



North Carolina Board of Funeral Service

NEWSLETTER

VOLUME 1

FALL 2003

NUMBER 5

North Carolina Funeral and Cremation Laws Changed

Effective October 1, 2003, North Carolina funeral and cremation laws are significantly changed. This article highlights some of the most significant changes.

The name of the Board is now the North Carolina Board of Funeral Service.

Two significant changes have been made to preneed law. First, for contracts entered into on or after October 1, 2003 preneed funeral establishments can no longer withhold up to ten percent (10%) of consumer's trust funds when a consumer transfers a preneed funeral contract to another establishment. Second, all preneed funeral contracts entered into on or after October 1, 2003 that involve cremation must indicate on the contract what the final disposition of the remains is to be. These two changes forced the Board to change its preneed funeral contracts. The Board regrets the inconvenience and expense that changes to its forms can cause; however, the Board was required by law to change its forms.

Effective October 1, 2003, a chapel can have a business office, but funeral establishments are limited to only two chapels within a fifty-mile radius. Also, chapels are prohibited from having any type of permanent displays of funeral merchandise, but can use picture books or computer screens to show their merchandise.

The new statute prohibits the use of the words "crematory" or "crematorium" in the name of a funeral establishment unless there is a crematory on the premises of the funeral establishment. Even when there is no crematory on the premises, funeral establishments may use terms such as "cremation services" in the name of their funeral establishment.

There are two changes to the education requirements. First, in order to be licensed as a funeral director, applicants must now fully complete the one-year funeral director diploma program. Second, licensees will have to take continuing education until they have practiced for twenty-five years and reached the age of sixty. Previously, you could stop taking continuing education after practicing for twenty-five years regardless of age. This new continuing education requirement is grandfathered so that it only applies to licensees who are licensed on or after January 1, 2004. Thus, all current licensees will not be required to take continuing education after twenty-five years, regardless of their age. The number of continuing education hours required each year remains at five hours, but the Board may require licensees to take a specific course of instruction. If the Board decides that all licensees will be required to take a certain course in a given year, it will do so prior to January 1st of that year, if not sooner. (Con't on pg 3)

**NORTH CAROLINA
BOARD OF FUNERAL SERVICE**

2321 Crabtree Blvd.
P.O. Box 27368
Raleigh, North Carolina 27611
1-919-733-9380
1-800-862-0636
fax 919-733-8271

BOARD MEMBERS

Harvey H. Leavitt, III Wadesboro
President
Paul Alexander Lee Garner
Vice President
Jack Briggs Denton
Secretary

James L. Boles Southern Pines
Windell Daniels Wilmington
W. Paul Harris Durham
Rudy Lea Raleigh
George Parrott Atlantic Beach
Nancy G. Rorie Monroe

ADMINISTRATIVE

Mark E. Henderson Executive Director
Lyn Cochrane Executive Assistant
Steve Dirksen General Counsel
Elizabeth R. Stegall Administrative Services
Supervisor
Ruth Britt Senior Program Assistant
Marty Mills Administrative Assistant
Courtney Taylor Program Assistant
Jimmy Featherston Program Assistant
Lloyd H. Davis Preneed & Burial Assoc.
Examiner
Virginia W. Harris Burial Assoc.
Carolyn Jones-Connor Inspector
(West)
Susan Cox Interim Inspector
(Central)
Corrine J. Culbreth Inspector
(East)



The North Carolina Board of Funeral
Service NewsLetter is published
quarterly. Any questions or comments
should be directed to the office at
919-733-9380 or 1-800-862-0636.

2800 copies of this document were printed
at a cost of \$.2996 per copy

From the Executive Director ...

This year has been an interesting and challenging one for the Board and the profession. The funeral profession continues to face proposals for changes to the regulation of its profession. A federal law was introduced in the U.S. Senate that would make significant changes in the way the funeral profession is regulated. This legislation has not been passed. More significantly, North Carolina has enacted the most significant changes to funeral and cremation law in over twelve years.

As always, change is often a painful process. The new law required the Board to change its preneed and cremation forms. The change in forms entails inconvenience and added costs to licensees. The Board recognizes this and has sought to alleviate it somewhat by allowing licensees to continue using the old forms through the end of this year. I believe it is important to recognize that the Board was required to change its preneed and cremation forms.

