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

Department of the Treasury
Internal Revenue Service

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

2010

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

William H Cowles Foundation

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

999 W Riverside Ave**626**

City or town, state, and ZIP code

Spokane, WA 99201

A Employer identification number

91-6020496

B Telephone number (see page 10 of the instructions)

509 459-5220

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 **J** Accounting method: Cash Accrual
 end of year (from Part II, col. (c), **line 16**) ► \$ **5,271,219** (Part I, column (d) must be on cash basis.)

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 ►

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)				
	2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	1	1		
	4 Dividends and interest from securities	114,649	114,649		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	9,556			
	b Gross sales price for all assets on line 6a	447,319			
	7 Capital gain net income (from Part IV, line 2)		9,556		
	8 Net short-term capital gain			10,356	
	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)	STMT 1	774	774	
	12 Total. Add lines 1 through 11		124,980	124,980	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	None	None		None
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)	STMT 2	29,381	29,381	
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	956	None		None
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	STMT 4	36	None	
	24 Total operating and administrative expenses.				
	Add lines 13 through 23		30,373	29,381	
	25 Contributions, gifts, grants paid		115,000		115,000
	26 Total expenses and disbursements. Add lines 24 and 25		145,373	29,381	115,000
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	(20,393)			
	b Net investment income (if negative, enter -0-)		95,599		
	c Adjusted net income (if negative, enter -0-)				

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P S

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	9,889	5,804	5,804
	2	Savings and temporary cash investments	107,778	86,193	86,193
	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			
	10a	Investments—U S and state government obligations (attach schedule) ^{STMT 5}	449,445	472,871	503,581
	b	Investments—corporate stock (attach schedule) ^{STMT 6}	1,466,841	1,458,596	2,052,245
	c	Investments—corporate bonds (attach schedule) ^{STMT 7}	352,208	343,284	359,723
	11	Investments—land, buildings, and equipment basis ►			
Liabilities		Less accumulated depreciation (attach schedule) ►			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) ^{STMT 8}	1,766,351	1,766,351	2,263,066
	14	Land, buildings, and equipment basis ►			
		Less accumulated depreciation (attach schedule) ►			
	15	Other assets (describe ►) ^{STMT 9}	1,585	607	607
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	4,154,097	4,133,706	5,271,219
	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 ►) ^{STMT 9}	0	0	
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/> 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 ► <input checked="" type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds	4,154,097	4,133,706	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	4,154,097	4,133,706	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	4,154,097	4,133,706	

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	4,154,097
2	Enter amount from Part I, line 27a	2	(20,393)
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	4,133,706
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	4,133,706

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 Publicly traded securities					
b Proceeds from class action settlements			n/a	various	n/a
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 441,459		437,763	3,696		
b 5,860		0	5,860		
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a			3,696		
b			5,860		
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	9,556	
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	0	4,093,423	0.000000000000
2008	0	4,696,861	0.000000000000
2007	0	5,342,203	0.000000000000
2006	0	4,721,015	0.000000000000
2005	398,915	4,589,359	0.08692172480

2 Total of line 1, column (d)	2	0.08692172480
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	0.01738434496
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	4,794,624
5 Multiply line 4 by line 3	5	83,351
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	956
7 Add lines 5 and 6	7	84,307
8 Enter qualifying distributions from Part XII, line 4	8	115,000

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18

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

1a Exempt operating foundations described in section 4940(d)(2), check here ► and enter "N/A" on line 1.
Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)

1b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► and enter 1% of Part I, line 27b

1c 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-)

3 Add lines 1 and 2

4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)

5 **Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-

6 Credits/Payments:

a 2010 estimated tax payments and 2009 overpayment credited to 2010 | 6a | 1,376

b Exempt foreign organizations—tax withheld at source | 6b |

c Tax paid with application for extension of time to file (Form 8868) | 6c |

d Backup withholding erroneously withheld | 6d |

7 Total credits and payments. Add lines 6a through 6d | 7 | 1,376

8 Enter any **penalty** for underpayment of estimated tax. Check here if Form 2220 is attached | 8 | 0

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 | 420

11 Enter the amount of line 10 to be **Credited to 2011 estimated tax** ► | 420 | **Refunded** ► | 11 |

1	956
2	0
3	956
4	0
5	956

Part VII-A Statements Regarding Activities

1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | 1a | Yes | ✓

1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? | 1b | ✓

If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.

1c Did the foundation file **Form 1120-POL** for this year? | 1c | ✓

d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:
(1) On the foundation. ► \$ **None** (2) On foundation managers. ► \$ **None**

e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ **None**

2 Has the foundation engaged in any activities that have not previously been reported to the IRS? | 2 | ✓
If "Yes," attach a detailed description of the activities.

3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes | 3 | ✓

4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? | 4a | ✓

b If "Yes," has it filed a tax return on **Form 990-T** for this year? | 4b | **N/A**

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? | 5 | ✓
If "Yes," attach the statement required by General Instruction T.

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either
• By language in the governing instrument, or
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | 6 | ✓

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 | 7 | ✓

8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► **Washington** | 8a |

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 | 8b | ✓

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 | 9 | ✓

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses | 10 | ✓

Part VII-A Statements Regarding Activities (continued)

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

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

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

		Yes	No	
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/> No
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ►	1b		✓
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		✓
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?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
	If "Yes," list the years ► 20____, 20____, 20____, 20____			
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		N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 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		N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		✓
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		✓

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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?				
	Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>				
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	N/A		<input type="checkbox"/> Yes	<input type="checkbox"/> No
	<i>If "Yes," attach the statement required by Regulations section 53.4945–5(d)</i>				
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?				
	<i>If "Yes" to 6b, file Form 8870</i>				
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes		<input checked="" type="checkbox"/> No	
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?				
				7b	N/A

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

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

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

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

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		

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		
Total. Add lines 1 through 3 ►		

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	4,702,968
b	Average of monthly cash balances	1b	164,671
c	Fair market value of all other assets (see page 25 of the instructions)	1c	None
d	Total (add lines 1a, b, and c)	1d	4,867,639
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	None
2	Acquisition indebtedness applicable to line 1 assets	2	None
3	Subtract line 2 from line 1d	3	4,867,639
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	73,015
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,794,624
6	Minimum investment return. Enter 5% of line 5	6	239,731

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	239,731
2a	Tax on investment income for 2010 from Part VI, line 5	2a	956
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	None
c	Add lines 2a and 2b	2c	956
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	238,775
4	Recoveries of amounts treated as qualifying distributions	4	None
5	Add lines 3 and 4	5	238,775
6	Deduction from distributable amount (see page 25 of the instructions)	6	None
7	Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	238,775

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	115,000
b	Program-related investments—total from Part IX-B	1b	None
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	None
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	None
b	Cash distribution test (attach the required schedule)	3b	None
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	115,000
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	956
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	114,044

