

**BOARD OF EMPLOYEE LEASING COMPANIES
GENERAL BUSINESS MEETING MINUTES
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
1940 NORTH MONROE STREET
TALLAHASSEE, FLORIDA 32399-0767
FEBRUARY 17, 2010
10:00 a.m. EST**

Prior to the official opening of the meeting, Interim Secretary Charlie Liem introduced himself and welcomed the board to Tallahassee. He also thanked the members of the board for volunteering their time to serve the people of the state of Florida.

Interim Secretary Liem also introduced Ms. Rose Naff, Director of Service Operations, and Ms. Tanya Akins Corbello, Chief Performance Officer. He informed the board that if they should have any questions or concerns, they should contact him directly.

I. CALL TO ORDER

The meeting was called to order at approximately 10:10 a.m. EST by Ms. Marjorie Seltzer, Board Chair.

II. ROLL CALL

MEMBERS PRESENT

Marjorie Seltzer, Chair
Abram Finkelstein, Vice Chair
Celeste Dockery
John Jones
Gayla Parks
Deborah Segal

MEMBERS ABSENT

STAFF PRESENT

Tim Vaccaro, Division Director, Division of Professions, DBPR
Rick Morrison, Executive Director, DBPR
Krista B. Woodard, Government Analyst II, DBPR
Lisa Comingore, Board Counsel, Office of Attorney General
Eric Hurst, Assistant General Counsel, DBPR

OTHERS PRESENT

Anissa McDuffie, Division of Regulation
Mark Mark, Department of Financial Services, Workers' Compensation
Michael Miller, Kunkel, Miller & Hament, P.A. and FAPEO
Caitlin Sirico, Paychecks Plus
Larry Bennett, First Financial
Kathryn Dyndul, Pyramid Employer Services
Dan Ricker
Barbara Pailley
Vito Sernas, Risk Transfer
Tricia Russo, ADP

Michael C., FAPEO and Pyramid

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

III. THE PLEDGE OF ALLEGIANCE

Mr. Morrison led all in the Pledge of Allegiance.

IV. REVIEW AND APPROVAL OF THE NOVEMBER 18, 2009 GENERAL BUSINESS MEETING MINUTES

MOTION: Mr. Finkelstein moved to approve the minutes.

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

V. REVIEW AND APPROVAL OF THE DECEMBER 23, 2009 TELEPHONE CONFERENCE CALL MEETING MINUTES

MOTION: Ms. Segal moved to approve the minutes.

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

VI. REVIEW AND APPROVAL OF THE JANUARY 20, 2010 TELEPHONE CONFERENCE CALL MEETING MINUTES

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

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

VII. DISCIPLINARY PROCEEDINGS – Office of the General Counsel

A. SETTLEMENT STIPULATIONS

Case #

1. Barbara Pailley

2009-047800

2. Barbara Pailley

2009-052880

Mr. Hurst presented the cases explaining they stem from violations involving failure to submit the March 2009 and June 2009 quarterly reports, failure to submit the annual financial statement for 2008, and withholding FICA taxes and failing to repay.

Ms. Hurst stated the Settlement Stipulation provides for the waiver of finding of probable cause, an administrative fine of \$2000 and costs of \$92.95.

Ms. Pailley was present and sworn in. After discussion, the following motion was made.

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

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

3. Paychecks Plus, Inc.

2009-047790

Mr. Hurst presented the case explaining it stems from the deduction of excessive FICA withholdings and failure to return the funds.

Ms. Hurst stated the Settlement Stipulation provides for the waiver of finding of probable cause, an administrative fine of \$1000 and costs of \$138.48.

Ms. Caitin Sirico, Esquire, was present as a representative for the Respondent. After discussion, the following motion was made.

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

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

B. MOTION FOR WAIVER OF RIGHTS AND FINAL ORDER

1. Edgar Olin Rawls, Jr.

2007-061205

(PCP: Lanza and Seltzer – April 16, 2008)

Mr. Hurst presented the case explaining it stems from violations involving a conviction of conspiracy to commit wire fraud.

