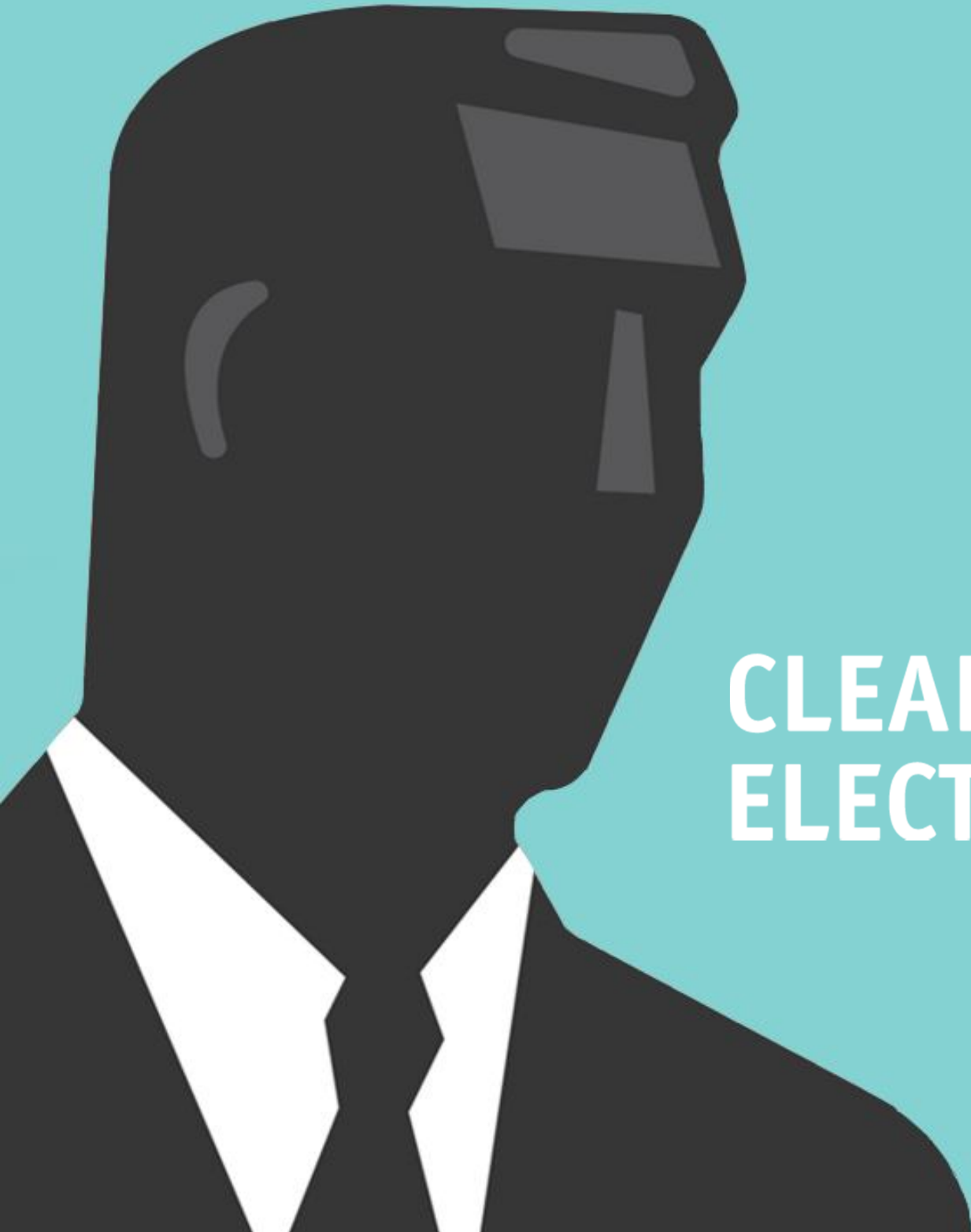


2015 ANNUAL REPORT



CLEAN 
ELECTIONS

C i t i z e n s C l e a n E l e c t i o n s C o m m i s s i o n

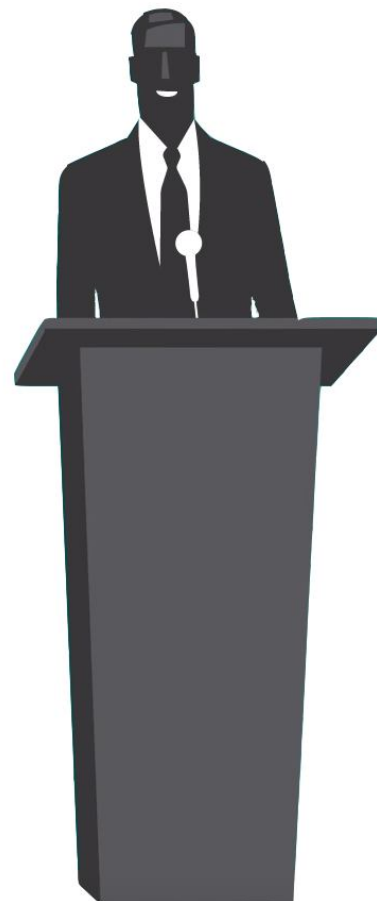
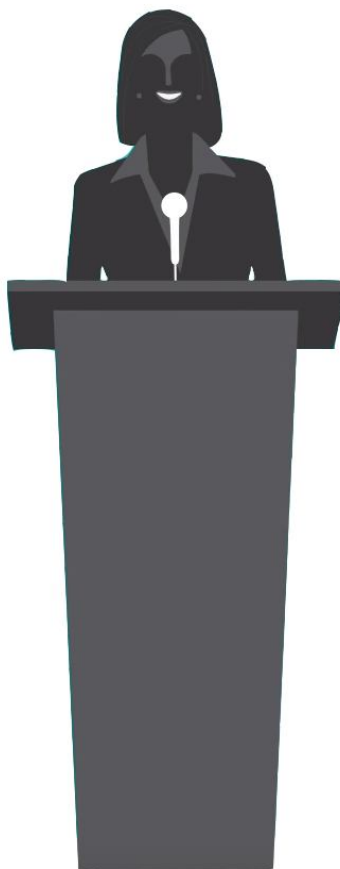
2015 ANNUAL REPORT

Presented By The Citizens Clean Elections Commission

The Annual Report will be submitted to the Governor, the President of the Arizona State Senate and the Speaker of the Arizona State House of Representatives. This report will be made available online at www.azcleanelections.gov.

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Douglas A. Ducey
Governor

Thomas M. Collins
Executive Director



Mitchell C. Laird
Chair

Thomas J. Koester
Steve M. Titla
Damien R. Meyer
Mark S. Kimble
Commissioners

State of Arizona
Citizens Clean Elections Commission

1616 W. Adams - Suite 110 - Phoenix, Arizona 85007 - Tel (602) 364-3477 - Fax (602) 364-3487 - www.azcleanelections.gov

February 18, 2016

The Honorable Doug Ducey
Governor of the State of Arizona
1700 West Washington
Phoenix, AZ 85007

Dear Governor Ducey:

The Citizens Clean Elections Commission is pleased to submit the 2015 Annual Report, pursuant to Arizona Revised Statutes § 16-956(A)(5). The Annual Report describes the activities performed by the Commission in the last calendar year.

In 1998, the voters of Arizona passed the Citizens Clean Elections Act. Over 17 years later, the Commission continues its commitment of upholding the letter and spirit of the Act. The Commission accomplished its goals set forth and looks forward to the same success in 2016.

