PERFICIENT INC
Form DEF 14A
April 19, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant þ
Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement
¨ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material Pursuant to Rule 14a-12

PERFICIENT, INC.
(Name of Registrant as Specified in Its Charter)

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PERFICIENT, INC.

520 Maryville Centre Drive, Suite 400
Saint Louis, Missouri 63141

Notice of Annual Meeting of Stockholders
To Be Held May 23, 2012

NOTICE IS HEREBY GIVEN that the 2012 Annual Meeting of the Stockholders of Perficient, Inc. (“Perficient” or the “Company”) will be held at the Company’s headquarters located at 520 Maryville Centre Drive, Suite 400, Saint Louis, Missouri, 63141, on May 23, 2012 at 9:00 a.m. local time, for the following purposes:

1. To elect six directors to hold office for a term of one year or until their successors have been duly elected and qualified;

2. To approve, on an advisory basis, a resolution relating to the 2011 compensation of the named executive officers as disclosed in the Proxy Statement;

3. To approve the Company’s 2012 Long-Term Incentive Plan;

4. To approve the Company’s Plan for Tax Deductible Executive Incentive Compensation;

5. To ratify KPMG LLP as the Company’s independent registered public accounting firm; and

6. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors of Perficient has fixed the close of business on April 4, 2012 as the record date for the determination of Company stockholders entitled to notice of, and to vote, at the Annual Meeting. Only holders of record of Perficient common stock at the close of business on that date will be entitled to notice of, and to vote at, the Annual Meeting or any adjournments or postponements thereof. A list of such stockholders will be available for inspection at the Company’s headquarters located at 520 Maryville Centre Drive, Suite 400, Saint Louis, Missouri, 63141, during ordinary business hours for the ten-day period prior to the 2012 Annual Meeting.

Your attention is directed to the accompanying Proxy Statement for further information regarding each proposal to be made at the 2012 Annual Meeting.

Whether or not you plan to attend the 2012 Annual Meeting, you are asked to complete, sign and date the enclosed proxy and return it promptly by mail in the enclosed self-addressed envelope, which does not require postage if mailed in the United States or, alternatively, to vote your proxy by telephone or the Internet according to the instructions on your proxy card. You may revoke your proxy at any time prior to the 2012 Annual Meeting. If you decide to attend the 2012 Annual Meeting and wish to change your proxy vote, you may do so automatically by voting in person at the 2012 Annual Meeting.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be held on May 23, 2012.

The Proxy Statement and the Annual Report on Form 10-K are available at www.perficient.com under the heading “Investor Relations” and then “SEC Filings.”

By Order of the Board of Directors

/s/ Paul E. Martin
Paul E. Martin
Secretary

PERFICIENT, INC.
520 Maryville Centre Drive, Suite 400
Saint Louis, Missouri 63141

Proxy Statement for Annual Meeting of Stockholders

This Proxy Statement is furnished by the Board of Directors (the "Board") of Perficient, Inc., a Delaware corporation ("Perficient" or the "Company"), in connection with the solicitation of proxies to be used at the Annual Meeting of Stockholders (the "Meeting") to be held on May 23, 2012 at the Company's headquarters located at 520 Maryville Centre Drive, Suite 400, Saint Louis, Missouri, 63141, at 9:00 a.m. local time, and at any adjournment or postponement thereof. This Proxy Statement and the accompanying Notice and Proxy are being mailed to stockholders on or about April 19, 2012. The principal executive offices of Perficient are located at the address listed above.

PURPOSE OF MEETING

The specific proposals to be considered and acted upon at the Meeting are summarized in the accompanying Notice of Annual Meeting of Stockholders. Each proposal is described in more detail in this Proxy Statement.

VOTING RIGHTS AND SOLICITATION OF PROXIES

Only holders of record of Perficient common stock, $0.001 par value per share (the "Common Stock"), at the close of business on the record date, April 4, 2012 (the "Record Date"), will be entitled to vote at the Meeting, and any adjournment thereof. On the Record Date, there were 31,355,596 shares of Common Stock outstanding and entitled to vote. Each outstanding share of Common Stock is entitled to one vote on each matter to be voted upon. Votes cast, either in person or by proxy, will be tabulated by The Bank of New York Mellon Corporation, the Company's transfer agent.

Quorum Required

The Company's bylaws provide that the holders of a majority of the Company's outstanding shares of stock entitled to vote at the Meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business at the Meeting. Abstentions and broker non-votes will be counted as present for the purpose of determining the presence of a quorum.

Effect of Broker Non-Votes and Abstentions

A broker "non-vote" occurs on an item when shares held by a bank, broker or other nominee are present or represented at the Meeting but such nominee is not permitted to vote on that item because the nominee does not have discretionary voting power and has not received voting instructions from the beneficial owner of the shares. Broker non-votes and shares as to which proxy authority has been withheld with respect to any matter are not entitled to vote for purposes of determining whether stockholder approval of that matter has been obtained and, therefore, will have no effect on the outcome of the vote on any such matter. Accordingly, we encourage you to direct your nominee to vote your shares by following the instructions provided on the voting instruction card that you receive from your broker. Likewise, in tabulating the voting results for any particular proposal, shares that constitute abstentions are not, pursuant to our Bylaws, considered votes cast on the proposal. Accordingly, abstentions will not affect the outcome of any matter being voted on at the Meeting.

Voting Procedures

Holders of record of Perficient common stock may vote using one of the following methods:

In Person: Stockholders of record may attend the Meeting and vote in person.

By Mail: Stockholders of record may vote by completing, signing, dating, and returning the proxy card in the accompanying self-addressed envelope, which does not require postage if mailed in the United States.

By Telephone: Stockholders of record may call the toll-free number on the accompanying proxy card to vote by telephone, in accordance with the instructions set forth on the proxy card and through voice prompts received during the call.

By Internet: Stockholders of record may access the voting website listed on the accompanying proxy card to vote through the Internet in accordance with the instructions included on the proxy card and prompts on the voting website. Stockholders electing to vote through the Internet may incur telephone and Internet access charges.

Proxies submitted by telephone or the Internet are treated in the same manner as if the stockholder had signed, dated and returned the proxy card by mail. Therefore, stockholders of record electing to vote by telephone or the Internet should not return their proxy cards by mail.

