

**Return of Organization Exempt From Income Tax**  
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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 2009 calendar year, or tax year beginning JUL 1, 2009 and ending JUN 30, 2010**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type.  See Specific Instructions.	<b>C Name of organization</b> BEAVERBROOK STEP, INC. Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 125 WALNUT STREET City or town, state or country, and ZIP + 4 WATERTOWN, MA 02472	<b>D Employer identification number</b> 04-2518911
		<b>E Telephone number</b> (617)926-1113	<b>G Gross receipts \$</b> 10,470,920.
		<b>F Name and address of principal officer:</b> VIRGINIA A. CONNOLLY SAME AS C ABOVE	<b>H(a) Is this a group return for affiliates?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b) Are all affiliates included?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c) Group exemption number</b> ▶
		<b>I Tax-exempt status:</b> <input checked="" type="checkbox"/> 501(c) ( 3 ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
		<b>J Website:</b> ▶ WWW.BEAVERBROOKSTEP.ORG	
		<b>K Form of organization:</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	<b>L Year of formation:</b> 1973 <b>M State of legal domicile:</b> MA

Part I Summary																											
		1 Briefly describe the organization's mission or most significant activities: <b>BEAVERBROOK STEP, INC. IS A PRIVATE, NOT-FOR-PROFIT ORGANIZATION WHICH PROVIDES COMMUNITY-BASED</b>																									
		2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.																									
Activities & Governance	3	Number of voting members of the governing body (Part VI, line 1a)	3 9																								
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 9																								
	5	Total number of employees (Part V, line 2a)	5 345																								
	6	Total number of volunteers (estimate if necessary)	6 25																								
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a 0.																								
	7b	Net unrelated business taxable income from Form 990-T, line 34	7b 0.																								
	Revenue			<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Prior Year</th> <th style="text-align: center;">Current Year</th> </tr> </thead> <tbody> <tr> <td>8 Contributions and grants (Part VIII, line 1h)</td> <td style="text-align: right;">25,264.</td> <td style="text-align: right;">87,550.</td> </tr> <tr> <td>9 Program service revenue (Part VIII, line 2g)</td> <td style="text-align: right;">9,549,919.</td> <td style="text-align: right;">10,359,847.</td> </tr> <tr> <td>10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)</td> <td style="text-align: right;">14,505.</td> <td style="text-align: right;">6,603.</td> </tr> <tr> <td>11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)</td> <td style="text-align: right;">18,482.</td> <td style="text-align: right;">16,920.</td> </tr> <tr> <td>12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)</td> <td style="text-align: right;">9,608,170.</td> <td style="text-align: right;">10,470,920.</td> </tr> </tbody> </table>		Prior Year	Current Year	8 Contributions and grants (Part VIII, line 1h)	25,264.	87,550.	9 Program service revenue (Part VIII, line 2g)	9,549,919.	10,359,847.	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	14,505.	6,603.	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	18,482.	16,920.	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	9,608,170.	10,470,920.					
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<b>Part II Signature Block</b>			
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.			
<b>Sign Here</b>	Signature of officer VIRGINIA A. CONNOLLY, EXECUTIVE DIRECTOR Type or print name and title	Date	
<b>Paid Preparer's Use Only</b>	Preparer's signature Firm's name (or yours if self-employed), address, and ZIP + 4 RSM MCGLADREY, INC. 80 CITY SQUARE BOSTON, MA 02129-3742	Date	Check if self-employed <input type="checkbox"/> Preparer's identifying number (see instructions) EIN ▶ Phone no. ▶ 617-912-9000

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission: SEE SCHEDULE O FOR CONTINUATION BEAVERBROOK STEP, INC. IS A PRIVATE, NOT-FOR-PROFIT ORGANIZATION WHICH PROVIDES COMMUNITY-BASED RESIDENTIAL, DAY AND SUPPORT SERVICES TO ADULTS WITH DEVELOPMENTAL AND INTELLECTUAL DISABILITIES IN EASTERN MASSACHUSETTS. THE ORGANIZATION ASSISTS WITH THE ACCESS, TRAINING AND

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No [X] If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No [X] If "Yes," describe these changes on Schedule O.

