

**BOARD OF EMPLOYEE LEASING COMPANIES
GENERAL BUSINESS MEETING MINUTES
THE CROWNE PLAZA
10221 PRINCESS PALM AVENUE
TAMPA, FLORIDA 33610**

**SEPTEMBER 21, 2011
10:00 A.M.**

I. CALL TO ORDER

The meeting was called to order at approximately 10:03 a.m. EST by Mr. John Jones, Board Chair.

II. ROLL CALL

MEMBERS PRESENT

John Jones, Chair
Keith Reeves, Vice Chair
Celeste Dockery
Abram Finkelstein

MEMBER ABSENT

STAFF PRESENT

Rick Morrison, Executive Director, DBPR
Krista B. Woodard, Government Analyst II, DBPR
Mary Ellen Clark, Board Counsel, Office of Attorney General
Eric Hurst, Chief Attorney, Professions, DBPR

OTHERS PRESENT

Mark Mark, Department of Financial Services
Sandra Davis Camp, Court Reporter
Michael Miller, Kunkel, Miller & Hament, P.A. and FAPEO
Timothy Tack, Kunkel, Miller & Hament, P.A.
Frank Taylor
Shannon Walker
Glen Distefano
Torben Madson
Bert Combs
Rodrigo Fritos
Cris Ramos
Matthew Brown
Jeff Rendel
Phil Herron
Noelle Wojciehowski
Brian Fischer
Karl Mohr
Marjorie Seltzer
Tom Massarella

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

III. THE PLEDGE OF ALLEGIANCE

Mr. Jones led all in the Pledge of Allegiance.

IV. REVIEW AND APPROVAL OF THE AUGUST 17, 2011 TELEPHONE CONFERENCE CALL MEETING MINUTES

MOTION: Mr. Finkelstein moved to approve the minutes.

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

V. DISCIPLINARY PROCEEDINGS – Office of the General Counsel

Mr. Hurst stated for the record that Mr. Reeves would be recused on all cases presented today due to his participation on the probable cause panel.

A. SETTLEMENT STIPULATIONS

- | | | |
|----|--|--------------------|
| 1. | Golden Professional Solutions, Inc. | 2010-050400 |
| 2. | Jackie Grimes | 2010-050431 |
| 3. | George Touart | 2010-050397 |

(PCP: Reeves and B. Landrum – July 20, 2011)

Mr. Hurst presented the cases explaining they stem from violations involving failure to submit the December 2009, March 2010, June 2010, September 2010, December 2010, and March 2011 quarterly reports, failure to submit the reviewed Annual Financial Statements for 2009 and 2010, and failure to submit the annual assessment fee for 2010.

Mr. Hurst stated the settlement stipulation provides for the filing of all delinquent documents, an administrative fine of \$5,000, costs of \$270.36 with joint and several liability for payment of fine and costs.

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

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

B. MOTION FOR WAIVER OF RIGHTS AND FINAL ORDER

- | | | |
|----|--|--------------------|
| 1. | Concept 2000 Professional Employers, Inc. | 2010-051922 |
|----|--|--------------------|
- (PCP: Reeves and B. Landrum – July 20, 2011)

Mr. Hurst presented the case explaining it stems from violations involving failure to submit the March 2009, June 2009, September 2009, December 2009, March 2010, June 2010, September 2010, December 2010, March 2011, and June 2011 quarterly reports, failure to submit the audited or reviewed Annual Financial Statement for 2009 and 2010, and failure to submit the annual assessment fee for 2010.

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

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

Mr. Miller, representing the Respondents, addressed the board stating that Concept 2000 and Mr. Jacoby has not been in business for approximately two (2) years now.

He advised that their accounts have either gone to other PEOs or they have gone on their own.

Mr. Miller stated, after speaking with Mr. Jacoby, that there were no liabilities left unpaid and they are out of the business and do not plan to ever be back in the PEO business.

Mr. Miller asked to board to reconsider the \$30,000 fine with the stipulation to relinquish the license and never engage in the employee leasing industry in the state of Florida.

Mr. Hurst stated the potential fine for each case is \$15,000, and costs of \$126.48. He further stated that Mr. Miller has presented some information that he feels should mitigate the fine down from the maximum penalty.

After a very lengthy discussion, the following motion was made:

MOTION: Mr. Finkelstein moved to table discussion of the case until the next in-person meeting at which time the Respondent could provide evidence that all liabilities were paid.
SECOND: Mr. Jones seconded the motion and it passed. Ms. Dockery opposed.

After a lunch recess, Mr. Miller addressed the board asking them to reconsider their vote in this matter due to other mitigating facts he had just received.