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

SECOND: Ms. Parks 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 board.

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

MOTION: Ms. Dockery moved to impose an administrative fine of \$5,000, costs of \$956.52, and revocation of the license.

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

Ms. Seltzer was recused from the vote due to her participation on the probable cause panel.

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

**A. Carin Forshier Novello, Controlling Person Applicant
AlphaStaff, Inc. – GL 49**

Ms. Seltzer presented the controlling person application of Carin Novello.

MOTION: Ms. Seltzer moved to approve the controlling person application.

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

**B. Jay K. Williams, Controlling Person Applicant
Bankers Employer Services, Inc. – GL 129**

Ms. Seltzer presented the controlling person application of Jay K. Williams.

Mr. Finkelstein asked if Mr. Williams or a representative was present. No one was present.

Mr. Finkelstein stated he would like to have a letter of verification from St. Lucie County that the tax lien as listed on his application and credit report was indeed satisfied. After further discussion, the following motion was made.

MOTION: Mr. Finkelstein moved to approve the controlling person application pending receipt of a letter of verification from St. Lucie County that the tax lien was satisfied.

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

IX. REVIEW AND CONSIDERATION OF DE MINIMUS EXEMPTION AND REGISTRATION APPLICATIONS

**A. Bower – HR, Inc.
(John P. Bower, President)**

Ms. Seltzer presented the application for Bower – HR, Inc.

MOTION: Ms. Seltzer moved to approve the application.

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

B. XEN 1, Inc.

**C. XEN 2, Inc.
(William H. Stoller, CEO)**

Ms. Seltzer presented the applications for XEN 1, Inc. and Xen 2, Inc.

Mr. Mark Mark with the Division of Financial Services, Workers' Compensation, stated there was not a current workers' compensation policy in effect for the applicants.

Ms. Seltzer asked if a representative from the company was present to answer questions.

Ms. Woodard presented a letter to the board from Ms. Shanda Molinsky asking the board to table discussion of the applications until the March 2010 telephone conference call meeting should the board have questions.

After further discussion, the following motion was made.

MOTION: Mr. Finkelstein moved to table discussion of the applications until the March 2010 telephone conference call meeting at which time the applicant would have provided additional information pertaining to an updated/current workers' compensation policy naming the board as the policy holder and stating that it provide coverage to leased employees in the state of Florida, and a letter from an admitted carrier or agent acknowledging that they are aware of leased employees.

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

X. REVIEW AND CONSIDERATION OF CHANGE OF OWNERSHIP APPLICATIONS

- A. American Staff Management, Inc. – GL 139**
 - American Staff Management II, Inc. – GM 346**
 - American Staff Management III, Inc. – GM 347**
 - American Staff Management IV, Inc. – GM 348**
 - Honor HR, Inc. – GM 349**

Ms. Seltzer presented the change of ownership applications. Questions were asked about a current workers' compensation policy for the licensees.

Mr. Vito Sernas was present and sworn in. He advised that there is a current workers' compensation policy for the licensees.

After further discussion, the following motion was made.

- MOTION:** Ms. Dockery moved to approve the applications pending receipt of a letter from and admitted carrier or agent verifying workers' compensation.
- SECOND:** Mr. Jones seconded the motion and it passed unanimously.

- B. American Staff Management VI, Inc. – GL 149**
 - American Staff Management VII, Inc. – GM 369**
 - American Staff Management VIII, Inc. – GM 371**
 - American Staff Management IX, Inc. – GM 370**
 - Daniel E. Ricker, Controlling Person Applicant**

Ms. Seltzer presented the change of ownership applications.

- MOTION:** Ms. Seltzer moved to approve the applications pending receipt of a letter from an admitted carrier or agent verifying workers' compensation.
- SECOND:** Ms. Segal seconded the motion and it passed unanimously.

