

2010 & 2009 Annual Financial Statements

PIONEER INSTITUTE, INC.

85 Devonshire Street; 8th Floor

Boston, Massachusetts

Years Ended September 30, 2010 and 2009

Contents:	Page
Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to Financial Statements	6-11
Summary of Funding & Expenses by Program	12-14

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Glenn Ricciardelli, P.C

The Board of Directors
PIONEER INSTITUTE, INC.
85 Devonshire Street; 8th Floor
Boston, Massachusetts 02109

Report on Financial Statements

We have audited the accompanying statements of financial position of PIONEER INSTITUTE, INC., which comprise the balance sheets as of September 30, 2010 and 2009, and the related statements of activity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PIONEER INSTITUTE, INC. as of September 30, 2010 and 2009, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses on Pages 11 through 13 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully,

Glenn Ricciardelli, PC

Boston, Massachusetts

January 19, 2011

PIONEER INSTITUTE, INC.

Statement of Financial Position

As of September 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS:</u>		
<i>Current Assets:</i>		
Cash & Cash Equivalents (Note A, F)	\$527,927	\$531,050
Contributions Receivable (Note A)	29,512	2,900
Prepaid Expenses & Deposits	33,542	28,657
Total Current Assets	<u>590,981</u>	<u>562,607</u>
<i>Property & Equipment:</i>		
Furniture & Fixtures	31,091	31,091
Office Equipment	93,336	84,641
Software	165,036	157,586
Leasehold Improvements	35,498	35,498
Subtotal	<u>324,961</u>	<u>308,816</u>
Less: Accumulated Depreciation & Amortization	<u>(306,558)</u>	<u>(291,246)</u>
Net Property & Equipment	18,403	17,570
<i>Long-Term Investments (Note D, E):</i>	<u>1,153,268</u>	<u>1,200,771</u>
Total Assets	<u><u>\$1,762,652</u></u>	<u><u>\$1,780,948</u></u>
<u>LIABILITIES:</u>		
Accounts Payable & Other Accrued Expenses	<u>\$46,828</u>	<u>\$94,583</u>
Total Liabilities	<u>46,828</u>	<u>94,583</u>
<u>NET ASSETS:</u>		
Unrestricted	1,186,456	1,051,279
Permanently Restricted (Note B)	203,203	198,749
Temporarily Restricted (Note B)	326,165	436,337
Total Net Assets	<u>1,715,824</u>	<u>1,686,365</u>
Total Liabilities and Net Assets	<u><u>\$1,762,652</u></u>	<u><u>\$1,780,948</u></u>

PIONEER INSTITUTE, INC.

Statement of Activities

As of September 30, 2010 and 2009

	2010		2009	
	Amount	Percent	Amount	Percent
<i>CHANGE in UNRESTRICTED NET ASSETS:</i>				
Revenues:				
Contributions	\$878,505	63%	\$731,088	58%
Sales of Publications, Tickets, etc.	28,032	2%	48,898	4%
Miscellaneous Income	1,000	0%	45	0%
Total Unrestricted Revenues & Gains	907,537	65%	780,031	62%
Net Assets Released from Restrictions: (Note C)				
Satisfaction of Program Restrictions	497,146	35%	478,867	38%
Total Unrestricted Revenues, Gains & Other	1,404,682	100%	1,258,898	100%
Expenses:				
Management & General Operations	108,368	8%	153,814	12%
Fund Raising	225,277	16%	271,503	22%
Pioneer Building Fund	0	0%	67,306	5%
Outreach & Public Communications	107,440	8%	73,748	6%
<i>Major Research & Program Categories:</i>				
Center for School Reform	267,445	19%	273,573	22%
Center for Economic Opportunity	52,662	4%	38,835	3%
Shamie Center for Better Government	311,635	22%	260,849	21%
Middle Cities Initiative	149,951	11%	169,174	13%
Lovett C. Peters Lecture Series	74,729	5%	2,978	0%
Colby Hewitt Endowment	0	0%	1,377	0%
Other Research & Programs	45,124	3%	46,642	4%
Total Expenses	1,342,630	96%	1,359,797	108%
Subtotal	62,052	4%	(100,899)	-8%
Investments:				
Interest Income	2,214	0%	6,908	1%
Income on Long Term Investments	29,524	2%	35,193	3%
Unrealized Gain on Long Term Investments	41,387	3%	844	0%
Total Gains	73,125	5%	42,945	3%
Increase/(Decrease) in Unrestricted Net Assets	135,177	10%	(57,953)	-5%
<i>CHANGE in PERM. & TEMP. RESTRICTED NET ASSETS:</i>				
Contributions - Permanent Restriction (Note A)	(1,870)	0%	2,691	0%
Contributions - Temporary Restriction (Note A)	386,974	28%	590,253	47%
Interest Income	641	0%	957	0%
Income on Long Term Investments	6,561	0%	4,719	0%
Unrealized Gain on Long Term Investments	(878)	0%	4,490	0%
Net Assets Released from Restrictions (Note C)	(497,146)	-35%	(478,867)	-38%
Inc./(Dec.) in Permanent & Temporarily Restricted Net Assets	(105,718)	-8%	124,243	10%
<i>INCREASE/(DECREASE) IN NET ASSETS:</i>	29,460	2%	66,290	5%
<i>NET ASSETS: Beginning of Year</i>	1,686,365		1,620,075	
<i>NET ASSETS: End of Year</i>	\$1,715,824		\$1,686,365	