Since a summary of the primary changes in the law are the subject of an article in this newsletter, I will not address any of the other changes here.

The composition of this Board and how its Board members get on the Board continues to be a topic of controversy. Last year legislation was introduced that would have eliminated the election process and replaced it with an appointments process. This year legislation was introduced that would change the election process from an all-licensee election to one in which certain groups would elect a certain number of members to the Board. Neither of these bills has become law, but they seem to indicate a level of interest and some controversy concerning how members come onto the Board.

Another legal issue that is of interest to licensees and consumers has to do with the regulation of preneed sales – especially caskets. The Board is currently in litigation against a cemetery for the preneed sale of caskets. The trial court found that current North Carolina preneed law, which only allows licensed funeral establishments to sell caskets preneed, is an unconstitutional restraint of trade. It is important to note that this ruling only applies to the cemetery involved in this litigation. Nonetheless, the Board appealed this decision to the North Carolina Court of Appeals. The Court of Appeals heard oral arguments from both sides on September 11, 2003 and should render its decision in sixty to ninety days. The Board's legal argument focused on consumer protection and distinguished preneed sales from the at-need sales laws that have been overturned in other states.

Mark E. Henderson

(Con't from pg 1)

The new law sets out requirements for tracking decedents through the cremation process. To accomplish this, the Board with the help of the Crematory Authority has distributed the necessary forms. One of these tracking forms will ensure you are in compliance with these new requirements. In addition to these tracking forms, the new law also requires you to issue a Certificate of Cremation to the person who receives the cremated remains. The Board did not draft a required Certificate of Cremation form due to its understanding that most crematories order their own. Crematories can continue to provide their own Certificate of Cremation form, but should ensure that it contains the following information: (1) name of decedent, (2) date of cremation, (3) name and address of crematory, and (4) signature of the crematory manager or person acting as crematory manager.

Finally, the statute seeks to provide greater clarity in the disposition of human remains. While these changes will not resolve all issues or disputes, the changes should help to solve some of the more common problems licensees have had in getting proper authorization to dispose of human remains. First, the new law provides that licensees need only obtain the consent of a majority of those in a certain class who can be located after reasonable efforts. For example, if there are five children, but only three can be located after reasonable efforts, then the licensee would only need the consent of two of the children in order to proceed with the cremation. Second, if a person who has the authority to authorize disposition either cannot be located or refuses to authorize disposition, you may obtain the permission of someone in a lower category after the earlier of five days after having provided the person with authority written notice or ten days after death. Finally, those authorizing disposition are required to provide greater disclosures and warranties, which should provide greater civil liability protection to licensees. Despite these changes, licensees should always keep in mind that the statutes only set a minimum standard and licensees may want to adopt a higher standard to provide additional protection against the risk of civil litigation.

The above items are merely a highlight of some of the more significant changes in the law this year. A full copy of the legislation is available on the Board's web site at www.ncbfs.org.

CONTINUING EDUCATION CLASS

The Board will hold its annual five-hour continuing education program in Raleigh on December 9, 2003. Currently scheduled speakers include Mr. Dennis Dalton of Dodge Chemical Company who will teach three hours on embalming and Ms. Nicole Brown with the North Carolina Department of Labor, who will teach two hours on OSHA Inspections. Mr. Chris Layton (Dean of Students, Commonwealth Institute in Houston) will teach two hours on ethics and three hours on the therapeutic value of a funeral. Please place this event on your calendar – especially if you need five hours of continuing legal education credit for 2003 or 2004. A notice of this course will be sent in late November.

Minor Preneed Form Revision

A minor change has been made to the recently mailed preneed trust contracts. You may continue to use the forms that were sent to you. Nonetheless, revised trust contract forms have been prepared and are available on the Board's web site should you desire to use them.