Respectfully,

A handwritten signature in dark ink that reads "Mitchell C. Laird".

Mitchell C. Laird, Chairman
Citizens Clean Elections Commission

Voter & Public Education

The Commission continued to provide information to the public regarding Clean Elections participation and the functions and purposes of the Clean Elections Act. This was accomplished through education campaigns, grassroots and social media outreach.

The Commission's education and outreach efforts for 2015 included:

- Roundtable Event
- "Find My Elected Officials" Launch
- Voter Research
- Candidate Training
- "Vote Informed" Campaign
- Independent Voter Study
- Grassroots Outreach
- Smart Phone Application Development
- Social Media

Educating the Voters. Educating the Candidates.

In addition to educating the voters, the Commission strives to educate candidates running for office.

The Commission hosts candidate training workshops that include details about campaign finance reporting and debate participation.

The Commission spends 10% of the expenditure cap on voter education in accordance with its statutory requirements. See page 10 of this report for more financial information.

Roundtable Event

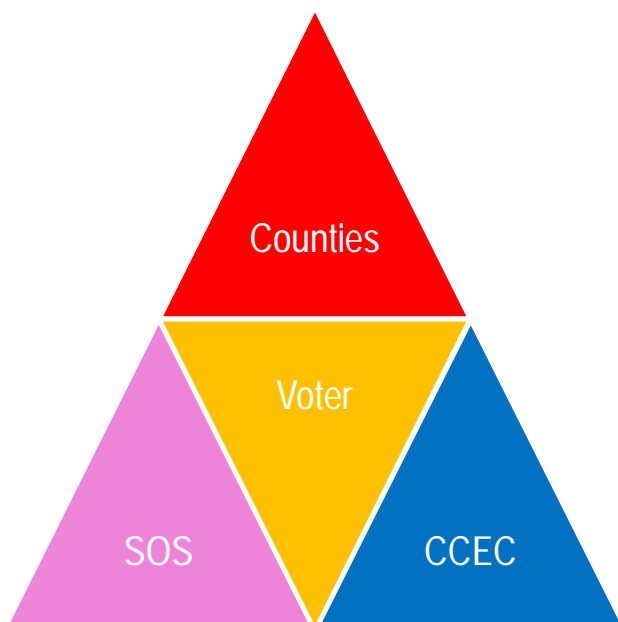
The Citizens Clean Elections Commission (CCEC) hosted County Recorders & Election Directors on February 3, 2015. Feedback was utilized to help craft messaging for our voter education efforts.