PIONEER INSTITUTE, INC.

Statement of Cash Flows

As of September 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<u>CASH FLOWS from OPERATING ACTIVITIES:</u>		
Change in Net Assets	\$29,460	\$66,290
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	15,312	10,771
Decrease/(Increase) in Contributions Receivable	(26,612)	7,203
Decrease/(Increase) in Prepaid Expenses & Deposits	(4,885)	3,480
Increase/(Decrease) in Accounts Payable/Deferred Expenses	(47,756)	58,466
Unrealized (Losses)/Gains on Long Term Investments	40,509	5,334
Net Cash Provided by Operating Activities	<u>6,029</u>	<u>151,544</u>
<u>CASH FLOWS from INVESTING ACTIVITIES:</u>		
(Purchase) / Disposals of Property & Equipment	(16,145)	(22,919)
(Purchase & Income Reinvestments) / Sales of Long Term Investments	6,993	(350,674)
Net Cash Used by Investing Activities	<u>(9,152)</u>	<u>(373,593)</u>
<u>CASH FLOWS from FINANCING ACTIVITIES:</u>		
Net Cash Used by Financing Activities	<u>0</u>	<u>0</u>
<u>NET INCREASE IN CASH & CASH EQUIVALENTS:</u>	(3,123)	(222,049)
<u>CASH & EQUIVALENTS: Beginning of Year</u>	<u>531,050</u>	<u>753,099</u>
<u>CASH & EQUIVALENTS: End of Year</u>	<u>\$527,927</u>	<u>\$531,050</u>

PIONEER INSTITUTE, INC.

Notes to Financial Statements

Years Ended September 30, 2010 and 2009

Note A - Nature of Organization and Significant Accounting Policies

ORGANIZATION:

PIONEER INSTITUTE, INC. is a public policy research organization, which specializes in the support, distribution, and promotion of scholarly research on Massachusetts' public policy issues. The PIONEER INSTITUTE, INC. does not incur any costs related to lobbying for the purpose of influencing legislation as addressed under Section 501 (h) of the Federal Tax Code.

BASIS OF PRESENTATION:

The financial statements of PIONEER INSTITUTE are presented on the accrual basis.

NET ASSETS AND REVENUE RECOGNITION:

Net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained in perpetuity by PIONEER INSTITUTE.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be met by actions of PIONEER INSTITUTE and/or the passage of time.

Unrestricted Net Assets – Net assets not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Revenues are reported as unrestricted net assets if the donor-imposed restrictions are met in the same reporting period. Expenses are reported as decreases in unrestricted net assets.

PIONEER INSTITUTE recognizes contributions as revenue when they are received or unconditionally pledged. Contributions subject to donor-imposed stipulations that are met in the same reporting period are reported as unrestricted support. Unconditional promises to give with due dates scheduled after the balance sheet date are shown as increases in temporarily restricted net assets and are reclassified to unrestricted net assets when the related purpose or time restrictions are met. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair market value at the date of the gift.

