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**CHANGE OF ACCOUNTING PERIOD
Return of Private Foundation**

OMB No 1545-0052

2015

Open to Public Inspection

Form **990-PF**

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.

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

For calendar year 2015 or tax year beginning **JUL 1, 2015**, and ending **DEC 31, 2015**

Name of foundation: **HUGH M. HEFNER FOUNDATION**

Number and street (or P O box number if mail is not delivered to street address): **10236 CHARING CROSS RD**

Room/suite: _____

City or town, state or province, country, and ZIP or foreign postal code: **LOS ANGELES, CA 90024-1815**

A Employer identification number: **36-6108843**

B Telephone number: **310 860-4269**

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

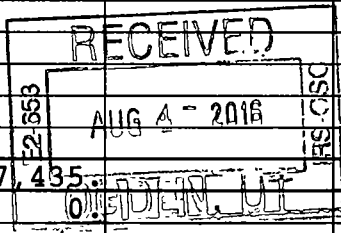
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

G Check all that apply: Initial return Initial return of a former public charity
 Final return Amended return
 Address change 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, col (c), line 16) **\$ 1,390,767.** **J** Accounting method: Cash Accrual
 Other (specify) _____

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)
Revenue	1 Contributions, gifts, grants, etc., received	237,956.		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	17,435.	17,435.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-3,095.			
	b Gross sales price for all assets on line 6a 81,121.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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					
12 Total Add lines 1 through 11	252,296.	17,435.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	34,728.			34,728.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 2	3,300.	1,650.		1,650.
	c Other professional fees STMT 3	4,895.	103.		4,792.
	17 Interest				
	18 Taxes STMT 4	15.	0.		15.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	7,477.	0.		7,477.
22 Printing and publications					
23 Other expenses STMT 5	29,228.	567.		28,661.	
24 Total operating and administrative expenses. Add lines 13 through 23	79,643.	2,320.		77,323.	
25 Contributions, gifts, grants paid	50,000.			50,000.	
26 Total expenses and disbursements. Add lines 24 and 25	129,643.	2,320.		127,323.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	122,653.				
b Net investment income (if negative, enter -0-)		15,115.			
c Adjusted net income (if negative, enter -0-)			N/A		



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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	27,358.	240,528.	240,528.
	2 Savings and temporary cash investments	30,477.	25,573.	25,573.
	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 6	1,114,603.	1,129,618.	1,124,666.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other	100,628.			
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)	1,273,066.	1,395,719.	1,390,767.	
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 and complete lines 24 through 26 and lines 30 and 31 ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	1,209,156.	1,209,156.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	63,910.	186,563.		
30 Total net assets or fund balances	1,273,066.	1,395,719.		
31 Total liabilities and net assets/fund balances	1,273,066.	1,395,719.		

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	1,273,066.
2 Enter amount from Part I, line 27a	2	122,653.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,395,719.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,395,719.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)	
1a PUBLICLY TRADED SECURITIES		P			
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 81,121.		84,216.	-3,095.		
b					
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))		
(j) F.M.V. as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of col. (i) over col. (j), if any			
a			-3,095.		
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	-3,095.
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	209,878.	1,351,695.	.155270
2013	276,985.	1,297,271.	.213514
2012	185,751.	1,207,127.	.153879
2011	176,371.	1,078,182.	.163582
2010	94,110.	985,955.	.095451
2 Total of line 1, column (d)			.781696
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			.156339
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5			1,315,180.
5 Multiply line 4 by line 3			205,614.
6 Enter 1% of net investment income (1% of Part I, line 27b)			151.
7 Add lines 5 and 6			205,765.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			127,323.

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 type="checkbox"/> and enter 1% of Part I, line 27b	1	302.
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	302.
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	302.
6	Credits/Payments:		
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	1,316.
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	1,316.
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	1,014.
11	Enter the amount of line 10 to be: Credited to 2016 estimated tax <input type="checkbox"/> 1,014. Refunded <input type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

Part VII-A Statements Regarding Activities (continued)

	Yes	No
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)		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)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► HMHFUNDATION.ORG	X	
14 The books are in care of ► MICHAEL R. WHALEN Telephone no. ► 626-765-9343 Located at ► 531 SOUTH MARENGO AVE., PASADENA, CA ZIP+4 ► 91101		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	N/A	
16 At any time during calendar year 2015, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►		X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input 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)? Organizations relying on a current notice regarding disaster assistance check here		X
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 2015?		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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	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. ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2015 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2015)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2015?		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 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)? **N/A** **5b**

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **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? **6b** Yes No **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 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 7		34,728.	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	1,264,408.
b	Average of monthly cash balances	1b	70,800.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,335,208.
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	1,335,208.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	20,028.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,315,180.
6	Minimum investment return. Enter 5% of line 5 ADJUSTED FOR SHORT TAX PERIOD	6	33,149.