The following sentence has been removed from the back of the preneed trust contracts in the Substitution of Funeral Home paragraph: "If Funeral Home did not retain any of the purchase price (see RETENTION), then the Funeral Home may retain up to the amount agreed upon pursuant to the terms of this contract and will turn over the balance to the substitute funeral establishment." As funeral homes are no longer allowed to withhold any funds when a consumer substitutes funeral homes, this sentence does not need to be on the preneed trust forms. However, since there is no agreement to withhold any funds anywhere in the contract, the presence of this sentence does not cause any harm. Nonetheless, the sentence may cause some slight confusion. As a result, the Board decided to revise the form, but to allow licensees to continue to use the current form.

Congratulations!

William Stephen Aldridge, II	Albemarle	Brian King	Lenoir
David Allison, Jr.	Lexington	Stacey Kutch	Grenville
Dianne Alston	Williamston	Wayne Lofton	Wilmington
John Graham Ammons	Red Springs	Daniel Edwin Long	Greenville, SC
William Robert Barfield	Greensboro	Melinda Longmire	Fayetteville
Eric Bester	Chandler, Arizona	Trent Daniel Lowe	Jackson
Laura Williamson Burney	Cerro Gorde	Bradley E. Marsteller	Cary
Julie Bowling	Rocky Mount	Pamela Massey	Jackson
James A. Bumgardner	Gastonia	Rodney Maynor	Lumberton
Scott Alan Carson	Fuquay-Varina	Drew Wilkerson McGee	Reidsville
Shirley Carter	Fayetteville	Karen Evans Miller	Gatesville
Jose M. Casas	North Wilkesboro	Howard Moore	High Point
Antoinette Cheatham	Weldon	Julie Munden	Morehead City
Hugh Phillip Cherry	Charlotte	Nettie Nash	Brevard
Joyce Clark	Kannapolis	Bianca H. Outerbridge	Williamston
Daniel Cochran	Blairsville, Georgia	Candyce G. Owens	Gastonia
Daisha Sales Colvin	Fayetteville	Herbert A. Parunak	West Jefferson
William D. Cox	Sarasota, Florida	Terry Pitts	Hickory
Dallas L. Dafford, Jr.	Dunn	Ray E. Potts	Blairsville, GA
Roger E. Dean	Durham	Jeanette Ramey	Cana
Johnnie Dove	Kinston	Kelly Ratcliff	Stuart, Virginia
Juleon Dove	New Bern	David Clyde Risher	Weaverville
Mark Rondell Farrow	Durham	Gary M. Robinson	Burnsville
Thomas Eugene Faust	Apex	Alesia Royal Sanders	Selma
Terence Fonville	New Bern	Phillip Lynn Sawyer	Sherrills Ford
Ronnie Garrett	Caroleen	Thomas Andrew Schneider	Salisbury
Jack George	Westfield	Ryan Steven Shipley	Hendersonville
Phillip Scott George	Sanford	Harry Lee Smith, Jr.	Pikeville
Kevin P. Hagen	Raleigh	Nancy Elizabeth Sparrow	Durham
Sallianne Harris	Lincolnton	Mark Paul Taylor	Whiteville
Jackie Andre' Hawes	Wilmington	Vicki Lynn Taylor	Whiteville
Susan Pore Healey	Whitsett	Scott Wayne Tenbumberg	Henderson
Garland Hendrix	Salisbury	Donald Tucker	Gastonia
John Hernandez	Parkton	William D. Troutman	Hope Mills
Elbert Thomas House, Jr.	Raleigh	Christopher Lee Turnage	Farmville
Jennings Jacobs	Red Springs	Thomas M. Turner, Sr.	N. Charlotte, SC
Gary Jennings	Taylorsville	Scott Vaughn Wheeler	Rocky Mount
Terry Lyn Johnson	Fayetteville	Trevor D. Wilson	McCaysville, GA
Paula C. Jones	Oxford	Jennifer Carroll Wright	Aberdeen
Tyrone Jones, III	Wilson	Steven E. Yepez	Hope Mills

IN MEMORIAM

THE BOARD HAS LEARNED OF THE DEATHS OF THE FOLLOWING LICENSEES. THE BOARD WISHES TO EXPRESS ITS CONDOLENCES TO THEIR FAMILIES AND FRIENDS. THE BOARD IS GRATEFUL FOR THEIR SERVICE TO FAMILIES, COMMUNITIES AND THE FUNERAL PROFESSION.

