

**BOARD OF EMPLOYEE LEASING COMPANIES  
GENERAL BUSINESS MEETING MINUTES  
THE PEABODY - ORLANDO  
9801 INTERNATIONAL DRIVE  
ORLANDO, FLORIDA 32819**

**NOVEMBER 8, 2005  
10:00 a.m. EST**

**I. CALL TO ORDER**

The meeting was called to order at approximately 10:10 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

**STAFF PRESENT**

John T. Knap, Executive Director, DBPR  
Krista B. Woodard, Government Analyst II, DBPR  
Mary Ellen Clark, Board Counsel, Office of Attorney General  
Eric Hurst, Assistant General Counsel, DBPR

**OTHERS PRESENT**

Timothy Tack, Kunkel, Miller & Hamet, P.A.  
Larry Brock  
Sergio Fernandez  
Donna Blanton  
Terry Koch

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

**III. DISCIPLINARY PROCEEDINGS – Office of the General Counsel**

<b>A.</b>	<b>MOTION FOR WAIVER OF RIGHTS AND FINAL ORDER</b>	<b><u>CASE#</u></b>
1.	<b>Vincent N. Carter</b>	<b>2004-041850</b>
2.	<b>John B. Harrison</b>	<b>2004-041848</b>

Mr. Hurst advised that these cases were being pulled from the agenda due to subsequent information being received and needing evaluation.

**3. Max Staf, Inc.**

**2005-030383**

Mr. Eric Hurst presented the case explaining it stems from violations involving engagement of two controlling persons whose licenses were not current and active.

Mr. Hurst informed that there are two companion unlicensed activity cases against the individuals and are scheduled for a hearing before the Department's hearing officer later this month.

Ms. Clark advised the board to take note of the fact that the Administrative Complaint was served by certified mail and proof of service was included in the agenda materials.

MOTION: Ms. Dockery moved that the Respondent's failure to respond to the Administrative Complaint has waived its right to request a hearing in which there is a disputed issue of material fact.

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

MOTION: Mr. Rodriguez moved to adopt the allegations of fact and conclusions of Law contained in the Administrative Complaint as those of the board.

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

MOTION: Mr. Rodriguez moved to revoke the employee leasing company's license, impose an administrative fine of \$2000 and costs of \$59.24.

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

**4. STEBO Leasing, Inc.**

**2004-019806**

**5. Marie L. Bechina**

**2004-019813**

**6. David E. Michaud**

**2004-019819**

Mr. Eric Hurst presented the cases explaining they stem from violations involving failure to submit quarterly reports for the quarters ended June 30, and September 30, 2003, failure to submit a copy of its fiscal year end financial statements for 2003, failure to submit quarterly reports for the quarters ended June 30, and September 30, 2003 verifying that it is meeting the net working capital and net worth requirements, and failure to notify the Board office of its name change within 30 days of effecting the name change.

MOTION: Mr. Rodriguez moved that the Respondent's failure to respond to the Administrative Complaint has waived its right to request a hearing in which there is a disputed issue of material fact.

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

MOTION: Ms. Dockery moved to adopt the allegations of fact and conclusions of law contained in the Administrative Complaint as those of the board.

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

MOTION: Mr. Moore moved to revoke the employee leasing and controlling persons licenses, impose an administrative fine of \$5000 for each case and costs of \$79.97 for STEBO, \$323.57 for Ms. Bechina, and \$79.97 for Mr. Michaud.

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

For the record, Mr. Hurst informed that in all the previous cases, except for the Max Staf case, probable cause was found by Mr. Frank Crum and Ms. Kelly Lanza, and that they were recused from the vote and did not vote. However, Ms. Lanza was able to vote in Max Staf case due to her absence on the probable cause panel.

