

Company Name _____
Address _____
Contact Person _____ Title _____
Telephone No. () _____ Fax _____
Email Address _____
Sales Volume _____
Number of Years Offeror Has Provided Service to this Company _____
Examples of Applicable Projects _____

Company Name _____
Address _____
Contact Person _____ Title _____
Telephone No. () _____ Fax _____
Email Address _____
Sales Volume _____
Number of Years Offeror Has Provided Service to this Company _____
Examples of Applicable Projects _____