

NORTH CAROLINA BOARD OF FUNERAL SERVICE

Summer 2022

Ensuring the Safety, Health & Welfare of NC Citizens Through Professional Funeral Service

From The President's Desk



Christian E. Watson,
President

As we approach the end of 2022, it's inevitable that we begin to reflect on the activities, events and achievements occurring since the year began.

I don't believe anyone would disagree with me that we are all grateful to have gotten past the worst of the COVID-19 pandemic that had such significant impact on our capacity for serving North

Carolina families. I'm reminded, though, that in spite of whatever challenges and unanticipated crises that may occur, we continue to serve families who are depending on us without interruption.

I believe your steadfast commitment to our profession is a well-deserved tribute to you, your families, and your staff members who come to work each day no matter what may occur.

I'm also reminded as I reflect on the past few months how many issues the Board has considered and acted upon. A highlight this year has been our emphasis on strengthening the administration of the preneed services program.

The statutes and administrative rules that govern the preneed program are extensive and detailed --- some would say complicated and challenging to apply. The Board has noted that many of the disciplinary cases and subsequent administrative hearings often involve a misapplication or lack of understanding about the preneed rules. In addressing this concern, the Board has proposed

certain amendments in our rules that we hope will prompt a decline in preneed-related disciplinary cases.

One of these changes involves the requirements for a preneed sales license. Traditionally, those individuals with an active funeral director or funeral service license and who are employed by an establishment with a preneed permit were eligible for a preneed license.

These requirements will continue in the future, but the Board has added an additional requirement for licensure in preneed.

Qualification for a preneed sales license in the future will require successful completion of 3 or more hours of preneed continuing education taught by a Board staff member within 3 years of applying for the license.

Those currently licensed are not affected by this new requirement. But the Board does encourage all individuals who are engaged in preneed sales to take advantage of the Board's preneed continuing education that Paul Richardson, Preneed Program Manager, and Brett Lisenbee, Compliance Officer, teach.

We believe that this new requirement will go a long way in helping those selling preneed products to be fully knowledgeable of our preneed statutes and rules.

We are hoping that we will see a measurable decline in preneed-related disciplinary actions coming before the Board in the months and years ahead.

For other changes in our preneed rules, please review them on our website at www.ncbfs.org under the Administrative Rulemaking tab. And please know our collective appreciation for your important role in educating families about preneed services and the array of products available to them for preneed planning.

Mark Your Calendars

The next Board meeting is scheduled for Wednesday, October 12, at the Board's office at 1033 Wade Avenue, Suite 108, Raleigh, NC, 27605. Licensees attending the meeting will receive 3 hours of CE credit. The meeting is livestreamed through YouTube for those wishing to attend virtually. Virtual attendees may also receive 3 hours of CE credit. The Business Session begins at 9:00 a.m. Please visit www.ncbfs.org homepage for the YouTube link.

Board Transitioned To Online Renewals in 2020

2023 License Renewals Set To Begin November 1, 2022



It's that time of year again . . . license and permit renewal! The Board will launch the annual online renewal portal on November 1, 2022 so that you can renew your license or permit

well in advance of the December 31, 2022, expiration date. Online renewal is a secure, convenient way to renew your license or permit, and it features an online payment option to make it even easier. Using the online renewal portal eliminates filling out forms and mailing them back to the

Board office by the December 31, 2022, renewal deadline. Online renewal is timely and is completed in real time – no worries about depending on mail delivery which is not always dependable. Each year, Board staff members process renewals for approximately **3,580** license and permit renewals.

In early December, Board staff will email licensees a notice that licenses and permits will expire on December 31, 2022, and must be renewed by February 1, 2023 to avoid penalties.

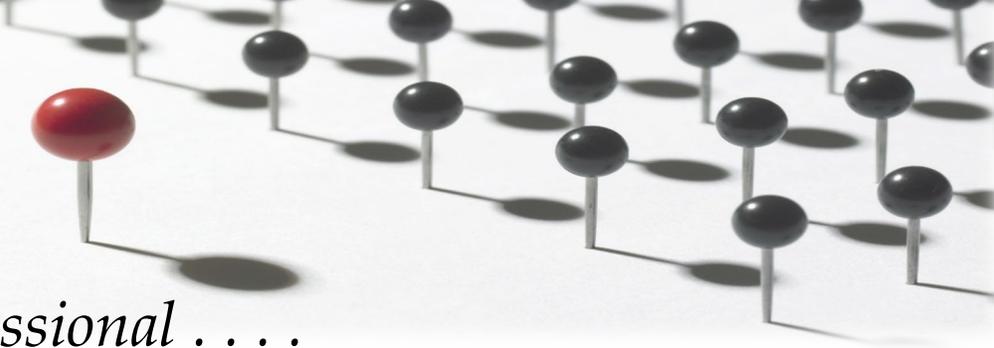
Senate Bill 138

General Assembly Enacts Legislation Expanding State Board Examinations for Funeral Directors; Reciprocity

