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For calendar year 2013 or tax year beginning

, 2013, and ending

, 20

Name of foundation  William H Cowles Foundation Number and street (or P O box number if mail is not delivered to street address) 999 W Riverside Ave City or town, state or province, country, and ZIP or foreign postal code Spokane, WA 99201		A Employer identification number 91-6020496	
		B Telephone number (see instructions) 509-459-5221	
<b>G</b> Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		C If exemption application is pending, check here ► <input type="checkbox"/>	
<b>H</b> Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		<b>D</b> 1. Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/> <b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/> <b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>	
<b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 5,854,598 (Part I, column (d) must be on cash basis.)		<b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	
<b>Part I</b> 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 instructions))		(a) Revenue and expenses per books	(b) Net investment income
<b>Revenue</b> <b>1</b> Contributions, gifts, grants, etc., received (attach schedule) <b>2</b> Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B <b>3</b> Interest on savings and temporary cash investments <b>4</b> Dividends and interest from securities . . . <b>5a</b> Gross rents . . . <b>b</b> Net rental income or (loss) <b>6a</b> Net gain or (loss) from sale of assets not on line 10 <b>b</b> Gross sales price for all assets on line 6a 1,044,490 <b>7</b> Capital gain net income (from Part IV, line 2) . . <b>8</b> Net short-term capital gain . . . <b>9</b> Income modifications . . . <b>10a</b> Gross sales less returns and allowances . . <b>b</b> Less: Cost of goods sold . . <b>c</b> Gross profit or (loss) (attach schedule) . . <b>11</b> Other income (attach schedule) . . . STMT 1 <b>12</b> Total. Add lines 1 through 11 . . . 		127,116	127,024
		255,175	255,175
		425	425
		382,716	382,624
			none
<b>Operating and Administrative Expenses</b> <b>13</b> Compensation of officers, directors, trustees, etc. <b>14</b> Other employee salaries and wages . . . <b>15</b> Pension plans, employee benefits . . . <b>16a</b> Legal fees (attach schedule) . . . <b>b</b> Accounting fees (attach schedule) . . . <b>c</b> Other professional fees (attach schedule) STMT 2 <b>17</b> Interest . . . <b>18</b> Taxes (attach schedule) (see instructions) STMT 3 <b>19</b> Depreciation (attach schedule) and depletion . . <b>20</b> Occupancy . . . <b>21</b> Travel, conferences, and meetings . . . <b>22</b> Printing and publications . . . <b>23</b> Other expenses (attach schedule) . . . STMT 4 <b>24</b> Total operating and administrative expenses. Add lines 13 through 23 . . . <b>25</b> Contributions, gifts, grants paid . . . <b>26</b> Total expenses and disbursements. Add lines 24 and 25 . . .		32,241	32,220
		3,458	53
		9,853	9,818
		45,552	42,091
		253,000	253,000
		298,552	42,091
<b>27</b> Subtract line 26 from line 12: <b>a</b> Excess of revenue over expenses and disbursements <b>b</b> Net investment income (if negative, enter -0-) <b>c</b> Adjusted net income (if negative, enter -0-)		84,164	340,533

<b>Part II</b> <b>Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)	<b>Beginning of year</b>	<b>End of year</b>	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1	Cash—non-interest-bearing	7,034	8,949	8,949
	2	Savings and temporary cash investments	815,060	503,925	503,925
	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 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)	513,965	494,846	495,889
	b	Investments—corporate stock (attach schedule)	1,268,967	1,008,858	2,187,570
	c	Investments—corporate bonds (attach schedule)	314,656	349,478	350,592
	11	Investments—land, buildings, and equipment: basis ►			
		Less: accumulated depreciation (attach schedule) ►			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	1,289,504	1,924,672	2,307,524
	14	Land, buildings, and equipment: basis ►			
		Less: accumulated depreciation (attach schedule) ►			
	15	Other assets (describe ►	122	149	149
	16	<b>Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item I)	4,209,308	4,290,877	5,854,598
<b>Liabilities</b>	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 ►	3,262	667	
	23	<b>Total liabilities</b> (add lines 17 through 22)			
<b>Net Assets or Fund Balances</b>	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	4,206,046	4,290,210	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	<b>Total net assets or fund balances</b> (see instructions)	4,206,046	4,290,210	
	31	<b>Total liabilities and net assets/fund balances</b> (see instructions)	4,209,308	4,290,877	

**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	4,206,046
2	Enter amount from Part I, line 27a	2	84,164
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	4,290,210
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	4,290,210

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

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)			(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a</b> Publicly traded securities					
<b>b</b> Wash sale adjustment			n/a	various	n/a
<b>c</b> Proceeds from class action settlements			n/a	various	n/a
<b>d</b> Portfolio Advisers Private Equity Fund LP realized investment gains			P	various	n/a
<b>e</b>					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale		(h) Gain or (loss) (e) plus (f) minus (g)	
<b>a</b> 1,000,940			789,315		211,625
<b>b</b> 23,943			0		23,943
<b>c</b> 110			0		110
<b>d</b> 19,497			0		19,497
<b>e</b>					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(f) F.M.V. as of 12/31/69	(g) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (g), if any			
<b>a</b>					211,625
<b>b</b>					23,943
<b>c</b>					110
<b>d</b>					19,497
<b>e</b>					
<b>2</b> Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2		255,175
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see 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?  
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part. Yes  No**1** Enter the appropriate amount in each column for each year; see 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))
2012	255,742	5,186,890	0.04930546050
2011	238,476	5,232,236	0.04557821933
2010	114,044	4,794,624	0.02378580677
2009	0	4,093,423	0.00000000000
2008	0	4,696,861	0.00000000000

<b>2</b> Total of line 1, column (d)	2	0.1186694866
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	.02373389732
<b>4</b> Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	5,643,572
<b>5</b> Multiply line 4 by line 3	5	133,944
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	6	3,405
<b>7</b> Add lines 5 and 6	7	137,349
<b>8</b> Enter qualifying distributions from Part XII, line 4	8	253,000

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.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)	1	3,405
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	3,405
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	3,405
6	Credits/Payments:		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	2,738
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	1,500
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	4,238
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	833
11	Enter the amount of line 10 to be: Credited to 2014 estimated tax ► 833 Refunded ►	11	0

**Part VII-A Statements Regarding Activities**

1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	Yes	No
	<i>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.</i>		
1c	Did the foundation file Form 1120-POL for this year?	Yes	No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ <u>none</u> (2) On foundation managers. ► \$ <u>none</u>		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ <u>none</u>		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	Yes	No
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? <i>If "Yes," attach a conformed copy of the changes.</i>	Yes	No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	Yes	No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	Yes	No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	Yes	No
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?	Yes	No
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	Yes	No
8a	Enter the states to which the foundation reports or with which it is registered (see Instructions) ► <u>Washington</u>	Yes	No
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? <i>If "No," attach explanation</i>	Yes	No
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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	Yes	No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	Yes	No

**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 instructions)	11	✓
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	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 #605 Spokane, WA	Telephone no. ► 509 459-5221 ZIP+4 ► 99201	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here, and enter the amount of tax-exempt interest received or accrued during the year	15	► □
16	At any time during calendar year 2013, 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 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 ✓

**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 checked="" type="checkbox"/> Yes	<input 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 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 2013?	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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? If "Yes," list the years ► 20 __, 20 __, 20 __, 20 __	2a	
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 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 __	2c	
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	3a	
b	If "Yes," did it have excess business holdings in 2013 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 2013.)	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 2013?	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 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 instructions)? . . . . .					
Organizations relying on a current notice regarding disaster assistance check here ►						
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . .	N/A		<input type="checkbox"/> Yes	<input type="checkbox"/> 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? . . . . .			<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? . . . . .					
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? . . . . .			<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? . . . . .					
<b>Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors</b>						
<b>1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).</b>						
(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	0	0	0	
E.A. Cowles	same	Vice Pres/Trustee	0	0	0	
S.R. Rector	Same	Secretary	0	0	0	
<b>2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."</b>						
(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						
<b>Total number of other employees paid over \$50,000 . . . . . ►</b>						

**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 instructions). If none, enter "NONE."

**(a) Name and address of each person paid more than \$50,000**

**(b) Type of service**

#### **fc1 Compensation**

None

**Total number of others receiving over \$50,000 for professional services**

## Part IX-A Summary of Direct Charitable Activities

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

### Expenses

---

1

~~NA~~

2

1

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

### Account

---

1

None

2

All other program-related investments. See instructions.

3

**Total. Add lines 1 through 3**

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see 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	4,703,418
b	Average of monthly cash balances	1b	309,214
c	Fair market value of all other assets (see instructions)	1c	716,883
d	<b>Total</b> (add lines 1a, b, and c)	1d	5,729,515
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	5,729,515
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	85,943
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,643,572
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	282,179

**Part XI Distributable Amount** (see 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	282,179
2a	Tax on investment income for 2013 from Part VI, line 5	2a	3,405
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	none
c	Add lines 2a and 2b	2c	3,405
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	285,584
4	Recoveries of amounts treated as qualifying distributions	4	none
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see instructions)	6	285,584
7	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	285,584

**Part XII Qualifying Distributions** (see 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	253,000
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	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	253,000
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 instructions)	5	3,405
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	249,595

**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 instructions)

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7 . . . . .				285,584
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only . . . . .			252,518	
b Total for prior years: 20 ____,20 ____,20 ____		0		
3 Excess distributions carryover, if any, to 2013:				
a From 2008 . . . . .	0			
b From 2009 . . . . .	0			
c From 2010 . . . . .	0			
d From 2011 . . . . .	0			
e From 2012 . . . . .	0			
f Total of lines 3a through e . . . . .	0			
4 Qualifying distributions for 2013 from Part XII, line 4: ► \$ 253,000				
a Applied to 2012, but not more than line 2a . . . . .			252,518	
b Applied to undistributed income of prior years (Election required—see instructions) . . . . .		0		
c Treated as distributions out of corpus (Election required—see instructions) . . . . .	0			
d Applied to 2013 distributable amount . . . . .				482
e Remaining amount distributed out of corpus . . . . .	0			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)		0		0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	0			
b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		0		
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 . . . . .			0	
d Subtract line 6c from line 6b. Taxable amount—see instructions . . . . .			0	
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount—see instructions . . . . .				
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014 . . . . .				285,102
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .				
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions) . . . . .		0		
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a . . . . .		0		
10 Analysis of line 9:				
a Excess from 2009 . . . . .	0			
b Excess from 2010 . . . . .	0			
c Excess from 2011 . . . . .	0			
d Excess from 2012 . . . . .	0			
e Excess from 2013 . . . . .	0			

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

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling ►				N/A
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 1/3 of minimum investment return shown in Part X, line 6 for each year listed				
c	"Support" alternative test—enter:				
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)				
(3)	Largest amount of support from an exempt organization				
(4)	Gross investment income				

**Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see 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 instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail address 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
<b>Name and address (home or business)</b>				
<b>a Paid during the year</b>				
Inland Northwest Council 411 W Boy Scout Way Spokane WA 99201	None	PC:509a1	Capital Projects	192,000
Inland NW Community Foundation 618 W Riverside Ave Ste 302 Spokane WA 99201	None	PC:509a1	Charitable giving	61,000
<b>Total</b>				► 3a 253,000
<b>b Approved for future payment</b>				
<b>Total</b>				► 3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

**12 Subtotal.** Add columns (b), (d), and (e) . . . .  
**13 Total.** Add line 12, columns (b), (d), and (e) . . . .  
(See worksheet in line 13 instructions 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** 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) is based on all information of which preparer has any knowledge

**Sign Here** correct, and complete Declaration of prep  
►   
Signature of officer or trustee

11.14.14

**Secretary**

---

**Title**

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

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>STEPHEN J. DAY</b>	Preparer's signature <b>STEPHEN J. DAY</b>	Date <b>11/13/14</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00736510</b>
	Firm's name ► Clark Nuber, P.S.			Firm's EIN ► <b>91-1194016</b>	
	Firm's address ► 10900 NE 4th, Suite 1700 Bellevue, WA 98004			Phone no <b>425 454-4919</b>	

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #1 - PART I LINE 11 - Other income**

	<u>Column (a)</u>	<u>Column (b)</u>
Inflation-indexed revaluation adjustments	\$419	\$419
Other income	6	6
	<u><b>\$425</b></u>	<u><b>\$425</b></u>

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

	<u>Column (a)</u>	<u>Column (b)</u>
Investment management fees	\$28,191	\$28,170
Tax review fees	4,050	4,050
	<u><b>\$32,241</b></u>	<u><b>\$32,220</b></u>

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

	<u>Column (a)</u>	<u>Column (b)</u>
Federal excise tax	\$3,405	\$0
Foreign income tax	53	53
	<u><b>\$3,458</b></u>	<u><b>\$53</b></u>

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

	<u>Column (a)</u>	<u>Column (b)</u>
Bank custody fee	\$1,368	\$1,368
Portfolio fees	8,450	8,450
State filing fee	35	0
	<u><b>\$9,853</b></u>	<u><b>\$9,818</b></u>

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations**

<b>Government obligations: Part II Line 10a</b>	<b>Beginning of year</b>	<b>End of Year</b>	
	<b>Book Value</b>	<b>Book Value</b>	<b>Fair Market Value</b>
<b>U.S. Treasury Bonds</b>			
6.250% due 8/15/23	\$28,748	\$6,600	\$7,707
<b>Inflation-Indexed Treasury Securities</b>			
3.875% due 4/15/29	10,115	10,211	13,630
<b>U.S. Treasury Bonds</b>			
4.375% due 02/15/38	34,507	0	0
<b>U.S. Treasury Bonds</b>			
2.75% due 11/15/42	0	24,372	23,719
<b>Inflation-Indexed Treasury Securities</b>			
2.000% due 1/15/14	11,653	0	0
<b>Inflation-Indexed Treasury Securities</b>			
1.625% Due 01/15/18	21,587	21,849	24,233
<b>U.S. Treasury Bonds</b>			
3.125% due 05/15/19	36,462	0	0
<b>U.S. Treasury Bonds</b>			
2.125% due 08/15/21	26,461	26,461	24,219
<b>U.S. Treasury Notes</b>			
.875% due 12/31/16	0	25,175	25,055
<b>Freddie Mac, Gold Pool FG G06385</b>			
<b>Giant 30 year</b>			
5.5% due 08/01/40	0	11,763	11,742
<b>Freddie Mac, 30 Year Gold PC Giant</b>			
<b>Multilender Pool G08477</b>			
3.5% due 02/01/42	0	16,302	16,189
<b>Freddie Mac, 30 Year Gold PC Giant</b>			
<b>Multilender Pool G08537</b>			
3% due 07/01/43	0	9,397	9,346
<b>Federal Home Loan Mortgage Corp. Gold</b>			
5.000% due 10/01/39	17,562	13,488	14,177
<b>Freddie Mac Gold, Pool A91947</b>			
5.000% due 04/01/40	14,747	10,376	11,050
<b>Freddie Mac, 30 Year Gold PC</b>			
<b>Pool Q21661</b>			
3.5% due 09/01/43	0	14,794	14,786
<b>Freddie Mac</b>			
5.000% due 07/15/14	20,974	20,974	20,520
<b>Freddie Mac</b>			
3.750% due 03/27/19	14,922	14,922	16,350