If a proxy is properly signed by a stockholder and is not revoked, the shares represented thereby will be voted at the Meeting in the manner specified on the proxy, or if no manner is specified with respect to any matter therein, such shares will be voted by the person designated therein in accordance with the recommendations of the Board as indicated in this Proxy Statement. If any of the nominees for director are unable to serve or for good cause will not serve, an event that is not anticipated by Perficient, either (i) the shares represented by the accompanying proxy will be voted for a substitute nominee or substitute nominees designated by the Board; or (ii) the Board may determine to reduce the size of the Board. A proxy may be revoked by a stockholder at any time prior to the voting thereof by giving notice of revocation in writing to the Secretary of Perficient, duly executing and delivering to the Secretary of Perficient a proxy bearing a later date (by mail, telephone or internet) or voting in person at the Meeting. Attendance alone at the Meeting will not revoke a proxy. If you plan to attend the Meeting in person, please bring proper identification and proof of ownership of your shares.

Householding

In some instances, only one copy of the proxy materials is being delivered to multiple stockholders sharing an address, unless we have received instructions from one or more of the stockholders to continue to deliver multiple copies. We will deliver promptly upon oral or written request a separate copy of the proxy materials to any stockholder at your address. If you wish to receive a separate copy of proxy materials, requests should be directed to Mr. Paul E. Martin, Perficient, Inc., 520 Maryville Centre Drive, Suite 400, Saint Louis, Missouri, 63141, telephone number (314) 529-3600. If you have received only one copy of the proxy materials and wish to receive a separate copy for each stockholder in the future, you may call us at the telephone number listed above or write us at the address listed above. Alternatively, stockholders sharing an address who now receive multiple copies of the proxy materials may request delivery of a single copy, also by calling us at the number listed above, or writing to us at the address listed above.

Solicitation of Proxies

Perficient will bear the entire cost of solicitation, including the preparation, assembly, printing, and mailing of this Proxy Statement, the proxy card, and any additional soliciting material furnished to stockholders. Copies of solicitation material will be furnished to brokerage houses, fiduciaries and custodians holding shares in their names that are beneficially owned by others so that they may forward this solicitation material to such beneficial owners. Perficient may reimburse such persons for their costs of forwarding the solicitation material to such beneficial owners. The original solicitation of proxies by mail may be supplemented by solicitation by telephone, telegram or other means by directors, officers, employees, or agents of Perficient. No additional compensation will be paid to these individuals for any such service. In addition, Perficient has hired Morrow & Co., LLC, for a fee of approximately $6,000 plus costs and expenses to aid in the solicitation of proxies and to verify records relating to the solicitation.

PROPOSAL 1. ELECTION OF DIRECTORS.

At this year's Meeting, six directors will be elected to hold office for a term expiring at the next Annual Meeting of Stockholders. The nominees for election (the "Nominee Directors") are:

Jeffrey S. Davis
Ralph C. Derrickson
John S. Hamlin
James R. Kackley
David S. Lundeen
David D. May

Each Nominee Director is currently serving as a director of Perficient and has consented to being named in this Proxy Statement and to serve as a director if elected. Each director will be elected to serve until a successor is elected and qualified or until the director's earlier resignation or removal. Edward L. Glotzbach, a current director, has declined to stand for re-election to the Board.

If any of the Nominee Directors listed above becomes unable to serve or for good cause will not serve, an event that is not anticipated by the Company, either (i) the shares represented by the proxies will be voted for a substitute nominee or substitute nominees designated by the Board; or (ii) the Board may reduce the size of the Board. At this time, the Board knows of no reason why any of the persons listed above may not be able to serve as directors if elected.

Directors and Executive Officers

The name and age of each of the Nominee Directors and executive officers of Perficient and their respective positions with Perficient are listed in the table below. Additional biographical information concerning each of the Nominee Directors and executive officers, including the period during which each such individual has served Perficient, follows the table.

Name	Age	Position
Jeffrey S. Davis	47	President, Chief Executive Officer and Director
Kathryn J. Henely	48	Chief Operating Officer
Paul E. Martin	51	Chief Financial Officer, Treasurer and Secretary
Ralph C. Derrickson	53	Director
John S. Hamlin	46	Director
James R. Kackley	69	Director
David S. Lundeen	50	Director
David D. May	48	Director

Jeffrey S. Davis became the Chief Executive Officer and a member of the Board on September 1, 2009. He previously served as the Chief Operating Officer of the Company following its acquisition of Vertecon in April 2002, and was named the Company's President in 2004. He served the same role of Chief Operating Officer at Vertecon from October 1999 to its acquisition by Perficient. Before Vertecon, Mr. Davis was a Senior Manager and member of the leadership team in Arthur Andersen's Business Consulting Practice, where he was responsible for defining and managing internal processes, while managing business development and delivery of all products, services and solutions to a number of large accounts. Mr. Davis also served in a leadership position at Ernst & Young LLP in the Management Consulting practice and in industry at Boeing, Inc. and Mallinckrodt, Inc. Mr. Davis is an active volunteer member of the board of directors of the Cystic Fibrosis Foundation of St. Louis and a member of the University of Missouri Trulaske College of Business advisory board. Mr. Davis has a M.B.A. from Washington University and a B.S. degree in Electrical Engineering from the University of Missouri.

Kathryn J. Henely was appointed as the Company's Chief Operating Officer on November 3, 2009. Ms. Henely joined the Company as a Director in the St. Louis office following its acquisition of Vertecon in April 2002. Ms. Henely was the General Manager of the St. Louis office and the Vice President for the Company's largest business group, which business group includes several local and national business units along with our offshore development center in China, prior to her appointment to Chief Operating Officer. She actively participated in the due diligence and integration of several acquisitions within her business group. Additionally, she led the establishment of our Company Wide Practices and Corporate Recruiting organization. Ms. Henely received her M.S. in Computer Science from the University of Missouri-Rolla and her B.S. in Computer Science from the University of Iowa.

Paul E. Martin joined the Company in August 2006 as Chief Financial Officer, Treasurer and Secretary. From August 2004 until February 2006, Mr. Martin was the Interim co-Chief Financial Officer and Interim Chief Financial Officer of Charter Communications, Inc. (“Charter”), a publicly traded multi-billion dollar in revenue domestic cable television multi-system operator. From April 2002 through April 2006, Mr. Martin was the Senior Vice President, Principal Accounting Officer and Corporate Controller of Charter, and was Charter’s Vice President and Corporate Controller from March 2000 to April 2002. Prior to Charter, Mr. Martin was Vice President and Controller for Operations and Logistics for Fort James Corporation, a manufacturer of paper products with multi-billion dollar revenue. From 1995 to February 1999, Mr. Martin was Chief Financial Officer of Rawlings Sporting Goods Company, Inc., a publicly traded multi-million dollar revenue sporting goods manufacturer and distributor. Mr. Martin received a B.S. degree with honors in accounting from the University of Missouri – St. Louis. Mr. Martin is also a member of the University of Missouri – St. Louis School of Business Leadership Council.

