

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

**SHERATON SUITES – TAMPA AIRPORT
4400 WEST CYPRESS STREET
TAMPA, FLORIDA 33607**

**April 21, 2004
8:30 a.m. EST**

I. CALL TO ORDER

The meeting was called to order at approximately 8:35 a.m. EST by Ms. Celeste Dockery, Board Chair.

II. ROLL CALL

MEMBERS PRESENT

Celeste D. Dockery, Chair
Carlos Rodriguez, Vice Chair
Frank W. Crum, Jr.
Kelly Lanza
Ryan S. Moore

MEMBERS ABSENT

Donna Bloomer

STAFF PRESENT

Anthony B. Spivey, Executive Director, DBPR
Krista B. Woodard, Government Analyst II, DBPR
John Rimes, Board Counsel, Office of Attorney General
Eric Hurst, Assistant General Counsel, DBPR

OTHERS PRESENT

Michael Miller, Kunkel, Miller & Hament, P.A. and FAPEO
Robert Skrob, FAPEO
Scott Buchanan, Human Resources
Tasha Carter, Department of Financial Services
Greg Mills, Department of Financial Services
Marc Fortune, Century II Staffing
Lori Kinney, NES
Ron Cates, NES
Ed Dougherty, NES
Janice DiRose, P.A.
Steve Politis, PSP
Donald F. Milan, Labor-Cost Management
Vance Yarter, Equity Concepts, Inc.
Wayne Detmar, Equity Concepts, Inc.

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

Ms. Woodard informed the board that Ms. Bloomer called the board office and advised that she would not be in attendance due to a prior engagement.

III. REVIEW AND APPROVAL OF THE MARCH 17, 2004, TELEPHONE CONFERENCE CALL MEETING MINUTES

MOTION: Ms. Lanza moved to approve the minutes.

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

IV. DISCIPLINARY PROCEEDINGS

A. SETTLEMENT STIPULATIONS Case #

1. BST Group, Inc. 2003-078778
(PCP: Lanza and Crum, December 11, 2003)

Mr. Eric Hurst presented the case explaining that it stems from a violation involving failure to submit the Annual Assessment Fee by April 30, 2003. Mr. Hurst stated that the settlement stipulation provides for costs of \$59.24 and voluntary relinquishment of its license as an Employee Leasing Company in the State of Florida.

MOTION: Ms. Dockery moved to accept the settlement stipulation.

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

2. National Employer Solutions 2003-084484
(PCP: Lanza and Crum, December 11, 2003)

Mr. Eric Hurst presented the case explaining that it stems from violations involving failure to meet the net working capital requirement for the June 2002, September 2002, and the December 2002 quarterly reports. He further stated that the settlement stipulation provides for the Respondent to acquire no new business in the State of Florida until deficiencies are cured or a guarantee is obtained, submittal of monthly statements to the Board until the deficiencies are cured or obtained, and further disciplinary action may be taken if Respondent does not cure all deficiencies in full or obtain a guarantee by the due date for the June 30, 2004 annual report, and costs of \$75.05.

Mr. Ed Dougherty and Ms. Lori Kinney were present and represented the Respondent. Mr. Dougherty informed the board that National Employer Solutions was in the process of submitting an application for licensure for a new company with Florida clients only.

Ms. Kinney explained that the only deficient item with the new application is the binder from Florida Workers Compensation Joint Underwriting Association (FWCJUA).

Ms. Dockery asked if the new company has taken into consideration the new taxes, etc. associated with forming a new corporation.

Ms. Kinney answered in the affirmative stating that all of that information was taken into consideration prior to the formation of the new company and the new company will not be operating in the red.

Ms. Dockery stated that she would like for the application for the new company to be in the board office by next week and ready for board review at the meeting scheduled for May 19, 2004.

MOTION: Ms. Dockery deferred discussion of the case until the telephone conference call meeting scheduled for May 19, 2004.
SECOND: Mr. Moore seconded the motion and it passed unanimously.

