A review of Pioneer’s E4 strategy in 2000

- Educational excellence
- Effective public management
- Economic opportunity
- Emerging issues
Pioneer Institute for Public Policy Research is Massachusetts’ leading public policy “think tank.” Since its founding in 1988, Pioneer Institute has had a major impact on the Commonwealth’s public policy landscape and quality of life, developing and articulating innovative, market-oriented policy ideas, and then helping to put them into action. To build on our success and leverage our strengths, Pioneer focuses its work in four key areas:

• **Educational excellence** - driving broad-based educational reform through the expansion of competition and parental choice, with a focus on charter schools.

• **Effective public management** - identifying and analyzing opportunities for improving the quality and reducing the cost of Massachusetts government, through competitive contracting, regulatory reform, innovation, and restructuring.

• **Economic opportunity** - developing a policy framework for reducing urban poverty through economic opportunity, focusing on barriers to self-sufficiency and business development.

• **Emerging issues** - exploring public policies that help define the appropriate role of government or the limits of individual freedom.

In each area, Pioneer is establishing partnerships with other organizations to enhance our credibility, broaden our constituencies, and leverage our investment. This publication reviews Pioneer’s work and accomplishments within these areas during 2000.

“A think tank with a reputation for careful work”

The Boston Globe

“One of the bright lights of modern Boston”

Boston Herald
For several years, Pioneer has focused its efforts on deepening its approach in key policy areas and broadening its constituencies. The unifying concept behind these two objectives is that we can best expand our base of support, not by spreading ourselves thin over a wider array of issues, but by boring deeper into those issues where we can add the most value. The more tangible value we add in specific areas—namely, our “E4 strategy” of educational excellence, effective public management, economic opportunity, and emerging issues—the more people we can attract to our larger cause of free markets, limited government, and individual responsibility.

Opinions sometimes change through the presentation of new and persuasive research and arguments. That is a central function of a think tank and at the heart of Pioneer’s mission. But, more often than not, people possess certain predispositions that are not easily shaken by the written or spoken word. To convince people who are not already inclined in your direction, you need to show them how unconventional concepts actually operate in practice and how they can make things better in the real world. This is why Pioneer is not only in the business of developing policy ideas; we are also in the business of putting those ideas into action.

In the coming year, Pioneer will enter a new phase in its development. We are not finished deepening our approach or broadening our constituencies. Indeed, we are redoubling our efforts on both fronts. What’s changing has more to do with our methods than our goals. Specifically, we are undertaking an effort across all our departments to restructure operations for sustainable impact and to systematize our outreach programs. Among the new activities we will be pursuing are the following:

- Developing long-term revenue streams;
- Establishing multi-year issue themes;
- Hiring new staff in key positions, while expanding contractor relationships in non-core functions;
- Targeting communications materials and distribution channels; and
- Increasing staff responsibility for broadening Pioneer’s network of supporters.

If we are successful over the next several years in this ambitious effort, we hope and expect that Pioneer will not only increase its impact on Massachusetts public policy, but will fulfill its vision of leading the Commonwealth’s intellectual climate.

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Chairman  

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Founding Chairman  

James A. Peyser  
Executive Director
In 2000, Pioneer Institute launched a colorful new publication, *Pioneering Spirit*. Containing “human interest” features of people from all walks of life who exemplify individual responsibility and civic renewal, the publication puts a “human face” on policy issues on which Pioneer focuses.

The addition of *Pioneering Spirit* was part of an overhaul of our various publications to give them a fresh appearance and a similar, more integrated look. Our newsletters (below right) bear matching mastheads, as do our more scholarly publications (below left); our *White Papers* have gotten a bold facelift; and our *Quarterly Digest*, like this *Annual Report*, has been reframed around our E4 strategy to emphasize our work in the areas of educational excellence, effective public management, economic opportunity, and emerging issues.

