
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 27, 2010

BLACKBAUD, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

000-50600

(Commission File Number)

11-2617163

(IRS Employer ID Number)

2000 Daniel Island Drive, Charleston, South Carolina 29492

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (843) 216-6200

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On July 27, 2010, Blackbaud, Inc. (the "Company") issued a press release reporting unaudited financial results for the quarter ended June 30, 2010. A copy of this press release is attached hereto as Exhibit 99.1.

The information in Item 2.02 and Exhibit 99.1 of this Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

(d) Election of Directors

On July 27, 2010, the Board of Directors (the "Board") of the Company appointed David G. Golden and Sarah E. Nash as members of the Board. Mr. Golden was appointed as a Class B director and will hold office until the Company's 2012 Annual Meeting of Stockholders or until his successor is elected and qualified. Ms. Nash was appointed as a Class C director and will hold office until the Company's 2013 Annual Meeting of Stockholders or until her successor is elected and qualified. The Nominating and Corporate Governance Committee of the Board conducted the search for director candidates. It has not formulated any specific minimum qualifications for director candidates, but has determined certain desirable characteristics including strength of character, mature judgment, career specialization, relevant technical skills and independence. While the Nominating and Corporate Governance Committee does not have a specific written policy with regard to the consideration of diversity in identifying director nominees, it does consider diversity to be an additional desirable characteristic in potential nominees. After reviewing several director candidates, the Nominating and Corporate Governance Committee recommended Mr. Golden and Ms. Nash for appointment to the Board.

Mr. Golden will serve on the Audit Committee of the Board and Ms. Nash will serve on the Nominating and Corporate Governance Committee of the Board.

There were no arrangements or understandings between either Mr. Golden or Ms. Nash and any other person pursuant to which Mr. Golden and Ms. Nash were appointed as directors of the Board and there are no related party transactions between either Mr. Golden or Ms. Nash and the Company.

On August 2, 2010, Mr. Golden and Ms. Nash will each be granted \$140,000 worth of shares of the Company's restricted stock for their appointment and service to the Board that will vest on August 2, 2011 or, if earlier, immediately prior to the next annual election of directors of the Company, provided that Mr. Golden and Ms. Nash are then serving as directors of the Company.

A copy of the press release regarding the appointment of Mr. Golden and Ms. Nash to the Board is attached hereto as Exhibit 99.2.

Item 8.01. Other Events.

In the press released attached hereto as Exhibit 99.1, the Company also announced that the Board authorized a new program to repurchase up to \$50 million shares of the Company's common stock. The program is effective August 1, 2010 and has no expiration date. Repurchases may be made from time to time in the open market or in privately negotiated transactions, depending on market conditions. While there is no ceiling on the price at which the Company may repurchase shares of its common stock, the Board must approve all repurchases made under program.

The information in Item 8.01 of this Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated July 27, 2010 reporting unaudited financial results for the quarter ended June 30, 2010.
99.2	Press released dated July 27, 2010 regarding the appointment of Mr. Golden and Ms. Nash to the Board.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BLACKBAUD, INC.

Date: July 27, 2010

/s/ Timothy V. Williams

Timothy V. Williams,
Senior Vice President and Chief Financial Officer

Blackbaud, Inc. Announces Second Quarter 2010 Results*Announces Third Quarter 2010 Dividend*

CHARLESTON, S.C. – July 27, 2010 – Blackbaud, Inc. (Nasdaq: BLKB), the leading provider of software and related services designed specifically for nonprofit organizations, today announced financial results for its second quarter ended June 30, 2010.

“While the pace of economic recovery remains uncertain, we saw increased evidence of stabilization and improvement in the nonprofit market during the second quarter,” said Marc Chardon, Chief Executive Officer of Blackbaud. “Revenue was at the high-end of our expectations and we experienced solid and increased demand for our expanding suite of subscription-based solutions and enterprise CRM offering, both of which will also have a positive financial impact in future periods.”

Chardon added, “During the second quarter, both our general markets and enterprise business units delivered solid results. In addition to an improvement in economic conditions, we believe that Blackbaud is executing well bringing new products and packaged offerings to market. We are excited by the market’s acceptance of these new solutions and are confident that we will continue to strengthen our market position and expand our market opportunity as we implement our long-term product roadmap.”

Blackbaud reported total revenue of \$80.7 million for the quarter ended June 30, 2010, an increase of approximately 6% compared to \$76.4 million for the second quarter of 2009. Income from operations and net income were \$11.2 million and \$6.8 million, respectively, compared with \$10.8 million and \$6.6 million, respectively, for the second quarter of 2009. Diluted earnings per share were \$0.15 for the quarter ended June 30, 2010, compared with \$0.15 in the same period last year.

Non-GAAP income from operations, which excludes stock-based compensation expense and amortization of intangibles arising from business combinations, was \$15.8 million, representing a non-GAAP operating margin of approximately 20% and compared with \$16.5 million in the same period last year.

Non-GAAP net income was \$9.5 million for the quarter ended June 30, 2010, compared with \$9.9 million in the same period last year. Non-GAAP diluted earnings per share were \$0.22 for the quarter ended June 30, 2010, at the top of the Company’s guidance range and compared with \$0.23 in the same period last year.

A reconciliation of GAAP to non-GAAP results has been provided in the financial statement tables included in this press release. An explanation of these measures is also included below under the heading “Non-GAAP Financial Measures.”

The Company ended the second quarter with \$13.3 million in cash, down from \$23.3 million at the end of the previous quarter due to using approximately \$21.5 million in cash to purchase 958,000 shares of the company’s stock during the quarter. A portion of the stock repurchases was funded with the Company’s revolving credit facility; \$3.5 million was outstanding under this facility at the end of the quarter. The Company generated \$17.4 million in cash flow from operations during the second quarter.

Timothy V. Williams, Chief Financial Officer of Blackbaud, stated, “Blackbaud continues to deliver solid non-GAAP operating margins of approximately 20% at the same time we are investing in long-term growth initiatives and experiencing a growing percentage of product sales being recognized as revenue ratably. We plan to continue expanding the number of solutions that are sold on a subscription basis, and expect the company to gain natural operating leverage over the long-term as our base of recurring revenue scales.”

Williams added, “The strength of our subscription and maintenance revenue also is a key driver to the company’s cash flow. During the second quarter, we continued to return capital to shareholders in the form of dividends, in addition to resuming execution of our share repurchase program.”

Third Quarter 2010 Dividend and Share Repurchase Program

Blackbaud announced today that its Board of Directors has declared a third quarter dividend of \$0.11 per share payable on September 15, 2010, to stockholders of record on August 27, 2010. Additionally, effective August 1, 2010, the Board authorized a new program to repurchase up to \$50 million of the Company's common stock. The amount remaining under the Company's prior share repurchase authorization, which expires on July 31, 2010, is \$8.2 million.

Conference Call Details

Blackbaud will host a conference call today, July 27, 2010, at 5:00 p.m. (Eastern Time) to discuss the Company's financial results, operations and related matters. To access this call, dial 877-719-9804 (domestic) or 719-325-4819 (international). A replay of this conference call will be available through August 3, 2010, at 888-203-1112 (domestic) or 719-457-0820 (international). The replay passcode is 9764274. A live webcast of this conference call will be available on the "Investor Relations" page of the Company's website at www.blackbaud.com/investorrelations, and a replay will be archived on the website as well.

About Blackbaud

Blackbaud is the leading global provider of software and services designed specifically for nonprofit organizations, enabling them to improve operational efficiency, build strong relationships, and raise more money to support their missions. Approximately 22,000 organizations — including University of Arizona Foundation, American Red Cross, Cancer Research UK, The Taft School, Lincoln Center, In Touch Ministries, Tulsa Community Foundation, Ursinus College, Earthjustice, International Fund for Animal Welfare, and the WGBH Educational Foundation — use one or more Blackbaud products and services for fundraising, constituent relationship management, financial management, website management, direct marketing, education administration, ticketing, business intelligence, prospect research, consulting, and analytics. Since 1981, Blackbaud's sole focus and expertise has been partnering with nonprofits and providing them the solutions they need to make a difference in their local communities and worldwide. Headquartered in the United States, Blackbaud also has operations in Australia, Canada, Hong Kong, the Netherlands, and the United Kingdom. For more information, visit www.blackbaud.com.

