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Return of Organization Exempt From Income Tax

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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

Form 990 header section including A (For the 2008 calendar year beginning 07-01, 2008, and ending 06-30, 2009), B (Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending), C (Name of organization: EMPOWERMENT SYSTEMS INC, Doing Business As, 2066 W APACHE TRAIL, Apache Junction, AZ 85220), D (Employer identification no. 86-0664708), E (Telephone number (480) 367-6937), F (Name and address of principal officer JACK BEVERIDGE, 2066 W APACHE TRAIL, Apache Junction, AZ 85220), G (Gross receipts \$ 912,963), H(a) (Is this a group return for affiliates? Yes No), H(b) (Are all affiliates included? Yes No), H(c) (Group exemption number), I (Tax-exempt status X 501(c)(3)), J (Website: N/A), K (Type of organization X Corporation), L (Year of formation 1980), M (State of legal domicile AZ).

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 1. Briefly describe the organization's mission or most significant activities (TO SUPPORT THE DELIVERY OF HEALTH AND HUMAN SERVICES); 2. Check this box if the organization discontinued its operations or disposed of more than 25% of its assets; 3-7. Governing body and employee/volunteer counts; 7a-7b. Revenue and net unrelated business taxable income; 8-12. Revenue breakdown; 13-19. Expenses breakdown; 20-22. Net assets and fund balances.

Part II Signature Block

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.

Signature block section with handwritten signatures and dates. Includes: Signature of officer Gary W. Selvey, Chairman of the Board (Date 2-12-10); Preparer's signature Joel D. Huber CPA PC (Date 02-11-2010); Preparer's identifying number 480-503-9200; Firm's name and address: Joel D Huber CPA PC, 3048 E Baseline Rd Suite 116, Mesa, AZ 85204.

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

Vertical text on the left margin: A G O V E R N I N G B O D Y & A C T I V I T I E S, R E V E N U E, E X P E N S E S, N E T A S S E T S, F U N D B A L A N C E S, S C A N N E D M A R 0 1 2 0 1 0

Handwritten notes on the bottom right: P ne 17

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission
TO SUPPORT THE DELIVERY OF HEALTH AND HUMAN SERVICES

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 [X] No
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 [X] No
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 \$ 948,909 including grants of \$) (Revenue \$)
EMPOWERING PEOPLE TO IMPROVE LIVES THROUGH PROVIDING HEALTH PROMOTION AND EDUCATION SERVICES TO THE COMMUNITY, NETWORKING ACTIVITIES TO RAISE AWARENESS, CONNECTING STUDENTS TO HEALTH PROFESSIONS AND HEALTH PROFESSIONALS TO COMMUNITIES, AND CONSULTING SERVICES.

4b (Code) (Expenses \$ 348,865 including grants of \$) (Revenue \$)
BUILDING SUPPORT SERVICES FOR SIMILARLY PURPOSED ORGANIZATIONS.

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses \$ 1,297,774 (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Contains 27 rows of questions regarding organizational compliance with various IRS sections (501(c)(3), 501(c)(4), 501(c)(5), 501(c)(6), etc.) and their corresponding schedules (A through L).

Part IV Checklist of Required Schedules (continued)

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		X
28a			X
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		X
28b			X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV		X
28c			X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
29			X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
30			X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
31			X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
32			X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
33			X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		X
34			X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		X
35			X
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
36			X
37	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? If "Yes," complete Schedule R, Part VI		X
37			X

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question number, question text, and Yes/No checkboxes. Includes questions 1a through 12a regarding IRS filings and tax compliance.

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code)

Section A. Governing Body and Management

Table with 11 main rows and sub-rows (a, b) for questions 1-11. Columns include question text, line number, and Yes/No response boxes. Responses include 'X' marks in various boxes.

Section B. Policies

Table with 12 main rows and sub-rows (a, b, c) for questions 12-16. Columns include question text, line number, and Yes/No response boxes. Responses include 'X' marks in various boxes.

Section C. Disclosure

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

ORGANIZATION (480) 367-6937
2066 W APACHE TRAIL STE 116 Apache Junction, AZ 85220

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, grants, and other similar amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	507,148				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	485				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f ▶		507,633				
Program Service Revenue	2a		Business Code					
	b							
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f ▶						
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		153,772			153,772	
	4	Income from investment of tax-exempt bond proceeds . . . ▶						
	5	Royalties ▶						
	6a	Gross Rents	(i) Real	(ii) Personal				
			251,558					
	b	Less rental expenses						
	c	Rental income or (loss)	251,558					
	d	Net rental income or (loss) ▶			251,558		251,558	
	7a	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) ▶							
8a	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 ▶					
9a	Gross income from gaming activities See Part IV, line 19 a							
		b	Less direct expenses b					
		c	Net income or (loss) from gaming activities ▶					
10a	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						
11a								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d ▶							
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶			912,963	0	0	405,330	

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				
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	582,866	542,065	40,801	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	176,923	164,539	12,384	
10 Payroll taxes				
11 Fees for services (non-employees)				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	43,896	40,824	3,072	
17 Travel	26,267	24,428	1,839	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	146,752	136,479	10,273	
23 Insurance				
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 Professional and outside svc	221,353	205,858	15,495	
b Operational	181,051	168,378	12,673	
c Repairs and maintenance	16,347	15,203	1,144	
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	1,395,455	1,297,774	97,681	0
26 Joint Costs. Check here <input type="checkbox"/> if following \ SOP 98-2 Complete this line only if the organization organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)	
		Beginning of year		End of year	
A s s e t s	1	Cash - non-interest-bearing	515,985	1	224,461
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net	47,478	3	34,931
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties Complete Part II of Schedule L		5	
	6	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		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment cost basis	1,415,058		
	b	Less accumulated depreciation Complete Part VI of Schedule D	1,157,093		
			404,717	10c	257,965
	11	Investments - publicly traded securities	3,230,876	11	2,602,788
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
15	Other assets See Part IV, line 11		15		
16	Total assets. Add lines 1 through 15 (must equal line 34)	4,199,056	16	3,120,145	
L i a b i l i t i e s	17	Accounts payable and accrued expenses	71,685	17	62,392
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow account liability Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable		24	
	25	Other liabilities Complete Part X of Schedule D		25	
26	Total liabilities. Add lines 17 through 25	71,685	26	62,392	
N e t A s s e t B a l a n c e s	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	4,127,371	27	3,057,753
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	4,127,371	33	3,057,753
	34	Total liabilities and net assets/fund balances	4,199,056	34	3,120,145

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?	X	
c	If "Yes" to lines 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	
3a	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	If "Yes," did the organization undergo the required audit or audits?		

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) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	46,342,080	628,683	711,390	433,923	507,148	48,623,224
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1-3	46,342,080	628,683	711,390	433,923	507,148	48,623,224
5 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)						
6 Public support. Subtract line 5 from line 4						48,623,224

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	46,342,080	628,683	711,390	433,923	507,148	48,623,224
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	93,921	111,606	187,085	262,321	153,772	808,705
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	136,538	162,465	176,070	213,214	251,558	939,845
11 Total support. Add lines 7 through 10						50,371,774
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. 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

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	96.53	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	98.90	%
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>		
b 33 1/3% support test - 2007. 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 stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
17a 10%-facts-and-circumstances test - 2008. 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 stop here. 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 10%-facts-and-circumstances test - 2007. 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 stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
18 Private foundation. 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

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business under section 513; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1-5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on; 12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV); 13 Total support. (Add lines 9, 10c, 11, and 12).

14 First five years. 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

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Value, Percentage. Row 15: Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)) - 15 - %. Row 16: Public support percentage from 2007 Schedule A, Part IV-A, line 27g - 16 - %.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Value, Percentage. Row 17: Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)) - 17 - %. Row 18: Investment income percentage from 2007 Schedule A, Part IV-A, line 27h - 18 - %.

19a 33 1/3% support tests - 2008. 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 - 2007. 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)

Supplemental Financial Statements

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.

Name of the organization EMPOWERMENT SYSTEMS INC

Employer identification number 86-0664708

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 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?

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

Table with 2 columns: Held at the End of the Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?, 6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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

Table with 2 columns: \$. Rows include: 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items, b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items (i) Revenues included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items a Revenues included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X

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

- 3 Using the organization's 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?

