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Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

2015

Open to Public Inspection

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf

For calendar year 2015 or tax year beginning

, and ending

Name of foundation THE PAYNE FUND		A Employer identification number 13-5563006
Number and street (or P.O. box number if mail is not delivered to street address) 50 PUBLIC SQUARE SUITE 4100		B Telephone number 216-696-1621
City or town, state or province, country, and ZIP or foreign postal code CLEVELAND, OH 44113		C If exemption application is pending check here <input type="checkbox"/>
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		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 4,176,539.	J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other (specify) MODIFIED CASH	F If the foundation is in a 60 month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received	1,257,829.		N/A	
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	76,143.	76,143.		STATEMENT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	89,992.			
b	Gross sales price for all assets on line 6a	1,311,393.			
7	Capital gain net income (from Part IV, line 2)		89,992.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less: Cost of goods sold				
c	Gross profit or (loss)				
11	Other income	25,000.	0.		STATEMENT 2
12	Total. Add lines 1 through 11	1,448,964.	166,135.		
13	Compensation of officers, directors, trustees, etc.	0.	0.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees STMT 3	32,633.	26,106.		6,527.
b	Accounting fees STMT 4	12,600.	10,080.		2,520.
c	Other professional fees STMT 5	69,582.	48,422.		21,160.
17	Interest				
18	Taxes STMT 6	3,500.	0.		0.
19	Depreciation and depletion				
20	Occupancy	36,000.	0.		19,368.
21	Travel, conferences, and meetings	20,640.	0.		20,640.
22	Printing and publications				
23	Other expenses STMT 7	54,292.	0.		54,292.
24	Total operating and administrative expenses. Add lines 13 through 23	229,247.	84,608.		124,507.
25	Contributions, gifts, grants paid	883,555.			883,555.
26	Total expenses and disbursements. Add lines 24 and 25	1,112,802.	84,608.		1,008,062.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	336,162.			
b	Net investment income (if negative enter 0)		81,527.		
c	Adjusted net income (if negative enter 0)			N/A	

SCANNED NOV 30 2016

25 Received in NOV 28 2016
Batching Ogden

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	141,773.	510,800.	510,800.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 8	3,587,468.	3,291,415.	3,291,415.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 9	248,160.	374,324.	374,324.	
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	3,977,401.	4,176,539.	4,176,539.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
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	3,977,401.	3,676,539.	
	25 Temporarily restricted			
	26 Permanently restricted		500,000.	
	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, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances	3,977,401.	4,176,539.	
	31 Total liabilities and net assets/fund balances	3,977,401.	4,176,539.	

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	3,977,401.
2 Enter amount from Part I, line 27a	2	336,162.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	4,313,563.
5 Decreases not included in line 2 (itemize) ▶ UNREALIZED LOSS ON SECURITIES	5	137,024.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,176,539.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a GAIN ON SALE OF PUBLICALLY TRADED SECURITIES			
b (VARIOUS DATES)	P		VARIOUS
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 1,311,393.		1,221,401.	89,992.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			89,992.
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	89,992.
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). If (loss), enter -0- in Part I, line 8		3	N/A

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 (col. (b) divided by col. (c))
2014	933,819.	4,352,245.	.214560
2013	918,976.	4,259,935.	.215725
2012	785,362.	3,870,769.	.202896
2011	798,352.	3,968,744.	.201160
2010	735,071.	3,786,319.	.194139

2 Total of line 1, column (d)	2	1.028480
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	.205696
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	4,266,170.
5 Multiply line 4 by line 3	5	877,534.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	815.
7 Add lines 5 and 6	7	878,349.
8 Enter qualifying distributions from Part XII, line 4	8	1,008,062.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
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	815.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	815.
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	815.
6	Credits/Payments:		
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	1,000.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	1,000.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	2,000.
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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	1,185.
11	Enter the amount of line 10 to be: Credited to 2016 estimated tax <input type="checkbox"/> 1,185. Refunded <input checked="" type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		
1c		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		X
If "Yes," attach a detailed description of the activities		
3		X
If "Yes," attach a conformed copy of the changes		
4a		X
4b	N/A	
5		X
If "Yes," attach the statement required by General Instruction T.		
6	X	
7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> <u>NY, OH</u>	
8b	X	
9		X
10		X

Part VII-A Statements Regarding Activities (continued)

Table with 3 columns: Question, Yes, No. Rows 11-16. Row 11: No. Row 12: No. Row 13: Yes. Row 14: CHARLES P. BOLTON, 216-696-1621, 50 PUBLIC SQUARE STE 4100, CLEVELAND, OH, 44115. Row 15: N/A. Row 16: No.

