

# ETHICS COMMISSION CITY AND COUNTY OF SAN FRANCISCO

BEVERLY HAYON  
CHAIRPERSON

Date: May 17, 2013

PAUL A. RENNE  
VICE-CHAIRPERSON

To: Vendors and Service Providers Approved for Electronic Filing of Campaign Finance Statements in California

BENEDICT Y. HUR  
COMMISSIONER

From: John St. Croix, Executive Director

JAMIENNE S. STUDLEY  
COMMISSIONER

Re: Changes to Electronic Filing Requirements

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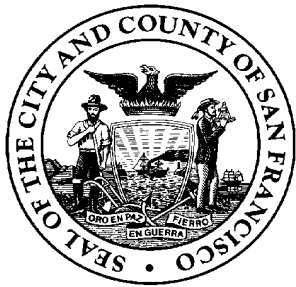
JOHN ST. CROIX  
EXECUTIVE DIRECTOR

You are receiving this notice because your organization is a vendor or service provider approved for electronic filing of campaign finance statements in California. The attached notice was sent today to active committees that file campaign finance statements in San Francisco. The notice details changes to electronic filing requirements in San Francisco. Please read the notice carefully because committees that use your software products will be required to comply with the new requirements.

All signers of campaign finance statements must file a Signature Verification Card (Form SFEC 112a) with the Ethics Commission. Filers that file the signature verification card will be provided with a Signer ID and PIN code to sign electronic documents. The Signer ID number must be included in the .CAL document that is filed with the Commission (See attached specifications). Failure to include the Signer ID will be cause for committee statements to be rejected.

When a committee uploads a .CAL document into the electronic filing system, the statement will be sent to a pending queue. Each committee officer must approve the statement by entering his or her PIN code. Committees using your software product can use the Commission's electronic filing system to approve the statements. Alternatively, the entire signature process can be integrated into your software product. An open source Vendor Submission API has been published to the following web site address: <https://bitbucket.org/netfileopensource>. Vendors are encouraged to integrate the signature process into their products.

Should you have any questions about the signature process, please contact the Commission at 415-252-3100 or [ethics.commission@sfgov.org](mailto:ethics.commission@sfgov.org).



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Date: May 17, 2013

To: All Candidates, Treasurers and Committees:

From: John St. Croix, Executive Director

Re: Changes to Electronic Filing Requirements

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**Please read this notice carefully because the changes discussed impact all filers of campaign finance statements with the Ethics Commission.**

This letter provides notice of changes to electronic filing requirements, pursuant to section 1.112(a)(1) of the San Francisco Campaign and Governmental Conduct Code. Recent changes to the Political Reform Act, Campaign Finance Reform Ordinance, and Ethics Commission regulations (anticipated to take effect on June 21, 2013) require committees to adhere to the following changes:

- 1) A committee must file electronic statements and reports if it receives contributions or makes expenditures that total \$1,000 or more in a calendar year. Therefore, all San Francisco committees that file Form 410 to establish a committee and all Form 461 filers should register for an electronic filing account with the Ethics Commission (Form SFEC-112b). All committee officers should register for a Netfile User Account and complete a Signature Verification Card (Form SFEC-112a);
- 2) A committee primarily formed to support or oppose a person seeking membership on a San Francisco county central committee, including a committee controlled by the person seeking membership on a San Francisco county central committee, must file electronic statements if the committee reaches the \$1,000 electronic filing threshold. Therefore, such committees should complete a Committee Account Registration Form (Form SFEC-112b) to register for an electronic filing account with the Ethics Commission. All committee officers should register for a Netfile User Account and complete a Signature Verification Card (Form SFEC-112a);
- 3) Any committee not required to file electronic statements may voluntarily opt to file electronic statements by submitting written notice to the Ethics Commission. This includes any committee that is required to file an original statement with the Secretary of State and a copy of the statement with the Ethics Commission. Written notice is provided by completing a Committee Account Registration Form (Form SFEC-112b). A committee that volunteers to file electronic statements is subject to the electronic filing requirements, regardless of the amount of contributions received or expenditures made during each reporting period, until the committee terminates; and

- 4) **Any committee that files electronic statements and completes the electronic signature requirements detailed below is no longer required to file paper versions of the statements that are electronically filed.**

