



Client Name

**Blackbaud – Gift Aid Services
Gift Aid Health Check
Scope of Work**

8th February 2008

1 SCOPE OF WORK

Project Goal

Blackbaud's goal is to assist Client Name in identifying potential issues with their current Gift Aid Management. During the Gift Aid Health Check, one of our consultants will visit with you on-site to review your current processes, identify areas for improvement, and develop a custom strategy to help your organisation get the most from your Gift Aid programme.

The goal is to help Client Name:

Increase Gift Aid Revenue

- Maximise and claim all of the funds that are available to you as a Gift Aid participant
- Leverage the variety of gifts eligible for Gift Aid

Measure Compliance

- Assess your organisation's ability to file claims and pass an HMRC audit utilising a robust and valid system
- Assess the organisation's understanding and interpretation of the Rules & Regulations of the Gift Aid scheme and look at both current and past compliance levels

Optimise Processes

- Identify office procedural inefficiencies and establish best practices for your Gift Aid programme
- Mitigate the impact of any exceptions within the management process and cut fees associated with failed audits

1.1 Gift Aid Consulting Services

Pre-Visit:

- Client Name will complete the Gift Aid Health Check questionnaire in advance of a consultant coming on-site. This assessment is composed of fewer than 25 questions that can help pinpoint areas of concern within the organisation.
- Establish key team members from Client Name who the Blackbaud consultant will need to work with during the on-site visit. Arrange a day for the Blackbaud consultant to come on-site when all team members are available.
- Client Name will produce for the on-site visit documented Gift Aided processes, materials from any past HMRC audits, samples of current Gift Aid declarations, and access to stored Gift Aid declarations.
- Client Name will provide relevant financial information pertaining to past Gift Aid claims, their value and the corresponding supporter information within the database

On-Site Visit:

On arrival the consultant will review Client Name's processes – particularly in relation to the validity of Gift Aid forms and the concerns expressed on the questionnaire. The consultant will also spend the morning giving feedback on the Gift Aid Health Check and how Client Name compares with other types of organisation, as well as providing details on any past or current issues being uncovered in HMRC audits or any Gift Aid items being discussed in the sector.

The afternoon would be spent looking in detail at audit trails and at recording of Gift Aid income, reviewing current marketing materials, and meeting all staff involved with Gift Aid. The consultant will also take this opportunity to perform a test audit on a recent Gift Aid claim.

The goal of the visit will be to:

- Validate current and past procedures to establish accuracy and depth of current knowledge. Most organisations have active communication programmes with supporters and it is important to make sure all Gift Aid references on all communications conform with HMRC rulings on Gift Aid
- Establish lines of responsibility to verify the organisation's knowledge pool. More often than not the person responsible for designing or marketing the Charity's literature or preparing and signing off the tax claim is not responsible for looking after supporters records and managing the administration needed to verify and file the Gift Aid Declarations. Working with the relevant people the consultant will establish that whilst appreciation for the marketing and financial recording must be followed through, the strict HMRC rulings are being followed for all income streams
- Offer advice on fundraising and marketing literature, particularly information given to supporters via Direct Mail (including Tribute donations) and Sponsorship material, both which are significant communication routes
- Use the opportunity to discuss any issues that Client Name would like to raise anonymously with HMRC. The consultant is able to approach HMRC with any concerns of past practices which can still be corrected without any penalties

Final Deliverable

Blackbaud will provide Client Name with a final report documenting items discussed during the on-site visit, as well as areas needing improvement. At the end of the process Client Name will be given enough information in order to effectively maximise the Gift Aid scheme and remain accountable to HMRC, which can help ensure the long-term health of Client Name's Gift Aid programme.

2 CHANGE ORDERS

Blackbaud will not perform services identified by either party as outside this Scope of Work without the following procedure:

- The Blackbaud Consultant will provide a Change Order documenting the scope change; additional resources required; changes to the work plan, including due dates, if applicable; and additional estimated time and fees, if applicable.
- Blackbaud will perform the additional services after receiving formal authorisation. Formal authorisation constitutes Client Name Project Manager's written acceptance of, and agreement to pay Blackbaud for, any additional services requested and set forth in the Change Order.

Both Client Name and Blackbaud must properly execute the Change Order before any resources will be requested or assigned to the task(s) or any services will be performed.

Any properly executed Change Order is subject to the terms of this Scope of Work.

