

Audit of the 2022 CPA-Zicklin Index of Corporate Political Disclosure and Accountability

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Foreword: By William S. Laufer

Earlier this year the Securities and Exchange Commission (SEC) adopted final rules regarding disclosure of climate-related risks from public companies. Required disclosures under these rules will be vast, costly, and likely to invite questions of disclosure adherence. Integral to the effectiveness of required disclosure adherence is the integrity of corporate representations. The SEC and other federal regulators are just now considering and issuing rules responsive to “green washing” (exaggerating corporate environmental accomplishments) and “ESG washing” (exaggerating claims of environmental, social, and governance commitments). Remarkably, SEC leadership recently warned against “AI washing,” or the exaggeration of a company’s artificial intelligence capabilities. Left untouched are “blue washing” (exaggerating firm alliance with requirements of UN international treaties), and “pink washing” (exaggerating a company’s support for LGBTQ+ rights).

The importance of pairing corporate disclosure requirements with a reasonable assessment of their integrity, authenticity, and genuineness, is more than an idea whose time has come. Given the many incentives to exaggerate claims, the responsibility to ensure that what the public hears from corporations is not laundered falls squarely on regulators. Where regulators fail to act, civil society organizations often step in.

Since 2011, the CPA-Zicklin Index has provided an annual benchmark of public companies’ voluntary disclosure of corporate political spending policies and expenditures. The Index has been instrumental in changing norms around corporate political spending disclosure. This type of [private ordering](#), particularly in the absence of legal or legislative changes to corporate disclosure policies, has done more than reshape the culture of corporate political spending. The widespread adoption of the CPA-Zicklin Index has put the Center for Political Accountability (CPA) in an informal non-state regulatory role. In this role, CPA must do more than simply report on corporate self-assessments made available to the public.

Since its inception, the research for the Index has been conducted independently by research staff at the Center for Political Accountability. Each company's evaluation is based wholly on statements and documents published by companies on their public-facing websites. Companies earn points on the Index based on the information they publish pertaining to 24 indicators. Each indicator examines a specific aspect of a company's political spending policies, oversight policies and practices, and disclosure of any political expenditures made using company treasury funds each year.

As widespread disclosure of corporate political spending policies and practices becomes the norm, it is imperative that companies' commitments are routinely audited to maintain adherence to their commitments. Accountability strengthens each company's commitment to transparency and helps to bolster new norms of corporate disclosure.

This report details an audit of company disclosure of the following types of political spending:

- Contributions to political candidates
- Contributions to political parties and committees
- Contributions to 527 committees
- Contributions to super PACs
- Contributions to influence the outcome of ballot measures

The methodology deployed in this audit, as well as the practical limitations of an audit of this nature are discussed in detail below. A summary of findings is then followed by a detailed breakdown of findings by indicator. This report concludes with a discussion of next steps and implications for both future audits and for the reliability of voluntary disclosure of corporate political spending.

Methodology

This audit covers corporate disclosures of political spending in 2021 as evaluated in [the 2022 CPA-Zicklin Index](#). The audit team compared voluntary disclosures published on company websites with public records from both state and federal databases.

Indicator selection

This audit covers three of the twenty-four indicators evaluated in the Index.

The audit categories are:

Indicator 1: Contributions to political candidates, parties and committees

Indicator 2: Contributions to 527 committees and super PACs

Indicator 7: Contributions to influence the outcome of ballot measures

These indicators were selected because they concern data that can be audited via comparison to public political finance records.

Each of the other 23 indicators can either be easily verified without the need for a formal auditing process or cannot be audited via comparison with publicly available records. These limitations are discussed in more detail below.

Company selection

The 2022 CPA-Zicklin Index evaluated the political spending policies, oversight practices, and voluntary disclosure reports of the full Russell 1000 list of companies for the first time. At its inception in 2011, the Index evaluated the S&P 100, and that is where this inaugural Audit report begins as well. This volume of companies was both manageable and significant for an inaugural audit. Future audits may evaluate a larger body of companies.

Limitations of the audit

The audit of the 2022 CPA-Zicklin Index confronted three primary limitations: limitations in the number of Index indicators that could feasibly be independently audited; limitations in the number of companies that could be thoroughly audited given the time and resources available; and limitations in the quality and completeness of the public records related to campaign finance, particularly the data available in state-level databases.

Many company claims evaluated by the Index are easily verified outside of a formal audit process. For example, if a company commits to maintaining an online public archive of company political contributions dating back at least five years, as requested by Indicator 9, it is a straightforward process to verify that such an archive exists. This verification is part of the routine research done to compile the annual Index and does not, therefore, need to be audited independently.

It is not possible to independently verify a company's adherence to other indicators. If, for example, a company discloses a contribution to a 501(c)4 organization, there is no process to routinely and independently authenticate that disclosure because there is no external public record of this type of contribution. Similarly, details of payments made by these trade associations to other groups are frequently not a matter of public record. Finally, a company's adherence to its published policies on corporate political spending and oversight would be difficult if not impossible to verify via external audit. Doing so would require records of confidential board and board committee meetings. While future audits may attempt to access these records, the audit team chose not to pursue them for this inaugural audit due to the time-consuming legal and logistical challenges involved.

The audit process

Audit eligibility and company policies. The first step in the audit process was to determine which companies were eligible to be audited based on company policies to disclose particular types of contribution records in 2021.

Of the 99 companies initially assessed for the audit process,¹ eleven could not be audited because the companies in question did not have policies to disclose any spending in 2021 in any of the three indicator categories assessed in this audit. Three companies had policies to disclose some or all of the assessed categories but did not fully publish itemized disclosures to cover all of 2021.²

However, most companies in the S&P 100 could be audited. Ten companies claimed to have policies prohibiting political spending and affirmed in public statements via their websites that the company did not engage in any of the types of political spending evaluated in this audit in 2021. Seventy-five companies claimed to disclose contributions covered by at least one of the indicators evaluated in this audit.

| Audit eligibility | Number of companies |
|--|----------------------------|
| Could not be audited due to lack of disclosure policies | 11 |
| Could not be audited because of incomplete or poorly organized disclosures | 3 |
| Published policies prohibiting political spending in all audit categories | 10 |
| Claimed to disclose and did disclose contributions covered by at least one of the indicators evaluated in this audit | 75 |

¹ One S&P 100 company, Philip Morris International, does not have operations in the United States and is therefore routinely excluded from both the Index and this audit.

