

Return of Organization Exempt from Income Tax

2001

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2001 calendar year, or tax year beginning 10/01, 2001, and ending 9/30, 20 02

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

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 Accounting method Cash [X] Accrual [] Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

- H and I are not applicable to Section 527 organizations H (a) Is this a group return for affiliates? Yes [] No [X] H (b) If yes, enter number of affiliates H (c) Are all affiliates included? Yes [] No [] H (d) Is this a separate return filed by an organization covered by a group ruling? Yes [] No [X] I Enter 4-digit group GEN M Check [] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

G Web site: N/A

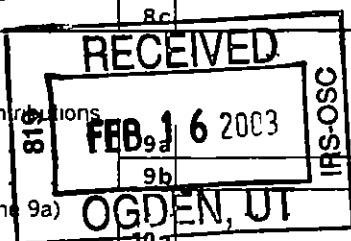
J Organization type (check only one) [X] 501(c) 3 (insert no.) [] 4947(a)(1) or [] 527

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.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 3,743,051.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see instructions)

Table with 21 rows and 3 columns: Description, Amount, and Total. Includes rows for Contributions, Program service revenue, Membership dues, Interest on savings, Dividends, Gross rents, 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) for the year, Net assets or fund balances at beginning of year, Other changes in net assets or fund balances, Net assets or fund balances at end of year.



SCANNED FEB 24 2003

AMERICAN ASSISTANTS

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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

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	293,300	65,487.	403
26 Other salaries and wages	26	747,753	167,983.	
27 Pension plan contributions	27	3,582.	525	
28 Other employee benefits	28	23,282	10,375	
29 Payroll taxes	29	234,384	34,342.	12
30 Professional fundraising fees	30			
31 Accounting fees	31	15,617	4,878.	
32 Legal fees	32	2,935	917.	
33 Supplies	33	48,108	9,481	1,542
34 Telephone	34	29,614	-2,582	
35 Postage and shipping	35	6,629	-578	
36 Occupancy	36	134,611	27,565	47
37 Equipment rental and maintenance	37	76,268	35,931	
38 Printing and publications	38	7,601	6,596	25
39 Travel	39	49,240	11,530	
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc (attach schedule)	42			
43 Other expenses not covered above (itemize)				
a SEE STATEMENT 1	43a	2,004,777	42,049	
b _____	43b			
c _____	43c			
d _____	43d			
e _____	43e			
44 Total functional expenses (add lines 22-43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	3,677,701	414,499.	2,029

Joint Costs. Check if you are following SOP 98 2
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? 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

What is the organization's primary exempt purpose? SEE STATEMENT 2	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts but optional for others)
a SEE STATEMENT 3 _____ _____ _____ (Grants and allocations \$ _____)	3,261,173
b _____ _____ _____ (Grants and allocations \$ _____)	
c _____ _____ _____ (Grants and allocations \$ _____)	
d _____ _____ _____ (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	3,261,173

Part IV. Balance Sheets (See instructions)

Note		(A) Beginning of year		(B) End of year	
ASSETS	45	Cash – non-interest bearing	500.	45	500
	46	Savings and temporary cash investments	542,620	46	639,751
	47a	Accounts receivable		47a	
		b Less allowance for doubtful accounts.		47b	47c
	48a	Pledges receivable		48a	
		b Less allowance for doubtful accounts.		48b	48c
	49	Grants receivable	200,310.	49	227,801.
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a	Other notes & loans receivable (attach sch)		51a	
		b Less allowance for doubtful accounts		51b	51c
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	22,856	53	24,894
	54	Investments – securities (attach schedule)		54	
	55a	Investments – land, buildings, & equipment basis <input type="checkbox"/> Cost <input type="checkbox"/> FMV	1,425,298	55a	
		b Less accumulated depreciation (attach schedule) STATEMENT 4	309,485.	55b	55c
	56	Investments – other (attach schedule)	1,146,402	56	1,115,813
	57a	Land, buildings, and equipment basis		57a	
		b Less accumulated depreciation (attach schedule)		57b	57c
	58	Other assets (describe ▶ SEE STATEMENT 5)	3,390.	58	16,904.
59	Total assets (add lines 45 through 58) (must equal line 74)	1,916,078.	59	2,025,663	
LIABILITIES	60	Accounts payable and accrued expenses	208,942.	60	286,625
	61	Grants payable	72,374.	61	90,307
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
		b Mortgages and other notes payable (attach schedule) SEE STATEMENT 6	570,614	64b	519,233.
	65	Other liabilities (describe ▶)		65	
	66	Total liabilities (add lines 60 through 65)	851,930	66	896,165
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted	791,327	67	856,677.
	68	Temporarily restricted	272,821.	68	272,821
	69	Permanently restricted		69	
	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	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19 and column (B) must equal line 21)	1,064,148.	73	1,129,498
	74	Total liabilities and net assets/fund balances (add lines 66 and 73)	1,916,078.	74	2,025,663

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.

