



Public Affairs  
Council

# 2019 Corporate PAC Benchmarking Report

Webinar for Survey Participants

October 9, 2019

# About the Council

- Year Founded: 1954
- Total Members: Over 750 organizations
- Total Active People: Over 8,000 professionals
- Total Staff: 23
- Office Locations: Washington & Brussels
- Politics: Nonpolitical & Nonpartisan
- Focus: PACs, Government Relations, Grassroots Advocacy, Policy Communications, Digital Advocacy, Corporate Social Responsibility, Issues Management

# Survey Overview

- Comprehensive benchmarking report covering trends and best practices in PAC management, including
  - Management and staffing
  - Governance
  - Executive engagement
  - Fundraising and recognition strategies
  - Participation and contribution rates
  - Disbursement strategies and political involvement
- 160 participating corporations
- Conducted every other year



# How to Use This Report

## Benchmark your activities

- Staffing and operating budgets
- CEO and senior executive engagement
- Participation rates and growth
- Fundraising and recognition strategies
- Disbursement planning and execution

## Benchmark trends

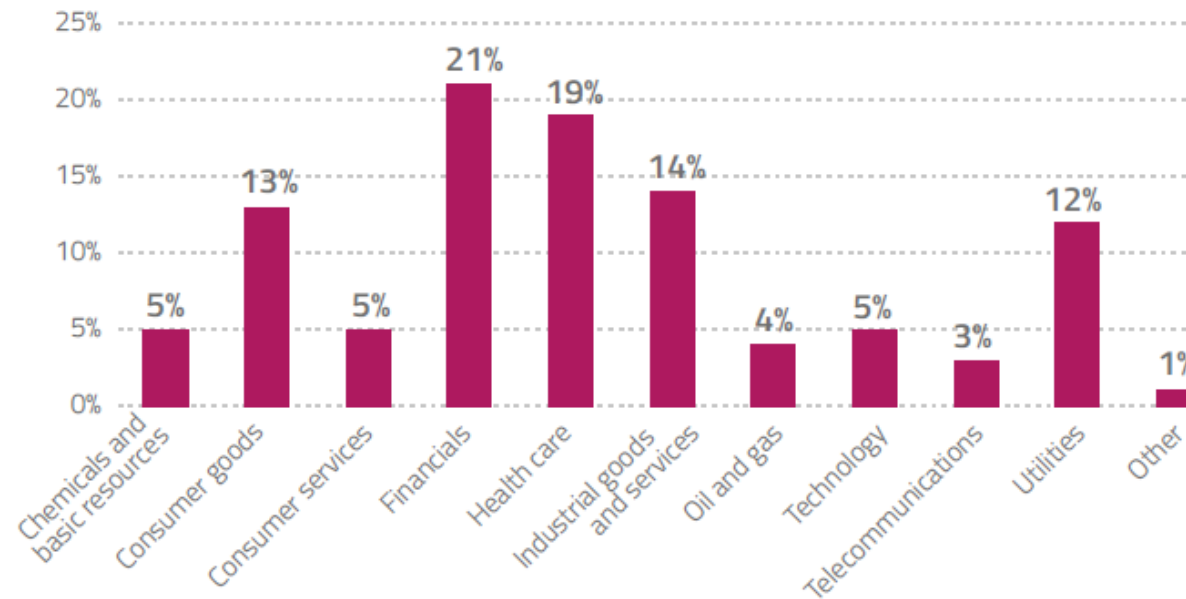
- Transparency, leadership engagement, peer-to-peer, incentives

## Conduct a comparative analysis (additional fee, starts at \$500)

- Compare results with a survey subsample (ex. Industry, PAC size)
- For more information, contact [kbrackemyre@pac.org](mailto:kbrackemyre@pac.org)

# The Data Set: Industry

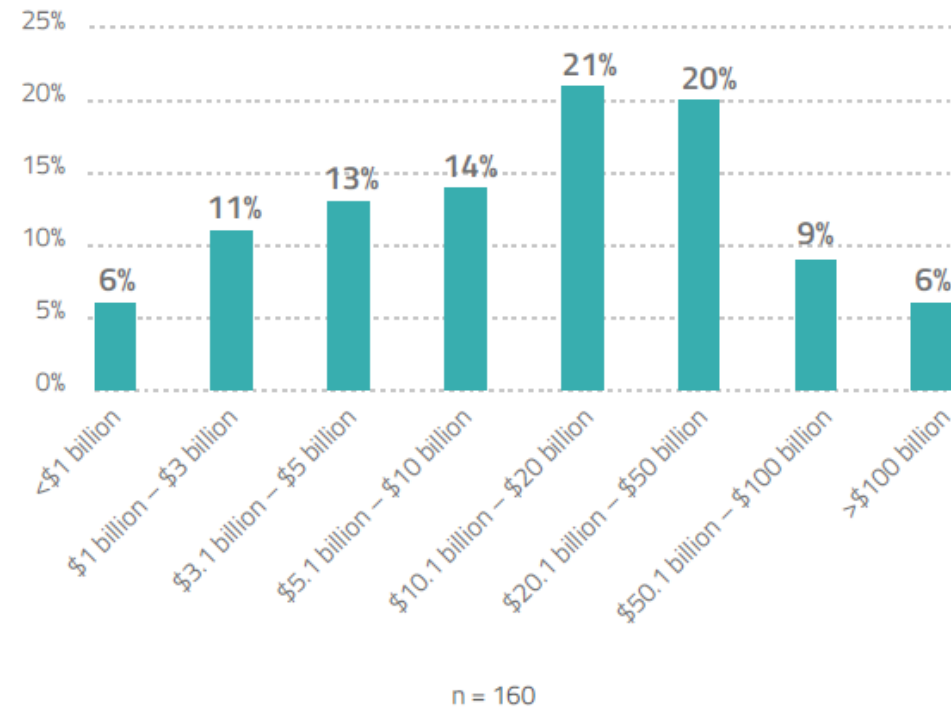
- The following is a breakdown of participants by industry:



n = 160

# The Data Set: Corporate Annual Revenue

- The following is a breakdown of participants by their company's annual revenue for the most recent fiscal year:



# The Data Set: PAC Size

Percentiles:

