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

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): November 1, 2011**

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**BLACKBAUD, INC.**

(Exact name of registrant as specified in its charter)

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**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**

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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 November 1, 2011, Blackbaud, Inc. (the "Company") issued a press release reporting unaudited financial results for the quarter ended September 30, 2011. A copy of this press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02 (including Exhibit 99.1) 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 (the "Securities Act") 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;**

(b) On November 1, 2011, the Company announced that Timothy V. Williams' previously announced resignation as Senior Vice President and Chief Financial Officer will become effective Friday, November 11, 2011. Mr. Williams is retiring and the Company thanks him for his service.

(c) On November 1, 2011, the Company also announced that it entered into an employment agreement with Anthony W. Boor to succeed Timothy V. Williams as Senior Vice President and Chief Financial Officer, effective Monday, November 14, 2011. The employment agreement provides that Mr. Boor's employment is at-will. It also includes non-competition and non-solicitation covenants during the course of Mr. Boor's employment and thereafter and assignment of intellectual property provisions. The foregoing description of the employment agreement is qualified in its entirety by reference to the agreement, which will be filed as an exhibit to the Company's Form 10-K for the year ending December 31, 2011. In addition, the Company and Mr. Boor entered into a retention agreement effective November 14, 2011 in substantially the form previously filed by the Company as Exhibit 10.37 to its Form 10-Q on November 10, 2008.

As Senior Vice President and Chief Financial Officer of the Company, Mr. Boor will receive an annual salary of \$350,000 and will be eligible to earn an incentive bonus targeted at 50% of his annual salary. On November 14, 2011, subject to approval by the Company's Board of Directors (the "Board"), Mr. Boor will receive a restricted stock grant and stock appreciation rights grant, each valued at \$350,000. Subject to the approval of the Board, he will receive a performance share award of restricted stock units in 2012 valued at \$250,000. Mr. Boor will receive a monthly commutation allowance of \$1,500 during his first year of employment and will be reimbursed for up to 90 days of temporary living expenses. Mr. Boor also will be entitled to participate in the compensation and benefit programs available to other Company executives.

Prior to joining the Company, Mr. Boor served as an executive with Brightpoint, Inc. beginning in 1999, most recently as its Executive Vice President, Chief Financial Officer and Treasurer. He served as Director of Business Operations for Brightpoint North America from August 1998 to July 1999. Prior to joining Brightpoint, Mr. Boor was employed in various financial positions with Macmillan Computer Publishing Inc., Day Dream Publishing, Inc., Ernst & Young LLP, Expo New Mexico, KPMG LLP and Ernst & Whinney LLP.

There are no family relationships between Mr. Boor, who is 49 years old, and any other director or executive officer of the Company or any person nominated or chosen by the Company to become a director or executive officer of the Company. There are no transactions with the Company in which Mr. Boor has an interest requiring disclosure under Item 404(a) of Regulation S-K.

A copy of the press release announcing the changes to the Company's leadership structure disclosed in Items 5.02(b) and (c) above is attached hereto as Exhibit 99.2. Exhibit 99.2 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 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 November 1, 2011 reporting the Company's financial results for the quarter ended September 30, 2011.
99.2	Press release dated November 1, 2011 announcing changes to the Company's leadership structure.

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: November 1, 2011

/s/ Timothy V. Williams

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

**Blackbaud, Inc. Announces Third Quarter 2011 Results**  
*Announces Fourth Quarter 2011 Dividend*

**CHARLESTON, S.C. – November 1, 2011** – Blackbaud, Inc. (Nasdaq: BLKB), the leading provider of software and related services designed specifically for nonprofit organizations, today announced financial results for its third quarter ended September 30, 2011.

Marc Chardon, Chief Executive Officer of Blackbaud, stated, “Solid execution during the third quarter enabled Blackbaud to deliver organic revenue growth of 12% and total revenue growth of 15%. We believe the company remains well positioned to deliver low double digit organic revenue growth and mid-teens total revenue growth for the full year 2011. This would represent a meaningful acceleration in growth from the 5% level in 2010, in spite of the continued challenging economic environment.”

