

North Carolina Board of Funeral Service newsletter

North Carolina Funeral Board Service

Volume 3, Issue 6 Spring 2009

2009 Calendar

- **Board meetings:** June 17 & 18, August 12 & 13, September 9 & 10, October 14 & 15, November 4 & 5 and December 9 & 10. Meetings are held at the Board offices 1033 Wade Avenue, Suite 108, Raleigh, NC 27605 unless otherwise specified. Since meeting dates are subject to change, please check the Current Events page on the Board's website to confirm dates.
www.ncbfs.org/currentevents.htm
- **2009 Holiday Schedule:**
July 3 (Independence Day), September 7 (Labor Day), November 11 (Veteran's Day), November 26& 27 (Thanksgiving), December 24 & 25 (Christmas)

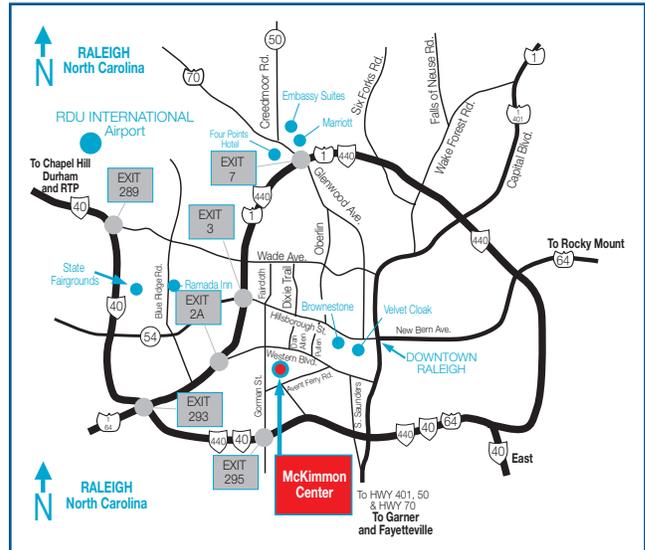
Disaster Planning and S-MORT

Licensees interested in participation may contact Tom Taaffe S-MORT coordinator for North Carolina. Mr. Taaffe may be reached via email- Tom.Taaffe@ncmail.net

inside THIS ISSUE

The Board Welcomes Two New Members..	Page 2
Pre-need.....	Page 3
Disciplinary Matters.....	Page 4
Website Updates.....	Page 5
Establishment Changes.....	Page 7

2009 Summer Continuing Education Clinic



The Board will host a clinic on June 25, at the McKimmon Center on the Campus of NCSU. The morning session will feature a panel discussion on financial stability of banks and insurance companies as related to preneed contracts in North Carolina. Representatives of the NC Bankers Association, The North Carolina Department of Insurance and Board staff will participate. The remaining morning session will be a presentation on preneed laws and rules. The afternoon session, "Making the Emotional Connection" will be presented by Lacy Robinson Druen. The morning session will be from 9 a.m. to 12 noon and the afternoon session will be from 1:30 p.m. to 4 p.m. Registration will begin at 8 a.m. and the fee will be \$25.00. This is approved for 5 hours of continuing education credit.

North Carolina Board of Funeral Service

1033 Wade Avenue, Suite 108
 Raleigh, NC 27605
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 Fax 919-733-8271

Board members

- Larry R. Andrews**.....Shallotte
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- J.T. Willoughby, III**.....Tarboro
 Vice-President
- George Parrott**.....Raleigh
 Secretary
- P. Mark Blake.....Raleigh
 Jack D. Briggs.....Denton
 Rudy N. Lea.....Raleigh
 Frank G. McCree, Sr.....Fairmont
 Elizabeth S. Webber.....Chapel Hill
 Tryphina Wiseman.....Fayetteville

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 Stephen N. Dirksen.....General Counsel
 lyn Cochrane.....Executive Assistant
 Elizabeth R. Stegall.....Administrative Services
 Supervisor
- Marty Mills.....Administrative Assistant
 Ruth Britt..... Preneed Services Administrator
 Jimmy Featherston.....Program Assistant
 Tanya Pearson.....Program Assistant
 Carolyn J. Connor.....Inspector-West
 Susan Cox.....Inspector-Central
 Brett Lisenbee.....Inspector-East
 Lloyd H. Davis.....Auditor Burial Association
 Virginia W. Harris.....Burial Association

The North Carolina Board of Funeral Service
 Newsletter is published bi-annually.

