

**BOARD OF EMPLOYEE LEASING COMPANIES
GENERAL BUSINESS MEETING**

**Embassy Suites Lake Buena Vista
4955 Kyngs Heather Road
Kissimmee, FL 34746**

July 17, 2019

9:00 a.m.

CALL TO ORDER

The meeting was called to order at approximately 9:21 A.M. EST by Mr. Zach Collier, Board Chair.

I. ROLL CALL

MEMBERS PRESENT

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

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

OTHERS PRESENT

Timothy Tack, Miller Tack & Madson
Magnolia Court Reporting (407) 896-1813

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

II. THE PLEDGE OF ALLEGIANCE

III. DISCIPLINARY HEARINGS

A. Settlement Stipulations

- 1. PBS Staffing – EL 472
Case No. 2018-033680**

- 2. Andrew Richard Mintz – CO 1199
Case No. 2018-033694**
- 3. Diane Dirocco – CO 11973
Case No. 2018-033685**
- 4. Nicole Johanson – CO 1198
Case No. 2018-033691**

PCP: DBPR – March 1, 2019

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 a 2018 1st & 3rd quarter report.

Mr. Gordon stated the settlement stipulation provides for imposition of an administrative fine of \$1500.00 and costs of \$319.35 with joint and several liabilities for payment of the fine and costs.

MOTION: Mr. Shekhar moved to adopt the terms of the settlement stipulation as the final order of the board.

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

- 5. Pinnacle Southeast, LP – EL 473
Case No. 2018-034399**
- 6. Adalberto Martinez – CO 1238
Case No. 2018-034402**

PCP: DBPR – September 20, 2018

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 a 2017 4th quarter report and 2018 1st quarter report. Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.0011, Fla. Admin. Code, for Respondents' failure to timely file 2017 annual report.

Mr. Gordon stated the settlement stipulation provides for imposition of an administrative fine of \$1000.00 and costs of \$210.18 with joint and several liabilities for payment of the fine and costs.

MOTION: Mr. Hodge moved to adopt the terms of the settlement stipulation as the final order of the board.

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

**7. Compass Employment Services LLC – EL 365
Case No. 2018-026073**

**8. James Richard Hicks – CO 854
Case No. 2018-026076**

PCP: DBPR – November 14, 2018

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 a 2017 3rd and 4th quarter report. Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.0011, Fla. Admin. Code, for Respondents' failure to timely file 2017 annual report. Respondents violated Section 468.536(3), F.S. through violation of Rule 61G7-5.002 failure to submit their 2017 annual assessment.

Mr. Gordon stated the settlement stipulation provides for imposition of an administrative fine of \$5000.00 and costs of \$179.00 with joint and several liabilities for payment of the fine and costs.

MOTION: Mr. Shekhar moved to adopt the terms of the settlement stipulation as the final order of the board.

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

B. Informal Hearings

**1. Harbor America Florida – EL 243
Case No. 2018-053512**

**2. Douglas Lee Lowery – CO 535
Case No. 2018-053515**

PCP: DBPR – March 15, 2019

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 failure to timely file a 2018 2nd quarter report. Respondents violated Section 468.532(1)(i), F.S., through a violation of Section 468.525(3)(d), F.S., for maintaining a negative net worth of \$13,571.06 as reflected in the 2015 2nd quarter financial report.

After discussion by the board the following motions were made.

MOTION: Mr. Kiracofe 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. Kiracofe 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. Kiracofe moved to impose an administrative fine of \$665, costs of \$179.18, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Shekhar.
Motion passed unanimously.

**3. Harbor America Florida – EL 243
Case No. 2018-023965**

**4. Douglas Lee Lowery – CO 535
Case No. 2018-023969**

**5. Harbor America East – EL 211
Case No. 2018-023983**

**6. Douglas Lee Lowery – CO 535
Case No. 2018-023977**

**7. Harbor America Coastal – EL 421
Case No. 2018-023973**

**8. Douglas Lee Lowery – CO 535
Case No. 2018-023985**

PCP: DBPR – March 15, 2019

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1)(i), F.S., through a violation of Section 468.525(3)(d), F.S., for maintaining a negative net worth of \$2,528,062.00 as reflected in the 2016 audited annual report. Respondents violated Section 468.525(3)(d), F.S., for maintaining a negative net worth of \$7,869,329.00 as reflected in the 2017 audited annual report. Respondents violated Section 468.532(1)(i), F.S. through violation of Rule 61G7-5.002, Fla. Admin. Code, for failure to timely pay 2017 annual assessment.

After discussion by the board the following motions were made.

MOTION: Mr. Kiracofe 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. Kiracofe 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 \$3000, costs of \$552.00, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Kiracofe.
Motion passed unanimously.

**9. Oscar Armando Montenegro – CO 1248
Case No. 2019-002128**

Mr. Gordon stated the cased was pulled from the agenda.

The board recessed for a brief break.

CALL TO ORDER

The meeting was called to order at approximately 11:04 A.M. EST by Mr. Zach Collier, Board Chair.

I. REVIEW AND APPROVAL OF THE JUNE 12, 2019 MEETING MINUTES

Board members reviewed the minutes from the June 12, 2019 meeting.