“During the third quarter, we closed a record 7 new Enterprise CRM deals as Blackbaud continues to expand its growing leadership position at the high-end of the nonprofit market. Our Enterprise CRM wins continue to be diversified across our major nonprofit sub-verticals, and two of our third quarter wins were with international nonprofit organizations,” Chardon added. “Our General Markets Business Unit is also executing at a high level, delivering strong growth and gaining significant market share in the mid-market. Blackbaud has created a strong market leadership position in the mid-market over several decades, and we believe it remains a large and underpenetrated market opportunity.”

Blackbaud reported total revenue of \$95.5 million for the quarter ended September 30, 2011, an increase of 15% compared to \$83.2 million for the third quarter of 2010. Income from operations and net income, determined in accordance with GAAP, were \$15.7 million and \$9.8 million, respectively, compared with \$13.1 million and \$8.5 million, respectively, for the third quarter of 2010. Diluted earnings per share were \$0.22 for the quarter ended September 30, 2011 compared with \$0.20 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 \$21.1 million, an increase of 17% compared to \$18.0 million in the same period last year. Non-GAAP net income was \$12.8 million for the quarter ended September 30, 2011, an increase of 16% compared to \$11.0 million in the same period last year. Non-GAAP diluted earnings per share were \$0.29 for the quarter ended September 30, 2011, an increase of 16% compared with \$0.25 in the same period last year.

The company’s third quarter 2011 results include an adjustment to lengthen the amortization period of the initial set-up fees associated with certain subscription based offerings as analysis indicated that the average life of related customer relationships is longer than previously estimated. This adjustment reduced third quarter revenue by approximately \$700,000, non-GAAP operating income by approximately \$400,000 and non-GAAP diluted earnings per share by \$0.01.

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 third quarter with \$52.0 million in cash, an increase from \$33.4 million at the end of the previous quarter. The company generated \$67.7 million in cash from operations for the nine months ended September 30, 2011, an increase of 38% compared to the same period last year.

Timothy V. Williams, Chief Financial Officer of Blackbaud, said, “In addition to re-accelerating revenue growth, the company has been able to start the process of re-expanding margins modestly during 2010. The third quarter represented the highest quarterly non-GAAP operating margin since 2009, and contributed to 40 basis points of margin expansion for the first nine months of the year as compared to 2010. We remain confident in the company’s ability to expand margins modestly over the next several years as our business continues to scale and the economic environment eventually improves.”

## **Fourth Quarter 2011 Dividend and Share Repurchase Program**

Blackbaud announced today that its Board of Directors has approved a fourth quarter dividend of \$0.12 per share payable on December 15, 2011, to stockholders of record on November 28, 2011. Additionally, as of September 30, 2011, \$50.0 million remained available under the Company's share repurchase program, which became effective on August 1, 2010.

## **Conference Call Details**

Blackbaud will host a conference call today, November 1, 2011, at 5:00 p.m. (Eastern Time) to discuss the Company's financial results, operations and related matters. To access this call, dial 888-364-3109 (domestic) or 719-325-2497 (international). A replay of this conference call will be available through November 8, 2011, at 877-870-5176 (domestic) or 858-384-5517 (international). The replay passcode is 4844367. 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](http://www.blackbaud.com/investorrelations), and a replay will be archived on the website as well.

## **About Blackbaud**

Serving the nonprofit and education sectors for 30 years, Blackbaud (NASDAQ: BLKB) combines technology and expertise to help organizations achieve their missions. Blackbaud works with more than 25,000 customers in over 60 countries that support higher education, healthcare, human services, arts and culture, faith, the environment, independent K-12 education, animal welfare, and other charitable causes. The company offers a full spectrum of cloud-based and on-premise software solutions and related services for organizations of all sizes including: fundraising, eMarketing, social media, advocacy, constituent relationship management (CRM), analytics, financial management, and vertical-specific solutions. Using Blackbaud technology, these organizations raise more than \$100 billion each year. Recognized as a top company by Forbes, InformationWeek, and Software Magazine and honored by Best Places to Work, Blackbaud is headquartered in Charleston, South Carolina and has employees throughout the US, and in Australia, Canada, Hong Kong, Mexico, the Netherlands, and the United Kingdom. For more information, visit [www.blackbaud.com](http://www.blackbaud.com).

