



**SOCIAL ACCOUNTABILITY
ACCREDITATION SERVICES**

SCHEDULE OF SAAS FEES

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| Author: L. Bernstein | Social Accountability Accreditation Services | Issue: Issue 6 |
| Approval: R. Zaid | SAAS Procedures: Form 406: Schedule of SAAS Fees | Effective: March 25, 2013 |

1.0 PURPOSE

This document describes the fees charged by Social Accountability Accreditation Services as from March 25, 2013 for accreditation activities. All amounts mentioned are excluding any applicable taxes and bank fees. The information found in this document provides an overview of costs related to all accreditation and oversight processes provided by SAAS. Fees may change, as approved by the SAAS Board, and due notice will be given to all parties affected.

2.0 ACCREDITATION APPLICATION FEES:

- 2.1 The fees charged for applying for initial accreditation and reaccreditation are below. For this fee, SAAS shall receive and consider the application for initial accreditation and reaccreditation.
- 2.2 The application fee covers receipt and initial review of the application material only. The application for initial accreditation and reaccreditation shall not be considered without receipt of the application fee. Should the applicant require an invoice for payment of the application fee, the applicant shall notify SAAS and an invoice shall be prepared.
- 2.3 Should the applicant be accredited, the accreditation is valid for the period cited in the accreditation certificate and contract.
- 2.4 The application fee shall be valid for one year. Should the applicant's assessment for accreditation not take place before the end of one year, the applicant may request, in writing, to extend the application for an additional six months. Should this time frame expire prior to assessment, the applicant shall be required to reapply and pay the application fee again.
- 2.5 Should the applicant not be accredited as a result of the SAAS assessment, the fee shall not be returned.

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| Accreditation for SA8000 Certification Bodies: Initial Accreditation Application Fee: | \$7,500.00 |
| Accreditation for SA8000 Certification Bodies: Reaccreditation Application Fee: | \$5,000.00 |
| Accreditation for Course Providers of the Basic SA8000 Training Course: Initial Accreditation Application Fee: | \$3,000.00 |
| Fee for Scope Extension: Should an accredited body wish to add additional locations to its accredited certificate scope, it shall notify SAAS in writing and submit an administrative fee: | \$100.00 |

3.0 ANNUAL FEES:

- 3.1 Annual fees are assessed for accredited organization to participate in the SAAS accreditation system.
- 3.2 Accredited SA8000 Certification Bodies are assessed an annual fee for the ability to use the registered SA8000 system.
 - 3.2.1 These fees are paid to Social Accountability International, the owner of the SA8000 registration, for participation in and license to utilize the SA8000 system and registered mark.
 - 3.2.2 The annual fee for Accredited Certification Bodies for the SA8000 program is based upon the annual gross revenue from the SA8000 certification activity.
 - 3.2.2.1 Certification activity includes, but is not limited to: document review, initial visit, pre-assessments, certification audits, office audits, witness audits, certificate fees, surveillance audits, re-certification audits and report preparation.
 - 3.2.2.2 For those Certification Bodies using subcontracted organizations to deliver SA8000 services, the subcontracted organization's SA8000 revenue shall be included in the gross revenue for calculation of the annual fee.
 - 3.2.2.3 The Certification Body's accounting method and fee calculations are subject to periodic review and verification by SAAS. SAAS requires that a corporate officer of the Certification Body attest to the correctness of the revenue reports.

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- 3.2.3 Accredited Certification Bodies shall be required to report, semi-annually (prior to July 31st of the current year and January 31st of the following year) via email, the data necessary to calculate the annual fees.
- 3.3 Accredited Course Providers are assessed an annual fee for the ability to deliver accredited courses. This fee shall be based upon the number of students attending the course, as detailed below.

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| Accreditation for SA8000 Certification Bodies: Annual Royalty Fee: Payment is based on the annual gross revenue received from the SAAS-accredited SA8000 certification activities [excluding reimbursement of auditor expenses]: Minimum Annual Royalty Fee (whichever is higher) | 3% of revenue or \$5,000 |
| Accreditation for Course Providers of the Basic SA8000 Training Course: Annual Accreditation Fee: The annual fee is assessed for participation in the SAAS accreditation system. Payment is due semi-annually. Payment is assessed based upon the number of students attending the course: Minimum Annual Fee (whichever is higher) | \$1000 or \$50 per student |

