

# PREPARING FOR CONTROVERSY ABOUT CORPORATE PAC DONATIONS

1. **Review your company's core values, beliefs and commitments** — especially those named in your sustainability and corporate responsibility programs — and identify the ones considered sacred and non-negotiable. Being inconsistent about these values, beliefs and commitments may damage your firm's reputation internally and externally.
2. **Be sure your PAC board includes management and non-management employees, representatives from different business units, and people with different political beliefs.** Provide employees with information on how to give feedback to the board and your team. If you don't have a PAC board, start one.
3. **Conduct interviews with executive team members and survey other employees.**
  - A. At the beginning of the interviews and at the top of the survey, state why government affairs is essential to the business and explain the legal, ethical and strategic principles that guide your political involvement efforts.
  - B. Ask for their views on what's right/wrong with American politics, their personal willingness to engage in public policy issues, their concerns about political involvement, their awareness of the company's political activities, and their support for taking a bipartisan approach to those activities.
  - C. Use the results of the interviews and survey to help you make judgment calls on campaign contributions, issue positions and other political actions that might be controversial. Corporate cultures vary considerably, and you'll gain insights on the potential for employee pushback to your government affairs decisions.
  - D. The results will be useful in countering complaints about those decisions. (For example, most employees will likely agree with having a bipartisan PAC, but that means that candidates from both major parties must receive some support.) In addition, the interviews and survey will build good will and give you a benchmark to measure future efforts to educate employees about your political activities.
4. **Before each election cycle, communicate with employees to state your commitment to legal, ethical, strategic and transparent decision-making on political contributions.** Make the same points to the executive team, but also alert them that there may be controversy about PAC decisions because of the nation's growing partisanship.
5. **Publish your PAC giving criteria on the company's website and in PAC materials along with thoughtful language about how you make judgment calls.** Invite feedback but don't sound defensive about why the company is involved in politics. Also include a concise explanation of why corporate PACs represent campaign finance reform that works and serves the public interest.
6. **When the PAC board meets to discuss PAC giving decisions, include your assessment of a candidate's potential to be a lightning rod for controversy.** If you agree to support a controversial politician despite the risks, be prepared to make your case internally and externally and decide how you will respond if the public reacts negatively.