PIONEER reports gifts of cash and other assets as permanently restricted support if they are received with donor stipulations that limit the access to the principal portion of the original donated assets. Access to the principal portion of the 2010 permanently restricted assets was limited to 3.50% of the principal balance including current year earnings as of September 30th 2010. This resulted in the release of \$7,370 from permanent restrictions, which was released subsequent to the 2010 fiscal year end.

PIONEER INSTITUTE, INC.

Notes to Financial Statements

Years Ended September 30, 2010 and 2009

Contributions receivable represent amounts unconditionally pledged by donors that have not been received by PIONEER INSTITUTE, INC. Contributions receivable fund balances as of September 30th 2010 & 2009 were \$29,512 and \$2,900, respectively.

LEASES:

PIONEER INSTITUTE, INC. leases its premises located on the eighth floor at 85 Devonshire Street, Boston, Massachusetts, 02109. The base rental payments, excluding utilities, for the remaining three [3] year lease period ending November 30, 2013 are as follows:

Period	Annual Rent Expense	Amortized (Deferred) Free Rent	Minimum Lease Payments
FY2011	107,917	(21,175)	86,742
FY2012	111,417	(21,175)	90,242
FY2013	114,917	(21,175)	93,742
FY2014 (2 Mos.)	19,250	(3,529)	15,721

CASH AND CASH EQUIVALENTS:

For financial statement purposes, PIONEER INSTITUTE, INC. considers all highly liquid investments with a maturity date of 180 days or less to be cash and cash equivalents. Management believes the Institute is not exposed to any significant credit risk on cash and cash equivalents (see Note G).

INVESTMENTS:

Investments of PIONEER INSTITUTE are recorded at market based on quoted market prices.

ACCOUNTS RECEIVABLE:

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provided for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from grants, contracts, and others. There was no allowance for bad debts at September 30, 2010 and 2009.

CONTRIBUTED SERVICES:

The financial statements reflect \$15,000 and \$15,000 for Certified Public Accounting services provided on a pro-bono basis for the years ended September 30, 2010 and 2009, respectively. In addition, a number of volunteers have donated their time to the Institute, including the Board of Directors & Founding Chairman. The value of this contributed time is not reflected in these financial statements since it is not easily susceptible to objective measurement or valuation.

ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and

PIONEER INSTITUTE, INC.

Notes to Financial Statements

Years Ended September 30, 2010 and 2009

disclosures. Specifically, certain expenses have been allocated to operations and programs based upon the time allocated to each by PIONEER INSTITUTE'S employees. Accordingly, actual results could differ from those estimates.

PROPERTY AND DEPRECIATION:

Property amounts are stated at historical cost or, if donated, at the approximate fair value at the date of donation. For financial purposes, depreciation is computed on a straight-line basis, utilizing useful lives of 3-years for office equipment & software and 5-years for furniture and fixtures. Leasehold improvements are amortized over the length of the lease, or the life of the asset, whichever is shorter.

NON-PROFIT STATUS AND INCOME TAXES:

PIONEER INSTITUTE, INC. is a nonprofit organization and is exempt from Federal income taxes under Section 501 (c)(3) of the U.S. Internal Revenue Code. Donors may deduct contributions made to PIONEER INSTITUTE within Internal Revenue Code regulations. PIONEER INSTITUTE is subject to a tax on income from any unrelated business.

PIONEER INSTITUTE has adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax positions will more-likely-than-not be sustained upon examination by taxing authorities. PIONEER INSTITUTE has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. PIONEER INSTITUTE believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on PIONEER INSTITUTE'S financial condition, results of operations or cash flows. Accordingly, PIONEER INSTITUTE has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at September 30, 2010.

PIONEER INSTITUTE is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. PIONEER INSTITUTE believes it is no longer subject to income tax examinations for years prior to 2006.

PIONEER INSTITUTE policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

PIONEER INSTITUTE, INC.

Notes to Financial Statements

Years Ended September 30, 2010 and 2009

Note B - Restricted Net Assets

Permanently restricted net assets are available for the following specific programs, at year-end September 30, 2010 and 2009.

