

REGULAR BOARD MEETING

MINUTES

June 12, 2013

The North Carolina Board of Funeral Service met for a duly scheduled Board Meeting at 9:00 a.m. on June 12, 2013, at the Board's office, 1033 Wade Avenue, Suite 108, Raleigh, North Carolina.

Present: Harris High, President; J. T. Willoughby III, Vice-President; Ken Stainback, Secretary; Kelly Byrd, Stephen Aldridge III, John Shields, Tryphina Wiseman, Broadus Combs and Lawrence Jackson III.

Also Present: Peter M. Burke, Executive Director, Stephen N. Dirksen, General Counsel, Larry Stegall with North Carolina Funeral Directors Association, Fred Jordan with NC Eye Bank, Dorman Caudle with Carolina Donor Services, Elizabeth Bartholf with Indy Weekly and Lyn Cochrane.

Mr. High called the meeting to order at 9:10 a.m., led the Pledge of Allegiance, had the invocation and read the Ethics Awareness & Conflict of Interest statement. No one recused themselves.

Mr. High asked the guests to introduce themselves

Mr. Stainback presented the May 8 and June 10, 2013, minutes. Mr. Combs made the motion to approve the minutes and Ms. Wiseman seconded. The motion carried.

Preneed Committee: Mr. High stated the Committee last met by teleconference on May 29 to discuss a request to transfer preneed trust funds to Massachusetts upon the request of a husband and wife (via a funeral home in Lexon, MA) who have relocated there. Committee recommends the funds be transferred per the request. Mr. Aldridge made the motion to approve the request and Mr. Byrd seconded. The motion carried.

There are 170,465 active contracts as of June 10, 2013; 612 licensed preneed funeral establishments; and 1,683 individuals licensed to sell preneed as of June 10, 2013. Mr. High stated this report was for information only.

Traineeship Committee: Committee met prior to the Board Meeting. Trainee #1 had continued to send in work reports even after the funeral home closed. Recommendation is for Trainee to restart July 1, 2013. Trainee #2 and Trainee #3 had hours that required more documentation such as payroll hours. Trainee #4 has not responded to letters and is required to restart traineeship. Committee was recommending when trainees do not show (after second request), they appear before the Board with their Supervisors. Discussion ensued. Mr. Aldridge made the motion to accept the recommendations for the four trainees and the recommendation for trainee and supervisor to appear before the Board. Ms. Wiseman seconded and the motion carried.

Disciplinary Committee: Ms. Wiseman stated the Committee met by teleconference on June 6 and presented the recommendations. There was an addendum. Mr. Byrd made the motion to accept the recommendation for M09-013, V10-049, V12-056, V12-086, C13-028, C13-035, C13-050, C13-007, C13-032, C13-033, C13-005, C13-029 and C13-016. Mr. Willoughby seconded and the motion carried. Mr. Byrd made the motion to accept the recommendation for the

addendum M13-004 and concurrent cases V12-081, C13-011 and C13-012. Mr. Stainback seconded and the motion carried.

Finance/Personnel Committee Mr. Willoughby stated the Committee reviewed a proposal to develop a mechanism to allow for online preneed report processing. Recommendation is to proceed with the development of this online function with funding from the reserve fund. Board staff will investigate the feasibility of obtaining a line of credit instead of paying with reserve funds. Discussion ensued. Mr. Aldridge made the motion to accept the committee recommendation. Mr. Byrd seconded and the motion carried.

Mr. Willoughby reviewed the monthly financials and submitted them for information only. There is one personnel matter that will be discussed in closed session later in the meeting.

Laws and Rules: Mr. Stainback stated Committee met by teleconference on May 31 and items discussed were presented. Mr. Stainback yielded to Mr. Burke. After review of the items presented, Mr. Byrd made the motion to accept Committee recommendations. Mr. Willoughby seconded and the motion carried.

Mr. Burke, Mr. Aldridge and Mr. Byrd met with Representative Jamie Boles on June 11 to reiterate the Board's concerns regarding S403 and H811.

Attorney Report: Mr. Dirksen presented his report and stated the report was for information only. There will be no hearings today or Thursday since two consent orders were received and another hearing scheduled was granted a continuance by Mr. High.

Executive Director's Report: Mr. Burke presented the report.

New Establishments: Russell Funeral Home & Cremations, Siler City

New Establishments (Pending): Christian Brothers Funeral Home & Cremations, Kinston and John T. Richardson Funeral Home, Cherryville

New Funeral Service Licensees: Benjamin Bellante, James Fraley, Michael Fuller, Daniel Harrell (converted), Beth Hollis, Shaun Smitherman (converted), Glenn Steiner, Steven Tiller, Erik Tine, Erin Touchet

New Funeral Director Licensees: Edward Davis, Jr., Carmaletta Gates, Joan Gause, Anne Marie White

New Trainees: Tyquan Best, Robert Cline, Jr., Leida Cooper, Dexter David, Trey Duncan, Darius Horton, Jessie Johnson, Angelo Perkins, Judith Picard, Howard Terry III

New Transport/Removal: Eric Pitts

Exam Notes: Five applications were eligible to take Laws & Rules Exam. One passed. No data on other four as of 6-11-13.

Mr. Burke stated the continuing education for in-house class on May 21 for Preneed had nineteen in attendance and FTC had twenty in attendance.

Updates were provided on Legislation Matters H460 Deceased Voters, H660 Funeral processions, H622 Board membership, H808 Merger of NCBFS and Cemetery Commissions, H811 Amend funeral service laws and S403 Prudent Investor Act and preneed.

Mr. Burke attended the DMORT-FEMORS class June 4-8 in Orlando and will attend the Funeral Directors & Morticians Association of NC, Inc. conference in Wilmington June 24 – 27 with Inspector Lisenbee.

Mr. Burke is on the SMORT Planning Committee and Mr. Byrd and Ms. Wiseman are alternates.

Mr. Burke has reviewed the NC Justice Center SL 2013-24 and the Board is already in compliance. A copy of that letter was included for Board members. Included in the Board book is a copy of the new Death Certificate that becomes effective January 1, 2014. The electronic form is not ready. Questions ensued.

Old Business: There was none.

New Business: There was none.

Public Comment: There was none.

At this time Mr. High called for a recess.

Mr. Wiseman made the motion to go into closed session to consider the qualifications, competence, performance, character, fitness, and conditions of employment of an employee. Mr. Byrd seconded and the motion carried.

Upon return to open session, Mr. Burke presented the Board with draft copies of proposed Standard Operating Procedures for Preneed Audits and Establishment Inspections. Discussion ensued. Mr. Burke requested the Board to submit comments/changes to him by June 24 for inclusion in a final copy which the Board will vote on at the July meeting.

Mr. Byrd asked if the number of preneed contracts which are closed out during a month can be included in the monthly Preneed report, and be correlated to the month reported which states the number of new contracts processed. Mr. Burke said this information will be included going forward.

Ms. Wiseman asked about the status of preneed contract acknowledgements. Mr. Burke said that they are now at four to five weeks' turnaround.

Mr. Combs asked about a variance between revenue and expenses on the internal audit report. Mr. Burke noted there were exceptional expenses related to the executive director search in 2012.

With no further business to discuss, Mr. Combs made a motion to adjourn and Mr. Byrd seconded. Meeting adjourned at 11:35 AM

Harris High, President

Ken Stainback, Secretary