

BOARD OF EMPLOYEE LEASING COMPANIES
GENERAL BUSINESS MEETING
DoubleTree by Hilton
116 San Marco Ave
St. Augustine, FL 32084

April 10, 2018
AT
9:00 a.m.

CALL TO ORDER

The meeting was called to order at approximately 9:05 A.M. EST by Mr. Richard Kiracofe, Board Chair.

I. ROLL CALL

MEMBERS PRESENT

Richard Kiracofe, Chair
Raja Shekhar, Vice Chair
Zach Collier
Ronald Hodge

MEMBER ABSENT

STAFF PRESENT

Rick Morrison, Executive Director, DBPR
Nicole Myers, Government Analyst II, DBPR
Lynette Norr, Board Counsel, Office of Attorney General
Mike Gordon, Prosecuting Attorney, DBPR
Crystal Stephens, Chief Prosecuting Attorney, DBPR

OTHERS PRESENT

Timothy Tack, Miller Tack & Madson
Jim Baiers, Trion Solutions
Gordon Berger, EA Advantage
Jared Young, EA Advantage
Volusia Reporting (386) 255-2150

The meeting was opened with a roll call and a quorum was established.

II. THE PLEDGE OF ALLEGIANCE

IV. DISCIPLINARY HEARINGS

A. Settlement Stipulations

1. **Trion Solutions, Inc., GL 196**
Case No. 2017-033173
2. **Trion Solutions II, Inc., GM 523**
Case No. 2017-033176
3. **Bonner Upshaw III, CO 1061**
Case No. 2017-033178

PCP: DBPR – October 7, 2017

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.001(1), Fla. Admin. Code, for Respondents' failure to timely file the 2016 annual report. The 2016 annual report was filed two months and 13 days late. Respondent also violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.001(1), Fla. Admin. Code, for Respondents' failure to timely file the 2016 4th quarter report. The 2016 4th quarter report was filed seven months and twenty-two days late.

Mr. Collier recused himself due to past business relationships with Trion Solutions.

After discussion by the board the following motions were made.

MOTION: Mr. Shekhar made a motion to accept the findings of facts as stated in the administrative complaint as those of the Board.

SECOND: Mr. Hodge.
Motion passed unanimously.

MOTION: Mr. Hodge made a motion to accept the conclusion of laws in the administrative complaint as those of the Board.

SECOND: Mr. Shekhar.
Motion passed unanimously.

MOTION: Mr. Hodge moved to impose an administrative fine of \$1500, costs of \$295.73, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Shekhar
Motion passed unanimously.

4. **Harbor America Coastal, Inc., EL 421**
Case No. 2017-003716
5. **Douglas Lowery, CO 535**
Case No. 2017-003717

PCP: DBPR – September 1, 2017

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Section 468.525 (3)(d), Florida Statutes, for maintaining a

negative net working capital of \$458,466.00 as reflected in the 2015 annual report. Respondent also violated Section 468.532(1) (i), F.S., through violation of Section 468.525 (3) (d), Florida Statutes, for maintaining a negative net working capital of \$95,139.00 as reflected in the 2016 1st quarter report.

After discussion by the board the following motions were made.

MOTION: Mr. Collier made a motion to accept the findings of facts as stated in the administrative complaint as those of the Board.

SECOND: Mr. Shekhar.
Motion passed unanimously.

MOTION: Mr. Collier made a motion to accept the conclusion of laws in the administrative complaint as those of the Board.

SECOND: Mr. Shekhar
Motion passed unanimously.

MOTION: Mr. Shekhar moved to impose an administrative fine of \$1000, costs of \$77.82, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Collier.
Motion passed unanimously.

**6. Harbor America Florida, Inc., EL 243
Case No. 2017-003710**

**7. Douglas Lowery, CO 535
Case No. 2017-003714**

PCP: DBPR – September 1, 2017

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Section 468.525 (3)(d), Florida Statutes, for maintaining a negative net working capital of \$458,466.00 as reflected in the 2015 annual report. Respondent also violated Section 468.532(1) (i), F.S., through violation of Section 468.525 (3) (d), Florida Statutes, for maintaining a negative net working capital of \$95,139.00 as reflected in the 2016 1st quarter report.