The discussion focused on:

- What worked and what did not work in the 2014 elections
- Voter trends & education efforts for 2016
- How can CCEC help?

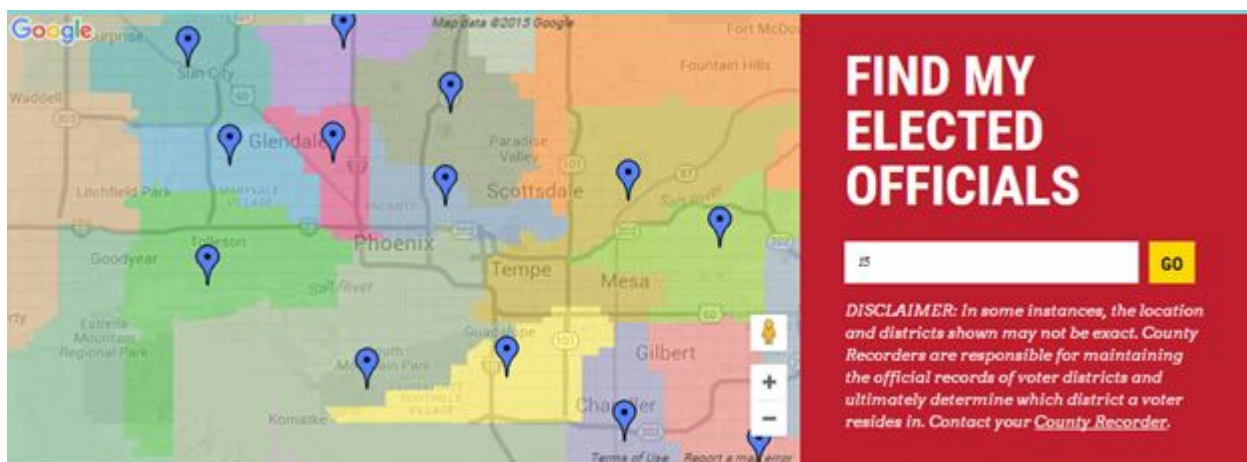
Participant Survey – Noteworthy Comments

- “Host more meetings to share best practices. This is an excellent beginning but we have more to get moving forward.”
- “Having a partner in this process that we know will participate and be involved is priceless.”
- “Was a fantastic opportunity and needed very badly. Thanks!”
- “CCEC’s video material will be posted on a county webpage!”



Find My Elected Officials Tool

The Commission launched a new tool in March that puts voters in touch with state lawmakers and other elected officials. The tool allows voters to input their address or district number and connect directly with their representatives.



Voter Research

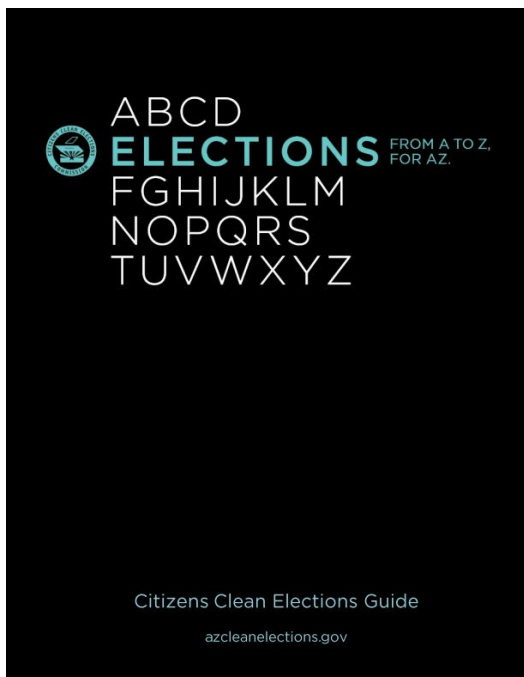
Objective:

- To explore voter education needs among Arizona's eligible voters.
 - Establish a baseline of overall awareness
 - Identify education & information needs
 - Identify barriers & gaps to participation
 - Explore messages & methods of communication that may address barriers & gaps



Candidate Training

Education is a key component to the mission of the Commission. In 2015, the Commission continued to provide information to interested groups and potential candidates through speaking engagements, candidate training workshops, as well as through publications on our enhanced agency website. Each election cycle the Commission develops a candidate guide to assist participating candidates as they navigate the political campaign process. The guide covers important topics such as requirements of the Clean Elections Act and Rules, filing and reporting deadlines, how to become a Clean Elections participating candidate, and how to qualify for funding.