10<sup>th</sup>

25<sup>th</sup>

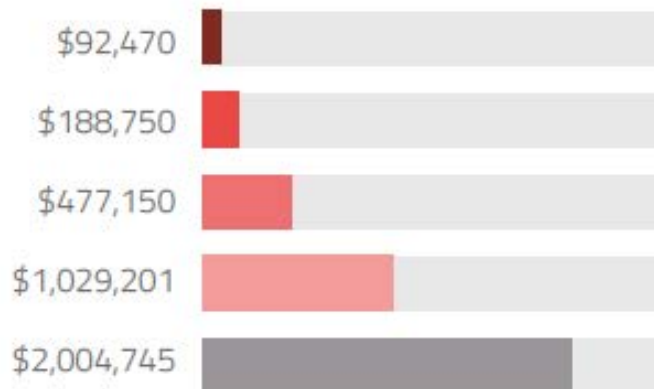
50<sup>th</sup> (median)

75<sup>th</sup>

90<sup>th</sup>

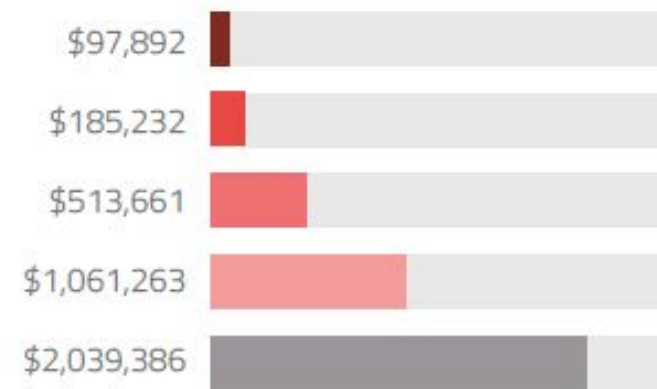
## FEC 2016

Median Numbers by Percentile  
Size of responding PACs,  
2016 (FEC-reported receipts)



## FEC 2018

Median Numbers by Percentile  
Size of responding PACs,  
2018 (FEC-reported receipts)



# The Median Corporate PAC: 1 professional staff and .5 administrative staff

Activities Conducted by PAC Staff or Volunteers	2019	2017	2015
Conducting solicitation meetings	98%	94%	94%
Selecting candidates or disbursement strategy	98%	97%	94%
Solicitation planning or development	96%	99%	96%
Writing or editing communications materials (newsletters, annual reports, etc.)	93%	96%	96%
PAC ambassador recruitment and/or training	88%	79%	82%
Writing or editing website/intranet content	84%	90%	85%
Administering donor benefits or incentives (e.g., PAC match)	79%	77%	62%
Designing PAC materials	76%	84%	N/A
Check writing	56%	65%	66%
Maintaining contributor database	49%	72%	73%
FEC reporting	26%	50%	47%
Other	1%	1%	1%

*Other activities include: Staff/volunteers, Advocacy organization operations, Attending fundraising events.*

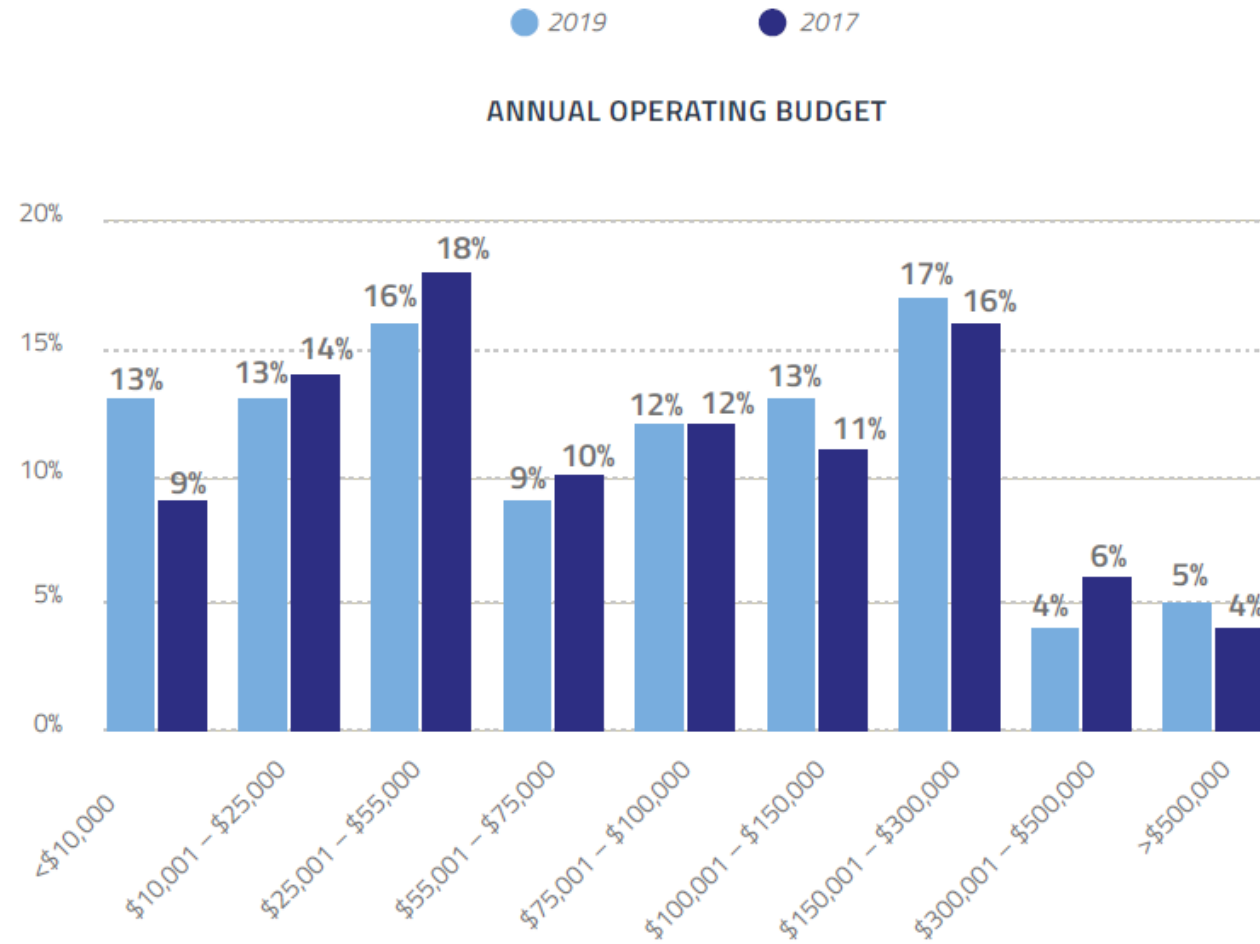


# Activities that are Outsourced

Activities Conducted by External Consultants/Vendors	2019	2017	2015
FEC reporting	73%	81%	83%
Maintaining contributor database	50%	53%	55%
Check writing	44%	48%	49%
Designing PAC materials	23%	-	-
Writing or editing website/intranet content	13%	19%	35%
Administering donor benefits or incentives (e.g., PAC match)	10%	16%	20%
Writing or editing communications materials (newsletters, annual reports, etc.)	8%	19%	25%
Solicitation planning or development	4%	15%	10%
Selecting candidates or disbursement strategy	3%	3%	4%
PAC ambassador recruitment and/or training	3%	7%	5%
Conducting solicitation meetings	0%	1%	3%

*Other activities include: Lobbying reporting, Attending fundraising events, Website management.*

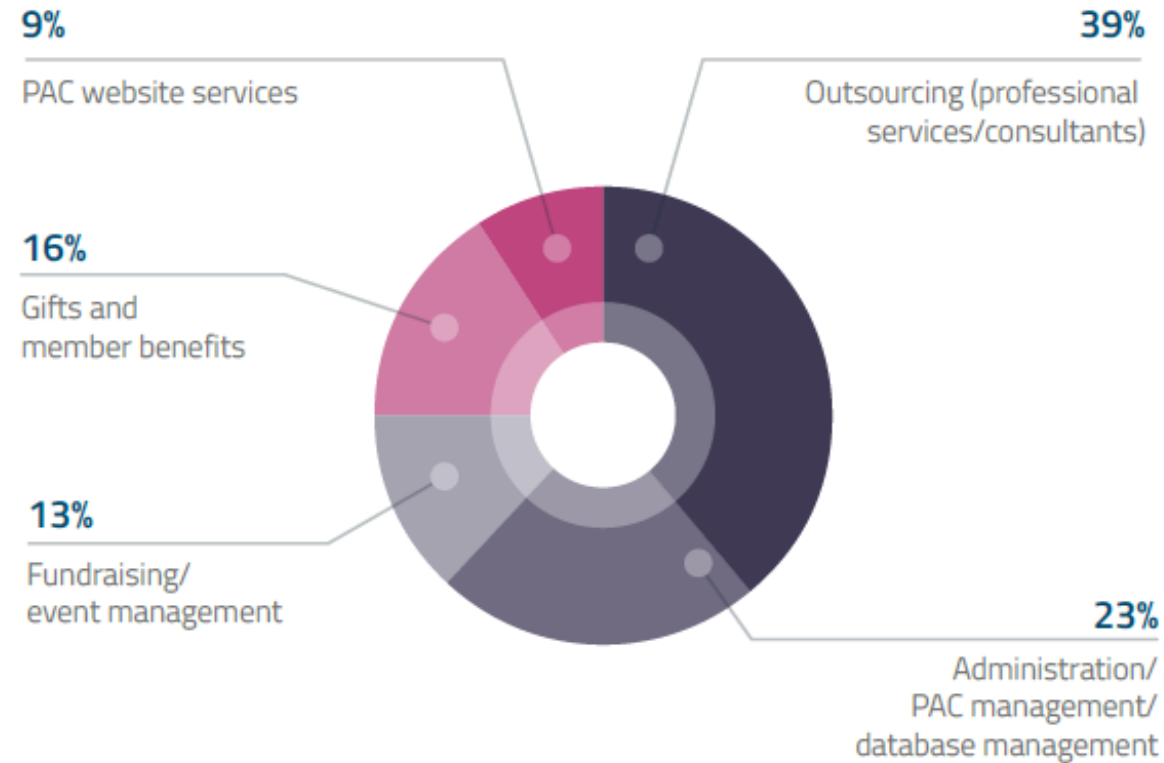
# Budgets



# Budget Allocation

PAC BUDGET ALLOCATION

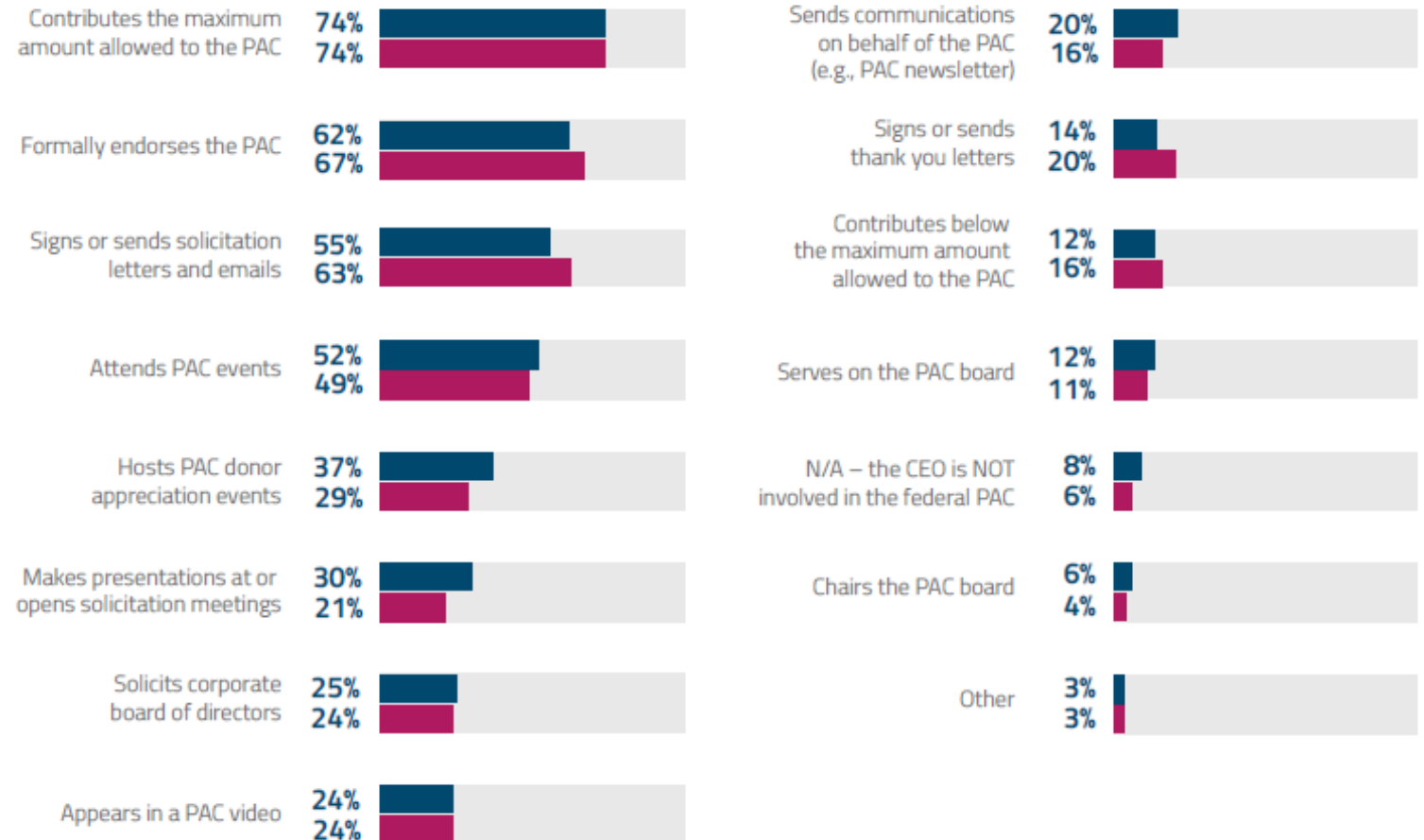
n = 146



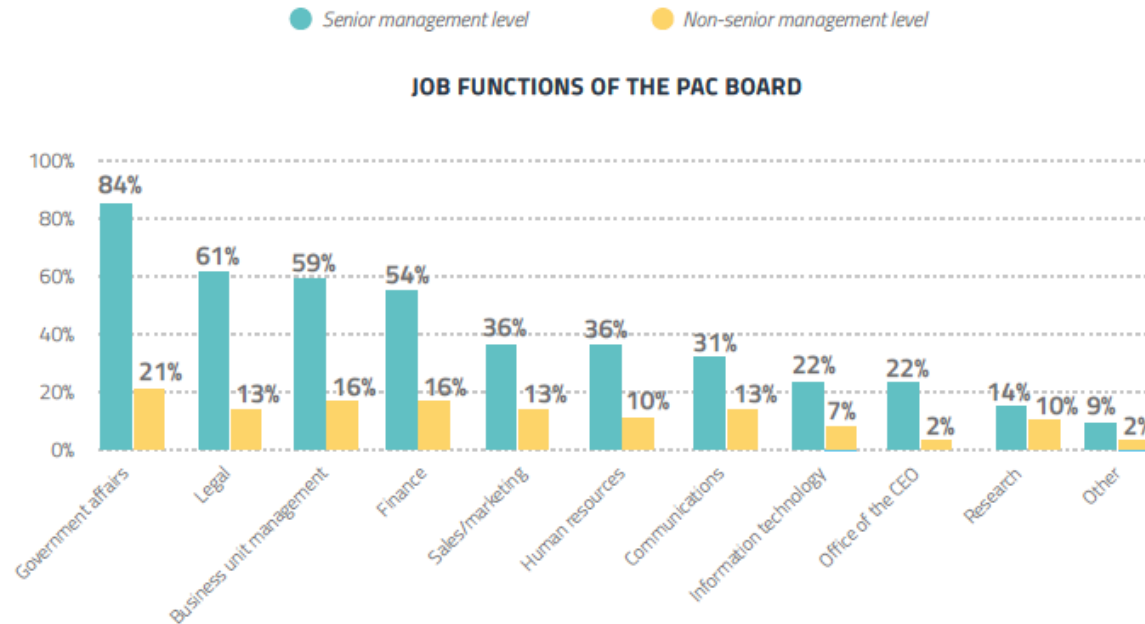
# CEO Engagement

2019 2017

## TRENDS IN CEO INVOLVEMENT



# PAC Governance



- 90% of PACs have a PAC Board of Directors
- Median board size: 9

# PAC Governance

Trends in PAC Board Activities	2019	2017	2015
Approve changes to bylaws	90%	92%	90%
Provide general PAC oversight/input	80%	79%	N/A
Attend PAC events	70%	69%	N/A
Approve contributions to candidates	69%	69%	77%
Attend candidate fundraisers	44%	47%	N/A
Manage strategic planning/goal setting	42%	39%	49%
Sign/send solicitation letters	39%	39%	46%
Provide internal budget planning/oversight	39%	45%	51%
Conduct in-person fundraising or give PAC presentations	35%	38%	32%
Host PAC donor appreciation events	30%	23%	27%
Recruit PAC ambassadors/champions	22%	21%	27%
Select candidates or manage disbursement strategy	18%	23%	24%
Manage transparency activities	15%	13%	17%
Plan solicitations	15%	19%	28%
Manage communications activities	4%	13%	17%
Other	0%	5%	4%

# Receipts and Fundraising

- What was the total dollar amount of all PAC contributions from ALL of your donors for the 2017-2018 election cycle?

10 <sup>th</sup> Percentile	25 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile (median)	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
\$77,700	\$176,216	\$462,500	\$1,200,000	\$2,206,165

- What was the average or “typical” individual contribution dollar amount to your PAC for the 2017-2018 election cycle?

	Percentage
Up to \$200	17%
\$200 – \$500	22%
\$501 – \$1,000	33%
\$1,001 – \$2,500	24%
>\$2,500	4%
Average (from midpoints)	\$876



# Receipts and Fundraising

How many employees were ELIGIBLE for your federal PAC in the 2017-2018 election cycle, regardless of whether they were solicited?

10 <sup>th</sup> Percentile	25 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile (median)	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
560	1,500	3,100	10,078	22,907

Of the eligible employees listed above, how many were SOLICITED for a contribution in the 2017-2018 election cycle?

10 <sup>th</sup> Percentile	25 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile (median)	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
200	1,000	2,550	7,310	21,000



# Receipts and Fundraising

- Of the eligible employees listed above, how many were SOLICITED for a contribution in the 2017-2018 election cycle?

10 <sup>th</sup> Percentile	25 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile (median)	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
200	1,000	2,550	7,310	21,000

- Of the solicited employees listed above, how many CONTRIBUTED to your federal PAC in the 2017-2018 election cycle?

