# MINUTES South Carolina Board of Funeral Service Board Meeting

10:00 a.m., Thursday, August 2, 2012
Synergy Business Park
110 Centerview Drive, Kingstree Building Room 108
Columbia, South Carolina

#### Thursday, August 2, 2012

#### 1. Meeting Called to Order

Thomas E. Baker, II, Secretary, of Kershaw, called the meeting of the SC Board of Funeral Service to order at 10:11 a.m. Other Board members present for the meeting included: Kenneth E. Beasley, of Fountain Inn; William B. Horton, Jr., of Kingstree; Wallace McKnight, Jr., of Andrews; Eddie J. Nelson, of Blythewood; Mark R. O'Steen, Spartanburg; John L. Petty, III, of Landrum; and, Jeffrey K. Temples, of Columbia.

Staff members participating in the meeting included: Doris Cubitt, Administrator; Wendi Elrod, Program Assistant; Jeanie Rose, Administrative Assistant; Amy Holleman, Administrative Assistant; Jamie Saxon, Advice Counsel, Division of Legal Services; Christa Bell, Division of Legal Services; Buddy Poole, Inspector, Office of Investigations and Enforcement; Sharon Wolfe, Chief Investigator, Office of Investigations and Enforcement; and, Sharon Cook, Investigator, Office of Investigations and Enforcement.

Members of the public attending the meeting included: Lou Ann Pyatt, SC Morticians Association (SCMA); Danny Collins, of SC Dept of Consumer Affairs (SCDCA); Matalie Mickens, of SC Dept of Consumer Affairs (SCDCA); Mike Squires, of the SC Funeral Directors Association (SCFDA); Henry Dunbar, Mahaffey-Wilson Funeral Service & Cremation; Milton Scott, Scott's Mortuary; Michael A. Glenn, Michael A. Glenn Funeral Home; Monroe Fields, King-Fields Mortuary; Barbara Tompkins, Goins Funeral Home; Clifton Holloway; Terdell Mealing; Gary Queck, Anderson Crematory; Jalair Leamon, Goins Funeral Home; Warren Smith, Brown & Son Funeral Home; Ernest Smith; Darrell Jamison, Jenkins Funeral Home; Kevin Brock; William McLean; and, Riona McLean.

A video of this meeting can be viewed at <u>www.llr.state.sc.us/POL/Funeral</u>. On the Board's home page, click 'Board Information' and follow the link to the video.

This proceeding was recorded by a court reporter in order to produce a verbatim transcript should one be necessary.

#### Public Notice

Mr. Baker announced that public notice of this meeting was properly posted at the SC Board of Funeral Service office, Synergy Business Park, Kingstree Building, and provided to all requesting persons, organizations, and news media in compliance with Section 30-4-80 of the South Carolina Freedom of Information Act.

#### b. Pledge of Allegiance

All present recited the Pledge of Allegiance.

#### 2. Introduction of Board Members and Persons Attending the Meeting

The Board members, staff, and all other persons attending the meeting introduced themselves.

#### 3. Approval of Excused Absences

Charlie Bradford Evans, of Abbeville; and, Michelle Cooper, of Moncks Corner, were absence.

#### **MOTION**

Mr. Horton made a motion that the Board approve Mr. Evans' and Ms. Cooper's absences. Mr. O'Steen seconded the motion, which carried unanimously.

#### 4. Approval of Minutes for the August 2, 2012 and September 13, 2012 Meetings

#### **MOTION**

Mr. O'Steen made a motion that the Board approve the minutes for both meetings. Mr. McKnight seconded the motion, which carried unanimously.

#### 5. Reports

A. Investigate Review Committee (IRC) Report

Ms. Wolfe said the IRC recommended one case be forwarded to the next IRC meeting, dismiss two cases, and a formal complaint be issued on six cases.

#### **MOTION**

Mr. Nelson made a motion that the Board approve the IRC recommendations. Mr. Beasley seconded the motion, which carried unanimously.

#### B. OIE Report

Ms. Wolfe stated that there are 34 cases opened this year, 31 of those are active cases and three "do not open cases". She stated there are 29 closed cases, 26 were closed and three "do not open cases".

#### C. Inspection Report

Mr. Poole reported that there have been about 42 inspections completed since May 31, 2012.

#### D. Division of Legal Services

Ms. Bell presented the Board with the report from the Division of Legal Services (DLS). She included in the report that DLS currently has six open cases, three cases pending actions, three pending hearings, and 14 were closed.

#### 6. President's Remarks - Thomas Baker

Mr. Baker welcomed everyone to the meeting and thanked everyone for attending. He stated he will be presiding over the meeting since Mr. Beasley will need to leave early for a service.

#### 7. Administrator's Remarks – Doris Cubitt

Ms. Cubitt informed the Board that if they receive any calls regarding a funeral issue they need to refer the caller to Board staff so the Board members will not be tainted.