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

4a (Code: ) (Expenses \$ 7,184,920. including grants of \$ ) (Revenue \$ 8,117,442.) RESIDENTIAL SERVICES: PLEASE NOTE THAT EXPENSE TOTAL REFLECTS PROGRAM SERVICES ONLY AND DOES NOT REFLECT MANAGEMENT AND GENERAL EXPENSES. BEAVERBROOK STEP SUPPORTED OVER 100 INDIVIDUALS ENABLING TRAINING, EDUCATION, SKILL BUILDING, MEDICAL AND PSYCHIATRIC TREATMENT, RECREATION, RELATIONSHIP BUILDING AND COMMUNITY INTEGRATION IN OVER 25 SETTINGS. ADDITIONALLY, BEAVERBROOK STEP ENSURED THAT INDIVIDUALS WERE ABLE TO PARTICIPATE IN THEIR COMMUNITIES AS VALUED MEMBERS. THE ORGANIZATION MAINTAINED ATTRACTIVE AND AFFORDABLE HOMES, EMPLOYED A WELL-SKILLED STAFF AND CONDUCTED ITSELF IN RESPONSIBLE, CREATIVE WAYS.

4b (Code: ) (Expenses \$ 694,698. including grants of \$ ) (Revenue \$ 826,734.) COMMUNITY HABILITATION SERVICES - BEAVERBROOK STEP PROVIDED SUPPORTS TO 15 INDIVIDUALS WHO LIVE IN VARIOUS RESIDENTIAL SETTINGS. THESE INDIVIDUALS REQUIRED MORE THAN 15 HRS/WK BUT LESS THAN 24 HRS/DAY. QUALIFIED-STAFF ASSISTED INDIVIDUALS WITH COMMUNITY INCLUSION, FINANCIAL MANAGEMENT, BENEFIT ENTITLEMENT, SELF-ADVOCACY, RECREATION, NUTRITION, MEDICAL/PSYCHIATRIC HEALTH CARE AND SKILL IMPROVEMENT IN OTHER AREAS OF LIFE.

4c (Code: ) (Expenses \$ 689,029. including grants of \$ ) (Revenue \$ 852,419.) INDIVIDUAL SUPPORT SERVICES: BEAVERBROOK STEP SUPPORTED OVER 25 INDIVIDUALS LIVING IN THEIR OWN APARTMENTS (18 IN ALL), ALLOCATING 15 HOURS (OR LESS) OF SUPPORT EACH WEEK. WELL-TRAINED STAFF ASSIST INDIVIDUALS TO ADVANCE THEIR SKILLS AND PROFICIENCIES IN SOME OF THE FOLLOWING AREAS - FINANCIAL MANAGEMENT, MEDICAL AND PSYCHIATRIC HEALTH CARE, NUTRITION, BENEFITS ENTITLEMENT, SOCIAL NETWORKING AND COMMUNITY

4d Other program services. (Describe in Schedule O.) (Expenses \$ 640,134. including grants of \$ ) (Revenue \$ 584,871.)

4e Total program service expenses \$ 9,208,781.

**Part IV Checklist of Required Schedules**

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> .....	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors? .....	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> .....		X
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i> .....		X
5	<b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i> .....		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> .....		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> .....		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> .....		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> .....		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> .....		X
11	Is the organization's answer to any of the following questions "Yes"? <i>If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i> .....	X	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>		
	• Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i>		
	• Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i>		
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i>		
	• Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>		
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? <i>If "Yes," complete Schedule D, Part X.</i>		
12	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i>	X	
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional</i> .....	Yes	No
			X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> .....		X
14a	Did the organization maintain an office, employees, or agents outside of the United States? .....		X
14b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Part I</i> .....		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Part II</i> .....		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Part III</i> .....		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> .....		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> .....		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> .....		X
20	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i> .....		X

**Part IV Checklist of Required Schedules** (continued)

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

**Note.** All Form 990 filers are required to complete Schedule O.

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
	<b>1a</b> 18		
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	<b>1b</b> 0		
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
	<b>1c</b>		
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	<b>2a</b> 345		
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
	<b>3b</b>		
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
<b>b</b>	If "Yes," enter the name of the foreign country: _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
	<b>4a</b>		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
<b>c</b>	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
	<b>5c</b>		
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	<b>6b</b>		
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year		
	<b>7d</b>		
<b>e</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
<b>g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
<b>h</b>	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
	<b>7g</b>		
	<b>7h</b>		
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
	<b>8</b>		
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the organization make any taxable distributions under section 4966?		
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person?		
	<b>9a</b>		
	<b>9b</b>		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>a</b>	Gross income from members or shareholders	<b>11a</b>	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>	

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

**Section A. Governing Body and Management**

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

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

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		X
10b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11A	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official	X	
15b	Other officers or key employees of the organization	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

17 List the states with which a copy of this Form 990 is required to be filed **MA**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
 Own website     Another's website     Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **MARGARET WILSON - DIRECTOR OF FINANCE - (617)926-1113**  
**125 WALNUT STREET, WATERTOWN, MA 02472**

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

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List all of the organization's **current** key employees. See instructions for definition of "key employee."

