



Program Resource Guide

Introduction

- I. Rules for Soliciting**
- II. Graphic Standards**
- III. Available Resources**
- IV. Frequently Asked Questions**

Introduction:

We are pleased to present you with this ACRE® Program Resource Guide, developed to help you promote ACRE at your cooperative. We have many materials available to help you emphasize the importance of keeping electric co-op supporters in elected office.

This guide includes legal guidelines on soliciting and collecting contributions. There are more resources available on Cooperative.com, all designed to make it easier for you to talk about ACRE.

It is important to remember that the first step in planning a successful ACRE® program begins with organization and a buy-in from the co-op manager and board of directors. Co-op leadership that makes ACRE a priority is really important. Someone needs to lead. Once identified, the ACRE leader assumes the responsibility of organizing the outreach, ACRE Awareness Event or other activity and provides oversight.

Many co-ops have had success with organizing an employee-based ACRE committee. The committee should be made up of employees from across department lines who are eligible to join ACRE and who believe in the program and can advise fellow employees of its importance.

Each member of the committee should be a current contributor to ACRE. These committees have proven extremely successful because employees listen to other employees. Committee members need to determine their goals and their roles as ACRE committee members. One of the committee's tasks should be to help organize an ACRE Awareness Event. For more information on planning an ACRE Awareness Event, please see our ACRE Event Planning Guide on Cooperative.com

We hope you find the suggestions and materials useful. Remember you are not on your own! Feel free to contact your state association or the national ACRE office to get a quick answer to any question by calling (703) 907-5826.

I: Rules for Soliciting

This guide is designed to assist you in raising funds and increasing your membership in ACRE®. While there are certain legalities to keep in mind when educating employees about ACRE and soliciting them for contributions, it is not difficult to design a program for your cooperative that is enjoyable and uncomplicated. Below are legal guidelines you must follow to ensure a successful ACRE program at your cooperative.

One of the most important considerations in planning your ACRE program is to determine who your audience is and how different types of employees may or may not be asked to participate in ACRE.

Who Is Your Audience?

The Federal Election Commission (FEC) makes a legal distinction between types of employees that we can and cannot ask to join ACRE. These guidelines will help you raise money and increase ACRE membership while staying in compliance with federal law.

Please note these guidelines are intended to be an overview, not a full recitation of the law governing political action committees. If you have specific questions please contact your state association or the ACRE staff at (703) 907-5826.

All co-op employees fall into one of the two categories which the FEC calls the “Restricted Class” and the “Non-Restricted Class.” To simplify the terminology, we will call these categories “Eligible Individuals” and “Ineligible Individuals.”

Eligible Individuals (The “Restricted Class”)

You *can* ask the following people to join ACRE:

- Directors
- Salaried employees with policymaking, managerial, professional, or supervisory responsibilities
- *Any consumer-owner of an electric co-op that belongs to NRECA*
 - This is an important distinction that trumps other restrictions on solicitations. If an employee receives electricity from an electric co-op that belongs to NRECA, they may be treated as eligible to join ACRE.
- Spouses and families of eligible individuals
 - While there is no minimum age, minors must knowingly make the decision to contribute and have some ownership or control over the money they use.

Rules:

- Any legal method of solicitation
- Unlimited number of solicitations
- Any legal method of contribution, including payroll deduction or personal checks; no cash over \$100
 - Directors may contribute using their per diem.
 - Consumer-owners may contribute through their electric bill (for more information, please see the ACRE Co-op Owners for Political Action® Program Resource Guide

Ineligible Individuals (The “Non-Restricted Class”)

You *cannot* ask the following people to join ACRE:

- Non-exempt hourly employees who are *not* consumer-owners of an electric co-op that belongs to NRECA
- Salaried foremen with direct supervision over hourly employees (unless the foremen are consumer-owners of an electric co-op that belongs to NRECA)
- Individuals, such as consultants or outside attorneys, who are not salaried employees (unless they are consumer-owners of an electric co-op that belongs to NRECA)
- Consumers of a public power district
- Foreign nationals
- The general public

Rules:

- These people may *not* be solicited for contributions to ACRE
- These people may *not* be members of ACRE
 - Legally, the FEC allows hourly employees to volunteer to join ACRE, but due to strict contribution collection requirements and the FEC’s prohibition on acknowledging these employees for their contribution, ACRE is unable to accept these memberships.
- Any event that includes ineligible individuals may only provide information about ACRE that is educational, historical or statistical.