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				238,775
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				113,568
b Total for prior years. 20 20	None			
3 Excess distributions carryover, if any, to 2010:				
a From 2005	None			
b From 2006	None			
c From 2007	None			
d From 2008	None			
e From 2009	None			
f Total of lines 3a through e	None			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 115,000				
a Applied to 2009, but not more than line 2a				113,568
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		None		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	None			
d Applied to 2010 distributable amount				1,432
e Remaining amount distributed out of corpus	None			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	None			None
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5	None			
b Prior years' undistributed income Subtract line 4b from line 2b	None			
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed	None			
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions	None			
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions	None			
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011	None			237,343
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	None			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	None			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	None			
10 Analysis of line 9:				
a Excess from 2006	None			
b Excess from 2007	None			
c Excess from 2008	None			
d Excess from 2009	None			
e Excess from 2010	None			

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

N/A

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling				►
b	Check box to indicate whether the foundation is a private operating foundation described in section				<input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				
b	85% of line 2a				
c	Qualifying distributions from Part XII, line 4 for each year listed				
d	Amounts included in line 2c not used directly for active conduct of exempt activities				
e	Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c				
3	Complete 3a, b, or c for the alternative test relied upon:				
a	"Assets" alternative test—enter:				
	(1) Value of all assets				
	(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b	"Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c	"Support" alternative test—enter:				
	(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
	(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)				
	(3) Largest amount of support from an exempt organization				
	(4) Gross investment income				
	Tax year	Prior 3 years			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	

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

1 Information Regarding Foundation Managers:

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

N/A

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

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

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

- a The name, address, and telephone number of the person to whom applications should be addressed.
- b The form in which applications should be submitted and information and materials they should include.
- c Any submission deadlines
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<i>a Paid during the year</i>				
YMCA/YWCA Central Capital Campaign PO Box 208 Spokane, WA 99210-0208	None	509(a)(1)	Capital projects	115,000
Total				► 3a 115,000
<i>b Approved for future payment</i>				
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
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	1
4	Dividends and interest from securities			14	114,649
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	9,556
9	Net income or (loss) from special events				
10	Gross profit or (loss) from sales of inventory				
11	Other revenue. a Other income			14	774
b					
c					
d					
e					
12	Subtotal. Add columns (b), (d), and (e)				124,980
13	Total. Add line 12, columns (b), (d), and (e)			13	124,980

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

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

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

	Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1) Cash	1a(1)	✓
(2) Other assets	1a(2)	✓
b Other transactions.		
(1) Sales of assets to a noncharitable exempt organization	1b(1)	✓
(2) Purchases of assets from a noncharitable exempt organization	1b(2)	✓
(3) Rental of facilities, equipment, or other assets	1b(3)	✓
(4) Reimbursement arrangements	1b(4)	✓
(5) Loans or loan guarantees	1b(5)	✓
(6) Performance of services or membership or fundraising solicitations	1b(6)	✓
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	✓
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

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

b If "Yes," complete the following schedule.

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

Sign
Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Signature of officer or trustee

11/14/11

Secretary

✓ Title

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Stephen J. A.		10/13/2011		P00736510
	Firm's name ► Clark Nuber, P.S.	Firm's EIN ► 91-1194016			
Firm's address ► 10900 NE 4th, Suite 1700 Bellevue, WA 98004	Phone no 425 454-4919				

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #1 - PART I LINE 11 - Other income**

	<u>Column (a)</u>	<u>Column (b)</u>
Inflation-indexed revaluation adjustments	\$774	\$774
	<u>\$774</u>	<u>\$774</u>

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

	<u>Column (a)</u>	<u>Column (b)</u>
Investment management fees	\$25,331	\$25,331
tax review fees	4,050	4,050
	<u>\$29,381</u>	<u>\$29,381</u>

STATEMENT #3 - PART I LINE 18 - Taxes

	<u>Column (a)</u>	<u>Column (b)</u>
Federal excise tax	\$956	\$0

STATEMENT #4 - PART I LINE 23 - Other expenses

	<u>Column (a)</u>	<u>Column (b)</u>
State filing fees	\$35	\$0
Miscellaneous	1	0
	<u>\$36</u>	<u>\$0</u>

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations**

Government obligations: Part II Line 10a	Beginning of year	End of Year	
	Book Value	Book Value	Fair Market Value
U.S. Treasury Bonds			
6.250% due 8/15/23	\$34,869	\$34,869	\$37,706
Inflation-Indexed Treasury Securities			
3.875% due 4/15/29	9,470	9,578	12,490
U.S. Treasury Bonds			
4.375% due 02/15/38		9,752	10,106
Inflation-Indexed Treasury Securities			
2.000% due 1/15/14	35,396	35,821	39,392
U.S. Treasury Notes			
4.625% Due 02/15/17	33,842	19,338	22,517
Inflation-Indexed Treasury Securities			
1.625% Due 01/15/18	20,188	20,430	22,342
U.S. Treasury Bonds			
3.125% due 05/15/19		20,600	20,211
U.S. Treasury Notes			
1.000% due 10/31/11		15,057	15,088
Federal Home Loan Mortgage Corp. Gold			
5.000% due 10/01/39	30,893	28,362	28,911
Freddie Mac Gold, Pool A91947			
5.000% due 04/01/40		23,400	23,748
Federal Farm Credit Bank			
4.875% due 01/17/17	24,687	24,687	28,008
Freddie Mac			
5.000% due 07/15/14	36,705	20,974	22,417
Fannie Mae			
3.750% due 03/27/19	29,881	14,922	15,527
Fannie Mae			
2.750% due 02/05/14	34,972	34,972	36,574
Fannie Mae Pool #745878			
5.500% due 10/1/36		19,161	19,484
Fannie Mae Mortgage Backed Securities			
5.000% due 07/01/38	20,135	14,534	15,467
Fannie Mae Mortgage Backed Securities			
4.500% due 05/01/38	25,763	23,462	25,204
Fannie Mae Mortgage Backed Securities			
4.500% due 08/01/38	11,953	8,729	9,247
Fannie Mae Mortgage Backed Securities			
5.000% due 07/01/23	12,149	9,931	10,681

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations (cont)**

	Beginning		End of Year	
	of year		Fair	
	Book	Value	Book	Market
Fannie Mae Pool #AC1921 4.000% due 09/01/39			9,629	9,519
Fannie Mae Pool #AD3808 4.500% due 04/01/40			18,051	18,402
Fannie Mae Pool #4.500% due 05/01/40 4.500% due 05/01/40			22,996	23,167
Federal Home Loan Bank Bond 3.625% due 07/01/11	34,950			
Federal Home Loan Bank Bond 3.625% due 10/18/13	33,616		33,616	37,373
Federal Home Loan Bank Bond 1.625% due 01/21/11	19,976			
Total U.S. and State Government Obligations	<u>\$449,445</u>		<u>\$472,871</u>	<u>\$503,581</u>

