STATE OF MINNESOTA PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
1430 Maryland Avenue East, St. Paul, Minnesota
September 27, 2016 MEETING MINUTES
LOCATION: Bureau of Criminal Apprehension, 1430 Maryland Avenue East, St. Paul, MN 55106
MEMBERS PRESENT: Rick Hodsdon, Jim Hessel, Pat Moen
MEMBERS NOT PRESENT: Jeff Hansen
ATTORNEY GENERAL REPRESENTATIVE: Pete Magnuson
EXECUTIVE DIRECTOR: Greg Cook
ADMINISTRATIVE ASSISTANT: Shauna Jahnz

Chair Hodsdon called the September 27, 2016 Board meeting to order at 10:00 AM and noted that all current Board members, staff, and legal counsel were present.

1. REVIEW OF AUGUST 2016 MEETING MINUTES & SEPTEMBER 2016 AGING REPORTS

Hodsdon stated that the aging reports were informational only. Hodsdon asked if the board members had reviewed the August 2016 Meeting Minutes and the September 2016 Aging Reports.

- **MOTION:** Moen moved to approve the August 2016 Meeting Minutes and the September 2016 Aging Report. Hessel second the motion. The motion carried.

2. CURRENT CONTINGENCIES

PAC 260- Contemporary Services Corporation

Cook stated that Contemporary Services Corporation (CSC) was originally licensed in August 2001 and their renewal was due July 1st, 2016. The contingency expired September 2016. The agency did not know the number of employees at the time exactly. He noted that with any of the license holders the agency sends out the renewal packets two months a head of time. Contemporary Services Corporation's renewal was due July 1st, 2016, and the agency had not received it. On July 6, 2016, the agency sent the license holder an email notification that the agency had not received their renewal. On July 20, 2016 the agency sent the license holder a certified notice that the agency had not received their renewal. The agency received a signed receipt for that certified mail on July 25, 2016. As of July 25, 2016 the agency had not received a response from the license holder. Cook made a noted the entity's previous renewal in July 2014, where there was an issue with the entity failing to provide training, background checks, and I.D cards to a large percentage of their employees. Cook stated that the number of employees was believed to be 171 of their 400 employees. On August 31, 2016, the agency received a phone call from, Rick Brown, the previous regional manager, who explained that Contemporary Services Corporation intended to renew and would get their application to the agency as soon as possible. They also stated that they intended to provide security to the Ryder Cup, a golf tournament that was set to start September 27, 2016.

The agency received the renewal packet via email on September 19, 2016 and via mail on September 20, 2016. Cook noted that the agency cut off date to receive renewal materials for the Board meeting was September 20, 2016. Edward Kim, Contemporary Services Corporation's Attorney, explained in an email that they had lost the Gophers and Vikings contract and then terminated all of their employees. He explained that they recently hired 18 employees for the Ryder Cup. Cook stated that it was unclear how they could complete the required background checks in that timetable.

On September 20 2016, the agency sent the renewal issues to the license holder which included blank spaces on the application, a contradicting CFO officer postion, incorrect funds, the need of additional proof of insurance, a completed worker's compensation form, and many affidavit of training (AOT) issues. The agency revcieved an email on September 20, 2016 which completed all issues except the CFO and Affidavit of Training issues. On September 26, 2016, the agency sent the entity's attorney an application for the

officer change and requested an updated Affidavit of Training. On September 26, 2016 the agency received a returned certified envelope addressed to Contemporary Services Corporation. The envelope stated "*RETURN TO SENDER – ATTEMPTED – NOT KNOWN –UNABLE TO FORWARD*". Cook restated that the agency had sent a contingency notice to their address on file and it was returned back to the agency. This letter was referenced to their continued contingency sent out September 1, 2016.

Cook noted that there was a consideration of action for lack of communication with the agency. One thing to consider was that the agency preferred to deal with Minnesota manager and/or Qualified Representative; the agency had not heard from that individual. The individual in contact with the agency was Rick Brown, whom the agency was not aware of what his position was with the company. The other individual in contact with the agency was Edward Kim, Contemporary Services Corporation's attorney. The agency had not heard from the entity's listed Qualified Representative/Minnesota Manager, John Kubes.

Cook referred to the entity's disciplinary history as well as the timeline of events that occurred. Hodsdon clarified that as of September 27, 2016, Contemporary Services Corporation still had not submitted everthing that needed to be done for their renewal. Cook confirmed that was correct. Hodsdon then stated the they were just a couple of days within lapsing. Cook again confirmed that was correct, and noted that he understood that they would go until the end of September after which they would be lapsed. Cook noted that it appeared Contemporary Services Corportation would be providing services at the Ryder Cup. Cook noted that if the entity went into lapsed status, per statue they could not perform licensable services. Hodsdon stated they would not have a vaild license at that point, so it would be no different than any other unlicensed practice from his perspective. Cook confirmed that if they were to go forward and provide services with the 18 employees at the Ryder Cup with a lapsed license, that would be considered unlicensed activity. Hodsdon stated that assuming they were getting paid to do it, that was the key issue.