Any questions or comments
 should be directed to the office at
 919-733-9380 or 1-800-862-0636

3,800 copies of this document were printed
 at a cost of \$0.382 per copy.



Seated (L-R) J. T. Willoughby, III, Larry R. Andrews, George Parrott
 Standing (L-R) Frank G. McCree, Sr., Rudy N. Lea, Tryphina Wiseman,
 P. Mark Blake, Jack D. Briggs, Elizabeth S. Webber

The Board Welcomes Two New Members:



Elizabeth S. Webber



Tryphina Wiseman

Elizabeth S. Webber. – Ms. Webber was appointed to the Board as a public member by the General Assembly on the recommendation of Speaker Hackney. She is a licensed realtor and resides in Chapel Hill.

Tryphina Wiseman. – Ms. Wiseman was appointed by the Governor on the recommendation of the Funeral Directors & Morticians Association of North Carolina, Inc. to fill the unexpired term of the late T. E. White, Sr. She is a principal in the Wiseman Mortuary, Fayetteville.

Pre-need

Changes to the Pre Need Annual Reports

The Board now requires notarization with the addition of the appropriate statement on the verification page of pre-need annual reports.

Interest Rate on Recovery Fund Claims

The interest rate for recovery fund claims filed and approved in 2009 will be 2%.

Non-Guaranteed Portion of Inflation Proof Preneed Contracts

This matter was published in two previous newsletters, Fall 2005 and Fall 2006, yet inspectors continue to find improper calculations used in determining the correct amount applied to non-guaranteed funds so consumers receive proper credit at the time of death. Divide the amount entered as the **TOTAL OF NON-GUARANTEED CASH ADVANCE ITEMS AND NC SALES AND USE TAX** (as shown below in the bordered area from the Statement of Goods and Services Selected) by the amount entered as the **TOTAL FUNERAL SERVICE (A+B+C+D+E)** also shown below. This will provide a percentage amount. At the time of death, multiply that percentage figure by the trust balance or insurance death benefit. The resulting dollar amount is then applied to the same non-guaranteed items. If there is a shortfall of funds available for the non-guaranteed items, funeral homes may bill the family/estate. In the event there are more funds than needed, funeral homes must either issue a refund in accordance with North Carolina law, apply the excess funds to other cash advances that were not part of the original preneed contract or apply the funds to any upgrades to the merchandise and services the family makes. Funeral homes cannot use the excess funds to offset losses experienced on the "guaranteed" items.

Example: An inflation-proof pre-need contract totals \$ 5000.00 and the total of non-guaranteed cash advances and NC sales & use tax equals \$ 650.00. Divide 650.00 by 5000.00 which results in .13 or 13%. The pre-need contract beneficiary dies five years later. Over the course of five years the growth on the funding method (trust or insurance) makes the pre-need contract worth \$ 5750.00. Multiply 5750.00 by .13 which results in \$747.50 which is the amount of funds available to be applied to the non-guaranteed portion.

C. NON-GUARANTEED CASH ADVANCE ITEMS

We charge you for our services in obtaining those items marked with an "X"

<input type="checkbox"/> Obituary notices	\$ _____	<input type="checkbox"/> _____	\$ _____
<input type="checkbox"/> Cemetery charges	\$ _____	<input type="checkbox"/> _____	\$ _____
<input type="checkbox"/> Certified copies of death certificate	\$ _____	<input type="checkbox"/> _____	\$ _____
<input type="checkbox"/> Flowers	\$ _____	<input type="checkbox"/> _____	\$ _____
<input type="checkbox"/> Crematory charges	\$ _____	<input type="checkbox"/> _____	\$ _____

TOTAL NON-GUARANTEED CASH ADVANCE ITEMS..... \$ _____

D. NC SALES and USE TAX..... \$ _____

TOTAL CASH ADVANCE ITEMS AND NC SALES and USE TAX..... \$ 650.00

E. OTHER (Specify)..... \$ _____

TOTAL FUNERAL SERVICE (A+B+C+D+E)..... \$ 5000.00

Disciplinary *matters*

Case File Number: V08-048; M08-013.

Licenses: Eric Mark Howell (FS #1962), Gastonia.

