



NetFile
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April 6, 2020

Terri Pomeroy
City Clerk
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840

Dear Terri:

Thank you for your e-mail today. As promised, here is some background information as well as a proposal for our e-filing and administration systems for both the Campaign Disclosure and Form 700 SEI filings.

How NetFile Works

NetFile is a hosted solution that provides you with an extremely affordable system that will enable you to electronically file Campaign Statements and/or Form 700 filings.

Who Uses NetFile

NetFile is being used by 163 local government agencies in CA today. For Cities, NetFile dominates this market space. Over 70% of Cities in CA using a Form 700 e-filing system and over 95% of Cities in CA using a Campaign e-filing system use NetFile. Cities nearest to you using our Campaign Disclosure and Form 700 e-filing systems include the Cities of Anaheim, Irvine, Huntington Beach, and Lake Forest. Additionally, Orange County Registrar of Voters uses our Campaign Disclosure system. In Southern CA alone our City clients include the Cities of Adelanto, Agoura Hills, Anaheim, Azusa, Burbank, Carlsbad, Chula Vista, Coronado, Covina, Desert Hot Springs, Downey, Eastvale, Escondido, Fresno, Fullerton, Glendale, Glendora, Hesperia, Huntington Beach, Indio, Irvine, Lake Elsinore, Lake Forest, Laguna Niguel, Lancaster, Manhattan Beach, Monrovia, Murrieta, Newport Beach, Oceanside, Palmdale, Palm Springs, Pasadena, Perris, Rancho Cucamonga, Redondo Beach, Rialto, San Bernardino, San Diego, San Dimas, San Gabriel, San Luis Obispo, Santa Ana, Santa Barbara, Santa Fe Springs, Santa Maria, Santa Monica, Shafter, South Pasadena, Temecula, Torrance, Victorville, West Hollywood, and Westminster. Our County clients in Southern CA include the Counties of Kern, San Bernardino, San Luis Obispo, Riverside, and Ventura. Other outside agencies in Southern CA include Banning Unified School District, Desert Water Agency, Kern County Employers Training Resource, Gold Coast Health Plan, Irvine Ranch Water District, LA Care Health Plan, Riverside County Transportation Commission, Riverside Transit Agency, Riverside Unified School District, San Bernardino Community College District, South Coast Air Quality Management District, Southern California Association of Governments, and the Western Riverside County Regional Conservation Authority.

Cost Information

NetFile does not charge any costs upfront. No setup fees to worry about. Our ongoing fee includes everything (unlimited training, support, maintenance). All form changes and system updates are included as well. The cost for our systems for you would be as follows:

Form 700 Paperless E-filing/Admin/Public Viewing Portal: \$3,000/year for your approximately 111 filers*

Campaign Disclosure Paperless E-filing/Admin/Public Viewing Portal: \$12,500/year*

*If you contract for both systems at the same price, NetFile will discount your price by \$3,000/year for up to a period of 5 years. The resulting discounted annual rate would become of \$12,500/year for both systems (you basically get your Form 700 system free) and covers all your Campaign Filers and your approximately 100 Form 700 filers.

Since the City of Garden Grove is in Orange County where we have 7 Cities also using both platforms, we will offer you an additional 10% discount off your total system price. The resulting total for both systems would then be \$11,250/year and we could guarantee that for up to 5 years.

All of our contracts offer 30 day out clauses for any reason so if you don't want to use it you don't have to. This gives you peace of mind.

NetFile's Included Main Features

- Hosted platform means you don't need to load any software on your servers or apply any updates or security patches
- Includes your setup, unlimited support, maintenance, and unlimited training
- Automated correspondence and generate filing status reports on the fly
- Filer portal (where the filer creates and electronically files their documents)
- Industry exclusive Form 700 mobile device filer platform
- Your 87200 filers can paperless file directly to the FPPC through the NetFile system
- Industry exclusive advanced public viewing portal that automatically shows the redacted filing online without you having to scan or upload documents
- Private viewing portal - we can lock down any number of computers you wish in your office that you can point the public to search unredacted documents
- NetFile pays for your initial FPPC \$1,000 paperless application fee
- Exclusive Campaign Filer training program that includes free telephone training by NetFile
- NetFile clients have the option to schedule live Campaign filer trainings in their office with NetFile staff providing the training
- Free public viewing portal to display your FPPC 800 series form included

Ethics Training and Sexual Harassment Training Tracking & 800 Series Form Public Site

The NetFile Form 700 system also includes the ability to track all your Ethics Training and Sexual Harassment Training filers and their filings. The system also comes with a free public viewing portal to display your FPPC 800 series forms.

Cross Jurisdictional Electronic Filings

NetFile is the ONLY solution that can offer you cross jurisdictional filings to all 148 of our Form 700 agencies approved for paperless filing. The reason we can do this and others can't is ALL of our clients use our hosted solution. Just tell us which filers of yours file to our other agencies and we can link them at the database level to make their paperless filing easy across all their agencies.

How Long Does it Take to Setup?

Currently our lead time is 2 days to set up a new agency. For Form 700 the FPPC has to approve you to become paperless and this takes approximately 2 weeks. To become a paperless filing

agency for Campaign Disclosure requires an ordinance change. We can send you ordinances from other Cities to review.