In June, legislators revised the text of a bill introduced in an earlier session to amend the definition of an entry-level examination for funeral directors; expand the requirements for reciprocal licensure; extend the time for registering preneed contracts with the Board during a declared State of Emergency; and to shift the deadline for the NC Department of Health and Human Services to implement the NCDAVE system regarding death certificates. The legislation recognizes that an entry-level examination for funeral directing shall include an exam offered as a component of a final or capstone course in an approved or accredited mortuary science program. Prior to the legislation, the Board recognized the State Board Examination-Arts as the entry-level examination for licensure as a Funeral Director. The legislation does not have any impact on candidates for licensure in Funeral Service. Candidates for licensure in Funeral Directing who have graduated from an approved or accredited mortuary science program and who have successfully completed a capstone or program-wide final examination may be considered for licensure as a Funeral Director. The amended definition for an entry-level examination also includes an examination equivalent to the State Board Examination-Arts in Funeral Directing to assess competency in funeral arranging and directing; funeral service marketing and merchandising; funeral service counseling; legal and regulatory compliance; and cemetery and crematory operations. In addition, the legislation . . .

- Expands the avenues for funeral director licensure under GS 90-210.25 to allow reciprocity for directors licensed in other jurisdictions so long as the applicant has an active, valid license in good standing issued for at least 10 years, has passed the exam administered on behalf of the Board, and has submitted proof of good moral character. Provides this avenue does not preclude an individual from obtaining a license by meeting the statute's other criteria for licensure.
- Amends GS 90-210.67 to require the Board to extend by 30 days the date by which a sold preneed funeral contract must be filed and a fee submitted, in the event the county in which the person resides is under a state of emergency at the time of sale.
- Revises the directive to local health departments and registers of deeds to accept paper death certificates, now requiring acceptance of paper death certificates until August 31, 2022 as the Department of Health and Human Services works to implement the NC Database Application for Vital Events (NCDAVE) system.
- Adds the following. Amends GS 130A-115, adding a new subsection to require electronic filing of death certificates beginning September 1, 2022, with NCDAVE system. Bars individuals responsible for the certification of death from failing or refusing to certify the death certificate using the designated electronic system. Makes willful and knowing violations of this subsection subject to administrative penalties in the amount of \$250 for first violations, \$500 for second violations, and \$1,000 for subsequent violations.

We're Looking For An Outstanding Funeral Service Professional



The NC Board of Funeral Service is looking for a dedicated funeral service professional to join our team of Compliance Inspectors. This opportunity will require in-depth knowledge of the laws, rules and regulations pertaining to funeral service in North Carolina; an ability to work on a self-directed basis in conducting on-site inspections of licensed funeral establishments; and the capacity for offering guidance and direction on issues pertaining to licensees' compliance with the NC Funeral Practice Act and the Federal Trade Commission's Funeral Rule. Successful candidates for this opportunity will demonstrate exceptional written and oral communications skills; an ability to express ideas, findings and inspections results clearly and effectively to licensees of the Board, the general public and consumers; and an ability to exercise independent judgment and discretion in decision-making. The work requires a thorough knowledge of the Board's regulatory functions, requirements and procedures and comprehensive knowledge of the field of professional funeral service including funeral directing, preneed planning, embalming, cremation, and alkaline hydrolysis.

The Compliance Inspector performs on-site inspections in accordance with established procedure and protocols for the inspections team as expressed in the NCBFS Compliance Guide and the NCBFS Standard Operating Procedures for inspections staff. Inspections include conducting detailed examinations of preneed records, documents, and files; investigating consumer complaints; and providing witness testimony in hearings and other matters before the Board or in the General Courts. Compliance Inspectors may conduct undercover investigations in response to consumer complaints or allegations of non-compliance with applicable state and federal statutes. Compliance Inspectors work under the direction of the Board's Compliance Officer and in collaboration with General Counsel on investigatory and compliance-related matters.

The Board offers a competitive salary and a comprehensive benefits package including 90% employer-paid health insurance; 401-k retirement program; paid life insurance; vacation and sick leave, paid dental and vision care; monthly retirement contributions to a SafeHarbor account; and options for cancer/disability insurance.

This position requires an Associate Degree in Mortuary Science or related field from an accredited college of mortuary science and three [3] years of progressively responsible experience as a practitioner in professional funeral service including two [2] years' experience in preneed contract administration and/or sales. Must possess a NC Funeral Service license. The position requires frequent travel within North Carolina.

To apply, please mail your detailed resumé to the NC Board of Funeral Service at the address below, or email your resumé in PDF format to: receptionist@ncbfs.org. All resúmes must be received by November 1, 2022.



North Carolina Board of Funeral Service
1033 Wade Avenue, Suite 108
Raleigh, North Carolina 27605

The NC Board of Funeral Service is an Equal Opportunity Employer. We do not discriminate on the basis of race, religion, color, sex, gender identity, sexual orientation, age, non-disqualifying physical or mental disability, national origin, veteran status or any other basis covered by appropriate law. All employment is decided on the basis of qualifications, merit, and business need.

IMPORTANT REMINDER TO LICENSEES REGARDING **CERTIFICATE OF ASSUMED NAME !**

NC General Statute 66, Article 14A, *Assumed Business Name Act*, sets forth a number of requirements associated with filing a Certificate of Assumed Name with a local Register of Deeds. Please be reminded that Certificates of Assumed Name filed on or before November 30, 2017, will expire effective December 1, 2022, and must be refiled with a local Register of Deeds.

Please be sure that you refile your Certificate of Assumed Name if necessary. These certificates are commonly known as a d/b/a certificate. Here is a link to the pertinent portion of Article 14A which you can cut and paste in your browser if you wish to read the specific statutory provisions concerning expiration of Certificates of Assumed Name:

[https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter 66/GS 66-71.15.pdf](https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter%2066/GS%2066-71.15.pdf)

You will find the required form for refiling your Certificate at this link:

[https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter 66/GS 66-71.4.pdf](https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter%2066/GS%2066-71.4.pdf)

PRENEED INFORMATION

Transferring Irrevocable Preneed Contracts Prior To Death; Necessary Steps To Follow



*Paul Richardson,
Preneed Program Mgr*

What are the steps licensees have to take to transfer an irrevocable preneed contract from one funeral home to another? This is a question that comes up frequently, according to Paul Richardson, Preneed Program Manager. To provide information that should be helpful to licensees, Richardson has outlined the necessary steps for transferring insurance-funded and trust-funded irrevocable contracts prior to death from one funeral home to another:

Please note: Successor Funeral Home must have an active preneed license

Irrevocable Insurance-Funded Contracts

- Consumer visits a successor funeral home of their choice and requests the transfer of an existing irrevocable preneed contract from the original contracting funeral home. Both parties must request and complete Change of Assignment/Beneficiary form(s) from the insurance company.
- Consumer notifies the original contracting funeral home in writing of their intent to transfer the preneed contract.
- Successor funeral home must complete and submit necessary insurance form(s) to the appropriate insurance company and then executes a new irrevocable insurance-funded preneed contract. The contract may be Standard or Inflation-proof. Successor funeral home must complete the section which reads "If this contract is being funded by a previously purchased life insurance policy . . ." The new contract must indicate on the contract form that it is "Irrevocable."
- Successor funeral home shall secure an assignment/beneficiary designation on the existing life insurance policy. The original contracting funeral home is released from any responsibility for this policy.

- Successor funeral home must register the new contract with the NC Board of Funeral Service along with a \$20 filing fee. Successor funeral home must mark the top of the new contract as “Transfer” before registering with the Board or include a letter explaining the transfer.

Irrevocable Trust-Funded Contracts

- Consumer visits a successor funeral home of their choice and requests the transfer of an existing irrevocable preneed contract from the original contracting funeral home. The consumer must write a letter to the appropriate financial institution/bank and original contracting funeral home indicating their intent to transfer the contract.
- The financial institution/bank will close the existing trust account and convey the funds to the original contracting funeral home. The contracting funeral home is required to immediately transfer these funds to the successor funeral home.
- The successor funeral home executes a new irrevocable preneed contract that is trust-funded using the funds received from the original contracting funeral home. The new contract may be either Standard or Inflation-proof. The new contract must indicate on the contract form that it is “Irrevocable.”
- Successor funeral home promptly deposits the trust funds at a financial institution/bank with the funeral home named as the Trustee of the account. The trust funds received by the successor funeral home may not be used to purchase a preneed insurance policy as the funding source.
- Successor funeral home registers the new contract with the NC Board of Funeral Service along with a \$20 filing fee. Successor funeral home must mark the top of the new contract as “Transfer” before registering with the Board or include a letter explaining the transfer.



Thomas Hilderbrand Named To National Exam Committee for 2023

Each year, the Board of Directors for The International Conference of Funeral Service Examining Boards appoints members of the National Board Exam Arts and Sciences Committees to serve a one-year, voluntary term. Board Secretary Thomas T. Hilderbrand has been named to the Exam Committee for 2023, and his appointment assures North Carolina’s representation on this important group.

Committee members are dually licensed practitioners from across the country who are responsible for maintaining the National Board Exam. These subject-matter experts provide general oversight of the licensing examination with an ongoing mission to maintain and review items at various stages of the exam development process.

The Exam Committee typically meets twice per year and is represented by various geographic regions, work experience in the field, gender and race.



*Thomas Hilderbrand,
Board Secretary*

The Conference Streamlines Exam Program

The International Conference of Funeral Service Examining Boards is pleased to share a strategic initiative that will streamline its examination program.

The Board of Directors is ever mindful of the need to review programs and policies to help make the examination’s role in the licensure process as efficient as possible for those who can demonstrate the minimum competency skills required to safely serve the public. In

that spirit, The Conference will consolidate the State Board Exam (SBE) program and the National Board Exam (NBE) program beginning January 1, 2023.

All candidates for licensure will take the NBE Arts and/or NBE Sciences based on eligibility requirements set forth by

their regulatory board/agency or their ABFSE accredited program.