## **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](http://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.

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**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, costs associated with amortization of intangibles arising from business combinations, one-time write-offs or expenses incurred in connection with acquisitions and a gain in connection with the sale of a business.

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 measures. 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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ICR

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**SOURCE:** Blackbaud, Inc.

**Blackbaud, Inc.**  
**Consolidated balance sheets**  
**(Unaudited)**

(in thousands, except share amounts)	September 30, 2011	December 31, 2010
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 51,999	\$ 27,974
Donor restricted cash	21,180	16,359
Accounts receivable, net of allowance of \$2,940 and \$2,687 at September 30, 2011 and December 31, 2010, respectively	62,641	59,804
Prepaid expenses and other current assets	30,724	33,847
Deferred tax asset, current portion	5,173	5,164
<b>Total current assets</b>	<b>171,717</b>	<b>143,148</b>
Property and equipment, net	28,778	22,963
Deferred tax asset	35,553	44,639
Goodwill	89,255	76,247
Intangible assets, net	40,343	38,515
Other assets	5,716	2,579
<b>Total assets</b>	<b>\$ 371,362</b>	<b>\$ 328,091</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Trade accounts payable	\$ 9,908	\$ 9,883
Accrued expenses and other current liabilities	30,405	28,322
Donations payable	21,180	16,359
Deferred revenue	155,015	141,149
<b>Total current liabilities</b>	<b>216,508</b>	<b>195,713</b>
Deferred revenue, noncurrent	6,992	6,900
Other noncurrent liabilities	2,854	2,419
<b>Total liabilities</b>	<b>226,354</b>	<b>205,032</b>
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, 53,488,169 and 53,316,280 shares issued at September 30, 2011 and December 31, 2010, respectively	54	53
Additional paid-in capital	171,025	158,419
Treasury stock, at cost; 8,872,688 and 8,842,882 shares at September 30, 2011 and December 31, 2010, respectively	(161,966)	(161,186)
Accumulated other comprehensive loss	(687)	(512)
Retained earnings	136,582	126,285
<b>Total stockholders' equity</b>	<b>145,008</b>	<b>123,059</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 371,362</b>	<b>\$ 328,091</b>



**Blackbaud, Inc.**  
**Consolidated statements of operations**  
(Unaudited)

(in thousands, except share and per share amounts)	Three months ended September 30,		Nine months ended September 30,	
	2011	2010	2011	2010
<b>Revenue</b>				
License fees	\$ 4,952	\$ 5,070	\$ 14,600	\$ 17,209
Subscriptions	26,035	21,235	77,415	60,797
Services	29,782	23,992	81,790	64,967
Maintenance	32,895	31,416	97,329	92,970
Other revenue	1,867	1,513	5,073	4,193
<b>Total revenue</b>	<b>95,531</b>	<b>83,226</b>	<b>276,207</b>	<b>240,136</b>
<b>Cost of revenue</b>				
Cost of license fees	796	626	2,515	2,218
Cost of subscriptions	10,625	7,950	30,260	22,792
Cost of services	20,019	17,008	59,200	48,761
Cost of maintenance	6,521	6,310	18,807	18,005
Cost of other revenue	1,708	1,381	4,253	3,831
<b>Total cost of revenue</b>	<b>39,669</b>	<b>33,275</b>	<b>115,035</b>	<b>95,607</b>
<b>Gross profit</b>	<b>55,862</b>	<b>49,951</b>	<b>161,172</b>	<b>144,529</b>
<b>Operating expenses</b>				
Sales and marketing	18,731	16,953	57,124	52,399
Research and development	12,224	11,776	36,223	34,395
General and administrative	8,975	7,901	27,351	23,199
Amortization	249	195	729	587
<b>Total operating expenses</b>	<b>40,179</b>	<b>36,825</b>	<b>121,427</b>	<b>110,580</b>
<b>Income from operations</b>	<b>15,683</b>	<b>13,126</b>	<b>39,745</b>	<b>33,949</b>
Interest income	55	21	133	64
Interest expense	(59)	(45)	(143)	(170)
Other income (expense), net	(107)	53	178	(129)
<b>Income before provision for income taxes</b>	<b>15,572</b>	<b>13,155</b>	<b>39,913</b>	<b>33,714</b>
Income tax provision	5,811	4,636	13,640	12,453
<b>Net income</b>	<b>\$ 9,761</b>	<b>\$ 8,519</b>	<b>\$ 26,273</b>	<b>\$ 21,261</b>
<b>Earnings per share</b>				
Basic	\$ 0.22	\$ 0.20	\$ 0.60	\$ 0.49
Diluted	\$ 0.22	\$ 0.20	\$ 0.60	\$ 0.48
<b>Common shares and equivalents outstanding</b>				
Basic weighted average shares	43,548,494	42,747,209	43,449,958	43,145,289
Diluted weighted average shares	44,147,911	43,472,822	44,045,438	43,880,554
<b>Dividends per share</b>	<b>\$ 0.12</b>	<b>\$ 0.11</b>	<b>\$ 0.36</b>	<b>\$ 0.33</b>

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

(in thousands)	<b>Nine months ended September 30,</b>	
	<b>2011</b>	<b>2010</b>
<b>Cash flows from operating activities</b>		
Net income	\$ 26,273	\$ 21,261
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	12,281	11,955
Provision for doubtful accounts and sales returns	3,708	1,960
Stock-based compensation expense	10,913	9,240
Excess tax benefits from stock based compensation	(423)	(1,161)
Deferred taxes	6,088	3,480
Other non-cash adjustments	(703)	(114)
Changes in operating assets and liabilities, net of acquisition of businesses:		
Accounts receivable	(5,864)	(7,549)
Prepaid expenses and other assets	516	(779)
Trade accounts payable	909	(771)
Accrued expenses and other liabilities	(216)	(2,800)
Donor restricted cash	(7,598)	(6,020)
Donations payable	7,598	6,020
Deferred revenue	14,237	14,141
<b>Net cash provided by operating activities</b>	<b>67,719</b>	<b>48,863</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(12,997)	(10,597)
Purchase of net assets of acquired companies, net of cash acquired	(16,475)	(390)
Purchase of investment	-	(2,000)
Purchase of intangible assets	-	(130)
Proceeds from sale of assets	874	-
<b>Net cash used in investing activities</b>	<b>(28,598)</b>	<b>(13,117)</b>
<b>Cash flows from financing activities</b>		
Dividend payments to stockholders	(16,034)	(14,609)
Proceeds from exercise of stock options	1,973	4,695
Excess tax benefits from stock based compensation	423	1,161
Purchase of treasury stock	-	(22,613)
Proceeds from issuance of debt	-	4,000
Payments on debt	-	(4,868)
Payments of deferred financing costs	(767)	-
Payments on capital lease obligations	(35)	(135)
<b>Net cash used in financing activities</b>	<b>(14,440)</b>	<b>(32,369)</b>
Effect of exchange rate on cash and cash equivalents	(656)	107
<b>Net increase in cash and cash equivalents</b>	<b>24,025</b>	<b>3,484</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>27,974</b>	<b>22,769</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 51,999</b>	<b>\$ 26,253</b>

