

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2010

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2010 calendar year, or tax year beginning JUL 1, 2010 and ending JUN 30, 2011

| | | |
|---|---|---|
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | C Name of organization MASSACHUSETTS HISTORICAL SOCIETY Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1154 BOYLSTON STREET City or town, state or country, and ZIP + 4 BOSTON, MA 02215-3695 F Name and address of principal officer: DENNIS A. FIORI SAME AS C ABOVE | D Employer identification number 04-2108374 E Telephone number 617-536-1608 G Gross receipts \$ 2,858,508. H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number |
| I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 | | |
| J Website: WWW.MASSHIST.ORG | | |
| K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other | | L Year of formation: 1791 M State of legal domicile: MA |

Part I Summary

| | | | |
|------------|---|----------------------------------|---------------------|
| 1 | Briefly describe the organization's mission or most significant activities: MASSACHUSETTS HISTORICAL SOCIETY IS A INDEPENDENTLY FUNDED INSTITUTION FOUNDED IN 1791 FOR THE | | |
| 2 | Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | |
| 3 | Number of voting members of the governing body (Part VI, line 1a) | 3 | 19 |
| 4 | Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 19 |
| 5 | Total number of individuals employed in calendar year 2010 (Part V, line 2a) | 5 | 53 |
| 6 | Total number of volunteers (estimate if necessary) | 6 | 10 |
| 7 a | Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0. |
| b | Net unrelated business taxable income from Form 990-T, line 34 | 7b | 0. |
| 8 | Contributions and grants (Part VIII, line 1h) | Prior Year | Current Year |
| 9 | Program service revenue (Part VIII, line 2g) | 5,540,436. | 1,748,915. |
| 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 88,557. | 188,788. |
| 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 1,021,490. | 822,003. |
| 12 | Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 58,767. | 98,802. |
| 13 | Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 6,709,250. | 2,858,508. |
| 14 | Benefits paid to or for members (Part IX, column (A), line 4) | 101,250. | 135,000. |
| 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 0. | 0. |
| 16a | Professional fundraising fees (Part IX, column (A), line 11e) | 3,402,020. | 3,649,541. |
| b | Total fundraising expenses (Part IX, column (D), line 25) 575,797. | 0. | 0. |
| 17 | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) | 1,308,490. | 1,498,497. |
| 18 | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 4,811,760. | 5,283,038. |
| 19 | Revenue less expenses. Subtract line 18 from line 12 | 1,897,490. | -2,424,530. |
| 20 | Total assets (Part X, line 16) | Beginning of Current Year | End of Year |
| 21 | Total liabilities (Part X, line 26) | 72,116,969. | 81,067,170. |
| 22 | Net assets or fund balances. Subtract line 21 from line 20 | 924,436. | 983,645. |
| 22 | | 71,192,533. | 80,083,525. |

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

| | | |
|-------------------------------|---|---|
| Sign Here | Signature of officer DENNIS A. FIORI, PRESIDENT Type or print name and title | Date |
| Paid Preparer Use Only | Print/Type preparer's name ERIC SAUNDERS | Preparer's signature  |
| | Firm's name BRAVER P.C. | Date 2/23/12 |
| | Firm's address 117 KENDRICK STREET, SUITE 800 NEEDHAM, MA 02494 | Check if self-employed <input type="checkbox"/> PTIN |
| | | Firm's EIN 617-969-3300 |

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission:

THE MASSACHUSETTS HISTORICAL SOCIETY IS AN INDEPENDENT RESEARCH LIBRARY THAT COLLECTS, PRESERVES, MAKES ACCESSIBLE, AND COMMUNICATES MANUSCRIPTS AND OTHER MATERIALS IN ORDER TO PROMOTE THE STUDY OF THE HISTORY OF MASSACHUSETTS AND THE NATION - A MISSION IT HAS PURSUED

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 3,762,890. including grants of \$ 135,000.) (Revenue \$ 214,217.)

THE SOCIETY IS AN INDEPENDENT RESEARCH LIBRARY FOUNDED IN 1791. THE MISSION OF THE SOCIETY IS TO COLLECT, PRESERVE, AND MAKE AVAILABLE HISTORICAL MATERIALS (MANUSCRIPTS, LETTERS, DOCUMENTS, PHOTOGRAPHS, ARTIFACTS, ETC.) FOR THE STUDY OF AMERICAN HISTORY. THROUGH ITS LIBRARY AND EDUCATION PROGRAMS, THE SOCIETY ENDEAVORS TO REACH AS WIDE AN AUDIENCE AS POSSIBLE. THE SOCIETY ENCOURAGES GIFTS, CONTRIBUTIONS AND GRANTS FROM PUBLIC AND PRIVATE FOUNDATIONS AS WELL AS THE GENERAL PUBLIC. THE SOCIETY USES THESE RESOURCES TO ADVANCE ITS MISSION.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 3,762,890.

Part IV Checklist of Required Schedules

| | | Yes | No |
|-----|--|-----|----|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> | X | |
| 2 | Is the organization required to complete Schedule B, Schedule of Contributors? | X | |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> | | X |
| 4 | Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> | | X |
| 5 | Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> | | |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> | | X |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> | | X |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> | X | |
| 9 | Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> | | X |
| 10 | Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> | X | |
| 11 | If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. | | |
| a | Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> | X | |
| b | Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> | X | |
| c | Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> | | X |
| d | Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> | | X |
| e | Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> | X | |
| f | Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> | X | |
| 12a | Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> | X | |
| b | Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i> | | X |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> | | X |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States? | | X |
| b | Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i> | | X |
| 15 | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i> | | X |
| 16 | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i> | | X |
| 17 | Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> | | X |
| 18 | Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> | | X |
| 19 | Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> | | X |
| 20a | Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i> | | X |
| b | <i>If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)</i> | | |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|---|-----|----|
| 21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II | | X |
| 22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III | X | |
| 23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J | X | |
| 24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25 | | X |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | |
| 25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I | | X |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I | | X |
| 26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II | | X |
| 27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III | | X |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions): | | |
| a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV | | X |
| b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV | | X |
| c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV | | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M | | X |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M | X | |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I | | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II | | X |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I | | X |
| 34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 | | X |
| 35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? | | X |
| a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 | | X |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI | | X |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? | | |
| Note. All Form 990 filers are required to complete Schedule O | X | |

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

| | | Yes | No |
|-----|--|-----|----|
| 1a | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable 135 | | |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable 0 | | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | X | |
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return 53 | | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)</i> | X | |
| 3a | Did the organization have unrelated business gross income of \$1,000 or more during the year? | | X |
| b | If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O | | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | | X |
| b | If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | X |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | X |
| c | If "Yes," to line 5a or 5b, did the organization file Form 8886-T? | | |
| 6a | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? | | X |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | | |
| 7 | Organizations that may receive deductible contributions under section 170(c). | | |
| a | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | | X |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | X |
| d | If "Yes," indicate the number of Forms 8282 filed during the year 7d | | |
| e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | X |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | X |
| g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? ... | | |
| h | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | | |
| 8 | Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | |
| 9 | Sponsoring organizations maintaining donor advised funds. | | |
| a | Did the organization make any taxable distributions under section 4966? | | |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | | |
| 10 | Section 501(c)(7) organizations. Enter: | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 10a | | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities 10b | | |
| 11 | Section 501(c)(12) organizations. Enter: | | |
| a | Gross income from members or shareholders 11a | | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b | | |
| 12a | Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b | | |
| 13 | Section 501(c)(29) qualified nonprofit health insurance issuers. | | |
| a | Is the organization licensed to issue qualified health plans in more than one state? | | |
| b | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans 13b | | |
| c | Enter the amount of reserves on hand 13c | | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | | X |
| b | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O | | |

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

| | | Yes | No |
|----|---|-----|----|
| 1a | Enter the number of voting members of the governing body at the end of the tax year | | |
| | 1a | | 19 |
| b | Enter the number of voting members included in line 1a, above, who are independent | | |
| | 1b | | 19 |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | X |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? | | X |
| 4 | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | | X |
| 5 | Did the organization become aware during the year of a significant diversion of the organization's assets? | | X |
| 6 | Does the organization have members or stockholders? | X | |
| 7a | Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? | X | |
| b | Are any decisions of the governing body subject to approval by members, stockholders, or other persons? | X | |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | |
| a | The governing body? | X | |
| b | Each committee with authority to act on behalf of the governing body? | X | |
| 9 | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | | X |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

| | Yes | No |
|-----|-----|----|
| 10a | | X |
| b | | |
| 11a | X | |
| b | | |
| 12a | X | |
| b | X | |
| c | X | |
| 13 | X | |
| 14 | X | |
| 15 | | |
| a | X | |
| b | X | |
| 16a | | X |
| b | | |

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **MA**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **THE ORGANIZATION - 617-536-1608**
1154 BOYLSTON STREET, BOSTON, MA 02215-3695

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's current key employees, if any. See instructions for definition of "key employee."
- List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and Title | (B) Average hours per week (describe hours for related organizations in Schedule O) | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---------------------------------------|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| AMALIE M. KASS TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| JOSEPH PETER SPANG TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| JOHN F. MOFFITT SECRETARY | 3.00 | X | | X | | | 0. | 0. | 0. | |
| NANCY ANTHONY TRUSTEE & VICE CHAIR | 3.00 | X | | X | | | 0. | 0. | 0. | |
| HON. LEVIN H. CAMPBELL TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| WILLIAM C. CLENDANIEL CHAIR | 3.00 | X | | X | | | 0. | 0. | 0. | |
| WILLIAM R. COTTER TREASURER | 3.00 | X | | X | | | 0. | 0. | 0. | |
| SHEILA D. PERRY TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| L. DENNIS SHAPIRO TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| LIA POORVU TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| PROF. PAULINE MAIER TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| FREDERICK G. PFANNENSTIEHL TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| G. WEST SALTONSTALL TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| CHARLES C. AMES TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| JUDITH WITTENBERG TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| HON. HILLER B. ZOBEL TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |
| FREDERICK D. BALLOU TRUSTEE | 3.00 | X | | | | | 0. | 0. | 0. | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (describe hours for related organizations in Schedule O) | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| PROF. JOYCE CHAPLIN TRUSTEE | 3.00 | X | | | | | | 0. | 0. | 0. |
| HERBERT P. DANE TRUSTEE | 3.00 | X | | | | | | 0. | 0. | 0. |
| DENNIS A. FIORI PRESIDENT | 35.00 | | | X | | | | 242,863. | 0. | 33,804. |
| PETER HOOD DIR. FINANCE / ADMIN | 35.00 | | | X | | | | 137,966. | 0. | 13,201. |
| CLIFTON J. TAYLOR EDITOR | 35.00 | | | | X | | | 148,315. | 0. | 23,715. |
| PETER DRUMMEY LIBRARIAN | 35.00 | | | | X | | | 114,355. | 0. | 13,996. |
| CONRAD WRIGHT DIR. RESEARCH | 35.00 | | | | X | | | 106,954. | 0. | 19,113. |
| BRENDA LAWSON DIR. COLLECTION SERVICES | 35.00 | | | | X | | | 103,638. | 0. | 20,028. |
| 1b Sub-total | | | | | | | | 854,091. | 0. | 123,857. |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | 0. | 0. | 0. |
| d Total (add lines 1b and 1c) | | | | | | | | 854,091. | 0. | 123,857. |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization 6

| | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | X | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. **NONE**

| (A) Name and business address | (B) Description of services | (C) Compensation |
|----------------------------------|--------------------------------|---------------------|
| | | |
| | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization 0