The Conference will continue to report the exam statistics separately for graduates of an ABFSE accredited program from those with other education. There will simply be one exam program; NBE Arts and/or NBE Sciences.

It is important to note that the current exam eligibility process will not change. ABFSE accredited programs will continue to submit verified graduates as eligible for the exam, and licensing boards will continue to deem candidates eligible based on individual state licensure requirements.

The cost of the exams will remain the same as will the application process. The impact to SBE candidates who will be taking the NBE Arts exam after January 1, 2023 will be minimal in that they will now complete 170 items (150 scored and 20 pretest) on their exam form.

The simplification of the exam program will reduce confusion in the exam process and help promote overall ease of licensure mobility.

CONTINUING EDUCATION NEWS

Board To Offer Continuing Education Courses in October

Each year, the NC Board of Funeral Service sponsors continuing education in reviewing the statutes and administrative rules pertaining to cremations, preneed services, and the FTC Funeral Rule. The Board is required by law to offer at least eight (8) hours of CE annually; however, the Board in past years has offered up to 24 hours of CE training as a benefit for trainees seeking to accrue sufficient CE credit for their annual license renewal.

These Board-sponsored trainings are also designed as an opportunity for those licensees who must complete CE training in cremations, preneed, or The Funeral Rule as a condition of disciplinary action brought against them. The Board is offering the following continuing education courses in October as part of its ongoing efforts to assure opportunity for licensees to comply with a requirement to complete such training or to accrue credit for annual license renewal:

PRENEED REVIEW

DATE: October 18, 2022
TIME: 1:00 p.m. - 4:00 p.m., **or**
6:00 p.m. - 9:00 p.m.

Register by emailing: prichardson@ncbfs.org

CREMATIONS REVIEW

DATE: October 19, 2022
TIME: 1:00 p.m. - 3:00 p.m., **or**
6:00 p.m. - 8:00 p.m.

Register by emailing: blisenbee@ncbfs.org

FTC (*The Funeral Rule*) REVIEW

DATE: October 20, 2022
TIME: 1:00 p.m. - 3:00 p.m., **or**
6:00 p.m. - 8:00 p.m.

Register by emailing: blisenbee@ncbfs.org

All Courses Are Presented Via Cisco Webex Videoconferencing

- Registration for these courses is capped at 25 attendees on a first-come, first-served basis.
- Advance registration is required by emailing either Paul Richardson or Brett Lisenbee.
- Each course requires a non-refundable \$25.00 registration fee. The fee must be paid online at the time of registration through the Board website at <https://ncbfs.org/licensee-resources/continuing-education/webinars/>. (This is not a hyperlink; you must cut and paste into your browser for access).
- A link to the videoconference will be emailed to each attendee prior to the presentation date.
- Course and certification materials will be emailed to attendees in advance.
- You must enable a video camera on your desktop or tablet to receive course credit.

Remember . . . You May Accrue Up To 10 Hours of CE Credit Online

- At its April 13, 2022, meeting, the NC Board of Funeral Service approved a general waiver of the rule regarding online Continuing Education credits. Under this waiver, licensees may accrue up to 10 hours of online credit from April 1, 2022, through December 31, 2022. Five [5] hours of online credit may be applied to the 2023 license renewal cycle and up to five [5] hours credit may be rolled over to the 2024 renewal cycle.
- Those licensees who were awarded online CE credit from January 1, 2022, through March 31, 2022, were allowed under a previous waiver to accrue up to 10 hours of online credit. As with the current waiver, those licensees with 10 hours of online credit awarded during this time period may apply five [5] hours to the 2023 renewal cycle and roll over the remaining 5 hours to the 2024 renewal cycle. Beginning January 1, 2023, and continuing through March 31, 2023, licensees may accrue up to 10 hours of online CE credit. .

Welcome To Our New Licensees!

Funeral Service

Lisa M. Ashby	Greenville, SC
Zachary D. McGhee	King, NC
Tiffany S. Giordano	Cary, NC
Sarah A. Bammel	Cary, NC
Uriah V. Smith	Fayetteville, NC
Judson N. Horner	Duncan, SC
Callie M. Younger	Mt. Airy, NC
James L. Ford, Jr.	Danville, VA
Kenneth M. Wortman	Concord, NC
Laura J. Luther	Harrisburg, NC
Tyler M. Masters	Fayetteville, NC
Sarah E. Denton	Rocky Mount, NC
Jesse L. Hall	Winston-Salem, NC
Beatriz E. Rivera	Charlotte, NC
Melanie C. Jordan	Farmville, NC
Cody T. Williams	High Point, NC
Heather E. Miller	Asheville, NC
Carly L. Shumate	Elkin, NC
Abigail N. Smith	Morehead City, NC
Isaac D. Pressley	Lexington, SC
Natalie A. Kerns	Waynesville, NC
Tova Y. Scarboro	Pikeville, NC
Jessica J. Hagewood	Lexington, NC
Noelia D. Rudel	Bishop, TX
Catherine S. Rawdin	Apex, NC
Hannah C. Haire	Winston-Salem, NC
Jennifer M. Milton	Valdese, NC
De'Aron M. Smith	Wallace, SC
Samantha Kroes	Wilmington, NC
Jessica L. Reynolds	Wake Forest, NC

Funeral Directors

Stephen L. Boyd	Durham, NC
James C. Howell	Williamston, NC
Jacklin E. Zobel	Gastonia, NC
Mary L. Russell	Jonesville, NC
Barbara M. Purcell	Vass, NC
Bernard R. Vereen	Charlotte, NC
Jesse D. Bessette	Wilmington, NC
Pattie M. Sturdivant	Chapel Hill, NC
Cameron J. Mabry	Albemarle, NC
Jonathan S. Abbott	Oxford, NC
Chloe L. Mylet	Winston-Salem, NC
Evadne K. Smith	Monroe, NC
April D. Breed	Whitsett, NC
Lola N. Rountree	Gates, NC
Kimberly M. Johnson	Charlotte, NC
Vivian L. Wright	High Point, NC
Christian L. Soles	Chadbourn
Autumn S. Huffman	Fleetwood
Jessica M. Ullian	Durham
Robert A. York	Cary
Lisa B. Howell	Kings Mountain
Gordon D. Preddy	Mount Pleasant
Alexia L. Fetterson	Charlotte
Cecil Manning Burton, Jr	Shelby
Nicole S. Henderson	Hope Mills
Michael A. Talbott	Sanford
Emily A. McKinney	Reidsville
Austin T. Berrong	Gastonia
Virgilia Hess Dunn	Harbinger
Marcus L. Scruggs, Jr.	Raleigh
Daniel J. Setzer	Stanfield

DISCIPLINARY ACTIONS

Complete copies of the Disciplinary Actions taken by the Board are available on the Board's website here: <https://ncbfs.org/disciplinary-actions.php>

Board Case Number: M22-0005

Respondents: Thomie D. Douthit d/b/a Douthit Funeral Services and Thomie D. Douthit

Summary: Respondent engaged in preneed funeral service without being licensed to do so.

Board Action: The Board accepted a Consent Order whereby the Board issued Respondent Establishment a preneed establishment permit on the following conditions:

- Respondent Funeral Home's Establishment, Preneed Establishment Permits and all ancillary preneed sales licenses were suspended for at least three (3) years, but said suspensions were stayed upon the following terms and conditions:
 - Respondent Funeral Home shall submit to, and pass, without substantial deficiency, a preneed examination and at-need inspection conducted by a Board Staff Inspector on or before February 2025;
 - Within thirty (30) days from the date this Consent Order takes effect, Respondent Funeral Home shall pay a compromise penalty of Five Thousand Dollars (\$5,000.00);
 - Within fifteen (15) days from the date this Consent Order takes effect, Respondent Establishment shall notify all consumers for which Respondent Establishment currently holds a "payable upon death" bank account that preneed contracts must be executed for an amount equal to, or greater than, the amounts currently deposited in the "payable upon death" bank accounts;
 - Within sixty (60) days from the date this Consent Order takes effect, Respondent Funeral Home shall execute preneed contracts with all consumers for which Respondents currently holds a "payable upon death" bank account, and pay all filing and late filing fees;
 - Respondent Establishment shall obtain a surety bond in an amount not less than Fifty Thousand Dollars (\$50,000.00) and shall maintain said bond for at least five (5) years following the date this Consent Order is executed; and
 - Respondents shall comply with all statutory and regulatory provisions governing the practice of funeral service.

Effective Date: April 19, 2022

Board Case Number: C21-0132/M22-0004

Respondents: Congleton Funeral Home and Cremations, Inc. and James Samuel Congleton, Jr.

Summary: Complainant her husband purchased a preneed contract from Respondent Funeral Home in November 2017. Respondent Funeral Home failed to file their preneed contracts with the Board and did not put their preneed payments into trust. Respondent Funeral Home admits the violations, alleging that the violations were an oversight rather than an

intentional act. Respondent refunded the preneed payment, with interest, to the consumers, upon being made aware of the mistake.

A Board inspector investigated and conducted a preneed examination, finding evidence tending to show the following violations: Respondent issued commingled preneed funeral funds with general operating funds for the consumers in C21-0132; failed to timely file a preneed funeral contract; failed to deposit in trust, preneed funeral funds for the consumers in C21-0132; and failed to timely file at least one (1) certificate of performance.

Board Action: The Board accepted a Consent Order whereby:

- The preneed establishment permit, and all ancillary preneed sales licenses of Respondent Funeral Home were revoked were suspended for a period of at least three (3) years, provided that said suspension is stayed on the following terms and conditions:
 - Respondent Funeral Home shall submit to, and pass, without substantial deficiency a preneed examination conducted by a Board Staff Inspector on or before March 2025;
 - Within thirty (30) days from the date this Consent Order takes effect, Respondent Funeral Home shall pay a penalty of Two Thousand Five Hundred Dollars (\$2,500.00);
 - Respondent Establishment shall obtain a surety bond in an amount not less than Fifty Thousand Dollars (\$50,000.00) and shall maintain said bond for at least five (5) years following the date this Consent Order is executed;
 - All preneed sales licensees of Respondent Funeral Home shall take a Board-sponsored course on preneed statutes and rules on or before December 31, 2022; and
 - Respondents shall comply with all statutory and regulatory provisions governing the practice of funeral service.