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

(in thousands, except per share amounts)	<b>Three months ended September 30,</b>		<b>Nine months ended September 30,</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>GAAP revenue</b>	<u>\$95,531</u>	<u>\$83,226</u>	<u>\$276,207</u>	<u>\$240,136</u>
<b>GAAP gross profit</b>	<u>\$55,862</u>	<u>\$49,951</u>	<u>\$161,172</u>	<u>\$144,529</u>
<b>Non-GAAP adjustments:</b>				
Add: Stock-based compensation expense	764	711	2,375	2,083
Add: Amortization of intangibles from business combinations	<u>1,582</u>	<u>1,548</u>	<u>4,778</u>	<u>4,594</u>
Total Non-GAAP adjustments	<u>2,346</u>	<u>2,259</u>	<u>7,153</u>	<u>6,677</u>
<b>Non-GAAP gross profit</b>	<u>\$58,208</u>	<u>\$52,210</u>	<u>\$168,325</u>	<u>\$151,206</u>
<b>Non-GAAP gross margin</b>	<u>61%</u>	<u>63%</u>	<u>61%</u>	<u>63%</u>
<b>GAAP income from operations</b>	<u>\$15,683</u>	<u>\$13,126</u>	<u>\$ 39,745</u>	<u>\$ 33,949</u>
<b>Non-GAAP adjustments:</b>				
Add: Stock-based compensation expense	3,587	3,180	10,913	9,240
Add: Amortization of intangibles from business combinations	1,831	1,743	5,507	5,181
Add: Acquisition-related expenses	-	-	1,054	-
Less: Gain on sale of assets	-	-	(549)	-
Total Non-GAAP adjustments	<u>5,418</u>	<u>4,923</u>	<u>16,925</u>	<u>14,421</u>
<b>Non-GAAP income from operations</b>	<u>\$21,101</u>	<u>\$18,049</u>	<u>\$ 56,670</u>	<u>\$ 48,370</u>
<b>Non-GAAP operating margin</b>	<u>22%</u>	<u>22%</u>	<u>21%</u>	<u>20%</u>
<b>GAAP net income</b>	<u>\$ 9,761</u>	<u>\$ 8,519</u>	<u>\$ 26,273</u>	<u>\$ 21,261</u>
<b>Non-GAAP adjustments:</b>				
Add: Total Non-GAAP adjustments affecting income from operations	5,418	4,923	16,925	14,421
Add: Tax impact related to Non-GAAP adjustments	<u>(2,374)</u>	<u>(2,415)</u>	<u>(8,527)</u>	<u>(6,320)</u>
<b>Non-GAAP net income</b>	<u>\$12,805</u>	<u>\$11,027</u>	<u>\$ 34,671</u>	<u>\$ 29,362</u>
<b>Shares used in computing Non-GAAP diluted earnings per share</b>	<u>44,148</u>	<u>43,473</u>	<u>44,045</u>	<u>43,881</u>
<b>Non-GAAP diluted earnings per share</b>	<u>\$ 0.29</u>	<u>\$ 0.25</u>	<u>\$ 0.79</u>	<u>\$ 0.67</u>
<b>Detail of Non-GAAP adjustments:</b>				
Stock-based compensation expense:				
Cost of revenue				
Cost of subscriptions	\$ 80	\$ 112	\$ 407	\$ 279
Cost of services	491	380	1,395	1,230
Cost of maintenance	<u>193</u>	<u>219</u>	<u>573</u>	<u>574</u>
Subtotal	<u>764</u>	<u>711</u>	<u>2,375</u>	<u>2,083</u>
Operating expenses				
Sales and marketing	305	272	934	977
Research and development	759	715	2,273	2,130
General and administrative	<u>1,759</u>	<u>1,482</u>	<u>5,331</u>	<u>4,050</u>
Subtotal	<u>2,823</u>	<u>2,469</u>	<u>8,538</u>	<u>7,157</u>
Total stock-based compensation expense	<u>\$ 3,587</u>	<u>\$ 3,180</u>	<u>\$ 10,913</u>	<u>\$ 9,240</u>
Amortization of intangibles from business combinations:				
Cost of revenue				
Cost of license fees	\$ 126	\$ 116	\$ 384	\$ 325
Cost of subscriptions	823	760	2,440	2,280
Cost of services	394	343	1,172	1,020
Cost of maintenance	221	310	726	913
Cost of other revenue	<u>18</u>	<u>19</u>	<u>56</u>	<u>56</u>
Subtotal	<u>1,582</u>	<u>1,548</u>	<u>4,778</u>	<u>4,594</u>
Operating expenses	<u>249</u>	<u>195</u>	<u>729</u>	<u>587</u>
Total amortization of intangibles from business combinations	<u>\$ 1,831</u>	<u>\$ 1,743</u>	<u>\$ 5,507</u>	<u>\$ 5,181</u>



