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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2010

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

For calendar year 2010, or tax year beginning , 2010, 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

Name of foundation THE KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION		A Employer identification number 36-3486435
Number and street (or P O box number if mail is not delivered to street address) C/O FRIEDMAN & HUEY ASSOCIATES, LLP 1313 W 175TH STREET		B Telephone number (see page 10 of the instructions) (708) 799-6800
City or town, state, and ZIP code HOMEWOOD, IL 60430		C If exemption application is pending, check here ☐ D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐ E If private foundation status was terminated under section 507(b)(1)(A), check here ☐ F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 5,332,852.		J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____ (Part I, column (d) must be on cash basis)

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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	0.			
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	60.	60.		ATCH 1
	4 Dividends and interest from securities	117,915.	117,915.		ATCH 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	111,379.			
	b Gross sales price for all assets on line 6a	2,596,953.			
	7 Capital gain net income (from Part IV, line 2)		111,379.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	326.	326.		ATCH 3	
12 Total. Add lines 1 through 11	229,680.	229,680.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.			
	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)	30,019.	30,019.		
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	3,540.	3,540.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 6	321.			321.
	24 Total operating and administrative expenses. Add lines 13 through 23	33,880.	33,559.		321.
	25 Contributions, gifts, grants paid	453,150.			453,150.
26 Total expenses and disbursements. Add lines 24 and 25	487,030.	33,559.		453,471.	
27 Subtract line 26 from line 12	-257,350.				
a Excess of revenue over expenses and disbursements		196,121.			
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)					

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Part II Balance Sheets		Beginning of year	End of year	
			(a) Book Value	(b) Book Value
Assets	1 Cash - non-interest-bearing	73,356.	92,807.	92,807.
	2 Savings and temporary cash investments			
	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 15 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			
	10 a Investments - U S and state government obligations (attach schedule), b Investments - corporate stock (attach schedule)	2,386,128.	2,236,775.	3,270,499.
	c Investments - corporate bonds (attach schedule), 11 Investments - land, buildings, and equipment basis Less accumulated depreciation (attach schedule)			
	12 Investments - mortgage loans			
	13 Investments - other (attach schedule)	2,214,866.	2,087,545.	1,968,503.
	14 Land, buildings, and equipment basis Less accumulated depreciation (attach schedule)			
	15 Other assets (describe ▶ ATCH 8)	1,170.	1,043.	1,043.
	16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	4,675,520.	4,418,170.	5,332,852.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)	0.		
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
	27 Capital stock, trust principal, or current funds	20,154.	20,154.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	4,655,366.	4,398,016.	
	30 Total net assets or fund balances (see page 17 of the instructions)	4,675,520.	4,418,170.	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	4,675,520.	4,418,170.	

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	4,675,520.
2 Enter amount from Part I, line 27a	2	-257,350.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	4,418,170.
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	4,418,170.

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.)
1a SEE PART IV SCHEDULE					
b					
c					
d					
e					
(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)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
a					
b					
c					
d					
e					
2 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 }			2	111,379.	
3 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.			3		

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))
2009	404,439.	4,730,720.	0.085492
2008	461,741.	5,908,699.	0.078146
2007	214,366.	7,703,104.	0.027829
2006	355,007.	7,261,932.	0.048886
2005	392,634.	6,826,699.	0.057514
2 Total of line 1, column (d)			2 0.297867
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 0.059573
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			4 5,017,740.
5 Multiply line 4 by line 3			5 298,922.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,961.
7 Add lines 5 and 6			7 300,883.
8 Enter qualifying distributions from Part XII, line 4 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.			8 453,471.

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 ☐ and enter "N/A" on line 1 Date of ruling or determination letter: _____ (attach copy of ruling letter if necessary - see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☒ and enter 1% of Part I, line 27b		1	1,961.
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	
3 Add lines 1 and 2		3	1,961.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	1,961.
6 Credits/Payments			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	10,427.	
b Exempt foreign organizations-tax withheld at source	6b	0.	
c Tax paid with application for extension of time to file (Form 8868)	6c	0.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	10,427.	
8 Enter any penalty for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	8,466.	
11 Enter the amount of line 10 to be Credited to 2011 estimated tax	11	8,466. Refunded	

Part VII-A Statements Regarding Activities

	Yes	No
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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? 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		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
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?	X	
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	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) IL		
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	X	
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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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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		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶ N/A				
14	The books are in care of ▶ FRIEDMAN & HUEY ASSOCIATES LLP Telephone no ▶ 708-799-6800			
Located at ▶ 1313 W 175TH STREET HOMewood, IL ZIP + 4 ▶ 60430				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here	15		
and enter the amount of tax-exempt interest received or accrued during the year				
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶				

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?	☐ Yes ☒ No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ 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)?	☐ Yes ☒ 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)	☐ Yes ☒ 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 22 of the instructions)?	1b	
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 2010?	1c	X
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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010?	☐ Yes ☒ No	
If "Yes," list the years ▶		
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 22 of the instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No	
b If "Yes," did it have excess business holdings in 2010 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 2010)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
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 2010?	4b	X

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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)? ☐ **5b**
- 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? ☐ 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? ☐ **6b** ☒
- 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? ☐ **7b**

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
ATTACHMENT 9		0.	0.	0.

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 ☐

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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 **NONE**

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	

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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	5,010,763.
b	Average of monthly cash balances	1b	83,389.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0.
d	Total (add lines 1a, b, and c)	1d	5,094,152.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	5,094,152.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	76,412.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,017,740.
6	Minimum investment return. Enter 5% of line 5	6	250,887.

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	250,887.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,961.
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,961.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	248,926.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	248,926.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	248,926.

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	453,471.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	453,471.
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	1,961.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	451,510.

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 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				248,926.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				
b Total for prior years 20 08, 20 07, 20 06				
3 Excess distributions carryover, if any, to 2010				
a From 2005	57,881.			
b From 2006	4,606.			
c From 2007				
d From 2008	168,884.			
e From 2009	168,802.			
f Total of lines 3a through e	400,173.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 453,471.				
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2010 distributable amount				248,926.
e Remaining amount distributed out of corpus	204,545.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	604,718.			
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				
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)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	57,881.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	546,837.			
10 Analysis of line 9.				
a Excess from 2006	4,606.			
b Excess from 2007				
c Excess from 2008	168,884.			
d Excess from 2009	168,802.			
e Excess from 2010	204,545.			

Form 990-PF (2010)

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or

4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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 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)(iii)					
(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))

NONE

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

NONE

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

ATTACHMENT 10

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

ATTACHMENT 11

c Any submission deadlines

SEPTEMBER 30TH

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

NO SCHOLARSHIPS TO INDIVIDUALS.

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

Recipient Name and address (home or business)	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
a Paid during the year ATTACHMENT 12				
Total ▶ 3a				453,150.
b Approved for future payment				
Total ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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			14	60.	
4 Dividends and interest from securities			14	117,915.	
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			18	111,379.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory . .					
11 Other revenue. a _____					
b _____					
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)				229,354.	326.
13 Total. Add line 12, columns (b), (d), and (e)				13	229,680.

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

[illegible]

FORM 990-PF - PART IV**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
1,290,554.		BERNSTEIN (SEE STATEMENT ATTACHED) PROPERTY TYPE: SECURITIES 1,234,256.				P	VAR 56,298.	VAR
1,306,110.		BERNSTEIN (SEE STATEMENT ATTACHED) PROPERTY TYPE: SECURITIES 1,251,318.				P	VAR 54,792.	VAR
89.		AIG SECURITY LITIGATION PROCEEDS PROPERTY TYPE: SECURITIES 0.				P	VAR 89.	VAR
200.		ST. PAUL TRAVELERS SECURITY LITIGATION P PROPERTY TYPE: SECURITIES 0.				P	VAR 200.	VAR
TOTAL GAIN(LOSS)							<u>111,379.</u>	

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
JPCHASE	5.	5.
SANFORD BERNSTEIN	55.	55.
TOTAL	<u>60.</u>	<u>60.</u>

ATTACHMENT 2FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
SANFORD BERNSTEIN	117,915.	117,915.
TOTAL	<u>117,915.</u>	<u>117,915.</u>

ATTACHMENT 3

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
MISCELLANEOUS INCOME	326.	326.
TOTALS	<u>326.</u>	<u>326.</u>

ATTACHMENT 4

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
INVESTMENT MGMT FEES-BERNSTEIN	30,019.	30,019.
TOTALS	<u>30,019.</u>	<u>30,019.</u>

ATTACHMENT 5

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
FOREIGN TAXES PAID	3,540.	3,540.
TOTALS	<u>3,540.</u>	<u>3,540.</u>

ATTACHMENT 6

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS
FILING FEES	28.
BANK SERVICE FEES	293.
TOTALS	321.

CHARITABLE PURPOSES
28.
293.
321.

ATTACHMENT 7

FORM 990PF, PART II - OTHER INVESTMENTS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
BERNSTEIN FUND PORTFOLIOS	2,087,545.	1,968,503.
TOTALS	<u>2,087,545.</u>	<u>1,968,503.</u>

ATTACHMENT 8

FORM 990PF, PART II - OTHER ASSETS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
DIVIDENDS RECEIVABLE BROKER RECEIVABL	1,043.	1,043.
TOTALS	<u>1,043.</u>	<u>1,043.</u>

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 9

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	CONTRIBUTIONS		EXPENSE ACCT AND OTHER ALLOWANCES
		COMPENSATION	TO EMPLOYEE BENEFIT PLANS	
CHARLES R. WALGREEN III C/O FRIEDMAN & HUEY ASSOCIATES, LLP 1313 W 175TH STREET HOMewood, IL 60430	PRESIDENT - PART TIME	0.	0.	0.
KATHLEEN B. WALGREEN C/O FRIEDMAN & HUEY ASSOCIATES, LLP 1313 W 175TH STREET HOMewood, IL 60430	VICE PRESIDENT - PART TIME	0.	0.	0.
EDWARD H. KING C/O FRIEDMAN & HUEY ASSOCIATES, LLP 1313 W 175TH STREET HOMewood, IL 60430	SECRETARY- PART TIME	0.	0.	0.
GRAND TOTALS		0.	0.	0.

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

FRIEDMAN & HUEY ASSOCIATES LLP
1313 WEST 175TH STREET
HOMewood, IL 60430

990PF, PART XV - FORM AND CONTENTS OF SUBMITTED APPLICATIONS

LETTER ACCOMPANIED BY IRS TAX-EXEMPT LETTER STATING THE NATURE OF THE ORGANIZATION AND IF FOR A SPECIFIC PURPOSE, THE INTENDED USE OF THE FUNDS.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 12

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR
AND
FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

SEE STATEMENT ATTACHED

NONE
PUBLIC

SEE STATEMENT ATTACHED

453,150.

TOTAL CONTRIBUTIONS PAID

453,150.

**THE KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION
PART XV - GRANTS AND CONTRIBUTIONS PAID
FOR THE YEAR ENDED DECEMBER 31, 2010**

<u>PART XV, LINE 3a - GRANTS PAID DURING THE YEAR:</u>	<u>AMOUNT</u>
Alzheimer's Association P.O.Box 96011 Washington, D.C. 20090-6011	100.00
American Heart Association 3816 Payshire Cr. Chicago, IL 60674	750.00
Calumet Council Boyscouts Jamboree Scholarship Fund 8751 Calumet Ave Munster, IN 46321	10,000.00
Canterbury School 101 Aspetuck Ave, New Milford, CT 06776-1739	5,000.00
Catholic Extension 150 South Wacker Drive, Chicago, IL 60606	500.00
Children's Home Society of Florida 590 NW Peacock Blvd, Ste 9, Port St. Lucie, FL 34986	5,000.00
Children's Museum of the Treasure Coast PO Box 2147, Stuart, FL 34995	20,450.00
Church of St. Mary 175 E. Illinois Road, Lake Forest, IL 60045	25,000.00
Council on Aging of Martin County 1071 SE 10th Street, Stuart, FL 34996	1,000.00
Delta Sigma Phi Foundation 1331 N. Delaware Street, Indianapolis, IN 46202	1,000.00
Eileen Shea Lupton Memorial Foundation PO Box 694, Lake Forest, IL 60045-0964	10,000.00
Elmhurst Memorial Hospital Foundation 200 Berteau Avenue, Elmhurst, IL 60126	100.00
Friends of the Israel Defense Forces 1548 W. 36th Street, Riviera Beach FL 33404-2010	29,000.00
Hibiscus Children's Center 2400 NE Dixie Highway, Jensen Beach, FL 34957	20,000.00

Holy Cross Lutheran Church 29700 N. St. Mary's Road, Libertyville, IL 60048	250.00
Huggins Hospital 240 South Main Street, Wolfeboro, NH 03894	500.00
Katie Memorial Foundation 5420 West 96th Street, Zionsville, IN 46077	1,000.00
Kellogg Cancer Center 2650 Ridge Rd, Evanston, IL 60201	500.00
Lake Forest Hospital 660 N. Westmoreland Rd., Lake Forest, IL 60045	28,500.00
Loyola University of Chicago PO Box 6633, Chicago, IL 60680-6633	60,000.00
Martin Memorial Foundation P.O. Box 9010 Stuart, FL 34995	25,000.00
National Alliance on Mental Illness 420 West Frontage Rd, Suite 106 Northfield, IL 60093	1,000.00
National Center for Learning Disabilities 381 Park Avenue, South, Suite 1401, New York, NY 10016	50,000.00
Nativity of Our Lord Church 653 W. 37th Street Chicago, IL 60609	500.00
Portsmouth Abbey 285 Cory's Lane, Portsmouth, RI 02871	10,000.00
Rollins College 1000 Holt Ave, Winter Park, FL 32789	5,000.00
Sailfish Point Foundation Inc. 2201 S.E. Sailfish Point Boulevard, Stuart, FL 34996	15,000.00
Salve Regina University 100 Ochre Point Avenue, Newport, RI 02840	35,000.00
Sisters of Mercy 59 Ontario Street, Rochester, NY 14605	10,000.00
St. Mary's Episcopal Church 623 SE Ocean Blve Stuart, FL 34994	1,000.00
St. Patrick Church 1502 Broad Street, Phenix City, AL 36867	1,000.00
Treasure Coast Hospice	20,000.00

1201 South Indian Street, Stuart, FL 34997

The Lyric Theatre 59 S.W. Flagler Ave., Stuart, FL 34994	10,000.00
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Villanova University 800 Lancaster Avenue, Villanova, PA 19085-1673	50,000.00
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Woodlands Academy of the Sacred Heart 760 East Westleigh Road, Lake Forest, IL 60045	1,000.00
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	<u>453,150.00</u>
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NOTE:

All for general purposes

All public foundation status

No relationship with foundation managers

Account No. *
888-13873

Period Ending
12/31/2010

Last Statement
11/30/2010

* Comprised of the following sub-accounts:
037-84832 037-87141

NY026

010997 ABSTM101

BRUCE E. HUEY, CPA
A/C WALGREEN III FOUNDATION
FRIEDMAN & HUEY ASSOC LLP
1313 W. 175TH STREET
HOMEWOOD, IL 60430-4606



Bernstein Advisor:

Casey Sullivan

(212) 756-4324

Leonard Hersh

(212) 969-2332

Advisor Associate(s):

Jonathan Miller

(212) 756-4158

Kevin Nicholas

(212) 756-4562

David Traub

(212) 756-4042

Brittany Wood

(212) 756-1959

Fax Number:

(212) 407-5850

MEMBER, NEW YORK STOCK EXCHANGE, INC.