Pioneering Spirit and all Pioneer's publications are accessible at [www.pioneerinstitute.org/research](http://www.pioneerinstitute.org/research).
The year 2000 saw enactment of two pieces of legislation implementing educational goals Pioneer Institute has long championed—more charter schools and a major change in special education standards.

**Charter schools**

The number of charter schools in Massachusetts—capped since 1997—will increase over the next several years as a result of legislation that finally gained approval—following a vigorous Pioneer-led educational effort calling policy makers’ attention to charter schools’ successes. The number of possible Commonwealth charter schools (those that are completely free of local district control) will more than double from the current 35 to 72, at a rate of about seven per year. The total number could actually go higher, as another 20 Commonwealth charter schools—specifically for disruptive or at-risk students—can be added. In addition, the number of Horace Mann charter schools (those endorsed by local school districts and teachers’ unions) can increase to 48 (although only five currently exist).

Reflecting the continuing strong interest in starting innovative schools, 38 individuals and groups submitted proposals for the available 2001 charters to the state Department of Education; of these, DOE selected 19 finalists to submit formal applications, and the state Board of Education awarded charters to seven of them in early 2001.

**Special education**

Beacon Hill also made a major reform in the area of special education for students with disabilities, bringing Massachusetts in line with the rest of the country concerning the required standard of service and the specific disabilities that qualify for special education services and procedural protections. The legislation, which takes effect in January 2002, replaces the state’s 26-year-old standard of “maximum feasible benefit”—the broadest such state standard in the country—with the federal standard of “free and appropriate education” which is in place in all other states.

Pioneer has long urged such a change. In 1993, the Institute published a book titled *Special Education: Good Intentions Gone Awry* in which author Edward Moscovitch, a former chief budget officer for Massachusetts, concluded, “Rigid support of current special education laws is a dead-end street for those whose goal is the inclusion of children with disabilities, as the two-tiered education system implied by these laws works to the detriment of enriched regular education.”

The book and many subsequent analyses have noted that the percentage of Massachusetts public school students in special education exceeds that of most other states, and that per-capita spending on special education in the Commonwealth has been growing at a faster rate than for so-called “regular” education.

With the raising of the cap on the number of charter schools in the Commonwealth, the Massachusetts Charter School Resource Center at Pioneer Institute (MACSRC) is launching a new project in 2001 to seek out and work with highly qualified charter applicants to ensure the successful launch of new schools. The only source of technical assistance for charter schools since the first ones opened in 1995, MACSRC is committed to the development of new and existing charter schools as models of academic excellence, with the overarching aim of spurring broad-based reform of K-12 education. Toward this end, MACSRC concentrates its efforts in the following areas:

- **School leadership**
  Recognizing the critical role of strong educational leaders in elevating schools’ performance, MACSRC offers the Leadership Academy, directed by nationally renowned educator Dr. Lorraine Monroe, who conducted workshops for over 350 participants in 2000. Participating schools have seen dramatic improvement in their focus on student achievement.

- **Governance**
  Successful charter schools depend on well functioning boards of trustees. In view of this, MACSRC in 2000 launched the Strengthening Boards of Trustees Project, an intensive effort to train trustees in sound management and move their schools from fledging start-ups to strong, self-sustaining organizations.

- **Development**
  One of the greatest obstacles charter schools face is finding suitable facilities—and paying for them. While charter schools receive instructional funds from the state, these monies do not cover capital or...
A listing of other highlights in the area of education excellence during 2000 follows:

White Papers/Pioneer Forums

- “School Choice in Urban Communities” with Rev. Floyd Flake, former U.S. Congressman - Forum (www.pioneerinstitute.org/research/dialogues/dia34.cfm)
- “Charter Schools in Action: Renewing Public Education” with Chester Finn, former U.S. Assistant Secretary of Education - Forum co-sponsored with Harvard Graduate School of Education (www.pioneerinstitute.org/research/dialogues/dia33.cfm)

