

Building Trust Through Education

Successful PAC Solicitations

Kristin Brackemyre, Public Affairs Council

Today's Agenda

- Planning education campaigns
- Messaging and resources
- Timelines and mediums
- Creative approaches
- Q&A



Where to Start

Get organized

- Strategic planning and goal setting
- Know ahead of time what your campaign(s) need to achieve
- Audit your activities to determine what's most effective, where shifts can be made
- Make a content calendar

Get to know your eligible population

- Find the right messengers/champions
- Conduct a survey/focus group, hold town halls
- Listening tour with senior leadership/key committees/ERGs



January 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			Q1 Begins 1 Chamber Holiday	2	Review Laurie's edits of PAC materials	4
5	PAC Email Communication (ARS)	7	8	9 State of American Business Speech	Year-End Report Blue Form Approved	11
12	13	14 Legal approval of PAC Communications	15	Email to Staff PAC eligibles re: report + events (KR)	Send Outlook reminder to staff for Feb. reception	18
19	MLK Holiday 20 Chamber Holiday	PAC Communication (SWR)	22	23 LD-203 Report is Due to internal counsel	24	25
26	27	28	29 Send staff calendar invite for PAC event	Reminder email to staff for Monday's reception (KR)	31 2019 FEC Year-End Report is Filed	

U.S. CHAMBER



January 9: Legal approved PAC materials with a few minor edits

January 10: Event Invitation to 2020 PAC Contributors (KR)

January 15: Walk through of the venue space for upcoming PAC event

January 21: Email event invites to committee members (SWR)

January 21: Sent Outlook reminder to staff for upcoming February PAC event

January 31: Email Year-End report to 2019 PAC contributors only (KR)

Building Trust through Transparency

- Transparency is a recruitment tool, essential for building trust
- Misinformation about PACs is on the rise, explaining processes and procedures is one of the best tools to combat it
- Demonstrates value/measures impact of the political program to internal stakeholders
- There's nothing to hide, nothing "dirty" about your program
- Essential for attracting young professionals



Communicating Value in a Skeptical Environment

- Educate and address the misinformation
- 2. Get a senior management champion (or a few)
- 2. Benchmarking, competitor/industry performance
- 3. Morale-boosting, inclusivity, model on organizational brand
- 4. Demonstrate the PAC as a business function/strategy/tool
- Consider the PAC as more than just a fundraising tool update people, send fun messages, be creative and become a resource
- 6. Have answers prepared for tough questions/skepticism



Creating the Right Messaging: Best Practices

- Back to Basics: don't assume anyone knows anything about your PAC
- Simplify: concise, visual messages are most effective
- Branding: align with your organization's brand, tone down the D.C. imagery
- **Promote inclusiveness**: communicate the importance of what you can achieve together, make it relatable to the day-to-day
- Awareness: Take stock of (don't avoid) current events and determine what the tone of your communications should be
- Have fun!



PAC Messaging/Education: Best Practices

What to always include:

- **PAC basics**: why the organization has a PAC and its role
- Put a face to the PAC: who contributes, how many donors, "employee-funded"
- Personalize the PAC: why should they care, why do others give?
- What's in it for them: highlight the benefits of joining
- Make it easy to learn more: link a toolkit, PAC website, intranet, etc. your audience can visit for more information



Key Facts:

- Corporate PACs are not funded by corporate money.
- Corporate PACs are employee-funded through small dollar contributions (average \$).
- Corporate PACs are limited.
- Corporate PACs represent the most transparent money in the campaign finance system.
- Distinguish between employee-funded PACs and super PACs
- Transparency is king!



Addressing skepticism:

My contribution doesn't make a difference.

Even if you give just a few dollars a pay period, your participation helps ensure ABC PAC has a strong presence on Capitol Hill. Regardless of the amount, our efforts are stronger the greater the participation we achieve across all levels, business units and facilities.



Addressing skepticism:

I don't like the PAC's candidates. I don't like politics, period.

In a company with thousands of employees, it's virtually impossible that everyone will share the same political views. Try to remember that candidates from both political parties and with vastly differing ideologies have been –and continue to be- supportive of issues that affect manufacturing. ABC PAC must work with elected officials and political candidates to advance the interests of the company regardless of their stance on many other issues or their party affiliation. We encourage you to support the efforts of ABC PAC and in your personal life work to support the candidates you feel best represent your views.



Addressing skepticism:

I don't believe money has a place in politics.

Campaign finance is undoubtedly controversial. Keep in mind that PACs were established as a legal, regulated and transparent channel for political contributions as a response to Watergate in the 1970s. In fact, the regulations PACs operate under remain unchanged in the decades since. They allow organizations like ABC to participate in the political process by supporting candidates who support our priorities through a voluntary, limited and transparent process.



Create/Review Political Engagement Policy

RANDOM CORP. POLITICAL ENGAGEMENT POLICY

As a leading global manufacturer, Random Corp. is committed to making a difference in our communities and in our company by rallying the strength of our employees, families and friends. Our ability to reach our potential is enhanced when government policies promote growth that creates jobs, encourages investment in our business, supports our employees and communities, and returns value to our shareholders. But in order to have an impact, Random Corp. must play a visible and proactive role in these policy discussions. In the United States, making political contributions to likeminded candidates is one of the many strategies we use to help reduce our political risk and maintain a business-friendly environment.

Because we have a wide array of constituencies to serve — customers, employees, distributors, suppliers, small businesses, government, community partners, shareholders and more — we consider all of their needs as we participate in these political activities. We consider it our duty, and our responsibility, to make our views clear to those who write the laws, regulations and policies that can influence our global business.

Our responsibility to create a better shared future extends to political contributions from RANDOM-PAC. Contributions are based on multiple criteria and are not determined based on political party

affiliation. RANDOM-PAC is bi-partisan and maintains a goal of dividing contributions within a 60-40 ratio between the two major parties. RANDOM-PAC does not contribute to presidential campaigns. Furthermore, Random Corp. does not contribute to super PACs or independent expenditure committees.

Our PAC Board and government affairs team evaluate a candidate's eligibility for receiving a political contribution based on the following criteria. A candidate must meet a majority of our criteria to be considered for a contribution.

The five areas of criteria used to evaluate candidates, committees and national parties are:

- 1. Views on issues of importance to Random Corp.
- 2. Position on a committee with jurisdiction over policy issues of importance to Random Corp.
- 3. Elected leadership position
- 4. Members/candidates who represent system facilities and large employee bases
- 5. Candidates who exhibit a commitment to the values and principles of Random Corp.

No single issue or criteria category determines whether a candidate does or does not receive a contribution. Political contributions are evaluated every election cycle. While RANDOM-PAC may support a candidate in one election cycle, we may elect to withhold future support at any time based on the criteria outlined above. Information on all RANDOM-PAC contributions is publicly available at www.RandomCorp.com or through the Federal Election Commission's website.



PAC Facts Resource Hub – pac.org/pacfacts



Employee-funded political action committees (PACs) are the best example of campaign finance reform that works. Corporate and association PACs are transparent, highly regulated and provide a platform for employee voices to be heard.



PAC Facts Resource Hub – pac.org/pacfacts





Council Resources



Distinguishing Between Super PACs and Connected PACs

FEC REPORTING REQUIREMENTS				
Corporate and Association PACs	Super PACs			
Report to the FEC (not the IRS, like 527s)				
Required to report all receipts and expenditures				
Register with the FEC	Register with the FEC as a			
as a connected PAC	non-connected political committee			
Not effected by Citizens United	Largely the result of Citizens United			

USE OF CORPORATE FUNDS				
Corporate and Association PACs	Super PACs			
General treasury funds from connected organizations (corporations or associations) may be used only to pay fees associated with PAC administration	Can raise money from corporations, associations, unions and individuals			
Corporations and associations cannot contribute directly to the PAC				

FUNDRAISING AND DISBURSEMENT LIMITS			
Corporate and Association PACs	Super PACs		
Strict limits — Can accept a maximum of only \$5,000 per year from eligible individuals	No limits — Can accept unlimited contributions from corporations, associations, unions and individuals		
Disbursement limits — Can contribute up to \$5,000 per federal candidate committee per election	No disbursement limits — Can spend unlimited amounts of money on independent expenditures only (i.e. radio, TV, print ads)		

	EXPENDITURE RULES				
	Corporate and Association PACs	Super PACs			
	Funds can be given directly to federal	Cannot contribute to federal candidate committees			
Allowed to co	candidate committees Allowed to communicate and coordinate with	Contributions are made in the form of independent expenditures			
	candidates and other recipients	Cannot coordinate independent expenditures with candidate committees			



Political Action Committee Q&A

Common questions and sample responses

What is a Political Action Committee (PAC)?

A PAC is a voluntary association of persons who pool their resources in small-dollar donations to increase the impact of their contributions to candidates.

Is PAC money used to influence politicians?

NO. The contributions are allocated to candidates whose records indicate that they balance fairness with issues that coincide with our company's goals and pro-business agenda.

I thought PACs were going to be eliminated ...?

NO. PACs continue to be supported in the political process because they are a legal, regulated and transparent method of campaign finance. Even with the latest reform measures, PACs remained relatively unaffected and are still seen as the most viable source of contributions to candidates.

Why shouldn't I just support individual candidates and bypass the PAC?

With individual contributions, candidates may not know why you supported them or which issues matter to you. When a PAC makes a contribution, it sends a strong, collective message that contributors share the interests of their association or industry. There is strength in numbers.

How are PAC contributions used by candidates? Why do they need our support?

The cost of running for public office has become increasingly expensive. PAC funds go toward many aspects of successful campaigning, including developing printed materials, purchasing advertising time and providing salaries for campaign staff. Even with increased super PAC spending, it's vital that candidates still raise large amounts of money for their own campaign committees as they cannot legally coordinate (or count on) outside spending in their race.

What is a PAC?



FACE: The Importance of Corporate Political Involvement



- Corporations are prohibited from directly contributing to tederal candidates – but they may operate a PAC.
- A PAC is strictly regulated by the FEC and only allows for voluntary, individual contributions under stringent guidelines for participation.
- A PAC is a legal, transparent and federally monitored means of expressing united interests with one powerful voice.
- + A PAC is power in numbers.

PACs: The importance of Corporate



Why PACs?

PACs and supporting candidates are the only things a company cannot do for itself and for which it relies on its employees for support.





Council Resources



COMMUNICATING THE IMPORTANCE AND NECESSITY OF YOUR PAC

In times of national crisis or increased scrutiny of corporate political involvement, PACs are an easy target. However, they are the only true and highly-regulated means by which a company or association can support candidates for Congress who will advocate for their employees, industry or members. Here are strong and factual talking points to defend your PAC and its vital role in your government affairs strategy.

A PAC is a transparent and federally monitored means of expressing united interests with one powerful voice.

- Corporations and associations are prohibited from directly contributing to federal candidates but they may operate a PAC.
- A PAC is strictly regulated by the FEC and only allows for voluntary, individual contributions under stringent guidelines for participation.
- A PAC has power in numbers. It gives a company a voice through a meaningful show of employee engagement (i.e., 500 employees contributed to the PAC to make this contribution possible).
- · One of the most heavily regulated, fair and accepted means of funding elections.

Your industry peers and competitors have a PAC and are using it to build relationships and express their viewpoints.

- There were 2,553 corporate and association PACs active during the 2020 cycle.
- · These groups spent nearly \$445 million according to the FEC.
- Make sure you have a seat at the table if your company isn't sharing its story and perspective
 on issues impacting its business, someone else is driving the narrative.

A connected PAC is subject to much stricter regulations than other forms of campaign finance such as super PACs.

- Connected PACs like an association or corporate PAC cannot use general treasury funds to make
 monetary or in-kind contributions to a federal candidate or that candidate's PAC. Therefore, a
 corporate PAC is the only available method to directly support like-minded candidates.
- A connected PAC is comprised entirely of individual, limited contributions from its eligible employees or members who want an opportunity to engage in the political process via an organization central to their livelihoods.
- An individual decides whether or not to contribute and the amount they give subject to a contribution limit of \$5,000 per calendar year. These contribution limits have not increased in over 40 years.
- PACs permit corporate, association or union employees to pool small-dollar contributions to support like-minded candidates. PACs also help to promote employee, member and citizen involvement in politics.
- PACs are the best example of campaign finance reform that works. Contribution ceilings are low, which limits the amount of a PAC's potential influence. The same limit applies to people who support a PAC, which prevents any individual from having a disproportionate impact on how



Developing a Comprehensive Candidate Evaluation Framework

The attempted insurrection at the U.S. Capitol on January 6, 2021, was an unprecedented event that led many companies and associations to re-examine their political contribution strategies and actions. While some business PACs ceased contributions to the 147 lawmakers who refused to certify the 2020 election results, many more have paused all contributions while they assess their giving criteria and the behavior of past recipients. In order to help organizations in their review processes, the Public Affairs Council has developed recommendations and a sample framework that can be used to manage corporate political involvement decision-making now and in the future.