## PRESS RELEASE

### **Blackbaud Announces Appointment of New Chief Financial Officer**

Charleston, S.C. (November 1, 2011) – Blackbaud, Inc. (Nasdaq: [BLKB](#)), the leading global provider of software and related services designed specifically for nonprofit organizations, today announced the appointment of Anthony W. Boor as senior vice president and chief financial officer, replacing Timothy V. Williams, who previously announced his retirement. As CFO, Boor will be responsible for the company’s financial reporting and controls, internal information technology needs and strategies, legal and administrative services. In addition he will have overall responsibility for the Company’s financial planning and analysis as well as developing long-term strategies to support the Company’s growth plans. He will begin his tenure at Blackbaud on November 14, 2011.

Boor has more than 18 years of executive leadership experience. Prior to joining Blackbaud, Boor spent 13 years with Brightpoint, Inc., which is a multi-billion dollar global distributor of wireless products and a logistic services provider to the wireless industry. He most recently served as Executive Vice President, chief financial officer and treasurer, where he helped lead the acquisition and integration of the company’s largest global competitor – doubling the company’s size and expanding the global operational footprint by 10 countries. Boor also previously served as Interim President of Brightpoint’s EMEA operations, as well as Director of Business Operations for Brightpoint North America.

“We are very pleased to welcome Tony Boor as the next Chief Financial Officer of Blackbaud. He has a long career as a financial and operational executive, with significant global experience and a proven track record of partnering with leadership teams to deliver strong performance at very large organizations. Tony will play a key role in helping Blackbaud to significantly scale our operating model and deliver against our long-term growth strategies,” said Marc Chardon, CEO of Blackbaud. “We also offer tremendous thanks and gratitude to Tim Williams for his 11 years of service at Blackbaud. He played an important role in establishing Blackbaud as a clear market leader in the nonprofit industry, and we wish him continued success and happiness in his retirement.”

“I’m very excited to be joining Blackbaud at this stage of its evolution,” said Boor. “Blackbaud is well-positioned to build its market leadership position on a global scale, and I look forward to leveraging my experience to help the company achieve its ambitious business goals and realize its full potential.”

A graduate of New Mexico State University, Boor began his career as a CPA with public accounting firms, including Ernst & Young and KPMG. He subsequently served as CFO and CIO of Expo New Mexico, the third largest state fairground facility in North America, Controller of Day Dream Publishing, and Director of Business Management at MacMillan Computer Publishing.

## PRESS RELEASE

### About Blackbaud

Serving the nonprofit and education sectors for 30 years, Blackbaud (NASDAQ: BLKB) combines technology and expertise to help organizations achieve their missions. Blackbaud works with more than 25,000 customers in over 60 countries that support higher education, healthcare, human services, arts and culture, faith, the environment, independent K-12 education, animal welfare, and other charitable causes. The company offers a full spectrum of cloud-based and on-premise software solutions and related services for organizations of all sizes including: fundraising, eMarketing, social media, advocacy, constituent relationship management (CRM), analytics, financial management, and vertical-specific solutions. Using Blackbaud technology, these organizations raise more than \$100 billion each year. Recognized as a top company by Forbes, InformationWeek, and Software Magazine and honored by Best Places to Work, Blackbaud is headquartered in Charleston, South Carolina and has employees throughout the US, and in Australia, Canada, Hong Kong, Mexico, the Netherlands, and the United Kingdom. For more information, visit [www.blackbaud.com](http://www.blackbaud.com).

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### 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 organization; 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](http://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.