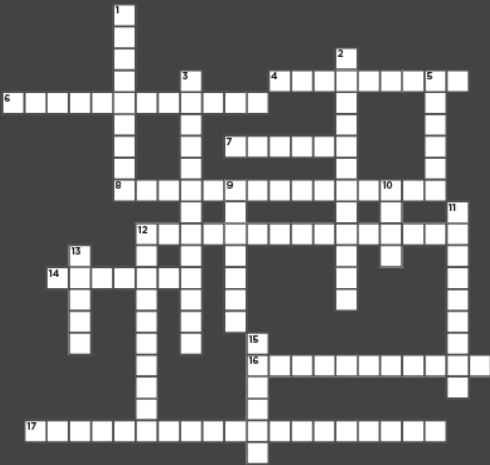
Participating candidates are required to attend one Clean Elections Candidate Training Workshop during the election cycle. The workshops are designed to provide information to prospective candidates, or those who are assisting participating candidates, about everything Clean Elections has to offer as well as requirements of the Clean Elections Act.

During 2015, the Commission conducted 6 candidate training workshops both online and in person.

"Vote Informed" Campaign

The Vote Informed Campaign encouraged voters to be prepared for upcoming elections. Whether it's registering to vote, finding key election dates, candidate platforms, or even running for office, voters are able to get unbiased information in clear and simple-to-understand ways. Because an informed voter is an empowered voter.

ARE YOU AN INFORMED VOTER?




ACROSS

- 4 A form of government
- 6 Don't leave Arizona's future to chance
- 7 Where a voter marks his or her vote
- 8 Nine congressional seats in Arizona in the U.S. House of _____
- 12 August 30, 2016
- 14 Electoral _____
- 16 Starts 27 days prior to an election
- 17 Statewide and legislative candidate statement pamphlet

DOWN

- 1 Represents Arizona at the federal level with two seats
- 2 Voters in a district represented by an elected official
- 3 One form of acceptable ID at the polls
- 5 A meeting of the members of a political party
- 9 Address crowds of voters
- 10 A formal expression of choice
- 11 Currently holding an elected office
- 12 The Presidential _____ Election is on March 22, 2016
- 13 Where you go to vote
- 15 A discussion between people running for public office

 **Need to brush up on your political knowledge?**
Get access to unbiased voter info at facebook.com/azccleanelections.

Arizona Clean Elections Commission is a 501(c)(3) non-profit organization. It is not affiliated with any political party or candidate. The Commission is a public body created by the Arizona Constitution and the Arizona Clean Elections Act. The Commission is responsible for administering the Arizona Clean Elections Program. The Commission is located at 1111 North Central Avenue, Suite 100, Phoenix, Arizona 85004. The Commission's website is www.azccleanelections.com. The Commission's phone number is (602) 462-1500. The Commission's fax number is (602) 462-1501. The Commission's email address is info@azccleanelections.com. The Commission's mailing address is 1111 North Central Avenue, Suite 100, Phoenix, Arizona 85004.





**VOTE ON
ISSUES THAT
MATTER TO
YOU**

REGISTER TO VOTE

Independent Voter Study

On November 12, 2015, Clean Elections and Arizona State University's Morrison Institute for Public Policy presented the findings of and conducted a panel discussion on the Independent Voter Study.

Key Takeaways:

- 37% OTH voters "Independents"
- 73% of IND describe themselves as "moderates"
- Independents vote on the issues, not the parties
- Why aren't they voting:
 - Didn't know they could
 - Time intensive to research the issues
 - Don't like the options



CITIZENS CLEAN ELECTIONS COMMISSION

PANEL DISCUSSION
WHO IS THE INDEPENDENT VOTER?

Join the Citizens Clean Elections Commission as we host an insightful panel discussion on who the independent voter is and how they view Arizona's future.

THURSDAY
NOVEMBER 12, 2015

10AM-12PM

RIO SALADO COLLEGE
CONFERENCE CENTER
2323 West 14th Street
Tempe, Arizona 85281

RSVP
ccec@azcleanelections.gov

OPENING SPEAKERS

David Daugherty and Erica McFadden
The Morrison Institute for Public Policy

Cathy Stewart
Vice President of National Development
Independent Voting

DISCUSSION PANEL

Honorable Michele Reagan
Secretary of State

Tom Collins
Executive Director
Citizens Clean Elections Commission

Joseph Garcia
Director of Communications & Latino Public Policy, Morrison Institute

