STATE OF MINNESOTA
PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD

MEETING: March 29, 2016
LOCATION: Bureau of Criminal Apprehension, 1430 Maryland Avenue East, St. Paul, MN 55106
MEMBERS PRESENT: Steve Wohlman, Rick Hodsdon, Jim Hessel, Jeff Hansen, Pat Moen
ATTORNEY GENERAL REPRESENTATIVE: Pete Magnuson
EXECUTIVE DIRECTOR: Greg Cook
ADMINISTRATIVE ASSISTANT: Shauna Jahnz

The meeting was called to order at 10:03 am. Hodsdon noted that all members were present as well as the Executive Director and legal counsel.

1. REVIEW OF FEBRUARY 2016 MEETING MINUTES & MARCH 2016 AGING REPORTS

Hodsdon questioned if there were any comments or motions in regards to last month's meeting minutes or this month's aging reports. Wohlman made a motion to approve the meeting minutes and aging reports. Moen seconded. The motion carried.

Moen commended the staff on their promptness in processing applications as it was an improvement. Cook thanked Moen. Hodsdon concurred. He stated that the higher quality applications really expedite the process. Hodsdon noted an applicant on the agenda who gave the agency a 24-hour turn around. He stated he appreciates those individuals' work as well.

2. CURRENT CONTINGENCIES

PAC 326 – Unity Security, Inc. [Contingency ends March 2016]
Cook stated that with every renewal, they are sent the renewal packet both by email and US Postal Service two months ahead of time. Cook stated that they had received this company's packet, and then processed and sent the renewal issues out to them. Cook noted that the agency did have trouble getting ahold of the license holder. The license holder was looking into possibly selling the company, but did decide they still wanted to renew. Cook stated the agency had asked the license holder to get them the information in a timely manner so that they could process it for this meeting. The agency received their additional information on March 28, 2016, a day before the board meeting, at 1:00 pm. Cook stated that the agency was not given enough time to verify the information or look through any other issues. Cook mentioned that their contingency ends this month and that they would now be facing lapsed status.

Wohlman questioned how many employees were under this license. Jahnz stated that there were 19 employees. Wohlman stated that it appeared the company had changed their office location. Wohlman questioned if the agency had sent the issues out to them and if they had not received it. Cook stated he was not sure what the reason was for their lag time in responding to the issues.

Hodsdon questioned if the license would go into lapsed status. Cook affirmed. Wohlman questioned if the license holder would need to reapply if the license went into lapsed status. Cook stated the license holder would reapply for their renewal. Cook stated if the license goes past lapsed status, they would go into expired status and would need to reapply for licensure all over again. Wohlman stated that the paperwork the license holder turned in could count as reapplying for a renewal. Cook affirmed. Hodsdon mentioned that in lapsed status, the company would technically no longer be licensed, which means they shouldn't be working. Cook affirmed and stated that the agency does send a notification if that is the case.

Hodsdon stated he was not seeing a lot of mitigating explanation as to why it has taken the company so long to get their material in order. Hodsdon questioned the Board's thoughts. Wohlman stated that the other

thing they could do is renew the license contingent upon the review of the material and that everything is correct. Wohlman questioned if everything was not correct if the license would go into lapsed status as of next month. Cook confirmed that it would be at the next board meeting. Wohlman stated that they could do that, but then to include a fine with it. Cook confirmed that that was an option. Wohlman stated that was not enough time.

Wohlman questioned what date the agency had requested the response to renewal issues be sent back. Cook stated that the agency normally request the issues be sent back to them one week prior to the board meeting. Wohlman noted that deadline didn't give the agency a lot of time to complete their process. Cook replied that it could turn into crunch time when dealing with 18-22 renewals. Cook also noted that they were experiencing an 87-90% renewal issue rate.

Wohlman questioned if he would need to make a motion. Hodsdon stated that if there was no motion, the license would automatically go into lapsed status. Wohlman mentioned that they would not be able to conduct business. Hodsdon affirmed. Hodsdon questioned how long the entity had been licensed. Jahnz stated they had been licensed since April 2007. Wohlman stated they have been in business for 7 years with no disciplinary history. Hodsdon questioned if the Board had made a decision. Hansen questioned if there was the option to extend the contingency. Cook noted that per statute, the contingency can't be extended as it states it's to be a 60 day period.

Wohlman stated they would need to move for approval conditional upon everything he sent being complete. If not, the license will go into lapsed status. Hodsdon noted the contingency will end. Wohlman stated if everything was in order, it would be okay. Hodsdon affirmed and stated the Board would delegate its approval to the Executive Director. Wohlman stated that the Board could make a penalty consideration at this meeting and Cook could send a letter to let them know of the seriousness of their actions. Hodsdon stated they could include with the motion a prompt payment of the penalty. Cook stated there is a 30-day clause with penalties. Wohlman affirmed.

Wohlman made a motion to direct the Executive Director to look through the paperwork that was sent in by Unity Security, Inc. to check to make sure everything is complete. If not, the license would go into a lapsed status. Wohlman added that he would include a $100.00 fine. Wohlman also added that if everything is current, that the license be renewed, but the $100.00 fine would still be imposed. Moen seconded. Hodsdon questioned if the $100.00 sends a strong enough message. Moen noted that in the proposed penalty schedule, the failure to respond to reissuance in a timely manner is a $100.00 penalty for the first occurrence. Wohlman affirmed and stated it would be a level 1. The motion carried.

PDC 1056 – Donan Engineering, Co., Inc. [Contingency ends March 2016]

Hodsdon noted that this was another contingent license that was due March 2016. He stated it appeared all other required material was submitted and referred to the license holder's letter of explanation. Hodsdon questioned if there were any other issues. Cook stated there were not. Hodsdon stated the question was whether or not there was a basis to lift the contingency, as well as whether or not, given the lateness, it's appropriate to impose a penalty. Cook stated that in regards to the lateness, the license holder did notify their agency to inform them ahead of the due date that their packet would be late due to having officers in different locations. Hodsdon noted he did see that in Cook's notes to the Board. Hodsdon stated the situation is less egregious in his opinion.

