

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

2011

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.

For calendar year 2011, or tax year beginning , 2011, and ending

The Wallace Foundation
c/o Finance
5 Penn Plaza 7th Floor
New York, NY 10001

A Employer identification number
13-6183757

B Telephone number (see the instructions)
212-251-9700

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

G 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

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
▶ \$ 1329034787.

J Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see 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 (att sch)					
	2 <i>CK</i> <input checked="" type="checkbox"/> If the foundn is not req to att Sch B					
	3 Interest on savings and temporary cash investments	28,904.	23,481.			
	4 Dividends and interest from securities	15,265,532.	15,265,532.			
	5a Gross rents					
	b Net rental income or (loss)					
	6a Net gain/(loss) from sale of assets not on line 10	55,953,006.				
	b Gross sales price for all assets on line 6a	1258539312.				
	7 Capital gain net income (from Part IV, line 2)		54,981,683.			
	8 Net short-term capital gain					
	9 Income modifications					
	10a Gross sales less returns and allowances					
b Less: Cost of goods sold						
c Gross profit/(loss) (att sch)						
11 Other income (attach schedule)						
See Statement 1		14,847,810.	14,464,027.			
12 Total. Add lines 1 through 11		86,095,252.	84,734,723.	0.		
ADMINISTRATIVE AND OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc.	1,585,744.	457,065.		1,120,525.	
	14 Other employee salaries and wages	3,057,940.	269,255.		2,815,449.	
	15 Pension plans, employee benefits	1,418,046.	197,752.		1,432,172.	
	16a Legal fees (attach schedule) . . See St. 2	84,808.	44,284.		34,328.	
	b Accounting fees (attach sch) . . See St. 3	95,000.	47,500.		39,860.	
	c Other prof fees (attach sch) . . See St. 4	8,771,948.	5,021,198.		3,525,033.	
	17 Interest					
	18 Taxes (attach schedule)(see instrs) . . See Stmt. 5	2,591,895.	517,293.			
	19 Depreciation (attach sch) and depletion . See Stmt. 14	285,818.				
	20 Occupancy	1,148,927.	132,965.		1,014,728.	
	21 Travel, conferences, and meetings	214,298.	16,190.		208,495.	
	22 Printing and publications	31,363.	8.		40,802.	
	23 Other expenses (attach schedule)					
	See Statement 6		372,458.	42,931.		339,456.
	24 Total operating and administrative expenses. Add lines 13 through 23		19,658,245.	6,746,441.		10,570,848.
25 Contributions, gifts, grants paid		60,813,043.			59,706,655.	
26 Total expenses and disbursements. Add lines 24 and 25		80,471,288.	6,746,441.	0.	70,277,503.	
27 Subtract line 26 from line 12:						
a Excess of revenue over expenses and disbursements		5,623,964.				
b Net investment income (if negative, enter -0-)			77,988,282.			
c Adjusted net income (if negative, enter -0-)				0.		

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **Note**. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. The Wallace Foundation	Employer identification number (EIN) or <input checked="" type="checkbox"/> 13-6183757
	Number, street, and room or suite no. If a P.O. box, see instructions. 5 Penn Plaza 7th floor	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. New York, NY 10001	

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

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

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

- The books are in the care of **The Wallace Foundation, 5 Penn Plaza 7th floor, NY, NY 10001**
 Telephone No. **212-251-8751** FAX No. **212-678-6988**
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until November 15, 20 12.
- For calendar year 2012, or other tax year beginning _____, 20____, and ending _____, 20____.
- If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period
- State in detail why you need the extension The documentation necessary to file a complete return has not been received.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$ <u>1200000</u>
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$ <u>1200000</u>
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$ _____

Signature and Verification must be completed for Part II only.

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

Signature Mary Hira CPA Title CFO and Assistant Treasurer Date 8/3/12
 Form **8868** (Rev. 1-2012)



Department of the Treasury
Internal Revenue Service
Ogden UT 84201

For assistance, call:
1-877-829-5500

Notice Number: CP211A
Date: June 25, 2012

Taxpayer Identification Number:
13-6183757
Tax Form: 990PF
Tax Period: December 31, 2011

040519.980274.0131.003 1 AT 0.374 373



THE WALLACE FOUNDATION
% FINANCE
5 PENN PLZ FL 7
NEW YORK NY 10001-1837

040519

APPLICATION FOR EXTENSION OF TIME TO FILE AN EXEMPT ORGANIZATION RETURN - APPROVED

We received and approved your Form 8868, Application for Extension of Time to File an Exempt Organization Return, for the return (form) and tax period identified above. Your extended due date to file your return is **August 15, 2012**.

When it's time to file your Form 990, 990-EZ, 990-PF or 1120-POL, you should consider filing electronically. Electronic filing is the fastest, easiest and most accurate way to file your return. For more information, visit the Charities and Nonprofit web at www.irs.gov/eo. This site will provide information about:

- The type of returns that can be filed electronically,
- approved e-File providers, and
- if you are required to file electronically.

If you have any questions, please call us at the number shown above, or you may write us at the address shown at the top of this letter.

Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. The Wallace Foundation	Employer identification number (EIN) or <input checked="" type="checkbox"/> 13-6183757
	Number, street, and room or suite no. If a P.O. box, see instructions. 5 Penn Plaza 7th floor	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. New York, NY 10004	

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

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ The Wallace Foundation, 5 Penn Plaza 7th floor, NY, NY 10001

Telephone No. ▶ 212-251-9751 FAX No. ▶ 212-679-6998

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until August 15, 20 12, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year 20 12 or

▶ tax year beginning _____, 20 _____, and ending _____, 20 _____.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	1200000
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	1200000
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

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.....			
	2	Savings and temporary cash investments.....	39,743,939.	42,853,405.	42,853,405.
	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 sch.) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use.....			
	9	Prepaid expenses and deferred charges.....	1,222,650.	876,636.	876,636.
	10a	Investments – U.S. and state government obligations (attach schedule)..... Statement 7...	88,179,142.	122,897,175.	122,897,175.
	b	Investments – corporate stock (attach schedule)..... Statement 8...	1,136,425,194.	1,024,733,082.	1,024,733,082.
	c	Investments – corporate bonds (attach schedule)..... Statement 9...	139,820,313.	131,746,615.	131,746,615.
	11	Investments – land, buildings, and equipment: basis..... ▶			
	Less: accumulated depreciation (attach schedule)..... ▶				
12	Investments – mortgage loans.....				
13	Investments – other (attach schedule).....				
14	Land, buildings, and equipment: basis..... ▶ 4,231,908.				
	Less: accumulated depreciation (attach schedule)..... See Stmt. 10 ▶ 1,868,998.	2,629,172.	2,362,910.	3,817,629.	
15	Other assets (describe ▶ See Statement 11)	1,669,741.	2,110,245.	2,110,245.	
16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item l).....	1,409,690,151.	1,327,580,068.	1,329,034,787.	
LIABILITIES	17	Accounts payable and accrued expenses.....	1,441,233.	1,015,290.	
	18	Grants payable.....	13,547,666.	14,737,218.	
	19	Deferred revenue.....			
	20	Loans from officers, directors, trustees, & other disqualified persons.....			
	21	Mortgages and other notes payable (attach schedule).....			
	22	Other liabilities (describe. ▶ See Statement 12)	5,853,137.	4,234,540.	
	23	Total liabilities (add lines 17 through 22).....	20,842,036.	19,987,048.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here..... ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted.....	1,388,848,115.	1,307,593,020.	
	25	Temporarily restricted.....			
	26	Permanently restricted.....			
	Foundations that do not follow SFAS 117, check here..... ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds.....			
	28	Paid-in or capital surplus, or land, building, and equipment fund.....			
	29	Retained earnings, accumulated income, endowment, or other funds.....			
30	Total net assets or fund balances (see instructions).....	1,388,848,115.	1,307,593,020.		
31	Total liabilities and net assets/fund balances (see instructions).....	1,409,690,151.	1,327,580,068.		

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	1,388,848,115.
2	Enter amount from Part I, line 27a.....	2	5,623,964.
3	Other increases not included in line 2 (itemize)..... ▶	3	
4	Add lines 1, 2, and 3.....	4	1,394,472,079.
5	Decreases not included in line 2 (itemize)..... ▶ See Statement 13	5	86,879,059.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30.....	6	1,307,593,020.

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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a	See Statement 15			
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss). If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	54,981,683.
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 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 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 (column (b) divided by column (c))
2010	46,933,035.	1,296,310,573.	0.036205
2009	60,927,202.	1,154,565,495.	0.052771
2008	77,762,781.	1,446,867,119.	0.053746
2007	77,536,719.	1,657,867,985.	0.046769
2006	72,457,980.	1,502,069,816.	0.048239

2 Total of line 1, column (d).....	2	0.237730
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	0.047546
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.....	4	1,380,035,331.
5 Multiply line 4 by line 3.....	5	65,615,160.
6 Enter 1% of net investment income (1% of Part I, line 27b).....	6	779,883.
7 Add lines 5 and 6.....	7	66,395,043.
8 Enter qualifying distributions from Part XII, line 4.....	8	70,297,059.

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)

1 a 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 instrs)			
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.		1	779,883.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	779,883.
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	779,883.
6 Credits/Payments:			
a 2011 estimated tax prmts and 2010 overpayment credited to 2011.		6a	1,600,000.
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	1,600,000.
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	820,117.
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax 0. Refunded 820,117.		11	820,117.

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		X
<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>		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
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>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes.</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	X	
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>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV.</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions). NY		
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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation.</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X

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		X
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		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? ... Website address	13	X	
Website address				
14	The books are in care of ▶ <u>Mary Geras, CFO</u> Telephone no. ▶ <u>212-251-9700</u> Located at ▶ <u>5 Penn Plaza 7th Floor New York NY</u> ZIP + 4 ▶ <u>10001</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here	N/A	▶ <input type="checkbox"/>	
and enter the amount of tax-exempt interest received or accrued during the year				
▶ 15 N/A				
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	X	
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ▶ <u>Denmark</u>				

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
1 a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input 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)?	1 b	X
Organizations relying on a current notice regarding disaster assistance check here			
▶ <input type="checkbox"/>			
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 2011?	1 c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	<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 instructions.)	2 b	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__ .		
3 a	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 2011 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.</i>)	3 b	N/A
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4 b	X

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

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

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

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b N/A

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

6b X

If 'Yes' to 6b, file Form 8870.

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

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? N/A

7b

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

1 List all officers, directors, trustees, foundation managers and their compensation (see 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
See Statement 16				

2 Compensation of five highest-paid employees (other than those included on line 1— see 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
See Statement 17				

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

19

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	(c) Compensation
See Statement 18		

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	1,354,569,473.
b Average of monthly cash balances	1b	42,663,995.
c Fair market value of all other assets (see instructions)	1c	3,817,629.
d Total (add lines 1a, b, and c)	1d	1,401,051,097.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	1,401,051,097.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	21,015,766.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,380,035,331.
6 Minimum investment return. Enter 5% of line 5	6	69,001,767.

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	69,001,767.
2a Tax on investment income for 2011 from Part VI, line 5	2a	779,883.
b Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	779,883.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	68,221,884.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	68,221,884.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	68,221,884.

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	70,277,503.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	19,556.
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	70,297,059.
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	779,883.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	69,517,176.

