

REGULAR BOARD MEETING

MINUTES

April 13, 2011

The North Carolina Board of Funeral Service met for a duly scheduled Board Meeting at 9:00 a.m. on April 13, 2011 at the Board's office, 1033 Wade Avenue, Suite 108, Raleigh, North Carolina.

Present: George Parrott, President; Tryphina Wiseman, Vice President; Elizabeth Webber, Secretary; Rudy Lea, Frank McCree, J. T. Willoughby III, Jack Briggs, Harris High and Ken Stainback.

Also Present: Paul Harris, Executive Director; Stephen N. Dirksen, General Counsel; Dorman Caudle with Carolina Donor Services, Herbert Reichlin with Funeral Consumers Alliance, Fred Jordan with NC Eye Bank, Pat Hayes with North Carolina Funeral Directors Association, Dan Funchess, funeral licensee, Bob Crawford, attorney, and Lyn Cochrane.

Mr. Parrott called the meeting to order and led the Pledge of Allegiance. Mr. Willoughby had the devotion.

Mr. Parrott read the Ethics Awareness & Conflict of Interest statement. Mr. Willoughby and Ms. Wiseman stated they had attended the Board of Directors meeting for the Funeral Director and Morticians Association of NC, Inc. Mr. Lea stated he had attended the North Carolina Funeral Directors Association District Meeting in Rocky Mount. Mr. Briggs stated he had participated in a panel discussion representing the funeral industry for Wake Forest Baptist Health Center. Ms. Webber stated she had attended the Funeral Consumers Alliance of the Triangle Board meeting. Mr. High stated as planner for the NCFDA Convention he had made various telephone calls.

Mr. Parrott asked the guests to identify themselves and there was no public comment.

Ms. Webber stated the minutes had been previously mailed. Mr. Dirksen stated there was a correction under the Disciplinary Committee report—"which includes M10-006 and M-11-005" should be moved behind V10-051. Mr. High made the motion to accept the report with this correction and Ms. Wiseman seconded. Mr. Briggs stated the word "remove" should be added to the fifth paragraph, second sentence changing it to read "he would remove himself." Mr. Harris stated under Finance and Personnel the MBA funds amount should be corrected to read \$5,195,543. Mr. Willoughby made the motion to approve the minutes with all corrections. Mr. Briggs seconded and the motion carried.

Finance and Personnel Committee: Mr. Briggs presented the report. Mr. Harris made comments regarding some line items. Mr. Briggs made the motion to accept the Report. Mr. Stainback seconded and the motion carried.

Laws and Rules Committee: Mr. Briggs yielded the floor to Mr. Harris who updated members on pending legislation and continuing work with unclaimed property to deal with preneed trust accounts and properly escheating the funds.

Traineeship Committee: Ms. Wiseman presented three recommendations regarding trainees and their late reports.

A trainee was previously suspended for several late reports last year and entered into a consent order. The consent order allowed trainee to re-start traineeship January 1. Trainee did not contact staff about re-starting until early February. Has not responded to a staff letter sent on Feb 15 or to telephone messages. RECOMMENDATION: terminate traineeship.

A trainee who had been suspended in 2010 for late reports filed the February report postmarked 3-11-11. Since earlier suspension all other work reports have been on time. RECOMMENDATION: Do not

allow credit for February, no further action.

A trainee previously suspended for late reports was late filing the February report due to the death of his supervisor. Trainee has completed all requirements in excess of those needed, but continued as a trainee until prepared to sit for the exams. Has submitted exam applications. Trainee wants to certify traineeship. RECOMMENDATION: Accept certification (this will have to be done by location manager due to supervisor's death.) Must certify within 10 days of receiving the certification affidavit or traineeship will be terminated.

Mr. Willoughby made the motion to approve the recommendations and Mr. Lea seconded. The motion carried.

Preneed Committee: Mr. Willoughby presented the report and made three recommendations regarding discontinuance of the preneed bond for one establishment, omitting firm name on monthly audit reports, and drafting letter to funeral homes to provide to the insurance companies for preneed reporting. Mr. Willoughby yielded to Mr. Harris to respond to any questions or discussion. Ms. Webber made the motion to approve the recommendations. Mr. Lea seconded and the motion carried.

Mr. Briggs stated a suggestion had been made to him by a licensee that staff acknowledges receipt of preneed annual reports. Discussion ensued with Mr. High suggesting licensees could send the reports in a manner so they would have a delivery receipt such as certified mail. Staff will discuss with the Preneed Committee.

Disciplinary Committee: Mr. Lea presented the report and stated there was an addendum. Discussion ensued regarding the report. Mr. Willoughby made a motion to accept the recommendations for V11-008, V11-015, M11-003, V11-016, V10-078, V11-013, M11-02 and V05-023. Mr. Stainback seconded and the motion carried.

Mr. High recused himself from V09-055 in the addendum, because he made know the parties involved. Mr. Briggs made the motion to remove V09-055 and consider it separately. Mr. Willoughby seconded and the motion carried. Mr. Briggs made the motion to approve M11-011. Ms. Wiseman seconded and the motion carried. Mr. High moved away from the table at this time and discussion ensued regarding V09-055. Ms. Wiseman made the motion to accept V09-055 and concurrent cases M03-020, V09-055, V01-051, M10-006 and M11-005 and to include dismissal of M03-020. Mr. Lea seconded and the motion carried. Mr. High did not participate in the discussion or vote on this matter and moved back to the table after the vote.

Mr. Lea the presented a policy recommendation regarding some firms having trouble calculating sales tax on both preneed and final contracts. Ms. Webber made the motion to accept the recommendation to write a letter to the firm about errors on the first offense. Mr. High seconded and the motion carried.

Attorney's Report: Mr. Dirksen presented the report and stated there were no hearings to be heard.

Mr. Parrott called for a ten-minute recess and during this time Mr. Crawford and Mr. Reichlin departed the meeting.

Executive Directors Report: Mr. Harris stated since the January meeting twenty-eight reports have been filed and reviewed.

New Establishment Permits: Williford Funararia, Fuquay-Varina

Location Change: Barefoot Cremations moved from Morehead City to Havelock

New Chapels: Warlick of Denver

New Crematory: Coastal Cremation Services, Wilmington

New Funeral Director Licensees: Reginald Greene, Matthew Wilkerson

New Funeral Service Licensees: Christopher Bryant, David Lockridge (converted from funeral director), Clarence Boston

New Trainees: John Morant, Christopher O'Neill, Stuart Wilson, Christopher Ross, John Womble, Megan Pollock, Pearl Joyner-lee, Carl Boldt, Aubrey Mitchell, Kelly Sauls, Franklin Holland, Fronie Jackson, Frederick Jordan III, William Downing

Mr. Harris read a letter issued by Governor Perdue to all Boards regarding Board Member attendance at meetings.

Staff Ethics report: Contact with representatives from both trade associations--NCFDA and FD&MA of NC, Inc. and staff; with Representative Kelly Alexander and Representative James Boles, Jr. regarding pending legislation.

Mr. Harris reported that sixteen preneed annual reports were late. Six were filed with the late fee and ten remained unfiled and letters have been written to the establishments.

Mr. Harris reported on a recent initiative by State Vital Records for death certificate correction. Some licensees have been contacted to obtain corrected death certificates due to deficiencies in the medical certification part of the certificates. The funeral director's statutory responsibility is to obtain the medical certification and file the death certificate in accordance with the statutory deadline. The funeral director is not responsible for enforcing Vital Record's policies on correction of errors in the medical certification portion. Funeral Directors may assist this effort but are not legally obligated to do so.

Mr. Harris also discussed the preneed and FTC reviews, the CANC meeting, the National Health Care Decisions Day program and the NCFDA convention.

Mr. Harris presented the approval letter from Boyce Furr for the 2010 fiscal year financial audit. The audit will be the week of May 2-6. Mr. Willoughby made the motion to approve the letter and Mr. High seconded. The motion carried.

The Government Accounting Office Survey of Death Care Regulators will be published shortly and Mr. Harris will complete that survey.

New Business: Mr. Harris asked if the Board wanted staff to make a referral to the NC Board of Nursing for the nurse's involvement in Disciplinary Case M11-003. Discussion ensued. Staff will review the file and report back to the Board through the Disciplinary Committee.

Old Business: Mr. Harris stated the consent order for Hodges Funeral Home that was presented from the February meeting needed to be approved and signed. Ms. Webber made the motion to approve and Mr. Willoughby seconded. Discussion ensued. Mr. Parrott called for the vote and the motion carried.

Informational Items: There was none.

Public Comment: There was none.

Ms. Webber made the motion to go into closed session to consult with Board General Counsel in order to preserve the attorney-client privilege in consideration of a proposed consent order agreement between the Board, S&L Funeral Homes, Inc., Kelvin McGeachey and Dennis Cromartie and to consider the qualifications, competence, performance, character, fitness or conditions of initial employment of an employee or prospective employee, or to hear or investigate a complaint or grievance by or against an employee and to prevent the disclosure of privileged or confidential information pursuant to a North Carolina or United States law, namely, HIPAA privacy laws, or information not considered a public record with G.S. Chapter 132. Ms. Wiseman seconded and the motion carried.

On proper motion by Mr. Willoughby with second by Mr. Lea, the Board returned to open session. Mr. Parrott noted that Mr. McCree did not participate in any discussions regarding the proposed settlement between the Board, S&L Funeral Homes, Inc., Kelvin McGeachy and Dennis Cromartie. Ms. Webber made a motion directing staff to make a counter offer for the proposed settlement. Mr. Stainback seconded and the motion carried. Mr. McCree recused himself from participation in the matter. There was no action taken related to the other closed session matters.

Mr. Harris asked the Board to approve the meeting calendar for the remainder of 2011. Discussion ensued. Ms. Wiseman made a motion to continue meeting on the second Wednesday and Thursday of the month. Mr. Willoughby seconded and the motion carried.

With no further business, Mr. Parrott adjourned the meeting.

George S. Parrott, President

Elizabeth S. Webber, Secretary