

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA
BOARD OF FUNERAL SERVICE
CASE NO. M16-057

In the matter of:)
)
Lawrence Jackson Funeral Home,)
Lawrence Jackson, III,)
Lawrence Jackson III Chapel, and)
Jackson Mutual Burial Association)
Respondents.)

CONSENT ORDER

THIS CAUSE, coming before the North Carolina Board of Funeral Service (hereinafter the "Board") at its offices at 1033 Wade Avenue, Suite 108, Raleigh, North Carolina 27605, with a quorum present, the Board and Respondents stipulate and agree to entry of the following Consent Order:

1. Respondent Lawrence Jackson Funeral Home (hereinafter "Respondent Funeral Home") holds Funeral Establishment Permit No. 281 and Preneed Establishment Permit No. 97 and, therefore, is subject to Chapter 90 of the North Carolina General Statutes and Title 21, Chapter 34 of the North Carolina Administrative Code.
2. Respondent Lawrence Jackson, III (hereinafter "Respondent L. Jackson") is licensed as Funeral Service Licensee No. 1190 and, therefore, is subject to Chapter 90 of the North Carolina General Statutes and Title 21, Chapter 34 of the North Carolina Administrative Code.
3. Respondent Jackson Mutual Burial Association (hereinafter "Respondent Jackson MBA") is a licensed mutual burial association in North Carolina and, therefore, is subject to Chapter 90 of the North Carolina General Statutes and Title 21, Chapter 34 of the North Carolina Administrative Code.
4. Respondent Lawrence Jackson III Chapel (hereinafter "Respondent Chapel") holds Chapel Permit Nos. 41 and 6 in North Carolina and, therefore, is subject to Chapter 90 of the North Carolina General Statutes and Title 21, Chapter 34 of the North Carolina Administrative Code. Respondent Chapel is owned, operated, and maintained by Respondent Funeral Home.
5. Respondent L. Jackson serves as the licensed manager of Respondent Funeral Home and Respondent Chapel.
6. Respondent L. Jackson holds an ancillary preneed sales licenses on behalf of Respondent Funeral Home.

7. On February 11, 2015, the Board and Respondent Funeral Home entered into a Consent Order, resolving the allegations arising out of Board Case Nos. M13-001, C13-065, and C14-039 (hereinafter the "Consent Order").
8. The Consent Order is hereby incorporated by reference as a self-authenticating document, specifically a court record or other pleading.
9. Pursuant to the Consent Order, the preneed establishment permit and all ancillary preneed sales licenses of Respondent Funeral Home were revoked, with said revocations "stayed on the following conditions:
 - a. Respondent shall be placed on probation for two (2) years;
 - b. Respondent shall not violate any law or rule of the Board during the period of probation; and
 - c. Respondent shall not violate any provision of this Consent Order."
10. Accordingly, the preneed establishment permit and all ancillary preneed sales licenses of Respondent Funeral Home were placed on probation from February 11, 2015 through February 11, 2017.
11. On March 17, 2017, Board Staff Inspector Darrell Cagle conducted an examination of trust and insurance-funded preneed funeral contracts at the funeral establishment belonging to Respondent Funeral Home. In the examination, Inspector Cagle found numerous violations of the laws governing the practice of preneed funeral planning by Respondent Funeral Home. As a result, the Board staff issued a Notice of Hearing to Show Cause on May 26, 2017, assigning it Case No. M16-057.
12. On August 9, 2017, the Board and Respondent Funeral Home entered into a Consent Order, resolving the allegations arising out of Board Case No. M16-057.
13. Pursuant to the Consent Order, the preneed establishment permit and the ancillary preneed sales license of Respondent Funeral Home were suspended, but said suspension was stayed on the following terms and conditions:
 - a. Respondent Funeral Home shall be placed on probation for five (5) years;
 - b. Within six (6) months of the effective date of the Consent Order, Respondent Funeral Home must pass a re-audit by a Board inspector without substantial deficiencies or the stay of suspension shall be lifted until such time as a Show Cause Hearing can be properly noticed and held; and
 - c. Respondent Funeral Home shall not violate any law or rule of the Board during the period of probation, and shall comply with all the terms of the Consent Order to the satisfaction of the Board and the Board staff.

