

Return of Organization Exempt From Income Tax

2000

Department of the Treasury Internal Revenue Service

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

Open to Public Inspection

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

A For the 2000 calendar year, or tax year period beginning 10/01, 2000, and ending 9/30, 2001

B Check if applicable: Change of address, Change of name, Initial return, Final return, Amended return. C Please use IRS label or print or type See Specific Instructions: STEP, INC. 2709 WOODSON ROAD ST. LOUIS, MO 63114. D Employer identification number: 23-7037248. E Telephone number: 314-863-0015. F Check if application pending.

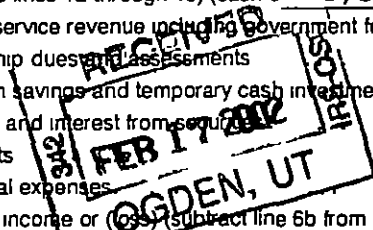
G Organization type (check only one): 501(c)(3) (insert no) 527 OR 4947(a)(1). Note H and I are not applicable to section 527 orgs. H(a) Is this a group return filed for affiliates? Yes No. H(b) If "Yes," enter number of affiliates.

J Accounting method: Cash Accrual Other (specify). H(c) Are all affiliates included? Yes No. (If "No," attach a list See instructions)

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return. H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No. I Enter 4-digit group exemption no (GEN). L Check this box if the organization is not required to attach Schedule B (Form 990 or 990-EZ).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 16)

Table with columns for line numbers, descriptions, and amounts. Includes rows for Contributions, Program service revenue, Membership dues, Interest on savings, Dividends, Gross rents, Net rental income, Other investment income, Gross amount from sales of assets, Special events, Gross sales of inventory, Other revenue, Total revenue, Program services, Management and general, Fundraising, Payments to affiliates, Total expenses, Excess or deficit, Net assets at beginning and end of year.



SCANNED MAR 05 2002

17

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instructions on page 20.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att. sch.) (cash \$ _____ non-cash \$ _____)	22			
23 Specific assistance to individuals (att. sch.)	23			
24 Benefits paid to or for members (att. sch.)	24			
25 Compensation of officers, directors, etc.	25	237,172	194,494	42,678
26 Other salaries and wages	26	705,449	578,505	126,944
27 Pension plan contributions	27			
28 Other employee benefits	28	26,569	18,277	8,292
29 Payroll taxes	29	220,032	196,379	23,653
30 Professional fundraising fees	30			
31 Accounting fees	31	8,426	6,796	1,630
32 Legal fees	32	9,319	7,516	1,803
33 Supplies	33	34,317	25,329	8,988
34 Telephone	34	30,992	29,501	1,491
35 Postage and shipping	35	5,451	5,189	262
36 Occupancy	36	157,848	148,630	9,218
37 Equipment rental and maintenance	37	47,154	23,636	23,518
38 Printing and publications	38	1,651	7	1,644
39 Travel	39	47,513	39,003	8,510
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42			
43 Other expenses (itemize) a STATEMENT 2	43a	2,491,993	2,468,419	23,574
b	43b			
c	43c			
d	43d			
e	43e			
44 Total functional expenses (add lines 22 thru 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44	4,023,886	3,741,681	282,205 0

**Reporting of Joint Costs** Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation?  Yes  No

If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_, (ii) the amount allocated to Program services \$ \_\_\_\_\_, (iii) the amount allocated to Management and general \$ \_\_\_\_\_, and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_.

**Part III Statement of Program Service Accomplishments** (See Specific Instructions on page 23.)

What is the organization's primary exempt purpose? **SEE STATEMENT 3**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
(Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts, but optional for others.)

a SEE STATEMENT 4	(Grants and allocations \$ 0)	3,741,681
b	(Grants and allocations \$ )	
c	(Grants and allocations \$ )	
d	(Grants and allocations \$ )	
e Other program services (attach schedule)	(Grants and allocations \$ )	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)		<b>3,741,681</b>