Wohlman questioned if the company had received the $50.00 fine for going into contingency. Cook stated he did not believe that any penalties had been discussed at this point. Cook noted he believed that the way the Board handles penalties is that they decide when the issues come to a conclusion. Cook stated that the company had listed their Minnesota Manager incorrectly on their renewal packet, which is why the agency believed there was an officer change without proper notification. Cook noted that the individual they do have as their officer is not aware of the statutes. The agency sent the license holder seven issues. The officer provided the agency answers to two of the seven issues and requested that the agency contact his

company to find the answers to the other remaining items. Cook stated that it is the responsibility of the Minnesota Manager to know the statutes and rules, maintain the proper documentation that is required for the renewal, and provide that information in a timely fashion. Cook noted that it is not the agency's job to find that information for them.

Hodsdon noted that two years prior, the Board did send a Letter of Education and Conciliation to the license holder. He pointed out this appeared to be an entity who did not have a good handle on the statutes and rules. Wohlman stated that this license had gone into contingency. Cook affirmed. Wohlman questioned if all other documentation was in order. Cook affirmed. Wohlman made a motion to lift the contingency with a $50.00 penalty per Administrative Rule 7506.0130 Subpart 1. Hessel seconded. The motion carried.

PDI 929 – Warren J. Robinson [Contingency ends March 2016]
Hodsdon noted all issues had been resolved since March 7, 2016. Hodsdon referred the Board to a Letter of Explanation provided by the license holder. Hodsdon also noted that there was no prior disciplinary history for this specific license holder.

Wohlman made a motion to lift the contingency with a $50.00 penalty. Hessel seconded. The motion carried.

PDC 1107 – HireRight, Inc. [Contingency ends April 2016]

Hodsdon noted all other necessary documentation was received. He referred the Board to the license holder's Letter of Explanation. Cook mentioned that the company was also making a formal request to waive preassignment requirements for their Qualified Representative, Frank Monteleone. Hodsdon responded that the two items should be split as it is a separate request.

Wohlman questioned Cook if everything was complete. Cook affirmed. Wohlman made a motion to lift the contingency with a $50.00 penalty for going into contingency. Hessel seconded. The motion carried.

Hodsdon directed the Board back to the request to waive the preassignment training. Hodsdon noted that this individual has worked with the company for over 10 years full-time overseeing, managing, and supervising all work. He also holds a license in New Jersey for four years and it is in good standing.

Moen questioned if the individual's experience cover the areas listed in the preassignment training by rule. Cook stated he did not know, but that his experience was in pre-employment investigations, which is what the company does. Cook stated that as a pre-employment investigator, the individual may not be entirely aware of what the preassignment courses cover, which has a lot to do with Minnesota law.

With the employment history in front of the Board, Hessel made a motion to waive preassignment training for Mr. Monteleone. Wohlman seconded. The motion carried. Hodsdon noted the individual would still need to meet their continuing education requirements.

3. RENEWAL CONSENT AGENDA

LICENSE HOLDERS
PDC 793 – Twin City Lawmen, Inc.
PDC 1059 – Fire Cause Analysis
PAC 276 – Dealer Services Group, Inc.
PDC 1113 – A. C. Roman & Associates, Inc.
PDC 603 – William Murphy Investigations, Inc.
PAI 185 – Donald W. Mincke

Hodsdon noted these were individuals that did not have issues with their renewals and submitted quality work. Moen motioned to renew the above licenses. Wohlman seconded. The motion carried.

Hodsdon referred to the Executive Director's note regarding the high rate of renewal issues. He stated these renewal issues were eating up a lot of time for the agency's staff. Hodsdon made a plea to the industry to check their work. He noted that the agency has a limited amount of time to deal with these issues and the less time they deal with those, the more time they will have to deal with other more important situations.

4. RENEWALS WITH ISSUES:

PDI 842 – Julianne Mossak – Mossak and Associates
Cook stated that Mossak had been a license holder since 2000. He stated that neither the agency nor license holder could find where she took preassignment training. Cook noted that the individual was well qualified. He mentioned a possibility at this point was to consider waiving the preassignment training since she's been licensed for so long and is well aware of the laws.

Hessel mentioned that if she was licensed in 2000, at that time she would have had to show the agency she took Preassignment training. Wohlman questioned if this was the only remaining issue. Cook affirmed. Moen made a motion to waive the preassignment training. Wohlman seconded. The motion carried.

Cook noted that the agency currently did not have a mechanism in place to know when individuals take their preassignment. He stated that they find out at their first renewal. Cook requested that the Board make it a part of their motion to include whether or not the applicant should take their preassignment training within 21 days or if it is waived. This is so that it is on the record and comes up in the meeting minutes. The Board agreed.

PAC 212 – MTE, Inc. Motorized Traffic Escorts

Hodsdon referred the Board to the license holder's Letter of Explanation. Cook explained that this was another preassignment training issue. He noted that an employee was believed to have fallen under the Grandfather Clause, but he recalled the cutoff date to be in 1998. This employee was hired in 1999. Cook noted that this was something that had slipped through renewals for several years. Cook affirmed that he wanted to ensure the agency database and records were correct. Wohlman made a motion to waive the preassignment training for the employee hired 05/07/99. Hessel seconded.

PAC 1108 – Night Wolf Security

Hodsdon stated that the packet was a little bit late and referred the Board to the license holder's Letter of Explanation. Cook noted that this was their first renewal. Hodsdon questioned if the lateness of the packet was the only issue. Cook affirmed. Moen stated that it would appear a Letter of Education and Conciliation would be in order for this situation. Wohlman seconded and questioned if that was a motion. Moen affirmed. Hodsdon stated that the chair heard a motion to grant a renewal along with a Letter of Education and Conciliation. The motion carried.

PDC 1035 – Rimkus Consulting Group, Inc.