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
STAN KRUSZEWSKI PRESIDENT	1.50	X		X				0.	0.	0.
SHIRLEE PURCELL VICE PRESIDENT	1.50	X		X				0.	0.	0.
AUGUSTA HAYDOCK TREASURER	1.50	X		X				0.	0.	0.
KARIN TUTTLE DIRECTOR	1.50	X						0.	0.	0.
JOHN KENNEDY DIRECTOR	1.50	X						0.	0.	0.
ARTHUR MILLMAN DIRECTOR	1.50	X						0.	0.	0.
ELAINE ROOT CLERK	1.50	X		X				0.	0.	0.
JOHN SAUNDERS DIRECTOR	1.50	X						0.	0.	0.
BENNETTE SHULTZ DIRECTOR	1.50	X						0.	0.	0.
VIRGINIA A. CONNOLLY EXECUTIVE DIRECTOR	40.00			X				123,237.	0.	5,430.
MARGARET WILSON DIRECTOR OF FINANCE	40.00			X				93,202.	0.	8,475.

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
<b>1b Total</b>							216,439.	0.	13,905.	

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **1**

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
<b>2</b> Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization	<b>0</b>	



Part VIII Statement of Revenue		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	87,550.			
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f		87,550.			
	Program Service Revenue	2 a PROGRAM SERVICE FEES	Business Code 900099	9014919.	9014919.	
b APARTMENT RENTAL		721000	672,470.	672,470.		
c OTHER SERVICE FEE INCO		900099	519,545.	519,545.		
d FOOD STAMP INCOME		445100	125,553.	125,553.		
e MEALS ON WHEELS		722210	27,360.	27,360.		
f All other program service revenue						
g Total. Add lines 2a-2f			10,359,847.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		6,603.		6,603.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross Rents	(i) Real				
		(ii) Personal				
		b Less: rental expenses				
	c Rental income or (loss)					
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less: cost or other basis and sales expenses				
		c Gain or (loss)				
	d Net gain or (loss)					
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a				
b Less: direct expenses		b				
c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11 a MISCELLANEOUS INCOME	900099	16,920.	16,920.			
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		16,920.				
12 Total revenue. See instructions.		10,470,920.	10,376,767.	0.	6,603.	