She then stated that Mr. Ernest Adams, Board inspector, has snapped his Achilles tendon in his foot so he will not be attending the meeting but he is available by email and is watching the meeting via video. Ms. Cubitt stated she is now serving over six boards again but will be available if anyone needs her.

She stated that there are a total of 98 licensees that have not renewed their license and 17 of those are funeral homes. She stated that staff is currently working on sending out consent agreements for those licensees that did not renew their license by July 31, 2012.

#### 8. Disciplinary Hearing

Case No. 2010-10 – Denton Funeral Home (FE 79)

In 2004 Denton Funeral Home sold pre-need but was not licensed to sell pre-need.

Ms. Bell stated that no one from Denton Funeral Home is present even though proper notice was given, so the hearing will proceed.

## Executive Session

Mr. Horton made a motion that the Board enter into executive session for legal advice. Mr. Nelson seconded the motion, which carried unanimously.

# Return to Public Session *MOTION*

Mr. Baker made a motion that the Board return to public session. Mr. Horton seconded the motion, which carried unanimously. Mr. Baker noted for the record that no official action was taken during executive session.

#### **MOTION**

Mr. Horton made a motion to publically reprimand the respondent, revoke the license, issue a cease and desist, a \$1,500 fine to be paid within 30 days of the date of the final order, and the respondent must comply with all aspects of the consumer affairs order and provide notice of compliance to the board within 15 days of compliance. Mr. Temples seconded the motion, which carried unanimously.

Case No. 2011-3 – Ernest Smith (FDE 2276)

Ms. Bell stated that she, Mr. Smith and his attorney are working on a Memorandum of Agreement (MOA) which should be submitted to the Board at the October 4, 2012 Board meeting.

Case No. 2011-45 – Milton Scott (FD 1860) and Scott's Mortuary, Inc. (FE 255)

Scott's Mortuary was advertising for pre-need in the yellow pages but he wasn't licensed to sell preneed. Mr. Scott stated that he met with a lady in 1985 with The Board of Financial Institutions stating that he will need to have \$500,000 to sell preneed. He stated the family could go to the bank and the bank would hold it in a fund and the funeral home will take the death certificate to the bank after death to receive the money for the funeral. He also stated that the other option would be to leave it with the postmaster, which would hold it in their safe for the family. He stated a man came to offer advertisement but the advertisement

wasn't supposed to indicate they offer pre-need. He has always advertised pre-planning not pre-need. He didn't request to change to pre-need.

Mr. Scott asked what the difference between pre-need and pre-arrangements are if no money is being received? Mr. Horton stated that to him "pre-need" is another word for "pre-arrangements" if there was no money taken, it is just wording. Mr. Horton asked Ms. Cook if there was any evidence in her investigation that Mr. Scott took any money after making pre-need. Ms. Cook started she found no evidence that Mr. Scott did not do any pre-need contracts nor did he take any money.

#### **Executive Session**

#### **MOTION**

Mr. Nelson made a motion that the Board enter into executive session for legal advice. Mr. O'Steen seconded the motion, which carried unanimously.

## Return to Public Session *MOTION*

Mr. Baker made a motion that the Board return to public session. Mr. O'Steen seconded the motion, which carried unanimously. Mr. Baker noted for the record that no official action was taken during executive session.

#### **MOTION**

Mr. Nelson made a motion that the board determined that the respondent did violate the statute as alleged, it further finds that the violation in this matter does not rise to the level for which a sanction is appropriate. Mr. McKnight seconded the motion, which carried unanimously.

#### 9. IRC procedures

Mr. Baker stated the Board will table this item until the next meeting when Mr. Homer Elwood, IRC member can be present.

#### **Old Business**

#### 10. Application Hearings

#### Owner/Manager change

1. Goins Funeral Home – Barbara B. Tompkins

Ms. Tompkins stated she was manager of the Percival-Tompkins Funeral Home but will be giving up that position to be manager of the Goins Funeral Home.

#### **Executive Session**

#### <u>MOTION</u>

Mr. Horton made a motion that the Board enter into executive session for legal advice. Mr. Temples seconded the motion, which carried unanimously.

### Return to Public Session

#### **MOTION**

Mr. O'Steen made a motion that the Board return to public session. Mr. Petty seconded the motion, which carried unanimously. Mr. Baker noted for the record that no official action was taken during executive session.

#### **MOTION**

Mr. Nelson made a motion that the Board accept Ms. Tompkins request to be manager of Goins Funeral Home. Mr. McKnight seconded the motion, which carried unanimously.

#### **New Business**

#### 11. Application Hearings

#### New Facility

- 1. Anderson Crematory Gary S. Queck
- Mr. Queck is requesting to open a new crematory and manage it.

#### **MOTION**

Mr. Horton made a motion that the Board approve the application pending passing final inspection and issuance of the crematory operator certificate. Mr. McKnight seconded the motion, which carried unanimously.

- 2. Brown & Son Funeral Home Warren Sam Smith
- Mr. Smith has been owner and manager of this funeral home, he is requesting a location change.

#### **MOTION**

Mr. Temples made a motion that the Board approve this application managed by Mr. