

**BOARD OF EMPLOYEE LEASING COMPANIES  
TELEPHONE CONFERENCE CALL MEETING MINUTES  
WEDNESDAY, MARCH 16, 2005  
10:00 a.m. EST  
MEET-ME-NUMBER: (850) 414-1708**

**I. CALL TO ORDER**

The meeting was called to order at approximately 10:00 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**

None

**STAFF PRESENT**

John T. Knap, Executive Director, DBPR  
Krista B. Woodard, Government Analyst II, DBPR  
Mary Ellen Clark, Board Counsel, Office of the Attorney General  
Lauren Green, Law Clerk, Office of the General Counsel, DBPR  
Michael Edenfield, OMC/Auditor, DBPR

**OTHERS PRESENT**

Tasha Carter, Department of Financial Services  
Michael Miller, Kunkel, Miller & Hament, P.A. and FAPEO  
Mary Collins  
Sonja Tant  
Alberto Hernandez  
Robert Simmons  
Ted Kazaglis, Esquire  
Jay Pimentel  
Paul Hughes  
Glen Distefano  
Scott Buchanan  
William Bowles  
Elise Lynn, Esquire  
David G. Bell  
David Miller  
Virginia Dorris  
Dori Rath  
Douglas Mishler  
Vance Carter  
Richard Kearby

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

### III. REVIEW AND APPROVAL OF THE FEBRUARY 16, 2005 GENERAL BUSINESS MEETING MINUTES

MOTION: Mr. Moore moved to approve the minutes.

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

### IV. EMPLOYEE LEASING COMPANY AND CONTROLLING PERSON APPLICATIONS

#### A. Design HR, Inc. Scott Buchanan, CO 640

Ms. Woodard presented the application stating it is an application to become a group member of Human Resources, Inc., license number GL 86. She further stated that all exhibits were submitted and complete.

Ms. Woodard informed the board that workers' compensation coverage was confirmed by the Department of Financial Services on March 16, 2005.

MOTION: Ms. Lanza moved to approve the application.

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

#### B. Howard Leasing, Inc. Charles P. Howard, Controlling Person Applicant Charles J. Howard, Controlling Person Applicant

Ms. Woodard presented the application stating all exhibits were submitted and complete. She further stated along with the certificate of insurance, the applicant provided a letter from the carrier advising of workers' compensation coverage.

Ms. Woodard presented the controlling person application of Charles P. Howard stating there is an open investigation against Mr. Howard and the only outstanding items are the criminal history reports from the Florida Department of Law Enforcement (FDLE) and the Federal Bureau of Investigations (FBI).

Ms. Woodard presented the controlling person application of Charles J. Howard stating the only outstanding items are the criminal history reports from the FDLE and FBI.

Mr. Michael Miller represented the applicants stating Mr. Charles P. Howard has entered into a settlement stipulation with the Department which provided for an administrative fine of \$1000, costs of \$59.24 and immediate cease of any and all unlicensed employee leasing activities.

Ms. Lauren Green confirmed Mr. Miller's statement.

Ms. Elise Linn, counsel for Crum Services, explained the relationship between Crum Services and Tristaff, which is the company owned by the Howards. She advised because of this relationship, Crum Services was involved in the open investigation against Tristaff and Mr. Howard.

Ms. Linn stated one of the items requested from Tristaff and the Howards was a written

statement guaranteeing they were not in the business of employee leasing. She advised the statement was provided and a copy is included in the investigation file.

Mr. Crum advised the board he was personally involved in this case and was assured that Tristaff was not involved in employee leasing. However, the letter that was written assuring non-employee leasing activities was a blatant lie and because of this he was included in the investigation of unlicensed activity by the Department.

Mr. Moore stated he had a professional and personal obligation to this matter and as a member of the family and as a member of the board, he can assure that he was aware of every agreement to make sure that the general public knew that they were involved in the staffing industry.

Ms. Lanza asked if they signed the stipulation stating they were conducting unlicensed activity.

Mr. Miller stated they signed the stipulation stating they neither admit nor deny the allegations.

Ms. Clark stated that is the standard language.

Ms. Clark advised the board to postpone action on the applications until the April 2005 meeting wherein Ms. Woodard would provide all relevant information pertaining to the investigation and settlement stipulation.

MOTION: Ms. Dockery moved to table discussion of the applications until the April 2005 meeting at which time Ms. Woodard would provide all relevant information pertaining to the investigative report, administrative complaint, settlement stipulation and final order.

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

- C. H R Specialists, Inc.**
- D. Human Resources Management, Inc.**  
**Scott Buchanan, CO 640**

Ms. Woodard presented the applications stating they are applications to become group members of Human Resources, Inc., license number GL 86. She further stated that all exhibits were submitted and complete.