**Part IX Statement of Functional Expenses**

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 .....				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 .....				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 .....				
4 Benefits paid to or for members .....				
5 Compensation of current officers, directors, trustees, and key employees .....	239,809.	11,990.	227,819.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
7 Other salaries and wages .....	6,157,274.	5,897,396.	259,878.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) .....				
9 Other employee benefits .....	630,624.	578,870.	51,754.	
10 Payroll taxes .....	439,913.	406,392.	33,521.	
11 Fees for services (non-employees):				
a Management .....				
b Legal .....	16,351.	9,829.	6,522.	
c Accounting .....	37,580.	5,500.	32,080.	
d Lobbying .....				
e Professional fundraising services. See Part IV, line 17 .....				
f Investment management fees .....				
g Other .....	39,471.	9,502.	29,969.	
12 Advertising and promotion .....	4,293.	980.	3,313.	
13 Office expenses .....	299,333.	279,802.	19,531.	
14 Information technology .....	12,982.	9,009.	3,973.	
15 Royalties .....				
16 Occupancy .....	766,874.	654,909.	111,965.	
17 Travel .....	234,854.	234,770.	84.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials .....				
19 Conferences, conventions, and meetings .....				
20 Interest .....	324,393.	324,393.		
21 Payments to affiliates .....				
22 Depreciation, depletion, and amortization .....	361,185.	347,405.	13,780.	
23 Insurance .....	46,259.	40,878.	5,381.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <b>REPAIRS &amp; MAINTENANCE</b> .....	230,465.	202,459.	28,006.	
b <b>EQUIPMENT RENTAL</b> .....	75,322.	67,707.	7,615.	
c <b>TELEPHONE</b> .....	30,429.	17,280.	13,149.	
d <b>DUES &amp; SUBSCRIPTIONS</b> .....	18,652.	3,828.	14,824.	
e <b>COMMERCIAL RESOURCES</b> .....	15,116.	15,116.		
f All other expenses .....	140,018.	90,766.	49,252.	
25 <b>Total functional expenses.</b> Add lines 1 through 24f	10,121,197.	9,208,781.	912,416.	0.
26 <b>Joint costs.</b> Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation ...				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	34,878.	<b>1</b>	70,399.	
	<b>2</b> Savings and temporary cash investments .....	1,455,774.	<b>2</b>	1,871,104.	
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>		
	<b>4</b> Accounts receivable, net .....	150,896.	<b>4</b>	320,813.	
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....		<b>5</b>		
	<b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L .....		<b>6</b>		
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>		
	<b>8</b> Inventories for sale or use .....	37,412.	<b>8</b>	34,170.	
	<b>9</b> Prepaid expenses and deferred charges .....	25,531.	<b>9</b>	26,357.	
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 9,664,696.			
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 3,480,630.	6,390,969.	<b>10c</b>	6,184,066.
	<b>11</b> Investments - publicly traded securities .....		<b>11</b>		
	<b>12</b> Investments - other securities. See Part IV, line 11 .....	29,321.	<b>12</b>	29,449.	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>		
	<b>14</b> Intangible assets .....		<b>14</b>		
	<b>15</b> Other assets. See Part IV, line 11 .....	188,236.	<b>15</b>	200,790.	
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) .....	8,313,017.	<b>16</b>	8,737,148.		
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	597,444.	<b>17</b>	706,813.	
	<b>18</b> Grants payable .....		<b>18</b>		
	<b>19</b> Deferred revenue .....		<b>19</b>		
	<b>20</b> Tax-exempt bond liabilities .....		<b>20</b>		
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>		
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....		<b>22</b>		
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....	5,098,841.	<b>23</b>	5,063,881.	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>		
	<b>25</b> Other liabilities. Complete Part X of Schedule D .....	2,927.	<b>25</b>	2,926.	
	<b>26 Total liabilities.</b> Add lines 17 through 25 .....	5,699,212.	<b>26</b>	5,773,620.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
	<b>27</b> Unrestricted net assets .....	2,592,816.	<b>27</b>	2,933,437.	
	<b>28</b> Temporarily restricted net assets .....	20,989.	<b>28</b>	30,091.	
	<b>29</b> Permanently restricted net assets .....		<b>29</b>		
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
	<b>30</b> Capital stock or trust principal, or current funds .....		<b>30</b>		
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>31</b>		
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>32</b>		
	<b>33</b> Total net assets or fund balances .....	2,613,805.	<b>33</b>	2,963,528.	
<b>34</b> Total liabilities and net assets/fund balances .....	8,313,017.	<b>34</b>	8,737,148.		

**Part XI Financial Statements and Reporting**

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

Form 990 (2009)

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

**2009**

Open to Public Inspection

Name of the organization **BEAVERBROOK STEP, INC.** Employer identification number **04-2518911**

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2  A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9  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 exempt 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).** (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I      b  Type II      c  Type III - Functionally integrated      d  Type III - Other
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? .....		
(ii) A family member of a person described in (i) above? .....		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? .....		
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
<b>Total</b>									

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2009

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
<b>7</b> Amounts from line 4 .....						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					<b>12</b>	
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) .....	<b>14</b>	%
<b>15</b> Public support percentage from 2008 Schedule A, Part II, line 14 .....	<b>15</b>	%
<b>16a 33 1/3% support test - 2009.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 33 1/3% support test - 2008.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>17a 10% -facts-and-circumstances test - 2009.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 10% -facts-and-circumstances test - 2008.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		<input type="checkbox"/>

**Part III Support Schedule for Organizations Described in Section 509(a)(2)** (Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	25,154.	48,201.	22,502.	25,264.	87,550.	208,671.
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	7,406,019.	8,400,945.	9,026,275.	9,549,919.	10,359,847.	44,743,005.
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5	7,431,173.	8,449,146.	9,048,777.	9,575,183.	10,447,397.	44,951,676.
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						0.
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0.
<b>c</b> Add lines 7a and 7b						0.
<b>8 Public support</b> (Subtract line 7c from line 6.)						44,951,676.