	<u>2010</u>	<u>2009</u>
Colby Hewitt Endowment for Health Care	\$203,203	\$198,749
Total Permanently Restricted	<u>\$203,203</u>	<u>\$198,749</u>

Temporarily restricted net assets are available for the following specific programs, at year-end September 30, 2010 and 2009.

	<u>2010</u>	<u>2009</u>
Lovett C. Peters Lecture Series	\$44,078	\$68,808
Research & Programs – Middle Cities Initiative	0	85,442
Pioneer Building Fund	<u>282,087</u>	<u>282,087</u>
Total Temporarily Restricted	<u>\$326,165</u>	<u>\$436,337</u>

Note C - Net Assets Released From Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by the donor.

For the years ended September 30, 2010 and 2009, the following purpose restrictions were accomplished:

	<u>2010</u>	<u>2009</u>
Fund Raising	\$58,147	\$82,450
Pioneer Building Fund	0	67,306
Center for School Reform	60,450	35,860
Center for Economic Opportunity	24,500	19,000
Shamie Center for Better Government	170,507	94,891
Middle Cities Initiative	100,442	169,174
LCP Lecture Series	74,729	2,977
Other Research Programs	<u>8,370</u>	<u>7,209</u>
Total Restrictions Released	<u>\$497,145</u>	<u>\$478,867</u>

PIONEER INSTITUTE, INC.

Notes to Financial Statements

Years Ended September 30, 2010 and 2009

Note D – Fair Value of Investments

PIONEER INSTITUTE investments are reported at fair value in the accompanying statement of net assets.

September 30, 2010	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
Mutual Funds	\$980,601	\$980,601
Closed-End Funds	166,190	166,190

SFAS 157, Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 have the lowest priority.

PIONEER INSTITUTE uses appropriate valuation techniques based on available inputs to measure fair value of its investments. When available, PIONEER INSTITUTE measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Level 1 Fair Value Measurements

The fair value of mutual funds is based on quoted net asset value of shares held by PIONEER INSTITUTE at September 30, 2010.

Notes E – Mutual Funds

The fair market values (FMV) at September 30, 2010 and 2009 are as follows:

Description	2010	2009
Large Blend	\$128,230	\$355,590
Global Opportunity	166,190	-
Intermediate Government	852,371	844,520
Money Market	<u>6,478</u>	<u>661</u>
Total	<u>\$1,153,268</u>	<u>\$1,200,771</u>

PIONEER INSTITUTE, INC.

Notes to Financial Statements

Years Ended September 30, 2010 and 2009

Investment income from cash equivalents and investments is comprised of the following for the years ended September 30, 2010 and 2009.

Description	2010	2009
Dividend & Interest	\$38,940	\$47,777
Net Realized Gains (Losses)	(396)	(94)
Net Unrealized Gains (Losses)	40,905	5,428
Total	<u>\$79,449</u>	<u>\$53,111</u>

Note F – Agency Transaction

PIONEER INSTITUTE holds no “Pass Through” grants as of September 30th, 2010.

Note G – Concentration of Credit Risk

PIONEER INSTITUTE maintains several bank accounts at two large regional financial institutions. The Federal Deposit Insurance Corporation (FDIC), during the period covered by these statements, insured accounts at member institutions up to \$250,000. This increased coverage will revert to an insurance amount of up to \$100,000 on December 31, 2013. At various times during the year, the cash balances exceeded the insured amount. Management believes the related credit risk to be minimal.

Note H – Subsequent Events

PIONEER INSTITUTE did not have any recognized or non-recognized subsequent events after September 30, 2010, the date of the statement of financial position. Subsequent events have been evaluated through January 19, 2011, the date the financial statements were issued.