Ms. Woodard informed the board that workers' compensation coverage was confirmed by the Department of Financial Services on March 16, 2005.

MOTION: Ms. Lanza moved to approve applications.

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

- E. NELCO One, Inc.**
- F. NELCO Two, Inc.**  
**Virginia A. Dorris, CO 83**  
**Dori A. Rath, CO 216**  
**Douglas O. Mishler, CO 545**

Ms. Woodard presented the applications stating they are applications to become group members of NELCO Six, Inc., license number GL 69. She further stated that all exhibits were submitted and complete.

Ms. Woodard informed the board in addition to the certificate of insurance, the applicant submitted a letter from the carrier advising of workers' compensation coverage.

MOTION: Mr. Moore moved to approve the applications.

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

**G. NELCO Three, Inc.**  
**Virginia A. Dorris, Co 83**  
**Dori A. Rath, CO 216**  
**Douglas O. Mishler, CO 545**

Ms. Woodard presented the application stating it is an application to become a group member of National Employee Leasing Company, Inc., license number GL 36. She further stated that all exhibits were submitted and complete.

Ms. Woodard informed the board in addition to the certificate of insurance, the applicant submitted a letter from the carrier advising of workers' compensation coverage.

MOTION: Mr. Moore moved to approve the application.

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

**H. Personnel Advantage East, Inc.**  
**Richard Kearby, Controlling Person Applicant**

Ms. Woodard presented the application stating all exhibits were submitted and complete. She further stated in addition to the certificate of insurance, the applicant submitted a letter from the agent advising of coverage upon licensure.

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

Mr. Kearby was present and represented by Mr. Miller.

Mr. Miller stated should anything derogatory be revealed on the criminal history reports that Mr. Kearby would subject himself to the jurisdiction of the board.

MOTION: Ms. Dockery moved to approve the applications with the condition that should any derogatory information be revealed on the reports that Mr. Kearby would appear before the board.

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

**I. ProceSource, Inc.  
Robert C. Simmons, Controlling Person Applicant**

Ms. Woodard presented the company application stating all exhibits were submitted and complete. She further stated in addition to the certificate of insurance, the applicant submitted a letter from the carrier advising of workers' compensation coverage.

Ms. Woodard presented the controlling person application stating all exhibits were submitted and complete and the only outstanding item is the criminal history report from the FBI.

Ms. Lanza stated she understood there is an agreement with Florida Workers' Compensation Joint Underwriting Association (FWCJUA) regarding submission of a letter advising of workers' compensation coverage upon licensure, but asked if there was also an agreement wherein an insurance company can submit a letter advising of workers' compensation coverage upon licensure.

Ms. Dockery stated the board has approved applications in the past with that type of letter.

Ms. Carter advised the board the workers' compensation database had not been updated with the current coverage information for this company.

Ms. Miller advised that it has been the practice of the board to accept letters from the carrier or the agent in the event the database had not been updated.

Mr. Rodriguez stated when he first joined the board he had the same question as Ms. Lanza and was informed the board would accept letters from the carrier or the agent as long as it was written on official letterhead.

Mr. Rodriguez asked if the board could implement the same practice as they have done for the FDLE/FBI reports as the practice for confirmation of workers' compensation coverage.

Mr. Miller stated on behalf of the applicant they would make the same representation as they have done for the FDLE/FBI reports, that should there be no coverage, the applicants would subject themselves to the jurisdiction of the board.

Ms. Dockery stated she would like to make that a practice of the board.

Ms. Woodard stated she would confirm coverage with Ms. Carter of the companies that submit letters from the carrier.

Ms. Dockery asked what is the timeframe for submission of coverage of a policy to the state's database.

Ms. Carter informed that Florida Statutes requires carriers to submit the information to the Department of Financial Services (DFS) within 30 days of the effective date of the policy.

Ms. Lanza asked if NCCI submits the information to DFS.

Ms. Carter stated it depends on the type of arrangement that has been established with the carrier. Some carriers report directly to NCCI and NCCI then reports to DFS. Other carriers report directly to DFS.

Mr. Rodriguez stated someone should check into this situation.

Ms. Carter stated one way to avoid this situation in the future is if the policy information is not listed in the proof of coverage database when Ms. Woodard sends the documents, to contact the carrier and have the carrier submit the information. Therefore by the time the meeting is held the information should be in the system.

Ms. Dockery stated that is a wonderful idea.

Mr. Rodriguez stated it would be difficult for him, in the future, to deny an applicant because the proof of coverage is not in the system due to someone's negligence mechanically or electronically. He stated a letter from an insurance company is a very good document, unless it is a forgery.