**Part IV Balance Sheets** (See Specific Instructions on page 23)

Note	Where required, attached schedules and amounts within the description column should be for end-of-year amounts only	(A) Beginning of year		(B) End of year
45	Cash - non-interest-bearing	500	45	500
46	Savings and temporary cash investments	543,188	46	542,620
47 a	Accounts receivable			
	b Less allowance for doubtful accounts		47c	
48 a	Pledges receivable			
	b Less allowance for doubtful accounts		48c	
49	Grants receivable	208,284	49	200,310
50	Receivables from officers, directors, trustees, and key employees (attach sch)		50	
51 a	Other notes and loans receivable (attach schedule)			
	b Less allowance for doubtful accounts		51c	
52	Inventories for sale or use		52	
53	Prepaid expenses and deferred charges	26,067	53	22,856
54	Investments - securities (attach schedule)		54	
	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV			
55 a	Investments - land, buildings, and equipment basis	1,384,165		
	b Less accumulated depreciation (attach schedule) STMT 5	237,763	55c	1,146,402
56	Investments - other (attach schedule)		56	
57 a	Land, buildings, and equipment basis			
	b Less accumulated depreciation (attach schedule)		57c	
58	Other assets (describe ▶ SEE STATEMENT 6 )	165,863	58	3,390
59	<b>Total assets</b> (add lines 45 through 58) (must equal line 74)	2,019,625	59	1,916,078
60	Accounts payable and accrued expenses	296,392	60	208,942
61	Grants payable	343,745	61	72,374
62	Deferred revenue		62	
63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
64 a	Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule) SEE STATEMENT 7	672,713	64b	570,614
65	Other liabilities (describe ▶ )		65	
66	<b>Total liabilities</b> (add lines 60 through 65)	1,312,850	66	851,930
67	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
67	Unrestricted	433,954	67	791,327
68	Temporarily restricted	272,821	68	272,821
69	Permanently restricted		69	
70	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
70	Capital stock, trust principal, or current funds		70	
71	Paid-in or capital surplus, or land, building, and equipment fund		71	
72	Retained earnings, endowment, accumulated income, or other funds		72	
73	<b>Total net assets or fund balances</b> (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19 and column (B) must equal line 21)	706,775	73	1,064,148
74	<b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73)	2,019,625	74	1,916,078

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See Specific Instructions, page 25)

a	Total revenue, gains, and other support per audited financial statements	a	4,381,259
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify)		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	4,381,259
d	Amounts included on line 12, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	4,381,259

**Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return**

a	Total expenses and losses per audited financial statements	a	4,023,886
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify)		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	4,023,886
d	Amounts included on line 17, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	4,023,886

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated, see Specific Instructions on page 25)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
MERLINE P. ANDERSON 2861 LIBERTY LANDING COURT ST LOUIS, MO 63033	EXECUTIVE DIR 40	58,058	0	0
CHARLES HINES 2205 ROCKWOOD DR. BELLEVILLE, IL 62221	DIRECTOR OF H 40	41,444	0	0
TOM TRENN 1408 BREEZERIDGE DR. ST LOUIS, MO 63131	DIRECTOR OF F 40	52,728	0	0
COLLEEN DONAHUE-SIMON 11672 CELESTIAL ST. LOUIS, MO 63043	COMMUNITY RES 40	43,888	0	0
RICHARD REINBOTT 17022 OLD HOLLOW CT. GROVER, MO 63040	CONTRACT COMP 40	41,054	0	0

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?  Yes  No  
If "Yes," attach schedule - see Specific Instructions on page 26

Part VI Other Information (See Specific Instructions on page 26)		N/A	Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity			X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes			X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			X
78b	If "Yes," has it filed a tax return on Form 990-T for this year?		N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement			X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?			X
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81 and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt	81a	0	
81b	Did the organization file Form 1120-POL for this year?			X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?			X
82b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions for reporting in Part III)		N/A	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?		X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?			X
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A	
85a	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?		N/A	
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		N/A	
85c	Dues, assessments, and similar amounts from members	85c	N/A	
85d	Section 162(e) lobbying and political expenditures	85d	N/A	
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A	
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A	
85g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?		N/A	
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A	
86a	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A	
86b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A	
87a	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A	
87b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 30.7701-3? If "Yes," complete Part IX			X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <u>0</u> , section 4912 <u>0</u> , section 4955 <u>0</u>			
89b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction			X
	c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958			0
	d Enter Amount of tax in 89c, above, reimbursed by the organization			0
90a	List the states with which a copy of this return is filed <u>NONE</u>			
90b	Number of employees employed in the pay period that includes March 12, 2000 (See instructions)	90b		36
91	The books are in care of <u>TOM TRENN</u> Telephone no <u>314-863-0015</u> Located at <u>2709 WOODSON ROAD ST LOUIS MO</u> ZIP code <u>63114</u>			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>			N/A <input type="checkbox"/> N/A

