

BOARD MEETING MINUTES

January 9, 2019

The North Carolina Board of Funeral Service met for a duly scheduled Board Meeting at 9:00 a.m. on January 9, 2019, at the Board's office, 1033 Wade Avenue, Suite 108, Raleigh, North Carolina.

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

Also Present: Stephen Davis, Executive Director; Catherine Lee, General Counsel; Assistant Director Amy Mauldin, and Staff Member Alice Knowles; Jeff Gray, Bailey & Dixon; Dorman H. Caudle, Carolina Donor Services; F. R. Jordan, III, Miracles In Sight; Mark Thompson and James Landis, The Thompson Agency.

Mr. Herndon called the meeting to order at 9:01 am and led the Pledge of Allegiance. Mr. Brown offered the invocation.

Mr. Herndon read the Ethics Statement. No Board members recused themselves.

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

APPROVAL OF MINUTES

Mr. Herndon stated the December 19, 2018, minutes had been previously provided to Board members.

Upon a motion by Mr. Herndon and a second by Mr. Olive, the Board voted unanimously to accept the Committee's recommendation.

PUBLIC COMMENT:

There was none.

FINANCE AND PERSONNEL COMMITTEE:

Mr. Herndon, Chair, presented the report of the Financial and Personnel committee which met on January 7, 2019. Mr. Herndon, Mr. Blake, and Mr. Staton met via conference call.

Mr. Herndon presented the Profit and Loss Statement and the Balance Sheet to members. Mr. Herndon offered to answer any questions regarding the Statement and Balance Sheet. Members proceeded with a vote on the Committee's recommendation to accept the Profit and Loss Statement and Balance Sheet for the period ending December 31, 2018.

Upon a motion by Mr. Staton and a second by Mr. Olive, the Board voted to accept the Committee's recommendation.

Mr. Herndon then asked Mr. Davis to present the other items on the Finance and Personnel Committee Report. Mr. Davis noted that revenues and operating expenses are subject to change based on a comprehensive review of the Board's financials by an external accounting firm to assure that all journal entries have been posted and that all receipts have been posted and reconciled.

DISCIPLINARY COMMITTEE:

Mr. Lockhart stated that he and Mr. Herndon met via conference call on January 4, 2019.

The following recommendations were made to the Board:

- Dismissals – C18-0082
- Letters of Caution – C18-0075, C18-0079, C18-0080, C18-0083, M18-0062
- Other - M18-067

Upon a motion by Mr. Lockhart and a second by Mr. Olive, the Board voted to accept the Committee's recommendation.

EXECUTIVE DIRECTOR'S REPORT:

2019 RENEWALS

- Individuals 2100 have renewed [1200 online/57%]
- Establishments 1150 have renewed [650 online/56%]

Approximately 1500 licenses and permits to renew representing individuals and establishments.

MEETINGS & CONFERENCES:

- February 27-28, 2019 The International Conference of Funeral Examining Boards – San Diego, California

STAFFING:

- Preneed Program Manager

Recruitment is currently underway for a Preneed Program Manager, a staff position formerly held by Tanya Pearson. The position was posted to the Board's website with an option for on-line submission

of resumes. The position was also been posted to the NCFDA website, and the Funeral Directors and Morticians Association also agreed to advertise the position on the Association's website.

DEFINITION OF PROFESSIONAL LIABILITY INSURANCE

I spoke recently with a representative from an insurance broker who called to ask about the requirement imposed by HB529 for transport applicants to show a Certificate of Insurance for a \$500,000 Professional Liability Insurance policy. We have received a number of calls from prospective licensees as well as brokers seeking clarification. The statute does not define this kind of insurance; however, there is a common definition and concept for it.

Also known as professional indemnity insurance, it is a form of liability insurance which helps protect those individuals engaged in providing a paid service from bearing the full cost of defending themselves against a negligence claim made by a client or consumer. This insurance also helps if damages are awarded in a civil lawsuit. Professional liability insurance is required by law in some areas for certain kinds of professional practice. Common claims that professional liability insurance covers are negligence, misrepresentation, and violation of good faith and fair dealing.

2019 AUDIT OF THE BOARD'S FINANCIAL STATEMENTS

Bernard Robinson has proposed March 18, 2019, as the start date for our annual audit and has sent a letter of engagement to confirm the audit objective, procedures, and standards.

RECENT LEGISLATIVE INITIATIVES IN OTHER STATES

State of Washington

A state legislator from the State of Washington introduced a bill to expand options for disposing of human remains including recomposition or the accelerated decomposition of a human body. Sen. Jamie Pedersen introduced the bill in early December along with 6 co-sponsors. One purpose of the proposed legislation was to allow alkaline hydrolysis as a means of disposition, language was added to allow for the decomposition of a human body similar to the methods used for controlled animal composting.

The issue seems to be gaining traction particularly in the 17 states where alkaline hydrolysis is permitted and where the green burial movement has begun to flourish. Washington State University has allotted \$75,000 for a pilot program in collaboration with a researcher at the university who is an associate professor of sustainable and organic agriculture. The concept of human composting originated with Katrina Spade, a Seattle-based architect. In addition to her consultation on the project with the researcher at Washington State University, Spade has also worked with researchers at Western Carolina University in Cullowhee.

State of Ohio

The Ohio General Assembly has ratified legislation that will require all occupational licensing boards in that state to be renewed at least once every five years and that a board not renewed within that time period shall expire. The legislation created a process for concluding the business and operation of an expired board. It also allowed any person to engage in an occupation if the board that licensed that occupation has expired.

