

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

**DECEMBER 19, 2007
10:00 a.m. EST**

I. CALL TO ORDER

The meeting was called to order at approximately 10:20 a.m. EST by Ms. Celeste Dockery, Board Chair.

II. ROLL CALL

MEMBERS PRESENT

Celeste Dockery, Chair
Ryan S. Moore, Vice-Chair
Gayla Parks
Deborah Segal
Marjorie Seltzer

MEMBERS ABSENT

Kelly K. Lanza (Excused)

STAFF PRESENT

Rick Morrison, Executive Director, DBPR
Krista B. Woodard, Government Analyst II, DBPR
Garnett Chisenhall, Board Counsel, Office of the Attorney General
Eric Hurst, Assistant General Counsel, DBPR

OTHERS PRESENT

Michael Miller, Esquire
Tim Tack, Esquire
Jodi Jaiman
Aaron Bates
Cesar Martinez
Todd Hutchings
Mark Perlberg
Kathy Lively
Carey Painter
Robert Liess
Tim Tucker
David Fernandez
Robert Rodriguez
Brian Fischer, Esquire
Judith C. Malone
Chris Rhoden
Carla Busrk
Jerry Lancaster
Frank Crum
Dan McHenry

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

Ms. Dockery advised that Ms. Lanza would not be in attendance and that her absence would be excused.

III. THE PLEDGE OF ALLEGIANCE

Mr. Morrison led all in the Pledge of Allegiance.

IV. REVIEW AND APPROVAL OF THE OCTOBER 17, 2006 GENERAL BUSINESS MEETING MINUTES

MOTION: Ms. Seltzer moved to approve the minutes.

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

V. REVIEW AND APPROVAL OF THE NOVEMBER 19, 2006 TELEPHONE CONFERENCE CALL MEETING MINUTES

Ms. Seltzer made one correction. She stated that her name was not listed on the minutes as being in attendance and she was present.

MOTION: Ms. Seltzer moved to approve the minutes with corrections.

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

VI. DISCIPLINARY PROCEEDINGS – Office of the General Counsel

A. SETTLEMENT STIPULATIONS

- | | |
|--------------------------------|--------------------|
| 1. Afford-A-Staff, Inc. | 2006035450 |
| 2. Oliver Ackerley | 2006-035430 |

(PCP: Lanza and Moore – March 15, 2007)

Mr. Hurst presented the cases explaining they stem from violations involving failure to timely submit quarterly reports for quarters ending September 2005, December 2005, March 2006, June 2006 and September 2006; and failure to timely submit the annual financial statements for 2005.

Mr. Hurst stated the settlement stipulation provides for imposition of an administrative fine of \$5000, costs of \$180.30, with joint and several liability for payment of the fine and costs, and probation for a period of one (1) year for the Respondents during which time all filings must be timely.

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

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

3. Deborah Scott

2006-016219

(PCP: Lanza and Moore – August 16, 2006)

Mr. Hurst presented the cases explaining they stem from violations involving failure to timely submit the quarterly reports for quarters ending March 2005, June 2005, September 2005, December 2005, and March 2006, and failure to timely submit the annual financial statement for 2005.

Mr. Hurst stated the settlement stipulation provides for imposition of an administrative fine of \$7500, costs of \$237.20. He advised that the board rejected a previous settlement stipulation and requested the imposition of an administrative fine of \$9750.

Mr. Hurst advised that the original stipulation was a joint stipulation with the company, but the stipulation before the board today was only for Ms. Scott not the company.

Mr. Robert Rodriguez, Esquire and Ms. Scott were present.

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

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

B. HEARING(S) NOT INVOLVING DISPUTED ISSUES OF MATERIAL FACT

1. Southeastern Employee Benefits Group, Inc.

2007-026207

(PCP: Lanza and Moore – August 15, 2007)

Mr. Hurst presented the case explaining it stems from violations involving failure to maintain a workers' compensation policy in the name of the PEO for the quarters ended March 2006, June 2006, September 2006, December 2006 and March 2007.