Hodsdon noted that seemed to be something that Chaska should be looking at from a law enforcement stand point. Hodsdon then looked to the board and stated that at this point they had not done what they needed to do. Moen noted that they had a pattern of failure to do so. Hodsdon stated that it had been pretty clear from looking at the history. Cook mentioned that at their last renewal in July 2014, the issues were pretty serious, as 171 out of 400 employees had not been background checked, trained, or issued identification cards. At that time, Contemporary Services Corporation had the TCF Bank Stadium and had a Vikings game coming up three days later, which the board took that into consideration. Wolhman had proposed a $1,000 penalty, but that penalty was never issued to Contemporary Services Corporation.

Hodsdon stated that the board has also looked at a different approach. For example, to train each of the employees might be a separate and distinct violation. Hodsdon noted that the board did not even know the scope of the potential violation, or if there was a violation, but the board knew that Contemporary Services Corporation had not submitted proof that there is not. Cook read off a statement in an email from Edward Kim; "*As a result from CSC began securing staff, but with an official start date in September for the Ryder Cup. This will allow time for CSC the opportunity to complete the Pre-Assignment training in early October.*" Cook stated that the entity planned on having their employess complete their Pre-Assignment training October 15th-16th, after the Ryder Cup. Cook also mentioned concern that the Affidavit of Training did not have Mr. Kubes' signature, and noted that the agency does not know the status with Mr. Kubes, as the agency had not heard from him. It is possible that after CSC lost their contract with the Vikings and they terminated all of their employees, they may have also let Mr. Kubes go without informing the agency. Cook stated it was possible that they were trying to bring Kubes back on as he was already the Minnesota manager. Either way, the agency had some unanswered questions.

Cook stated that for the purpose of the meeting, the item was not something that needed to be voted on, as it was a situation in which the entity would go into lapsed status automatically. Hodsdon agreed and stated that it would happen by operation of law. Hessel stated that The Ryder Cup would be done on Sunday, October 2, 2016, but they could still be working there Monday and Tuesday as there are still things to be done from a security standpoint. Cook stated that if that was to happen, the agency would send out a notification to inform them that they are lapsed immediately. If Contemporary Services Corporation was to

finish all of their renewal issues, they could not be reinstated until the following board meeting. Hodsdon stated that was correct unless there was a human cry to call a special meeting of the board. Hodsdon, as the Chair, would not take that initiative. It was possible that they were just in it for the Ryder Cup and did not care what happened after that. Hessel agreed stating that it did sound that way. Hodsdon stated that if they were still working as of October 1, 2016, it would be something that would need to be referred to the appropriate criminal justice agency out in Carver County. Hodsdon stated the board need take no action because it would happen in the matter of law.

PAC 312- Gold Star Security

Cook stated that Gold Star Security was originally licensed May 19, 2008. Their renewal was due July 1st 2016, and were contingent through September 2016. Cook noted that the agency sent out the renewal two months prior to the license holder's renewal date. The renewal was sent via both email and USPS. Cook stated that on July 6, 2016, the agency sent the license holder an email notification that the agency had not received their renewal. Cook went on to say that on July 6, 2016, the agency sent the license holder an email notification that the agency had not received their renewal. Cook stated that on July 25, 2016, the agency had received the signed receipt from the certified notice sent to the license holder. Cook stated that the agency received the renewal packet on July 26, 2016. As this was the date of the Board Meeting, the Board voted to grant a contingency in order to allow staff more time to process the renewal.

In review of the renewal the several issues were found and sent to the license holder on August 3, 2016, including a late packet, missing responses on the renewal application, missing the Affidavit of Training, and issues with the proof of financial responsibility. Cook went on to say that as of September 26, 2016, no additional information had been provided to the agency. Cook referred to the disciplinary history. Hodsdon replied that he did not see how this situation was any different from the one the Board had just looked at. Hodsdon went on to ask if there were any other thoughts by the Board members. Hessel stated that he agreed that it was pretty similar. Hodsdon continued that again it appeared the license would also go into lapsed status at the end of the month.

PDC 1123- Talentwise, Inc.