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

Table with 3 columns: Question, Yes, No. Rows 1a-4b. Row 1a: No. Row 1b: N/A. Row 1c: No. Row 2a: No. Row 2b: N/A. Row 3a: No. Row 3b: N/A. Row 4a: No. Row 4b: No.

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 4945(d)(4)(A)? (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)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here N/A

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

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
 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? Yes No

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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 10		0.	0.	0.

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

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

Total number of other employees paid over \$50,000 0

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount	
1 N/A		
2		
3 All other program-related investments. See instructions.		
Total. Add lines 1 through 3		0.

Part X

Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities	1a	4,287,365.
b	Average of monthly cash balances	1b	43,772.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	4,331,137.
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	4,331,137.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	64,967.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,266,170.
6	Minimum investment return. Enter 5% of line 5	6	213,309.

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	213,309.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	815.
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	815.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	212,494.
4	Recoveries of amounts treated as qualifying distributions	4	25,000.
5	Add lines 3 and 4	5	237,494.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	237,494.

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	1,008,062.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
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	1,008,062.
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	5	815.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,007,247.

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				237,494.
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2015:				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				297,946.
f Total of lines 3a through e	297,946.			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 1,008,062.				
a Applied to 2014, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	749,324.			
d Applied to 2015 distributable amount				237,494.
e Remaining amount distributed out of corpus	21,244.			
5 Excess distributions carryover applied to 2015 (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:	1,068,514.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2014. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	749,324.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	319,190.			
10 Analysis of line 9:				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014	297,946.			
e Excess from 2015	21,244.			

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

N/A

- 1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2015, enter the date of the ruling ▶
- b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2015	(b) 2014	Prior 3 years		
			(c) 2013	(d) 2012	
2 a 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 or e-mail address of the person to whom applications should be addressed:
-
- b The form in which applications should be submitted and information and materials they should include:
-
- c Any submission deadlines:
-
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
-

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
ASHEVILLE SYMPHONY ORCHESTRA	NONE	PC	ANNUAL FUND	2,500.
ASHEVILLE SYMPHONY ORCHESTRA	NONE	PC	CIM RECEPTION	2,500.
ASHEVILLE SYMPHONY ORCHESTRA	NONE	PC	MIDORI CONCERT IN 2016	2,500.
BREVARD MUSIC CENTER	NONE	PC	GENERAL	20,000.
CITY MISSION	NONE	PC	GENERAL	25,000.
Total SEE CONTINUATION SHEET(S)				883,555.
b Approved for future payment				
CITY CLUB OF CLEVELAND	NONE	PC	GENERAL	50,000.
CLEVELAND MUSEUM OF ART	NONE	PC	BUILDING PROJECT	100,000.
CLEVELAND MUSEUM OF NATURAL HISTORY	NONE	PC	GENERAL	175,000.
Total SEE CONTINUATION SHEET(S)				2,701,500.

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Name of the organization

Employer identification number

THE PAYNE FUND

13-5563006

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

 501(c)() (enter number) organization 4947(a)(1) nonexempt charitable trust not treated as a private foundation 527 political organization

Form 990-PF

 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2015)

Name of organization THE PAYNE FUND	Employer identification number 13-5563006
---	---

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	UD F P BOLTON FOR PAYNE FUND INC. 114 WEST 47TH STREET NEW YORK, NY 10036	\$ 749,324.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	KENYON BOLTON 100A GARDEN STREET CAMBRIDGE, MA 02138	\$ 8,505.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	ESTATE OF MARY PETERS BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	\$ 500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

THE PAYNE FUND

13-5563006

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____

Name of organization THE PAYNE FUND	Employer identification number 13-5563006
---	---

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this info once) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<hr/> <hr/> <hr/>		<hr/> <hr/> <hr/>	