A well-developed, strategic and thoughtful candidate evaluation process is critical when an organization decides to offer a political voice to employees or members and support candidates with PAC dollars. This process can help the PAC increase buy-in, improve transparency and gain trust with stakeholders including employees, shareholders, retirees, members and unions. And, when controversy strikes, a thoughtful approach lets the news media and general public know your PAC is not only compliant with laws but also responsive to stakeholder concerns.

Before each election cycle or on an as-needed basis, it's important to take time to review your decision-making processes, engage in a dialogue with those who will be involved in managing those processes, and research potential candidates. This review should include an examination of your candidate contribution criteria and a discussion of potential updates or revisions. Remember that these criteria should guide your contribution strategy but still leave room for the reality of changing priorities, events and needs. Additionally, this is a good time to communicate with employees to state your commitment to legal, ethical, strategic and transparent decision-making on political contributions.

When undergoing this review process, the Council recommends you take the following steps:

Review your company's core values, beliefs and commitments. Be sure to reread your
sustainability and corporate responsibility pledges; guiding principles on workforce diversity,
equity and inclusion; CEO and board statements on business values; and other documents
related to your corporate purpose. Identify those statements and pledges that are sacred and

Public Affairs Council 2121 K St. N.W., Suite 900 Washington, D.C. 20037



+1 (202).787.5950 pac@pac.org





Timelines and Mediums: Best Practices

- **Email:** keep it short and sweet, don't overwhelm with information
- Get creative: use visuals, think outside the box to grab people's attention
- Events and personal engagement





NO NEED TO PICK SIDES

WITH AFLAC PAC



Just like other polarizing topics—who played the best Batman, pineapple on pizza and, of course, CILANTRO—politics very often pits one side against another. Especially in presidential and mid-term election years (like this one!) we hear a lot about partisan politics and the status of each race.



FORTUNATELY, SUPPORTING AFLAC PAC HAS NOTHING TO DO WITH CHOOSING SIDES. WE'RE PROUDLY BIPARTISAN, SUPPORTING OFFICIALS ON BOTH SIDES OF THE AISLE.



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Why does this matter? Developing relationship with both parties is good for business—without that balance, major legislation such as tax reform (advocated by the right) and the Affordable Care Act (advocated by the left) would have had a greater effect on our business.

So, no matter where your allegiance lies, know that supporting the PAC is not like casting a vote for a candidate. Our participation in the democratic process is to promote the issues most important to Aflac.



AFLAC PAC CONTINUES TO BE YOUR VOICE IN WASHINGTON
TO PROTECT THE AFLAC PROMISE.

LEARN MORE OR JOIN AFLAC PAC QUESTIONS? EMAIL US





What Is a PAC? 1111111

PACs are political action committees established under Federal Election Commission (FEC) regulation that allow organizations that are otherwise prohibited (i.e. trade associations, corporations, labor unions and environmental groups) to raise money from certain Individuals and contribute those funds to political candidates.

What Is CovestroPAC?

CovestroPAC supports Covestro LLC in its commitment to make the world a brighter place by creating a culture of engagement and building a strong political presence. CovestroPAC mirrors Covestro LLC's values, striving to be curlous, courageous and colorful in our advocacy efforts, ensuring we can continue pushing the boundaries of what is possible.

PAC Fun Facts:

- PACs have been around since 1944
- · They were started by the Congress of Industrial Organizations (CIO) to help re-elect President Franklin D. Roosevelt
- . There are more than 5,300 PACs registered with the FEC
- . PACs and SuperPACs are very different (look for more information later this week on our Community Connections Page!)
- . Companies that contribute to political campaigns "enjoy about a 20 percent higher performance." (Journal of Management, January 2011, Reported by the Public Affairs Council)

Corposale contributions are profitalled by decimal law. Only eligible individuals can make contributions to CovertoHAC and the research are individuals can contribute to a FPC is \$5.00 pc; service of contribution to CovertoHAC are not decimal to contribution to this decimal contribution to the decimal contribution to the decimal contribution to CovertoHAC are not decimal contributions for individuals whose purposes. Feature is comparation and make of individuals whose contributions are comparation and make of individuals whose contributions are contributions. contributions exceed \$550 in a calendar year. Contributions to CovertnOVC are for portical purposes. Perfolipsion is stoolly valuatery and the above guidelines are only suggestions. You may refuse to contribute without reprise.