### **Electronic Signatures**

All individuals required to sign electronic campaign finance statements are required to complete a Signature Verification Card (Form SFEC-112a) to authenticate the identity of the signer. The Signature Verification Card (Form SFEC-112a) is a paper form that is signed by the individual and stored at the Ethics Commission. The Signature Verification Card (Form SFEC-112a) is obtained from the electronic filing system and connected to a Signer ID number and PIN code that is used to sign documents. Upon receipt of the Signature Verification Card (Form SFEC-112a), the Ethics Commission will activate the Signer ID number and PIN code. The electronic Signer ID number will serve as the individual's electronic signature for any electronic statement filed with the Ethics Commission. Individuals who do not have a Signature Verification Card (Form SFEC-112a) on file will not be able to sign electronic statements. Individuals required to sign electronic documents will need to complete the Signature Verification Card (Form SFEC-112a) only once. **Signature Verification Cards (Form SFEC-112a) must be either signed in the presence of Ethics Commission staff or acknowledged by a notary public and delivered to the Commission office. Individuals signing a Form SFEC-112a must show a government issued identification card that shows their picture and name.**

Not all individuals need to establish a Signature Verification Card (Form SFEC-112a). Only statements that require a signature must have a Signature Verification Card (Form SFEC-112a) on file. Statements requiring a signature at this time include Fair Political Practices Commission (FPPC) Forms 450, 460, 461, and 465. Additional forms that require electronic signatures may be required to be filed in electronic format in the future. In addition, for committees that do not reach the \$1,000 threshold and voluntarily e-file, a Signature Verification Card (Form SFEC-112a) is required for FPPC Form 470. A filer that has not previously qualified as a committee and that needs to file FPPC Forms 496 and 497 can file these forms without a signature verification card because these forms do not require a signature. However, these filers will require a Signature Verification Card (Form SFEC-112a) when the transactions are reported on the FPPC Form 460 or 461.

**The Ethics Commission will begin requiring Signature Verification Cards (Form SFEC-112a) for all individuals signing electronic campaign finance statements as of the semi-annual campaign finance statement that is due July 31, 2013.** Individuals required to sign electronic statements should complete the Signature Verification Card (Form SFEC-112a) early. A committee with a completed semi-annual statement that is ready to be filed but lacking a Signature Verification Card (Form SFEC-112a) on file for one of the required signers will be unable to submit the statement, which can lead to the late filing of statements and a fine of \$25 per day for each day the statement is late. **It is each signer's responsibility to comply with the electronic signature requirements. Again, a committee that completes its disclosure statements but that also lacks the required electronic Signer ID will not be able to file the disclosure statement.**

**Signers must never disclose the PIN code to anyone, including other campaign staff, because the PIN code will be used to verify that the individual has signed the statement.** If the PIN code is ever compromised, it is the responsibility of the signer to immediately notify the Ethics Commission and to reset the PIN code using the Netfile User Account.

Committees must complete three steps to file electronic statements with the Ethics Commission:

- 1) All signers must create a “Netfile User Account” or have an existing account from a previous committee. The “Netfile User Account” is an individual specific account that can be used to access multiple committee accounts for which the individual is responsible;
- 2) All signers must complete “Signature Verification Card (Form SFEC-112a)” or have a “Signature Verification Card (Form SFEC-112a)” already on file from a previous committee; and
- 3) An authorized committee officer must complete a “Committee Account Registration Form (Form SFEC-112b)” to establish an electronic filing account for the committee. Committees with an existing account in the electronic filing system do not need to complete this form. The committee account is used to file electronic statements and is controlled by a committee officer with a “Netfile User Account.”

Attached to this notice are instructions that detail the exact steps each committee must take to sign and file electronic statements with the Ethics Commission. **Because some steps require review by Ethics Commission staff, we advise you to complete these steps as soon as possible.**

If you have questions, please contact the Ethics Commission at (415) 252-3100.

## Instructions

### How to Register for On-line Accounts to File Statements Using the Free Electronic Filing System or Third-Party Vendor Software

#### 1. Create a Netfile User Account

If you have never used the electronic filing system before, or if you previously used third-party vendor software to file campaign statements and did not register for a Netfile User Account, you will need to register for a Netfile User Account. The Netfile User Account will be your on-line identity that can access all committee accounts for which you are responsible. You will need a Netfile User Account if you either sign electronic statements or you enter information into the FPPC forms. If you already have a Netfile User Account, skip this step.