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock**

Corporate Stocks: Part II Line 10b	Beginning of year		End of Year	
			Fair	
	Book Value	Book Value	Market Value	
AFLAC, Inc.	\$945	\$676	\$4,740	
The AES Corporation	1,110	1,110	1,340	
AK Steel Holding Corp	628	628	278	
AT&T Inc.	34,206	33,061	31,260	
Abbott Laboratories	2,693	2,372	13,367	
Abercrombie & Fitch	1,086	1,086	807	
Adobe Systems Incorporated	2,079	2,079	2,863	
Advanced Micro Devices, Inc.	1,573	1,573	638	
Aetna, Inc.	1,455	1,455	2,532	
Affiliated Computer Services, Inc.	1,112			
Agilent Technologies, Inc.	2,160	2,160	2,569	
Air Products & Chemicals, Inc.	1,848	1,848	3,365	
Airgas, Inc.	691	691	937	
Akamai Technologies Inc.	1,375	1,976	1,835	
Alcoa, Inc.	5,078	5,078	2,601	
Allegheny Energy, Inc.	750	750	776	
Allegheny Technologies	262	768	1,159	
Allergan, Inc	2,644	2,644	4,189	
The Allstate Corporation	4,637	4,637	3,252	
Altera Corporation	1,327	1,327	2,099	
Altria Group, Inc.	5,342	5,342	9,626	
Amazon.com, Inc.	3,213	3,967	11,700	
Ameren Corporation	1,501	1,501	1,269	
American Electric Power Company, Inc.	3,013	2,588	3,094	
American Express Company	9,744	7,974	8,069	
American International Group	25,377	25,377	1,152	
American Tower Corp A	2,744	3,333	4,080	
AmeriSourceBergen Corporation	721	721	1,842	
Ameriprise Financial	1,403	1,403	2,475	
Amgen Inc	7,838	7,414	9,937	
Amphenol Corp A	915	915	1,689	
Anadarko Petroleum Corporation	2,630	2,630	6,778	
Analog Devices, Inc.	2,442	2,442	1,921	
Aon Corporation	1,257	1,257	2,347	
Apache Corporation	2,818	2,818	7,511	
Apartment Investment and Management	491			
Apollo Group, Inc.	1,563	1,563	829	
Apple Computer, Inc.	5,716	5,369	53,222	

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	Beginning of year	End of Year	
	Book Value	Book Value	Fair Market Value
Applied Materials, Inc	4,844	5,241	3,555
Archer-Daniels- Midland Company	1,999	1,999	3,580
Assurant, Inc.	837	837	578
Autodesk, Inc.	463	463	1,375
Automatic Data Processing, Inc.	3,722	3,722	4,535
AutoNation, Inc.	345	345	592
AutoZone, Inc	924	924	1,908
Avalonbay Communities, Inc.	1,860		
Avery Dennison Corporation	1,120	1,120	762
Avon Products, Inc.	2,121	2,574	2,383
BB&T Corporation	3,751	4,382	3,391
BJ Services Company	1,018		
BMC Software, Inc.	679	679	1,603
Baker Hughes Incorporated	1,932	2,910	4,288
Ball Corporation	663	663	953
Bank of America Corporation	49,369	45,997	24,265
The Bank of New York Mellon Corporation	4,503	4,503	6,644
Bard (C.R.), Inc.	800	800	1,560
Baxter International Inc.	3,715	3,262	5,467
Becton Dickinson and Company	1,847	1,847	3,465
Bed Bath & Beyond, Inc.	1,999	1,999	2,408
Bemis Company, Inc.	379	379	457
Berkshire Hathaway Inc. Class B		21,112	25,155
Best Buy Company, Inc.	2,184	2,184	2,229
Big Lots, Inc.	85	572	579
Biogen Idec, Inc.	2,447	1,760	2,749
Black & Decker Corporation	667		
Block (H&R), Inc	1,565	1,565	643
Boeing Company	5,779	5,779	8,875
Boston Properties Inc.	1,740		
Boston Scientific Corporation	6,697	4,532	1,847
Bristol-Myers Squibb Company	8,407	8,407	8,315
Broadcom Corporation	2,117	2,117	3,484
Brown-Forman Corporation	473	985	1,532
Burlington Northern Santa Fe Corp.	1,755		
CBS Corp. Class B	3,728	3,728	2,095
CB Richard Ellis Group, Inc	979	1,434	1,167
CF Industries	698	1,324	1,892
C.H. Robinson Worldwide, Inc.	1,364	1,364	2,245

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2010

EIN: 91-6020496

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

	Beginning		Fair	
	of year			
	Book	Value		
	Value	Value	Market	
CIGNA Corporation	1,075	1,075	1,906	
CME Group Inc.	5,414	5,739	3,861	
CMS Energy Corporation	519	519	744	
CSX Corporation	1,106	1,106	4,523	
CVS Caremark Corporation	5,119	5,119	9,040	
CA, Inc.	1,761	1,761	1,637	
Cablevision Systems Corp.		1,473	1,455	
Cabot Oil & Gas Corp	600	600	606	
Cameron International	1,547	2,018	2,435	
Campbell Soup Company	870	870	1,147	
Capital One Financial	5,294	5,294	3,405	
Cardinal Health, Inc.	3,061	3,061	2,528	
Carefusion Corporation	1,068	617	797	
Carmax		1,189	1,722	
Carnival Corporation, Inc.	3,303	3,303	3,597	
Caterpillar Inc.	4,610	4,610	11,052	
Celegene Corporation	4,303	4,785	5,027	
CenterPoint Energy, Inc.	473	991	1,273	
CenturyTel, Inc.	1,434	1,434	2,309	
Cephalon Inc	820	820	679	
Cerner Corp		1,179	1,326	
Cheasapeake Energy Corporation	3,616	3,616	2,798	
Chevron Corporation	16,864	16,456	33,397	
Chubb Corporation	2,288	2,288	3,817	
Cincinnati Financial Corporation	1,099	1,099	887	
Cisco Systems, Inc.	9,151	8,573	21,059	
Cintas Corporation	502	502	727	
Citigroup Inc.	22,858	29,825	24,577	
Citrix Systems, Inc.	753	753	2,326	
Cliffs Natural Resources, Inc.	1,056	1,056	1,872	
The Clorox Company	1,455	1,455	1,835	
Coach, Inc.	1,757	1,757	3,540	
Coca-Cola Company	5,823	5,339	27,623	
Coca Cola Enterprises Inc.	1,421			
Coca Cola Enterprises Inc.		1,387	1,727	
Cognizant Technology Solutions Corp.	1,770	2,433	4,178	
Colgate-Palmolive Company	4,978	4,978	7,555	
Comcast Corporation	11,778	11,778	11,578	
Comerica Incorporated	1,600	1,600	1,183	