**C. SETTLEMENT STIPULATIONS**

**CASE#**

- |   |                    |
|---|--------------------|
| <b>1. Administrative Concepts Corp.</b> | <b>2004-013401</b> |
| <b>2. Sarah Peel</b>                    | <b>2004-013397</b> |

Mr. Eric Hurst presented the cases explaining they stem from violations involving failure to submit quarterly reports for September and December 2003, and failure to maintain positive net worth and net working capital for the quarters ended March 2003, June 2003, and March 2004. Mr. Hurst stated the settlement stipulation provides for a reprimand of both licenses, imposition of an administrative fine of \$2000 and costs of \$189.93, with joint and several liability for payment of the fine and costs.

Mr. Hurst advised that the missing reports have been filed and the deficiencies have been cured.

The Respondents were represented by Mr. Timothy Tack.

MOTION: Ms. Dockery moved to adopt the terms of the settlement stipulation as the final order of the board.

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

Due to their participation on the probable cause panel, Mr. Crum and Ms. Lanza were recused from the vote.

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| <b>3. AllStaff Payroll, Inc.</b> | <b>2004-047259</b> |
| <b>4. Bill Agall</b>             | <b>2004-047261</b> |

Mr. Eric Hurst presented the cases explaining they stem from violations involving failure to submit the 2003 annual assessment.

Mr. Hurst stated he spoke with Mr. Agall and was informed that subsequent violations against the company would be found, all that occurred during he period of illness and treatment. These additional violations includes failure to submit quarterly financial reports for 2004 and 2005 and failure to submit the 2004 annual financial report.

Mr. Hurst stated additional cases have been filed.

Mr. Hurst stated the current settlement stipulation provides imposition of an administrative fine of \$1500 and costs of \$77.02. However, that stipulation is only for the violation of failure to submit the 2003 annual assessment. It does not address the additional violations.

Mr. Hurst recommended to the board not to adopt the current settlement stipulation today, but to execute one settlement stipulation that would combine all cases.

MOTION: Mr. Rodriguez moved to reject the current settlement stipulation.  
SECOND: Mr. Moore seconded the motion and it passed.

Due to their participation on the probable cause panel, Mr. Crum and Ms. Lanza were recused from the vote.

Mr. Rodriguez asked the licenses could be revoked today.

Ms. Clark advised that the licenses could not be revoked today and they could not unilaterally change the settlement stipulation, but they could discuss, because the cases were before them, what the appropriate penalty would be, if the other charges were found to be true.

Mr. Rodriguez stated because of the severity of the charges the penalty should be revocation of the licenses, imposition of an administrative fine of \$5000, and costs.

After further discussion, Ms. Clark stated since the board does not have any information about this company's financial status, that maybe the Secretary of the Agency would issue an emergency suspension order, if the financial statements are not forthcoming within the next two weeks.

MOTION: Mr. Rodriguez moved to recommend to the Secretary of the Department to issue an emergency suspension order if the financial statements are not received within two weeks.

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

<b>5.</b>	<b>Southeast Drivers</b>	<b>2004-041598</b>
<b>6.</b>	<b>James F. Knight</b>	<b>2004-041604</b>
<b>7.</b>	<b>Denny A. Wilson</b>	<b>2004-047722</b>

Mr. Eric Hurst presented the cases explaining they stem from violations involving failure maintain positive accounting net worth and net working capital, failure to notify the board, in writing, of a change of its address of record with the department, and failure to submit a quarterly report for quarter ending September 2004. Mr. Hurst stated that the settlement stipulation provided for impositions of an administrative fine of \$2000, costs of \$133.29, with joint and several liability for payment of the fine and costs, one year of probation, and they must file all missing reports and show proof of positive net worth and working capital within 30 days of the filing of the Final Order adopting the Settlement Stipulation.

Ms. Clark stated she could not recommend to the board that they accept the terms of the stipulation, because if the company did not file within 30 days, the board will be right back to the starting point. She further stated considering they executed the stipulation in July 2005, they have had more than 30 days to submit the information.

Mr. Hurst stated he could not represent to the board authoritatively what has been received subsequent the execution of the stipulation.

MOTION: Mr. Rodriguez moved to reject the settlement stipulation.  
SECOND: Mr. Moore seconded the motion and it passed unanimously.