Complete the following steps to create a Netfile User Account:

- 1) Go to the Ethics Commission's web site at <http://www.sfethics.org> and click to register for campaign finance electronic filing under the heading "E-File Statements";
- 2) Click the link to "Create a Netfile User Account";
- 3) Complete the form and click "Create Netfile User";
- 4) A confirmation e-mail will be sent to the e-mail address that you provided on the form to verify the authenticity of the account. Open the e-mail and click the link; and
- 5) Your web browser will be taken to a page with a unique password. Print the page or write down the password and keep it in a safe place. The password can be changed later.

You have completed the process to register for a Netfile User Account. **You must still complete Signature Verification Card (Form SFEC-112a) before you can sign electronic documents.**

#### 2. Complete a Signature Verification Card (Form SFEC-112a)

All signers should complete the following steps to complete the Signature Verification Card (Form SFEC-112a):

- 1) Go to the Ethics Commission's web site at <http://www.sfethics.org> and click to login to the campaign finance electronic filing under the heading "E-File Statements";
- 2) Enter your e-mail address and password and click "Log In";
- 3) Click your name in the upper right corner of the screen to access the "Netfile User Home" if you are not taken to the page by default;
- 4) Click "Signature Verification" and then "Request Document Signer Status";
- 5) Enter your complete name as it would be signed on an official document, and click "Create New Signer";

- 6) The system will produce a Signer ID and PIN number. Write down the Signer ID and PIN number and keep them in a safe place;
- 7) Click the “Print and Sign your Signature Card (for San Francisco filers)” link;
- 8) Do one of the following;
  - a) Bring the Signature Verification Card (Form SFEC-112a) and photo identification (SF City ID Card, State ID Card, or Passport) to the Ethics Commission and sign the statement in the presence of an Ethics Commission staff person; or
  - b) Bring the Signature Verification Card (Form SFEC-112a) to a notary public and sign the statement in his or her presence. Documents verified by a notary public must have an official and current stamp. Once authorized, you must deliver the original signed Signature Verification Card (Form SFEC-112a) to the Ethics Commission. The Ethics Commission will not accept copies of the form.

Once your Signature Verification Card (Form SFEC-112a) has been approved by Ethics Commission staff, you will be able to sign electronic statements.

### **3. Establish an Electronic Filing Account for a Committee**

If you have not filed electronic campaign finance statements previously, you will need to establish an electronic filing account for your committee. The committee electronic filing account differs from the Netfile User Account. The committee electronic filing account contains the transactions and forms for the committee and is controlled by a committee officer with a Netfile User Account.

Most often, the treasurer controls the electronic filing account for the committee. However, any authorized officer of a committee may control the committee account. Additional signers on a statement, including controlling candidates, assistant treasurers, and principal officers who are required to sign statements but who are not entering information into the FPPC forms do not need access to the committee’s account to sign statements. Access to the account is required only to complete the contents of FPPC forms. One officer of the committee must have access to the electronic filing account for the committee to file statements.

The committee officer requesting access to the electronic filing account for the committee to complete FPPC forms should complete the following steps to create an electronic filing account for the committee:

- 1) Go to the Ethics Commission’s web site at <http://www.sfethics.org> and click to register for campaign finance electronic filing under the heading “E-File Statements”;
- 2) Click the link to the “Committee Account Registration Form (Form SFEC-112b)”;
- 3) Complete the form and click the “Submit” button. Ethics Commission staff will review the request and send the account credentials to the e-mail address provided on the form. If you are using the free electronic filing system then continue to step four. If you are using third-party vendor software, you have finished the registration process;
- 4) When you receive the committee Filer ID and Password to the committee via e-mail, go to the Ethics Commission’s web site at <http://www.sfethics.org> and click to login to the campaign finance electronic filing under the heading “E-File Statements”;

- 5) Enter your e-mail address and password and click “Log In”. Click your name in the upper-right corner of the page to access the Netfile User Home;
- 6) Click “Add a Free Account” and then “Local Campaign Filer Account”;
- 7) Complete the form. **Enter the “Committee Name” exactly as you entered it on FPPC Form 410.** Enter the Filer ID and Password provided in the e-mail in step 4; and
- 8) Click “Link Local Campaign Filer Account”;

You now have access to the committee’s electronic filing account from your Netfile User Account.