Hodsdon referred the Board to the license holder's Letter of Explanation regarding not having their renewal complete. Hodsdon noted the renewal was due March 1, 2016. Cook stated that it was an issue where they stated that they had not received the renewal packet. They had someone who was handling their licensing and compliance issues that had quit, which caused some issues. Cook noted that the agency had still not received the packet. Hodsdon stated this could be considered a contingency. Wohlman made a motion to grant a contingency. Moen seconded. The motion carried.

PDC 1060 – Midwest Legal, LLC

Hodsdon questioned if the agency had received the packet as of March 23, 2016. Cook affirmed. Hodsdon questioned if the agency had time to thoroughly review the packet. Cook stated they had not yet had the time. He also noted that the agency still had not received a Letter of Explanation as to why the packet was late. Cook stated that they were still working on processing the renewal. Moen made a motion to grant a contingency. Hessel seconded. The motion carried.

PDC 1111 – ADC, Ltd. NM

Hodsdon referred the Board to the license holder's Letter of Explanation. He noted that packet was a bit late and had an officer change gap. He noted there had been no disciplinary history found. Hodsdon questioned if everything else was in order. Cook affirmed. Moen stated it was troubling that they did not know that the Minnesota Manager retired. Wohlman questioned when the retirement took place. Cook stated he did not have that information in front of him. Wohlman stated it would be good information to know—if it went beyond the 7 days or not. Moen stated that it apparently had. Wohlman stated he would like to know for next time.

Moen made a motion to issue a Letter of Education and Conciliation with further consideration of penalty for failure to provide the agency with information regarding change in Minnesota Manager. Wohlman questioned if everything else was correct and in order. Cook affirmed. Wohlman seconded. The motion carried. Hodsdon asked that Cook follow up with the question regarding the retirement of the company's Minnesota Manager and that he put it on the agenda at the next meeting.

PDC 840 – Pinkerton Consulting and Investigations, Inc.

Cook explained that this was another situation in which an individual did not take their preassignment training. He stated that they don't find this out until renewal time. Hodsdon questioned if this was the only issue. Cook affirmed and stated that they were making an official request to waive preassignment training for Mr. Gurley. Hodsdon proposed to split the minutes on each issue. Moen made a motion to waive Mr. Gurley's preassignment training as he has been with the company for 18 years. Hodsdon complimented the request of waiver as the company gave the individual's bio and information rather than just a letter. He noted he felt more comfortable waiving the training. Hessel seconded. The motion carried.

Wohlman motioned to renew the license. Hessel seconded. The motion carried.

5. <u>LAPSED LICENSES:</u>

PAC-E 310 – Escort Service, Inc. [Lapsed Status ends March 2016]

Cook explained that this has happened previously with this license holder and that the agency has a hard time trying to get ahold of him. The license holder is saying he is not receiving the information, packets, or phone messages. The agency has tried a multitude of ways to contact him. Cook noted that if the Board looks at the disciplinary history, they will see this occurred during the last renewal as well. Cook stated he didn't know what else to do to try to send someone information. Cook mentioned that he stated he did not receive the letter, but the agency had a signed certificate showing that someone received it at that address. Cook noted that the agency left him voicemails and the license holder is saying he isn't hearing them.

Cook stated that they had originally thought that since the company did wide load escorts, he was getting out of his licensing since he wouldn't need it for that. Cook noted that they do also conduct funeral escorts which do need a license. Hodsdon noted it appeared this issue has occurred off and on since 2002.

Hodsdon questioned if all other material was in order. Cook affirmed. Hodsdon stated administrative penalties were issued in 2002, 2010, and 2014, which was a $100.00 penalty for late submission. As indicated, the same explanation was that he was having problems with his mail. Cook noted that they don't contact them only by mail; they also contact them by email and phone call. Hessel questioned the signed receipt for a letter the agency sent. Cook confirmed they had received that. Hessel stated that would prove to him that they had a correct address on file.

Wohlman stated that a level 2, for failure to respond to reissuance in a timely manner is $250.00. Wohlman stated that this would be a level because he was already issued a level 1. Wohlman made a motion to issue a level 2 penalty for PAC-E 310, which is a $250.00 administrative penalty plus the renewal. Moen added that it was based on the culpability of the license holder. Hansen seconded. Hodsdon stated that should this problem continue in the future, the penalty is likely to become worse.

PAC 334 – Miller Protection Services, Inc. [Lapsed Status Ends April 2016]

Hodsdon referred the Board to the Miller Protection's Letter of Explanation. He noted the license holder thought there was going to be a Minnesota Manager change, but it didn't happen. Hodsdon questioned if everything else was in order besides the lateness of the packet. Moen noted there was no disciplinary history. Cook stated that the agency had not received the renewal packet yet. Wohlman stated that the contingency would be up in April. Cook mentioned that at that point, if nothing happens, the license will expire. Hodsdon noted there was no action necessary as the license was already in lapsed status.

6. EXPIRED: None.

7. SURRENDERED LICENSES:

1. **PDC 649/ PAC 1157 Heartland**
2. **PDI 939 - Michael Atkinson dba: Atkinson Investigation**
3. **PAC 1110 - Midwest Safety Consulting, Inc.**
4. **PAC 1112 – SNJ Investigations, LLC**

8. TRAINING COURSE & INSTRUCTOR APPROVALS:

TYPE	PROVIDER	INSTRUCTORS	COURSE NAME	HRS
CPA	AlliedBarton Security Services	Taymara Montague	Kinesics Interviewing & Behavior Detection	6

Moen made a motion to approve the training course. Wohlman seconded. The motion carried.

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

License Holder Business Name:	Phoenix Security
License Type/Number:	PAC 181
Change from:	James L. Young, Sr.
Change to:	Penny L. Young
Type of Officer Change (MM, QR, CFO, CEO):	Qualified Representative, Chief Executive Officer, Financial Officer
Physical/Local Address:	513 Sutherland Drive, Woodbury, MN 55129

Wohlman made a motion to approve the officer change. He noted he knew the company and that they had been around for a long time. He stated that he wished her the best. Cook noted that the individual originally

wanted to do a Qualified Representative change, but given their situation, he suggested they do all three changes at once. Hessel seconded. The motion carried.