All Blackbaud product names appearing herein are trademarks or registered trademarks of Blackbaud, Inc.

Forward-looking Statements

Except for historical information, all of the statements, expectations, and assumptions contained in this news release are forward-looking statements that involve a number of risks and uncertainties. Although Blackbaud attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. In addition, other important factors that could cause results to differ materially include the following: general economic risks; uncertainty regarding increased business and renewals from existing customers; continued success in sales growth; management of integration of acquired companies and other risks associated with acquisitions; risks associated with successful implementation of multiple integrated software products; the ability to attract and retain key personnel; risks related to our dividend policy and share repurchase program, including potential limitations on our ability to grow and the possibility that we might discontinue payment of dividends; risks relating to restrictions imposed by the credit facility; risks associated with management of growth; lengthy sales and implementation cycles, particularly in larger organizations; technological changes that make our products and services less competitive; and

the other risk factors set forth from time to time in the SEC filings for Blackbaud, copies of which are available free of charge at the SEC's website at www.sec.gov or upon request from Blackbaud's investor relations department.

Non-GAAP Financial Measures

Blackbaud has provided in this release financial information that has not been prepared in accordance with GAAP. This information includes non-GAAP income from operations and margin, non-GAAP net income and non-GAAP diluted earnings per share. Blackbaud uses these non-GAAP financial measures internally in analyzing its financial results and believes they are useful to investors, as a supplement to GAAP measures, in evaluating Blackbaud's ongoing operational performance. Blackbaud believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing its financial results with other companies in Blackbaud's industry, many of which present similar non-GAAP financial measures to investors. As noted, the non-GAAP financial results discussed above exclude stock-based compensation expense and costs associated with amortization of intangibles arising from business combinations.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measure below. As previously mentioned, a reconciliation of our non-GAAP financial measures to their most directly comparable GAAP measures has been provided in the financial statement tables included below in this press release.

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SOURCE: Blackbaud, Inc.

Blackbaud, Inc.
Consolidated balance sheets
(Unaudited)

(in thousands, except share amounts)	June 30, 2010	December 31, 2009
Assets		
Current assets:		
Cash and cash equivalents	\$ 13,264	\$ 22,769
Donor restricted cash	6,936	12,874
Accounts receivable, net of allowance of \$2,887 and \$3,559 at June 30, 2010 and December 31, 2009, respectively	61,991	50,220
Prepaid expenses and other current assets	17,698	18,155
Deferred tax asset, current portion	5,728	5,728
Total current assets	105,617	109,746
Property and equipment, net	23,315	22,507
Deferred tax asset	53,946	55,570
Goodwill	73,544	73,919
Intangible assets, net	39,171	42,019
Other assets	2,527	468
Total assets	\$ 298,120	\$ 304,229
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	\$ 10,616	\$ 10,683
Accrued expenses and other current liabilities	22,077	25,974
Donations payable	6,936	12,874
Debt, current portion	4,217	1,288
Deferred revenue	138,175	129,412
Total current liabilities	182,021	180,231
Deferred revenue, noncurrent	7,316	6,172
Other noncurrent liabilities	1,493	1,720
Total liabilities	190,830	188,123
Commitments and contingencies		
Stockholders' equity:		
Preferred stock; 20,000,000 shares authorized, none outstanding	-	-
Common stock, \$0.001 par value; 180,000,000 shares authorized, 52,462,176 and 52,214,606 shares issued at June 30, 2010 and December 31, 2009, respectively	52	52
Additional paid-in capital	144,767	134,726
Treasury stock, at cost; 8,633,780 and 7,677,341 shares at June 30, 2010 and December 31, 2009, respectively	(155,897)	(134,382)
Accumulated other comprehensive loss	(485)	(201)
Retained earnings	118,853	115,911
Total stockholders' equity	107,290	116,106
Total liabilities and stockholders' equity	\$ 298,120	\$ 304,229

Blackbaud, Inc.
Consolidated statements of operations
(Unaudited)