Other Publications

- “Poll Finds High Satisfaction Rate Among Charter School Parents; Improvement in District Schools” - Policy Directions (www.pioneerinstitute.org/pdf/piodrct9.pdf)
- “Survey Finds Majority Support for School Vouchers” - Policy Directions (www.pioneerinstitute.org/research/piodrct8.cfm)

Op-eds and public testimony

- “House should OK more charter schools” - Boston Herald op-ed (www.pioneerinstitute.org/research/opeds/houseok.cfm)
- “For vouchers, a rising tide of support” - Boston Herald op-ed (www.pioneerinstitute.org/research/opeds/risingtide.cfm)
- “Charter school progress undermined” - Boston Herald op-ed (www.pioneerinstitute.org/research/opeds/undermined.cfm)
- “Early grades good for charter schools” - Boston Herald op-ed (www.pioneerinstitute.org/research/opeds/checking.cfm)
- “Pending school crisis necessitates reform” - Boston Herald op-ed (www.pioneerinstitute.org/research/opeds/balanced.cfm)
- “Staying the course on MCAS and standards-based education reform” - testimony of Executive Director James Peyser before the Boston City Council (www.pioneerinstitute.org/research/opeds/testi_peyser1211.cfm)
- “School vouchers and expanded parental choice in education” - statement of James Peyser at a Brandeis University debate (www.pioneerinstitute.org/research/opeds/testi_peyser1019.cfm)

enrichment expenses, placing a heavy premium on fund-raising. To address this gap, MACSRC’s Development Initiative, which has placed development directors in nine urban charter schools, has helped to raise approximately $4 million since 1999.

Accountability

Charter schools are the most accountable of public schools—if they do not perform well, they lose their charter. To enhance public accountability, MACSRC publishes annual statistical profiles of charter schools encompassing several performance measures. Accountability is also integral to student assessment; in this regard, MACSRC published the Accountability Action Guide to assist schools in devising school-based accountability systems that integrate the school’s curriculum with meaningful academic standards, supported by reliable assessment tools.

With MACSRC’s help, Massachusetts charter schools have laid a foundation for success by delivering sound and improving education. The challenge now is to continue strengthening the existing schools while nurturing new ones so that they all are schools of excellence whose practices can be replicated throughout the Commonwealth’s K-12 education system and thus bring about broader school reform.

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- Diane Bodman
- Mario Borunda, Isaacson and Miller
- Barbara Hayes Buell, Bloom and Buell
- Scott Izzo, R.K. Mellon Foundation
- Ed Kirby, Walton Family Foundation
- Stephen Kramer, College Coach
- Karen Hodges Walker
- Kingman Webster, I Have A Dream Foundation
In 1991, Pioneer initiated a contest to “stimulate a broad range of people—civil servants, entrepreneurs, consultants, academicians, and concerned citizens in general—to take a fresh look at more efficient and effective means by which government could fulfill its functions.” Thus was born the Better Government Competition (BGC) as a catalyst for grassroots participation in policy making.

Marking its 10th anniversary in 2000, the Competition has changed slightly over the years—both in form (in recent years a $10,000 grand prize has been awarded a single winner, while a group of 11 winners shared “equal billing” in 1991) and in content—in the mid-1990s, the BGC focused each year on a specific policy area, such as welfare or crime; now the emphasis is on ideas to streamline state and local government functions across-the-board.

The basic aim, however, remains as it was described 10 years ago:

Through the Better Government Competition, Pioneer Institute hopes to expand the scope and enrich the variety of offerings in the “marketplace of ideas” by encouraging citizens to participate directly and actively in the workings of government. Our aim is to bring new ideas into the realm of public discourse, and provide a channel independent of government by which innovative concepts and fresh approaches to issues can be delivered to those in decision-making positions.

Over the 10-year history of the contest, 64 entries have been chosen by outside judges for further research, publication, and dissemination. To celebrate the BGC’s 10th anniversary, six of these were selected for special recognition at the 2000 BGC awards dinner as the most outstanding (though many others could have been included)—ideas ranging from modification of the Boston Harbor clean-up plan to competitive contracting of highway maintenance. Implementation of these and other winning BGC proposals during its first decade has saved Massachusetts taxpayers and ratepayers upwards of $250 million.

Meantime, the Competition’s reach has extended beyond the Commonwealth. The winner for 2000 was from New York (a NYC Department of Housing Preservation and Development program—worthy of replication here and elsewhere—that quickly turns distressed city-owned residences over to private owners), while last year’s winner was from Minnesota. Since its founding, the BGC has itself been replicated in California, Delaware, New Hampshire, Oklahoma, Oregon, Canada, Great Britain, and elsewhere.

The BGC’s stature continues to grow. Last year saw the number of entries climb to more than 200—their highest level yet. And last year’s awards dinner keynote speaker was drawn from halfway around the world: former New Zealand Prime Minister James Bolger (above). In recounting the market-based government policies he undertook to transform a country on the edge of economic collapse into what is now one of the world’s most robust economies, he drew a parallel to the BGC itself:

With governments commanding a significant slice of most economies, making government more efficient is a key ingredient to enhancing economic performance, so I commend the competition for its contribution to making more efficient use of the resources government takes.

For more on the 2000 Better Government Competition and the 10th anniversary retrospective, visit www.pioneerinstitute.org/crg/bgc.
The Better Government Competition is only one of the endeavors of Pioneer’s Center for Restructuring Government, the focal point of the Institute’s efforts with regard to effective public management. Reflecting the Institute’s belief in limited and accountable government, the Center for Restructuring Government concentrates on finding ways to streamline state and local government through increased competition in service delivery, regulatory reform, and refocusing government on its core functions.

Other accomplishments of the Center this past year include the following:

- Publication of a *White Paper* titled “Toward a High-Performance Workplace: Fixing Civil Service in Massachusetts” (www.pioneerinstitute.org/research/whitepapers/wp13cover.cfm). The study laid out a step-by-step approach to reform a personnel system that author Jonathan Walters, senior correspondent of *Governing* magazine, found was no longer up to the task of attracting and retaining the “best and the brightest.” The White Paper was released at a Pioneer Forum (www.pioneerinstitute.org/pdf/pdialog_37.pdf) featuring Walters (at left in above photo), the Commonwealth’s chief personnel administrator, James J. Hartnett, Jr. (center), and Frank J. Thompson, a state and local government expert at the State University of New York at Albany. The study was also the subject of a *Boston Herald* op-ed, “If we can’t end civil service, mend it” (www.pioneerinstitute.org/research/opeds/mendit.cfm).


- Focusing attention by means of speeches, public testimony, op-ed articles, and other news coverage on contracting for certain MBTA commuter rail services, state fiscal policy, the Boston Convention Center, and myriad other topics.

**The T contract truth**

**Spending need not rise with revenues**

**Sad facts lodged in hotel plan**

These and other Center for Restructuring Government op-eds are available online at www.pioneerinstitute.org/research/opeds.

- A forum on “e-government”—the far-reaching potential of the Internet and electronic technology to improve delivery of government services—featuring Secretary for Administration and Finance Stephen Crosby (right) and Janet Caldow, director of the IBM Institute for Electronic Government (www.pioneerinstitute.org/pdf/pdialog_40.pdf).

### Government Effectiveness

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Center for Restructuring Government Advisory Committee

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As a firm believer in the virtues of free markets, Pioneer Institute is committed to enhancing individual economic opportunities and reducing regulatory barriers to self-sufficiency and small business development. To oversee and coordinate its efforts in this regard, Pioneer this past year launched a new center—its third—the Center for Entrepreneurship.