The legislation also requires each occupational licensing board to demonstrate to the appropriate standing committee of the General Assembly a public need for its continued existence. In determining whether a board has demonstrated that need, the standing committee must consider specific conditions and circumstances pertinent to each board.

Activity Measures & Metrics:

Mr. Davis offered the following information and invited questions. He reiterated that the Compliance Inspection team indicated that 2018 inspections were at the same or higher levels than in the prior three years. He also noted that the Inspections Team is engaged in report preparation, fielding compliance questions, conducting board-sponsored training, and other compliance activities in addition to field inspections and examinations of licensed establishments.

Licensure Report

CHAPELS	Hunter's Gates Chapel – Gates
CREMATORY LICENSEES	Strickland Funeral Home – Wendell
HYDROLYSIS LICENSEES	None
TRANSPORTERS	None
EMBALMING FACILITIES	None
UNAFFILIATED LICENSEES	None
FUNERAL ESTABLISHMENTS	Sossamon Funeral Home, Inc. – Henderson Saunders Funeral Home – Jacksonville (ownership change)
PRE-NEED ESTABLISHMENTS	Sossamon Funeral Home, Inc – Henderson
FUNERAL SERVICE LICENSEES	None
FUNERAL DIRECTORS	None
TRAINEES Beginning Jan. 1, 2019	Anna M. Berry – Kirksey Funeral Home Justin C. Burden – Garrett-Sykes Funeral Services Tawana N. Burns – Stevens Funeral Home Tomeika S. Everett – L. E. Floyd Funeral Home & Cremations Nathaniel E. Hargett, III – Hargett Funeral Service

Compliance and Inspections Report:

Funeral Establishments inspected	11
Preneed Establishments inspected	9
Crematories inspected	2
Hydrolysis Licensee inspected	0
Unaffiliated Licensees inspected	0
Chapels inspected	0
Mutual Burial Associations were inspected	0
Embalming Facility	0
Complaints served	1
Investigations completed	3
Notices of Hearing served	0
Final Agency Decisions served	0
Continuing Education classes taught	3
Compliance emails issued	0

ATTORNEY'S REPORT:

Ms. Lee offered the following information:

<i>Current Active Cases</i>	23
Pending Investigation	8
Pending Review by Disciplinary Committee:	0
Pending Dispositive Action	6
Pending Hearing	9
Post-Hearing	0
Other	0
New files opened since last Board meeting	6
Notices of Hearing sent since last Board meeting	5
Consent Orders received since last Board meeting	0
Cases reviewed by Disciplinary Committee since last Board meeting	6

<i>Current Active Preneed Recovery Fund Claims</i>	0
Pending Investigation	0
Pending Dispositive Action	0
Preneed Recovery Fund Claims received since last Board meeting	0
Preneed Recovery Fund Claims reviewed by Preneed Committee since September	0

Ms. Lee offered information regarding a consent order for M18-0049. Mr. Brown recused himself.

Upon a motion by Mr. Lockhart and a second by Mr. Staton, the Board voted to accept the Consent Order.

Ms. Lee offered information regarding a Consent Order for M18-0013.

Upon a motion by Mr. Olive and a second by Mr. Brown, the Board voted to accept the Consent Order.

Ms. Lee offered information regarding a Consent Order for M16-0047 and M18-0010.

Upon a motion by Mr. Lockhart and a second by Mr. Staton, the Board voted to accept the Consent Order.

Ms. Lee reminded the Board that Representatives Boles and Alexander had offered to sponsor necessary technical changes to rules that have an immediate impact on current and potential licensees. Ms. Lee handed out drafts of changes to rules for the Board's consideration. Discussion ensued.

Upon a motion by Mr. Olive and a second by Mr. Staton, the Board voted to accept the proposed changes to the Board's rules.

Old Business:

The Board continues to express concern about the content and timely filing of death certificates. Discussion ensued. It was suggested that the Board make a public records request to appropriate state agencies requesting records regarding policy guidelines as to how they interpret and administer the requirements for completion of death certificates.

With ratification of HB 529, An Act To Amend the Funeral Practice Act, the Board was in agreement that the Laws and Rules examination should be reviewed and revised as necessary to reflect statutory changes resulting from the ratification of the referenced legislation.

New Business:

There was none.

Upon a motion by Mr. Olive and a second by Mr. Brown, the Board voted to recess in order to proceed with the scheduled hearings. The motion carried.

The Board reconvened and conducted a disciplinary hearing in the matter of M18-0012. Respondents were not present for the hearing. Following the hearing, Mr. Blake made a motion that the Preneed Establishment Permit of Respondent be suspended for 12 months, and be assessed a \$1,000 civil penalty, to be paid within thirty days from the date of the Final Agency Decision. During the period of suspension, the preneed trustee shall attend a continuing education course on preneed funeral services. If the Respondent passes a preneed examination prior

to the expiration of the suspension period, the Board staff shall lift the suspension. If the Respondent does not correct its preneed violations in 12 months, its preneed establishment permit shall be automatically revoked. Mr. Brown seconded the motion, and the motion carried.


The Board conducted a disciplinary hearing in the matter of M18-0024. Following the hearing, Respondent requested that the Final Agency Decision be made following receipt of the official transcript of the hearing. The Board agreed to Respondent's request.

Upon a motion by Mr. Olive and a second by Mr. Brown, the Board voted to adjourn the meeting.

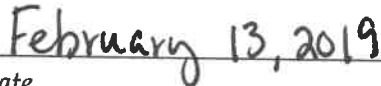
Affirmation:



J. Stephen Herndon, President



Don Brown, Secretary



Date