**IV. REVIEW AND CONSIDERATION OF EMPLOYEE LEASING COMPANY AND CONTROLLING PERSON APPLICATIONS**

**A. Mullis Group of Georgia, Inc.  
Edgar O. Rawls, CO 313**

Ms. Woodard presented the application stating it is an application to become a group member of E Group, Inc. license number GL 87. She further stated that all exhibits were submitted and complete.

Ms. Woodard further stated that the applicant submitted the certificate of insurance of workers' compensation coverage with the application, however, DFS did not confirm proof of coverage.

Mr. Timothy Tack and Mr. Trey Rawls were present and represented the applicant.

Mr. Rawls was sworn in and stated he was the risk manager for Encore Georgia, and could provide a letter from the workers' compensation carrier confirming coverage if the board desired.

MOTION: Mr. Rodriguez moved to approve the application pending receipt of a letter from the carrier confirming workers' compensation coverage and that provides the federal identification number of the company within 15 days.

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

**B. Larry J. Brock, Controlling Person Applicant  
Confederated Staffing, Inc. – EL 81**

Ms. Woodard presented the application stating that all exhibits were submitted and complete and the only outstanding items are the criminal history reports from the FDLE and FBI.

Mr. Timothy Tack was present and represented the applicant stating should anything derogatory be revealed on the reports that Mr. Brock would subject himself to the jurisdiction of the board.

MOTION: Mr. Crum moved to approve the application with the condition that should any derogatory information be revealed on the criminal history reports that Mr. Brock would appear before the board.

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

**C. Christopher R. Durkin, Controlling Person Applicant  
HMS Physician Services, Inc. – EL 38**

Ms. Woodard presented the application stating that all exhibits were submitted and complete.

MOTION: Mr. Rodriguez moved to approve the application.

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

**D. Sergio Rene Fernandez, Controlling Person Applicant**

**ADP TotalSource, Inc. – GM 226**  
**ADP TotalSource DE IV, Inc. – GM 225**  
**ADP TotalSource FL XI, Inc. – GM 11**  
**ADP TotalSource FL XIII, Inc. – GM 10**  
**ADP TotalSource FL XXIX, Inc. – GM 180**  
**ADP TotalSource I, Inc. – GL 33**  
**ADP TotalSource II, Inc. – GM 48**  
**ADP TotalSource III, Inc. – GM 86**  
**ADP TotalSource MI VI, LLC – GM 209**  
**ADP TotalSource MI VII, LLC – GM 210**  
**ADP TotalSource MI XXX, Inc. – GM 186**  
**ADP TotalSource of CO XXIII, GM 187**  
**ADP TotalSource NH XXVIII, Inc. – GM 281**

Ms. Woodard presented the application explaining it was presented to the board at the October 19, 2005 meeting. She stated at that meeting the board tabled discussion of the application until Mr. Fernandez would be able to appear before the board to answer questions about his “yes” answers to the background questions.

Mr. Fernandez was present and sworn in by the court reporter.

Mr. Moore asked Mr. Fernandez if he would clarify his answers to the bankruptcy questions listed on his application.

Ms. Dockery asked if Mr. Fernandez was in a position to have controlled or prevented 0 the bankruptcies from occurring.

Mr. Fernandez stated he was not due to the fact that the companies were privately-held companies with majority and controlling shareholders. He stated he was an officer of the companies, but final decisions were made by the individuals who truly controlled the companies, which were the stockholders. He further stated he was not a majority stockholder in either company.

For the record, Mr. Rodriguez stated the applicant is the Chief Financial Officer of ADP TotalSource, of which he is the President, and he does not believe that relationship would impact his decision.

MOTION: Mr. Moore moved to approve the application.

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

**V. REVIEW AND CONSIDERATION OF CHANGE OF OWNERSHIP APPLICATIONS**

**A. Blue Water Employee Leasing, LLC – EL 326**

**Name Change To: Howard Leasing II, Inc.**  
**(Michael Moran, CO 751, CP Relinquishment)**

Ms. Woodard presented the application stating Mr. Charles P. Howard and Mr. Charles J. Howard would be the new owners and controlling persons for the company. She further stated that Mr. Michael Moran, the current controlling person, wishes to relinquish his license upon approval of the change of ownership.