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
CLEVELAND INSTITUTE OF MUSIC	NONE	PC	GENERAL	25,000.
CLEVELAND INSTITUTE OF MUSIC	NONE	PC	CAPITAL CAMPAIGN	30,000.
CLEVELAND INTERNATIONAL PIANO COMPETITION	NONE	PC	GENERAL	10,000.
CLEVELAND MUSEUM OF ART	NONE	PC	ANNUAL FUND	10,000.
CLEVELAND MUSEUM OF ART	NONE	PC	BUILDING PROJECT	100,000.
CLEVELAND MUSEUM OF NATURAL HISTORY	NONE	PC	GENERAL	25,000.
CLEVELAND PLAYHOUSE	NONE	PC	CASE MFA PROGRAM	50,000.
DECORATIVE ARTS CENTER OF OHIO	NONE	PC	GENERAL	10,055.
EPISCOPAL DIOCESE OF OHIO	NONE	PC	GENERAL	35,000.
FPB SCHOOL OF NURSING	NONE	PC	BUILDING	50,000.
Total from continuation sheets				831,055.

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
GEORGIA STATE UNIVERSITY FOUNDATION	NONE	PC	GENERAL	25,000.
GEORGIA TECH	NONE	PC	IVAN ALLEN SCHOOL OF LIBERAL ARTS	5,000.
HAWKEN SCHOOL	NONE	PC	GENERAL	50,000.
LAKEVIEW CEMETERY FOUNDATION	NONE	PC	GENERAL	25,000.
MOUNT VERNON LADIES ASSOCIATION	NONE	PC	GENERAL	2,500.
MUSICAL ARTS ASSOCIATION	NONE	PC	ANNUAL FUND	50,000.
MUSICAL ARTS ASSOCIATION	NONE	PC	ENDOWMENT	150,000.
NATIONAL TROPICAL BOTANICAL GARDEN	NONE	PC	GENERAL	10,000.
NEW ENGLAND CONSERVATORY	NONE	PC	GENERAL	12,500.
PORTLAND MUSEUM	NONE	PC	GENERAL	2,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
RADY'S CHILDREN'S HOSPITAL	NONE	PC	GENERAL	9,000.
RANDAL MUSEUM FRIENDS	NONE	PC	GENERAL	10,000.
ST. JOHNS INSTITUTE	NONE	PC	GENERAL	15,000.
TAHOE FUND	NONE	PC	GENERAL	10,000.
THE PARK AT FLAT ROCK	NONE	PC	GENERAL	20,000.
TRINITY CATHEDRAL	NONE	PC	GENERAL	10,000.
STONEBROOK MONTESSORI	NONE	PC	GENERAL	25,000.
UNIVERSITY SCHOOL	NONE	PC	CAPITAL CAMPAIGN	50,000.
WESTERN RESERVE HISTORICAL SOCIETY	NONE	PC	GENERAL	5,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Approved for Future Payment (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
EPISCOPAL DIOCESE OF OHIO	NONE	PC	GENERAL	65,000.
FPB SCHOOL OF NURSING	NONE	PC	BUILDING	950,000.
FRIENDS OF BREAKTHROUGH SCHOOLS	NONE	PC	GENERAL	250,000.
HAWKEN SCHOOL	NONE	PC	GENERAL	100,000.
LAKEVIEW CEMETERY FOUNDATION	NONE	PC	GENERAL	75,000.
MUSICAL ARTS ASSOCIATION	NONE	PC	ENDOWMENT	600,000.
NEW ENGLAND CONSERVATORY	NONE	PC	GENERAL	37,500.
RADY'S CHILDREN'S HOSPITAL	NONE	PC	GENERAL	9,000.
ST. JOHNS INSTITUTE	NONE	PC	GENERAL	15,000.
STONEBROOK MONTESSORI	NONE	PC	GENERAL	25,000.
Total from continuation sheets				2,376,500.

Part XV Supplementary Information

3 Grants and Contributions Approved for Future Payment (Continuation)				
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)				
UNIVERSITY SCHOOL	NONE	PC	CAPITAL CAMPAIGN	150,000.
WESTERN RESERVE LAND CONSERVANCY	NONE	PC	GENERAL	100,000.
Total from continuation sheets				

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
INVESTMENT ACCOUNT INCOME	76,143.	0.	76,143.	76,143.	
TO PART I, LINE 4	76,143.	0.	76,143.	76,143.	

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
RETURNED GRANT	25,000.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	25,000.	0.	