Afrac. PAC

POLITICAL **SPENDING**

LET'S PUT IT IN PERSPECTIVE



You've probably heard a lot about political spending in the news or social media, especially during election cycles. At times, it may seem like money is more Important than the Issues. But how does political spending really stack up?























MARATHON OIL COMPANY EMPLOYEES POLITICAL ACTION COMMITTEE



MIKE HENDERSON

S ISSUES UPDATE

HOW DO MERAC D'OLLAR'S HELP SUPPORT MARATHON O'ILS BUSINESS?

PARPAC is assertial to the success of our legislative agent a and investing the visibility of Marithon OU. It glates us the opportunity to educate decided officials about the eatmont cirpact and sake we bring to communities. MEMPAC about a to endoors elected officials with particular and the communities of the particular our investigation of the communities of the particular business environment in which we cam prospect.

ISSUE SPOTLIGHT: GROSS PRODUCTION TAX (GPT)-OK LAHOMA Obtainment and the GPT from this Life is a 18 to HEPAC is critical to the processand gives you avoice you night not otherwise have to ensue responsible, pro-industry legislative representation.

MYTH VS. FACT

in our confermorate political discourse, business PACs or our contemporary possess associate, sugress vec.s are often held up as symbolic of corporate great because of a perceived under influence they play in elections.

FACT
PACE are a legal political tool utilized by most special. Here, are a single process took interest princer specific interest to indigit princips, businesses, non-profits, teachers, peace offices, service industry and many more. PACLs allow individuals with a common quate to speak in a collective valid, to advance poil die that are important to them, PAC manteenthip is a way for people to engage in our political process and ensure that their volces are heads.

B HOW DO I SUPPORT MEPAC?

Johing MSPAC is easy. Eligible employees can eccess the contribution form on the WAVE, or contact Keyle Pudatit (X2554) for more information.

CANDIDATE CRITERIA

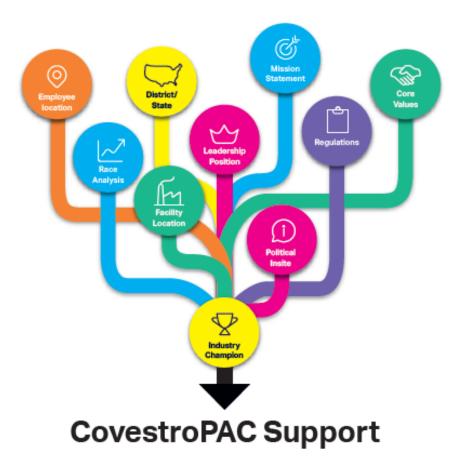
A CANDIDATE PROFILE

KEVIN CRAMER

US Rep. Keelin Grameriz sunning for the Senate in what will be one of the most dot if y withched index in the country during the mid-term election in

polities and the industry in the Service. Rep. Cramer has sorted with Maethon Oil on anumber of Important Issues, Including watcus BIDF and IDPs regulations, the removal of the crude dileop at 5 at and corporate tax reform. He is knowing against incumbent Serator Heidi Heidiamp, who voted against expeding the onerous RUH venting and flaving sale that was opposed by our industry. Conversely Rep. can rainbest be Corgressional Review Act petition and very publicly support a of removing the overly burdensome requestion that continues of ving significant legal and





Corporate contributions are prohibited by federal law Only eligible individuals can make contributions to CovertoPAC, and the resultman amount frat an individual can contribute to a PAC. is \$1000 per year Carabbulons to CoverbuilAC ne not deductate as charitable contributions for federal income bits purposes. Federal inversables to to use our best efforts or expect the name range address, countation and name of engager of middlesse into security displayers covered by the CoverbuilAC and to CoverbuilAC and for purposes. Part implicit alterity voluntary, and the above purposes and representations to understand the above purposes.





YOU ARE...

part of an industry that supports 10.3 million U.S. jobs.