After discussion by the board the following motions were made.

MOTION: Mr. Shekhar made a motion to accept the findings of facts as stated in the administrative complaint as those of the Board.

SECOND: Mr. Collier.
Motion passed unanimously.

MOTION: Mr. Shekhar made a motion to accept the conclusion of laws in the administrative complaint as those of the Board.

SECOND: Mr. Collier.
Motion passed unanimously.

MOTION: Mr. Collier moved to impose an administrative fine of \$1000, costs of \$85.60, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Hodge.
Motion passed unanimously.

**8. Harbor America East, Inc., EL 211
Case No. 2017-003702**

**9. Douglas Lowery, CO 535
Case No. 2017-003709**

PCP: DBPR – September 1, 2017

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Section 468.525 (3)(d), Florida Statutes, for maintaining a negative net working capital of \$458,466.00 as reflected in the 2015 annual report. Respondent also violated Section 468.532(1) (i), F.S., through violation of Section 468.525 (3) (d), Florida Statutes, for maintaining a negative net working capital of \$95,139.00 as reflected in the 2016 1st quarter report.

After discussion by the board the following motions were made.

MOTION: Mr. Shekhar made a motion to accept the findings of facts as stated in the administrative complaint as those of the Board.

SECOND: Mr. Collier.
Motion passed unanimously.

MOTION: Mr. Shekhar made a motion to accept the conclusion of laws in the administrative complaint as those of the Board.

SECOND: Mr. Collier.
Motion passed unanimously.

MOTION: Mr. Collier moved to impose an administrative fine of \$1000, costs of \$210.12, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Hodge.
Motion passed unanimously.

**10. AYS Employee Leasing, Inc., GL 217
Case No. 2016-048966**

**11. AYSEL A, LLC, GM 566
Case No. 2016-048973**

**12. AYSEL B, LLC, GM 567
Case No. 2016-048974**

**13. AYSEL C, LLC, GM 568
Case No. 2016-048978**

**14. Deborah Segal, CO 1109
Case No. 2016-048968**

PCP: DBPR – April 24, 2017

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.0011(1), Florida Administrative Code, by failing to file a GAAP compliant 2015 Annual Report.

After discussion by the board the following motions were made.

MOTION: Mr. Shekhar made a motion to accept the findings of facts as stated in the administrative complaint as those of the Board.

SECOND: Mr. Collier.
Motion passed unanimously.

MOTION: Mr. Shekhar made a motion to accept the conclusion of laws in the administrative complaint as those of the Board.

SECOND: Mr. Collier.
Motion passed unanimously.

MOTION: Mr. Collier moved to impose an administrative fine of \$2000, costs of \$271.63, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Hodge.
Motion passed unanimously.

**15. Peoplease Corporation, EL 144
Case No. 2015-027347**

**16. Chris Munro, CO 1028
Case No. 2015-027353**

**17. Samuel Rossa, CO 1064
Case No. 2015-027356**

PCP: DBPR – March 22, 2017

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of 61G7-10.0011, Fla. Admin. Code, for failure to timely file the 2015 annual report. The 2015 annual report was filed fifty-five (55) days late.

Respondent also violated Section 468.532(1) (i), F.S., through violation of Section 468.525 (3)(d), Florida Statutes, for maintaining a negative accounting net worth of \$7,323,097.00, and a negative net working capital of \$1,101,376.00 as reflected in the 2015 annual report.

After discussion by the board the following motions were made.

MOTION: Mr. Shekhar made a motion to accept the findings of facts as stated in the administrative complaint as those of the Board.

SECOND: Mr. Collier.
Motion passed unanimously.

MOTION: Mr. Shekhar made a motion to accept the conclusion of laws in the administrative complaint as those of the Board.

SECOND: Mr. Collier.
Motion passed unanimously.

MOTION: Mr. Shekhar moved to impose an administrative fine of \$3000, costs of \$215.68, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Collier.
Motion passed unanimously.

B. Motion to Vacate Final Order on Waiver

1. EA Advantage LLC, EL 296
Case No. 2016-051472

2. Nylen Allphin, CO 687
Case No. 2016-051475

Final Order Date: March 9, 2018

Mr. Gordon presented the cases explaining Respondents submitted a Motion to Vacate Final Order presented on March 9, 2018. The Final Order stated the license for EA Advantage, LLC, EL 296 be revoked, a fine of \$2500.00, and costs of \$74.30.

