

# North Carolina Board of Funeral Service

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***E-NEWS*** April 2011 Volume 8, Issue 1

The next meeting of the Board will be 9 a.m. Wednesday, April 13, and Thursday April 14, 2011 at the Board offices, 1033 Wade Avenue, Ste. 108, Raleigh, NC 27605. Due to hearings, the Board may also meet April 15. The agenda for the meeting can be viewed by [following this link](#).

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BOARD ACTIONS- Actions and Results from the February 9 Board meeting:

- A. President George Parrott administered the Oaths of Office for Crematory Authority members-elect Lynn Sawyer and Russ Hackett.
- B. Set the interest rate for 2011 recovery fund claim payments at 1/2 of 1%.

Actions and Results from the March 9 Board meeting:

- A. Set 2011 MBA assessments at \$100 per MBA and .30 per member
- B. Received report from Finance & Personnel committee regarding the MBA funds reported to date. All but six MBA's have submitted annual reports; the others are under extension requests. Based on reported figures there are \$4,982,543 in funds. Adding an estimate for the outstanding reports (based on last years figures) the total is approximately \$5,195,543

## DEATH CERTIFICATES

Board staff attended a recent meeting with representatives from the NC Medical Board, NC Vital Records, the NC Hospital Association and Dr. Deborah Radish, Chief Medical Examiner. The purpose of the meeting was to discuss improving the death registration system, with a focus on Electronic Death Registration. The initial meeting brought forth a number of ideas and a common interest that the system needs improvement both in electronic filing and with appropriate statute changes. Look for updates on the current events page and in future email newsletters and hard copy newsletters.

A bill has been introduced allowing Physicians Assistants and Certified Nurse Practitioners under supervision of a physician to sign death certificates. The current version of the bill can be viewed by following this link:

<http://www.ncleg.net/Sessions/2011/Bills/House/PDF/H331v2.pdf>

## SUPREME COURT RULING ON FUNERAL PROTESTS

In an action brought by the father of a Marine, the US Supreme Court ruled in favor of Westboro Baptist Church, who had protested at the Marine's funeral. The court upheld the First Amendment Rights of the protesters. Licensees should be aware of NC law regarding protests at funerals. Please follow this link to view the law:

[http://www.ncleg.net/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_14/GS\\_14-288.4.pdf](http://www.ncleg.net/EnactedLegislation/Statutes/PDF/BySection/Chapter_14/GS_14-288.4.pdf)

## FTC RED FLAG COMPLIANCE UPDATE

With the passage of US Senate Bill 3987 The Red Flag Program Clarification Act, most funeral homes will not have to comply with the FTC Red Flag Regulations took effect January 1, 2011. The bill limits the compliance with Red Flag Regulations to businesses that:

- 1) obtains or uses consumer reports, directly or indirectly, in connection with a credit transaction;
- 2) furnishes information to certain consumer reporting agencies in connection with a credit transaction; or
- 3) advances funds to or on behalf of a person, based on the persons obligation to repay the funds.

While the third section appears to apply to cash advances made by funeral homes, the bill specifically exempts funds advanced for expenses that are secondary to a service the business provides. Funeral homes will have to comply with Red Flag Regulations if they use credit reports when arranging financing with consumers or send information to credit reporting agencies

## DISCIPLINARY

CASE FILE NUMBER: V08-049.

LICENSEES: E. C. Terry's Funeral Service & Cremation Service, Henderson (FE #577; PNE #387).

SUMMARY: The firm failed to remit an initial insurance premium and failed to file a preneed contract until a consumer complained. During an inspection, the firm also had other preneed recordkeeping issues, failed to produce copies of its price lists for inspection, and did not have proper body tags for inspection.

BOARD ACTION: The Board adopted a consent order placing the funeral establishment permit, preneed licenses, and funeral director license on probation for two (2) years. The parties paid a \$2,000.00 civil penalty.

EFFECTIVE DATE: August 11, 2010.

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CASE FILE NUMBER: M10-014.

LICENSEES: Harrington Funeral Home & Crematory, Hamlet (CR #88).