² 3M Co and Apple had not published complete 2021 data when the audit process commenced in January 2023. Coca-Cola published political spending data by cycle year and did not clearly distinguish between contributions made during the 2021 vs 2022 calendar years.

Companies that could not be audited due to lack of disclosure policies

| |
|-----------------------------|
| Advanced Micro Devices Inc. |
| Berkshire Hathaway |
| Booking Holdings Inc. |
| Broadcom Inc. |
| Charter Communications Inc. |
| Emerson Electric Co. |
| Linde PLC |
| MetLife Inc. |
| NextEra Energy Inc. |
| Tesla Inc |
| Walmart Inc. |

Could that could not be audited because of incomplete or poorly organized disclosures

| |
|------------|
| 3M Co |
| Apple Inc. |
| Coca-Cola |

Companies that could be audited

| Company | Indicator 1 Finding | Indicator 2 Finding | Indicator 7 Finding |
|---------------------|-----------------------------|-----------------------------|-----------------------------|
| Abbott Laboratories | Policy to disclose | Policy to disclose | Policy to disclose |
| AbbVie Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Accenture PLC | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| Adobe Inc. | Policy to disclose | No policy to disclose | No policy to disclose |
| Alphabet Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Altria Group Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Amazon.com Inc. | Policy to disclose | Policy to disclose | Policy to disclose |

| Company | Indicator 1 Finding | Indicator 2 Finding | Indicator 7 Finding |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| American Express Co. | Policy to disclose | Policy to disclose | Policy to disclose |
| American International Group Inc. | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| American Tower Corp. | Policy prohibiting spending | Policy prohibiting spending | No policy to disclose |
| Amgen Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| AT&T | Policy to disclose | Policy to disclose | Policy to disclose |
| Bank of America Corp. | Policy prohibiting spending | Policy to disclose | Policy to disclose |
| Bank of New York Mellon Corp. | Policy to disclose | No policy to disclose | No policy to disclose |
| BlackRock Inc. | Policy prohibiting spending | Policy prohibiting spending | No policy to disclose |
| Boeing Co. | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| Bristol-Myers Squibb Co. | Policy to disclose | Policy to disclose | Policy to disclose |
| Capital One Financial Corp. | Policy to disclose | Policy to disclose | Policy to disclose |
| Caterpillar Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Charles Schwab Corp. | Policy prohibiting spending | No policy to disclose | No policy to disclose |
| Chevron Corp. | Policy to disclose | Policy to disclose | Policy to disclose |
| Cisco Systems Inc. | Policy prohibiting spending | Incorrectly scored | Policy to disclose |
| Citigroup Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Colgate-Palmolive Co. | Policy prohibiting spending | No policy to disclose | No policy to disclose |
| Comcast Corp. | Policy to disclose | Policy prohibiting spending | Policy to disclose |
| ConocoPhillips | Policy to disclose | Policy to disclose | Policy to disclose |

| Company | Indicator 1 Finding | Indicator 2 Finding | Indicator 7 Finding |
|---------------------------------------|-----------------------------|-----------------------------|------------------------------|
| Costco Wholesale Corp. | Policy prohibiting spending | Policy prohibiting spending | No policy to disclose |
| CVS Health Corp. | Policy to disclose | Policy to disclose | Policy to disclose |
| Danaher Corp. | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| Dow Inc. | Policy to disclose | Policy to disclose | Policy to partially disclose |
| Duke Energy Corp. | Policy to disclose | Policy to disclose | No policy to disclose |
| Eli Lilly & Co. | Policy to disclose | Policy to disclose | Policy to disclose |
| Exelon Corp. | Policy to disclose | Policy to disclose | Policy to disclose |
| Exxon Mobil Corp. | Policy to disclose | Policy to disclose | No policy to disclose |
| FedEx Corp. | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| Ford Motor Co. | Policy prohibiting spending | Policy to disclose | Policy to disclose |
| General Dynamics Corp. | No policy to disclose | Policy prohibiting spending | No policy to disclose |
| General Electric Co. | Policy to disclose | Policy to disclose | Policy to disclose |
| General Motors Co. | Policy to disclose | Policy to disclose | Policy to disclose |
| Gilead Sciences Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Goldman Sachs Group Inc. | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| Home Depot Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Honeywell International Inc. | Policy prohibiting spending | Policy prohibiting spending | Policy to disclose |
| Intel Corp. | Policy to disclose | Policy to disclose | Policy to disclose |
| International Business Machines Corp. | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| Johnson & Johnson | Policy to disclose | Policy to disclose | Policy to disclose |

| Company | Indicator 1 Finding | Indicator 2 Finding | Indicator 7 Finding |
|----------------------------|-----------------------------|------------------------------|-----------------------------|
| JPMorgan Chase & Co. | Policy prohibiting spending | Policy prohibiting spending | Policy to disclose |
| Kraft Heinz Co. | Policy to disclose | Policy to disclose | Policy to disclose |
| Lockheed Martin Corp. | Policy to disclose | Policy to disclose | No policy to disclose |
| Lowe's Companies Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Mastercard Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| McDonald's Corp. | Policy to disclose | Policy prohibiting spending | Policy to disclose |
| Medtronic PLC | Policy to disclose | Policy to disclose | Policy to disclose |
| Merck & Co. Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Meta Platforms Inc. | Policy to disclose | No policy to disclose | Policy to disclose |
| Microsoft Corp. | Policy to disclose | Policy to disclose | Policy to disclose |
| Mondelez | Policy to disclose | Policy prohibiting spending | Policy to disclose |
| Morgan Stanley | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| Netflix Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Nike Inc. | Policy to disclose | No policy to disclose | Policy to disclose |
| Nvidia Corp. | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| Oracle Corp. | Policy to disclose | Policy to disclose | No policy to disclose |
| PayPal Holdings Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| PepsiCo Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Pfizer Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Procter & Gamble Co. | Policy prohibiting spending | Policy prohibiting spending | Policy to disclose |
| Qualcomm Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Raytheon Technologies Corp | Policy to disclose | Policy to partially disclose | Policy prohibiting spending |