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	Beginning		Fair	
	of year			
	Book	Book		
	Value	Value	Market	
Computer Sciences Corporation	1,385	1,385	1,538	
Compuware Corporation	330	330	490	
ConAgra Foods, Inc.	2,132	2,132	1,852	
ConocoPhillips	9,525	9,525	18,864	
Consolidated Energy	1,336	1,913	2,096	
Consolidated Edison, Inc.	2,191	2,191	2,677	
Constellation Brands A	1,013	1,013	753	
Constellation Energy Group	1,130	1,556	1,225	
Corning Incorporated	4,262	4,262	5,815	
Costco Wholesale Corporation	3,104	3,104	5,849	
Coventry Health Care, Inc.	1,584	1,584	739	
Cummins, Inc.	355	1,059	4,180	
D.R. Horton, Inc.	1,744	1,744	549	
DTE Energy Company	1,095	1,095	1,269	
Danaher Corporation	2,348	2,348	4,528	
Darden Restaurants, Inc.	481	481	1,115	
Davita Inc.	885	885	1,320	
Dean Foods Co.	898	898	186	
Deere & Company	1,288	1,288	6,893	
Dell Inc.	7,730	7,730	4,512	
Denbury Resources Inc	527	1,148	1,374	
Dentsply International Inc	972	972	1,128	
Devon Energy Corporation	2,732	2,732	6,438	
DeVry Inc.	506	506	432	
Diamond Offshore Drilling	638	638	736	
The Walt Disney Company	7,558	7,558	13,241	
Discover Financial Services	568	568	1,575	
Discovery Communications Inc A		1,569	2,127	
Directv	4,673	3,790	5,830	
Dominion Resources, Inc.	3,596	3,596	4,785	
Donnelley (R.R.) & Sons Company	526	526	699	
Dover Corp.	1,363	1,363	1,929	
Dow Chemical Company	7,446	7,446	7,340	
Dr. Pepper Snapple Group Inc	992	992	1,547	
DuPont Company	6,799	6,799	8,330	
Duke Energy Corporation	3,030	3,030	4,221	
Dun and Bradstreet Corp	1,123	1,123	1,149	
EMC Corporation	5,429	5,429	8,381	
EOG Resources, Inc.	1,525	1,525	4,296	

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2010

EIN: 91-6020496

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

	Beginning of year		End of Year	
	Book Value	Book Value	Fair Market Value	
			Market Value	Market Value
EQT Corporation	722	722		1,166
E*TRADE Financial Corporation	1,260			
E*TRADE Financial Corporation		1,194		352
Eastman Chemical Company	479	479		1,009
Eastman Kodak Company	1,309			
Eaton Corporation	1,459	1,984		3,248
eBay, Inc.	6,303	6,303		5,816
Ecolab Inc.	1,379	1,379		2,017
Edison International	1,168	1,168		2,046
El Paso Corporation	861	1,309		1,913
Electronic Arts, Inc	2,854	2,854		1,228
Emerson Electric Co.	3,603	3,603		8,118
EnSCO International Plc	754			
Entergy Corp.	1,812			
Equifax Inc.	545	545		748
Equity Residential Properties Trust	1,340			
Exelon Corporation	4,139	4,139		4,872
Expedia Inc.	1,114	1,114		828
Expeditors International of Washington, Inc.	1,743	1,743		1,911
Express Scripts, Inc.	1,425	1,425		5,405
Exxon Mobil Corporation	4,781	5,512		66,978
FLIR Systems	512	512		773
FMC Corp	568	568		799
FMC Technologies Inc	1,008	1,008		2,134
FPL Group, Inc.	2,545			
Family Dollar Stores, Inc.	763	763		1,094
Fastenal Company	1,043	1,043		1,677
Federated Investors, Inc.	495	495		419
FedEx Corporation	1,971	1,971		5,674
F5 Networks, Inc.		2,043		1,952
Fidelity National Information Services	1,211	1,211		1,397
Fifth Third Bancorp	3,694	3,694		2,334
First Horizon National Corporation	732	690		695
First Solar Inc	1,328	1,328		1,171
Fiserv, Inc.	1,155	1,155		1,815
FirstEnergy Corporation	2,029	2,029		1,999
Fluor Corporation	958	958		2,452
Flowserve Corp	507	507		1,073
Ford Motor Company	5,683	7,154		11,098

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	Beginning of year		End of Year	
	Book Value	Book Value	Fair Market Value	
			Market Value	Fair Value
Forest Laboratories, Inc.	3,715	3,715	1,599	
Fortune Brands, Inc.	1,581	1,581	1,446	
Franklin Resources, Inc.	1,697	1,697	3,225	
Freeport-McMoRan Copper & Gold Inc.	4,025	4,650	10,688	
Frontier Communications Corp.	601	1,716	1,693	
Gamestop Corp A	1,227	1,227	595	
Gannett Co., Inc.	3,088	3,088	543	
The Gap, Inc.	1,489	1,489	1,771	
General Dynamics Corporation	3,548	3,223	4,896	
General Electric Company	7,200	6,404	35,190	
General Mills Incorporated	2,763	2,763	4,271	
Genuine Parts Company	924	924	1,438	
Genworth Financial Inc. - Class A	2,063	2,670	1,288	
Genzyme Corporation	3,186	2,695	3,418	
Gilead Sciences, Inc.	3,561	2,378	5,146	
The Goldman Sachs Group, Inc.	9,893	9,893	15,807	
Goodrich Corporation	553	1,069	2,202	
Goodyear Tire & Rubber Co.	711	711	747	
Google Inc.	19,465	20,493	27,323	
Grainger (W.W.), Inc	979	979	1,934	
HCP	1,690			
Halliburton Company	2,644	2,644	6,819	
Harley-Davidson, Inc.	2,092	2,092	1,421	
Harman International Industries, Inc.	1,078	1,078	463	
Harris Corporation	983	983	1,268	
The Hartford Financial Services	3,618	3,618	2,066	
Hasbro, Inc.	515	515	1,227	
Health Care REIT, Inc.	500			
Heinz (H.J.) Company	2,016	2,016	2,819	
Helmerich & Payne, Inc.		775	921	
The Hershey Company	1,020	1,020	1,273	
Hess Corporation	2,285	2,285	4,286	
Hewlett-Packard Company	1,531	335	16,966	
Home Depot, Inc.	8,117	8,117	10,904	
Honeywell International, Inc.	4,774	5,187	7,496	
Hormel Foods	277	277	461	
Hospira, Inc.	56	441	1,782	
Host Hotels & Resort	2,219			
Hudson City Bancorp, Inc.	1,177	1,177	1,134	

William H. Cowles Foundation, Inc.