License Holder Business Name:	ADC, Ltd. NM
License Type/Number:	PAC 1087
Change from:	Theresa Berg
Change to:	Ian Menzies
Type of Officer Change (MM, QR, CFO, CEO):	Qualified Representative and Minnesota Manager
Physical/Local Address:	21000 Air Park Road #120, Albuquerque, NM 87108

License Holder Business Name:	ADC, Ltd. NM
License Type/Number:	PDC 1111
Change from:	Theresa Berg
Change to:	Ian Menzies
Type of Officer Change (MM, QR, CFO, CEO):	Minnesota Manager
Physical/Local Address:	21000 Air Park Road #120, Albuquerque, NM 87108

Moen made a motion to approve both officer changes for PAC 1087 and PDC 1111. Hansen seconded. Wohlman made a motion to amend that the Board waive the preassignment training for the individual. Moen agreed. Hessel seconded the amendment. Both motions carried.

License Holder Business Name:	SA Security, LLC
License Type/Number:	PAC 318
Change from:	John Adams
Change to:	James Hessel
Type of Officer Change (MM, QR, CFO, CEO):	Qualified Representative
Physical Address:	3399 Peachtree Road NE, Atlanta, GA 30326
Local Address:	11382 Louisiana Circle, Bloomington, MN 55438

Wohlman made a motion to approve the officer change and waive the preassignment training. Moen seconded. The motion carried. Hodsdon noted that Hessel removed himself from the vote on the change.

These next officer changes are for CEO/CFO's. No Board approval required. Informational only.

License Holder Business Name:	HireRight, LLC
License Type/Number:	PDC 1107
Change from:	Michael Petrullo
Change to:	John Fennelly
Type of Officer Change (MM, QR, CFO, CEO):	CEO
Physical Address:	3349 Michelson Dr. Ste. 150, Irvine, CA 92612
Local Address:	9023 Columbine Road, Eden Prairie, MN 55347

10. <u>NEW LICENSE APPLICANTS – Tabled.</u> None.

11. NEW LICENSE APPLICANTS – Present:

Applicant Business Name:	Twin Cities Legal Investigations, LLC
Type of License Applying For:	Corporate Private Detective
Physical/Local Address:	2130 Indiana Ave N, Golden Valley, MN 55422
CEO	Julie Anne Davison
CFO	Chad William Sedlacek
QR	Chad William Sedlacek
MM	N/A

Cook noted that he did already have the applicant's signed Tennessen Warning. Hodsdon asked the applicant to explain his scope of practice and what he intends to do. Magnuson questioned if Sedlacek heard Mr. Cook indicate he had received the signed Tennessen Warning from him. Sedlacek affirmed. Magnuson asked Sedlacek if he had any questions about it. Sedlacek stated he did not. Magnuson questioned Sedlacek if he needed any more time or if he would like the Board to go through the Tennessen Warning with him. Sedlacek declined.

Sedlacek explained he had been in the investigative industry since 1998, where he started at Equifax in their insurance division. He stated he did investigations for them for about six and a half years. He stated he was licensed on his own back in 1995 and held the license for three years. He explained that he then began to work for Interstate Reporting Services doing surveillance. He then worked for Heartland Business Intelligence doing criminal defense work and asset searches. He summarized that he also worked for Dahl and Associates where he primarily did criminal defense work. He moved onto ICS Merrill and worked for them for a year before they merged. He took a year off and worked at Home Depot, then went back to ICS Merrill. He stated he has been there for about eight years.

Sedlacek stated that with his new company, he planned to focus on criminal defense work. He mentioned that he and his associates weren't really looking to get work in the insurance fields, but strictly the legal industry. Moen questioned if Sedlacek planned to have employees. Sedlacek stated he would not. Cook stated that Sedlacek had mentioned associates and asked who his associates were. Sedlacek responded that he was talking about his business partner Julie Davison. Sedlacek confirmed that Davison was the CEO. Cook questioned if Davison would also be doing investigations. Sedlacek affirmed.

Wohlman questioned who Sedlacek worked for at Premier Investigations. Sedlacek stated that Jeff Hobbs was his supervisor, but didn't remember the owner's name. Wohlman asked Sedlacek if when he worked for ICS Merrill if he went through preassignment training. Sedlacek affirmed and stated he had gone through preassignment training around two or three times in the last 27 years. He stated that at ICS Merrill, he did preassignment with Thibodeau and Associates. Wohlman questioned if he received a certificate. Sedlacek affirmed and asked the Board to waive his preassignment. Wohlman questioned if Sedlacek was going to be armed. Sedlacek stated he would not be. Wohlman questioned Cook if everything was in order. Cook affirmed.

Wohlman made a motion to approve the license and waive the preassignment training. Moen seconded. The motion carried. Hodsdon noted that the application was received February 25, 2016. He stated that this shows that people who do a good job putting together their applications, it makes the staff's job easier and expedite the process for them. Cook stated it was a very nice and professional packet. Sedlacek thanked the agency and Board for their expeditious process.

12. New Applicants: Consent Agenda:

Applicant Business Name:	GTEL Advisors, LLC
Type of License Applying For:	Corporate Private Detective
Physical/Local Address:	6120 Berkshire W N, Plymouth, MN 55446
CEO, CFO and MM	Jeffrey D. Gottstein

Hodsdon noted that the entire employment history was available to the Board, the applicant was qualified with no issues, and that it was a very professional packet. Cook noted that Gottstein wanted to make it to the meeting, but couldn't. He also stated that another consideration would be to waive preassignment training. Wohlman made a motion to approve the application for licensure and waive the preassignment training. Hessel seconded. The motion carried.

