

NORTH CAROLINA  
WAKE COUNTY

BEFORE THE NORTH CAROLINA  
BOARD OF FUNERAL SERVICE  
CASE NOS. M20-0045, M21-0064, M22  
-0051

In the matter of:

Betts & Son Funeral Home, Incorporated  
and William Oliver Betts,  
Respondents.

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**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:

**FINDINGS OF FACT**

1. Respondent Betts & Son Funeral Home, Incorporated (hereinafter “Respondent Funeral Home”), is licensed by the Board as Funeral Establishment Permit No. 0028 and Preneed Establishment Permit No. 0562 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 William Oliver Betts (hereinafter “Respondent Individual” or collectively with Respondent Funeral Home as “Respondents”) is licensed by the Board as Funeral Service Licensee No. 1388 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. For all times relevant to this matter, Respondent Individual has been a shareholder and licensed manager of Respondent Funeral Home and has held a preneed sales license on behalf of Respondent Funeral Home.
4. On or about May 21, 2020, Respondents received from the Board a Letter of Caution, to resolve disciplinary proceeding M20-0045, which arose from certain preneed deficiencies identified by Board Inspector Karen Davis in 2019 while conducting a preneed examination and audit of trust-funded and insurance-funded preneed contracts for which Respondents serve as trustee.
5. In August 2021, Respondents and the Board entered into a Consent Order to resolve disciplinary proceeding M20-0045/M21-0064, which arose from certain violations of statutes and rules governing the practice of preneed funeral service and a failure by Respondents to comply with the terms of the Board’s Letter of Caution in disciplinary proceeding M20-0045.

6. Pursuant to the Consent Order, the funeral service license of Respondent Individual and the preneed establishment permit and ancillary preneed sales licenses of Respondent Funeral Home were placed on a three (3) year suspension, which was stayed upon certain terms and conditions, including but not limited to Respondent Funeral Home complying with all statutory and regulatory provisions governing the practice of funeral service during the period of stayed suspension.
7. In June 2022, former Board Inspector Darrell Cagle conducted a preneed examination and audit of trust-funded and insurance-funded preneed contracts for which Respondents serve as trustee (the “2022 Examination”).
8. During the 2022 Examination, Inspector Cagle found evidence tending to show violations of statutes and rules governing the practice of funeral service, in that Respondents:
  - a. failed to file two preneed contracts with the Board that were made with [REDACTED] in 2021, and failed to deposit preneed payments into trust for said preneed contracts;
  - b. Respondents failed to file two preneed contracts with the Board that were made with [REDACTED] in 2019 and with [REDACTED] in 2020, respectively;
  - c. failed to obtain or maintain beneficiary designation documents or instruments of assignment for two insurance-funded preneed contracts made with [REDACTED] in 2018 and [REDACTED] in 2017;
  - d. failed to maintain or file with the Board a COP for the preneed contract of [REDACTED] that was performed in 2019; and
  - e. failed to accurately report the closure of the preneed contract for [REDACTED] on its preneed annual reports from 2019-2021.
9. In April 2023, Board Inspector Debbie Hamm conducted a preneed examination and audit of trust-funded and insurance-funded preneed contracts for which Respondents serve as trustee (the “2023 Examination”).
10. During the 2023 Inspection, Inspector Hamm observed the same deficiencies noted by Inspector Cagle in 2022 and also obtained additional evidence that tends to show Respondents violated statutes and rules governing the practice of funeral service, in that Respondents:
  - a. failed to file with the Board a preneed contract made with [REDACTED] in 2019; and
  - b. failed to deposit preneed funeral funds into trust within five (5) business days of receipt for [REDACTED].