ACCOUNT SUMMARY

	Opening Balance	%	Closing Balance	%
Cash	49,060	1.0	39,927	0.8
Intermediate Duration	887,619	17.9	900,403	17.1
Strategic Value	1,437,415	28.9	1,559,145	29.5
Strategic Growth	959,891	19.3	1,019,424	19.3
International Portfolio	835,632	16.8	883,721	16.7
Emerging Markets Fund	174,219	3.5	185,422	3.5
Unmanaged Equity	622,044	12.5	691,930	13.1
Total Account Value	4,965,881	100.0	5,279,972	100.0

INCOME SUMMARY

	Current Month	Year To Date
Credit Interest	10	55
Taxable Bond Fund Dividends	12,374	44,305
Equity Dividends	25,926	69,805
Total Income	38,309	114,165

PORTFOLIO SUMMARY

Quantity	Description	Price	Market Value	Estimated Annual Income Rate	Amount
Cash	Closing Cash Balance		39,927	0.17%	68



BRUCE E. HUEY, CPA

Account No.* 888-13873 **Period Ending** 12/31/2010 **Last Statement** 11/30/2010

* Comprised of the following sub-accounts:
037-84832 037-87141

PORTFOLIO SUMMARY

Quantity	Description	Price	Market Value	Estimated Annual Income Rate	Income Amount
Fixed Income Taxable					
Intermediate Duration					
65,551.021	BERNSTEIN INTERMEDIATE DURATION PORTFOLIO	13.720	899,360 1,043AI	\$0.50	32,644
U.S. Equity Strategic Value					
175	AGRIUM INC	91.750	16,056	\$0.11	19
1,100	ALCOA INC	15.390	16,929	\$0.12	132
900	ALTRIA GROUP INC	24.620	22,158	\$1.52	1,368
250	ARCHER-DANIELS-MIDLAND CO	30.080	7,520	\$0.60	150
900	ASTRAZENECA PLC	46.190	41,571	\$2.41	2,169
525	AT&T INC	29.380	15,425	\$1.72	903
475	BB&T CORP	26.290	12,488	\$0.60	285
425	BUNGE LTD	65.520	27,846	\$0.92	391
600	CABLEVISION SYSTEMS CORP-CL A	33.840	20,304	\$0.50	300
375	CAPITAL ONE FINANCIAL CORP	42.560	15,960	\$0.20	75
375	CENTURYLINK INC	46.170	17,314	\$2.90	1,088
150	CF INDUSTRIES HOLDINGS INC	135.150	20,273	\$0.40	60
1,300	COMCAST CORP	21.970	28,561	\$0.38	491
275	COMERICA INC	42.240	11,616	\$0.40	110
475	COMMERCIAL METALS CO	16.590	7,880	\$0.48	228
350	CONOCOPHILLIPS	68.100	23,835	\$2.20	770
400	CONSTELLATION ENERGY GROUP INC	30.630	12,252	\$0.96	384
1,000	CONSTELLATION BRANDS INC	22.150	22,150	\$0.00	0
425	CORNING INC	19.320	8,211	\$0.20	85
2,800	DELL INC	13.550	37,940	\$0.00	0
1,900	DELTA AIR LINES INC DEL	12.600	23,940	\$0.00	0
400	DEVON ENERGY CORPORATION NEW	78.510	31,404	\$0.64	256
325	DIRECTV	39.930	12,977	\$0.00	0
325	DOW CHEMICAL CO.	34.140	11,096	\$0.60	195
250	EATON CORP	101.510	25,378	\$2.32	580
300	EDISON INTERNATIONAL	38.600	11,580	\$1.28	384
500	ENSCO PLC	53.380	26,690	\$1.08	538
1,100	FIFTH THIRD BANCORP	14.680	16,148	\$0.04	44
1,150	FORD MOTOR CO	16.790	19,309	\$0.00	0
650	GANNETT CO INC	15.090	9,809	\$0.16	104
1,000	GAP INC	22.140	22,140	\$0.40	400
500	GARMIN LTD	30.990	15,495	\$1.50	750
1,200	GENERAL ELECTRIC CO	18.290	21,948	\$0.56	672
225	GENERAL MOTORS COMPANY	36.860	8,294	\$0.00	0
600	GILEAD SCIENCES INC	36.240	21,744	\$0.00	0
97	GOLDMAN SACHS GROUP INC	168.160	16,312	\$1.40	136
275	HEALTH NET INC	27.290	7,505	\$0.00	0
300	HESS CORPORATION	76.540	22,962	\$0.40	120
580	HEWLETT PACKARD CO	42.100	24,418	\$0.32	186
775	INGERSOLL RAND PLC	47.090	36,495	\$0.28	217
1,100	JOHNSON & JOHNSON	61.850	68,035	\$2.16	2,376

BRUCE E. HUEY, CPA

Account No.*
888-13873

Period Ending
12/31/2010

Last Statement
11/30/2010

* Comprised of the following sub-accounts:
037-84832 037-87141

PORTFOLIO SUMMARY

Quantity	Description	Price	Market Value	Estimated Annual Income Rate	Amount
1,600	JPMORGAN CHASE & CO	42.420	67,872	\$0.20	320
225	KIMBERLY CLARK CORP	63.040	14,184	\$2.64	594
425	KOHL'S CORP	54.340	23,095	\$0.00	0
175	LEAR CORPORATION	98.710	17,274	\$0.00	0
600	LOWES COMPANIES INC	25.080	15,048	\$0.44	264
900	MARATHON OIL CORP	37.030	33,327	\$1.00	900
750	MICROSOFT CORP	27.920	20,940	\$0.64	480
550	MORGAN STANLEY	27.210	14,966	\$0.20	110
225	NEWFIELD EXPLORATION CO	72.110	16,225	\$0.00	0
1,705	NEWS CORPORATION	14.560	24,825	\$0.15	256
800	NEXEN INC	22.900	18,320	\$0.20	157
700	NORTHROP GRUMMAN CORP	64.780	45,346	\$1.88	1,316
21	NVR INC	691.020	14,511	\$0.00	0
1,940	OFFICE DEPOT INC	5.400	10,476	\$0.00	0
350	PARKER HANNIFIN CORP	86.300	30,205	\$1.16	406
3,500	PFIZER INC	17.510	61,285	\$0.80	2,800
275	ROYAL CARIBBEAN CRUISES LTD	47.000	12,925	\$0.00	0
1,400	SAFEWAY INC	22.490	31,486	\$0.48	672
1,050	SARA LEE CORP	17.510	18,386	\$0.46	483
800	SMITHFIELD FOODS INC	20.630	16,504	\$0.00	0
425	THE TRAVELERS COMPANIES INC	55.710	23,677	\$1.44	612
575	TIME WARNER CABLE INC	66.030	37,967	\$1.60	920
325	TIME WARNER INC	32.170	10,455	\$0.85	276
600	TYCO ELECTRONICS LTD	35.400	21,240	\$0.64	384
375	VIACOM INC	39.610	14,854	\$0.60	225
850	VODAFONE GROUP PLC	26.430	22,466	\$1.30	1,108
2,327	WELLS FARGO & CO	30.990	72,114	\$0.20	465
350	XL GROUP PLC	21.820	7,637	\$0.40	140

1,567 AI

Total Strategic Value	1,559,145	1.85%	28,854
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Strategic Growth

225	ACCENTURE PLC IRELAND	48.490	10,910	\$0.90	203
250	ALCON INC	163.400	40,850	\$3.40	850
100	ALLERGAN INC	68.670	6,867	\$0.20	20
70	AMAZON.COM INC	180.000	12,600	\$0.00	0
229	APPLE INC	322.560	73,866	\$0.00	0
400	BROADCOM CORP	43.550	17,420	\$0.32	128
170	CAMERON INTERNATIONAL	50.730	8,624	\$0.00	0
275	CARNIVAL CORP	46.110	12,680	\$0.40	110
180	CELGENE CORP	59.140	10,645	\$0.00	0
1,400	CISCO SYSTEMS INC	20.230	28,322	\$0.00	0
225	CITRIX SYSTEMS INC	68.410	15,392	\$0.00	0
65	CME GROUP INC	321.750	20,914	\$4.60	299
275	COMCAST CORP	21.970	6,042	\$0.38	104
375	COOPER INDUSTRIES PLC	58.290	21,859	\$1.08	405
100	COSTCO WHOLESALE CORP-NEW	72.210	7,221	\$0.82	82
515	DANAHER CORP	47.170	24,293	\$0.08	41
200	DEERE & CO	83.050	16,610	\$1.40	280
700	DOW CHEMICAL CO.	34.140	23,898	\$0.60	420
1,100	EMC CORP-MASS	22.900	25,190	\$0.00	0
160	EOG RES INC	91.410	14,626	\$0.62	99



BRUCE E. HUEY, CPA

Account No.* 888-13873 **Period Ending** 12/31/2010 **Last Statement** 11/30/2010

* Comprised of the following sub-accounts:
037-84832 037-87141

PORTFOLIO SUMMARY

Quantity	Description	Price	Market Value	Estimated Annual Income	
				Rate	Amount
170	EXPRESS SCRIPTS INC COMMON	54.050	9,189	\$0.00	0
85	FLOWERVE CORP	119.220	10,134	\$1.16	99
1,100	FORD MOTOR CO	16.790	18,469	\$0.00	0
50	FREEMONT MCMORAN COPPER & GOLD	120.090	6,005	\$2.00	100
585	GILEAD SCIENCES INC	36.240	21,200	\$0.00	0
275	GOLDMAN SACHS GROUP INC	168.160	46,244	\$1.40	385
170	GOODRICH CORPORATION	88.070	14,972	\$1.16	197
90	GOOGLE INC	593.970	53,457	\$0.00	0
185	HONEYWELL INTL INC	53.160	9,835	\$1.21	224
410	INTEL CORP	21.030	8,622	\$0.63	258
100	INTUIT INC	49.300	4,930	\$0.00	0
475	JOHNSON CONTROLS INC	38.200	18,145	\$0.64	304
1,300	JPMORGAN CHASE & CO	42.420	55,146	\$0.20	260
350	KOHL'S CORP	54.340	19,019	\$0.00	0
325	LIMITED BRANDS INC	30.730	9,987	\$0.60	195
550	LOWES COMPANIES INC	25.080	13,794	\$0.44	242
425	MARVELL TECHNOLOGY GROUP	18.550	7,884	\$0.00	0
150	MICROSOFT CORP	27.920	4,188	\$0.64	96
125	MONSANTO CO	69.640	8,705	\$1.12	140
1,000	NEWS CORPORATION	14.560	14,560	\$0.15	150
250	NOBLE ENERGY INC	86.080	21,520	\$0.72	180
425	NVIDIA CORP	15.400	6,545	\$0.00	0
150	OCCIDENTAL PETE CORP	98.100	14,715	\$1.52	228
850	ORACLE CORP	31.300	26,605	\$0.20	170
90	PEPSICO INC	65.330	5,880	\$1.92	173
50	POTASH CORP OF SASKATCHEWAN	154.830	7,742	\$0.00	0
90	ROVI CORP	62.010	5,581	\$0.00	0
650	SCHLUMBERGER LTD	83.500	54,275	\$0.84	546
350	SOUTHWESTERN ENERGY CO	37.430	13,101	\$0.00	0
75	STANLEY BLACK & DECKER INC	66.870	5,015	\$1.36	102
475	STARBUCKS CORP	32.130	15,262	\$0.52	247
225	SUNCOR ENERGY INC NEW	38.290	8,615	\$0.40	89
70	TARGET CORP	60.130	4,209	\$1.00	70
275	TEVA PHARMACEUTICAL	52.130	14,336	\$0.67	183
400	UNITED PARCEL SVC INC	72.580	29,032	\$1.88	752
225	VERTEX PHARMACEUTICALS INC	35.030	7,882	\$0.00	0
525	WALT DISNEY CO	37.510	19,693	\$0.40	210
170	WELLS FARGO & CO	30.990	5,268	\$0.20	34
			834 AI		
Total Strategic Growth			1,019,424	0.85%	8,675
Total U.S. Equity			2,578,569	1.46%	37,529

**International Equity
International Portfolio**

56,576.280	BERNSTEIN INTERNATIONAL PORTFOLIO	15.620	883,721	\$0.27	15,049
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Account No.*
 888-13873