PIONEER INSTITUTE, INC.
Supplemental Schedule - Summary of Funding & Expenses by Program
For the Years Ended September 30th, 2010 and 2009

Account Number / Description	FY2010 DISTRIBUTION of FUNDING & EXPENSE by PROGRAM											FY2010 Total Funding & Expense	FY2009 Total Funding & Expense	
	Management & General Operations	Fund Raising	Pioneer Building Fund	Outreach & Public Communication	MAJOR RESEARCH & PROGRAM CATEGORIES									Other Research Programs
					Center for School Reform	Center for Economic Opportunity	Shamie Center for Better Government	Middle Cities Initiative	LCP Lecture Series	Colby Hewitt Endowment	(Note 1)			
REVENUE:														
UNRESTRICTED DONATIONS:														
4-1010 - Individual Donations	705,280	-	-	-	-	-	-	-	-	-	-	-	705,280	503,263
4-1020 - Corporate Donations	16,075	-	-	-	-	-	-	-	-	-	-	-	16,075	16,575
4-1030 - Foundation Donations	142,150	-	-	-	-	-	-	-	-	-	-	-	142,150	196,250
Total - Unrestricted Donations	863,505	-	-	-	-	-	-	-	-	-	-	-	863,505	716,088
IN-KIND DONATIONS:														
4-1040 - In-Kind Donations	15,000	-	-	-	-	-	-	-	-	-	-	-	15,000	15,000
Total - In-Kind Donations	15,000	-	-	-	-	-	-	-	-	-	-	-	15,000	15,000
PERMANENT & TEMPORARILY RESTRICTED DONATIONS:														
4-2010 - Individual Donations	-	8,147	-	-	1,700	-	7,978	-	50,000	-	-	-	67,825	76,646
4-2020 - Corporate Donations	-	-	-	-	7,750	24,500	450	-	-	-	-	-	32,700	31,445
4-2030 - Foundation Donations	-	50,000	-	-	50,000	-	96,500	15,000	-	-	-	-	211,500	196,260
4-2035 - 20th Anniversary Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	248,093
4-2040 - Event Sponsorship	-	-	-	-	1,000	-	65,579	-	-	-	1,000	-	67,579	30,600
Subtotal	-	58,147	-	-	60,450	24,500	170,507	15,000	50,000	-	1,000	-	379,604	583,044
<i>Endowments:</i>														
4-2110 - Colby Hewitt Endowment	-	-	-	-	-	-	-	-	-	-	5,500	-	5,500	9,900
Subtotal	-	-	-	-	-	-	-	-	-	-	5,500	-	5,500	9,900
Total 4-2000 - Restricted Donations	-	58,147	-	-	60,450	24,500	170,507	15,000	50,000	-	5,500	1,000	385,104	592,944
OTHER REVENUE:														
4-5000 - Ticket Sales	-	-	-	-	-	-	25,575	-	-	-	-	-	25,575	43,005
4-6000 - Book Sales	857	-	-	-	-	-	-	-	-	-	-	-	857	1,010
4-7000 - Editorial Income	1,600	-	-	-	-	-	-	-	-	-	-	-	1,600	1,500
4-9150 - Reimbursed Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	3,383
Subtotal	2,457	-	-	-	-	-	25,575	-	-	-	-	-	28,032	48,898
Total Income	880,962	58,147	-	-	60,450	24,500	196,082	15,000	50,000	5,500	1,000	-	1,291,641	1,372,930
OPERATING EXPENSES:														
EMPLOYMENT COSTS:														
6-1100 - Gross Wages	46,160	115,547	-	70,591	146,980	34,945	129,019	85,874	9,963	-	14,761	-	653,840	633,569
6-1150 - Bonus	1,271	3,181	-	1,943	4,046	962	3,552	2,364	274	-	406	-	18,000	3,000
6-1175 - Commissions	-	-	-	-	-	-	-	-	-	-	-	-	-	115
6-1200 - Federal P/R Taxes-employer	3,382	8,465	-	5,171	10,767	2,560	9,451	6,291	730	-	1,081	-	47,898	45,391
6-1300 - State P/R Taxes	6	14	-	8	18	4	15	10	1	-	2	-	78	65
6-1400 - Health & Dental-employer	5,572	13,949	-	8,522	17,743	4,219	15,575	10,367	1,203	-	1,782	-	78,932	73,249
6-1500 - 401K-employer share	885	2,215	-	1,353	2,818	670	2,474	1,646	191	-	283	-	12,536	11,342
6-1550 - Pension Plan Charges	80	201	-	123	256	61	224	149	17	-	26	-	1,137	2,444
6-1600 - Workmen's Compensation	101	252	-	154	321	76	282	187	22	-	32	-	1,428	971
6-1800 - Payroll Expenses	193	484	-	296	616	146	541	360	42	-	62	-	2,740	2,751
Subtotal	57,650	144,308	-	88,162	183,565	43,644	161,133	107,249	12,443	-	18,436	-	816,589	772,897
OUTSIDE SERVICES:														
6-2100 - Consultants	6,400	2,380	-	200	13,070	150	39,053	1,976	6,255	-	2,817	-	72,301	41,370
6-2150 - Consultant Expenses	256	-	-	-	711	-	170	-	-	-	-	-	1,137	4,805
6-2175 - Search Firms	-	-	-	-	-	-	-	-	-	-	-	-	-	5,599
6-2200 - Temporary help	-	2,322	-	-	-	-	-	-	-	-	-	-	2,322	5,676
6-2400 - Annual Audit	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000	20,000
Subtotal	26,656	4,702	-	200	13,781	150	39,223	1,976	6,255	-	2,817	-	95,760	77,449
RESEARCH:														
6-3100 - Research Assistants	-	-	-	-	-	-	-	-	-	-	-	-	-	5,081
6-3160 - Data/FOIA	-	-	-	-	2,000	-	705	19	-	-	-	-	2,724	3,885
6-3200 - Contracts	-	-	-	1,000	23,250	-	4,500	20,800	-	-	7,250	-	56,800	71,345
6-3250 - Contract Expenses	-	-	-	-	247	-	63	-	-	-	-	-	311	9,278
6-3300 - Prizes	-	-	-	-	-	-	14,581	-	-	-	-	-	14,581	14,901
Subtotal	-	-	-	1,000	25,497	-	19,849	20,819	-	-	7,250	-	74,415	104,490
PRINTING & PUBLISHING:														
6-4100 - Printing Costs	2,377	11,535	-	76	949	-	6,405	95	2,075	-	685	-	24,197	31,060
6-4300 - Editors/Writers	-	-	-	-	-	200	800	-	-	-	-	-	1,000	25,470
6-4400 - Graphic Design	-	-	-	213	625	-	-	-	-	-	-	-	838	-
Subtotal	2,377	11,535	-	289	949	825	7,205	95	2,075	-	685	-	26,035	56,530