(in thousands, except share and per share amounts)	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
Revenue				
License fees	\$ 6,972	\$ 5,799	\$ 12,139	\$ 13,204
Services	20,886	22,465	40,975	43,594
Maintenance	30,957	28,821	61,554	56,832
Subscriptions	20,386	17,773	39,562	34,496
Other revenue	1,470	1,557	2,680	3,030
Total revenue	80,671	76,415	156,910	151,156
Cost of revenue				
Cost of license fees	975	981	1,592	1,884
Cost of services	15,837	15,512	31,753	31,721
Cost of maintenance	5,925	5,432	11,695	10,580
Cost of subscriptions	7,616	7,038	14,842	13,778
Cost of other revenue	1,333	1,533	2,450	2,811
Total cost of revenue	31,686	30,496	62,332	60,774
Gross profit	48,985	45,919	94,578	90,382
Operating expenses				
Sales and marketing	19,023	15,072	35,446	31,187
Research and development	11,710	11,301	22,619	22,762
General and administrative	6,901	8,513	15,298	17,452
Amortization	196	192	392	378
Total operating expenses	37,830	35,078	73,755	71,779
Income from operations	11,155	10,841	20,823	18,603
Interest income	23	37	43	99
Interest expense	(79)	(270)	(125)	(695)
Other income (expense), net	(185)	31	(182)	(130)
Income before provision for income taxes	10,914	10,639	20,559	17,877
Income tax provision	4,124	4,051	7,817	7,217
Net income	\$ 6,790	\$ 6,588	\$ 12,742	\$ 10,660
Earnings per share				
Basic	\$ 0.16	\$ 0.15	\$ 0.29	\$ 0.25
Diluted	\$ 0.15	\$ 0.15	\$ 0.29	\$ 0.25
Common shares and equivalents outstanding				
Basic weighted average shares	43,260,625	42,577,549	43,347,630	42,531,323
Diluted weighted average shares	44,027,307	43,333,871	44,126,259	43,141,654
Dividends per share	\$ 0.11	\$ 0.10	\$ 0.22	\$ 0.20

Blackbaud, Inc.
Consolidated statements of cash flows
(Unaudited)

(in thousands)	Six months ended June 30,	
	2010	2009
Cash flows from operating activities		
Net income	\$ 12,742	\$ 10,660
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,844	7,694
Provision for doubtful accounts and sales returns	702	1,285
Stock-based compensation expense	6,060	6,245
Excess tax benefits from stock based compensation	(1,040)	(464)
Deferred taxes	1,737	3,345
Other non-cash adjustments	(140)	69
Changes in assets and liabilities, net of acquisition of businesses:		
Accounts receivable	(12,540)	(5,655)
Prepaid expenses and other assets	1,318	1,208
Trade accounts payable	1,411	(467)
Accrued expenses and other current liabilities	(3,517)	(262)
Donor restricted cash	5,929	6,849
Donations payable	(5,929)	(6,849)
Deferred revenue	10,109	10,870
Net cash provided by operating activities	24,686	34,528
Cash flows from investing activities		
Purchase of property and equipment	(6,761)	(2,665)
Purchase of net assets of acquired companies, net of cash acquired	(390)	(2,258)
Purchase of intangible assets	(130)	-
Purchase of investment	(2,000)	-
Net cash used in investing activities	(9,281)	(4,923)
Cash flows from financing activities		
Proceeds from issuance of debt	4,000	-
Proceeds from exercise of stock options	2,980	255
Excess tax benefits from stock based compensation	1,040	464
Payments on debt	(1,071)	(19,010)
Payments on capital lease obligations	(112)	(217)
Purchase of treasury stock	(21,542)	-
Dividend payments to stockholders	(9,839)	(8,807)
Net cash used in financing activities	(24,544)	(27,315)
Effect of exchange rate on cash and cash equivalents	(366)	(114)
Net increase (decrease) in cash and cash equivalents	(9,505)	2,176
Cash and cash equivalents, beginning of period	22,769	16,361
Cash and cash equivalents, end of period	\$ 13,264	\$ 18,537

Blackbaud, Inc.
Reconciliation of GAAP to Non-GAAP financial measures
(Unaudited)