Period Ending
 12/31/2010

Last Statement
 11/30/2010

BRUCE E. HUEY, CPA

* Comprised of the following sub-accounts:
 037-84832 037-87141

PORTFOLIO SUMMARY

Quantity	Description	Price	Market Value	Estimated Annual Income Rate	Estimated Annual Income Amount
Emerging Market					
Emerging Markets Fund					
5,568.218	BERNSTEIN EMERGING MARKETS PORTFOLIO	33.300	185,422	\$0.31	1,704
Unmanaged Assets					
Unmanaged Equity					
17,760	WALGREEN CO	38.960	691,930	\$0.70	12,432
Total Portfolio Value			5,279,972	1.88%	99,426

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
SHORT - TERM								
02/18/2009	01/11/2010	150	***ACE LTD	47.70	41.28	7,155.38	6,192.24	963.14
04/20/2009	01/11/2010	125	***ACE LTD	47.70	44.37	5,962.81	5,546.03	416.78
02/10/2009	01/11/2010	100	HOME DEPOT INC	28.18	22.46	2,818.46	2,246.24	572.22
02/25/2009	01/11/2010	400	HOME DEPOT INC	28.18	20.35	11,273.84	8,139.28	3,134.56
08/18/2009	01/13/2010	2,100	MICRON TECHNOLOGY INC	10.33	6.69	21,686.28	14,051.31	7,634.97
07/14/2009	01/14/2010	75	CATERPILLAR INC	62.11	31.52	4,658.55	2,363.97	2,294.58
07/28/2009	01/14/2010	75	CATERPILLAR INC	62.11	42.81	4,658.55	3,210.45	1,448.10
05/06/2009	01/15/2010	30	VISA INC - CLASS A SHRS	87.50	66.91	2,625.00	2,007.22	617.78
05/15/2009	01/19/2010	250	US BANCORP	24.48	17.65	6,120.60	4,413.58	1,707.02
05/21/2009	01/19/2010	50	US BANCORP	24.48	18.00	1,224.12	899.86	324.26
01/29/2009	01/20/2010	139	OCCIDENTAL PETROLEUM CORP	77.69	57.65	10,799.43	8,013.80	2,785.63
06/29/2009	01/20/2010	36	OCCIDENTAL PETROLEUM CORP	77.69	66.16	2,796.97	2,381.93	415.04
03/24/2009	01/22/2010	75	CHEVRON CORP	75.33	69.70	5,649.38	5,227.86	421.52
04/15/2009	01/22/2010	50	CHEVRON CORP	75.33	66.30	3,766.26	3,315.19	451.07
02/25/2009	01/26/2010	85	LOWE'S COS INC	22.10	15.37	1,878.16	1,306.10	572.06
05/27/2009	01/26/2010	50	LOWE'S COS INC	22.10	19.73	1,104.80	986.36	118.44
05/27/2009	01/26/2010	100	LOWE'S COS INC	22.10	19.73	2,209.60	1,972.72	236.88
02/10/2009	01/27/2010	100	***BUNGE LTD	62.18	51.01	6,217.66	5,101.35	1,116.31
06/08/2009	01/28/2010	20	***INGERSOLL-RAND PLC	33.31	22.71	666.12	454.11	212.01
10/21/2009	01/28/2010	3	***INGERSOLL-RAND PLC	33.31	22.71	99.92	68.12	31.80
06/29/2009	01/29/2010	105	OCCIDENTAL PETROLEUM CORP	33.31	34.98	3,497.14	3,673.01	-175.87
04/23/2009	02/01/2010	75	LOWE'S COS INC	78.73	66.16	5,905.01	4,962.36	942.65
05/27/2009	02/01/2010	10	LOWE'S COS INC	21.91	20.66	219.09	206.60	12.49
09/17/2009	02/01/2010	90	LOWE'S COS INC	21.91	19.73	1,971.81	1,775.45	196.36
05/29/2009	02/02/2010	20	NATIONAL - OILWELL INC	57.82	58.69	5,782.20	5,868.85	-86.65
06/25/2009	02/02/2010	90	NATIONAL - OILWELL INC	42.55	38.40	851.07	768.05	83.02
04/27/2009	02/02/2010	325	***TYCO ELECTRONICS LTD	42.55	32.43	3,829.83	2,919.11	910.72
04/30/2009	02/02/2010	175	***TYCO ELECTRONICS LTD	25.75	16.07	8,368.65	5,221.74	3,146.91
08/05/2009	02/04/2010	50	FEDEX CORP	25.75	17.53	4,506.20	3,067.19	1,439.01
06/29/2009	02/04/2010	24	OCCIDENTAL PETROLEUM CORP	79.54	68.01	3,976.96	3,400.40	576.56
08/31/2009	02/04/2010	21	OCCIDENTAL PETROLEUM CORP	76.98	66.16	1,847.53	1,587.96	259.57
04/20/2009	02/04/2010	115	TARGET CORP	76.98	72.59	1,616.59	1,524.33	92.26
04/17/2009	02/05/2010	135	BANK OF NEW YORK MELLON CORP	48.83	39.64	5,615.42	4,559.00	1,056.42
10/21/2009	02/05/2010	70	***INGERSOLL-RAND PLC	26.61	30.57	3,592.27	4,127.40	-535.13
09/29/2009	02/09/2010	25	CORNING INC	32.06	34.98	2,244.00	2,448.67	-204.67
05/29/2009	02/11/2010	650	MASCO CORP	17.82	15.17	445.56	379.16	66.40
04/16/2009	02/16/2010	225	DU PONT (E.I.) DE NEMOURS	13.95	10.22	9,068.93	6,641.64	2,427.29
05/04/2009	02/16/2010	125	DU PONT (E.I.) DE NEMOURS	32.54	27.90	7,322.31	6,276.69	1,045.62
05/19/2009	02/16/2010	125	DU PONT (E.I.) DE NEMOURS	32.54	29.22	4,067.95	3,652.13	415.82
05/28/2009	02/16/2010	25	DU PONT (E.I.) DE NEMOURS	32.54	28.49	4,067.95	3,561.39	506.56
03/26/2009	02/18/2010	200	NORTHROP GRUMMAN CORP	32.54	27.59	813.59	689.67	123.92
04/17/2009	02/18/2010	25	NORTHROP GRUMMAN CORP	60.43	44.54	12,085.92	8,907.22	3,178.70
11/27/2009	02/18/2010	90	***VALE SA-SP ADR	60.43	47.97	1,510.74	1,199.35	311.39
03/31/2009	02/19/2010	35	AIR PRODUCTS & CHEMICALS INC	28.31	28.82	2,547.45	2,593.85	-46.40
03/20/2009	02/23/2010	100	SYMANTEC CORP	69.66	56.29	2,438.26	1,970.12	468.14
				16.71	13.99	1,671.27	1,398.88	272.39

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
09/29/2009	02/24/2010	200	CORNING INC	17.44	15.17	3,487.44	3,033.24	454.20
03/31/2009	02/25/2010	25	AIR PRODUCTS & CHEMICALS INC	68.79	56.29	1,719.66	1,407.23	312.43
11/27/2009	02/25/2010	60	AIR PRODUCTS & CHEMICALS INC	68.79	82.23	4,127.17	4,933.53	-806.36
08/25/2009	03/03/2010	225	QUANTA SERVICES INC	19.00	23.25	4,275.07	5,231.97	-956.90
02/26/2010	03/03/2010	275	RAYTHEON COMPANY	56.65	56.44	15,577.95	15,520.09	57.86
05/05/2009	03/05/2010	43	FREEMPORT-MCMORAN COPPER	80.33	49.31	3,453.98	2,120.27	1,333.71
06/25/2009	03/05/2010	25	FREEMPORT-MCMORAN COPPER	80.33	50.10	2,008.12	1,252.56	755.56
05/27/2009	03/09/2010	85	LOWE'S COS INC	23.99	19.73	2,039.26	1,676.81	362.45
07/08/2009	03/09/2010	415	LOWE'S COS INC	23.98	18.88	9,956.39	7,836.24	2,120.15
07/29/2009	03/11/2010	200	VALERO ENERGY CORP	20.31	17.68	4,061.50	3,535.14	526.36
03/20/2009	03/15/2010	250	SYNANTEC CORP	17.28	13.99	4,319.10	3,497.20	821.90
11/20/2009	03/19/2010	100	***ANHEUSER-BUSH INBEV SPN ADR	51.52	50.70	5,152.12	5,070.08	82.04
09/10/2009	03/19/2010	125	BB&T CORP	31.89	26.92	3,986.74	3,364.96	621.78
10/02/2009	03/19/2010	560	OFFICE DEPOT INC	7.86	6.16	4,403.90	3,450.78	953.12
03/20/2009	03/19/2010	400	SYNANTEC CORP	17.18	13.99	6,872.00	5,595.52	1,276.48
05/28/2009	03/25/2010	100	DU PONT (E.I.) DE NEMOURS	38.33	27.59	3,832.66	2,758.67	1,073.99
06/22/2009	03/29/2010	700	RRI ENERGY INC	3.80	4.84	2,657.83	3,388.42	-730.59
08/18/2009	03/31/2010	25	CONOCOPHILLIPS	51.20	42.35	1,280.00	1,058.68	221.32
07/29/2009	04/01/2010	400	VALERO ENERGY CORP	19.92	17.68	7,966.12	7,070.29	895.83
07/30/2009	04/01/2010	350	VALERO ENERGY CORP	19.92	18.01	6,970.36	6,302.94	667.42
06/25/2009	04/05/2010	25	FREEMPORT-MCMORAN COPPER	87.56	50.10	2,188.97	1,252.56	936.41
07/02/2009	04/05/2010	25	FREEMPORT-MCMORAN COPPER	87.56	49.43	2,188.96	1,235.75	953.21
10/12/2009	04/05/2010	625	SUPERVALU INC	16.85	15.75	10,528.50	9,844.69	683.81
11/27/2009	04/06/2010	10	***VALE SA-SP ADR	33.05	28.82	330.52	288.20	42.32
11/27/2009	04/06/2010	75	***VALE SA-SP ADR	33.05	28.82	2,478.87	2,161.54	317.33
07/28/2009	04/07/2010	125	SPX CORP	68.34	54.19	8,541.96	6,774.31	1,767.65
11/27/2009	04/08/2010	45	AIR PRODUCTS & CHEMICALS INC	73.95	82.23	3,327.62	3,700.14	-372.52
12/17/2009	04/08/2010	25	AIR PRODUCTS & CHEMICALS INC	73.95	81.52	1,848.67	2,038.06	-189.39
07/02/2009	04/09/2010	25	FREEMPORT-MCMORAN COPPER	85.16	49.43	2,129.09	1,235.75	893.34
08/05/2009	04/09/2010	25	FREEMPORT-MCMORAN COPPER	85.16	64.44	2,129.09	1,611.02	518.07
09/11/2009	04/12/2010	600	AETNA INC	33.06	30.37	19,833.18	18,223.32	1,609.86
10/07/2009	04/12/2010	150	AETNA INC	33.06	27.10	4,958.30	4,064.66	893.64
05/27/2009	04/12/2010	300	***NEXEN INC	25.61	22.84	7,683.33	6,851.82	831.51
07/30/2009	04/13/2010	200	SPRINT NEXTEL CORP	4.20	4.02	840.32	803.98	36.34
07/30/2009	04/13/2010	200	SPRINT NEXTEL CORP	4.20	4.02	840.32	803.98	36.34
05/28/2009	04/14/2010	100	DU PONT (E.I.) DE NEMOURS	38.70	27.59	3,870.03	2,758.67	1,111.36
06/19/2009	04/14/2010	200	DU PONT (E.I.) DE NEMOURS	38.70	24.94	7,740.06	4,987.14	2,752.92
05/11/2009	04/16/2010	225	***CREDIT SUISSE GROUP-SPON AD	53.45	41.04	12,025.44	9,233.44	2,792.00
09/21/2009	04/16/2010	100	***CREDIT SUISSE GROUP-SPON AD	53.45	54.05	5,344.64	5,404.59	-59.95
05/07/2009	04/16/2010	25	***DEUTSCHE BANK AG-REGISTERED	74.45	53.53	1,861.36	1,338.28	523.08
12/22/2009	04/16/2010	200	J.C. PENNEY CO INC	31.25	27.83	6,250.38	5,565.42	684.96
07/24/2009	04/22/2010	300	DELL INC	17.01	13.33	5,104.20	3,998.61	1,105.59
07/24/2009	04/26/2010	700	DELL INC	17.09	13.33	11,961.81	9,330.09	2,631.72
08/17/2009	04/26/2010	300	DELL INC	17.09	13.86	5,126.49	4,157.73	968.76
05/11/2009	04/30/2010	160	GOLDMAN SACHS GROUP INC	145.85	137.58	23,335.68	22,012.59	1,323.09
10/16/2009	04/30/2010	32	GOLDMAN SACHS GROUP INC	145.85	185.38	4,667.14	5,932.08	-1,264.94
02/16/2010	04/30/2010	25	GOLDMAN SACHS GROUP INC	145.85	156.10	3,646.20	3,902.42	-256.22
08/26/2009	05/03/2010	152	BANK OF AMERICA CORP	18.09	17.78	2,749.65	2,702.17	47.48
02/23/2010	05/03/2010	450	BANK OF AMERICA CORP	18.09	15.87	8,140.41	7,141.64	998.77

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Proceeds	Total Cost	Gain or Loss
12/16/2009	05/03/2010	40	BAXTER INTERNATIONAL INC	47.50	59.41	1,899.92	2,376.26	-476.34
01/21/2010	05/03/2010	75	BAXTER INTERNATIONAL INC	47.50	59.58	3,562.35	4,468.28	-905.93
01/27/2010	05/03/2010	25	BAXTER INTERNATIONAL INC	47.50	58.23	1,187.45	1,455.85	-268.40
08/19/2009	05/05/2010	550	AK STEEL HOLDING CORP	15.89	19.84	8,738.06	10,910.90	-2,171.84
01/27/2010	05/07/2010	50	BAXTER INTERNATIONAL INC	45.05	58.23	2,252.38	2,911.69	-659.31
06/19/2009	05/12/2010	100	DU PONT (E.I.) DE NEMOURS	38.57	24.94	3,856.66	2,493.57	1,363.09
06/25/2009	05/12/2010	300	DU PONT (E.I.) DE NEMOURS	38.57	25.13	11,569.98	7,539.81	4,030.17
02/10/2010	05/12/2010	175	FREEMONT-MCMORAN COPPER	72.46	70.50	12,680.16	12,337.42	342.74
10/15/2009	05/12/2010	189	PRINCIPAL FINANCIAL GROUP	30.14	28.48	5,695.78	5,570.91	124.87
07/30/2009	05/12/2010	1,200	SPRINT NEXTEL CORP	4.14	4.02	4,970.76	4,823.88	146.88
05/15/2009	05/13/2010	100	***DEUTSCHE BANK AG-REGISTERED	63.55	54.21	6,354.62	5,420.93	933.69
02/19/2010	05/18/2010	175	***NOBLE CORP	34.33	42.91	6,007.59	7,508.45	-1,500.86
01/21/2010	05/18/2010	250	***ROYAL CARIBBEAN CRUISES LTD	31.10	26.73	7,775.40	6,682.78	1,092.62
07/09/2009	05/19/2010	200	ALTRIA GROUP INC	21.22	16.35	4,244.46	3,270.56	973.90
07/27/2009	05/19/2010	100	CINAREX ENERGY CO	66.86	35.50	6,685.51	3,549.64	3,135.87
10/30/2009	05/20/2010	175	AMERIPRISE FINANCIAL INC	39.02	34.65	6,827.96	6,064.52	763.44
10/30/2009	05/20/2010	200	AMERIPRISE FINANCIAL INC	39.02	34.65	7,803.38	6,930.88	872.50
07/30/2009	05/20/2010	650	SPRINT NEXTEL CORP	4.38	4.02	2,848.24	2,612.94	235.30
03/08/2010	05/21/2010	40	***RESEARCH IN MOTION	60.43	73.12	2,417.02	2,924.63	-507.61
02/22/2010	05/21/2010	175	ROWAN COMPANIES INC	23.41	24.96	4,097.19	4,368.37	-271.18
07/09/2009	05/24/2010	200	ALTRIA GROUP INC	20.97	16.35	4,193.72	3,270.56	923.16
03/08/2010	05/26/2010	35	***RESEARCH IN MOTION	60.39	73.12	2,113.48	2,559.06	-445.58
07/30/2009	05/26/2010	350	SPRINT NEXTEL CORP	4.94	4.02	1,730.05	1,406.96	323.09
08/10/2009	05/26/2010	200	SPRINT NEXTEL CORP	4.94	3.70	988.60	740.52	248.08
07/27/2009	06/03/2010	50	CINAREX ENERGY CO	76.80	35.50	3,840.23	1,774.82	2,065.41
06/11/2009	06/09/2010	25	***ARCELORMITTAL-NY REGISTERED	27.47	36.11	686.79	902.75	-215.96
08/18/2009	06/09/2010	100	***ARCELORMITTAL-NY REGISTERED	27.47	34.37	2,747.15	3,437.18	-690.03
09/18/2009	06/09/2010	40	***ARCELORMITTAL-NY REGISTERED	27.47	40.82	1,098.86	1,632.75	-533.89
12/02/2009	06/09/2010	475	STEEL DYNAMICS INC	14.06	17.76	6,680.64	8,435.62	-1,754.98
10/12/2009	06/11/2010	700	GENERAL ELECTRIC CO	15.45	16.39	10,813.11	11,472.79	-659.68
03/02/2010	06/15/2010	125	***TRANSOCEAN LTD	46.63	81.59	5,828.09	10,188.14	-4,369.05
07/13/2009	06/16/2010	250	US BANCORP	23.16	17.35	5,789.28	4,338.03	1,451.25
09/11/2009	06/16/2010	200	US BANCORP	23.16	21.91	4,631.42	4,381.66	249.76
01/20/2010	06/17/2010	85	DOVER CORP	45.92	45.40	3,903.34	3,858.93	44.41
05/13/2010	06/23/2010	250	EXXON MOBIL CORP	61.35	64.74	15,338.53	16,185.28	-846.75
11/17/2009	06/23/2010	300	FORD MOTOR CO	11.07	8.91	3,319.77	2,674.02	645.75
10/12/2009	06/23/2010	475	GENERAL ELECTRIC CO	15.56	16.39	7,389.77	7,785.11	-395.34
10/16/2009	06/23/2010	3	MICROSOFT CORP	25.39	26.44	76.16	79.33	-3.17
10/16/2009	06/23/2010	2	MICROSOFT CORP	25.39	26.44	50.77	52.89	-2.12
10/16/2009	06/23/2010	190	MICROSOFT CORP	25.39	26.44	4,823.18	5,024.36	-201.18
01/29/2010	06/23/2010	80	NOBLE ENERGY INC	62.46	74.68	4,997.11	5,974.46	-977.35
08/18/2009	06/24/2010	100	CONOCOPHILLIPS	52.25	42.35	5,224.74	4,234.72	990.02
08/18/2009	06/24/2010	50	MERCK & CO. INC.	35.55	30.72	1,777.61	1,535.96	241.65
08/18/2009	06/24/2010	25	MERCK & CO. INC.	35.55	30.72	888.80	767.98	120.82
08/18/2009	06/25/2010	100	CONOCOPHILLIPS	52.08	42.35	5,207.88	4,234.72	973.16
05/20/2010	06/25/2010	225	EXXON MOBIL CORP	59.53	61.14	13,393.53	13,756.77	-363.24
11/17/2009	06/25/2010	425	FORD MOTOR CO	10.59	8.91	4,500.20	3,788.20	712.00
10/12/2009	06/25/2010	125	GENERAL ELECTRIC CO	14.97	16.39	1,871.85	2,048.71	-176.86
10/21/2009	06/25/2010	300	GENERAL ELECTRIC CO	14.97	15.62	4,492.44	4,687.17	-194.73

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account. 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
02/18/2010	07/08/2010	75	NEWFIELD EXPLORATION CO	51.95	50.98	3,896.12	3,823.65	72.47
04/01/2010	07/08/2010	225	***NOKIA CORP-SPON ADR	8.60	15.81	1,934.32	3,556.13	-1,621.81
09/17/2009	07/12/2010	150	KLA-TENCOR CORPORATION	29.50	34.98	4,425.46	5,246.37	-820.91
03/26/2010	07/12/2010	15	KLA-TENCOR CORPORATION	29.50	30.45	442.55	456.68	-14.13
04/19/2010	07/12/2010	150	RELANCE STEEL & ALUMINUM	36.66	51.47	5,499.66	7,721.22	-2,221.56
07/14/2009	07/14/2010	25	DEVON ENERGY CORPORATION	63.30	52.53	1,582.44	1,313.16	269.28
07/20/2009	07/15/2010	25	INTEL CORP	21.30	18.66	532.47	466.45	66.02
03/02/2010	07/19/2010	75	***TRANSOCEAN LTD	49.52	81.59	3,713.92	6,118.88	-2,404.96
04/21/2010	07/19/2010	75	***TRANSOCEAN LTD	49.52	90.26	3,713.92	6,769.83	-3,055.91
01/06/2010	07/23/2010	600	MOTOROLA INC	7.77	7.94	4,659.54	4,762.86	-103.32
01/14/2010	07/23/2010	500	MOTOROLA INC	7.77	7.74	3,882.95	3,870.00	12.95
01/29/2010	07/23/2010	400	MOTOROLA INC	7.77	6.20	3,106.36	2,480.76	625.60
10/12/2009	07/27/2010	125	SUPERVALU INC	11.71	15.75	1,463.39	1,868.94	-505.55
12/02/2009	07/27/2010	350	SUPERVALU INC	11.71	14.28	4,097.48	4,997.09	-899.61
07/30/2009	07/27/2010	250	VALERO ENERGY CORP	17.58	18.01	4,396.18	4,502.10	-105.92
09/01/2009	07/27/2010	500	VALERO ENERGY CORP	17.58	18.47	8,792.35	9,235.50	-443.15
11/10/2009	08/02/2010	5	FRANKLIN RESOURCES INC	103.82	113.73	519.09	568.67	-49.58
01/06/2010	08/02/2010	700	HUNTSMAN CORP	10.59	11.95	7,414.40	8,364.30	-949.90
02/16/2010	08/04/2010	189	AOL INC	21.65	23.92	4,092.50	4,521.31	-428.81
11/10/2009	08/04/2010	125	BROADCOM CORP-CL A	36.38	28.49	4,548.09	3,560.65	987.44
08/18/2009	08/04/2010	250	MERCK & CO. INC.	34.75	30.72	8,688.20	7,679.80	1,008.40
12/16/2009	08/05/2010	135	COMCAST CORP-CL A	19.00	17.62	2,565.36	2,378.23	187.13
03/29/2010	08/06/2010	150	CVS/CAREMARK CORP	29.63	36.99	4,443.95	5,548.02	-1,104.07
10/16/2009	08/06/2010	20	MICROSOFT CORP	25.07	26.44	501.39	528.88	-27.49
10/29/2009	08/06/2010	175	MICROSOFT CORP	25.07	28.28	4,387.15	4,948.97	-561.82
02/08/2010	08/06/2010	25	MICROSOFT CORP	25.07	27.96	626.73	699.00	-72.27
05/24/2010	08/09/2010	375	TEXTRON INC	20.78	20.71	7,793.81	7,764.83	28.98
12/03/2009	08/11/2010	125	CIMAREX ENERGY CO	68.45	48.55	8,556.40	6,068.14	2,488.26
09/18/2009	08/12/2010	60	***ARCELORMITTAL-NY REGISTERED	30.31	40.82	1,818.32	2,449.13	-630.81
09/21/2009	08/12/2010	75	***ARCELORMITTAL-NY REGISTERED	30.31	38.81	2,272.91	2,911.01	-638.10
12/16/2009	08/12/2010	100	***COVIDIEN PLC	37.79	46.75	3,779.19	4,674.67	-895.48
01/21/2010	08/12/2010	5	***COVIDIEN PLC	37.79	51.39	188.96	256.94	-67.98
02/08/2010	08/17/2010	100	MICROSOFT CORP	24.81	27.96	2,481.30	2,795.98	-314.68
10/15/2009	08/18/2010	11	PRINCIPAL FINANCIAL GROUP	23.18	29.48	254.93	324.23	-69.30
04/06/2010	08/18/2010	550	PRINCIPAL FINANCIAL GROUP	23.18	30.13	12,746.47	16,571.61	-3,825.14
08/26/2009	08/26/2010	148	BANK OF AMERICA CORP	12.54	17.78	1,855.74	2,631.05	-775.31
12/11/2009	08/26/2010	550	BANK OF AMERICA CORP	12.54	15.45	6,896.34	8,494.92	-1,598.58
12/14/2009	08/26/2010	950	BANK OF AMERICA CORP	12.54	15.59	11,911.86	14,812.40	-2,900.54
01/25/2010	08/26/2010	152	BANK OF AMERICA CORP	12.54	15.06	1,905.90	2,288.88	-382.98
10/07/2009	08/26/2010	425	DEAN FOODS CO	9.85	18.54	4,185.49	7,877.84	-3,692.35
05/10/2010	08/30/2010	20	VISA INC - CLASS A SHRS	70.11	86.96	1,402.26	1,739.12	-336.86
08/31/2009	08/31/2010	22	GOLDMAN SACHS GROUP INC	137.20	163.34	3,018.39	3,593.52	-575.13
09/10/2009	08/31/2010	25	GOLDMAN SACHS GROUP INC	137.20	173.44	3,429.99	4,335.99	-906.00
10/19/2009	08/31/2010	44	GOLDMAN SACHS GROUP INC	137.20	185.33	6,036.79	8,154.64	-2,117.85
01/21/2010	08/31/2010	25	GOLDMAN SACHS GROUP INC	137.20	159.31	3,429.99	3,982.68	-552.69
05/10/2010	09/03/2010	60	FEDEX CORP	83.05	86.63	4,982.76	5,197.73	-214.97
08/05/2010	09/03/2010	5	FEDEX CORP	83.05	85.74	415.23	428.69	-13.46
08/05/2010	09/03/2010	15	FEDEX CORP	83.05	85.74	1,245.69	1,286.07	-40.38
11/10/2009	09/03/2010	40	FRANKLIN RESOURCES INC	102.11	113.73	4,084.51	4,549.40	-464.89