PIONEER INSTITUTE, INC.
Supplemental Schedule - Summary of Funding & Expenses by Program
For the Years Ended September 30th, 2010 and 2009

Account Number / Description	FY2010 DISTRIBUTION OF FUNDING & EXPENSE BY PROGRAM											FY2010 Total Funding & Expense	FY2009 Total Funding & Expense	
	Management & General Operations	Fund Raising	Pioneer Building Fund	Outreach & Public Communication	MAJOR RESEARCH & PROGRAM CATEGORIES									(Note 1)
					Center for School Reform	Center for Economic Opportunity	Shamie Center for Better Government	Middle Cities Initiative	LCP Lecture Series	Colby Hewitt Endowment	Other Research Programs			
DISTRIBUTION COSTS:														
6-5100 - Copying/Reproduction	36	-	-	-	35	-	695	-	-	-	-	19	786	842
6-5200 - Postage Costs	480	16,561	-	494	44	17	1,669	2	731	-	-	-	19,998	18,307
6-5300 - Shipping/Delivery fees	50	45	-	38	68	-	233	-	-	-	-	-	433	1,326
6-5400 - Mailing Services	-	3,773	-	-	207	-	1,502	-	-	-	-	-	5,482	14,245
6-5500 - Advertising Costs	110	2,831	-	-	-	-	-	-	-	-	-	-	2,941	995
Subtotal	676	23,209	-	532	355	17	4,099	2	731	-	19	-	29,640	35,715
EVENTS & MEETINGS:														
6-6100 - Room Costs	2,414	-	-	-	1,295	-	680	-	-	-	1,500	-	5,888	8,510
6-6200 - Food & Beverage Costs	4,472	4,554	-	-	2,379	-	34,356	148	33,603	-	8,135	-	87,648	100,997
6-6250 - Transportation	-	-	-	-	3,365	-	5,610	-	933	-	-	-	9,909	4,572
6-6300 - Photography	-	-	-	-	-	-	300	250	-	-	-	-	550	2,535
6-6500 - Taping and Transcripts	-	-	-	-	-	-	334	-	-	-	-	-	334	435
6-6600 - Audio-Visual	235	-	-	150	330	-	4,145	300	4,559	-	2,615	-	12,334	10,802
6-6800 - Honorarium	-	-	-	-	1,500	-	-	-	10,000	-	-	-	11,500	5,000
6-6950 - Other Event Expenses	44	-	-	-	1,038	-	2,612	-	1,963	-	306	-	5,963	1,994
Subtotal	7,165	4,554	-	150	9,907	-	48,036	698	51,058	-	12,556	-	134,126	134,845
STAFF BUSINESS EXPENSES:														
6-7100 - Breakfasts/Luncheons	-	-	-	-	-	-	-	-	-	-	-	-	-	450
6-7200 - Training/Meeting Fees	-	200	-	200	-	-	295	-	-	-	-	-	695	850
6-7300 - Transportation	1,426	9,395	-	1,062	615	121	2,201	434	-	-	150	-	15,403	14,191
6-7400 - Meals/Food	600	818	-	-	284	304	1,245	-	-	-	-	-	3,251	4,376
6-7600 - Lodging	-	1,424	-	491	522	-	285	-	-	-	-	-	2,721	1,674
6-7700 - Miscellaneous/Petty Cash	151	-	-	-	-	-	-	-	-	-	-	-	151	67
Subtotal	2,177	11,836	-	1,753	1,422	425	4,026	434	-	-	150	-	22,222	21,608
OFFICE OPERATIONS:														
6-8100 - Rent	5,968	14,939	-	9,126	19,003	4,518	16,680	11,102	1,288	-	1,908	-	84,533	88,866