Cook stated that TalentWise, Inc was originally licensed July 29, 2014. Their renewal was due July 1st, 2016, and the contingency expired September 2016. Cook noted that the company had one employee. Cook stated that the agency sent out their renewal packet two months prior to the license holder's renewal date via both email and USPS. Cook noted that on July 8, 2016, the agency sent the license holder their renewal issues which included a vacant officer position, a blank Minnesota address, missing criminal history consent forms, and Affidavit of Training issues. Cook stated that with no response the agency re-sent the renewal issues on July 21, 2016. Cook noted that as of July 21, 2016 the agency had received all necessary information except a signed criminal history consent form for the CEO and a Pre-Assignment date for the Minnesota Manager/Qualified Representative. Cook noted that on July 26, 2016 the license holder turned in the signed criminal history consent form for the CEO. The entity was still missing a preassignment date for the Qualified Representative/Minnesota Manager. Cook went on to say that on August 18, 2016, the agency sent an email requesting the preassignment date and provider.

On September 6, 2016 the agency was informed by a former employee they had been sold to a company named Sterling. The agency had not been informed of this. Cook stated that he was on their email list and started receiving spam like advertisements, their news letter, and they are now calling themselves SterlingTalent. Cook stated that the agency received an email from a Mr. Powers, of which the agency was not aware of who he was. Mr. Powers indicated that they were seeking to do an officer change. Cook stated that the former employee had been receiving the information and notices sent to their address, which was apparently used as their company's Minnesota address. Cook noted that the previous employee was not the Qualified Representative or Minnesota Manager. Cook stated that when she received information from the agency, she had contacted the agency and said "What are you talking about, they sold this company."

Cook went on to explain that the agency had corresponded with Mr. Powers and had asked him for some details regarding the sale. He stated the agency's understanding is that if one company were to be bought out by another, it would not necessarily mean that the license would come with it. The agency's duty was to conduct background checks on the company that owned them. Cook stated that this was their first renewal and there had been no disciplinary history found.

Cook noted that this is a company that did pre-employment background checks. Cook stated that the agency was seeking more time to find out exactly what was going on and would appreciate the Board's comments on this situation. Cook stated that the agency was trying to ask about the situation, but Powers did not seem to think that it was an issue with another company buying out a license holder. Moen asked if the contingency expired in September. Cook affirmed, and reminded the Board that it would expire this month and would go into lapsed status. Hodsdon stated that in terms of what has been submitted, the Board still did not have proof of meeting the preassignment training requirement. Cook answered no and noted that the agency did not know who the players were with the new company. He stated that they went into this without notifying the agency at all.

Hessel asked Cook if he had said that this was their first renewal. Cook affirmed. Hodsdon stated that there was an incomplete renewal packet and it seemed that it would go into lapsed status. Hodsdon went on to say that the Board did not know who was supposed to be submitting their background checks, without tracking the change of officers. The Board did not know who was submitting the preassignment proof, but somebody needed to be. Cook stated if they were owned by another company, he thought the agency should be doing a background check on the CEOs and CFOs of the company that purchased them. Hessel agreed. Moen then stated that they are required to notify the agency of that and that the Board did not see any evidence that that had occurred.

Hodsdon noted that if Warren Buffet decided to get into the private security business, and Hathoway wanted buy a free standing company, then the focus would be on that freestanding company, not Warren Buffet. Because it was a separate legal entity, if they want a corporate license, they are a legal entity in that sense. Hodsdon continued to say that the board did not know if they were a separate legal entity or if they had been merged or incorporated. Hodsdon stated that a freestanding legal entity was extremely different than a merger or an acquisition. If there was a merger or an acquisition, then he agreed with Cook that whoever bought the asset would become the Minnesota Manager or the Qualified Representative. Cook questioned if this would be like in the case of Allied and Universal. Hodsdon replied that they are a merger, and a merger is one thing. He stated that a corporations were allowed to own other corporations, and they do that on purpose all the time. He stated that within the Allina Health System, they had 40 or 50 different separate legal corporations. If that were the case, then the Board would treat the licensee as that of Talentwise, as that is who the Board was going to focus regarding meeting the requirements. He stated that right now they did not meet the requirements, so the Board would not have to get to that point.

Cook noted that they were now known as SterlingTalentwise, so along with that, they would have to notify and update the Minnesota Secretary of State with that name, along with the insurance certificates, and surety bond. Everything had to match the name SterlingTalentwise. That would be a name change. Hodsdon stated that is if that is the case. If it was a name change versus a merger, the Board would go back to the fact that the agency was not given notice of anything from any official source. Then the agency or Board can not assume that it was a merger or acquisition. Hodsdon noted that until the agency received an official word, Talentwise was the licensee of the freestanding entity. Talentwise had not submitted the appropriate documentation and would go into lapsed status. Hodsdon expressed that the burden should go on Talentwise, or whoever was going to be the successeor and interest in Talentwise. Hodsdon stated that the agency had gone above and beyond chasing these folks down in terms of customer service. Hodsdon stated this was more than he would have the patience to do if he were in the agency's shoes. Hodsdon then continued to say that was why he was not in the agency's shoes. Cook stated it was due diligence. Hodsdon replied that it was more than that. Hodsdon concluded that they were lapsed, and that the burden is on them to clean this up for the agency. Moen agreed. Hessel also also agreed and as of October 1, 2016 they would have a lapsed license.

PAC 1127 – Pro Dog Security, LLC

Cook stated that Pro Dog Security, LLC was originally Licensed August 2014, and the company's contingent status expired October 2016. The license holder currently employeed 10 employees. Cook noted that two months prior to the license holder's renewal date, the agency sent them, via both email and USPS, their renewal packet. Cook stated that as the agency had not received the renewal by the due date, on August 2, 2016, they sent the license holder a notice that they had not received their renewal. Cook noted that On August 2, 2016, the license holder stated that they had sent it out the week prior. Cook stated that on August 3rd the agency received the renewal. Cook then stated that on August 17, 2016 the several issues with the renewal were sent to the license holder including blank spots and unanswered questions on the renewal application, additional funds were needed, Affidavit of Training issues, and incomplete proof of financial responsibility. Cook stated that on August 17, 2016, the license holder called the agency and stated he would work on the issues. On August 22, 2016, the agency received the proof of financial responsibility. On August 24, 2016, the agency received all other information, but there were still issues with the Affidavit of Training. Cook noted that the license holder sent an updated Affidavit of Training on August 29,2016. As of that date, all documentation had been received. Cook stated that this was the license holder's first renewal and there was no disciplinary history found. Hodsdon stated that this contingency would have ended in October anyways. Cook affirmed. Hodsdon and Hessel both agreed that he was ahead of the ball in that sense. Hodsdon stated that is appeard that the licnese holder had all documentation for renewal in order.

- **MOTION**: Moen moved for the contingency be lifted for Pro Dog Security, LLC. Hessel seconded the motion. Cook noted that in the past with contingencies being lifted, there had been a $50 penalty for licenses who went into contingency due to circumstances within the control of the license holder. Moen ammended the motion to include a $50 penalty for the contingency. Hessel second the motion. Hodsdon stated that it had been moved and seconded lift the contingency with a $50 administrative penalty for going into contingent status due to circumstances within the applicant's control. The motion carried.

PAC 336- RS Executive Protection, LLC

Cook noted that RS Executive Protection, LLC was originally licensed in July, 2012 and their contigent status would expire October 2016. Cook noted that they had stated that they had 10 employees. Cook stated this renewal was due August 1, 2016. Cook noted that the agency had not received the renewal by the due date, and sent the license holder a notice that they had not received their renewal on August 2, 2016. Cook stated on August 3, 2016, the license holder apologized for the late packet, and stated that they would get it in to the agency the following week. Cook stated that on August 22, 2016, the agency received the packet via interoffice mail, as it was mailed to DVS (Department of Vehicle Services) in error. Cook stated that upon review of the renewal, the agency identified several issues including the late packet, blank spots on the application, an incomplete Worker's Compensation Form, Affidavit of Training issues, and lack of proof of financial responsibility. Cook noted that these issues were sent to the license holder on August 25, 2016, and that a Letter of Explanation and updated Affidavit of Training were received on September 12, 2016. Cook then stated that on September 23, 2016, the license holder sent the agency the requested proof of financial responsibility. Cook referred to the Letter of Explanation and disciplinary history. Cook concluded that all documention had been received and that there were no further issues.

Hodsdon noted that two years ago there were similar renewal issues, and the Board filed a Letter of Education and Conciliation. Moen stated that there was no question that the contingency be lifted, and the consideration for disciplinary action seemed to be the primary issue. Hodsdon agreed. Hodsdon noted again that two years ago the Board issued a Letter of Education and Conciliation. If the Board thought about it from a progressive discipline, the Board could talk about a $50 civil penalty for error.

- **MOTION**: Moen moved for the contingency to be lifted for PAC 336 RS Executive Protection LLC with a $50 administrative penalty for the contingency and an additional $50 administrative penalty for lack of responsiveness and for continual infractions. Hodsdon clarified that would be a total of $100 for penalities. Moen responded that that statement was correct. Hessel second the motion. Motion carried.