10 <sup>th</sup> Percentile	25 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile (median)	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
56	112	306	1,000	2,368

	10 <sup>th</sup> Percentile	25 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile (median)	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
Percentage of eligible individuals who were solicited	12%	73%	100%	100%	100%
Percentage of solicited individuals who contributed	4%	8%	17%	32%	65%

Please indicate the percentage and amounts of total PAC contributions for the 2017-2018 election cycle that are attributable to the following four groups:

Percentage of Total Donations Received	10 <sup>th</sup> Percentile	25 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile (median)	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile	Mean
Senior management	10%	20%	35%	60%	85%	41%
Restricted class/salaried employees	10%	26%	55%	75%	87%	51%
Corporate board of directors	0%	0%	0%	5%	10%	5%
All other donors	0%	0%	0%	0%	5%	4%

# Receipts and Fundraising

- How frequently did your company's federal PAC solicit its eligible class during the 2017-2018 election cycle?

Trends in Solicitation Frequency	2019	2017
Short campaign once per year	41%	47%
Continuously	19%	19%
Periodically, but on a schedule not listed	16%	8%
Short campaign once per cycle	13%	12%
Semi-annually	10%	11%
Quarterly	0%	3%
n =		140

# Fundraising – Top PAC Solicitors

- Which of the following people conduct solicitations for your company's federal PAC, and which three are most effective?

PAC Solicitors	Most Used	Most Effective
Senior management (not the CEO)	77%	50%
Head of government relations department	74%	43%
Government relations staff	70%	27%
PAC manager	64%	35%
CEO	61%	44%
PAC board members	54%	21%
Peer solicitors	41%	33%
Corporate board of directors	1%	0%
Consultants	1%	0%
n =		145

# Fundraising Top Solicitation Approaches:

Solicitation Approaches	Most Used	Most Effective
Online solicitations (e.g., email)	91%	64%
Peer-to-peer solicitations	67%	54%
Small group meetings	56%	31%
Large organization events (e.g., leadership or shareholder meeting)	48%	20%
New hire communication or orientation	39%	5%
Large group meetings	38%	15%
PAC video	35%	6%
Fundraising events (e.g., dinner, reception, auction)	34%	18%
Regular staff meetings	22%	5%
Phone calls	17%	8%
Interoffice mail	13%	4%
Mail to home address	6%	1%
Mobile solicitations via text or app	1%	0%
Other	3%	0%
n =		143

Other responses include: Managers online tool, Online webinar for all eligibles, PAC newsletter, Set up solicitation tables at key company events.

# Trends in Solicitation Approaches

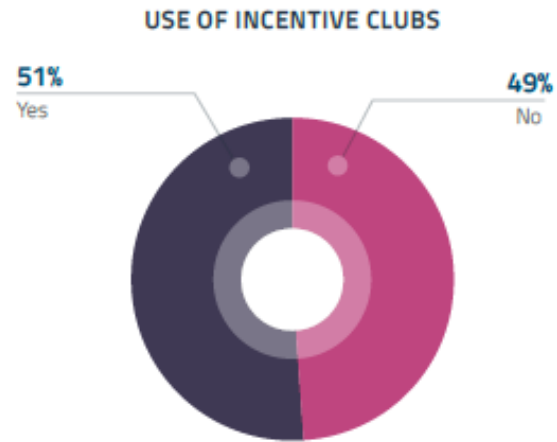
Trends in Solicitation Approaches	2019	2017	2015
Online solicitations (e.g., email)	91%	88%	89%
Peer-to-peer solicitations	67%	69%	64%
Small group meetings	56%	61%	58%
Large organization events (e.g., leadership or shareholder meeting)	48%	51%	25%
New hire communication or orientation	39%	38%	39%
Large group meetings	38%	39%	37%
PAC video	35%	33%	40%
Fundraising events (e.g., dinner, reception, auction)	34%	27%	33%
Regular staff meetings	22%	28%	29%
Phone calls	17%	18%	17%
Interoffice mail	13%	18%	19%
Mail to home address	6%	12%	13%
Mobile solicitations via text or app	1%	0%	0%
Other	3%	3%	4%

# PAC Size by Peer-to-Peer Use

## Peer-to-peer metrics by PAC size (FEC 2018)

	Median FEC 2018	n=
Use peer solicitors (Q28, n=59)	\$627,993	58
Do NOT use peer solicitors (Q28, n=86)	\$361,738	85
Use peer-to-peer (Q30, n=96)	\$529,123	95
Do NOT use peer-to-peer (Q30, n=47)	\$502,915	47

# Use of Incentive Clubs



Trends in the Number of Incentive Club Levels Offered by Companies	2019	2017
One	31%	29%
Two	16%	20%
Three	15%	23%
Four	27%	15%
Five or more	11%	13%