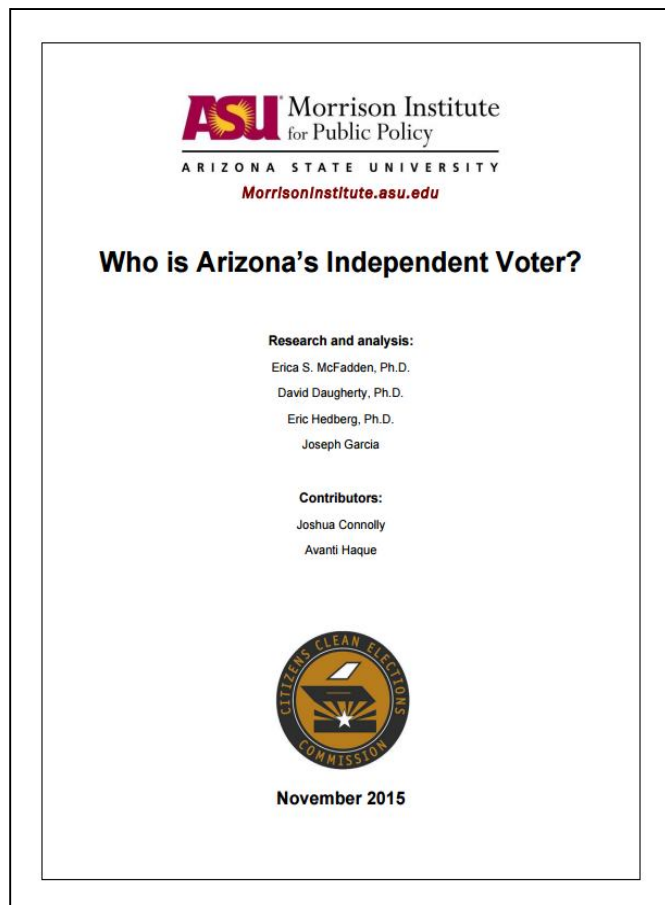
Patrick McWhorter
Independent Voters for Arizona

Steve Goldstein
KJZZ, Panel Moderator

PRESENTED BY

ASU Morrison Institute for Public Policy
ARIZONA STATE UNIVERSITY

KJZZ 91.5



ASU Morrison Institute for Public Policy
ARIZONA STATE UNIVERSITY
MorrisonInstitute.asu.edu

Who is Arizona's Independent Voter?

Research and analysis:

Erica S. McFadden, Ph.D.
David Daugherty, Ph.D.
Eric Hedberg, Ph.D.
Joseph Garcia

Contributors:

Joshua Connolly
Avanti Haque

CITIZENS CLEAN ELECTIONS COMMISSION

November 2015

Grassroots Outreach

In an ongoing effort to increase outreach to Arizona voters, Clean Elections was able to participate in the following:

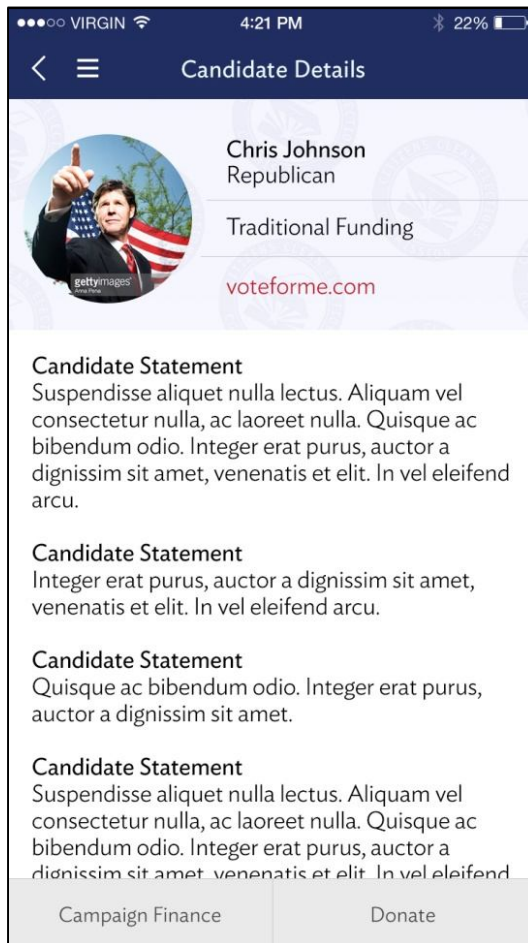
- In Depth Interviews with advocates for voters with disabilities
- Various fairs & rodeos amongst the Native American community
- Speaking engagements across the state
- National Voter Registration Day



Application Development

In 2015 the Commission began development on a smartphone/tablet application, which will be available to voters in 2016.

Highlights: Voters will be able to find their polling place, access information on candidates and debates and showcase important events/deadlines.