3. RENEWAL CONSENT AGENDA

Cook requested a motion of approval for the following reissuances and noted that not all the entities had provided a complete packet. Staff did work with them to make corrections so that they could be placed on the consent agenda.

LICENSE HOLDERS
PAC 1131 – A.S.P. of Moorhead, Inc.
PAC 189 – Dunbar Armored
PAC 300 – Grade A Security, LLC
PDC 520 – Commercial Reports, Inc.
PDI 664 – Dean Mikel
PDC 659 – Dahl & Associates, Inc., Legal Investigations
PDI 526 – Dean S. Stack
PDI 1018 – William G. Nelson

Cook stated that for this month, the only license holder that we had no issues with upon original submission was: ***PDI 664 – Dean Mikel***

Hodsdon noted that these license holders went on the consent agenda because all issues were corrected in a timely matter. Hodsdon thanked the licensees. Hodsdon also noted a special thanks to PDI 664, Dean Mikel, for having absolutely no issues upon original submission.

- **MOTION**: Chair Hodsdon looked for a motion to approve the Consent Agenda. Hessel moved to approve the Consent Agenda. Moen second the motion. Motion carried.

Cook wanted to further explain the consent items. He stated that Jahnz worked hard with the license holders to get their documents completed so they would not have renewal issues and contingencies. Cook again noted Dean Mikel PDI 664 being the only one to have completed the submission with no issues. For the rest of these, Cook stated, Jahnz had spent a lot of time working with them to make sure they get on the consent agenda. Hessel stated that the work reflects the consent agenda because there seemed to be more consent items each meeting. Hodsdon then stated for the license holders and the community out there, for every hour that Cook or Jahnz spend working on those issues, the less time they have to address other issues that they are concerned with such as consumer protection public safety items like unlicensed activity, quality assurances, timely processing of the Affidavit of Training, and course approvals, etc. Hodsdon noted that the agency was a small staffed agency.

***4.* RENEWALS WITH ISSUES:**

PAC 275- Fairview Health Services

Cook stated that Fairview Health Services was originally licensed December 2012 and had 65 Employees. Cook stated that the renewal packet was due on September 1, 2016. Cook noted that the agency had not received this renewal packet by the due date and sent out a notice of non-receipt on September 7, 2016. Cook then stated that the agency received a response from the license holder on September 7,2016. He stated that they were waiting on a signature from their interim CEO. The agency received a portion of their renewal packet on September 9, 2016 and noted that the agency then received a second portion of the renewal packet on September 12, 2016. Cook stated that the following renewal issues were sent on

September 15, 2016. These issues included the late packet, proof of insurance issues, Affidavit of Training issues, and an inconsistent CEO listed on the renewal.

As of September 21, 2016 the remaining issues were Affidavit of Training issues and an issue with the CEO. Cook stated that as of September 21, 2016 the license holder had submitted the officer change application and an updated Affidavit of Training. Cook stated that the agency needed more time to review the recently submitted material and referred to the disciplinary history. Cook noted that Dan Ische was the Qualified Representative and did respond to the agency very quickly. Cook stated that he did have an issue with tracking down doctors ,who were some of the owners of the entity, and getting them to sign the documents. Cook noted that this had been a problem in the past, but he was trying to get this documentation completed.

- **MOTION**: Moen moved that a contingency be granted for PAC 275 Fairview Health Services. Hessel seconded the motion. The motion carried.

PAC 337- Professional Security Consultants

Cook stated that Professional Security Consultants was originally licensed July 30, 2012 and had 72 employees. Cook noted that after processing the renewal, several issues were found including a late packet which was received September 2, 2016, Affidavit of Training issues, and Armed Affidavit of Training Issues. Cook stated that the agency sent the license holder these issues on September 7, 2016. Cook then stated that on September 23, 2016, the agency received an email that addressed the renewal issues. Cook noted that the agency had not had sufficient time to review the additional information prior to the meeting. Cook referred to the disciplinary history.

- **MOTION**: Moen moved that a contingency be granted to PAC 337- Professional Security Consultants with possible disciplinary actions at the expiration of the contingency. Hessel seconded the motion. The motion carried.