BAA

Part VI Other Information (See specific instructions)

		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
	b If 'Yes,' enter the name of the organization <u>N/A</u>		
	and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures. See line 81 instructions	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
	b 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 in Part III.)	82b	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
	b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85a	N/A
	b Did the organization make only in house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b	N/A
	c Dues, assessments, and similar amounts from members	85c	N/A
	d Section 162(e) lobbying and political expenditures	85d	N/A
	e Aggregate nondeductible amount of Section 6033(e)(1)(A) dues notices	85e	N/A
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
	g Does the organization elect to pay the Section 6033(e) tax on the amount on line 85f?	85g	N/A
	h If Section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A
	b Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A
	b 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 301.7701-3? If 'Yes,' complete Part IX	88	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>		
	b 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	89b	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 on line 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed <u>NONE</u>		
	b Number of employees employed in the pay period that includes March 12, 2001 (see instructions)	90b	35
91	The books are in care of <u>TOM TRENN</u> Telephone number <u>314-863-0015</u> Located at <u>2709 WOODSON ROAD ST LOUIS MO</u> ZIP + 4 <u>63114</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

Part VII Analysis of Income-Producing Activities (See instructions)

Note 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 & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	7,684	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			16	28,778	
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a _____					
b OTHER NON-OPERATING R			3	292	
c SOCIAL SECURITY FEES			3	6,781	
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				43,535	
105 Total (add line 104, columns (B), (D), and (E))					43,535

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 instructions)

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 instructions)

(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	0			
	0			
	0			
	0			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions)

- 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 it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Date 2/10/03

Schedule A
(Form 990 or 990-EZ)

Organization Exempt Under
Section 501(c)(3)

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or Section 4947(a)(1)
Nonexempt Charitable Trust Supplementary Information - (See separate instructions)

2001

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: **STEP, INC** Employer Identification Number: **23-7037248**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See 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 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 (See instructions)

	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 ▶ \$ _____ N/A _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) 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 substantial contributors, 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? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
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)?	X	
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X
Note 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.		

Part IV Reason for Non-Private Foundation Status (See 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)
 - 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)
 - 11 a 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)
 - 11 b 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 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 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) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	4,375,626	2,736,885	2,710,180	2,003,674	11,826,365.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (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	28,048	25,854	18,288	16,797	88,987
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 schedule. Do not include gain or (loss) from sale of capital assets. SEE STMT 8	9,982	15,939.	3,784	1,136.	30,841
23 Total of lines 15 through 22	4,413,656	2,778,678	2,732,252	2,021,607	11,946,193
24 Line 23 minus line 17	4,413,656	2,778,678	2,732,252	2,021,607	11,946,193
25 Enter 1% of line 23	44,137	27,787	27,323	20,216	
26 Organizations described on lines 10 or 11. a Enter 2% of amount in column (e), line 24					26a 238,924
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.					26b
c Total support for Section 509(a)(1) test. Enter line 24, column (e)					26c 11,946,193
d Add Amounts from column (e) for lines 18 88,987 19 and 22 30,841 26b					26d 119,828
e Public support (line 26c minus line 26d total)					26e 11,826,365
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 99.00 %
27 Organizations described on line 12: N/A					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year.	(2000) _____	(1999) _____	(1998) _____	(1997) _____	
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records 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.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.	(2000) _____	(1999) _____	(1998) _____	(1997) _____	
c Add Amounts from column (e) for lines 15 17 and 20 and line 27b total					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 from 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 1997 through 2000, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions)
 (To be completed Only by schools that checked the box on line 6 in Part IV)

		N/A	
		Yes	No
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) ----- ----- -----		
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) ----- -----		
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) ----- ----- -----		
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		
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		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions)
 (To be completed Only by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group Check **b** if you checked 'a' and 'limited control' provisions apply

Limits on Lobbying Expenditures

(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		
Over \$500,000 but not over \$1,000,000		
Over \$1,000,000 but not over \$1,500,000		
Over \$1,500,000 but not over \$17,000,000		
Over \$17,000,000		
The lobbying nontaxable amount is –		
20% of the amount on line 40		
\$100,000 plus 15% of the excess over \$500,000		
\$175,000 plus 10% of the excess over \$1,000,000	41	
\$225,000 plus 5% of the excess over \$1,500,000		
\$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)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non taxable 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 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

CLIENT STEP

STEP, INC.