Part VIII Statement of Revenue

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 | |
|---|---|---|----------------------|---|---|--|----------|
| Contributions, gifts, grants and other similar amounts | 1 a Federated campaigns | 1a | | | | | |
| | b Membership dues | 1b | 106,385. | | | | |
| | c Fundraising events | 1c | | | | | |
| | d Related organizations | 1d | | | | | |
| | e Government grants (contributions) | 1e | 712,779. | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | 929,751. | | | | |
| | g Noncash contributions included in lines 1a-1f: \$ | | | | | | |
| | h Total. Add lines 1a-1f | | 1748915. | | | | |
| Program Service Revenue | 2 a SEMINARS & EVENTS | Business Code 519100 | 130,530. | 130,530. | | | |
| | b PHOTO RENTAL & REPRODU | 519100 | 48,993. | 48,993. | | | |
| | c SALE OF PUBLICATIONS | 511120 | 9,265. | 9,265. | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f All other program service revenue | | | | | | |
| | g Total. Add lines 2a-2f | | 188,788. | | | | |
| | Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | 817,253. | | | 817,253. |
| 4 Income from investment of tax-exempt bond proceeds | | | | | | | |
| 5 Royalties | | | 73,373. | | | 73,373. | |
| 6 a Gross Rents | | (i) Real | | | | | |
| | | (ii) Personal | | | | | |
| | | b Less: rental expenses | | | | | |
| | | c Rental income or (loss) | | | | | |
| d Net rental income or (loss) | | | | | | | |
| 7 a Gross amount from sales of assets other than inventory | | (i) Securities | | | | | |
| | | (ii) Other | 4,750. | | | | |
| | | b Less: cost or other basis and sales expenses | | | | | |
| | | c Gain or (loss) | 4,750. | | | | |
| d Net gain or (loss) | | | 4,750. | | | 4,750. | |
| 8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | | a | | | | | |
| | | b Less: direct expenses | b | | | | |
| | c Net income or (loss) from fundraising events | | | | | | |
| 9 a Gross income from gaming activities. See Part IV, line 19 | a | | | | | | |
| | b Less: direct expenses | b | | | | | |
| | c Net income or (loss) from gaming activities | | | | | | |
| 10 a Gross sales of inventory, less returns and allowances | a | | | | | | |
| | b Less: cost of goods sold | b | | | | | |
| | c Net income or (loss) from sales of inventory | | | | | | |
| Miscellaneous Revenue | | Business Code | | | | | |
| 11 a OTHER REVENUE | 900099 | 25,429. | 25,429. | | | | |
| b | | | | | | | |
| c | | | | | | | |
| d All other revenue | | | | | | | |
| e Total. Add lines 11a-11d | | 25,429. | | | | | |
| 12 Total revenue. See instructions. | | 2858508. | 214,217. | 0. | 895,376. | | |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII. | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 | | | | |
| 2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 | 135,000. | 135,000. | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 284,589. | | 159,589. | 125,000. |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 2,628,381. | 2,085,276. | 359,665. | 183,440. |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) | 198,285. | 141,944. | 35,345. | 20,996. |
| 9 Other employee benefits | 336,593. | 240,953. | 60,000. | 35,640. |
| 10 Payroll taxes | 201,693. | 144,384. | 35,953. | 21,356. |
| 11 Fees for services (non-employees): | | | | |
| a Management | | | | |
| b Legal | 5,143. | | 5,143. | |
| c Accounting | 54,000. | | 54,000. | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other | | | | |
| 12 Advertising and promotion | | | | |
| 13 Office expenses | | | | |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | 381,959. | 304,985. | 50,874. | 26,100. |
| 17 Travel | | | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 15,338. | 15,338. | | |
| 20 Interest | | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 299,653. | 254,705. | 29,965. | 14,983. |
| 23 Insurance | | | | |
| 24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.) | | | | |
| a PROGRAM EXPENSE | 357,574. | 281,084. | 28,786. | 47,704. |
| b CULTIVATION & MEETINGS | 93,282. | 770. | 29,981. | 62,531. |
| c OTHER EXPENSES | 73,375. | 30,096. | 34,675. | 8,604. |
| d OFFSITE STORAGE | 46,714. | 46,714. | | |
| e PRINTING | 44,000. | 28,369. | | 15,631. |
| f All other expenses | 127,459. | 53,272. | 60,375. | 13,812. |
| 25 Total functional expenses. Add lines 1 through 24f | 5,283,038. | 3,762,890. | 944,351. | 575,797. |
| 26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation | | | | |

Part X Balance Sheet

| | | (A) Beginning of year | | (B) End of year | |
|------------------------------------|---|---|-----------------|--------------------|-------------|
| Assets | 1 | Cash - non-interest-bearing | 589,256. | 1 | 652,472. |
| | 2 | Savings and temporary cash investments | | 2 | |
| | 3 | Pledges and grants receivable, net | 2,044,561. | 3 | 1,231,591. |
| | 4 | Accounts receivable, net | 15,030. | 4 | 19,603. |
| | 5 | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 6 | Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) | | 6 | |
| | 7 | Notes and loans receivable, net | | 7 | |
| | 8 | Inventories for sale or use | | 8 | |
| | 9 | Prepaid expenses and deferred charges | 44,584. | 9 | 69,349. |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 14,216,564. | | |
| | b | Less: accumulated depreciation | 10b 4,405,269. | 10c | 9,811,295. |
| | 11 | Investments - publicly traded securities | 25,683,771. | 11 | 36,041,488. |
| | 12 | Investments - other securities. See Part IV, line 11 | 33,927,471. | 12 | 33,017,035. |
| | 13 | Investments - program-related. See Part IV, line 11 | | 13 | |
| | 14 | Intangible assets | | 14 | |
| | 15 | Other assets. See Part IV, line 11 | 206,940. | 15 | 224,337. |
| 16 | Total assets. Add lines 1 through 15 (must equal line 34) | 72,116,969. | 16 | 81,067,170. | |
| Liabilities | 17 | Accounts payable and accrued expenses | 318,736. | 17 | 351,182. |
| | 18 | Grants payable | | 18 | |
| | 19 | Deferred revenue | 488,468. | 19 | 493,068. |
| | 20 | Tax-exempt bond liabilities | | 20 | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 | Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | 23 | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | 24 | |
| 25 | Other liabilities. Complete Part X of Schedule D | 117,232. | 25 | 139,395. | |
| 26 | Total liabilities. Add lines 17 through 25 | 924,436. | 26 | 983,645. | |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | | |
| | 27 | Unrestricted net assets | 27,975,600. | 27 | 32,148,686. |
| | 28 | Temporarily restricted net assets | 27,903,844. | 28 | 32,495,688. |
| | 29 | Permanently restricted net assets | 15,313,089. | 29 | 15,439,151. |
| | Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34. | | | | |
| | 30 | Capital stock or trust principal, or current funds | | 30 | |
| | 31 | Paid-in or capital surplus, or land, building, or equipment fund | | 31 | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| 33 | Total net assets or fund balances | 71,192,533. | 33 | 80,083,525. | |
| 34 | Total liabilities and net assets/fund balances | 72,116,969. | 34 | 81,067,170. | |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

| | | | |
|---|--|---|-------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 2,858,508. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 5,283,038. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | -2,424,530. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 71,192,533. |
| 5 | Other changes in net assets or fund balances (explain in Schedule O) | 5 | 11,315,522. |
| 6 | Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)) | 6 | 80,083,525. |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

| | | Yes | No |
|----|---|-----|----|
| 1 | Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? | | X |
| 2b | Were the organization's financial statements audited by an independent accountant? | X | |
| 2c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | X | |
| 2d | If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | X | |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits. | X | |

Form 990 (2010)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|--|------------|------------|------------|------------|------------|-------------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | 3,406,834. | 3,574,562. | 1,595,891. | 5,540,436. | 1,748,915. | 15,866,638. |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 Total. Add lines 1 through 3 | 3,406,834. | 3,574,562. | 1,595,891. | 5,540,436. | 1,748,915. | 15,866,638. |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | 2,224,752. |
| 6 Public support. Subtract line 5 from line 4. | | | | | | 13,641,886. |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ► | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|---|------------|------------|------------|------------|------------|--------------------------|
| 7 Amounts from line 4 | 3,406,834. | 3,574,562. | 1,595,891. | 5,540,436. | 1,748,915. | 15,866,638. |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 1,370,696. | 1,397,377. | 1,307,865. | 1,021,490. | 1,180,753. | 6,278,181. |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | 43,558. | 132,453. | 118,783. | 58,767. | 98,802. | 452,363. |
| 11 Total support. Add lines 7 through 10 | | | | | | 22,597,182. |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | 624,182. |
| 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here | | | | | | <input type="checkbox"/> |

Section C. Computation of Public Support Percentage

| | | |
|--|-------------------------------------|---------|
| 14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f)) | 14 | 60.37 % |
| 15 Public support percentage from 2009 Schedule A, Part II, line 14 | 15 | 60.72 % |
| 16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | <input checked="" type="checkbox"/> | |
| b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | <input type="checkbox"/> | |
| 17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | <input type="checkbox"/> | |
| b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | <input type="checkbox"/> | |
| 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions | <input type="checkbox"/> | |

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 Total. Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 Public support (Subtract line 7c from line 6.) | | | | | | |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ► | (a) 2006 | (b) 2007 | (c) 2008 | (d) 2009 | (e) 2010 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 13 Total support (Add lines 9, 10c, 11, and 12.) | | | | | | |

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

| | | |
|--|-----------|---|
| 15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f)) | 15 | % |
| 16 Public support percentage from 2009 Schedule A, Part III, line 15 | 16 | % |

Section D. Computation of Investment Income Percentage

| | | |
|---|-----------|---|
| 17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 Investment income percentage from 2009 Schedule A, Part III, line 17 | 18 | % |

19a 33 1/3% support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Name of the organization MASSACHUSETTS HISTORICAL SOCIETY Employer identification number 04-2108374

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include Total number at end of year, Aggregate contributions to, Aggregate grants from, Aggregate value at end of year, and questions about donor advised funds control and grant fund usage.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Form for Part II Conservation Easements. Includes questions about purpose of easements, total number and acreage, and monitoring policies. Includes a table for 'Held at the End of the Tax Year' with rows 2a, 2b, 2c, 2d.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting requirements and amounts for revenues and assets.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items

(check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

| | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | 57,351,266. | 55,416,590. | 76,817,711. | | |
| b Contributions | 385,713. | 1,777,406. | 484,146. | | |
| c Net investment earnings, gains, and losses | 12,491,482. | 5,694,930. | -17,439,384. | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | 3,072,702. | 5,230,000. | 4,144,949. | | |
| f Administrative expenses | 358,750. | 307,660. | 300,934. | | |
| g End of year balance | 66,797,009. | 57,351,266. | 55,416,590. | | |

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment 31.00 %
- b Permanent endowment 23.00 %
- c Term endowment 46.00 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

| | Yes | No |
|---|-----|----|
| (i) unrelated organizations | | X |
| (ii) related organizations | | X |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

| Description of investment | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---------------------------|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | 200,000. | | 200,000. |
| b Buildings | | 13,295,596. | 3,799,434. | 9,496,162. |
| c Leasehold improvements | | | | 0. |
| d Equipment | | 720,968. | 605,835. | 115,133. |
| e Other | | | | 0. |

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) 9,811,295.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|--------------------|--|
| (1) Financial derivatives | | |
| (2) Closely-held equity interests | | |
| (3) Other | | |
| (A) DOMESTIC EQUITIES | 372,593. | END-OF-YEAR MARKET VALUE |
| (B) INTERNATIONAL EQUITIES | 8,193,831. | END-OF-YEAR MARKET VALUE |
| (C) PRIVATE EQUITIES | 357,119. | END-OF-YEAR MARKET VALUE |
| (D) FIXED INCOME | 9,055,081. | END-OF-YEAR MARKET VALUE |
| (E) FLEXIBLE CAPITAL | 7,026,086. | END-OF-YEAR MARKET VALUE |
| (F) INFLATION HEDGES | 8,012,325. | END-OF-YEAR MARKET VALUE |
| (G) | | |
| (H) | | |
| (I) | | |
| Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶ | 33,017,035. | |

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

| (a) Description of investment type | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|--|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| (10) | | |
| Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶ | | |

Part IX Other Assets. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|--|----------------|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶ | |

Part X Other Liabilities. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Amount |
|--|-----------------|
| (1) Federal income taxes | |
| (2) LIABILITIES UNDER SPLIT-INTEREST | |
| (3) AGREEMENTS | 139,395. |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| (11) | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶ | 139,395. |

FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

| | | | |
|----|--|----|-------------|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | 1 | 2,858,508. |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 5,283,038. |
| 3 | Excess or (deficit) for the year. Subtract line 2 from line 1 | 3 | -2,424,530. |
| 4 | Net unrealized gains (losses) on investments | 4 | 11,315,522. |
| 5 | Donated services and use of facilities | 5 | |
| 6 | Investment expenses | 6 | |
| 7 | Prior period adjustments | 7 | |
| 8 | Other (Describe in Part XIV.) | 8 | |
| 9 | Total adjustments (net). Add lines 4 through 8 | 9 | 11,315,522. |
| 10 | Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 | 10 | 8,890,992. |

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

| | | | |
|---|---|----|-------------|
| 1 | Total revenue, gains, and other support per audited financial statements | 1 | 14,174,030. |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | |
| a | Net unrealized gains on investments | 2a | 11,315,522. |
| b | Donated services and use of facilities | 2b | |
| c | Recoveries of prior year grants | 2c | |
| d | Other (Describe in Part XIV.) | 2d | |
| e | Add lines 2a through 2d | 2e | 11,315,522. |
| 3 | Subtract line 2e from line 1 | 3 | 2,858,508. |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIV.) | 4b | |
| c | Add lines 4a and 4b | 4c | 0. |
| 5 | Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.) | 5 | 2,858,508. |

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

| | | | |
|---|--|----|------------|
| 1 | Total expenses and losses per audited financial statements | 1 | 5,283,038. |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | |
| a | Donated services and use of facilities | 2a | |
| b | Prior year adjustments | 2b | |
| c | Other losses | 2c | |
| d | Other (Describe in Part XIV.) | 2d | |
| e | Add lines 2a through 2d | 2e | 0. |
| 3 | Subtract line 2e from line 1 | 3 | 5,283,038. |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIV.) | 4b | |
| c | Add lines 4a and 4b | 4c | 0. |
| 5 | Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.) | 5 | 5,283,038. |

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART III, LINE 1A: THE COLLECTIONS, WHICH WERE ACQUIRED THROUGH PURCHASES AND CONTRIBUTIONS SINCE THE SOCIETY'S INCEPTION, ARE NOT RECOGNIZED AS ASSETS ON THE STATEMENTS OF FINANCIAL POSITION. PURCHASE OF COLLECTION ITEMS ARE RECORDED AS DECREASES IN UNRESTRICTED NET ASSETS IF PURCHASED WITH UNRESTRICTED ASSETS AND AS DECREASES IN TEMPORARILY RESTRICTED OR PERMANENTLY RESTRICTED NET ASSETS IF PURCHASED WITH DONOR-RESTRICTED ASSETS. CONTRIBUTIONS OF COLLECTION ITEMS ARE NOT RECOGNIZED IN THE STATEMENT OF ACTIVITIES OR AS ASSETS. PROCEEDS FROM DEACCESSIONS ARE

Part XIV Supplemental Information (continued)

REFLECTED IN THE STATEMENT OF ACTIVITIES BASED ON THE ABSENCE OR EXISTENCE AND NATURE OF DONOR-IMPOSED RESTRICTIONS.

PART III, LINE 4: THE SOCIETY'S COLLECTIONS ARE MADE UP OF MANUSCRIPTS, RARE BOOKS, PAMPHLETS, REFERENCE WORKS, ART OBJECTS AND OTHER ARTIFACTS OF HISTORICAL SIGNIFICANCE THAT ARE HELD FOR EDUCATIONAL, RESEARCH, HISTORIC, AND CURATORIAL PURPOSES. EACH OF THESE ITEMS IS CATALOGED, PRESERVED, AND CARED FOR, AND ACTIVITIES VERIFYING THEIR EXISTENCE AND ASSESSING THEIR CONDITION ARE PERFORMED CONTINUALLY.

PART X, LINE 2: THE SOCIETY EVALUATES ALL SIGNIFICANT TAX POSITIONS AS REQUIRED BY GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN THE UNITED STATES. AS OF JUNE 30, 2011, THE SOCIETY DOES NOT BELIEVE THAT IT HAS TAKEN ANY TAX POSITIONS THAT WOULD REQUIRE THE RECORDING OF ANY ADDITIONAL TAX LIABILITY NOR DOES IT BELIEVE THERE ARE ANY UNREALIZED TAX BENEFITS THAT WOULD EITHER INCREASE OR DECREASE WITHIN THE NEXT TWELVE MONTHS.

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|--|
| FELLOWSHIPS | 28 | 135,000. | 0. | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: THE ORGANIZATION PROVIDES FELLOWSHIPS FOR RESEARCHERS TO USE ITS LIBRARY. IN ADDITION, PRIOR TO DISBURSING THE FINAL FELLOWSHIP PAYMENT THE SOCIETY RECEIVES A COPY OF THE FELLOWS RESEARCH WORK PRODUCT.

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

2010

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization

MASSACHUSETTS HISTORICAL SOCIETY

Employer identification number

04-2108374

Part I Questions Regarding Compensation

| | Yes | No |
|--|----------|----------|
| <p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <p> <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Travel for companions <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Tax indemnification and gross-up payments <input checked="" type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) </p> | | |
| <p>b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain</p> | X | |
| <p>2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?</p> | X | |
| <p>3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.</p> <p> <input checked="" type="checkbox"/> Compensation committee <input type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Independent compensation consultant <input checked="" type="checkbox"/> Compensation survey or study <input type="checkbox"/> Form 990 of other organizations <input checked="" type="checkbox"/> Approval by the board or compensation committee </p> | | |
| <p>4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:</p> <p>a Receive a severance payment or change-of-control payment from the organization or a related organization?</p> <p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p> <p>c Participate in, or receive payment from, an equity-based compensation arrangement?</p> <p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p> | | |
| | | X |
| | | X |
| | | X |
| <p>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.</p> <p>5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:</p> <p>a The organization?</p> <p>b Any related organization?</p> <p>If "Yes" to line 5a or 5b, describe in Part III.</p> | | |
| | | X |
| | | X |
| <p>6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:</p> <p>a The organization?</p> <p>b Any related organization?</p> <p>If "Yes" to line 6a or 6b, describe in Part III.</p> | | |
| | | X |
| | | X |
| <p>7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III</p> | | X |
| <p>8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III</p> | | X |
| <p>9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</p> | | |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.
 For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii).
 Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

| (A) Name | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported in prior Form 990 or Form 990-EZ |
|---------------------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|--|
| | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| 1 DENNIS A. FIORI | (i) 242,863. | (ii) 0. | (iii) 0. | 0. | 33,804. | 276,667. | 0. |
| (ii) 0. | (ii) 0. | (iii) 0. | 0. | 0. | 0. | 0. | 0. |
| 2 PETER HOOD | (i) 137,966. | (ii) 0. | (iii) 0. | 0. | 13,201. | 151,167. | 0. |
| (ii) 0. | (ii) 0. | (iii) 0. | 0. | 0. | 0. | 0. | 0. |
| 3 CLIFTON J. TAYLOR | (i) 148,315. | (ii) 0. | (iii) 0. | 0. | 23,715. | 172,030. | 0. |
| (ii) 0. | (ii) 0. | (iii) 0. | 0. | 0. | 0. | 0. | 0. |
| 4 | (i) | (ii) | (iii) | | | | |
| 5 | (i) | (ii) | (iii) | | | | |
| 6 | (i) | (ii) | (iii) | | | | |
| 7 | (i) | (ii) | (iii) | | | | |
| 8 | (i) | (ii) | (iii) | | | | |
| 9 | (i) | (ii) | (iii) | | | | |
| 10 | (i) | (ii) | (iii) | | | | |
| 11 | (i) | (ii) | (iii) | | | | |
| 12 | (i) | (ii) | (iii) | | | | |
| 13 | (i) | (ii) | (iii) | | | | |
| 14 | (i) | (ii) | (iii) | | | | |
| 15 | (i) | (ii) | (iii) | | | | |
| 16 | (i) | (ii) | (iii) | | | | |

Part III. Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I, LINE 1A: THE ORGANIZATION PROVIDES A MEMBERSHIP TO A SOCIAL CLUB FOR ITS PRESIDENT. THE AMOUNTS ARE PAID PURSUANT TO THE TERMS OUTLINED IN HIS ORIGINAL OFFER OF EMPLOYMENT.

Multiple horizontal lines for supplemental information.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

Name of the organization

MASSACHUSETTS HISTORICAL SOCIETY

Employer identification number

04-2108374

| Part I | Types of Property | (a) Check if applicable | (b) Number of contributions or items contributed | (c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g | (d) Method of determining noncash contribution amounts |
|--------|---|----------------------------|---|--|---|
| 1 | Art - Works of art | | | | |
| 2 | Art - Historical treasures | | | | |
| 3 | Art - Fractional interests | | | | |
| 4 | Books and publications | | | | |
| 5 | Clothing and household goods | | | | |
| 6 | Cars and other vehicles | | | | |
| 7 | Boats and planes | | | | |
| 8 | Intellectual property | | | | |
| 9 | Securities - Publicly traded | | | | |
| 10 | Securities - Closely held stock | | | | |
| 11 | Securities - Partnership, LLC, or trust interests | | | | |
| 12 | Securities - Miscellaneous | | | | |
| 13 | Qualified conservation contribution - Historic structures | | | | |
| 14 | Qualified conservation contribution - Other | | | | |
| 15 | Real estate - Residential | | | | |
| 16 | Real estate - Commercial | | | | |
| 17 | Real estate - Other | | | | |
| 18 | Collectibles | | | | |
| 19 | Food inventory | | | | |
| 20 | Drugs and medical supplies | | | | |
| 21 | Taxidermy | | | | |
| 22 | Historical artifacts | | | | |
| 23 | Scientific specimens | | | | |
| 24 | Archeological artifacts | | | | |
| 25 | Other ▶ (SEE PART II) | X | 95 | 0. | |
| 26 | Other ▶ (_____) | | | | |
| 27 | Other ▶ (_____) | | | | |
| 28 | Other ▶ (_____) | | | | |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

| | Yes | No |
|---|----------|----------|
| 30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? | | X |
| b If "Yes," describe the arrangement in Part II. | | |
| 31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? | X | |
| 32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? | | X |
| b If "Yes," describe in Part II. | | |
| 33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II. | | |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2010)

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

SCHEDULE M, PART I, COLUMN (B): LINE 25 - INCLUDES BOOKS, ARTIFACTS, MANUSCRIPTS, FAMILY RECORDS, LETTERS, CORRESPONDENCE, CORPORATE DOCUMENTS, MAPS AND BROADSIDES. THE SOCIETY'S POLICY, AS DESCRIBED IN SCHEDULE D, IS NOT TO RECORD THE VALUE OF DONATED COLLECTION ITEMS AS ASSETS.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

MASSACHUSETTS HISTORICAL SOCIETY

Employer identification number
04-2108374

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

**PURPOSES OF PROVIDING A MAJOR RESEARCH LIBRARY OF AMERICANA. ITS
LIBRARY CONTAINS CHOICE MANUSCRIPTS, RARE BOOKS, PAMPHLETS, NEWSPAPERS
AND REFERENCE WORKS AND IS OPEN, FREE OF CHARGE, TO HISTORIANS, FACULTY
MEMBERS, GRADUATE STUDENTS AND THOSE INTERESTED IN HISTORICAL RESEARCH.**

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SINCE 1791.

