

**BOARD OF EMPLOYEE LEASING COMPANIES  
GENERAL BUSINESS MEETING**

**Embassy Suites Lake Buena Vista  
4955 Kyngs Heather Road  
Kissimmee, FL 34746**

**July 17, 2019**

**9:00 a.m.**

**CALL TO ORDER**

The meeting was called to order at approximately 9:21 A.M. EST by Mr. Zach Collier, Board Chair.

**I. ROLL CALL**

**MEMBERS PRESENT**

Zach Collier, Chair  
Ronald Hodge, Vice Chair  
Richard Kiracofe  
Raja Shekhar

**MEMBER ABSENT**

**STAFF PRESENT**

Rick Morrison, Executive Director, DBPR  
Nicole Myers, Government Analyst II, DBPR  
Lynette Norr, Board Counsel, Office of Attorney General  
Mike Gordon, Prosecuting Attorney, DBPR

**OTHERS PRESENT**

Timothy Tack, Miller Tack & Madson  
Magnolia Court Reporting (407) 896-1813

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

**II. THE PLEDGE OF ALLEGIANCE**

**III. DISCIPLINARY HEARINGS**

**A. Settlement Stipulations**

- 1. PBS Staffing – EL 472  
Case No. 2018-033680**

- 2. Andrew Richard Mintz – CO 1199  
Case No. 2018-033694**
- 3. Diane Dirocco – CO 11973  
Case No. 2018-033685**
- 4. Nicole Johanson – CO 1198  
Case No. 2018-033691**

**PCP: DBPR – March 1, 2019**

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.001(1), Fla. Admin. Code, for Respondents' failure to timely file a 2018 1st & 3rd quarter report.

Mr. Gordon stated the settlement stipulation provides for imposition of an administrative fine of \$1500.00 and costs of \$319.35 with joint and several liabilities for payment of the fine and costs.

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

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

- 5. Pinnacle Southeast, LP – EL 473  
Case No. 2018-034399**
- 6. Adalberto Martinez – CO 1238  
Case No. 2018-034402**

**PCP: DBPR – September 20, 2018**

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.001(1), Fla. Admin. Code, for Respondents' failure to timely file a 2017 4th quarter report and 2018 1<sup>st</sup> quarter report. Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.0011, Fla. Admin. Code, for Respondents' failure to timely file 2017 annual report.

Mr. Gordon stated the settlement stipulation provides for imposition of an administrative fine of \$1000.00 and costs of \$210.18 with joint and several liabilities for payment of the fine and costs.

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

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

**7. Compass Employment Services LLC – EL 365  
Case No. 2018-026073**

**8. James Richard Hicks – CO 854  
Case No. 2018-026076**

**PCP: DBPR – November 14, 2018**

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.001(1), Fla. Admin. Code, for Respondents' failure to timely file a 2017 3<sup>rd</sup> and 4th quarter report. Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.0011, Fla. Admin. Code, for Respondents' failure to timely file 2017 annual report. Respondents violated Section 468.536(3), F.S. through violation of Rule 61G7-5.002 failure to submit their 2017 annual assessment.

Mr. Gordon stated the settlement stipulation provides for imposition of an administrative fine of \$5000.00 and costs of \$179.00 with joint and several liabilities for payment of the fine and costs.

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

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

**B. Informal Hearings**

**1. Harbor America Florida – EL 243  
Case No. 2018-053512**

**2. Douglas Lee Lowery – CO 535  
Case No. 2018-053515**

**PCP: DBPR – March 15, 2019**

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1) (i), F.S., through violation of Rule 61G7-10.001(1), Fla. Admin. Code, for failure to timely file a 2018 2<sup>nd</sup> quarter report. Respondents violated Section 468.532(1)(i), F.S., through a violation of Section 468.525(3)(d), F.S., for maintaining a negative net worth of \$13,571.06 as reflected in the 2015 2<sup>nd</sup> quarter financial report.

After discussion by the board the following motions were made.

MOTION: Mr. Kiracofe made a motion to accept the findings of facts as stated in the administrative complaint as those of the Board.

SECOND: Mr. Shekhar.  
Motion passed unanimously.

MOTION: Mr. Kiracofe made a motion to accept the conclusion of laws in the administrative complaint as those of the Board.