Effective Date: April 19, 2022

Board Case Number: M22-0014

Respondents: In re Charles, Banks, and Gregory, LLC d/b/a E.F. Drum Funeral Home

Summary: Respondent made misrepresentations on its establishment permit renewal application, by falsely attesting that its preparation room satisfied minimum statutory requirements when Respondent had no access to a preparation room or repose room at its facility. Respondent prevented the Board from conducting an inspection of its facility or from examining its records for approximately six (6) months.

Board Action: The Board accepted a Consent Order whereby the establishment permit, the preneed establishment permit, and all ancillary preneed sales licenses of Respondent Funeral Home were actively suspended until Respondent Funeral Home either regained use of, and access to, its premises of record or until the Board approved an Application for Change of Location of Funeral Establishment. Respondent agreed to pay a compromise penalty of One Thousand (\$1,000.00) Dollars.

Effective Date: April 13, 2022

Board Case Number: C21-0038

Respondents: Thaddies Lewis Butler d/b/a Butler Funeral Chapel and Thaddies Lewis Butler d/b/a Butler Funeral Home & Chapels

Summary: Complainant purchased a preneed contract for her mother from Respondent Chapel in 2017, which does not hold a preneed license. A representative of Respondent Chapel (who now is deceased) provided her with forged insurance

documents that purported to show an insurance policy had been purchased to fund the preneed contract when, in fact, it had not.

Board Action: The Board accepted a Consent Order whereby the Board revoked the Funeral Establishment Permit of Respondent Funeral Home and the Chapel Permit of Respondent Chapel. Respondents are not eligible to re-apply for licensure until the Complainant has been reimbursed for the misappropriated preneed funds.

Effective Date: May 11, 2022

Board Case Number: M22-0017

Respondents: James F. Johnson & Sons, Inc. d/b/a Johnson & Sons Funeral Home and Barbara Lindsey Johnson

Summary: An unlicensed shareholder and officer of Respondent Funeral Home engaged in the unlicensed practice of funeral service, including embalming, on behalf of Respondent Funeral Home. During a routine establishment inspection, a Board inspector found evidence of Respondents' failure to refrigerate unembalmed dead human remains that were retained for more than 24 hours; failure to have in place a written refrigeration agreement with another funeral home establishment, crematory, or hydrolysis licensee; failure to properly store various embalming instruments; and other record-keeping and FTC Rule violations.

Board Action: The Board accepted a Consent Order whereby:

- The establishment permit of Respondent Funeral Home and the Funeral Director License of Respondent Individual were revoked were suspended for a period of at least five (5) years, provided that said suspension is stayed on the following terms and conditions:
 - Respondent Individual shall resign as licensed manager of Respondent Establishment and a licensed manager other than Barbara Lindsey Johnson and James F. Johnson shall be identified to Board staff. Neither Barbara Lindsey Johnson nor James F. Johnson shall be eligible to serve as licensed manager going forward;
 - Respondent Establishment shall submit to the Board documentation filed with the NC Secretary of State that identifies the officer of Respondent Establishment who is both a licensee of the Board and actively engaged in the operation of Respondent Establishment, in accordance with N.C. Gen. Stat. § 90-210.27A(e). Neither Barbara Lindsey Johnson nor James F. Johnson shall be eligible to serve as an officer of Respondent Establishment for purposes of satisfying N.C. Gen. Stat. § 90-210.27A(e);
 - Respondent Establishment shall disassociate the operations of its business from Garcia Fenwick Johnson in all ways;
 - All permits and licenses of the Respondents shall remain on a probationary period for at least five (5) years from the effective date of this Consent Order, and until such time as Respondent Establishment submits to and passes without substantial deficiency an at-need inspection conducted by a Board Staff Inspector, which should be conducted on or before June 2027;
 - Within thirty (30) days from the date this Consent Order takes effect, Respondent Establishment shall pay a compromise penalty of Five Thousand Dollars (\$5,000.00);
 - Within thirty (30) days following the effective date of this Consent Order, Respondents shall provide proof to the Board that they have reimbursed certain consumers;
 - All licensed employees of Respondent Establishment shall complete a Board-sponsored continuing education course on the FTC Rule on or before December 31, 2022; and
 - Respondents shall comply with all statutory and regulatory provisions governing the practice of funeral service.

Effective Date: June 8, 2022.

Board Case Number: C21-0131

Respondents: Susanne Blair d/b/a Memorial Funeral Service and Susanne Blair

Summary: Respondent Funeral Home housed an unembalmed dead human body within the establishment for 2-3 days without refrigeration or embalming because the crematory used by Respondent Funeral Home was not operational at the time.