14. Additionally, the August 2017 Consent Order provided that “Respondents shall dissolve Respondent Jackson Mutual Burial Association no later than June 1, 2018, in accordance with written guidelines to be provided by Board staff.”
15. On March 8, 2018, Board Staff Inspectors Brett Lisenbee and Christopher Stoessner conducted an inspection of Respondent Funeral Home (the “2018 Inspection”) and attempted to conduct an examination of the trust and insurance-funded preneed contracts belonging to Respondent Funeral Home (the “2018 Examination”).
16. Upon arrival at the Respondent Funeral on the morning of March 8, 2018, Inspectors Lisenbee and Stoessner asked for access to Respondent Funeral Home’s preneed contract files. Respondents informed Inspectors Lisenbee and Stoessner that the preneed files were not available. Thereafter, Respondent Jackson left the establishment and was non-responsive to the Inspectors’ attempts to contact him for the remainder of the day. As such, Inspectors Lisenbee and Stoessner were unable to conduct any examination of Respondent Funeral Home’s preneed contract files.
17. During the 2018 Inspection, Inspectors Lisenbee and Stoessner noted violations of the Board’s statutes and rules as follows:
 - a. A failure to properly display permits, pursuant to N.C. Gen. Stat. § 90-210.25(d)(1);
 - b. A failure to maintain compliant flooring, pursuant to N.C. Gen. Stat. § 90-210.27A(a)(5);
 - c. A failure to keep the establishment in a sanitary condition, pursuant to N.C. Gen. Stat. § 90-210.27A(a)(6);
 - d. A failure to maintain proper identification tags, pursuant to N.C. Gen. Stat. § 90-210.29A and 21 NCAC 34B .0616;
 - e. A failure to maintain price cards on merchandise, pursuant to N.C. Gen. Stat. § 90-210.25(e)(2);
 - f. A failure to maintain a compliant General Price List, pursuant to C.F.R. § 453.2(b)(4);
 - g. A failure to maintain a compliant Casket Price List, pursuant to C.F.R. § 453.2(b)(2);
 - h. A failure to maintain a compliant Outer Burial Container Price List, pursuant to C.F.R. § 453.2(b)(3);
 - i. A failure to maintain compliant cremation documentation pursuant to 21 NCAC 34C .0303(c); and
 - j. Use of a misleading name, pursuant to N.C. Gen. Stat. § 90-210.27A(i) and (j).
18. In 2017, Respondent Jackson MBA failed to pay its annual assessment to the Board. Pursuant to N.C. Gen. Stat. § 90-210.83, “[i]f any association shall fail or

refuse to pay such assessment within 30 days, the Board of Funeral Service is authorized to transfer all memberships and assets of every kind and description to the nearest association that is found by the Board of Funeral Service to be in good sound financial condition.”

19. On March 14, 2018, the Board found that, if established by a preponderance of the evidence at a hearing, the Board could reasonably conclude that one or more violations of the Board’s laws and rules has been committed by Respondents.
20. On March 14, 2018, the Board found that the actions and omissions of employees or agents of Respondent as described in Paragraphs 1-18 above warrant emergency action by the Board to protect public safety, health, and welfare. As a result, the Board issued an Order for Summary Suspension; Order to Lift Stay of Suspension; and Order to Transfer Jackson Mutual Burial Association, which summarily suspended the at-need establishment permit of Respondent Funeral Home and the chapel permits of Respondent Chapel and lifted the stay of the suspension of the pre-need establishment permit and all ancillary sales licenses of Respondent Funeral Home. The Board also authorized the transfer of all memberships and assets of every kind and description of Respondent Jackson MBA to the nearest association that is found to be in good sound financial condition.
21. On March 14, 2018, the Board issued a Notice of Hearing to Show Cause against Respondents.
22. On or about April 4, 2018, Respondents submitted to Board staff documentation to show that they have taken good-faith efforts to bring the deficiencies noted in Paragraph 17 above into compliance with the Board’s governing statutes and rules.

C18-024

23. On or about April 5, 2018, the Board received a consumer complaint against Respondent Funeral Home, alleging that Respondent Jackson had engaged in the practice of funeral service while Respondent Funeral Home was on a summary suspension by arranging for a decedent to be taken to a funeral establishment located in South Carolina. The complainant alleged that Respondent Jackson had not been forthcoming in disclosing that the decedent would be taken to the South Carolina establishment.
24. On or about April 5, 2018, Respondent Jackson provided documentation showing that the decedent’s next-of-kin had authorized the South Carolina establishment to perform an embalming of the decedent, and had made at-need arrangements by signing a Statement of Goods and Services Selected with the South Carolina establishment.

CONCLUSIONS OF LAW

1. Respondents are subject to jurisdiction before the Board.
2. The acts and omissions taken by employees and/or agents of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate the terms of the Consent Order.
3. The acts and omissions of Respondents described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.25(e)(1)j., which prohibits violating any provision of Articles 13A, 13D, 13E, and/or 13F of Chapter 90 of the North Carolina General Statutes, all rules and regulations of the Board, and the standards set forth in 16 C.F.R. § 453 (1984), as amended from time to time.
4. The acts and omissions of Respondent L. Jackson described in Paragraphs 1-24 violate N.C. Gen. Stat. §§ 90-210.27A(e) and 90-210.25(d)(2)a. for failing to actively manage and oversee the daily operations of Respondent Funeral Home.
5. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.68(a) for failing to maintain complete and accurate preneed records at all times.
6. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate 21 NCAC 34D .0301(b), by failing to maintain complete and accurate documentation in all preneed files at all times.
7. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.25(d)(1) for failing to properly display permits.
8. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.27A(a)(5) by failing to maintain compliant flooring.
9. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.27A(a)(6) by failing to keep the establishment in a sanitary condition.
10. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.29A and 21 NCAC 34B .0616 by failing to maintain proper identification tags.

11. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.25(e)(2) by failing to maintain price cards on merchandise.
12. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.25(e)(1)(j) and C.F.R. § 453.2(b)(4) by failing to maintain a compliant General Price List.
13. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.25(e)(1)(j) and C.F.R. § 453.2(b)(2) by failing to maintain a compliant Casket Price List.
14. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.25(e)(1)(j) and C.F.R. § 453.2(b)(3) by failing to maintain a compliant Outer Burial Container Price List.
15. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.129(a) and 21 NCAC 34C .0303(c) by failing to maintain compliant cremation documentation.
16. The acts and omissions of Respondent Funeral Home described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.27A(i) and (j) by using a misleading name.
17. The acts and omissions of Respondent Funeral Home and Respondent L. Jackson described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.68(a) by failing to allow Board inspectors to investigate the books, records and accounts of Respondent Funeral Home with respect to trust funds, preneed funeral contracts, and prearrangement insurance policies.
18. The acts and omissions of Respondent Jackson MBA described in Paragraphs 1-24, including all subparts, violate N.C. Gen. Stat. § 90-210.83, in that Respondent Jackson MBA failed to pay its annual assessment fee to the Board in 2017.
19. Pursuant to N.C. Gen. Stat. §§ 90-210.25(e)(1)j., the Board has the authority to suspend, revoke, or refuse to issue or renew the funeral directing license of Respondent L. Jackson. If the Board concludes that Respondent L. Jackson has committed any of the aforementioned violations but remains fit to practice, pursuant to N.C. Gen. Stat. § 90-210.25(e)(2), the Board has the authority to place Respondent L. Jackson on probation and to assess a civil penalty not to exceed \$5,000.00.
20. Pursuant to N.C. Gen. Stat. § 90-210.25(d)(4), the Board has the authority to revoke, suspend, or refuse to issue or renew the funeral establishment permit of

Respondent Funeral Home, to place Respondent Funeral Home on probation, and to assess a civil penalty not to exceed \$5,000.00.

21. Pursuant to N.C. Gen. Stat. § 90-210.85, the Board has the authority to revoke the license of Respondent Jackson MBA for any violation of Article 13E of Chapter 90 of the North Carolina General Statutes, to transfer all members to another burial association in good financial standing, and to impose any other sanctions allowed by law or within its equitable powers as an administrative tribunal.
22. Pursuant to N.C. Gen. Stat. §§ 90-210.69(c), (d) and (f), the Board has the authority to revoke, suspend, or refuse to issue or renew the preneed establishment permit and all ancillary preneed sales licenses of Respondent Funeral Home, to place Respondent Funeral Home on probation, and to assess a civil penalty not to exceed \$5,000.00.
23. Pursuant to N.C. Gen. Stat. §§ 90-210.69(c)(6), the Board has the authority to revoke, suspend, or refuse to issue or renew the preneed sales license of Respondent L. Jackson, to place Respondent L. Jackson on probation, and to assess a civil penalty not to exceed \$5,000.00.
24. Pursuant to N.C. Gen. Stat. § 90-210.23(d1), the Board may assess against Respondents costs, excluding attorneys' fees, not to exceed \$2,500.00, associated with the prosecution of this hearing to show cause.

BASED upon the foregoing Findings of Fact and Conclusions of Law, and in lieu of further proceedings, Respondents wish to resolve this matter by consent and agree that Board staff and counsel may discuss this Consent Order with the Board *ex parte* whether or not the Board accepts this Consent Order as written.

Whereas Respondents acknowledge that they have read this entire document and understand it;

Whereas Respondents acknowledge that they enter into this Consent Order freely and voluntarily;

Whereas Respondents acknowledge that they have had full and adequate opportunity to confer with legal counsel in connection with this matter;

Whereas Respondents understand that this Consent Order must be presented to the Board for approval and that Respondents hereby waive any argument that any Board members considering this Consent Order are disqualified from participating in a hearing of this matter; and

Whereas the Board has determined that the public interest is served by resolving this matter as set forth below.

THEREFORE, with the consent of Respondents, it is ORDERED that:

1. The Preneed Establishment Permit of Respondent Funeral Home and all ancillary preneed sales licenses of Respondent Funeral Home are hereby revoked. Respondents agree not to re-apply for a Preneed Establishment Permit or ancillary preneed sales licenses in the future.
2. The Summary Suspensions of the Funeral Establishment Permit and Chapel Permits of Respondent Funeral Home are hereby lifted.
3. The Funeral Establishment Permit of Respondent Funeral Home is suspended for three (3) years, but said suspension is stayed on the following conditions:
 - a. Respondent Funeral Home admits to the violations herein;
 - b. Respondent Funeral Home shall be placed on probation during the period of stayed suspension. Respondent Funeral Home must submit to, and pass, an inspection and audit conducted by a Board staff inspector before any probation period shall be lifted;
 - c. Respondent Funeral Home shall not violate any law or rule of the Board during the period of suspension;
 - d. Respondent Funeral Home shall timely respond to any and all Board and/or Board staff correspondence;
 - e. Respondent Funeral Home shall comply with all terms of this Consent Order; and
 - f. Within thirty (30) days from the date this Consent Order takes effect, Respondent Funeral Home shall pay a compromise penalty of Two Thousand (\$2,000.00) Dollars to the Civil Penalty and Forfeiture Fund in accordance with Article 31A of Chapter 115C of the North Carolina General Statutes.
4. The Board hereby suspends the Funeral Service license of Respondent L. Jackson for three (3) year, but the Board stays the suspension on the following conditions:
 - a. Respondent Jackson admits to the violations herein;
 - b. Respondent Jackson shall be placed on probation for three (3) year, beginning from the date this Consent Order takes effect;

- c. Respondent Jackson shall not violate any law or rule of the Board during the period of probation;
 - d. Respondent Jackson shall timely respond to any and all Board and/or Board staff correspondence;
 - e. Respondent Jackson shall comply with all terms of this Consent Order; and
 - f. Within thirty (30) days from the date this Consent Order takes effect, Respondent Jackson shall pay a compromise penalty of Five Hundred (\$500.00) dollars to the Civil Penalty and Forfeiture Fund in accordance with Article 31A of Chapter 115C of the North Carolina General Statutes.
5. The license of Jackson Mutual Burial Association is hereby revoked. The records, assets of every kind and description, and agreements for members' benefits of Respondent Jackson Mutual Burial Association shall be transferred to Reich-Hayes-Boren Mutual Burial Association within thirty (30) days of the effective date of this Consent Order.
 6. The Board shall retain jurisdiction under Article 3A, Chapter 150B for all administrative hearings held in connection with or pursuant to this Consent Order. If the Board receives evidence that Respondents, collectively or individually, have violated any term of this Consent Order or any other law or rule enforced by the Board, the Board shall schedule a show cause hearing for a determination of the violations. If the Board determines that a violation has occurred, the Board may impose such disciplinary action as it determines is appropriate and is authorized by law.
 7. This Consent Order shall take effect immediately upon its execution by all parties and reflects the entire agreement between Respondents and the Board, there being no agreement of any kind, verbal or otherwise, which varies, alters, or modifies this Consent Order.
 8. No modification or waiver of any provision of this Consent Order shall be effective unless it is in writing, adopted and approved by the Board, and signed by the parties affected.
 9. Both the Board and Respondents participated in the drafting of this Consent Order. Any ambiguities herein shall not be construed against either party in any future civil or administrative proceeding.
 10. Respondents hereby waive any requirement under any law or rule that this Consent Order be served upon them.

In the Matter of Lawrence Jackson Funeral Home, et al.
Board Case No. M16-057
Consent Order
Page | 10

11. Upon its execution by the Board and Respondents, this Consent Order shall become a public record within the meaning of Chapter 132 of the North Carolina General Statutes and shall be subject to public inspection and dissemination pursuant to the provisions thereof.

CONSENTED TO:

Lawrence Jackson Funeral Home

Lawrence Jackson, III
Lawrence Jackson, III
Owner/Manager

Date: 4-09-2018

Lawrence Jackson, III
Lawrence Jackson, III

Date: 4-09-2018

By Order of the North Carolina Board of Funeral Service, this the 11 day of April, 2018.

By: *Matt Staton*
Matt Staton
Board President

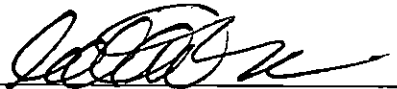
CERTIFICATE OF SERVICE

I hereby certify that the foregoing Consent Order was served upon the following person by email and by depositing a copy with the U.S. Postal Service, via First Class Mail and postage prepaid, addressed to the party to be served as follows:

Jackson Mutual Burial Association
c/o Robert Crawford
Attorney at Law
4242 Six Forks Road, Suite 1550
Raleigh, NC 27609

Counsel for Respondent

This the 12 day of April, 2018.



Catherine E. Lee
General Counsel