Social Media

The Commission saw a significant increase in its engagement with voters online. Utilizing social media channels has allowed the Commission to instantly connect with voters on timely and important election related issues. Voters and candidates alike can follow us on social media for more information about elections and running for office.

Social media sites such as Twitter, YouTube and Facebook were utilized and the chart below displays the amount of followers/likes throughout the previous years.

Social Media Traffic:

	2013	2014	2015	% from 2014-2015
	1,173 Likes	4,904 Likes	23,540 Likes	+380%
	749 Followers	908 Followers	1070 Followers	+18%
	8,000+ Views	32,000+ Views	283,477 Views	+786%

Website Traffic:

Year	Sessions	Users	% of New Users	Page Views
2015	117,372	98,672	83.9%	150,088
2014	73,121	55,292	75.3%	175,335
2013	11,763	7,297	60.7%	39,773
2012	32,299	21,467	65.6%	97,095

Clean Elections is funded by voluntary contributions and surcharges on criminal penalties and violations, such as traffic tickets.

Not a single dollar of Clean Elections funding comes from the State's General Fund.

Rather than taking money from taxpayers, Clean Elections has donated \$74 million to the State's General Fund since its inception through 2015.

The removal of the \$5 check-off box on Arizona state income tax return forms and dollar-for-dollar tax credits caused a decrease in revenue to the Clean Elections Fund, and as a result the Commission was unable to transfer excess monies to the General Fund in 2015.

*Previously, Arizona citizens could contribute voluntarily through a \$5 check-off box on Arizona state income tax return forms and through dollar for dollar tax credits. This portion of the Act was removed in 2012; however, late tax filers may still contribute.

**The Clean Elections Commission operates on a calendar year budget rather than the State's fiscal year budget.

Financial Information

Funding Sources

Citizens Clean Elections Commission revenue comes from the following sources:

- 10% surcharge on all civil penalties and criminal fines
- Civil penalties paid by candidates.
- \$5 qualifying contributions collected from participating candidates.

CY 2015** Revenues	Actual
Court Assessments	\$8,177,696
Commission Assessments	\$0
\$5 Tax Check-off (late tax filings)*	\$16,569
Miscellaneous	\$18,862

Controls on Spending

The Commission's total expenditures cannot exceed seven times the number of Arizona resident personal income tax returns filed during the previous calendar year. The Commission may use up to 10% of the total expenditure cap for administration and enforcement purposes. The Commission may make public education paid media expenditures up to 10% of the total expenditure cap as well. (A.R.S. § 16-949) The 2015 expenditure caps were as follows:

- Total Expenditure Cap: \$19,583,662
- Administration & Enforcement Cap: \$1,958,366
- Public Education Paid Media Expenditure Cap: \$1,958,366

CY 2015 Expenditures	Admin & Enforcement	Voter Education
Total	\$998,169	\$2,592,543

Enforcement, Audits & Litigation

The Commission enforces the Citizens Clean Elections Act and Commission rules which are a part of the Arizona Administrative Code. The Act and Commission rules contain specific campaign finance provisions and limitations.

In order to ensure campaign spending occurs in an ethical manner as specified by the Act and Rules, Commission staff monitors campaign finance reports filed pursuant to the Act and if necessary, they may request financial records. The Commission has the authority to subpoena witnesses, take evidence, and require, by subpoena, the production of any books, papers, records or other material relevant to an enforcement matter.

Potential penalties for violations of the Act range from monetary penalties to the disqualification of a candidate or forfeiture of office. The Commission settles most enforcement matters in an amicable fashion.

Additionally, the Commission conducts random audits to ensure compliance with the Act and Commission rules. Candidates are randomly selected during a public Commission meeting. The audits are completed by an independent auditing agency. Candidate audits are selected during election years after the Commission has disbursed funds to qualified candidates.

In 2015, the Commission approved 14 random candidate audits that were selected during the 2014 election cycle. This included 9 legislative candidates and 5 statewide candidates who received Clean Elections funding in either the 2014 primary or general election periods.

Enforcement

The Commission acts on both external and internally filed complaints.

During 2015, the Commission resolved 3 complaints arising from the 2014 election cycle.

The Commission anticipates the 3 remaining matters from the 2014 election cycle will conclude during 2016.

Vision Statement

Through the successful implementation of the Arizona Citizens Clean Elections Act, the Commission seeks to improve the integrity of Arizona state government and promote public confidence in the Arizona political process.

5 Year Review Report

In October 2015, the Commission submitted its 5 year rulemaking review report to the Governor's Regulatory Review Council (GRRRC). (A.R.S. § 41-1056)

Rulemaking & Legislation

Commission Rulemaking Authority

In accordance with A.R.S. § 16-956(C), the Commission may adopt rules to carry out the purposes of the Citizens Clean Elections Act.