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7.....				68,221,884.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only.....			46,831,808.	
b Total for prior years: 20____, 20____, 20____		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006.....				
b From 2007.....				
c From 2008.....				
d From 2009.....				
e From 2010.....				
f Total of lines 3a through e.....	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ <u>70,297,059.</u>				
a Applied to 2010, but not more than line 2a...			46,831,808.	
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 2011 distributable amount.....				23,465,251.
e Remaining amount distributed out of corpus.....	0.			
5 Excess distributions carryover applied to 2011..... (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 2010. Subtract line 4a from line 2a. Taxable amount – see instructions.....			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012.....				44,756,633.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions).....	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions).....	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a.....	0.			
10 Analysis of line 9:				
a Excess from 2007.....				
b Excess from 2008.....				
c Excess from 2009.....				
d Excess from 2010.....				
e Excess from 2011.....				

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 2011, enter the date of the ruling ▶ N/A

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

- 1 Information Regarding Foundation Managers:**
- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
None
- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
None
- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
Check here If the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see 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:
The Wallace Foundation, General Management, 5 Penn Plaza, 7th Floor, New York, NY 10001 (212) 251-9700
- b** The form in which applications should be submitted and information and materials they should include:
Brief letter of inquiry describing proposed projects
- c** Any submission deadlines:
N/A
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
Grants are primarily limited to Education Leadership, Learning and Enrichment and Arts Learning. No grants are made to individuals.

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)				
<p>a <i>Paid during the year</i> See Statement 19</p>				
Total				3a 59,706,655.
<p>b <i>Approved for future payment</i> See Statement 19</p>				
Total				3b 14,515,400.

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

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
a Transfers from the reporting foundation to a noncharitable exempt organization of:
(1) Cash
(2) Other assets
b Other transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule.

Table with columns Yes and No for items 1a(1), 1a(2), 1b(1) through 1b(6), and 1c.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

- 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?
b If "Yes," complete the following schedule.

Table with 3 columns: (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) is based on all information of which preparer has any knowledge.
Paid Preparer Use Only: Print/Type preparer's name, Preparer's signature, Date, Check if self-employed, PTIN, Firm's name, Firm's EIN, Firm's address, Phone no.

For the fiscal year beginning January 1, 2011 and ending December 31, 2011
Form 990-PF, Part I, Line 11, Other Income

	Ordinary Income	Dividends, Income and Other Income	Deductions	Col. (a) Net Income (loss) Per Books	Unrelated Business Income	Col. (b) Income Excluded by Section 512, 513, or 514
Net Income (loss) from Form K-1:						
Amberbrook IV LLC	\$ (2,703)	\$ 93,344	\$ (171,443)	\$ (80,802)	\$ (4,475)	\$ (76,327)
Amberbrook V LLC	7,387	281,195	(702,215)	(413,633)	1,525	(415,158)
Baupost Value Partners, L.P.-IV	105,558	1,726,439	(167,034)	1,664,963	123,881	1,541,082
Commonfund Capital Natural Resources V, L.P.	32,259	356,578	(211,608)	177,229	59,879	117,350
Commonfund Capital Natural Resources VI, L.P.	228,413	579,288	(623,866)	183,835	181,492	2,343
Commonfund Capital Natural Resources VII, L.P.	21,409	169,317	(310,595)	(119,869)	(57,653)	(62,216)
CSFB Strategic Partners III, L.P.	(61,982)	366,088	(247,523)	56,583	(48,897)	(481,777)
CS Strategic Partners IV, L.P.	534,469	748,733	103,033	1,386,235	538,360	1,435,132
Denham Commodity Partners Fund V L.P.	64,786	350,006	(363,823)	50,969	(6,022)	56,991
Denham Commodity Partners Fund VI L.P.	(3,865)	2	(34,982)	(38,845)	(3,865)	(34,980)
European Strategic Partners	-	180,764	(307,765)	(127,001)	(234)	(126,767)
Farallon Capital Institutional Partners, L.P.	-	34	(2,032)	(1,998)	-	(1,998)
Farallon Capital Institutional Partners, L.P.	2,246,063	209,975	(166,757)	2,289,281	-	2,289,281
GrandBanks Capital Venture Fund II L.P.	-	14,256	(220,493)	(206,237)	-	(206,237)
Gryphon International EAFE Growth Fund	-	980,336	(336,042)	644,294	-	644,294
HarbourVest Partners VII-Buyout Holding Fund, L.P.	10	131,260	(107,345)	23,925	-	23,925
HarbourVest Partners VII-Venture Holding Fund, L.P.	-	40,645	(110,726)	(70,081)	-	(70,081)
Insight Venture Partners VI L.P.	-	116,234	(204,715)	(88,481)	-	(88,481)
Insight Venture Partners VII L.P.	-	17	(178,003)	(177,986)	-	(177,986)
J.C. Flowers II, L.P.	-	107,628	(166,691)	(59,063)	-	(59,063)
J.C. Flowers III, L.P.	-	8	(269,745)	(269,737)	-	(269,737)
JCF HRE AIV 2 Trust	-	(138)	(2,183)	(2,321)	-	(2,321)
JCF II AIV E L.P.	-	-	(446)	(446)	-	(446)
JCF II AIV S L.P.	-	-	-	-	-	-
JCF II Sidecar LP	-	-	(236)	(236)	-	(236)
JCF III AIV I L.P.	-	45,546	(1,519)	44,027	-	44,027
JCF III AIV SRV LP	-	-	(5,050)	(5,050)	-	(5,050)
JFL AIV Investors III, B, LP	-	-	-	-	-	-
JFL Equity Investors III, LP	-	564	(269,415)	(268,851)	-	(268,851)
Jupiter JCF AIV II Special L.P.	-	13,602	(1,726)	11,876	-	11,876
J.P. Morgan Structured Debt Fund, LLC	-	259,483	(1,816)	257,667	-	257,667
OFI Institutional Emerging Market Equity Fund, L.P.	-	1,280,379	-	1,280,379	-	1,280,379
Pantheon USA Fund V, L.P.	4,946	266,591	(168,450)	103,087	20,511	82,576
Pantheon USA Fund VI, L.P.	29,857	329,775	(313,047)	46,585	55,780	(9,195)
Providence Equity Partners VI (Umbrella U.S.) L.P.	(43,667)	5,298	(73,163)	(111,532)	(99,167)	(12,365)
Providence Equity Partners VI International L.P.	-	114,822	(42,363)	72,459	-	72,459
Providence Equity Partners VI L.P.	(45,591)	97,627	(98,711)	(46,675)	(45,621)	(1,054)
Security Capital Preferred Growth LLC	-	2,455,840	(115,724)	2,340,116	-	2,340,116
The Silchester International Investors Tobacco Free International Value Equity Trust	-	2,453,586	-	2,453,586	-	2,453,586
Updata Partners IV, L.P.	-	269	(201,201)	(200,932)	-	(200,932)
The Varde Fund IX L.P.	9,757	4,045,367	(208,508)	3,846,616	5,725	3,840,891
Walton Street Real Estate Fund V L.P.	(408,114)	490,180	(112,151)	(30,085)	(207,666)	177,581
Walton Street Real Estate Fund VI L.P.	(216,199)	146,069	(88,706)	(158,836)	(129,770)	(29,066)
Wellington Trust Company, National Association Multiple -Capital Energy Portfolio	-	387,999	(11,212)	376,787	-	376,787
	2,502,793	18,845,006	(6,515,997)	14,831,802	383,783	14,448,019
Other Income						
Class action settlements	16,008	-	-	16,008	-	16,008
Grand Total				\$ 14,847,810	\$ 383,783	\$ 14,464,027

The Wallace Foundation
13-6183757
2011

Statements 2,3,4

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part I, Line 16, a, b, c: Legal Fees, Accounting Fees and Other Professional Fees

<u>Line</u>	<u>Statement</u>	<u>Type of Service</u>	<u>Col (a)</u> <u>Per Books</u>	<u>Col (b)</u> <u>Inv.-Related</u>	<u>Col(d)</u> <u>Disbursements for</u> <u>Charitable Purposes</u> <u>(Cash Basis Only)</u>
16 a	2	Legal Fees	<u>\$ 84,808</u>	<u>\$ 44,284</u>	<u>\$ 34,328</u>
16 b	3	Accounting Fees	<u>\$ 95,000</u>	<u>47,500</u>	<u>39,860</u>
16 c	4	Other Professional Fees			
		Investment Fees	<u>\$ 5,025,178</u>	<u>4,987,202</u>	<u>-</u>
		General Consultants	190,715	33,996	151,677
		Recruiting Fees	57,304	-	58,859
		Communications	471,491	-	491,381
		Program Development	307,409	-	303,855
			<u>\$ 1,026,919</u>	<u>33,996</u>	<u>1,005,773</u>
		Direct Charitable Activities			
		Dissemination	515,255	-	543,428
		Technical Assistance to Grantees	1,280,010	-	1,056,925
		Grantee Conferences	391,782	-	391,782
		Research and Evaluation	532,804	-	527,126
			<u>\$ 2,719,851</u>	<u>-</u>	<u>2,519,261</u>
		Total Other Professional Fees	<u>\$ 8,771,948</u>	<u>5,021,198</u>	<u>3,525,033</u>

The Wallace Foundation
13-6183757
2011

Statement 5

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part I, Line 18, Taxes

<u>Description</u>	<u>Col. (a) Revenue and Expense Per Books</u>	<u>Col.(b) Net Investment Income</u>
Federal excise tax and UBIT	\$ 2,074,602	-
Foreign taxes	<u>517,293</u>	<u>517,293</u>
Total Taxes	<u>\$ 2,591,895</u>	<u>517,293</u>

The Wallace Foundation
13-6183757
2011

Statement 6

For the fiscal year beginning January 1, 2011 and ending December 31, 2011
 Form 990-PF, Part I, Line 23, Cols. a , b & d - Other Expenses

<u>Description</u>	<u>Col (a)</u> <u>Per Books</u>	<u>Col (b)</u> <u>Inv-Related</u>	<u>Col. (d)</u> <u>Disbursements for</u> <u>Charitable purposes</u> <u>(Cash Basis Only)</u>
Operating Expenses:			
Insurance	\$ 130,915	\$ 15,151	113,524
Computer Software, Maintenance and Parts	180,400	20,878	168,584
Office Management	49,158	5,689	42,766
Payroll Services	10,485	1,213	8,758
NY State Filing Fee	1,500	-	1,500
Subtotal	<u>372,458</u>	<u>42,931</u>	<u>335,132</u>
Direct Charitable Activities			
Dissemination	-	-	4,324
Total Other Expenses	<u>\$ 372,458</u>	<u>42,931</u>	<u>339,456</u>

THE WALLACE FOUNDATION
13-6183757
2011

Statement 7

For fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10a - Investments- U.S. and state government obligations