Mr. Thomas Edward "Tommy" Harbor, 66, Funeral Director at Forsyth Funeral Home.

Mr. F. Eugene Vogler, Jr., 86, former president of Frank Vogler & Sons Funeral Home.

Dr. Nathaniel Everett Hargett, Jr., 74, Chairman and Owner of Hargett Funeral Service, Inc.

James L. "Jimmie" Gilliam, Owner of Gilliam Funeral Home.

Alfred Wilson, 56, Funeral Director at Purcell Funeral Home.

James Pierce "Jim" Norman, Jr., 73, funeral director for 45 years at funeral homes in Wallace, Beulaville, and Greenville.

Edward Mozingo, 53, former funeral director with Seymour Funeral Home.

Lee S. "Pops" Perry, Sr., 80, founder of Perry-Spencer Funeral Home.

James Alfred Badger, 81, owner and manager of Badger Funeral Home.

Charles Hodges, Sr., 84, owner of C.C. Hodges Funeral Service.

Election Results – Runoff Scheduled

The Board recently conducted its annual election with the following results:

Category I

Alex Lee ran unopposed and was reelected to the Board

Category II

Jerry Wayne Hawks	354
Jimmy C. Swaringen	306
Phillip Mark Blake	277
Irvin Edward Burney, Jr.	155

EXAM DATES 2003/2004

November 4, 2003

December 9, 2003

February 10, 2004 (State Exam)

July 13, 2004 (State Exam)

October 12, 2004 (State Exam)

DISCIPLINARY ACTIONS

RECENT DISCIPLINARY ACTIONS TAKEN BY THE BOARD

CASE FILE NO.: V01-086

LICENSEE: James H. Edwards, Jr. (FSL 754)

VIOLATION: Licensee agreed to provide funeral goods and services on a preneed basis and accepted payment. The beneficiary requested that licensee not write a preneed contract or open a trust account so that her family would not learn of her arrangements. Licensee agreed to do so. After beneficiary was determined to be incompetent, her family discovered the arrangements, recovered the money and used it to fund a preneed contract. Licensee admitted that he failed to write and file a preneed contract and failed to deposit preneed funds to a trust account or purchase a life insurance policy, all in violation of N.C. Gen. Stat. § 90-210.69(c)(6).

BOARD ACTION: The Board agreed to accept the licensee's voluntary surrender of his license.

EFFECTIVE DATE: January 7, 2003.

CASE FILE NO.: V02-027

LICENSEE: James S. Congleton, Jr. (FSL 1576)

VIOLATION: Licensee agreed to make arrangements for a cremation, but failed to pay the crematory or arrange for return of the cremains to the responsible party. This constitutes fraud or misrepresentation in the practice of funeral service, violating N.C. Gen. Stat. § 90-210.25(e)(1). Licensee also failed to respond to the Board's questions about this matter, also constituting a violation of N.C. Gen. Stat. § 90-210.25(e)(1).

BOARD ACTION: The Board and Licensee entered into a Consent Order in which licensee admitted to these violations and accepted probation for a period of twelve months, paid the Board \$500.00 as a compromise civil penalty, and paid the full cost of the cremation, \$250.00, on behalf of the complainant.

EFFECTIVE DATE: October 24, 2002.

CASE FILE NO.: V02-034

LICENSEES: Robert S. Welch (FSL 2437), and Welch Funeral Home, Inc. (FE 686)

VIOLATION: Licensees sent letters to individuals who were not customers. Said letters were written in a way that implied that the recipients had made funeral arrangements with the licensees before when that was not true. This constitutes misrepresentation in the practice of funeral service and misleading advertising, violations of N.C. Gen. Stat. § 90-210.25(e)(1)b. and c.

BOARD ACTION: The Board and Licensee entered into a Consent Order in which licensees admitted to these violations and Licensee Welch accepted an extension of one year to his existing probation, now to expire at midnight, November 6, 2005.

EFFECTIVE DATE: November 6, 2002.