Ralph C. Derrickson became a member of the Board in July 2004. Mr. Derrickson has more than 28 years of technology management experience in a wide range of settings including start-up, interim management, and restructuring situations. Currently Mr. Derrickson is President, CEO and a director of Carena, Inc., a medical care company. Prior to joining Carena, Inc., Mr. Derrickson was managing director of venture investments at Vulcan Inc., an investment management firm headquartered in Seattle, Washington, from October 2001 to July 2004. Mr. Derrickson is a founding partner of Watershed Capital, an early-stage venture capital firm, and is the managing member of RCollins Group, LLC, a management advisory firm. He is currently a board member of Array Health Solutions. He previously served as a board member of Metricom, Inc., a publicly traded company, from April 1997 to November 2001, and as Interim CEO of Metricom from February 2001 to August 2001. He served as vice president of product development at Starwave Corporation, one of the pioneers of the Internet. Earlier, Mr. Derrickson held senior management positions at Metricom, Inc., Starware Corporation, and NeXT Computer, Inc. He has served on the boards of numerous start-up technology companies. Mr. Derrickson is a lecturer at the Michael G. Foster School of Business at the University of Washington, and serves on the Executive Advisory Board of the Center for Entrepreneurship and Innovation at the University of Washington. Mr. Derrickson also serves on the Board of Trustees of The Island School on Bainbridge Island, Washington, and he is a member of the President’s Circle of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. Mr. Derrickson holds a bachelor’s degree in systems software from the Rochester Institute of Technology.

Edward L. Glotzbach became a member of the Board in December 2010. He served as the Vice Chairman of Information Services Group, Inc., a sourcing advisory service firm until March 2012; a position he assumed after its acquisition in November 2007 of TPI, Inc., the leading sourcing advisory firm in the United States (“U.S.”), where he was President and CEO from 2004 through 2007. Prior to that, Mr. Glotzbach spent more than three decades with SBC Communications, Inc., a telephone services provider, most recently as Executive Vice President and Chief Information Officer. Mr. Glotzbach is a current member and former chairman of the Board of Trustees of Webster University, a member of the Board of Directors of The Laclede Group, and a member of the Audit Committee at Edward Jones, each based in St. Louis, Missouri. He serves on the Board of Directors of Christian Hospital and on the Executive Board of the Boy Scouts of America, both in St. Louis. Additionally, Mr. Glotzbach serves as a current director and former chairman of the Washburn University Foundation in Topeka, Kansas. He received his undergraduate degree from Washburn University and a graduate degree from the University of Southern California. Mr. Glotzbach has declined to stand for re-election to the Board.

John S. Hamlin became a member of the Board in March 2009. Mr. Hamlin has been President and Managing Partner of Bozeman Limited Partnership, an Austin, Texas-based private equity firm, since April 2007. He is currently Chairman of the corporate board of Recreational Equipment, Inc. (REI), an outdoor retailer in Seattle, Washington; Presiding Director of the board of Tory Burch LLC, a luxury American sportswear company in New York; a corporate board member of Spiceworks, a privately held network management software company in Austin, Texas; a corporate board member of Serena and Lily, a privately held premium home goods retailer in California; and a corporate board member of Food on the Table, a privately held online business in Austin, Texas. He serves on the advisory boards of Bazaarvoice (NASDAQ: BV), a privately held online ratings and review company, and Trackingpoing, an optics technology company, both in Austin, Texas. Mr. Hamlin previously served on the board of Bare Escentuals, a publicly-held premium cosmetic company, from March 2009 until their acquisition by Shiseido in March 2010. From 2006 to 2008, he was a corporate board member and audit committee member at Safeco, a publicly-held insurance company, which was sold to Liberty Mutual Insurance. Prior to joining Bozeman, Mr. Hamlin spent 11 years at Dell Inc., a technology solutions, services, and support provider, where he was an Executive Officer and Senior Vice President reporting directly to the Office of the Chairman. From 2005 to 2007 he was the Senior Vice President responsible for Dell's global online business and brand strategy. Mr. Hamlin previously served as Senior Vice President and General Manager of Dell's U.S. consumer business for 5 years, and led that business from #6 to #1 market share in the U.S. He also served as Vice President and General Manager of Dell's Home and Small Business division in Japan, and held marketing and operations positions in the U.S. Home and Small Business division before moving to Japan. Prior to joining Dell, Mr. Hamlin worked in the venture capital field for three years and served as a strategic consultant at Bain & Company for six years. He is a Phi Beta Kappa graduate of Dartmouth College and received a graduate degree from the Harvard Business School.

James R. Kackley became a member of the Board in December 2010 and was appointed as non-executive Chairman in November 2011. He is currently the Non-Executive Chairman of the Board of Orion Energy Systems, Inc., a leading innovator in power technology, having served as its President and Chief Operating Officer in 2009 and 2010 and as a director since 2005. Prior to board service he served as Managing Partner and Chief Financial Officer of Andersen Worldwide SC. Mr. Kackley spent more than three decades at Arthur Andersen LLP and Andersen Worldwide. He served as a partner in both the U.S. and Worldwide firms from 1974. He served as an Adjunct Professor at the Kellstadt School of Management at DePaul University from 1999 to 2002. He has been a director of Herman Miller Inc. since 2003 and served as a director of PepsiAmericas Inc. from December 2004 to February 2010 and Ryerson Inc. from February to October 2007. Mr. Kackley is also involved in numerous civic and charitable organizations. He currently serves as a Life Trustee of Northwestern University and the Museum of Science and Industry (Chicago). Mr. Kackley received his undergraduate degree from Northwestern University.

David S. Lundeen became a member of the Board in April 1998. Mr. Lundeen has been providing services as an independent business consultant since 2002. He is currently a director at Parago, Inc., a reward programs and customer incentive solutions provider, a position he has held since 1999. From March 1999 through 2002, Mr. Lundeen was a partner with Watershed Capital, a private equity firm based in Mountain View, California. From June 1997 to February 1999, Mr. Lundeen was self-employed, managed his personal investments, and acted as a consultant and advisor to various businesses. From June 1995 to June 1997, he served as the Chief Financial Officer and Chief Operating Officer of BSG Corporation. From January 1990 until June 1995, Mr. Lundeen served as President of Blockbuster Technology and as Vice President of Finance of Blockbuster Entertainment Corporation. Prior to that time, Mr. Lundeen was an investment banker with Drexel Burnham Lambert in New York City. Mr. Lundeen received a B.S. in Engineering from the University of Michigan in 1984 and a M.B.A. from the University of Chicago in 1988.