Ms. Woodard stated the applicant also wished to change the name of the company.

MOTION: Ms. Dockery moved to approve the change of ownership and name change applications and the controlling person relinquishment.

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

**B. Southeastern Staffing, Inc.- GL 8**

Ms. Woodard presented the application stating Global Employment Solutions, Inc. would be the new owner and that Mr. Howard Brill, CO 554 and Mr. Robert Larkin, CO 582, would be the controlling persons.

MOTION: Ms. Lanza moved to approve the application.

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

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

**A. Mullis Group II, Inc. – GM 190**

Ms. Woodard presented the termination stating there are no open or pending complaints against the licensee.

MOTION: Mr. Crum moved to accept the termination.

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

**VII. REVIEW AND CONSIDERATION OF CONTROLLING PERSON RELINQUISHMENTS**

**A. Donald O. Parrett, Co 97  
HMS Physician Services, Inc. – EL 38**

Ms. Woodard presented the relinquishment stating that there were no open or pending complaints against the licensee.

Ms. Dockery asked if there were any other controlling persons with the company besides Mr. Durkin whom was approved for licensure today.

Ms. Woodard answered no.

Ms. Dockery stated if Mr. Durkin was not approved then the board would not have reviewed the relinquishment of Mr. Parrett.

Ms. Woodard stated she was correct.

Ms. Dockery stated the letter from the company stated Mr. Parrett retired from the company on July 31, 2005 and she was concerned with who was the controlling person since that time.

Ms. Dockery stated she would like an investigation open into whom was the controlling person of the company from August 1, 2005 to present.

Ms. Woodard stated she would have an investigation opened as soon as she returned to the department.

MOTION: Ms. Lanza moved to accept the relinquishment.

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

## **VIII. REPORTS**

### **A. Office of the Attorney General – Mary Ellen Clark**

Ms. Clark stated there is no rules report for this month because there are no rules in play. She further stated until such time that there is activity involving the rules, there would be no further rules report.

### **B. Executive Director – John T. Knap**

Mr. Knap informed that the department has a new Secretary and she is interested in newsletters for the board. He stated he understood that this issue had come before the board previously and that the board did not wish to publish a newsletter, but wanted to know the board's position today.

The board decided they were not interested in publishing a newsletter, but maybe having a link on the board's webpage listing critical dates, i.e. annual assessment due dates, quarterly and annual financial statement due dates, etc.

Mr. Knap also mentioned an e-mail he received from Mr. Britt Landrum in support of ESAC's alternative licensing method.

Mr. Knap stated he would include a copy of the e-mail on the next telephone conference agenda.

Ms. Dockery asked if there was any status into the appointment of consumer members to the board.

Mr. Moore stated he had spoken with Ms. Jennifer Bottilucci in the Governor's Appointment Office informing her of the importance of these appointments. He stated Ms. Bottilucci stated she was still trying to get a date on the Governor's calendar, hopefully before Christmas.

Ms. Clark stated she was informed by Mr. Barnhart from the last meeting the desire of the board to notice for rule development , Rule 61G7-10.0014, F.A.C.

### **C. Office of the General Counsel – Eric Hurst**

No Report.

**D. Chairperson – Celeste Dockery**

No Report.

**IX. NEW BUSINESS**

The board decided to change the start time of the telephone conference call meetings to 10:00 a.m. instead of 8:00 a.m. which was previously agreed upon.

**X. OLD BUSINESS**

None

**XI. CORRESPONDENCE/INFORMATIONAL ONLY**

**A. Letter from Ambrose Employer Group, LLC**

Ms. Dockery mentioned the letter included in the agenda materials in support of the alternative licensing provisions to the employee leasing statutes.

**XII. ADJOURNMENT**

MOTION: Mr. Crum moved to adjourn.

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

The meeting adjourned at 11:50 a.m.