SECOND: Mr. Shekhar  
Motion passed unanimously.

MOTION: Mr. Kiracofe moved to impose an administrative fine of \$665, costs of \$179.18, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Shekhar.  
Motion passed unanimously.

- 3. Harbor America Florida – EL 243  
Case No. 2018-023965**
- 4. Douglas Lee Lowery – CO 535  
Case No. 2018-023969**
- 5. Harbor America East – EL 211  
Case No. 2018-023983**
- 6. Douglas Lee Lowery – CO 535  
Case No. 2018-023977**
- 7. Harbor America Coastal – EL 421  
Case No. 2018-023973**
- 8. Douglas Lee Lowery – CO 535  
Case No. 2018-023985**

**PCP: DBPR – March 15, 2019**

Mr. Gordon presented the cases explaining Respondents violated Section 468.532(1)(i), F.S., through a violation of Section 468.525(3)(d), F.S., for maintaining a negative net worth of \$2,528,062.00 as reflected in the 2016 audited annual report. Respondents violated Section 468.525(3)(d), F.S., for maintaining a negative net worth of \$7,869,329.00 as reflected in the 2017 audited annual report. Respondents violated Section 468.532(1)(i), F.S. through violation of Rule 61G7-5.002, Fla. Admin. Code, for failure to timely pay 2017 annual assessment.

After discussion by the board the following motions were made.

MOTION: Mr. Kiracofe made a motion to accept the findings of facts as stated in the administrative complaint as those of the Board.

SECOND: Mr. Shekhar.  
Motion passed unanimously.

MOTION: Mr. Kiracofe made a motion to accept the conclusion of laws in the administrative complaint as those of the Board.

SECOND: Mr. Shekhar  
Motion passed unanimously.

MOTION: Mr. Shekhar moved to impose an administrative fine of \$3000, costs of \$552.00, with joint and several liabilities for payment of the fines and costs.

SECOND: Mr. Kiracofe.  
Motion passed unanimously.

**9. Oscar Armando Montenegro – CO 1248  
Case No. 2019-002128**

Mr. Gordon stated the cased was pulled from the agenda.

***The board recessed for a brief break.***

**CALL TO ORDER**

The meeting was called to order at approximately 11:04 A.M. EST by Mr. Zach Collier, Board Chair.

**I. REVIEW AND APPROVAL OF THE JUNE 12, 2019 MEETING MINUTES**

Board members reviewed the minutes from the June 12, 2019 meeting.

MOTION: Mr. Shekhar made a motion to approve the minutes with corrections.

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

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

**A. Douglas Torchio – Controlling Person Applicant  
Quadrant PHR LLC – GL 188**

Mr. Collier presented the controlling person application of Douglas Torchio.

MOTION: Mr. Kiracofe moved to approve the application.

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

**B. Sharon Lake – Controlling Person Applicant  
Simpley of Florida – EL 345**

Mr. Collier presented the controlling person application of Sharon Lake.

MOTION: Mr. Kiracofe moved to approve the application.

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

**C. Front Line PEO – Employee Leasing Company Applicant**

Mr. Collier presented the employee leasing application for Front Line PEO.

MOTION: Mr. Kiracofe moved to approve the application contingent of approval of contract.

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

**D. Becky Jakacki – Controlling Person Applicant  
Front Line PEO – EL Applicant**

Mr. Collier presented the controlling person application of Becky Jakacki.

MOTION: Mr. Kiracofe moved to approve the application contingent of approval of contract.

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

**E. HR Buds, LLC – Employee Leasing Company Applicant  
Alex Campos – CO 1155**

Mr. Collier presented the employee leasing application for HR Buds, LLC.

MOTION: Mr. Shekhar moved to approve the application contingent of approval of contract.

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

**F. Kara Childress – Controlling Person Applicant**

Mr. Collier presented the controlling person application of Kara Childress.

MOTION: Mr. Shekhar moved to approve the application contingent of approval of contract.

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

**G. Eric Vogelsberg – Controlling Person Applicant**

Mr. Collier presented the controlling person application of Eric Vogelsberg.

MOTION: Mr. Shekhar moved to approve the application contingent of approval of contract.

