



Charitable Match Program

It is imperative for all KBA member bank employees to understand the importance of involvement in the “politics” of banking. Most people are overwhelmed by politics, whether in Washington or in Frankfort, and often think that there is nothing they can do to make a difference. That attitude can change, however, with education and encouragement.

We ask our member bank CEOs to discuss the KBPAC and grassroots efforts with their employees and the response that we hear too often is that the CEO does not want to “impose” on their employees during such difficult times. In response, we say each CEO has a responsibility to educate and encourage participation by his or her employees on the challenges facing their industry and career paths today.

You might be surprised at how willing your employees are to get involved.

Involvement can mean a lot of things. An employee can call legislators about proposed laws, write comments letters on regulatory proposals, vote for industry supportive candidates and they can choose to contribute to the PAC.

It is hard to ask your bank employees for money, but here is a way to make it a bit easier. The FEC and the Kentucky Registry of Election Finance allow a “charitable match” to be offered as an inducement to PAC contributions. Legal opinions are attached.

Here is how it’s done:

1. If you already have a charitable fundraiser with participation from your staff, you are a step ahead. If you don't, this is a good opportunity to start one. Either way the bank can provide an opportunity to double the benefit of employee contribution dollars.
2. Under the KBPAC Charitable Matching Program, the bank can allow the employee to select any charity they prefer or offer a preset selection of approved charities. Any select charity must be a 502(c)(3) corporation.
3. Send a communication to your staff or hold a meeting to explain that the bank will match, dollar for dollar, amounts contributed to the KBPAC by an employee with a charitable contribution made by the bank to the charity selected in accordance with #2 above. A sample employee memo is attached. You will want to clearly state that neither the bank nor the employee can deduct the charitable match from their taxes.
4. If you want to have a gathering to “kick off” the fundraiser and explain the importance of the PAC and government relations efforts to our industry, Ballard, John or Tim will be happy to join you!
5. PAC contributions from the employees can be made in a single payment by personal check or personal credit card or the amount pledged may be spread out over the year by payroll deduction, as specified on the contribution card or payroll deduction form. A sample form is attached as well.
6. Regardless of the payment method

selected, each participating employee must complete a KBPAC contribution card and return it to the KBA with any personal check or credit card payments.

7. Once the program begins, payroll payments will be handled in accordance with KBPAC Payroll procedures, which are in your package.

If you have any questions, please contact Timothy Schenk at tschenk@kybanks.com or 502-582-2453.

SUCCESS STORY: In 2010 David Heintzman, CEO of Stock Yards Bank agreed to be the test bank for the KBPAC Charitable Match Program. SYB rolled out the charitable matching program in collaboration with their Metro United Way Campaign. Since 2011 under the leadership of David Heintzman and Ja Hillebrand, Stock Yards Bank has raised over \$310,000 for KBPAC!

Just think about how much we could raise if each of you did this. We know that bank employees are already generous with local charities. This program allows them to spread their dollars twice as far and helps them to take a stand on issues that matter to them.

Contributions to Kentucky Bankers PAC and Kentucky Bankers Committee for State Government (each referred to as KBPAC in this disclosure) will be used in connection with state and federal elections, respectively. Contributions to KBPAC are voluntary and may not be deducted as charitable contributions. KBPAC may not accept corporate contributions. Contributions will be reported to the Kentucky Registry of Election Finance and the Federal Election Commission, as required. You may decline to contribute without fear of reprisal. You may contribute more or less than the amounts suggested and you will not benefit or be disadvantaged because of the amount contributed or the decision to not participate at all. The information being provided herein with respect to the KBA Political Action Committee is for informational purposes only and is not a solicitation by, or an invitation to contribute funds to, the Political Action Committee. Any contribution received from non-eligible donors will be returned.