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations (cont)**

	Beginning	End of Year	
	of year	Book	Fair
		Value	Value
<b>Freddie Mac</b>			
.875% due 03/07/18	0	19,985	19,428
<b>Fannie Mae</b>			
Guaranteed Mortgage			
Pass-through			
3.5% due 10/01/41	9,377	6,746	6,573
Fannie Mae			
2.750% due 02/05/14	34,972	24,980	25,060
Fannie Mae Pool #745878			
5.500% due 10/1/36	8,576	4,692	4,887
Fannie Mae Mortgage Backed Securities			
5.000% due 07/01/38	4,881	2,539	2,764
Fannie Mae Mortgage Backed Securities			
4.500% due 05/01/38	10,514	6,305	6,796
Fannie Mae Mortgage Backed Securities			
4.500% due 08/01/38	3,759	2,680	2,864
Fannie Mae Mortgage Backed Securities			
5.000% due 07/01/23	5,161	3,364	3,644
Fannie Mae Mortgage Pass-Through			
Certificates Pool #994637			
5.5% due 11/01/38	8,624	4,061	4,124
Fannie Mae Pool #AB5357			
2.5% due 06/01/27	14,647	12,905	12,438
Fannie Mae Pool #AB7391			
2.5% due 12/01/42	0	14,645	13,067
Fannie Mae Pool #AC1921			
4.000% due 09/01/39	6,494	4,405	4,502
Fannie Mae Pool #MA1044			
3.0% due 04/01/42	17,818	15,472	14,351
Fannie Mae Pool #AD3808			
4.500% due 04/01/40	9,491	6,111	6,425
Fannie Mae Pool #AD6334			
4.500% due 05/01/40	13,413	10,896	11,322
Fannie Mae Pool #AE0828			
MEGA MBS passthrough			
3.5% due 02/01/41	15,723	12,404	11,895
Fannie Mae Pool #AE4624			
4% due 10/01/40	13,827	9,741	10,158

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations (cont)**

	<b>Beginning</b>	<b>End of Year</b>	
	<b>of year</b>	<b>Book</b>	<b>Fair</b>
		<b>Value</b>	<b>Value</b>
<b>Fannie Mae Guaranteed Mortgage</b>			
Pass-Through			
4% due 09/01/40	13,328	8,870	8,721
<b>U.S. Treasury Notes</b>			
2.125% due 11/30/14	47,012	57,292	55,975
<b>U.S. Treasury Bonds</b>			
2% due 02/15/23	0	25,043	23,192
<b>Federal Home Loan Bank Bond</b>			
3.625% due 10/18/13	33,616	0	0
<b>Florida Power &amp; Light</b>			
4.05% due 06/01/42	4,993	0	0
<b>Fannie Mae Benchmark Notes Non-Callable</b>			
.5% due 3/30/16	0	15,026	14,984
<b>Total U.S. and State Government Obligations</b>	<b><u>\$513,965</u></b>	<b><u>\$494,846</u></b>	<b><u>\$495,889</u></b>

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock**

<b>Corporate Stocks: Part II Line 10b</b>	<b>Beginning of year</b>		<b>End of Year</b>	
	<b>Book Value</b>	<b>Book Value</b>	<b>Fair Market Value</b>	
			<b>Book Value</b>	<b>Fair Market Value</b>
AFLAC, Inc.	\$1,214	\$473		\$5,210
AGL Resources, Inc.	321			
The ADT Corporation		1,215		1,214
The AES Corporation	1,110	1,110		1,596
AT&T Inc.	28,423	18,071		25,104
Abbott Laboratories	1,826	317		7,781
AbbVie Inc.		352		10,984
Abercrombie & Fitch	1,086	1,086		461
Actavis Inc		2,880		3,360
Accenture PLC		6,279		6,906
Adobe Systems Incorporated	1,478	1,190		3,713
Advanced Micro Devices, Inc.	1,573			
Aetna, Inc.	1,367	964		3,224
Agilent Technologies, Inc.	2,160	1,602		2,631
Air Products & Chemicals, Inc.	1,448	1,298		2,906
Airgas, Inc.	691	461		1,119
Akamai Technologies Inc.	1,824	1,213		1,132
Alcoa, Inc.	5,078	5,078		1,796
Alexion Pharmaceuticals Inc.		2,613		3,056
Allegheny Technologies	768	768		748
Allergan, Inc.	2,402	1,782		4,776
The Allstate Corporation	4,302	3,256		4,418
Altera Corporation	1,327	1,214		1,756
Altria Group, Inc.	4,764	3,406		10,327
Amazon.com, Inc.	3,666	2,349		19,541
Ameren Corporation	1,501	1,501		1,627
American Electric Power Company, Inc.	2,588	1,967		3,132
American Express Company	7,520	5,613		12,339
American International Group	28,129	28,308		11,078
Ameriprise Financial	1,851	1,164		4,142
AMETEK, Inc.		1,076		1,264
AmeriSourceBergen Corporation	721	254		1,336
Amgen Inc.	5,611	4,383		12,207
Amphenol Corp A	915	858		2,675
Anadarko Petroleum Corporation	2,435	1,849		5,790
Analog Devices, Inc.	2,442	2,299		2,445
AON PLC	2,803	2,652		4,530
Apache Corporation	1,966	1,966		4,383
Apple Computer, Inc.	3,726	1,354		67,322

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<b>Beginning of year</b>	<b>End of Year</b>	
		<b>Book Value</b>	<b>Fair Market Value</b>
Applied Materials, Inc.	5,241	3,677	3,200
Archer-Daniels- Midland Company	1,618	1,320	3,646
Assurant, Inc.	1,718	897	1,726
Autodesk, Inc.	438	412	1,610
Automatic Data Processing, Inc.	2,299	2,145	4,606
AutoNation, Inc.	345	345	1,043
AutoZone, Inc.	924	924	3,346
Avery Dennison Corporation	1,120	1,120	903
Avon Products, Inc.	1,213	1,213	672
BB&T Corporation	4,824	3,191	3,844
BMC Software, Inc.	539		
Baker Hughes Incorporated	2,910	2,910	4,145
Ball Corporation	663	663	1,446
Bank of America Corporation	45,997	30,435	22,530
The Bank of New York Mellon Corporation	4,503	3,324	6,429
Bard (C.R.), Inc.	800	612	1,741
Baxter International Inc.	2,834	2,338	5,564
Beam, Inc.	1,221	814	1,089
Becton Dickinson and Company	1,216	1,216	2,983
Bed Bath & Beyond, Inc.	1,591	775	1,526
Bemis Company, Inc.	379	379	573
Berkshire Hathaway Inc. Class B	20,621	15,931	29,403
Best Buy Company, Inc.	1,210	1,143	1,356
Biogen Idec, Inc.	1,760	1,331	8,667
BlackRock, Inc	4,088	3,531	6,013
Block (H&R), Inc.	2,043	1,463	1,888
Boeing Company	5,197	3,807	12,421
BorgWarner Inc		1,194	1,342
Boston Scientific Corporation	4,450	2,153	2,007
Bristol-Myers Squibb Company	8,126	5,652	11,480
Broadcom Corporation	2,117	2,035	2,283
Brown-Forman Corporation	985	492	1,511
CBS Corp. Class B	3,728	2,406	4,526
CBRE Group Inc.	1,434		
CF Industries	859	548	1,631
C.H. Robinson Worldwide, Inc.	1,364	1,364	1,634
CIGNA Corporation	1,075	1,034	4,374
CME Group Inc.	5,739	3,741	3,374
CMS Energy Corporation	519		

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<b>Beginning</b>		<b>Fair</b> <b>Market</b> <b>Value</b>	
	<b>of year</b>			
	<b>Book</b> <b>Value</b>	<b>Book</b> <b>Value</b>		
CSX Corporation	737	600	3,280	
CVS Caremark Corporation	3,787	2,930	11,523	
CA, Inc.	1,262	1,051	1,346	
Cablevision Systems Corp.	1,049	1,049	771	
Cabot Oil & Gas Corp	600	431	1,783	
Cameron International	2,018	2,018	2,857	
Campbell Soup Company	870	870	1,428	
Capital One Financial	6,285	5,038	6,359	
Cardinal Health, Inc.	2,968	1,670	2,405	
Carefusion Corporation	617	538	1,075	
Carmax	1,189	793	1,693	
Carnival Corporation, Inc.	1,968	1,968	1,928	
Caterpillar Inc.	4,610	3,357	7,810	
Celgene Corporation	4,664	3,233	9,800	
CenterPoint Energy, Inc.	991	718	1,437	
Centurylink, Inc.	1,877	1,877	2,389	
Cerner Corp	1,179	863	2,285	
Chesapeake Energy Corporation	2,278	2,278	2,117	
Chevron Corporation	13,371	10,775	31,103	
Chipotle Mexican Grill, Inc	1,088	1,088	2,131	
Chubb Corporation	2,002	1,609	4,348	
Cincinnati Financial Corporation	1,561	1,208	2,095	
Cisco Systems, Inc.	6,416	5,171	15,836	
Cintas Corporation	502			
Citigroup Inc.	23,716	15,670	21,365	
Citrix Systems, Inc.	613	558	1,708	
Cliffs Natural Resources, Inc.	1,056	1,056	629	
The Clorox Company	1,455	1,038	1,948	
Coach, Inc.	1,208	1,071	2,189	
Coca-Cola Company	366	144	21,481	
Coca Cola Enterprises Inc.	1,387	434	1,103	
Cognizant Technology Solutions Corp.	1,872	1,569	3,938	
Colgate-Palmolive Company	3,902	2,952	7,499	
Comcast Corporation	10,296	7,515	17,668	
Comerica Incorporated	1,735	1,392	1,236	
Computer Sciences Corporation	1,206	1,206	1,509	
ConAgra Foods, Inc.	2,132	1,560	2,022	
ConocoPhillips	4,715	4,239	11,940	

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<b>Beginning</b>		<b>Fair</b>	
	<b>of year</b>			
	<b>Book</b>	<b>Value</b>		
	<b>Value</b>	<b>Book</b>	<b>Market</b>	
Consolidated Energy	1,913	1,636	1,407	
Consolidated Edison, Inc.	2,191	1,621	2,266	
Constellation Brands A	1,013	596	1,408	
Corning Incorporated	3,013	2,411	3,315	
Costco Wholesale Corporation	3,012	2,403	7,736	
Coventry Health Care, Inc.	1,584			
Crown Castle International, Corp.		2,782	2,790	
Cummins, Inc.	291	241	2,678	
D.R. Horton, Inc.	1,744	1,744	1,027	
DTE Energy Company	1,095	860	1,461	
Danaher Corporation	2,348	1,985	6,485	
Darden Restaurants, Inc.	481	481	1,305	
Davita Inc.	885	838	2,281	
Dean Foods Co.	898			
Deere & Company	981	571	4,658	
Dell Inc.	5,012			
Delphi Automotive PLC		1,148	1,203	
Delta Air Lines Inc.		2,672	3,241	
Denbury Resources Inc	1,148	1,016	1,052	
Dentsply International Inc	972	972	1,600	
Devon Energy Corporation	1,296	1,296	2,846	
Diamond Offshore Drilling	638	638	626	
The Walt Disney Company	5,940	4,350	16,197	
Discover Financial Services	1,086	561	4,700	
Discovery Communications Inc A	1,569	1,169	3,436	
DIRECTV	2,780	1,590	4,834	
Dollar General Corporation		1,606	1,689	
Dollar Tree Inc.		1,196	1,241	
Dominion Resources, Inc.	3,596	2,569	5,175	
Dover Corp.	1,363	1,074	2,510	
Dow Chemical Company	6,732	5,304	7,282	
Dr. Pepper Snapple Group Inc	992	992	2,144	
DuPont Company	5,305	4,383	7,277	
Duke Energy Corporation	5,055	3,679	6,556	
Dun and Bradstreet Corp	1,123	880	1,350	
EMC Corporation	4,555	3,518	6,564	
EOG Resources, Inc.	1,525	794	5,874	
EQT Corporation	722	528	1,706	
E*TRADE Financial Corporation	1,467	1,467	825	
Eastman Chemical Company	479	320	1,291	

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<u>Beginning</u> <u>of year</u>		<u>End of Year</u>	
	Book Value	Book Value	Fair	
			Market Value	
Eaton Corporation PLC	2,944	3,148	4,567	
eBay, Inc.	6,236	4,669	8,778	
Ecolab Inc.	1,379	1,146	3,649	
Edison International	1,168	1,168	2,454	
Edwards Lifesciences Corp	1,011	1,011	789	
Electronic Arts, Inc.	2,854	1,586	1,101	
Emerson Electric Co.	2,939	2,137	6,176	
Equifax Inc.	545	441	1,175	
Exelon Corporation	5,684	4,034	3,232	
Expedia Inc.	507	507	1,115	
Expeditors International of Washington, Inc.	1,743	1,743	1,549	
Express Scripts Holding Company	1,076	308	7,235	
Exxon Mobil Corporation	1,664	1,308	58,696	
FLIR Systems	512	512	783	
FMC Corp	568	455	1,207	
FMC Technologies Inc	1,376	420	1,044	
Facebook Inc		6,448	6,394	
Family Dollar Stores, Inc.	763	520	975	
Fastenal Company	1,043	801	2,043	
Federated Investors, Inc.	1,533			
FedEx Corporation	1,400	897	5,176	
F5 Networks, Inc.	2,043	1,770	1,181	
Fidelity National Information Services	1,039	817	1,879	
Fifth Third Bancorp	3,964	3,386	3,596	
First Horizon National Corporation	690			
First Solar Inc	1,328			
Fiserv, Inc.	1,155	783	2,480	
FirstEnergy Corporation	2,758	2,758	2,474	
Fluor Corporation	958	427	1,847	
Flowserve Corp	507	376	1,577	
Ford Motor Company	7,154	5,448	8,394	
Forest Laboratories, Inc.	3,715	2,823	2,281	
Franklin Resources, Inc.	1,819	1,330	3,983	
Freeport-McMoRan Copper & Gold Inc.	4,650	4,259	6,340	
Frontier Communications Corp.	1,716	1,716	809	
Gannett Co., Inc.	3,088	3,088	1,065	
The Gap, Inc.	1,098	707	1,485	