C. DHR III, Inc. – DM 31

Ms. Seltzer presented the change of ownership application.

The board asked if a representative was present to answer questions. No one was present.

After further discussion, the following motion was made.

- MOTION:** Mr. Finkelstein moved to table discussion of the application until the March 2010 telephone conference call meeting at which time the applicant would have provided information about verification of workers' compensation coverage and the status of an application for DHR Operations, LLC.
- SECOND:** Ms. Seltzer seconded the motion and it passed unanimously.

- D. FirstSourceHR, Inc. – GL 142**
- E. FirstSourceHR II, Inc. – GM 355**

Ms. Seltzer presented the change of ownership applications.

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

- F. Pyramid Management Services, Inc. – EL 372**

Ms. Seltzer presented the change of ownership application.

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

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

- A. First Financial Employee Leasing, Inc. – EL 104**

Ms. Seltzer presented the application for termination of operations.

MOTION: Ms. Seltzer moved to approve the termination.
SECOND: Mr. Finkelstein seconded the motion and it passed unanimously.

- B. Employers Paycare Services, Inc. – EL 171**

Ms. Seltzer presented the application for termination of operations.

MOTION: Mr. Jones moved to approve the termination.
SECOND: Mr. Finkelstein seconded the motion and it passed unanimously.

XII. REVIEW AND CONSIDERATION OF CONTROLLING PERSON RELINQUISHMENTS

- A. Barbara Pailley, CO 717**
 - Paychecks Plus, Inc. – EL 308**
 - United Employer Services, Inc. – EL 364**

Ms. Seltzer presented the controlling person relinquishment of Barbara Pailley.

Ms. Caitlin Sirico, Esquire, asked the board to table discussion of this relinquishment until a civil matter involving Ms. Pailley and her clients is resolved.

Mr. Finkelstein asked questions about Ms. Pailley's involvement with Ms. Sirico's clients.

After further discussion, it was determined that the issues involving Ms. Pailley and Ms. Sirico's clients were of a civil nature and the following motion was made.

MOTION: Mr. Finkelstein moved to accept the relinquishment pending compliance with the Final Order involving case numbers 2009-047800 and 2009-052880.
SECOND: Mr. Jones seconded the motion and it passed unanimously.

XII. REPORTS

A. Office of the Attorney General – Lisa Comingore

1. February Rules Report

Ms. Comingore asked the board for their input on the proposed language as outlined in the Rules Report. *(See Attached Rules Report)*

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 – Rick Morrison

Mr. Morrison gave a brief synopsis of the following reports:

- The Operating and Unlicensed Activity Accounts ended September 30, 2009
- The Monthly Enforcement Report
- Financial Projections 06/30/05 – 06/30/13

Mr. Morrison also informed the board that the fee waiver for the 2010 renewal period had been approved and although the renewal fees were waived, controlling persons and group leaders were still required to pay the \$5.00 unlicensed activity fee.

D. Chairperson – Marjorie Seltzer

Ms. Seltzer informed the members of the board that she had a very productive and informative meeting with Interim Secretary Liem. She further stated that she informed Interim Secretary Liem that the board was interested in opening up the employee leasing statutes.

Mr. Morrison advised the board that he would have to notify Interim Secretary as soon as possible if that was the decision of the board.

The board agreed for Mr. Morrison to proceed with the discussion with Interim Secretary Liem about opening up the employee leasing statute.

XIII. OLD BUSINESS

Ms. Seltzer asked if the board would consider moving the June meeting date to June 15, 2010 due to an already scheduled meeting.

The Board agreed to move the June 2010 meeting to June 15th.

Due to time constraints and the need to make their flights, the board agreed to table discussion of the remainder of the agenda items until the March 2010 telephone conference call meeting.

XIV. ADJOURNMENT

MOTION: Mr. Finkelstein moved to adjourn at 3:47 p.m.

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