### **How to Complete an Electronic Statement and Obtain Electronic Signatures From All Signers Using the Free Electronic Filing System**

The committee officer with control of the committee account should complete the following steps to create a statement and obtain the electronic signatures of all signers on the statement:

- 1) To sign electronic statements using the free electronic filing system, login to your Netfile user account and, if you have access to more than one committee, click the appropriate committee name.
- 2) If this is a new account, go to the “Officer Information” tab in the “Committee Set-Up Wizard.” If you have used the system before, click the “Statements” menu and choose “Officer Information.” Click your name in the “All Officers” table. If you are not listed as an officer, click to “Add a New Officer”;
- 3) Under “Signer Information,” enter your Signer ID number in the box. Click to “Save Changes”;
- 4) Add any additional required signers to the “All Officers” table, such as a controlling candidate, principal officer, or assistant treasurer and enter each individual’s Signer ID;
- 5) Proceed with entering the committee’s transactions into the electronic filing system;
- 6) When creating a new draft statement, click the name of each signer in one of the four signer boxes;
- 7) Create the draft statement and review the document by clicking the “View” button from the home page;
- 8) Click “E-file” to submit the statement;
- 9) Enter a valid e-mail address to receive an e-mail confirmation of submission and click “Submit E-Filing to Agency.” Your filing will be moved into a pending queue, awaiting the confirmation of all signers. If the committee officer who submitted the statement is also a signer, that committee officer must also sign the statement;
- 10) An e-mail will be sent to all signers notifying them that a statement is awaiting their review and signature. Instruct any additional signers to check their e-mail and follow the instructions in

the e-mail to sign the document. Statements that are not signed by all signers within 30 days will be removed from the pending statements queue. The system will e-mail daily reminders to each signer as a reminder to review the statement;

12) Click your name in the upper-right corner of the page to access the Netfile User Home;

13) Click “Signature Verification” and then “View Pending Filings”;

14) Click “View Filing” to review the statement;

15) Click “Accept” or “Reject” to approve or disapprove of the statement; and

16) Enter your signer PIN number and click “Accept/Reject Filings.” The statement will automatically submit to the Ethics Commission once ALL of the signers have signed the statement.

Secondary signers, such as a controlling candidate, assistant treasurer, or principal officer, should complete the following steps to sign a document:

1) After the treasurer has submitted a statement, you will receive an e-mail notification that a statement awaits your review. Click the link in the e-mail to be taken to the system login screen;

2) Login to the electronic filing system using your Netfile User Account credentials;

3) Click your name in the upper-right corner of the page to access the “Netfile User Home” if you are not taken to that page by default;

4) Click “Signature Verification” and then “View Pending Filings”;

5) Click “View Filing” to review the statement;

6) Click “Accept” or “Reject” to approve or disapprove of the statement; and

7) Enter your signer PIN number and click “Accept/Reject Filings.” The statement will automatically submit to the Ethics Commission once ALL of the signers have signed the statement.

Statements will not be considered accepted until ALL of the signers indicated on the draft statement have completed the signature process by reviewing the statement and entering their respective PIN numbers. **If a statement is in the pending filings queue before a filing deadline, but is not verified by all signers until after the filing deadline, the statement will be considered late.**

### **How to Sign Statements Using Electronic Filing Software From Third-Party Vendors**

Committees subject to electronic filing requirements must file electronic forms in the California Secretary of State’s CAL format version 2.01. No other electronic format will be accepted. Committees can satisfy this requirement by filing in the San Francisco Ethics Commission free electronic filing system, as detailed above.



Alternatively, committees may choose to enter their filing information into software produced by third-party vendors certified by the Secretary of State. A list of third-party vendors is available at the following address: [http://www.sos.ca.gov/prd/approved\\_vendors.htm](http://www.sos.ca.gov/prd/approved_vendors.htm)

All signers of electronic statements, regardless of whether the committee is using the free electronic filing system or a third-party vendor system, must have a Netfile User Account and complete the Signature Verification Card (Form SFEC-112a). All committees must also have an electronic filing account with the Ethics Commission to file electronic statements.