Ms. Carter stated if the carrier can send a letter verifying and stipulating there is coverage, they could also submit their information electronically. She further stated if a letter is received from the carrier prior to the meeting, her department could contact the carrier and request they submit the information electronically.

Mr. Rodriguez agreed.

Mr. Miller stated should anything derogatory be revealed on the criminal history reports or should there be no proof of workers' compensation coverage that the applicant would subject himself to the jurisdiction of the board.

MOTION: Ms. Lanza moved to approve the application stipulating should anything derogatory be revealed on the criminal history reports or should there be no proof of workers' compensation coverage, the applicant would appear before the board.

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

**J. Staffing and Payroll Alternative, Inc.**  
**J. David Miller, Controlling Person Applicant**  
**Ann S. Miller, Controlling Person Applicant**

Ms. Woodard presented the company application stating all exhibits were submitted and complete. She further stated in addition to the certificate of insurance, the applicant submitted affidavits in accordance with Rule 61G7-10.0014(3), Florida Administrative Code.

Ms. Woodard presented the controlling person application of J. David Miller stating all exhibits were submitted and complete and the only outstanding item is the criminal history report from the FBI.

Ms. Woodard presented the controlling person application of Ann S. Miller stating all exhibits were submitted and complete and the only outstanding item is the criminal history report from the FBI.

Mr. Mike Miller represented the applicants stating should anything derogatory be revealed on the criminal history reports that the applicants would subject themselves to the jurisdiction of the board.

Ms. Carter stated she had a concern with the workers' compensation policy only covering the office staff and not the client companies.

Mr. Mike Miller stated that is the unique way Guarantee Insurance Company is writing their policies. He stated it appears to be a Multiple Coordinated Policy (MCP). The master policy is issued to the employee leasing company and individual policies are written in the name of each client.

Mr. Rodriguez asked how coverage is verified on an annual basis during renewals. He wanted to know if the board receives certificates for each individual client.

Ms. Lanza stated quarterly filings are to include the certificates.

Ms. Dockery asked if this type of situation would be subject to Rule 61G7-10.0014, F.A.C. wherein a certified public accountant would have to verify the certificates and the CEO would have to sign the affidavit.

Mr. Mike Miller stated yes.

Mr. Miller stated a meeting was held with the Division of Workers' Compensation Compliance Department, and at that meeting there was discussion as to how the MCPs should read. A final determination is to be forthcoming from the Division of Workers' Compensation.

Mr. Rodriguez asked if we could approve an application wherein the certificate of insurance shows coverage for office employees only.

Ms. Dockery stated in the rule it specifically states the leasing company must be covered.

Mr. Mike Miller stated as of this date there is proof of coverage for the leasing company, which is what is required by rule.

Ms. Dockery stated she would like to schedule a workshop to take several of these issues to work through them.

Mr. Miller stated that DFS is working on these issues and asked Ms. Carter if it would be feasible to have a joint workshop with DBPR to discuss these issues.

Ms. Carter stated that would be an excellent idea and it would allow each department involved and industry people to provide input.

Ms. Dockery asked if it would be possible to have this discussion at the April 2005 meeting immediately following normal agenda items.

Mr. Mike Miller stated probable cause is normally after the general business meeting and asked if that meeting could be held at 8:30 a.m. given that the time of the general business meeting is not scheduled to begin until 10:00 a.m.

Ms. Clark stated 8:30 a.m. was fine to hold the probable cause panel meeting.

The board agreed to begin the probable cause panel meeting at 8:30 a.m. and the general business meeting at 10:00 a.m. with a discussion on workers' compensation immediately following normal agenda items.

After further discussion, the following motion was made:

MOTION: Ms. Lanza moved to approve the applications with the condition that should any derogatory information be revealed on the criminal history reports that the applicants would appear before the board.  
SECOND: Mr. Crum seconded the motion and it passed unanimously.

**K. TriNet Acquisition Corporation**  
**Martin Babinec, Controlling Person Applicant**  
**Gregory Hammond, Controlling Person Applicant**  
**Douglas P. Devlin, Controlling Person Applicant**

Ms. Woodard presented the company application stating all exhibits were submitted and complete. She further stated workers compensation coverage was confirmed by DFS on February 1, 2005.

Ms. Woodard presented the controlling person applications stating 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 applicants stating should anything derogatory be revealed on the criminal history reports that the applicants would subject themselves to the jurisdiction of the board.

MOTION: Mr. Moore moved to approve the applications with the condition that should any derogatory information be revealed on the criminal history reports that the applicants would appear before the board.  
SECOND: Ms. Lanza seconded the motion and it passed unanimously.