The Center for Entrepreneurship at Pioneer Institute seeks to bolster small-scale entrepreneurial activity primarily in urban areas around the Commonwealth, in order to help low-income individuals and families achieve self-sufficiency and create more vibrant urban neighborhoods that offer plentiful economic opportunities. The Center also serves as an original and influential voice in the formation of economic development policy in Massachusetts by conducting research into the effectiveness of existing services and programs, identifying regulatory obstacles to small-scale business endeavors, and making public policy recommendations to strengthen urban entrepreneurship. In addition, the Center sponsors forums for public education on issues involving microenterprise, and seeks to facilitate networking among organizations offering services to entrepreneurs.

It is widely recognized that small businesses are the backbone of the American economy. Less notice is paid to a sector of the economy called the microenterprise market—businesses that are even smaller than those classified as "small business." A microenterprise is defined by the Association of Enterprise Opportunity, a national microenterprise advocate organization, as "a business employing five or fewer individuals, which requires $25,000 or less in start-up or expansion capital, and which lacks access to the commercial banking sector." Microentrepreneurs seldom have substantial formal business education. Relying primarily on personal and family savings, consumer credit, or loans offered by microlenders, the typical microenterprise starts off as a single person business; quite often it grows no larger than a sole proprietorship. Many microenterprises are initiated as side ventures to supplement income from an entrepreneur’s full-time job. Some intend for their business to grow into their primary source of income.

Although many people may be unaware of the microenterprise market, since these businesses often fly under the radar screen of many economic surveys and studies, its impact on the Massachusetts economy is significant. In view of this, the Center for Entrepreneurship has focused its initial efforts on this economic sector.

The Center for Entrepreneurship was made possible largely through start-up funding from:
• Shelby Cullom Davis Foundation
• David C. Evans, Jr.
• Ruth and Lovett Peters Foundation

In connection with the establishment of the Center for Entrepreneurship, the 2000 Lovett C. Peters Lecture in Public Policy, one of Pioneer's premier events each year, addressed entrepreneurship. Guest speaker Walter Williams, the John M. Olin Distinguished Professor of Economics at George Mason University, focused on ways regulation and taxation stifle entrepreneurial spirit and activity. Professor Williams (right) talks with Michael Ervolini (left) and Alejandro Chafuen following the speech.

Accomplishments of Pioneer Institute’s Center for Entrepreneurship in its inaugural year include the following:


• Publication of a resource for small entrepreneurs, the 2000 Directory of Microenterprise Organizations in Massachusetts, which profiles 51 organizations and agencies dedicated to assisting microenterprises (www.pioneerinstitute.org/entre/directory.cfm).

• Conducting a survey of the microentrepreneurs in the greater Boston area to identify and disseminate to policymakers issues of greatest concern in starting and sustaining small businesses (Research Summary, “Survey of Boston Area Microenterprises Examines Varied Entrepreneurship Issues” - www.pioneerinstitute.org/entre/results.cfm).

“T here is a compelling case to be made for microentrepreneurs. It’s more than just an economic case. For the entrepreneur, being involved in a business—your own business—means that you have some level of pride, some level of control over your life, and some self-realization. Most critically, particularly if you’re at the lowest rung of the economic ladder, it provides you with a way to climb up that ladder and to get into the mainstream of American society. It’s something that has happened for generations and something that we should not be discouraging through complex rules and regulations.”

—former Boston City Councilor Thomas M. Keane, speaking at Pioneer’s microenterprise conference

Thomas Keane was also interviewed in the premier issue of Pioneering Spirit (see page 3) and made reference to the launch of the Center for Entrepreneurship in his Boston Herald column.

Some people argue the laws should be changed. The Pioneer Institute’s recently launched Center for Urban Entrepreneurship claims that government’s welter of laws and regulations discourage urban entrepreneurship. It says the rules are foolish, needlessly complex and oftentimes amount to little more than barriers to new competitors.