23-7037248

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STATEMENT 1
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A)	(B)	(C)	(D)
	<u>TOTAL</u>	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT & GENERAL</u>	<u>FUNDRAISING</u>
CLIENT ASSISTANCE	1,881,751	1,881,751		
INSURANCE	33,543	26,049	7,494	
MISCELLANEOUS	9,100.	610	8,490	
OUTSIDE SERVICES- OT	72,723	50,010	22,713	
PAYROLL PROCESSING FEE	5,467	3,759	1,708	
VEHICLE EXPENSE	2,193	549	1,644	
TOTAL	<u>\$ 2004777.</u>	<u>\$ 1962728.</u>	<u>\$ 42,049</u>	<u>\$ 0.</u>

STATEMENT 2
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

STATEMENT 3
FORM 990, PART III, LINE A
STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

<u>DESCRIPTION</u>	<u>GRANTS AND ALLOCATIONS</u>	<u>PROGRAM SERVICE EXPENSES</u>
COMMUNITY SERVICE BLOCK GRANTS EMERGENCY HOMELESS ASSISTANCE, INTAKE, ASSESSMENT & REFERRAL LOCAL INITIATIVE, COORDINATION RESOURCE, DEVELOPMENT TO ELIGIBLE RECIPIENTS OF ST LOUIS COUNTY		665,609
UTILITY ASSISTANCE TO ELIGIBLE RECIPIENTS OF ST LOUIS COUNTY		1,437,213.
WEATHERIZATION ASSISTANCE TO LOW INCOME HOUSEHOLDS AND ELIGIBLE RECIPIENTS OF ST LOUIS COUNTY		866,292
HOUSING/RENTAL ASSISTANCE TO ELIGIBLE RECIPIENTS OF ST LOUIS COUNTY		244,390.
OTHER PROGRAMS 100 NEEDIEST CASES SOCIAL SECURITY		47,669
	<u>\$ 0</u>	<u>\$ 3,261,173</u>

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STATEMENT 4
FORM 990, PART IV, LINE 55B
INVESTMENTS - LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM DEPREC.	BOOK VALUE
AUTOMOBILES / TRANSPORTATION EQUIPMENT	\$ 16,620	\$ 7,380	\$ 9,240
FURNITURE AND FIXTURES	138,126	116,143	21,983
MACHINERY AND EQUIPMENT	181,835	111,034	70,801
BUILDINGS	653,314	37,919	615,395
IMPROVEMENTS	51,582	7,513	44,069
LAND	131,000		131,000
MISCELLANEOUS	252,821	29,496	223,325
TOTAL	\$ 1,425,298	\$ 309,485	\$ 1,115,813

STATEMENT 5
FORM 990, PART IV, LINE 58
OTHER ASSETS

DEPOSITS

	\$ 16,904.
TOTAL	\$ 16,904

STATEMENT 6
FORM 990, PART IV, LINE 64B
MORTGAGES AND OTHER NOTES PAYABLE

MORTGAGES PAYABLE

FIRSTSTAR BANK

BALANCE DUE

\$ 519,233

\$ 519,233

\$ 0

TOTAL \$ **519,233**

STATEMENT 7
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
MERLINE P. ANDERSON 2861 LIBERTY LANDING COURT ST LOUIS, MO 63033	EXECUTIVE DIREC 40	\$ 60,382	\$ 0	\$ 0
CHARLES HINES 2205 ROCKWOOD DR BELLEVILLE, IL 62221	DIRECTOR OF HOU 40	43,514	0	0

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STATEMENT 7 (CONTINUED)
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
TOM TRENN 1408 BREEZERIDGE DR ST. LOUIS, MO 63131	DIRECTOR OF FIN 40	\$ 55,390.	\$ 0	\$ 0.
COLLEEN DONAHUE-SIMON 11672 CELESTIAL ST LOUIS, MO 63043	COMMUNITY RESOU 40	45,864	0	0
RICHARD REINBOTT 17022 OLD HOLLOW CT GROVER, MO 63040	CONTRACT COMPLI 40	42,910.	0.	0
VERNON JOHANNES 407 CLARK AVE ST LOUIS, MO 63119	COUNSELING DIRE 40	45,240.	0	0
	TOTAL	<u>\$ 293,300</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

DESCRIPTION	(A) 2000	(B) 1999	(C) 1998	(D) 1997	(E) TOTAL
MISCELLANEOUS	\$ 9,982	\$ 15,939	\$ 3,784	\$ 1,136	\$ 30,841
TOTAL	<u>\$ 9,982</u>	<u>\$ 15,939</u>	<u>\$ 3,784</u>	<u>\$ 1,136</u>	<u>\$ 30,841</u>