Summary: Mr. Howell failed to deposit preneed funds in a trust account in a timely manner and failed to file preneed funeral contracts.

Board Action: Mr. Howell surrendered his funeral service and preneed sales licenses.

EFFECTIVE DATE: October 23, 2008.

Note: The Board has approved and paid a number of recovery fund claims related to Mr. Howell's acknowledged misappropriation of preneed funds and a repayment proposal from Mr. Howell.

Case File Number: V06-045.

Licenses: Sisk-Butler Funeral Home, Bessemer City (FE #551); Donna Baker (FDL #3464).

Summary: The funeral home held out in a local newspaper that it was locally owned and operated when the firms were owned by a corporation located outside North Carolina. The manager was only a minority shareholder. Board policy considers this practice to be false and misleading advertising. A warning letter was previously sent to the firm.

Board Action: The parties entered into a consent order. The funeral establishment was placed on probation for two (2) years and paid a civil penalty of \$2,000.00. Ms. Baker was issued a letter of caution.

EFFECTIVE DATE: December 10, 2008.

Case File Number: M08-001.

Licenses: Woodard Funeral Home, Greensboro (PNE #781); Woodard Funeral Home of High Point (PNE #905).

Summary: The preneed licensees failed to respond to requests to correct deficiencies its preneed annual reports in a timely manner.

Board Action: The parties entered into a consent order placing each firm's preneed establishment license on probation for one year.

EFFECTIVE DATE: December 10, 2008.

Case File Number: M06-001; M06-019; V07-013; V07-028; V07-068; M07-001; M08-001.

Licenses: Ronnie Riddle (FD #3065); Melton-Riddle Funeral Home (FE #396; PNE #492) Sylva

Summary: The Board found that the parties had practiced without renewing their licenses and permits in calendar years 2007 and 2008, violated the terms of

a previous consent order by failing to respond to Board correspondence in the time required, committed fraud in the practice of funeral service and preneed funeral planning, and violated Board regulations regarding the filing and handling of preneed funeral funds.

Board Action: The Board revoked the funeral establishment permit, preneed establishment license, and all ancillary preneed sales licenses of Melton-Riddle Funeral Home. The Board also revoked the funeral director license and preneed sales license of Ronnie Riddle. After serving the order, the Board applied for and received a temporary restraining order and preliminary injunction against the parties for possible violations of the Board's Final Agency Decision. The parties have appealed the Board's decision.

EFFECTIVE DATE: January 15, 2009.

Case File Number: V07-055; V08-019; V08-020; V08-029.

Licenses: Tucker & Sons Funeral Home (FE #591) Dunn; Nathaniel Tucker, Jr. (FSL #855) Dunn.

Summary: Mr. Tucker sold several preneed contracts but failed to file them with the Board and failed to timely deposit the funds from these contracts into a trust account. One of the contracts was sold when the firm was no longer licensed for preneed.

Board Action: The Board approved a consent order surrendering the funeral establishment permit of Tucker & Sons Funeral Home and the funeral service license for Nathaniel Tucker. Mr. Tucker would be eligible to reapply for an embalmer license in one (1) year and for a funeral service license in five (5) years.

EFFECTIVE DATE: February 18, 2009.

Case File Number: V08-029.

Licenses: Brenda Jo Wilson-Simmons (FSL #2489).

Summary: While employed by Tucker & Sons Funeral Home, Ms. Simmons sold a preneed contract without first obtaining a preneed sales license and used a form that was not a Board-approved preneed contract form.

Board Action: The Board adopted a consent order placing Mrs. Simmons funeral WHAT license on probation for one (1) year.

EFFECTIVE DATE: February 18, 2009.

Disciplinary matters cont. from page 4

Case File Number: M08-011.

Licensees: Hester-Whitted-Daye Funeral Service (FE #246) Hillsborough; Fred D.L. Whitted (FSL #902).

Summary: During an inspection, the Board inspector found that the Hillsborough violation was not in compliance with the General Price List requirements of the Funeral Rule. The General Price List violations were repeated from a previous inspection. Mr. Whitted was found not to have actively managed the Hillsborough location.

Board Action: The Board issued a final agency decision revoking the funeral service license of Mr. Whitted, but Mr. Whitted was allowed to retain an embalmer license. The Board also suspended the funeral establishment license of the Hillsborough location but stayed the suspension on probation for one (1) year. The firm will be reinspected within six (6) months. The Board took no disciplinary action against the Roxboro branch of the firm.

