

REGULAR BOARD MEETING

MINUTES

April 8, 2009

The North Carolina Board of Funeral Service met for a duly scheduled Board Meeting at 9:00 a.m. on April 8, 2009 at the Board's office, 1033 Wade Avenue, Suite 108, Raleigh, North Carolina.

Present: Larry Andrews, President; J. T. Willoughby III, Vice President; George Parrott, Secretary; Rudy Lea, Frank McCree, Tryphina Wiseman, Jack Briggs, Mark Blake, and Elizabeth Webber.

Also Present: Paul Harris, Executive Director; Stephen N. Dirksen, General Counsel; Fred Jordan with the N. C. Eye Bank, Dorman Caudle with Carolina Donor Services, Herb Reichlin with the Funeral Consumers Alliance, Pat Hayes with North Carolina Funeral Directors Association, and Lyn Cochrane.

Mr. Andrews called the meeting to order at 9:05 a.m. and led the Pledge of Allegiance. Mr. Willoughby had the invocation.

Mr. Andrew read the Ethics Awareness & Conflict of Interest Reminder and no member recused themselves at this time. Mr. Blake and Mr. Andrews stated they would recuse themselves from Disciplinary items at the proper time.

Mr. Andrews asked for public comment. There was none and the visitors in attendance identified themselves.

Mr. Parrott presented the March minutes with one item of correction on the first page, paragraph 9, first sentence should be February instead of January. Mr. Willoughby the motion to accept the minutes and Mr. Blake seconded. The motion carried.

Exam Committee: Staff has reviewed the Castle laws and rules template for accuracy. Following a few minor corrections, the template was approved and sent back to Castle.

Mr. Parrott reported twelve applicants took the exam in March. Two were retakes. Ten passed, including the retakes and two failed.

Mr. Lea made the motion to accept the report and Ms. Wiseman seconded. The motion carried.

Finance/Personnel: Mr. Briggs yielded the floor to Mr. Harris. Mr. Harris presented the report and discussion several items. Mr. Briggs made the motion to approve move the Melton-Riddle expense from Legal fees to the Litigation reserve and move the Litigation reserve back to \$100,000. Mr. Willoughby seconded and the motion carried.

Laws, Rules & Legislation: Mr. Briggs reported the Committee had met by teleconference and were presenting for review the draft of rules for review. The preneed surety bond rule is still under review by staff. Mr. Briggs yielded the floor to Mr. Harris for discussion. Mr. Briggs made the motion to direct staff to begin rule making for 21 NCAC 34B .0413, 21 NCAC 34B .0616, 21 NCAC 34B .0706, 21 NCAC 34C .0303 and 21 NCAC 34D .0302. Ms. Wiseman seconded and the motion carried.

Preneed Committee: Mr. Andrews presented the report. Discussion ensued. Mr. Harris stated he will develop a standard operating procedure to be used by the inspectors.

Disciplinary Committee: Mr. Andrews stated he had appointed Mr. Parrott as an alternate to the Disciplinary Committee should Mr. Blake or Mr. Lea need to recuse themselves from a case. Mr. Lea stated there were two addenda to the report. Mr. Blake recused himself from V09-008. Mr. Briggs made the motion to remove V09-008 for separate consideration and also to remove V08-014 for separate consideration. At that time Mr. Briggs also recused himself from V08-014. Mr. Parrott seconded and the motion carried. Mr. Briggs made the motion to approve V09-002, V08-049 and M09-001. Mr. Parrott seconded and the motion carried. Mr. Briggs recused himself from V09-012. Mr. Willoughby made the motion to accept V09-012 and Mr. Lea seconded. The motion carried and Mr. Briggs did not participate in the vote. Mr. Briggs made the motion to accept V09-008. Mr. Willoughby seconded and the motion carried. Mr. Blake did not participate in the vote. After review of the First Addendum, Mr. Willoughby made the motion to accept V06-066 and M09-005. Mr. Lea seconded and the motion carried. Mr. Parrott made the motion to accept V08-014. Ms. Wiseman seconded and the motion carried. Mr. Briggs did not participate in the vote. Mr. Lea presented the Second Addendum to Consent Order. Discussion ensued. Mr. Parrott made the motion to accept the recommendation. Ms. Webber seconded and the motion carried.

Traineeship Committee: The Committee was recommending adoption of the form provided for review. Questions ensued. Mr. Blake made the motion to adopt the Trainee & Trainee Supervisor Verification form. Mr. Lea seconded and the motion carried. Mr. Blake thanked the Board for the support on getting this form completed.

Clinics: Ms. Wiseman reported the Committee had met by teleconference. The McKimmon Center has been reserved for June 25 for the primary site. Staff is checking remote sites in the east and west and getting vendor information and price quotes for the webcast. Ms. Wiseman made the motion to accept the report and Mr. Briggs seconded. The motion carried.

Other Committee Reports: There were none.

Attorney Report: Mr. Dirksen presented his report. The 1:00 afternoon hearing has been closed. The case scheduled for 1:00 on Thursday would like to request a continuance and had met the criteria. David Reece entered the meeting and requested the continuance since his attorney was scheduled for court for tomorrow. Mr. Willoughby made the motion to grant the continuance and Mr. Lea seconded. Discussion ensued. Mr. Andrews called for the vote. The motion carried. Mr. Parrott did not participate in the vote. The case scheduled for 9:00 Thursday regarding the license reinstatement request still has not provided all the information requested. Mr. Briggs made the motion to delay the matter and Ms. Webber seconded. Discussion ensued. Mr. Andrews called for the vote and the motion carried.