David D. May, CFA, became a member of the Board in March 2009. Mr. May is the co-founder and portfolio manager of Third Coast Capital, an Austin, Texas-based long-short equity hedge fund. Prior to forming Third Coast Capital in 2004, Mr. May was a co-founder and Managing Partner of Ridgecrest Partners, a New York City-based hedge fund founded in 1998. From 1996 to 1998, Mr. May was a Partner at Ardsley Partners, a Connecticut-based hedge fund, where he served as an analyst and a portfolio manager. Previously, he was a Vice President at Luther King Capital Management in Fort Worth, Texas, an investment advisory firm. During his twelve years with the company, he served as a portfolio manager for a broad range of investment portfolios and co-founded the LKCM Mutual Funds, of which he served as President of the Fund group. He received a B.A. in Business and a M.B.A. from Texas Christian University. Mr. May is a CFA charter holder and is a member of the Investment Advisory Committee for LBJ Advisors, LTD.

There are no family relationships between any of the Company's directors and executive officers.

COMPOSITION AND MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEES

The size of the Board is set at seven directors. The Board has affirmatively determined that a majority of the directors qualify as independent directors as defined by the Securities and Exchange Commission ("SEC") regulations and The Nasdaq Global Select Market ("Nasdaq") listing standards. The independent directors are Ralph C. Derrickson, Edward L. Glotzbach, John S. Hamlin, James R. Kackley, David S. Lundeen, and David D. May.

During fiscal year 2011, the Board held seven meetings and acted by unanimous written consent four times. Each of the directors participated in at least 75% of the aggregate of all meetings of the Board and the total number of meetings held by all committees of the Board of which each respective director was a member during the time he was serving as such during the fiscal year ended December 31, 2011. All members of the Board are encouraged to attend the Meeting. Three of the directors attended the 2011 Annual Meeting of Stockholders.

Committees of the Board of Directors

The Board has created a Compensation Committee, an Audit Committee, and a Nominating and Corporate Governance Committee. Each member of these committees is independent as defined by SEC regulations and the Nasdaq listing standards.

Compensation Committee

The Compensation Committee establishes salaries, incentives and other forms of compensation for Perficient's directors, executive officers, and key employees, and administers its equity incentive plans and other incentive and benefit plans. This committee held four meetings during 2011. Ralph C. Derrickson, Edward L. Glotzbach, David S. Lundeen, and David D. May served on the Compensation Committee. Mr. Lundeen served as chairman of the Compensation Committee until March 2011, when Mr. Glotzbach was appointed chairman of the Compensation Committee. Mr. Glotzbach has declined to stand for re-election to the Board, and Mr. May has been appointed to replace Mr. Glotzbach as chairman of the Compensation Committee. For 2011, the Board affirmatively determined that Messrs. Derrickson, Glotzbach, Lundeen, and May qualified as independent directors as defined by the Nasdaq listing standards. Additional information regarding the Compensation Committee is included in the section entitled "Compensation Discussion and Analysis" beginning on page 9. A copy of the current Compensation Committee Charter is available on the Company's website, www.perficient.com.

Audit Committee

The Audit Committee has the sole authority to appoint, retain and terminate the Company's independent accountants and is directly responsible for the compensation, oversight and evaluation of the work of the independent accountants. The independent accountants report directly to the Audit Committee. The Audit Committee also has the sole authority to approve all audit engagement fees and terms and all non-audit engagements with the Company's independent accountants, and must pre-approve all auditing and permitted non-audit services to be performed for the Company by the independent accountants, subject to certain exceptions provided by the Securities Exchange Act of 1934, as amended (the "Exchange Act"). A copy of the current Audit Committee Charter is available on the Company's website, www.perficient.com.

This committee held four meetings during 2011. James R. Kackley, David S. Lundeen, and David D. May served on the Audit Committee for all of 2011. Ralph C. Derrickson served until March 2011 when he resigned from the Audit Committee. Mr. Lundeen serves as chairman of the Audit Committee. For 2011, the Board affirmatively determined that Messrs. Derrickson, Kackley, Lundeen, and May qualified as independent directors as defined by the Nasdaq listing standards and Rule 10A-3 of the Securities Exchange Act of 1934, as amended, and further determined that each member has sufficient knowledge and experience in financial matters to perform his duties on the committee. In addition the Board determined that Mr. Kackley is qualified as the Audit Committee financial expert within the meaning of SEC regulations and that he has accounting and related financial management expertise within the meaning of the Nasdaq listing standards.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for establishing the criteria for selecting directors, recommending to the Board individuals for election or re-election, overseeing orientation and continuing education programs, advising the Board on corporate governance practices, recommending chairpersons of each of the Board committees, and reporting annually on the performance of the Board. A copy of the current Nominating and Corporate Governance Committee Charter is available on the Company's website, www.perficient.com.

This committee held four meetings during 2011. James R. Kackley and John S. Hamlin served on the Nominating and Corporate Governance Committee for all of 2011. David S. Lundeen served until March 2011 when he resigned from the Nominating and Corporate Governance Committee. Mr. Hamlin serves as chairman of the Nominating and Corporate Governance Committee. For 2011, the Board affirmatively determined that Messrs. Hamlin, Kackley and Lundeen qualified as independent directors as defined by the Nasdaq listing standards.

Director Qualifications

When considering whether directors and nominees have the experience, qualifications, attributes, diversity, and skills, taken as a whole, to enable the Board to satisfy its oversight responsibilities effectively in light of the Company's business and structure, the Nominating and Corporate Governance Committee and the Board focused primarily on the information discussed in each of the directors' individual biographies set forth on pages 3-5. In particular:

- With regard to Mr. Davis, the Board considered his deep knowledge and understanding of the Company and its operations, as well as his more than 20 years of experience in technology management and consulting.
- With regard to Mr. Derrickson, the Board considered his strong business and entrepreneurial background, especially his extensive technology management experience in diverse settings.
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With regard to Mr. Glotzbach, the Board considered his expertise in the communications industry with a large public company, his diverse board experience, and his experience in mergers and acquisitions as well as strategic and operational initiatives.

- With regard to Mr. Hamlin, the Board considered his expertise in finance and investments and his extensive managerial and operational experience with a large public company.
- With regard to Mr. Kackley, the Board considered his financial acumen, his strong background in business, and extensive board experience at both private and public companies.
- With regard to Mr. Lundeen, the Board considered his financial acumen, his strong background in business, finance and investment banking, and his vast and diverse board experience.
- With regard to Mr. May, the Board considered his broad investment experience, including fund management, portfolio management and advisory services.