Applicant Business Name:	Triple Canopy, Inc.
Type of License Applying For:	Corporate Protective Agent
Physical Address:	12018 Sunrise Valley Drive, # 140, Reston, VA 20191
Local Address:	2345 Rice Street, #230, Roseville, MN 55113
CEO	Jason DeYonker
CFO	Rosalind Kadasi
QR	Gerard Neville
MM	Gerard Neville

Hodsdon questioned if there was a representative from Triple Canopy present. Cook stated that there was not a representative present. He also noted that with the consent agenda items, if the Board does wish for the applicant to be present, it could be arranged and tabled for the next meeting. He added that he would like to present it as a consent item first. Cook stated the applicants were well qualified with a long history. Cook stated they do security contracting in the Middle East. They have a lot of government contracts and were intending to get some government contracts in Minnesota. Hessel questioned if there were any issues. Cook stated there were not any issues. Hessel made a motion to approve the application and waive the preassignment training for the Qualified Representative and Minnesota Manager. Wohlman seconded. The motion carried.

Applicant Business Name:	Litigation Solutions, LLC
Type of License Applying For:	Corporate Private Detective
Physical Address:	101 Towne Square Way, Suite 251, Pittsburg, PA 15227
Local Address:	2345 Rice Str. Roseville, MN 55113
CEO	Richard Taketa
CFO	Pamela Piasechi
QR	John Tomasic
MM	Adam Butts

Hodsdon noted that the applicants are well qualified with no issues. Moen questioned if there were any issues with preassignment training. Cook stated there were not any. He stated that the applicants have a long history and experience with this type of work. Moen made a motion to approve the application and

waive the preassignment training for the Qualified Representative and the Minnesota Manager. Hessel seconded. The motion carried.

Applicant Business Name:	Universal Security Incorporated
Type of License Applying For:	PDC and PAC
Physical Address:	1455 North Sedgwick, Chicago, IL 60610
Local Address:	6170 Cardinal Avenue, Excelsior, MN 55331
CEO, CFO and MM	Mark Lundgren

Hodsdon noted the applicant was applying for dual licensure. He also noted the applicant was well qualified with an extensive law enforcement background. Cook noted this was someone who could also be considered for waiving preassignment training due to his long career as a Chicago Police Officer and as an owner of his company as well. Hessel made a motion to approve the applications with a waiver of preassignment training for Mr. Lundgren. Moen seconded. The motion carried.

13. **Additional Applications:** For those current license holders that wish to meet the requirements of dual licensing.

Applicant Business Name:	Peart & Associates. Inc.
Type of License Applying For:	Corporate Protective Agent
Corporate Officers: CEO/CFO/QR	QR: Darald Peart CEO/CFO: Vandla Peart
Local Address:	500 Industrial Drive SW, Willmar, MN 56201

Hodsdon noted the individual was seeking dual licensure. Wohlman made a motion to approve the additional application with a waiver of preassignment training. Hessel seconded. The motion carried.

14. REQUEST TO SPEAK TO THE BOARD:

David Sodergren

Cook invited Sodergren to the front of the room. Cook asked Sodergren if he had read the Tennessen Warning. Sodergren affirmed. Cook questioned if Sodergren had any questions regarding the Tennessen Warning. Sodergren stated that he didn't, but he may have questions later. Cook questioned if Sodergren was there voluntarily to speak to the Board. Sodergren affirmed. Magnuson questioned if Sodergren had an attorney at the meeting to represent him. Sodergren stated he did not. Magnuson questioned if Sodergren realized that he could have an attorney represent him and be with him if he wanted. Sodergren stated he knew now. Magnuson questioned if Sodergren needed more time to think about it. Sodergren stated he did not. Magnuson stated that he represented the Board and couldn't answer any legal questions for him. Sodergren stated that he understood. Magnuson questioned if Sodergren would still like to go forward with the meeting. Sodergren affirmed.

Sodergren thanked the Board for their time and explained he wanted to explain himself in regards to some of the Board's concerns had about his activities. He explained he received the letter from Mr. Cook informing him of the Board's concerns with unlicensed activity. Sodergren stated he did speak to Mr. Cook in person two times after receiving the letter. He stated that his activities in question ranged from about September to mid-November of last year.

Sodergren stated he volunteered his time to a non-governmental organization in Minnesota. He stated he has traveled to several different countries doing this. He noted that every year they have an event in the

Fall. Every year he volunteers his time to that event. He said working for the event lasts about a week long. Sodergren stated that the last four years, he had been vetted by the Secret Service to carry a firearm. He stated that President Clinton had a friend coming in from Nairobi who had some backlash, so he ended up providing security to him. He stated that each year he's been asked to do a bit more. For the past four years he has donated his services to them and in between, he has traveled to other countries for them.

Sodergren stated that this fall, they had an issue with potential workplace violence. They let a few high positioned employees go and were having some issues with their departure. He stated that this was the reason he was asked to step in. It started with the fact that he had recording devices. He noted that this situation had escalated over the day, trying to figure out how much money was stolen. He also stated that the Sheriff's Department had been escorting them out of the building. Sodergren stated he was asked to provide security to the owner and his family at their residence, as well as his son who lived about five houses down. He stated he did 16-hour days for 16 weeks. Sodergren stated that in this process, the Board was alerted to his activity.

Sodergren mentioned that when he started he had asked if he was considered part of the security team. He was assured that he was. He stated he was not familiar with how the proprietary employee works with the Board and State of Minnesota; he took the work because he knew this company and had worked with them all over the world. Sodergren received the letter from the Board and immediately engaged with the protective agent company to take over his assigned hours. He still worked the hours. Sodergren stated that he had replied to the letter. He noted that his work lasted another two or three weeks after speaking with another company. He stated he moved on from that. Sodergren stated that since then, he has not conducted any work within the state. He noted he had been working with Mr. Cook to get to this point.

Sodergren stated that he had a criminal history. He noted his rights have been restored. Sodergren stated that he had been operating under the assumption that—he stated he understood Minnesota Statute 326.336 Employees of License Holder. He stated he went through that and a background check. He stated he understood the qualifications with the background check. Sodergren stated that under definition 609.02 Definitions: Felony, that's all very clear to him.

Cook stated that on the ends of his records, it states that all civil rights are restored and full citizenship with full right to vote and hold office the same as if said conviction had not taken place. Cook noted that this does not apply to any other charges or convictions to which the subject may be incarcerated, on probation, parole, or supervised release. Cook asked Sodergren if that was the statement he was trying to get to. Sodergren affirmed. Hodsdon stated that all felony probations statements say that under 609.165. Hodsdon stated that it doesn't mean what it says. He stated that certain firearms authorities are not restored. There are other statutes that trump it. For example, the P.O.S.T. Board says that any felony theft conviction, even if sealed, or a pardon granted, won't restore authority to a P.O.S.T. Board license.