**L. Alberto Hernandez, Controlling Person Applicant**  
**Services to Agriculture I, LLC – GL 79**  
**Services to Agriculture II, LLC – GM 174**  
**Services to Agriculture III, Inc. – GM 236**  
**Services to Agriculture IV, Inc. – EL 236**  
**HHG IV, Inc. – GM 265**

Ms. Woodard presented the application stating that all exhibits were submitted and complete and the criminal history reports from the FDLE and FBI indicates one arrest. She further stated an explanation to the arrest was provided by the applicant.

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

**M. James P. O'Drobinak, Controlling Person Applicant**  
**Advantech Solutions I, LLC – GL 66**  
**Advantech Solutions II, LLC – GM 236**  
**Advantech Solutions III, LLC – GM 256**  
**Advantech Solutions IV, LLC – GM 211**  
**Advantech Solutions VII, LLC – GM 212**  
**TalTech Resources, LLC – EL 286**

Ms. Woodard presented the application stating all exhibits were submitted and complete. She further stated there is an open case pending against Mr. O'Drobinak and the only outstanding items are the criminal history reports from the FDLE and FBI.

Ms. Mary Collins, Compliance Manager, represented the applicant.

Mr. Michael Edenfield informed the board that the open case pending against Mr. O'Drobinak is an unlicensed activity case and has now been referred to DBPR's legal section for handling.

Ms. Collins informed the board that Mr. O'Drobinak has not signed or negotiated anything on the employee leasing side of the business, pending approval of the controlling person's application.

Ms. Clark asked if there was a settlement agreement in place.

Ms. Lauren Green stated she was not aware of any such agreement.

Ms. Clark advised to postpone discussion of the application until the April 2005 meeting at which time the matter may be resolved and/or a settlement agreement in place.

MOTION: Ms. Dockery moved to postpone discussion of the application until the April 2005 meeting.

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

**N. Andrew Paul Sherman, Controlling Person Applicant**  
**ADP TotalSource, Inc. – GL 104**  
**ADP TotalSource DE IV, Inc. – GM 225**  
**ADP TotalSource MI VI, LLC – GM 209**  
**ADP TotalSource MI VII, LLC – GM 210**  
**ADP TotalSource Services, Inc. – GL 4**  
**ADP TotalSource FL XI, Inc. – GM 11**  
**ADP TotalSource FL XIII, Inc. – GM 10**  
**ADP TotalSource FL XVII, Inc. – GM 140**  
**ADP TotalSource MI XXX, Inc. – GM 186**  
**ADP TotalSource I, Inc. – GL 33**  
**ADP TotalSource II, Inc. – GM 48**  
**ADP TotalSource III, Inc. – GM 86**  
**ADP TotalSource FL XXIX, Inc. – GM 180**  
**ADP TotalSource of CO XXIII, Inc. – GM 187**

Ms. Woodard presented the application stating all exhibits were submitted and complete. She further stated the FDLE, FBI and credit reports are clear.

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

**O. William D. Spruce, Controlling Person Applicant  
Employer Professional Services, Inc. – GL 39  
EPS I, Inc. – GM 78  
EPS II, Inc. – GM 79  
EPS III, Inc. – GM 107**

Ms. Woodard presented the application stating all exhibits were submitted and complete. She further stated the FDLE, FBI and credit reports are clear.

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

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

**A. Jobs on the Beach, Inc. – EL 315  
David G. Bell, Controlling person Applicant**

Ms. Woodard presented the application stating that David G. Bell, controlling person applicant, would be the new owner and controlling person for the company.

Ms. Woodard presented the controlling person application stating all exhibits were submitted and complete and the only outstanding item is the criminal history report from the FBI.

Mr. Miller stated should anything derogatory be revealed on the criminal history report that Mr. Bell would subject himself to the jurisdiction of the board.

MOTION: Ms. Dockery moved to approve the change of ownership and controlling person applications with the condition that should any derogatory information be revealed on the report that Mr. Bell would appear before the board.  
SECOND: Mr. Moore seconded the motion and it passed unanimously.

**VI. REVIEW AND CONSIDERATION OF EMPLOYEE LEASING COMPANY NAME CHANGES**

**A. SDG Services, Inc.  
NAME CHANGE TO: American United Employers II, Inc.**

Ms. Woodard presented the application stating it is complete.

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

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

- A. The Bowles Group, Inc. dba Workforce  
(Lori Bowles, CO 106, Controlling Person Relinquishment)  
(William D. Bowles, CO 367, Controlling Person Relinquishment)**

Ms. Woodard presented the termination and relinquishments stating there were no complaints open or pending against the licensees.