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
<b>9</b> Amounts from line 6	7,431,173.	8,449,146.	9,048,777.	9,575,183.	10,447,397.	44,951,676.
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	31,334.	49,075.	34,419.	14,505.	6,603.	135,936.
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b	31,334.	49,075.	34,419.	14,505.	6,603.	135,936.
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)		43,304.		18,482.	16,920.	78,706.
<b>13 Total support</b> (Add lines 9, 10c, 11, and 12.)	7,462,507.	8,541,525.	9,083,196.	9,608,170.	10,470,920.	45,166,318.
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	99.52 %
<b>16</b> Public support percentage from 2008 Schedule A, Part III, line 15	<b>16</b>	99.49 %

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	.30 %
<b>18</b> Investment income percentage from 2008 Schedule A, Part III, line 17	<b>18</b>	.36 %

**19a 33 1/3% support tests - 2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

**b 33 1/3% support tests - 2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

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

Schedule D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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

Attach to Form 990. See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

BEAVERBROOK STEP, INC.

Employer identification number

04-2518911

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

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor advisement.

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

Form for Part II Conservation Easements. Includes checkboxes for purposes of easements, a table for 'Held at the End of the Tax Year' with rows 2a-2d, and questions 3-9 regarding monitoring and reporting.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions 1a, 1b, 2, and 2a regarding reporting requirements for art and historical treasures.



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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other \_\_\_\_\_
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b If "Yes," explain the arrangement in Part XIV and complete the following table:
- |                                 | Amount |
|---------------------------------|--------|
| c Beginning balance             | 1c     |
| d Additions during the year     | 1d     |
| e Distributions during the year | 1e     |
| f Ending balance                | 1f     |
- 2a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No
- b If "Yes," explain the arrangement in Part XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment  \_\_\_\_\_ %
  - b Permanent endowment  \_\_\_\_\_ %
  - c Term endowment  \_\_\_\_\_ %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |   | Yes    | No |
|---|--------|----|
| (i) unrelated organizations   | 3a(i)  |    |
| (ii) related organizations  | 3a(ii) |    |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b     |    |
- 4 Describe in Part XIV the intended uses of the organization's endowment funds.

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,067,900.		1,067,900.
b Buildings		7,651,731.	2,842,855.	4,808,876.
c Leasehold improvements		306,708.	162,713.	143,995.
d Equipment		424,623.	367,834.	56,789.
e Other		213,734.	107,228.	106,506.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				6,184,066.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives .....		
Closely-held equity interests .....		
Other .....		
<b>Total.</b> (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
<b>Total.</b> (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

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

(a) Description	(b) Book value
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	

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

1. (a) Description of liability	(b) Amount	
Federal income taxes		
TENANT SECURITY DEPOSITS	2,926.	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	2,926.	

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

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	10,470,920.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	10,121,197.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	349,723.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	0.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	349,723.

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

1	Total revenue, gains, and other support per audited financial statements	1	10,475,920.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	5,000.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	5,000.
3	Subtract line 2e from line 1	3	10,470,920.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	10,470,920.

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

1	Total expenses and losses per audited financial statements	1	10,126,197.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	5,000.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	5,000.
3	Subtract line 2e from line 1	3	10,121,197.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	10,121,197.

**Part XIV Supplemental Information**

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

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**SCHEDULE O**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

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

OMB No. 1545-0047

**2009**

Open to Public  
Inspection

Name of the organization

BEAVERBROOK STEP, INC.

Employer identification number

04-2518911

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

RESIDENTIAL, DAY AND SUPPORT SERVICES TO ADULTS WITH DEVELOPMENTAL AND  
INTELLECTUAL DISABILITIES IN EASTERN MASSACHUSETTS. THE ORGANIZATION  
ASSISTS WITH THE ACCESS, TRAINING AND OPPORTUNITIES NECESSARY TO FULLY  
EXPERIENCE THE BENEFITS OF COMMUNITY LIVING. THE ORGANIZATION STRIVES  
TO ENHANCE THE QUALITY OF LIFE OF INDIVIDUALS, WHILE ALSO FULFILLING  
OUR RESPONSIBILITY TO HELP OUR COMMUNITIES UNDERSTAND AND APPRECIATE  
THE TALENTS OF ALL OF ITS MEMBERS.

