PERFICIENT INC
Form 11-K
May 24, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 11-K

[x] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

OR

[_] TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to __________

Commission file number 001-15169

A. Full title of the Plan and the address of the Plan, if different from that of the issuer named below:

The Perficient, Inc. 401(k) Employee Savings Plan

B. Name of issuer of the securities held pursuant to the Plan and the address of its principal executive offices:

Perficient, Inc.
520 Maryville Centre Drive, Suite 400
Saint Louis, Missouri 63141

The Perficient, Inc. 401(k) Employee Savings Plan
Financial Statements and Supplemental Schedules
Years ended December 31, 2010 and 2009

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* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

Report of Independent Registered Public Accounting Firm

To Participants and Administrator of
The Perficient, Inc. 401(k) Employee Savings Plan

We have audited the accompanying statements of net assets available for benefits of The Perficient, Inc. 401(k) Employee Savings Plan (the Plan) as of December 31, 2010 and 2009, and the related statement of changes in net assets available for benefits for the year ended December 31, 2010. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Perficient, Inc. 401(k) Employee Savings Plan as of December 31, 2010 and 2009, and the changes in its net assets available for benefits for the year ended December 31, 2010 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets (held at end of year) and delinquent participant contributions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Brown Smith Wallace, L.L.C.
St. Louis, Missouri
May 23, 2011

The Perficient, Inc. 401(k) Employee Savings Plan
Statements of Net Assets Available for Benefits
As of December 31, 2010 and 2009

	2010	2009
Investments, at fair value (Notes 3 and 4)	$ 47,868,500	$ 39,473,221
Receivables:		
Employer contributions	57,829	--
Participant contributions	172,108	--
Notes receivable – participants	546,349	503,142
Total receivables	776,286	503,142
Net assets available for benefits, at fair value	48,644,786	39,976,363
Adjustments from fair value to contract value for fully benefit-responsive investment contract (Note 5)	200,666	187,023
Net assets available for benefits	$ 48,845,452	$ 40,163,386

The accompanying notes are an integral part of these financial statements.

The Perficient, Inc. 401(k) Employee Savings Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2010

Additions to net assets attributed to:	
Contributions:	
Participant	$ 5,777,561
Employer	1,652,351
Rollover	952,539
Total contributions	8,382,451
Net appreciation in fair value of investments (Note 3)	6,418,685
Interest and dividend investment income	714,697
Participant loan interest	30,916
Total additions	15,546,749
Deductions from net assets attributed to:	
Benefits paid to participants	6,846,162
Administrative expenses	18,521
Total deductions	6,864,683
Net increase	8,682,066
Net assets available for benefits at beginning of year	40,163,386
Net assets available for benefits at end of year	$48,845,452

The accompanying notes are an integral part of these financial statements.

The Perficient, Inc. 401(k) Employee Savings Plan
Notes to Financial Statements

1. Description of Plan

The following description of The Perficient, Inc. 401(k) Employee Savings Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time United States employees of Perficient, Inc. (the "Company") who are age 21 or older, except contracted and leased employees, or any employee that is a non-resident alien. Employees may participate in the Plan on the first day of the month on or after they are determined to meet these conditions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Contributions

For 2010, participants could contribute from 1% to 100% of their pre-tax annual compensation to any of the investment funds up to a maximum of $16,500, subject to Internal Revenue Service ("IRS") Rules and Regulations. Participants have attained age 50 before the end of the year were eligible to make catch-up contributions of an additional $5,500. Participants could also contribute amounts representing distributions from other qualified defined benefit or contribution plans.

The Company made matching contributions of 50% (25% in cash and 25% in Company stock) of the first 6% of eligible compensation deferred by the participant.

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's matching contribution, and an allocation of Plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. The Company contributions plus earnings thereon vest based on years of service as follows:

Years of Service	Non-forfeitable Percentage
Less than 1	0
1	33
2	66
3 or more	100

Notes Receivable – Participants

Upon written application of a participant, the Plan may make a loan to the participant. Participants may borrow no less than $1,000 and no greater than the lesser of 50% of the participant's vested account balance or $50,000. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local rates for similar plans. Loans are amortized over a maximum of 60 months unless used to purchase the participant's principal residence and repayment is made through payroll deductions. Participant loans are measured at the unpaid principal balance plus any accrued but unpaid interest. Participant loans outstanding were $546,349 and $503,142 at December 31, 2010 and 2009, respectively.

