

**NC BOARD OF FUNERAL SERVICE
BOARD MEETING
MINUTES**

May 9, 2018

The North Carolina Board of Funeral Service met for a duly scheduled Board Meeting at 9:04 a.m. on May 9, 2018, at the Board's office, 1033 Wade Avenue, Suite 108, Raleigh, North Carolina.

Present: Matt Staton, President; Charles Graves, Vice President; Steve Herndon, Secretary; Valdus Lockhart; Chris Watson; Craig Olive; Mark Blake; Don Brown; and Mike Stone.

Also Present: Stephen Davis, Executive Director; Catherine Lee, General Counsel; Staff member Amy Mauldin; Dorman Caudle with Carolina Donor Services; Bill Forsberg, Executive Director of the NCFDA; Fred Jordan with Miracles in Sight; Atravis Powell, Licensee.

Mr. Staton called the meeting to order and led the Pledge of Allegiance. Mr. Graves had the invocation.

Mr. Staton read the Ethics Statement.

Mr. Staton reminded everyone to turn off their cell phone ringers and the guests introduced themselves.

April Minutes:

Mr. Herndon stated the April meeting minutes were available and Mr. Olive then made the motion to approve the minutes. Mr. Graves seconded, and the motion carried.

Public Comment: Mr. Staton reminded everyone that this was not a question and answer session. There were no public comments made.

Preneed Committee Report: All members of the Preneed Committee met by teleconference on May 4, 2018, and made the following recommendations:

- **Recommendation 1:** Deny pre-need surety bond waiver request from a license funeral establishment. Mr. Davis offered additional information regarding the waiver.
- **Recommendation 2:** Authorize staff to update the Preneed Recovery Fund Claim form, to be presented at the next Board meeting. Ms. Lee proposed to update the current PreNeed Recovery Fund Claim form, in order to make it more user-friendly and to request more complete consumer information than the current form requires. Ms. Lee noted that the form has not been updated since 2001. She also proposed to include a Notary Public requirement to assure and confirm the identity of claimants.

Mr. Stone entered the meeting at this time.

Ms. Lee also offered additional information regarding educational outreach to District Attorneys regarding prosecution of violations to Board preneed statutes and rules.

Mr. Blake made a motion to accept the Recommendations of the Preneed Committee report. Mr. Olive seconded, and the motion carried.

Finance and Personnel Committee Report: All members of the Finance & Personnel Committee met via teleconference on Wednesday, May 2, 2018. The Committee discussed the following items:

- April Profit & Loss Statement and Balance Sheet - Mr. Davis offered additional information regarding the profit & loss statement and the balance sheet.
- NCBFS Organizational Chart - Mr. Davis also offered additional information regarding the organizational chart.
- Staff Compliance with the federal Fair Labor Standards Act [FLSA]
- Employee Group Health Insurance

Mr. Lockhart asked for clarification on the Mutual Burial Assessments revenue on the profit & loss statement. Ms. Lee offered additional information.

Mr. Lockhart asked for clarification regarding the Retained Earnings balance showing on the April balance sheet. Mr. Davis offered to gather the information and get back with the Board.

Mr. Herndon made a motion to approve the profit & loss statement, balance sheet and organizational chart. Mr. Graves seconded, and the motion carried.

Disciplinary Committee Report: Mr. Lockhart stated that the Disciplinary Committee met on May 4, 2018 and makes the following recommendations:

- Dismissals – C18-018; C18-020; C18-025
- Letters of Caution – C18-017; M18-016; M18-018; M18-020
- Deny Consent Order – M16-045;
- Accept Consent Order - M15-043; and
- Denial of Application for Licensure – M18-021

The Disciplinary Committee also recommended that the Board authorize disciplinary proceedings against preneed establishments that have failed to submit their preneed annual reports by March 31, 2018.

Mr. Blake asked for clarification regarding C18-017. Ms. Lee offered additional information.

Mr. Lockhart made a motion to accept the Disciplinary Committee report. Mr. Graves seconded, and the motion carried.

Mr. Blake asked for clarification regarding how envelopes are addressed when sending disciplinary correspondence to funeral establishments. Ms. Lee offered additional information.

Laws, Rules and Legislation Committee Report: All members of the Laws, Rules & Legislation Committee met by teleconference on May 3, 2018 and made the following recommendations:

- Recommendation No. 1: Authorize Executive Director Davis to prepare a draft letter to the President of the NC Cemetery Commission outlining the Board's efforts to demonstrate enhanced cooperation and communication between the two organizations.
- Recommendation No. 2: The Committee recommends approval of the proposal to post Consent Orders and Final Agency Decisions under a dedicated tab on the Board website.

Mr. Blake asked if all final agency decisions were mailed to media outlets. Discussion ensued.

Mr. Davis provided a summary of the Joint Legislative Administrative Oversight Committee Meeting that occurred on May 1.

Mr. Graves made a motion to accept the Laws, Rules and Legislation Committee Report. Mr. Olive seconded, and the motion carried.

Executive Director's Report: Mr. Davis offered the following information:

Scheduled Meetings & Events:

- NC Cemetery Commission April 25, 2018
- State Registrar Catherine Ryan, Electronic Death Registration System May 18, 2018
- NCFDA Conference & Exposition May 21-22, 2018
Pinehurst, NC
- Ronald Montgomery, Chair, Funeral Service Department, FTTC June 4, 2018

- **FD&MANC Convention
2018**

June 18 – 21,

Pinehurst, NC

Reports Due

- **Updates for Annual Information Reporting Required by the
North Carolina Department of Revenue**

July 2, 2018

Current Activities & Updates

- **IT Initiative – Transition to a New IT Platform**

Mr. Davis reported that the IT new system is operational and has thus far performed as expected. Ms. Lee offered additional information.

- **National and State Board Examination Study**

Mr. Davis will meet with Ronald Montgomery, Chair of the Funeral Service Department at Fayetteville Technical Community College, on June 4th to discuss the issues raised at the last board meeting concerning failure rates among those taking the national and state exams for licensure. Fayetteville Tech has heard similar concerns from those who have taken the exams, and in response they are offering Review Sessions to those planning to sit for the exams.

Mr. Blake offered additional information regarding the way classes at FTCC are being taught by other departments of the school.

Mr. Lockhart asked that Mr. Montgomery's manager be invited to the June 4, 2018 meeting. Discussion ensued.

- **Records Retention and Disposition**

Board staff is continuing its work in the office to reform internal practices for records retention and disposition, and making significant progress toward the reduction in the volume of paper in the office through the legal disposition of outdated records. One exception will be the records of deceased licensees and minutes of board meetings from the early 1900's.

- **Open Meetings & Public Records**

Mr. Davis attended a seminar at the Office of Administrative Hearings on April 17th to hear a presentation from an attorney at the UNC School of Government pertaining to the concepts and requirements that govern open meetings in North Carolina.

- Funeral Directors & Morticians Association of NC Board Meeting

Mr. Davis attended the FDMANC board meeting in Pinehurst on April 12th and thanked Mr. Lockhart, Mr. Brown and others for their welcome and hospitality.

- Joint Legislative Administrative Procedures Oversight Committee

On May 1st, Mr. Davis attended a meeting of this committee and learned of legislation that will be introduced in the short session. The primary impact would be to shift the Board's fiscal year from a calendar year basis to a July 1st-June 30th Fiscal Year beginning in the 2019-20 budget cycle. The legislation will also seek to introduce a uniform Chart of Accounts that each OLB must use for reporting financial information through their internal budgets as well as audited financial statements.

- NC Cemetery Commission Meeting

Mr. Davis and Ms. Lee attended the April meeting of the NC Cemetery Commission in response to on-going efforts to strengthen communications between our respective organizations.

Activity Measures & Metrics

Preneed:

- As of the last Report to the Board, 971 preneed contracts were recorded. Of that amount, 136 were trust funded whereas 835 were insurance funded contracts
- Approximately 1,776 Certificates of Performance have been processed.
- There are 181,185 active contracts as of April 9, 2018.
- Preneed contracts received as of April 16, 2018 have been entered.
- There are 1,455 individuals licensed to sell preneed as of May 4, 2018.

No new funeral homes have been licensed since the last Board meeting.
No funeral homes have had a change of ownership since the last Board meeting.

At-Need Licensure Report

May 9, 2018

Licenses Issued between April 1, 2018 and May 1, 2018

Chapels	None
Crematories	None

Transporters	None
Unaffiliated Licensees	V. B. Peterkin Funeral Director Licensee
Funeral Establishments	None
Funeral Service Licensees	Caleb J. Massey – Burlington Charles D. Parr, Sr. – Suffolk, VA Katherine C. Kilpatrick – Bumpass, VA Katherine E. Puckett – Winston-Salem
Funeral Directors	Andrew Bahanovich – Charlotte Arlene P. Brokaw – Matthews B. Somer Addison – Youngsville Doris C. Godfrey – St. Pauls Jimmy D. Sawyer – Williamston Thomas O. Nixon - Wilmington
Trainees (Starting May 1, 2018)	Van-Boris Peterkin – Worley Funeral Home Katie C. O’Connor – Hall-Wynne Funeral Service Jason C. Rhodes – Withers & Whisenant Funeral Home Jennifer M. Sosebee – Cotten Funeral Home

Traineeship Stats

May 9, 2018

- There are currently 185 active Trainees
- 2 Trainees were certified in the month of April
- 4 new Trainees started their traineeships on May 1, 2018
- 6 Trainee applications currently are pending
- 6 Trainees submitted late work reports for the month of March
- 0 Trainees failed to submit a work report for the month of March
- 6 Trainees submitted deficient work reports for the month of March

Board Communications

- 3,250 subscribers received the March newsletter; 1,333 subscribers opened it.
- 769 people visited the NCBFS website in the last week, and 2,600 people visited the website over the last 28 days.

Mr. Davis proposed revisions to the Board's current letterhead. Mr. Stone made a motion to accept new letterhead. Mr. Graves seconded, and the motion carried.

Mr. Blake asked for a 5-minute recess.

Inspection Report: Mr. Davis offered the following information:

- 30 Funeral Establishments were inspected
- 23 Preneed Establishments were inspected
- 5 Crematories were inspected
- 2 Unaffiliated Licensee was inspected
- 1 Chapel was inspected
- 3 Mutual Burial Associations were inspected
- 0 Embalming Facilities were inspected
- 1 Complaint was served
- 2 Investigations were completed
- 2 Notices of Hearing were served
- 1 Final Agency Decision was served
- 193 Compliance calls were received
- 1 Continuing Education class was taught
- 3 Compliance emails were issued.

Attorney's Report: Ms. Lee offered the following information:

DISCIPLINARY MATTERS

Current Active Cases: 47

Pending Investigation: 19

Pending Review by Disciplinary Committee: 0

Pending Dispositive Action: 8

 Pending Hearing: 18

 Post-Hearing: 2

 Other: 0

New files opened since last Board meeting: 16

Notices of Hearing sent since last Board meeting: 2

Consent Orders received since last Board meeting: 1

Cases reviewed by Disciplinary Committee since last Board meeting: 9

PRENEED RECOVERY FUND CLAIMS

Current Active Preneed Recovery Fund Claims: 5

Preneed Recovery Fund Claims received since last Board meeting: 3

Preneed Recovery Fund Claims re-opened since last Board meeting: 0

Preneed Recovery Fund Claims reviewed by Preneed Committee since April Board meeting: 0

Mr. Lockhart asked for an update regarding the Craig Smith matter. Ms. Lee offered an update. Discussion ensued.

Old Business: There was none.

Mr. Blake asked about the availability of a current list of stakeholders. Ms. Lee offered additional information.

New Business: Mr. Brown asked that the August meeting dates be changed. Mr. Graves made a motion to move the August 2018 Board meeting from August 8 and 9, 2018 to August 15 and 16, 2018. Mr. Lockhart seconded, and the motion carried.

Mr. Lockhart made a motion to adjourn. Mr. Olive seconded, and the motion carried.

Matt Staton, President



Steve Herndon, Secretary