

TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM BOARD OF TRUSTEES

January 31, 2019 Meeting

AGENDA ITEM

2a. Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest

2b. Statement of Economic Interest evaluations of members pursuant to the Ethics Act § 163A-159(c)

In the following packet are copies of the updated Statement of Economic Interest (SEI) evaluations issued by the State Board of Elections and Ethics Enforcement (now known as the State Ethics Commission). These are being provided for Board members' review and for recording in the meeting minutes pursuant to the requirements of the State Government Ethics Act. Members are encouraged to review the evaluations to inform and remind them of the identified actual or potential conflicts of interest.



NORTH CAROLINA

State Board of Elections & Ethics Enforcement

Mailing Address:
P.O. Box 27255
Raleigh, NC 27611-7255

Phone: (919) 814-0700
Fax: (919) 715-0135

November 27, 2018

The Honorable Dale R. Folwell
North Carolina Department of State Treasurer
3200 Atlantic Avenue
Raleigh, NC 27604

Via Email

Re: **Evaluation of Statement of Economic Interest**
Teachers' and State Employees' Retirement System Board

Dear Mr. Folwell:

Our office has received your 2017 and 2018 Statement of Economic Interest as a member of the Teachers' and State Employees' Retirement System Board (the "Board"). We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The Board of Trustees of the Teachers' and State Employees' Retirement System ("Board") is responsible for administration of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System. The Board serves as trustee and the State Treasurer is custodian of and makes decisions concerning investment of System funds.

The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

As the Treasurer for the State of North Carolina, you hold an ex-officio role on the Board. You are a potential beneficiary of the Retirement System. As such, you have the potential for a conflict of interest and should exercise appropriate caution in the performance of your public duties should issues regarding your retirement benefits come before the Board for official action.

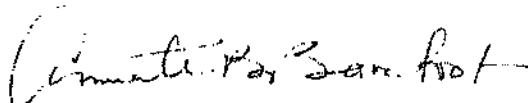
In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 163A-158. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Annette B. Barefoot".

Annette B. Barefoot, Compliance Analyst
NC Board of Elections & Ethics Enforcement

cc: Ms. Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



NORTH CAROLINA

State Board of Elections & Ethics Enforcement

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November 27, 2018

The Honorable Roy A. Cooper, III
Governor of North Carolina
20301 Mail Service Center
Raleigh, NC 27699-0301

Via Email

**Re: Evaluation of Statement of Economic Interest Filed by David Lawrence German, Jr.
State Law Enforcement Officer Member – Teachers' and State Employees' Retirement
System Board**

Dear Governor Cooper:

Our office has received David Lawrence German, Jr.'s 2018 Statement of Economic Interest as a member of the Teachers' and State Employees' Retirement System Board (the "Board"). We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The Board of Trustees of the Teachers' and State Employees' Retirement System ("Board") is responsible for administration of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System. The Board serves as trustee and the State Treasurer is custodian of and makes decisions concerning investment of System funds.

The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Mr. German fills the role of a State Law Enforcement Officer member on the Board. He is the Interim Assistant Director for the North Carolina State Bureau of Investigation. He has disclosed that he and his wife own a threshold level of interest in Royal Bank of Canada and Lincoln National which could seek to conduct business with the Board. Additionally, he is a potential beneficiary of the Retirement System. As such, Mr. German has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should issues regarding his retirement benefits or the entities in which he and his wife hold a threshold interest come before the Board for official action or otherwise seek to conduct business with the Board.

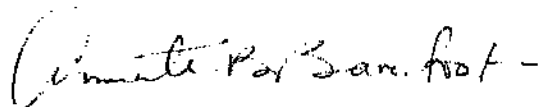
In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 163A-158. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Annette B. Barefoot, Compliance Analyst
NC Board of Elections & Ethics Enforcement

cc: David Lawrence German, Jr.
Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



NORTH CAROLINA

State Board of Elections & Ethics Enforcement

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P.O. Box 27255
Raleigh, NC 27611-7255

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Fax: (919) 715-0135

November 27, 2018

The Honorable Roy A. Cooper, III
Governor of North Carolina
20301 Mail Service Center
Raleigh, NC 27699-0301

Via Email

**Re: Evaluation of Statement of Economic Interest Filed by Jeffrey Scott Winstead
Retired State Employee Member – Teachers' and State Employees' Retirement System
Board**

Dear Governor Cooper:

Our office has received Jeffrey Scott Winstead's 2018 Statement of Economic Interest as a member of the Teachers' and State Employees' Retirement System Board (the "Board"). We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The Board of Trustees of the Teachers' and State Employees' Retirement System ("Board") is responsible for administration of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System. The Board serves as trustee and the State Treasurer is custodian of and makes decisions concerning investment of System funds.