Payment of Benefits

Participants are entitled to receive benefit payments at the normal retirement age of 65, participant's death or disability, in the event of termination, or if the participant reaches age 70½ while still employed. Benefits may be paid in a lump-sum distribution or installment payments.

Forfeitures

As of December 31, 2010 and 2009, forfeitures not utilized to offset employer contributions were $9,967 and $26,034, respectively. In accordance with the Plan provisions, forfeitures are used to reduce employer contributions. During the years ended December 31, 2010 and 2009, employer contributions were reduced by forfeitures of $99,985 and $54,195, respectively, which included account balances forfeited during the year.

Participant-Directed Investments

All assets of the Plan are participant-directed investments.

Participants have the option of directing their account balance to one or more different investment options. The investment options include various mutual funds, a guaranteed investment contract, and Company common stock.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan have been prepared on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statements of Net Assets Available for Benefits present the fair value of the investment contract as well as the adjustment of the fully benefit-responsive investment contract from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Use of Estimates

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fully benefit-responsive investment contract is valued at contract value. See Note 4 for discussion of fair value measurement.

Purchases and sales of investments and realized gains and losses are accounted for on the trade date. Interest income is recorded as earned and dividend income is recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid.

Expenses

Operating expenses of maintaining the Plan are paid by the Company. Administrative expenses for participant-directed transactions are paid by the Plan.

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06, Improving Disclosures about Fair Value Measurements (Topic 820) - Fair Value Measurements and Disclosures ("ASU 2010-06"). This update requires: (a) separate disclosures for significant transfers between Level 1 and Level 2 and the reasons for the transfers; (b) separate disclosure of purchases, sales, issuances, and settlements in the reconciliation of activity within Level 3; (c) the use of judgment in determining the appropriate classes of assets and liabilities; and (d) a description of the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. ASU 2010-06 is effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the rollforward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The Plan adopted ASU 2010-06 for the year ended December 31, 2010 except for the provisions that are not effective until the year ended December 31, 2011. The Plan is currently evaluating the impact of the provisions of ASU 2010-06 that are not effective until the year ended December 31, 2011 on its financial statements.

In September 2010, the FASB issued ASU No. 2010-25, Plan Accounting – Defined Contribution Pension Plans (Topic 962): Reporting Loans to Participants by Defined Contribution Pension Plans ("ASU 2010-25"). The objective of this update is to clarify how loans to participants should be classified and measured by defined contribution pension benefit plans. ASU 2010-25 should be applied retrospectively to all prior periods presented, effective for fiscal years ending after December 15, 2010. The Plan adopted ASU 2010-25 for the year ended December 31, 2010 and applied the guidance retrospectively as required.

3. Investments

The following investments represented 5% or more of the Plan's net assets:

	December 31, 2010	2009
Principal Life Insurance Company:		
Fixed Income Option 401(a)/401(k), 260,191 and 249,774 shares, respectively	$ 4,013,323	$ 3,740,459
Lifetime 2030 R5, 291,559 and 262,297 shares, respectively	3,373,336	2,678,052
Large Cap S&P 500 Index Institutional, 377,646 and 404,338 shares, respectively	3,319,511	3,137,664
Lifetime 2040 R5, 243,482 and 211,769 shares, respectively	2,858,483	2,183,344
Lifetime Strategic Income R5, 233,195 and 246,625 shares, respectively	2,469,537	2,424,323
American Funds:		
EuroPacific Growth R4, 109,273 and 107,762 shares, respectively	4,445,235	4,131,597
Growth Fund of America R4, 145,075 and 153,122 shares, respectively	4,379,807	4,184,813
Perficient, Inc. Common Stock, 510,398 and 477,141 shares, respectively	6,379,969	4,022,302
Dodge & Cox Income, 200,097 shares	2,647,278	*

* Not a 5% investment in respective year.