5. **LAPSED LICENSES: None**

6. **EXPIRED: None**

7. **SURRENDERED LICENSES: None**

8. **TRAINING COURSE & INSTRUCTOR APPROVALS:** *Training packets available to Board for review.*

TYPE	PROVIDER	INSTRUCTORS	COURSE NAME	HRS
CPD	National Fire Protection Association	Multiple	Suppression, Detection and Signaling	22
CPD	California Association of Licensed Investigators (CALI) and the Criminal Defense Investigative Training Council (CDITC)	Multiple	Criminal Defense Training Program	40
CPD	Anti-Vehicle Crime Association of MN	Charles Becket	Auto Theft Investigation	7
CPD	Nebraska Department of Insurance	Multiple	16th Annual Insurance Fraud Conference	6

PROVIDER	INSTRUCTORS
National Fire Protection Association	Multiple Conference Speakers
CALI and CDITC	Multiple Conference Speakers
General Security Services Corporation	Joseph Kessel
Nebraska Depratment of Insurance	Multiple Conference Speakers
Anti-Vehicle Crime Association of MN	Charles Becket

Hodsdon asked Cook if there were any updates. Cook stated that there were none. He noted that these were mainly for conferences. He stated that they were intense conferences that individuals attend. Cook stated that the agency looked over the material to make sure to get it before the Board. Cook noted that this was something that license holders were asking the agency ahead of time, which was what they were supposed to do. Cook stated that if a license holder wanted to attend courses that weren't already certified training, the Board could approve it as long as it was of quality and ahead of their renewal.

MOTION: Hessel made a motion to approve. Moen stated that she had a question about the California Association of Licensed Investigators (CALI) and the Criminal Defense Investigative Training Council (CDITC) regarding the kind of training are they providing in Minnesota. Cook noted that this was not in Minnesota, but the agency had license holders that went out to California for the training. Cook stated that CALI was a very strong association out in California. Moen seconded the motion. The motion carried.

9. **OFFICER CHANGES. File available for review.**

License Holder Business Name:	Centerra Group, LLC
License Type/Number:	PAC 294
Change from:	Charles Pritchard
Change to:	Nathan Marks
Type of Officer Change (MM, QR, CFO, CEO):	Qualified Representative

Hodsdon inquired if there were any further updates. Cook stated there weren't. Nathan Marks had been around for a long time and was with G4S prior to this. Including when G4S was sold out to Centerra.

- **MOTION**: Hessel motioned for approval of the officer change to Nathan Marks. Moen seconded the motion. The motion carried.

License Holder Business Name:	CoventBridge Group
License Type/Number:	PDC 1047
Change from:	Jeff Thone
Change to:	Charles Fox
Type of Officer Change (MM, QR, CFO, CEO):	Minnesota Manager

Hodsdon referred to the notes which stated that the applicant was well qualified and had no issues. The applicant was a longtime employee with the company as well as military investigative experience.

- **MOTION**: Moen made a motion to approve the officer change for ConventBridge Group from Jeff Thone to Charles Fox. Hessel seconded the motion. The motion carried.

Cook noted the next officer change is for CEO/CFO's. No Board approval required. Informational only.

License Holder Business Name:	First Advantage Corporation
License Type/Number:	PDC 1068
Change from:	Michael Duffey
Change to:	David L. Gamsey
Type of Officer Change (MM, QR, CFO, CEO):	Chief Financial Officer

Hodsdon stated that this officer change was informational only, as is was for the CFO position. Hodsdon noted that this was for PDC 1068 First Advantage Corporation.

10. <u>NEW LICENSE APPLICANTS – Tabled</u>

Applicant Business Name:	Marshal Mehlos DBA: MN Behavioral Intelligence
Type of License Applying For:	Individual Private Detective
Local Address:	745 Lakewood Trail, Young America, MN 55397

Hodsdon stated that Marshal Mehlos DBA: MN Behavioral Intelligence, was applying for an individual private detective license. Cook noted that Mehlos was sent an invitation last week to attend the September 27, 2016 Board meeting, but the agency had not heard back from him. Per the direction of the Board, the agency did send a signed consent form to the Illinos Board of Education, The Minnesota Board of Psychology, and the Minnesota Department of Education. Cook stated that the agency did receive information back from the Minnesota Board of Pyschology and the Minnesota Department of Education. Cook noted that 15 minutes prior to the meeting, the agency received a phone call from Illinos Board of Education. They stated that Mehlos was never an employee of theirs and that there was no record of him. Cook stated that he did not understand if he said he was an employee or not. Cook wondered if that meant he was a contracted psychologist. Cook asked Jahnz if the agency had sent the signed consent to the Illinos Board of Psychology. Jahnz replied that the agency had not, as Mehlos informed the agency that they would not have anything. Hodsdon stated that he did not think that he was an employee of the Board of Education, it was thought that they might have regulatory licensing files. Jahnz stated that it was an HR Representative that had called and she was probably just looking in their agency, not the licenses, so she may not have been the person to talk to. Hodsdon agreed.

