

## HOT TOPIC:

**Please note the changes in rule 61G7-10.001 Examination of Financial Records; Verification of Compliance below.**

**NOTE:** The acceptance of timely filed annual financial report in lieu of a quarterly report for the last quarter in an employee leasing company's fiscal year.

### **61G7-10.001 Examination of Financial Records; Verification of Compliance.**

(1) In accordance with Sections 468.525(3)(d) and 468.535, F.S., the department may make investigations, audits or reviews of each individual or company licensed pursuant to Section 468.526(1), F.S., to determine whether it has violated or is in danger of violating Chapter 468, Part XI, F.S.; Chapter 455, F.S.; or any rule of the board or department. An examination of each company's balance sheet and income statement will be made each quarter to verify positive working capital and accounting net worth. In order to determine that each employee leasing company has maintained net worth and positive working capital, each employee leasing company shall submit a balance sheet and income statement every quarter to the department for verification. Each employee leasing company shall also submit a statement to the Board of Employee Leasing Companies affirming that it is in compliance with Section 468.529(4), F.S., in that it has adequate reserves to pay, when due, all payroll and payroll-related taxes, workers' compensation and health related premiums, and amounts due under any plan of self insurance. This statement shall be made on Form DBPR EL 4504, "Quarterly Report Form," effective 5/2011, which is hereby incorporated by reference and available at <http://www.flrules.org/Gateway/reference.asp?No=Ref-02203> or <http://www.myfloridalicense.com/dbpr/pro/emplo/forms.html>, and filed with a copy of the company's workers' compensation certificate of insurance in effect for the current quarter. All required submissions shall be made in furtherance of a licensure renewal application and shall be submitted to the department within 75 days of the end of each quarter. The department will accept a timely filed annual financial report in lieu of a quarterly report for the last quarter in an employee leasing company's fiscal year.

(2) In furtherance of its verifications of compliance, investigations, audits or reviews under Section 468.535, F.S., the department may, as frequently as deemed necessary, request applicable compliance information from licensees. Failure to respond to the department's request for information shall constitute grounds for disciplinary action.

(3) Providing false or misleading information to the department shall constitute grounds for disciplinary action.

(4) An employee leasing company may satisfy the requirements of this rule by being accredited in good standing by the Employer Services Assurance Corporation (ESAC).

*Rulemaking Authority 468.522, 468.529(4) FS. Law Implemented 468.529(4), 468.535 FS. History--New 8-12-92, Amended 6-1-93, Formerly 21EE-10.001, Amended 5-8-94, 12-19-94, 3-1-05, 2-3-13.*