The Commission proposes and adopts rules in public meetings, with at least sixty days allowed for interested parties to comment after the rules are proposed. After consideration of the comments received in the sixty day comment period, the Commission may adopt the rule in an open meeting.

Rules adopted by the Commission are not effective until January 1 in the year following the adoption of the rule. However, rules adopted by unanimous vote may be immediately effective and enforceable.

In 2015, the Commission made amendments to the following rules:

- A.A.C. R2-20-107
- A.A.C. R2-20-109
- A.A.C. R2-20-110
- A.A.C. R2-20-111
- A.A.C. R2-20-204
- A.A.C. R2-20-205
- A.A.C. R2-20-206
- A.A.C. R2-20-402.01
- A.A.C. R2-20-703
- A.A.C. R2-20-704

The Commission enacted the following rules:

- A.A.C. R2-20-113

2015 Legislation & Regulation

The Commission diligently makes changes to its rules and procedures to address concerns and improve the functions of the program. The Commission adopted the following legislative principles and priorities in an effort to improve the Act and Commission procedures:

Oppose efforts to defund or eliminate the Citizens Clean Elections Act and/or the Commission. Over several sessions, members of the legislature have proposed measures that seek to defund, limit, or eliminate the authority of the Act or the Commission itself. The Commission has historically opposed these efforts on the grounds that they are typically poorly constructed, misleading, or otherwise ill-considered. The Commission works to maintain the letter and spirit of the law and supports efforts that further the purpose of the Act.

Support election law reforms. Elections issues continue to percolate through both the political and legal process. The Commission continues to seek to advance reforms including improving the public financing system, improving the campaign finance code to ensure more transparency, ensuring any changes improve the state's anti-corruption interests, the Clean Elections Act, and the Commission's independence, as well as improving voter access to information and involvement.

Support improvements to voter education and access. The Commission has supported efforts to enhance voter education and participation through legislation that advances the anti-corruption and public participation values that undergird the Act. In 2015 the Commission supported the following: restoring a modified \$5 check off box to the Arizona tax form to provide funding to the Commission, permitting funding of constituent communications accounts for legislators and state-wide officeholders enforced by the Commission, allowing the Commission to make expenditures for election equipment refreshment, allowing the Commission to engage in voter education regarding state initiatives and referenda, permitting the Commission to educate the voters in judicial retention elections, and allowing the Commission to provide voters candidate statements for county and federal candidates.

Looking Forward to 2016



Here is a preview of what the Commission is looking forward to in 2016:

Four Statewide Elections

The Commission will provide voter education for the following elections:

- March 22, 2016 - Presidential Preference Election
- May 17, 2016 - Special Election
- August 30, 2016 - Primary Election
- November 8, 2016 - General Election

2016 Education Plan

The Commission will continue its voter education efforts in 2016 by offering voters a comprehensive education plan that focuses on how to participate in the electoral process and voting informed. The Commission will offer voters the following education tools in 2016:

- Smart Phone Application
- Online Voter Tool
- Debates
- Candidate Statement Pamphlets
- Citizens Initiative Review
- Find My Elected Officials Tool
- Enhanced Website
- Education Campaign

2016 Election Cycle ~ Candidate Information

In 2016, three seats on the Corporation Commission are up for election as well as all 90 legislative seats. Candidates can collect \$5 qualifying contributions through August 23, 2016. Candidates must collect a minimum number of qualifying contributions, as referenced below.

Corporation Commission	Legislature
1,700	250

In 2016, Clean Elections' funding amounts are:

Election Funding	Corporation Commission	Legislature
Primary	\$102,711	\$16,044
General	\$154,067	\$24,066
Independents	\$179,744	\$28,077

Commissioners & Staff

Commissioners*

Chairman Thomas J. Koester (I)
Pima County, AZ
Appointed 2011

Mitchell C. Laird (R)
Maricopa County, AZ
Appointed 2012

Steve M. Titla (D)
Gila County, AZ
Appointed 2013

Damien R. Meyer (D)
Maricopa County, AZ
Appointed 2015

Mark Kimble (I)
Pima County, AZ
Appointed 2015

Commission Staff

Thomas M. Collins, Executive Director
Sara A. Larsen, Fin. Affairs & Comp. Officer
Gina Roberts, Voter Education Manager
Mike Becker, Policy Director
Paula Thomas, Executive Officer
Alec Shaffer, Executive Support Specialist

Commission Structure & Mission

The Citizens Clean Elections Commission was established by the enactment of the Citizens Clean Elections Act, A.R.S., Title 16, Chapter 6, Article 2. In addition to administering the provisions of Article 2, the Commission promulgates rules and enforces A.R.S. §§ 16-940 through 16-961.

The Commission's mission is to fairly, faithfully and fully implement and administer the Citizens Clean Elections Act.