CASE FILE NO.: V01-063, V01-079; M02-012

LICENSEES: McMillan Funeral Home, Inc. (FE 369), Harris-Turner Funeral Home (closed), Inc., John D. McMillan, Jr. (FS 425), Patricia M. McMillan (FD 339), McMillan MBA, Inc.

VIOLATIONS: Harris-Turner Funeral Service failed to file a 2001 Preneed Annual Report. McMillan Funeral Service failed to file a 2001 Preneed Annual Report. McMillan Mutual Burial Association failed to pay its entire Annual Financial Report Late Filing Penalty. McMillan Funeral Service failed to satisfy its obligation to provide the Board with information requested. McMillan FH failed to file a Preneed Agreement with Board.

BOARD ACTION: John D. McMillan's funeral service license was revoked with revocation stayed for three years. The Board imposed probation for three years. John D. McMillan's preneed sales license is hereby revoked. This revocation is stayed concurrent with the three year term of probation and is also contingent upon payment of any outstanding fees and late fees for this licensee.

McMillan Funeral Home's preneed license was hereby revoked with revocation stayed for two years. The Board imposed probation for two years. This stay is contingent upon payment of any outstanding fees and late fees and immediate surrender to the Board of all preneed contracts transferred from Harris-Turner Funeral Home.

Patricia M. McMillan's preneed sales license is hereby revoked and the revocation is stayed for two years. The Board imposed probation for two years. The stay is contingent upon payment of any outstanding fees and late fees for this licensee.

McMillan MBA's license was revoked and the revocation was stayed contingent upon payment of all outstanding fees and penalties.

EFFECTIVE DATE: November 21, 2002.

CASE FILE NO.: M02-022

LICENSEES: Flanagan Funeral Home (FS 169)

VIOLATIONS: Licensee was insolvent when it applied for renewal of its preneed establishment license. It also misrepresented on its renewal application that it was solvent. Licensee failed to keep preneed trust funds on deposit in a financial institution. Licensee also failed to file five Preneed Funeral Arrangement Contracts and five Certificates of Performance. These are violations of N.C. Gen. Stat. § 90-210.69(c)(6).

BOARD ACTION: The Board revoked Licensee's preneed funeral establishment permit and placed it on probation for five years on the following conditions: (a) it pays in full within thirty (30) days of the effective date of this Order, all the interest to all of its preneed trust accounts transferred to RBC Centura Bank that was not paid during the period prior to said transfer, when the trust account funds were not on deposit in a financial institution; (b) Licensee shall surrender all of its preneed contracts to the Board within thirty (30) days of the effective date of this Order; and (c) Licensee is to notify within thirty (30) days of the Order's effective date, by letter mailed by Certified Mail, Return Receipt Requested, U.S. Postal Service, each of its preneed contract purchasers of the necessity of transferring their preneed funeral arrangement contracts to another preneed funeral establishment licensee.

EFFECTIVE DATE: February 2, 2003.

CASE FILE NO.: M02-023

LICENSEE: Donald Spicer, Jr. (FSL 2177)

VIOLATION: Failure to pay child support.

BOARD ACTION: Licensee's funeral service license was suspended for nine days, after his appeal period had expired, until he satisfied his child support arrearage.

Effective date: November 6, 2002 (suspension lifted November 15, 2002)

CASE FILE NO.: M03-007

LICENSEE: Shulton R. Maulsby, Jr. (FSL 1802)

VIOLATION: Failure to pay child support.

BOARD ACTION: As required by law, licensee's funeral service license was suspended until he satisfies his child support arrearage.

Effective date: March 26, 2003

CASE FILE NUMBER: V00-034; V00-049; V00-054

LICENSEE: Harris-Turner Funeral Home (closed); John D. McMillan (FSL 425)

VIOLATION: Licensee failed to provide proper Statements of Goods and Services and General Price Lists to several consumers. Licensee also failed to deposit preneed funds in a trust account, failed to file a preneed contract, and failed to immediately pay funds to a preneed licensee after a preneed contract transfer. These constitute violations of N.C. Gen. Stat. § 90-210.25(e) for failing to comply with Funeral Industry Practice set forth by the Federal Trade Commission, § 90-210.61(a)(1) for failing to deposit preneed funds in a trust account, § 90-210.68(a), for failing to transfer a preneed contract, and § 90-210.63(a)(2) for failing to immediately transfer preneed funds.

BOARD ACTION: The Board and Licensees entered into a Consent Order in which John D. McMillan's funeral service license was suspended for six (6) months. Licensees agreed to reimburse one consumer for goods and fees not provided under the contract. The funeral establishment permit for Harris-Turner Funeral Home was revoked.

EFFECTIVE DATE: May 14, 2003

CASE FILE NUMBER: V02-056

LICENSEE: Powell Funeral Home and Crematory

VIOLATION: Powell Funeral Home entered into an inflation-proof preneed contract with a consumer. At the time of performance, Powell Funeral Home added non-guaranteed charges to a billing statement that the consumer did not authorize and increased its prices from those originally listed on the bill statement given to the consumer before the funeral. Powell Funeral Home also did not provide the consumer with an accurate Statement of Goods and Services Selected until after the consumer filed a complaint. These are violations of N.C. Gen. Stat. § 90-210.25(e)(1) for failing to comply with Funeral Industry Practices of the Federal Trade Commission and § 90-210.62(a) for failure to comply with the terms of an inflation-proof contract.

BOARD ACTION: The Board and Licensee entered into a Consent Order placing Powell Funeral Home on six (6) months probation. Licensee also had to provide the consumer with a corrected Statement of Goods and Services Selected.

EFFECTIVE DATE: July 16, 2003.

CASE FILE NUMBER: V01-065

LICENSEE: Frank Meachem (FDL 3356); Walter Sanders Funeral Home (FE 528)

VIOLATION: Frank Meachem assisted unlicensed practice by advertising an unlicensed person, Larry Gaddis, as "Manager" of Walter Sanders Funeral Home on promotional goods and allowed him to make arrangements and sell funeral goods to the public. Frank Meachem also allowed unlicensed people to perform a funeral and did not use forms that complied with Statement of Goods and Services Selected standards set by the Federal Trade Commission. These are violations of N.C. Gen. Stat. § 90-210.25(e)(1)b. for fraud or misrepresentation in the practice of funeral service, § 90-210.25(e)(1)h. for aiding or abetting unlicensed practice, and § 90-210.25(e)j. for failing to comply with the Funeral Industry Practices of the Federal Trade Commission.

BOARD ACTION: The Board entered into a Consent Order with Frank Meachem and Walter Sanders Funeral Home whereby the Licensees admitted to these violations. Frank Meachem had his funeral director license suspended for six (6) months effective sixty (60) days after the effective date of the Consent Order and agreed to an additional three years of probation for his funeral director license to begin after the period of suspension.

Walter Sanders Funeral Home had its funeral establishment permit placed on probation for three years and agreed to terminate the unlicensed person by the effective date of the Consent Order.

EFFECTIVE DATE: September 10, 2003.

CASE FILE NUMBER: V02-046

LICENSEE: Erwin B. Costner (FDL 1738)

VIOLATION: Erwin Costner entered into a preneed contract on behalf of the funeral home but misapplied the preneed funds he received by not placing them in a trust account within ten (10) business days, and did not timely file the preneed contract. Erwin Costner repaid the consumer with interest before the complaint was filed. These are violations of N.C. Gen. Stat. § 90-210.70(a) for knowingly misapplying preneed funds, § 90-210.61(a) for failing to deposit preneed funds, § 90-210.69(c)(4) for fraud or misrepresentation in preneed funeral planning, § 210.67(d) for failing to file a preneed contract, and § 90-210.25(e)(1) for fraud or misrepresentation in the practice of funeral service.

BOARD ACTION: The Board entered into a Consent Order in which Licensee admitted to the violations and was placed on one year of probation.

EFFECTIVE DATE: September 10, 2003.

CASE FILE NUMBER: V02-063

LICENSEE: Allen's Home of Funerals (FE 8)

VIOLATION: Allen's Home of Funerals sold a preneed contract in 1992 without placing the funds in a trust account or purchasing an insurance policy. The contract was never filed with the Board or reflected on their preneed annual reports. When Allen's Home of Funerals noticed the error in 2002, the money was refunded to the purchaser without paying any interest. These constitute violations of N.C. Gen. Stat. § 90-210.67(d) for failing to file a preneed contract and § 90-210.68(a) for failing to keep proper preneed records.