Description	Interest Rate	Maturity Date	Par Value	Fair Market Value
U.S. Agency Obligations:				
Federal Home Loan PC Pool 1L1242	5.46	02/01/2036	606,490	\$ 654,409
Federal Home Loan PC Pool 1Q0723	3.95	01/01/2038	103,943	110,144
Federal National Mortgage Association Pool 462014	5.26	07/01/2015	389,026	423,249
Federal National Mortgage Association Pool 888395	4.70	07/01/2034	102,888	109,509
Federal National Mortgage Association Pool Ae0446	4.09	09/01/2020	532,268	584,680
Small Business Administration 2005 20K 1	5.36	11/01/2025	596,492	668,506
Small Business Administration 2008 20H 1	6.02	08/01/2028	1,465,537	1,674,083
Small Business Administration 2008 20I 1	5.60	09/01/2028	1,585,851	1,796,627
Small Business Administration 2008 20J 1	5.63	10/01/2028	600,446	679,741
Small Business Administration 2004 20I 1	4.99	09/01/2024	328,301	360,622
Total for U.S. Agency Obligations:				7,061,570
U.S. Government Obligations:				
United States Treasury Principal Strip	-	11/15/2027	12,900,000	8,470,785
United States Treasury Principal Strip	-	05/15/2030	35,000,000	21,159,600
United States Treasury Principal Strip	0.01	05/15/2037	11,000,000	5,179,790
United States Treasury Principal Strip	0.01	05/15/2039	32,300,000	14,172,594
Treasury Inflation IX Note/Bond	2.50	01/15/2029	1,160,126	1,547,771
Treasury Inflation IX Note/Bond	3.63	04/15/2028	1,680,000	2,497,958
Treasury Inflation IX Note/Bond	1.25	07/15/2020	830,632	939,520
Treasury Inflation IX Note/Bond	2.13	02/15/2041	579,040	782,109
Treasury Inflation IX Note/Bond	2.38	01/15/2025	120,127	152,731
United States Treasury Note/Bond	7.13	02/15/2023	5,700,000	8,620,338
United States Treasury Note/Bond	4.75	02/15/2041	470,000	647,721
United States Treasury Note/Bond	4.38	05/15/2040	13,694,000	17,789,328
United States Treasury Note/Bond	4.63	02/15/2040	600,000	809,250
United States Treasury Note/Bond	4.25	05/15/2039	6,400,000	8,142,016
United States Treasury Note/Bond	4.75	02/15/2037	7,000,000	9,507,960
United States Treasury Note/Bond	4.50	02/15/2036	6,000,000	7,851,540
United States Treasury Note/Bond	0.88	01/31/2012	1,275,000	1,275,803
United States Treasury Note/Bond	1.00	03/31/2012	2,769,000	2,775,369
Total for U.S. Government Obligations:				112,322,182
U.S. Municipality Obligations				
Kentucky State Asset/Liability Co	3.17	04/01/2018	850,000	871,752
Los Angeles CA Unified School District	5.75	07/01/2034	450,000	496,773
Metropolitan Transportation Authority NY Revenue	5.87	11/15/2039	610,000	673,812
New York State Urban Development Corporate Rev	5.77	03/15/2039	400,000	472,992
Province Of Quebec	6.35	01/30/2026	715,000	969,247
Total for U.S. Municipality Obligations:				3,484,575
Receivable for Investments Sold, Net				28,847
Total for U.S. Agency & Government Obligations:				\$ 122,897,175

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Common Stock:		
Aaon Inc	2,100	\$ 43,029
Abaxis Inc	8,100	224,127
ABB Ltd	18,163	342,009
Accenture PLC	26,778	1,425,393
Adecco SA Reg	14,335	603,232
Aderans Co Ltd	20,500	263,777
Afren PLC	189,600	252,521
African Minerals Ltd	19,100	115,415
AG Growth International Inc	6,000	218,732
Agnico Eagle Mines Ltd	7,700	279,664
Alamos Gold Inc	22,500	382,889
Allergan Inc	9,825	862,046
Alliant Techsystems Inc	1,149	65,677
Alpha Natural Resources Inc	6,325	129,220
Amazon.Com Inc	6,009	1,040,158
American Science & Engineering	1,200	81,732
American States Water Co	6,900	240,810
American Tower Corp	26,152	1,569,382
Amphenol Corp	16,824	763,641
Amsurg Corp	8,400	218,736
Anadarko Petroleum Corp	16,000	1,221,280
Ansys Inc	10,378	594,452
Antofagasta PLC	6,700	126,512
Apache Corp	3,900	353,262
Apple Inc	5,179	2,097,495
Applied Industrial Tech Inc	6,400	225,088
Applied Materials Inc	75,600	809,676
Aptargroup Inc	26,100	1,361,637
Arch Capital Group Ltd	48,355	1,800,257
Archer Daniels Midland Co	28,100	803,660
Badger Meter Inc	6,900	203,067
Balchem Corp	8,050	326,347
Ball Corp	39,900	1,424,829
Bank Of Hawaii Corp	5,500	244,695
BB&T Corp	37,700	948,909
Beam Inc	34,220	1,753,091
Berry Petroleum Co	6,900	289,938
BHP Billiton	16,200	472,687
Big Lots Inc	50,530	1,908,013
Blackbaud Inc	15,700	434,890
Blackrock Inc	5,050	900,112

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Boston Beer Company Inc	4,200	455,952
Brinker International Inc	12,700	339,852
Brookline Bancorp Inc	19,300	162,892
Brown & Brown Inc	5,400	122,202
Cabot Oil & Gas Corp	5,200	394,680
Cameron International Corp	14,600	718,174
Canadian Natural Resources	18,934	707,564
Capital One Financial Corp	18,550	784,480
Carbo Ceramics Inc	6,850	844,811
Carlsberg	9,498	671,870
Carpentright PLC	25,852	192,848
Celgene Corp	30,239	2,044,156
Chart Industries Inc	6,300	340,641
Church & Dwight Co Inc	28,100	1,285,856
Cimarex Energy Co	7,200	445,680
Cisco Systems Inc	98,800	1,786,304
Citrix Systems Inc	8,551	519,217
Clarcor Inc	19,000	949,810
Cliffs Natural Resources Inc	9,000	561,150
Cloud Peak Energy Inc	7,200	139,104
CME Group Inc	6,184	1,506,855
Coach Inc	36,586	2,233,210
Coca-Cola	12,950	906,112
Cognizant Tech Solutions	36,251	2,331,302
Compass Group PLC	243,027	2,307,676
Compass Minerals International Inc	14,100	970,785
Computer Modelling Group Ltd	18,800	293,847
Computer Programs & Systems	1,000	51,110
Concho Resources Inc	18,100	1,696,875
Consol Energy Inc	50,410	1,850,047
Con-way Inc	25,300	737,748
Cookson Group PLC	2,237	17,696
Copart Inc	4,100	196,349
Core Laboratories N.V.	5,948	677,775
Costco Wholesale Corp	9,933	827,618
Covance Inc	13,987	639,486
Covidien PLC	43,632	1,963,876
Credit Saison Co Ltd	55,700	1,117,041
Crown Holdings Inc	48,520	1,629,302
Cullen Frost Bankers Inc	5,700	301,587
Cummins Inc	3,200	281,664
Danaher Corp	16,189	761,531

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Darling International Inc	17,600	233,904
Davita Inc	10,490	795,247
Dentsply International Inc	7,300	255,427
Devon Energy Corporation	18,260	1,132,120
Diageo PLC	55,113	1,204,683
Diamond Offshore Drilling	9,100	502,866
Dime Community Bancshares Inc	17,500	220,500
Dominion Resources Inc	34,450	1,828,606
Donaldson Co Inc	13,100	891,848
Dow Chemical	38,600	1,110,136
Dril Quip Inc	7,200	473,904
Ecolab Inc	10,500	607,005
El Paso Corp	44,550	1,183,694
Ensco PLC	9,200	496,652
Exelis Inc	25,540	231,137
Experian PLC	62,264	847,173
Exponent Inc	9,900	455,103
Express Scripts Inc	23,375	1,044,629
Exxon Mobil Corp	23,150	1,962,194
Factset Research Systems Inc	4,500	392,760
First Financial Bankshares Inc	6,000	200,580
First Quantum Minerals Ltd	30,000	590,719
Flowers Foods Inc	11,850	224,913
Fluor Corp	16,948	851,637
FMC Corp	10,820	930,953
FMC Technologies Inc	16,990	887,388
Forrester Research Inc	6,700	227,398
Fortune Brands Home & Security Inc	75,410	1,284,232
Forward Air Corporation	7,100	227,555
Fossil Inc	9,266	735,350
General Electric Co	47,700	854,307
Genesee & Wyoming Inc	2,200	133,276
Genon Energy Inc	261,840	683,402
Genpact Ltd	30,139	450,578
Gentex Corp	12,300	363,957
Goldcorp Inc	11,700	517,725
Google Inc	4,430	2,861,337
Graco Inc	5,100	208,539
Green Plains Renewable Energy	3,400	33,184
Groupe Bruxelles Lambert	11,089	741,496
GT Advanced Technologies Inc	29,600	214,304
Gulfport Energy Corp	10,500	309,225

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Guoco Group Ltd	66,934	622,664
Haemonetics Corp	10,100	618,322
Halliburton Co	31,700	1,093,967
Hanover Insurance Group Inc	2,800	97,860
Harleysville Group Inc	5,700	322,449
Harris Teeter Supermarkets Inc	18,900	805,896
Hawkins Inc	4,000	147,440
Healthcare Services Group	21,725	384,315
HeidelbergCement AG	25,370	1,079,908
Henry Schein Inc	9,800	631,414
Hibbett Sports Inc	10,700	483,426
Hillenbrand Inc	9,800	218,736
Hittite Microwave Corp	5,800	286,404
Holly Frontier Corp	22,400	524,160
Honeywell International Inc	31,800	1,728,330
IAMGOLD Corp	35,200	557,920
Icon PLC	45,127	707,135
IDEXX Laboratories Inc	17,369	1,336,718
Illumina Inc	31,800	969,264
Infinity Property & Casualty Corp	3,300	187,242
ING Groep	121,089	873,986
Innophos Holdings Inc	1,100	53,416
International Paper Co	11,600	343,360
Intrepid Potash Inc	14,900	337,187
Intuitive Surgical Inc	4,815	2,229,393
J&J Snack Foods Corp	4,800	255,744
J.C. Penney Co Inc	56,200	1,975,430
Jack Henry & Associates Inc	6,700	225,187
Jacobs Engineering Group Inc	3,500	142,030
Johnson & Johnson	15,750	1,032,885
Johnson Controls Inc	47,750	1,492,665
Joy Global Inc	3,050	228,659
JP Morgan Chase & Co	57,300	1,905,225
Kao Corp	43,900	1,199,918
Key Energy Services Inc	10,600	163,982
Kinross Gold Corp	38,858	442,981
Kinross Gold Corp WTS	1,507	2,145
Kodiak Oil & Gas Corp	18,800	178,600
Koninklijke Ahold	59,529	804,073
Koninklijke Ahold ADR	82,730	1,112,719
Koninklijke Philips Electron	43,334	915,816
Lancashire Holdings Ltd	29,509	332,255

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Lancaster Colony Corp	4,700	325,898
Landauer Inc	2,700	139,050
Layne Christensen Co	1,300	31,460
Legacy Oil Gas Inc	3,800	39,108
Lincoln Electric Holdings	3,600	140,832
Lindsay Corp	5,100	279,939
Lloyds Banking Group PLC	1,215,459	489,331
Louisiana Pacific Corp	30,700	247,749
LSB Industries Inc	8,900	249,467
Lufkin Industries Inc	6,700	450,977
Major Drilling Group Intl	23,800	362,474
Mantech International Corp	8,900	278,036
Marathon Petroleum Corp	9,025	300,442
MASCO Corp	91,470	958,606
Mastercard Inc	2,404	896,259
Matthews Intl Corp	6,200	194,866
Mead Johnson Nutrition Co	20,672	1,420,787
Merck & Co. Inc.	35,309	1,331,149
Meridian Bioscience Inc	11,600	218,544
Metlife Inc	40,300	1,256,554
Michael Page International	87,501	474,317
Micros Systems Inc	17,700	824,466
Microsoft Corp	97,850	2,540,186
Mitsubishi UFJ Financial Group	140,095	595,413
Monsanto Co	11,050	774,274
Mosaic Co	5,000	252,150
MWI Veterinary Supply Inc	7,000	465,080
National Instruments Corp	23,965	621,892
National Oilwell Varco Inc	24,534	1,668,067
Natural Gas Services Group	11,600	167,736
Nestle	9,110	526,083
Netapp Inc	18,888	685,068
New Jersey Resources Corp	8,250	405,900
Newfield Exploration Co	7,700	290,521
Newmarket Corp	1,100	217,921
Newmont Mining Corp	17,300	1,038,173
NIFCO Inc	8,900	248,816
Noble Corp	9,500	287,090
Noble Energy Inc	5,600	528,584
Nordson Corp	11,400	469,452
North West Co Inc	1,800	36,932
Northern Oil And Gas Inc	11,500	275,770