Solicitations

A solicitation is most commonly known as asking someone to contribute money to ACRE. A solicitation also includes encouraging support of ACRE or giving instructions about how someone can contribute. According to the FEC, even saying “For more information, contact...,” is a solicitation. Information that is strictly educational, historical, and statistical is not considered a solicitation.

All solicitations, written or oral, must contain certain legal disclaimers. Basically, the individuals you are soliciting must be notified of the political nature of ACRE, that contributions are not tax deductible as charitable donations, all contributions are voluntary and can be more or less than the recommended amounts, and that the individual has a right to refuse to contribute without reprisal.

The following legal notice covers all the necessary language:

Contributions to the NRECA Action Committee for Rural Electrification® (ACRE®) are not tax deductible. Contributions to ACRE are voluntary and will be used for political purposes. You have the right to refuse to contribute without reprisal. Any contribution guidelines presented are merely suggestions. You are free to contribute more or less than the suggested amounts, or not at all. NRECA will not favor or disadvantage anyone by reason of the amount contributed or a decision not to contribute.

Advertising ACRE on Co-op Websites

If the public or internal co-op websites are accessible to ALL co-op employees, including ineligible employees, the content of the advertisement must remain educational, historical and statistical. In other words, you can tell them what ACRE is, the amount it has raised in the past, the candidates to whom it has contributed, the total number of contributors, and that it is supported by electric cooperatives, but you cannot ask them for money or to join ACRE.

Avoid posting content with words like “join,” “contact John Smith,” “contribute here” or even “for more information” - all of these phrases are considered solicitations and must not be posted on the co-op’s public website available to ineligible commercial/industrial consumers or on an internal co-op website or employee intranet available to ineligible employees. All solicitation content must be limited password-protected or otherwise accessible only by eligible employees and consumer-owners.

ACRE Awareness Event for All Co-op Employees

(Eligible and Ineligible Employees)

If the audience will be ALL co-op employees, including ineligible employees, the content of the program must remain educational, historical and statistical. In other words, you can tell them what ACRE is, the amount it has raised in the past, the candidates to whom it has contributed, the total number of contributors, and that it is supported by electric cooperatives, but you cannot ask them for money or to join ACRE. Under no circumstances may you solicit at this event, discuss fundraising, encourage participation in PAC activities, or facilitate the making of a contribution.

ACRE Awareness Event for Eligible Employees

Events that are limited to eligible employees may include overt solicitations for contributions to ACRE and discussions of why ACRE is important to the cooperative. Cooperative executives and directors may encourage the participation of eligible employees in ACRE activities and fundraising. However, the legal disclaimers discussed previously must be relayed to the employees, either orally or in written form.

Rules on Collecting Contributions

- Eligible individuals may use payroll deduction, personal check, credit card or cash
- Cash contributions cannot exceed \$100.00 per individual
- Contributions over \$50.00 must be forwarded to ACRE within 10 days
- Contributions of \$50.00 or less must be forwarded to ACRE within 30 days
- Contribution records forwarded to ACRE must include:
 - The amount of the individual’s contribution
 - The date of receipt
 - The donor’s name and address’
 - The donor’s occupation and employer (when the amount is over \$200.00)

How to Handle Contributions to ACRE®

Once the contributions are collected, your cooperative may use two procedures to transmit ACRE contributions to NRECA or your state association.