Committees using approved third-party software must input the Signer ID number for each signer into the CAL document in the third field of the "CVR3" record. Third-party vendors may require that filers complete this process manually or may support inputting the Signer ID number automatically in the CAL document from within the software product. Third-party vendors may require filers to use the Ethics Commission's free electronic filing system to approve and sign statements or may provide a method to sign statements from within the software product. Any third-party vendor can support signing electronic statements and submitting statements directly into the Ethics Commission's electronic filing system by complying with the open source Vendor Submission API at <https://bitbucket.org/netfileopensource>. Contact your vendor for more information about how your software complies with the electronic signature requirements.

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# Signature Verification for CAL Uploads

## NetFile Signer ID

For every signature attached to a CAL document, there is a CVR3 record (see [“Cover Page \(Verification Information\) Record Layout” on page 2](#)). NetFile’s CAL Upload Application uses the third field in a CVR3 record—the Transaction ID—to store the Signer ID. The Signer ID, issued to valid signers by NetFile, is a sequential-generated value, such as “S708980”, “S708981”, etc.

## Adding a Signer ID to a CAL File

The example below shows a CVR3 record from a CAL file for a Form 460 where “Abigail Ant” is the treasurer. As you can see, the Transaction ID field (shown in bold text) already contains a value:

```
CVR3,F460,CVR310001,TRE,20120105,,Ant,Abigail,,
```

To add the Signer ID, edit the CAL file in a text-editor such as NotePad. You then replace the existing Transaction ID value of “CVR310001” with the NetFile-issued Signer ID for Abigail Ant—“S708980”:

```
CVR3,F460,S708980,TRE,20120105,,Ant,Abigail,,
```

## Adding Multiple Signer IDs to a CAL File

When a CAL file contains multiple signatures, you edit each CVR3 record to change the existing Transaction ID to the Signer ID for the signer. The following example shows two CVR3 records as they appear in a CAL file:

```
CVR3,F460,CVR310001,TRE,20120105,,Ant,Abigail,,  
CVR3,F460,CVR310002,CAO,20120105,,Ant,Adam,,
```

Adding the Signer ID for the treasurer “Abigail Ant” and the Signer ID for the candidate/office-holder “Adam Ant” results in the following:

```
CVR3,F460,S708980,TRE,20120105,,Ant,Abigail,,  
CVR3,F460,S708981,CAO,20120105,,Ant,Adam,,
```

## Adding a Signer ID to Multiple CVR3 Records in a CAL File

When the same individual must sign the document twice, for instance as both the treasurer and the candidate/office-holder, you must add a unique qualifier to the Signer ID in the form of a period at the end of the second Signer ID followed by a string of text. In the following example, "Adam Ant" is both the treasurer and the candidate/office-holder and therefore must sign the Form 460 twice. The first CVR3 record lists the treasurer signature with the Transaction ID as his Signer ID - "S70881":

```
CVR3 , F460 , S708981 , CAO , 20120105 , , Ant , Adam , ,
```

The second CVR3 record is for the signature of the candidate/office-holder. Since the Transaction ID field must be unique for each CVR3 record, using the same Signer ID would cause the filing to fail. In this case, you add the unique qualifier to circumvent this issue:

```
CVR3 , F460 , S708981.1 , CAO , 20120105 , , Ant , Adam , ,
```

The NetFile CAL Upload Application views all characters to the left of the period as the Signer ID and ignores the period and all characters to the right of the period.

**Table 1: Cover Page (Verification Information) Record Layout**

#	R{x}	C{x}	Field Name	Max Len	Description
01	Rx		Rec_Type	4	Record Type Value: CVR3
02	Rx		Form_Type	4	Form_Type (must equal Form_Type in CVR record) Values: F401; F425; F450; F460; F461; F465; F470.
03	Rx		Tran_ID	20	Transaction ID - permanent value unique to this item
04	Rx		Entity_Cd	3	Values: TRE - Treasurer ATR - Assistant Treasurer CAO - Candidate/Office-holder OFF - Officer (Responsible) PRO - Proponent (F460 - Bal Measure Cmtte) SPO - Sponsor (F460 - Gen Purpose Cmtte)
05	R		Sig_Date	8	Date when signed
06	O		Sig_Loc	45	City and State where signed
07	R		Sig_NamL	200	Signer's "as signed" Last name
08	R		Sig_NamF	45	Signer's "as signed" First name
09	O		Sig_NamT	10	Signer's "as signed" Prefix or Title
10	O		Sig_NamS	10	Signer's "as signed" Suffix