Indeed, the center argues, if society really cares about eliminating poverty, it should do all it can to encourage those on the lowest rungs of the economic ladder to be entrepreneurs, that this is the key way to build economic independence and create vibrant, self-sustaining communities.
With the publication this past year of the White Paper “An Economic History of Health Care in Massachusetts 1990-2000,” Pioneer laid the foundation for a greater role in the debate over health care policy. The Institute’s first monograph 12 years ago, The Massachusetts Health Plan: The Right Prescription?, examined the universal health plan then being advanced by the Dukakis administration. The health care industry, of course, has changed tremendously since then. To stay on the “cutting edge” of this ever-evolving issue, Pioneer commissioned Dr. Jerome Grossman, long-time chairman and CEO of New England Medical Center, to provide an analysis of where we are and how we got here, with recommendations for improvement. Excerpts from the conclusion of his paper follow.

The Massachusetts health care system faces enormous challenges in the quest to reach stable ground after a decade of tumultuous change. Any strategies to get there must address effectively the two overarching realities of Massachusetts health care today:

1) Our health care system is structurally high cost at a time when public and private health care payers have sought to rein in spiraling health costs and show little sign of retreating from that new posture. It’s not a bad moment, in other words, to pause for a look back and a look ahead. That’s what Jerome H. Grossman M.D. did last summer when he published a concise guide to the situation, “An Economic History of Health Care in Massachusetts, 1995-2000.”

Grossman, 61, had been more a participant in affairs than a spectator, from 1979 to 1995, he was chairman and chief executive of New England Medical Center, the teaching hospital of Tufts University Medical School. Before that, he had been an attending physician at Massachusetts General Hospital, where he served as director of ambulatory care and associate director of the Lab for Computer Science.

MORE
REGULATION?
OR LESS?

DR. JEROME
GROSSMAN
SAYS “BOTH.”

An early medical software entrepreneur — he founded Medical Information Technology Inc. in 1980 — Grossman is an enthusiastic exponent of competition among health care providers and insurers. As a former director of and ultimately chairman of the Federal Reserve Bank of Boston, he is a knowledgeable student of federal regulation, as well. He wrote his study for the market-oriented Pioneer Institute.

While some have seen in the current health care crises the rationale for return to more regulated medicine, long-term solutions to these problems are far more likely to be found by moving forward to a full-fledged embrace of the structure and accountability of a true market-based system.

Indeed, the best strategies for addressing the twin realities of a structurally high-cost system and patient and provider discontent may come from confronting a third fundamental reality of our
system, one that has been all but ignored amidst the health care din of recent years—namely, that we have entered the era of deregulated, competitive health care, but have seen little of the innovation in structure and operations that has brought productivity improvements to other industries that have made similar transitions, such as the financial and airline sectors.

In view of the growing array of large public construction projects, such as Boston’s Big Dig and Convention Center, as well as a possible new Fenway Park, all of which are premised on government’s land-taking powers, Pioneer targeted eminent domain for closer analysis. The result was a White Paper titled “The Power To Take: The Use of Eminent Domain in Massachusetts.” It concluded:

Much of Massachusetts eminent domain practice is admirable. Analysis of takings data from Registries of Deeds showed that the vast majority of takings were for “traditional” public purposes, such as highway construction, but that takings tended to increase during times when governments had more available financial resources.

However, Massachusetts lags behind other states in recognizing and awarding full compensation for the pecuniary harms suffered by condemnees. In addition, the public use requirement has been eroded in Massachusetts (as it has elsewhere), without an adequate substitute. At the same time, failure to compensate condemnees fully means that small property owners are often forced to absorb many of the costs of their own displacement.

To address these concerns, this study recommends amending the Massachusetts eminent domain statutes to require full compensation for relocation costs, business good-will, and attorneys’ fees and to allow real judicial scrutiny of legislative determinations that individual takings benefit the general public.