Identification of Director Candidates

The Nominating and Corporate Governance Committee is responsible for evaluating potential or suggested director nominees and identifying individuals qualified to become members of the Board. This committee will also evaluate persons suggested by stockholders and conduct the appropriate inquiries into the backgrounds and qualifications of all possible nominees. The Nominating and Corporate Governance Committee has established criteria for selecting new director nominees, which includes knowledge of business, industry and economic environment, educational background, professional experience, and availability to serve as a director of the Company. When identifying nominees to serve as director, the Nominating and Corporate Governance Committee will consider candidates with diverse business and professional experience, skills, gender, and ethnic background, as appropriate, in light of the current composition and needs of the Board. The Nominating and Corporate Governance Committee will assess the effectiveness of this policy annually in connection with the nomination of directors for election at the annual meeting of stockholders. Each nominee should be a person of integrity and be committed to devoting the time and attention necessary to fulfill his or her duties to the Company. Please see the section entitled "Stockholder Proposals for Next Annual Meeting" on page 31 for additional information regarding certain notice requirements applicable to director nominations other than those made by the Board.

Board Leadership and Risk Oversight

Mr. Kackley was appointed as non-executive Chairman of the Board in November 2011.The position of Chairman of the Board was vacant from October 2010 to the appointment of Mr. Kackley. The Company decided to fill the Chairman position and separate the roles of the Chairman and the CEO in recognition of the importance of and differences between the two roles. The CEO is responsible for setting the strategic direction of the Company and the day-to-day leadership and performance of the Company, while the Chairman provides guidance to the CEO and presides over meetings of the full Board. The Company could decide to combine these positions in the future.

The Board has responsibility for the oversight of risk management. The Board, either as a whole or through its committees, regularly discusses with management the Company's major risk exposures, their potential impact on the Company, and the steps to take to manage them. While the Board is ultimately responsible for risk oversight at the Company, the committees assist the Board in fulfilling its oversight responsibilities in certain areas of risk. In particular, the Audit Committee meets periodically with management in order to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures. The Nominating and Corporate Governance Committee focuses on the management of risks associated with board organization, membership and structure, succession planning for the directors and executive officers, and corporate governance. Finally, the Compensation Committee assists the Board in fulfilling its oversight responsibilities with respect to the management of risks arising from compensation policies and programs.

Communications with the Board

Communications by stockholders or by other parties may be sent to the Board by U.S. mail or overnight delivery and should be addressed to the Board of Directors c/o Secretary, Perficient, Inc., 520 Maryville Centre Drive, Suite 400, Saint Louis, Missouri, 63141. Communications directed to the Board, or one or more directors, will be reviewed by the Secretary and forwarded to the Board as appropriate and may be made anonymously.

COMPENSATION OF DIRECTORS

The Company uses a combination of cash and equity-based incentive compensation to attract and retain qualified candidates to serve on the Board. When recommending changes to director compensation, the Company considers the significant amount of time they expend in fulfilling their duties to the Company, as well as the skill level required of members of the Board.

For 2011, the Board compensation plan provided the following for non-employee directors:

- Each new non-employee director will be granted restricted stock with a value of $100,000, based on the closing price of the Company's stock price on the date of appointment to the Board, in connection with his election or appointment to the Board, vesting ratably on the last day of each calendar quarter over the immediately succeeding three years;
- Subject to continuing Compensation Committee approval, on the first business day in November of each year, each then-serving non-employee director will be granted an annual award of restricted stock with a value of $20,000, based on the closing price of the Company's stock price on that date, vesting ratably on the last day of each calendar quarter over the immediately succeeding one year;
- Each non-employee director will be entitled to receive an annual fee of $15,000 paid in quarterly installments;
- Each non-employee director will receive $2,000 for each regularly scheduled quarterly meeting of the Board attended in person or $1,000 if attended telephonically;
- Each non-employee director will receive $500 for each special meeting of the Board if attended in person or $250 if attended telephonically;
- The non-employee director serving as chairman of the Audit Committee will receive an additional fee payable at the rate of $3,750 per quarter; and

- The non-employee director serving as chairman of the Compensation Committee will receive an additional fee payable at the rate of $2,500 per quarter.

The following table provides information relating to total compensation amounts paid to non-employee members of the Board in 2011:

2011 DIRECTOR COMPENSATION

Name (1)	Fees Paid in Cash ($)	Stock Awards ($)(2)(3)	Option Awards ($)	Total ($)
Ralph C. Derrickson (4)	$ 21,000	$ 21,706	$ -	$ 42,706
Edward L. Glotzbach (5)	23,015	21,706	-	44,721
John S. Hamlin (6)	20,750	21,706	-	42,456
James R. Kackley (7)	17,182	21,706	-	38,888
David S. Lundeen (8)	39,917	21,706	-	61,623
David D. May (9)	21,000	21,706	-	42,706

(1) Chief Executive Officer ("CEO") Jeffrey S. Davis is not included in this table because he was an employee of the Company in 2011. Mr. Davis's compensation as an employee of the Company is shown in the "Summary Compensation Table" on page 14.
(2) All non-employee directors of the Board received a restricted stock award of 2,247 shares on November 10, 2011. The grant date fair value of the November 10, 2011 restricted stock awards was based on the closing market price of the Company's common stock on the grant date of $9.66.
(3) Amounts listed represent the aggregate grant date fair value, with respect to restricted stock awards, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation-Stock Compensation ("ASC Topic 718"). Following SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. Assumptions used in the calculation of the 2011 amounts were disclosed in Note 9 to the Company's consolidated financial statements for 2011, included in the Company's annual report on Form 10-K filed with the SEC on March 1, 2012.
(4) As of December 31, 2011, Mr. Derrickson had 30,000 option awards outstanding, which are all vested. These awards range in exercise price from $3.17 to $9.19. Mr. Derrickson had 1,686 shares of unvested restricted stock outstanding as of December 31, 2011 with a market value of $16,877, based on the closing price of the Company's common stock of $10.01 on December 31, 2011.
(5) As of December 31, 2011, Mr. Glotzbach had no option awards outstanding and 7,497 shares of unvested restricted stock outstanding with a market value of $75,045, based on the closing price of the Company's common stock of $10.01 on December 31, 2011.
(6) As of December 31, 2011, Mr. Hamlin had no option awards outstanding and 3,408 shares of unvested restricted stock outstanding with a market value of $34,114, based on the closing price of the Company's common stock of $10.01 on December 31, 2011.
(7) As of December 31, 2011, Mr. Kackley had no option awards outstanding and 7,497 shares of unvested restricted stock outstanding with a market value of $75,045, based on the closing price of the Company's common stock of $10.01 on December 31, 2011.