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<u>Beginning</u> <u>of year</u>		<u>End of Year</u>	
	Book Value	Book Value	Fair Market Value	
General Dynamics Corporation	2,698	2,332	4,873	
General Electric Company	4,008	1,994	38,962	
General Mills Incorporated	2,763	2,181	4,791	
General Motors Company		3,785	4,210	
Genuine Parts Company	924	495	1,248	
Genworth Financial Inc. - Class A	3,579	1,727	2,097	
Gilead Sciences, Inc.	2,277	1,716	15,396	
The Goldman Sachs Group, Inc.	8,264	6,105	10,990	
Google Inc.	18,574	15,734	41,466	
Grainger (W.W.), Inc.	979	350	1,533	
Halliburton Company	2,644	1,826	6,141	
Harley-Davidson, Inc.	2,092	1,225	1,662	
Harris Corporation	983	878	1,745	
The Hartford Financial Services	4,492	2,626	3,261	
Heinz (H.J.) Company	2,016			
Helmerich & Payne, Inc.	775	775	1,598	
The Hershey Company	1,020	1,020	2,625	
Hess Corporation	996	489	2,158	
Hewlett-Packard Company	299	209	7,023	
Home Depot, Inc.	6,700	4,993	15,809	
Honeywell International, Inc.	5,187	3,798	9,594	
Hormel Foods	277	277	813	
Hospira, Inc.	441	221	1,156	
Hudson City Bancorp, Inc.	2,017	1,691	1,688	
Humana Inc.	465	396	1,755	
Huntington Bancshares, Inc.	2,418	994	1,534	
Illinois Tool Works Inc.	3,213	2,443	5,465	
Intel Corporation	4,096	3,235	16,767	
Integrys Energy Group, Inc.	616	616	816	
Intercontinental Exchange, Inc.	2,660	2,161	3,599	
International Business Machines	1,151	876	25,697	
International Flavors & Fragrances	514	514	1,204	
International Paper Company	3,127	2,620	3,040	
Interpublic Group of Companies, Inc.	1,092			
Intuit, Inc.	1,162	1,087	3,358	

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<u>Beginning</u> <u>of year</u>		<u>End of Year</u>	
	<u>Book</u> <u>Value</u>	<u>Book</u> <u>Value</u>	<u>Fair</u> <u>Market</u> <u>Value</u>	
Intuitive Surgical Inc	1,100	825	2,304	
IRON MOUNTAIN INC	561	561	941	
JDS Uniphase Corp.	1,109	1,109	351	
Morgan (J.P.) Chase & Company	24,482	19,523	30,059	
Jabil Circuit, Inc.	886	886	523	
Jacobs Engineering Group	1,937	1,937	1,260	
Johnson & Johnson	6,819	5,748	33,430	
Johnson Controls, Inc.	2,304	1,814	4,771	
Joy Global, Inc.	1,050			
Juniper Networks Inc.	1,496	1,049	1,377	
KLA-Tencor Corporation	1,821	1,707	1,934	
Kansas City Southern		1,230	1,362	
Kellogg Company	1,704	1,704	2,748	
KeyCorp	2,550	2,550	1,892	
Kimberly-Clark Corporation	3,309	2,497	4,492	
Kinder Morgan Inc.	1,181	3,516	4,356	
Kohl's Corporation	1,510	1,302	1,419	
Kraft Foods Group, Inc.	2,486	2,158	5,121	
Kroger Co.	872	1,059	2,056	
LAM Research Corp	725	725	1,307	
LSI Logic Corporation	1,153	1,153	1,280	
L-3 Communications Holdings, Inc.	1,214	857	1,282	
Laboratory Corporation of America Holdings	593	593	1,096	
The Estee Lauder Companies, Inc.	733	531	2,184	
Leggett & Platt, Inc.	742			
Legg Mason Inc.	2,841	1,962	1,174	
Lennar Corporation Class A	1,364	1,364	870	
Leucadia National Corp.	1,360			
Life Technologies Corporation	1,156	1,048	2,577	
Lilly (Eli) and Company	11,452	7,839	6,834	
Limited Brands, Inc.	875	875	2,969	
Lincoln National Corporation	3,108	1,617	2,891	
Linear Technology Corp.	2,003	1,722	1,959	
Lockheed Martin Corporation	1,944	1,750	5,352	
Loews Corporation	1,591	1,130	3,039	
Lorillard Inc	1,378	1,228	3,041	
Lowe's Companies, Inc.	4,875	3,375	6,788	
Lyondellbasell Industries NV Cl A		3,635	4,094	
M&T Bank Corporation	2,582	1,697	2,328	
Macy's Retail Holdings Inc.	1,999	1,270	2,777	

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<b>Beginning of year</b>		<b>End of Year</b>	
	<b>Book Value</b>		<b>Fair Market Value</b>	
			<b>Book Value</b>	<b>Market Value</b>
Marathon Oil Corporation	1,103		867	3,106
Marathon Petroleum Corporation	879		589	4,220
Marsh & McLennan Companies, Inc.	4,133		4,354	4,594
Marriott International, Inc.	1,038		1,038	2,468
Masco Corporation	1,628		1,628	1,389
MasterCard Incorporated	4,314		3,144	11,696
Mattel, Inc.	1,098		435	1,094
McCormick & Company, Inc.	654		654	1,516
McDonald's Corporation	858		706	13,972
McGraw-Hill Companies, Inc.	1,800		1,313	2,737
McKesson Corporation	1,412		824	4,519
Mead Johnson Nutrition Co.	1,578		1,412	2,848
MeadWestvaco Corporation	768		768	1,182
Medtronic, Inc.	6,141		4,689	7,690
Merck & Company, Inc.	3,089		872	19,319
MetLife, Inc.	7,151		5,759	9,112
MetroPCS Communications, Inc	508			
Microsoft Corporation	34,829		28,600	37,036
Microchip Technology Corporation	1,090		904	1,298
Micron Technology, Inc.	2,108		1,946	3,132
Molex Incorporated	1,005		1,005	1,121
Molson Coors Brewing Company	775		537	1,067
Mondelez International, Inc.	4,651		3,190	8,437
Monsanto Company	1,268		1,039	7,925
Monster Beverage Corporation			1,177	1,423
Moody's Corporation	1,215		799	1,962
Morgan Stanley	4,974		4,126	6,836
Mosaic Co.			1,230	1,276
Motorola Solutions, Inc.	3,642		2,615	3,240
Murphy Oil Corp.	1,817		849	1,298
Mylan Labs Inc.	1,467		1,123	2,083
NRG Energy Inc	1,063		1,063	1,235
NYSE Euronext	4,142			
Perry Corp	1,205		491	1,035
National Oilwell Varco, Inc.	2,588		1,878	5,567
NetApp Inc.	1,288		1,066	1,975
Netflix, Inc.	1,482		1,112	2,209
Newell Rubbermaid, Inc.	375		263	1,134