Board Action: The Board accepted a Consent Order whereby:

- The establishment permit of Respondent Funeral Home and the Funeral Service License of Respondent Individual were suspended for twelve (12) months, but said suspension is stayed on the following conditions:
 - Within thirty (30) days from the date this Consent Order takes effect, Respondent Establishment shall pay a compromise penalty of One Thousand Five Hundred (\$1,500.00) Dollars;
 - Respondents shall comply with all statutory and regulatory provisions governing the practice of funeral service during the period of suspension.

Effective Date: June 8, 2022.

Board Case Number: R21-0025, M21-01014, C20-0064, M21-0103

Respondent: Carolina Cremation Services, LLC d/b/a Carolina Cremation Center

Summary: Respondent violated the terms of Consent Order into which it entered with the Board in 2021, in that Respondent failed to timely submit its June 2021 cremation report; and failed to employ a crematory manager at all times.

Board Action: The Board issued a Final Agency Decision whereby:

- The stay of the suspension set forth in the Consent Order for Board Case Nos. R21-0025, M21-0014, and C20-0064 was lifted but the Board re-imposed the stay of said suspension on the following terms and conditions:
 - Respondent Crematory shall maintain a crematory manager for all times in accordance with N.C. Gen. Stat. § 90-210.121(13). Furthermore, Respondent Crematory shall keep the Board informed at all times of the names and addresses of the crematory manager and all crematory technicians, in accordance with N.C. Gen. Stat. § 90-210.123(d);
 - Respondent Crematory shall submit to, and pass without substantial deficiency, a crematory inspection to be conducted by a Board staff inspector in accordance with the Board staff inspector's standard operating procedures;
 - Respondent Crematory shall be placed on probation during the period of stayed suspension;
 - Respondent Crematory shall not violate any law or rule of the Board during the period of suspension;
 - Within thirty (30) days from the date this Consent Order takes effect, Respondent Crematory shall pay a compromise penalty of One Thousand Five Hundred (\$1,500.00) Dollars.

Effective Date: July 27, 2022.

Board Case Number: M21-0105

Respondents: Mercedes' Funeral Mansion and Cremation Services, LLC and Mercedes Fornay

Summary: A Board staff inspector conducted a routine funeral establishment inspection of Respondent Funeral Home and found violations of the statutes and rules governing the practice of funeral service, in that Respondent Funeral Home failed

to maintain a complaint general price list (repeat violation); failed to maintain a compliant casket price list (repeat violation); failed to maintain a compliant outer burial container price list (repeat violation); engaged in pricing discrepancy on the Statement of Funeral Goods and Services Selected for one consumer; failed to maintain non-corrosive identification labels; stored improper items in the preparation room; and failed to utilize Form BFS 56D1 when returning cremated remains.

Board Action: The Board issued a Final Agency Decision whereby:

- The Funeral Establishment Permit of Respondent Establishment and the Funeral Director License of Respondent Individual are hereby suspended for a period of one (1) year, provided that said suspensions shall be stayed on the following conditions:
 - Respondents shall be placed on probation during the period of stayed suspension;
 - Respondent Funeral Home shall submit, and pass without substantial deficiency, an at-need inspection conducted by a Board Staff Inspector within sixty (60) days following the effective date of this Final Agency Decision;
 - Respondent Individual shall take a Board-sponsored continuing education course on the FTC Rule and a Board-sponsored continuing education course on cremations on or before December 31, 2022; and
 - Within sixty (60) days, Respondent shall pay a civil penalty of One Thousand Dollars (\$1,000.00).

Effective Date: August 29, 2022

Board Case Number: M21-0104

Respondents: Franklin O. Hanes d/b/a Hanes Funeral Service and Franklin O. Hanes

Summary: A Board staff inspector conducted a routine funeral establishment inspection of Respondent Funeral Home and found violations of the statutes and rules governing the practice of funeral service, in that Respondent Funeral Home failed to maintain a compliant general price list (repeat violation); failed to maintain a compliant casket price list (repeat violation); failed to maintain a compliant outer burial container price list; and failed to complete / retain Form BFS 56D1 (repeat violation).

The Board inspector also conducted a routine preneed establishment examination of Respondent Funeral Home and found violations of the statutes and rules governing the practice of preneed funeral service, in that Respondent Funeral Home failed to retain a copy the 2020 annual report; failed to maintain a preneed receipt book or journal; failed to retain required bank statements for trust funded contracts; failed to retain required insurance policy status reports for one or more insurance companies; failed to complete or retain insurance assignment / beneficiary designation documents for one (1) insurance funded preneed contract (repeat violation); failed to retain a copy of the preneed contract and preneed SGSS for one (1) contract beneficiary (repeat violation); failed to retain the matured preneed contract file for one (1) contract beneficiary; failed to complete or retain a copy of two (2) certificates of performance; failed to close one (1) preneed funeral trust within 30 days of the contract beneficiary's death; and failed to timely file a certificate of performance for two (2) contract beneficiaries. Respondent did not willfully or intentionally act to defraud or deceive the Board or consumers.