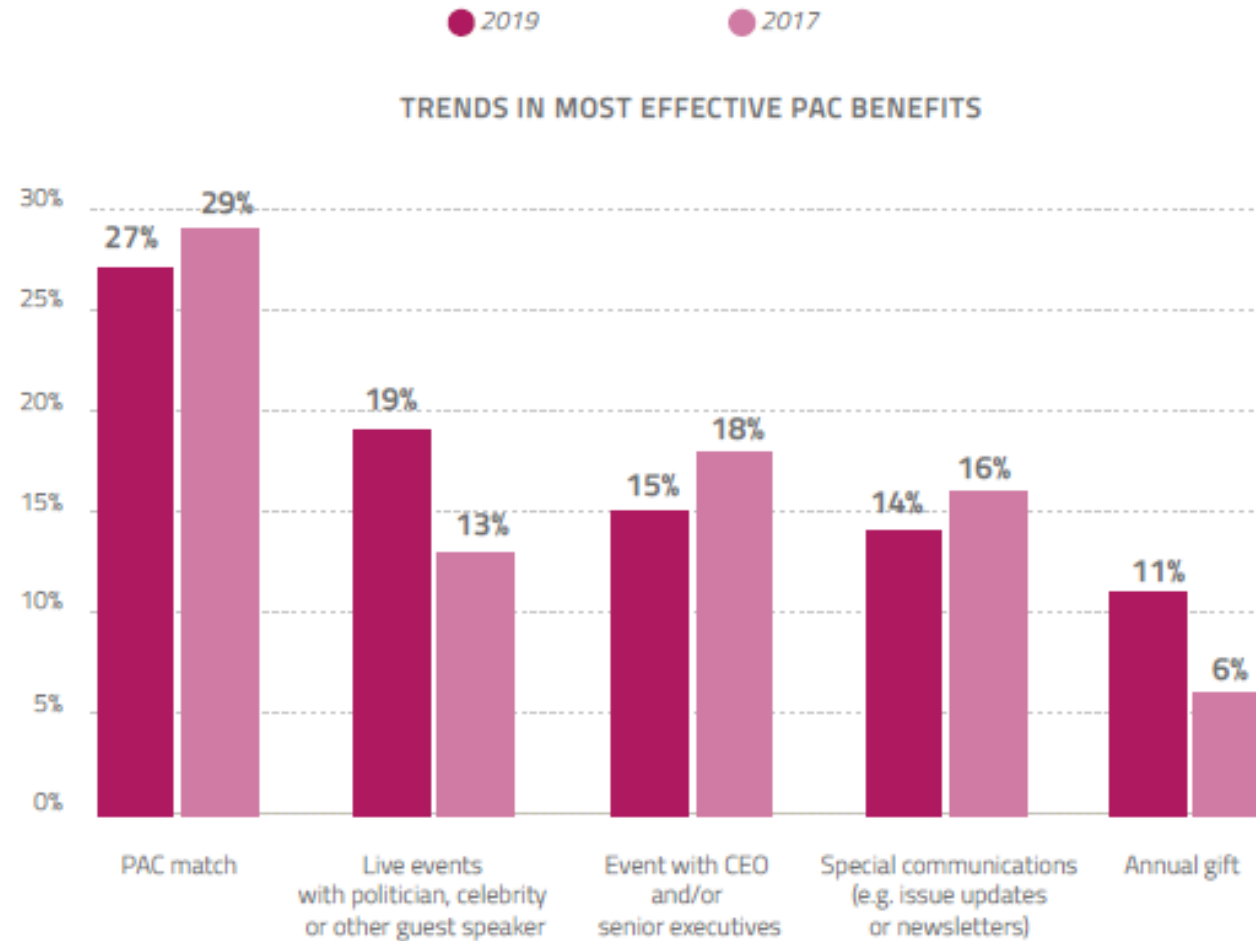
# General Membership Benefits

Trends in General Membership Benefits	2019	2017	2015
Special communications (e.g., issue updates or newsletters)	86%	75%	78%
Live events with politician, celebrity or other guest speaker	52%	43%	51%
Annual gift	43%	40%	50%
Virtual events with politician, celebrity or other guest speaker	30%	27%	23%
Event with CEO and/or senior executives	26%	21%	29%
Lapel pin	21%	25%	23%
PAC match	21%	20%	18%
Raffles	19%	14%	20%
Opportunity to attend candidate fundraiser	18%	21%	-
Trips to Washington or state capital	6%	3%	6%
Ability to deliver PAC checks to candidates	6%	9%	14%
Incentive-club-only events	5%	0%	3%
Special name recognition	4%	7%	10%
Upgraded services or special events at company meetings/events	4%	1%	3%
Trips to vacation destination	1%	1%	1%
Other	2%	9%	3%

# Incentive Club Benefits

Trends in Incentive Club Benefits	2019	2017	2015
Event with CEO and/or senior executives	63%	57%	69%
Annual gift	60%	63%	75%
Live events with politician, celebrity or other guest speaker	45%	46%	25%
Special communications (e.g., issue updates or newsletters)	43%	45%	45%
Incentive-club-only events	37%	46%	59%
Virtual events with politician, celebrity or other guest speaker	27%	17%	25%
PAC match	26%	28%	23%
Lapel pin	25%	23%	28%
Special name recognition	21%	26%	34%
Opportunity to attend candidate fundraiser	21%	23%	-
Raffles	15%	17%	24%
Trip to Washington or state capital	12%	7%	18%
Upgraded services or special events at company meetings/events	6%	10%	13%
Ability to deliver PAC checks to candidates	3%	5%	9%
Trips to vacation destination	1%	2%	2%
Other	4%	8%	3%

# Most Effective Benefits



# PAC Size by PAC Match Use

## PAC match by PAC size (FEC 2018)

	Median FEC 2018	n=
Offer PAC Match (as either a general or incentive club benefit), Q37/Q38, n=44)	\$607,227	44
Do NOT offer PAC Match (Q37/Q38, n=93)	\$408,495	93

# PAC Communications

PAC Communication Strategies	PAC Donors Only	All PAC Eligibles
PAC newsletter	57%	34%
Live events (e.g., PAC education, issue overviews and meet-and-greets)	52%	31%
Webinars or teleconferences on issues or featuring guest speakers	45%	27%
Issue updates via email and/or web	43%	32%
PAC annual report	40%	40%
PAC-specific social media activities	12%	8%
PAC advertising/awareness campaign	7%	67%
Podcasts	5%	7%
Get-out-the-vote education	2%	67%
Other	0%	0%
n =		124