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	32,633.	26,106.		6,527.
TO FM 990-PF, PG 1, LN 16A	32,633.	26,106.		6,527.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	12,600.	10,080.		2,520.
TO FORM 990-PF, PG 1, LN 16B	12,600.	10,080.		2,520.

FORM 990-PF	OTHER PROFESSIONAL FEES		STATEMENT 5	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TRUSTEE FEES	23,873.	23,873.		0.
FINANCIAL CONSULTING	24,549.	24,549.		0.
ARCHIVE AND HISTORICAL PROJECT CONSULTING	15,660.	0.		15,660.
OTHER CONSULTING	5,500.	0.		5,500.
TO FORM 990-PF, PG 1, LN 16C	69,582.	48,422.		21,160.

FORM 990-PF	TAXES		STATEMENT 6	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ESTIMATED TAX PAYMENTS	3,500.	0.		0.
TO FORM 990-PF, PG 1, LN 18	3,500.	0.		0.

FORM 990-PF	OTHER EXPENSES		STATEMENT 7	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PERSONNEL	42,200.	0.		42,200.
POSTAGE	2,284.	0.		2,284.
STATIONARY & OFFICE SUPPLIES	1,210.	0.		1,210.
FILING FEES	476.	0.		476.
TELEPHONE	1,424.	0.		1,424.
INSURANCE	3,174.	0.		3,174.
MISCELLANEOUS	3,524.	0.		3,524.
TO FORM 990-PF, PG 1, LN 23	54,292.	0.		54,292.

FORM 990-PF CORPORATE STOCK STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
INVESTMENTS - COMMON STOCK - SEE ATTACHED DETAIL	3,291,415.	3,291,415.
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,291,415.	3,291,415.

FORM 990-PF OTHER INVESTMENTS STATEMENT 9

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
VENTURE CAPITAL FUND	FMV	374,324.	374,324.
TOTAL TO FORM 990-PF, PART II, LINE 13		374,324.	374,324.

THE PAYNE FUND, INC.
50 PUBLIC SQUARE, SUITE 4100
CLEVELAND, OH 44113

EIN: 13-5563006
YEAR END: 12/31/15

ELECTION PURSUANT TO REGS. SEC. 53.4942(a)-3(d)(2)

The Payne Fund, a private foundation, through its undersigned officer hereby elects, pursuant to Treasury Regulation 53.4942(a)-3(d)(2), to treat \$749,324 of its qualifying distribution for 2015 as made out of corpus.

Dated: November 10, 2016

By: Charles P. Bolton
Charles Bolton, The Payne Fund

**THE PAYNE FUND
 INVESTMENT ACCOUNT DETAIL RECONCILIATION
 12/31/2015**

KCB	
OTHER EQUITIES	1,133,967
FIXED INCOME	469,903
HEDGE FUNDS	40,028
REAL ESTATE	124,564
TANGIBLE ASSETS	36,898
ACCRUED INCOME	817
OBP	
OTHER EQUITIES	968,223
FIXED INCOME	377,511
HEDGE FUNDS	36,749
REAL ESTATE	102,043
TANGIBLE ASSETS	-
ACCRUED INCOME	712
OTHER	
	<u>\$ 3,291,415</u>

13724752810



Trade Date

KCB

Portfolio Detail

Account: PAYNE FUND INC 1

Jan. 01, 2015 through Dec. 31, 2015

Units	Description	CUSIP	Market Value/ Market Price	% of Total	Average Unit Cost	Tax Cost/ Unit Cost	Unrealized Gain/Loss	Accrued Income	Estimated Annual Income	Cur Yld/ YTM
Cash/Currency										
Cash Equivalents										
13,532.880	BANK OF AMERICA TEMPORARY OVERNIGHT DEPOSIT	992490460	\$13,532.88	0.6%	\$13,532.88	1,000	\$0.00	\$0.99	\$14.75	0.10%
3,867.810	BOFA CASH RESERVES TRUST CLASS (Income Investment)	097100788	3,867.81	0.2	3,867.81	1,000	0.00	0.97	5.22	0.13
393,531.560	BOFA CASH RESERVES TRUST CLASS	097100788	393,531.56	17.8	393,531.56	1,000	0.00	25.20	531.27	0.13
	Total Cash Equivalents		\$410,932.25	18.5%	\$410,932.25		\$0.00	\$27.16	\$551.24	0.13%
	Total Cash/Currency		\$410,932.25	18.5%	\$410,932.25		\$0.00	\$27.16	\$551.24	0.13%