MOTION: Ms. Dockery moved to adopt the allegations of fact in the administrative complaint as the findings of fact of the board.

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

Mr. Todd Hutchings, CPA, was present and sworn and spoke on behalf of the Respondent.

Mr. Hutchings advised that the company is domiciled in Atlanta, Georgia and does not have a physical presence in the State of Florida. He advised that a number of years back that the company changed its operating policy from having a policy in the name of the company to policies in the individual client names.

Mr. Hutchings stated that in his reading and interpretation of the law that it does not state whose name the policy has to be in. He further stated that he has tried to get a policy on the State of Florida in the name of the company, but the workers' compensation underwriter has declined to do so due to the fact that the company does not have a physical presence in the State and the company has to have labor dollars to get a policy in the State of Florida.

Ms. Dockery stated it has been the position of the board that there must be a master policy to cover any employee that may fall through the cracks. She further stated that with initial licensure, the company must have a policy in place to cover their employees.

Mr. Miller stated that FWCJUA has taken the position that if there is one employee in the State of Florida, that they would issue a policy.

Mr. Hutchings stated that is the problem. The company does not have one employee in the State.

Ms. Segal stated that she knows that Rule 61G7-10.0014, F.A.C. will be discussed at great lengths during the Rules Workshop in February, but would like to table discussion of this case until after the workshop.

MOTION: Ms. Segal moved to table discussion of the case until after the Rules Workshop in February 2008.

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

C. MOTION FOR WAIVER OF RIGHTS AND FINAL ORDER

1. Excel PEO, Inc.

2006-016205

(PCP: Lanza and Moore – August 16, 2006)

Mr. Hurst presented the cases explaining they stem from violations involving failure to timely submit the quarterly reports for quarters ending March 2005, June 2005, September 2005, December 2005, and March 2006, and failure to timely submit the annual financial statement for 2005.

MOTION: Ms. Dockery moved that the Respondent has waived its right to a hearing.

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

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: Ms. Parks seconded the motion and it passed unanimously.

MOTION: Ms. Dockery moved to revoke the Respondent's license, impose an administrative fine of \$9750 and costs of \$187.90.

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

2. Personnel Advantage East, Inc.

2007-027801

3. Richard Kearby

2007-027807

4. Chris Layne

2007-027809

5. Douglas S. Hasty

2007-027805

(PCP: Lanza and Moore – August 15, 2007)

Mr. Hurst advised that these cases were listed on the agenda as a Waiver of Rights and Final Order; however, he subsequently received a signed settlement stipulation.

Mr. Hurst presented the case explaining it stems from violations involving failure to report a positive net worth in the March 2006 and June 2006 quarterly reports; failure to timely submit quarterly reports for March 2006 and March 2007; failure to timely submit the 2006 fiscal year end financial statements; and failure to timely pay the annual assessment fee for 2006.

Mr. Hurst stated the settlement stipulation provides for imposition of an administrative fine of \$6000, costs of \$72.680, with joint and several liability for payment of the fine and costs.

Mr. Mike Miller, Esquire, was present and represented the Respondents.

Ms. Segal asked if all filings were current.

Mr. Miller stated he could not answer that question at this time and would not have a problem tabling discussion until a later date.

MOTION: Ms. Segal moved to table discussion of the cases until the February 2008 meeting as which time there is assurance that all deficiencies have been cured and all filings current.

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

6. SEMCO IV, Inc.

2006-064849

(PCP: Lanza and Moore – August 15, 2007)

Mr. Hurst advised that this case is listed on the agenda as a Waiver of Rights and Final Order; however, he subsequently received a signed settlement stipulation.

Mr. Hurst presented the case explaining it stems from a violation involving failure to timely pay the annual assessment fee for 2005.