YOU ARE...

part of an industry that contributes more than \$1.3 trillion to the U.S. economy each year.





YOU ARE...

part of an industry that supplies nearly 66% of America's energy needs.



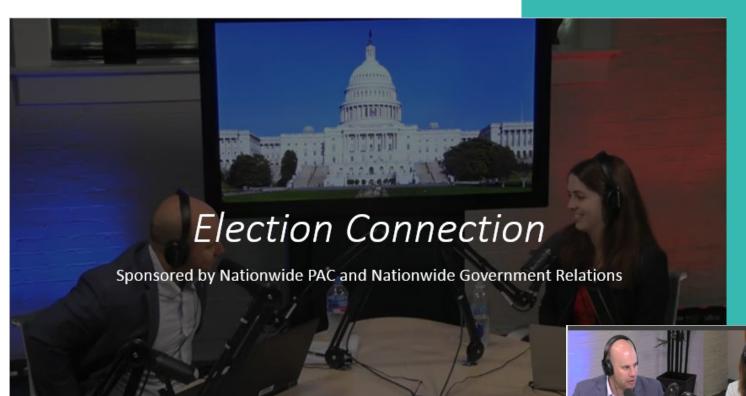


ARE YOU...

supporting the industry that supports you by contributing to MEPAC?















AirbusPAC allows us to tell our story face-to-face, educating Members of Congress on issues important to you, your community, and our company—

Such as:

- Promoting smart regulations
- · Advocating fair market competition
- Supporting and funding federal programs that impact us





Together, we support representatives of both political parties in nearly every state across or country.

Representatives that believe in our people, products, and capabilities.

Through the PAC Match program, your voluntary PAC contributions are matched dollar-for-dollar to a 601c3 charity of your choice. There are no restrictions on which charities can receive donations, so you make the choice of how best to benefit your community, it's doing two good deeds with one action.

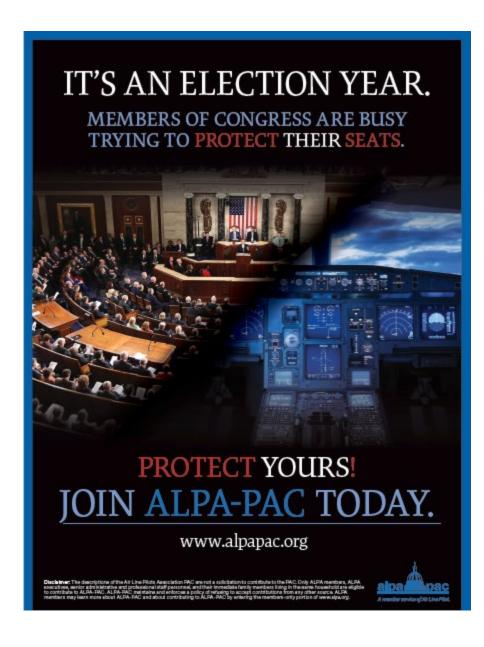


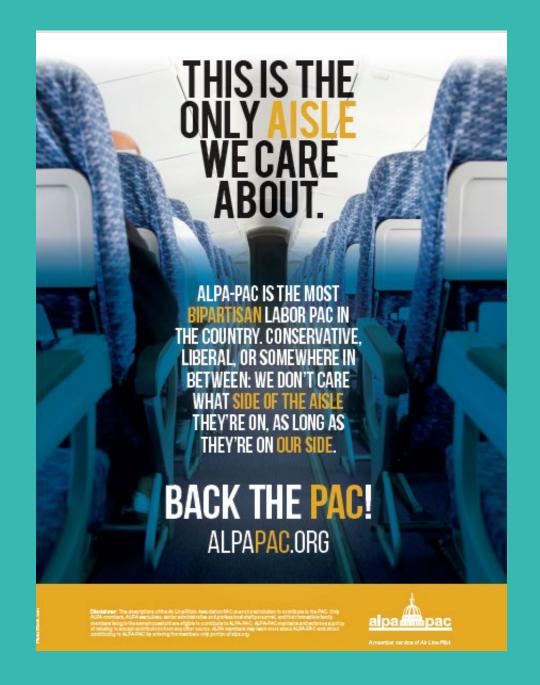
Join your fellow colleagues in becoming a member of the AirbusPAC.