**FORM 990, PART VI, SECTION A, LINE 6: THE SOCIETY HAS ELECTED MEMBERS,
KNOWN AS FELLOWS, THAT ELECT THE TRUSTEES AND OFFICERS. THE SOCIETY'S
GENERAL MEMBERSHIP DOES NOT HAVE VOTING RIGHTS.**

**FORM 990, PART VI, SECTION A, LINE 7A: THE SOCIETY'S FELLOWS ELECT THE
ORGANIZATION'S TRUSTEES AND OFFICERS AT THE SOCIETY'S ANNUAL MEETING. THE
FELLOWS ELECT NEW FELLOWS FROM THE SOCIETY'S GENERAL MEMBERSHIP.**

**FORM 990, PART VI, SECTION A, LINE 7B: IN ADDITION TO ELECTING THE BOARD
AND OFFICERS, THE SOCIETY'S FELLOWS MUST APPROVE ANY AMENDMENTS TO THE
BY-LAWS OR CHANGES TO THE GOVERNING DOCUMENTS.**

**FORM 990, PART VI, SECTION B, LINE 11: THE ORGANIZATION PROVIDES A DRAFT
OF THE FORM 990 TO ITS FINANCE COMMITTEE FOR THEIR REVIEW PRIOR TO FILING.
ADDITIONALLY, A DRAFT COPY OF THE FORM 990 IS MADE AVAILABLE TO ALL BOARD
MEMBERS FOR COMMENT PRIOR TO FILING.**

Name of the organization

MASSACHUSETTS HISTORICAL SOCIETY

Employer identification number

04-2108374

FORM 990, PART VI, SECTION B, LINE 12C: ANNUALLY, THE SOCIETY DISTRIBUTES A QUESTIONNAIRE TO OFFICERS, DIRECTORS, AND KEY EMPLOYEES REQUIRING THEM TO DISCLOSE ANY CONFLICTS OF INTEREST. THE SOCIETY REQUIRES THAT ALL PERSONS TO WHOM THE QUESTIONNAIRE IS DISTRIBUTED COMPLETE IT IN A TIMELY MANNER.

FORM 990, PART VI, SECTION B, LINE 15: EACH YEAR THE CHAIR OF THE BOARD OF TRUSTEES APPOINTS A COMPENSATION COMMITTEE MADE UP OF TRUSTEES TO REVIEW THE PERFORMANCE AND COMPENSATION OF THE PRESIDENT/CEO AND COMPARABLE COMPENSATION DATA AND TO MAKE A RECOMMENDATION TO THE BOARD, WHICH THEN MAKES THE FINAL DECISION. THE DELIBERATIONS AND DECISION OF BOTH THE COMMITTEE AND THE BOARD ARE CONTEMPORANEOUSLY RECORDED IN THE MINUTES.

EACH YEAR THE PRESIDENT, AS CEO, REVIEWS THE PERFORMANCE AND COMPENSATION OF THE KEY EMPLOYEES AND COMPARABLE COMPENSATION DATA AND REPORTS HIS DECISIONS TO THE BOARD OF TRUSTEES, WHICH ARE INCORPORATED INTO THE ANNUAL BUDGET OF THE ORGANIZATION WHICH IS APPROVED BY THE BOARD. THE DELIBERATIONS AND DECISIONS OF THE PRESIDENT ARE CONTEMPORANEOUSLY RECORDED AS IS THE APPROVAL OF THE BUDGET BY THE BOARD.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION'S FORM 990 AND FINANCIAL STATEMENTS ARE AVAILABLE ON THE MASSACHUSETTS ATTORNEY GENERAL'S WEBSITE. IN ADDITION, THE ORGANIZATION WILL PROVIDE, UPON REQUEST, COPIES OF FORM 990 FOR THREE YEARS AFTER THE RELATED FISCAL YEAR END AND COPIES OF ANY OF THE ORGANIZATION'S GOVERNING DOCUMENTS AND POLICES.

FORM 990, PART IX, LINE 11F

INVESTMENT FEES

INVESTMENT FEES OF \$358,750 ARE CHARGED AGAINST INVESTMENT INCOME AS

Name of the organization

MASSACHUSETTS HISTORICAL SOCIETY

Employer identification number

04-2108374

DISCLOSED IN SCHEDULE D PART V, LINE F

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED GAINS ON INVESTMENTS:

11,315,522.

The Commonwealth of Massachusetts
OFFICE OF THE ATTORNEY GENERAL
NON-PROFIT ORGANIZATIONS/PUBLIC CHARITIES DIVISION
ONE ASHBURTON PLACE
BOSTON, MASSACHUSETTS 02108

Office Use Only: Fiscal Year

(617) 727-2200, ext. 2101
www.mass.gov/ago/charities

Form PC

Report for the Fiscal Period: 07/01/10 to 06/30/11

Attorney General's Account #: 005763

Federal ID #: 04-2108374

When did the organization first engage in charitable work in Massachusetts? 02/10/1791

Has the organization applied for or been granted IRS tax exempt status? Yes No

If yes, date of application OR date of determination letter: 12/01/34

IRS Exemption under 501(c): 3

If exempt under 501(c), are contributions to the organization tax deductible as charitable contributions? Yes No

| Check all items attached (if applicable) | |
|--|-------------------------------------|
| <input checked="" type="checkbox"/> | Schedule A-1 |
| <input checked="" type="checkbox"/> | Schedule A-2 |
| <input type="checkbox"/> | Schedule RO |
| <input type="checkbox"/> | Probate Account |
| <input checked="" type="checkbox"/> | Copy of IRS Return |
| <input checked="" type="checkbox"/> | Audited Financial Statements/Review |
| <input checked="" type="checkbox"/> | Filing Fee |
| <input type="checkbox"/> | Amended Articles/By-Laws |

Organization Data

Name: MASSACHUSETTS HISTORICAL SOCIETY

Mailing Address: 1154 BOYLSTON STREET

City: BOSTON State: MA ZIP: 02215-3695

Phone Number: 617-536-1608 Fax Number: 617-859-0074

Email: INFO@MASSHIST.ORG Website: WWW.MASSHIST.ORG

In the table below, please enter the appropriate codes from the corresponding tables found in the instructions. Enter up to 2 codes from Table 3 for your organization's main purpose(s)

| Category | Code | Category | Code |
|--------------------------------|------|-----------------------------|------|
| County (Table 1) | 13 | Organization Purpose Code 1 | 26 |
| Type of Organization (Table 2) | 1 | Organization Purpose Code 2 | 23 |

Please check box if final return prior to dissolution:

Office Use Only: Payment Received

All questions must be completed in their entirety whether or not similar questions are answered in an attached federal form. See instructions and definition section for guidance.

1. On what date was the organization created? 02/10/1791

2. Where was the organization created? BOSTON, MA

3. What is the form of organization? (check one)

| | | | |
|----------------------------|-------------------------------------|--------------------|--------------------------|
| Corporation | <input checked="" type="checkbox"/> | Testamentary Trust | <input type="checkbox"/> |
| Unincorporated Association | <input type="checkbox"/> | Inter Vivos Trust | <input type="checkbox"/> |

Other (please describe): _____

4. Was your organization related to any other organization(s) during the reporting year (see definition of "Related Organization")? If yes, please complete the Schedule RO on pages 13 and 14. Yes No

5. Enter your summary of financial data:

| Financial Data | | Amounts |
|----------------|--|-------------|
| A. | Contributions, gifts, grants, and similar amounts received | 1,748,915. |
| B. | Gross support and revenue | 2,853,758. |
| C. | Program services and similar amounts paid out | 3,762,890. |
| D. | Fundraising expenses | 575,797. |
| E. | Management and general expenses | 944,351. |
| F. | Payments to affiliates | 0. |
| G. | Total expenses | 5,283,038. |
| H. | Net assets or fund balances at the end of the year | 80,083,525. |

6. List the total compensation you provided to your five highest paid employees:

| | Name/Title | Hrs/Week | Salary and Other Income | Benefit Plans | Other Compensation |
|----|--------------------------------|----------|-------------------------|---------------|--------------------|
| 1. | DENNIS A. FIORI PRESIDENT | 35.00 | 249,923. | 34,666. | 0. |
| 2. | C. JAMES TAYLOR EDITOR | 35.00 | 154,174. | 24,507. | 0. |
| 3. | PETER N. HOOD FIN. DIR. | 35.00 | 144,242. | 13,451. | 0. |
| 4. | PETER DRUMMEY LIBRARIAN | 35.00 | 117,820. | 14,480. | 0. |
| 5. | CONRAD WRIGHT DIR. RESEARCH | 35.00 | 112,521. | 20,031. | 0. |

7. Was any compensation provided to any of the individuals listed in question 6 above which was not quantified in your response to 6? If yes, please provide explanation (attach separate sheet). Yes No

8. List the name, amount of compensation paid, and the nature of services rendered by each of the organization's five highest paid consultants providing professional services (e.g. attorneys, architects, accountants, management companies, investment advisors, professional solicitors, professional fundraising counsel).

| | Name/Title | Amount of Compensation | Type(s) of Service |
|----|--------------------------------|------------------------|-----------------------|
| 1. | ENERACTIVE SOLUTIONS | 99,500. | ENERGY CONSULTANT |
| 2. | SHAWMUT DESIGN AND CONSTRUCTIO | 79,212. | CONSTRUCTION MANAGERS |
| 3. | ALLEN ASSOCIATES | 71,278. | RESEARCHER / EDITOR |
| 4. | EMCOR SERVICES | 68,731. | BUILDING SERVICES |
| 5. | IAM TECHNOLOGY, INC | 67,609. | SECURITY CONSULTANT |

9. Bank(s) in which the organization's funds are deposited (include bank addresses and phone numbers):

| Bank | Address | Phone Number |
|---------------|----------------------------------|----------------|
| CITIZENS BANK | 53 STATE STREET BOSTON, MA 02109 | 1-800-922-9999 |
| | | |
| | | |

10. What is the organization's accounting method? Cash Accrual

Other (specify): _____

11. If organization's mailing address is a P.O. Box, list the organization's full street address:

Address: _____

City: _____ State: _____ ZIP Code: _____

12. Contact Person Name: PETER N. HOOD

Street Address: 1154 BOYLSTON STREET

City: BOSTON State: MA ZIP Code: 02215

Phone Number: 617-646-0573

13. During the fiscal year reported here, did your organization solicit contributions or have funds solicited on its behalf? Yes No
14. At any time during the fiscal year following the year reported here, will your organization, or others acting on its behalf, solicit contributions? Yes No
 If you answered yes to Question 13 or 14, you must complete Schedule A-1 and/or Schedule A-2 unless you are exempt from the solicitation certificate requirement.
15. If you are claiming an exemption from the solicitation certificate requirement, please indicate by checking the box to the right to identify which exemption applies to your organization.

| | |
|--|--------------------------|
| a religious organization | <input type="checkbox"/> |
| an organization which: (a) does not raise more than \$5,000 during a calendar year OR does not receive contributions from more than ten persons during a calendar year; AND (b) carries out all of its activities, including fundraising, through unpaid volunteers. (The conditions at both (a) and (b) must be met for your organization to qualify for this exemption.) | <input type="checkbox"/> |

16. Attach a list of names, addresses (street and/or mailing), and telephone numbers of other offices/chapters/branches/affiliates.
STATEMENT 1
17. Attach a list of names, titles, and addresses (street and/or mailing) of officers, directors, trustees, and the principal salaried executives of organization.
STATEMENT 2
18. Attach a list of names, titles, and addresses (street and/or mailing) of any individual(s) authorized to sign checks, and any individual(s) responsible for: custody of funds; distribution of funds; fundraising; and custody of financial records.
STATEMENT 3
19. Has this organization or any of its officers, directors, employees or fundraisers solicited funds in any other state? Yes No

If you attach list of states where solicitation was conducted, including registered agency, dates of registration, registration numbers, any other names under which the organization was/is registered, and the dates and type (mail, telephone, door to door, special events, etc.) of the solicitation conducted.

FORM PC

PAGE 4 LINE 18

STATEMENT 3

NAME

AREA OF RESPONSIBILITY

WILLIAM COTTER

RESPONSIBLE FOR CUSTODY OF FUNDS

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NAME

AREA OF RESPONSIBILITY

WILLIAM COTTER

RESPONSIBLE FOR DISTRIBUTION OF FUNDS

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NAME

AREA OF RESPONSIBILITY

ENNIS A. FIORI

RESPONSIBLE FOR FUNDRAISING

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NAME

AREA OF RESPONSIBILITY

PETER N. HOOD

CUSTODY OF FINANCIAL RECORDS

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NAME

AREA OF RESPONSIBILITY

PETER DRUMMEY

AUTHORIZED TO SIGN CHECKS

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NAME

AREA OF RESPONSIBILITY

ENNIS A. FIORI

AUTHORIZED TO SIGN CHECKS

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NAME

AREA OF RESPONSIBILITY

PETER N.HOOD

AUTHORIZED TO SIGN CHECKS

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NAME

AREA OF RESPONSIBILITY

WILLIAM C. CLENDANIEL

AUTHORIZED TO SIGN CHECKS

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NAME

AREA OF RESPONSIBILITY

WILLIAM COTTER

AUTHORIZED TO SIGN CHECKS

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

20. Has this organization or any of its officers, directors, or employees:

If yes, please attach an explanation.