3 DELIVERABLE ACCEPTANCE

Deliverables will be considered accepted by Client Name unless Blackbaud receives written notification from Client Name of any issues within ten (10) business days of receipt. If Blackbaud receives written notification of issues within ten (10) business days after receipt of the deliverable, Blackbaud will address reported issues in a revised deliverable. Client Name will then have an additional ten (10) business days to report that all issues have been resolved by the revised deliverable.

If Blackbaud does not receive written notification of unresolved issues, the deliverable will be considered accepted by Client Name.

4 FEES AND BILLING

4.1 Estimated Budget

The fees and billing for the Scope of Work described in this document are described in the table below:

Services Estimated Budget				
Service Description	Hours	Rate	Fee	Billing Terms
Gift Aid Consultancy (Half Price Promotion)	10	£62.5	£625	FP – 100%
Total Cost of Services:			£625	(usually £1250)

4.2 Billing Terms

Client Name shall pay fees in accordance with the terms described in the ATP in advance and in a timely manner, but no later than 10 days after invoicing.

The billing terms referenced in the billing terms column of the Consulting Services Estimated Budget table are described in the following paragraphs.

T&M	The professional services described here are provided on a time-and-materials (T&M) basis only. The estimate(s) cited above represents an estimate only and does not reflect any binding obligation for Blackbaud to complete those services within the estimated time or cost. Any required changes to the estimates will be processed with approval as defined in the Change Order section of this agreement.
FP-50%	The services described here are billed on a fixed price basis. Upon receipt of the signed Agreement to Purchase, an invoice will be generated for fifty percent (50%) of the total; an invoice for the remaining fifty percent (50%) will be generated upon completion of the engagement. These fees do not include any travel-related expenses.
FP-100%	The services described here are billed on a fixed price basis. Upon receipt of the signed Agreement to Purchase, an invoice will be generated for one hundred percent (100%) of the total.

5 EXPIRATION OF SCOPE OF WORK

If, (i) within one year of execution of the Scope of Work, Client Name has not scheduled any work to be performed, or (ii) if Client Name has scheduled work to be performed, but due to unavailability of Client Name such work has not commenced within six (6) months of being scheduled, the Scope of Work will be deemed to be terminated by Client Name and any fees paid by Client Name in connection with this Scope of Work shall be retained by Blackbaud and applied toward a cancellation fee.

6 CANCELLATION POLICY

Cancellations or postponements of a scheduled professional service may be made with no penalty if cancelled or postponed 20 or more business days before the start of the service. Cancellations or postponements of less than 20 business days follow the policy below:

Cancelled/ Postponed	Percent of Scheduled Service Assessed
11-19 business days prior	25%
6-10 business days prior	50%
0-5 business days prior	100%

7 APPENDIX A: ASSUMPTIONS

Blackbaud assumes the following when performing the professional services described in this document:

Area	Scope
Deliverable Conflict	In the case of a conflict between this Scope of Work and other deliverables, this Scope of Work shall prevail.
Approvals	The primary Client Name contact is a full-time employee of the Client Name organisation empowered to make decisions regarding project scope and timeline.
Collaboration	Specific activities critical to the delivery of services require the input, review and participation of Client Name's staff. This typically includes requirements gathering, design, working sessions and day-to-day engagement tasks. The successful implementation of the project is dependent on Client Name's interaction. Client Name will therefore make time available and provide the project team with access to key users and technical personnel in the organisation.
Billable Work	The following activities are examples of billable work and have been factored into the estimate provided in this Scope of Work: <ul style="list-style-type: none"> ▪ Phone time to discuss the project ▪ Meetings regarding the project ▪ Project planning, managing and status reporting ▪ Designing, configuring, programming and testing the solution Producing required documentation
Resource Turnover	Consistency of the project team is needed to meet project deadlines and budget. If resource turnover occurs, adjustments to project timelines and budget may be necessary.
Working Hours	If professional services are performed onsite, the Consultant will perform work during the days of Monday through Friday.
Travel and Expenses	Client Name will reimburse Blackbaud for all travel and living expenses incurred while providing these services, including but not limited to airfare, ground transportation, hotel, meal costs and other miscellaneous travel expenses. The Blackbaud Travel Policy is available upon request.
Documentation	Written materials provided with this project do not replace the Blackbaud software documentation and are subject to the terms and conditions of the Agreement and the Software License and Services Agreement. Client Name should consult the standard online user documentation for information regarding product processes, features, functions and requirements.
Cost Estimate	The estimates provided in this scope of work are based on information supplied to Blackbaud by Client Name and on Blackbaud's experience developing and implementing similar projects for other clients. These estimates may increase or decrease when Client Name has the opportunity to communicate more specific requirements regarding their system needs.