Mr. Hurst stated the settlement stipulation provides for imposition of an administrative fine of \$1500 and costs of \$27.85.

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

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

** The board recessed from 11:00 a.m. until 11:30 a.m. to review the agenda addendum.**

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

**A. Infiniti Resources Management of South Florida, Inc.
Michael Jones, CO 838
Clarissa Thompson, CO 639**

Ms. Woodard presented the application stating all exhibits were submitted and complete. She further stated that Department of Financial Services (DFS) indicated that

the worker's compensation policy submitted for the company was a non-employee leasing policy. However, she did subsequently receive a letter from the agent advising of workers' compensation coverage.

Ms. Woodard further stated that she is awaiting contract approval from Mr. Chisenhall.

Mr. Timothy Tack, Esquire, was present and presented the applicant.

MOTION: Mr. Moore moved to approve the application contingent upon receipt of contract approval and confirmation of workers' compensation coverage from DFS.

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

B. PaysourceUSA, Inc.

C. PaysourceUSA II, Inc.

D. PaysourceUSA III, Inc.

Charles C. Painter, Controlling Person Applicant

James A. Schuttinger, Controlling Person Applicant

Ms. Woodard presented the applications stating they are for a group leader and group members. She further stated that all exhibits were submitted and complete and that workers' compensation was confirmed by DFS on December 17, 2007.

Ms. Woodard also advised that she is awaiting contract approval from Mr. Chisenhall.

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

Mr. Mike Miller and Mr. Painter were present. Mr. Painter was sworn in.

Mr. Moore asked questions of the tax lien and civil judgments listed on the application.

Mr. Painter stated they were a result of 9/11.

Mr. Miller represented the applicant stating should anything derogatory be revealed on the criminal history reports that Mr. Painter would subject himself to the jurisdiction of the board.

MOTION: Mr. Moore moved to approve the applications pending receipt of proof of satisfaction of the lien, approval of the contract and with the condition that should any derogatory information is revealed on the criminal history reports that Mr. Painter would appear before the board.

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

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

Mr. Miller represented the applicant stating should anything derogatory be revealed on the criminal history reports that Mr. Schuttinger would subject himself to the jurisdiction of the board.

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

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

**E. Garry John Welsh, Controlling Person Applicant
Gevity HR II, L.P. – GL 99**

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. She further stated that the applicant did not answer question 2 on the background information.

Mr. Miller represented the applicant stating should anything derogatory be revealed on the criminal history reports that Mr. Welsh would subject himself to the jurisdiction of the board.

MOTION: Ms. Seltzer moved to approve the application pending receipt of a corrected application wherein all background questions are answered and with the condition that should any derogatory information be revealed on the criminal history reports that Mr. Welsh would appear before the board.

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

VIII. REVIEW AND CONSIDERATION OF CHANGE OF OWNERSHIP APPLICATIONS

**A. Advantage Employer Solutions, Inc. – GL 109
Advantage Employer Solutions II, Inc. – GM 270
Advantage Employer Solutions III, Inc. – GM 271
Advantage Employer Solutions IV, Inc. – GM 272
Advantage Employer Solutions V, Inc. – GM 273**

Ms. Woodard presented the application stating Oasis Outsourcing, Inc. would be the new owner, and that Mr. Mark Perlberg, CO 779 and Mr. Terry Mayotte, CO 295 would be the controlling persons for the company.

MOTION: Ms. Segal moved to approve the change of ownership applications.

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

**B. Professional Employer Plans, Inc. – GL 65
Professional Employer Plans II, Inc. – GM 133
Professional Employer Services, Inc. – GM 134**

Ms. Woodard presented the application stating Oasis Outsourcing, Inc. would be the new owner, and that Mr. Mark Perlberg, CO 779 and Mr. Terry Mayotte, CO 295 would be the controlling persons for the company.

MOTION: Ms. Seltzer moved to approve the change of ownership applications.
SECOND: Ms. Parks seconded the motion and it passed unanimously.