4.0 ASSESSMENT FEES

- 4.1 All organizations seeking accreditation or reaccreditation by SAAS shall be assessed through document review and on and off site audits.
- 4.2 For all activities involved in the assessment process, the number of days spent by the team for the assessment process will be charged. The number of audit days calculated by SAAS consists of the days estimated to be needed for the audit-related activities, the days that the members of the team need for preparation and reporting, the days spent traveling, as well as time for follow up, review of corrective actions and/ or management of other related activities.
- 4.3 Prior to assessment, SAAS will provide the applicant or accredited organization with an estimate of calculated days involved in the assessment. The invoice shall be based upon this estimation. The process of the assessment or follow up activities required for the verification of non-conformities may deviate from the estimated number of audit days.
- 4.4 Should deviations from the estimate occur, the applicant or accredited organization shall be charged for actual time spent conducting the assessment and follow-up, and a revised invoice shall be sent to the applicant or accredited organization. The applicant or accredited organization shall be required to pay the invoice for actual time spent. In the case that an invoice was issued and paid for more time than was necessary, a credit will be issued against future invoices.
- 4.5 The minimum amount of time that is invoiced is generally for four hours (or half a day). In some cases, SAAS may make the exception and invoice time for two hours (or a quarter of a day).
- 4.6 Time spent by SAAS office staff, not being a member of the assessment team, on an assessment (scheduling, preparation, and support) is not normally charged. However, in certain circumstances, as a result of the performance of the applicant or accredited body, the SAAS head office staff, client manager or accreditation auditor needs to spend an above average amount of time on an assessment process, this time will be charged based on the fees below. SAAS shall notify the CB in such cases and provide an explanation for the invoice.
- 4.7 The assessment fees are excluding travel expenses and accommodation. Actual travel and accommodation expenses are charged.
- 4.7.1 In addition to the fees below, airfares for on-site audits are purchased within a reasonable time frame of the expected audit.
- 4.7.2 SAAS may invoice accredited and applicant organizations in advance of the assessment for airfares purchased by auditors.
- 4.8 The following fees shall apply. Daily fees are charged per person.

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| Audit personnel, per person/per day for on-site and off-site activities including: | \$1,400 |
| <ul style="list-style-type: none"> • document review, • on-site accreditation and surveillance audits [office and witness], • remote audits, | |

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| <ul style="list-style-type: none"> • audit and report preparation, • follow-up on nonconformities, • management of complaints and appeals, and • informational visits. | |
| Travel per person, per person/per day | \$650 |
| Enforced Idle Time, per person/per day for non-working days required away from home due to restrictive assessment schedule required to complete an assignment. | \$650 |

5.0 DOCUMENT FEES:

- 5.1 SAAS and SAI offer several documents free of charge for electronic use. Fees are charged for hard copy purchase.
- 5.2 SAAS shall only accept SAAS applications for initial accreditation and reaccreditation.
- 5.3 Documents may be purchased directly from the SAAS and/or SAI website.

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| Documents: | Hard Copy Application Package for Accreditation | \$100 |
| | Hard Copy SA8000: 2008 Standard | \$20 |
| | Hard Copy Guidance Document for SA8000 | \$100 |

6.0 PAYMENT POLICIES

6.1 ASSESSMENT FEES

- 6.1.1 SAAS shall issue the draft schedule of fees as soon as the assessment is confirmed and the Finance Department shall issue the related invoice based upon this draft schedule to the applicant or accredited organization.
- 6.1.2 SAAS shall proactively obtain formal acceptance of the schedule of fees from the organization prior to carrying out the audit.
 - 6.1.2.1 Accredited or applicant organizations are given a period of 5 days to review and dispute the schedule of fees and related invoice, as per 7.0 below.
 - 6.1.2.2 If acceptance is not proactively received by SAAS within a period of 5 days, it shall be considered an implicit acceptance.
 - 6.1.2.3 Exceptions are for audits scheduled within 2 weeks of receipt of the schedule of fees and invoice. In those cases, the accredited or applicant organization shall have 2 days to accept the schedule of fees and invoice or lodge a dispute with SAAS.

6.2 TRAVEL AND ACCOMODATION EXPENSES

- 6.2.1 The Finance Department shall issue the invoices related to travel and other related expenses to the applicant or accredited organization upon receipt of these expenses from the SAAS accreditation auditor.

6.3 DUE DATE OF INVOICES

- 6.3.1 The due date for all SAAS invoices shall be 30 days from the date the invoice was issued and the due date shall be clearly indicated on the invoice.
- 6.3.2 If payment has not been received within 15 days of the due date (i.e., 45 days from the day the invoice is sent), a warning notification will be sent advising the applicant or accredited organization that it is out of compliance and they risk suspension, with 15 days for the organization to remedy the outstanding payment (i.e., 60 days from the day the invoice is sent and 30 days past the due date). In addition, interest will accumulate on the outstanding fees, so that every 30 days past the due date, an additional 1% interest will accrue.
- 6.3.3 If payment has not been received within 60 days of the due date (i.e., 60 days from the day the invoice is sent), this will automatically result in the suspension of the accredited organization. If the organization is an applicant, SAAS shall immediately suspend the

application process. This suspension shall be communicated via a suspension letter, with information being placed on the SAAS website. This suspension shall continue unless the CB can provide evidence of having initiated payment through the banking system (only for cases where foreign exchange controls might result in bureaucratic delays). SAAS shall utilize its suspension processes as per Procedure 210.