MOTION: Mr. Shekhar made a motion to approve the minutes with corrections.

SECOND: Mr. Kiracofe seconded the motion and it passed.

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

**A. Douglas Torchio – Controlling Person Applicant
Quadrant PHR LLC – GL 188**

Mr. Collier presented the controlling person application of Douglas Torchio.

MOTION: Mr. Kiracofe moved to approve the application.

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

**B. Sharon Lake – Controlling Person Applicant
Simpley of Florida – EL 345**

Mr. Collier presented the controlling person application of Sharon Lake.

MOTION: Mr. Kiracofe moved to approve the application.

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

C. Front Line PEO – Employee Leasing Company Applicant

Mr. Collier presented the employee leasing application for Front Line PEO.

MOTION: Mr. Kiracofe moved to approve the application contingent of approval of contract.

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

**D. Becky Jakacki – Controlling Person Applicant
Front Line PEO – EL Applicant**

Mr. Collier presented the controlling person application of Becky Jakacki.

MOTION: Mr. Kiracofe moved to approve the application contingent of approval of contract.

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

**E. HR Buds, LLC – Employee Leasing Company Applicant
Alex Campos – CO 1155**

Mr. Collier presented the employee leasing application for HR Buds, LLC.

MOTION: Mr. Shekhar moved to approve the application contingent of approval of contract.

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

F. Kara Childress – Controlling Person Applicant

Mr. Collier presented the controlling person application of Kara Childress.

MOTION: Mr. Shekhar moved to approve the application contingent of approval of contract.

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

G. Eric Vogelsberg – Controlling Person Applicant

Mr. Collier presented the controlling person application of Eric Vogelsberg.

MOTION: Mr. Shekhar moved to approve the application contingent of approval of contract.

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

III. REVIEW AND CONSIDERATION OF REGISTRATION OF DE MINIMUS COMPANY

A. Total Human Resources, Inc. – De Minimus Applicant

Mr. Collier presented the De Minimus application of Total Human Resources.

After discussion the application was pulled due to a name conflict.

VI. BOARD NOTIFICATIONS

CHANGE OF OWNERSHIP APPLICATIONS

A. No Asset Purchase Applications reviewed.

Stock Purchase

A. S2 HR Solutions Group 2, LLC – GL 184 and group members

B. S2 HR Solutions Group 1, LLC – GL 168 and group members

Purchased by: Engage Group Holdings, LLC

Mr. Collier presented the change of ownership applications for S2 HR Solutions Group 2, LLC and S2 HR Solutions Group 1, LLC.

MOTION: Mr. Kiracofe moved to approve the application.

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

V. CHANGE OF NAME APPLICATIONS

A. No Name Change Applications reviewed.

VI. CHANGE OF STATUS

A. No Change of Status Applications reviewed.

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

A. Horizon Staffing LLC – EL 299

Mr. Collier presented the termination application for Horizon Staffing LLC.

MOTION: Mr. Kiracofe moved to approve the application.

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

B. Howard Leasing VIII, Inc. – EL 444

Mr. Collier presented the termination application for Howard Leasing VIII, Inc.

MOTION: Mr. Shekhar moved to approve the application.

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

IX. REQUEST FOR VOLUNTARY NULL AND VOID STATUS

A. No Null and Void Applications reviewed.

X. DISCUSSION ITEMS

A. Rule 61G7-7.003 Notice of Non Compliance

Ms. Norr presented the Board with the proposed language changes for Rule 61G7-7.003 for further discussion. After discussion Board members decided to add late quarterly reporting filing, late annual report filing, and late annual assessment payment as minor initial violations. Also the Board would like to remove late renewal as an initial minor violation.

MOTION: Mr. Kiracofe moved to adopt the proposed changes for Rule 61G7-7.003.

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. Kiracofe 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 61G7-7 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. Kiracofe moved that the rules in Chapter 61G7-7 not be designated a minor violation.

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

B. Rule 61G7-10.001 – Reduce Quarterly Reports

Ms. Norr presented the Board with the proposed language changes for Rule 61G7-10.001 for further discussion. After discussion Board members decided to reduce the

filing burdens by requiring filings in only the first and third quarters and workers' compensation in the second and fourth quarters.

MOTION: Mr. Kiracofe moved to adopt the proposed changes for Rule 61G7-10.001.

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. Shekhar 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. Hodge seconded the motion and it passed unanimously.

Ms. Norr presented Chapter 61G7-7 Rules to Board members to determine whether any portion of those rules should be designated a minor violation and added to Rule 61G7-10.001.

MOTION: Mr. Shekhar moved that the rules in Chapter 61G7-7 be designated a minor violation.

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

XI. Reports

A. Office of Attorney General

Ms. Norr presented the July Rules report. Ms. Norr also stated that Board members would need to review rules for the Annual Regulatory Plan.

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

No report from Chair.

XII. TASK FORM

Board members reviewed the task form.

XIII. OLD BUSINESS

None

XIII. NEW BUSINESS

None

XIV. PUBLIC COMMENTS

NONE

XV. ADJOURNMENT

MOTION: Mr. Kiracofe moved to adjourn the meeting at 1:41 p.m.

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

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