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Year Ending December 31, 2010

EIN: 91-6020496

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

	Beginning of year		End of Year	
			Fair	
	Book Value	Book Value	Market Value	
Humana Inc.	559	1,024	1,861	
Huntington Bancshares, Inc.	807	1,569	1,044	
IMS Health Incorporated	876			
ITT Industries, Inc.	1,122	1,122	1,563	
Illinois Tool Works Inc.	2,835	3,780	5,073	
Intel Corporation	6,509	6,509	21,366	
Integrys Energy Group, Inc.	616	616	728	
Intercontinental Exchange, Inc.	2,057	2,057	1,668	
International Business Machines	3,890	2,127	33,315	
International Flavors & Fragrances	514	514	778	
International Game Technology	2,099	2,099	991	
International Paper Company	3,339	3,339	2,152	
Interpublic Group of Companies, Inc.	1,092	1,092	701	
Intuit, Inc.	1,640	1,640	3,254	
Intuitive Surgical Inc	1,100	1,100	2,062	
Iron Mountain Inc	495	495	725	
Invesco Ltd.	1,830			
JDS Uniphase Corp.	1,109	1,109	391	
Morgan (J.P.) Chase & Company	28,158	27,806	30,542	
Jabil Circuit, Inc.	886	886	603	
Jacobs Engineering Group	1,937	1,937	917	
Janus Capital Group, Inc	606	606	467	
Johnson & Johnson	10,011	9,362	30,739	
Johnson Controls, Inc.	2,304	2,304	4,508	
Juniper Networks Inc.	1,496	1,496	3,212	
KLA-Tencor Corporation	1,821	1,821	1,236	
Kellogg Company	1,704	1,704	2,299	
KeyCorp	2,550	2,550	1,248	
Kimberly-Clark Corporation	4,180	4,180	4,539	
Kimco Realty Corp.	1,262			
King Pharmaceuticals,	569	569	478	
Kohl's Corporation	2,812	2,812	2,934	
Kraft Foods	6,275	7,148	9,957	
Kroger Co.	2,586	2,586	2,996	
LSI Logic Corporation	1,153	1,153	695	
L-3 Communications Holdings, Inc.	1,961	1,575	1,480	
Laboratory Corporation of America Holdings	890	890	1,583	
The Estee Lauder Companies, Inc.	733	733	1,614	
Leggett & Platt, Inc.	742	742	683	

William H. Cowles Foundation, Inc.

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Year Ending December 31, 2010

EIN: 91-6020496

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

	Beginning of year		End of Year	
	Book Value	Book Value	Fair Market Value	
Legg Mason Inc.	2,386	2,841	1,233	
Lennar Corporation Class A	1,364	1,364	412	
Leucadia National Corp.	1,360	1,360	788	
Lexmark International, Inc.	491	229	487	
Life Technologies Corporation	1,156	1,156	2,053	
Lilly (Eli) and Company	11,588	11,588	6,623	
Limited Brands, Inc.	875	875	1,475	
Lincoln National Corporation	2,286	2,286	1,307	
Linear Technology Corp.	2,003	2,003	1,729	
Lockheed Martin Corporation	2,819	2,819	4,055	
Loews Corporation	1,184	1,184	2,568	
Lorillard Inc	2,279	2,279	2,790	
Lowe's Companies, Inc.	7,259	6,187	6,069	
M&T Bank Corporation	1,065	1,502	1,480	
MEMC Electronic Materials, Inc.	2,065	2,065	372	
Macy's Retail Holdings Inc.	2,138	2,138	1,948	
Marathon Oil Corporation	2,666	2,263	4,777	
Marsh & McLennan Companies, Inc.	4,133	4,133	2,406	
Marshall & Ilsley Corporation	1,289	1,885	775	
Marriott International, Inc.	1,101	1,101	2,077	
Masco Corporation	1,628	1,628	772	
Massey Energy Corp	175	175	912	
MasterCard Incorporated	4,047	4,047	4,034	
Mattel, Inc.	1,250	1,250	1,678	
Mcaffe Inc	1,287	1,287	1,760	
McCormick & Company, Inc.	654	654	1,024	
McDonald's Corporation	1,941	1,506	15,045	
McGraw-Hill Companies, Inc.	2,213	2,213	2,148	
McKesson Corporation	1,412	1,412	3,378	
Mead Johnson Nutrition Co.	1,578	1,578	2,366	
MeadWestvaco Corporation	864	864	837	
Medco Health Solutions, Inc.	90	90	5,269	
Medtronic, Inc.	7,346	7,027	7,418	
Merck & Company, Inc.	4,305	4,305	20,363	
Meredith Corporation	461	461	520	
MetLife, Inc.	5,024	5,759	7,510	
MetroPCS Communications, Inc	508	508	505	
Microsoft Corporation	42,196	40,014	37,706	
Microchip Technology Corporation	1,090	1,090	1,197	

William H. Cowles Foundation, Inc.

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Year Ending December 31, 2010

EIN: 91-6020496

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

	Beginning of year		End of Year	
			Fair	
	Book Value	Book Value	Market Value	
Micron Technology, Inc.	1,552	2,108	1,235	
Millipore Corporation	527			
Molex Incorporated	1,005	1,005	659	
Molson Coors Brewing Company	1,195	1,195	1,757	
Monsanto Company	2,462	2,462	7,034	
Monster Worldwide, Inc.	444	444	425	
Moody's Corporation	1,215	1,215	1,009	
Morgan Stanley	4,974	4,974	6,721	
Motorola, Inc.	5,776	6,343	4,145	
Murphy Oil Corp.	1,926	1,926	2,833	
Mylan Labs Inc.	1,008	1,467	1,310	
NRG Energy Inc		1,063	840	
NYSE Euronext	3,799	3,799	1,289	
Nabors Industries, Ltd.	1,057			
Perry Corp	467	467	593	
National Oilwell Varco, Inc.	2,588	2,588	5,582	
National Semiconductor	1,079	1,079	771	
NetApp Inc.	1,288	1,288	3,188	
Netflix, Inc.		1,482	1,406	
New York Times Company	1,119			
Newell Rubbermaid, Inc.	664	375	909	
Newfield Exploration Company		1,752	1,731	
Newmont Mining Corporation	3,772	3,772	5,529	
News Corporation	7,420	7,420	6,275	
NextEra Energy, Inc		2,545	3,743	
Nicor, Inc.	419	419	499	
NIKE, Inc.	2,641	2,641	6,065	
NiSource, Inc.	862	862	722	
Noble Energy, Inc.	2,182	2,557	2,841	
Nordstrom, Inc.	610	610	1,314	
Norfolk Southern Corporation	1,426	1,426	4,020	
Northeast Utilities	507	507	765	
Northern Trust Corporation	2,064	2,064	2,327	
Northrop Grumman Corporation	3,106	2,761	3,692	
Novell, Inc.	536	536	770	
Novellus Systems, Inc.	748	748	711	
Nucor Corporation	733	733	2,279	
NVIDIA Corporation	556	1,065	1,694	
Occidental Petroleum Corporation	3,975	3,975	14,617	