See also the Pioneer op-ed from the Boston Herald “Eminent domain for Sox is off-base” (www.pioneerinstitute.org/research/whitepapers/wp15cover.cfm).

To read the complete texts of these White Papers—as well as to access all Pioneer’s published research—visit www.pioneerinstitute.org/research.
It is only through the support of like-minded friends that Pioneer Institute is able to influence the Commonwealth’s public policy landscape. Gifts large and small enable the Institute to continue and expand its efforts to bring well-researched, sensible solutions to civic concerns. We are most grateful for the loyalty and generosity of those who have contributed in the year 2000. **We express our deep appreciation to all supporters listed below.**

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Mr. and Mrs. Robert Littlehale
Mr. Chuck Longfield
Mr. and Mrs. Peter N. Lord
Mr. George M. Lovejoy, Jr.
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Mr. Laurens Machure
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Please note this list includes only those who contributed in 2000.
Pioneer maintained its strong financial standing in 2000 with annual giving totaling over $1.8 million—the most ever—while a one-time bequest from the estate of “guiding spirit” Raymond Shamie boosted total revenues to $2.5 million (see below). This special gift has been set aside from general revenue to bolster Pioneer’s cumulative assets.

The general revenue figure of $1.8 million came predominately from individual supporters (42.4% of the dollar total), foundations (54.3%), and corporations (3.3%). The total represented an encouraging 3% increase over revenue in 1999, itself a “high water” mark in the Institute’s history.

The Institute relies on private support; it neither seeks nor accepts any government funding.

Reflecting continuing conservative fiscal management, expenditures in 2000—as in the eight previous years—remained below revenues. To ensure that our donors receive the best possible return on their investment, the Institute spent approximately nine of every ten dollars directly on research, programs, and outreach activities—our main mission—in 2000.

The data presented here are unaudited. Pioneer’s financial records are audited annually by Glenn Ricciardelli, P.C. The fiscal year 2000 audited financial statement will be available upon request later.

## Revenues and Expenditures, 1989-2000

<table>
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<th>Year</th>
<th>Revenue</th>
<th>Expenditures</th>
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The Raymond Shamie Fund

Pioneer Institute is deeply honored to report the receipt in 2000 of a major gift from the estate of Raymond Shamie, one of the Institute’s “charter” supporters and a long-time board member. Truly a “pioneer” in his own right, Ray Shamie was an early champion of a think tank devoted to Massachusetts policy issues, and was central to the birth of Pioneer. In recognition of his sage advice, commitment to shared ideals, and unwavering support, Pioneer presented him with its Tenth Anniversary Gold Medal at the inaugural Lovett C. Peters Lecture in Public Policy in 1998.

The $700,000 gift—the largest in Pioneer’s history—has been earmarked as the basis for The Raymond Shamie Fund to provide long-term support for Pioneer programs embodying his beliefs in the ideals of individual responsibility and limited government.

“All of us at Pioneer are deeply appreciative of this legacy,” says Pioneer Chairman Colby Hewitt, expressing thanks to Edna Shamie, Ray’s widow, who is an honorary Pioneer director. “It is not only a reflection of Ray and Edna’s deep commitment to Pioneer and its ideals, but also testimony to Ray’s faith in us to effect change on the policy landscape in Massachusetts—his lifelong goal.”

The Raymond Shamie Fund will not only serve as a “lasting remembrance of Ray Shamie and his guiding spirit” but will also be a “catalyst” for a special fundraising effort to bolster Pioneer’s long-term financial stability, according to Hewitt, noting the Fund has already grown to $850,000.

“Because Pioneer must rely solely on private funds, we hope other supporters will be inspired by Ray’s example and join in building this new endowment fund as a tribute to him and all he stood for.” As the first bequest Pioneer has received, the gift may also serve as a model for planned giving by others to the Institute.