| Company | Indicator 1 Finding | Indicator 2 Finding | Indicator 7 Finding |
|-------------------------------|------------------------------|------------------------------|------------------------------|
| Salesforce Inc. | Policy to disclose | No policy to disclose | Policy to disclose |
| Simon Property Group Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Southern Co. | Policy to disclose | Policy to disclose | Policy to disclose |
| Starbucks Corp. | Policy to disclose | Policy to disclose | Policy to disclose |
| T-Mobile US Inc. | Policy to disclose | Policy to disclose | No policy to disclose |
| Target Corp | Policy to partially disclose | Policy to partially disclose | Policy to partially disclose |
| Texas Instruments Inc. | Policy prohibiting spending | Policy to partially disclose | Policy to disclose |
| Thermo Fisher Scientific Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| U.S. Bancorp | Policy prohibiting spending | Incorrectly scored | Policy to disclose |
| Union Pacific Corp. | Policy to disclose | Policy to disclose | Policy to disclose |
| United Parcel Service Inc. | Policy prohibiting spending | Policy prohibiting spending | Policy prohibiting spending |
| UnitedHealth Group Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Verizon Communications | Policy to disclose | Policy to disclose | Policy to disclose |
| Visa Inc. | Policy to disclose | Policy to disclose | Policy to disclose |
| Walgreens Boots Alliance Inc. | Policy to disclose | Policy to partially disclose | Policy to disclose |
| Walt Disney Co | Policy to disclose | Policy to disclose | Policy to disclose |
| Wells Fargo & Co. | Policy prohibiting spending | Policy to disclose | Policy to partially disclose |

Based on these findings, the audit team began the process of comparing companies' voluntary disclosure reports with available public records of company spending.

Sourcing public records. Using the Get.Ante data service provided by Illumis, the research director collected public records from state and federal databases of all political contributions

made in 2021 and attributed to each of the 85 companies that either claimed to not make any political contributions or claimed to disclose, wholly or partially, all contributions made under the three audit indicators.

Importantly, these public records were standardized copies of original records sourced from original state and campaign finance records but did not include annotations or other non-standard details that can be found in the original copies of many state and federal records. The decision to use standardized copies of records was made due to the significant variability in record formatting from state to state. The time and labor involved in comparing dozens of markedly different state and federal databases to company disclosures would have been prohibitive. Original records were, however, examined during the audit director's data verification process, as discussed in more detail below.

Comparing company disclosures with public records. The data regarding each company's spending were imported into a spreadsheet and labeled with that company's name. ([These spreadsheets can be viewed here.](#)) Each contribution was categorized based on which of the three audit indicators under which it should be evaluated. A centralized data collection spreadsheet included a link for each companies' disclosure report for 2021. ([This centralized spreadsheet can be viewed here.](#))

The audit team then worked line-by-line to compare each contribution sourced from public records with the disclosure reports published by each company. When the public records and company disclosures matched (i.e. when a company fully and completely disclosed a contribution, the auditor examining the data indicated this match by marking a "Y" in a designated column on that company's spreadsheet. If public records and company disclosures did **not** match, if a company failed to disclose or underrepresented the amount of a contribution as reported in public records, the auditor would indicate this by marking an "N" in the designated column and recording the undisclosed amount in an adjacent column.

An example of the spreadsheets used in the audit process

| Contributor | Date | Amount | Recipient | Jurisdiction | Relevant Indicator | Included in Company disclosure? (Y/N) | \$ amount undisclosed | NOTES |
|---------------------|------------|----------------|-----------------------------|--|--------------------|---------------------------------------|-----------------------|--|
| Example Company Inc | 2021-04-01 | \$1,000,000.00 | John Doe for Governor | State of Example | 1 | Y | | |
| Example Company Inc | 2021-04-02 | \$100,000.00 | Example SuperPAC | Federal Election Commission Contributions (1979-Present) | 2 | Y | | |
| Example Company Inc | 2021-04-03 | \$20,000.00 | 527 Committee Example | IRS Form 8872 Contributions (2000-Present) | 2 | Y | | |
| Example Company Inc | 2021-04-04 | \$500.00 | 527 Committee Example | IRS Form 8872 Contributions (2000-Present) | 2 | N | \$500.00 | |
| Example Company Inc | 2021-04-05 | \$650,000.00 | Committee to elect Jane Doe | State of Example | 1 | N | \$50,000.00 | Company disclosed \$600,000 contribution |
| Example Company Inc | 2021-04-06 | \$250.00 | People for Better Examples | State of Example | 1 | Y | | |
| Example Company Inc | 2021-04-07 | \$1,000.00 | Yes on Initiative 1 | State of Example | 7 | Y | | |

Verifying auditors' assessments. After each auditor finished their assessment of a company's disclosure, the audit director examined their findings to verify the results. Any

discrepancy between the standardized public records and a company's disclosure were further examined using original state or federal records to ensure that the auditors' assessments were as accurate as possible.

Evaluating a company's overall adherence. When each contribution sourced from public records had been compared to a company's disclosure, the total whole number of undisclosed or under-disclosed contributions (those marked with an "N" by the auditors and whose assessment was verified by the audit director) was calculated. As was the total dollar amount of all undisclosed or under-disclosed contributions.

Based on these totals, a company's adherence to each of the three audited indicators was then assigned one of four labels:

- **Full adherence-** The company disclosed all contributions attributed to them in public records.
- **High partial adherence** - Most but not all contributions were disclosed.
 - Specifically, the company disclosed 80% or more of contributions made in 2021.
- **Low partial adherence** - Some but not all contributions were disclosed.
 - Specifically, the company disclosed less than 80% of contributions made in 2021.
- **Non- adherence** - The company did not disclose any of the contributions attributed to them in public records.