Hodsdon stated that the issue the agency was trying to track down was the question of hours spent doing what the Board would consider to be investigative type work. Hodsdon noted that there was no doubt that he had spent easily more than 6,000 hours in the career. Hodsdon stated that the question was of what the Board saw as investigative nature as opposed to mental health assessments and evaluations. Hodsdon noted that he felt comfortable that the Board had the confirmation that he was doing the work. Hodsdon stated the next question was if the Board thought that would fit within the Board's critieria. Hodsdon noted the mental health assessments, evaluations, report writing, what the Board would call Minnesota rule 20 evaluations, sex offender evalutions. Hessel stated that he believed those all applied. Hodsdon stated that the agency had definitely had people who were investigative reporters and the board agreed that trade to be transferable.

Hodsdon questioned if the Board believed there was sufficient documentation to address the 6,000 hours. Hessel stated that the issue with Mehlos was just the 6,000 hours. Hodsdon stated from his perspective that was certainly what the concern was at the last meeting. Hodsdon noted that it was the surrender of the phsycology license as well.

Cook referred to the documentation received called the Center of Educator Licensing Renewal Application Conduct Review. Cook noted the date on the document being June 12, 2015. Cook listed some questions asked of Mr. Melhos. The first concerned whether he ever had an education or other occupational license revoked, suspended, or denied in Minnesota or in any other state. Mehlos answered no. Cook stated that the next question concerned whether the individual had ever voluntarily surrendered an education or other

occupational license. Mehlos again answered no. Hodsdon noted that it did specifically ask that. Cook noted that Mehlos had stated no. Hodsdon stated that was way more troubling now, and it was not just the hours being the issue. Jahnz stated that the document came from the request they did of the Minnesota Department of Education. Hodsdon stated that it would be a really good question to add to the agency's application. Cook agreed. Cook stated that currently the agency asked specifically if they had ever held a certain type of security or investigative license and if it was ever suspended. He noted that the wording could be changed on that at the direction of the Board, which the Board has the right to do. Hodsdon stated that it was important to the Board because, as a screening agency, we should know if they had licensing problems or not.

Hodsdon stated that it was not a deal breaker, but did merrit further investigation. Hodsdon stated that right now the matter had continued to resolve the tabled license issue. Hodsdon stated that perhaps the Board give staff the chance to pursue that issue. Hessel then asked if that was something that can be done. Hodsdon replied that the motion the Board made to table last time was to investigate and follow up what the Board had found out from the licensing packet. Hessel noted that now other issues had risen from that. Hodsdon stated that he agreed, and that the matter would remain tabled, unless a motion was made to take it off the table. Hodsdon replied that the table would remain and the Board's staff would continue to follow up. Hessel agreed that he would have made that suggestion himself.

Hodsdon stated if there was no motion to table, the license would remain tabled, and that the agency staff could continue to follow up with that. Cook stated that it might even be beneficial for Mehlos as well to be present at the meeting. Hodsdon agreed. Hodsdon stated that hearing no motion to remove the table, it remains pending the additional follow up by staff. Moen questioned if there was a further issue with unlicensed activity as far as providing bond work. Cook stated that at the last Board meeting Mr. Mehlos had explained the he was actually providing investigative services to bail enforcement agencies in terms of locating and skip tracing people for them. Cook noted that he was contracted as a 1099. Cook stated that he did not know the laws well enough to know if that fell under some justification for bail enforcement. Cook then stated that Mehlos was providing investigative services on a contractual basis for bail enforcement agencies. Hodsdon stated that he had forgotten about that and thought that Mehlos was an employee of them and looking to branch out. Hodsdon noted that he was so focused on the hours that he did not get to that point. Hodsdon stated that would be a good point as well for staff to pursue.

11. <u>NEW LICENSE APPLICANTS – Present:</u> None.

12. <u>New Applicants: Consent Agenda</u>: None.

13. OTHER ISSUES AND DISCUSSION:

- Discussion on approving licensure contingent upon receiving insurance certificate.

Cook stated that he thought this was already something that had been discussed at past board meetings, but was not able to find it listed anywhere in the Board Meeting Minutes. Cook noted that the situation was in regard to when an applicant submitted an application. They would purchase their insurance policy at that time. Cook stated that though the application process was now down to 30 to 60 days, it was still time an applicant was getting no value from the insurance policy. Cook went on to say that the proposal would be to allow applicants to purchase the insurance policy after approval. Cook stated that after everything else cleared, the applicant would come before the board. If their application had no issues, and once the Board said that it was good to go, their license will be sent to them contingent upon them providing proof of finicial responsibility. Cook noted that would be so that the applicants were not purchasing something ahead of time in case they were denied. Cook went on to say that it is sometimes a financial hard ship for the applicant to be purchasing these policies ahead of when they were actually approved. Cook also noted that if the Board wanted, they could instruct the applicant to give the agency a quote a head of time and to show that they had started the process, but not actually invest any money into that insurance policy until they had been approved.