B. MOTION FOR WAIVER OF RIGHTS AND FINAL ORDER Case #

1. Employment Business Solutions, Inc. **2003-079288**

Mr. Eric Hurst presented the case explaining that it stems from violations involving failure to submit the Annual Assessment Fee by April 30, 2003 as required by Rule 61G7-5.002, Florida Administrative Code.

MOTION: Ms. Dockery moved to adopt the allegation of facts and conclusion of law in the administrative complaint.

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

MOTION: Ms. Dockery moved to revoke the employee leasing company's license, impose a fine of \$1000.00, costs of \$35.54, and payment of the assessment fee.

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

2. Labor-Cost Management, Inc. **2003-081361**

Mr. Eric Hurst presented the case explaining that it stems from violations involving failure to maintain workers' compensation coverage for the quarters ended September 2002 and December 2002.

MOTION: Ms. Dockery moved to adopt the allegation of facts in the administrative complaint.

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

Mr. Donald Milan was present and represented the Respondent stating that he felt that there was no violation due to the fact that there were no employees and Chapter 440 of the Florida Statutes does not address workers' compensation if there are no more than three employees.

Mr. Moore asked if all of the employees were moved to Central Leasing.

Mr. Milan answered in the affirmative stating that the employees were brokered to Central Leasing when the problem of acquiring workers compensation coverage was first discovered.

After further discussion, the following motion was made:

MOTION: Ms. Dockery moved to dismiss the case due to no violation being found.

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

3. Omne Staff Leasing Services, Inc.

2003-079333

Mr. Eric Hurst presented the case explaining that it stems from violations involving failure to submit the Annual Assessment Fee by April 30, 2003 as required by Rule 61G7-5.002, Florida Administrative Code.

MOTION: Ms. Dockery moved to adopt the allegation of facts and conclusion of law in the administrative complaint.

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

MOTION: Ms. Dockery moved to impose an administrative fine of \$5000, costs, and a reprimand.

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

4. United Personnel VIII, LP

2003-084745

Mr. Eric Hurst stated that this case was being pulled from the agenda due to additional on going investigations.

V. EMPLOYEE LEASING COMPANY/CONTROLLING PERSON APPLICATIONS

A. Horizon Staffing, LLC

Simon Ganz, Controlling Person Applicant

Ms. Woodard presented the applications stating that all exhibits were submitted and complete. She further stated that instead of the certificate of insurance, the applicant submitted a letter from the insurance company advising of the issuance of a binder of workers' compensation coverage, and the only outstanding item relating to the controlling person application is the Federal Bureau of Investigations (FBI) report.

MOTION: Ms. Lanza moved to approve the applications with the condition that should any derogatory information be revealed on the FBI report for Mr. Ganz that he would appear before the board.

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

B. Resource Management, Inc.

Reinaldo Lopez, Sr., Controlling Person Applicant

Reinaldo Lopez, Jr., Controlling Person Applicant

Ms. Woodard presented the applications stating that all exhibits were submitted and complete. She further stated that instead of the certificate of insurance, the applicant submitted a letter from the insurance company advising of the issuance of a binder of workers' compensation coverage, and the only outstanding item relating to the controlling persons applications are the FBI reports.

Mr. Rodriguez stated that the financial statements were more than 90 days past the company's fiscal year end and new statements would need to be submitted.

MOTION: Ms. Lanza moved to approve the applications contingent upon the receipt of updated financial statements by April 30, 2004.
SECOND: Mr. Rodriguez seconded the motion and it passed unanimously.

**C. Peter Christopher Grabowski, Controlling Person Applicant
Gevity HR II, LP – GL 99**

Ms. Woodard presented the application stating that it appeared to be complete.

MOTION: Ms. Lanza moved to approve the application.
SECOND: Mr. Crum seconded the motion and it passed unanimously.