SUMMARY: During a recent inspection, the Board inspector found that Crematory had several minor recordkeeping violations.

BOARD ACTION: The Board accepted a consent order from Crematory placing its crematory license on probation for 1 year and requiring continuing education in crematory recordkeeping.

EFFECTIVE DATE: November 10, 2010.

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CASE FILE NUMBER: V09-034.

LICENSEES: Minshew Funeral Home, Inc. Four Oaks (FE #392, PNE #107); Anthony Minshew (FSL #802); Othal Minshew (FSL #448).

SUMMARY: A consumer purchased a preneed contract from the firm, but the insurance company denied the application. The firm continued to accept premiums for several years but did not forward them to the insurance company. When the consumer confronted the firm about the policy, the firm attempted to substitute a policy with a different company, and the signature on the insurance application did not belong to the consumer. Other minor preneed violations were found during an audit of the firm.

BOARD ACTION: The Board adopted a consent order. Anthony Minshew surrendered his preneed license and can reapply in one year. His funeral service license was suspended for 30 days and placed on three (3) years probation. Othal Minshew, who was the firm manager, was placed on probation for one (1) year. The preneed establishment license was placed on probation for three (3) years and its sales licensees were ordered to take continuing education. The funeral establishment permit was also placed on probation for one (1) year, and the firm paid a \$5,000.00 compromise penalty.  
EFFECTIVE DATE: January 19, 2011.

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CASE FILE NUMBER: V09-035.  
LICENSEE: Rogers-Pickard Funeral Home, Sanford (FE #513).  
SUMMARY: After performing a cremation for a client, the firm misplaced the cremated remains. The firm found the cremated remains after an extensive delay and returned them to the consumer.  
BOARD ACTION: The Board adopted a consent order putting the funeral establishment permit on probation for three (3) years and assessing a \$2,500.00 fine.  
EFFECTIVE DATE: January 19, 2011.

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CASE FILE NUMBER: M10-029.  
LICENSEES: W. E. Flanagan Memorial Funeral Home, Greenville (FE #261, PNE #939).  
SUMMARY: During a recent preneed examination, a Board inspector found that Preneed Establishment was not maintaining records required by the Board, updating its individual journals, or completing insurance assignment forms for several of its preneed contracts. Preneed Establishment had repeated some of the violations from its last examination.  
BOARD ACTION: The Board adopted a consent order placing the preneed establishment license on two (2) years probation and requiring continuing education.  
EFFECTIVE DATE: January 19, 2011.

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CASE FILE NUMBERS: V10-008; V10-047; M10-002.  
LICENSEES: Patricia Borders (FDL #3778).  
SUMMARY: Ms. Borders was manager of two different firms, Cleveland Funeral Service and Wesley Heights Mortuary Service. While Ms. Borders was employed at Cleveland Funeral Service, an unlicensed person made the funeral arrangements on two occasions and attempted to collect a debt on a funeral bill that Ms. Borders agreed to waive. Ms. Borders then became the manager at Wesley Heights Mortuary Service where its unlicensed owner, who is now deceased, made arrangements with a consumer.  
BOARD ACTION: The Board adopted a consent order placing her funeral director license on suspension for two months and placing her on probation for one year. Ms. Borders also agreed to terms of management if she elected to serve as a firm manager.  
EFFECTIVE DATE: February 9, 2011.

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CASE FILE NUMBER: M10-008.

LICENSEES: Richardson Funeral Homes, Louisburg & Nashville (FE #505, 506; PNE #523, 603).

SUMMARY: During a recent preneed examination, the firm was found to have several recordkeeping violations that were repeated from a previous inspection. All records from the firm were kept at one location.

BOARD ACTION: The Board adopted a consent order placing the firm on one year probation and assessing a \$1,000.00 civil penalty.

EFFECTIVE DATE: February 9, 2011.

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**THE BOARD OFFICES WILL BE CLOSED ON FRIDAY, APRIL 22, 2011 IN OBSERVANCE OF GOOD FRIDAY.**