Equities

Other Equities										
6,123.458	BAIRD MIDCAP FUND INSTL CL SHS Ticker: BMDIX	057071813	\$91,790.64 14,990	4.1%	\$94,791.12 15,480		-\$3,000.48	\$0.00	\$257.19	0.28%
2,230.519	CAMBIAR SMALL CAP FUND INV CL Ticker: CAMS X	0075W0817	36,558.21 16,390	1.7	40,896.04 18,335		-4,337.83	281.05	281.05	0.76
5,663.414	COLUMBIA CONTRARIAN CORE FUND CLASS Z SHARES FORMERLY COLUMBIA COMMON STOCK FUND CLASS Z SHARES Ticker: SMGI X	19765P406	119,214.86 21,050	5.4	126,747.21 22,380		-7,532.35	0.00	3,403.71	2.85
7,299.423	COLUMBIA DIVIDEND INCOME FUND CLASS Z SHARES Ticker: GSFT X	19765N245	128,396.85 17,590	5.8	78,910.21 10,810		49,486.64	0.00	3,751.90	2.92
7,267.680	COLUMBIA SELECT LARGE CAP GROWTH FUND CLASS Z SHARES Ticker: UMLGX	19765Y688	122,533.08 16,860	5.5	65,279.90 8,982		57,253.18	0.00	0.00	0.00

Trade Date

Portfolio Detail

Account: PAYNE FUND INC I

Jan. 01, 2015 through Dec. 31, 2015

Units	Description	CUSIP	Market Value/ Market Price	% of Total	Tax Cost/ Average Unit Cost	Unrealized Gain/Loss	Accrued Income	Estimated Annual Income	Cur Yld/ YTM
Equities (cont)									
3,082.000	DB X-TRACKERS MSCI EAFE HEDGED EQUITY FUND Ticker: DSEF	233051200	83,707.12 27.160	3.8	88,753.89 28.797	-5,046.77	0.00	2,727.57	3.25
769.978	EAGLE SM CAP GROWTH FUND CLI Ticker: HSIX X	269858304	39,315.03 51.050	1.9	31,469.00 40.870	7,846.03	0.00	11.55	0.02
1,712.416	INVESCO INTL GROWTH FUND CLY Ticker: AIYX X	008882532	53,170.52 31.050	2.4	45,550.27 26.600	7,620.25	0.00	797.99	1.50
184.000	ISHARES RUSSELL 2000 ETF Ticker: IWM	464287655	20,722.09 112.620	0.9	17,238.30 93.686	3,483.78	0.00	318.69	1.53
3,853.422	MFS VALUE FUND CLI Ticker: MFI X	552933594	127,338.35 32.950	5.7	114,569.93 29.655	12,768.55	0.00	2,824.16	2.21
2,284.351	OPPENHEIMER INTL GROWTH FUND CLY SHS Ticker: OIGY X	68380L407	81,995.36 35.890	3.7	84,498.14 36.990	-2,512.78	0.00	904.60	1.10
7,412.759	RIDGEMOUTH MID CAP VALUE EQUITY FUND CLI Ticker: SMVT X	76628R615	89,101.36 12.020	4.0	109,817.44 14.815	-20,716.08	0.00	1,134.15	1.27
5,097.613	TCW SELECT EQUITIES FUND CLI Ticker: TGCE X	87234N302	140,133.38 27.490	6.3	103,922.04 20.386	36,211.34	0.00	5.10	0.00
Total Equities			\$1,133,966.93	51.2%	\$1,002,443.39	\$131,523.54	\$281.05	\$16,417.66	1.44%
Total Other Equities			\$1,133,966.93	51.2%	\$1,002,443.39	\$131,523.54	\$281.05	\$16,417.66	1.44%
Fixed Income									
16,990.733	INVESTMENT GRADE TAXABLE COLUMBIA SHORT TERM BOND FUND CLASS Z SHARES	19765H352	\$167,698.53 9.870	7.6%	\$167,241.99 9.843	\$456.55	\$90.41	\$1,393.24	0.83%
23,705.226	METRO WEST T/R BD CLI	592905509	251,749.50 10.620	11.4	256,636.30 10.826	-4,886.80	418.73	4,598.81	1.82