(in thousands, except per share amounts)	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
GAAP revenue	\$ 80,671	\$ 76,415	\$ 156,910	\$ 151,156
Non-GAAP adjustments:				
Add back: Kintera deferred revenue writedown	-	834	-	2,041
Non-GAAP revenue	\$ 80,671	\$ 77,249	\$ 156,910	\$ 153,197
GAAP gross profit	\$ 48,985	\$ 45,919	\$ 94,578	\$ 90,382
Non-GAAP adjustments:				
Add back: Kintera deferred revenue writedown	-	834	-	2,041
Add back: Stock-based compensation expense (see table below)	667	631	1,372	1,284
Add back: Amortization of intangibles from business combinations (see table below)	1,540	1,575	3,046	3,153
Total Non-GAAP adjustments	2,207	3,040	4,418	6,478
Non-GAAP gross profit	\$ 51,192	\$ 48,959	\$ 98,996	\$ 96,860
Non-GAAP gross margin	63%	63%	63%	63%
GAAP income from operations	\$ 11,155	\$ 10,841	\$ 20,823	\$ 18,603
Non-GAAP adjustments:				
Add back: Kintera deferred revenue writedown	-	834	-	2,041
Add back: Stock-based compensation expense (see table below)	2,908	3,025	6,060	6,245
Add back: Amortization of intangibles from business combinations (see table below)	1,736	1,767	3,438	3,531
Total Non-GAAP adjustments	4,644	5,626	9,498	11,817
Non-GAAP income from operations	\$ 15,799	\$ 16,467	\$ 30,321	\$ 30,420
Non-GAAP operating margin	20%	21%	19%	20%
GAAP net income	\$ 6,790	\$ 6,588	\$ 12,742	\$ 10,660
Non-GAAP adjustments:				
Add back: Total Non-GAAP adjustments affecting income from operations	4,644	5,626	9,498	11,817
Add back: Tax impact related to Non-GAAP adjustments	(1,943)	(2,292)	(3,905)	(4,363)
Non-GAAP net income	\$ 9,491	\$ 9,922	\$ 18,335	\$ 18,114
Shares used in computing Non-GAAP diluted earnings per share	44,027	43,334	44,126	43,142
Non-GAAP diluted earnings per share	\$ 0.22	\$ 0.23	\$ 0.42	\$ 0.42
Detail of Non-GAAP adjustments:				
Stock-based compensation expense:				
Cost of revenue				
Cost of services	\$ 414	\$ 360	\$ 850	\$ 737
Cost of maintenance	178	157	355	314
Cost of subscriptions	75	114	167	233
Subtotal	667	631	1,372	1,284
Operating expenses				
Sales and marketing	344	331	705	671
Research and development	704	686	1,415	1,397
General and administrative	1,193	1,377	2,568	2,893
Subtotal	2,241	2,394	4,688	4,961
Total stock-based compensation expense	\$ 2,908	\$ 3,025	\$ 6,060	\$ 6,245
Amortization of intangibles from business combinations:				
Cost of revenue				
Cost of license fees	\$ 115	\$ 90	\$ 209	\$ 171
Cost of services	341	336	677	670
Cost of maintenance	306	325	603	650
Cost of subscriptions	760	806	1,520	1,625
Cost of other revenue	18	18	37	37
Subtotal	1,540	1,575	3,046	3,153
Operating expenses	196	192	392	378
Total amortization of intangibles from business combinations	\$ 1,736	\$ 1,767	\$ 3,438	\$ 3,531

Make the world a better place.

Blackbaud Names Two New Directors to Its Board

David Golden and Sarah Nash bring business and nonprofit leadership experience to new roles

Charleston, S.C. (July 27, 2010) – Blackbaud, Inc., (Nasdaq: BLKB), the leading provider of software and related services designed specifically for nonprofit organizations, announced today that David Golden and Sarah Nash have joined the Blackbaud Board of Directors.

“We are pleased to welcome both David and Sarah to the Blackbaud Board of Directors,” said Andrew M. Leitch, chairman of the Board. “With their extensive experience in both the for-profit and nonprofit sectors, they will bring valuable expertise to the board to help guide Blackbaud’s operations and strategic direction and ultimately, to better serve our nonprofit customers.”