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Northwest Natural Gas Co	3,500	167,755
Novartis	24,840	1,426,487
Oasis Petroleum Inc	8,300	241,447
Occidental Petroleum Corp	23,572	2,208,696
Oceaneering Intl Inc	23,600	1,088,668
Oneok Inc	21,460	1,860,367
Oracle Corp	49,560	1,271,214
Osisko Mining Corp	38,300	370,117
Owens & Minor Inc	2,400	66,696
Owens Corning	39,940	1,147,077
Owens Illinois Inc	72,480	1,404,662
Pacific Rubiales Energy Corp	19,600	360,528
Packaging Corp Of America	41,150	1,038,626
Panalpina Welttransport	9,742	1,002,225
Pargesa Holding SA	10,691	703,130
Pason Systems Inc	17,900	210,210
Patterson Cos Inc	11,100	327,672
Peabody Energy Corp	5,900	195,349
Pepsico Inc	12,450	826,058
Pfizer Inc	125,651	2,719,088
Piedmont Natural Gas Co	3,000	101,940
Pioneer Natural Resources Co	7,200	644,256
Polaris Industries Inc	9,000	503,820
Pool Corp	7,900	237,790
Potash Corp Of Saskatchewan	11,100	458,208
Praxair Inc	10,181	1,088,349
Procter & Gamble Co	31,550	2,104,701
PSS World Medical Inc	12,000	290,280
Publicis Groupe	27,247	1,257,251
QEP Resources Inc	7,900	231,470
Qinetiq Group PLC	548,376	1,130,059
Qualcomm Inc	51,448	2,814,206
Quality Systems Inc	7,400	273,726
Quanta Services Inc	47,385	1,020,673
Randgold Resources Ltd	4,700	479,870
Raven Industries Inc	7,300	451,870
Raytheon Company	40,950	1,981,161
Reed Elsevier PLC	160,873	1,297,567
Republic Services Inc	66,952	1,844,528
Resolute Energy Corp	13,300	143,640
Rio Tinto PLC	12,600	616,392
Ritchie Bros Auctioneers	16,300	359,904

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
RLI Corp	6,000	437,160
Robbins & Myers Inc	6,200	301,010
Rollins Inc	27,525	611,606
Roper Industries Inc	9,413	817,707
Safety Insurance Group Inc	5,400	218,592
Safeway Inc	93,550	1,968,292
Salesforce.Com Inc	5,758	584,207
Sally Beauty Holdings Inc	22,950	484,934
Sanchez Energy Corp	3,000	51,780
Sankyo Co Ltd	12,423	628,900
Sanofi	32,550	1,189,377
Sara Lee Corp	122,750	2,322,430
Savills PLC	87,970	447,876
Schlumberger Ltd	29,494	2,014,735
Schwab (Charles) Corp	49,107	552,945
Seadrill Ltd	15,700	526,144
Seino Holdings Co Ltd	16,220	125,856
Sensient Technologies Corp	14,100	534,390
Signet Jewelers Ltd	33,177	1,458,461
Silgan Holdings Inc	7,400	285,936
Sirona Dental Systems Inc	8,800	387,552
SM Energy Co	9,200	672,520
Sodexo	5,484	394,894
Sodexo Prime De Fidelite	10,966	744,660
Solera Holdings Inc	17,800	792,812
South Jersey Industries	5,900	335,179
Southwestern Energy Co	29,731	949,608
Stanley Electric Co Ltd	48,600	714,409
Steel Dynamics Inc	12,400	163,060
Stericycle Inc	9,172	714,682
Strayer Education Inc	2,000	194,380
Sunoco Inc	37,410	1,534,558
Syntel Inc	2,400	112,248
T Rowe Price Group Inc	30,667	1,746,486
Tamedia	24	2,990
TE Connectivity Ltd	55,462	1,708,784
Techne Corp	2,600	177,476
Teck Resources Ltd	6,700	235,773
Television Francaise (T.F.1)	21,520	210,695
Texas Instruments Inc	51,200	1,490,432
Thai Beverage PLC	973,397	183,922
Thomas & Betts Corp	26,150	1,427,790

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Time Warner Inc	56,600	2,045,524
TJX Companies Inc	22,300	1,439,465
Toro Co	4,500	272,970
Total	21,805	1,118,093
Tractor Supply Company	9,000	631,350
Trimble Navigation Ltd	9,100	394,940
Unilever PLC	34,011	1,140,049
United Stationers Inc	16,400	533,984
USG Corp	41,450	421,132
Validus Holdings Ltd	5,800	182,700
Valmont Industries	4,600	417,634
Viacom Inc	30,750	1,396,358
Viewpoint Financial Group	16,360	212,844
Visa Inc	18,481	1,876,376
Vodafone Group PLC	65,200	1,827,556
Wabtec Corp	11,400	797,430
Waste Management Inc	20,670	676,116
Watsco Inc	1,400	91,924
Weatherford Intl Ltd	19,500	285,480
Wells Fargo & Co	59,000	1,626,040
West Pharmaceutical Services	6,600	250,470
Westamerica Bancorporation	9,600	421,440
Western Refining Inc	21,500	285,735
Westfield Financial Inc	19,900	146,464
Weyerhaeuser Co	39,282	733,395
Whiting Petroleum Corp	15,400	719,026
Williams Cos Inc	71,870	2,373,147
Xstrata PLC	53,300	810,112
Xylem Inc	37,240	956,696
Yanzhou Coal Mining Co	67,000	143,030
Yum Brands Inc	24,183	1,427,039
Zebra Technologies Corp	13,975	500,026
Total for Common Stock:		<u>240,226,624.63</u>
Preferred Stock:		
DG Funding Trust Frn	103	<u>773,583</u>
Mutual Funds - Equity:		
DFA Investment Dimensions Group Inc.:		
- Emerging Markets Value Portfolio	1,871,708	<u>48,589,540</u>

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Exchange Traded Commodities:		
SPDR Gold Shares		<u>303,980</u>
U.S. Limited Partnerships, Corporations and Trusts:		
Amberbrook IV LLC		4,944,375
Amberbrook V LLC		21,084,647
Baupost Value Partners, L.P.-IV		37,072,227
Commonfund Capital Natural Resources Partners V, L.P.		6,795,733
Commonfund Capital Natural Resources Partners VI, L.P.		10,827,082
Commonfund Capital Natural Resources Partners VII, L.P.		6,374,798
CSFB Strategic Partners III, L.P.		16,225,927
CS Strategic Partners IV L.P.		17,208,974
Denham Commodity Partners Fund V L.P.		4,925,722
Denham Commodity Partners Fund VI L.P.		262,547
Farallon Capital Institutional Partners, L.P.		43,723,825
Grandbanks Capital Venture Fund II L.P.		4,211,083
Gryphon International EAFE Growth Fund		33,904,751
HarbourVest Partners VII-Buyout Holding Fund, L.P.		4,706,172
HarbourVest Partners VII-Venture Holding Fund, L.P.		3,796,678
JFL Equity Investors III, L.P.		524,769
JFL AIV Investors III - B, L.P.		790,824
OFI Institutional Emerging Markets Equity Fund, L.P.		34,819,577
Pantheon USA Fund V, L.P.		6,539,080
Pantheon USA Fund VI, L.P.		12,398,632
Providence Equity Partners VI (Umbrella U.S.) L.P.		523,045
Providence Equity Partners VI L.P.		13,058,992
Realty Associates Fund VII Corporation		11,875,788
Security Capital Preferred Growth LLC		33,847,782
The Silchester International Investors Tobacco Free International Value Equity Trust		49,158,923
The Varde Fund IX L.P.		42,656,158
Updata Partners IV L.P.		7,048,447
Walton Street Real Estate Fund V, L.P.		8,490,042
Walton Street Real Estate Fund VI, L.P.		8,436,748
Wellington Trust Company, National Association Multiple Common Trust Funds Trust: - Energy Portfolio		36,803,345
Total for U.S. Limited Partnerships, Corporations and Trusts:		<u>483,036,692.58</u>

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10b - Investments- corporate stock

Description	Shares	Fair Market Value
Non-U.S. Limited Partnerships, Corporations and Trusts :		
Blenheim Commodity Fund, Ltd.		27,488,208
HarbourVest Partners VIII Cayman Buyout Fund, L.P.		5,361,813
HarbourVest Partners VIII Cayman Venture Fund, L.P.		11,591,068
HSH Cayman Parters L.P.		66,116
Insight Venture Partners (Cayman) VI, L.P.		14,108,061
Insight Venture Partners (Cayman) VII, L.P.		2,719,233
J.C. Flowers II, L.P.		3,083,088
J.C. Flowers III, L.P.		(71,793)
JCF HRE AIV II 2 Trust		6,781
JCF II Special AIV K L.P.		228,080
JCF III AIV I L.P.		2,524,942
JCF III AIV II LP		4,456,841
JCF III AIV SRV LP		63,757
Jupiter JCF AIV II Special L.P.		1,164,188
Paulson Advantage Plus Ltd-Class A 2009		16,867,097
Paulson Credit Opportunities Ltd-Class A		33,005,107
Providence Equity Partners Credit I L.P.		1,026,019
Providence Equity Partners VI International L.P.		4,119,270
European Strategic Partners 2006 'B'		13,870,643
York Credit Opportunities Unit Trust		60,862,262
Total for Non-U.S. Limited Partnerships, Corporations and Trusts:		202,540,779.97
Receivable for Investments Sold, Net		49,261,881
Grand Total for All Corporate Stock		\$ 1,024,733,082

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10c - Investments - corporate bonds

Description	Interest Rate	Maturity Date	Par Value	Fair Market Value
Corporate Bonds:				
Ace INA Holdings	5.70	02/15/2017	880,000	\$ 1,014,913
Alabama Power Co	6.00	03/01/2039	361,000	475,282
Alcoa Inc	6.15	08/15/2020	483,000	501,827
Ally Financial Inc	1.75	10/30/2012	1,011,000	1,024,042
Anheuser Busch Inbev Worldwide Inc	1.30	03/26/2013	1,035,000	1,039,978
Arcelormittal	5.50	03/01/2021	434,000	398,373
Banc Of America Commercial Mortgage	5.19	09/10/2047	584,000	645,898
Bank Of America Corp	2.10	04/30/2012	1,707,000	1,718,676
Bank Of America Corp	6.50	08/01/2016	395,000	397,793
Bank Of America Corp	5.65	05/01/2018	495,000	471,611
Bank Of New York Mellon	4.60	01/15/2020	425,000	462,659
Bellsouth Cap Funding Corp	7.12	07/15/2097	890,000	1,136,592
Blackstone Holdings FINA	6.63	08/15/2019	849,000	898,344
Boeing Co	7.95	08/15/2024	820,000	1,176,651
Boston Properties LP	4.13	05/15/2021	479,000	482,018
Caterpillar Inc	7.90	12/15/2018	308,000	410,040
CDP Financial	5.60	11/25/2039	624,000	765,068
Citibank Omni Master Trust	2.29	05/16/2016	1,347,000	1,355,273
Citicorp Lease	8.04	12/15/2019	674,000	767,956
Citigroup Inc	8.50	05/22/2019	314,000	369,606
CS First Boston Mortgage Securities	4.65	07/15/2037	820,000	854,635
CVS Pass Through Trust	8.35	07/10/2031	560,842	686,370
CVS Pass Through Trust	7.51	01/10/2032	320,996	371,271
Delta Air Lines	5.30	10/15/2020	553,000	558,530
Dominion Resources Inc	5.25	08/01/2033	890,000	976,766
Fannie Mae Aces	2.39	01/25/2019	575,733	586,548
FMR LLC	4.75	03/01/2013	303,000	310,687
FMR LLC	7.49	06/15/2019	622,000	722,627
GE Capital Credit Card Master	0.32	03/15/2015	752,000	751,676
GE Dealer Floorplan Master Not	1.96	07/21/2014	759,000	764,375
General Electric Cap Corp	5.63	05/01/2018	419,000	469,280
General Electric Cap Corp	5.88	01/14/2038	654,000	692,972
Goldman Sachs Group Inc	5.95	01/18/2018	312,000	319,557
Goldman Sachs Group Inc	7.50	02/15/2019	641,000	707,927
Greenwich Capital Commercial	5.22	04/10/2037	1,441,000	1,542,854
GS Mortgage Securities Trust	5.79	08/10/2045	689,000	748,244
Hidden Ridge Facility	5.65	01/01/2022	330,941	336,475
Home Depot Inc	5.95	04/01/2041	680,000	877,329
HSBC Bank	-	09/12/2014	21,416,200	1,009,024

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10c - Investments - corporate bonds

Description	Interest Rate	Maturity Date	Par Value	Fair Market Value
HSBC Holdings PLC	5.10	04/05/2021	435,000	462,227
John Deere Capital Corp	2.88	06/19/2012	850,000	861,025
Joy Global Inc	5.13	10/15/2021	373,000	398,163
JP Morgan Chase & Co	6.40	05/15/2038	927,000	1,076,136
JP Morgan Chase Commercial Mor	4.90	09/12/2037	610,000	665,400
JP Morgan Chase Commercial Mortgage	4.82	09/12/2037	0	0
JP Morgan Chase Commercial Mortgage	5.82	06/15/2049	378,000	401,711
KKR Group Finance Co	6.38	09/29/2020	691,000	709,616
Lehman Bros	1.00	12/31/2049	480,000	48
Marathon Oil Corp	6.00	10/01/2017	553,000	643,427
Midamerican Energy Holdings	5.75	04/01/2018	800,000	923,208
Morgan Stanley	1.00	01/09/2014	746,000	674,951
Morgan Stanley	6.63	04/01/2018	393,000	388,064
Morgan Stanley REREMIC Trust	5.79	08/12/2045	484,000	475,462
NASDAQ OMX Group	5.55	01/15/2020	440,000	450,780
News America Inc	8.15	10/17/2036	380,000	478,044
News America Inc	6.75	01/09/2038	595,000	673,564
Norfolk Southern Corp	6.00	03/15/2105	803,000	949,949
NSTAR Electric Co	5.63	11/15/2017	411,000	487,088
NSTAR Electric Co	4.50	11/15/2019	358,000	396,070
Oracle Corp	5.38	07/15/2040	415,000	505,586
Pepsico Inc	5.15	05/15/2012	636,000	646,729
Procter & Gamble Co	8.00	09/01/2024	398,000	590,095
Prudential Holdings, LLC	8.70	12/18/2023	525,000	659,584
Rabobank Nederland	5.80	09/30/2110	600,000	672,072
Scottrade Financial Service	6.13	07/11/2021	525,000	526,943
Simon Property Group LP	6.75	02/01/2040	327,000	426,951
SouthWest Airlines	6.15	02/01/2024	300,281	322,803
Time Warner Inc	6.25	03/29/2041	850,000	1,019,108
Union Pacific Corp	4.00	02/01/2021	420,000	450,622
Valero Energy Corp	6.13	02/01/2020	394,000	438,258
Wachovia Bank Commercial Mortgage	5.29	12/15/2044	461,000	469,729
Wachovia Corporation	7.57	08/01/2026	835,000	989,609
Wal Mart Stores Inc	4.88	07/08/2040	460,000	531,190
West Corp Federal Credit Union	1.75	11/02/2012	701,000	709,784
WF RBS Commercial Mortgage Trust	3.24	03/15/2044	611,000	628,483
XCEL Energy Inc	4.70	05/15/2020	915,000	1,031,223
Total for Corporate Bonds:				50,533,443

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part II, Line 10c - Investments - corporate bonds

Description	Fair Market Value
Mutual Funds - Fixed Income:	
The PIMCO Funds:	
- Asset-Backed Securities Portfolio	1,812,597
- Emerging Markets Portfolio	2,633,179
- High Yield Portfolio	1,541,077
- International Portfolio	7,466,708
- Investment Grade Corp Portfolio	20,443,226
- U.S. Government Sector Portfolio	17,312,298
- Developing Local Markets Portfolio	610,906
DFA Investment Dimensions Group Inc:	
- DFA One -Year Fixed Income Portfolio	14,399,108
BlackRock Funds II:	
- BlackRock Inflation Protected Bond Porfolio	11,504,732
Total for Mutual Funds - Fixed Income:	77,723,831
U.S. Limited Liability Corporation:	
JP Morgan Structured Debt Fund, LLC	3,489,341
Grand Total for All Bonds	\$ 131,746,615

The Wallace Foundation
13-6183757
2011

Statement 10

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part II, Line 14, Land, buildings, and equipment minus accumulated depreciation

	(a)	(b)	(a)-(b)=(c)
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Leasehold Improvements	\$ 3,525,484	1,454,718	2,070,766
Furniture	423,369	172,007	251,362
Computer	198,554	178,069	20,485
Office Equipment	72,241	55,299	16,942
Framed Prints and Photographs	12,260	8,905	3,355
Total	<u>\$ 4,231,908</u>	<u>1,868,998</u>	<u>2,362,910</u>

The Wallace Foundation
13-6183757
2011

Statement 11

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part II, Line 15, Other Assets

<u>Description</u>	<u>Col. (a) Per Books Beginning of Year</u>	<u>Col.(b) Per Books End of Year</u>	<u>Col. (c) Fair Market Value End of Year</u>
Accrued investment income	\$ 1,669,208	2,110,245	2,110,245
Other receivables	533	-	-
Total Other Assets	\$ 1,669,741	2,110,245	2,110,245

The Wallace Foundation
13-6183757
2011

Statement 12

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part II, Line 22, Other Liabilities

<u>Description</u>	<u>Col. (a) Per Books Beginning of Year</u>	<u>Col.(b) Per Books End of Year</u>
Deferred Federal Excise Tax	\$ 3,842,747	\$ 2,307,260
Landlord incentives	2,010,391	1,927,280
Total Other Liabilities	\$ 5,853,137	\$ 4,234,540

The Wallace Foundation
13-6183757
2011

Statement 13

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part III, Line 3, Other increases not included in line 2 of Part III

Increase in unrealized appreciation in the fair value of investments held	\$	(88,414,546)
Less: Net change in provision for deferred Federal excise tax		1,535,487
	\$	<u>(86,879,059)</u>

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part I, Line 19, Depreciation

Description of the Property (a)	Date Acquired (b)	Cost (c)	Depreciation Allowed in Prior Years (e)	Method Of Depreciation (f)	Rate(%) or Life (g)	Col (a) Per Books Deprn. 2011 (h)
Leasehold Improvements	2004	97,990	33,723	Straight Line	thru 2/21	\$ 6,324
	2005	3,398,139	1,190,265	Straight Line	thru 2/21	217,174
	2006	10,079	3,157	Straight Line	thru 2/21	684
	2007	7,113	1,750	Straight Line	thru 2/21	516
	2008	1,408	255	Straight Line	thru 2/21	108
	2009	2,903	263	Straight Line	thru 2/21	264
	2010	826	42	Straight Line	thru 2/21	72
	2011	7,028	-	Straight Line	thru 2/21	122
Furniture	2005	399,033	137,041	Straight Line	thru 2/21	25,764
	2006	23,846	7,534	Straight Line	thru 2/21	1,596
	2009	490	36	Straight Line	15 years	36
Computer Equipment	2004	28,285	28,285	Straight Line	3 years	-
	2005	15,157	15,157	Straight Line	3 years	-
	2006	34,244	34,244	Straight Line	3 years	-
	2007	38,575	38,575	Straight Line	3 years	-
	2008	38,985	33,490	Straight Line	3 years	5,495
	2009	17,955	9,455	Straight Line	3 years	5,993
	2010	13,523	1,400	Straight Line	3 years	4,508
	2011	11,829	-	Straight Line	3 years	1,466
Telephone and Office Equipment	2005	2,550	2,551	Straight Line	5 years	-
	2008	68,737	38,795	Straight Line	5 years	13,824
	2010	255	21	Straight Line	5 years	48
	2011	700	-	Straight Line	5 years	60
Framed Prints and Photographs	2006	12,260	7,141	Straight Line	7 years	1,764
		\$4,231,908	\$1,583,180			\$285,818

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part IV, Line 1, Capital Gains and Losses for Tax on Investment Income

		<u>Amount</u>
Sales of Publicly Traded Securities	\$ 1,226,681,418	
Cost of Publicly Traded Securities Sold	<u>1,202,586,306</u>	
Net Capital Gains and Losses		<u>\$ 24,095,112</u>
Capital Gain Dividends:		
DFA Investment Dimensions Group Inc. -Emerging Markets Value Portfolio		720,252
BlackRock Funds II-BlackRock Inflation Protected Bond Porfolio		51,887
Pacific Investment Management Company Mutual Funds		52,791
Subtotal		<u>824,930</u>
Capital Gain Distributions:		
Realty Associates Fund VII		<u>153,104</u>
Realized Gains (Losses) on Liquidated Partnerships:		
Farallon Liquid Trust		118,537
Archstone Offshore Fund, Ltd.		1,304,694
WellingtonTrust Company, National Association Multiple Common Trust Funds Trust:		
Capital Appreciation Portfolio		(4,218,328)
Wellington Management Investors (Bermuda), Ltd.		
Terrebonne Class A Shares		2,858,771
Subtotal		<u>63,674</u>
Realized Gains on Foreign Corporations		
HarbourVest Cayman Buyout VIII		11,977
HarbourVest Cayman Venture VIII		37,821
Subtotal		<u>49,798</u>
Net Capital Gains (Losses) on Foreign Exchange Contracts:		
Neuberger & Berman		18
Van Eck Global		16,267
Artisan Partners, L.P.		(150,420)
Brown Advisory		(34)
Subtotal		<u>(134,169)</u>
Realized Gains (Losses) on K-1's of Common Trusts and Limited Partnerships:		
Amberbrook IV, LLC		535,351
Amberbrook V, LLC		2,386,055
Baupost Value Partners, L.P.-IV		285,338
Commonfund Capital Natural Resources Partners V, L.P.		282,506
Commonfund Capital Natural Resources Partners VI, LP		348,083
Commonfund Capital Natural Resources Partners VII, LP		146,547
CSFB Strategic Partners III, L.P.		1,861,899
CS Strategic Partners IV, L.P.		2,391,395
Denham Commodity Partners Fund V LP		399,994
European Strategic Partners 2006 'B', lp		700,145
Farallon Capital Institutional Partners, LP		(10,165)
Farallon Capital Institutional Partners, LP		814,611
Gryphon International EAFE Growth Fund		6,820,528
Harbourvest Partners VII - Buyout Holding Fund, L.P.		235,786
Harbourvest Partners VII - Venture Holding Fund, L.P.		200,000

The Wallace Foundation
13-6183757
2011

Statement 15
Page 2 of 2

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Part IV, Line 1, Capital Gains and Losses for Tax on Investment Income

	<u>Amount</u>
Insight Venture Partners (Cayman) VI, LP	1,544,114
J.C. Flowers II L.P.	165,453
JCF HRE AIV 2 Trust	(373)
J.P. Morgan Structured Debt Fund, LLC	33,298
OFI Institutional Emerging Markets Equity Fund, L.P.	1,114,891
Pantheon USA Fund V, LP	790,755
Pantheon USA Fund VI, LP	719,412
Providence Equity Partners VI (Umbrella US) LP	(3,185)
Providence Equity Partners VI International LP	(204)
Providence Equity Partners VI, LP	8,758
Security Capital Preferred Growth LLC	347,062
The Silchester International Investors Tobacco Free Trust	4,116,312
The Varde Fund IX, LP	604,261
Walton Street Real Estate Fund V, LP	(261,562)
Walton Street Real Estate Fund VI, LP	509,764
Wellington Trust - CTF Energy Portfolio	2,842,406
Total	<u>29,929,235</u>
 Grand Total	 <u><u>\$ 54,981,683</u></u>

THE WALLACE FOUNDATION
13-6183757
2011

Statement 16
Page 1 of 2

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part VIII, Line 1, Information about Officers, Directors, Trustees, Foundation Managers
and their Compensation

(a)	(b)	(c)	(d)	(e)
<u>Name and address</u> ¹	<u>Title and Average hours per week devoted to position</u>	<u>Compensation</u>	<u>Contributions to employee benefit plans and deferred compensation</u>	<u>Expense acct. and other allowances</u>
Lawrence T. Babbio, Jr.	Director Part Time - Approx. 1 hr. per wk.	None	None	None
Candace Beinecke	Director Part Time - Approx. 1 hr. per wk.	None	None	None
Sharon W. Clark	Director of Operations Full Time - Approx. 50 hrs. per wk.	270,652 ²	74,336 ³	None
W. Don Cornwell	Director Part Time - Approx. 1 hr. per wk.	None	None	None
Linda Darling-Hammond	Director Part Time - Approx. 1 hr. per wk.	None	None	None
M. Christine DeVita (Retired June 2011)	Director & President Full Time - Approx. 50 hrs. per wk.	529,021 ⁴	59,779	None
Susan H. Dodge	Corporate Secretary & Executive Associate Full Time - Approx. 50 hrs. per wk.	108,767	41,161	None
Mary E. Geras	Director of Finance & Assistant Treasurer Full Time - Approx. 50 hrs. per wk.	204,478	57,663	None
Augusta S. Kappner	Director Part Time - Approx. 1 hr. per wk.	None	None	None
Kevin W. Kennedy	Chairman and Director Part Time - Approx. 1 hr. per wk.	None	None	None
Susan J. Kropf	Director Part Time - Approx. 1 hr. per wk.	None	None	None
William I. Miller (Elected June 2011)	Director & President Full Time - Approx. 50 hr. per wk.	282,919	36,546	None

¹ Address for all Directors and Employees is: 5 Penn Plaza 7th floor, New York, NY 10001.

² Includes a payout of \$1,452 for 2011 deferred compensation under a Supplemental Executive Retirement Plan (SERP).

³ Includes \$2,529 of 2011 deferred compensation for SERP.

⁴ Includes a payout of \$238,906 representing the entire balance of the deferred compensation under a SERP

THE WALLACE FOUNDATION
13-6183757
2011

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part VIII, Line 1, Information about Officers, Directors, Trustees, Foundation Managers
and their Compensation

(a)	(b)	(c)	(d)	(e)
<u>Name and address</u> ¹	<u>Title and Average hours per week devoted to position</u>	<u>Compensation</u>	<u>Contributions to employee benefit plans and deferred compensation</u>	<u>Expense acct. and other allowances</u>
Ann S. Moore	Director Part Time - Approx. 1 hr. per wk.	None	None	None
Rob D. Nagel	Director of Investments & Treasurer Full Time - Approx. 50 hrs. per wk.	429,746 ²	98,726 ³	None
Joseph W. Polisi	Director Part Time - Approx. 1 hr. per wk.	None	None	None

¹ Address for all Directors and Employees is: 5 Penn Plaza 7th floor, New York, NY 10001.

² Includes a payout of \$10,457 for 2011 deferred compensation under a Supplemental Executive Retirement Plan (SERP).

³ Includes \$21,628 of 2011 deferred compensation for SERP.

THE WALLACE FOUNDATION
13-6183757
2011

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part VIII, Line 2, Compensation of Five Highest Paid Employees

(a)	(b)	(c)	(d)	(e)
<u>Name and address</u> ¹	<u>Title and average hours per week devoted to position</u>	<u>Compensation</u>	<u>Contributions to employee benefit plans and deferred compensation</u>	<u>Expense account and other allowances</u>
Edward Pauly	Director of Evaluation Full Time - Approx. 50 hrs. per wk.	275,482 ²	77,136 ³	None
Nancy Devine	Director of Communities Full Time - Approx. 50 hrs. per wk.	228,088	62,795	None
Daniel Windham	Director of Arts Full Time - Approx. 50 hrs. per wk.	221,333	61,879	None
Lucas Held	Director of Communication Full Time - Approx. 50 hrs. per wk.	203,272	59,077	None
Jody Spiro	Director of Education Full Time - Approx. 50 hrs. per wk.	181,468	56,242	None

¹ Address for all Employees is: 5 Penn Plaza 7th floor, New York, NY 10001.

² Includes a payout of \$1,511 for 2011 deferred compensation under a Supplemental Executive Retirement Plan (SERP).

³ Includes \$3,233 of 2011 deferred compensation for SERP.

The Wallace Foundation
13-6183757
2011

Statement 18

For the fiscal year beginning January 1, 2011 and ending December 31, 2011

Form 990-PF, Part VIII-Line 3, Five Highest Paid Independent Contractors for Professional Services

<u>Name and Address</u>	<u>Type of Service</u>	<u>Compensation</u>
Neuberger Berman LLC 605 Third Avenue New York, NY 10158	Investment Management	\$ 478,718
Fiscal Management Associates, LLC 70 W. 36 th St., 15 th Floor New York, NY 10018	Financial Management Assistance to Grantees	466,500
Silchester 780 Third Avenue, 42nd Street New York, NY 10017	Investment Management	436,318
OFI Institutional Asset Management, Inc. 6803 S. Tucson Way Centennial, CO 80112	Investment Management	385,422
S. Radoff Associates 4481 Douglas Avenue Bronx NY 10471	Technical Assistance to Grantees	381,400

The Wallace Foundation

13-6183757

2011

For fiscal year beginning January 1, 2011 and ending December 31, 2011

Part XV, Lines 3a and 3b - Grants and Contributions Paid During The Year (3a) or Approved for Future Payments (3b)

RECIPIENT - PURPOSE Organization / IRS name, if different (City, State)	Line 3a PAYMENTS IN 2011	Line 3b FUTURE PAYMENTS	FOUNDATION STATUS OF RECIPIENT
SCHOOL LEADERSHIP -- Our goal is to raise the quality of leadership by principals and other key school figures so they can improve teaching and learning in their schools			
DEVELOP INNOVATION SITES -- These grants support Wallace's principal pipeline initiative, which works with selected school districts to improve training and support of principals, and evaluate the results for students			
THE CHARLOTTE-MECKLENBURG BOARD OF EDUCATION (Charlotte, N.C.) -- To enable the Charlotte-Mecklenburg school district to take part in the pipeline initiative.	2,000,000	-	Governmental unit
DENVER PUBLIC SCHOOLS FOUNDATION (Denver, Col.) -- To enable the Denver school district to take part in the pipeline initiative.	2,500,000	-	509(a)(1)
EDUCATION DEVELOPMENT CENTER, INC. (Waltham, Mass.) -- To provide technical assistance to the principal pipeline districts.	600,000	-	509(a)(1)
THE FUND FOR PUBLIC SCHOOLS, INC. (New York, N.Y.) -- To enable the New York City school district to take part in the pipeline initiative.	2,000,000	-	509(a)(1)
GWINNETT COUNTY BOARD OF EDUCATION (Suwanee, Ga.) -- To enable the Gwinnett County school district to take part in the pipeline initiative.	3,900,000	-	Governmental unit
THE NYC LEADERSHIP ACADEMY, INC. (Long Island City, N.Y.) -- To manage the initiative professional learning community.	250,000	-	509(a)(1)
PRINCE GEORGE'S COUNTY BOARD OF EDUCATION (Upper Marlboro, Md.) -- To enable the Prince George's County school district to take part in the pipeline initiative.	3,600,000	-	Governmental unit
THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA (Tampa, Fla.) -- To enable the Hillsborough County school district to take part in the pipeline initiative.	2,800,000	-	Governmental unit

The Wallace Foundation
13-6183757
2011

RECIPIENT - PURPOSE
Organization / IRS name, if different (City, State)

RECIPIENT - PURPOSE Organization / IRS name, if different (City, State)	Line 3a PAYMENTS IN 2011	Line 3b FUTURE PAYMENTS	FOUNDATION STATUS OF RECIPIENT
DEVELOP AND SHARE KNOWLEDGE			
AMERICAN ASSOCIATION OF SCHOOL ADMINISTRATORS, INC. (Alexandria, Va.) – To disseminate Wallace knowledge to school district leaders at forums and AASA conferences.	50,000	–	509(a)(1)
COUNCIL OF CHIEF STATE SCHOOL OFFICERS (Washington, D.C.) – To share Wallace knowledge about education leadership and expanded learning time with state chiefs through speaking engagements and other means.	225,000	–	509(a)(2)
EDUCATION DEVELOPMENT CENTER, INC. (Waltham, Mass.) – To develop guides or other materials that the field can use to boost education leadership.	100,000	–	509(a)(1)
THE EDUCATION TRUST, INC. (Washington, D.C.) – To help design outreach activities and knowledge dissemination about education leadership.	125,000	–	509(a)(1)
LEARNING FORWARD / National Staff Development Council (Dallas, Tex.) – To develop an online guide that ties segments of the documentary <i>The Principal Story</i> to training topics.	100,000	–	509(a)(2)
NATIONAL ASSOCIATION OF STATE BOARDS OF EDUCATION (Alexandria, Va.) – To share Wallace knowledge about education leadership and summer learning with state board members through speaking engagements and other means.	100,000	–	509(a)(2)
NATIONAL CONFERENCE OF STATE LEGISLATURES (Denver, Col.) – To share Wallace knowledge about education leadership and summer learning with state legislators and policy advisers through speaking engagements, publications and other means.	200,000	–	Governmental unit
NATIONAL GOVERNORS ASSOCIATION CENTER FOR BEST PRACTICES (Washington, D.C.) – To share Wallace knowledge about education leadership with governors and policy advisers through policy forums and other means.	200,000	–	509(a)(1)
THE NYC LEADERSHIP ACADEMY, INC. (New York, N.Y.) – To develop guides or other materials that the field can use to boost education leadership.	350,000	–	509(a)(1)
UNIVERSITY COUNCIL FOR EDUCATIONAL ADMINISTRATION (Charlottesville, Va.) – To develop forums and publications that help principal training program faculty members and their institutions advance their programs.	50,000	–	509(a)(2)
UNIVERSITY OF WASHINGTON, CENTER FOR THE STUDY OF TEACHING AND POLICY (Seattle, Wash.) – To develop guides or other materials that the field can use to boost education leadership.	75,000	–	Governmental unit

The Wallace Foundation

13-6183757

2011

RECIPIENT - PURPOSE
Organization / IRS name, if different (City, State)

Line 3a
PAYMENTS IN
2011

Line 3b
FUTURE
PAYMENTS

FOUNDATION
STATUS OF
RECIPIENT

OTHER EDUCATION PROJECTS

THE FUND FOR PUBLIC SCHOOLS, INC. (New York, N.Y.) - Matching grant for federal Investing in Innovation grant; to assist School of One's pilot program in using technology to teach math to middle-school students.