13734752820

Trade Date

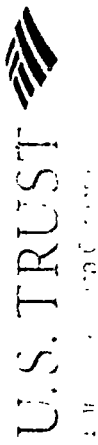
Portfolio Detail

Account: PAYNE FUND INC I

Jan. 01, 2015 through Dec. 31, 2015

Units	Description	CUSIP	Market Value/ Market Price	% of Total	Average Unit Cost	Tax Cost/ Unit Cost	Unrealized Gain/Loss	Accrued Income	Estimated Annual Income	Cur Yld/ YTM
Fixed Income (cont)										
	Investment Grade Taxable (cont)									
	Total Investment Grade Taxable		\$419,448.03	18.9%	\$423,878.28		-\$4,430.25	\$509.14	\$5,992.05	1.42%
	International Developed Bonds									
4,375.960	TEMPLETON GLOBAL BD FUND ADVISORCL	880208400	\$50,454.82 11.530	2.3%	\$58,403.94 13.347		-\$7,949.12	\$0.00	\$1,706.62	3.38%
	Total International Developed Bonds		\$50,454.82	2.3%	\$58,403.94		-\$7,949.12	\$0.00	\$1,706.62	3.38%
	Total Fixed Income		\$469,902.85	21.2%	\$482,282.22		-\$12,379.37	\$509.14	\$7,698.67	1.63%
Hedge Funds										
	Hedge Funds Specific Strategy									
4,096.994	BLACKROCK GLOBAL LONG/SHORT CR FUND INSTL SHS	091936732	\$40,027.63 9.770	1.8%	\$43,681.38 10.662		-\$3,653.75	\$0.00	\$2,048.50	5.11%
	Total Hedge Funds Specific Strategy		\$40,027.63	1.8%	\$43,681.38		-\$3,653.75	\$0.00	\$2,048.50	5.11%
	Total Hedge Funds		\$40,027.63	1.8%	\$43,681.38		-\$3,653.75	\$0.00	\$2,048.50	5.11%
Real Estate										
	Public REITs									
7,934.000	NATIXIS FDS TR IV AEW REAL ESTATE FD CLY COM	63872W409	\$124,563.80 15.700	5.6%	\$104,829.31 13.213		\$19,734.49	\$0.00	\$1,777.22	1.42%
	Total Public REITs		\$124,563.80	5.6%	\$104,829.31		\$19,734.49	\$0.00	\$1,777.22	1.42%
	Total Real Estate		\$124,563.80	5.6%	\$104,829.31		\$19,734.49	\$0.00	\$1,777.22	1.42%
Tangible Assets										
	Commodities									
8,181.489	CREDIT SUISSE COMMODITY-RETURN STRATEGY FUND CL1	22544R305	\$36,898.43 4.510	1.7%	\$59,836.42 7.314		-\$22,937.99	\$0.00	\$0.00	0.00%
	Total Commodities		\$36,898.43	1.7%	\$59,836.42		-\$22,937.99	\$0.00	\$0.00	0.00%

Trade Date



Portfolio Detail

Account: PAYNE FUND INC 1

Jan 01, 2015 through Dec 31, 2015

Units	Description	CUSIP	Market Value/ Market Price	% of Total	Average Unit Cost	Tax Cost/ Average Unit Cost	Unrealized Gain/Loss	Accrued Income	Estimated Annual Income	CurYid/ YTM
Tangible Assets (cont)										
	Commodities (cont)		\$36,898.43	1.7%	\$59,836.42		-\$22,937.99	\$0.00	\$0.00	0.00%
	Total Tangible Assets		\$2,216,291.89	100.0%	\$2,104,004.97		\$112,286.92	\$817.35	\$28,493.29	1.28%
	Total Portfolio									