6-8150 - Equip. Supplies	60	149	-	91	190	45	167	111	13	-	19	-	846	300
6-8175 - Equip. Contracts/Rental	501	1,254	-	766	1,595	379	1,400	932	108	-	160	-	7,094	6,373
6-8180 - Equip. Maintenance & Repairs	158	394	-	241	502	119	440	293	34	-	50	-	2,231	1,168
6-8200 - Electric	233	583	-	356	741	176	651	433	50	-	74	-	3,297	4,126
6-8300 - Telephone	374	935	-	571	1,189	283	1,044	695	81	-	119	-	5,291	5,537
6-8500 - Office Supplies	556	1,391	-	850	1,769	421	1,553	1,034	120	-	178	-	7,871	9,920
6-8600 - Insurance	319	798	-	487	1,014	241	891	593	69	-	102	-	4,513	4,435
6-8725 - Accounting Fees	100	249	-	152	317	75	278	185	22	-	32	-	1,411	9,671
6-8750 - Legal Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	5,116
6-8800 - Publications/Subscriptions	169	422	-	258	537	128	472	314	36	-	54	-	2,390	3,050
6-8850 - Dues/Memberships	71	177	-	108	225	53	197	131	15	-	23	-	1,000	1,495
6-8875 - Licenses and Permits	115	289	-	176	367	87	322	214	25	-	37	-	1,633	2,174
Subtotal	8,621	21,579	-	13,183	27,449	6,526	24,095	16,038	1,861	-	2,757	-	122,109	142,231
INTERNET/WEBSITE:														
6-9100 - Internet Access	91	228	-	139	290	69	255	169	20	-	29	-	1,290	1,769
6-9300 - Programming	111	278	-	170	354	84	311	207	24	-	36	-	1,575	95
6-9400 - Hosting	136	341	-	208	434	103	381	253	29	-	44	-	1,929	478
Subtotal	339	847	-	518	1,078	256	946	630	73	-	108	-	4,795	2,343
Total Expense	105,660	222,571	-	105,786	264,003	51,843	308,613	147,940	74,496	-	44,778	-	1,325,691	1,348,106
OTHER INCOME:														
7-1000 - Interest Income	2,214	-	-	-	-	-	-	-	-	-	641	-	2,855	7,865
7-2000 - Dividend Income	29,524	-	-	-	-	-	-	-	-	-	6,561	-	36,085	39,912
7-4000 - Other Capital Gains/(Losses)	(396)	-	-	-	-	-	-	-	-	-	-	-	(396)	(94)
7-5000 - Increase/(Decrease) in mkt.value	41,783	-	-	-	-	-	-	-	-	-	(878)	-	40,905	5,428
7-6000 - Miscellaneous Income	1,000	-	-	-	-	-	-	-	-	-	-	-	1,000	45
Subtotal	74,125	-	-	-	-	-	-	-	-	6,324	-	-	80,449	53,156
OTHER EXPENSE:														
8-1100 - Finance Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	66
8-1200 - Bank Service Charges	332	-	-	-	-	-	-	-	-	-	-	-	332	115
8-1300 - Brokerage Fees	945	-	-	-	-	-	-	-	-	-	-	-	945	520
8-1600 - PayPal Fees	350	-	-	-	-	-	-	-	-	-	-	-	350	218
8-2000 - Depreciation Expense	1,081	2,706	-	1,653	3,442	818	3,022	2,011	233	-	346	-	15,312	10,771
Subtotal	2,708	2,706	-	1,653	3,442	818	3,022	2,011	233	-	346	-	16,939	11,691
Net Income/(Loss)	846,719	(167,130)	-	(107,440)	(206,995)	(28,162)	(115,553)	(134,951)	(24,729)	11,824	(44,124)	-	29,460	66,290