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
09/22/2009	09/03/2010	45	TARGET CORP	52.85	48.18	2,378.42	2,168.02	210.40
04/16/2010	09/13/2010	40	WELLS FARGO & COMPANY	26.37	32.55	1,054.82	1,301.93	-247.11
04/19/2010	09/13/2010	185	WELLS FARGO & COMPANY	26.37	32.57	4,878.54	6,025.65	-1,147.11
06/11/2010	09/14/2010	110	HYATT HOTELS CORP - CL A	39.05	38.69	4,295.74	4,256.41	39.33
09/22/2009	09/14/2010	50	TARGET CORP	53.98	48.18	2,698.83	2,408.91	289.92
12/16/2009	09/15/2010	135	CONCAST CORP-CL A	17.95	17.62	2,423.55	2,378.23	45.32
04/19/2010	09/17/2010	104	WELLS FARGO & COMPANY	25.94	32.57	2,697.46	3,387.40	-689.94
05/10/2010	09/22/2010	10	VISA INC - CLASS A SHRS	70.20	86.96	701.96	869.56	-167.60
07/16/2010	09/22/2010	55	VISA INC - CLASS A SHRS	70.20	72.84	3,860.75	4,006.00	-145.25
12/16/2009	09/27/2010	30	COMCAST CORP-CL A	18.36	17.62	550.88	528.49	22.39
05/03/2010	09/27/2010	145	COMCAST CORP-CL A	18.36	20.40	2,662.58	2,958.35	-295.77
04/15/2010	09/27/2010	600	SARA LEE CORP	13.74	14.19	8,241.78	8,514.60	-272.82
05/06/2010	09/27/2010	350	SARA LEE CORP	13.74	13.57	4,807.71	4,751.01	56.70
04/29/2010	09/29/2010	425	COMMUNITY HEALTH SYSTEMS INC	30.98	41.50	13,168.54	17,635.59	-4,467.05
05/14/2010	09/30/2010	250	PROCTER & GAMBLE CO	60.03	62.55	15,007.80	15,638.28	-630.48
05/20/2010	09/30/2010	175	PROCTER & GAMBLE CO	60.03	62.24	10,505.46	10,892.84	-387.38
05/21/2010	09/30/2010	50	PROCTER & GAMBLE CO	60.03	61.55	3,001.56	3,077.60	-76.04
06/24/2010	09/30/2010	50	PROCTER & GAMBLE CO	60.03	61.14	3,001.56	3,056.95	-55.39
11/10/2009	10/01/2010	25	FRANKLIN RESOURCES INC	107.25	113.73	2,681.30	2,843.37	-162.07
03/26/2010	10/01/2010	60	KLA-TENCOR CORPORATION	34.98	30.45	2,098.84	1,826.74	272.10
05/04/2010	10/01/2010	30	KLA-TENCOR CORPORATION	34.98	33.41	1,049.42	1,002.40	47.02
07/16/2010	10/01/2010	35	VISA INC - CLASS A SHRS	73.39	72.84	2,568.78	2,549.28	19.50
03/09/2010	10/08/2010	125	ROSS STORES INC	55.96	51.42	6,994.38	6,426.98	567.40
03/15/2010	10/08/2010	175	ROSS STORES INC	55.96	53.22	9,792.12	9,313.08	479.04
11/05/2009	10/08/2010	25	TARGET CORP	54.20	49.29	1,354.96	1,232.16	122.80
01/20/2010	10/12/2010	40	DOVER CORP	53.75	45.40	2,149.82	1,815.96	333.86
02/12/2010	10/12/2010	25	DOVER CORP	53.75	42.48	1,343.64	1,061.91	281.73
11/05/2009	10/12/2010	1,700	SPRINT NEXTEL CORP	4.60	2.90	7,820.00	4,929.83	2,890.17
11/06/2009	10/12/2010	200	SPRINT NEXTEL CORP	4.60	2.85	920.00	569.52	350.48
02/10/2010	10/14/2010	70	FREEMPORT-MCMORAN COPPER	99.37	70.50	6,956.05	4,934.96	2,021.09
02/12/2010	10/15/2010	75	DOVER CORP	53.92	42.48	4,043.82	3,185.74	858.08
02/19/2010	10/15/2010	25	DOVER CORP	53.92	46.00	1,347.94	1,150.00	197.94
11/17/2009	10/15/2010	80	FORD MOTOR CO	13.73	8.91	1,098.22	713.07	385.15
02/03/2010	10/15/2010	320	FORD MOTOR CO	13.73	11.53	4,392.86	3,690.43	702.43
02/10/2010	10/15/2010	5	FREEMPORT-MCMORAN COPPER	98.00	70.50	490.02	352.50	137.52
02/24/2010	10/15/2010	70	FREEMPORT-MCMORAN COPPER	98.00	72.86	6,860.32	5,100.40	1,759.92
08/24/2010	10/15/2010	125	JUNIPER NETWORKS INC	31.54	27.04	3,942.10	3,380.00	562.10
07/29/2010	10/19/2010	75	HESS CORP	63.11	53.42	4,733.23	4,006.38	726.85
01/25/2010	10/20/2010	550	BANK OF AMERICA CORP	11.75	15.06	6,462.50	8,282.12	-1,819.62
02/19/2010	10/20/2010	25	DOVER CORP	53.42	46.00	1,335.44	1,149.99	185.45
04/26/2010	10/20/2010	25	DOVER CORP	53.42	53.72	1,335.43	1,343.00	-7.57
05/03/2010	10/21/2010	155	COMCAST CORP-CL A	19.61	20.40	3,039.89	3,162.37	-122.48
05/04/2010	10/22/2010	70	KLA-TENCOR CORPORATION	36.08	33.41	2,525.79	2,338.92	186.87
01/29/2010	10/22/2010	100	MOTOROLA INC	7.86	6.20	786.04	620.19	165.85
02/03/2010	10/22/2010	800	MOTOROLA INC	7.86	6.70	6,288.32	5,356.48	931.84
08/05/2010	10/25/2010	45	FEDEX CORP	89.58	85.74	4,030.97	3,858.22	172.75
07/15/2010	10/27/2010	40	FREEMPORT-MCMORAN COPPER	94.85	62.33	3,793.93	2,493.23	1,300.70
11/05/2009	10/28/2010	40	TARGET CORP	52.33	49.29	2,093.06	1,971.45	121.61
05/03/2010	10/29/2010	150	COMCAST CORP-CL A	20.64	20.40	3,096.45	3,060.36	36.09

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
05/04/2010	11/01/2010	125	KLA-TENCOR CORPORATION	35.62	33.41	4,452.63	4,176.65	275.98
01/21/2010	11/02/2010	95	***COVIDIEN PLC	39.86	51.39	3,787.11	4,881.77	-1,094.66
02/24/2010	11/02/2010	30	FREEMPORT-MCMORAN COPPER	97.71	72.86	2,931.20	2,185.88	745.32
07/09/2010	11/02/2010	120	FREEMPORT-MCMORAN COPPER	97.71	65.46	11,724.78	7,854.98	3,869.80
06/24/2010	11/04/2010	25	POLO RALPH LAUREN CORP	99.06	76.83	2,476.61	1,920.64	555.97
01/21/2010	11/05/2010	75	***ROYAL CARIBBEAN CRUISES LTD	42.70	26.73	3,202.84	2,004.83	1,198.01
06/24/2010	11/08/2010	50	POLO RALPH LAUREN CORP	100.47	76.83	5,023.57	3,841.27	1,182.30
05/04/2010	11/09/2010	325	CONSTELLATION ENERGY GROUP	30.12	36.09	9,787.44	11,729.64	-1,942.20
10/28/2010	11/09/2010	150	CONSTELLATION ENERGY GROUP	30.12	31.18	4,517.28	4,677.71	-160.43
04/26/2010	11/09/2010	75	DOVER CORP	54.75	53.72	4,106.58	4,028.98	77.60
02/03/2010	11/09/2010	200	FORD MOTOR CO	16.20	11.53	3,239.52	2,306.52	933.00
11/09/2009	11/09/2010	200	***GARMIN LTD	30.02	28.15	6,004.62	5,629.38	375.24
03/29/2010	11/09/2010	50	HEWLETT-PACKARD CO	44.19	53.06	2,209.32	2,653.22	-443.90
08/24/2010	11/09/2010	75	JUNIPER NETWORKS INC	34.21	27.04	2,565.77	2,028.00	537.77
08/09/2010	11/09/2010	50	MONSANTO CO	63.70	59.44	3,185.10	2,971.84	213.26
02/08/2010	11/09/2010	50	MICROSOFT CORP	26.97	27.96	1,348.59	1,397.99	-49.40
02/16/2010	11/09/2010	100	MICROSOFT CORP	26.97	28.27	2,697.17	2,826.94	-129.77
02/22/2010	11/09/2010	100	ROWAN COMPANIES INC	31.47	24.96	3,147.37	2,496.21	651.16
04/08/2010	11/09/2010	200	ROWAN COMPANIES INC	31.47	29.62	6,294.74	5,824.82	369.92
06/24/2010	11/12/2010	125	PROCTER & GAMBLE CO	64.19	61.14	8,024.10	7,642.38	381.72
06/25/2010	11/12/2010	125	PROCTER & GAMBLE CO	64.19	60.24	8,024.10	7,529.39	494.71
05/03/2010	11/16/2010	170	CONCAST CORP-CL A	20.35	20.40	3,459.43	3,468.41	-8.98
01/29/2010	11/19/2010	20	NOBLE ENERGY INC	82.71	74.68	1,654.10	1,493.61	160.49
02/02/2010	11/19/2010	30	NOBLE ENERGY INC	82.71	76.77	2,481.16	2,302.97	178.19
01/25/2010	11/23/2010	398	BANK OF AMERICA CORP	11.15	15.06	4,436.87	5,993.24	-1,556.37
04/16/2010	11/23/2010	300	BANK OF AMERICA CORP	11.15	18.87	3,344.37	5,661.72	-2,317.35
04/26/2010	11/23/2010	252	BANK OF AMERICA CORP	11.15	18.29	2,809.27	4,609.43	-1,800.16
04/27/2010	11/23/2010	300	BANK OF AMERICA CORP	11.15	17.78	3,344.37	5,334.60	-1,990.23
05/21/2010	11/23/2010	200	BANK OF AMERICA CORP	11.15	15.90	2,229.58	3,179.44	-949.86
06/15/2010	11/23/2010	500	BANK OF AMERICA CORP	11.15	15.60	5,573.95	7,799.10	-2,225.15
06/25/2010	11/23/2010	75	PROCTER & GAMBLE CO	62.56	60.24	4,691.69	4,517.63	174.06
07/09/2010	11/23/2010	50	PROCTER & GAMBLE CO	62.56	61.59	3,127.80	3,079.60	48.20
07/26/2010	11/23/2010	50	PROCTER & GAMBLE CO	62.56	62.31	3,127.79	3,115.41	12.38
04/05/2010	11/29/2010	300	ALTRIA GROUP INC	24.30	20.90	7,291.02	6,270.78	1,020.24
02/24/2010	12/02/2010	200	GAP INC/THE	21.62	20.06	4,323.82	4,011.92	311.90
02/03/2010	12/02/2010	900	MOTOROLA INC	8.00	6.70	7,200.00	6,026.04	1,173.96
03/16/2010	12/10/2010	475	PEPCO HOLDINGS INC	18.21	17.24	8,651.75	8,189.67	462.08
04/22/2010	12/10/2010	425	PEPCO HOLDINGS INC	18.21	16.62	7,741.03	7,065.16	675.87
01/21/2010	12/14/2010	75	***COVIDIEN PLC	45.09	51.39	3,381.55	3,854.02	-472.47
05/03/2010	12/16/2010	50	HEWLETT-PACKARD CO	42.00	52.82	2,100.07	2,641.25	-541.18
06/02/2010	12/16/2010	50	HEWLETT-PACKARD CO	42.00	46.52	2,100.07	2,326.02	-225.95
05/03/2010	12/22/2010	105	COMCAST CORP-CL A	22.22	20.40	2,333.58	2,142.25	191.33
04/26/2010	12/22/2010	50	***COVIDIEN PLC	45.64	48.37	2,281.94	2,418.61	-136.67
07/29/2010	12/23/2010	100	HESS CORP	75.77	53.42	7,577.16	5,341.84	2,235.32
04/07/2010	12/30/2010	25	PEPSICO INC	65.22	66.07	1,630.46	1,651.70	-21.24
SUBTOTAL FOR SHORT-TERM								56,298.00

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873) January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
LONG-TERM								
07/24/2006	01/07/2010	14	APPLE INC	210.86	61.16	2,951.98	856.18	2,095.80
11/27/2007	01/11/2010	50	CELGENE CORP	57.39	61.78	2,869.53	3,088.94	-219.41
03/04/2008	01/11/2010	50	CELGENE CORP	57.39	56.32	2,869.53	2,815.88	53.65
03/04/2008	01/13/2010	75	CELGENE CORP	57.55	56.32	4,316.50	4,223.82	92.68
12/04/2008	01/19/2010	400	NEWS CORP	13.37	7.84	5,346.80	3,134.76	2,212.04
01/16/2009	01/19/2010	50	NEWS CORP	13.37	7.85	668.35	392.61	275.74
01/16/2009	01/19/2010	250	NEWS CORP	13.37	7.85	3,341.75	1,963.08	1,378.67
06/28/2007	01/22/2010	75	CHEVRON CORP	75.33	84.42	5,649.38	6,331.20	-681.82
07/20/2004	01/22/2010	125	TIME WARNER INC	27.45	34.66	3,430.94	4,332.67	-901.73
04/24/2008	01/25/2010	87	MERCK & CO. INC.	39.30	18.05	3,418.78	1,570.72	1,848.06
04/28/2008	01/25/2010	173	MERCK & CO. INC.	39.30	18.73	6,798.25	3,241.00	3,557.25
06/24/2008	01/25/2010	36	MERCK & CO. INC.	39.30	36.76	1,414.67	1,323.41	91.26
04/05/2006	01/25/2010	150	PFIZER INC	19.00	25.17	2,850.03	3,775.18	-925.15
05/16/2006	01/25/2010	500	PFIZER INC	19.00	24.92	9,500.10	12,460.30	-2,960.20
06/13/2006	01/25/2010	100	PFIZER INC	19.00	23.24	1,900.02	2,324.30	-424.28
08/25/2008	01/25/2010	100	WESTERN DIGITAL CORP	41.65	28.09	4,165.31	2,809.36	1,355.95
08/26/2008	01/25/2010	50	WESTERN DIGITAL CORP	41.65	27.60	2,082.66	1,379.85	702.81
10/23/2008	01/26/2010	65	LOWE'S COS INC	22.10	18.21	1,436.24	1,183.36	252.88
07/20/2004	01/28/2010	69	TIME WARNER INC	26.79	34.66	1,848.63	2,391.83	-543.00
09/21/2006	01/28/2010	83	TIME WARNER INC	26.79	36.56	2,223.72	3,034.38	-810.66
05/16/2008	01/28/2010	98	TIME WARNER INC	26.79	33.97	2,625.60	3,328.97	-703.37
05/16/2008	01/28/2010	25	TIME WARNER INC	26.79	33.97	669.80	849.23	-179.43
10/06/2008	01/28/2010	50	WAL-MART STORES INC	52.68	57.70	2,633.85	2,885.23	-251.38
11/11/2008	01/28/2010	50	WAL-MART STORES INC	52.68	54.37	2,633.85	2,718.61	-84.76
01/02/2009	01/28/2010	5	WAL-MART STORES INC	52.68	56.80	263.39	283.99	-20.60
07/11/2008	02/05/2010	75	QUALCOMM INC	37.81	47.97	2,835.90	3,597.68	-761.78
07/22/2008	02/05/2010	75	QUALCOMM INC	37.81	45.46	2,835.90	3,409.52	-573.62
07/30/2008	02/05/2010	50	QUALCOMM INC	37.81	55.04	1,890.60	2,751.84	-861.24
11/25/2008	02/09/2010	200	CORNING INC	17.82	8.93	3,564.44	1,786.34	1,778.10
01/20/2009	02/09/2010	200	METLIFE INC	35.18	26.29	7,035.82	5,258.26	1,777.56
08/26/2008	02/09/2010	50	WESTERN DIGITAL CORP	40.45	27.60	2,022.41	1,379.84	642.57
09/05/2008	02/09/2010	25	WESTERN DIGITAL CORP	40.45	25.69	1,011.20	642.18	369.02
04/04/2008	02/10/2010	8	CHE GROUP INC	277.24	510.30	2,217.90	4,082.41	-1,864.51
05/27/2008	02/10/2010	7	CHE GROUP INC	277.24	454.82	1,940.66	3,183.75	-1,243.09
01/16/2009	02/10/2010	500	NEWS CORP	12.69	7.85	6,344.05	3,926.15	2,417.90
11/19/2007	02/11/2010	50	AIR PRODUCTS & CHEMICALS INC	68.39	92.95	3,419.49	4,647.52	-1,228.03
05/16/2008	02/11/2010	110	TIME WARNER INC	27.23	33.97	2,994.79	3,736.60	-741.81
09/04/2008	02/11/2010	40	TIME WARNER INC	27.23	33.36	1,089.02	1,334.48	-245.46
07/30/2008	02/12/2010	135	QUALCOMM INC	38.73	55.04	5,228.44	7,429.95	-2,201.51
11/19/2007	02/19/2010	10	AIR PRODUCTS & CHEMICALS INC	69.66	92.95	696.65	929.50	-232.85
12/02/2005	02/19/2010	80	SCHLUMBERGER LTD	63.61	49.01	5,088.69	3,920.87	1,167.82
09/05/2008	02/22/2010	175	WESTERN DIGITAL CORP	42.59	25.69	7,453.95	4,495.22	2,958.73
11/13/2008	02/23/2010	450	SYNANTEC CORP	16.71	11.87	7,520.72	5,342.67	2,178.05
08/30/2007	02/24/2010	100	AT&T INC	24.89	39.80	2,489.01	3,980.45	-1,491.44
09/28/2007	02/24/2010	300	AT&T INC	24.89	42.38	7,467.03	12,714.39	-5,247.36
10/02/2007	02/24/2010	350	AT&T INC	24.89	42.38	8,711.54	14,832.62	-6,121.08

