

**BOARD OF EMPLOYEE LEASING COMPANIES
GENERAL BUSINESS MEETING MINUTES
SHERATON SUITES – TAMPA AIRPORT
4400 WEST CYPRESS STREET
TAMPA, FLORIDA 33607**

**August 18, 2004
8:30 a.m. EST**

I. CALL TO ORDER

The meeting was called to order at approximately 8:35 a.m. EST by Mr. Carlos Rodriguez, Board Vice Chair.

II. ROLL CALL

MEMBERS PRESENT

Celeste D. Dockery, Chair
Carlos Rodriguez, Vice Chair
Donna Bloomer
Frank W. Crum, Jr.
Kelly Lanza
Ryan S. Moore

MEMBERS ABSENT

None

STAFF PRESENT

Anthony B. Spivey, Executive Director, DBPR
Krista B. Woodard, Government Analyst II, DBPR
Mary Ellen Clark, Board Counsel, Office of Attorney General
Eric Hurst, Assistant General Counsel, DBPR

OTHERS PRESENT

Michael Miller, Kunkel, Miller & Hamment, P.A. and FAPEO
Steve Politis, PSP
Scott Buchanan, HRI
Janice Norris, Agri-Staff, Inc.
Ernest Norris, Agri-Staff, Inc.
Bonnie Miller, PEP
Ellen Brady, PEP
Timothy Tack, Kunkel, Miller & Hammet, P.A.
Michael Speizman, PEO

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

Ms. Woodard informed the board that Ms. Dockery and Mr. Moore called earlier that morning advising of being detained in traffic and would join the meeting as soon as possible.

III. REVIEW AND APPROVAL OF THE JULY 21, 2004, TELEPHONE CONFERENCE CALL MEETING MINUTES

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

Ms. Celeste Dockery and Mr. Ryan Moore joined the meeting at 8:47 a.m.

IV. DISCIPLINARY PROCEEDINGS – Office of the General Counsel

A. SETTLEMENT STIPULATION Case #

1. Meridian Investment and Management, Inc. 2004-007013
(PCP: Lanza and Crum, April 21, 2004)

Mr. Eric Hurst presented the case explaining that it stems from violations involving failure to submit quarterly reports for the quarters ended June 30, 2003, and September 30, 2003. Mr. Hurst stated the Respondent has subsequently filed the missing reports. He further stated that the settlement stipulation provides for costs of \$65.16 and those fees have been paid in full.

Mr. Rodriguez and Ms. Bloomer asked why no fines were assessed with such a large violation.

Ms. Bloomer asked what is the normal or average fine for this type of violation.

Mr. Hurst informed the board that they have the right to reject the stipulation and impose fines as outlined in the full range of penalties available for this particular violation.

Ms. Dockery asked what's the probability of collecting on the fine with the company no longer in operations.

Mr. Miller responded that the company did not renew the license, but if reasonable fines were imposed that someone would pay them.

MOTION: Ms. Dockery moved to reject the terms of the settlement stipulation.
SECOND: Ms. Bloomer seconded the motion and it passed unanimously.

MOTION: Ms. Bloomer moved to impose an administrative fine of \$500 in addition
To the costs of \$65.16.
SECOND: Ms. Dockery seconded the motion and it passed unanimously.

V. RECONSIDERATION OF EMPLOYEE LEASING COMPANY/CONTROLLING PERSONS APPLICATIONS

A. Prolease Southeast Corporation
Bala Ramamoorthy, Controlling Person Applicant
Charles Ehrig, Controlling Person Applicant

Ms. Woodard presented the applications explaining that they had been presented to the board at the June 23, 2004, meeting. She stated at that meeting, the board voted to deny the applications due to incorrect format of proof of workers' compensation coverage, clarification not provided for plans for health insurance, no explanation or disposition of arrest for Mr. Ehrig, and further clarification of judgment against the company in which Mr. Ramamoorthy and Mr. Ehrig were principal officers.

Ms. Woodard stated the applicant has submitted additional information in response to the denial and is requesting the board to reconsider its motion of denial of the applications.

Mr. Rodriguez asked what the company would do as a PEO without a workers' compensation policy or health care policy, and how do we license them, and what was the purpose of issuing the company a license. He further stated the workers' compensation policy in the application is in the name of the client not the company.

Ms. Woodard informed the board the applicant's response to the workers' compensation issue is addressed on pages 186 and 187 of the agenda materials.

Ms. Bloomer asked if the applicant responded correctly to the information that was addressed in the Notice of Intent to Deny.

Mr. Rodriguez answered "yes".

Mr. Rodriguez further questioned why Mr. Ehrig answered the way he did on his initial response to the application in regard to the questions about criminal background. He stated the answer clearly was not truthful.

Ms. Clark clarified that on the date of the application, the applicant did not answer the question correctly.

Mr. Crum asked if the applicant was found guilty.

Ms. Bloomer answered "yes".

Ms. Dockery asked if Mr. Ehrig was present.

No one was present to speak on behalf of the applicant.

Ms. Dockery asked if Ms. Woodard could inform the board of the conversation that she had with Mr. Ehrig.