David Golden is a partner and executive vice president of Revolution LLC, a private Washington, DC-based operating and investment company launched by AOL co-founder Steve Case in April 2005, which seeks to drive transformative change by shifting power to consumers and building significant, category-defining companies in the process. Golden currently serves on the boards of CODE Advisors LLC, Everyday Health, Inc., Extend Health, Inc., Vinfolio, The Branson School, and ABC2; and on the advisory boards for Granite Ventures LLC and Partners For Growth LLC. He joined Revolution LLC after a long career with JPMorgan, where he departed as vice chairman in 2006. He is a member of the New York and Minnesota State Bar associations and is a FINRA Registered Representative. He received his bachelor’s and juris doctor degrees from Harvard College and Harvard Law School.

“I am excited to be a part of Blackbaud, a company that empowers nonprofits with technology,” said Golden. “The company’s nearly 30-year history in the software industry, its financial stability, and impressive management team have positioned it well to serve its nonprofit customers.”

Sarah Nash currently serves on the boards of Knoll, Inc. and Merrimack Pharmaceuticals, Inc. and is a trustee of the New York Historical Society, NewYork-Presbyterian Hospital, the New York Restoration Project, and Washington and Lee University. She is also a member of the business leadership council of City University of New York and the National Board of the Smithsonian Institution. She spent nearly 30 years in investment banking at JP Morgan, retiring as a vice chairman in 2005. She holds a bachelor’s degree in political science from Vassar College.

“I am honored to join the Blackbaud Board of Directors and to help lead the company in its mission of making the world a better place,” said Nash. “Nonprofits are facing unique challenges and Blackbaud has a proven track record of developing solutions to help them meet these challenges and better serve their missions.”

Golden and Nash will join Andrew M. Leitch, chairman of the Board; Marc Chardon, president and chief executive officer; and Timothy Chou, George Ellis, John McConnell, and Carolyn Miles as directors.

About Blackbaud

Blackbaud is the leading global provider of software and services designed specifically for nonprofit organizations, enabling them to improve operational efficiency, build strong relationships, and raise more money to support their missions. Approximately 22,000 organizations — including University of Arizona Foundation, American Red Cross, Cancer Research UK, The Taft School, Lincoln Center, In Touch Ministries, Tulsa Community Foundation, Ursinus College, Earthjustice, International Fund for Animal Welfare, and the WGBH Educational Foundation — use one or more Blackbaud products and services for fundraising, constituent relationship management, financial management, website management, direct marketing, education administration, ticketing, business intelligence, prospect research, consulting, and analytics. Since 1981, Blackbaud’s sole focus and expertise has been partnering with nonprofits and providing them the solutions they need to make a difference in their local communities and worldwide. Headquartered in the United States, Blackbaud also has operations in Australia, Canada, Hong Kong, the Netherlands, and the United Kingdom. For more information, visit www.blackbaud.com.

*Make the world a better place.***Media Contact:****Melanie Mathos**

Blackbaud, Inc.

843.216.6200 x3307

melanie.mathos@blackbaud.com**Source:** Blackbaud**Forward-looking Statements**

Except for historical information, all of the statements, expectations, and assumptions contained in this news release are forward-looking statements that involve a number of risks and uncertainties. Although Blackbaud attempts to be accurate in making these forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based. In addition, other important factors that could cause results to differ materially include the following: general economic risks; uncertainty regarding increased business and renewals from existing customers; continued success in sales growth; management of integration of acquired companies and other risks associated with acquisitions; risks associated with successful implementation of multiple integrated software products; the ability to attract and retain key personnel; risks related to our dividend policy and share repurchase program, including potential limitations on our ability to grow and the possibility that we might discontinue payment of dividends; risks relating to restrictions imposed by the credit facility; risks associated with management of growth; lengthy sales and implementation cycles, particularly in larger organizations; technological changes that make our products and services less competitive; and the other risk factors set forth from time to time in the SEC filings for Blackbaud, copies of which are available free of charge at the SEC's website at www.sec.gov or upon request from Blackbaud's investor relations department. All Blackbaud product names appearing herein are trademarks or registered trademarks of Blackbaud, Inc.