Summary of audit findings

Broadly, this audit found high rates of overall adherence to voluntary company disclosures of political spending when compared with public campaign finance records. The eighty-five companies whose policies and disclosures could be audited made 7,545 contributions to political candidates, parties, committees, 527 committees, Super PACs, and/or contributions to influence the outcome of ballot measures in 2021. These contributions totaled \$44,418,893.43.

Of those contributions, 441 of them, totaling \$5,212,345.63 were undisclosed. Companies accurately disclosed more than 88% of the value of contributions made across all categories and disclosed more than 94% of the whole number of contributions.

Full adherence. Thirty-nine of the 85 companies examined either disclosed all categories of audited political spending in full or upheld their commitments not to make these types of political contributions. These companies fully adhered to their commitments and disclosure as assessed by the Index.

All Audited Indicators - Fully Adherent Companies

| | | |
|-----------------------------------|---------------------------------------|-------------------------------|
| Accenture PLC | Costco Wholesale Corp. | Medtronic PLC |
| Adobe Inc. | Danaher Corp. | Morgan Stanley |
| American International Group Inc. | FedEx Corp. | Netflix Inc. |
| American Tower Corp. | Ford Motor Co. | Nvidia Corp. |
| Bank of America Corp. | General Dynamics Corp. | Pfizer Inc. |
| Bank of New York Mellon Corp. | General Electric Co. | Procter & Gamble Co. |
| BlackRock Inc. | Goldman Sachs Group Inc. | Qualcomm Inc. |
| Boeing Co. | Home Depot Inc. | Raytheon Technologies Corp |
| Caterpillar Inc. | Honeywell International Inc. | Simon Property Group Inc. |
| Charles Schwab Corp. | Intel Corp. | Starbucks Corp. |
| Cisco Systems Inc. | International Business Machines Corp. | Texas Instruments Inc. |
| Colgate-Palmolive Co. | JPMorgan Chase & Co. | Thermo Fisher Scientific Inc. |
| ConocoPhillips | Lowe's Companies Inc. | UnitedHealth Group Inc. |

High partial adherence. Thirty-one companies did not achieve full adherence but disclosed 80% or more of their contributions across all audited indicators.

All Audited Indicators - High Partial Adherent Companies

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|----------------------|------------------|----------------------|---------------------|-------------------|
| Gilead Sciences Inc. | \$626,350.00 | \$2,000.00 | 0.3% | 99.7% |
| Oracle Corp. | \$270,900.00 | \$900.00 | 0.3% | 99.7% |
| Mastercard Inc. | \$153,359.81 | \$620.00 | 0.4% | 99.6% |
| Walt Disney Co. | \$2,301,218.24 | \$12,500.00 | 0.5% | 99.5% |

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|-----------------------------|-----------------------------|---------------------------------|--------------------------------|------------------------------|
| Duke Energy Corp. | \$4,105,361.50 | \$24,695.50 | 0.6% | 99.4% |
| Wells Fargo & Co. | \$362,349.00 | \$2,349.00 | 0.6% | 99.4% |
| Chevron Corp. | \$5,912,465.67 | \$38,749.00 | 0.7% | 99.3% |
| Amgen Inc. | \$289,575.00 | \$3,000.00 | 1.0% | 99.0% |
| Meta Platforms Inc. | \$483,400.00 | \$4,700.00 | 1.0% | 99.0% |
| Visa Inc. | \$475,033.34 | \$5,250.00 | 1.1% | 98.9% |
| PayPal Holdings Inc. | \$15,200.00 | \$200.00 | 1.3% | 98.7% |
| Amazon.com Inc. | \$2,698,206.49 | \$72,000.00 | 2.7% | 97.3% |
| AT&T | \$3,341,207.06 | \$95,290.00 | 2.9% | 97.1% |
| U.S. Bancorp | \$318,350.00 | \$11,600.00 | 3.6% | 96.4% |
| Altria Group Inc. | \$3,837,836.08 | \$172,845.00 | 4.5% | 95.5% |
| Exxon Mobil Corp. | \$464,729.60 | \$20,768.25 | 4.5% | 95.5% |
| Union Pacific Corp. | \$842,070.00 | \$41,420.00 | 4.9% | 95.1% |
| Verizon Communications | \$1,061,615.00 | \$58,598.33 | 5.5% | 94.5% |
| Target Corp. | \$82,400.00 | \$5,000.00 | 6.1% | 93.9% |
| Abbott Laboratories | \$398,396.00 | \$28,396.00 | 7.1% | 92.9% |
| Capital One Financial Corp. | \$182,725.00 | \$13,100.00 | 7.2% | 92.8% |
| Comcast Corp. | \$3,545,614.74 | \$305,059.27 | 8.6% | 91.4% |
| Merck & Co. Inc. | \$638,170.00 | \$56,800.00 | 8.9% | 91.1% |
| American Express Co. | \$43,320.00 | \$4,820.00 | 11.1% | 88.9% |

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|-------------------------------|-------------------------|-----------------------------|----------------------------|--------------------------|
| Exelon Corp. | \$197,736.36 | \$26,200.00 | 13.2% | 86.8% |
| Johnson & Johnson | \$569,085.00 | \$76,185.00 | 13.4% | 86.6% |
| Salesforce Inc. | \$15,866.00 | \$2,366.00 | 14.9% | 85.1% |
| AbbVie Inc. | \$95,200.00 | \$15,200.00 | 16.0% | 84.0% |
| General Motors Co. | \$523,792.00 | \$88,792.00 | 17.0% | 83.0% |
| T-Mobile US Inc. | \$784,921.50 | \$135,909.00 | 17.3% | 82.7% |
| Walgreens Boots Alliance Inc. | \$588,000.00 | \$102,850.00 | 17.5% | 82.5% |

Low partial adherence. Eleven companies did not achieve full adherence and disclosed less than 80% of their contributions to political candidates, parties and committees.

All Audited Indicators - Low Partial Adherent Companies

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|--------------------------|-------------------------|-----------------------------|----------------------------|--------------------------|
| Alphabet Inc. | \$1,311,650.00 | \$376,500.00 | 28.7% | 71.3% |
| Dow Inc. | \$90,000.00 | \$30,000.00 | 33.3% | 66.7% |
| Southern Co. | \$2,403,900.00 | \$895,300.00 | 37.2% | 62.8% |
| Nike Inc. | \$109,500.00 | \$43,000.00 | 39.3% | 60.7% |
| Citigroup Inc. | \$210,000.00 | \$100,000.00 | 47.6% | 52.4% |
| Bristol-Myers Squibb Co. | \$664,123.00 | \$377,923.00 | 56.9% | 43.1% |
| CVS Health Corp. | \$1,104,196.76 | \$662,710.00 | 60.0% | 40.0% |
| PepsiCo Inc. | \$377,515.50 | \$232,965.50 | 61.7% | 38.3% |
| Microsoft Corp. | \$430,381.00 | \$281,881.00 | 65.5% | 34.5% |

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|-----------------|------------------|----------------------|---------------------|-------------------|
| Mondelez | \$59,800.00 | \$46,550.00 | 77.8% | 22.2% |
| Eli Lilly & Co. | \$761,400.00 | \$604,950.00 | 79.5% | 20.5% |

Non-adherence. Four companies disclosed none of the contributions that public campaign finance records indicate they made across all audited categories in 2021.

All Audited Indicators - Non-Adherent Companies

| Company Name | Total \$ amount, all undisclosed All Indicators |
|----------------------------|---|
| Kraft Heinz Co. | \$10,583.00 |
| Lockheed Martin Corp. | \$5,545.00 |
| McDonald's Corp. | \$101,025.78 |
| United Parcel Service Inc. | \$15,250.00 |

Significantly, trends in disclosure were not uniform across the three indicators examined. The following sections examine company disclosure and adherence to each of the three indicators Index individually.

Findings in detail

Indicator 1: *Does the company publicly disclose corporate contributions to political candidates, parties and committees, including recipient names and amounts given?*

This audit examined the voluntary disclosure of 84 S&P 100 companies that made commitments to either restrict or disclose political spending related to Indicator 1. Auditors compared those commitments and disclosures to public campaign finance records for all types of spending covered by Indicator 1. Of the companies examined, 24 prohibited political spending in all categories assessed in Indicator 1. Fifty-nine companies had policies allowing these types of spending and made commitments to disclose it. One company received partial credit for Indicator 1 in the 2022 CPA-Zicklin Index due to its policy to only disclose contributions of \$5,000 or more.

| Company policy and disclosure of spending covered by Indicator 1 | Number of companies |
|--|---------------------|
| Prohibited political spending in all categories assessed in Indicator 1 | 24 |
| Allowed political spending in categories assessed in Indicator 1 and made commitments to disclose that spending | 59 |
| Allowed political spending in categories assessed in Indicator 1 and made commitments to disclose that spending if the contribution was \$5,000 or greater | 1 |

The 84 companies examined for this portion of the audit made 7,175 contributions to political candidates, parties and committees, totaling more than \$28.2 million. Of those contributions, 318, totaling \$1.9 million, were undisclosed. Companies accurately disclosed more than 93% of the value of contributions made to political candidates, parties and committees and more than 9% of the whole number of contributions to these entities.

Full adherence. Forty-seven companies disclosed every contribution in this category or upheld their commitments to not make any contributions to political candidates, parties and committees in 2021. These companies were fully adherent to their commitments and disclosure as assessed by the Index regarding Indicator 1.

Indicator 1 - Fully Adherent Companies

| | | |
|-----------------------------------|--------------------------|---------------------|
| AbbVie | Charles Schwab | Honeywell |
| Accenture PLC | Cisco Systems | IBM |
| Adobe | Citigroup Inc. | Intel |
| American Express | Colgate-Palmolive | Johnson and Johnson |
| American International Group Inc. | ConocoPhillips | JP Morgan Chase |
| American Tower Corp | Costco | Lowes |
| Bank of America | Danaher Corp. | Mastercard Inc. |
| Bank of New York Mellon Corp. | FedEx | Medtronic PLC |
| BlackRock | Ford Motor | Morgan Stanley |
| Boeing Co. | General Electric Co. | Netflix |
| Caterpillar | Goldman Sachs Group Inc. | Nvidia Corp. |
| | Home Depot | Oracle |

| |
|-----------------------|
| Pfizer Inc. |
| Procter & Gamble |
| Qualcomm |
| Raytheon Technologies |

| |
|---------------------------|
| Corp |
| Simon Property Group Inc. |
| Starbucks Corp. |
| Target |

| |
|-------------------------------|
| Texas Instruments Inc. |
| Thermo Fisher Scientific Inc. |
| United Parcel Service Inc. |
| Wells Fargo |

High partial adherence. Twenty-seven companies did not achieve full adherence but disclosed 80% or more of their contributions to political candidates, parties and committees.

Indicator 1 - High Partial Adherent Companies

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|------------------------|------------------|----------------------|---------------------|-------------------|
| Bristol-Myers Squibb | \$280,073.00 | \$3,873.00 | 1% | 99% |
| Chevron | \$3,687,465.67 | \$38,749.00 | 1% | 99% |
| Walt Disney Co | \$2,301,218.24 | \$12,500.00 | 1% | 99% |
| Duke Energy | \$3,150,111.50 | \$24,695.50 | 1% | 99% |
| Gilead Sciences | \$325,450.00 | \$2,000.00 | 1% | 99% |
| Meta | \$483,400.00 | \$4,700.00 | 1% | 99% |
| PayPal | \$15,200.00 | \$200.00 | 1% | 99% |
| Visa | \$219,683.34 | \$5,250.00 | 2% | 98% |
| Altria | \$2,657,486.08 | \$72,845.00 | 3% | 97% |
| Amazon | \$2,222,306.49 | \$72,000.00 | 3% | 97% |
| Amgen | \$88,875.00 | \$2,300.00 | 3% | 97% |
| Capital One | \$112,725.00 | \$3,100.00 | 3% | 97% |
| Exxon Mobil | \$174,842.60 | \$5,881.25 | 3% | 97% |
| Verizon Communications | \$908,225.00 | \$30,208.33 | 3% | 97% |
| AT&T | \$2,466,207.06 | \$95,290.00 | 4% | 96% |
| United Health | \$811,820.00 | \$36,420.00 | 4% | 96% |
| Microsoft | \$103,700.00 | \$5,200.00 | 5% | 95% |
| Union Pacific | \$237,450.00 | \$10,700.00 | 5% | 95% |
| Comcast | \$2,650,614.74 | \$240,059.27 | 9% | 91% |
| CVS | \$484,196.76 | \$42,710.00 | 9% | 91% |
| Eli Lilly | \$155,950.00 | \$14,500.00 | 9% | 91% |