KIPP FOUNDATION (San Francisco, Calif.) - Matching grant for federal Investing in Innovation grant; to support scaling up KIPP's leadership development model.

212,500

1,800,000

-

-

509(a)(1)

509(a)(1)

AFTER-SCHOOL - Our goal is to improve the quality and availability of after-school programs in cities so that children and teens, especially those with the highest needs, attend often enough to benefit.

DEVELOP INNOVATION SITES -- These grants support efforts to develop and test coordinated, citywide approaches to increasing participation in high-quality after-school learning opportunities for children and teens.

AFTER-SCHOOL MATTERS, INC. (Chicago, Ill.) - To expand the capabilities of the after-school project's information technology system and to expand an effort to improve the quality of after-school programs.

400,000

-

509(a)(1)

PROVIDENCE AFTER SCHOOL ALLIANCE INC (Providence, R.I.) - To develop after-school activities that reinforce what children are learning in school, and to help improve administrative management of after-school program operators.

1,150,000

-

509(a)(1)

NATIONAL LEAGUE OF CITIES INSTITUTE (Washington, D.C.) - To help Wallace develop and implement a second round of its after-school system building initiative.

170,000

-

509(a)(3) Type 1

The Wallace Foundation

13-6183757

2011

RECIPIENT - PURPOSE Organization / IRS name, if different (City, State)	Line 3a PAYMENTS IN 2011	Line 3b FUTURE PAYMENTS	FOUNDATION STATUS OF RECIPIENT
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STRENGTHENING FINANCIAL MANAGEMENT - This effort seeks to strengthen the financial management capabilities of nonprofit organizations that provide high-quality after-school programs to children and teens in Chicago, and to study and recommend how funder/nonprofit contracting procedures and policies could be improved.			
ALBANY PARK COMMUNITY CENTER, INC. (Chicago, Ill.)	45,000	-	509(a)(1)
ALTERNATIVES INCORPORATED (Chicago, Ill.)	40,000	-	509(a)(1)
ASSOCIATION HOUSE OF CHICAGO (Chicago, Ill.)	40,000	-	509(a)(1)
BETTER BOYS FOUNDATION (Chicago, Ill.)	45,000	-	509(a)(2)
BIG BROTHERS BIG SISTERS OF METROPOLITAN CHICAGO (Chicago, Ill.)	125,000	-	509(a)(1)
BUILD INCORPORATED (Chicago, Ill.)	45,000	-	509(a)(1)
CAROLE ROBERTSON CENTER FOR LEARNING (Chicago, Ill.)	125,000	-	509(a)(1)
CASA CENTRAL SOCIAL SERVICES CORPORATION (Chicago, Ill.)	45,000	-	509(a)(1)
CENTER ON HALTED (Chicago, Ill.)	40,000	-	509(a)(1)
CHICAGO YOUTH CENTERS (Chicago, Ill.)	45,000	-	509(a)(1)
CHINESE AMERICAN SERVICE LEAGUE, INC. (Chicago, Ill.)	45,000	-	509(a)(1)
DONORS FORUM (Chicago, Ill.) - To establish a Chicago policy forum of government, philanthropic and nonprofit leaders to analyze and recommend improvements in funding policies, practices and conditions that affect the performance of nonprofit organizations in that city.	350,000	-	509(a)(1)
ERIE NEIGHBORHOOD HOUSE (Chicago, Ill.)	125,000	-	509(a)(1)
GADS HILL CENTER (Chicago, Ill.)	125,000	-	509(a)(1)
GIRLS IN THE GAME (Chicago, IL)	125,000	-	509(a)(1)
INSTITUTE FOR LATINO PROGRESS (Chicago, Ill.)	40,000	-	509(a)(1)
LATIN WOMEN IN ACTION (Chicago, Ill.)	45,000	-	509(a)(1)
LOGAN SQUARE NEIGHBORHOOD ASSOCIATION, INC. (Chicago, Ill.)	45,000	-	509(a)(1)
METROPOLITAN FAMILY SERVICES (Chicago, Ill.)	40,000	-	509(a)(1)
NEIGHBORHOOD BOYS & GIRLS CLUB (Chicago, Ill.)	45,000	-	509(a)(1)
SOUTH SHORE DRILL TEAM & PERFORMING ARTS ENSEMBLE (Chicago, Ill.)	45,000	-	509(a)(1)
SOUTHWEST YOUTH SERVICES COLLABORATIVE (Chicago, Ill.)	45,000	-	509(a)(1)
YOUTH GUIDANCE (Chicago, Ill.)	125,000	-	509(a)(1)

The Wallace Foundation

13-6183757

2011

RECIPIENT - PURPOSE

Organization / IRS name, if different (City, State)

Line 3a
PAYMENTS IN
2011

Line 3b
FUTURE
PAYMENTS

FOUNDATION
STATUS OF
RECIPIENT

RECIPIENT - PURPOSE Organization / IRS name, if different (City, State)	Line 3a PAYMENTS IN 2011	Line 3b FUTURE PAYMENTS	FOUNDATION STATUS OF RECIPIENT
DEVELOP AND SHARE KNOWLEDGE			
AMERICAN YOUTH POLICY FORUM (Washington, D.C.) – To assist Wallace in developing a national conference on citywide after-school system building.	125,000	–	509(a)(1)
AFTERSCHOOL ALLIANCE (Washington, D.C.) – To share information on policy changes and disseminate lessons that will strengthen and support high-quality after-school services.	100,000	75,000	509(a)(1)
THE AFTER-SCHOOL CORPORATION (New York, N.Y.) – To support the Collaborative for Building After-School Systems in strategic planning, communications and other activities aimed at increasing awareness of after-school systems.	230,000	–	509(a)(1)
THE AFTER-SCHOOL CORPORATION (New York, N.Y.) – To support this organization's efforts to share information about and serve as a statewide voice for after-school system-building.	75,000	75,000	509(a)(1)
THE FORUM FOR YOUTH INVESTMENT (Washington, D.C.) – To develop a guide for municipalities on how cities can improve the quality of after-school programs citywide.	250,000	–	509(a)(1)
MASSACHUSETTS AFTERSCHOOL PARTNERSHIP (Boston, Mass.) – To support this organization's efforts to share information about and serve as a statewide voice for after-school system building.	75,000	75,000	509(a)(1)
NATIONAL LEAGUE OF CITIES INSTITUTE (Washington, D.C.) – To support efforts to encourage city leaders to implement citywide after-school systems.	200,000	–	509(a)(3) Type 1
PUBLIC/PRIVATE VENTURES (Philadelphia, Pa.) – To conduct a study about the effectiveness of financial management training for after-school providers.	200,000	–	509(a)(1)
UNITED WAY OF RHODE ISLAND (Providence, R.I.) – To support this organization's efforts to share information about and serve as a statewide voice for after-school system building.	75,000	75,000	509(a)(1)
VOICES FOR ILLINOIS CHILDREN, INC (Chicago, Ill.) – To support this organization's efforts to share information about and serve as a statewide voice for after-school system building.	75,000	75,000	509(a)(1)

The Wallace Foundation

13-6183757

2011

RECIPIENT - PURPOSE

Organization / IRS name, if different (City, State)

Line 3a
PAYMENTS IN
2011

Line 3b
FUTURE
PAYMENTS

FOUNDATION
STATUS OF
RECIPIENT

EXPANDED LEARNING OPPORTUNITIES - Our goal is to enable city children to boost their academic achievement by spending more time engaged in high-quality learning and enrichment activities over the summer and during the school year.

DEVELOP INNOVATION SITES - These grants are for the summer learning district demonstration, which is helping selected school districts build strong summer learning programs on a wide scale and then evaluate the results for children.

BIG THOUGHT (Dallas, Tex.) - To support the Dallas Independent School District's 2011 summer learning program, known as the Thriving Minds Summer Camp, and to plan for the 2012 program.

BOSTON AFTER SCHOOL & BEYOND, INC. (Boston, Mass.) - To support the Boston Public Schools' 2011 summer learning program, and to plan for the 2012 program.

CINCINNATI CITY SCHOOL DISTRICT (Cincinnati, Ohio) - To support the school district's 2011 summer learning program, known as the Fifth Quarter, and plan the 2012 program.

THE COMMUNITY FOUNDATION, INC. (Jacksonville, Fla.) - To support the Duval County Public School's 2011 summer learning program, known as the Superintendent's Academy, and to plan for the 2012 program.

DALLAS INDEPENDENT SCHOOL DISTRICT (Dallas, Tex.) - To support the Dallas Independent School District's 2011 summer learning program, known as the Thriving Minds Summer Camp, and to plan for the 2012 program.

PITTSBURGH PUBLIC SCHOOLS (Pittsburgh, Pa.) - To support the Pittsburgh Public School's 2011 summer learning program, known as the Summer Dreamers Academy, and to plan for the 2012 program.

RAND CORPORATION (Santa Monica, Cal.) - To assess six school districts' 2011 summer learning programs and provide recommendations on how to improve the programs in coming summers, and to produce a public report with lessons for the field.

ROCHESTER AREA COMMUNITY FOUNDATION (Rochester, N.Y.) - To support for the Rochester City School District's 2011 summer learning program, known as the Summer Enrichment Program, and to plan for the 2012 program.

ROCHESTER CITY SCHOOL DISTRICT (Rochester, N.Y.) - To support the Rochester City School District's 2011 summer learning program, known as the Summer Enrichment Program, and to plan for the 2012 program.

THE SCHOOL BOARD OF DUVAL COUNTY, FLORIDA (Jacksonville, Fla.) - To support the Duval County Public School's 2011 summer learning program, known as the Superintendent's Academy, and to plan for the 2012 program.

295,000	-	509(a)(1)
580,000	-	509(a)(1)
180,000	-	Governmental unit
90,000	-	509(a)(1)
95,000	-	Governmental unit
430,600	-	Governmental unit
1,805,000	321,000	509(a)(1)
33,700	-	509(a)(1)
710,000	-	Governmental unit
343,000	-	Governmental unit

The Wallace Foundation
13-6183757
2011

RECIPIENT - PURPOSE
Organization / IRS name, if different (City, State)

Line 3a
PAYMENTS IN
2011

Line 3b
FUTURE
PAYMENTS

FOUNDATION
STATUS OF
RECIPIENT

SUPPORT LEADING EXPANDED LEARNING ORGANIZATIONS -- These grants support leading nonprofits -- multiple-city or multiple-district organizations that have demonstrated they promote the use of extra learning time over the summer or school year in ways that result in learning gains -- so that they can refine and expand programming to meet demand for high-quality services.

THE AFTER-SCHOOL CORPORATION (New York, N.Y.) -- To expand learning time and opportunities to reach more than 5,500 K-8 students in New York City, Baltimore and New Orleans.
BUILDING EDUCATED LEADERS FOR LIFE / The B.E.L.L. Foundation, Inc. (Dorchester, Mass.) -- To provide general operating support to execute the organization's strategic plan.
CITIZEN SCHOOLS, INC. (Boston, Mass.) -- To help Citizens Schools implement plans to work with low-performing urban public schools to add learning time during the school year.
SAY YES TO EDUCATION, INC. (New York, N.Y.) -- To complete implementation of the Say Yes city-wide effort to boost education and other opportunities for young people in Syracuse, N.Y.
COMMUNITIES IN SCHOOLS (Arlington, Va.) -- To help capitalize and expand evidence-based programs to serve more low-income young people.
HIGHER ACHIEVEMENT PROGRAM (Washington, D.C.) -- To provide general operating support and expand an evaluation of the organization's after-school and summer programs.
HORIZONS NATIONAL STUDENT ENRICHMENT PROGRAM, INC. (Norwalk, Conn.) -- To support organizational growth as well as expansion of programming.