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<u>Beginning</u>		<u>Fair</u> <u>Market</u> <u>Value</u>	
	<u>of year</u>			
	<u>Book</u> <u>Value</u>	<u>Book</u> <u>Value</u>		
Newfield Exploration Company	1,752	1,752	591	
Newmont Mining Corporation	3,772	3,772	2,073	
News Corporation	5,627	458	1,081	
NextEra Energy, Inc.	2,545	1,973	5,137	
Nielsen Holdings N.V.		1,925	2,432	
NIKE, Inc.	2,376	1,867	8,414	
NiSource, Inc.	862	693	1,085	
Noble Energy, Inc.	2,557	1,856	3,269	
Nordstrom, Inc.	610	492	1,545	
Norfolk Southern Corporation	847	758	3,156	
Northeast Utilities	608	608	1,145	
Northern Trust Corporation	2,204	2,204	2,785	
Northrop Grumman Corporation	1,704	918	2,407	
Nucor Corporation	733	733	2,776	
NVIDIA Corporation	1,065	687	1,346	
O'Reilly Automotive, Inc.	956	624	2,188	
Occidental Petroleum Corporation	2,730	2,223	9,605	
Omnicom Group Inc.	1,279	1,279	2,305	
ONEOK, Inc.	871	871	2,363	
Oracle Corporation	8,127	6,613	18,212	
Owens-Illinois, Inc.	448	448	1,395	
PG&E Corporation	2,140	1,956	2,739	
PNC Financial Services Group Inc.	8,181	3,925	5,586	
PPG Industries, Inc.	1,633	992	3,224	
PP&L Corporation	2,340	2,340	2,889	
PVH Corp.		1,122	1,224	
PACCAR, Inc.	1,503	1,456	3,669	
Pall Corporation	494	494	1,622	
Parker-Hannifin Corporation	845	845	2,959	
Patterson Companies	712	712	742	
Paychex, Inc.	1,465	1,390	2,094	
Peabody Energy Corp.	2,283	2,283	1,016	
Penney (J.C.) Company, Inc.	970			
People's United Financial	2,076	1,567	1,724	
Pepco Holdings, Inc.	694	694	536	
PepsiCo, Inc.	12,171	10,025	17,583	
PerkinElmer, Inc.	310	310	618	
Perrigo Company		1,522	1,535	
Pentair Inc		1,222	1,476	
PETsMART, Inc.		1,066	1,019	

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<b>Beginning</b>		<b>Fair</b>
	<b>of year</b>		
	<b>Book</b>	<b>Book</b>	<b>Market</b>
	<b>Value</b>	<b>Value</b>	<b>Value</b>
Pfizer, Inc.	37,638	23,504	26,556
Philip Morris International	8,086	6,602	19,779
Phillips 66	1,827	1,472	7,019
Pinnacle West Capital Corporation	548	548	741
Pioneer Natural Resources Company	1,074	904	2,945
Praxair, Inc.	1,734	1,486	5,461
Precision Castparts	3,507	2,454	5,117
T. Rowe Price Group, Inc.	1,874	1,363	4,021
Priceline.com Incorporated	1,376	1,204	8,137
Principal Financial Group, Inc.	1,867	1,379	2,860
Procter & Gamble Company	15,814	12,807	28,575
The Progressive Corporation	2,450	1,913	3,054
Prudential Financial, Inc.	4,437	3,232	6,824
Public Service Enterprise Group,	2,319	1,999	2,723
Pulte Homes, Inc.	1,727	1,727	1,181
QEP Resources, Inc.	821	821	858
QUALCOMM Incorporated	9,016	6,928	17,523
Quanta Services, Inc.	603	603	821
Quest Diagnostics, Inc.	1,178	1,073	1,339
Ralph Lauren Corporation	1,403	940	1,942
Range Resources Corp.	1,774	1,521	2,192
Raytheon Company	1,559	1,040	3,084
Red Hat Inc.	1,060	659	1,289
Regeneron Pharmaceuticals,		3,321	3,303
Regions Financial Corporation	4,518	1,878	1,711
Republic Services, Inc.	1,076	1,076	1,693
Reynolds American Inc.	665	399	1,350
Rockwell Automation, Inc.	977	423	1,536
Rockwell Collins, Inc.	621	555	1,257
Roper Industries Inc	901	901	2,358
Ross Sores, Inc.	858	730	2,548
Rowan Companies, Inc.	510	510	530
Ryder System, Inc.	368		
SAIC Inc.			
SLM Corporation	1,553	802	2,575
Safeway Inc.		984	1,010
St. Jude Medical, Inc.	1,690	1,151	1,982
Salesforce.com Inc.	749	570	3,863
Sandisk Corporation	752	444	2,328
Scana Corp	713	628	1,032

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<b>Beginning of year</b>		<b>End of Year</b>	
	<b>Book Value</b>		<b>Fair</b>	
			<b>Book Value</b>	<b>Market Value</b>
Schlumberger N.V.	4,417		2,165	16,851
Schwab (Charles) Corporation	3,123		1,994	4,108
Scripps Networks Interactive, Inc.	540		540	1,037
Sealed Air Corporation	647		647	885
Sempra Energy	1,660		905	2,603
The Sherwin-Williams Company	505		337	1,835
Sigma-Aldrich Corporation	644		557	1,786
Smucker (J.M.) Company	1,014		663	1,762
Snap-on Incorporated	511		454	1,752
The Southern Company	4,277		3,979	5,509
Southwest Airlines Co.	1,340		795	1,112
Southwestern Energy	2,109		1,861	2,360
Spectra Energy	2,374		2,162	4,274
Sprint Nextel Corporation	8,614			
Stanley Black & Decker, Inc.	1,136		855	1,775
Staples, Inc.	1,225		1,225	1,096
Starbucks Corporation	2,279		1,675	8,231
Starwood Hotels & Resorts	837		837	2,701
State Street Corporation	4,257		3,302	4,991
Stericycle Inc	852		852	1,859
Stryker Corporation	2,009		1,778	3,006
SunTrust Banks, Inc.	2,714		2,714	3,239
Symantec Corporation	1,867		1,867	2,264
SYSCO Corporation	649		154	3,177
TECO Energy, Inc.	1,066		1,010	1,052
TJX Companies, Inc.	1,537		1,104	6,118
Target Corporation	4,641		3,385	5,631
Tenet Healthcare Corporation	845		845	716
Teradata Corporation	513		389	1,137
Teradyne, Inc.	330		330	529
Tesoro Petroleum Corporation	1,167		1,061	1,170
Texas Instruments Incorporated	6,796		4,667	6,543
Textron Inc.	1,429		1,216	1,764
Thermo Fisher Scientific, Inc.	2,198		1,350	5,122
3M Company	5,483		4,724	11,360
Tiffany & Company	833		516	1,206
Time Warner, Inc.	4,838		4,022	8,645

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (continued)**

	<b>Beginning</b>		<b>Fair Market Value</b>	
	<b>of year</b>			
	<b>Book Value</b>	<b>Book Value</b>		
Time Warner Cable, Inc.	2,762	1,770	5,691	
Torchmark Corp.	1,254	874	2,032	
Total System Services	719	719	799	
The Travelers Companies, Inc.	3,222	2,553	5,523	
TripAdvisor Inc.	573	430	994	
Twenty-First Century Fox, Inc.		3,774	9,144	
Tyson Foods, Inc.	865	577	1,071	
U.S. Bancorp	8,968	6,841	10,666	
Union Pacific Corporation	2,387	1,807	9,408	
United Parcel Service, Inc.	7,838	6,907	10,718	
United States Steel Corporation	1,205	1,205	856	
United Technologies Corporation	6,214	5,497	13,087	
UnitedHealth Group, Inc.	4,674	3,974	10,090	
UnumProvident Corp.	1,912	1,193	2,315	
VF Corporation	723	638	3,740	
Valero Energy	1,462	1,134	3,881	
Varian Medical Systems, Inc.	970	873	1,398	
Verisign Inc.	978	668	1,674	
Verizon Communications Inc.	15,668	12,851	19,705	
Vertex Pharmaceuticals, Inc		3,087	2,972	
Viacom Inc. Class B	4,079	2,840	4,804	
Visa Inc.	7,901	6,299	16,478	
Vulcan Materials Company	1,281	1,281	1,604	
WPX Energy, Inc.	220	220	734	
Wal-Mart Stores, Inc.	925	738	16,840	
Walgreen Company	4,532	3,757	6,491	
The Washington Post Company Class B	483			
Waste Management, Inc.	2,366	2,116	3,410	
Waters Corporation	720	606	1,600	
Watson Pharmaceuticals,	614			
Wellpoint, Inc.	2,614	1,979	2,864	
Wells Fargo & Company	23,004	17,859	29,465	
Western Digital Corp.	1,272	563	1,510	
Western Union Corp.	3,077	2,468	2,363	
Whirlpool Corporation		1,233	1,412	
Whole Foods Market, Inc.	2,182	1,064	2,255	
Williams Companies, Inc.	999	999	4,204	
Windstream Corp.	931	1,845	1,652	
Wisconsin Energy Corporation	1,012	928	1,819	
Wyndham Worldwide Corp.	1,306	1,306	1,990	

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

**FORM 990-PF**

**Year Ending December 31, 2013**

**EIN: 91-6020496**

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

	<b>Beginning</b>		<b>Fair</b>	
	<b>of year</b>			
	<b>Book</b>	<b>Book</b>		
	<b>Value</b>	<b>Value</b>	<b>Market</b>	
<b>Value</b>			<b>Value</b>	
Wynn Resorts	314	279	3,107	
Xcel Energy, Inc.	1,457	780	1,257	
Xilinx, Inc.	2,344	1,507	1,653	
Xerox Corporation	2,727	1,147	1,485	
Xylem Inc.	635	635	1,038	
Yahoo! Inc.	3,101	1,486	4,408	
Yum! Brands, Inc.	1,496	1,241	5,520	
Zimmer Holdings, Inc.	2,295	1,607	1,957	
Zions Bancorporation	2,030	1,123	1,408	
Zoetis Inc.		1,300	1,373	
<b>Total Common Stock</b>	<b><u>\$1,268,967</u></b>	<b><u>\$1,008,858</u></b>	<b><u>\$2,187,570</u></b>	

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds**

<b>Corporate bonds: Part II Line 10c</b>	<b>Beginning</b>	<b>End of Year</b>	
	<b>of year</b>	<b>Book</b>	<b>Fair</b>
		<b>Value</b>	<b>Market</b>
AT&T Inc.			
3.0% due 02/15/22		\$4,006	
AT&T Inc.			
2.375% due 11/27/18			5,000
ACE INA Holdings, Inc.			5,004
5.7% due 02/15/17	6,526	6,526	7,849
Aetna, Inc.			
2.75% due 11/15/22	2,950	4,909	4,606
America Movil, S.A.B. de C.V.			
Notes			
5.625% due 11/15/17	3,513	5,765	5,632
American Express Co. Notes			
6.15% due 08/28/17	6,057	6,057	5,768
American International Group Series G			
5.85% due 01/16/18		4,517	4,588
American Tower Corp.			
Senior Unsecured Debt			
5.05% due 09/01/20	4,994	4,994	5,287
Anheuser-Busch In Bev			
Notes			
5.375% due 01/15/20	3,348		
Anheuser-Busch In Bev Worldwide			
6.875% due 11/15/19		7,458	7,356
Apple Inc			
2.4% due 05/03/23		5,931	5,395
BB&T Corporation			
5.7% due 04/30/14	2,964	2,964	3,052
BHP Billiton Finance USA Ltd			
3.25% due 11/21/21	3,964	6,076	5,964
Ball Corp			
4% due 11/15/23		5,006	4,475
Bank of New York Mellon			
Medium Term Notes Series G			
7.25% due 02/01/18	3,079		
Baptist Health, South Florida			
taxable notes, Series 2011			
4.59% due 08/15/21	3,204	3,204	3,093
Bear Stearns Companies LLC			
7.25% due 02/01/18	5,546		

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	Beginning	End of Year	
	of year	Book	Fair
		Value	Market
<b>Bio-Rad Labs</b>			
4.875% due 12/15/20	4,937	4,937	5,094
<b>Boston Scientific Corporation</b>			
6.25% due 11/15/15	5,106	5,106	5,461
<b>Brown-Forman, Corp.</b>			
2.25% due 01/15/23	5,961		
<b>Burlington Northern Santa Fe</b>			
Senior Unsecured Debentures			
4.95% due 09/15/41	5,088	5,088	4,929
<b>Cigna Corp.</b>			
Callable 11/15/21 @ 100			
4% due 02/15/22	4,952	4,952	5,089
<b>CME Group Inc.</b>			
3.0% due 09/15/22	3,988	5,900	5,666
<b>CMS Energy Corp</b>			
5.05% due 03/15/22		4,614	4,318
<b>CSX Corp</b>			
4.25% due 06/01/21		5,595	5,221
<b>Caterpillar Inc.</b>			
3.9% due 05/27/21	4,977	4,977	5,194
<b>Cisco Systems Inc.</b>			
Notes			
5.5000% due 02/22/16	3,999	3,999	4,401
<b>Citigroup Inc.</b>			
6.125% due 11/21/17	5,515	5,515	5,764
<b>Comcast Corporation Notes</b>			
5.15% due 03/01/20	4,995		
<b>Comcast Corp</b>			
4.255 due 01/15/33		4,958	4,645
<b>Con Edison Co. of New York</b>			
7.125% due 12/01/18	6,403		
<b>Corning Inc.</b>			
Notes			
4.75% due 03/15/42	2,996	5,063	4,816
<b>Costco Companies</b>			
Senior Unsecured			
5.5% due 03/15/17	5,023	5,023	5,616
<b>Covidien Int'l Finance SA</b>			
4.2% due 06/15/20	5,004	5,004	5,306
<b>Credit Suisse AG</b>			

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	<u>Beginning of year</u>		<u>End of Year</u>	
	<u>Book Value</u>		<u>Fair Market Value</u>	
			<u>Book Value</u>	<u>Market Value</u>
5.4% due 01/14/20	5,004		5,004	5,557
John Deere Capital Corp.				
3.15% due 10/15/21	4,013		6,027	5,916
Delphi Corp				
5% due 02/15/23			5,313	5,144
DIRECTV Holdings LLC &				
DIRECTTV Financing Co., Inc.				
Senior Notes				
5% due 03/01/21	2,987		5,245	5,253
The Walt Disney Company				
Medium Term Notes				
2.35% due 12/01/22	4,962			
Discover Financial Services				
Sr. Unsecured Debt				
6.45% due 06/12/17	4,903		4,903	5,666
Discovery Communications				
3.25% due 04/01/23			4,991	4,644
The Dow Chemical Co.				
Senior Unsecured Debt				
8.55% due 05/15/19	3,037			
The Dow Chemical Co.				
3% due 11/15/22			4,975	4,663
Dr Pepper Snapple Group, Inc.				
2.9% due 01/15/16	4,006		4,006	4,151
Enterprise Products Partners L.P.				
6.5% due 01/31/19	4,638		4,638	4,692
General Electric Capital Corp. Notes				
4.375% due 09/16/20	7,946			
General Electric Capital Corp.				
3.1% due 01/09/23			8,080	7,590
Goldman Sachs Group Inc.				
Senior Notes				
6% due 06/15/20	5,353		5,353	5,733
Google Inc.				
2.125% due 05/19/16	3,989		3,989	4,133
Intel Corp.				
3.3% due 10/01/21	4,164		6,168	5,961
JPMorgan Chase & Co.				
2.05% due 01/24/14				
JPMorgan Chase & Co.				