BOARD ACTION: The Board and Licensee entered into a Consent Order in which Licensee admitted to the violations. Licensee was placed on probation for six (6) months and agreed to reimburse the consumer 4% interest over the period that the money was held outside a trust account.

EFFECTIVE DATE: September 10, 2003

CASE FILE NUMBERS: M02-017(n); V03-004

LICENSEE: Terence Rountree (FDL 3504); Rountree & Associates (FE 349)

VIOLATION: In V03-004, Terence Rountree prepared a Statement of Goods and Services Selected at the time of performance for a previous preneed contract but failed to give a copy to the consumer at the time arrangements were made. Rountree & Associates also did not file the Certificate of Performance for this preneed contract within ten days of payment. This violates N.C. Gen. Stat. § 90-210.64(a) for failing to file a Certificate of Performance and § 90-210.67(d) for failing to file a preneed contract within 10 days, and § 90-210.25(e) for violating the standards of Funeral Industry Practice of the Federal Trade Commission.

In M02-017(n), Rountree & Associates originally filed an inflation-proof preneed contract without selecting any goods and services. After several attempts by the Board to have Rountree & Associates correct this error, Rountree & Associates filed a standard contract with the beneficiary and the purchaser reversed. This violates N.C. Gen. Stat. § 90-210.67(d) for failing to file a preneed contract with the Board.

BOARD ACTION: The Board entered into a Consent Order with Terence Rountree & Associates Funeral Home. Terence Rountree and Rountree & Associates were placed on probation for one year and agreed to file all outstanding documents with the Board.

EFFECTIVE DATE: September 10, 2003.

BOARD FILE NUMBER: M03-006

LICENSEE: Betty Gibson Butler (FDL 3460)

VIOLATION: The Board approved a Preneed Recovery Fund application after receiving evidence that Betty Butler had willfully misapplied a preneed fund by commingling them with her operating account. Betty Butler also did not file the preneed contract with the Board or file a Certificate of Performance. This is a violation of N.C. Gen. Stat. § 90-210.70(a) for willful misapplication of preneed funds, § 90-210.61(e) for commingling preneed funds, § 90-210.67(d) for failing to file a contract within ten days and § 90-210.69(c)(4) for fraud in preneed funeral planning.

BOARD ACTION: The Board and Licensee entered into a Consent Order whereby Licensee admitted to these violations and was placed on one year of probation.

EFFECTIVE DATE: September 10, 2003

BOARD CASE NUMBER: M03-012

LICENSEE: Elrico J. Harris (FDL 3584)

VIOLATION: Failure to pay child support.

BOARD ACTION: As required by law, licensee's funeral director's license was suspended until he satisfies his child support obligations.

EFFECTIVE DATE: September 10, 2003.

Board Inspector

Mr. Henry Rowan retired from the North Carolina Board of Funeral Service after a long career in funeral service in which he spent almost fourteen years serving as an Inspector for the Board. Mr. Rowan wants to thank the many licensees that have extended their courtesies to him during his inspections. The Board wishes to thank Mr. Rowan for his many years of service to the Board.

The Board has hired Ms. Susan Cox as its Interim Inspector for the Central Region. She began work on September 29, 2003. Ms. Culbreth has been reassigned to the Eastern Region. Ms. Cox was hired as an interim inspector after a thorough review of all applications for the inspector position that were on file in the Board's office.

Licensees interested in serving as an inspector for the Board are encouraged to submit and maintain on file an application for the position. Preference will be given to licensees who have been licensed for five or more years and who have had substantial experience with preneed record-keeping. Applications received prior to November 15, 2003 will be considered for the position vacated by Mr. Rowan. Those applicants who are not chosen for the currently available position and any applications received after November 15, 2003 will be kept on file and considered for future inspector openings. All applications will be handled in confidence.



**NORTH CAROLINA
BOARD OF FUNERAL SERVICE**
P.O. BOX 27368
RALEIGH, NORTH CAROLINA 27611-7368