The NetFile Difference

The City of Santa Clara was our first Campaign agency back in 2003. The City of San Diego made history with our Campaign system having the first ever paperless campaign statement filed on January 22, 2013. Changing your ordinance is all you have to do! As mentioned above, I can send you samples of other agencies ordinances so you don't have to reinvent the wheel for your ordinance.

The California Political Treasurers Association has endorsed NetFile as the preferred system for local government clients. Attached is a press release about this.

For Statements of Economic Interests, NetFile leads the way. Starting the end of 2006 for the County of San Bernardino as well as the Cities of Anaheim and San Diego, NetFile beat the competition to the market by 2 years. NetFile has industry exclusive features for the SEI system as well (no other company gives you an advanced public viewing portal plus no other company has mobile apps for filers to use).

One of the most important advantages with NetFile is all your revenue spent with NetFile stays in the USA. Additionally, the philosophy at NetFile is that we are a Service Company not a Software Company. We feel our most important strength is the support we provide our clients. This starts at the top and percolates through every level of our organization. Last but not least, we are the only vendor in this market space that has never been acquired by another organization dating back to our original agency client in 2002. Our competition has been acquired twice during this time.

NetFile Social Responsibility Program

Because City Clerks comprise our largest customer market segment, several years ago we developed a program geared towards giving back to the community of Clerks. In 2019 we spent over \$50k just on the CCAC! This included providing free Workshops for Cities all over CA. We had 135 Cities attend our Workshop in Ontario and 93 attend our Workshop in Mountain View in July 2019. The workshop was a full day and Albert Mensah provided the training on last year's 2 topics – Work/Life Balance and Public Speaking. Attendees earned 4 full points that day towards their CMC or MMC credentials and the training was entirely free to attendees! We are in the planning stage to do this again in 2020.

If you need any additional information, just let me know.

Best regards,



Tom Diebert
Vice President, NetFile



Contact: Tom Diebert
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Fresno Phone: (559) 250-4847

FOR IMMEDIATE RELEASE
1/1/2020

**NETFILE'S INDUSTRY LEADING AGENCY CAMPAIGN FILING SYSTEM
ENDORSED BY THE CALIFORNIA POLITICAL TREASURER'S ASSOCIATION**

NetFile, the industry leader and pioneer in paperless electronic filing and administration systems for Statements of Economic Interests (FPPC Form 700) and Campaign Disclosure (FPPC Forms 410, 450, 460, 461, 470, 496, and 497), is pleased to announce the California Political Treasurer's Association (CPTA) has endorsed NetFile as the solution of choice for California local government agencies (see attached).

The CPTA is an association of professional political treasurers located throughout California. These treasurers make campaign disclosure filings at all levels (Federal, State, and Local). The purpose of the association is to support the growth of political treasurers and their enterprises by conducting research, sharing information and increasing knowledge of the industry. These treasurers account for almost all of the Campaign Disclosure filings made to the Secretary of State as well as a huge percentage of filings made to local City and County governments in California.

To learn more about the California Political Treasurers Association, you can visit them at:

<http://www.calipta.com>

NetFile is proud and honored to be recommended by such an important organization and will work even harder to continue to provide the ultimate in local government campaign disclosure systems.

NetFile is a privately held corporation based in Mariposa, CA and was established in 1998. NetFile is the originator and leader in e-filing and administration systems for both Campaign Disclosure and Form 700 Statements of Economic Interests systems. All programming, sales, and support are based in the United States so all revenue supports local and state economies.

For more information contact Tom Diebert at (559) 250-4847 or diebert@netfile.com.



California Political Treasurer's Association

1127-11th Street, Suite 210
Sacramento, CA 95814

January 1, 2020

Tom Diebert
Vice President & COO
NetFile, Inc.
2707-A Aurora Road
Mariposa, CA 95338

Dear Tom:

One of the goals of the California Political Treasurer's Association (CPTA) is to promote the concept of paperless electronic filing for Campaign Disclosure statements in California at all levels.

As such, we would like to acknowledge NetFile, Inc. and their contributions over the years to the local Agency filing community, specifically County and City Agencies in California.

Our members have worked with several of these Agencies and applaud NetFile's efforts in making their Agency system work within the confines of Assembly Bill 2452 which allows local governments to electronically file Campaign Statements in California in a true paperless fashion. We know the first ever paperless filing in CA took place on January 22, 2013 through a CPTA treasurer filing to a NetFile Agency system. Since then we have seen NetFile being adopted by several local government Agencies in CA today.

As such, we recommend that all local government Agencies in CA go to a paperless filing system for their Campaign Disclosure filings. From the prospective of the CPTA, we recommend those Agencies use NetFile as their preferred solution.

NetFile's background in Campaign Disclosure gives them the unique advantage of having expertise nowhere else available for the local government filing community. The fact that NetFile accounts for over 70% of all filings made to the Secretary of State of CA gives them a distinctive advantage in Campaign Disclosure expertise not found anywhere else. All of the treasurers agree that any filings made to local governments that use the NetFile system, makes the process easy and results in the ultimate level of transparency.

We applaud NetFile's efforts in promoting paperless electronic filing in CA and endorse them as the solution of choice for California local government Agencies.

Sincerely,

A handwritten signature in black ink that reads "Laura Ann Stephen".

Laura Ann Stephen
Vice President, Legislative Affairs