Deposit Contributions into a Transmittal Account

- This account can be set up solely for the deposit and transmittal of contributions collected on behalf of ACRE.
- The only disbursements that may be made out of this account are those that cover the sum of the month's ACRE contributions.
- Any other expenditure made from this account turns the account into a depository of ACRE and all activities will have to be reported to the FEC.

Deposit Contributions into the Cooperative's Treasury Account

- Contributions to ACRE may be temporarily deposited into the co-op's treasury account.
- Your co-op must keep separate records for every deposit containing ACRE contributions.

Contributions must be forwarded to ACRE within the following time frames:

AMOUNT OF CONTRIBUTION	MUST BE FORWARDED TO ACRE WITHIN...	WITH THE FOLLOWING RECORDS...
\$50.00 or Less	30 Days	<ul style="list-style-type: none">• Amount• Date of Receipt• Donor Name and Address
Over \$50.00	10 Days	<ul style="list-style-type: none">• Amount• Date of Receipt• Donor Name and Address
Over \$200.00	10 Days	<ul style="list-style-type: none">• Amount• Date of Receipt• Donor Name and Address• Donor Occupation and Employer

Your cooperative is responsible for keeping all records on file for three years.

- Records should include the amount of the contribution, the date of receipt, and the name and address of the source.
- All cash contributions (up to \$100.00) must be deposited separately so that separate deposit slips can be filed.

II: Graphic Standards

The following is important information about your rights and obligations in using the ACRE® registered trademark. Please review this information carefully.

The ACRE® logo design and the trademarks “ACRE®” and “Action Committee for Rural Electrification®” are all federally registered trademarks of NRECA. ACRE represents a varied, and geographically diverse membership with a single voice. The ACRE name, acronym and logo are clear symbols of one common goal: to elect public officials to federal office who understand the unique issues affecting electric cooperatives. All communications regarding ACRE represent not only one state or one cooperative, they represent the goals and principles of the entire ACRE program.

To protect the rights and ability of all ACRE members to use these trademarks, it is vitally important that the entire ACRE membership is communicating clearly and consistently. There are both legal and public image consequences for inappropriate or inconsistent trademark use. Therefore proper and consistent use is essential.

Only NRECA Voting Members are authorized to use the ACRE trademarks. Any proposed alteration of the trademarks must first be approved by NRECA. Your participation in the ACRE program constitutes your agreement to follow these standards. You also agree to provide, if NRECA requests, samples showing your use of the trademarks so that NRECA can determine conformity to these standards and specifications.

It is your commitment that makes ACRE one of the most successful and reputable political action committees in the nation. Please continue to support ACRE by following these standards consistently. If you have any questions about using the ACRE trademarks, or are seeking NRECA’s approval to use an ACRE trademark in a way other than as described, please contact the ACRE staff at (703) 907-5826 or ACRE@nreca.coop.

The Official ACRE® Logo and Name Trademarks



NRECA has registered the ACRE® logo with the U.S. Patent and Trademark Office. Because the ACRE® logo is a federally registered trademark, it must not be altered. In addition to the ACRE® logo, the acronym “ACRE®” and the full name “Action Committee for Rural Electrification®” have also been registered (collectively, “word marks”). Because the logo and word marks have completed the federal registration process, the trademark registration notice symbol “®” is used. This symbol provides notice to the public of NRECA’s ownership rights in the trademarks. Therefore it is important to include the symbol, as explained below.

Proper Use of the ACRE® Trademark

- The logo must remain a separate trademark and should not be altered or incorporated within your own state organization or co-op logo or any other word marks, logos, designs, or slogans.
- The logo should only be used to identify services promoting the interests of rural electrification and associated promotional items such as mugs and T-shirts.

Use of the Registration Symbol

The registration symbol ® must be used every time the ACRE Co-op Owners for Political Action logo appears. It should appear to the right of the logo after the word “Action.” When using the word marks “ACRE Co-op Owners for Political Action” the registration symbol must be used at least the first time the word mark appears in the text. A more conservative approach is to use the registration symbol every time a word mark appears in a document—this is appropriate use of the registration symbol, but it is not necessary.

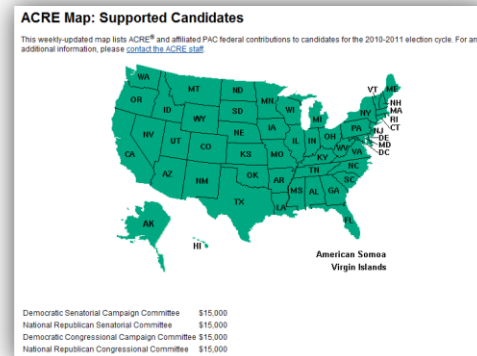
Use of the registration symbol serves an important function: it alerts the public to NRECA’s ownership rights in the trademark.

For more detailed information on the size and shape of the logo, typography, color or using the logo with other trademarks or co-op names, please visit the ACRE page on Cooperative.com

III: Available Resources

Resources about ACRE can be found on Cooperative.com in the ACRE section under the Government Affairs tab. Available resources include:

- ACRE Videos Available for Download
<https://www.cooperative.com/library/video/Pages/ACRE2014.aspx>
<https://www.cooperative.com/library/video/Pages/ACRETestimonial.aspx>
- ACRE Annual Reports
- Map of ACRE Supported Candidates
- Monthly Reports
- Co-op Owners Starter Checklist, Logos & Sample Campaigns
- ACRE Governance
- PowerPoint Presentations
- Much more...



Solicitation Guidelines Two-Pager:



Action Committee for Rural Electrification® Legal Guidelines on Solicitations and Collecting Contributions

The Federal Election Commission (FEC) limits who we can and cannot ask to join ACRE. This short primer is intended to be a refresher on FEC rules. It is not a full recitation of the law. If you have specific questions or would like to receive a copy of the ACRE procedures manual, please contact the ACRE staff.

ELIGIBLE INDIVIDUALS (RESTRICTED CLASS)

You **can** solicit or invite the following people to join ACRE:

- Directors.
- Salaried employees with policymaking, managerial, professional, or supervisory responsibilities.
- **Any consumer-owner of an electric co-op that belongs to NRECA**
 - This is an important distinction that trumps other restrictions on solicitations. If an employee receives electricity from an electric co-op that belongs to NRECA, he or she may be solicited and is eligible to join ACRE Co-op Owners for Political Action™.
- Spouses and families of eligible individuals.
 - While there is no minimum age, minors (under age 18) must knowingly make the decision to contribute and have some ownership or control over the money they use.

Rules

- Any legal method of solicitation.
- Unlimited number of solicitations.
- Any legal method of contribution, including payroll deduction or personal checks.
 - Directors may contribute using their per diem.
 - Consumer-owners may contribute through their electric bill.

INELIGIBLE INDIVIDUALS (NON-RESTRICTED CLASS) *

You **cannot** solicit or invite the following people to join ACRE:

- Non-exempt hourly employees who are **not** consumer-owners of an electric co-op.
- Salaried foremen with direct supervision over hourly employees (unless they are consumer-owners of an electric co-op that belongs to NRECA **or** they have other managerial duties).
 - **EXAMPLE: manager of fast food establishment has "other" duties besides management of people such as preparing payroll or ordering food. This class can be solicited.**
- Individuals, such as consultants or outside attorneys, who are not salaried employees (unless they are consumer-owners of an electric co-op that belongs to NRECA).
- Consumers of a public power district.
- Individuals who are not citizens of the United States and don't possess a "green card"
- The general public.

Rules

- These people may **not** be solicited for contributions to ACRE.
- These people may **not** be members of ACRE.
- Any event that includes ineligible individuals may **only** provide information about ACRE that is educational, historical or statistical.

RULES ON SOLICITATIONS

- All solicitations, written or oral, **must** contain the following legal notice:

Contributions to the NRECA Action Committee for Rural Electrification® (ACRE®) are not tax deductible for federal income tax purposes. Contributions to ACRE are voluntary and will be used for political purposes. You have the right to refuse to contribute without reprisal. Any contribution guidelines presented are merely suggestions. You are free to contribute more or less than the suggested amounts, or not at all. NRECA will not favor or disadvantage anyone by reason of the amount contributed or a decision not to contribute.

Raffles & Auctions

- Check your state laws pertaining to raffles and auctions.
 - Individuals may donate a prize (fair market value must be determined for reporting to the FEC as an in-kind contribution if the item is worth over \$200).
 - If entity purchases item for raffle or auction, the **"1/3 rule"** applies. See example below.
- | | |
|--|------------|
| Auction or Raffle Item – Purchase price | \$300.00 |
| Amount raised from raffle/auction | \$600.00 |
| 1/3 of the amount raised | (\$200.00) |
| The difference between 1/3 of the amount raised and the value of the raffle prize which needs to be reimbursed to entity | \$100.00 |
- In order to give away the \$300.00 item, you need to raise \$900.00 or **3 times** the value of the item.
 - The audience that may participate in a raffle or auction is the **restricted class only**.

RULES ON COLLECTING CONTRIBUTIONS

- The eligible individuals may use payroll deduction, personal check, credit card or cash.
- Cash contributions cannot exceed \$100.00.
- Contributions over \$50.00 must be forwarded to ACRE within 10 days.
- Contributions of \$50.00 or less must be forwarded to ACRE within 30 days.
- Contribution records forwarded to ACRE must include:
 - The amount of the individual's contribution
 - The date of receipt
 - The donor's name and address
 - The donor's occupation and employer (when the amount is over \$200)
 - For donations that aggregate over \$200 in a calendar year, either the home or work address must be provided, will be reported to the FEC and are publicly available.

QUESTIONS?

If you have any questions on solicitations or contributions, please do not hesitate to contact your state association or the ACRE staff.

Mike Whelan
703.907.5826
mike.whelan@nreca.coop

Amy Lewis
703.907.6917
amy.lewis@nreca.coop

Alden Knowlton
703.907.5886
alden.knowlton@nreca.coop

*Legally, the FEC allows hourly employees to volunteer to join ACRE, but due to strict contribution collection requirements and the FEC's prohibition on acknowledging these employees for their contribution, ACRE is unable to accept these memberships. Under no circumstances may contributions from non-U.S. citizens be solicited or accepted. If the nationality of the contributor is in doubt (ie foreign address or bank account), an inquiry must be made to ensure that the contributor is indeed a U.S. citizen.

IV: Frequently Asked Questions

What is a political action committee (PAC)?

A political action committee (PAC) is a group of people with common goals who pool their money in order to financially support candidates running for elected office. A PAC supports political candidates who represent the interests and views of its members.

ACRE® is the federal PAC of the National Rural Electric Cooperative Association (NRECA).

What is the ACRE® year?

The ACRE membership year runs from September 1 through August 31.

Where does my contribution go?

With the exception of a small federal tax payment of less than 1%, all of your contribution to ACRE goes directly to the campaigns of candidates who support the electric cooperative program.

In addition, 49% of your contribution may be returned to your state electric cooperative PAC to support candidates for state and local offices.

Who determines how my contribution is spent?

ACRE follows established procedures for making contributions to candidates running for political office. Members of the NRECA Government Relations staff meet weekly to discuss contributions to candidates, fundraising and political party events, grassroots electric cooperative participation in Washington, DC, and state political events. NRECA's staff, statewide managers and state ACRE committees then reach an agreement on which candidates should receive contributions. ACRE never supports a candidate without approval from the statewide association.

Does ACRE support only Democrats or only Republicans?

No. ACRE is bipartisan and supports candidates based solely on their record and support for electric cooperative issues, not on their political party affiliation. Put simply: ACRE supports candidate who support us (electric co-ops).