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

After another discussion, the following motion was made:

MOTION: Mr. Jones moved to impose an administrative fine of \$5,000, costs of \$126.48, and revocation of the license with no right to reapply in the state of Florida.
SECOND: Ms. Dockery seconded the motion and it passed unanimously.

2. Charles Jacoby 2010-051931
(PCP: Reeves and B. Landrum – July 20, 2011)

Mr. Hurst presented the case explaining it stems from violations involving failure to submit the March 2009, June 2009, September 2009, December 2009, March 2010, June 2010, September 2010, December 2010, and March 2011 quarterly reports, failure to submit the audited or reviewed Annual Financial Statement for 2009 and 2010, and failure to submit the annual assessment fee for 2010.

MOTION: Ms. Dockery moved that the Respondent has waived his rights to a hearing.
SECOND: Mr. Finkelstein 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: Mr. Finkelstein seconded the motion and it passed unanimously.

MOTION: Mr. Finkelstein moved to table discussion of the case until the next in-person meeting at which time the Respondent could provide evidence that all liabilities were paid.

SECOND: Mr. Jones seconded the motion and it passed. Ms. Dockery opposed.

After a lunch recess, Mr. Miller addressed the board asking them to reconsider their vote in this matter due to other mitigating facts he had just received.

MOTION: Mr. Jones moved to reconsider the case.

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

After another discussion, the following motion was made:

MOTION: Mr. Jones moved to impose an administrative fine of \$5,000, costs of \$126.48, and revocation of the license with no right to reapply in the state of Florida.

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

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

- A. Advanced PEO Solutions, LLC (GL Applicant)**
- B. Advanced PEO Solutions II, LLC (GM Applicant)**
- C. Advanced PEO Solutions III, LLC (GM Applicant)**
- D. Advanced PEO Solutions IV, LLC (GM Applicant)**
Thomas Massarella, Controlling Person Applicant

Mr. Jones presented the group leader and group member applications.

MOTION: Mr. Jones moved to approve the applications.

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

- E. Four Point HR, LLC (EL Applicant)**
Noelle Wojciehowski, Controlling Person Applicant

Mr. Jones presented the company and controlling person applications.

Ms. Wojciehowski, Mr. Phil Herron, and Mr. Jeff Rendell were present, sworn-in and answered questions asked by the board.

Mr. Brian Fischer, Esquire was also present and represented the applicants.

After discussion, the following motion was made:

MOTION: Ms. Dockery moved to approve the applications.

SECOND: Mr. Finkelstein seconded the motion.

Mr. Reeves and Mr. Jones opposed the motion and it FAILED.

After further discussion, the following motion was made:

- MOTION: Ms. Dockery moved to table discussion of the applications until the October meeting at which time the applicant would be able to provide a copy of the judge's order in reference to Mr. Poole's, Ms. Wojciehowski's husband, conviction and any other documents that would ease the board's indecision about the applications.
- SECOND: Mr. Reeves seconded the motion and it passed unanimously.

After a brief recess, Ms. Wojciehowski presented a transcript of the court's transcript of Mr. Poole's conviction and asked the board to revisit her applications. She also asked to add to Mr. Herron as a controlling person.

- MOTION: Mr. Finkelstein moved to approve the applications and add Mr. Phil Herron as a controlling person.
- SECOND: Ms. Dockery seconded the motion and it passed. Mr. Jones opposed.

**F. Leading Edge Leadership Group, LLC (EL Applicant)
Christian Ramos, Controlling Person Applicant**

Mr. Jones presented the company and controlling person applications.

Ms. Dockery asked questions about the workers' compensation certificate covering leased employees in the state.

Mr. Bert Combs, Esquire, was present and represented the applicants stating they would provide a letter from the agent advising that the policy covers leased employees in Florida.

- MOTION: Mr. Jones moved to approve the application pending receipt of the letter from the agent advising of coverage for leased employees in Florida.
- SECOND: Mr. Finkelstein seconded the motion and it passed unanimously.

**G. Matthew Brown & Associates, Inc. (EL Applicant)
Matthew S. Brown, Controlling Person Applicant**

Mr. Jones presented the company and controlling person applications.

- MOTION: Mr. Finkelstein moved to approve the applications.
- SECOND: Ms. Dockery seconded the motion and it passed unanimously.