PIONEER INSTITUTE, INC.
 Supplemental Schedule - Summary of Funding & Expenses by Program
 For the Years Ended September 30th, 2010 and 2009

Account Number / Description	Management & General Operations	Fund Raising	Pioneer Building Fund	Outreach & Public Communication	FY2010 DISTRIBUTION of FUNDING & EXPENSE by PROGRAM								FY2010 Total Funding & Expense	FY2009 Total Funding & Expense
					MAJOR RESEARCH & PROGRAM CATEGORIES									
					Center for School Reform	Center for Economic Opportunity	Shamie Center for Better Government	Middle Cities Initiative	LCP Lecture Series	Colby Hewitt Endowment	Other Research Programs	(Note 1)		
CHANGE in RESTRICTED NET ASSETS:														
PERMANENTLY RESTRICTED FUNDS:														
Beginning Balance - Permanently Restricted Funds												198,749	185,892	
Plus: 2010 Permanently Restricted Contributions												5,500	9,900	
Plus/(Minus): Dividends, Interest, Δ Mkt VI Perm. Rest. Funds												6,324	10,166	
Subtotal												210,573	205,958	
Less: 2010 Funds Released From Perminant Restriction												(7,370)	(7,209)	
Ending Permanently Restricted Balance												203,203	198,749	
TEMPORARILY RESTRICTED FUNDS:														
Beginning Balance - Temporarily Restricted Funds	-	-	282,087	-	-	-	-	85,442	68,807	-	-	436,337	324,951	
Plus: 2010 Funds Released from Perm. Rstcd. Funds	-	-	-	-	-	-	-	-	-	7,370	-	7,370	7,209	
Plus: 2010 Temporarily Restricted Contributions	-	58,147	-	-	60,450	24,500	170,507	15,000	50,000	1,000	-	379,604	583,044	
Subtotal	-	58,147	282,087	-	60,450	24,500	170,507	100,442	118,807	8,370	-	823,311	915,204	
Less: 2010 Funds Expended	108,368	225,277	-	107,440	267,445	52,662	311,635	149,951	74,729	45,124	-	1,342,630	1,358,421	
Net (Contributions less expenses)	(108,368)	(167,130)	282,087	(107,440)	(206,995)	(28,162)	(141,128)	(49,509)	44,078	(36,754)	-	(519,320)	(443,217)	
Funds Released From Restriction	-	58,147	-	-	60,450	24,500	170,507	100,442	74,729	8,370	-	497,146	478,867	
Ending Temporarily Restricted Balance	-	-	282,087	-	-	-	-	-	44,078	-	-	326,165	436,337	

NOTES to SUPPLEMENTAL SCHEDULE:

Note 1. The category "Other Research Programs" includes Healthcare, Housing Regulations, and Other Environmental related projects.