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	<b>Beginning of year</b>		<b>End of Year</b>	
	<b>Book Value</b>		<b>Fair Market Value</b>	
			<b>Book Value</b>	<b>Market Value</b>
3.7% due 01/20/15		5,310	5,310	5,156
JPMorgan Chase & Co.				
3.375% due 05/01/23			9,837	9,320
Kinder Morgan Energy Partners				
2.65% due 02/01/19			6,036	5,933
Kraft Foods, Inc.				
Senior Unsecured Debt				
6.5% due 08/11/17		5,701		
Limited Brands Inc.				
6.9% due 07/15/17		5,638		
Marathon Oil Corp.				
2.8% due 11/01/22		5,038	5,038	4,608
McDonald's Corp.				
5% due 02/01/19		4,069		
McKesson Corp.				
3.25% due 03/01/16		4,015	4,015	4,169
Merrill Lynch & Co.				
Medium Term Notes, Series C				
6.4% due 08/28/17		3,434	3,434	4,612
Metlife Inc.				
callable 12/15/31 @ 100				
6.4% due 12/15/36		4,313	4,313	6,165
Microsoft Corp				
2.375% due 05/01/23			5,011	4,524
Morgan Stanley				
2.875% due 07/28/14		5,019		
Morgan Stanley				
2.125% due 04/25/18			4,999	4,957
Oracle Corp.				
Senior Unsecured Debt				
6.5% due 04/15/38		4,700		
PPL Capital Funding, Inc Senior notes				
3.4% due 06/01/23			5,004	4,652
Paccar Financial Corp.				
1.6% due 03/15/17		3,999	3,999	3,999
Petro-Canada				
6.8% due 05/15/38		5,171	5,171	4,787
Petrobras International Finance Company				
7.875% due 03/15/19		3,228		
Praxair Inc.				

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	<u>Beginning</u>		<u>End of Year</u>	
	<u>of year</u>			
	<u>Book</u>	<u>Value</u>	<u>Book</u>	<u>Fair</u>
	<u>Value</u>		<u>Value</u>	<u>Market</u>
3% due 09/01/21		3,967	5,929	5,885
The Procter & Gamble Co				
4.7% due 02/15/19		5,105	5,105	5,585
Republic Services Inc.				
5% due 03/01/20		5,503		
Rio Tinto Finance (USA) Limited				
4.125% due 05/20/21		5,137	5,137	5,186
Royal Bank of Canada				
1.15% due 03/13/15		4,998		
Royal Bank of Canada				
2.3% due 07/20/16			5,223	5,169
Sempra Energy				
2.875% due 10/01/22			5,041	4,603
Sierra Pacific Power Company				
General & Refunding				
Seriods M				
6% due 05/15/16		4,661	4,661	4,465
Southern Power Company Series B				
4.875% due 07/15/15		5,065	5,040	5,305
Spectra Energy Capital				
3.3%due 03/15/23			3,987	3,542
Speedway Motorsports Inc.				
call 6/1/13 @104.38				
8.75% due 06/01/16		5,300		
Time Warner Inc				
4.75% due 03/29/21			4,528	4,265
Toyota Motor Credit Corp.				
1.75% due 05/22/17		3,985	6,030	6,028
US BANCORP				
4.2% due 05/15/14		4,309	4,309	4,056
UNUM Group				
Senior Notes				
5.625% due 9/15/20		5,285	5,285	5,481
Verizon Communications Inc.				
3% due 04/01/16		2,984		
Verizon Communications				
5.15% due 09/15/23			5,128	5,368
Waste Management Inc.				
4.75% due 06/30/20		4,969		

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (continued)**

	<u>Beginning</u>		<u>End of Year</u>	
	<u>of year</u>		<u>Fair</u>	
	<u>Book</u>	<u>Value</u>	<u>Book</u>	<u>Market</u>
Wells Fargo & Company				
Notes				
4.6% due 04/01/21	2,994		5,290	5,481
Williams Companies Inc.				
3.7% due 01/15/23	3,999		5,806	5,237
Willis North America Inc.				
7% due 09/29/19	4,059			
Wisconsin Power & Light				
Senior Unsecured Debt				
5% due 07/15/19	2,982		2,982	3,365
Xerox Corporation				
Senior Unsecured Debt				
6.4% due 3/15/16	5,622			
<b>Total Corporate Bonds</b>	<b><u>\$314,656</u></b>		<b><u>349,478</u></b>	<b><u>350,592</u></b>

**William H. Cowles Foundation, Inc.****FORM 990-PF****Year Ending December 31, 2013****EIN: 91-6020496****STATEMENT #8 - PART II LINE 13 - Investments - other**

<b>Other investments: Part II Line 13</b>	<b>Beginning of year</b>		<b>End of Year</b>	
	<b>Book Value</b>		<b>Book Value</b>	<b>Fair Market Value</b>
<b>Actively traded mutual funds</b>				
Aberdeen Emerging Markets Fund	\$401,540		\$401,540	\$407,971
iShares MSCI EAFE Index Fund	783,135		783,135	913,342
iShares Russell 2000 Index Fund	54,850		54,850	99,748
SPDR Barclays Capital High Yield Bond ETF	49,980		49,980	68,718
<b>Non-actively traded hedge funds</b>				
PG Small Cap Limited Partnership			635,168	817,745
 <b>Total Investments-other</b>	 <b>\$1,289,504</b>		 <b>\$1,924,672</b>	 <b>\$2,307,524</b>

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

<b>Interest receivable</b>	<b>Beginning of Year</b>		<b>End of Year</b>	
	<b>Book Value</b>		<b>Book Value</b>	<b>Value</b>
Interest receivable			\$122	\$149
			<b>\$122</b>	<b>\$149</b>

**STATEMENT #10 - PART II LINE 22 - Other liabilities**

<b>Federal excise tax payable</b>	<b>Beginning of Year</b>		<b>End of Year</b>	
	<b>Book Value</b>		<b>Book Value</b>	<b>Value</b>
Federal excise tax payable			\$3,262	\$667
			<b>\$3,262</b>	<b>\$667</b>

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

**FORM 990-PF**

**Year Ending December 31, 2013**

**EIN: 91-6020496**

**STATEMENT #11 - PART VII-A LINE 12 - Donor Advised Funds**

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During the 2013 tax year, the Foundation distributed \$61,000 to a donor advised fund as a Qualifying Distribution. The distribution will be used to support 509(A)(1) and 509(A)(2) publically supported organizations to accomplish their missions under 17(c)(2)(B).