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

OPPORTUNITIES NECESSARY TO FULLY EXPERIENCE THE BENEFITS OF COMMUNITY  
LIVING. THE ORGANIZATION STRIVES TO ENHANCE THE QUALITY OF LIFE OF  
INDIVIDUALS, WHILE ALSO FULFILLING OUR RESPONSIBILITY TO HELP OUR  
COMMUNITIES UNDERSTAND AND APPRECIATE THE TALENTS OF ALL OF ITS  
MEMBERS. IN ORDER TO FUNCTION AS A PRODUCTIVE AND EFFECTIVE  
ORGANIZATION, WE REALIZE THAT BEAVERBROOK STEP, INC. MUST REMAIN AN  
ADMINISTRATIVELY SOUND AND FINANCIALLY STABLE CORPORATION. WE ARE  
COMMITTED TO HIRING QUALIFIED, PROFESSIONAL STAFF AND TO PROVIDING OUR  
STAFF WITH ADEQUATE TRAINING, FAIR WAGES, A POSITIVE WORK ENVIRONMENT  
AND AN OPPORTUNITY FOR BOTH PERSONAL AND PROFESSIONAL GROWTH.

(CONTINUED ON PAGE 4)

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

DAY SERVICES: BEAVERBROOK STEP SUPPORTED OVER 35 INDIVIDUALS IN  
ACQUIRING AND MAINTAINING EMPLOYMENT, PARTICIPATING IN RECREATIONAL AND  
CULTURAL EVENTS IN THE COMMUNITY, VOLUNTEERING AT LIBRARIES AND

**SCHEDULE O**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

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OMB No. 1545-0047

**2009**

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Name of the organization

BEAVERBROOK STEP, INC.

Employer identification number

04-2518911

MUSEUMS, BUILDING SKILLS LEADING TO ENHANCED DAY-TIME PURSUITS AND  
CREATING OPPORTUNITIES FOR FRIENDSHIPS AND INDEPENDENCE. JOB COACHING  
AND RETAIL SALES TRAINING SUPPORTS ARE PROVIDED ON OUR  
EMPLOYMENT-FOCUSED SITE.

EXPENSES \$ 640134. INCLUDING GRANTS OF \$ 0. REVENUE \$ 584871.

FORM 990, PART VI, SECTION A, LINE 6: ANY PERSON SUBSCRIBING TO THE  
PURPOSES OF THE CORPORATION, EXCEPT PERSONS CURRENTLY EMPLOYED BY THE  
CORPORATION, AND WHO ATTENDS CONSECUTIVE ANNUAL MEETINGS SHALL BE DEEMED A  
MEMBER. MEMBERSHIP BUSINESS IS CONDUCTED AT THE ORGANIZATION'S ANNUAL  
MEETING OR AT A SPECIAL MEETING CALLED ON BEHALF OF THE ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 7A: BY A MAJORITY VOTE, MEMBERS OF THE  
CORPORATION PRESENT AT THE ANNUAL MEETING OF THE CORPORATION VOTE TO  
RE-ELECT OR REPLACE BOARD MEMBERS WHO HAVE RESIGNED OR WHOSE TERMS HAVE  
EXPIRED. EACH YEAR, MEMBERS ELECT BY MAJORITY VOTE, BOTH THE CLERK AND THE  
TREASURER FOR ONE YEAR TERMS.

FORM 990, PART VI, SECTION A, LINE 7B: BY A MAJORITY VOTE, MEMBERS OF THE  
CORPORATION ELECT AND MAY REMOVE BOARD OF DIRECTOR'S MEMBERS. A DIRECTOR'S  
REMOVAL MAY BE VOTED ON, ONLY AFTER REASONABLE NOTICE AND THE OPPORTUNITY  
TO BE HEARD BY THE MEMBERSHIP BODY.

FORM 990, PART VI, SECTION B, LINE 11: THE FORM 990 IS REVIEWED BY THE  
CEO, CFO, AND SENIOR MANAGEMENT. ONCE COMPLETE, A COPY OF THE FORM 990 IS  
DISTRIBUTED TO EVERY MEMBER OF THE BOARD OF DIRECTORS AND IS REVIEWED BY

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

Schedule O (Form 990) 2009

932211  
02-03-10

**SCHEDULE O  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

Complete to provide information for responses to specific questions on  
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OMB No. 1545-0047

**2009**

Open to Public  
Inspection

Name of the organization

BEAVERBROOK STEP, INC.