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
07/30/2008	02/24/2010	40	QUALCOMM INC	37.92	55.04	1,516.74	2,201.47	-684.73
09/29/2008	02/24/2010	90	QUALCOMM INC	37.92	43.43	3,412.65	3,908.42	-495.77
10/02/2007	03/01/2010	150	AT&T INC	25.01	42.38	3,750.78	6,356.83	-2,606.05
11/06/2007	03/01/2010	200	AT&T INC	25.01	39.78	5,001.04	7,956.08	-2,955.04
11/09/2007	03/01/2010	200	AT&T INC	25.01	39.60	5,001.04	7,919.26	-2,918.22
11/14/2008	03/02/2010	275	J.C. PENNEY CO INC	28.21	17.54	7,756.40	4,822.95	2,933.45
09/12/2008	03/03/2010	35	GOLDMAN SACHS GROUP INC	158.09	157.36	5,533.13	5,507.62	25.51
05/07/2004	03/03/2010	1,083	BERNSTEIN INTERMEDIATE	13.47	13.05	14,600.00	14,144.77	455.23
		.890	DURATION PORTFOLIO					
08/08/2008	03/09/2010	100	DEVON ENERGY CORPORATION	70.04	90.34	7,003.83	9,034.29	-2,030.46
09/25/2008	03/11/2010	50	DEVON ENERGY CORPORATION	72.90	101.86	3,645.01	5,083.07	-1,448.06
01/29/2009	03/11/2010	50	DEVON ENERGY CORPORATION	72.90	63.22	3,645.01	3,160.94	484.07
02/14/2008	03/11/2010	175	MORGAN STANLEY	29.89	42.52	5,230.00	7,440.60	-2,210.60
07/30/2008	03/11/2010	25	MORGAN STANLEY	29.89	37.91	747.14	947.69	-200.55
06/04/2008	03/15/2010	94	JPMORGAN CHASE & CO	42.90	41.78	4,032.22	3,927.37	104.85
01/20/2009	03/19/2010	135	ARCHER-DANIELS-MIDLAND CO	28.94	25.63	3,906.29	3,459.86	446.43
04/26/2006	03/19/2010	125	CBS CORP-CLASS B NON VOTING	14.19	25.21	1,773.76	3,151.05	-1,377.29
05/10/2006	03/19/2010	275	CBS CORP-CLASS B NON VOTING	14.19	26.60	3,902.28	7,314.51	-3,412.23
02/23/2007	03/19/2010	25	CONOCOPHILLIPS	52.31	67.32	1,307.78	1,683.09	-375.31
08/22/2007	03/19/2010	55	CONOCOPHILLIPS	52.31	78.67	2,877.12	4,326.59	-1,449.47
06/13/2006	03/19/2010	230	PFIZER INC	16.96	23.24	3,901.19	5,345.89	-1,444.70
06/22/2007	03/19/2010	80	TRAVELERS COS INC/THE	52.92	52.50	4,233.74	4,200.38	33.36
01/25/2008	03/25/2010	100	***TEVA PHARMACEUTICAL-SP ADR	64.07	44.82	6,406.83	4,482.38	1,924.45
08/29/2008	03/26/2010	10	QUALCOMM INC	41.82	43.43	418.20	434.27	-16.07
10/15/2008	03/26/2010	100	QUALCOMM INC	41.82	39.51	4,182.03	3,951.39	230.64
11/13/2008	03/26/2010	100	QUALCOMM INC	41.82	32.82	4,182.03	3,282.41	899.62
08/29/2008	03/29/2010	600	RRI ENERGY INC	3.80	16.95	2,278.14	10,168.20	-7,890.06
08/22/2007	03/31/2010	45	CONOCOPHILLIPS	51.20	78.67	2,304.00	3,539.93	-1,235.93
08/30/2007	03/31/2010	100	CONOCOPHILLIPS	51.20	81.50	5,119.99	8,150.26	-3,030.27
09/20/2007	03/31/2010	100	CONOCOPHILLIPS	51.20	88.57	5,119.99	8,856.95	-3,736.96
10/02/2007	03/31/2010	75	CONOCOPHILLIPS	51.20	85.34	3,839.99	6,400.46	-2,560.47
10/02/2007	03/31/2010	25	CONOCOPHILLIPS	51.20	85.34	1,280.00	2,133.49	-853.49
01/23/2008	03/31/2010	100	CONOCOPHILLIPS	51.20	71.21	5,119.99	7,120.72	-2,000.73
01/30/2008	03/31/2010	100	CONOCOPHILLIPS	51.20	78.88	5,119.99	7,887.79	-2,767.80
07/24/2006	04/05/2010	1	APPLE INC	237.42	61.16	237.42	61.16	176.26
01/25/2008	04/05/2010	20	APPLE INC	237.42	135.93	4,748.48	2,718.65	2,029.83
06/04/2008	04/12/2010	108	JPMORGAN CHASE & CO	46.07	41.78	4,975.36	4,512.30	463.06
09/26/2008	04/12/2010	62	JPMORGAN CHASE & CO	46.07	40.50	2,856.22	2,511.00	345.22
04/08/2008	04/13/2010	200	SPRINT NEXTEL CORP	4.20	6.68	840.32	1,335.06	-494.74
09/15/2008	04/13/2010	1,000	SPRINT NEXTEL CORP	4.20	6.78	4,201.60	6,780.00	-2,578.40
08/23/2006	04/15/2010	25	***ALCON INC	160.22	114.50	4,005.38	2,862.54	1,142.84
08/23/2006	04/15/2010	9	GOOGLE INC-CL A	595.13	376.36	5,356.19	3,387.21	1,968.98
02/12/2008	04/16/2010	100	***DEUTSCHE BANK AG-REGISTERED	74.45	111.61	7,445.45	11,161.46	-3,716.01
05/16/2008	04/16/2010	75	***DEUTSCHE BANK AG-REGISTERED	74.45	118.42	5,584.09	8,881.26	-3,297.17
06/04/2008	04/16/2010	50	***DEUTSCHE BANK AG-REGISTERED	74.45	101.92	3,722.73	5,098.14	-1,375.41
08/12/2008	04/16/2010	65	GOLDMAN SACHS GROUP INC	161.72	157.36	10,511.72	10,228.43	283.29
09/16/2008	04/16/2010	60	GOLDMAN SACHS GROUP INC	161.72	130.10	9,703.13	7,805.72	1,897.41
11/04/2008	04/16/2010	55	GOLDMAN SACHS GROUP INC	161.72	89.05	8,894.53	4,897.75	3,996.78
01/16/2009	04/16/2010	300	NEWS CORP	15.78	7.85	4,734.12	2,355.69	2,378.43

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Proceeds	Total Cost	Gain or Loss
11/14/2008	04/16/2010	75	J.C. PENNEY CO INC	31.25	17.54	2,343.89	1,315.35	1,028.54
09/04/2008	04/19/2010	60	TIME WARNER INC	32.90	33.36	1,974.28	2,001.72	-27.44
11/12/2008	04/19/2010	40	TIME WARNER INC	32.90	18.95	1,316.19	758.16	558.03
11/04/2008	04/21/2010	23	GOLDMAN SACHS GROUP INC	160.10	89.05	3,682.19	2,048.15	1,634.04
01/02/2009	04/21/2010	12	GOLDMAN SACHS GROUP INC	160.10	83.52	1,921.15	1,002.19	918.96
01/25/2008	04/23/2010	5	APPLE INC	270.25	135.93	1,351.26	679.66	671.60
02/08/2008	04/23/2010	25	APPLE INC	270.25	123.89	6,756.31	3,097.13	3,659.18
06/04/2008	04/28/2010	40	JPMORGAN CHASE & CO	42.93	41.78	1,717.09	1,671.22	45.87
06/04/2008	04/28/2010	8	JPMORGAN CHASE & CO	42.93	41.78	343.42	334.24	9.18
09/26/2008	04/28/2010	23	JPMORGAN CHASE & CO	42.93	40.50	987.33	931.50	55.83
03/19/2009	04/28/2010	100	QUALCOMM INC	38.23	37.82	3,823.04	3,782.31	40.73
03/31/2009	04/28/2010	100	QUALCOMM INC	38.23	39.14	3,823.04	3,913.60	-90.56
06/24/2008	04/29/2010	464	MERCK & CO. INC.	35.45	36.76	16,448.20	17,057.24	-609.04
07/09/2008	04/29/2010	61	MERCK & CO. INC.	35.45	37.38	2,162.37	2,280.30	-117.93
07/09/2008	04/29/2010	139	MERCK & CO. INC.	35.45	37.38	4,927.37	5,196.08	-268.71
09/04/2008	04/29/2010	61	MERCK & CO. INC.	35.45	34.56	2,162.37	2,108.00	54.37
01/02/2009	04/30/2010	93	GOLDMAN SACHS GROUP INC	145.85	83.52	13,563.86	7,766.94	5,796.92
03/17/2008	04/30/2010	50	MEDCO HEALTH SOLUTIONS INC	59.40	42.55	2,970.17	2,127.28	842.89
04/04/2008	04/30/2010	100	MEDCO HEALTH SOLUTIONS INC	59.40	43.05	5,940.34	4,305.48	1,634.86
01/02/2009	04/30/2010	45	WAL-MART STORES INC	53.92	56.80	2,426.43	2,555.89	-129.46
10/09/2008	05/03/2010	60	BAXTER INTERNATIONAL INC	47.50	60.96	2,849.88	3,657.62	-807.74
05/07/2004	05/03/2010	150	XL CAPITAL LTD -CLASS A	17.74	75.54	2,660.70	11,331.56	-8,670.86
09/16/2008	05/03/2010	200	XL CAPITAL LTD -CLASS A	17.74	16.55	3,547.60	3,309.30	238.30
04/20/2009	05/04/2010	200	INTEL CORP	22.88	15.26	4,576.50	3,051.88	1,524.62
09/26/2008	05/07/2010	35	JPMORGAN CHASE & CO	40.36	40.50	1,412.69	1,417.50	-4.81
09/26/2008	05/07/2010	2	JPMORGAN CHASE & CO	40.36	40.50	80.73	81.00	-0.27
09/26/2008	05/07/2010	60	JPMORGAN CHASE & CO	40.36	40.50	2,421.76	2,430.00	-8.24
09/26/2008	05/07/2010	25	JPMORGAN CHASE & CO	40.36	40.50	1,009.06	1,012.50	-3.44
09/26/2008	05/07/2010	61	JPMORGAN CHASE & CO	40.36	40.50	2,462.12	2,470.50	-8.38
09/26/2008	05/07/2010	72	JPMORGAN CHASE & CO	40.36	40.50	2,906.11	2,916.00	-9.89
04/03/2009	05/07/2010	8	JPMORGAN CHASE & CO	40.36	27.92	322.90	223.38	99.52
05/05/2009	05/12/2010	7	FREEMPORT-MCMORAN COPPER	72.46	49.31	507.21	345.16	162.05
04/22/2009	05/12/2010	425	UNUM GROUP	24.25	14.54	10,306.04	6,181.54	4,124.50
05/07/2008	05/13/2010	50	***DEUTSCHE BANK AG-REGISTERED	63.55	53.53	3,177.31	2,676.56	500.75
11/13/2008	05/13/2010	175	***NOKIA CORP-SPON ADR	10.77	12.93	1,885.31	2,263.05	-377.74
02/06/2009	05/13/2010	600	***NOKIA CORP-SPON ADR	10.77	13.38	6,463.92	8,030.16	-1,566.24
02/10/2009	05/13/2010	400	***NOKIA CORP-SPON ADR	10.77	12.74	4,309.28	5,097.60	-788.32
02/18/2009	05/13/2010	125	***NOKIA CORP-SPON ADR	10.77	10.76	1,346.65	1,344.78	1.87
06/18/2008	05/17/2010	700	MOTOROLA INC	6.79	8.67	4,753.83	6,070.68	-1,317.05
09/24/2008	05/17/2010	900	MOTOROLA INC	6.79	7.55	6,111.81	6,795.99	-684.18
04/30/2009	05/18/2010	140	INTEL CORP	21.58	15.79	3,021.05	2,210.33	810.72
04/30/2007	05/20/2010	200	MACY'S INC	20.79	44.45	4,157.26	8,890.72	-4,733.46
05/14/2007	05/20/2010	200	MACY'S INC	20.79	41.21	4,157.26	8,242.14	-4,084.88
06/04/2007	05/20/2010	275	MACY'S INC	20.79	40.33	5,716.23	11,090.20	-5,373.97
01/29/2009	05/24/2010	100	DEVON ENERGY CORPORATION	62.44	63.22	6,243.67	6,321.87	-78.20
02/12/2009	05/24/2010	50	DEVON ENERGY CORPORATION	62.44	51.11	3,121.84	2,555.71	566.13
02/08/2008	06/01/2010	22	APPLE INC	263.63	123.88	5,799.79	2,725.47	3,074.32
04/30/2009	06/08/2010	180	INTEL CORP	20.03	15.79	3,604.93	2,841.86	763.07
04/21/2006	06/09/2010	5	FRANKLIN RESOURCES INC	90.15	97.46	450.75	487.30	-36.55

