



NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA  
BOARD OF FUNERAL SERVICE  
CASE NO. M17-043, C18-035

In the matter of: )  
 )  
CE Willie Funeral & Cremation Services )  
and Claude E. Willie, )  
 )  
Respondents. )

**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND FINAL AGENCY DECISION**

In accordance with N.C. Gen. Stat. § 150B-42, the North Carolina Board of Funeral Service issues the following Findings of Fact, Conclusions of Law, and Final Agency Decision in this matter.

The record reflects that a quorum of the Board was present at the hearing and at the time the Board made this decision. The record further reflects that Board members Valdus Lockhart and Steve Herndon did not participate in the hearing or deliberations of this case since they served on the Board’s Disciplinary Committee. The record further reflects that Board member Chris Watson was absent. Catherine E. Lee, General Counsel, appeared for the Board; Jeffrey P. Gray appeared as Board Counsel; Anita Davis Pearson appeared for the Respondents.

Before the hearing, the following inquiry was read aloud in accordance with state ethics laws: “Does any Board member have any known conflict of interest with respect to any matter coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue or inappropriate participation in the particular matter involved.” No Board member identified any conflict of interest or appearance of a conflict.

### PROCEDURAL HISTORY OF THE CASE

The Notice of Hearing in this matter was timely issued on August 15, 2018, and was served on Respondents via Federal Express on August 17, 2018. The hearing took place as scheduled on October 10, 2018, at 3:00 p.m., at the Board's offices at 1033 Wade Avenue, Suite 108, Raleigh, NC 27605.

### PETITIONER'S LIST OF EXHIBITS

1. Exhibit 1 – Notice of Hearing & Proof of Service
2. Exhibit 2 - Board Database Printout – Mr. Willie
3. Exhibit 3 - Board Database Printout – CE Willie Funeral and Cremation Services, Inc.
4. Exhibit 4 - Preneed Examination Report
5. Exhibit 5 - Preneed Examination Report Detailed
6. Exhibit 9 – Consumer Complaint
7. Exhibit 10 – Consumer Complaint document packet
8. Exhibit 11 – Response from CE Willie

### RESPONDENT'S LIST OF EXHIBITS

None.

### FINDINGS OF FACT

1. Respondent CE Willie Funeral & Cremation Services, located in Sanford, NC (“Respondent Funeral Home”) is licensed by the Board as Funeral Establishment No. 169 and Preneed Establishment No. 940 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 Claude E. Willie (hereinafter “Respondent Willie”) is licensed by the Board as Funeral Service No. 2672 and, therefore, is subject to Chapter 90 of the North Carolina General Statutes and Title 21, Chapter 34 of the North Carolina Administrative Code. For all time relevant to this Notice of Hearing, Respondent Willie has served as the licensed

manager of Respondent Funeral Home. Respondent Willie holds an ancillary preneed sales license for Respondent Funeral Home.

BOARD CASE NO. M17-043

3. On or about November 15, 2017, Board Inspector Darrell R. Cagle (hereinafter "Inspector Cagle") conducted a preneed examination and audit (hereinafter the "2017 Examination") of Respondent Funeral Home
4. During the 2017 Examination, Inspector Cagle reviewed all of the active preneed contract files held by Respondent Funeral Home (fourteen in total) to determine compliance with Board statutes and rules. Additional, Inspector Cagle reviewed all files for preneed contracts closed since the last examination date (four in total).
5. During the 2017 Examination, Inspector Cagle found that Respondent Funeral Home did not submit its 2015 Preneed Annual Report until late 2017. Inspector Cagle also observed Respondent Willie complete the 2016 Preneed Annual Report for Respondent Funeral Home during the 2017 Examination.
6. During the 2017 Examination, Inspector Cagle found that Respondent Funeral Home had failed to file a preneed contract for [REDACTED], which was dated January 12, 2016.
7. During the 2017 Examination, Inspector Cagle found that the preneed contract files for the following individuals did not contain an instrument of assignment:
  - a. [REDACTED]
  - b. [REDACTED]
  - c. [REDACTED]
  - d. [REDACTED]
  - e. [REDACTED]
  - f. [REDACTED]
8. During the 2017 Examination, Inspector Cagle found that Certificates of Performance were not retained in many of the closed preneed contract files for Respondent Funeral Home. Specifically, of the four closed files reviewed, three files did not contain a certificate of performance.
9. During the 2017 Examination, Inspector Cagle observed that certificates of performance were commonly not filed with the Board office for closed preneed contract files. Specifically, of the four closed files reviewed, three had not been filed with the Board office.
10. During the 2017 Examination, Inspector Cagle observed the closed preneed contract file for Ms. [REDACTED] did not contain a preneed or at-need Statement of Funeral Goods

and Services Selected or a record of disposition of funds. Inspector Cagle further observed that credits for inflation-proof contracts were not calculated properly.

11. As of October 10, 2018, Respondents had failed to submit their 2017 Preneed Annual Report, which was due to the Board on March 31, 2018.

BOARD CASE NO. C18-035

12. On or about April 24, 2018, Board staff received a complaint from Mr. [REDACTED]
13. In the complaint, Mr. [REDACTED] informed the Board that he had paid Respondents \$550.00 to have a headstone placed on his mother-in-law's gravesite approximately three years ago.
14. As of October 10, 2018, Respondents had failed to place the headstone at the gravesite, despite Mr. [REDACTED] repeated efforts to discuss the matter with Respondents.

BASED upon the findings of fact, the Board makes the following:

CONCLUSIONS OF LAW

1. Respondent Funeral Home and Respondent Willie are subject to jurisdiction before the Board.
2. Respondent Funeral Home and Respondent Willie were properly served with process.
3. The Board is authorized under Article 3A, Chapter 150B of the North Carolina General Statutes to hear this matter.
4. The acts and omissions of Respondent Funeral Home violate N.C. Gen. Stat. § 90-210.68(a) and 21 N.C. Admin. Code 34D .0301(a), (b), and (c)(5) by failing to properly maintain accurate and complete preneed records, including failing to maintain instruments of assignment, a Statement of Funeral Goods and Services Selected, and financial records of disposition.
5. The acts and omissions of Respondent Funeral Home violate N.C. Gen. Stat. § 90-210.64(a) and 21 N.C. Admin. Code 34D .0303(b) by failing to timely file with the Board certificates of performance for performed preneed contracts.
6. The acts and omissions of Respondent Funeral Home violate N.C. Gen. Stat. § 90-210.67(d) and 21 N.C. Admin. Code 34D .0105 by failing to file with the Board preneed contracts and the required filing fees within ten (10) days following the date of sale.
7. The acts and omissions of Respondent Funeral Home violate N.C. Gen. Stat. § 90-210.62(a) by failing to properly calculate credits owed on inflation-proof preneed contracts.

8. The acts and omissions of Respondent Funeral Home violate N.C. Gen. Stat. § 90-210.68(a) and 21 N.C. Admin. Code 34D .0302 by failing to timely file the preneed annual report with the Board.
9. The acts and omissions of Respondent Funeral Home violate N.C. Gen. Stat. § 90-210.69(c)(6), which prohibits violating or cooperating with others to violate the laws, rules and regulations of the Board, or the standards set forth in Funeral Industry Practices, 16 C.F.R. § 453 (1984), as amended from time to time.
10. The acts and omissions of Respondent Willie violate N.C. Gen. Stat. § 90-210.25(e)(1)j., which prohibits violating or cooperating with others to violate the laws, rules and regulations of the Board, or the standards set forth in Funeral Industry Practices, 16 C.F.R. § 453 (1984), as amended from time to time.
11. The acts and omissions of Respondent Willie violate N.C. Gen. Stat. § 90-210.25(e)(1)(b), which prohibits fraud or misrepresentation in the practice of funeral service.

#### FINAL AGENCY DECISION

Based upon the foregoing Findings of Fact and Conclusions of Law, the North Carolina Board of Funeral Service hereby issues the following decision:

- I. The Preneed Establishment Permit and all ancillary preneed sale licenses of CE Willie Funeral & Cremation Services, No. 940, are suspended for a period of two (2) years, but said suspension shall be stayed upon the following conditions:
  - a. Respondent Funeral Home shall be placed on probation for two (2) years, during which time it shall not violate any law, regulation, or rule regulated by the Board;
  - b. On or before January 1, 2019, the Preneed Establishment Permit of Respondent Funeral Home shall pay a compromise penalty of Five Hundred Dollars (\$500.00) to the Civil Penalty and Forfeiture Fund in accordance with Article 31A of Chapter 115C of the North Carolina General Statutes; and
  - c. Within fifteen (15) days from the date on which this Final Agency Decision is served on Respondent Funeral Home, Respondent Funeral Home shall file with the Board its 2017 Preneed Annual Report.
- II. On or before January 1, 2019, the At-Need Establishment of CE Willie Funeral & Cremation Services, No. 169, shall pay a compromise penalty of Five Hundred Dollars (\$500.00) to the Civil Penalty and Forfeiture Fund in accordance with Article 31A of Chapter 115C of the North Carolina General Statutes.

- III. The Preneed Sales License of Claude E. Willie, III, No. 3664, is suspended for a period of two (2) years, but said suspension shall be stayed upon the following conditions:
- a. Respondent Willie shall be placed on probation for two (2) years, during which time he shall not violate any law, regulation or rule regulated the Board; and
  - b. Respondent Willie shall attend a Board-sponsored continuing education course on the topic of the preneed laws enforced by the Board on or before June 30, 2019.

By order of the North Carolina Board of Funeral Service, this, the 19<sup>th</sup> day of November, 2018.

By: Charles Graves  
Charles Graves  
Vice President

CERTIFICATE OF SERVICE

In accordance with North Carolina General Statute Section 150B-42(a), I hereby certify that a copy of the Findings of Fact, Conclusions of Law, and Final Agency Decision was sent by United States Postal Service, Certified Mail, Return Receipt Requested, postage prepaid, addressed to:

Claude E. Willie, Manager  
CE Willie Funeral & Cremation Services, Inc.  
200 Hawkins Avenue  
Sanford, NC 27330

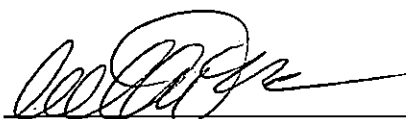
Claude E. Willie  
2904 Snowberry Drive  
Raleigh, NC 27610

And via U.S. Mail, first class, postage prepaid and addressed as follows to:

Anita Davis Pearson  
554 New Bern Avenue  
Raleigh NC 27601

*Attorney for Respondents*

This, the 27 day of November, 2018.



Catherine E. Lee  
General Counsel