At this time Mr. Andrews called for a five-minute recess.

Executive Director's Report: Mr. Harris submitted the Inspectors Monthly Status Reports for December.

Since the March 11 Board Meeting thirty reports have been filed. Ownership change--Melton Funeral Home, Sylva (formerly Melton-Riddle Funeral Home); New Crematory—Cremation Concepts, LLC, Salisbury; New Chapel—Gateway to Heaven Memorial Chapel, Williamston.

New funeral service licensees: Steven Felton, Sandra DiBacco, Eric Wary II, James Zubko, Arlene Robinson, Jonathan Brogden

New Embalmer licensee: Joann Marotta

New funeral director licensees: Susie Combs

New trainees: Susan Mill-Thigpen, Walter Cranford jr., Joe Lawing, Justin love, Richard Griffin, Randy Church, Christopher O'Bryant, Benjamin Strickland Jr., Howard Sherrill, John Ronald Jr., Theresa Wright-Bryant

The representative from the State Auditor's office will meet with Mr. Harris on Thursday morning. Mr. Harris will report the results to the Board at the next meeting.

Mr. Harris discussed several legislative matters. Mr. Harris hand carried a letter to Senator Atwater on March 26 regarding SB491 requesting the Board be added to the list of agencies entitled to the confidential records referred to in Subsection (i) of proposed G.S. 15A-150.

NC Emergency Management Mass Fatality Planning will meet April 29 or 30 and Mr. Harris will attend. Emergency Management agrees to review the Board's pandemic flu plan. Mr. Harris is working on the draft of a letter to the News & Observer as directed by the Board regarding Mr. Guyette and a letter to North Carolina banks regarding preneed funds.

Staff may request discontinuance of the Department of Labor Traineeship co-op. Mr. Harris will have more information to present at the next meeting.

The website has been updated with online courses approved for continuing education credit. This includes directions for licensees to get approval.

Boyce, Furr & Company will conduct their audit April 21-23. Mr. Harris presented a Letter of Understanding for approval by the Board. This letter would have a Board member signature and a designated individual to oversee the professional services. Ms. Wiseman made motion to have Larry Andrews sign as the Board President and Mr. Harris to sign as the individual to oversee the services. Mr. Lea seconded and the motion carried. The North Carolina Funeral Directors Association Spring Conference is in Winston-Salem May 11-13. The Board President is issued a complimentary pass since he will present a Board report and four passes are issued to staff. Any others wishing to attend will need to register and pay the registration fee. Mr. Harris discussed the use of alkaline hydrolysis as a method of body disposition. A preneed review will be held the end of May. Mr. Harris and Mr. Briggs have discussed the moving of some of the operating funds to a money market account. Discussion ensued. Mr. Lea made the motion to delegate up to \$200,000 from the operating fund to a money market. Mr. Parrott seconded and the motion carried.

Mr. Andrews stated he had spoken to a member of the Senate not as a Board member but as a licensee regarding the privilege license surcharge fee and was told it would probably be approved. Mr. Andrews suggested the licensees may want to get in touch with their representatives asking them not to approve the fee change from \$50 to \$150. Mr. Blake asked Mr. Harris if he had any additional information about the cemetery that was requiring families to use their vaults. Mr. Harris replied he heard this would be added to the current bills to amend the Cemetery Act.

New Business: Mr. Harris introduced Pete Rubino with North Carolina Safety Solutions for the presentation on Safety and Security for the Board.

Mr. Harris presented a request from an inactive licensee in another state for a reciprocal license. Staff was recommending that the license be brought to an active status or take the North Carolina exam and

complete the trainee requirements. Mr. Briggs made a motion to accept staff recommendation. Mr. Parrott seconded and the motion carried.

Mr. Harris stated that an embalming establishment with a pending application since February with unanswered questions. Staff was recommending this applicant and staff appear at the May meeting to respond to these questions. Mr. Parrott made the motion to accept the recommendation. Mr. Blake seconded and the motion carried.

Mr. Dirksen has received checks from Mr. Howell and a signed payment agreement. Mr. Howell signed as an individual and Mr. Dirksen would like to defer any action until he researches who should sign the agreement on behalf of the corporation. One new claim and one amended claim for Howell have been received. Mr. Briggs made the motion to make payment on the claims. Ms. Wiseman seconded and the motion carried. Ms. Wiseman made the motion to hold the Howell checks until the May 20 meeting and until Mr. Dirksen researches the required signature. Mr. Blake seconded and the motion carried.

Old Business: Mr. Harris included a copy of the pending decision of the health care power of attorney suit in New Hanover County. Discussion ensued.

Informational Items: Included was an article from The Sylva Herald regarding the Melton-Riddle case. The Ethics Commission deadline for filing the SEI forms is April 15th. An Annual Lobbying Newsletter from the Ethics Commission is included.

Mr. Harris discussed the Washington Post article regarding the allegation of improperly stored bodies and allegations that a South Carolina funeral home partially dismembered a body to fit into a casket.

Mr. Andrews thanked Mr. Parrott for taking over as President in the absence of himself and Mr. Willoughby at the March meeting. Mr. Willoughby thanked the Board for their concern regarding the health of his son.

Mr. Harris stated there would be a brief Traineeship Committee meeting following lunch.

Public Comment: There was none

Mr. Parrott made the motion to adjourn the meeting. Mr. Willoughby seconded and the meeting was adjourned at 11:40 a.m.

Larry Andrews, President

George Parrott, Secretary