The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Mr. Winstead fills the role of a retired state employee member on the Board. He has disclosed that his wife is a Deputy Counsel with the North Carolina State Bar and a beneficiary of the retirement system. Additionally, as a retiree, he is a beneficiary of the Retirement System. As such, Mr. Winstead has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should issues regarding his and/or his wife's retirement benefits come before the Board for official action.

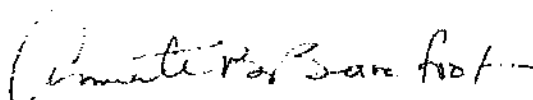
In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

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Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Annette B. Barefoot, Compliance Analyst
NC Board of Elections & Ethics Enforcement

cc: Jeffrey Scott Winstead
Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



NORTH CAROLINA

State Board of Elections & Ethics Enforcement

Mailing Address:
P.O. Box 27255
Raleigh, NC 27611-7255

Phone: (919) 814-0700
Fax: (919) 715-0135

November 28, 2018

The Honorable Mark R. Johnson
Superintendent of Public Education
North Carolina Department of Public Instruction
301 N. Wilmington Street
Raleigh, NC 27601

Via Email

**Re: Evaluation of Statement of Economic Interest
Teachers' and State Employees' Retirement System Board**

Dear Mr. Johnson:

Our office has received your 2017 and 2018 Statement of Economic Interest as a member of the Teachers' and State Employees' Retirement System Board (the "Board"). We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The Board of Trustees of the Teachers' and State Employees' Retirement System ("Board") is responsible for administration of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System. The Board serves as trustee and the State Treasurer is custodian of and makes decisions concerning investment of System funds.

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As the Superintendent of Public Instruction for the State of North Carolina, you hold an ex-officio role on the Board. You have disclosed that your wife owns a threshold level of interest in Bank of America which could seek to conduct business with the Board. Additionally, you are a potential beneficiary of the Retirement System. As such, you have the potential for a conflict of interest and should exercise appropriate caution in the performance of your public duties should issues regarding your retirement benefits or Bank of America comes before the Board for official action or otherwise seek to conduct business with the Board.

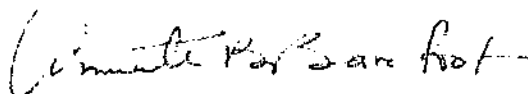
In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

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Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Annette B. Barefoot, Compliance Analyst
NC Board of Elections & Ethics Enforcement

cc: Ms. Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



NORTH CAROLINA

State Board of Elections & Ethics Enforcement

Mailing Address:
P.O. Box 27255
Raleigh, NC 27611-7255

Phone: (919) 814-0700
Fax: (919) 715-0135

November 27, 2018

The Honorable Roy A. Cooper, III
Governor of North Carolina
20301 Mail Service Center
Raleigh, NC 27699-0301

Via Email

**Re: Evaluation of Statement of Economic Interest Filed by Margaret Clark Reader
Active State Employee Member – Teachers' and State Employees' Retirement System
Board**

Dear Governor Cooper:

Our office has received Margaret Clark Reader's 2018 Statement of Economic Interest as a member of the Teachers' and State Employees' Retirement System Board (the "Board"). We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The Board of Trustees of the Teachers' and State Employees' Retirement System ("Board") is responsible for administration of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System. The Board serves as trustee and the State Treasurer is custodian of and makes decisions concerning investment of System funds.

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Mrs. Reader fills the role of an active state employee member on the Board. She is a Personnel Officer III with the Office of the Secretary of State. She has disclosed that she serves on the Board of Governors/District Chairperson for the State Employees Association of North Carolina which may conduct business with the Board on behalf of state employees' retirement interests. Additionally, she and her husband, who is a part-time employee of the Office of Administrative Hearings, are potential beneficiaries of the Retirement System. As such, Mrs. Reader has the potential for a conflict of interest and should exercise appropriate caution in the performance of her public duties should issues regarding her retirement benefits, the retirement benefits of her husband and/or the State Employees Association of North Carolina come before the Board for official action or otherwise seek to conduct business with the Board.

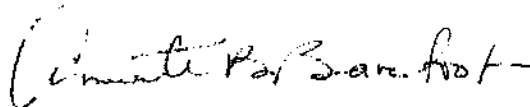
In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 163A-158. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Annette B. Barefoot, Compliance Analyst
NC Board of Elections & Ethics Enforcement

cc: Margaret Clark Reader
Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer

LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEMS BOARD OF TRUSTEES

January 31, 2019 Meeting

AGENDA ITEM

2a. Ethics Awareness and Identification of Conflicts or Potential Conflicts of Interest

2b. Statement of Economic Interest evaluations of members pursuant to the Ethics Act § 163A-159(c)

In the following packet are copies of updated Statement of Economic Interest (SEI) evaluations and an SEI evaluation for our new board member that have been issued by the State Board of Elections and Ethics Enforcement (now known as the State Ethics Commission). These are being provided for Board members' review and for recording in the meeting minutes pursuant to the requirements of the State Government Ethics Act. Members are encouraged to review the evaluations to inform and remind them of the identified actual or potential conflicts of interest.