During the year ended December 31, 2010, the Plan's investments (including investments bought and sold, as well as held during the year) appreciated in value as follows:

Mutual funds	$ 4,357,775
Employer securities	2,060,910

Net appreciation	$ 6,418,685

4. Fair Value Measurements

FASB Accounting Standard Codification ("ASC") Topic 820, Fair Value Measurements and Disclosures ("ASC Topic 820"), provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. 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 under ASC Topic 820 are described as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2010 and 2009.

Mutual Funds

Mutual funds available for investment in the Plan are valued at quoted prices available in an active market and are classified within Level 1 of the valuation hierarchy.

Common Stock

Company stock is valued at the closing price reported on the Nasdaq Global Select Market and is classified within Level 1 of the valuation hierarchy.

Investment Contract

The Principal Life Insurance Company ("Principal") Fixed Income Option 401(a)/401(k) is a general account-backed stable value contract. This investment guarantees principal and provides a stated rate of return. The fair value represents the amount received upon withdrawal or transfer of funds prior to their maturity, which is the contract value less a withdrawal charge. Since the investment is based on the provisions of the investment contract, it is classified within Level 3 of the valuation hierarchy.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value:

	As of December 31, 2010			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Assets:				
Mutual Funds:				
Balanced Funds	$ 11,105,448	$ --	$ --	$ 11,105,448
Fixed Income Funds	3,392,489	--	--	3,392,489
Equity Funds	23,177,937	--	--	23,177,937

Total Mutual Funds	37,675,874	--	--	37,675,874
Company Common Stock	6,379,969	--	--	6,379,969
Investment Contract	--	--	3,812,657	3,812,657
Total Assets	$ 44,055,843	$ --	$ 3,812,657	$ 47,868,500

	As of December 31, 2009			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Assets:				
Mutual Funds:				
Balanced Funds	$ 9,283,327	$ --	$ --	$ 9,283,327
Fixed Income Funds	2,397,696	--	--	2,397,696
Equity Funds	20,216,460	--	--	20,216,460
Total Mutual Funds	31,897,483	--	--	31,897,483
Company Common Stock	4,022,302	--	--	4,022,302
Investment Contract	--	--	3,553,436	3,553,436
Total Assets	$ 35,919,785	$ --	$ 3,553,436	$ 39,473,221

The table below sets forth a summary of changes in the fair value of the Plan's Investment Contract classified within Level 3 of the valuation hierarchy:

	As of December 31, 2010
Balance, Beginning of Year	$ 3,553,436
Total Gains or Losses (Realized and Unrealized)	(13,643)
Purchases, Sales, Issuances, and Settlements, Net	272,864
Balance, End of Year	$ 3,812,657

	As of December 31, 2009
Balance, Beginning of Year	$ 3,311,454
Total Gains or Losses (Realized and Unrealized)	(12,735)
Purchases, Sales, Issuances, and Settlements, Net	254,717
Balance, End of Year	$ 3,553,436

Gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

5. Investment Contract

The Plan has a fully-benefit responsive investment contract with Principal. Principal maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract is included in the financial statements at contract value as reported to the Plan by Principal. Contract value represents contributions made by participants, plus interest at a specified rate determined semiannually, less withdrawals or transfers by participants. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against the contract value for credit risk of the contract issuer or otherwise. The fair value of the investment contract as of December 31, 2010 and 2009 was $3,812,657 and $3,553,436, respectively. The stated rate of return of the contract as of December 31, 2010 and 2009 was 2.90% and 3.15%, respectively. The rate was 2.75% on January 1, 2011.

6. Party-In-Interest Transactions

As of December 31, 2010 and 2009, the Plan held 510,398 and 477,141 shares, respectively, of Company common stock. Total outstanding Company common stock as of December 31, 2010, was approximately 30 million shares.

During the year ended December 31, 2010, the Plan had the following transactions involving Company common stock:

Shares purchased	181,909
Shares sold	148,652
Cost of shares purchased	$1,854,794
Cost of shares sold	$1,300,518
Net proceeds from shares sold	$257,518

Certain Plan investments are managed by Principal. Principal is the trustee and custodian as defined by the Plan; therefore, these transactions qualify as party-in-interest.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their employer contributions.

8. Income Tax Status

The Plan Administrator has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to examination for the years prior to 2007.