- (a) Been enjoined or otherwise prohibited by a government agency/court from operating or soliciting contributions? Yes No
- (b) Ever been refused registration or had its registration or tax exemption denied, suspended, modified or revoked by a governmental agency? Yes No
- (c) Been the subject of a proceeding regarding any solicitation or registration? Yes No
- (d) Entered into a voluntary agreement of compliance or consent judgment with any government agency or in a case before a court or administrative agency? Yes No

21. Have any restrictions been removed during the year from donor-restricted funds?

If yes, please attach an explanation.

Yes No

22. Have donor-restricted funds been loaned to unrestricted funds?

If yes, please attach an explanation.

Yes No

23. This question involves "Termination of Employment or Changes of Control Compensatory Arrangements" with certain "Related Parties" (see instructions and definition sections). Report only if payments made or promised to any individual are in excess of four months salary or \$100,000, whichever dollar amount is less.

- (a) Did you make actual payments or otherwise transfer value under such an arrangement to any individual described in Related Party definition, sections (a) or (b), which payments are not reported in Question 6 or 7 above? Yes No
- (b) Do you have an agreement with any individual described in Related Party definition, sections (a) or (b), containing such an agreement? Yes No

If you answered yes for Question 23(a) or 23(b) above, please attach an explanation identifying the individual(s) involved, stating the amount of any payments made or value transferred, and describing the terms of each agreement.

24. This question applies to related party transactions, which include transactions with officers, directors, trustees, certain employees, relative, and organizations they own or control. Please consult the instructions and definition sections for the definition of a "Related Party" and "Indebtedness" before answering. Note that transactions involving related parties must be reported even when there is no accounting recognition (e.g. in-kind gifts, waiver of interest not otherwise reported).

If the answer to any part of Question 24 is yes, attach a schedule stating the name and address of the related party, the nature of the transaction, the value or the amounts involved in the transaction, and the procedure followed in authorizing the transaction.

| During the year: | | | |
|------------------|---|---|--|
| A. | Has your organization sold or transferred assets to or purchased assets from or exchanged assets with a related party? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| B. | Has your organization leased assets to or leased assets from a related party? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| C. | Has your organization been indebted to a related party? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| D. | Has your organization allowed a related party to be indebted to it? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| E. | Has your organization made or held an investment in a related party? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| F. | Has your organization furnished goods, services, or facilities to a related party? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| G. | Has your organization acquired goods, services, or facilities from a related party who received compensation or other value in return? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| H. | Has your organization paid or become obligated to pay wages, salary, or other compensation to a related party? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| I. | Has your organization transferred income or assets to or for use by a related party? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| J. | Was your organization a party to any transaction in which any of its officers, directors, or trustees has a material financial interest, or did any officer, director, or trustee receive anything of value not reported as compensation? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| K. | Has your organization invested in any corporate stock of a company in which any officer, director, or trustee owns more than 10% of the outstanding shares? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| L. | Is any property of the organization held in the name of or commingled with the property of any other person or organization? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| M. | Did your organization make a grant award or contribution to any other organization in which any of this organization's officers, directors, or trustees has a relationship? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

STATEMENT 4

FORM PC

PAGE 6 LINE 24

STATEMENT 4

NAME

DENNIS A. FIORI, PRESIDENT

ADDRESS

154 BOYLSTON STREET BOSTON, MA 02215

NATURE OF TRANSACTION

AMOUNT INVOLVED

PAYROLL & BENEFITS

284,589.

PROCEDURE FOLLOWED

BOARD APPROVAL

Signature Required

Under penalty of perjury, I declare that the information furnished in this report, including all attachments, is true and correct to the best of my knowledge.

Signature: _____

Date: 5/10/12

Printed Name: _____

Title: PRESIDENT

Name of Preparer: BRAVER P.C.

Address 117 KENDRICK STREET, SUITE 800

City NEEDHAM

State MA

ZIP Code 02494

Phone Number 617-969-3300

Schedule A-1

Solicitation Activities During Fiscal Year Covered By This Report

List any names which will be used by the organization in connection with the solicitation of funds, other than the official name which appears on page 1.

Types of solicitation activities in which you expect to engage (check all that apply):

| | | | |
|--|-------------------------------------|---------------------------------------|-------------------------------------|
| Mass Mailing | <input type="checkbox"/> | Via the Internet | <input type="checkbox"/> |
| Door-to-door | <input type="checkbox"/> | Raffle, beano, bingo or gaming event | <input type="checkbox"/> |
| Entertainment event | <input checked="" type="checkbox"/> | Sale of goods other than by telephone | <input type="checkbox"/> |
| Telemarketing without sale of goods or ads | <input type="checkbox"/> | Individual Mailings | <input checked="" type="checkbox"/> |
| Telemarketing with sale of goods | <input type="checkbox"/> | Corporate solicitations | <input checked="" type="checkbox"/> |
| Telemarketing with sale of ads | <input type="checkbox"/> | Grant Proposals | <input checked="" type="checkbox"/> |

Other (specify): _____

Identify the method or methods you expect to use for the fundraising (check all that apply):

| | | | |
|-----------------------------------|--------------------------|---------------|-------------------------------------|
| Professional solicitor* | <input type="checkbox"/> | Own employees | <input checked="" type="checkbox"/> |
| Professional fundraising counsel* | <input type="checkbox"/> | Volunteers | <input checked="" type="checkbox"/> |
| Commercial co-venturer* | <input type="checkbox"/> | | |

* Provide applicable names and addresses:

Professional Solicitor Name: _____

Address _____

City _____ State _____ ZIP Code _____

Professional Fundraising Counsel Name: _____

Address _____

City _____ State _____ ZIP Code _____

Commercial Co-Venturer Name: _____

Address _____

City _____ State _____ ZIP Code _____

Schedule A-1 ctd.

Solicitation Activities During Fiscal Year Covered By This Report

Identify the individuals who will have final responsibility for the charity's custody of contributions:

WILLIAM R. COTTER

Name and Title: TREASURER

Address 1154 BOYLSTON STREET

City BOSTON

State MA

ZIP Code 02215

Name and Title: _____

Address _____

City _____

State _____

ZIP Code _____

Name and Title: _____

Address _____

City _____

State _____

ZIP Code _____

Identify the individuals who will have final responsibility for the charity's distribution of contributions:

WILLIAM R. COTTER

Name and Title: TREASURER

Address 1154 BOYLSTON STREET

City BOSTON

State MA

ZIP Code 02215

Name and Title: _____

Address _____

City _____

State _____

ZIP Code _____

Name and Title: _____

Address _____

City _____

State _____

ZIP Code _____

Schedule A-2

Solicitation Activities Planned for Fiscal Year Which Follows the Reporting Year

List any names which will be used by the organization in connection with the solicitation of funds, other than the official name which appears on page 1.

Types of solicitation activities in which you expect to engage (check all that apply):

| | | | |
|--|-------------------------------------|---------------------------------------|-------------------------------------|
| Mass Mailing | <input type="checkbox"/> | Via the Internet | <input type="checkbox"/> |
| Door-to-door | <input type="checkbox"/> | Raffle, beano, bingo or gaming event | <input type="checkbox"/> |
| Entertainment event | <input checked="" type="checkbox"/> | Sale of goods other than by telephone | <input type="checkbox"/> |
| Telemarketing without sale of goods or ads | <input type="checkbox"/> | Individual Mailings | <input checked="" type="checkbox"/> |
| Telemarketing with sale of goods | <input type="checkbox"/> | Corporate solicitations | <input checked="" type="checkbox"/> |
| Telemarketing with sale of ads | <input type="checkbox"/> | Grant Proposals | <input checked="" type="checkbox"/> |

Other (specify): _____

Identify the method or methods you expect to use for the fundraising (check all that apply):

| | | | |
|-----------------------------------|--------------------------|---------------|-------------------------------------|
| Professional solicitor* | <input type="checkbox"/> | Own employees | <input checked="" type="checkbox"/> |
| Professional fundraising counsel* | <input type="checkbox"/> | Volunteers | <input checked="" type="checkbox"/> |
| Commercial co-venturer* | <input type="checkbox"/> | | |

* Provide applicable names and addresses:

Professional Solicitor Name: _____

Address _____

City _____ State _____ ZIP Code _____

Professional Fundraising Counsel Name: _____

Address _____

City _____ State _____ ZIP Code _____

Commercial Co-Venturer Name: _____

Address _____

City _____ State _____ ZIP Code _____

Solicitation Activities Planned for Fiscal Year Which Follows the Reporting Year

Identify the individuals who will have final responsibility for the charity's custody of contributions:

WILLIAM R. COTTER

Name and Title: **TREASURER**

Address **1154 BOYLSTON STREET**

City **BOSTON**

State **MA**

ZIP Code **02215**

Name and Title: _____

Address _____

City _____

State _____

ZIP Code _____

Name and Title: _____

Address _____

City _____

State _____

ZIP Code _____

Identify the individuals who will have final responsibility for the charity's distribution of contributions:

WILLIAM R. COTTER

Name and Title: **TREASURER**

Address **1154 BOYLSTON STREET**

City **BOSTON**

State **MA**

ZIP Code **02215**

Name and Title: _____

Address _____

City _____

State _____

ZIP Code _____

Name and Title: _____

Address _____

City _____

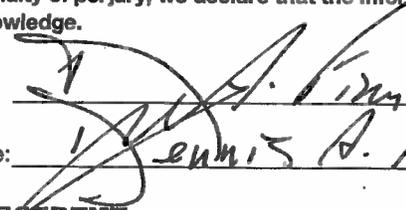
State _____

ZIP Code _____

Certification by Organization

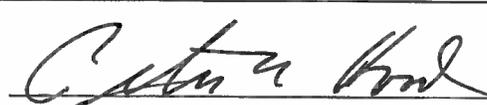
Two different signatures required. Signers must be organization president or other authorized officer or trustee.

Under penalty of perjury, we declare that the information furnished in this report, including all attachments, is true and correct to the best of our knowledge.

Signature:  Date: 5/10/12

Print Name: Dennis A. Fiori

Title: PRESIDENT

Signature:  Date: 5/10/12

Print Name: Peter N. Hood

Title: DIR. OF FINANCE AND ADMIN

Schedule RO

1. Please read the instructions and definition of "Related Organization" carefully before completing this section. (If you have more than five Related Organizations, please attach a list)

| | | | | |
|--------------|--|--|--|--------------------------------|
| Name: | | Primary purpose or activity: | | |
| FYE | A. Donor restricted funds (-) liabilities | B. 3rd party restricted funds (-) liabilities | C. Unrestricted funds (-) liabilities | D. Total net assets (A+B+C) |

| | | | | |
|--------------|--|--|--|--------------------------------|
| Name: | | Primary purpose or activity: | | |
| FYE | A. Donor restricted funds (-) liabilities | B. 3rd party restricted funds (-) liabilities | C. Unrestricted funds (-) liabilities | D. Total net assets (A+B+C) |

| | | | | |
|--------------|--|--|--|--------------------------------|
| Name: | | Primary purpose or activity: | | |
| FYE | A. Donor restricted funds (-) liabilities | B. 3rd party restricted funds (-) liabilities | C. Unrestricted funds (-) liabilities | D. Total net assets (A+B+C) |

| | | | | |
|--------------|--|--|--|--------------------------------|
| Name: | | Primary purpose or activity: | | |
| FYE | A. Donor restricted funds (-) liabilities | B. 3rd party restricted funds (-) liabilities | C. Unrestricted funds (-) liabilities | D. Total net assets (A+B+C) |

| | | | | |
|--------------|--|--|--|--------------------------------|
| Name: | | Primary purpose or activity: | | |
| FYE | A. Donor restricted funds (-) liabilities | B. 3rd party restricted funds (-) liabilities | C. Unrestricted funds (-) liabilities | D. Total net assets (A+B+C) |

Schedule RO ctd.