Raymond Shamie (left) with Founding Chairman Lovett C. Peters on the occasion of his receiving Pioneer’s Tenth Anniversary Gold Medal in 1998.
Founding Chairman

Lovett C. “Pete” Peters

founded Pioneer Institute in 1988 following a long business career in energy and banking. A 1936 Yale University graduate, he is a trustee of Hillsdale and Nichols Colleges. He is the recipient of many honors and awards, most recently the Roe Award from the State Policy Network and, along with his wife, Ruth Stott Peters, the Champions of Freedom Award from the Mackinac Center for Public Policy.

Colby Hewitt, Jr.

has been Chairman of Pioneer since 1997, working closely with Founding Chairman Pete Peters. For 45 years he led Aon Risk Services, an insurance business in Boston. A Harvard University graduate, he has served for many years on the boards of several Massachusetts educational and health care institutions, including Northeastern University, Hampshire College, Wheelock College, and Beth-Israel Deaconess Hospital.

Executive Director

James A. Peyser

has been Executive Director of Pioneer since 1993. He also serves as Chairman of the Massachusetts Board of Education, and took a four-month leave of absence from Pioneer in 1995 to serve as Under Secretary of Education and Special Assistant to the Governor for Charter Schools. He previously worked in business and on Capitol Hill. A graduate of Colgate University, he holds a master’s from The Fletcher School (Tufts University).

Directors

• Charles D. Baker, Sr. Northeastern University
• Charles D. Baker, Jr. Harvard Pilgrim Health Care
• Nancy Myers Coolidge Citizens United for Charter Schools
• Gary L. Countrnyman Liberty Mutual Insurance Company
• William S. Edgerly Foundation for Partnerships
• David C. Evans, Jr. Congress Street Research
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• Frederick G. P. Thorne Harbor Capital Management Company, Incorporated
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Honorary Directors

• Edna Shamie
• Phyllis M. Stearns

Civic Involvement

The Institute’s “Pioneers” were active in related civic endeavors in 2000. Founding Chairman Pete Peters, through his Save A School Foundation, offered a $1 million incentive to low-performing public schools to convert to charter schools—only to find no takers. Director Diana Spencer, who is also a National Foundation for Teaching Entrepreneurship (NFTE) board member, is shown at right with Rudy Crew, former New York City schools chancellor, at last summer’s “NFTE University” for teachers interested in entrepreneurship education. Director William Edgerly (at left in photo below), in his role as chairman of Foundation for Partnerships, gave $10,000 awards to five principals whose schools—including one charter school—showed the greatest improvement on the Massachusetts Comprehensive Assessment System (MCAS) exams.

Who Doesn’t Want To Be a Millionaire?

Challenges: Philanthropist Lovett Peters is willing to put $1 million that charter schools can outpace the public ones. But will the no one taking him up on it.

The Boston Globe

Forbes
Susan Hoopes joined Pioneer as Director of Operations in 1999. A graduate of the Whittemore School of Business and Economics at the University of New Hampshire (UNH), she has been employed in the field of business management for the past 15 years, most recently as Business Manager for the Institute on Disability at UNH.

James Stergios was named Pioneer’s Research Director in early 2000. Formerly a Research Associate at Pioneer, he has taught economics at universities in Rome and Kyoto, Japan. He graduated from Boston University summa cum laude in philosophy and economics and is currently finishing his doctoral dissertation in political sociology at Boston University’s University Professors Program.

Pioneer Institute benefits greatly from the assistance of the following part-time staff members:

- **David Bobb**, Research Associate
- **Kathryn Ciffolillo**, Writer/Editor
- **Michael Kane**, Research Assistant
- **Shawni Littlehale**, Research Associate
- **Gabriela Mrad**, Director, Center for Entrepreneurship
- **Antonia Rudenstine**, Educational Consultant, The Leadership Academy, Massachusetts Charter School Resource Center
- **Rebecca Wolf**, Associate, Center for Entrepreneurship
- **Alla Yakovlev**, Research Associate