Board Action: The Board accepted a Consent Order whereby:

- The preneed establishment permit and all ancillary preneed sales licenses of Respondent Funeral Home is hereby deemed voluntarily and permanently surrendered. Respondents agreed not to re-apply for a preneed establishment permit in the future.
- The at-need establishment permit of Respondent Funeral Home shall be suspended for at least three (3) years, provided that said suspension shall be stayed on the following terms and conditions:
 - Respondent Funeral Home shall submit to, and pass without substantial deficiency, an inspection conducted by a Board staff inspector before any probation period shall be lifted;
 - Respondents shall not violate any laws or rules enforced by the Board during the period of probation.

- The funeral director license of Respondent Individual is hereby placed on probation for three (3) years, on the following terms and conditions:
 - Within thirty (30) days, Respondent Individual shall pay a compromise penalty of One Thousand Five Hundred Dollars (\$1,500.00) to the Civil Penalty and Forfeiture Fund in accordance with Article 31A of Chapter 115C of the North Carolina General Statutes;
 - Respondent Individual shall take a Board-sponsored continuing education course on the FTC Rule on or before December 31, 2022; and
 - Respondent Individual shall comply with all statutes and rules governing the practice of funeral service.

Effective Date: September 14, 2022

Board Case Number: M21-0107

Respondent: Gilliam Memorial Mortuary, Inc. and Janice Ray Owens

Summary: A Board staff inspector conducted a routine preneed examination of Respondent Funeral Home and found violations of the statutes and rules governing the practice of preneed funeral service, in that Respondent Funeral Home failed to complete and/or retain assignment/beneficiary designation documentation for three (3) insurance funded preneed contracts; failed to properly complete/execute five (5) preneed contracts; and failed to timely file a certificate of performance on six (6) occasions. Respondent Funeral Home's acts and omissions violated the terms of a consent order that it entered with the Board in 2019.

Board Action: The Board accepted a Consent Order whereby:

- The preneed establishment permit and ancillary preneed sales licenses of Respondent Funeral Home shall be suspended for at least three (3) years, provided that said suspension shall be stayed on the following terms and conditions:
 - The ancillary preneed sales license previously given to Respondent Individual is hereby revoked;
 - Respondent Individual shall not serve as the licensed manager or a preneed sales licensee of Respondent Funeral Home at any point in the future;
 - Within thirty (30) days following the Effective Date of this Consent Order, Respondent Funeral Home shall identify in writing a new licensed manager to the Board staff;
 - The preneed establishment permit and all ancillary preneed sales licensees of Respondent Funeral Home shall be actively suspended until such time that Respondent Funeral Home submits to, and passes without substantial deficiency, a preneed examination to be conducted by a Board staff inspector on or before December 31, 2022;
 - The new licensed manager shall take a Board-sponsored continuing education course on preneed statutes and rules on or before December 31, 2022;
 - Respondents shall not violate any laws or rules enforced by the Board during the period of probation.

Effective Date: September 14, 2022

Board Case Number: M22-0015

Respondents: Dirk Malcolm Thompson d/b/a Dirk M. Thompson Mortuary and Dirk Malcolm Thompson

Summary: A Board inspector conducted a routine funeral establishment inspection and found evidence tending to show that Respondent Funeral Home had failed to obtain a refrigeration agreement; failed to maintain a compliant general price list [multiple violations, repeat violations]; failed to maintain a compliant casket price list [multiple violations, repeat violations]; failed to maintain a compliant outer burial container price list; and charged for three [3] direct cremations for

both basic services of funeral director and staff [BSFDS] and direct cremation, which the FTC requires to include BSFDS as part of the package price.

The Board inspector also conducted a routine preneed examination and found evidence tending to show that Respondent Funeral Home failed to maintain a copy of its past applications for license renewal; failed to maintain a copy of its past preneed examination reports; failed to maintain a preneed receipt book or an equivalent thereto; failed to timely file with the Board at least one preneed contract and also failed to remit the \$25.00 late filing fee as of the examination date; failed to file at least one preneed contract with the Board and also failed to remit the \$20.00 filing fee and \$25.00 late filing fee as of the examination date; and failed to timely file one certificate of performance.

Board Action: The Board issued a Final Agency Decision whereby:

- Respondent Establishment's Funeral Establishment Permit and Preneed Establishment Permit, and Respondent Individual's Funeral Service License and ancillary Preneed Sales License are hereby placed on probation for a period of one (1) year, provided that Respondents shall comply with the following conditions:
 - Respondent Funeral Home shall submit, and pass without substantial deficiency, an at-need inspection and preneed examination conducted by a Board Staff Inspector within ninety (90) days following the effective date of this Final Agency Decision;
 - Respondent Individual shall take a Board-sponsored continuing education course on the FTC Rule on or before December 31, 2022; and
 - Respondents shall submit to Board staff price lists that are compliant with the FTC Rule within fifteen (15) days following the effective date of this Final Agency Decision.

Effective Date: September 27, 2022.