DEVELOP AND SHARE KNOWLEDGE
ACADEMY FOR EDUCATION DEVELOPMENT, INC. (Washington, DC) -- To help Wallace plan a conference in which leaders in education, after-school programming and other areas explore the topic of reimagining the school day.
EDUCATION SECTOR, INC. (Washington, D.C.) -- To write a report on Wallace's 2011 conference on reimagining the school day.
NATIONAL CENTER ON TIME & LEARNING, INC. (Boston, Mass.) -- To help build awareness of the value of expanding the school day and school year.
NATIONAL SUMMER LEARNING ASSOCIATION, INC. (Baltimore, Md.) -- To support a keynote address at the 2011 National Summer Learning Association national conference.
RAND CORPORATION (Santa Monica, Calif.) -- To produce a report examining what's known about summer learning programs, their effectiveness and their costs.

The Wallace Foundation

13-6183757

2011

RECIPIENT - PURPOSE

Organization / IRS name, if different (City, State)

Line 3a
PAYMENTS IN
2011

Line 3b
FUTURE
PAYMENTS

FOUNDATION
STATUS OF
RECIPIENT

OTHER SUMMER AND EXPANDED LEARNING TIME PROJECTS

HARVARD UNIVERSITY / President and Fellows of Harvard College (Cambridge, Mass.) - To support Project READS through a matching grant for federal Investing in Innovation program.

1,170,000

-

509(a)(1)

AUDIENCE DEVELOPMENT FOR THE ARTS -- Our goal is to get more people more deeply involved in the arts so they may reap the rewards of engaging with art

DEVELOP INNOVATION SITES -- The Wallace Excellence Awards support exemplary arts organizations in selected cities to test practices for building participation in the arts. Grants also support community foundations and other organizations in those cities to help disseminate useful information and ideas about arts participation

EXPERIENCE MUSIC PROJECT/SCIENCE FICTION MUSEUM AND HALL OF FAME / Experience Learning Community (Seattle, Wash.)

160,000

-

509(a)(2)

MACPHAIL CENTER FOR MUSIC (Minneapolis, Minn.)

100,000

-

509(a)(1)

THE MINNEAPOLIS INSTITUTE OF ARTS / The Minneapolis Society of Fine Arts (Minneapolis, Minn.)

100,000

-

509(a)(2)

MINNESOTA COMMUNITY FOUNDATION (Saint Paul, Minn.)

250,000

50,000

509(a)(1)

THE MINNESOTA OPERA (Minneapolis, Minn.)

100,000

-

509(a)(2)

MINNESOTA ORCHESTRA / Minnesota Orchestral Association (Minneapolis, Minn.)

200,000

-

509(a)(1)

MIXED BLOOD THEATRE COMPANY (Minneapolis, Minn.)

50,000

-

509(a)(2)

NORTHERN CLAY CENTER (Minneapolis, Minn.)

100,000

-

509(a)(1)

ON THE BOARDS (Seattle, Wash.)

185,000

-

509(a)(1)

ONE REEL (Seattle, Wash.)

50,000

-

509(a)(1)

ORDWAY CENTER FOR THE PERFORMING ARTS (Saint Paul, Minn.)

150,000

-

509(a)(1)

PACIFIC NORTHWEST BALLET / Pacific Northwest Ballet Association (Seattle, Wash.)

62,000

-

509(a)(2)

THE PHILADELPHIA FOUNDATION (Philadelphia, Pa.)

200,000

-

509(a)(1)

THE SAINT PAUL CHAMBER ORCHESTRA SOCIETY (Saint Paul, Minn.)

150,000

-

509(a)(1)

SAN FRANCISCO FOUNDATION (San Francisco, Calif.)

-

50,000

509(a)(1)

SEATTLE ART MUSEUM (Seattle, Wash.)

150,000

-

509(a)(1)

SEATTLE OPERA (Seattle, Wash.)

215,000

-

509(a)(2)

SEATTLE REPERTORY THEATRE (Seattle, Wash.)

70,000

-

509(a)(1)

SEATTLE YOUTH SYMPHONY ORCHESTRAS (Seattle, Wash.)

125,000

-

509(a)(2)

SIFF (Seattle, Wash.)

180,000

-

509(a)(2)

The Wallace Foundation

13-6183757

2011

RECIPIENT - PURPOSE

Organization / IRS name, if different (City, State)

Line 3a
PAYMENTS IN
2011

Line 3b
FUTURE
PAYMENTS

FOUNDATION
STATUS OF
RECIPIENT

ARTS EDUCATION - Our goal is to engage more young people in high-quality arts learning during the school day and beyond.

DEVELOP INNOVATION SITES - These grants help efforts in selected cities and organizations to plan or develop approaches to raising the quality and availability of arts education

BIG THOUGHT (Dallas, Tex.) - To promote Thriving Minds' efforts to introduce innovations in improving the quality of arts instruction in and out of school in Dallas.

BOYS & GIRLS CLUBS OF AMERICA (Atlanta, Ga.) - To support development of a strategic plan to expand arts programming throughout its national network of clubs for young people.

COUNCIL OF CHIEF STATE SCHOOL OFFICERS (Washington, D.C.) - To manage meetings, technical assistance and a learning network for school districts participating in Wallace's arts learning initiative.

EDVESTORS INCORPORATED (Boston, Mass.) - To support development of plans to expand and improve arts education in Boston Public Schools.

EDVESTORS INCORPORATED (Boston, Mass.) - To support the implementation of plans to expand and improve arts education in Boston Public Schools.

SEATTLE PUBLIC SCHOOLS (Seattle, Wash.) - To support the development of plans to improve and expand arts education in the Seattle Public Schools.

YMCA OF THE USA / National Council of Young Mens Christian Associations of the United States of America (Chicago, Ill.) - To support development of a strategic plan to expand arts programming throughout the Y's national network of programs for young people.

DEVELOP AND SHARE KNOWLEDGE

AMERICANS FOR THE ARTS, INC. (Washington, D.C.) - To sponsor the National Arts Marketing Project pre-conference session, called Unlocking Strategy with Marketing Masters.

THE TRUSTEES OF INDIANA UNIVERSITY (Bloomington, Ind.) - To support a report that gives an overview of innovations in digital media and learning, examines how young people use digital technology in the arts and offers options for supporting ways to increase the participation of teens in arts learning through digital media.

500,000	400,000	509(a)(1)
400,000	49,500	509(a)(2)
200,000	-	509(a)(2)
50,000	-	509(a)(1)
260,000	-	509(a)(1)
1,000,000	-	Governmental unit
-	230,000	509(a)(2)

10,000	-	509(a)(1)
70,000	-	Governmental unit

The Wallace Foundation

13-6183757

2011

RECIPIENT - PURPOSE

Organization / IRS name, if different (City, State)

Line 3a
PAYMENTS IN
2011

Line 3b
FUTURE
PAYMENTS

FOUNDATION
STATUS OF
RECIPIENT

FOUNDATIONWIDE GRANTS - COMMUNICATIONS

EDITORIAL PROJECTS IN EDUCATION, INC. (Bethesda, Md.) - To support print and Web coverage of education leadership after-school, arts learning, and summer and expanded learning.

LEARNING FORWARD / National Staff Development Council (Dallas, Tex.) - To disseminate The Wallace Foundation knowledge through conferences and other communications channels that brings greater national focus to education leadership and expanded learning.

LEARNING MATTERS, INC. (New York, N.Y.) - To support television and Web coverage of education leadership, after-school, arts learning, and summer and expanded learning.

NATIONAL PUBLIC RADIO, INC. (Washington, D.C.) - To support coverage of arts and education issues.

FOUNDATIONWIDE GRANTS - SERVICE TO THE FIELD

THE CENTER FOR EFFECTIVE PHILANTHROPY, INC. (Cambridge, Mass.) - For general support of this nonprofit organization, which provides data and insights to help philanthropies better define, assess and improve their effectiveness.

THE COMMUNICATIONS NETWORK (Naperville, Ill.) - For general operating support of this nonprofit membership organization, whose mission is to provide resources, guidance and leadership to advance the strategic practice of communications in philanthropy.

COUNCIL OF CHIEF STATE SCHOOL OFFICERS (Washington, D.C.) - To support the work of the Arts Education Partnership to advance arts learning for children.

COUNCIL ON FOUNDATIONS, INC. (Arlington, Va.) - For general operating support of this national, nonprofit membership organization for grantmakers.

FJC (New York, N.Y.) - To support the 2011 program activities of the New York City Youth Funders Network.

THE FOUNDATION CENTER (New York, N.Y.) - To support private grantmaking activities of this national clearinghouse of information on.

FOUNDATION FINANCIAL OFFICERS GROUP, INC. (Chicago, Ill.) - For general support of this national nonprofit member organization whose mission is to assist in the continuing education of its members and provide opportunities for networking to further their development as investment and financial professionals.

GRANTMAKERS FOR EDUCATION (Portland, Ore.) - For general support of this organization of private and public philanthropies that support improved education for students from early childhood through higher education.

GRANTMAKERS IN THE ARTS (Seattle, Wash.) - For general support of this nonprofit membership organization, which seeks to advance the use of philanthropic funding for arts and culture.

1,000,000 - 509(a)(2)

125,000 - 509(a)(2)

700,000 - 509(a)(1)

750,000 - 509(a)(1)

350,000 - 509(a)(1)

10,000 - 509(a)(1)

25,000 - 509(a)(2)

49,500 - 509(a)(1)

3,000 - 509(a)(1)

350,000 - 509(a)(1)

5,000 - 509(a)(2)

49,500 - 509(a)(2)

22,000 - 509(a)(1)

The Wallace Foundation

13-6183757

2011

RECIPIENT - PURPOSE

Organization / IRS name, if different (City, State)

Line 3a
PAYMENTS IN
2011

Line 3b
FUTURE
PAYMENTS

FOUNDATION
STATUS OF
RECIPIENT

INDEPENDENT SECTOR (Washington, D.C.) - For general operating of support of this nonprofit organization, whose mission is to advance the common good by strengthening the nonprofit and philanthropic community.
NATIONAL GUILD FOR COMMUNITY ARTS EDUCATION, INC. (New York, N.Y.) - For general operating support of this national service organization for community arts education providers.
NATIONAL PUBLIC EDUCATION SUPPORT FUND (Washington, D.C.) - For general support of the Education Funder Strategy Group.
NONPROFIT COORDINATING COMMITTEE OF NEW YORK, INC. (New York, N.Y.) - For general operating support of this nonprofit, which serves some 1,700 nonprofits in New York City, Long Island and Westchester County.
PHILANTHROPY NEW YORK, INC. (New York, N.Y.) - For general operating support of the principal professional community of philanthropic foundations in the New York City area.
PUBLIC/PRIVATE VENTURES (Philadelphia, Pa.) - To support the activities of the Evaluation Roundtable.

OTHER GRANTS

HARLEM CHILDREN'S ZONE (New York, N.Y.) To co-invest with the Edna McConnell Clark Foundation and other donors in a funding collaborative to sustain the services of the organization.
MUSEUM OF FINE ARTS, HOUSTON (Houston, Tex.) - To support the purchase of a work of art in memory of longtime Wallace board member Peter C. Marzio, who died in 2010 and served as director of the Museum of Fine Arts, Houston, for almost 30 years.
TRIANGLE COMMUNITY FOUNDATION (Durham, N.C.) - To honor retiring Wallace Foundation President M. Christine DeVita by creating a field-of-interest fund known as the Wallace Fund for Youth to benefit youngsters in the Triangle region of North Carolina through grants, research and convenings in the community.