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
11/09/2006	06/09/2010	35	FRANKLIN RESOURCES INC	90.15	107.87	3,155.26	3,775.31	-620.05
01/04/2007	06/09/2010	10	FRANKLIN RESOURCES INC	90.15	113.53	901.50	1,135.31	-233.81
12/18/2008	06/10/2010	250	LIMITED BRANDS INC	24.89	9.49	6,223.08	2,372.73	3,850.35
06/04/2007	06/14/2010	25	MACY'S INC	21.96	40.33	548.99	1,008.20	-459.21
07/25/2008	06/14/2010	300	MACY'S INC	21.96	18.47	6,587.85	5,541.93	1,045.92
05/07/2004	06/15/2010	1,843	BERNSTEIN INTERMEDIATE	13.56	13.05	25,000.00	24,059.74	940.26
		.658	DURATION PORTFOLIO					
05/21/2009	06/16/2010	200	US BANCORP	23.16	18.00	4,631.42	3,599.44	1,031.98
06/05/2009	06/18/2010	110	ILLINOIS TOOL WORKS	45.65	37.13	5,021.06	4,084.75	936.31
02/08/2008	06/23/2010	3	APPLE INC	270.88	123.89	812.65	371.66	440.99
03/27/2008	06/23/2010	13	APPLE INC	270.88	142.51	3,521.48	1,852.64	1,668.84
09/04/2008	06/24/2010	239	MERCK & CO. INC.	35.55	34.56	8,496.95	8,259.22	237.73
03/23/2008	06/24/2010	86	MERCK & CO. INC.	35.55	24.15	3,057.48	2,076.51	980.97
05/07/2004	06/28/2010	1,819	BERNSTEIN INTERMEDIATE	13.74	13.05	25,000.00	23,744.54	1,255.46
		.505	DURATION PORTFOLIO					
05/07/2004	06/29/2010	3,636	BERNSTEIN INTERMEDIATE	13.75	13.05	50,000.00	47,454.55	2,545.45
		.364	DURATION PORTFOLIO					
05/26/2009	07/08/2010	100	***ENSCO PLC- SPON ADR	40.28	35.75	4,028.20	3,574.55	453.65
06/08/2009	07/08/2010	325	***INGERSOLL-RAND PLC	34.15	22.71	11,099.58	7,379.25	3,720.31
04/30/2008	07/08/2010	255	INTEL CORP	20.03	15.79	5,108.90	4,025.97	1,082.93
07/30/2008	07/08/2010	175	MORGAN STANLEY	24.25	37.91	4,243.30	6,633.83	-2,390.53
02/19/2009	07/08/2010	175	***NOKIA CORP-SPON ADR	8.60	10.76	1,504.48	1,882.68	-378.20
02/27/2009	07/08/2010	300	***NOKIA CORP-SPON ADR	8.60	9.52	2,579.10	2,856.03	-276.93
02/12/2009	07/14/2010	25	DEVON ENERGY CORPORATION	63.30	51.11	1,582.44	1,277.86	304.58
03/27/2009	07/14/2010	75	DEVON ENERGY CORPORATION	63.30	45.47	4,747.32	3,410.59	1,336.73
08/23/2006	07/14/2010	6	GOOGLE INC-CL A	492.37	376.36	2,954.22	2,258.14	696.08
08/23/2006	07/15/2010	25	***ALCON INC	154.72	114.50	3,868.12	2,862.53	1,005.59
04/30/2009	07/15/2010	50	INTEL CORP	21.30	15.79	1,064.94	789.40	275.54
06/19/2009	07/15/2010	175	INTEL CORP	21.30	16.03	3,727.29	2,805.09	922.20
01/30/2007	07/15/2010	50	SCHLUMBERGER LTD	57.73	62.75	2,886.55	3,137.46	-250.91
05/13/2008	07/16/2010	20	COSTCO WHOLESALE CORP	55.11	73.59	1,102.17	1,471.71	-369.54
12/17/2008	07/16/2010	50	COSTCO WHOLESALE CORP	55.11	53.81	2,755.44	2,690.73	64.71
04/25/2007	07/16/2010	20	PEPSICO INC	62.49	66.91	1,249.73	1,338.25	-88.52
08/12/2008	07/16/2010	35	PEPSICO INC	62.49	69.22	2,187.04	2,422.68	-235.64
09/24/2008	07/16/2010	600	MOTOROLA INC	7.77	7.55	4,659.54	4,530.66	128.88
12/22/2008	07/23/2010	1,000	MOTOROLA INC	7.77	4.15	7,765.90	4,153.00	3,612.90
04/02/2007	07/26/2010	50	HEWLETT-PACKARD CO	46.22	40.29	2,311.07	2,014.86	296.41
04/25/2008	07/26/2010	45	HEWLETT-PACKARD CO	46.22	47.19	2,079.97	2,123.59	-43.62
11/23/2007	08/02/2010	75	CAMERON INTERNATIONAL CORP	40.90	46.70	3,067.25	3,502.56	-435.31
04/18/2008	08/02/2010	80	CAMERON INTERNATIONAL CORP	40.90	49.11	3,271.74	3,928.50	-656.76
01/04/2007	08/02/2010	30	FRANKLIN RESOURCES INC	103.82	113.53	3,114.52	3,405.93	-291.41
07/20/2004	08/04/2010	29	AOL INC	21.65	28.08	627.95	814.31	-186.36
09/21/2006	08/04/2010	8	AOL INC	21.65	27.93	173.23	223.47	-50.24
05/16/2008	08/04/2010	21	AOL INC	21.65	27.76	454.72	582.90	-128.18
09/04/2008	08/04/2010	9	AOL INC	21.65	27.30	194.88	245.70	-50.82
11/12/2008	08/04/2010	12	AOL INC	21.65	15.47	259.84	185.66	74.18
11/13/2008	08/04/2010	3	AOL INC	21.65	14.09	64.96	42.27	22.69
12/15/2008	08/04/2010	15	AOL INC	21.65	16.47	324.80	247.10	77.70
02/10/2009	08/04/2010	21	AOL INC	21.65	15.09	454.72	316.96	137.76

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
04/20/2009	08/04/2010	18	AOL INC	21.65	17.07	389.76	307.25	82.51
06/12/2006	08/09/2010	85	GILEAD SCIENCES INC	35.66	28.66	3,031.32	2,435.73	595.59
08/23/2006	08/09/2010	15	GILEAD SCIENCES INC	35.66	31.67	534.94	475.00	59.94
07/27/2009	08/11/2010	50	CIMAREX ENERGY CO	68.45	35.50	3,422.56	1,774.82	1,647.74
07/20/2009	08/12/2010	160	INTEL CORP	19.50	18.66	3,120.45	2,985.25	135.20
06/29/2009	08/18/2010	70	ILLINOIS TOOL WORKS	42.83	37.97	2,997.75	2,657.62	340.13
03/12/2009	08/20/2010	105	DANAHER CORP	36.28	26.30	3,808.88	2,761.13	1,047.75
12/17/2008	08/24/2010	55	COSTCO WHOLESALE CORP	54.60	53.81	3,002.88	2,959.80	43.08
08/23/2006	08/24/2010	60	GILEAD SCIENCES INC	32.25	31.67	1,935.04	1,899.98	35.06
05/07/2004	08/24/2010	1,773	BERNSTEIN INTERMEDIATE	14.10	13.05	25,000.00	23,138.30	1,861.70
		050	DURATION PORTFOLIO					
		340	INTEL CORP					
07/20/2009	08/27/2010	60	TARGET CORP	18.31	18.66	6,224.69	6,343.65	-118.96
05/13/2009	08/30/2010	60	TARGET CORP	51.11	40.52	3,066.50	2,431.03	635.47
05/06/2009	08/30/2010	30	VISA INC - CLASS A SHRS	70.11	66.91	2,103.38	2,007.21	96.17
09/16/2008	08/31/2010	9	GOLDMAN SACHS GROUP INC	137.20	130.10	1,234.80	1,170.86	63.94
06/25/2009	08/31/2010	40	GOLDMAN SACHS GROUP INC	137.20	143.21	5,487.99	5,728.42	-240.43
04/30/2009	09/02/2010	200	***TYCO ELECTRONICS LTD	25.41	18.57	5,081.98	3,713.36	1,368.62
05/18/2009	09/02/2010	300	***TYCO ELECTRONICS LTD	25.41	17.27	7,622.97	5,181.51	2,441.46
04/25/2008	09/03/2010	55	HEWLETT-PACKARD CO	40.24	47.19	2,213.18	2,595.49	-382.31
05/02/2008	09/03/2010	135	HEWLETT-PACKARD CO	40.24	48.04	5,432.34	6,485.10	-1,052.76
08/23/2006	09/09/2010	2	GOOGLE INC-CL A	479.47	376.35	958.94	752.71	206.23
01/03/2007	09/09/2010	3	GOOGLE INC-CL A	479.47	464.87	1,438.41	1,394.61	43.80
05/02/2008	09/15/2010	35	HEWLETT-PACKARD CO	39.81	48.04	1,393.49	1,681.32	-287.83
06/05/2008	09/15/2010	35	HEWLETT-PACKARD CO	39.81	48.04	1,393.48	1,681.44	-287.96
06/05/2008	09/17/2010	55	HEWLETT-PACKARD CO	39.47	48.04	2,170.92	2,642.27	-471.35
12/17/2008	09/22/2010	45	COSTCO WHOLESALE CORP	62.04	53.81	2,791.78	2,421.65	370.13
08/23/2006	09/22/2010	65	GILEAD SCIENCES INC	36.06	31.67	2,344.05	2,058.31	285.74
06/29/2009	09/22/2010	50	ILLINOIS TOOL WORKS	46.82	37.97	2,341.12	1,898.30	442.82
07/20/2009	09/30/2010	125	INTEL CORP	19.26	18.66	2,406.96	2,332.22	74.74
08/07/2009	09/30/2010	40	INTEL CORP	19.26	18.77	770.23	750.71	19.52
06/05/2008	10/01/2010	10	HEWLETT-PACKARD CO	40.56	48.04	405.63	480.41	-74.78
07/11/2008	10/01/2010	45	HEWLETT-PACKARD CO	40.56	41.42	1,825.34	1,864.00	-38.66
08/22/2009	10/01/2010	50	TARGET CORP	53.46	48.18	2,673.00	2,408.91	264.09
11/12/2008	10/01/2010	93	TIME WARNER INC	30.67	18.95	2,851.94	1,762.73	1,089.21
11/13/2008	10/01/2010	33	TIME WARNER INC	30.67	17.39	1,011.98	574.00	437.98
12/15/2008	10/01/2010	166	TIME WARNER INC	30.67	20.21	5,090.55	3,355.20	1,735.35
02/10/2009	10/01/2010	133	TIME WARNER INC	30.67	18.47	4,078.58	2,456.65	1,621.93
08/23/2006	10/04/2010	75	GILEAD SCIENCES INC	35.35	31.67	2,651.57	2,374.88	276.59
05/07/2004	10/05/2010	941	BERNSTEIN EMERGING MARKETS	32.18	25.39	30,000.00	23,906.98	6,093.02
		673	PORTFOLIO					
07/11/2008	10/06/2010	55	HEWLETT-PACKARD CO	40.71	41.42	2,239.03	2,278.23	-39.20
08/05/2009	10/07/2010	300	EMC CORP/MASS	19.56	15.15	5,868.63	4,544.88	1,323.75
08/05/2009	10/07/2010	40	FREEMPORT-MCMORAN COPPER	91.31	64.44	3,652.41	2,577.64	1,074.77
10/15/2008	10/08/2010	55	HEWLETT-PACKARD CO	41.10	39.94	2,260.65	2,196.95	63.70
09/22/2009	10/08/2010	30	TARGET CORP	54.20	48.18	1,625.95	1,445.35	180.60
08/10/2009	10/12/2010	600	SPRINT NEXTEL CORP	4.60	3.70	2,760.00	2,221.56	538.44
10/09/2009	10/12/2010	900	SPRINT NEXTEL CORP	4.60	3.61	4,140.00	3,248.19	891.81
08/05/2009	10/14/2010	30	FREEMPORT-MCMORAN COPPER	99.37	64.44	2,981.17	1,933.23	1,047.94
05/07/2004	10/18/2010	1,264	BERNSTEIN INTERNATIONAL	15.82	18.05	20,000.00	22,819.23	-2,819.23