2. List the total compensation paid by your organization and/or any other related organization to your chief executive (e.g. executive director) and to the four other current or former directors, trustees, officers, or employees within the system of related organizations identified at question 1, above, receiving the highest aggregate compensation (see *instructions*). Use additional lines below to itemize by compensation source.

| | | | |
|-----------------------|---------------------------------|-----------------------|----------------------------|
| Name: | | Title: | |
| Income Source: | Salary and Other Income: | Benefits Plan: | Other Compensation: |
| | | | |

| | | | |
|-----------------------|---------------------------------|-----------------------|----------------------------|
| Name: | | Title: | |
| Income Source: | Salary and Other Income: | Benefits Plan: | Other Compensation: |
| | | | |

| | | | |
|-----------------------|---------------------------------|-----------------------|----------------------------|
| Name: | | Title: | |
| Income Source: | Salary and Other Income: | Benefits Plan: | Other Compensation: |
| | | | |

| | | | |
|-----------------------|---------------------------------|-----------------------|----------------------------|
| Name: | | Title: | |
| Income Source: | Salary and Other Income: | Benefits Plan: | Other Compensation: |
| | | | |

| | | | |
|-----------------------|---------------------------------|-----------------------|----------------------------|
| Name: | | Title: | |
| Income Source: | Salary and Other Income: | Benefits Plan: | Other Compensation: |
| | | | |

3. Is asset and/or compensation information for religious organizations and/or certain non-charitable entities related to foundations excluded pursuant to instructions?

Yes No

Massachusetts Historical Society, Inc.

Financial Statements

**For the Years Ended
June 30, 2011 and 2010**

Contents

| | Page |
|--|-------------|
| Report of independent auditors | 1 |
| Financial statements | |
| Statements of financial position | 2 |
| Statement of activities (with comparative totals for 2010) | 3 |
| Statements of functional expenses | 4 |
| Statements of cash flows | 5 |
| Notes to financial statements | 6-17 |

REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees
Massachusetts Historical Society, Inc.
Boston, Massachusetts

We have audited the accompanying statements of financial position of Massachusetts Historical Society, Inc. (a nonprofit organization) as of June 30, 2011 and 2010, and the related statements of functional expenses and cash flows for the years then ended, and the statement of activities for the year ended June 30, 2011. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information in the statement of activities has been derived from the Society's June 30, 2010 financial statements and in our report dated February 17, 2011, we expressed an unqualified opinion on those financial statements.

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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Massachusetts Historical Society, Inc. as of June 30, 2011 and 2010, and its cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2011, in conformity with accounting principles generally accepted in the United States of America.

Braver PC
Needham, Massachusetts
January 3, 2012

Massachusetts Historical Society, Inc.

Statements of Financial Position
June 30, 2011 and 2010

2011

| Assets | 2011 | | | 2010 Total |
|---|----------------------|---------------------------|---------------------------|----------------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| Cash and cash equivalents | \$ 353,472 | \$ 299,000 | \$ - | \$ 652,472 |
| Accounts and grants receivable, net | 19,603 | 1,041,291 | - | 1,060,894 |
| Pledges receivable, net | 550 | 189,750 | - | 190,300 |
| Split-interest agreements | - | 224,337 | - | 224,337 |
| Endowment investments | 20,763,925 | 30,593,933 | 15,439,151 | 66,797,009 |
| Other investments | 1,974,742 | 286,772 | - | 2,261,514 |
| Prepaid expenses | 69,349 | - | - | 69,349 |
| Property and equipment, net | 9,811,295 | - | - | 9,811,295 |
| Total assets | \$ 32,992,936 | \$ 32,635,083 | \$ 15,439,151 | \$ 81,067,170 |
| Liabilities and Net Assets | | | | |
| Liabilities | | | | |
| Accounts payable and accrued expenses | \$ 351,182 | \$ - | \$ - | \$ 351,182 |
| Deferred dues revenue | 71,964 | - | - | 71,964 |
| Split-interest agreements | - | 139,395 | - | 139,395 |
| Deferred lease revenue | 421,104 | - | - | 421,104 |
| Total liabilities | 844,250 | 139,395 | - | 983,645 |
| Net assets | | | | |
| Unrestricted | 25,841,768 | - | - | 25,841,768 |
| Trustee designated | 6,306,918 | - | - | 6,306,918 |
| Total unrestricted | 32,148,686 | - | - | 32,148,686 |
| Temporarily restricted | - | 32,495,688 | - | 32,495,688 |
| Permanently restricted | - | - | 15,439,151 | 15,439,151 |
| Total net assets | 32,148,686 | 32,495,688 | 15,439,151 | 80,083,525 |
| Total liabilities and net assets | \$ 32,992,936 | \$ 32,635,083 | \$ 15,439,151 | \$ 81,067,170 |

The accompanying notes are an integral part of these financial statements

Massachusetts Historical Society, Inc.

Statement of Activities
For the Year Ended June 30, 2011
(with Comparative Totals for 2010)

| | 2011 | | | 2010 Total |
|---|---------------|---------------------------|---------------------------|---------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| Revenues and support | | | | |
| Gifts | \$ 648,020 | \$ 137,088 | \$ 236,281 | \$ 1,021,389 |
| Bequests | 500 | - | 50,087 | 50,587 |
| Grants | 385,247 | 185,307 | - | 570,554 |
| Endowment support for operations | 3,072,702 | - | - | 3,072,702 |
| Endowment support for debt reduction | - | - | - | - |
| Deaccession proceeds | 4,750 | - | - | 4,750 |
| Members and Fellows dues | 106,385 | - | - | 106,385 |
| Royalties, reproductions and rights | 122,366 | - | - | 122,366 |
| Seminars, conferences, workshops and other events | 130,530 | - | - | 130,530 |
| Sales of publications | 9,265 | - | - | 9,265 |
| Miscellaneous income | 8,031 | 17,398 | - | 25,429 |
| Investment income from other investments | 43 | - | - | 43 |
| Endowment activity | - | - | - | - |
| Investment income, net of fees | 245,406 | 571,804 | - | 817,210 |
| Realized and unrealized gains on investments | 3,398,068 | 7,917,454 | - | 11,315,522 |
| Endowment draw for operations | (3,072,702) | - | - | (3,072,702) |
| Endowment draw for debt reduction | - | - | - | - |
| Net assets released from restrictions | 4,397,513 | (4,237,207) | (160,306) | - |
| Operating expenses | 9,456,124 | 4,591,844 | 126,062 | 14,174,030 |
| Programs | 3,762,890 | - | - | 3,762,890 |
| Management and general | 944,351 | - | - | 944,351 |
| Fundraising | 575,797 | - | - | 575,797 |
| Change in net assets | 5,283,038 | - | - | 5,283,038 |
| Net assets at beginning of year | 4,173,086 | 4,591,844 | 126,062 | 8,890,992 |
| Net assets at end of year | 27,975,600 | 27,903,844 | 15,313,089 | 71,192,533 |
| | \$ 32,148,686 | \$ 32,495,688 | \$ 15,439,151 | \$ 80,083,525 |
| | | | | \$ 71,192,533 |

The accompanying notes are an integral part of these financial statements

Massachusetts Historical Society, Inc.

**Statements of Functional Expenses
For the Years Ended June 30, 2011 and 2010**

| | <u>2011</u> | <u>2010</u> |
|---|---------------------|---------------------|
| Programs | | |
| Salaries, taxes and benefits | \$ 2,612,557 | \$ 2,534,368 |
| Occupancy costs | 304,985 | 234,764 |
| Depreciation | 254,705 | 235,728 |
| Computer supplies, software and support | 13,878 | 10,310 |
| Program expenses: | | |
| Research fellows and projects | 220,999 | 194,688 |
| Public programs and workshops | 155,265 | 51,489 |
| Collections processing | 39,820 | 52,749 |
| Books and manuscripts | 3,514 | 32,778 |
| Printing | 28,369 | 25,007 |
| Conservation | 25,055 | 15,901 |
| Offsite storage | 46,714 | 43,664 |
| Seminars and conferences | 15,338 | 6,670 |
| Consulting and outside services | 4,825 | 10,928 |
| Cultivation, meetings and events | 770 | 721 |
| Sponsorship expense | 6,000 | - |
| Other expenses | 30,096 | 54,263 |
| | <u>\$ 3,762,890</u> | <u>\$ 3,504,028</u> |
| Management and general | | |
| Salaries, taxes and benefits | \$ 650,552 | \$ 510,368 |
| Occupancy costs | 50,874 | 63,879 |
| Depreciation | 29,965 | 27,733 |
| HEFA bond interest and fees | - | 63,197 |
| Computer supplies, software and support | 12,285 | 5,790 |
| Books and manuscripts | 22,454 | 1,778 |
| Enhanced public outreach | 28,786 | - |
| Auditing | 54,000 | 54,312 |
| Legal | 5,143 | 14,381 |
| Consulting and outside services | 25,636 | 17,191 |
| Cultivation, meetings and events | 29,981 | 33,662 |
| Other expenses | 34,675 | 36,933 |
| | <u>\$ 944,351</u> | <u>\$ 829,224</u> |
| Fundraising | | |
| Salaries, taxes and benefits | \$ 386,432 | \$ 357,284 |
| Occupancy costs | 26,100 | 17,498 |
| Depreciation | 14,983 | 13,866 |
| Computer supplies, software and support | 11,962 | 11,558 |
| Printing | 15,631 | 13,382 |
| Enhanced public outreach | 47,704 | - |
| Consulting and outside services | 1,850 | 3,000 |
| Cultivation, meetings and events | 62,531 | 50,681 |
| Other expenses | 8,604 | 11,239 |
| | <u>\$ 575,797</u> | <u>\$ 478,508</u> |

Massachusetts Historical Society, Inc.

**Statements of Cash Flows
For the Years Ended June 30, 2011 and 2010**

| | <u>2011</u> | <u>2010</u> |
|---|--------------------|--------------------|
| Cash flows from operating activities | | |
| Change in net assets | \$ 8,890,992 | \$ 6,374,522 |
| Adjustments to reconcile change in net assets to net cash used in operating activities | | |
| Depreciation | 299,653 | 277,327 |
| Unrealized (gains) losses from split-interest agreements | (17,397) | 3,471 |
| Gifts and grants for endowment | (685,712) | (1,777,404) |
| Investment income, net of management fees, reinvested | (817,210) | (602,580) |
| Increase in fair value of investments | (11,315,522) | (4,784,692) |
| Decrease (increase) in | | |
| Accounts and grants receivable | 561,027 | (1,015,812) |
| Pledges receivable | 247,370 | (373,883) |
| Split-interest agreements | - | 214 |
| Prepaid expenses | (24,765) | 20,158 |
| Increase (decrease) in | | |
| Accounts payable and accrued expenses | 32,446 | (226,473) |
| Liability for split-interest agreements | 22,163 | (8,689) |
| Deferred revenue | 4,600 | (277,958) |
| Net cash used in operating activities | <u>(2,802,355)</u> | <u>(2,391,799)</u> |
| Cash flows from investing activities | | |
| Capital expenditures | (505,592) | (167,468) |
| Gifts, grants, and capital campaign gifts invested | 685,712 | 1,777,404 |
| Investment sales | 4,140,379 | 8,355,386 |
| Investment purchases | (1,454,928) | (3,699,028) |
| Net cash provided by investing activities | <u>2,865,571</u> | <u>6,266,294</u> |
| Cash flows from financing activities | | |
| Repayment of bonds payable | - | (4,199,671) |
| Change in escrow funds restricted to bond debt service | - | 75,641 |
| Net cash used in financing activities | <u>-</u> | <u>(4,124,030)</u> |
| Net increase (decrease) in cash and cash equivalents | 63,216 | (249,535) |
| Cash and cash equivalents at beginning of year | <u>589,256</u> | <u>838,791</u> |
| Cash and cash equivalents at end of year | <u>\$ 652,472</u> | <u>\$ 589,256</u> |
| <i>Supplemental Disclosure of Cash Flow Information</i> | | |
| Bond interest paid | <u>\$ -</u> | <u>\$ 9,309</u> |

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

1. Organization

The Massachusetts Historical Society, Inc. (the "Society") was founded in 1791 as an independent research library that collects, preserves, makes accessible and communicates manuscripts and other materials in order to promote the study of history of Massachusetts and the nation.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The accompanying financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Society is required under GAAP to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets

Unrestricted net assets represent those assets which the Society may use at its discretion.