(8) As of December 31, 2011, Mr. Lundeen had no option awards outstanding and 1,686 shares of unvested restricted stock outstanding with a market value of $16,877, based on the closing price of the Company's common stock of $10.01 on December 31, 2011.

(9) As of December 31, 2011, Mr. May had no option awards outstanding and 3,408 shares of unvested restricted stock outstanding with a market value of $34,114, based on the closing price of the Company's common stock of $10.01 on December 31, 2011.

Vote Required and Board of Directors' Recommendation

The affirmative vote of the holders of a plurality of the shares of Common Stock present in person or by proxy and entitled to vote at the Meeting is required for the election of each director. A "plurality" means receiving a higher number of votes than any other candidate. In other words, the seven nominees receiving the most "FOR" votes will be elected director. Each outstanding share of Common Stock is entitled to one vote on each of the seven director positions to be filled at the meeting. Stockholders can withhold authority to vote for one or more nominees for director. Stockholders do not have cumulative voting rights in the election of directors, meaning they cannot aggregate their votes on all seats to be filled and vote them on a lesser number of nominees or a single nominee.

The Board recommends a vote "FOR" the election of each of the Nominee Directors.

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Discussion & Analysis

Overview

The Compensation Committee of the Board is responsible for reviewing, evaluating and approving the agreements, plans, policies, and programs of the Company to compensate its officers and directors. The Compensation Committee consisted of Messrs. Derrickson, Glotzbach, Lundeen, and May. Mr. Lundeen served as chairman of the Compensation Committee until March 2011, when Mr. Glotzbach was appointed chairman.

The Compensation Committee makes all decisions related to the compensation package of the CEO. To determine the compensation of the CEO, the Compensation Committee reviews the individual performance of the CEO in the context of the Company's performance as well as the analysis of its compensation consultant, Lockton Companies LLC ("Lockton"). For the compensation packages of the named executive officers, other than himself, the CEO annually reviews their performance, including individual contribution and demonstrated leadership, and external market references and presents individual compensation recommendations to the Compensation Committee. The Compensation Committee reviews the recommendations of the CEO as well as the analysis of Lockton. The Compensation Committee has the authority to accept, modify or disregard the CEO's compensation recommendations. These compensation packages are the result of the evaluation and judgment of the Compensation Committee, rather than a precise formula. The Compensation Committee does not specifically focus in any material way on any of the individual compensation elements discussed below.

At the 2011 Annual Meeting of Stockholders, the "Advisory Vote on Executive Compensation" proposal (the "say on pay" vote) received support from approximately 97% of votes cast. The Committee considered these results in determining the Company's compensation plans and programs for fiscal year 2012.

Executive Compensation Objectives and Elements of Compensation

During 2011, various types of compensation were provided to the named executive officers of the Company set forth in the "Summary Compensation Table" at page 14, who are:

- Jeffrey S. Davis, CEO and President;
- Kathryn J. Henely, Chief Operating Officer ("COO"); and
- Paul E. Martin, Chief Financial Officer ("CFO").

The objectives of the Company's compensation programs are to:

- Recruit and retain top executive officers with the experience and skills to aid and to support the Company's growth;
- Recognize job responsibility and offer competitive and compelling compensation programs that provide executives with an incentive to continue to expand their contributions to the Company;
- Reward individuals for their continued contribution to the success of the Company, including the Company's execution against its business plan and creation of stockholder value; and
- Allow employees to acquire a proprietary interest in the Company as an incentive to remain employed with the Company.

The Company's compensation programs are designed to attract, retain and reward executives who are responsible for achieving the business objectives necessary to assure both revenue and profit growth while providing clients of the Company with the highest quality solutions and services. A significant portion of compensation paid to executives is directly related to delivering revenue and profit growth and other factors that influence stockholder value, thereby aligning executive interests closely with stockholder interests. This leads the Company to focus more on variable compensation than on base salary. The Company's variable compensation programs for executives are structured to pay for high performance and are typically dependent on the Company's financial results. It is the Company's view that including an incentive-based compensation element keeps management motivated and retains top executives to ensure the Company's long-term success. Each executive officer is rewarded with the following types of cash and non-cash compensation:

- Base salary;
- Performance-based annual cash bonus award;
- Long-term equity incentive compensation;
- Company-sponsored employee benefits, such as life insurance benefits and a tax-qualified savings plan (401(k) plan); and
- Upon a termination for certain specified reasons or a change of control, severance and the potential acceleration of vesting of long-term equity awards.

There is no predetermined policy for allocating compensation between these elements and each type of compensation is designed to achieve a specific purpose in line with the objectives of the Company's compensation philosophy.

Peer Group

The Compensation Committee has the discretion to directly engage the services of a compensation consultant or other advisors. Lockton, an independent compensation consulting firm, was retained by the Compensation Committee and has conducted a comprehensive assessment to determine if the Company's executive officer compensation is comparable to the Company's peers and a market median. The market median was comprised of a combination of market compensation data from peer company proxy statements as well as published industry sources utilizing companies that operate in the computer programming services industry with revenue less than $500 million (the "external market"). The following companies were included in the peer group: Advent Software, Inc., Agilysys, Inc., Blackbaud, Inc., CIBER, Inc., Computer Task Group, Inc., Dynamics Research Corporation, EPIQ Systems, Inc., iGATE Corporation, Interactive Intelligence Inc., Mattersight Corporation, NCI Inc., NetSuite Inc., Nic Inc., Sapient Corporation, Synaptics Incorporated, Syntel Inc., and Taleo Corporation. Published survey compensation data from the following sources was utilized: ECS and Human Resource Association. The report prepared by Lockton analyzed the compensation paid to the Company's named executive officers for 2011. While the data and input provided by Lockton is a factor in its analysis of various compensation elements, the Compensation Committee makes the final determination on all compensation decisions. Lockton did not provide additional services to the Company in excess of $120,000 during 2011.

Base Salary

The named executive officers are offered a competitive salary in order to retain their services and to also reward their performance with the Company. For the CEO and CFO, salary is predetermined as part of a written agreement that has been approved by the Compensation Committee. Several factors are considered by the Compensation Committee when determining and approving an employment agreement or arrangement for a named executive officer. These factors include the executive officer's performance relative to the Company's goals and objectives, such as the Company's financial performance and relative stockholder return. For newly hired executives, the individual's relevant experience in the industry is considered. The base salary of other executive officers of the Company is recommended by the CEO after his review of the aforementioned factors with final approval given by the Compensation Committee.

