

PRE-COMPLAINT DISPOSITION AGREEMENT

This Agreement, made this 18th day of FEBRUARY, 2009, by and between Charles Billings, former Managing Director, Department of Business & Economic Development, and William J. Colquhoun, Esq., Staff Counsel to the State Ethics Commission (hereinafter "Staff Counsel").

The State Ethics Commission ("the Commission") is the executive agency of the State of Maryland established by Chapter 513, Acts 1979 for the purpose of enforcing the Maryland Public Ethics Law (State of Government Article, Title 15, Annotated Code of Maryland, (hereinafter "the Ethics Law")) including the provisions of Subtitle 5, Conflicts of Interest.

AGREED STATEMENT OF FACTS

1. Charles Billings was, at all times relevant to this matter, the former Managing Director of Administrative Services at Department of Business & Economic Development ("DBED"), an executive agency of the State of Maryland; and he was a public official of the State subject to the financial disclosure and conflict of interest provisions of the Ethics Law.

2. As a senior official at DBED, Mr. Billings was involved with supervision of the department's procurement, human resources, accounting and budgeting.

3. As part of his personnel background and interests, Mr. Billings worked on State employee timesheet development and management since 1989, and as part of his involvement with this issue, he chaired a user group composed of members of State executive agencies working in the human resources or related fields on timesheet management.

4. Following his retirement from DBED in December 2006, Mr. Billings was hired in January 2007 as an independent consultant by Stephenson Financial Services to assist with matters concerning the development of technology to accurately record State employee work and leave time as part of a contract with DBED. During his tenure at DBED, Mr. Billings was directly involved in the negotiation and approval of an earlier contract between DBED and Stephenson Financial.

5. While working as an independent consultant for Stephenson Financial Services, Mr. Billings continued to function as chairperson of the leave user group and was compensated by Stephenson Financial Services for his attendance at several meetings of the user group; however he also performed several hundred hours of work on the leave accountability issue for no compensation.

6. Section 15-504 of the Public Ethics Law prohibits a former employee from assisting or representing in any way a party other than the State in a matter involving the State if the matter is one in which the individual participated significantly as an employee of the State.

7. Upon learning from an Assistant Attorney General that his work for Stephenson Financial Services raised the appearance of a conflict, Mr. Billings ceased billing for his work in August 2007 and contacted the Ethics Commission seeking an opinion about his post-employment activities.

8. Mr. Billings represents that any violation of the Public Ethics Law was done unknowingly and unintentional on his part, and that his actions did not work to the detriment of the State.

9. Mr. Billings further represents that he has cooperated with the inquiry into this matter, and will continue to cooperate in this and related matters.

10. Mr. Billings is voluntarily entering into this agreement to admit certain violations of the Ethics Law, to accept certain sanctions, and to resolve the matter now pending against him without the issuance of a complaint and a hearing before the Commission.

NOW THEREFORE, in consideration of the agreed facts contained herein, and effective on the date of the Commission's acceptance of the terms of this Agreement, Charles Billings and William J. Colquhoun, Staff Counsel, agree as follows:

A. That Mr. Billings stipulates that his continued participation with the leave users group while being compensated by Stephenson Financial Services violated Section 15-504(d) of the Ethics Law.

B. That Mr. Billings understands that violations of the conflict of interest provisions of the Ethics Law may result in civil fines pursuant to Section 15-902 of the Ethics Law in an amount up to \$5,000 for each violation of the law. However, since Mr. Billings volunteered much of his time (many before he became aware of the violation, and all of it afterwards), Mr. Billings has agreed to volunteer his entire income earned as an independent consultant for the period of January 1, 2007 to August 1, 2007, in lieu of paying any such fine. Therefore, he hereby agrees to pay to the State of Maryland by personal check the amount he earned while in violation of Section 15-504(d) of the Ethics Law in the amount of \$30,700.95, and said sum will be paid by personal check to the State of Maryland in care of the State Ethics Commission on or before March 27, 2009.

C. That the Commission will issue a reprimand to Mr. Billings effective the date of the Commission's acceptance of the Agreement.

D. That the Commission will transmit a copy of the Agreement to the Secretary of DBED and the Governor.

E. That Mr. Billings waives any formal proceedings and hearing in this matter if the Commission accepts the Agreement, and agrees that acceptance of this Agreement by the Commission constitutes a final action and finding of violation by the Commission.

F. Mr. Billings further agrees that the Agreement and materials related to this matter are not subject to the confidentiality provisions of the Ethics Law and will be public information unless otherwise protected.

G. That upon execution of this Agreement by Mr. Billings, Staff Counsel will recommend that the Commission suspend any further proceedings against Mr. Billings. Should Mr. Billings fail to comply with the terms of the Agreement, and after written notice to Mr. Billings, the Commission reserves the right to open another investigation and issue a Complaint for violation of Sections 15-504 of the Public Ethics Law.

H. That in the event that the Commission declines to accept the Agreement, both Mr. Billings and Staff Counsel are relieved of their respective obligations hereunder; and neither this Agreement, nor any admission it may contain shall be admissible in any subsequent proceeding by the Commission.

I. That Mr. Billings and Staff Counsel are entering into this agreement for the sole purpose of resolving the matters involved in the Commission's Preliminary Inquiry Investigation and other matters currently known to the Commission and for no other purpose.

IN WITNESS WHEREOF, Charles Billings and William J. Colquhoun, Staff Counsel, State Ethics Commission, have hereunto set their hands.

SIGNATURE APPEARS ON
ORIGINAL AGREEMENT

William J. Colquhoun, Staff Counsel
State Ethics Commission
45 Calvert Street, 3rd Floor
Annapolis, Maryland 21401

SIGNATURE APPEARS ON
ORIGINAL AGREEMENT

Charles Billings

SIGNATURE APPEARS ON
ORIGINAL AGREEMENT

Stanley A. Snyder, Esq.
Counsel to Charles Billings

State of Maryland
County of: Anne Arundel County, to wit:

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared CHARLES BILLINGS who made oath on this 3rd day of Feb, 2009 in due form of law that the matters and facts hereinabove set forth are true to the best of his knowledge, information and belief, and are his voluntary act and that he executed this document for the purpose set forth herein.

SIGNATURE APPEARS ON
ORIGINAL AGREEMENT

CHUAN GU
NOTARY PUBLIC
ANNE ARUNDEL COUNTY
MARYLAND

My Commission Expires: My Commission Expires Nov. 5, 2011

State of Maryland,
County of: Anne Arundel, to wit:

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared WILLIAM J. COLQUHOUN, Staff Counsel to the State Ethics Commission, who made oath on this 18th day of FEBRUARY, 2009 in due form of law that he executed this agreement for the purposes set forth herein.

SIGNATURE APPEARS ON
ORIGINAL AGREEMENT

Notary Public

My Commission Expires:

DONALD M. STREET
Notary Public-Maryland
Anne Arundel County
My Commission Expires
November 09, 2010

Accepted by the Commission

SIGNATURE APPEARS ON
ORIGINAL AGREEMENT

Robert F. Scholz, Chair
for the Commission

Date: February 25, 2009