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November 19, 2018

The Honorable Dale R. Folwell
State Treasurer of North Carolina
3200 Atlantic Avenue
Raleigh, NC 27604

Via Email

Re: Evaluation of Statement of Economic Interest
Local Governmental Employees Retirement System

Dear Mr. Folwell:

Our office has received your 2017 and 2018 Statement of Economic Interest as a member of the Board of Trustees (the "Board") of the Local Governmental Employees Retirement System. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The Board of Trustees ("Board") of the Local Governmental Employees Retirement System ("LGERS") is responsible for the administration of retirement allowances and other benefits for employees of counties, cities and towns or other eligible employers participating in the System. The Board serves as trustee for LGERS funds, while the State Treasurer serves as custodian and makes investments of such funds.

The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

As the Treasurer for the State of North Carolina, you hold an ex-officio role on the Board. You disclosed that you and/or your spouse own a threshold amount of stock in several publicly owned companies including, but not limited to, Colony Capital, which is an American Investment Firm and NC Muni Power Agency Bonds. As such, you have a potential for a conflict of interest and should exercise appropriate caution in the performance of your public duties should any issues regarding NC Muni Power Agency Bonds, Colony Capital or any entity in which you have a financial interest comes before the Board for official action or otherwise seeks to conduct business with the Board.

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Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Nora Harrison
NC Board of Elections & Ethics Enforcement

cc: Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



NORTH CAROLINA

State Board of Elections & Ethics Enforcement

Mailing Address:
P.O. Box 27255
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November 15, 2018

The Honorable Roy A. Cooper, III
Governor of North Carolina
20301 Mail Service Center
Raleigh, NC 27699-0301

Via Email

Re: Evaluation of Statement of Economic Interest Filed by Ms. Sally W. Sandy
City Manager - Local Governmental Employees Retirement System

Dear Governor Cooper:

Our office has received Ms. Sally W. Sandy's 2017 and 2018 Statement of Economic Interest as a member of the Board of Trustees ("Board") of the Local Governmental Employees Retirement System. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

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The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Ms. Sandy fills the role of a city or town manager participating in the retirement system on the Board. She is the City Manager for the city of Morganton and a potential beneficiary of the Retirement System. As such, she has a potential for a conflict of interest and should exercise appropriate caution in the performance of her public duties should any issues regarding the city of Morganton, its employees or her own benefits, come before the Board for official action.

In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 163A-158. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Nora Harrison
NC Board of Elections & Ethics Enforcement

cc: Sally W. Sandy, Filer
Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



NORTH CAROLINA

State Board of Elections & Ethics Enforcement

Mailing Address:
P.O. Box 27255
Raleigh, NC 27611-7255

Phone: (919) 814-0700
Fax: (919) 715-0135

Via Email

December 17, 2018

The Honorable Roy A. Cooper III
Governor of North Carolina
20301 Mail Service Center
Raleigh, North Carolina 27699-0301

**Re: Evaluation of Statement of Economic Interest Filed by Sheriff Cleveland Atkinson Jr.
Prospective Appointee – The Board of Trustees of the Local Governmental Employees
Retirement System**

Dear Governor Cooper:

Our office has received **Sheriff Cleveland Atkinson Jr.'s** 2018 Statement of Economic Interest as a prospective appointee to **The Board of Trustees of the Local Governmental Employees Retirement System ("the Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The Board of Trustees ("Board") of the Local Governmental Employees Retirement System ("LGERS") is responsible for the administration of retirement allowances and other benefits for employees of counties, cities and towns or other eligible employers participating in the System. The Board serves as trustee for LGERS funds, while the State Treasurer serves as custodian and makes investments of such funds.

The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Sheriff Atkinson would fill the role of a law enforcement officer on the Board. Because he is the Sheriff of Edgecombe County and a potential beneficiary of the retirement system he has the potential for a conflict of interest. Accordingly, Sheriff Atkinson should exercise appropriate caution in the performance of his public duties should issues involving Edgecombe County, its employees or his benefits come before the Board for official action.

In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 163A-158. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,

A handwritten signature in cursive script that reads "Mary Roerden".

Mary Roerden, SEI Unit
NC Board of Elections & Ethics Enforcement

cc: Sheriff Cleveland Atkinson Jr.

Attachments: Ethics Education Flyer and Guide