Cook stated that he understood, but that it was part of what Sodergren wanted to ask the Board. Sodergren stated that his firearms rights have all been restored. He noted he has licenses in Minnesota, Utah, Arizona, Florida, and Maine, which gives him reciprocity around the country, excluding eight states. He mentioned that his BCA report comes back the same saying that his rights have been restored. Also those rights are restored and full citizenship, write to vote, and hold office, the same as if said conviction had not taken place.

Sodergren stated that under Minnesota Statute 326.3381Licenses, pursuant to private detectives and protective licenses, subpart 3 says no person is qualified to hold a license who has been convicted of felony by the courts. He noted that the last couple of sentences state acts which have been done in Minnesota, which would be a felony, or would be of the other offenses provided in this clause, in which forth, a whole pardon or similar has not been granted. Sodergren stated that the phrase "similar relief" was his question. Sodergren stated that he had talked with Mr. Magnuson and a legislative library regarding the definition of "similar relief". The legislative library did some digging and couldn't get an answer. They in turn gave Sodergren the contact information to the Attorney General's office. He stated he spoke with Magnuson, but

because he works with the Board, he was unable to provide him with a definition. Sodergren stated that Magnuson had advised him to look at the Reviser Office Statutes. Sodergren stated he had called there and did a search for “similar relief”. He stated there were 81 results from the search. Sodergren stated he searched all of the results. He noted that none of them were pursuant to the Board as a definition.

Sodergren believed that the last time Minnesota Statute 326.336 was amended was 1998 and there was no change to the line stating that a full pardon or similar relief has not been granted. He stated that Definitions under 624.712 Subdivision 10 paragraph 2 states what constitutes a conviction of a crime shall be determined in accordance with the law or jurisdiction in which the proceedings were held. Any conviction which has been expunged, set aside, or for which a person has had been pardoned or had his civil rights restored, shall not be considered a conviction for purposes of this definition, unless such pardon, expungement, or restoration of civil rights expressly provides that the person may not ship, transport, or possess firearms.

Hodsdon stated that they weren’t talking about gun laws, they were talking about licensing. Sodergren agreed. Hodsdon mentioned that he handles all the gun related licensing in his jurisdiction. He stated he teaches thousands of cops. He noted he also handles the expungements, set asides, and other issues and teaches those issues. He stated he has a Board approved class on pardons and expungements. Hodsdon stated that the question is what Sodergren would have to do to get a license. Hodsdon stated he would encourage Sodergren to speak with his own legal counsel. Hodsdon noted he was looking at Minnesota Statute 326.3381 subdivision 3 where it specifically says no person is qualified to hold a license, by this Board, if they have been convicted in this state and elsewhere of in a crime that constitutes a felony of theft. Hodsdon stated that Sodergren clearly had done that. Hodsdon stated it leads him to the Ex-Offender Rehabilitation Act Chapter 364. As a state licensing entity, certain criminal convictions can be considered. Hodsdon stated he happened to look up the Ex-Offender Rehabilitation Act as Sodergren was speaking, and 364.09 specifically excludes this Board in the scope of that coverage. So being off probation and discharged, he could vote or run for political office. With the age of the convictions and the nature of Sodergren’s felonies, Hodsdon stated it doesn’t surprise him that he would be allowed to obtain firearms because in Minnesota, the disqualifications changed from a ten year ban, as of August 1, 1993, to a lifetime ban. He stated that some of his disqualifying offenses beat that date. Hodsdon reiterated that having the authority to carry a firearm has nothing to do with what the Board looks at as a licensing entity. Hodsdon stated Sodergren had been convicted of one or more felony thefts and the Ex-Offender Rehabilitation act does not give him relief. Hodsdon stated that from his perspective, if the Board wanted to issue him a license, they would be exceeding their lawful authority.

Magnuson wanted to clarify that there was no license application pending before the Board. Cook affirmed. Magnuson questioned if Sodergren understood that he did not have a license application pending before the Board. Sodergren affirmed. Magnuson stated that the Board cannot act on any license application at the moment. He stated that if Sodergren had a license application pending, it would be processed by the Board. Magnuson stated it sounded like Sodergren was asking if he could be approved before submitting the application. Sodergren stated that was incorrect. He stated he was asking if he should bother trying to apply. Sodergren questioned what the clause “similar relief” means and what does it encompass. Magnuson stated he didn’t know if the Board could answer that question for him without all the convictions in front of them with a formal application. Magnuson stated that Sodergren would have certain rights in the Board were to deny his application. He stated the Sodergren would have the right to have that decision reviewed. Magnuson noted that anything discussed today is advisory and there is no provision for Sodergren to have it reviewed. Magnuson stated he didn’t want Sodergren to walk away from the board meeting thinking that he can’t apply because there’s no mechanism to have that reviewed. Magnuson stated that these were questions that might better be answered by an attorney who is representing Sodergren. Since there is no formal application pending, there will be no action by the Board. Magnuson reiterated that he didn’t want Sodergren walking away thinking he cannot apply, but since there is no formal application, the Board can’t act upon it right now.

Hodsdon thanked Magnuson for the clarification. Hodsdon stated that if Sodergren was trying to figure out if it's worth the effort to apply, he just got a flavor of one Board Member's perspective. Hodsdon stated Sodergren may talk to a lawyer as the Board can't give him legal advice. Sodergren stated he understood. He questioned if he would be prohibited from working for a licensed agency. Hodsdon stated that again, he was asking for a different variation of his prior question. Sodergren stated that he wanted to avoid fines and breaking the law. He stated he has a few offers to work with a couple of different agencies as well as offers for fill in work. Sodergren stated that since he doesn't want to break the law, he is asking the Board if he would be eligible to do that. He stated he understood the process of applying, but in the meantime, would he be breaking the law by working. Hodsdon stated that the Board's opinion means nothing. If someone breaks the law, the Board is not the prosecutor. He stated that he would need to discuss this between himself and his perspective employers.

Magnuson clarified that unlicensed activity is prosecuted by a local prosecutor, not this Board. The Board has authority over licensed individuals. Any unlicensed activity would be prosecuted by a separate prosecutor, typically being a county attorney in the county where the unlicensed activity took place. Magnuson stated that the Board Chair was accurate in that the Board would have nothing to do with the prosecution of that. That determination would be made by a prosecutor as to whether or not there was probable cause to go forward with it. This Board's determination doesn't trump what a prosecutor may decide.

Wohlman questioned if the private companies that Sodergren worked for conducted background checks on him. Sodergren stated they had him fill out the paperwork. Wohlman questioned if they fingerprinted him. Sodergren affirmed. He also stated that there were a couple of companies that didn't go through that and others had. Wohlman questioned if any of those companies had ever denied him. Sodergren stated that one had. Hessel questioned Sodergren what the reason was behind the denial. Sodergren stated it was because he had a record. He stated that they didn't look that far into this, and he hadn't either up until this point. Sodergren stated that he scoured through all 81 times that "similar relief" was used in the statutes and there was no definition pertaining to this. He stated he had called the Attorney General's office and that he wasn't getting any kind of understanding of what that is and he doesn't want to break the law.

Cook stated that after receiving the Board's notification in the mail, Sodergren did contact him, which he does appreciate. He noted that they did meet to discuss this in person, and Sodergren was doing his research and he also appreciates that. Cook questioned, hypothetically, if someone were to have a record and had it expunged if that would meet requirements. Hodsdon stated that was *State v. MDT* Minnesota Supreme Court decision says that an expunged conviction is still a conviction under the laws in the State of Minnesota.

Sodergren stated that he can work for the Hennepin County Sheriff's Department if his record is expunged, but he couldn't work as a private investigator in the State of Minnesota. Hodsdon stated that was not what he was saying. Sodergren stated he must have misunderstood. Hodsdon said that he stated that an expunged conviction as stated under *State v. MDT* is still a conviction. The Sheriff's Office has many different positions. A licensed peace officer would be a whole different situation than any other positions within. Sodergren commented that this was a special deputy position. Sodergren stated that the reason he hasn't had his record expunged is because it actually helps him in his undercover background. He stated that if someone looks up his background while under cover, they would find that he has a background and it alleviates questions about what he is doing. He stated that in some ways, his bad activity in the past does help him. Sodergren stated that is also costs about $10,000.00 to get convictions expunged and he isn't sure if that works either. He stated this was why he came before the Board, but that he understands that it isn't appropriate at this point without a pending application. Sodergren questioned if he would have to wait a year from October 2015 to apply, since that was the date of the letter he received. Cook stated that they were looking for a finding of date of the unlicensed activity. Hodsdon stated that they haven't made such finding. Cook informed Sodergren that an application costs $25.00. Sodergren stated that it was his understanding that it cost about $1,000.00 to get a license. Sodergren stated that he wouldn't want to waste

the Board's time with reviewing the application if there was a way he didn't have to. Sodergren thanked the Board for their time.

Tom Snell – Executive Director of the White Bear Lake Chamber of Commerce

Hodsdon noted that Cook thoroughly checked the hallway and did not find Mr. Snell. Hodsdon stated they would continue on.

15. OTHER ISSUES AND DISCUSSION:

MN Statute 326.3341 EXEMPTIONS.
(4) an attorney-at-law while performing the duties of an attorney-at-law or an investigator employed exclusively by an attorney or a law firm engaged in investigating legal matters;

Hodsdon questioned Cook as to why this was on the agenda. Cook stated he was looking for clarification. Cook questioned if there was an entity out there doing investigations for one attorney, does he need to be on their payroll or W-2? Can it be one attorney sequentially? Wohlman noted Cook said it when he said W-2. He stated when an entity has a W-2 through an attorney's office they are working for that individual. If they're contracted to work for three or four different companies exclusively, that's outside the contract.

Hodsdon stated he gets W-2's from multiple entities throughout the entire year. He stated that the word "exclusively" does mean something. He stated he would have some reluctance of a W-2 versus a 1099 because he knows people who get 1099s who work exclusively for an individual. A lot are retired cops who want to do this on a part-time basis. Hodsdon stated that his thought would be that this would be a matter of a case-by-case basis. There could be someone who works for a month for a lawyer, takes a month off, then works for a different lawyer; they maybe are exclusive. Hodsdon noted he knew several people working cases purely doing it pro bono. He stated that the two issues are if they are being compensated and if they are exclusive. If there are allegations or inquiries of someone who is doing this on a frequent basis and getting paid, it would probably fall within the scope of licensable activity. Magnuson stated he would be reluctant to give some kind of definitive answer.

Certified Training Audits MN Administrative Rule 7506.2200

Cook stated that written within the Minnesota Administrative Rules, is a statement in which this agency is allowed to audit training courses upon Board approval. Cook stated he was requesting approval so that at certain times he could send interns and assistants to some of these training classes to obtain some hands-on, eyes-on, ears-on experience from what the trainers are doing. Cook mentioned he has received a lot of phone calls with complaints from individuals who don't want to sign the complaint forms. They complain that they are going to these courses and they only have class for two hours when it should be six hours, or the material has nothing to do with what they are supposed to be taught. Cook stated he believed they need a program to address this.

Wohlman stated that by Statute, there are differences by audits and surveys. Wohlman stated that Cook was describing something more like a survey to find out if the plan that is already in place is being enacted correctly. The audit part is where you are checking it at first, which the Board is doing, looking to see if all the material is there and correct. Cook stated that the material is correct, but are they actually presenting the material. Wohlman stated these were two different things. If they were to base this on what was normally considered an audit and what was considered a survey, he wanted to ensure the Board was falling into the correct scope. Wohlman stated he didn't have a problem doing it, but posed the question if someone could challenge them on it. Cook stated that it was written in the rules. Cook ensured it would be done on a standardized checklist of criteria that they would be looking at.