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
03/27/2008	10/19/2010	223	PORTFOLIO					
06/29/2009	10/20/2010	16	APPLE INC	310.59	142.51	4,969.48	2,280.17	2,689.31
08/21/2009	10/20/2010	5	ILLINOIS TOOL WORKS	46.73	37.97	233.65	189.83	43.82
08/12/2008	10/20/2010	65	ILLINOIS TOOL WORKS	46.73	42.28	3,037.45	2,748.42	289.03
11/21/2008	10/20/2010	40	PEPSICO INC	65.26	69.22	2,610.32	2,768.77	-158.45
07/22/2009	10/22/2010	30	PEPSICO INC	65.26	50.10	1,957.74	1,502.86	454.88
11/21/2008	10/22/2010	18	***ALCON INC	167.34	120.01	3,012.17	2,160.22	851.95
05/18/2009	10/22/2010	50	PEPSICO INC	65.08	50.10	3,254.24	2,504.77	749.47
02/10/2009	10/25/2010	100	***TYCO ELECTRONICS LTD	31.36	17.27	3,135.56	1,727.17	1,408.39
04/20/2009	10/25/2010	50	TIME WARNER INC	31.73	18.47	3,173.15	1,847.11	1,326.04
02/10/2009	10/27/2010	80	COSTCO WHOLESALE CORP	62.77	44.45	5,021.91	3,556.12	1,465.79
01/03/2007	10/28/2010	4	GOOGLE INC-CL A	94.85	64.44	474.24	322.20	152.04
01/25/2008	10/28/2010	25	***TEVA PHARMACEUTICAL-SP ADR	615.79	464.87	2,463.15	1,859.48	603.67
03/05/2008	10/28/2010	50	***TEVA PHARMACEUTICAL-SP ADR	52.08	44.82	1,302.08	1,120.60	181.49
08/21/2009	11/03/2010	50	ILLINOIS TOOL WORKS	46.21	42.28	2,310.74	2,114.17	196.57
11/21/2008	11/08/2010	20	PEPSICO INC	65.09	50.10	1,301.74	1,001.91	299.83
03/12/2009	11/08/2010	50	PEPSICO INC	65.09	47.51	3,254.35	2,375.68	878.67
08/07/2009	11/08/2010	5	PEPSICO INC	65.09	57.95	325.44	289.73	35.71
07/20/2004	11/08/2010	83	TIME WARNER CABLE	61.96	50.58	5,142.65	4,197.76	944.89
09/21/2006	11/08/2010	20	TIME WARNER CABLE	61.96	57.60	1,239.18	1,152.00	87.19
05/16/2008	11/08/2010	58	TIME WARNER CABLE	61.96	51.81	3,593.66	3,004.84	588.82
09/04/2008	11/08/2010	25	TIME WARNER CABLE	61.96	50.66	1,548.99	1,266.58	282.41
11/12/2008	11/08/2010	15	TIME WARNER CABLE	61.96	29.00	929.39	435.02	494.37
11/12/2008	11/08/2010	18	TIME WARNER CABLE	61.96	29.00	1,115.27	522.03	593.24
11/13/2008	11/08/2010	7	TIME WARNER CABLE	61.96	27.24	433.72	190.68	243.04
07/22/2008	11/09/2010	7	***ALCON INC	164.49	120.01	1,151.42	840.09	311.33
07/29/2008	11/09/2010	25	***ALCON INC	164.49	128.72	4,112.22	3,218.06	894.16
03/27/2008	11/09/2010	30	APPLE INC	317.89	142.51	9,536.73	4,275.31	5,261.42
05/10/2006	11/09/2010	50	CBS CORP-CLASS B NON VOTING	16.42	26.60	820.79	1,329.91	-509.12
06/28/2006	11/09/2010	250	CBS CORP-CLASS B NON VOTING	16.42	26.51	4,103.92	6,627.08	-2,523.16
11/11/2008	11/09/2010	500	CBS CORP-CLASS B NON VOTING	16.42	7.65	8,207.85	3,824.55	4,383.30
03/12/2009	11/09/2010	5	DANAHER CORP	43.62	26.30	218.10	131.48	86.62
07/08/2009	11/09/2010	70	DANAHER CORP	43.62	28.97	3,053.35	2,027.63	1,025.72
08/05/2009	11/09/2010	125	EMC CORP/MASS	22.10	15.15	2,761.99	1,893.70	868.29
09/22/2009	11/09/2010	75	EMC CORP/MASS	22.10	17.15	1,657.19	1,286.30	370.89
01/03/2007	11/09/2010	6	GOOGLE INC-CL A	625.56	464.87	3,753.35	2,789.23	964.12
11/11/2008	11/09/2010	10	GENERAL MILLS INC	36.17	32.65	361.67	326.47	35.20
03/11/2009	11/09/2010	80	GENERAL MILLS INC	36.17	25.17	2,893.34	2,013.30	880.04
08/23/2006	11/09/2010	100	GILEAD SCIENCES INC	38.64	31.67	3,864.38	3,166.63	697.75
10/15/2008	11/09/2010	45	HEWLETT-PACKARD CO	44.19	39.94	1,988.38	1,797.50	190.88
08/21/2009	11/09/2010	50	ILLINOIS TOOL WORKS	48.34	42.28	2,417.22	2,114.17	303.05
08/21/2009	11/09/2010	25	ILLINOIS TOOL WORKS	48.34	42.28	1,208.61	1,057.09	151.52
09/22/2008	11/09/2010	70	KOHL'S CORP	52.32	48.72	3,662.41	3,410.19	252.22
01/16/2009	11/09/2010	200	NEWS CORP	14.29	7.85	2,858.82	1,570.46	1,288.36
01/30/2007	11/09/2010	50	SCHLUMBERGER LTD	74.95	62.75	3,747.55	3,137.45	610.10
05/07/2004	11/09/2010	536	BERNSTEIN EMERGING MARKETS	33.67	25.39	17,881.27	13,618.99	4,262.28
		.439	PORTFOLIO					

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Total Proceeds	Total Cost	Gain or Loss
12/10/2004	11/09/2010	143	BERNSTEIN EMERGING MARKETS .062 PORTFOLIO	33.67	32.46	4,768.73	4,643.80	124.93
05/07/2004	11/09/2010	2,162	BERNSTEIN INTERNATIONAL .162 PORTFOLIO	15.91	18.05	34,400.00	39,027.03	-4,627.03
08/07/2009	11/17/2010	35	PEPSICO INC	63.90	57.95	2,236.36	2,028.11	208.25
06/05/2009	11/19/2010	45	COSTCO WHOLESALE CORP	66.53	47.72	2,993.64	2,147.41	846.23
08/21/2009	11/19/2010	10	ILLINOIS TOOL WORKS	47.25	42.28	472.53	422.83	49.70
09/18/2009	11/19/2010	65	ILLINOIS TOOL WORKS	47.25	44.59	3,071.47	2,898.26	173.21
11/03/2009	11/19/2010	5	ILLINOIS TOOL WORKS	47.25	46.82	236.27	234.10	2.17
11/05/2009	11/19/2010	10	TARGET CORP	55.33	49.29	553.33	492.86	60.47
11/10/2009	11/19/2010	45	TARGET CORP	55.33	50.31	2,489.97	2,263.81	226.16
07/31/2009	11/23/2010	700	PULTE GROUP INC	6.31	11.32	4,417.56	7,924.21	-3,506.65
06/08/2009	11/24/2010	750	D R HORTON INC	10.11	9.54	7,585.28	7,155.75	429.53
11/17/2009	11/24/2010	525	FORD MOTOR CO	15.89	8.91	8,339.68	4,679.53	3,660.15
07/09/2009	11/29/2010	200	ALTRIA GROUP INC	24.30	16.35	4,860.68	3,270.56	1,590.12
07/20/2009	11/29/2010	200	ALTRIA GROUP INC	24.30	17.24	4,860.68	3,447.98	1,412.70
07/08/2009	11/30/2010	100	DANAHER CORP	43.03	28.97	4,303.25	2,896.61	1,406.64
09/18/2009	11/30/2010	10	DANAHER CORP	43.03	34.38	430.33	343.75	86.58
11/13/2008	12/02/2010	1	TIME WARNER CABLE	64.81	27.24	64.81	27.24	37.57
12/15/2008	12/02/2010	41	TIME WARNER CABLE	64.81	31.07	2,657.23	1,273.80	1,383.43
02/10/2009	12/02/2010	8	TIME WARNER CABLE	64.81	28.17	518.48	225.37	293.11
03/04/2008	12/07/2010	25	CELGENE CORP	57.17	56.32	1,429.34	1,407.94	21.40
03/19/2009	12/07/2010	70	CELGENE CORP	57.17	46.65	4,002.17	3,265.74	736.43
11/03/2009	12/07/2010	95	ILLINOIS TOOL WORKS	50.71	46.82	4,817.87	4,447.86	370.01
11/18/2009	12/07/2010	50	ILLINOIS TOOL WORKS	50.71	50.34	2,535.72	2,517.14	18.58
04/17/2008	12/09/2010	200	AT&T INC	28.73	37.70	5,746.20	7,540.16	-1,793.96
04/20/2009	12/09/2010	300	AT&T INC	28.73	25.67	8,619.30	7,702.35	916.95
06/15/2009	12/09/2010	100	AT&T INC	28.73	24.54	2,873.10	2,454.33	418.77
01/20/2009	12/09/2010	315	ARCHER-DANIELS-MIDLAND CO	30.28	25.63	9,537.44	8,073.01	1,464.43
01/30/2009	12/09/2010	200	ARCHER-DANIELS-MIDLAND CO	30.28	27.31	6,055.52	5,461.78	593.74
06/05/2009	12/09/2010	30	COSTCO WHOLESALE CORP	70.57	47.72	2,117.03	1,431.60	685.43
09/22/2008	12/13/2010	35	KOHL'S CORP	53.45	48.72	1,870.82	1,705.09	165.73
01/15/2009	12/13/2010	40	KOHL'S CORP	53.45	36.38	2,138.09	1,455.06	683.03
03/05/2008	12/13/2010	50	***TEVA PHARMACEUTICAL-SP ADR	53.43	49.31	2,671.71	2,465.58	206.13
05/13/2008	12/13/2010	25	***TEVA PHARMACEUTICAL-SP ADR	53.43	44.91	1,335.85	1,122.87	212.98
07/29/2009	12/20/2010	25	***ALCON INC	161.70	128.72	4,042.51	3,218.06	824.45
06/15/2009	12/22/2010	275	AT&T INC	29.02	24.54	7,980.69	6,749.41	1,231.28
08/26/2009	12/27/2010	150	CONOCOPHILLIPS	67.07	44.76	10,060.35	6,714.62	3,345.73
10/12/2009	12/27/2010	50	CONOCOPHILLIPS	67.07	51.72	3,353.45	2,585.88	767.57
09/16/2008	12/27/2010	200	***XL GROUP PLC	22.19	16.55	4,437.44	3,309.30	1,128.14
07/08/2009	12/27/2010	50	***XL GROUP PLC	22.19	11.04	1,109.36	552.04	557.32
07/29/2009	12/30/2010	17	***ALCON INC	163.53	128.72	2,780.08	2,188.28	591.80
08/07/2009	12/30/2010	15	PEPSICO INC	65.22	57.95	978.27	869.19	109.08

SUBTOTAL FOR LONG-TERM

1,306,110.26 1,251,318.36 54,791.90

TOTAL

2,596,664.43 2,485,574.53 111,089.90

Capital Gains Report

KATHLEEN B. AND CHARLES R. WALGREEN III FOUNDATION (Account: 888-13873)

January 1, 2010 through December 31, 2010

Open Date	Close Date	Quantity	Description	Sale Price	Unit Cost	Proceeds	Total Cost	Gain or Loss
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** ACCOUNT TOTALS **

CURRENT PERIOD - G/L 111,089.90

SHORT TERM
LONG TERM

56,298.00
54,791.90

Capital-Gains Distributions: If you own shares of the Sanford C. Bernstein Fund, Inc., you may have received an annual capital-gains distribution (different from the capital gains or losses on securities sold, which are listed in this report). Long-term capital-gains distributions are a separate item on the I.R.S. forms, and appear on the Summary-of-Key-Items report.

Zero-Cost Transactions: If you transferred securities to Bernstein for which the purchase price was unavailable, the total capital-gains figure that appears on this report needs to be adjusted. Any such transactions are segregated on the Capital-Gains report, with the cost entered as zero. You will need to update the report data with the correct purchase information.

This information should be reviewed by your tax advisor or accountant.

- 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. Only file the original (no copies needed).

Type or print File by the extended due date for filing your return. See instructions.	Name of exempt organization THE KATHLEEN B. AND CHARLES R. FOUNDATION	Employer identification number 36-3486435
	Number, street, and room or suite no. If a P.O. box, see instructions. C/O FRIEDMAN & HUEY ASSOCIATES, LLP	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. HOMEWOOD, IL 60430	

Enter the Return code for the return that this application is for (file a separate application for each return) **0 4**

Application Is For	Return Code	Application Is For	Return Code
Form 990 Internal Revenue Service	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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

- The books are in the care of **FRIEDMAN & HUEY ASSOCIATES LLP**
Telephone No. **708 799-6800** 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.
- 4 I request an additional 3-month extension of time until **11/15, 20 11**.
- 5 For calendar year **2010**, or other tax year beginning **20**, and ending **20**.
- 6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- 7 State in detail why you need the extension
INFORMATION FROM THIRD PARTIES NECESSARY TO COMPLETE THE RETURN HAS NOT YET BEEN RECEIVED.

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 \$	1,961.
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 \$	10,427.
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$	0.

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 **Thomas J. Buckler** Title **C.P.A.** Date **8/11/11**

Form 8868 (Rev. 1-2011)