Employer identification number

04-2518911

THE FINANCE & AUDIT COMMITTEE, WHICH IS A SUBSET OF THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION B, LINE 12C: BEAVERBROOK STEP, INC. HAS BOTH A POLICY AND PROCEDURE WHEREBY OFFICERS, DIRECTORS, AND KEY EMPLOYEES ARE REQUIRED TO ANNUALLY SUBMIT AND VERIFY INFORMATION PURSUANT TO MAINTAINING COMPLIANCE WITH THE ORGANIZATIONS CONFLICT OF INTEREST POLICIES. THIS INFORMATION AND VERIFICATION IS MONITORED AND ENFORCED THROUGHOUT THE YEAR BY BOTH THE BOARD AND EXECUTIVE COMMITTEE.

FORM 990, PART VI, SECTION B, LINE 15: ALTHOUGH THE MEMBERS OF THE BOARD OF DIRECTORS ARE UNPAID VOLUNTEERS, THEY OVERSEE A SUBSTANTIVE REVIEW AND APPROVAL OF SALARIES OF KEY EMPLOYEES INCLUDING THE CEO, CFO, AND OTHER SENIOR MANAGERS.

ORIGINALLY COMMISSIONED BY THE MA COUNCIL OF HUMAN SERVICE PROVIDERS, THE STATE WIDE PROVIDER COALITION, ABBOT LANGER ASSOCIATION SURVEYS, PRODUCED ANNUAL COMPARATIVE SALARY DATA BY THE STATE, REGION, METRO AREA, TYPE OF NON-PROFIT, AND SIZE OF NON-PROFIT. THE PUBLICATION IS USED BY THE ORGANIZATION TO ENSURE THAT OUR SALARIES ARE FAIR, EQUITABLE, AND WITHIN ACCEPTABLE COMPENSATION LIMITS.

FORM 990, PART VI, SECTION C, LINE 19: BEAVERBROOK STEP, INC. MAKES ALL OF ITS GOVERNING DOCUMENTS, MINUTES, CONFLICT OF INTEREST POLICIES, FINANCIAL STATEMENTS, UFR'S, FORM 990 AND GOVERNMENT FILINGS AVAILABLE TO THE PUBLIC UPON REQUEST. DOCUMENTS MAY BE MAILED, PICKED UP, OR AVAILABLE FOR INSPECTION. ALL GOVERNMENT PERSONNEL FILINGS IN MA ARE ALSO AVAILABLE

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

Schedule O (Form 990) 2009

932211  
02-03-10

**SCHEDULE O**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

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

OMB No. 1545-0047

**2009**

Open to Public  
Inspection

Name of the organization **BEAVERBROOK STEP, INC.** Employer identification number **04-2518911**

ONLINE AT STATE AGENCY WEBSITES. IN ADDITION, THE FORM 990 IS AVAILABLE TO  
THE PUBLIC VIA GUIDESTAR AND THE MASSACHUSETTS ATTORNEY GENERAL'S WEBSITE.

FORM 990, PART XI, LINE 2B

THE ORGANIZATION HAS A COMMITTEE THAT ASSUMES RESPONSIBILITY FOR  
OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF AN  
INDEPENDENT ACCOUNTANT. THIS PROCESS HAS NOT CHANGED FROM PRIOR YEAR.

FORM 990, PART III, LINE 1

DESCRIPTION OF ORGANIZATION MISSION (CONT'D):

FURTHER, WE ARE COMMITTED TO LOCATING AND UTILIZING ALL AVAILABLE  
FINANCIAL RESOURCES IN ORDER TO MAINTAIN A BUDGET THAT ADDRESSES THE  
NEED OF THE INDIVIDUALS, ENSURES THE LONG-TERM VIABILITY OF THE  
ORGANIZATION AND ENABLES ITS BEST POTENTIAL.