During 2011, the Compensation Committee determined that the base salaries of the named executive officers were below the desired 80% to 85% of the 50th percentile of the external market and approved increases during May 2011 to bring their salaries closer to the recommended targeted position according to the analysis performed by Lockton. The increases were deemed appropriate due to the importance of the roles of the named executive officers and the Company's strategy to retain the executives. See the "Summary Compensation Table" at page 14 for a detailed discussion of the named executive officers' base salaries for years 2009, 2010, and 2011.

Performance-Based Executive Bonus Plan

The named executive officers are eligible for cash bonuses under the Executive Bonus Plan, which is tied to operating performance. The determination of bonus payments is based on various targets and factors. Annual incentive targets are an integral component of compensation that link and reinforce executive decision making and performance with the annual objectives of the Company. The Compensation Committee has the discretion to determine the appropriate performance criteria, which is objective and established in writing during the first quarter of each year. Typically, these targets include an Adjusted Generally Accepted Accounting Principles Earnings Per Share ("Adjusted GAAP

EPS") target that must be met and is discussed and agreed upon by the Compensation Committee and management during the Company's annual planning process. Adjusted GAAP EPS is a performance measure defined as net income plus amortization of intangibles, stock compensation expense, acquisition-related costs and adjustments, and other non-cash items, including related tax effects, divided by shares used in computing diluted net income per share, which is not in compliance with Generally Accepted Accounting Principles ("GAAP").

Management and the Compensation Committee believe in the importance of structuring a bonus arrangement that pays the Company's stockholders first. Therefore, no incentive bonuses are payable to the Company's executives until the Company surpasses the Adjusted GAAP EPS target established by the Compensation Committee. However, final overall funding decisions are made after the end of the year based upon the Company's performance against this target, and are subject to approval by the Compensation Committee.

The bonus payments under the 2011 Executive Bonus Plan were contingent upon realization of fully diluted Adjusted GAAP EPS of at least $0.74 for the year. This target was reassessed by the Compensation Committee after the acquisitions during the year and was increased as appropriate to reflect the impact of the transactions. In addition to amounts that may be payable under the Company's Executive Bonus Plan, the Compensation Committee may also award discretionary bonuses to non-executive management. The form and structure of any bonuses paid to the Company's named executive officers must be approved by the Compensation Committee. Bonus payments are offered to reward management for implementing and monitoring the objectives of the Company in line with the Company's financial goals.

The 2011 Executive Bonus Plan incorporated a "stair-step" feature. Pursuant to the Company's 2011 incentive bonus arrangements, a portion of the bonus pool was to be funded upon the achievement of Adjusted GAAP EPS in excess of $0.74 (and earnings in excess of the portion of the bonus pool funded would be retained by the Company), and the bonus pool would not be fully funded until the achievement of Adjusted GAAP EPS in excess of $0.97. The Compensation Committee implemented this feature based on the recommendation of management to ensure that the Company's executives and management would share in the benefits of increased earnings on Common Stock with the Company's stockholders. Management and the Compensation Committee believe the inclusion of the "stair-step" feature in the 2011 Executive Bonus Plan furthers the Company's policy of paying stockholders before executives are rewarded for Company performance.

For 2011, the Company achieved $0.77 Adjusted GAAP EPS, which resulted in 20% funding of the bonus plan. The Compensation Committee reviewed these results, the aggressive goal setting of management and management's recommendation that the named executive officers waive their right to receive a cash incentive bonus for 2011 to allow for a bigger bonus pool to non-executive management into consideration when approving the overall funding percentage for the bonus plan. Discretionary bonuses were paid to non-executive management for 2011 after Compensation Committee approval.

The Compensation Committee noted the target short-term incentive for the named executive officers was above the 50th percentile of the external market in the study provided by Lockton. However, since payments were not made to the named executive officers under the 2011 Executive Bonus Plan, the actual short-term incentive paid could not be compared to the market median. The named executive officers have not received a bonus payment under the Executive Bonus Plan in three of the previous four years. This is believed to be caused by challenging Adjusted GAAP EPS targets established each year. Based on the Lockton review of executive compensation for 2011 and prior, it appears the Company's Executive Bonus Plan targets have been consistently aggressive compared to the external market.

Long-Term Equity Incentive Compensation

Share-based compensation such as restricted stock awards are granted to executives on a discretionary basis by the Compensation Committee. The Company does not have any program, plan or practice to grant restricted stock awards to executives in coordination with the release of material non-public information. It is the Company's current practice to grant awards of restricted stock instead of stock options. See additional discussion of these awards at the "2011 Grants of Plan-Based Awards" table at page 16. The Company believes that by offering this type of incentive compensation, they have rewarded the highest quality management and will retain that management in the future. Share-based payments allow the executives to obtain a proprietary interest in the Company and therefore participate in the profit and success of the Company in meeting its objectives and goals. Additionally, by focusing on equity-based compensation the Company is able to provide competitive total compensation packages and use cash resources to operate and expand the business.

Beginning in 2011, the vesting period for long-term equity incentive awards was shortened from five years to three years with 33% of the award vesting on each anniversary of the date of the grant. Prior to 2011, these types of awards had a vesting period of five years with 20% of the award vesting on each anniversary of the date of grant. There are no performance conditions associated with the share-based awards granted by the Company. Award amounts and the timing of grants are determined by the Compensation Committee. In 2011, all of the long-term equity incentive awards granted by the Company were in the form of restricted stock. 2011 awards to the named executive officers vest 33% on each anniversary of the date of grant through 2014. Any potential acceleration of the vesting schedules pursuant to a change of control or a termination is discussed below under "Potential Payments Upon Termination and/or a Change of Control."

The Compensation Committee utilized the report prepared by Lockton to determine how the long-term incentives granted to the Company's named executive officers, like share-based payments, compared to the market median (see discussion under "Peer Group" for additional information). The analysis showed that the aggregate value of the equity awards received by the Company's named executive officers was below the 50th percentile of the external market. The Company was somewhat limited in the amount of equity awards that could be granted due to the size of its Perficient, Inc. 2009 Long-Term Incentive Plan (the "2009 Plan"). Long-term equity incentives play a key role in achieving the Company's compensation philosophy and the Company hopes to raise the size of its equity awards where necessary in 2012.

Total Direct Compensation Analysis

Based on the analysis performed by Lockton for 2011, actual total direct compensation paid to the Company's named executive officers was below the 50th percentile of the external market. The Compensation Committee will consider these results when determining what compensation changes may be necessary in 2012. The Compensation Committee's goal is to pay compensation comparable to the Company's peers while still providing executives of the Company with the opportunity to increase the value of their compensation package through extraordinary performance.