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	33,149.
2a	Tax on investment income for 2015 from Part VI, line 5	2a	302.
b	Income tax for 2015. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	302.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	32,847.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	32,847.
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	32,847.

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	127,323.
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	Surtability 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	127,323.
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	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	127,323.

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				32,847.
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	45,792.			
b From 2011	123,650.			
c From 2012	126,771.			
d From 2013	213,379.			
e From 2014	143,262.			
f Total of lines 3a through e	652,854.			
4 Qualifying distributions for 2015 from Part XII, line 4: ► \$ 127,323.				
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)	0.			
d Applied to 2015 distributable amount				32,847.
e Remaining amount distributed out of corpus	94,476.			
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:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	747,330.			
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)	0.			
8 Excess distributions carryover from 2010 not applied on line 5 or line 7	45,792.			
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a	701,538.			
10 Analysis of line 9:				
a Excess from 2011	123,650.			
b Excess from 2012	126,771.			
c Excess from 2013	213,379.			
d Excess from 2014	143,262.			
e Excess from 2015	94,476.			

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	(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).)

HUGH M. HEFNER

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:

SEE STATEMENT 8

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
BRANDEIS UNIVERSITY 415 SOUTH ST WALTHAM, MA 02453	NONE	PC	LENNY BRUCE ARCHIVES	30,000.
MALKIA CYRIL 1176B SANCHEZ ST SAN FRANCISCO, CA 94114	NONE	INDIVIDUAL	1ST AMENDMENT AWARD	5,000.
VICTOR NAVASKY 33 WEST 67TH ST NEW YORK, NY 10023	NONE	INDIVIDUAL	1ST AMENDMENT AWARD	5,000.
JAMES RISEN 17905 HOLLINGSWORTH DR DERWOOD, MD 20855	NONE	INDIVIDUAL	1ST AMENDMENT AWARD	5,000.
STEVEN LISTOPAD FARGO, ND 58072	NONE	INDIVIDUAL	1ST AMENDMENT AWARD	5,000.
Total			▶ 3a	50,000.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

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

HUGH M. HEFNER FOUNDATION

36-6108843

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

Employer identification number

HUGH M. HEFNER FOUNDATION

36-6108843

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	HUGH M. HEFNER 10236 CHARING CROSS RD LOS ANGELES, CA 90024-1815	\$ 237,956.	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)
			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 HUGH M. HEFNER FOUNDATION	Employer identification number 36-6108843
--	---

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 HUGH M. HEFNER FOUNDATION	Employer identification number 36-6108843
--	---

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

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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
DIVIDENDS-NORTHERN TR	7,832.	0.	7,832.	7,832.	
DIVIDENDS-WELLS FARGO	9,603.	0.	9,603.	9,603.	
TO PART I, LINE 4	17,435.	0.	17,435.	17,435.	

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	3,300.	1,650.		1,650.
TO FORM 990-PF, PG 1, LN 16B	3,300.	1,650.		1,650.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONSULTING	4,758.	0.		4,758.
INVESTMENT FEES	103.	103.		0.
CORP REP	34.	0.		34.
TO FORM 990-PF, PG 1, LN 16C	4,895.	103.		4,792.

FORM 990-PF	TAXES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ILLINOIS CHARITABLE TR BUREAU	15.	0.		15.
TO FORM 990-PF, PG 1, LN 18	15.	0.		15.

FORM 990-PF	OTHER EXPENSES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PUBLIC RELATIONS	500.	0.		500.
EVENT SUPPORT	26,937.	0.		26,937.
OFFICE EXPENSE	424.	0.		424.
WEBSITE	800.	0.		800.
BANK FEES & CHARGES	567.	567.		0.
TO FORM 990-PF, PG 1, LN 23	29,228.	567.		28,661.

FORM 990-PF	CORPORATE STOCK		STATEMENT 6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
INVESTMENTS-FIXED INCOME-PER SCHEDULE	539,219.	519,865.	
INVESTMENTS-EQUITIES-DOMESTIC-PER SCHEDULE	448,411.	485,495.	
INVESTMENTS-EQUITIES-INTERNATL-PER SCHEDULE	141,988.	119,306.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,129,618.	1,124,666.	