After discussion by the board the following motions were made.

MOTION: Mr. Shekhar made a motion to vacate the final order.

SECOND: Mr. Hodge.
Motion passed unanimously.

MOTION: Mr. Collier moved to impose an administrative fine of \$5000, costs of \$148.60, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Collier.
Motion passed unanimously.

The board recessed for a brief break.

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GENERAL BUSINESS MEETING
DoubleTree by Hilton
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St. Augustine, FL 32084

April 10, 2018
AT
9:00 A.M.

I. CALL TO ORDER

The meeting was called to order at approximately 10:00 A.M. EST by Mr. Richard Kiracofe, Board Chair.

STAFF PRESENT

Rick Morrison, Executive Director, DBPR
Nicole Myers, Government Analyst II, DBPR
Lynette Norr, Board Counsel, Office of Attorney General
Mike Gordon, Prosecuting Attorney, DBPR
Crystal Stephens, Chief Prosecuting Attorney, DBPR

OTHERS PRESENT

Timothy Tack, Miller Tack & Madson
Brian Pincket, MatrixOne Source
Esquire Solutions (904) 355-8416

The meeting was opened with a roll call and a quorum was established.

II. REVIEW AND APPROVAL OF THE MARCH 14, 2018 MEETING MINUTES

Board members reviewed the minutes from the March 14, 2018 meeting.

MOTION: Mr. Collier made a motion to approve the minutes.
SECOND: Mr. Shekhar seconded the motion and it passed.

III. REVIEW AND CONSIDERATION OF EMPLOYEE LEASING COMPANY AND CONTROLLING PERSON APPLICATIONS

A. Kara Bloomberg – CP Applicant

**Landrum Professional Employer Services, Inc. I – GL 17
Amstaff Human Resources, Inc. – GM 363
Landrum Professional Employer Services Inc. IV – GM 321
Landrum Professional Employer Services Inc. II – GM 242
Landrum Professional Employer Services Inc. III – GM 30**

Mr. Kiracofe presented the controlling person application.

MOTION: Mr. Collier moved to approve the applications.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

B. John Morrissey – CP Applicant

Staff Management, Inc. – EL 62

Mr. Kiracofe presented the controlling person application.

Mr. Collier disclosed that his company has had pass business discussions with Staff Management, Inc. but he can remain unbiased.

MOTION: Mr. Shekhar moved to approve the applications.

SECOND: Mr. Collier seconded the motion and it passed unanimously.

C. Abhaya Shrestha – CP Applicant

Ally HR LLC d/b/a MatrixOne Source – GL 164 and all group members

**Ally HR VI d/b/a MatrixOne Source – GL 245 and all group members
MatrixOne Source PEO, LLC d/b/a MatrixOne Source – GL 244 and all group members**

Mr. Kiracofe presented the controlling person application.

Mr. Hodge disclosed that his company has had pass business discussions with Ally HR LLC but he can remain unbiased.

MOTION: Mr. Shekhar moved to approve the applications.

SECOND: Mr. Collier seconded the motion and it passed unanimously.

D. Ally HR VI, Inc. d/b/a MatrixOne Source – Group Leader Applicant

**Ally HR X, Inc. – Group Member Applicant
Ally HR VIII, Inc. – Group Member Applicant
Ally HR IX, Inc. – Group Member Applicant
Ally HR VII, Inc. – Group Member Applicant**

William Perez, CO 959
Rafael Perez, CO 768

Mr. Kiracofe presented the group leader and group member applications.

MOTION: Mr. Collier moved to approve the applications.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

- E. MatrixOne Source PEO, LLC – Group Leader Applicant**
 - MatrixOne Source PEO II, LLC – Group Member Applicant**
 - MatrixOne Source PEO III, LLC – Group Member Applicant**
 - MatrixOne Source PEO IV, LLC – Group Member Applicant**
 - MatrixOne Source PEO V, LLC – Group Member Applicant**
 - William Perez, CO 959**
 - Rafael Perez, CO 768**

Mr. Kiracofe presented the group leader and group member applications.