Asset Number	Description of property							
	Date placed in service	Method/IRC sec.	Life or rate	Line No.	Cost or other basis	Basis reduction	Accumulated depreciation/amortization	Current year deduction
	<b>BUILDINGS</b>							
1	<b>BUILDINGS &amp; BUILDING IMPROVEMENTS - STEP</b>							
	VARIABLE	SL	40.00	16	6,572,661.		1781561.	248,175.
7	<b>BUILDINGS &amp; BUILDING IMPROVEMENTS - HUD</b>							
	VARIABLE	SL	40.00	16	1,079,070.		783,547.	29,564.
	<b>* 990 PAGE 10 TOTAL BUILDINGS</b>							
					7,651,731.	0.	2565108.	277,739.
	<b>MACHINERY &amp; EQUIPMENT</b>							
3	<b>FURNITURE &amp; FIXTURES - STEP</b>							
	VARIABLE	SL	5.00	16	407,917.		314,157.	36,979.
4	<b>MOTOR VEHICLES - STEP</b>							
	VARIABLE	SL	3.00	16	213,734.		81,069.	26,159.
6	<b>LIFE-SAFETY IMPROVEMENTS - STEP</b>							
	VARIABLE	SL	5.00	16	15,981.		15,981.	0.
8	<b>FURNITURE &amp; FIXTURES - HUD</b>							
	VARIABLE	SL	5.00	16	725.		725.	0.
	<b>* 990 PAGE 10 TOTAL MACHINERY &amp; EQUIPMENT</b>							
					638,357.	0.	411,932.	63,138.
	<b>LAND</b>							
2	<b>LAND - STEP</b>							
	VARIABLE	SL			1,067,900.			0.
	<b>* 990 PAGE 10 TOTAL LAND</b>							
					1,067,900.	0.	0.	0.
	<b>PROGRAM SERVICES</b>							
5	<b>LEASEHOLD IMPROVEMENTS - STEP</b>							
	VARIABLE	SL	40.00	16	306,708.		142,405.	20,308.
	<b>* 990 PAGE 10 TOTAL PROGRAM SERVICES</b>							
					306,708.	0.	142,405.	20,308.
	<b>* GRAND TOTAL 990 PAGE 10 DEPR</b>							
					9,664,696.	0.	3119445.	361,185.



**Depreciation and Amortization** 990  
 (Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return <b>BEAVERBROOK STEP, INC.</b>	Business or activity to which this form relates <b>FORM 990 PAGE 10</b>	Identifying number <b>04-2518911</b>
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**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount. See the instructions for a higher limit for certain businesses .....	<b>1</b>	<b>250,000.</b>
2 Total cost of section 179 property placed in service (see instructions) .....	<b>2</b>	
3 Threshold cost of section 179 property before reduction in limitation .....	<b>3</b>	<b>800,000.</b>
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- .....	<b>4</b>	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions .....	<b>5</b>	
<b>6</b> (a) Description of property (b) Cost (business use only) (c) Elected cost		
7 Listed property. Enter the amount from line 29 .....	<b>7</b>	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 .....	<b>8</b>	
9 Tentative deduction. Enter the smaller of line 5 or line 8 .....	<b>9</b>	
10 Carryover of disallowed deduction from line 13 of your 2008 Form 4562 .....	<b>10</b>	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 .....	<b>11</b>	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 .....	<b>12</b>	
13 Carryover of disallowed deduction to 2010. Add lines 9 and 10, less line 12 .....	<b>13</b>	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year .....	<b>14</b>	
15 Property subject to section 168(f)(1) election .....	<b>15</b>	
16 Other depreciation (including ACRS) .....	<b>16</b>	<b>361,185.</b>

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2009 .....	<b>17</b>	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here .....	<input type="checkbox"/>	

**Section B - Assets Placed in Service During 2009 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
<b>19a</b> 3-year property						
<b>b</b> 5-year property						
<b>c</b> 7-year property						
<b>d</b> 10-year property						
<b>e</b> 15-year property						
<b>f</b> 20-year property						
<b>g</b> 25-year property			25 yrs.		S/L	
<b>h</b> Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
<b>i</b> Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

**Section C - Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System**

<b>20a</b> Class life						
<b>b</b> 12-year			12 yrs.		S/L	
<b>c</b> 40-year	/		40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21 Listed property. Enter amount from line 28 .....	<b>21</b>	
22 <b>Total.</b> Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr. ....	<b>22</b>	<b>361,185.</b>
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs .....	<b>23</b>	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use 25

26 Property used more than 50% in a qualified business use: Table with 9 columns for percentage and cost basis.

27 Property used 50% or less in a qualified business use: Table with 9 columns for percentage and S/L.

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with 6 main columns: (a) Vehicle, (b) Vehicle, (c) Vehicle, (d) Vehicle, (e) Vehicle, (f) Vehicle. Includes rows 30-36 for miles driven and availability.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

Table for Section C with 5 rows (37-41) and 2 columns (Yes, No) for policy and use questions.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

Table for Part VI with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year

42 Amortization of costs that begins during your 2009 tax year: Table with 6 columns.

43 Amortization of costs that began before your 2009 tax year 43

44 Total. Add amounts in column (f). See the instructions for where to report 44