**Part VII Analysis of Income-Producing Activities** (See Specific Instructions on page 30)

Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash investments			14	28,048	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			16	49,157	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain/loss from sales of assets other than inventory			18	-73,580	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a SOCIAL SECURITY			3	7,184	
b OTHER NON-OPERATING REVENUE			3	2,798	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				13,607	
105 Total (add line 104, columns (B), (D), and (E))					13,607

Note Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See Specific Instructions on page 31)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
	N/A

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See Specific Instructions on page 31)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See Specific Instructions on page 31)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No
  - (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No
- Note If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, the information on this return is true and correct. I am a preparer of this return and my preparation of this return is based on all information of which I have knowledge.

Date: 1x 2/11/02

Type or print name and title: DENNIS G. DeSantis, Treasurer

SCHEDULE A  
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

OMB No 1545-0047

2000

Department of the Treasury  
Internal Revenue Service

Supplementary Information - (See separate instructions)

▶ Must be completed by the above organizations and attached to their Form 990 or 990-EZ

Name of the organization

Employer identification number

STEP, INC

23-7037248

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees  
(See page 1 of the instructions List each one If there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services  
(See page 1 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services ▶	0	

**Part III Statements About Activities**

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u> Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE FORM 990, PART V	X	
e Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc ?		X
4a Do you have a section 403(b) annuity plan for your employees?		X
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments (See page 2 of the instructions )		

**Part IV Reason for Non-Private Foundation Status** (See pages 2 through 5 of the instructions )

- The organization is not a private foundation because it is (Please check only **ONE** applicable box )
- 5  A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
  - 6  A school Section 170(b)(1)(A)(ii) (Also complete Part V, page 5 )
  - 7  A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
  - 8  A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
  - 9  A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state
  - 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A )
  - 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A )
  - 11b  A community trust. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)
  - 12  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A )
  - 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3) )

Provide the following information about the supported organizations (See page 5 of the instructions )

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14  An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions )

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	2,736,885	2,710,180	2,003,674	2,120,829	9,571,568
16 Membership fees received					
17 Gross receipts from admissions merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc. purpose					
18 Gross income from interest, dividends, amounts received from payments on securities (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	25,854	18,288	16,797	16,380	77,319
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income Attach a sch Do not include gain or (loss) from sale of capital assets SEE ST 8	15,939	3,784	1,136	3,763	24,622
23 Total of lines 15 through 22	2,778,678	2,732,252	2,021,607	2,140,972	9,673,509
24 Line 23 minus line 17	2,778,678	2,732,252	2,021,607	2,140,972	9,673,509
25 Enter 1% of line 23	27,787	27,323	20,216	21,410	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 193,470
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a government unit or publicly supported organization) whose total gifts for 1996 through 1999 exceeded the amount shown in line 26a Enter the sum of all these excess amounts					26b
c Total support for section 509(a)(1) test Enter line 24, column (e)					26c 9,673,509
d Add Amounts from column (e) for lines 18 77,319 19 22 24,622 26b					26d 101,941
e Public support (line 26c minus line 26d total)					26e 9,571,568
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 98.95%
27 Organizations described on line 12	a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list (which is not open to public inspection) to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year N/A				
(1999) _____ (1998) _____ (1997) _____ (1996) _____					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (include in the list organizations described in lines 5 through 11, as well as individuals) After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of all these differences (the excess amounts) for each year					
(1999) _____ (1998) _____ (1997) _____ (1996) _____					
c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c
d Add Line 27a total _____ and line 27b total _____					27d
e Public support (line 27c total minus line 27d total)					27e
f Total support for section 509(a)(2) test Enter amount on line 23, column (e)					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g %
h Investment Income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h %

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1996 through 1999, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15 (See page 5 of the instructions)

**Part V Private School Questionnaire** (See page 5 of the instructions )  
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

- 29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?
- 30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?
- 31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?  
 If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement )

	Yes	No
29		
30		
31		

- 32 Does the organization maintain the following
  - a Records indicating the racial composition of the student body, faculty, and administrative staff?
  - b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?
  - c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?
  - d Copies of all material used by the organization or on its behalf to solicit contributions?
 If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )

32a		
32b		
32c		
32d		

- 33 Does the organization discriminate by race in any way with respect to
  - a Students' rights or privileges?
  - b Admissions policies?
  - c Employment of faculty or administrative staff?
  - d Scholarships or other financial assistance?
  - e Educational policies?
  - f Use of facilities?
  - g Athletic programs?
  - h Other extracurricular activities?
 If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )

33a		
33b		
33c		
33d		
33e		
33f		
33g		
33h		

- 34a Does the organization receive any financial aid or assistance from a governmental agency?
- b Has the organization's right to such aid ever been revoked or suspended?  
 If you answered "Yes" to either 34a or b, please explain using an attached statement

34a		
34b		

- 35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation

35		
----	--	--

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 7 of the instructions)  
 (To be completed ONLY by an eligible organization that filed Form 5768)

N/A

Check here  a if the organization belongs to an affiliated group  
 Check here  b if you checked "a" above and "limited control" provisions apply

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred )	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table -		
If the amount on line 40 is -		
Not over \$500,000	20% of the amount on line 40	}
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000	\$1,000,000	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

**Caution** If there is an amount on either line 43 or line 44, you must file Form 4720

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below  
 See the instructions for lines 45 through 50 on page 9 of the instructions )

	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

**Part VI-B Lobbying Activity by Nonelecting Public Charities**  
 (For reporting only by organizations that did not complete Part VI-A) (See page 9 of the instructions )

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h )
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (add lines c through h)

Yes	No	Amount

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities



**Schedule B**  
(Form 990 or 990-EZ)

**Schedule of Contributors**

OMB No 1545-0047

**2000**

Department of the Treasury  
Internal Revenue Service

Supplementary Information for line 1d of Form 990 or  
line 1 of Form 990-EZ (see instructions)

Name of organization

STEP, INC.

Employer identification number

23-7037248

Organization type (check one) - Section

- 501(c)( 3 ) ◀ (enter number),  527 or  
 4947(a)(1) nonexempt charitable trust

**A Section 501(c)(7), (8), or (10) organizations** - Check this box if the organization had no charitable contributors who contributed more than \$1,000 during the year (But see **General rule** below) ▶

Enter here the total gifts received during the year for a religious, charitable, etc., purpose ▶ \$

**Note: This form is generally not open to public inspection except for section 527 organizations**

**KFA** For Paperwork Reduction Act Notice, see page 1 of the instructions for Form 990 and Form 990-EZ **Schedule B (Form 990 or 990-EZ) (2000)**

Name of organization

Employer identification number

STEP, INC

23-7037248

**Part I** Contributors

(a) No	(b) Name, address and zip code	(c) Aggregate contributions	(d) Type of contribution
1		\$ 3,371,240	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution)
2		\$ 480,507	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution)
3		\$ 225,486	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution)
		\$	Individual <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution)
		\$	Individual <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution)
		\$	Individual <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution)

Name of organization

Employer identification number

STEP, INC.

23-7037248

**Part II** Noncash Property

(a) No from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	_____ _____ _____	\$ _____	_____
(a) No from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	_____ _____ _____	\$ _____	_____
(a) No from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	_____ _____ _____	\$ _____	_____
(a) No from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	_____ _____ _____	\$ _____	_____
(a) No from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	_____ _____ _____	\$ _____	_____
(a) No from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
—	_____ _____ _____	\$ _____	_____

Name of organization

Employer identification number

STEP, INC.

23-7037248

**Part III** Section 501(c)(7), (8), or (10) organizations that received more than \$1,000 in charitable gifts during the year-

Enter the total gifts that were from contributors who gave \$1,000 or less during the year for a religious, charitable, etc., purpose (see instructions)

► \$

(a) No from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and zip code	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and zip code	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and zip code	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and zip code	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

CLIENT STEP

STEP, INC

23-7037248

2/06/02

04 45PM

STATEMENT 1  
FORM 990, PART I, LINE 8  
NET GAIN (LOSS) FROM NONINVENTORY SALES

OTHER ASSETS

DESCRIPTION.	PAGEDALE HOUSING FOR SINGLE-FAMILY HOMES	
DATE ACQUIRED	1/01/98	
HOW ACQUIRED	PURCHASED	
DATE SOLD:	9/30/01	
TO WHOM SOLD		
GROSS SALES PRICE	80,000	
COST OR OTHER BASIS	153,580	
EXPENSES OF SALE:	0	
DEPRECIATION	0	
GAIN (LOSS)		\$ -73,580
GAIN (LOSS) FROM OTHER ASSETS		<u>-73,580</u>
TOTAL GAIN (LOSS)		<u>\$ -73,580</u>