Ms. Clark answered "yes".

Ms. Woodard informed the board that she had spoken with Mr. Todd, the contact person for the company, and he had informed that he was not aware of an arrest record for Mr. Ehrig and that he would have Mr. Ehrig contact her. She further stated that when Mr. Ehrig called, he stated that there was an arrest for child abuse and it basically stemmed from a messy divorce and that he knew about the arrest at the time he made application.

Ms. Woodard informed the board that neither Mr. Todd nor Mr. Ramamoorthy knew of the arrest of Mr. Ehrig and was considering dropping Mr. Ehrig as a controlling person of

the company.

Ms. Clark informed the board that this was a request for reconsideration, and all the board is required to do is determine whether to reconsider or not. She further stated if the board does not wish to reconsider, no further action would need to be taken.

The board did not wish to reconsider the denial.

VI. EMPLOYEE LEASING COMPANY/CONTROLLING PERSON APPLICATIONS

- A. Advantage Employer Solutions, Inc.
Advantage Employer Solutions II, Inc.
Advantage Employer Solutions III, Inc.
Advantage Employer Solutions IV, Inc.
Advantage Employer Solutions V, Inc.
Steven Harper, CO 647
Robert Liess, CO 646
John Eugene Smith, CO 677
William Harper, CO 593
Marshall Glass, CO 311**

Ms. Woodard presented the applications stating they are applications for a group leader and group members. She stated that all exhibits were submitted and complete. She further stated that along with the certificate of insurance, the applicant submitted a letter from the insurance agent advising of the issuance of a binder of workers' compensation coverage.

Ms. Woodard informed the board the applicants answered "yes" to question one on the background information and provided explanations to the question.

Ms. Bloomer asked Ms. Woodard if there were any problems with the controlling persons.

Ms. Woodard answered "no".

MOTION: Ms. Bloomer moved to approve the applications.

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

- B. Certified HR Solutions Company
Danny L. Pixler, CO 642**

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

Mr. Rodriguez asked when Mr. Pixler was licensed and if he disclosed the bankruptcy proceedings on his application for controlling person.

Ms. Woodard confirmed with office staff that Mr. Pixler was licensed on May 29, 2003.

Mr. Miller informed the board that Mr. Pixler was licensed after the bankruptcy proceeding and was fairly accurate that the proceedings were disclosed on his controlling person's application for license.

Ms. Bloomer stated she was not concerned with the bankruptcies listed on the application.

Mr. Rodriguez stated he was concerned because of it being a moral character issue.

MOTION: Ms. Dockery moved to approve the application.

SECOND: Ms. Bloomer seconded the motion and it passed with Mr. Rodriguez in opposition.

**C. PEO Experts, Inc.
Michael A. Speizman, CO 189**

Ms. Woodard presented the application stating that all exhibits were submitted and complete. She further stated that workers' compensation coverage was confirmed by the Department of Financial Services on June 15, 2004.

MOTION: Ms. Dockery moved to approve the application.

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

**D. Personnel Coordinators, Inc. of Florida
Patricia Mistretta, Controlling Person Applicant**

Ms. Woodard presented the application stating that all exhibits were submitted and complete. She further stated along with the certificate of insurance, the applicant submitted a letter from the insurance agent advising of workers' compensation coverage, and the only outstanding item relating to the controlling person's application is the criminal history report from the Federal Bureau of Investigations (FBI).

MOTION: Ms. Bloomer moved to approve the applications with the condition that should any derogatory information be revealed on the report that Ms. Mistretta would appear before the board.

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

**E. South East Employee Leasing, Inc.
John A. Porreca, CO 171**

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

Ms. Woodard reported the applicant answered "yes" to question one of the background questions, and provided an explanation to the question.

MOTION: Ms. Bloomer moved to approve the application.

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

- F. Staff Management Solutions, Inc.
Staff Management Solutions II, Inc.
Staff Management Solutions III, Inc.
Staff Management Solutions IV, Inc.
Staff Management Solutions V, Inc.
William Harper, CO 593
Steven Harper, CO 647
Robert Liess, CO 646
John Eugene Smith, CO 677
Marshall Glass, CO 311**

Ms. Woodard presented the applications stating they are applications for a group leader and group members. She stated that all exhibits were submitted and complete. She further stated that along with the certificate of insurance, the applicant submitted a letter from the insurance agent advising of the issuance of a binder of workers' compensation coverage.

Ms. Woodard informed the board the applicants answered "yes" to question one on the background information and provided explanations to the question.

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

Ms. Dockery asked Mr. Miller what the intent of the law was with the limitation on the number of companies that can be in a group or was it to limit the number of companies that a controlling person can control.

Mr. Miller explained that at the time the law was written that the intent of the law was not to limit the number of companies for a controlling person, but to place a limit on the number of companies that can be in a group.

Mr. Crum responded that he assumes the intent was to put a limit on the fees imposed on groups.