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	Beginning		Fair	
	of year			
	Book	Value		
	Value	Book	Market	
Office Depot, Inc.	767			
Omnicom Group Inc.	2,558	2,558	2,840	
ONEOK, Inc.		871	1,054	
Oracle Corporation	10,630	10,630	22,567	
O'Reilly Automotive Inc	1,066	1,066	1,752	
Owens-Illinois, Inc.	448	448	1,197	
PG&E Corporation	2,140	2,140	3,492	
PNC Financial Services Group Inc.	7,623	8,181	5,708	
PPG Industries, Inc.	1,633	1,633	2,354	
PP&L Corporation	1,417	2,340	2,527	
PACCAR, Inc.	1,503	1,503	3,670	
Pactiv Corporation	304			
Pall Corporation	494	494	942	
Parker-Hannifin Corporation	1,102	1,102	2,589	
Patterson Companies	712	712	551	
Paychex, Inc.	2,332	1,842	1,793	
Peabody Energy Corp.	1,847	2,283	3,327	
Penney (J.C.) Company, Inc.	970	970	1,195	
People's United Financial	981	981	757	
Pepco Holdings, Inc.	694	694	511	
Pepsi Bottling Group, Inc.	451			
PepsiCo, Inc.	13,709	14,020	19,142	
PerkinElmer, Inc.	310	310	387	
Pfizer, Inc.	46,243	45,255	25,582	
Philip Morris International	10,438	9,598	19,315	
Pinnacle West Capital Corporation	548	548	580	
Pioneer Natural Resources Company	1,074	1,074	1,650	
Pitney Bowes Inc.	1,541	1,541	1,161	
Plum Creek Timber Co. Inc.	873			
Polo Ralph Lauren Corporation	833	1,403	1,775	
Praxair, Inc.	1,875	1,875	5,060	
Precision Castparts	2,894	3,507	3,759	
T Rowe Price Group, Inc.	1,554	1,250	2,969	
Priceline.com Incorporated	1,376	1,376	3,196	
Principal Financial Group, Inc.	1,867	1,867	2,344	
Procter & Gamble Company	20,324	19,014	32,873	
Progress Energy, Inc.	2,501	2,053	2,174	
The Progressive Corporation	2,370	2,370	2,643	
ProLogis	1,905			

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	Beginning of year		End of Year	
	Book Value		Fair Market Value	
			Book Value	Market Value
Prudential Financial, Inc.	3,363		3,915	5,049
Public Service Enterprise Group,	2,319		2,319	3,022
Public Storage Inc.	1,588			
Pulte Homes, Inc.	1,727		1,727	436
QLogic Corporation	585		585	443
QEP Resources, Inc.			821	1,017
QUALCOMM Incorporated	9,477		9,477	15,045
Quanta Services, Inc.	603		603	518
Quest Diagnostics, Inc.	1,282		1,282	1,565
Questar Corporation	1,218			
Qwest Communications International Inc.	1,347		1,347	2,458
RadioShack Corporation	816		816	462
Range Resources Corp.	1,774		1,774	1,349
Raytheon Company	2,263		2,263	3,429
Red Hat Inc.	1,060		1,060	1,689
Regions Financial Corporation	4,106		4,106	1,344
Republic Services, Inc.	1,076		1,076	1,523
Reynolds American Inc.	709		1,191	2,153
Robert Half International, Inc.	637		637	826
Rockwell Automation, Inc.	977		977	2,151
Rockwell Collins, Inc.	915		915	1,631
Roper Industries Inc	901		901	1,299
Ross Stores, Inc.	858		858	1,265
Rowan Companies, Inc.	345		345	524
Ryder System, Inc.	368		368	526
SAIC Inc.	1,056		1,056	888
SLM Corporation	1,553		1,553	1,309
Safeway Inc.	1,610		1,610	1,597
St. Jude Medical, Inc.	2,086		2,086	2,479
Salesforce.com Inc	749		749	3,036
Sandisk Corporation	1,534		1,534	2,742
Sara Lee Corporation	2,031		2,031	1,961
Scana Corp	713		713	1,015
Schlumberger N.V.	4,462		5,218	20,291
Schwab (Charles) Corporation	2,095		2,095	2,840
Scripps Networks Interactive, Inc.	540		540	621
Sealed Air Corporation	647		647	662
Sears Holding Corp.	2,001		1,385	664
Sempra Energy	1,660		1,660	2,519

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2010

EIN: 91-6020496

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

	Beginning		Fair	
	of year			
	Book	Value		
	Value	Value	Market	
The Sherwin-Williams Company	505	505	1,256	
Sigma-Aldrich Corporation	644	644	1,464	
Simon Property Group, Inc.	3,192			
Smith International, Inc.	1,940			
Smucker (J.M.) Company	1,014	1,014	1,707	
Snap-on Incorporated	511	511	1,018	
The Southern Company	4,277	4,277	5,505	
Southwest Airlines Co.	1,552	2,152	1,895	
Southwestern Energy	2,109	2,109	2,545	
Spectra Energy	2,374	2,374	3,249	
Sprint Nextel Corporation	8,614	8,614	2,513	
Stanley Black & Decker, Inc.		1,136	1,939	
The Stanley Works	493			
Staples, Inc.	2,352	2,352	2,892	
Starbucks Corporation	2,279	2,279	4,434	
Starwood Hotels & Resorts	837	837	2,067	
State Street Corporation	4,257	4,257	3,893	
Stericycle Inc	852	852	1,295	
Stryker Corporation	1,912	3,366	3,813	
Sun Microsystems, Inc.	2,780			
Sunoco, Inc.	666	666	967	
SunTrust Banks, Inc.	4,162	2,714	2,597	
SuperValue, Inc.	899	899	299	
Symantec Corporation	3,596	3,596	2,745	
SYSCO Corporation	649	649	3,234	
TECO Energy, Inc.	401	401	498	
TJX Companies, Inc.	1,955	1,955	3,596	
Target Corporation	5,339	5,339	8,358	
Tellabs, Inc.	598	598	414	
Tenet Healthcare Corporation	883	883	475	
Teradata Corporation	513	513	1,358	
Teradyne, Inc.		330	421	
Tesoro Petroleum Corporation	1,167	1,167	408	
Texas Instruments Incorporated	6,796	6,796	7,052	
Textron Inc.	987	1,429	1,324	
Thermo Electron Corporation	2,489	2,489	4,429	
3M Company	7,497	7,497	10,960	
Tiffany & Company	833	833	1,308	
Time Warner, Inc	7,729	7,210	6,756	

William H. Cowles Foundation, Inc.