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

### **III. REVIEW AND CONSIDERATION OF REGISTRATION OF DE MINIMUS COMPANY**

#### **A. Total Human Resources, Inc. – De Minimus Applicant**

Mr. Collier presented the De Minimus application of Total Human Resources.

After discussion the application was pulled due to a name conflict.

### **VI. BOARD NOTIFICATIONS**

#### **CHANGE OF OWNERSHIP APPLICATIONS**

##### **A. No Asset Purchase Applications reviewed.**

##### **Stock Purchase**

**A. S2 HR Solutions Group 2, LLC – GL 184 and group members**

**B. S2 HR Solutions Group 1, LLC – GL 168 and group members**

**Purchased by: Engage Group Holdings, LLC**

Mr. Collier presented the change of ownership applications for S2 HR Solutions Group 2, LLC and S2 HR Solutions Group 1, LLC.

MOTION: Mr. Kiracofe moved to approve the application.

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

### **V. CHANGE OF NAME APPLICATIONS**

#### **A. No Name Change Applications reviewed.**

### **VI. CHANGE OF STATUS**

#### **A. No Change of Status Applications reviewed.**

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

#### **A. Horizon Staffing LLC – EL 299**

Mr. Collier presented the termination application for Horizon Staffing LLC.

MOTION: Mr. Kiracofe moved to approve the application.

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

B. Howard Leasing VIII, Inc. – EL 444

Mr. Collier presented the termination application for Howard Leasing VIII, Inc.

MOTION: Mr. Shekhar moved to approve the application.

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

## **IX. REQUEST FOR VOLUNTARY NULL AND VOID STATUS**

**A. No Null and Void Applications reviewed.**

## **X. DISCUSSION ITEMS**

### **A. Rule 61G7-7.003 Notice of Non Compliance**

Ms. Norr presented the Board with the proposed language changes for Rule 61G7-7.003 for further discussion. After discussion Board members decided to add late quarterly reporting filing, late annual report filing, and late annual assessment payment as minor initial violations. Also the Board would like to remove late renewal as an initial minor violation.

MOTION: Mr. Kiracofe moved to adopt the proposed changes for Rule 61G7-7.003.

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

After the motions, Ms. Norr asked if these amendments would have an adverse impact on small business or 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: Mr. Kiracofe moved that the amendments would not have an adverse impact on small business or 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. Shekhar seconded the motion and it passed unanimously.

Ms. Norr presented Chapter 61G7-7 Rules to Board members to determine whether any portion of those rules should be designated a minor violation and added to Rule 61G7-7.003 Notice of Noncompliance

MOTION: Mr. Kiracofe moved that the rules in Chapter 61G7-7 not be designated a minor violation.

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

### **B. Rule 61G7-10.001 – Reduce Quarterly Reports**

Ms. Norr presented the Board with the proposed language changes for Rule 61G7-10.001 for further discussion. After discussion Board members decided to reduce the



filing burdens by requiring filings in only the first and third quarters and workers' compensation in the second and fourth quarters.

MOTION: Mr. Kiracofe moved to adopt the proposed changes for Rule 61G7-10.001.

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

After the motions, Ms. Norr asked if these amendments would have an adverse impact on small business or 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: Mr. Shekhar moved that the amendments would not have an adverse impact on small business or 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. Hodge seconded the motion and it passed unanimously.

Ms. Norr presented Chapter 61G7-7 Rules to Board members to determine whether any portion of those rules should be designated a minor violation and added to Rule 61G7-10.001.

MOTION: Mr. Shekhar moved that the rules in Chapter 61G7-7 be designated a minor violation.

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

## **XI. Reports**

### **A. Office of Attorney General**

Ms. Norr presented the July Rules report. Ms. Norr also stated that Board members would need to review rules for the Annual Regulatory Plan.

### **B. Office of General Counsel**

Mr. Gordon presented the public and private case reports.

### **C. Executive Director**

Mr. Morrison reviewed the Board financials.

### **D. Chairperson**

No report from Chair.

## **XII. TASK FORM**

Board members reviewed the task form.

**XIII. OLD BUSINESS**

None

**XIII. NEW BUSINESS**

None

**XIV. PUBLIC COMMENTS**

NONE

**XV. ADJOURNMENT**

MOTION: Mr. Kiracofe moved to adjourn the meeting at 1:41 p.m.

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

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