The IRS has determined and informed the Company by a letter dated November 9, 2009 that the Plan is established in accordance with applicable sections of the Internal Revenue Code (the "Code"), and therefore, the Plan qualifies as tax-exempt under Section 401(a) of the Code.

9. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

10. Delinquent Participant Contributions

As reported on the Form 5500, Schedule H, Part IV, Line 4(a) – Schedule of Delinquent Participant Contributions, certain participant contributions were not remitted to the trust within the time frame specified by Department of Labor Regulation 29 CFR 2510.3-102, thus constituting non-exempt transactions between the Plan and the Company during 2010. The Company incurred expense of $111 for the remittance of lost earnings on delinquent contributions to the Plan.

11. Subsequent Event

On December 10, 2010, the Company acquired speakTECH. As a result of the acquisition, the speakTECH 401(k) plan was merged into the Plan in February 2011. The value of the plan assets transferred from the speakTECH 401(k) plan was $992,439.

Supplemental Schedule

The Perficient, Inc. 401(k) Employee Savings Plan
FEIN: 74-2853258; Plan No. 001
Delinquent Participant Contributions
For the Year Ended December 31, 2010

Form 5500, Schedule H, Part IV, Line 4(a)

Identity of party involved	Relationship to plan, employer, or other party-in-interest	Description of transactions, including rate of interest	Amount on line 4(a)	Lost earnings
Perficient, Inc.	Plan sponsor	Employee deferrals not deposited to the Plan in a timely manner	$ 6,732	$ 111

Note: The Plan sponsor corrected these contributions in 2010 outside of the Voluntary Fiduciary Correction Program.

Supplemental Schedule

The Perficient, Inc. 401(k) Employee Savings Plan
FEIN: 74-2853258; Plan No. 001
Schedule of Assets (Held at End of Year)
December 31, 2010

Form 5500, Schedule H, Part IV, Line 4(i)

(a)	(b) Identity of Issuer	(c) Description	(d) Cost	(e) Current Value
*	Principal Life Insurance Company:			
	Lifetime 2030 R5	Mutual fund	**	$ 3,373,336
	Large Cap S&P 500 Index Institutional	Mutual fund	**	3,319,511
	Lifetime 2040 R5	Mutual fund	**	2,858,483
	Lifetime Strategic Income R5	Mutual fund	**	2,469,537
	Mid Cap S&P 400 Index Institutional	Mutual fund	**	1,831,500
	Lifetime 2020 R5	Mutual fund	**	1,721,629
	Small Cap S&P 600 Index Institutional	Mutual fund	**	1,666,162
	Mid Cap Growth R5	Mutual fund	**	928,689
	Real Estate Securities R5	Mutual fund	**	745,210
	Lifetime 2050 R5	Mutual fund	**	424,674
	Lifetime 2010 R5	Mutual fund	**	257,789
	American Funds:			
	EuroPacific Growth R4	Mutual fund	**	4,445,235
	Growth Fund of America R4	Mutual fund	**	4,379,807
	American Mutual Fund R4	Mutual fund	**	1,869,372
	Dodge and Cox Income	Mutual fund	**	2,647,278
	Columbia Mid Cap Value A	Mutual fund	**	1,358,093
	Delaware Small Cap Value A	Mutual fund	**	1,240,980
	Fidelity Advisor Small Cap A	Mutual fund	**	1,109,198
	Vanguard Wellington Admiral	Mutual fund	**	1,029,391
	Total mutual funds		**	37,675,874
*	Perficient, Inc.	Employer securities	**	6,379,969
*	Principal Life Insurance Company:			
	Fixed Income Option 401(a)/401(k)	Guaranteed investment contract	**	4,013,323
*	Participant Loans	Interest rate of 5.25% - 11.50%	**	546,349
	Total investments			$ 48,615,515

* Party-in-interest transaction considered exempt by the Department of Labor.
** Cost omitted for participant-directed investments.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

The Perficient, Inc. 401(k) Employee Savings Plan

Date: May 23, 2011

/s/ Paul E. Martin
Paul E. Martin
Chief Financial Officer

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EXHIBITS INDEX

Exhibit Number	Description
23.1	Consent of Brown Smith Wallace, L.L.C.