MOTION: Mr. Collier moved to approve the applications.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

- F. Applied Business Solutions, Inc. – Group Leader Applicant**
 - ABS One, Inc. – Group Member**
 - ABS Two, Inc. – Group Member**
 - ABS Three, Inc. – Group Member**
 - ABS Four, Inc. – Group Member**
 - Brandon R Mccoy – CP Applicant**
 - Blake Odom – CP Applicant**

Mr. Kiracofe presented the company and controlling person applications

MOTION: Mr. Collier moved to approve the applications.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

IV. REVIEW AND CONSIDERATION OF REGISTRATION OF DE MINIMUS COMPANY

- A. No applications to review.**

V. BOARD NOTIFICATIONS

CHANGE OF OWNERSHIP APPLICATIONS

- A. No Asset Purchase Applications.**

- B. Ally HR LLC – GL 164**
 - Ally HR II, LLC – GM 412**
 - Ally HR III, LLC – GM 413**
 - Ally HR IV, LLC – GM 414**

Ally HR V, LLC – GM 415

Mr. Kiracofe presented the stock purchase for Ally HR LLC and all group members. Matrix PEO Holdings, LLC purchased the company.

MOTION: Mr. Shekhar moved to ratify the application.

SECOND: Mr. Collier seconded the motion and it passed unanimously.

CHANGE OF NAME APPLICATIONS

- A. Ally HR, Inc. d/b/a MatrixOne Source – GL 164**
TO: Ally HR LLC d/b/a MatrixOne Source
- B. Ally HR V Inc. d/b/a MatrixOne Source – GM 415**
TO: Ally HR V LLC d/b/a MatrixOne Source
- C. Ally HR III Inc. d/b/a MatrixOne Source – GM 413**
TO: Ally HR III LLC d/b/a MatrixOne Source
- D. Ally HR IV Inc. d/b/a MatrixOne Source – GM 414**
TO: Ally HR IV LLC d/b/a MatrixOne Source
- E. Ally HR II, Inc. d/b/a MatrixOne Source – GM 412**
TO: Ally HR II LLC d/b/a MatrixOne Source

Mr. Kiracofe presented the name change applications for Ally HR, Inc. and group members.

MOTION: Mr. Shekhar moved to ratify the application.

SECOND: Mr. Collier seconded the motion and it passed unanimously.

- F. ECB Services Inc. – EL 368**
TO: Avalon HR 2, LLC

Mr. Kiracofe presented the name change application for ECB Services Inc.

MOTION: Mr. Collier moved to ratify the application.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

VI. REVIEW AND CONSIDERATION OF TERMINATION OF EMPLOYEE LEASING COMPANY OPERATIONS

- A. MonarchHR, LLC – GL 223**
 - MonarchHR II, LLC – GM 587**
 - MonarchHR III, LLC – GM 588**
 - MonarchHR IV, LLC – GM 589**

Mr. Kiracofe stated the termination application for MonarchHR was pulled from the agenda.

B. Accord Human Resources 12, Inc. – GL 98

Accord Human Resources 10, Inc. – GM 461

Accord Human Resources 19, Inc. – GM 288

Accord Human Resources 20, Inc. – GM 378

Mr. Kiracofe presented the termination application for Accord Human Resources 12, Inc. and group members.

MOTION: Mr. Shekhar moved to approve the application.

SECOND: Mr. Collier seconded the motion and it passed unanimously.

C. United Group Service Centers, Inc. – DM 82

Mr. Kiracofe presented the termination application for United Group Service Centers, Inc.

MOTION: Mr. Collier moved to approve the application.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

D. Alliance Business Solutions IV, Inc. – GL 231

Alliance Business Solutions V, Inc. – GM 394

Mr. Kiracofe presented the termination application for Alliance Business Solutions IV, Inc. and group member.

MOTION: Mr. Collier moved to approve the application.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

E. Alliance Business Solutions II, Inc. – GL 159

Alliance Business Solutions, Inc. – GM 472

Alliance Business Solutions III, Inc. – GM 396

Mr. Kiracofe presented the termination application for Alliance Business Solutions II, Inc. and group members.