The Citizens Clean Elections Commission consists of five members. All members must be registered to vote in the State of Arizona. No more than two members of the commission may be members of the same political party. No more than two members of the commission may be residents of the same county.

*Commissioners listed are for the 2015 calendar year.

Commissioner Biographies

Thomas J. Koester – Independent - Pima County

Former Corporation Commissioner Paul Newman appointed Thomas Koester to the Citizens Clean Elections Commission. Commissioner Koester served as Vice President of Morgan Stanley for 38 years. In addition, Mr. Koester served honorably in the United States Air Force, achieving the rank of Captain. Commissioner Koester and his wife, Patricia, currently reside in Tucson. They have three sons. Mr. Koester's term on the Citizens Clean Elections Commission expires in January of 2016.

Mitchell C. Laird– Republican - Maricopa County

Former Governor Jan Brewer appointed Mitchell C. Laird in 2012 to the Citizens Clean Elections Commission. Mr. Laird graduated from Grand Canyon University (GCU) in 1972 and received his Juris Doctor degree in 1976 from the Arizona State University College of Law. In 2004 he received an Honorary Doctor of Laws degree from his alma mater GCU. In 1976 Mr. Laird was admitted to the State Bar of Arizona and founded his own law firm now known as Laird & Associates, P.C. Mr. Laird has served as President of the GCU Alumni Association and for 13 years taught business law at GCU. Mr. Laird served for many years as general counsel to GCU and has also served as general counsel to the Arizona Republican Party. He currently serves as the Chief Executive Officer of a non-profit organization known as Canyon Institute that supports education and other charitable endeavors. Mr. Laird was a Burger King franchisee from 1994 until 2015 and owned 31 Burger King restaurants throughout Arizona. Mr. Laird currently serves as Chairman Emeritus of the Board of the National Franchisee Association and has served as President of the Southwest Franchisee Association. Mr. Laird and Becki, his wife of 42 years, have three sons, four grandsons and one granddaughter. All three of his sons have served our Country in the U.S. Military and two of them each served two tours in Iraq. Mr. Laird's term on the Citizens Clean Elections Commission expires in January of 2017.

Steve M. Titla – Democrat - Gila County

Former Senate Democratic Leader Leah Landrum Taylor appointed Steve M. Titla in July 2013 to the Citizens Clean Elections Commission. Mr. Titla is a partner in the Titla & Parsi law firm and is admitted to practice law both in Arizona and on the San Carlos Apache Reservation. The firm represents the San Carlos Apache Tribe as special counsel and has also served as legal counsel for the election boards of the San Carlos Apache

Commissioner Biographies

and San Juan Southern Paiute Tribes. Previously, Mr. Titla was an attorney with the Navajo Nation Department of Justice and has served as president of the National Native American Bar Association. In addition to a B.S. and J.D. from Arizona State University, Mr. Titla earned an M.B.A. from the University of Phoenix. From 1974-76 Mr. Titla served in the U.S. Marine Corps, leaving with an honorable discharge. He also served in the Arizona National Guard until his honorable discharge in 1980. Mr. Titla's term on the Citizens Clean Elections Commission expires in January of 2018.

Damien R. Meyer – Democrat – Maricopa County

Governor Jan Brewer appointed Damien R. Meyer to the Citizens Clean Elections Commission to serve a term ending January 31, 2019. Damien R. Meyer is an experienced commercial litigation attorney. Damien has extensive experience in representing both individuals and businesses including banks, contractors, landlords, real estate developers, aviation companies, entrepreneurs, and health care companies in all areas of their business including contractual analysis and disputes, collection and payment disputes, commercial tort liability, provisional remedies and negotiation of pre-litigation disputes to avoid formal litigation. He also has extensive experience in representing clients in formal litigation in Arizona State and Federal courts, the Arizona Court of Appeals, in private arbitrations and before several state administrative agencies. Mr. Meyer, his wife and two children currently reside in Phoenix.

Mark Kimble – Independent – Pima County

Senate Democratic Leader Katie Hobbs appointed Mark Kimble, an Independent, to the Citizens Clean Elections Commission in July 2015. Mark was a longtime journalist in Southern Arizona. After graduating from the University of Arizona with a bachelor's degree in journalism, Mark worked for the Associated Press and then for the Tucson Citizen newspaper. During a 35-year career at the Citizen, he was a reporter, city editor, assistant managing editor and associate editor-columnist in charge of the editorial page. When the Citizen closed in 2009, Mark went to work as senior press advisor and later as communications director for Congresswoman Gabrielle Giffords. When she resigned in 2012, Mark became communications director for her successor, Congressman Ron Barber. Mark and his wife, Jennifer Boice, live in Tucson.



Citizens Clean Elections Commission
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