

1. PLEDGE OF ALLEGIANCE

**(FINAL)**

2. TOAST TO THE FLAG

3. CONFLICT OF INTEREST STATEMENT

4. MINUTES FOR APPROVAL

September 10, 2019

<b>Unit</b>	<b>Type</b>	<b>Purpose</b>	<b>Amount</b>	<b>Comments</b>	<b>Page Number</b>	<b>Last request to Borrow</b>
The Metrolina Regional Scholar's Academy	NC Capital Facilities Finance Agency	Miscellaneous - Action - Rate Modification	NA		2	11-2009 \$4.050M
SEI Evaluation: C. Theodore "Ted" Hicks	SEI Evaluation	Miscellaneous - Non-Action			2-4	

**MISCELLANEOUS - ACTION ITEMS**

The Metrolina Regional Scholars' Academy Project, Series 2009 (the "Bond"). The Bond was originally issued to finance the acquisition, renovation and equipping of an existing building to be used as a school facility. The Bond is held by Truist Bank (formerly Branch Banking & Trust Company) (the "Bank"). The Bank has agreed with the Borrower to extend the put date for the bond for a period of seven years and to reduce the interest rate from 83.36% of 1-Month LIBOR + 2.24%, currently 3.71% to 79% of 1-Month LIBOR + 1.21%, currently 2.60%. The Bond was issued in the amount of \$4,050,000, and the current outstanding amount is \$2,680,912.50. There will be no extension of maturity.

**NON-ACTION ITEM**

SEI Evaluation -  
C. Theodore "Ted" Hicks, II  
Statement of Economic Interest evaluations of members pursuant to the Ethics Act § 138A-15(c)

Below is Statement of Economic Interest (SEI) evaluation letter issued by the State Ethics Commission. This being provided for Agency 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 evaluation to inform and remind them of the identified actual or potential conflicts of interest.



**STATE ETHICS COMMISSION**  
POST OFFICE BOX 27685  
RALEIGH, NC 27611  
PHONE: 919-514-3600

Via Email

November 1, 2019

The Honorable Phil Berger  
President Pro Tempore of the Senate  
16 West Jones Street, Room 2008  
Raleigh, North Carolina 27601

Re: Evaluation of Statement of Economic Interest Filed by Mr. C. Theodore Hicks II  
Appointee to the North Carolina Capital Facilities Finance Agency

Dear Senator Berger:

Our office has received Mr. C. Theodore Hicks II's 2019 Statement of Economic Interest as an appointee to the North Carolina Capital Facilities Finance Agency (the "Agency"). We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A 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. § 138A-28(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. § 138A-13.

**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 North Carolina Capital Facilities Finance Agency was established to provide the benefits of tax-exempt financing to non-profit institutions providing elementary and secondary education, private institutions of higher education and various other entities for special purpose projects serving a public interest. The Agency has the authority to issue bonds and notes, award contracts for the construction of any project on behalf of a participating institution, fix and collect fees, loan repayments, rents and charges for the use of any project.

The Act establishes ethical standards for certain public servants, and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business, N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings, N.C.G.S. § 138A-36(c).

The Honorable Phil Berger  
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Mr. Hicks fills the role of a public member on the Agency. He serves on the board of directors for the John Locke Foundation. He is a wealth advisor with Hicks & Associates, a private wealth advisory practice of Ameriprise Financial Services Inc., whose businesses could intersect with the Agency. In addition, he owns the financial planning company, T2 & Associated Companies, LLC, whose business could also intersect with the Agency. Therefore, Mr. Hicks has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should issues involving any entity in which he owns a financial interest come before the Agency for official action.

In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation, N.C.G.S. § 138A-14. 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,

*Mary Roerden*

Mary Roerden, SEI Unit  
State Ethics Commission

cc: C. Theodore Hicks II  
Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer