

North Carolina Board of Funeral Service

1033 Wade Avenue, Suite 108, Raleigh, NC 27605

(919) 733-9380 or (800) 862-0636

www.ncbfs.org

E-NEWSLETTER May 2018: Volume 14, Issue 5

The Board's next scheduled meeting is at 9:00 a.m. on **Wednesday, June 13, 2018** at 1033 Wade Avenue, Suite 108, Raleigh, North Carolina.

GENERAL ANNOUNCEMENTS FROM THE BOARD

- Please note that the August Board meeting has been moved from August 8th and 9th to August 15th and 16th.
- The Board will not be meeting in July.
- The NC Crematory Authority will convene by conference call on June 5, 2018, at 9:00 am, in the NCBFS Board Room at 1033 Wade Avenue, Raleigh, NC 27605. The primary agenda item is a review and discussion of proposed amendments to the Authority's rules governing cremation practices.
- The Funeral Directors and Morticians Association of North Carolina [FDMANC] will hold its 91st Annual Convention from June 18 – 21 at the Pinehurst Resort/Carolina Hotel in Pinehurst, NC. Please visit the FDMANC website at www.fdmanc.org for additional details.
- The Board is pleased to announce that it will sponsor the following Continuing Education courses in July at the Board office located at 1033 Wade Avenue, Suite 108, Raleigh, NC. Following are the dates, times and course subjects:

Pre Need Review	9:00 am – 12:00 pm	July 11, 2018
FTC Funeral Rule Review	1:00 pm – 3:00 pm	July 11, 2018
Cremation Review	10:00 am – 12:00 pm	July 12, 2018

To register, please contact Marty Mills, At-Need Program Manager, at mmills@ncbfs.org. The cost is \$25/per person per course taken. Space is limited, so please register early.

LICENSEE COMPLIANCE ANNOUNCEMENTS

FTC Compliance

The FTC's investigators visited 134 funeral homes in 2017 and cited violations at 29 of those establishments. The official press release can be found [here](#). Licensees are reminded that funeral homes

found to be in violation of the Funeral Rule can face fines up to \$40,654.00 per violation. The most recent version of the FTC Staff's "Complying with the Funeral Rule" can be found [here](#).

Cremations Compliance

Licensees are reminded that, under NC General Statute § 90-210.125(13),

If a cremation authorization form is being executed on a preneed basis, the cremation authorization form shall contain the disclosure required by GS 90-210.126. The authorizing agency may specify in writing religious practices that conflict with Article 13 of the Chapter. The crematory licensee and funeral director shall observe those religious practices except where they interfere with cremation in a licensed crematory as specified under GS 90-210.123, or the required documentation and recordkeeping.

(emphasis added)

This provision applies strictly to preneed arrangements and cannot be invoked on an at-need basis. As such, it is the opinion of Board staff that the right to claim any religious exceptions to those statutes falling under the scope of the Board's authority or Articles 13A, 13D, 13E, and 13F of the NC General Statutes is reserved for an individual who is:

- (i) Executing a preneed funeral contract under the provisions of Article 13D of Chapter 90 of the NC General Statutes and/or
- (ii) Executing a preneed cremation authorization form under the provisions of NC General Statute §90-210.126.

Mutual Burial Associations Compliance

Pursuant to NC General Statute §90-210.83, the Board will be sending out financial assessments to each mutual burial association by July 1. The assessments will be due to the Board 30 days thereafter. For more information, please contact Lyn Cochrane at lcochrane@ncbfs.org.

Have a Compliance Question?

Remember to use the Board's question-and-answer feature, Compliance Opinion. If the question relates to your own prospective conduct, you may send an electronic correspondence to complianceopinion@ncbfs.org. You also may send a facsimile to (919) 733-8271, attention "Compliance Opinion." Your correspondence must include: (1) your name; (2) your licensee affiliation/status; (3) all facts necessary for an opinion to be rendered; and (4) any supporting, pertinent documentation. In the order in which they are received, the Board's Compliance Liaison will provide responses to these inquiries, to the extent they pertain to future actions and matters within the purview of the Board's Laws and Rules only. If your question relates to past conduct (your own or that of another licensee), the Board staff may decline to answer.

A special reminder to licensees: Board staff other than inspectors cannot provide licensees with compliance opinions. Questions about whether or not your actions would be compliant with the Board's

laws and rules are not legal questions and should not be directed to our legal department. Rather, they are compliance questions and should be directed to our compliance/inspection department. For your convenience, compliance questions may be answered in any one of the following methods:

- **By emailing the Board’s Compliance opinion email:** complianceopinion@ncbfs.org
- By contacting the Board’s Compliance Liaison, Brett Lisenbee, or your individual inspector at the contact information provided on the Board’s website [here](#).

**Please note that, on occasion, calls to individual inspectors will be routed to the “on-call” inspector of the day so that compliance calls can be answered as quickly as possible.

TRAINEESHIP ANNOUNCEMENTS

National Board Examinations

The International Conference of Funeral Service Examination Boards (the “Conference”), the organization that administers National Board Examinations, has announced a fee increase effective August 1, 2018, for each section of the National Board Exam for Arts & Sciences. The cost for each section will be \$285.00.

Updated practice guides for the National Board Exam and the State Board Exam-Arts are available on the Conference’s website [here](#).

PRENEED ANNOUNCEMENTS

Requests for Copies of Preneed Contracts

Please note that copies of preneed contracts may only be released to these listed parties:

- a.) The original contracting funeral establishment; or
- b.) The preneed contract purchaser and/or beneficiary who also submits such a request in writing.

A purchaser and/or beneficiary who submits a request in writing will be mailed a copy of the preneed contract to the address on file with the Board. If the address has changed, they must provide the new address at the time of the request.

If anyone calls or contacts the Board requesting a copy of a preneed contract and is not one of the listed parties, only the following information will be released: verification of contract registration, revocability, Standard/IP and/or funding source. Please note that when a consumer wishes to change funeral homes and execute a new contract, there is no obligation for the subsequent preneed funeral home to honor the selections and pricing.

DISCIPLINARY ANNOUNCEMENTS

Board Case Number: M15-043

Respondents: Blackwell Funeral Home, Inc.

Summary: In February 2017, Respondent Funeral Home entered into a Consent Order with the Board, whereby the preneed establishment permit was placed on a stayed revocation, conditioned upon the Respondent Funeral Home being placed on a probationary period and passing a preneed examination and audit without substantial deficiencies within one year. In October 2017, a Board inspector conducted a Funeral Establishment Inspection and a Preneed Examination of Respondent Funeral Home (the "2017 Examination"). During the 2017 Examination, the inspector found violations as follows: i) failure to have most recent bank statements of funding financial institutions available; ii) comingling of entrusted preneed and operating funds; iii) missing beneficiary designation documents/instruments of assignment for some preneed files; iv) one preneed contract that had not been timely filed with the Board prior to its revocation by the consumer; v) one preneed contract that appears to be significantly overfunded; vi) failure to contact a consumer for the execution of a new contract that had been transferred to the establishment one year earlier; vii) a failure to file a certificate of performance with the Board; viii) failure to properly calculate cash advance and sales tax for certain preneed contracts, which led to one instance of a failure to properly issue a refund to a consumer. Since the 2017 Examination, Respondent Funeral Home has provided to Board staff documentation to show that they have taken good-faith efforts to correct the deficiencies identified in the 2017 Examination.

Board Action: The Board adopted a Consent Order, whereby Respondent Individual agrees to the following discipline:

1. The Preneed Establishment Permit of Respondent Funeral Home and all ancillary preneed sales licenses of Respondent Funeral Home remain revoked, with said revocation stayed provided that:
 - a. The Preneed Establishment Permit and all ancillary preneed sales licenses of Respondent Funeral Home shall be actively suspended for three (3) months or until such time as Respondent Funeral Home submits to and passes without substantial deficiency a preneed examination and audit conducted by a Board staff inspector, whichever occurs earlier;
 - b. Following the period of active suspension, Respondent Funeral Home shall remain in a probationary period for at least a period of three (3) years from the date of this Consent Order and until such time as Respondent Funeral Home submits to and passes without substantial deficiency a preneed examination and audit conducted by a Board staff Inspector, which shall be conducted on or before May 2021;
 - c. Respondent Funeral Home not violate any law or rule of the Board during the period of probation and shall comply with other restrictions of practice that may be ordered by the Board;

- d. Prior to the lifting of the probationary period, Respondent Funeral Home shall provide a balance sheet prepared by a CPA no less than 90 days prior to submission to the Board that shows solvency of Respondent Funeral Home;
- e. All employees of Respondent Funeral Home shall take a Board-sponsored course on preneed statutes and rules on or before December 31, 2018; and
- f. Within thirty (30) days from the date this Consent Order takes effect, Respondent Funeral Home pay a compromise penalty of \$1,500.00 Dollars to the Civil Penalty and Forfeiture Fund.

Effective Date: May 9, 2018.

Disciplinary decisions rendered by the Board, as of January 1, 2018, are now available on the Board's website [here](#).

[NEW LICENSEES, TRAINEES AND ESTABLISHMENTS BETWEEN APRIL 15, 2018 AND MAY 15, 2018](#)

Chapels	None
Crematories	None
Transporters	Eric Terrell Thomas – Smithfield, NC Joshua Hopkins Bugajski – Raleigh, NC
Unaffiliated Licensees	V.B. Peterkin Funeral Director Licensee – Clayton, NC
Funeral Establishments	None
Funeral Service Licensees	Caleb J. Massey – Burlington, NC Charles D. Parr, Sr. – Suffolk, VA Katherine C. Kilpatrick – Bumpass, VA Katherine E. Puckett – Winston-Salem, NC James Cameron Earley – Forest City, NC Jimmi Anne Lowe – Burlington, NC Tamela Faye Smith – Hiawassee, GA
Funeral Directors	Kelvin Ford Lewis – Conway, SC Robert Samuel Branum, Jr. – China Grove, NC Andrew Bahanovich – Charlotte

Trainees (Starting April 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
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RECENTLY APPROVED CONTINUING EDUCATION COURSES LISTING

Please note that recent improvements have been made to the Board's list of approved Continuing Education courses, based on user feedback, so that courses are now searchable by date.

When submitting requests for Continuing Education approval, please ensure that all appropriate documentation is submitted in a timely fashion. Instructions for submitting requests are [here](#).

The Board's list of approved Continuing Education courses is updated regularly and can be found on the Board's website at this [link](#).