Company-Sponsored Benefit Plans

The named executive officers are provided with primarily the same company-sponsored health, welfare and retirement benefits as all other employees, including life insurance benefits and a tax-qualified retirement savings plan. The Company provides all employees with basic life insurance in the amount of two times their annual salary with a $100,000 minimum benefit and a $400,000 maximum benefit. In addition to the standard life insurance, the Company retains a $1.5 million life insurance policy for the CEO. The benefit on these policies is payable to the CEO’s beneficiary, as applicable, upon death. The Company also provides a short- and long-term disability benefit to all employees, including the named executive officers, at no cost for 60% of base salary for up to 90 days and 60% of base salary up to a maximum benefit of $10,000 for up to 90 days, respectively. In addition to the standard short- and long-term disability benefits, the Company pays for additional disability coverage for the CEO. This additional coverage includes a monthly income benefit of $15,000 for five years for the CEO.

The Perficient 401(k) Employee Savings Plan is a tax-qualified retirement savings plan to which all employees, including the named executive officers, are able to contribute from 1% to 100% of their annual salary on a before-tax basis, up to the limits established by the Internal Revenue Code (the “Code”). During the 2011 year, the Company matched 50% of contributions, up to 6% of salary, comprised of 25% in cash and 25% in Company stock. Employee contributions to the 401(k) Employee Savings Plan vest upon contribution and Company matching funds are fully vested after three years of service.

Attributed costs of the benefits described above for the named executive officers for the year ended December 31, 2011 are included in the “All Other Compensation” column of the “Summary Compensation Table” at page 14.

Severance Benefits

The Company has entered into employment agreements with the CEO and CFO, which contain severance and change of control provisions. Severance benefits under the agreements are payable upon a “double-trigger.” In other words, although the employment agreements provide for accelerated vesting of equity upon a change of control, additional payments under the agreements are only triggered upon both a change of control and termination of employment.

The Company provides a level of severance benefits that the Compensation Committee believes is necessary to provide a competitive compensation package to these senior executives. Maintaining these arrangements enables the Company to attract and retain senior executives, provide senior executives with a degree of certainty regarding their future employment relationship, and ensure the continued commitment of senior executives in the event of a potential or actual change of control. Payments upon a change of control also further align the interests of the executives with those of the stockholders. Providing change of control benefits is designed to reduce the reluctance of management to pursue potential change of control transactions that may be in the best interests of the stockholders, and helps ensure stability in the event of a change of control of the Company.

The Compensation Committee further believes that the level of severance benefits and vesting of outstanding equity awards under the employment agreements, including multiples of pay, are consistent with market practice and necessary for the Company to be competitive in attracting and retaining talent in the Company’s industry, and are also commensurate with each senior executive’s level of responsibility.

Finally, the Compensation Committee believes that the potential payments to be made upon termination and/or change of control are an important part of executive compensation as structured at the Company. As discussed above, Company executives are generally paid a lower base salary than market but receive long-term equity compensation at a greater rate than the market. The focus on variable compensation helps to retain executives and reward them for performance over time. Due to this philosophy, offering potential payments upon termination and/or change of control is an attractive compensation element that allows the executives to become equalized with market compensation should these events occur.

Additional information regarding severance and other change of control benefits is provided in the section entitled "Potential Payments upon Termination and/or Change of Control" beginning at page 19.

Tax and Accounting Implications

Deductibility of Executive Compensation

As part of its role, the Compensation Committee reviews and considers the deductibility of executive compensation under Section 162(m) of the Internal Revenue Code ("IRS Section 162(m)"), which limits the deductibility of certain executive officer compensation. Generally, the Company's policy is to structure compensation so that executive compensation is tax-deductible. However, in certain cases, the Compensation Committee may approve compensation that will not meet these requirements in order to ensure competitive levels of total compensation for its executive officers while creating and improving stockholder value.

The Company's stockholders approved the Perficient, Inc. Omnibus Incentive Plan (the "Omnibus Incentive Plan") on June 26, 2007. The Omnibus Incentive Plan formalizes the Company's practices for awarding bonuses under the Executive Bonus Plan, and the Executive Bonus Plan is administered pursuant to the Omnibus Incentive Plan. The Omnibus Incentive Plan is appropriately structured to avoid the limitations on deductibility imposed by IRS Section 162(m) in order to allow the Company to deduct the bonus amounts paid under the Executive Bonus Plan. Taxable income associated with restricted stock awards, however, is subject to the limitations of IRS Section 162(m). No amounts were paid to the executive officers under the Omnibus Incentive Plan in 2011.

For the fiscal year ended December 31, 2011, the total compensation for income tax purposes of the CEO, including base salary and vesting of restricted stock awards, was in excess of $1,000,000. Due primarily to the vesting of restricted stock awards, a portion of the amount of compensation in excess of $1,000,000 was not deductible.

Risk Oversight of the Company's Compensation Policies and Programs

The Compensation Committee carefully monitors compensation levels to ensure they reflect an appropriate balance of pay-for-performance within acceptable risk parameters. Based on current and evolving best practices guidance, our Compensation Committee conducted a compensation risk assessment of the various elements of our Company's overall compensation program (including incentive compensation programs). In its analysis, the Committee reviewed, with input from management, our Company's compensation programs including appropriate internal controls to mitigate or reduce risk. Based on its review, the Committee determined that our Company's compensation programs and policies do not create excessive and unnecessary risk taking. In addition to review by the Committee, the full Board will continue to maintain proper policies and procedures to ensure ongoing management and assessment of compensation practices as they relate to risk.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and based on such review and discussions, has recommended to the Board that the Compensation Discussion & Analysis be included in this Proxy Statement.

The Compensation Committee
Edward L. Glotzbach, Chairman
Ralph C. Derrickson
David S. Lundeen
David D. May

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The members of the Compensation Committee during 2011 were Ralph C. Derrickson, Edward L. Glotzbach, David S. Lundeen, and David D. May. No member of the Compensation Committee in 2011 was, or had ever been, an officer or employee of the Company or any of its subsidiaries, or had any substantial business dealings with the Company. In addition, no "compensation committee interlocks" existed during fiscal year 2011, that is no member of our Compensation Committee or the Board was an executive officer of another company on whose compensation committee or board any of our executive officers served.

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SUMMARY COMPENSATION TABLE

The following table summarizes the total compensation paid or earned by each of the named executive officers for the fiscal years ended December 31, 2009, 2010, and 2011, including the Principal Executive Officer, which is the CEO, the Principal Financial Officer, which is the CFO, and the other most highly compensated executive officer, the COO, based on total compensation: