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**Return of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation**

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

2009

For calendar year 2009, or tax year beginning , 2009, and ending , 20

**G** Check all that apply:  Initial return  Initial return of a former public charity  Final return  
 Amended return  Address change  Name change

<b>Use the IRS label. Otherwise, print or type. See Specific Instructions.</b>	Name of foundation <b>William H Cowles Foundation</b>	<b>A Employer identification number</b> <b>91-6020496</b>	
	Number and street (or P O box number if mail is not delivered to street address) <b>999 W Riverside Ave</b>	Room/suite <b>626</b>	<b>B Telephone number (see page 10 of the instructions)</b> <b>509 459-5220</b>
	City or town, state, and ZIP code <b>Spokane, WA 99201</b>		

<b>H</b> Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		<b>C</b> If exemption application is pending, check here ► <input type="checkbox"/>
<b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► <b>\$ 4,741,110</b>	<b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	<b>D</b> 1. Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>
		<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/>
		<b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>

**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)

		<b>(a) Revenue and expenses per books</b>	<b>(b) Net investment income</b>	<b>(c) Adjusted net income</b>	<b>(d) Disbursements for charitable purposes (cash basis only)</b>
<b>Revenue</b>	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	669	669		
	4 Dividends and interest from securities	132,003	132,003		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	24,980			
	b Gross sales price for all assets on line 6a	1,170,650			
	7 Capital gain net income from Part IV (line 2)		24,980		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances	2010			
b Less: Cost of goods sold	1,650				
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	1,650	1,650			
12 Total. Add lines 1 through 11	159,302	159,302			

<b>Operating and Administrative Expenses</b>	13 Compensation of officers, directors, trustees, etc.	None	None	None	
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)	STAT. 2	26,641	26,641	None
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	STAT. 3	2,614	None	
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	STAT. 4	1,983	1,947	None
	24 Total operating and administrative expenses.				
	Add lines 13 through 23	31,238	28,588		None
	25 Contributions, gifts, grants paid	None			None
	26 Total expenses and disbursements. Add lines 24 and 25	31,238	28,588		None
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements		128,064		
	b Net investment income (if negative, enter -0-)			130,714	
	c Adjusted net income (if negative, enter -0-)				

<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash—non-interest-bearing	4,974	9,889	9,889
	2 Savings and temporary cash investments	216,508	107,778	107,778
Assets	3 Accounts receivable ►			
	Less: allowance for doubtful accounts ►			
	4 Pledges receivable ►			
	Less: allowance for doubtful accounts ►			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ►			
	Less: allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule) <sup>STATE</sup>	1,014,172	449,445	473,021
	b Investments—corporate stock (attach schedule) <sup>STATE</sup> 6	1,320,213	1,466,841	1,820,236
	c Investments—corporate bonds (attach schedule) <sup>STATE</sup> 7	76,484	352,208	368,124
	11 Investments—land, buildings, and equipment: basis ►			
	Less accumulated depreciation (attach schedule) ►			
Liabilities	12 Investments—mortgage loans			
	13 Investments—other (attach schedule) <sup>STATE</sup> 8	1,390,057	1,766,351	1,960,477
	14 Land, buildings, and equipment, basis ►			
	Less: accumulated depreciation (attach schedule) ►			
	15 Other assets (describe ► <sup>SMTM 9</sup> )	3,625	1,585	1,585
Net Assets or Fund Balances	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	4,026,033	4,154,097	4,741,110
	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
Net Assets or Fund Balances	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ► )	0	0	
	23 Total liabilities (add lines 17 through 22)	0	0	
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
Net Assets or Fund Balances	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	4,026,033	4,154,097	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
Net Assets or Fund Balances	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see page 17 of the instructions)	4,026,033	4,154,097	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	4,026,033	4,154,097	

**Part III Analysis of Changes in Net Assets or Fund Balances**

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,026,033
2 Enter amount from Part I, line 27a	2	128,064
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	4,154,097
5 Decreases not included in line 2 (itemize) ►	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	4,154,097

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)			(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a Publicly traded securities</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
<b>a</b> 1,170,650		1,145,670	24,980		
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(l) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (l) over col. (j), if any			
<b>a</b>			24,980		
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>2</b> Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		<b>2</b>	24,980	
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8			<b>3</b>		

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	0	4,696,861	0.0000000000
2007	0	5,342,203	0.0000000000
2006	0	4,721,015	0.0000000000
2005	398,915	4,589,359	0.08692172480
2004	382,825	4,641,254	0.08248309616

2 Total of line 1, column (d) 2 0.16940482096  
 3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years 3 0.03388096419  
 4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 4 4,093,423  
 5 Multiply line 4 by line 3 5 138,689  
 6 Enter 1% of net investment income (1% of Part I, line 27b) 6 1,307  
 7 Add lines 5 and 6 7 139,996  
 8 Enter qualifying distributions from Part XII, line 4 8 None  
 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1.	
	Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)	
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b	1 2,614
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)	
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2 0
3	Add lines 1 and 2	3 2,614
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4 0
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	5 2,614
6	<b>Credits/Payments:</b>	
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a 3,990
b	Exempt foreign organizations—tax withheld at source	6b
c	Tax paid with application for extension of time to file (Form 8868)	6c
d	Backup withholding erroneously withheld	6d
7	Total credits and payments. Add lines 6a through 6d	7 3,990
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10 1,376
11	Enter the amount of line 10 to be <b>Credited to 2010 estimated tax</b> ► 1,376	Refunded ► 11

**Part VII-A Statements Regarding Activities**

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes <input type="checkbox"/> No <input type="checkbox"/>
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		
1c	Did the foundation file Form 1120-POL for this year?	Yes <input type="checkbox"/> No <input type="checkbox"/>
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:	
(1)	On the foundation. ► \$ _____	None
(2)	On foundation managers. ► \$ _____	None
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____	None
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If "Yes," attach a detailed description of the activities.		
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	Yes <input type="checkbox"/> No <input type="checkbox"/>
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	Yes <input type="checkbox"/> No <input type="checkbox"/>
b	If "Yes," has it filed a tax return on Form 990-T for this year?	Yes <input type="checkbox"/> No <input type="checkbox"/>
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If "Yes," attach the statement required by General Instruction T.		
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:	
• By language in the governing instrument, or		
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		
7	Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	Yes <input type="checkbox"/> No <input type="checkbox"/>
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► Washington	
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	Yes <input type="checkbox"/> No <input type="checkbox"/>
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV	Yes <input type="checkbox"/> No <input type="checkbox"/>
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	Yes <input type="checkbox"/> No <input type="checkbox"/>

**Part VII-A Statements Regarding Activities (continued)**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11	✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12	✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► None	13	✓
14	The books are in care of ► S.R. Rector Located at ► 999 W Riverside Ave #626 Spokane, WA	Telephone no. ► 509 459-5220 ZIP+4 ► 99201	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here, and enter the amount of tax-exempt interest received or accrued during the year	►   15	►   □

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► □		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years ► 20____, 20____, 20____, 20____	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions.)		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		

**Part VII-B** **Statements Regarding Activities for Which Form 4720 May Be Required (continued)**

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? . . . . .  Yes  No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? . . . . .  Yes  No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? . . . . .  Yes  No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) . . . . .  Yes  No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . . .  Yes  No

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here . . . . . ►

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . . **N/A.**  Yes  No  
*If "Yes," attach the statement required by Regulations section 53.4945–5(d).*

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .  Yes  No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .  
*If "Yes" to 6b, file Form 8870*

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . .

**Part VIII** **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address		(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
W.S. Cowles	999 W Riverside Ave Spokane, WA 99201	President / Trustee	None	None	None
E.A. Cowles	same	Vice Pres. / Trustee	None	None	None
S.R. Rector	same	Secretary	None	None	None

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

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

Total number of other employees paid over \$50,000 . . . . . ►

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services ►		

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc		Expenses
1 N/A		
2		
3		
4		

**Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1 None		
2		
All other program-related investments. See page 24 of the instructions		
3 None		
Total. Add lines 1 through 3 ►		

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes.		
a	Average monthly fair market value of securities	1a	3,976,329
b	Average of monthly cash balances	1b	179,430
c	Fair market value of all other assets (see page 24 of the instructions)	1c	None
d	<b>Total</b> (add lines 1a, b, and c)	1d	4,155,759
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	None
2	Acquisition indebtedness applicable to line 1 assets	2	None
3	Subtract line 2 from line 1d	3	4,155,759
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	62,336
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,093,423
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	204,671

**Part XI Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ►  and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	204,671
2a	Tax on investment income for 2009 from Part VI, line 5	2a	2,614
b	Income tax for 2009 (This does not include the tax from Part VI.)	2b	None
c	Add lines 2a and 2b	2c	2,614
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	202,057
4	Recoveries of amounts treated as qualifying distributions	4	None
5	Add lines 3 and 4	5	202,057
6	Deduction from distributable amount (see page 25 of the instructions)	6	None
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	202,057

**Part XII Qualifying Distributions** (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	None
b	Program-related investments—total from Part IX-B	1b	None
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	None
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	None
b	Cash distribution test (attach the required schedule)	3b	None
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	None
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	None
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	None

**Note.** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income (see page 26 of the instructions)**

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7 . . . . .				202,057
2 Undistributed income, if any, as of the end of 2009:			None	
a Enter amount for 2008 only . . . . .		None		
b Total for prior years: 20 ____,20 ____,20 ____		None		
3 Excess distributions carryover, if any, to 2009:				
a From 2004 . . . . .	None			
b From 2005 . . . . .	88,489			
c From 2006 . . . . .	None			
d From 2007 . . . . .	None			
e From 2008 . . . . .	None			
f Total of lines 3a through e . . . . .	88,489			
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$ None			None	
a Applied to 2008, but not more than line 2a . . . . .		None		
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions) . . . . .		None		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions) . . . . .	None			
d Applied to 2009 distributable amount . . . . .				None
e Remaining amount distributed out of corpus . . . . .	None			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	88,489			88,489
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	None			
b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		None		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed . . . . .		None		
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . . . .		None		
e Undistributed income for 2008 Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions . . . . .			None	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010 . . . . .				113,568
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions) . . . . .	None			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions) . . . . .	None			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a . . . . .	None			
10 Analysis of line 9.				
a Excess from 2005 . . . . .	None			
b Excess from 2006 . . . . .	None			
c Excess from 2007 . . . . .	None			
d Excess from 2008 . . . . .	None			
e Excess from 2009 . . . . .	None			

**Part XIV Private Operating Foundations** (see page 27 of the instructions and Part VII-A, question 9) **N/A**

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling. ►			
b	Check box to indicate whether the foundation is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)			
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed			
b	85% of line 2a			
c	Qualifying distributions from Part XII, line 4 for each year listed			
d	Amounts included in line 2c not used directly for active conduct of exempt activities			
e	Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c			
3	Complete 3a, b, or c for the alternative test relied upon:			
a	"Assets" alternative test—enter:			
(1)	Value of all assets			
(2)	Value of assets qualifying under section 4942(j)(3)(B)(i)			
b	"Endowment" alternative test—enter $\frac{2}{3}$ of minimum investment return shown in Part X, line 6 for each year listed			
c	"Support" alternative test—enter:			
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)			
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)			
(3)	Largest amount of support from an exempt organization			
(4)	Gross investment income			

**Part XV Supplementary Information** (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

**N/A**

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

**N/A****2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ►  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

**Part XV Supplementary Information (continued)****3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i>				
None				
<b>Total</b>				► 3a
<i>b Approved for future payment</i>				
<b>Total</b>				► 3b

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

**1 Program service revenue:**

a \_\_\_\_\_  
 b \_\_\_\_\_  
 c \_\_\_\_\_  
 d \_\_\_\_\_  
 e \_\_\_\_\_  
 f \_\_\_\_\_

g Fees and contracts from government agencies

2 Membership dues and assessments . . . . .

3 Interest on savings and temporary cash investments

4 Dividends and interest from securities . . . . .

5 Net rental income or (loss) from real estate.

a Debt-financed property . . . . .  
 b Not debt-financed property . . . . .

6 Net rental income or (loss) from personal property

7 Other investment income . . . . .

8 Gain or (loss) from sales of assets other than inventory

9 Net income or (loss) from special events . . . . .

10 Gross profit or (loss) from sales of inventory . . . . .

11 Other revenue: a Other income \_\_\_\_\_

b \_\_\_\_\_  
 c \_\_\_\_\_  
 d \_\_\_\_\_  
 e \_\_\_\_\_

12 Subtotal. Add columns (b), (d), and (e) . . . . .

13 Total. Add line 12, columns (b), (d), and (e) . . . . .

(See worksheet in line 13 instructions on page 28 to verify calculations.)

**Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes**

Line No. ▼ Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)

N/A

**Part XVII** Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting foundation to a noncharitable exempt organization of:

(1) Cash . . . . .

(2) Other assets . . . . .

b Other transactions:

(1) Sales of assets to a noncharitable exempt organization . . . . .

(2) Purchases of assets from a noncharitable exempt organization . . . . .

(3) Rental of facilities, equipment, or other assets . . . . .

(4) Reimbursement arrangements . . . . .

(5) Loans or loan guarantees . . . . .

(6) Performance of services or membership or fundraising solicitations . . . . .

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees . . . . .

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show value of the goods, other assets, or services given by the reporting foundation. If the foundation received less value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
1a(1)		✓
1a(2)		✓
1b(1)		✓
1b(2)		✓
1b(3)		✓
1b(4)		✓
1b(5)		✓
1b(6)		✓
1c		✓

**2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? . . . . .  Yes  No

**b** If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer or trustee

11/8/10

## **Secretary**

### Title

<b>Sign Here</b> <b>Paid Preparer's Use Only</b>	 <b>Preparer's signature</b>	 <b>Date</b>	<b>Check if self-employed</b> <input type="checkbox"/>	<b>Preparer's identifying number (see Signature on page 30 of the instructions)</b>
	<b>Firm's name (or yours if self-employed), address, and ZIP code</b>	<b>11/4/2010</b>		<b>P00736510</b>
	<b>Clark Nuber, P.S.</b>	<b>EIN</b> <input type="checkbox"/>	<b>91-1194016</b>	
	<b>10900 NE 4th, Suite 1700</b>	<b>Phone no.</b>	<b>425 454-4919</b>	

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2009

EIN: 91-6020496

**STATEMENT #1 - PART I LINE 11 - Other income**

	<u>Column (a)</u>	<u>Column (b)</u>
Inflation-indexed revaluation adjustments	\$1,328	\$1,328
Proceeds from class action settlements	322	322
	<u><b>\$1,650</b></u>	<u><b>\$1,650</b></u>

**STATEMENT #2 - PART I LINE 16c - Professional fees**

	<u>Column (a)</u>	<u>Column (b)</u>
Investment management fees	\$22,591	\$22,591
tax review fees	4,050	4,050
	<u><b>\$26,641</b></u>	<u><b>\$26,641</b></u>

**STATEMENT #3 - PART I LINE 18 - Taxes**

	<u>Column (a)</u>	<u>Column (b)</u>
Federal excise tax	<u><b>\$2,614</b></u>	<u><b>\$0</b></u>

**STATEMENT #4 - PART I LINE 23 - Other expenses**

	<u>Column (a)</u>	<u>Column (b)</u>
Investment cost basis adjustments	\$1,947	\$1,947
Miscellaneous	36	0
	<u><b>\$1,983</b></u>	<u><b>\$1,947</b></u>

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations**

<b>Government obligations: Part II Line 10a</b>	<b>Beginning of year</b>		<b>End of Year</b>	
			Fair	
	<b>Book Value</b>	<b>Book Value</b>	<b>Market Value</b>	
U.S. Treasury Bonds				
6 2500% due 8/15/23	\$152,587	\$34,869	\$35,831	
Inflation-Indexed Treasury Securities				
3.875% due 4/15/29	9,490	9,470	11,845	
Inflation-Indexed Treasury Securities				
2.0000% due 1/15/14	22,841	35,396	38,353	
U.S. Treasury Notes				
3 8750% Due 09/15/10	14,438			
U.S. Treasury Notes				
4 6250% Due 02/15/17	117,964	33,842	37,792	
U.S. Treasury Notes				
3 625% Due 10/31/09	127,876			
Inflation-Indexed Treasury Securities				
1.625% Due 01/15/18	10,323	20,188	21,126	
US Treasury Security Stripped Interest Payment				
0 I.D. 0.0% Due 08/15/25	36,539			
Freddie Mac Series MTN				
5 2500% Due 02/24/11	4,990			
Freddie Mac				
5.3750% due 1/9/14	32,631			
Federal Home Loan Mortgage Corp. Gold				
5.000% due 10/01/39		30,893	30,620	
Federal Farm Credit Bank				
4.8750% due 01/17/17	44,609	24,687	26,602	
Freddie Mac				
5.0000% due 07/15/14	47,192	36,705	38,456	
Fannie Mae				
7.1250% due 1/15/30	12,915			
Fannie Mae				
3 2500% due 02/15/09	15,098			
Fannie Mae				
3.7500% due 03/27/19		29,881	29,409	
Fannie Mae				
3 2500% due 04/09/13	48,508			
Fannie Mae				
2.7500% due 02/05/14		34,972	35,394	
Fannie Mae Mortgage Backed Securities				
6 000% due 05/01/38	14,573			

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

**EIN: 91-6020496**

**STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations (cont)**

Fannie Mae Mortgage Backed Securities			
6.500% due 06/01/38	14,720		
Fannie Mae Mortgage Backed Securities			
5 0000% due 07/01/38	23,376	20,135	21,349
Fannie Mae Mortgage Backed Securities			
4 500% due 05/01/38	27,238	25,763	27,591
Fannie Mae Mortgage Backed Securities			
4 500% due 08/01/38	14,176	11,953	12,604
Fannie Mae Mortgage Backed Securities			
5.000% due 07/01/23	14,462	12,149	12,803
Fannie Mae Mortgage Backed Securities			
5.000% due 08/01/38	14,606		
Federal Home Loan Bank Bond			
3.500% due 07/16/10	59,966		
Federal Home Loan Bank Bond			
3 625% due 07/01/11	49,929	34,950	36,367
Federal Home Loan Bank Bond			
3 625% due 10/18/13	83,123	33,616	36,663
Federal Home Loan Bank Bond			
1.625% due 01/21/11		19,976	20,219
<b>Total U.S. and State Government Obligations</b>	<b><u>\$1,014,172</u></b>	<b><u>\$449,445</u></b>	<b><u>\$473,021</u></b>

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

**EIN: 91-6020496**

**STATEMENT #6 - PART II LINE 10b - Investments - corporate stock**

<b>Corporate Stocks: Part II Line 10b</b>	<b>Beginning of year</b>		<b>End of Year</b>	
			<b>Fair Market Value</b>	
	<b>Book Value</b>	<b>Book Value</b>		
AFLAC, Inc.	\$440	\$945		\$4,255
The AES Corporation	1,110	1,110		1,464
AK Steel Holding Corp	628	628		363
AT&T Inc.	31,244	34,206		30,525
Abbott Laboratories	793	2,693		15,441
Abercrombie & Fitch	1,086	1,086		488
Adobe Systems Incorporated	2,079	2,079		3,421
Advanced Micro Devices, Inc	1,573	1,573		755
Aetna, Inc.	1,455	1,455		2,631
Affiliated Computer Services, Inc	1,112	1,112		1,253
Agilent Technologies, Inc.	2,160	2,160		1,926
Air Products & Chemicals, Inc.	1,848	1,848		2,999
Airgas, Inc		691		714
Akamai Technologies Inc	1,375	1,375		684
Alcoa, Inc.	4,585	5,078		2,724
Allegheny Energy, Inc.	750	750		751
Allegheny Technologies Incorporated	262	262		492
Allergan, Inc	1,824	2,644		3,844
The Allstate Corporation	4,637	4,637		3,064
Altera Corporation	1,327	1,327		1,335
Altria Group, Inc	4,199	5,342		7,675
Amazon.com, Inc.	2,349	3,213		8,071
Ameren Corporation	1,449	1,501		1,258
American Capital Ltd	1,281			
American Electric Power Company, Inc.	2,125	3,013		3,444
American Express Company	8,989	9,744		9,198
American International Group, Inc	26,203			
American International Group		25,377		600
American Tower Corp A	2,744	2,744		2,895
AmeriSourceBergen Corporation	962	721		1,408
Ameriprise Financial	1,403	1,403		1,669
Amgen, Inc	7,455	7,838		10,748
Amphenol Corp A	1,201	915		1,478
Anadarko Petroleum Corporation	1,800	2,630		5,555
Analog Devices, Inc.	2,442	2,442		1,611
Aon Corporation	1,257	1,257		1,955
Apache Corporation	2,081	2,818		6,500
Apartment Investment and Management Company	478	491		271

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

**EIN: 91-6020496**

**STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

Apollo Group, Inc	1,563	1,563	1,272
Apple Computer, Inc.	2,594	5,716	35,192
Applied Materials, Inc.	4,844	4,844	3,109
Archer-Daniels- Midland Company	1,665	1,999	3,726
Ashland Inc.	419		
Assurant, Inc.	837	837	442
Autodesk, Inc	463	463	915
Automatic Data Processing, Inc.	2,999	3,722	4,196
AutoNation, Inc.	345	345	402
AutoZone, Inc.	169	924	1,106
Avalonbay Communications, Inc.	1,898	1,860	1,067
Avery Dennison Corporation	1,120	1,120	657
Avon Products, Inc.	2,121	2,121	2,111
BB&T Corporation	3,118	3,751	2,791
BJ Services, Company	1,018	1,018	967
BMC Software, Inc.	679	679	1,363
Baker Hughes Incorporated	1,932	1,932	2,226
Ball Corporation	563	663	724
Bank of America Corporation	30,218	49,369	27,710
The Bank of New Mellon Corporation	3,350	4,503	6,153
Bard (C.R.), Inc.	800	800	1,324
Baxter International Inc.	3,010	3,715	6,866
Becton Dickinson and Company	1,847	1,847	3,233
Bed Bath & Beyond. Inc	1,999	1,999	1,892
Bemis Company, Inc	1,069	379	415
Best Buy Company, Inc.	2,184	2,184	2,565
Big Lots, Inc.	85	85	174
Biogen Idec, Inc	2,447	2,447	3,050
Black & Decker Corporation	667	667	843
Block (H&R), Inc	1,565	1,565	1,221
Boeing Company	5,396	5,779	7,362
Boston Properties Inc	2,367	1,740	1,811
Boston Scientific Corporation	5,606	6,697	2,673
Bristol-Myers Squibb Company	9,644	8,407	7,929
Broadcom Corporation	1,706	2,117	2,518
Brown-Forman Corporation	473	473	696
Brunswick Corporation	523		
Burlington Northern Santa Fe Corp	1,544	1,755	5,030
CBS Corp Class B	3,728	3,728	1,546
CB Richard Ellis Group, Inc	979	979	407
CF Industries	698	698	545
C.H. Robinson Worldwide, Inc.	1,364	1,364	1,644
CIGNA Corporation	1,075	1,075	1,834
CIT Group	1,553		

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

**EIN: 91-6020496**

**STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

CME Group Inc.	5,414	5,414	3,696
CMS Energy Corporation	519	519	626
CSX Corporation	1,106	1,106	3,394
CVS Caremark Corporation	4,564	5,119	8,375
CA, Inc	1,761	1,761	1,505
Cabot Oil & Gas Corp	600	600	697
Cameron International Corporation	1,547	1,547	1,505
Campbell Soup Company	870	870	1,115
Capital One Financial Corporation	4,735	5,294	3,067
Cardinal Health, Inc.	4,235	3,061	2,128
Carefusion Corporation		1,068	1,125
Carnival Corporation, Inc	2,936	3,303	2,472
Caterpillar Inc.	4,110	4,610	6,725
Celgene Corporation	4,303	4,303	4,287
CenterPoint Energy, Inc.	473	473	653
Centex Corporation	987		
CenturyTel, Inc.	318	1,434	1,811
Cephalon Inc	820	820	687
Cheasapeake Energy Corporation	3,145	3,616	2,795
Chevron Corporation	14,886	16,864	28,640
Chubb Corporation	2,288	2,288	3,148
CIENA Corporation	926		
Cincinnati Financial Corporation	1,099	1,099	735
Circuit City Stores, Inc.	11		
Cisco Systems	7,270	9,151	25,664
Cintas Corporation		502	678
Citigroup, Inc	13,002	22,858	11,856
Citrix Systems, Inc.	530	753	1,415
Cliffs Natural Resources Inc		1,056	1,106
The Clorox Company	881	1,455	1,769
Coach, Inc.	1,757	1,757	2,338
Coca-Cola Company	1,185	5,823	24,453
Coca Cola Enterprises, Inc.	918	1,421	1,463
Cognizant Technology Solutions Corp.	1,770	1,770	1,995
Colgate-Palmolive Company	4,107	4,978	7,722
Comcast Corporation	11,285	11,778	8,885
Comerica Incorporated	1,600	1,600	828
Computer Sciences Corporation	1,385	1,385	1,783
Compuware Corporation	330	330	304
ConAgra Foods, Inc.	2,132	2,132	1,890
ConocoPhillips	8,803	9,525	14,146
Consolidated Energy	1,336	1,336	1,444
Consolidated Edison, Inc.	1,712	2,191	2,453
Constellation Brands A	1,013	1,013	542

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

**EIN: 91-6020496**

**STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

Constellation Energy Group	1,130	1,130	985
Convergys Corporation	200		
Cooper Industries, Ltd.	844		
Corning Incorporated	3,516	4,262	5,812
Costco Wholesale Corporation	2,551	3,104	4,793
Coventry Health Care, Inc.	1,584	1,584	680
Covidien Ltd.	2,735		
Cummins, Inc.	355	355	1,284
D R Horton, Inc	1,744	1,744	500
DTE Energy Company	1,095	1,095	1,221
Danaher Corporation	1,743	2,348	3,610
Darden Restaurants, Inc	481	481	842
Davita Inc.	633	885	1,116
Dean Foods Co	898	898	379
Deere & Company	805	1,288	4,489
Dell Inc	7,223	7,730	4,782
Dentsply International Inc	972	527	474
Developers Realty Corporation	1,292	972	1,161
Devon Energy Corporation	1,972	2,732	6,027
DeVry Inc.		506	511
Diamond Offshore Drilling		638	1,083
Dillard's, Inc.	391		
The Directv Group	1,749		
The Walt Disney Company	6,569	7,558	11,384
Discover Financial Services	568	568	1,250
Directv		4,673	5,803
Dominion Resources, Inc	3,596	3,596	4,359
Donnelley (R R.) & Sons Company		526	891
Dover Corp.	1,363	1,363	1,373
Dow Chemical Company	6,299	7,446	5,940
Dr Pepper Snapple Group Inc	992	992	1,245
DuPont Company	6,457	6,799	5,623
Duke Energy Corporation	2,418	3,030	4,079
Dun and Bradstreet Corp	1,058	1,123	1,181
Dynegy Inc	993		
EMC Corporation	5,429	5,429	6,394
EnSCO International, Inc.	1,207		
EOG Resources, Inc	862	1,525	4,573
EQT Corporation		722	1,142
E*TRADE Financial Corporation	1,260	1,260	396
Eastman Chemical Company	479	479	723
Eastman Kodak Company	1,309	1,309	194
Eaton Corporation	1,459	1,459	1,591
eBay, Inc.	5,901	6,303	4,918

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

Ecolab Inc.	680	1,379	1,783
Edison International	1,168	1,168	1,843
El Paso Corporation	861	861	993
Electronic Arts, Inc.	2,350	2,854	1,331
Embarq Corporation	609		
Emerson Electric Co.	3,109	3,603	6,049
EnSCO International Plc		754	599
Entergy Corp.	1,812	1,812	2,537
Equifax Inc	545	545	649
Equity Residential Properties Trust	1,340	1,340	1,554
Exelon Corporation	3,485	4,139	5,718
Expedia Inc	1,114	1,114	849
Expeditors International of Washington, Inc	1,743	1,743	1,217
Express Scripts, Inc.	478	1,425	4,321
ExxonMobil Corp.	1,926	4,781	59,462
FLIR Systems		512	851
FMC Corp		568	558
FMC Technologies Inc		1,008	1,388
FPL Group, Inc	2,039	2,545	3,803
Fairpoint Communications Inc	65		
Family Dollar Stores, Inc	763	763	612
Fastenal Company	1,043	1,043	1,166
Federated Investors, Inc.	495	495	440
FedEx Corporation	1,171	1,971	5,090
Fidelity National Information Services	596	1,211	1,195
Fifth Third Bancorp	4,914	3,694	1,550
First Horizon National Corporation	820	732	791
First Solar Inc		1,328	1,219
Fiserv, Inc	1,155	1,155	1,503
FirstEnergy Corporation	2,029	2,029	2,508
Fluor Corporation		958	1,666
Flextronics International Ltd.	680		
Flour Corporation	482		
Flowserve Corp	507	507	851
Ford Motor Company	5,140	5,683	5,370
Forest Laboratories, Inc.	3,715	3,715	1,606
Fortune Brands, Inc.	1,581	1,581	1,037
Franklin Resources, Inc	1,387	1,697	3,055
Freddie Mac			
Freeport-McMoRan Copper & Gold Inc.	3,039	4,025	6,503
Frontier Communications Corp.	601	601	398
Gamestop Corp A	1,227	1,227	570
Gannett Co., Inc	3,088	3,088	535
The Gap, Inc	1,489	1,489	1,676

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

**EIN: 91-6020496**

**STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

General Dynamics Corporation	2,789	3,548	5,113
General Electric Co	4,357	7,200	29,670
General Growth Properties	2,207		
General Mills Incorporated	2,499	2,763	4,249
General Motors Corporation	4,057		
Genuine Parts Company	924	924	1,063
Genworth Financial Inc. - Class A	2,063	2,063	670
Genzyme Corporation	2,141	3,186	2,745
Gilead Sciences, Inc	2,445	3,561	7,399
The Goldman Sachs Group, Inc	7,401	9,893	15,871
Goodrich Corporation	553	553	1,157
Goodyear Tire & Rubber Co	239	711	888
Google Inc.	17,248	19,465	27,279
Grainger (W W ), Inc	674	979	1,356
Guaranty Financial Group	54		
HCP	1,329	1,690	1,558
Halliburton Co	2,444	2,644	5,025
Harley-Davidson, Inc	2,092	2,092	1,033
Harman International Industries, Inc	1,078	1,078	353
Harris Corporation	983	983	1,331
The Hartford Financial Services Group	3,153	3,618	1,814
Hasbro, Inc	515	515	834
Health Care REIT, Inc		500	753
Heinz (H J ) Company	2,016	2,016	2,437
The Hershey Company	1,020	1,020	966
Hess Corporation	1,584	2,285	3,388
Hewlett-Packard Company	340	1,531	22,819
Home Depot, Inc	7,219	8,117	8,997
Honeywell International, Inc	4,774	4,774	5,174
Hormel Foods		277	346
Hospira, Inc	56	56	1,275
Host Hotels & Resort	2,221	2,219	980
Hudson City Bancorp, Inc	1,073	1,177	1,222
Humana Inc	559	559	1,053
Huntington Bancshares, Inc.	807	807	131
IMS Health Incorporated	876	876	716
Ingersoll-Rand Company	2,082		
ITT Industries, Inc	1,122	1,122	1,492
Illinois Tool Works Inc.	2,427	2,835	3,599
Intel Corporation	5,129	6,509	20,726
Integrys Energy Group, Inc	986	616	630
International Exchange Inc.	2,057	2,057	1,572
International Business Machines Corporation	1,986	3,890	31,940
International Flavors & Fragrances Inc.	514	514	576

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

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**STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

International Game Technology	2,099	2,099	1,051
International Paper Company	3,339	3,339	2,116
Interpublic Group of Companies, Inc	1,092	1,092	487
Interval Leisure Group, Inc.	27		
Intuit, Inc	1,107	1,640	2,028
Intuitive Surgical Inc.	2,211	1,100	2,427
Iron Mountain Inc		495	660
Invesco Ltd.	1,206	1,830	2,091
JDS Uniphase Corp	1,109	1,109	223
Morgan (J.P.) Chase & Company	24,048	28,158	30,294
Jabil Circuit, Inc	886	886	521
Jacobs Engineering Group	1,937	1,937	752
Janus Capital Group, Inc.	606	606	484
Johnson & Johnson	7,197	10,011	32,785
Johnson Controls, Inc	1,823	2,304	3,214
Jones Apparel Group, Inc	647		
Juniper Networks, Inc	1,496	1,496	2,320
KLA-Tencor Corporation	1,821	1,821	1,157
KB Home	383		
Kellogg Company	1,704	1,704	2,394
KeyCorp	2,084	2,550	783
Kimberly-Clark Corporation	4,180	4,180	4,587
Kimco Realty Corp.	1,262	1,262	460
King Pharmaceuticals, Inc	569	569	417
Kohl's Corporation	2,812	2,812	2,912
Kraft Foods	5,367	6,275	7,773
Kroger Co	1,892	2,586	2,751
LSI Logic Corporation	1,153	1,153	697
L-3 Communications Holdings, Inc	1,266	1,961	2,261
Laboratory Corporation of America Holdings	890	890	1,347
The Estee Lauder Companies, Inc.	733	733	967
Leggett & Platt, Inc	742	742	612
Legg Mason, Inc.	2,386	2,386	573
Lennar Corporation Class A	1,364	1,364	281
Leucadia National Corp	1,360	1,360	642
Lexmark International, Inc		491	779
Life Technologies Corporation	252	1,156	1,932
Lilly (Eli) and Company	10,598	11,588	6,749
Limited Brands, Inc.	875	875	924
Lincoln National Corporation	2,286	2,286	1,169
Linear Technology Corp.	2,003	2,003	1,528
Lockheed Martin Corporation	2,819	2,819	4,370
Loews Corporation	1,184	1,184	2,399
Lorillard Inc	2,279	2,279	2,728

**William H. Cowles Foundation, Inc.**

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**Year Ending December 31, 2009**

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**STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

Lowe's Companies, Inc	6,535	7,259	6,596
M&T Bank Corporation	1,065	1,065	803
MBIA Inc.	1,807		
MEMC Electronic Materials, Inc.	2,253	2,065	449
MGIC Investment Corporation	169		
Macy's Retail Holdings Inc	2,138	2,138	1,291
Manitowoc Inc	794		
Marathon Oil Corporation	1,922	2,666	4,433
Marsh & McLennan Companies, Inc.	4,133	4,133	1,943
Marshall & Ilsley Corporation	1,289	1,289	256
Marriot International, Inc.	1,113	1,101	1,363
Masco Corporation	1,628	1,628	842
Massey Energy Corp		175	714
MasterCard Incorporated	2,482	4,047	4,608
Mattel, Inc.	1,250	1,250	1,319
Mcaffe Inc		1,287	1,542
McCormick & Company, Inc	654	654	795
McDonald's Corporation	907	1,941	12,738
McGraw-Hill Companies, Inc	2,325	2,213	1,977
McKesson Corporation	1,412	1,412	3,000
Mead Johnson Nutrition Co		1,578	1,661
MeadWestvaco Corporation	864	864	916
Medco Health Solutions, Inc	90	90	5,496
Medtronic, Inc.	6,308	7,346	9,192
Merck & Co., Inc.	133	4,305	20,645
Meredith Corporation		461	463
Merrill Lynch & Co., Inc	11,137		
MetLife, Inc.	3,971	5,024	5,338
MetroPCS Communications		508	305
Microsoft Corporation	39,452	42,196	43,282
Microchip Technology Corporation	1,090	1,090	1,017
Micron Technology, Inc	1,552	1,552	1,014
Millipore Corporation		527	724
Molex Incorporated	1,005	1,005	625
Molson Coors Brewing Company	565	1,195	1,581
Monsanto Company	1,344	2,462	8,257
Monster Worldwide, Inc.	444	444	313
Moody's Corporation	1,215	1,215	1,018
Morgan Stanley	2,874	4,974	7,311
Motorola, Inc.	5,776	5,776	2,995
Murphy Oil Company	1,378	1,926	2,060
Mylan Labs Inc.	1,008	1,008	756
NYSE Euronext	3,799	3,799	1,088
Nabors Industries, Ltd	1,057	1,057	1,051

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

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**STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

Perry Corp		467	496
National City Corporation	3,751		
National Oilwell Varco, Inc.	1,996	2,588	3,659
National Semiconductor Corporation	1,079	1,079	860
NetApp Inc.	1,288	1,288	1,993
New York Times Company	1,119	1,119	284
Newell Rubbermaid, Inc.	995	664	1,141
Newmont Mining Corporation	2,832	3,772	4,258
News Corporation	6,867	7,420	5,900
Nicor, Inc.	419	419	421
NIKE, Inc	2,163	2,641	4,691
NiSource, Inc	862	862	631
Noble Corporation	780		
Noble Energy, Inc	2,182	2,182	1,994
Nordstrom, Inc.	610	610	1,165
Norfolk Southern Corporation	1,426	1,426	3,355
Northeast Utilities		507	619
Northern Trust Corporation	2,397	2,064	2,201
Northrop Grumman Corporation	2,613	3,106	3,574
Novellus, Inc		536	540
Novellus Systems, Inc.	748	748	513
Nucor Corporation	733	733	2,426
NVIDIA Corporation	556	556	1,401
Occidental Petroleum Corporation	2,906	3,975	12,121
Office Depot, Inc.	767	767	310
Omnicon Group Inc.	2,558	2,558	2,427
Oracle Corporation	9,069	10,630	17,686
O'Reilly Automotive Inc		1,066	1,105
Owens-Illinois, Inc.		448	1,282
PG&E Corporation	1,478	2,140	3,259
PNC Financial Services Group	3,758	7,623	4,382
PPG Industries, Inc	1,633	1,633	1,639
PP&L Corporation	1,417	1,417	2,003
PACCAR, Inc.	1,503	1,503	2,321
Pactiv Corporation	304	304	338
Pall Corporation	494	494	688
Parker-Hannifin Corporation	1,102	1,102	1,616
Patterson Companies	831	712	504
Paychex, Inc.	1,394	2,332	2,175
Peabody Energy Corp	1,847	1,847	1,899
Penney (J.C.) Company, Inc.	970	970	985
People's United Financial	981	981	902
Pepco Holdings, Inc.	694	694	472
Pepsi Bottling Group, Inc	451	451	638

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

PepsiCo, Inc.	11,774	13,709	17,510
PerkinElmer, Inc	372	310	309
Pfizer, Inc	40,719	46,243	27,067
Philip Morris International	10,171	10,438	16,915
Pinnacle West Capital Corporation	548	548	512
Pioneer Natural Resources Company	1,074	1,074	915
Pitney Bowes Inc	1,056	1,541	1,092
Plum Creek Timber Co. Inc	873	873	1,095
Polo Ralph Lauren Corporation	833	833	729
Praxair, Inc.	1,875	1,875	4,256
Precision Castparts	2,894	2,894	2,428
T. Rowe Price, Inc	1,098	1,554	2,876
Priceline.com Incorporated		1,376	1,747
Principal Financial Group, Inc	1,465	1,867	1,731
Procter & Gamble Company	18,858	20,324	32,558
Progress Energy, Inc	1,791	2,501	2,461
The Progressive Corporation	1,736	2,370	2,393
ProLogis	1,329	1,905	1,437
Prudential Financial, Inc.	3,363	3,363	3,832
Public Service Enterprise Group, Incorporated	1,775	2,319	3,159
Public Storage, Inc.	1,588	1,588	1,629
Pulte Homes, Inc.	761	1,727	580
QLogic Corporation	585	585	491
QUALCOMM Incorporated	7,632	9,477	14,063
Quanta Services, Inc		603	542
Quest Diagnostics, Inc.	1,021	1,282	1,751
Questar Corporation	1,218	1,218	1,164
Qwest Communications International, Inc.	853	1,347	1,360
RadioShack Corporation	816	816	488
Range Resources Corp	1,774	1,774	1,496
Raytheon Company	2,263	2,263	3,812
Red Hat Inc.		1,060	1,143
Regions Financial Corporation	3,701	4,106	1,016
Republic Services, Inc		1,076	1,444
Reynolds American Inc.	709	709	1,271
Robert Half International, Inc.	637	637	722
Rockwell Automation, Inc.	977	977	1,409
Rockwell Collins, Inc	915	915	1,550
Rohm and Haas Company	788		
Roper Industries Inc		901	890
Ross Stores, Inc		858	854
Rowan Companies, Inc.	345	345	340
Ryder System, Inc.	368	368	412
SAIC Inc.		1,056	1,061

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

SLM Corporation	2,456	1,553	1,172
SAFECO Corporation			
Safeway Inc	1,610	1,610	1,512
St Jude Medical, Inc.	2,086	2,086	2,133
Salesforce.com Inc	977	749	1,697
Sandisk Corporation	1,745	1,534	1,594
Sara Lee Corporation	2,031	2,031	1,364
Scana Corp		713	942
Schering-Plough Corporation	5,180		
Schlumberger N V.	3,153	4,462	14,385
Schwab (Charles) Corporation	2,095	2,095	3,124
Scripps Networks Interactive, Inc	540	540	498
Sealed Air Corporation	647	647	568
Sears Holding Corp	2,001	2,001	1,085
Sempra Energy	1,154	1,660	2,687
The Sherwin-Williams Company	505	505	925
Sigma-Aldrich Corporation	644	644	1,112
Simon Property Group, Inc.	2,197	3,192	4,469
Smith International, Inc	1,373	1,940	1,386
Smucker (J.M ) Company	1,014	1,014	1,606
Snap-on Incorporated		511	761
The Southern Company	3,697	4,277	4,798
Southwest Airlines Co.	1,552	1,552	1,143
Southwestern Energy	2,109	2,109	3,278
Sovereign Bancorp, Inc.	1,295		
Spectra Energy	1,792	2,374	2,666
Sprint Nextel Corporation	7,909	8,614	2,174
The Stanley Works	493	493	670
Staples, Inc	1,953	2,352	3,123
Starbucks Corporation	1,977	2,279	3,182
Starwood Hotels & Resorts	837	837	1,243
State Street Corporation	3,324	4,257	3,657
Stericycle Inc	1,278	852	883
Stryker Corporation	1,912	1,912	2,166
Sun Microsystems, Inc.	2,289	2,780	1,527
Sunoco, Inc	666	666	626
SunTrust Banks, Inc.	4,345	4,162	2,191
SUPERVALU Inc	899	899	394
Symantec Corporation	3,596	3,596	2,934
SYSCO Corporation	156	649	3,073
TECO Energy, Inc	401	401	454
TJX Companies, Inc	1,426	1,955	2,961
Target Corporation	4,869	5,339	6,723
Tellabs, Inc	598	598	346

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

Tenet Healthcare Corporation	883	883	383
Teradata Corporation		513	1,037
Terex Corp	328		
Tesoro Petroleum Corporation	1,167	1,167	298
Teva Pharmaceutical	424		
Texas Instruments Incorporated	6,796	6,796	5,655
Textron Inc	1,227	987	696
Thermo Electron Corporation	1,906	2,489	3,815
3M Company	7,116	7,497	10,499
Tiffany & Company	833	833	903
Time Warner, Inc.	10,787	7,729	6,527
Time Warner Cable, Inc		3,232	2,897
Titanium Metals Corp		85	238
Torchmark Corp	664	664	615
Total System Services	719	719	414
Transocean, Inc	2,868		
The Travelers Companies, Inc.	4,352	4,352	5,185
Tyco Electronics Ltd	2,482		
Tyco International Ltd	3,371		
Tyson Foods, Inc.	865	865	589
UST Inc	929		
U S Bancorp	8,251	9,440	7,901
Union Pacific Corporation	2,774	3,367	6,262
Unisys Corporation	1,082		
United Parcel Service, Inc	11,738	13,134	10,843
United States Steel Corporation	612	612	992
United Technologies Corporation	7,648	8,488	12,216
UnitedHealth Group, Inc	6,119	6,622	6,736
UnumProvident Corp	721	721	898
VF Corporation	723	722	1,245
Valero Energy	1,894	1,894	1,575
Varian Medical Systems, Inc	970	970	937
Ventas Inc		529	1,050
Verisign Inc	978	978	994
Verizon Communications	16,717	18,388	17,658
Viacom, Inc Class B	5,731	5,731	3,300
Visa Inc		7,297	7,172
Vornado Realty Trust	1,444	2,206	2,308
Vulcan Materials Company	769	1,281	1,422
Wachovia Corporation	16,960		
Wal-Mart Stores, Inc.	1,249	2,819	21,006
Walgreen Company	5,363	6,016	6,610
The Washington Post Company Class B		483	440
Waste Management, Inc	2,366	2,366	2,874

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

Waters Corporation	720	720	1,177
Watson Pharmaceuticals, Inc	559	614	792
Weatherford International	1,776		
Wellpoint, Inc	6,827	6,266	4,955
Wells Fargo & Company	17,723	41,022	25,344
Wendy's/Arby's Group Inc.	263		
Western Digital Corp.		1,272	1,722
Western Union Corp	2,193	2,193	2,319
Weyerhauser Company	193	193	1,380
Whirlpool Corporation	943	943	968
Whole Foods Market, Inc.	1,697	1,697	604
Williams Companies, Inc.	896	1,221	2,298
Windstream Corp.	545	545	670
Wisconsin Energy Corporation	1,012	1,012	1,196
Wyeth	8,767		
Wyndham Worldwide Corp	1,499	1,306	545
Wynn Resorts		314	1,048
XTO Energy, Inc.	1,985	3,043	5,072
Xcel Energy, Inc.	1,092	1,804	2,164
Xilinx, Inc	2,344	2,344	1,403
XL Capital, Ltd	1,833	605	1,283
Xerox Corporation	2,165	2,165	1,252
Yahoo! Inc.	5,766	4,955	4,061
Yum! Brands, Inc	1,530	1,530	3,147
Zimmer Holdings, Inc.	3,213	3,213	2,483
Zions Bancorporation	823	823	180
<b>Total Common Stock</b>	<b>\$1,320,213</b>	<b>\$1,466,841</b>	<b>\$1,820,236</b>

**STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds**

<b>Corporate bonds: Part II Line 10c</b>	<b>Beginning</b>		<b>End of Year</b>	
	<b>of year</b>		<b>Fair</b>	
	<b>Book</b>	<b>Value</b>	<b>Book</b>	<b>Market</b>
New Cingular Wireless Service				
8 125% due 05/01/12			7,685	7,910
Abbott Laboratories				
5 6% due 11/30/17			5,448	5,430
ACE INA Holdings, Inc				
5 7% due 02/15/17			6,526	7,429

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

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**STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (cont)**

Aetna Inc.			
5 75% due 06/16/11	3,133	3,146	
Allied Waste North America			
Call 6/2/12 @ 103 44			
6 875% due 06/01/17	3,930	4,245	
American Express Company			
7 25% due 05/20/14	2,995	3,385	
Autozone Inc			
Senior Unsecured Debt			
5 75% due 01/15/15	3,211	3,254	
Avon Products Inc			
Senior Unsecured Debt			
5.625% due 03/01/14	4,339	4,360	
BB&T Corporation			
5 7% due 04/30/14	2,964	3,247	
BHP Billiton Financial USA Ltd			
6.5% due 04/01/19	3,233	3,441	
Bank of America Corporation			
Subordinated Notes			
7.4000% due 01/15/11	5,318	5,318	5,293
Bank of America Corporation			
Medium Term Notes Series L			
3.1250% due 06/15/12	20,523	20,724	
Bank of New York Mellon			
Medium Term Notes Series G			
7 25% due 02/01/18	3,079	3,168	
Bear Stearns Companies LLC			
7 25% due 02/01/18	3,119	3,444	
Bellsouth Corp Notes			
4 2000% due 09/15/09	4,750		
Boston Scientific Corporation			
6 25% due 11/15/15	5,106	5,375	
Bottling Group LLC			
6.95% due 03/15/14	7,990	8,054	
Burlington Northern Santa Fe			
Senior Unsecured			
5 65% due 05/01/17	3,052	3,193	
CVS Caremark Corp			
6 6% due 03/15/19	3,195	3,283	
Capital One Financial Co			
7 375% due 05/23/14	3,062	3,397	
Caterpiller Financial Services			
Senior Unsecured Notes			
7 15% due 02/15/19	4,055	4,626	

**William H. Cowles Foundation, Inc.**

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**STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (cont)**

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Cisco Systems Inc

Notes

5 5000% due 02/22/16 3,999 3,999 4,392

Citigroup Inc.

6 5% due 08/19/13 6,423 7,456

ConocoPhillips

5 75% due 01/02/19 7,106 7,662

Costco Companies

Senior Unsecured

5.5000% due 03/15/17 5,023 5,023 5,336

Credit Suisse New York

6% due 02/15/18 4,942 5,232

John Deere Capital Corporation

Notes

5 25% due 10/01/12 5,230 5,400

The Dow Chemical Co.

Senior Unsecured Debt

8 55% due 05/15/19 3,037 3,579

E I DuPont DeNemours

4 75% due 03/15/15

FPL Group Capital Inc.

5 35% due 06/15/13

3,184 3,219

Fifth Third Bank

Subordinated Bonds

5.4500% due 01/15/17 4,972

Flextronics Intl Ltd

6 5% due 05/15/13

5,005 5,013

Florida Power Corp.

First Mortgage Bonds

6 35% due 09/15/37

4,467 4,335

General Electric Capital Corp. Notes

Medium Term, Series A

6.875% due 01/10/39 6,081 7,229

Goldman Sachs Group Inc

5 65% due 01/15/17

3,712 4,085

Goldman Sachs Group Inc.

3.25% due 06/15/12

25,747 25,973

Honeywell International

5 625% due 08/01/12

8,444 8,740

Ingersoll-Rand Global Holding Co

9.5% due 04/15/14

3,251 3,585

JPMorgan Chase & Co

5 375% due 10/01/12

3,160 3,246

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (cont)**

JPMorgan Chase & Co		
3.125% due 12/01/11	25,670	25,875
JPMorgan Chase & Co.		
2.625% due 12/01/10	35,622	
Kinder Morgan Energy Partners		
5.85% due 09/15/12	5,096	5,381
Marsh & McLennan Cos Inc.		
Senior Unsecured Debt		
9.25% due 04/15/19	3,752	3,640
McDonald's Corp		
5% due 02/01/19	7,120	7,316
Merrill Lynch & Co		
Medium Term Notes, Series C		
6.4% due 08/28/17	3,434	4,210
Metlife Inc		
callable 12/15/31 @ 100		
6.4% due 12/15/36	4,313	5,250
Morgan Stanley		
5.3% due 03/01/13	6,806	7,378
News America Holdings		
8% due 10/17/16	4,146	4,710
Northern States Power-Minnesota		
8% due 08/28/12	7,876	8,031
Oracle Corp		
5.75% due 04/15/18	3,201	3,244
PNC Funding Corporation		
5.125% due 12/14/10	6,995	7,277
Petrobras International Finance Company		
7.875% due 03/15/19	3,228	3,471
Pfizer Inc.		
5.35% due 03/15/15	6,486	6,557
The Procter & Gamble Co		
4.7% due 02/15/19	5,105	5,118
Southern Power Company Series B		
4.875% due 07/15/15	5,133	5,204
Telecom Italia Capital		
6.175% due 06/18/14	4,100	4,336
Time Warner Cable Inc		
6.2% due 07/01/13	3,123	3,295
United Parcel Service		
Senior Unsecured		
5.5% due 01/15/18	3,184	3,234
United Technologies Corporation		
5.375% due 12/15/17	7,184	7,460

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

**EIN: 91-6020496**

**STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (cont)**

Unum Group			
Senior Notes			
7.125% due 09/30/16	5,120	5,180	
Wal-Mart Stores Senior Notes			
6 8750% due 08/10/09	8,357		
Waste Management Inc.			
6.375% due 03/11/15	3,084	3,324	
Weatherford International Ltd			
5.15% due 03/15/13	2,980	3,142	
Wells Fargo & Company			
3 75% due 10/01/14	4,992	4,985	
Willis North America Inc.			
7% due 09/29/19	4,059	4,073	
Wisconsin Power & Light			
Senior Unsecured Debt			
5% due 07/15/19	2,982	3,024	
XTO Energy Inc.			
6.25% due 4/15/13	3,172	3,304	
Xerox Corporation			
Senior Unsecured Debt			
4.25% due 02/15/15	5,033	4,965	
<b>Total Corporate Bonds</b>	<b><u>\$76,484</u></b>	<b><u>\$352,208</u></b>	<b><u>\$368,124</u></b>

**William H. Cowles Foundation, Inc.**

**FORM 990-PF**

**Year Ending December 31, 2009**

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**STATEMENT #8 - PART II LINE 13 - Investments - other**

<b>Other investments: Part II Line 13</b>	<b>Beginning</b>		<b>End of Year</b>	
	<b>of year</b>		<b>Fair</b>	
	<b>Book</b>	<b>Book</b>	<b>Market</b>	<b>Value</b>
Artio International Equity Fund II	\$308,690	\$391,569	\$465,160	
GMO International Intrinsic Value Fund	498,692	581,667	455,304	
iShares Russell 2000 Index Fund	582,675	743,135	974,501	
SPDR Barclays Capital High Yield Bond ETF		49,980	65,511	
<b>Total Investments-other</b>	<b>\$1,390,057</b>	<b>\$1,766,351</b>	<b>\$1,960,477</b>	

**STATEMENT #9 - PART II LINE 15 - Other assets**

	<b>Beginning</b>	<b>End</b>
	<b>of Year</b>	<b>of Year</b>
	<b>Book</b>	<b>Book</b>
Interest receivable	\$635	\$209
Federal excise tax refundable	2,990	1,376
<b>Interest receivable</b>	<b>\$3,625</b>	<b>\$1,585</b>