Moen questioned what kinds of things would be looked at. Cook answered they would look to see if they were sticking to the core objectives, for example with Preassignment. Preassignment has certain objectives

such as if they are teaching Minnesota law, stalking, and other items. He also noted that another reason to look into this is because they want to see the quality of the class. He stated that some trainers may be teaching a class on surveillance and then get off track and start to talk politics. Cook stated that the length of the class would also be something that they would look at to ensure the class was the length that they claim it is.

Hansen assumed that there was a curriculum for each of the classes. Cook responded that the core objectives are fairly general, but that there were specific ones for preassignment. But for some of the other classes, they need to know if the material is of quality. He stated that they have had some trainers who stick students in a room and play a video the whole time. Hansen wanted to make sure that the interns and administrative staff would have the right tools to determine whether or not it's a sufficient training. Cook affirmed and stated he would like to have a system where students taking these courses would have an option to report to the agency regarding the class. Cook stated that for right now, they would like to get out into the field because they are not seeing what is actually happening in these courses. Cook reiterated that they do receive several calls about this. Hodsdon stated that the P.O.S.T. Board enacted a response to the courses by students, but that this was done by rule.

Magnuson stated he would read the last sentence of subpart 4 for Rule 7506.2200: certified training programs must be open for audit or on-site inspection by the Board or its staff, at the discretion of the Board. Hodsdon stated that a motion would be appropriate to give the Executive Director and staff permission to do so. Wohlman asked Magnuson to read the administrative rule number again. Magnuson stated it was Administrative Rule 7506.2200 subpart 4, Periodic Review of Certification.

Moen stated that her specific question is whether they would need to have any specific criteria for the audit. Cook affirmed and stated he would be creating this as he wants to make sure he is standard on everything with everybody. Hodsdon question if Moen had made a motion to grant authority to audits subject to creating standard criteria. Wohlman seconded. Wohlman stated that it does specifically say that "the Board or the Executive Director". Wohlman questioned if interns could go out and do that. Hodsdon stated that the motion Moen made indicated the Board and its staff to be allowed to conduct audits. Hodsdon noted that it was like all of the statutes that say the, "superintendent of the BCA shall". Hodsdon stated he didn't believe that Superintendent Evans was personally doing all of those things by himself.

Hansen stated he would express some concern that if they don't have specific criteria and have an intern going out and conducting an audit, he doesn't want to put them in such a precarious position that they would have to report back that someone is not following those rules and being the actual fact finder in that audit. Hansen stated he has no problem with them attending on the Board's behalf, but would caution having a student intern being that person.

Cook stated he thought intern students would be the perfect person to do this.Cook stated he could certainly put something together for Board approval. Cook also noted that they would be reporting back to the Board and the Board would be making any determination if something was in any sort of violation. Hodsdon noted that presumably if there was a violation and the Board moved to revoke or suspend the course, it could move us into a contested case procedure. Cook stated that it is somewhat like the scale of graduated penalties. If the trainer is not doing something correctly, they would let them know. Hodsdon stated that Hansen's point would be that the Board should be the fact finders on the information, and the intern can be the gatherer of factual information under standardized protocol. Moen mention she hoped this would show the trainer the interest of the Board as far as the quality of the training provided. She stated it would not involve any kind of action against a trainer per se, but just fact finding for the Board.

Determining Preassignment training for new license holders at Board Meetings

Hodsdon noted that they had already discussed this and they decided that with the motion of granting a new license, the Board shall also indicate whether they waive preassignment or they indicate that they will need to take preassignment within 21 days.

MNDOT Tour
As several of our licensed private detectives, protective agents and trainers deal with MNDOT related issues our agency is organizing a tour of MN Dept of Transportation. The tour will take place on Friday, April 22nd 2016 1:00pm. Information will be sent out to all license holders and trainers.

Hessel questioned where the tour was taking place. Cook noted it would take place at the MNDOT facility in Roseville. He noted that the agency has a lot of license holders who deal with MNDOT one way or the other, and someone brought this up as an idea. Wohlman noted he had taken a course through MNDOT in which they came out to teach in Wilmar. He stated it was interesting.

At this time the board adjourned the meeting so that pursuant to Minnesota statute 13d.01 subd. 2 the Board could discuss disciplinary matters.

The meeting temporarily adjourned at 12:00 pm.

The meeting was called back to order at 12:37 pm. Hodsdon noted that the last item on the agenda is to memorialize the topics that were just discussed with the Board's assigned Attorney General Representative. Magnuson stated that with respect to the Austin Seman/Fairline matter, the Board took action to deny a license back in December 2015. A notice was sent out to Mr. Seman explaining his right to a contested case hearing, which he did. Magnuson stated it has been proceeding forward. Magnuson stated that he and Mr. Cook appeared at a telephone conference with the Administrative Law Judge, Laura Sue Schlatter last week. Magnuson stated that a pre-hearing order was received from the court and is set for Thursday, June 16th. Magnuson stated that at that point in time there may be an evidentiary hearing and there may not be an evidentiary hearing. He stated that they are in settlement discussions right now with the opposing counsel, which was discussed in closed session. Magnuson stated that Thursday, June 16th is the date of the contested case hearing if the parties fail to settle this matter.

Magnuson stated that with regards to A Infidelity Investigations, Inc. v. The Board, and various individual defendants, he had received a copy of a first amended complaint from opposing counsel on March 17th. Magnuson accepted service on behalf of the Board and individual defendants. An answer or motion to dismiss is due by this coming Thursday. The Board has discussed this. With the complaint, they are going to bring a motion to dismiss. With this first amended complaint, they will also be bringing a motion to dismiss. That will proceed forward and has now been assigned to Judge Leery in Ramsey County District Court, and this will proceed.

Hodsdon thanked Magnuson for the update and requested a motion to adjourn. Wohlman made a motion to adjourn. Hessel seconded. The motion carried. The meeting adjourned at 12:40 pm.

Next meeting is scheduled for April 26th, 2016 at 10:00am.