Trade Date

OPB

Account: PAYNE FUND INC 2

Portfolio Detail

Jan. 01, 2015 through Dec. 31, 2015

Units	Description	CUSIP	Market Value/ Market Price	% of Total	Average Unit Cost	Tax Cost/ Unit Cost	Unrealized Gain/Loss	Accrued Income	Estimated Annual Income	Cur Yld/ YTM
Cash/Currency										
Cash Equivalents										
3,556.990	BANK OF AMERICA MONEY MARKET SAVINGS ACCOUNT (Income Investment)	994458719	\$3,556.99	0.2%	\$3,556.99	1.000	\$0.00	\$0.55	\$3.88	0.10%
70,222.470	BANK OF AMERICA MONEY MARKET SAVINGS ACCOUNT	994458719	70,222.47	4.5	70,222.47	1.000	0.00	12.71	78.54	0.10
12,037.270	BANK OF AMERICA TEMPORARY OVERNIGHT DEPOSIT	992490460	12,037.27	0.8	12,037.27	1.000	0.00	0.03	13.12	0.10
	Total Cash Equivalents		\$85,816.73	5.5%	\$85,816.73		\$0.00	\$13.29	\$93.54	0.10%
	Total Cash/Currency		\$85,816.73	5.5%	\$85,816.73		\$0.00	\$13.29	\$93.54	0.10%

Equities

5,787.396	BAIRD MIDCAP FUND INSTL CL SHS Ticker: BMID X	057071813	\$86,753.07	5.5%	\$89,843.35	15.524	-\$3,090.28	\$0.00	\$243.07	0.28%
2,055.556	CAMBIAR SMALL CAP FUND INV CL Ticker: CAMS X	0075W0817	33,690.56	2.1	37,000.00	18.000	-3,309.44	259.00	259.00	0.76
5,190.202	COLUMBIA CONTRARIAN CORE FUND CLASS Z SHARES FORMERLY COLUMBIA COMMON STOCK FUND CLASS Z SHARES Ticker: SMGI X	19765P406	109,253.75	7.0	116,156.72	22.380	-6,902.97	0.00	3,119.31	2.85
6,495.508	COLUMBIA DIVIDEND INCOME FUND CLASS Z SHARES Ticker: GSFT X	19765N245	114,255.99	7.3	67,508.37	10.393	46,747.62	0.00	3,338.69	2.92
6,663.835	COLUMBIA SELECT LARGE CAP GROWTH FUND CLASS Z SHARES Ticker: UMLG X	19765Y688	112,352.26	7.2	61,064.14	9.164	51,288.12	0.00	0.00	0.00

Trade Date



Portfolio Detail

Account: PAYNE FUND INC 2

Jan. 01, 2015 through Dec. 31, 2015

Units	Description	CUSIP	Market Value/ Market Price	% of Total	Average Unit Cost	Tax Cost/ Unit Cost	Unrealized Gain/Loss	Accrued Income	Estimated Annual Income	Cur Yld/ YTM
Equities (cont)										
Other Equities (cont)										
819,530	EAGLE SM CAP GROWTH FUND CL	269858304	41,845.20 51.060	2.7	33,494.17 40.870		8,351.03	0.00	12.29	0.02
	Ticker: HSII X									
1,632,049	INVESCO INTL GROWTH FUND CL	008862532	50,675.12 31.050	3.2	44,512.20 27.274		6,162.92	0.00	760.53	1.50
	Ticker: AIYX									
165,000	ISHARES RUSSELL 2000 ETF CL	464287655	18,694.92 112.620	1.2	15,551.95 93.686		3,142.97	0.00	287.51	1.53
	Ticker: IWM									
3,570,513	MFS VALUE FUND CL	552063594	117,684.11 32.950	7.5	106,098.90 29.715		11,585.21	0.00	2,610.05	2.21
	Ticker: MFIH X									
2,093,490	OPPENHEIMER INTL GROWTH FUND CL	68360L407	75,135.00 35.890	4.8	77,437.81 36.990		-2,302.81	0.00	829.02	1.10
	Ticker: OIGY X									
6,744,756	RIDGEWORTH MID CAP VALUE EQUITY FUND CL	76628R615	81,071.97 12.020	5.2	99,817.44 14.799		-18,745.47	0.00	1,031.95	1.27
	Ticker: SMVT X									
4,612,996	TCW SELECT EQUITIES FUND CL	87234N302	126,810.99 27.490	8.1	94,422.64 20.469		32,388.35	0.00	4.61	0.00
	Ticker: TGCE X									
Total Other Equities			\$968,222.94	61.7%	\$842,907.69		\$125,315.25	\$259.00	\$12,496.03	1.29%
Total Equities			\$968,222.94	61.7%	\$842,907.69		\$125,315.25	\$259.00	\$12,496.03	1.29%
Fixed Income										
Investment Grade Taxable										
9,871,399	COLUMBIA SHORT TERM BOND FUND CLASS Z SHARES	19765H352	\$97,430.71 9.870	6.2%	\$97,009.05 9.827		\$421.66	\$52.53	\$809.45	0.83%
21,925,945	METRO WEST T/R BD CL I	592905509	232,853.54 10.620	14.8	237,333.83 10.824		-4,480.29	387.30	4,253.63	1.82
Total Investment Grade Taxable			\$330,284.25	21.0%	\$334,342.88		-\$4,058.63	\$439.83	\$5,063.08	1.53%