# Strategic Support of Candidates

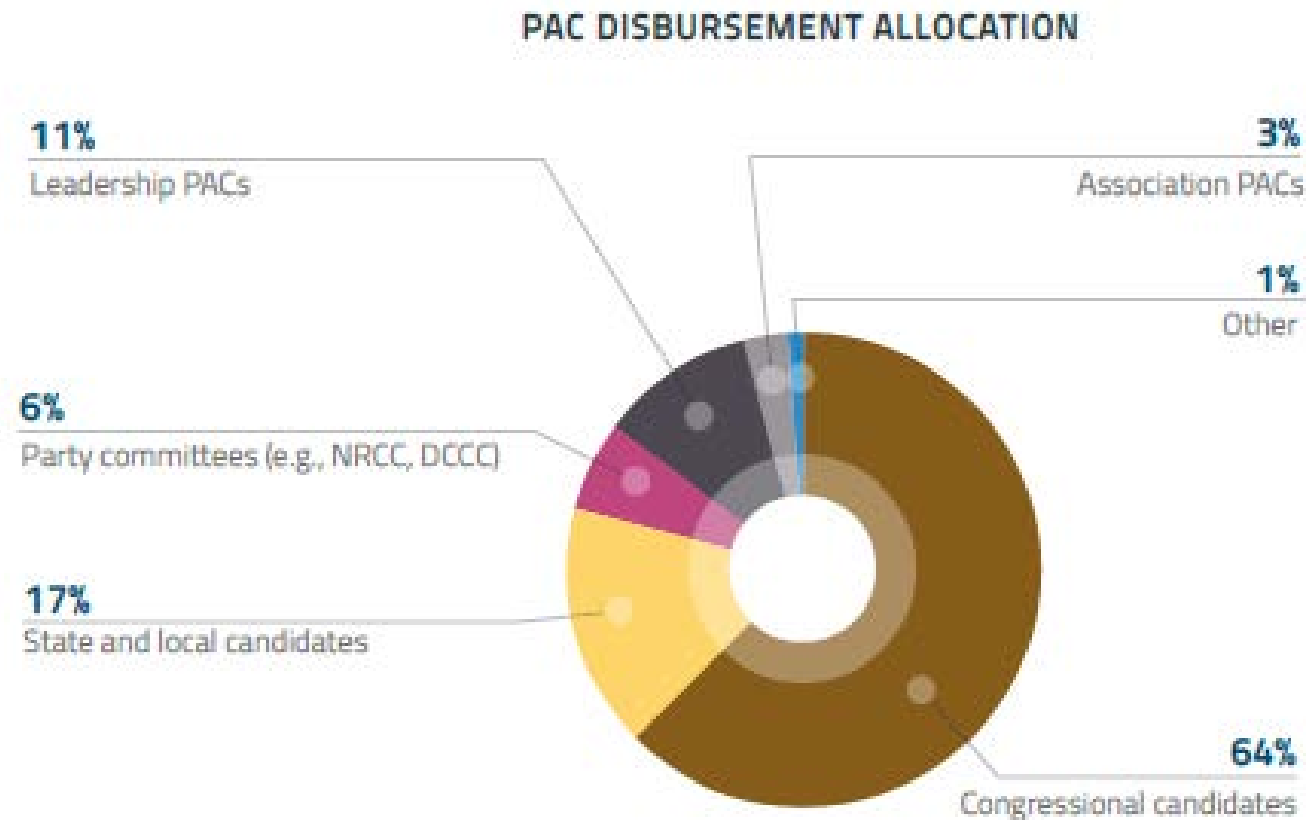
Limited to Those with Formal Candidate Contribution Criteria	Percentage of Respondents
Membership on key legislative committees	94%
Organization has facilities or locations in the candidate's district	88%
Leadership position	87%
Voting record consistent with your organization's goals	75%
Candidate's political alignment with customers, employees or other stakeholders	44%
Incumbent status	40%
Likelihood of being reelected	32%
Industry peers are supporting candidate/event	28%
Recommendation of a PAC member	17%
Financial need	12%
Candidate's position on social issues (e.g., human rights, discrimination, etc.)	8%
Party affiliation	7%
CEO, senior management or board preference for candidate	5%
Other	3%

*Other responses include: Candidate's character and integrity, Caucus membership, New to Congress, Not politically charged, ex: Steve King, Iowa.*

- Which of the following criteria are the THREE most important in making decisions regarding PAC contributions to federal candidates?

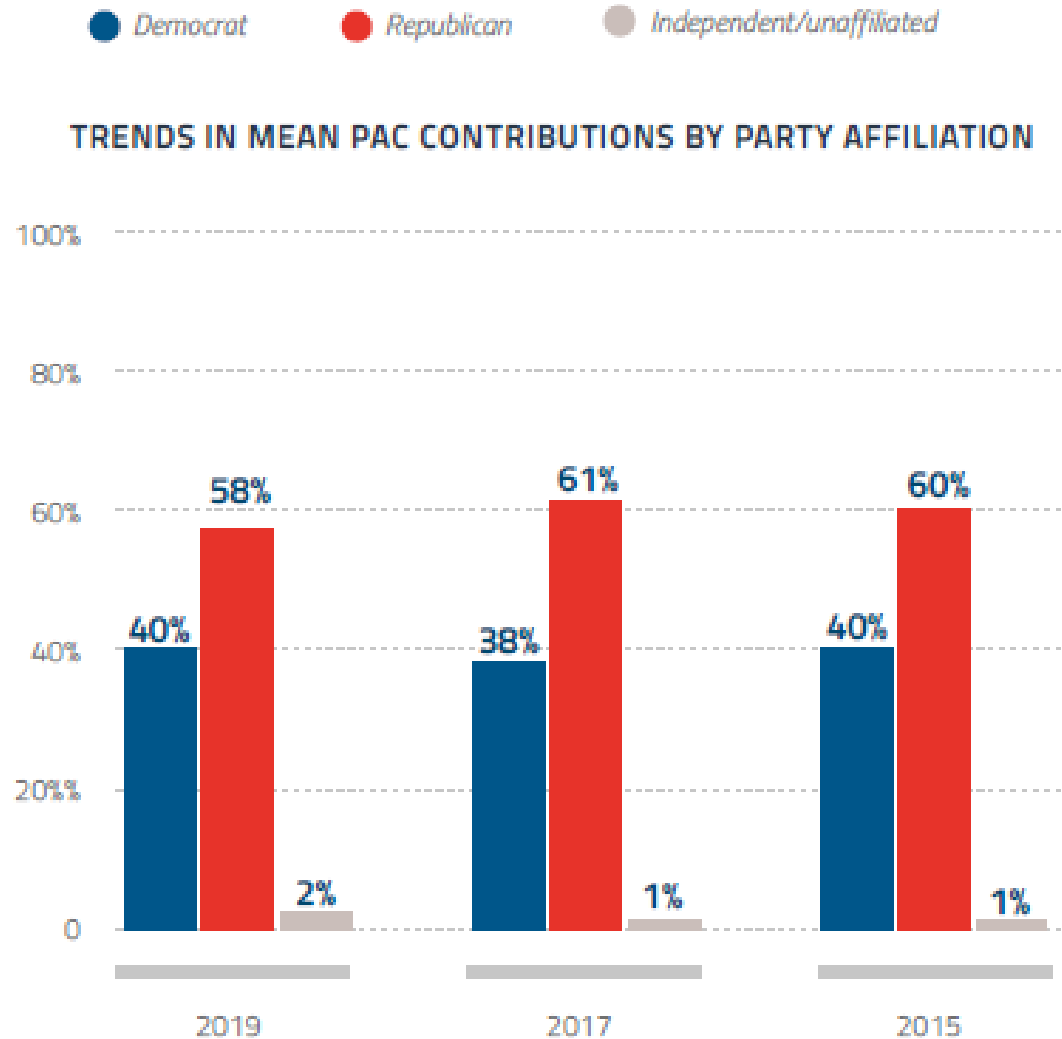
Criteria for Making Decisions	Percentage of Respondents
Membership on key legislative committees	79%
Organization has facilities or locations in the candidate's district	62%
Voting record consistent with your organization's goals	51%
Leadership position	51%
Candidate's political alignment with customers, employees or other stakeholders	30%
Incumbent status	7%
Industry peers are supporting candidate/event	4%
Likelihood of being reelected	4%
CEO, senior management or board preference for candidate	1%
Party affiliation	1%
Recommendation of a PAC member	1%
Financial need	0%
Candidate's position on social issues (e.g., human rights, discrimination, etc.)	0%