Hessel questioned if that would take a rule change. Cook stated he did not think so. Hodsdon noted, after looking at the statues, that 326.3382 Subd. 3 did mandate proof of insurance but it did say that no license may be issued until the applicant had complied with the requirements of the subdivision. Hodsdon stated that the Board may not be precluded in the statute from issuing a license. Hodsdon stated, for example, a motion to issue a license could be contingent upon receipt. Hessel agreed that once the receipt was received, the applicant would get the license. Hodsdon stated that they did not want to be in a situation where the Board issued it, and then worried about revocations. The Board did not have statutory authority to issue until the Board had the Proof of Financial Responsibility. Hodsdon stated that there should not be any reason that could not be done based on contingent basis.

Hessel stated that that had been a problem where people were waiting for three to five months while they had to pay this premium. Cook noted that it took him nine months, and he was paying out on an insurance policy he did not use. Hodsdon stated that the Board had a couple of options. The first would be to remember to discuss the item each time the Board moved to approve a license. The second was to make it a standing policy that the Board moved to approve and application contingent upon receipt of the Proof of Insurance. Hodsdon stated that it would work either way. Hessel and Hodsdon asked the agency what would be easier. Cook replied that it would be easier to be approved upon receiving a receipt of proof of insurance and possibly getting a quote a head of time.

Hodsdon proposed that the cleanest way to do this would be to get a license approved contingent upon receiving receipt of proof of financial responsibility, and to assess that on each case basis. Hodsdon noted it would be freestanding so that someone down the road would not have to go back and remember. Hodsdon said that if the Board members simply remembered, that was what the board was going to do from that point forward. Hodsdon stated that the record would reflect the Board's intention: If people were thinking about getting a license as a private detective or protective agent they could plan their insurance accordingly.

Cook stated that this would only apply to first time applicants and not renewals. Hodsdon affirmed and stated that hopefully the people that would be applying would be aware and would know that this was what the normal process was. Cook stated that made sense. Hodsdon stated that he wanted to make clear that the Board was not talking about renewals. If somebody was already in the business, the Board expected continuous insurance at all times. Hessel noted with no break in between. Hodsdon agreed that there should be no break in between and that this was only for the new applicants.

- Possible Unlicensed Activity Update:
    - Item #1: Cook stated that this individual was currently licensed in another state. Cook noted that he had come into the state of Minnesota to provide investigation services. Cook went on to say that he claimed that he did not receive any fee or compsentation other than expenses paid for doing this. Hodsdon stated that at this point, the Board did not have any evidence to the contrary, and the key to the agency's unlicensed activity was compensation. Hodsdon then turned to the Board for further thoughts. Hessel asked if paying for his expenses was compensation. Hessel stated that it would be more of an expense report. Cook affirmed. Cook stated that this was already in law enforcement's hands. Hodsdon then stated that the Board's work was done at that point, and if the agency wanted to, they could pass the letter on to law enforcement.

    - Item #2: Cook stated that this individual was sent a notification letter from the agency and had responded back to the agency in an email and asked specifically what the agency was talking about so he could better address the situation. Cook stated that the agency sent him an email which stated that this had to do with some security services he provided to a clinic in St. Paul. The individual had not responded since then. Cook noted that this was already in the hands of law enforcement as well. Hodsdon asked if the email exchange had been shared with law enforcement. Cook stated that the latest one had not, but the agency would share it. Hodsdon noted that maybe at this time that was appropriate and they could see how it perculated. Hodsdon stated the agency should monitor it for now.

- Cook introduced Emily Siefkes, Fall Intern. Cook explained she was going Metro State University working towards a Criminal Justice degree and would be working towards obtaining 200 hours of experience.

REQUEST TO SPEAK TO THE BOARD: None.

14. At this time the Board adjourned the meeting so that pursuant to Minnesota Statute 13d.01 subd. 2 they could discuss disciplinary matters. Hodsdon asked the members present who were not members of the Board or staff to leave the for a private session. Magnuson stated this was regarding A Infidelity investigations Inc. vs. Minnesota Board of Private Detectives.The meeting had closed for the closed session at 10:52 am.

The meeting reconveined at 11:14 am. Hodsdon looked for a motion regarding the Writ of Mandamus dated September 18, 2016 that was served upon the Board to initiate a contested case proceeding consistent with the Writ. Hessel stated he would make that motion. Moen seconded. The motion carried.

Moen moved to adjourn the meeting. Hessel seconded. The motion carried and the meeting adjourned at 11:15 am.