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Year Ending December 31, 2010

EIN: 91-6020496

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

	Beginning of year		End of Year	
			Fair Market Value	
	Book Value	Book Value		
Time Warner Cable, Inc.	3,232	3,232	4,622	
Titanium Metals Corp.	85	85	326	
Torchmark Corp.	664	664	836	
Total System Services	719	719	369	
The Travelers Companies, Inc.	4,352	3,557	4,735	
Tyson Foods, Inc.	865	865	827	
U.S. Bancorp	9,440	9,440	9,466	
Union Pacific Corporation	3,367	3,367	9,081	
United Parcel Service, Inc.	13,134	12,275	12,847	
United States Steel Corporation	612	1,205	1,694	
United Technologies Corporation	8,488	8,120	13,304	
UnitedHealth Group, Inc.	6,622	6,622	7,980	
UnumProvident Corp.	721	1,193	1,599	
URBAN OUTFITTERS INC.		835	967	
VF Corporation	722	723	1,465	
Valero Energy	1,894	1,894	2,173	
Varian Medical Systems, Inc.	970	970	1,386	
Ventas Inc	529			
Verisign Inc.	978	978	1,339	
Verizon Communications Inc.	18,388	16,597	18,391	
Viacom Inc. Class B	5,731	5,731	4,397	
Visa Inc.	7,297	8,346	6,827	
Vornado Realty Trust	2,206			
Vulcan Materials Company	1,281	1,281	1,198	
Wal-Mart Stores, Inc.	2,819	1,242	19,415	
Walgreen Company	6,016	6,016	7,013	
The Washington Post Company Class B	483	483	439	
Waste Management, Inc.	2,366	2,366	3,134	
Waters Corporation	720	720	1,476	
Watson Pharmaceuticals,	614	614	1,033	
Wellpoint, Inc.	6,266	6,266	4,833	
Wells Fargo & Company	41,022	35,252	29,100	
Western Digital Corp.	1,272	1,272	1,322	
Western Union Corp.	2,193	2,193	2,284	
Weyerhaeuser Company	193			
Whirlpool Corporation	943	943	1,066	
Whole Foods Market, Inc	1,697	2,182	1,720	
Williams Companies, Inc.	1,221	1,221	2,694	
Windstream Corp.	545	931	1,338	

William H. Cowles Foundation, Inc.

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Year Ending December 31, 2010

EIN: 91-6020496

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

	Beginning of year		End of Year	
	Book Value		Fair Market Value	
			Book Value	Fair Market Value
Wisconsin Energy Corporation	1,012		1,012	1,413
Wyndham Worldwide Corp.	1,306		1,306	809
Wynn Resorts	314		314	1,869
XTO Energy Inc.	3,043			
Xcel Energy, Inc.	1,804		1,457	1,955
Xilinx, Inc.	2,344		2,344	1,623
XL Capital, Ltd.	605			
Xerox Corporation	2,165		3,034	2,892
Yahoo! Inc.	4,955		4,958	4,291
Yum! Brands, Inc.	1,530		1,530	4,414
Zimmer Holdings, Inc.	3,213		3,213	2,255
Zions Bancorporation	823		1,325	775
Total Common Stock	\$1,466,841		\$1,458,596	\$2,052,245

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds**

Corporate bonds: Part II Line 10c	Beginning		End of Year
	of year		
	Book	Value	
AT&T Inc.			Fair
Senior Notes			
2.5% due 08/15/15		4,985	4,983
AT&T Wireless			
8.125% due 05/01/12	7,685		
Abbott Laboratories			
5.6% due 11/30/17	5,448		
ACE INA Holdings, Inc.			
5.7% due 02/15/17	6,526	6,526	7,675
Aetna Inc.			
5.75% due 06/16/11	3,133		
Allied Waste North America			
Call 6/2/12 @ 103.44			
6.875% due 06/01/17	3,930	3,930	4,400
American Express Company			
7.25% due 05/20/14	2,995		
American Tower Corp.			
Senior Unsecured Debt			
5.05% due 09/01/20		4,994	4,917
Anheuser-Busch In Bev			
Notes			
5.375% due 01/15/20		3,348	3,251
Autozone Inc.			
Senior Unsecured Debt			
5.75% due 01/15/15	3,211	3,211	3,301
Avon Products Inc.			
Senior Unsecured Debt			
5.625% due 03/01/14	4,339		
BB&T Corporation			
5.7% due 04/30/14	2,964	2,964	3,301
BHP Billiton Financial USA Ltd			
6.5% due 04/01/19	3,233		
Bank of America Corporation			
Subordinated Notes			
7.4000% due 01/15/11	5,318	5,318	5,008
Bank of America Corporation			
Medium Term Notes Series L			
3.1250% due 06/15/12	20,523	20,523	20,714

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2010

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

	Beginning of year	End of Year	
	Book Value	Book Value	Fair Market Value
Bank of New York Mellon			
Medium Term Notes Series G			
7.25% due 02/01/18	3,079	3,079	3,211
Bear Stearns Companies LLC			
7.25% due 02/01/18	3,119	3,119	3,555
Bio-Rad Labs			
4.875% due 12/15/20		4,937	4,855
Boston Scientific Corporation			
6.25% due 11/15/15	5,106	5,106	5,304
Bottling Group LLC			
6.95% due 03/15/14	7,990	7,990	8,112
Brown-Forman Corporation			
Notes			
2.5% due 01/15/16		4,968	4,952
Burlington Northern Santa Fe			
Senior Unsecured			
5.65% due 05/01/17	3,052	3,052	3,344
CVS Caremark Corp.			
6.6% due 03/15/19	3,195		
Capital One Financial Co.			
7.375% due 05/23/14	3,062		
Caterpiller Financial Services			
Senior Unsecured Notes			
7.15% due 02/15/19	4,055	4,055	4,919
Cisco Systems Inc.			
Notes			
5.5000% due 02/22/16	3,999	3,999	4,565
Citigroup Inc.			
6.5% due 08/19/13	6,423	6,423	7,686
Comcast Corporation Notes			
5.15% due 03/01/20		4,995	5,252
ConocoPhillips			
5.75% due 01/02/19	7,106	7,106	7,977
Costco Companies			
Senior Unsecured			
5.5% due 03/15/17	5,023	5,023	5,697
Covidien Int'l Finance SA			
4.2% due 06/15/20		5,004	4,999

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	Beginning	End of Year	
	of year	Book	Fair
	Value	Value	Market
Credit Suisse New York			
6% due 02/15/18	4,942		
Credit Suisse AG			
5.4% due 01/14/20		5,004	5,088
John Deere Capital Corporation			
Notes			
5.25% due 10/01/12	5,230	5,230	5,378
DIRECTV Holdings			
Senior Unsecured Debt			
3.125% due 02/15/16		3,989	3,947
Discover Financial Services			
Sr. Unsecured Debt			
6.45% due 06/12/17		4,903	5,206
The Dow Chemical Co			
Senior Unsecured Debt			
8.55% due 05/15/19	3,037	3,037	3,760
E.I DuPont DeNemours			
4.75% due 03/15/15	4,057		
Entergy Gulf States Louisiana			
First Mortgage Bonds			
3.95% due 10/01/20		3,033	2,870
FPL Group Capital Inc.			
5.35% due 06/15/13	3,184		
Flextronics Intl Ltd			
6.5% due 05/15/13	5,005		
Florida Power Corp.			
First Mortgage Bonds			
6.35% due 09/15/37	4,467		
General Electric Capital Corp. Notes			
Medium Term, Series A			
6.875% due 01/10/39	6,081		
General Electric Capital Corp. Notes			
4.375% due 09/16/20		7,946	7,873
Goldman Sachs Group Inc.			
Senior Notes			
6% due 06/15/20		5,353	5,403
Goldman Sachs Group Inc.			
5.65% due 01/15/17	3,712		

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	Beginning of year		End of Year	
	Book Value		Fair Market Value	
			Book Value	Market Value
Goldman Sachs Group Inc.				
3.25% due 06/15/12	25,747			
Honeywell International				
5.625% due 08/01/12	8,444	8,444	8,589	
Ingersoll-Rand Global Holding Co.				
9.5% due 04/15/14	3,251	3,251	3,614	
JPMorgan Chase & Co.				
5.375% due 10/01/12	3,160	3,160	3,219	
Jefferies Group Inc				
Senior Unsecured Debt				
6.875% due 04/15/21		4,950	5,196	
Johnson Controls Inc.				
Senior Unsecured Debt				
5.5% due 01/15/16		4,537	4,374	
JPMorgan Chase & Co.				
3.125% due 12/01/11	25,670	25,670	25,622	
Kinder Morgan Energy Partners				
5.85% due 09/15/12	5,096			
Kraft Foods, Inc.				
Senior Unsecured Debt				
6.5% due 08/11/17		5,701	5,820	
L-3 Communications Corp.				
Call 6/28/10 @ 102.94				
5.875% due 01/15/15		4,944	5,094	
Marsh & McLennan Cos Inc.				
Senior Unsecured Debt				
9.25% due 04/15/19	3,752			
McDonald's Corp.				
5% due 02/01/19	7,120	4,069	4,374	
Merrill Lynch & Co.				
Medium Term Notes, Series C				
6.4% due 08/28/17	3,434	3,434	4,229	
Metlife Inc.				
callable 12/15/31 @ 100				
6.4% due 12/15/36	4,313	4,313	5,640	
Morgan Stanley				
5.3% due 03/01/13	6,806	6,806	7,459	
News America Holdings				
8% due 10/17/16	4,146	4,146	4,920	

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	Beginning of year		End of Year	
	Book Value		Fair	
			Book Value	Market Value
Northern States Power-Minnesota				
8% due 08/28/12	7,876		7,876	7,779
Oracle Corp.				
5.75% due 04/15/18	3,201			
Oracle Corp.				
Senior Unsecured Debt				
6.5% due 04/15/38		4,700		4,662
PNC Funding Corp.				
4.25% due 09/21/15		5,123		5,248
PNC Funding Corporation				
5.125% due 12/14/10	6,995			
Petrobras International Finance Company				
7.875% due 03/15/19	3,228		3,228	3,547
Pfizer Inc.				
5.35% due 03/15/15	6,486		6,486	6,745
The Procter & Gamble Co				
4.7% due 02/15/19	5,105		5,105	5,412
Southern Power Company Series B				
4.875% due 07/15/15	5,133		5,112	5,409
Speedway Motorsports Inc.				
call 6/1/13 @104 38				
8.75% due 06/01/16		5,300		5,388
Telecom Italia Capital				
6.175% due 06/18/14	4,100		4,100	4,254
Telefonica Emisiones SAU				
5.877% due 07/15/19		5,558		5,109
Teva Pharma FIN II/III				
3% due 06/15/15		5,010		5,087
Time Warner Cable Inc.				
6.2% due 07/01/13	3,123			
United Parcel Service				
Senior Unsecured				
5.5% due 01/15/18	3,184		3,184	3,408
United Technologies Corporation				
5.375% due 12/15/17	7,184		7,184	7,916
Unum Group				
Senior Notes				
7.125% due 09/30/16	5,120		5,120	5,616

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	Beginning of year	End of Year		
		Fair		
		Book Value	Book Value	Market Value
Waste Management Inc.				
6.375% due 03/11/15		3,084		
Waste Management Inc.				
4.75% due 06/30/20			4,969	5,127
Weatherford International Ltd.				
5.15% due 03/15/13		2,980		
Wells Fargo & Company				
3.75% due 10/01/14		4,992	4,992	5,219
Wells Fargo & Company				
Senior Notes				
3.625% due 4/15/15			999	1,037
Willis North America Inc.				
7% due 09/29/19		4,059	4,059	4,169
Wisconsin Power & Light				
Senior Unsecured Debt				
5% due 07/15/19		2,982	2,982	3,237
XTO Energy Inc.				
6.25% due 4/15/13		3,172		
Xerox Corporation				
Senior Unsecured Debt				
6.4% due 3/15/16			5,622	5,701
Xerox Corporation				
Senior Unsecured Debt				
4.25% due 02/15/15		5,033		
Total Corporate Bonds		\$352,208	\$343,284	\$359,723

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2010****EIN: 91-6020496****STATEMENT #8 - PART II LINE 13 - Investments - other**

Other investments: Part II Line 13	Beginning of year		End of Year	
			Fair	
	Book Value	Book Value	Market Value	
Artio International Equity Fund II	\$391,569	\$391,569	\$492,011	
GMO International Intrinsic Value Fund	581,667	581,667	482,932	
iShares Russell 2000 Index Fund	743,135	743,135	1,221,092	
SPDR Barclays Capital High Yield Bond ETF	49,980	49,980	67,031	
Total Investments-other	\$1,766,351	\$1,766,351	\$2,263,066	

STATEMENT #9 - PART II LINE 15 - Other assets

	Beginning of Year	End of Year
	Book Value	Book Value
Interest receivable	\$209	\$187
Federal excise tax refundable	1,376	420
	\$1,585	\$607