Part IV Trust, 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?
b If "Yes," explain the arrangement in Part XIV and complete the following table
c Beginning balance
d Additions during the year
e Distributions during the year
f Ending balance
2a Did the organization include an amount on Form 990, Part X, line 21?
b If "Yes," explain the arrangement in Part XIV

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

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

Table with 6 columns: (a) Current Year, (b) Prior Year, (c) Two Years Back, (d) Three Years Back, (e) Four Years Back. Rows: 1a-1g: Beginning of year balance, Contributions, Investment earnings or losses, Grants or scholarships, Other expenditures for facilities and programs, Administrative expenses, 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
(i) unrelated organizations
(ii) related organizations
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
4 Describe in Part XIV the intended uses of the organization's endowment funds

Table with 2 columns: Yes, No. Rows: 3a(i) unrelated organizations, 3a(ii) related organizations, 3b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

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

Table with 5 columns: Description of investment, (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Depreciation, (d) Book value. Rows: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c))

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	912,963
2	Total expenses (Form 990, Part IX, column (A), line 25)	1,395,455
3	Excess or (deficit) for the year Subtract line 2 from line 1	(482,492)
4	Net unrealized gains (losses) on investments	(587,126)
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net) Add lines 4-8	(587,126)
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	(1,069,618)

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	912,963
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
c	Recoveries of prior year grants	2c
d	Other (Describe in Part XIV)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	912,963
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
5	Total revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	912,963

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	1,395,455
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities	2a
b	Prior year adjustments	2b
c	Losses reported on Form 990, Part IX, line 25	2c
d	Other (Describe in Part XIV)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	1,395,455
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
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	1,395,455

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, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the organization
EMPOWERMENT SYSTEMS INC

Employer identification number
86-0664708

Part I Questions Regarding Compensation

	Yes	No								
<p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b									
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2									
<p>3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply</p> <table border="0"> <tr> <td><input type="checkbox"/> Compensation committee</td> <td><input checked="" type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract									
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a										
a Receive a severance payment or change of control payment?	4a	X								
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X								
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X								
If "Yes" to any of 4a-c, list the persons and provide the applicable amounts for each item in Part III										
Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.										
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of										
a The organization?	5a	X								
b Any related organization?	5b	X								
If "Yes," to line 5a or 5b, describe in Part III										
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of										
a The organization?	6a	X								
b Any related organization?	6b	X								
If "Yes," to line 6a or 6b, describe in Part III										
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	X								
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X								

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed
 For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII

Note: The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
JACK BEVERIDGE	(i) 265,922				21,755	287,677	
	(ii)						
	(i)						
	(ii)						
	(i)						
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	(ii)						

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No 1545-0047

2008

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service
Name of the organization

▶ Attach to Form 990. To be completed by organizations to provide
additional information for responses to specific questions for the
Form 990 or to provide any additional information.

Employer identification number

EMPOWERMENT SYSTEMS INC

86-0664708

01. Form 990 governing body review (Part VI, line 10)

The Board of Directors review the Form 990 prior to filing with the IRS.

02. Conflict of interest policy compliance (Part VI, line 12c)

The Board of Directors have a written conflict of interest policy that is periodically
tested and enforced.

03. CEO, executive director, top management comp (Part VI, line 15a)

The President, Jack Beveridge, provides many services to the Organization, including
acting as the Board President and as the Chief Operating Officer for the day to day
activities of the Organization.

04. Governing documents, etc, available to public (Part VI, line 19)

The Organization makes legal documents available to the public upon reasonable request.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization EMPOWERMENT SYSTEMS INC	Employer identification number 86-0664708
	Number, street, and room or suite no. If a P O box, see instructions 2066 W APACHE TRAIL	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions Apache Junction, AZ 85220	

Check type of return to be filed (File a separate application for each return)

- | | | | |
|--|--|--------------------------------------|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust) | <input type="checkbox"/> Form 4720 | <input type="checkbox"/> Form 8870 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 5227 | |

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **ORGANIZATION**
 Telephone No **▶ 480-367-6937** FAX No **▶** _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for

- I request an additional 3-month extension of time until 05-17, 2010
- For calendar year _____, or other tax year beginning 07-01, 2008 and ending 06-30, 2009
- If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period
- State in detail why you need the extension
To complete the audit so that an accurate tax return can be filed.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	\$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	\$
c Balance Due. Subtract line 8b from line 8a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	\$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature **▶** _____ Title **▶** _____ Date **▶** _____