# Strategic Support of Candidates





# Trends in Contributions by Party



# Contributions at the State Level

■ Please indicate how your company manages contributions at the state level:

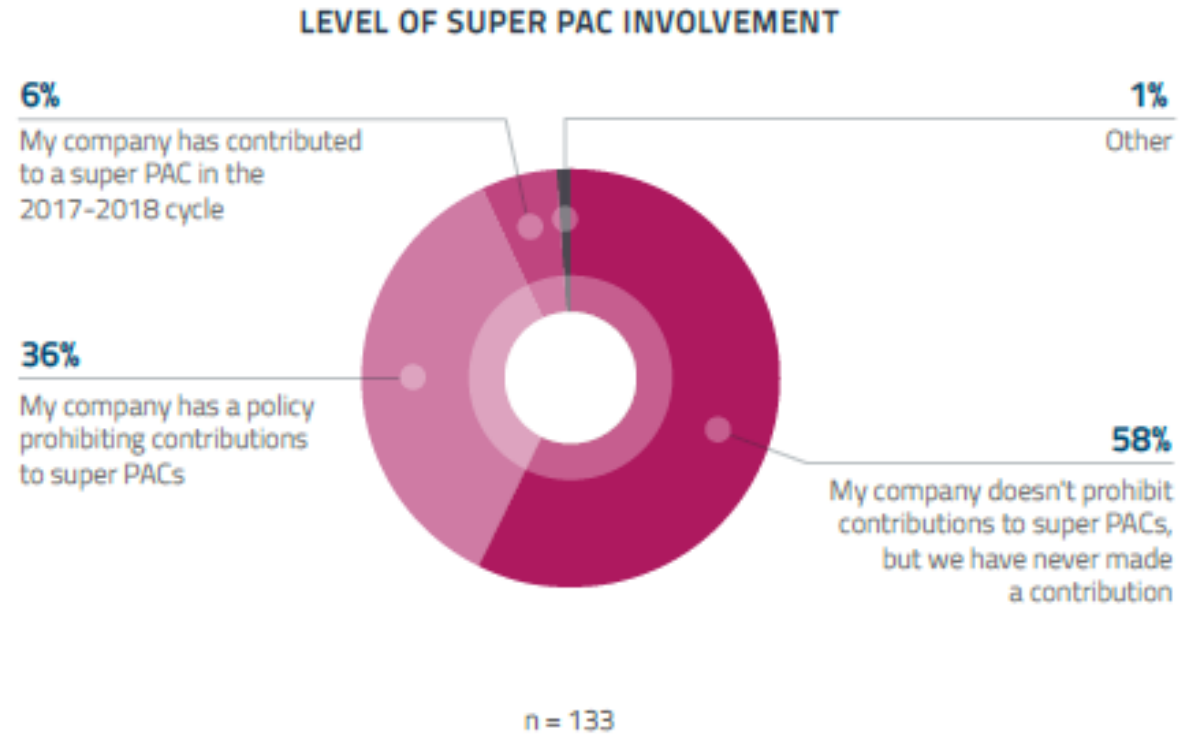
All Responses	Percentage of Respondents
My company makes contributions at the state level from the same account as the federal PAC, where legal and feasible	54%
My company makes corporate political contributions at the state level, where legal and feasible	48%
My company has separate state-level PAC(s)	22%
N/A – my company does not make contributions at the state level	19%
n =	144

# Check Provision Methods

Check Provision Method	Percentage of Respondents
Check mailed to campaign office	93%
Check brought to fundraising event	57%
Check presented in-person at an event hosted by your organization	37%
Check presented in-person at a large group event hosted by another organization	33%
Check presented during a small group meeting with the candidate in Washington	22%
Check delivered by PAC donor(s) in district	13%
Other	1%
n =	143

*Other responses include: Check presented during a small group meeting in our HQ city.*

# Super PAC Involvement



*Other responses include: My company has a policy to not contribute to independent expenditures unless under extraordinary circumstances.*

# Super PAC Involvement by Revenue

Super PAC Involvement by Corporate Revenue

	Overall	<1B	\$1-\$3B	\$3.1-\$50B	\$5.1-\$10B	\$10.1-\$20B	\$20.1-\$50B	\$50.1-\$100B	>\$100B
My company contributed to a super PAC in the 2017-2018 cycle	6.0%	16.7%	0.0%	0.0%	11.1%	6.7%	3.6%	8.3%	14.3%
My company has contributed to a super PAC in the past, but not in the 2017-2018 cycle	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
My company has a policy prohibiting contributions to super PACs	35.3%	33.3%	14.3%	33.3%	38.9%	43.3%	28.6%	50.0%	42.9%
My company doesn't prohibit contributions to super PACs, but we have never made a contribution	57.9%	50.0%	85.7%	66.7%	50.0%	46.7%	67.9%	41.7%	42.9%
Other	0.8%	0.0%	0.0%	0.0%	0.0%	3.3%	0.0%	0.0%	0.0%
n=	133	6	14	18	18	30	28	12	7

# Major Conclusions

- **Staffing has not changed much.** The median corporate PAC still has 1 professional staff member and .5 administrative staff member(s) spending at least 50% of their time managing the PAC program.
- **CEO and senior leadership engagement** in the PAC continues to rise and indicate the health of the PAC program.
- **Communications strategies** are becoming more diverse and transparency is increasingly expected by donors and internal stakeholders.
- PAC donors are incentivized by **unique opportunities and experiences**, such as PAC match, exclusive events, access to information and leaders above all else.

# Comparative Analysis

## Example subsamples:

- Industry
- PAC size
- Location of corporate headquarters
- Corporate annual revenue

Can run the whole survey or specific questions (ex. receipts, solicitation approaches, governance)

**Fee:** starts at \$500

**Timing:** typically takes 3 – 4 business days

# Contact Information

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