MOTION: Mr. Collier moved to approve the application.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

F. Halcyon HR Partners, Inc. d/b/a Blue Chip PEO – EL 457

Mr. Kiracofe presented the termination application for Halcyon HR Partners, Inc.

MOTION: Mr. Collier moved to approve the application.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

VII. REVIEW AND CONSIDERATION OF CONTROLLING PERSON REQUEST FOR VOLUNTARY NULL AND VOID STATUS

**A. Jonathan Joe Scoggins, CO 1123
MonarchHR, LLC – GL 223**

Mr. Kiracofe stated the controlling person null and void application of Chad Spooner will be pulled from agenda.

**B. Melvin Klinghoffer, CO 963
Oasis Outsourcing Admin II, Inc. – GM 613
Oasis Outsourcing Admin, Inc. – GM 406
Oasis Outsourcing Contract II, Inc. – GM 342
Oasis Outsourcing Contract III, Inc. – GM 612
Oasis Outsourcing Contract VII, Inc. – GM 444
Oasis Outsourcing HR, Inc. – GM 443**

Mr. Kiracofe presented the controlling person null and void application of Melvin Klinghoffer.

MOTION: Mr. Shekhar moved to accept the controlling person voluntary null and void of license.

SECOND: Mr. Collier seconded the motion and it passed unanimously.

**A. Ana Alfonso, CO 918
Oasis Outsourcing Admin II, Inc. – GM 613
Oasis Outsourcing Admin, Inc. – GM 406
Oasis Outsourcing Contract II, Inc. – GM 342
Oasis Outsourcing Contract III, Inc. – GM 612
Oasis Outsourcing Contract VII, Inc. – GM 444
Oasis Outsourcing HR, Inc. – GM 443**

Mr. Kiracofe presented the controlling person null and void application of Ana Alfonso.

MOTION: Mr. Shekhar moved to accept the controlling person voluntary null and void of license.

SECOND: Mr. Collier seconded the motion and it passed unanimously.

**B. Troy Walker, CO 1146
Halcyon HR Partners, Inc. d/b/a Blue Chip PEO – EL 457**

Mr. Kiracofe presented the controlling person null and void application of Troy Walker.

MOTION: Mr. Collier moved to accept the controlling person voluntary null and void of license.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

IV. DISCUSSION ITEMS

A. Rule 61G7-5.0021 (REPEAL)

Ms. Norr presented the proposed rule language change for Rule 61G7-5.0021

MOTION: Mr. Collier moved to adopt the language for Rule 61G7-5.0021.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

After the motions, Ms. Norr asked if these amendments would have an adverse impact on small business or be likely to directly or indirectly increase regulatory costs to any entity (including government) in excess of \$200,000 in the aggregate in Florida within 1 year after implementation.

MOTION: Mr. Collier moved that the amendments would not have an adverse impact on small business or be likely to directly or indirectly increase regulatory costs to any entity (including government) in excess of \$200,000 in the aggregate in Florida within 1 year after implementation.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

Ms. Norr presented Chapter 61G7-5 Rules to Board members to determine whether any portion of those rules should be designated a minor violation and added to Rule 61G7-7.003 Notice of Noncompliance

MOTION: Mr. Collier moved that the rules in Chapter 61G7-5 not be designated a minor violation.

SECOND: Mr. Shekhar seconded the motion and it passed unanimously.

B. Rule 61G7-7.001 Amendment

Ms. Norr presented Rule 61G7-7.001, which sets forth disciplinary guidelines, was last updated in 2004.

After discussion Board members reviewed Rule 61G7-7.001 for potential modifications.

V. Reports

A. Office of Attorney General

Ms. Norr presented the April Rules report.

B. Office of General Counsel

Mr. Gordon presented the public and private case reports.

C. Executive Director

Mr. Morrison reviewed the Board financials.

D. Chairperson

Mr. Kiracofe had no report.

VI. OLD BUSINESS

None

XI. NEW BUSINESS

None

XII. PUBLIC COMMENTS

NONE

XIII. ADJOURNMENT

MOTION: Mr. Collier moved to adjourn the meeting at 12:35 p.m.

SECOND: Mr. Hodge seconded the motion and it passed unanimously.

**Transcripts and/or recordings of the meeting can be obtained
upon request.**