Trade Date

Portfolio Detail

Account: PAYNE FUND INC 2

Jan. 01, 2015 through Dec. 31, 2015

Units	Description	CUSIP	Market Value/ Market Price	% of Total	Average Unit Cost	Tax Cost/ Unit Cost	Unrealized Gain/Loss	Accrued Income	Estimated Annual Income	Cur Yld/ YTM
Fixed Income (cont)										
International Developed Bonds										
4,095.984	TEMPLETON GLOBAL BD FUND ADVISOR CL	880208400	\$47,226.70 11.530	3.0%	\$54,732.29 13.362	\$54,732.29	-\$7,505.59	\$0.00	\$1,597.43	3.38%
Total International Developed Bonds			\$47,226.70	3.0%	\$54,732.29		-\$7,505.59	\$0.00	\$1,597.43	3.38%
Total Fixed Income			\$377,510.95	24.0%	\$389,075.17		-\$11,564.22	\$439.83	\$5,660.51	1.76%

Hedge Funds

Hedge Funds Specific Strategy										
3,761.391	BLACKROCK GLOBAL LONG/SHORT CR FUND INSTL SHS	091936732	\$36,748.79 9.770	2.3%	\$40,135.88 10.670	\$40,135.88	-\$3,387.09	\$0.00	\$1,880.70	5.11%
Total Hedge Funds Specific Strategy			\$36,748.79	2.3%	\$40,135.88		-\$3,387.09	\$0.00	\$1,880.70	5.11%
Total Hedge Funds			\$36,748.79	2.3%	\$40,135.88		-\$3,387.09	\$0.00	\$1,880.70	5.11%

Real Estate

Public REITs										
6,499.559	NATIXIS FDS TR IV ALEW REAL ESTATE FD CL Y COM	6382ZW409	\$102,043.08 15.700	6.5%	\$91,851.73 14.132	\$91,851.73	\$10,191.35	\$0.00	\$1,455.90	1.42%
Total Public REITs			\$102,043.08	6.5%	\$91,851.73		\$10,191.35	\$0.00	\$1,455.90	1.42%
Total Real Estate			\$102,043.08	6.5%	\$91,851.73		\$10,191.35	\$0.00	\$1,455.90	1.42%
Total Portfolio			\$1,570,342.49	100.0%	\$1,449,787.20		\$120,555.29	\$712.12	\$22,586.68	1.43%

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
CHARLES P. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	SECRETARY, TREASURER 1.00	0.	0.	0.
JOHN B. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0.	0.	0.
KENYON C. BOLTON III 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0.	0.	0.
PHILIP P. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0.	0.	0.
THOMAS C. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0.	0.	0.
WILLIAM B. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0.	0.	0.
BARBARA B. GRATRY 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	PRESIDENT 1.00	0.	0.	0.
MARY B. HOOPER 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	VICE PRESIDENT 1.00	0.	0.	0.
JASON D. BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	ROTATING DIRECTOR 1.00	0.	0.	0.
MARY CATERINA BOLTON 50 PUBLIC SQUARE SUITE 4100 CLEVELAND, OH 44113	ROTATING DIRECTOR 1.00	0.	0.	0.

THE PAYNE FUND

13-5563006

JULIAN P. GRATRY	ROTATING DIRECTOR			
50 PUBLIC SQUARE SUITE 4100	1.00	0.	0.	0.
CLEVELAND, OH 44113				

ADRIENNE B. SCHOETZ	ROTATING DIRECTOR			
50 PUBLIC SQUARE SUITE 4100	1.00	0.	0.	0.
CLEVELAND, OH 44113				

TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		<u>0.</u>	<u>0.</u>	<u>0.</u>
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