- G. Eugene Charles Cabrera, Controlling Person Applicant
Professional Employer Plans, Inc. – GL 65
Professional Employer Plans II, Inc. – GM 133
Professional employer Plans III, Inc. – EL 273
Professional Employer Plans VI, Inc. – EL 280
Staff Management Solutions, Inc. – EL 232
Professional Employer Services, Inc. – GM 134
Advantage Employer Solutions, Inc. – EL 279**

Ms. Woodard presented the application stating that all exhibits were submitted and the only outstanding item is the criminal history report from the Federal Bureau of Investigations (FBI).

MOTION: Ms. Bloomer moved to approve the application with the condition that should any derogatory information be revealed on the report that Mr. Cabrera would appear before the board.
SECOND: Ms. Dockery seconded the motion and it passed unanimously.

**H. Jason W. Mitchell, Controlling Person Applicant
Afford-A-Staff – EL 160**

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

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

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

**I. Oscar Rene Poch, Controlling Person Applicant
SEMCO IV, Inc. - GL 105
SEMCO V, Inc. - GM 201
Equity Leasing – Accounting II, Inc. - EL 259
Southeast Employee Management Company - EL 71**

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

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

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

VII. REVIEW AND CONSIDERATION OF CHANGE OF OWNERSHIP APPLICATIONS

A. Agri-Staff, Inc. – EL 277

Ms. Woodard presented the application stating Mr. Robert Kimball and Ms. Diane Gregory would be the new owners and controlling persons for the company.

MOTION: Ms. Bloomer moved to approve the application.

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

B. Equity Group Leasing I, Inc. – EL 288

Ms. Woodard presented the application stating Mr. Charles David Wood would be the new owner and controlling person for the company.

MOTION: Ms. Bloomer moved to approve the application.

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

**C. Equity Leasing – Accounting II, Inc. – EL 259
(Mark William Smith, CP Relinquishment)**

**D. SEMCO IV, Inc. - GL 105
(Mark William Smith, CP Relinquishment)**

**E. SEMCO V, Inc. – GM 201
(Mark William Smith, CP Relinquishment)**

**F. Southeast Employee Management Company – EL 71
(Mark William Smith, CP Relinquishment)**

Ms. Woodard presented the applications stating that Michael Donnell and Oscar Poch would be the new owners and controlling persons for the company. She further stated that Mr. Mark William Smith, the current controlling person, wishes to relinquish his license upon approval of the change of ownership.

MOTION: Ms. Bloomer moved to approve the applications and the controlling person relinquishment.

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

**G. MRG Leasing Group, Inc. – GL 101
MRG Leasing Group II, Inc. – GM 243
MRG Leasing Group III, Inc. – GM 244
MRG Leasing Group IV, Inc. – GM 245
MRG Leasing Group V, Inc. – GM 246**

Ms. Woodard presented the applications stating that Professional Employer Plans, Inc. would be the new owners for the company.

MOTION: Ms. Bloomer moved to approve the applications.

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

VIII. REVIEW AND CONSIDERATION OF EMPLOYEE LEASING COMPANY NAME CHANGE

**A. NBR Group V, Inc. – GM 238
TO: Alphastaff Systems V, Inc.**

Ms. Woodard presented the application stating that the application is complete.

MOTION: Ms. Bloomer moved to approve the application.

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

IX. REPORTS

A. Office of the Attorney General – Mary Ellen Clark

Ms. Clark explained that she was substituting for Mr. Rimes who had a previously scheduled meeting.

She stated that the board had requested a number of changes to the rules regarding application and form numbers and those changes were approved on August 17, 2004 and would be effective in about 20 days.

She further stated the requested language changes, by the board, for quarterly reporting regarding the workers' compensation requirement, form numbers and identification of

the web site is being developed and will be noticed for adoption once the development period is over.

B. Executive Director – Anthony B. Spivey

Mr. Spivey advised the board there had been changes to the state contract for rental cars and an excerpt of the changes were included in the agenda materials. He explained that previously, when renting vehicles using the state contract, the refueling of the vehicle prior to returning it was not necessary. However, due to the recent changes, anyone renting a vehicle must refuel the car prior to returning it, and to keep the receipts to include with their travel voucher reimbursements.

Mr. Spivey informed the board that the financial reports for the 4th Quarter were not ready, but would have them in the agenda materials for the next meeting.

C. Office of the General Counsel – Eric Hurst

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

D. Chairperson – Celeste Dockery

Ms. Dockery stated she was happy to see all of the board members present and safe after Hurricane Charley.

She asked if Mr. Miller and Mr. Jerry Wilson, Deputy Director of Professions and Regulations, had met to discuss the flow of information to and from the Central Intake Unit.

Mr. Spivey responded that no meeting date has been set yet. However, he did make known to supervisors in that Unit the concerns of the board following the last meeting.

He further stated that he had received notice about internal changes in the Unit, but has not seen the results of these changes yet.

X. CORRESPONDENCE INFORMATION ONLY

1. Division of Regulation – Quarterly Report

Mr. Spivey informed the board that the report provided by the Division of Regulation was for informational purposes only.

XI. NEW BUSINESS

None

XII. OLD BUSINESS

None

XIII. ADJOURNMENT

MOTION: Ms. Lanza moved to adjourn the meeting at 9:37 a.m.

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