Temporarily Restricted Net Assets

Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met by actions of the Society and/or the passage of time.

Permanently Restricted Net Assets

Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently by the Society. Generally, the donors of those assets permit the Society to use all or part of the income earned on related investments for general or specific purposes.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Society considers all unrestricted highly-liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts, Grants and Pledges Receivable

Accounts, grants and pledges receivable are stated at the amount management expects to collect from outstanding balances. Management provides 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 accounts.

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

2. Summary of Significant Accounting Policies (Continued)

Accounts, Grants and Pledges Receivable (Continued)

Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts, grants or pledges receivable.

Pledges receivable are unconditional promises to give that are recognized as revenues in the period received and as assets. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Pledges receivable that are expected to be collected within one year are recorded at their realizable value. Pledges receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discount on these amounts is computed using an appropriate discount rate commensurate with the risks involved. Amortization of the discount is included in gifts and grant revenue.

Investments

The Society carries its investments in split-interest agreements, endowment funds and other investments in the statement of financial position at their fair values as further described in Note 12.

Unrealized gains and losses on endowment and other investments are included in the change in net assets in the accompanying statement of activities. The investment income, realized and unrealized gains and losses and investment expenses on permanently restricted endowment assets are accounted for as temporarily restricted endowment assets and, along with unrestricted endowment assets, are available for appropriation under the Society's spending policy.

Investment Pools

The Society maintains separate master investment accounts for its split-interest agreements, endowment funds and its other investments. Investment income, investment expenses, and realized and unrealized gains and losses from investments in the master investment accounts are allocated periodically to the individual endowment funds and other investment funds based on the relationship of the market value of each fund to the total market value of the master investment accounts, as adjusted for additions to or deductions from those accounts during the year.

Recognition of Donor Restrictions

Donor-restricted revenue and support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Property and Equipment

All acquisitions of property and equipment in excess of \$2,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the property.

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

2. Summary of Significant Accounting Policies (Continued)

Deferred Revenue

The Society leases a building it owns to an unrelated not-for-profit organization for a period of 75 years, expiring August 18, 2074. The entire lease payment was received at the inception of the lease and is being amortized ratably over the lease term. The Society also defers recognition of membership dues until the revenue is earned.

Collections

The Society's collections are made up of manuscripts, rare books, pamphlets, reference works, art objects and other artifacts of historical significance that are held for educational, research, historic, and curatorial purposes. Each of these items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously.

The collections, which were acquired through purchases and donor contributions since the Society's inception, are not recognized as assets on the statements of financial position. Purchase of collection items are recorded as decreases in unrestricted net assets if purchased with unrestricted assets and as decreases in temporarily restricted or permanently restricted net assets if purchased with donor-restricted assets. Contributions of collection items are not recognized in the statement of activities or as assets. Proceeds from deaccessions are reflected in the statement of activities based on the absence or existence and nature of donor-imposed restrictions.

Income Taxes

The Society is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Society is also exempt from Massachusetts income taxes. However, income from certain activities not directly related to the Society's tax-exempt purpose may be subject to taxation as unrelated business income at both the state and federal levels. In addition, the Society qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

The Society evaluates all significant tax positions as required by GAAP. As of June 30, 2011, the Society does not believe that it has taken any tax positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next twelve months. The Society's income tax returns are subject to examination by the appropriate taxing jurisdictions. As of June 30, 2011, the Society's federal and state returns generally remain open for examination for three years from the date filed with each taxing jurisdiction.

Total Return Spending Policy

The Society utilizes a total return policy with respect to its use of endowment assets. The Trustees set an annual spending amount from endowment assets computed on a trailing 12 quarter average market value basis and approve a specific spending percentage for operations each fiscal year as part of approving the Society's annual operating budget. The spending percentage for operations for the years ended June 30, 2011 and 2010 was 5% in each year. The Trustees also approved the appropriation of \$50,000 in each year for the payment of investment advisory services. In 2010, the Trustees also approved the appropriation of \$1,700,000 as part of the funds needed to pay off its outstanding bonds.

In June 2011, the Trustees approved a spending percentage of 4.9% for fiscal year 2012.

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

2. Summary of Significant Accounting Policies (Continued)

Expense Allocation

The operating costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Donor-restricted Endowment Assets

The Commonwealth of Massachusetts adopted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") effective June 30, 2009. The Society's policies as to the classification and appropriation of donor-restricted endowment funds are described below and are consistent with the requirements of UPMIFA.

The Society classifies as permanently restricted assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor's gift instructions at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted assets is classified as temporarily restricted assets until those amounts are appropriated for expenditure by the Society.

The Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund,
- (2) The mission of the Society and purpose of the donor-restricted endowment funds,
- (3) General economic conditions,
- (4) The possible effect of inflation and deflation,
- (5) The expected total return from income and the appreciation of investments,
- (6) Other resources of the Society,
- (7) The investment policies of the Society.

Return Objectives and Risk Parameters

The Board of Trustees has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and operations supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Society must hold in perpetuity or for a donor-specified period, temporarily restricted funds and unrestricted funds that include Board of Trustee designated funds. Under this policy the endowment assets are invested in a manner that is intended, over time, to provide an average real (inflation-adjusted) rate of return of approximately 5.6% annually while assuming a moderate level of investment risk. The policy expects an average nominal rate of return of 8.6% over the long term with an inflation assumption of 3%. Actual returns in any given year may vary from this amount.

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

2. Summary of Significant Accounting Policies (Continued)

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Society relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Society targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Society has a policy of appropriating for distribution each year up to 5% of invested assets computed on a trailing 12 quarter trailing quarterly average of market values. In establishing this policy, the Society considered the long-term expected return on its endowment. Accordingly, over the long term, the Society expects the current spending policy to allow its endowment to grow at a rate in excess of inflation. This is consistent with the organization's objective to maintain the purchasing power of the endowment assets.

The cumulative net unspent appreciation on temporarily and permanently restricted investments is accounted for as temporarily restricted net assets and together with unspent appreciation on unrestricted endowment funds is not available for distribution, except by the express appropriation action of the Board of Trustees of the Society.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Society's financial statements for the year ended June 30, 2010, from which the summarized information was derived.

3. Accounts and Grants Receivable

Accounts and grants receivable at June 30, 2011 and 2010 consist of the following:

| | <u>2011</u> | <u>2010</u> |
|------------------------------------|---------------------|---------------------|
| Accounts receivable | \$ 19,603 | \$ 15,030 |
| Grants receivable | | |
| Federal agencies due in | | |
| Less than one year | 669,512 | 1,115,499 |
| One to three years | 330,224 | 430,400 |
| Total Federal grants | 999,736 | 1,545,899 |
| Other grants receivable | 44,983 | 64,420 |
| Total grants receivable | 1,044,719 | 1,610,319 |
| Allowance for doubtful accounts | (3,428) | (3,428) |
| Net accounts and grants receivable | <u>\$ 1,060,894</u> | <u>\$ 1,621,921</u> |

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

4. Pledges Receivable

Pledges receivable are recorded for unconditional promises to give to the strategic initiative fund, the annual fund, temporarily restricted gifts for current programs and a prior capital campaign. Pledges receivable at June 30, 2011 and 2010 consist of the following:

| | <u>2011</u> | <u>2010</u> |
|---------------------------------|-------------------|-------------------|
| Amounts due in | | |
| Less than one year | \$ 191,550 | \$ 239,943 |
| One to two years | - | 203,000 |
| Total due | <u>191,550</u> | <u>442,943</u> |
| Allowance for doubtful accounts | <u>(1,250)</u> | <u>(5,273)</u> |
| Net pledges receivable | <u>\$ 190,300</u> | <u>\$ 437,670</u> |

5. Split-Interest Agreements

The Society administers various agreements through charitable remainder trusts and annuities. These agreements provide for the payment of distributions to the grantor or other designated beneficiaries over the terms of the agreement. At the end of the term, the remaining assets are available for the Society's use. The portion of the agreements attributable to the present value of the future benefits to be received by the Society is recorded in the statement of activities as a temporarily restricted gift in the period the agreement is established. There were no contributions in 2011 and 2010. Assets held in the agreements are reported at fair market value in the Society's statements of financial position. On an annual basis, the Society revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions. The present value of the estimated future liability for payments to grantors at June 30, 2011 is calculated using discount rates ranging from 3.6% to 6.2% and applicable mortality tables.

6. Endowment Investments

Endowment investments are carried at the aggregate fair market value and consist of the following as of June 30, 2011 and 2010:

| | <u>2011</u> | <u>2010</u> |
|--|----------------------|----------------------|
| Cash and cash equivalents | \$ 132,294 | \$ 132,291 |
| Equity securities | 33,850,072 | 27,180,675 |
| Fixed income (U.S. and other sovereign debt obligations) | 9,096,971 | 9,457,325 |
| Flexible capital (including fund-of-funds) | 9,852,471 | 8,998,136 |
| Inflation hedges (including real assets and TIPS) | <u>13,865,201</u> | <u>11,582,839</u> |
| Total | <u>\$ 66,797,009</u> | <u>\$ 57,351,266</u> |

Massachusetts Historical Society, Inc.

**Notes to Financial Statements
For the Years Ended June 30, 2011 and 2010**

6. Endowment Investments (Continued)

Endowment investments at the aggregate fair market value classified by restrictions and purpose of fund consist of the following as of June 30, 2011 and 2010:

| | <u>2011</u> | <u>2010</u> |
|--|----------------------|----------------------|
| Unrestricted funds | | |
| General support funds | \$ 16,431,749 | \$ 13,413,094 |
| Funds designated by the Trustees for specific purposes | <u>4,332,176</u> | <u>3,417,654</u> |
| | <u>\$ 20,763,925</u> | <u>\$ 16,830,748</u> |
| Temporarily restricted funds | | |
| General support funds | \$ 19,886,759 | \$ 16,438,486 |
| Library funds | 7,104,974 | 5,929,168 |
| Publication funds | 3,255,663 | 2,617,852 |
| Special purpose funds | <u>346,537</u> | <u>221,923</u> |
| | <u>\$ 30,593,933</u> | <u>\$ 25,207,429</u> |
| Permanently restricted funds | | |
| General support funds | \$ 9,709,354 | \$ 9,684,154 |
| Library funds | 2,922,030 | 2,897,143 |
| Publication funds | 1,588,345 | 1,588,345 |
| Special purpose funds | <u>1,219,422</u> | <u>1,143,447</u> |
| | <u>\$ 15,439,151</u> | <u>\$ 15,313,089</u> |

The following schedule summarizes the components of investment return for the years ended June 30:

| | <u>2011</u> | <u>2010</u> |
|-------------------------------|----------------------|---------------------|
| Interest and dividends | \$ 1,175,960 | \$ 910,240 |
| Realized and unrealized gains | 11,315,522 | 4,784,692 |
| Investment fees | <u>(358,750)</u> | <u>(307,660)</u> |
| | <u>\$ 12,132,732</u> | <u>\$ 5,387,272</u> |

The above investment fees include custodial fees and investment advisory fees. The fees for both years include \$50,000 for investment advisory services that the Society paid to its investment manager.