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|------------------|------------------|----------------------|---------------------|-------------------|
| Salesforce | \$15,866.00 | \$2,366.00 | 15% | 85% |
| Abbott Labs | \$80,446.00 | \$12,946.00 | 16% | 84% |
| Alphabet | \$470,700.00 | \$76,000.00 | 16% | 84% |
| Merck & Co. Inc. | \$310,870.00 | \$55,500.00 | 18% | 82% |
| Exelon | \$85,236.36 | \$16,200.00 | 19% | 81% |
| T-Mobile | \$413,397.50 | \$84,385.00 | 20% | 80% |

Low partial adherence. Seven companies did not achieve full adherence and disclosed less than 80% of their contributions to political candidates, parties and committees.

Indicator 1 - Low Partial Adherent Companies

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|----------------|------------------|----------------------|---------------------|-------------------|
| Dow Inc. | \$15,000.00 | \$5,000.00 | 33% | 67% |
| General Motors | \$20,000.00 | \$10,000.00 | 50% | 50% |
| Mondelez | \$24,350.00 | \$11,100.00 | 46% | 54% |
| Nike | \$104,500.00 | \$43,000.00 | 41% | 59% |
| PepsiCo Inc. | \$197,265.50 | \$52,715.50 | 27% | 73% |
| Southern Co. | \$1,785,600.00 | \$712,000.00 | 40% | 60% |
| Walgreens | \$378,000.00 | \$92,850.00 | 25% | 75% |

Non-adherence. Three companies disclosed none of the contributions that public campaign finance records indicate they made to political candidates, parties and committees in 2021.

Indicator 1 - Non-Adherent Companies

| Company Name | Total \$ amount, all undisclosed Indicator 1 |
|-----------------------|--|
| Kraft Heinz Co. | \$10,583.00 |
| Lockheed Martin Corp. | \$5,545.00 |
| McDonald's Corp. | \$1,025.78 |

Indicator 2: Does the company publicly disclose payments to 527 groups, such as governors associations and super PACs, including recipient names and amounts given?

This audit examined the voluntary disclosure of 78 S&P 100 companies that made commitments to either restrict or disclose political spending related to Indicator 2. Auditors compared those commitments and disclosures to public campaign finance records for all types of spending covered by Indicator 2. Of the companies examined, 20 prohibited political spending in all categories assessed in Indicator 2. Fifty-two companies had policies allowing these types of spending and made commitments to disclose it. Four companies received partial credit for Indicator 2 in the 2022 CPA-Zicklin Index due to their policies to only disclose contributions that exceeded thresholds set by each company. Two companies, Cisco Systems and US Bancorp were incorrectly scored in the 2022 Index. These companies received audit scores for Indicator 2 that would indicate they had policies prohibiting political spending in this category. However, they did not have policies prohibiting spending to political groups assessed by Indicator 2 and did not otherwise disclose these contributions.

| Company policy and disclosure of spending covered by Indicator 2 | Number of companies |
|---|---------------------|
| Prohibited political spending in all categories assessed in Indicator 2 | 20 |
| Allowed political spending in categories assessed in Indicator 2 and made commitments to disclose that spending | 52 |
| Allowed political spending in categories assessed in Indicator 2 and made commitments to disclose that spending if the contribution exceeded thresholds set by each company | 4 |
| Incorrectly scored in 2022 (not included in audit of Indicator 2) | 2 |

The 76 companies examined for this portion of the audit made 361 contributions to 527 committees and super PACS, totaling more than \$15.7 million. Of those contributions, 120, totaling \$3.2 million, were undisclosed. Companies disclosed just under 80% of the value of their contributions to 527 committees and super PACS. However, only two-thirds of the whole number of contributions were disclosed.

Full adherence. Forty-five companies disclosed every contribution in this category or upheld their commitments not to make contributions to 527 committees and super PACS. These companies were fully adherent to their commitments and disclosure as assessed by the Index regarding Indicator 2.

Indicator 2 - Fully Adherent Companies

| | | |
|------------------------|----------------------------|-----------------------------------|
| Amazon | Home Depot | Target |
| American Tower Corp | Honeywell | Texas Instruments Inc. |
| AT&T | Intel | Thermo Fisher Scientific Inc. |
| Bank of America | JP Morgan Chase | Visa |
| BlackRock | Kraft Heinz Co. | Accenture PLC |
| Caterpillar | Lockheed Martin Corp. | American International Group Inc. |
| Chevron | Lowe's | Boeing Co. |
| ConocoPhillips | Medtronic PLC | Danaher Corp. |
| Costco | Netflix | Goldman Sachs Group Inc. |
| Walt Disney Co. | PayPal | IBM |
| Dow Inc. | Pfizer Inc. | Morgan Stanley |
| Duke Energy | Procter & Gamble | Nvidia Corp. |
| Ford Motor | Qualcomm | FedEx |
| General Dynamics Corp. | Raytheon Technologies Corp | |
| General Electric Co. | Simon Property Group Inc. | |
| Gilead Sciences | Starbucks Corp. | |

High partial adherence. Seventeen companies did not achieve full adherence but disclosed 80% or more of their contributions to 527 committees and Super PACS.

Indicator 2 - High Partial Adherent Companies

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|------------------|------------------|----------------------|---------------------|-------------------|
| Amgen | \$200,700.00 | \$700.00 | 0.4% | 99.7% |
| Mastercard Inc. | \$150,620.00 | \$620.00 | 0.4% | 99.6% |
| Merck & Co. Inc. | \$327,300.00 | \$1,300.00 | 0.4% | 99.6% |
| Oracle | \$250,900.00 | \$900.00 | 0.4% | 99.6% |
| Wells Fargo | \$362,349.00 | \$2,349.00 | 0.7% | 99.4% |
| Union Pacific | \$80,900.00 | \$900.00 | 1.1% | 98.9% |

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|----------------|-------------------------|-----------------------------|----------------------------|--------------------------|
| Walgreens | \$210,000.00 | \$10,000.00 | 4.8% | 95.2% |
| Abbott Labs | \$317,950.00 | \$15,450.00 | 4.9% | 95.1% |
| Exxon Mobil | \$289,887.00 | \$14,887.00 | 5.1% | 94.9% |
| Comcast | \$895,000.00 | \$65,000.00 | 7.3% | 92.7% |
| Altria | \$1,180,350.00 | \$100,000.00 | 8.5% | 91.5% |
| Exelon | \$112,500.00 | \$10,000.00 | 8.9% | 91.1% |
| T-Mobile | \$371,524.00 | \$51,524.00 | 13.9% | 86.1% |
| Capital One | \$70,000.00 | \$10,000.00 | 14.3% | 85.7% |
| General Motors | \$328,792.00 | \$53,792.00 | 16.4% | 83.6% |
| United Health | \$30,250.00 | \$5,000.00 | 16.5% | 83.5% |
| Verizon | \$153,390.00 | \$28,390.00 | 18.5% | 81.5% |

Low partial adherence. Nine companies did not achieve full adherence and disclosed less than 80% of their contributions to 527 committees and super PACS.

Indicator 2 - Low Partial Adherent Companies

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|----------------------|-------------------------|-----------------------------|----------------------------|--------------------------|
| American Express | \$19,820.00 | \$4,820.00 | 24.3% | 75.7% |
| Johnson and Johnson | \$301,185.00 | \$76,185.00 | 25.3% | 74.7% |
| Southern Co. | \$618,300.00 | \$183,300.00 | 29.7% | 70.4% |
| Alphabet | \$840,950.00 | \$300,500.00 | 35.7% | 64.3% |
| AbbVie | \$25,000.00 | \$15,000.00 | 60.0% | 40.0% |
| Citigroup Inc. | \$150,000.00 | \$100,000.00 | 66.7% | 33.3% |
| Microsoft | \$301,681.00 | \$251,681.00 | 83.4% | 16.6% |
| Bristol-Myers Squibb | \$384,050.00 | \$374,050.00 | 97.4% | 2.6% |
| Eli Lilly | \$605,450.00 | \$590,450.00 | 97.5% | 2.5% |

Non-adherence. Five companies disclosed none of the contributions that public campaign finance records indicate they made to 527 committees and super PACS in 2021.

Indicator 2 - Non-Adherent Companies

| Company | Total \$ amount, all undisclosed Indicator 2 |
|----------------------------|--|
| CVS | \$620,000.00 |
| PepsiCo Inc. | \$180,250.00 |
| McDonald's Corp. | \$100,000.00 |
| United Parcel Service Inc. | \$15,250.00 |
| Mondelez | \$35,450.00 |

Indicator 7: *Does the company publicly disclose payments made to influence the outcome of ballot measures, including recipient names and amounts given?*

This audit examined the voluntary disclosure of 72 S&P 100 companies that made commitments to either restrict or disclose political spending related to Indicator 7. Auditors compared those commitments and disclosures to public campaign finance records for all types of spending covered by Indicator 7. Of the companies examined, 11 prohibited political spending in all categories assessed in Indicator 7. Fifty-eight companies had policies allowing these types of spending and made commitments to disclose it. Three companies received partial credit for Indicator 7 in the 2022 CPA-Zicklin Index due to their policies to only disclose contributions that exceeded thresholds set by each company.

| Company policy and disclosure of spending covered by Indicator 7 | Number of companies |
|---|---------------------|
| Prohibited political spending in all categories assessed in Indicator 7 | 11 |
| Allowed political spending in categories assessed in Indicator 7 and made commitments to disclose that spending | 58 |
| Allowed political spending in categories assessed in Indicator 7 and made commitments to disclose that spending if the contribution exceeded thresholds set by each company | 3 |

The seventy-two companies examined for this portion of the audit made 11 contributions to influence the outcome of ballot measures, totaling \$389,900. Of those contributions, four, totaling \$80,000 were undisclosed. Companies accurately disclosed nearly 80% of the value of contributions made to influence the outcome of ballot measures. However, companies only disclosed 63% of the whole number of contributions in this category.

Full adherence. Sixty-eight companies disclosed every contribution in this category or upheld their commitments not to make contributions to influence the outcome of ballot measures. These companies were fully adherent to their commitments and disclosure as assessed by the Index regarding Indicator 7.

Indicator 7 - Fully Adherent Companies

| | | |
|----------------------|----------------------|-----------------------------------|
| Abbott Labs | Ford Motor | Qualcomm |
| AbbVie | General Electric Co. | Raytheon Technologies Corp. |
| Alphabet | Gilead Sciences | Salesforce |
| Altria | Home Depot | Simon Property Group Inc. |
| Amazon | Honeywell | Southern Co. |
| American Express | Intel | Starbucks Corp. |
| Amgen | Johnson and Johnson | Texas Instruments Inc. |
| AT&T | JP Morgan Chase | Thermo Fisher Scientific Inc. |
| Bank of America | Kraft Heinz Co. | Union Pacific |
| Bristol-Myers Squibb | Lowes | United Health |
| Capital One | Mastercard Inc. | United Parcel Service Inc. |
| Caterpillar | McDonald's Corp. | US Bancorp |
| Chevron | Medtronic PLC | Verizon Communications |
| Cisco Systems | Merck & Co. Inc. | Visa |
| Citigroup Inc. | Meta | Walgreens |
| Comcast | Mondelez | Wells Fargo |
| ConocoPhillips | Netflix | Accenture PLC |
| CVS | Nike | American International Group Inc. |
| Walt Disney Co. | PayPal | Boeing Co. |
| Eli Lilly | PepsiCo Inc. | Danaher Corp. |
| Exelon | Pfizer Inc. | |
| | Procter & Gamble | |

| |
|--------------------------|
| Goldman Sachs Group Inc. |
|--------------------------|

| |
|----------------|
| IBM |
| Morgan Stanley |

| |
|--------------|
| Nvidia Corp. |
| FedEx |

High partial adherence. One company did not achieve full adherence but disclosed 80% or more of its contributions to influence the outcome of ballot measures.

Indicator 7 - High Partial Adherent Companies

| Company | Total \$ donated | Total \$ undisclosed | % of \$ undisclosed | % of \$ disclosed |
|----------------|------------------|----------------------|---------------------|-------------------|
| General Motors | \$175,000.00 | \$25,000.00 | 14.29% | 85.71% |

Low partial adherence. This audit found zero companies were in low partial adherence to their commitments and disclosure pertaining to Indicator 7.

Non-adherence. Three companies disclosed none of the contributions that public campaign finance records indicate they made to 527 committees and Super PACS in 2021.

Indicator 7 - Non-Adherent Companies

| Company | Total \$ amount, all undisclosed Indicator 7 |
|-----------|--|
| Dow Inc. | \$25,000.00 |
| Microsoft | \$25,000.00 |
| Target | \$5,000.00 |

Implications of Audit Findings

The findings of this audit indicate that companies are broadly upholding their voluntary commitments to disclose many types of corporate political spending.

Contributions to candidates, parties, and committees (those assessed under Indicator 1) were reported with overwhelming fidelity and accuracy. Human error in both the reporting and auditing processes either within companies or in the analyses conducted in this audit could account for some or all of the undisclosed contributions reported above.

While the majority of contributions to Super PACs and 527 committees (Indicator 2) and to influence the outcome of ballot measures (Indicator 7) were accurately disclosed this audit

found higher rates of partial disclosure and nondisclosure around these categories of political spending.

As pertains to ballot measures and Indicator 7, so few companies engaged in this type of political spending that the four undisclosed contributions heavily affected the overall figures. While companies should be encouraged to accurately and fully report all political contributions, particularly when they have policies promising to do so, this is not a source of significant corporate political spending, undisclosed or otherwise.

527 committees and Super PACs, however, are recipients of significant political spending by corporations. Companies did disclose four-fifths of the value of contributions made to these groups. However, only two-thirds of the whole number of these contributions were disclosed.

Value of Indicator 2 Contributions

| <i>Total value of contributions from audited companies to 527 committees and Super PACs</i> | <i>Total value of undisclosed contributions from audited companies to 527 committees and Super PACs</i> | <i>Value % disclosed</i> |
|---|--|--------------------------|
| \$15,743,168.00 | \$3,217,748.00 | 79.56% |

Whole number of Indicator 2 Contributions

| <i>Whole number of contributions from audited companies to 527 committees and Super PACs</i> | <i>Whole number of undisclosed contributions from audited companies to 527 committees and Super PACs</i> | <i>Whole number % disclosed</i> |
|--|---|---------------------------------|
| 361 | 120 | 66.76% |

The disparity between the percentage of the value of contributions disclosed and the whole number of contributions disclosed indicates that many companies that engaged in this type of political spending disclosed larger value contributions while not disclosing smaller value contributions.

One company, for example, disclosed two six-figure and one five-figure contribution to 527 committees but did not disclose two further contributions of \$450 each. This was a pattern observed in the voluntary disclosure reports of several companies that engaged in this pattern of political spending.

Companies may not view smaller contributions as necessary to report. Or they may make these contributions as part of a more transactional arrangement with a political group (e.g. to gain access to a virtual meeting with elected officials) and may not conceive of them as political contributions in the same way they do larger transactions. However, going forward, CPA Index

staff are advised to stress that all contributions to 527 committees, Super PACs, and all other types of direct and indirect election spending should be disclosed if a company has a policy to do so. This should be done regardless of the size of the contribution or its intended effect on behalf of the company or its employees.

Recommendations for future audits and Index research

The audit committee strongly encourages ongoing audits of company adherence to the commitments evaluated by the CPA-Zicklin Index. While the findings of this audit are generally encouraging and point to high rates of adherence by most companies there are a handful of companies that are clearly not complying with their commitments.

Future Index researchers should consider more closely scrutinizing the voluntary disclosure of companies that were found to be non-adherent across any of the assessed categories above.

When assessing formerly non-adherent companies, future Index researchers should further consider comparing voluntary disclosures by these companies to public records in advance of further audits. Companies that continue to publish incomplete or inaccurate disclosures should be given the opportunity to update their disclosure in light of publicly available campaign finance data. Failure to make such updates may negatively affect future Index scores for these companies.

The audit team recommends more closely monitoring the voluntary disclosure of non-adherent (and potentially of low-partial complaint) companies for a period of three to five years after the accuracy of their self-reporting practices improve. Being subject to scrutiny may encourage companies to be more complete and accurate in their disclosure reports.

Future audits

Thus, it would not be surprising if adherence rates significantly increase as the results of this audit are made publicly available. The audit team recommends future audits to continue to cover all three of the above categories of corporate political spending for the S&P 100. Due to lower rates of overall adherence, the audit team further recommends expanding the audit of Indicators 2 and 7, to assess these types of political spending by all companies in the S&P 500. This expansion will help to increase the overall integrity of the Index process by enabling wider scrutiny of the highest contributors to third-party political groups like 527 committees and Super PACs.

CPA's core objective is to encourage corporate disclosures and the integrity of those disclosures. Both disclosure and integrity are at the foundation of the CPA-Zicklin Index. Today, this audit report reflects CPA's commitment to these foundational principles, in theory and practice.