FORM 990-PF

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

STATEMENT 7

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MICHAEL R. WHALEN, ESQ 531 S. MARENGO AVE PASADENA, CA 91101	DIRECTOR 2.00	21,000.	0.	0.
AMANDA WARREN 10236 CHARING CROSS ROAD LOS ANGELES, CA 90024	EXECUTIVE DIRECTOR 10.00	13,728.	0.	0.
GARY ISKOWITZ, CPA 1801 CENTURY PARK E #1010 LOS ANGELES, CA 90067	TREAS/DIR 0.00	0.	0.	0.
ANTHONY M GLASSMAN ESQ 360 N. BEDFORD DR BEVERLY HILLS, CA 90210	DIRECTOR 0.00	0.	0.	0.
HUGH M. HEFNER 1801 CENTURY PARK E #1010 LOS ANGELES, CA 90067	PRESIDENT 0.00	0.	0.	0.
CHRISTIE HEFNER 625 N. MICHIGAN AVENUE, #410 CHICAGO, IL 60611	DIRECTOR 0.00	0.	0.	0.
RICHARD S. ROSENZWEIG 10236 CHARING CROSS ROAD LOS ANGELES, CA 90024	VICE PRESIDENT & DIRECTOR 0.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		34,728.	0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 8

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

HUGH M. HEFNER
10236 CHARING CROSS ROAD
LOS ANGELES, CA 90024

TELEPHONE NUMBER

310 860-4269

FORM AND CONTENT OF APPLICATIONS

BY LETTER

ANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDS

FIRST MADE IN 1980, THE HUGH M. HEFNER FIRST AMENDMENT AWARD IS GRANTED PERIODICALLY TO INDIVIDUALS AND INSTITUTIONS IN RECOGNITION OF PAST CONTRIBUTIONS TO THE PROTECTION AND ENHANCEMENT OF RIGHTS UNDER THE FIRST AMENDMENT TO THE U.S. CONSTITUTION. FOR MORE INFORMATION REGARDING THE SELECTION PROCESS AND THE SPECIFIC ACHIEVEMENTS OF GRANT RECIPIENTS, PLEASE VISIT [HTTP:HMHFOUNDATION.ORG](http://HMHFOUNDATION.ORG). DURING THE PERIOD FROM JULY 1, 2014 THROUGH JUNE 30, 2015 NO SUCH GRANTS WERE AWARDED.



Account Statement For
 HEFNER, HUGH M FOUNDATION - AGY
 EIN: 36-6108843
 12/31/15
 FORM 990 PF

Period Covered October 1, 2015 - December 31, 2015

Account Number 76350800

ASSET DETAIL

ASSET DESCRIPTION

Cash & Equivalents

MONEY MARKET

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/15	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
SECURED MARKET DEPOSIT ACCOUNT	15,969,420		\$15,969,420	\$15,969,420	\$0.00	\$1.60	0.01%
SECURED MARKET DEPOSIT ACCOUNT <i>Asset held in Invested Income Portfolio</i>	9,603,250		9,603,250	9,603,250	0.00	0.96	0.01
Total Money Market			\$25,572,670	\$25,572,670	\$0.00	\$2.56	0.01%
Total Cash & Equivalents			\$25,572,670	\$25,572,670	\$0.00	\$2.56	0.01%

ASSET DESCRIPTION

Fixed Income

DOMESTIC MUTUAL FUNDS

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/15	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
BLACKROCK HIGH YIELD BON PORTFOLIO INSTITUTIONAL #318	9,676,185	\$7.130	\$68,991,200	\$78,451,870	-\$9,460,670	\$3,957.56	5.74%
SYMBOL: 8HYX CUSIP: 091929638							
FLEXSHARES IBOXX 3-YEAR TARGET DURATION TIPS INDEX FUND	2,379,000	24.180	57,524,220	59,678,190	-2,153,970	0.00	0.00
SYMBOL: TDTT CUSIP: 33939L506							
NORTHERN BOND INDEX FUND #641	37,111,117	10.500	389,665,730	396,666,040	-6,999,310	10,168.45	2.61
SYMBOL: NOBX CUSIP: 665162533							
NORTHERN MULTI-MANAGER EMERGING MARKET DEBT OPPORTUNITY FUND #659	437,956	8.410	3,683,230	4,122,850	-739,620	99.42	2.70
SYMBOL: NMEDX CUSIP: 665162343							
Total Domestic Mutual Funds			\$519,865,380	\$539,218,950	-\$19,353,570	\$14,225.43	2.74%
Total Fixed Income			\$519,865,380	\$539,218,950	-\$19,353,570	\$14,225.43	2.74%