It's easy, visit us at www.airbusPAC.com

ArbusPAC membership is limited to UE Obtains (or permanent residentit) who are full-time satirated employees of Arbus Americas, Inc., its efficient and subsideries (1) contributions are used for political purposes and are not tax-deductible; (2) participation in the PAC is strictly voluntary; employees have the right to elect to not contribute without feer of reprise; (3) any amounts provided are meetly suggestions, employees may contribute more or lies than the guidelines suggest; (4) Arbus Americas, Inc. and its affiliates will not favor or disadvantage anytone because of the amount they contribute or because of their decision not to contribute; and (5) federal lies requires AirbusPAC to report the name, making address, occupation, and employer of individuals who contribute more than \$500 in a calendar year.









Creative Ideas for Engagement

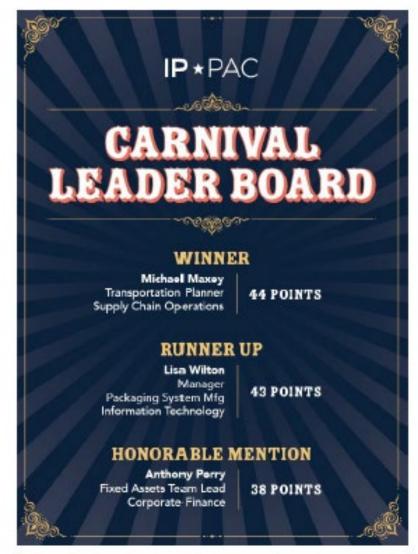
- Podcasts
- PAC Carnival
- PAC jeopardy or trivia games
- "Found it" emails
- PAC "office hours"





GRAND TOTAL:





Thanks for coming out earlier this week for the first ever IP-PAC Carnival. We are happy to reveal the Carnival Leaderboard with the top point-earners:

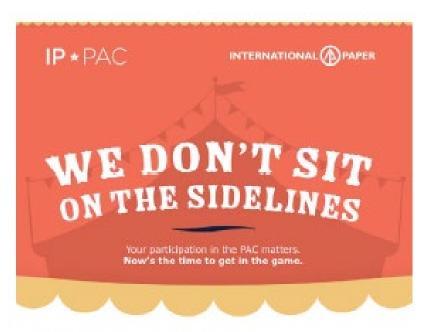


IP-PAC MATCH DOUBLE PLAY

Did you know supporting the IP-PAC not only helps strengthen International Paper's role in the political process but also helps the communities where we live and work?

You can double your impact by <u>enrolling in the new IP-PAC Match program</u>. As an IP-PAC Supporter, you are eligible to have your annual PAC contribution matched by International Paper to a charity.





CANDIDATES IN THE SPOTLIGHT: Supporting Candidates Who Share Our Vision

When we evaluate candidates to support, we don't look to see who's wearing a red jersey or a blue jersey, it's all about supporting the best candidates to represent the IP team.

IP-PAC supports candidates who take the lead on key issues and have a record of support for industry and manufacturing priorities. Click here to learn more about the candidates we support.



JOHN BOOZMAN (R-AR) US SENATE

Paper & Padraging Caucus Chair Ag. Nutrition & Forestry Committee





ANGUS KING

(I-ME) US SENATE Energy & Natural Resources Committee Auburn Box Plant









EMPLOYEES PLANT



TERRI SEWELL

(D-7-AL) US HOUSE Ways & Means Committee Pine Hill & Riverdale Mills





EMPLOYEES

DAN NEWHOUSE

(R-4-WA) US HOUSE Paper & Packaging Caucus Co-Chair

Appropriations Committee Moses Lake & Yakima Box Plants









EMPLOYEES.

In 2016, IP-PAC contributed \$1,585,000 in support of 604 candidates and committees who met the IP-PAC contribution criteria outlined below:

- . Supports key issues to International Paper
- . Has IP facilities or employees in the district or state represented
- . Supports issues important to the forest product industry or manufacturing sector
- . Serve on key committees of jurisdiction
- . Is a legislative leader or key committee chairman

- Displays financial need or has a competitive race.
- · Demonstrates character and integrity

of \$200 in a calendar year.

Join IP-PAC today and help support candidates who represent the IP team!



of employer for each individual whose contributions aggregate in excess



Questions and Discussion



Contact Information

Kristin Brackemyre

Director, PAC & Government Relations

kbrackemyre@pac.org