MOTION: Mr. Crum moved to accept the termination and relinquishments.  
SECOND: Mr. Moore seconded the motion and it passed unanimously.

- B. Sunshine Staff Leasing, Inc. – GL 29  
Sunshine Companies, Inc. – GM 51  
Sunshine Companies II, Inc. – GM 94  
Sunshine Companies III, Inc. – GM 118  
Sunshine Companies IV, Inc. – GM 148**

Ms. Woodard presented the terminations stating there were no complaints open or pending against the licensees.

MOTION: Ms. Dockery moved to accept the termination.  
SECOND: Mr. Moore seconded the motion and it passed unanimously.

**VIII. REVIEW AND CONSIDERATION OF CONTROLLING PERSON LICENSE RELINQUISHMENTS**

- A. Susan Arkenau, CO 580  
Smart Payroll Solutions – GL 75**

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

MOTION: Ms. Dockery moved to accept the relinquishment.  
SECOND: Ms. Lanza seconded the motion and it passed unanimously.

- B. Glen J. Distefano, CO 543  
National Ag Services, Inc. – GL 97**

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

MOTION: Ms. Dockery moved to accept the relinquishment.  
SECOND: Ms. Lanza seconded the motion and it passed unanimously.

**IX. DEFICIENT EMPLOYEE LEASING COMPANY APPLICATIONS FOR REVIEW**

**A. BCS Services, Inc.**

Ms. Woodard presented the application stating it has been deficient for over 90 days and at the request of the board, notification was mailed to the applicant to cure the deficiencies in the application within 30 days of the notice.

Ms. Woodard further stated the applicant did not respond to the notice and therefore did not meet the requirements of Section 468.5275(1)(a), Florida Statutes.

MOTION: Ms. Lanza moved to deny the application after consideration and review of the information provided for failure to comply with Section 468.5275(1)(a), FS.

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

**B. C2 Portfolio Essentials, Inc.**

Ms. Woodard presented the application stating it has been deficient for over 90 days and at the request of the board, notification was mailed to the applicant to cure the deficiencies in the application within 30 days of the notice.

Ms. Woodard further stated the applicant did not respond to the notice and therefore did not meet the requirements of Section 468.5275(1)(a), Florida Statutes.

MOTION: Ms. Lanza moved to deny the application after consideration of the information provided for failure to comply with Section 468.5275(1)(a), FS.

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

**C. Employers Consortium, Inc.**

Ms. Woodard presented the application stating the application has been deficient for over 90 days and at the request of the board, notification was mailed to the applicant to cure the deficiencies in the application within 30 days of the notice.

Ms. Woodard further stated the applicant did not respond to the notice and therefore did not meet the requirements of Section 468.524, Florida Statutes.

MOTION: Ms. Lanza moved to deny the application after consideration of the information provided for failure to comply with Section 468.524, FS.

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

**D. Employers Depot, Inc.**

Ms. Woodard presented the application stating the application has been deficient for over 90 days and at the request of the board, notification was mailed to the applicant to cure the deficiencies in the application within 30 days of the notice.

Ms. Woodard further stated the applicant did not respond to the notice and therefore did not meet the requirements of Section 468.524, Florida Statutes.

MOTION: Ms. Lanza moved to deny the application after consideration of the information provided for failure to comply with Section 468.524, FS.  
SECOND: Ms. Dockery seconded the motion and it passed unanimously.

#### **E. Employers Resource**

Ms. Woodard presented the application stating the application has been deficient for over 90 days and at the request of the board, notification was mailed to the applicant to cure the deficiencies in the application within 30 days of the notice.

Ms. Woodard further stated the applicant did not respond to the notice and therefore did not meet the requirements of Section 468.5275(1)(a), Florida Statutes.

MOTION: Ms. Lanza moved to deny the application after consideration of the information provided for failure to comply with Section 468.5275(1)(a), FS.  
SECOND: Ms. Dockery seconded the motion and it passed unanimously.

### **X. REPORTS**

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

Ms. Clark informed the board the changes to Rule 61G7-5.002, Florida Administrative Code would be effective the end of this month.

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

Ms. Dockery introduced and welcomed Mr. Knap to the board.

Mr. Knap stated he looks forward to working closely with the board and he has no report for this meeting.

#### **C. Chairperson – Celeste Dockery**

No Report

### **X. NEW BUSINESS**

None

### **XI. OLD BUSINESS**

None

## **XII. ADJOURNMENT**

MOTION: Ms. Dockery moved to adjourn.

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

The meeting adjourned at 11:33 a.m.