STATEMENT 2  
FORM 990, PART II, LINE 43  
OTHER EXPENSES

OTHER EXPENSES	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
CLIENT ASSISTANCE	\$2,390,964	2,390,869	95	
INSURANCE	33,913	29,310	4,603	
MISCELLANEOUS	8,315	1,987	6,328	
OUTSIDE SERVICES- OT	51,823	41,798	10,025	
PAYROLL PROCESSING FEE	5,005	4,037	968	
VEHICLE EXPENSE	1,973	418	1,555	
TOTAL	<u>\$2,491,993</u>	<u>2,468,419</u>	<u>23,574</u>	<u>0</u>

STATEMENT 3  
FORM 990, PART III  
ORGANIZATION'S PRIMARY EXEMPT PURPOSE

IMPACT COMMUNITY IN NEED VIA A HOST OF PROGRAMS DESIGNED TO EDUCATE AND EMPOWER PEOPLE AND ENABLE THEM TO WORK TOWARD SELF-SUFFICIENCY.

CLIENT STEP

STEP, INC

23-7037248

2/06/02

04 45PM

**STATEMENT 4  
FORM 990, PART III, LINE A  
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS**

DESCRIPTION	GRANTS AND ALLOCATIONS	PROGRAM SERVICE EXPENSES
COMMUNITY SERVICE BLOCK GRANTS EMERGENCY HOMELESS ASSISTANCE; INTAKE, ASSESSMENT & REFERRAL LOCAL INITIATIVE; COORDINATION RESOURCE; DEVELOPMENT TO ELIGIBLE RECIPIENTS OF ST. LOUIS COUNTY	\$ 0	589,491
UTILITY ASSISTANCE TO ELIGIBLE RECIPIENTS OF ST LOUIS COUNTY.	0	2,398,605
WEATHERIZATION ASSISTANCE TO LOW INCOME HOUSEHOLDS AND ELIGIBLE RECIPIENTS OF ST. LOUIS COUNTY.	0	464,288
HOUSING/RENTAL ASSISTANCE TO ELIGIBLE RECIPIENTS OF ST. LOUIS COUNTY	0	258,599
OTHER PROGRAMS - 100 NEEDIEST CASES SOCIAL SECURITY	0	30,698
	<u>\$ 0</u>	<u>3,741,681</u>

**STATEMENT 5  
FORM 990, PART IV, LINE 55B  
INVESTMENTS - LAND, BUILDINGS, AND EQUIPMENT**

ASSET	BASIS	ACCUM DEPREC.	BOOK VALUE
AUTOMOBILES / TRANSPORTATION EQUIP	\$ 16,620	5,070	11,550
FURNITURE AND FIXTURES	135,400	110,139	25,261
MACHINERY AND EQUIPMENT	154,005	77,524	76,481
BUILDINGS	651,075	23,962	627,113
IMPROVEMENTS	43,244	0	43,244
LAND	131,000		131,000
MISCELLANEOUS	252,821	21,068	231,753
TOTAL	<u>\$ 1,384,165</u>	<u>237,763</u>	<u>1,146,402</u>

CLIENT STEP

STEP, INC.

23-7037248

2/06/02

04 45PM

STATEMENT 6  
FORM 990, PART IV, LINE 58  
OTHER ASSETS

	<u>ENDING</u>
DEPOSITS .....	\$ 3,390
TOTAL	<u>\$ 3,390</u>

STATEMENT 7  
FORM 990, PART IV, LINE 64B  
MORTGAGES AND OTHER NOTES PAYABLE

<u>MORTGAGES PAYABLE</u>	<u>BALANCE DUE</u>
FIRSTAR BANK	\$ 570,614
	<u>\$ 570,614</u>
TOTAL	<u>\$ 570,614</u>

STATEMENT 8  
SCHEDULE A, PART IV-A, LINE 22  
OTHER INCOME

<u>DESCRIPTION</u>	<u>(A) 1999</u>	<u>(B) 1998</u>	<u>(C) 1997</u>	<u>(D) 1996</u>	<u>(E) TOTAL</u>
MISCELLANEOUS	\$ 15,939	\$ 3,784	\$ 1,136	\$ 3,763	\$ 24,622
TOTAL	<u>\$ 15,939</u>	<u>\$ 3,784</u>	<u>\$ 1,136</u>	<u>\$ 3,763</u>	<u>\$ 24,622</u>