EFFECTIVE DATE: February 18, 2009.

Case File Number: M08-017.

Licensees: Kennedy Funeral Home (FE #309; PNE #331) Robbins; Stanley York (FSL #784).

Summary: The Board staff determined that an unlicensed insurance agent was allowed to complete preneed contracts with the arrangements. The preneed salesperson subsequently signed the preneed contract after the insurance agent completed the contracts.

Board Action: The Board entered into a consent order placing Mr. York and the Kennedy Funeral Home funeral establishment permit and preneed licenses on probation for one (1) year.

EFFECTIVE DATE: March 11, 2009.

Crematory Authority Elections

Congratulations to Mr. Cecil M. Burton who was elected to the NC Crematory Authority for a three year term to begin January 1, 2009. Mr. Burton took his oath of office during the board meeting on January 14, 2009.

Case File Number: M09-003.

Licensees: Goodwill Funeral Home (FE #198) Whiteville; Mildred McKoy (FD #2476).

Summary: During a recent inspection, the Board's Inspector found Funeral Establishment was not in compliance with the price list requirements of the Funeral Rule. Funeral Establishment has not corrected the errors after several attempts by the Inspector to correct the violations.

Board Action: The Board entered into a consent order placing the funeral establishment permit and manager's funeral director license on probation for three (3) years and paying a \$1,000.00 civil penalty. Continuing education in the Funeral Rule was also ordered.

EFFECTIVE DATE: March 11, 2009.

Case File Number: M09-008.

Licensees: Terence Rountree (FD #3504) Greenville.

Summary: Mr. Rountree previously surrendered his funeral director license under a consent order for six (6) months.

Board Action: The Board reinstated Mr. Rountree's funeral director license subject to three years probation.

EFFECTIVE DATE: March 11, 2009.

Website Updates

Laws and Rules page – Recently added links to laws and rules related to the practice of funeral service such as vital records, medical examiner, communicable disease, funeral processions and disorderly conduct at funerals. Links to the FTC website and HIPAA guidelines have also been placed on the page.

Newsletters – past newsletters from 2000 through the fall of 2008 have been posted online.

New Law Books

The newest edition of the law books should be published by mid to late summer. This edition will incorporate a broader scope of laws and regulations related to the practice of funeral service.

Use of Online Postage Sources

In some cases these online postage sources do not imprint a "postmark" date. The Board office recently received several items with this type of postage. Items that do not display a USPS postmark, date stamp from a private courier service, or some other means to determine the date of mailing will be considered filed on the date received by the office. This is consistent with the IRS policy on use of online postage sources.

Our Sympathies are extended to the families of:

William "Bill" Luther Black, formerly of Crawford Funeral Home, Waynesville; Groce Funeral Home, Asheville and Anders-Rice Funeral Home, Asheville. Mr. Black died October 19, 2008.

James McCree, Jr., formerly of J. W. Gill and Sons Funeral Home, Kings Mountain and brother of Board member Frank G. McCree, Sr. who died in late October.

Mr. Bernie Edward Phillips, formerly of Jones-Phillips Funeral Home, Mt. Airy, who died November 19, 2008

Mrs. Betty Ann Lutz Burton of Lutz-Austell Funeral Home, Shelby, who died December 3, 2008

Mr. William Larry Kinsey of Twiford Funeral Home, Elizabeth City, who died December 4, 2008

Mr. Clyde Harper Holland, Sr. of Butler Funeral Home in Roseboro, who died December 25, 2008

Mr. Dennis J. Stallings, Jr. of Stallings Funeral Homes in Elizabeth City, Hertford and Gatesville and Simmons Funeral Home in Plymouth, who died December 25, 2008

Mr. John Thomas Monteith, formerly of Moore Funeral Home, Brevard who died December 28, 2008

Ms. Virginia B. Walker of Louisburg, NC who died on Wednesday, March 11, 2009.

Theda Garrett Crawford of the former Crawford Funeral Home, Waynesville who died April 22.

Thurston Thomas Brown, founder and president of Brown's Funeral Services, Inc., Warrenton who died April 27.

Hoyt Winford Clark, a former owner and operator of Loflin Funeral Home in Ramseur, who died on May 7.