- H. S2 HR Solutions Group 1 LLC dba Engage PEO (GL Applicant)**
I. S2 HR Solutions 1A, LLC dba Engage PEO (GM Applicant)
J. S2 HR Solutions 1B, LLC dba Engage PEO (GM Applicant)
K. S2 HR Solutions 1C, LLC dba Engage PEO (GM Applicant)
L. S2 HR Solutions 1D, LLC dba Engage PEO (GM Applicant)
Jay Starkman, Controlling Person Applicant
Marjorie Seltzer, Controlling Person Applicant

Mr. Jones presented the group leader, group member, and controlling person applications.

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

**M. TS Employment, Inc. (EL Applicant)
Robert Cassera, CO 467**

Mr. Jones presented the company application.

Mr. Reeves asked about the balance sheet entry title "due to affiliates".

Mr. Miller represented the applicants stating he was not able to provide that information, but would waive the 90 day timeframe and the applicants would subject themselves to the jurisdiction of the board.

MOTION: Mr. Reeves moved to approve the applications pending receipt of a board approved guaranty form from the applicants that supports the due to affiliates account entry. This information is due within 30 days.
SECOND: Mr. Jones seconded the motion and it passed unanimously.

**N. Marc Combs, Controlling Person Applicant
Key Vista Associates, Inc. – EL 354**

Mr. Jones presented the company application asking if a representative was present to answer questions.

No one was present.

MOTION: Mr. Finkelstein moved to table discussion of the application until the October meeting at which time Mr. Combs could be present to answer questions.
SECOND: Mr. Jones seconded the motion and it passed unanimously.

**O. Miguel A. Maseda, Controlling Person Applicant
Global Employment Solutions PEO, Inc. – GL 8
Global Employment Solutions PEO VII, Inc. – GL 147
CoAdvantage Resources 13, Inc. – GL 36
CoAdvantage Resources 11, Inc. – GL 69
CoAdvantage Resources, Inc. – GL 82
*(Group Members are included in list of companies)***

Mr. Jones presented the controlling person application of Miguel Maseda.

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

- P. Request for Representation by a Qualified Representative See Email/Handout**
Shannon Gene Walker, Controlling Person Applicant
Administaff Companies, Inc. d/b/a Insperity – EL 24
Insperity PEO Services, L.P. – EL 238

Ms. Clark presented the request for representation by a qualified representative from Mr. Frank Taylor.

MOTION: Mr. Finkelstein moved to accept Mr. Frank Taylor as a qualified representative.
SECOND: Ms. Dockery seconded the motion and it passed unanimously.

Mr. Jones presented the controlling person application of Mr. Shannon G. Walker asking questions about the bankruptcy listed in the agenda materials.

Mr. Walker was present, sworn in and answered the questions asked.

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

VII. REVIEW AND CONSIDERATION OF DE MINIMIS EXEMPTION AND REGISTRATION APPLICATIONS

A. SWBC Professional Employer Services I, LLC (Southwest Business Corporation, Owner)

Mr. Jones presented the company application of SWBC Professional Employer Services I, LLC.

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

B. United Group Service Centers, Inc. (Jeffrey J. Jensen, President/Owner)

Mr. Jones presented the company application United Group Service Centers, Inc.

Ms. Dockery asked if a representative was present to answer questions about the workers' compensation carrier.

No one was present.

MOTION: Mr. Jones moved to table discussion of the application until the next meeting at which time the applicant would be able to provide clarification of the workers' compensation carrier.
SECOND: Mr. Finkelstein seconded the motion and it passed unanimously.

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

- A. Services to Agriculture I, LLC – GL 79
Services to Agriculture II, Inc. – GM 174
Services to Agriculture III, Inc. – GM 236
Services to Agriculture IV, Inc. – GM 310
HHG IV, Inc. – GM 318
(CP Relinquishment – Alberto Hernandez, CO 767)
(CP Relinquishment – Eric G. Huff, CO 906)**

Mr. Woodard advised that this request has been withdrawn and would not require board action at this time.

IX. REVIEW AND CONSIDERATION OF CONTROLLING PERSON RELINQUISHMENTS

- A. Dawn Amat, CO 855
ADP TotalSource I, Inc. – GL 33
ADP TotalSource Services, Inc. – GL 4
ADP TotalSource, Inc. – GL 104
ADP TotalSource CO XXII, Inc. – GL 118
*(Group Members are included in list of companies)***

Mr. Jones presented the controlling person relinquishment of Dawn Amat.

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

- B. Carin F. Novello, CO 921
AlphaStaff, Inc. – GL 49
Alpha FLA 6, Inc. – GM 292
AlphaStaff 3, Inc. – GM 234
AlphaStaff Systems V, Inc. – GM 238
Equity Leasing-Finance II, Inc. – GM 239
ASI Resources, Inc. – GM 387**

Mr. Woodard advised that this request has been withdrawn and would not require board action at this time.