C. Professional Employer Plans III, Inc. – EL 273

Ms. Woodard presented the application stating Oasis Outsourcing, Inc. would be the new owner, and that Mr. Mark Perlberg, CO 779 and Mr. Terry Mayotte, CO 295 would be the controlling persons for the company.

MOTION: Ms. Seltzer moved to approve the change of ownership applications.
SECOND: Ms. Segal seconded the motion and it passed unanimously.

D. Professional Employer Plans VI, Inc. – EL 280

Ms. Woodard presented the application stating Oasis Outsourcing, Inc. would be the new owner, and that Mr. Mark Perlberg, CO 779 and Mr. Terry Mayotte, CO 295 would be the controlling persons for the company.

MOTION: Ms. Seltzer moved to approve the change of ownership applications.
SECOND: Ms. Parks seconded the motion and it passed unanimously.

**E. Professional Employer Plans VII, Inc. – GL 101
Professional Employer Plans IX, Inc. – GM 244
Professional Employer Plans VIII, Inc. – GM 243
Professional Employer Plans XI, Inc. – GM 245**

Ms. Woodard presented the application stating Oasis Outsourcing, Inc. would be the new owner, and that Mr. Mark Perlberg, CO 779 and Mr. Terry Mayotte, CO 295 would be the controlling persons for the company.

MOTION: Ms. Segal moved to approve the change of ownership applications.
SECOND: Ms. Seltzer seconded the motion and it passed unanimously.

**F. Staff Management Solutions, Inc. – GL 110
Staff Management Solutions II, Inc. – GM 274
Staff Management Solutions III, Inc. – GM 275
Staff Management Solutions IV, Inc. – GM 276
Staff Management Solutions V, Inc. – GM 277**

Ms. Woodard presented the application stating Oasis Outsourcing, Inc. would be the new owner, and that Mr. Mark Perlberg, CO 779 and Mr. Terry Mayotte, CO 295 would be the controlling persons for the company.

MOTION: Ms. Parks moved to approve the change of ownership applications.
SECOND: Ms. Seltzer seconded the motion and it passed unanimously.

IX. REPORTS

A. Office of the Attorney General – Garnett Chisenhall

Mr. Chisenhall reminded the board that the Joint Administrative Procedures Committee (JAPC) was not going to file an objection to Rule 61G7-10.0014, F.A.C., which allows the utilization of client-based policies.

He asked if the board wanted Form 4522 to be submitted on an annual or quarterly basis.

Mr. Chisenhall stated there may be some pending Legislative action on client based policies and the board may want to make more changes to the form. He further stated that Mr. Moore had suggested tabling discussion of this matter until after the Rules workshop scheduled for February 2008.

Mr. Moore stated he felt it was premature to rule on the form at this juncture especially with questions being raised about the operation, handling, and processing of the form.

Ms. Dockery stated that Rule 61G7-10.0014, F.A.C. already exists, but the problem with the rule is that there is no mechanism in place to regulate it. She stated that the intent of Form 4522 is to have the mechanism that would regulate that rule.

After extensive discussion, the following motion was made.

MOTION: Ms. Dockery moved to table discussion of Form 4522 and Rule 61G7-10.0014, F.A.C. until the Rules Workshop scheduled for February 2008.

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

B. Office of the General Counsel – Eric Hurst

Mr. Hurst reported that the prosecuting attorney's report was included in the agenda materials.

C. Executive Director – Richard Morrison

Mr. Morrison mentioned the Operating and Unlicensed Activity Financial Reports for September 30, 2007 contained in the agenda materials.

D. Chairperson – Celeste Dockery

No Report.

X. OLD BUSINESS

None

XI. NEW BUSINESS

None

XII. ADJOURNMENT

MOTION: Ms. Seltzer moved to adjourn the meeting.

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

The meeting adjourned at 1.00 p.m.