7. Other Investments

Other investments are carried at the aggregate fair market value and are composed of the following as of June 30:

| | <u>2011</u> | <u>2010</u> |
|---|---------------------|---------------------|
| Cash equivalents – U.S. Treasury Cash Reserves Fund | <u>\$ 2,261,514</u> | <u>\$ 2,259,976</u> |

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

7. Other Investments (Continued)

Other investments at the aggregate fair market value classified by restrictions and purpose of each fund are composed of the following as of June 30:

| | <u>2011</u> | <u>2010</u> |
|--|---------------------|---------------------|
| Unrestricted funds – Designated by Trustees | | |
| Collections acquisitions fund – Transferred to Endowment | \$ - | \$ 339,493 |
| Capital acquisitions fund | 366,142 | 513,087 |
| Strategic initiative reserve | <u>1,608,600</u> | <u>1,038,600</u> |
| | <u>1,974,742</u> | <u>1,891,180</u> |
| Temporarily restricted funds | | |
| Temporarily restricted gifts and grants | <u>286,772</u> | <u>368,796</u> |
| Total | <u>\$ 2,261,514</u> | <u>\$ 2,259,976</u> |

The following schedule summarizes the components of investment return for the years ended June 30:

| | | |
|------------------------|--------------|--------------|
| Interest and dividends | <u>\$ 43</u> | <u>\$ 85</u> |
|------------------------|--------------|--------------|

8. Property and Equipment

Property and equipment consist of the following major classifications as of June 30:

| | <u>Asset lives in years</u> | <u>2011</u> | <u>2010</u> |
|-----------------------------------|-----------------------------|---------------------|---------------------|
| Land | | \$ 200,000 | \$ 200,000 |
| Building and building renovations | 10 to 50 | 13,295,596 | 12,855,237 |
| Furniture and equipment | 3 to 15 | <u>720,968</u> | <u>655,735</u> |
| | | 14,216,564 | 13,710,972 |
| Accumulated depreciation | | <u>(4,405,269)</u> | <u>(4,105,616)</u> |
| | | <u>\$ 9,811,295</u> | <u>\$ 9,605,356</u> |

Depreciation expense for the years ended June 30, 2011 and 2010 amounted to \$299,653 and \$277,327, respectively.

As of June 30, 2011 and 2010, the building under lease was fully depreciated. However, land for the leased building is not depreciated and has a net book value of \$175,000 and is included in property and equipment as of June 30, 2011 and 2010.

9. Long-Term Debt

The Society entered into a long-term debt agreement with the Massachusetts Health and Education Facilities Authority in April 2003. Proceeds from the loan were used to finance building renovations to the Society's property. Due to conditions in the financial markets during the spring of 2009, the effective interest rate on the bonds increased substantially and the Trustees of the Society concluded that the bonds should be paid off. On August 4, 2009, using the funds in the bond sinking fund and \$1,700,000 from unrestricted general purpose endowment funds, the bonds were paid off.

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

10. Pension Plan

The Society has a defined contribution retirement plan for its employees administered by the Teachers Insurance and Annuity Association of America. The Society made contributions to the plan of 8% in 2011 and 2010 of the compensation of all eligible employees and there are no employee contributions required. The Society's contributions to the plan were \$198,300 and \$184,500 for the years ended June 30, 2011 and 2010, respectively.

Effective April 1, 2006, the Society sponsors a deferred compensation plan for certain eligible employees under IRS code 457(b). All contributions to the plan are made by employees; there are no contributions made by the Society.

11. Concentrations of Credit Risk

Financial instruments that potentially subject the Society to concentrations of credit risk consist principally of cash balances in its operating bank accounts; accounts receivable, grants receivable and pledges receivable; and other investments. The Society's cash balances at its commercial bank totaling \$399,851 per the banks records at June 30, 2011 are insured by the Federal Deposit Insurance Corporation up to \$250,000 per account. Balances in excess of \$250,000 are transferred to a U.S. Treasury Cash Reserves Funds account. Accounts receivable, grants receivable and pledges receivable are limited due to the large number of contributors comprising the Society's contributor base and their dispersion across different industries, government sectors, and geographic areas. Other investments are invested in a U.S. Treasury Cash Reserves Fund account.

12. Fair Value Measurements

GAAP has established a fair value hierarchy that categorizes and prioritizes the inputs to valuation techniques used to measure the fair value of various investment assets and liabilities. The fair value is defined as the price that would be received upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy and the inputs used are described below:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Other significant observable inputs (including quoted prices in markets that are not considered to be active or similar financial instruments for which all significant inputs are observable, either directly or indirectly);

Level 3: Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable;

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The inputs used in valuing securities are not necessarily an indication of the risk or liquidity associated with investing in the respective financial instruments.

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

12. Fair Value Measurements (Continued)

The Society, under the direction of its investment committee and in consultation with its investment advisor, have selected several independent investment managers to manage specific allocations of its endowment funds portfolio in accordance with an investment policy approved by the Trustees of the Society. In addition, the Society's investments in split-interest agreements and other investments are each managed by independent investment managers. The investment managers report investment transactions and performance on a monthly basis and provide the Society with their audited financial statements which include detailed disclosures of its fair value methodology and measurements of investment assets and liabilities using the fair value hierarchy described above. This disclosure information is used by the Society to present information about fair values of its investments in the statements of financial position classified according to the method for determining such fair values which is as follows:

As of June 30, 2011:

| | Fair Value | Quoted Prices for Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|----------------------|---|---|--|
| Split-interest agreements | | | | |
| Cash and cash equivalents | \$ 7,442 | \$ 7,442 | | |
| Domestic equities | 143,498 | 143,498 | | |
| Fixed income | 73,397 | 73,397 | | |
| | <u>\$ 224,337</u> | <u>\$ 224,337</u> | | |
| Endowment investments | | | | |
| Cash and cash equivalents | \$ 132,294 | \$ 132,294 | | |
| Domestic equities | 16,658,891 | 16,286,298 | \$ 372,593 | |
| International equities | 16,834,062 | 8,640,231 | 8,178,484 | \$ 15,347 |
| Private equities | 357,119 | - | - | 357,119 |
| Total equities | <u>33,850,072</u> | <u>24,926,529</u> | <u>8,551,077</u> | <u>372,466</u> |
| Fixed income (U.S. and other sovereign debt obligations) | 9,096,971 | 41,890 | 9,055,081 | - |
| Flexible capital (including fund-of-funds) | 9,852,471 | 2,826,385 | 3,280,219 | 3,745,867 |
| Inflation hedges (including real assets and TIPS) | 13,865,201 | 5,852,876 | 7,262,331 | 749,994 |
| | <u>\$ 66,797,009</u> | <u>\$ 33,779,974</u> | <u>\$ 28,148,708</u> | <u>\$ 4,868,327</u> |
| Other investments | | | | |
| Cash and cash equivalents | <u>\$ 2,261,514</u> | <u>\$ 2,261,514</u> | | |

Massachusetts Historical Society, Inc.

Notes to Financial Statements For the Years Ended June 30, 2011 and 2010

12. Fair Value Measurements (Continued)

As of June 30, 2010 (Reclassified to conform to the June 30, 2011 presentation):

| | Fair Value | Quoted Prices for Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|----------------------|---|---|--|
| Split-interest agreements | | | | |
| Cash and cash equivalents | \$ 789 | \$ 789 | | |
| Domestic equities | 124,688 | 124,688 | | |
| Fixed income | 81,463 | 81,463 | | |
| | <u>\$ 206,940</u> | <u>\$ 206,940</u> | | |
| Endowment investments | | | | |
| Cash and cash equivalents | \$ 132,291 | \$ 132,291 | | |
| Domestic equities | 14,692,642 | 14,137,178 | \$ 555,464 | |
| International equities | 12,209,078 | 2,351,940 | 9,844,079 | \$ 13,059 |
| Private equities | 278,955 | - | - | 278,955 |
| Total equities | <u>27,180,675</u> | <u>16,489,118</u> | <u>10,399,543</u> | <u>292,014</u> |
| Fixed income (U.S. and other sovereign debt obligations) | 9,457,325 | 29,168 | 9,428,157 | - |
| Flexible capital (including fund-of-funds) | 8,998,136 | 2,649,944 | 3,106,594 | 3,241,598 |
| Inflation hedges (including real assets and TIPS) | 11,582,839 | 4,123,274 | 6,322,454 | 1,137,111 |
| | <u>\$ 57,351,266</u> | <u>\$ 23,423,795</u> | <u>\$ 29,256,748</u> | <u>\$ 4,670,723</u> |
| Other investments | | | | |
| Cash and cash equivalents | \$ 2,259,976 | \$ 2,259,976 | | |

The reconciliation of the changes in the fair value of endowment investments classified as Level 3 during the years ended June 30, 2011 and 2010 is as follows:

| | 2011 | 2010 |
|--------------------------------------|---------------------|---------------------|
| Balance at the beginning of the year | \$ 4,670,723 | \$ 6,162,672 |
| Additional investments | 2,836 | - |
| Redemptions | - | (1,638,951) |
| Increase in fair value | 194,768 | 147,002 |
| Balance at the end of the year | <u>\$ 4,868,327</u> | <u>\$ 4,670,723</u> |

13. Subsequent Events

The Society has evaluated all subsequent events through January 3, 2012, the date the financial statements were available to be issued.

14. Trustee Designated, Temporarily Restricted and Permanently Restricted Net Assets

A summary of changes during the year ended June 30, 2011 in Trustee designated, temporarily restricted and permanently restricted net assets included in the statement of activities classified by purpose is shown on page 17.

Massachusetts Historical Society, Inc.

Notes to Financial Statements

For the Years Ended June 30, 2011 and 2010

14. Trustee Designated, Temporarily Restricted and Permanently Restricted Net Assets (Continued)

| | Balance July 1, 2010 | Transfers | Contributions and Other Additions | Investment Income, net | Realized and Unrealized Gains | Expenditures and Appropriations | Balance June 30, 2011 |
|--|-------------------------|---------------------|--------------------------------------|---------------------------|----------------------------------|------------------------------------|--------------------------|
| Trustee Designated Net Assets | | | | | | | |
| General support | \$ 2,287,535 | \$ - | \$ 869,653 | \$ 10,407 | \$ 144,105 | \$ (489,530) | \$ 2,822,170 |
| Library operations | 687,924 | - | 9,952 | 9,444 | 130,763 | (40,531) | 797,552 |
| Publications | 2,333,375 | - | - | 33,001 | 456,957 | (136,137) | 2,687,196 |
| | <u>\$ 5,308,834</u> | <u>\$ -</u> | <u>\$ 879,605</u> | <u>\$ 52,852</u> | <u>\$ 731,825</u> | <u>\$ (666,198)</u> | <u>\$ 6,306,918</u> |
| Temporarily Restricted Net Assets | | | | | | | |
| General support | \$ 18,766,105 | \$ (513,487) | \$ 185,307 | \$ 386,919 | \$ 5,116,568 | \$ (2,439,670) | \$ 21,501,742 |
| Library operations | 5,929,168 | (165,720) | - | 125,128 | 1,732,563 | (516,165) | 7,104,974 |
| Publications | 2,617,852 | - | - | 59,490 | 823,722 | (245,401) | 3,255,663 |
| Special purposes | 590,719 | (112,973) | 137,088 | 17,665 | 244,601 | (243,791) | 633,309 |
| | <u>\$ 27,903,844</u> | <u>\$ (792,180)</u> | <u>\$ 322,395</u> | <u>\$ 589,202</u> | <u>\$ 7,917,454</u> | <u>\$ (3,445,027)</u> | <u>\$ 32,495,688</u> |
| Permanently Restricted Net Assets | | | | | | | |
| General support | \$ 9,684,154 | \$ - | \$ 25,200 | \$ - | \$ - | \$ - | \$ 9,709,354 |
| Library operations | 2,897,143 | - | 24,887 | - | - | - | 2,922,030 |
| Publications | 1,588,345 | - | - | - | - | - | 1,588,345 |
| Special purposes | 1,143,447 | (160,306) | 236,281 | - | - | - | 1,219,422 |
| | <u>\$ 15,313,089</u> | <u>\$ (160,306)</u> | <u>\$ 286,368</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 15,439,151</u> |