X. REPORTS

- A. Office of the General Counsel – Eric Hurst**

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

He also stated that once we have enough members on the board to do discipline, we would need to schedule a full day just for that portion of the agenda.

B. Office of the Attorney General – Mary Ellen Clark

Ms. Clark advised the board that the rules report was included in the agenda materials.

She informed that no progress had been made in the rules due to awaiting DBPR's transmission of the work product to OFFAR.

Ms. Clark stated that since the meeting in August 2011, she was notified that the Florida Supreme Court issued an opinion in the Wiley case that contained a challenge to Governor Rick Scott's Executive Order 11-01.

She informed that the Supreme Court did find the Governor exceeded his constitutional authority in making that order.

She further informed that the following week, the Governor, through his office, issued a memorandum responding to the Supreme Court's ruling.

Ms. Clark advised that this board is not directly one of the Governor's executive agencies, so they are not technically bound by the Executive Order.

Ms. Clark advised that this board, in the past, agreed to voluntarily cooperate with OFFAR and now needs to determine if it is their wish to continue voluntarily seeking OFFAR approval whether or not you wish to go ahead and submit the rules directly for rule promulgation under Chapter 120, F.S. and send over at the same time a notification to OFFAR or if they wished to proceed directly pursuant to Chapter 120, F.S. and not involve OFFAR.

She informed that the department is recommending that the board choose to voluntarily seek review and approval or at a minimum notify OFFAR of its actions at the same time that they pursue rule-making through the regularly established channels under Chapter 120, F.S.

After discussion, the board made the following motion:

MOTION: Mr. Finkelstein moved to continue to voluntarily seek OFFAR's guidance and approval before proceeding with rule-making.

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

C. Executive Director – Richard Morrison

Mr. Morrison mentioned the article in the Sun Times that reported about the repealing of rules. He advised that the board did not have any rules that were slated for repeal.

Mr. Morrison gave an overview of the projected revenues, expenses and changes in account balances. He advised that the materials presented in the agenda materials provides for reductions in license fees and assessment in varying percentages.

After review of the projections for Rule 61G7-5.001, F.A.C., the following motions were made.

MOTION: Mr. Finkelstein moved to accept the 40% reduction in license fees for Rule 61G7-5.001, F.A.C and to have Ms. Clark round the amounts to the nearest dollar.

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

After approval of the proposed language, Ms. Clark asked the following questions:

1. Will the proposed rule amendments have an adverse impact on small business?

MOTION: Mr. Jones moved that the proposed amendments to Rule 61G7-5.001, F.A.C. would not have an adverse impact on small business.

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

2. Will the proposed rule amendments be likely to directly or indirectly increase regulatory costs to any entity (including government) in excess of \$200,000 in the aggregate in Florida within 1 year after implementation?

MOTION: Ms. Jones moved that the proposed language would not be likely to directly or indirectly increase regulatory costs to any entity (including government) in excess of \$200,000 in the aggregate in Florida within 1 year after implementation.

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

Ms. Clark stated based on the board's responses to the questions, a SERC would not be needed.

After review of the projections for Rule 61G7-5.002, F.A.C., the following motions were made.

MOTION: Mr. Finkelstein moved to accept the 50% reduction in assessment fees for Rule 61G7-5.002, F.A.C.

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

After approval of the proposed language, Ms. Clark asked the following questions:

1. Will the proposed rule amendments have an adverse impact on small business?

MOTION: Mr. Jones moved that the proposed amendments to Rule 61G7-5.002, F.A.C. would not have an adverse impact on small business.

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

2. Will the proposed rule amendments be likely to directly or indirectly increase regulatory costs to any entity (including government) in excess of \$200,000 in the aggregate in Florida within 1 year after implementation?

MOTION: Ms. Jones moved that the proposed language would not be likely to directly or indirectly increase regulatory costs to any entity (including government) in excess of \$200,000 in the aggregate in Florida within 1 year after implementation.

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

Ms. Clark stated based on the board's responses to the questions, a SERC would not be needed, but asked Mr. Morrison to prepare the SERC check sheet.

Ms. Clark stated she would have the language for both rules noticed once it is approved by OFFAR.

D. Chairperson – John Jones

None

XI. OLD BUSINESS

None

XII. NEW BUSINESS

None

XIII. PUBLIC COMMENTS

NONE

XIV. ADJOURNMENT

MOTION: Mr. Finkelstein moved to adjourn the meeting at 4:35 p.m.

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

Transcripts and/or recordings of the meeting can be obtained upon request.