6.4 COSTS IN CASE OF CANCELLATION OF ASSESSMENTS

6.4.1 Should an audit be cancelled or expenses be increased due to unforeseen circumstances, the CB shall be responsible for all related expenses.

6.4.1.1 Unforeseen circumstances shall be defined as: "acts of God" or natural disaster or armed conflict or force majeure.

6.4.1.2 SAAS personnel shall try and reduce such costs where available (example: rescheduling flights etc).

6.4.2 The CB shall be responsible for actual travel and accommodation expenses incurred prior to the cancellation.

6.4.3 In the case of an assessment that has been confirmed by SAAS in writing, is cancelled by the applicant or accredited organization, SAAS shall invoice the following costs:

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| Cancellation more than 2 weeks prior to the first day of the scheduled assessment: | 1 day administrative cost |
| Cancellation 1-2 weeks prior to the first day of the scheduled assessment: | 1 day administrative cost plus .5 days per member of the audit team |
| Cancellation less than 1 week prior to the first day of the assessment | 100% of the estimated assessment and travel days (excluding time for report writing) |

6.4.4 Exceptions to this policy apply in the case of confirmation of an audit within 2 weeks of the scheduled audit date.

7.0 DISPUTES

7.1 Disputes and appeals related to accreditation decision are addressed in SAAS Procedure 304 and internal Procedure 202.

7.2 All disputes related to invoices must be raised within 5 days of receipt of the invoice to be considered by SAAS.

7.3 Any queries or disputes regarding assessment-related fees must be raised by the applicant or accredited organization and resolved prior to the assessment taking place.

7.3.1 If the dispute cannot be resolved prior to the audit, and the organization wishes to continue with the assessment process, the invoice shall be accepted for payment and settled on time. If the outcome of the dispute process results in a reduction of the invoice, the accredited or applicant organization shall be credited or issued a refund for the difference.

7.3.2 In the event that SAAS and the accredited or applicant organization cannot agree on the terms of payment for an assessment and the assessment is subsequently cancelled, the organization shall be responsible for all expenses incurred by SAAS and its staff as they relate to the cancelled audit, including but not limited to travel expenses. Details are as above.

7.4 Travel-related expenses inherently can only be invoiced after the expense has been incurred. Such invoices shall be accepted by the CB for payment and settled on time. A CB may lodge a dispute based upon the travel expenses.

7.5 If the outcome of the dispute process results in a reduction of the invoice, the accredited or applicant organization shall be credited or issued a refund for the difference.

8.0 ESTIMATE OF ACCREDITATION COSTS

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- 8.1 The information below provides an overview of the estimated costs for the assessment process an initial accreditation application.
- 8.2 The number of days is a rough estimate based on past applications. Accreditation costs will vary according to the individual circumstances of each applicant and the scope of accreditation requested.
- 8.3 Information below excludes travel days and travel expenses and accommodation.

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| Initial Accreditation Document Review | 2 days |
| Initial Accreditation Office Audit *Head office assessment plus possible local office assessment (as needed) | 6 days (including on-site assessment, preparation and reporting) |
| Initial Accreditation Witness Audit *This varies depending upon the client being witnessed. | For SA8000 CBs: dependent upon the SA8000 client being witnessed, 2 day by 2 auditor minimum, plus 2 days for preparation and reporting For Course Providers: 5 days, plus 2 days for preparation and reporting |

9.0 NOTES

9.1 Formal acceptance is defined as: a positive response by the applicant or accredited organization upon receipt of the proposed schedule of fees from SAAS. This shall be in the form of electronic communication that conveys affirmative acceptance by the organization. No response by the organization (indicating an absence of a dispute) within 5 days of receipt of the proposed schedule of fees shall constitute implicit acceptance. If the audit is confirmed less than 5 days from the date of the audit, a positive response from the CB must be received within 1 day of receipt of the proposed fees. If no response is received within 1 day, this shall constitute implicit acceptance by the CB.

9.2 The following elements shall apply to the BSCI program:

- Element 4.0
- Element 6.0
- Element 7.0

10.0 REVISION HISTORY

| Date | Revision History | Requested By |
|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| March 2013 | <ul style="list-style-type: none"> • Revised initial application fees. • Revised reaccreditation application fees. • Expanded details for payment policies, added disputes element. | Lisa Bernstein |

Effective Date: This SAAS procedure shall be effective April 30, 2013. Acknowledgement of this revised policy must be signed, dated, and returned to SAAS upon your receipt, no later than April 30, 2013.

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| Signature: | Printed Name: |
| Date: | |
| Company Name: | |