### CONCLUSIONS OF LAW

11. Respondents are subject to the jurisdiction of the Board.
12. The acts and omissions of Respondents described in Paragraphs 1-10 violate the Consent Order entered into with the Board in August 2021.
13. The acts and omissions of Respondents described in Paragraphs 1-10 constitute a failure to deposit preneed funeral funds into a trust account within five (5) business days from the date of receipt, in violation of N.C. Gen. Stat. § 90-210.61(a)(1).
14. The acts and omissions of Respondents described in Paragraphs 1-10 constitute a failure to timely complete and/or file with the Board a certificate of performance for a performed preneed contract, in violation of N.C. Gen. Stat. § 90-210.64(a) and 21 N.C. Admin. Code 34D .0303(b).
15. The acts and omissions of Respondents described in Paragraphs 1-10 constitute a failure to timely file multiple preneed contracts with the Board, in violation of N.C. Gen. Stat. § 90-210.67(d), and 21 NCAC 34D .0105.
16. The acts and omissions of Respondents described in Paragraphs 1-10 constitute a failure to either execute or retain multiple applications for insurance, insurance policies, beneficiary designation documents, or instruments of assignment for insurance funded preneed contracts sold, in violation of N.C. Gen. Stat. § 90-210.68(a) and 21 NCAC 34D .0301(c)(5).
17. The acts and omissions of Respondents described in Paragraphs 1-10 constitute a failure to retain a completed certificate of performance for a matured or cancelled preneed contract file, in violation of N.C. Gen. Stat. § 90-210.68(a) and 21 NCAC 34D .0301(b) and (e).
18. The acts and omissions of Respondents described in Paragraphs 1-10 constitute a failure to accurately complete their 2019 and 2021 preneed annual reports, in violation of N.C. Gen. Stat. § 90-210.68(a) and 21 NCAC 34D .0302.
19. The acts and omissions of Respondents described in Paragraphs 1-10 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.
20. The acts and omissions of Respondents described in Paragraphs 1-10 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.

21. One or more of the violations described in Paragraphs 11-20 were committed by a owner, officer, operator, manager, member, or partner of Respondent Funeral Home or by an agent or employee of Respondent Funeral Home with the consent of a person, firm, or corporation operating it. 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 Homes on probation, and to assess a civil penalty not to exceed \$5,000.00.
22. Respondent Funeral Home committed one or more of the violations described in Paragraphs 11-20. Pursuant to N.C. Gen. Stat. § 90-210.69(c), 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, or to place Respondent Funeral Home on probation, and to assess a civil penalty not to exceed \$5,000.00.
23. Respondent Individual committed one or more of the violations described in Paragraphs 11-20 but remains fit to practice. Pursuant to N.C. Gen. Stat. § 90-210.25(e)(2), the Board has the authority to place Respondent Individual on probation and to assess a civil penalty not to exceed \$5,000.00.
24. Respondent Individual committed one or more of the violations described in Paragraphs 11-20. Pursuant to N.C. Gen. Stat. § 90-210.69(c), the Board has the authority to revoke, suspend, or refuse to issue or renew the preneed sales license of Respondent Individual, or to place Respondent Individual on probation, and to assess a civil penalty not to exceed \$5,000.00.

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 acknowledges 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 and ancillary preneed sales licenses of Respondent Funeral Home are hereby revoked, provided however that the revocation of the preneed establishment permit shall be stayed on the following conditions:
  - a. Respondent Funeral Home shall not apply for, or be granted, any ancillary preneed sales licenses in the future.
  - b. Respondent Funeral Home shall not enter into any new preneed contracts in the future.
  - c. Respondent Funeral Home shall retain custody of the approximately 49 preneed contracts for which it currently serves as trustee, provided that Respondent complies with all statutes and rules regulating preneed contracts during the period of stayed revocation, including but not limited to timely filing of all Preneed Annual Reports.
  - d. All employees of Respondent Funeral Home shall take a Board-sponsored course on preneed statutes and rules on or before December 31, 2023.
  - e. During the period of stayed revocation, Respondent Funeral Home shall comply with all statutory and regulatory provisions governing the practice of funeral service.
  - f. Within thirty (30) days from the date that this Consent Order takes effect, Respondents shall remit a compromise penalty of One Thousand Dollars (\$1,000.00) to the Civil Penalty and Forfeiture Fund in accordance with Article 31A of Chapter 115C of the North Carolina General Statutes.
  - g. Within thirty (30) days from the date that this Consent Order takes effect, Respondents shall remit costs in the amount of Five Hundred (\$500.00) to the Board, as reimbursement for costs expended toward the prosecution of the above-captioned disciplinary proceeding.
2. 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 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.

3. This Consent Order shall take effect immediately upon its execution by the Board and Respondents and reflect 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.
4. 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.
5. 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.
6. Respondents hereby waive any requirement under any law or rule that this Consent Order be served upon them.
7. 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.

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CONSENTED TO:

Betts & Son Funeral Home Inc.

By: William Oliver Betts Date: 7/21/2023  
William Oliver Betts  
Manager

William Oliver Betts

William Oliver Betts Date: 7/21/2023

By Order of the North Carolina Board of Funeral Service, this the 10<sup>th</sup> day of August,  
2023.

By: Dr. Steven L. Lyons  
Dr. Steven L. Lyons  
Board President

RECEIVED  
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