John M. Raymer, Jr. of Raymer Funeral Home and Cremation Services of Huntersville who died May 21

Maybob Paye of Paye Funeral Home, Fayetteville who died May 23, 2009

(If a reader is aware of the death of a licensee that has not been acknowledged in this section, please inform the Board staff.)

Establishment *changes*

New Establishments

Bryan Funeral Service, Columbia
Cleveland Funeral Services, Cleveland
Evans Funeral Home, Williamston
Hunter's Funeral Home, Inc., Gates
Pinecrest Funeral & Cremation Services, Hope Mills

Ownership Changes:

Inman Funeral Home, Inc., Tabor City
Melton Funeral Home, Sylva
Morgan Funerals & Cremations, Inc., Rocky Mount
Shuler Funeral Home, Inc., Hendersonville

New Crematories:

Cremation Concepts, LLC, Salisbury
Harrington Funeral Home & Crematory, Hamlet

New Chapels:

Gateway to Heaven Memorial Chapel, Williamston
Johnson Nashville Chapel, Nashville

Funeral Service Licensees:

Melanie Lynn Albrecht Peterson, Hendersonville
Ruth V. Bennett, Salisbury
Jonathan Brogden, Hendersonville
Tawanda Denise Burgess, Whitakers
Sandra Dawn DiBacco, Fayetteville
Glenda Wood Elliott, North Wilkesboro
Steven G. Felton, Sr., Suffolk, VA
Kenneth T. Forrester, Madison, NJ
William H. Ketterer, Greensboro
Senetra Knight, Raleigh

Prudence Jayda McMichael, Greenville
Karen Howell-McPherson, Fort Washington, MD
Alan K. Miller, Lake Wylie, SC
Veronica Leigh Nifong, Greensboro
Richard L. Osborn, Jr., Winston-Salem
K. Roy Pruitt, Chinquapin
James M. Rees, Raleigh
Arlene Frances Robinson, Washington, DC
Jennifer Rebecca Skinto, Shelby
Norbert Edward Starr, Raleigh
Mack E. Stephenson, Lillington
Joseph D. Wilson, Pineville
Soo Ying Witherspoon, Lenoir
Eric V Wray, II, Portsmouth, VA
James Edward Zubko, Raleigh

Converted to Funeral Service:

John C. Dover, Clover, SC

New Funeral Director Licensees:

Fannie Acklin, Bethel
Annie Ruth Boone-Carroll, Salisbury
Susie Michelle Combs, Jonesville
William Michael Cumby, High Point
Coburn P. Hartsell, Albemarle
David Martin Lockridge, Kings Mountain
Cecil Allen Miller, Jr., Beulaville
Hugh Shelton Norris, Jr., Dunn
Thomas Jack Strayhorn, Winston-Salem

New Embalmer Licensee:

Joann Marotta, Raleigh

Transportation Security Administration Regulations:

Effective July 1, the TSA will begin enforcing an existing policy that requires all human remains shipments originating in the U.S. or its territories, to be tendered by a "known shipper." This policy requires funeral homes to register as a "known shipper" for each airline they use to ship bodies, and might require both a facility inspection and payment of a fee. Licensees should contact the airlines to obtain more information on this matter. TSA website: www.tsa.gov/index.shtm

TSA regulations for traveling with cremated remains:
www.tsa.gov/travelers/airtravel/specialneeds/editorial_1296.shtm

New Rules in Effect

The NC Rules Review Commission approved pending amended rules and new rules submitted by the Board. Rules approved by the Commission in December had effective dates of January 1, 2009 and rules approved by the Commission in January had effective dates of February 1, 2009. Please see page 5 for additional information regarding the inclusion of these rules on the Board's website.

Traineeship

The Board recently revised the policy prohibiting staff from disclosing the exact number of cases still needed by trainees nearing the end of the traineeship. Trainees will now be advised of the case number status in a letter issued at the end of the 10th month of traineeship. A copy will be sent to the trainee supervisor.

In a separate action the Board approved the traineeship supervisor certification program. Trainee applications have been changed to include notice of the requirements to be a trainee supervisor. If required the supervisor will have 60 days in which to take the certification program. The staff will make this available in DVD and printed format. The inspectors will also have copies so they can provide the program in the respective regions.

Return Service Requested

North Carolina Board
of Funeral Service
1033 Wade Ave., Suite 108
Raleigh, NC 27605