Account Statement For:
 HEFNER, HUGH M FOUNDATION - AGY
 EIN: 36-6108843
 12/31/15
 FORM 990 PF

Period Covered October 1, 2015 - December 31, 2015
 Account Number 76360800

ASSET DETAIL (continued)

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/15	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
Equities							
DOMESTIC MUTUAL FUNDS							
DELAWARE VALUE FUND CLASS I #459 SYMBOL DDVX CUSIP: 24610C857	2,414.835	\$17.590	\$42,476.95	\$37,480.10	\$4,996.85	\$801.73	1.89%
FLEXSHARES MORNINGSTAR GLOBAL UPSTREAM NATURAL RESOURCES INDEX FUND SYMBOL: GUNR CUSIP: 33939L407	1,753.000	22.250	39,004.25	56,729.32	-17,725.07	1,754.75	4.50
HARBOR CAPITAL APPRECIATION FUND CLASS INST #2012 SYMBOL: HACX CUSIP: 411511504	753.323	60.810	45,809.57	38,253.66	7,555.91	36.68	0.08
NORTHERN MID CAP INDEX FUND SYMBOL: NOMX CUSIP: 665130100	1,960.539	15.790	30,956.91	31,678.76	-721.85	445.04	1.44
NORTHERN MULTI-MANAGER GLOBAL LISTED INFRASTRUCTURE FUND #655 SYMBOL: NMFX CUSIP: 665162384	3,067.507	11.110	34,080.00	35,785.60	-1,705.60	684.05	2.01
NORTHERN MULTI-MANAGER-GLOBAL REAL ESTATE FUND #646 SYMBOL: NMMGX CUSIP: 665162475	2,335.969	11.600	27,097.24	41,816.59	-14,719.35	911.03	3.36
NORTHERN SMALL CAP INDEX FUND #624 SYMBOL: NSIDX CUSIP: 665162723	779.289	10.870	8,470.87	8,204.36	266.51	107.54	1.27
NORTHERN STOCK INDEX FUND SYMBOL: NOSIX CUSIP: 665162772	6,470.693	24.770	160,279.07	109,526.65	50,752.42	3,202.99	2.00
NORTHERN INTERNATIONAL EQUITY INDEX SYMBOL: NOINX CUSIP: 665130209	9,027.863	10.780	97,320.36	88,936.05	8,384.31	2,663.22	2.74
Total Domestic Mutual Funds			\$485,495.22	\$448,411.09	\$37,084.13	\$10,607.03	2.18%



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Account Statement For:
 HEFNER, HUGH M FOUNDATION - AGY
 EIN: 36-6108843
 12/31/15
 FORM 990 PF

Period Covered October 1, 2015 - December 31, 2015
 Account Number 76360800

ASSET DETAIL *(continued)*

ASSET DESCRIPTION	QUANTITY	PRICE	MARKET VALUE AS OF 12/31/15	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME	CURRENT YIELD
Equities <i>(continued)</i>							
INTERNATIONAL MUTUAL FUNDS							
HARDING LOEVNER INTERNATIONAL EQUITY PORTFOLIO INSTITUTIONAL CLASS #201 SYMBOL: HLMIX CUSIP 412295107	2,442,398	\$17.100	\$41,765.01	\$45,713.77	-\$3,948.76	\$0.00	0.00%
NORTHERN MULTI-MANAGER-EMERGING MARKETS EQUITY FUND SYMBOL: NMMEX CUSIP 665162483	3,441,066	14.510	49,929.87	59,823.93	-9,894.06	960.06	1.92
NORTHERN TRUST FUND EMERGING MARKETS EQUITY INDEX #636 SYMBOL: NOEMX CUSIP 665162582	3,144,830	8.780	27,611.61	36,450.04	-8,838.43	701.30	2.54
Total International Mutual Funds			\$119,306.49	\$141,987.74	-\$22,681.25	\$1,661.36	1.39%
Total Equities			\$604,801.71	\$590,398.83	\$14,402.88	\$12,268.39	2.03%

ACCOUNT VALUE AS OF 12/31/15	COST BASIS	UNREALIZED GAIN/LOSS	ESTIMATED ANNUAL INCOME
\$1,150,239.76	\$1,155,190.45	-\$4,950.69	\$26,496.38

TOTAL ASSETS