VI. EMPLOYEE LEASING COMPANY NAME CHANGES

- A. AdvanTech Solutions I, Inc. – GL 66
TO: AdvanTech Solutions I, LLC
- B. AdvanTech Solutions II, Inc. – GM 136
TO: AdvanTech Solutions II, LLC
- C. AdvanTech Solutions III, Inc. – GM 256
TO: AdvanTech Solutions III, LLC
- D. AdvanTech Solutions IV, Inc. – GM 211
TO: AdvanTech Solutions IV, LLC
- E. AdvanTech Solutions VII, Inc. – GM 212
TO: AdvanTech Solutions VII, LLC
- F. TalTech Resources, Inc. – EL 286
To: TalTech Resources, LLC

Ms. Woodard presented the applications stating that the applications are complete.

MOTION: Mr. Crum moved to approve the applications.
SECOND: Mr. Rodriguez seconded the motion and it passed unanimously.

Mr. Rimes stated that the board may want to reconsider the rules it observes when an employee leasing company changes its name, which may be incorporated, and is now being changed to an LLC. He further stated that the change reflects more than a name change but also a change in corporation styles and the board may want to start reviewing additional information such as historical sketches of the owners and the workers' compensation policy of the new company.

The board stated it would take the matter up for review at a later date.

VII. TERMINATION OF EMPLOYEE LEASING COMPANY OPERATIONS

- A. Advantage Employer Services V, Inc. – EL 196**
 - Eric Jon Fogo, CO 506 (CP Relinquishment)**
 - Allen Louis Richards, CO 557 (CP Relinquishment)**
 - Terry Lee Shippy, CO 474 (CP Relinquishment)**

Ms. Woodard presented the applications stating that there is an open complaint pending against the company and the controlling persons and the cases are being presented today to the Probable Cause Panel.

- MOTION:** Ms. Dockery made a motion not to accept the terminations until all obligations have been met in regards to the pending cases.
- SECOND:** Ms. Lanza seconded the motion and it passed unanimously.

VIII. CONTROLLING PERSON RELINQUISHMENTS

- A. David Glen Bell – CO 249**
 - FLSUB-34, Inc. – GL 103**
 - Strategic Outsourcing, Inc. – GL 58**
- B. Steven P. Burns – CO 485**
 - Decision PEO IV, Inc. – GL 57**
 - Decision PEO II, Inc. – GM 232**
 - Decision PEO USA, Inc. – GM 247**
 - Dynastaff Corporation – GM 116**

Ms. Woodard presented the relinquishments stating there was no complaints pending against the licensees and there were controlling persons remaining with the companies.

- MOTION:** Ms. Lanza moved to accept the relinquishments.
- SECOND:** Mr. Rodriguez seconded the motion and it passed unanimously.

IX. REPORTS

- A. Office of the Attorney General – John Rimes**

No Report

- B. Executive Director – Anthony B. Spivey**

- 1. Budget Discussion**

The board members discussed the recent cash sweep regarding the amount of funds deducted from the operating and unlicensed activity accounts.

A total of \$938,317 was deducted from the board based on the recent legislative mandate.

The board would like to have a history of revenue and expenses for the past two to three fiscal years presented so that the members can discuss whether to reduce fees to maintain a zero cash balance.

C. Office of the General Counsel – Eric Hurst

Mr. Hurst reported that the prosecuting attorney's report and the unlicensed activity report was included in the agenda materials, and that staff is back to the old procedure of opening complaints against the controlling persons as well as the companies.

D. Chairperson – Celeste Dockery

No Report

X. NEW BUSINESS

A. Consideration of Licensure – Marc Fortune

Mr. Fortune was present and represented by Mr. Mike Miller, Esquire.

Mr. Rimes presented the situation involving Mr. Fortune's licensure as a controlling person. He advised the board that due to an error on behalf of the Department, Mr. Fortune's license was never renewed back in 2000 and has now become null and void, and Mr. Fortune was requesting reinstatement of his license with the requirement of payment of the 2000 and 2004 renewal fees.

MOTION: Ms. Lanza moved to reinstate the license of Mr. Marc Fortune as a controlling person with the requirement that he pays the renewal fees for the years of 2000 and 2004.

SECOND: Ms. Dockery seconded the motion and it passed unanimously.

XI. OLD BUSINESS

None

XII. ADJOURNMENT

MOTION: Mr. Crum moved to adjourn.

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

The meeting adjourned at 10:57 a.m.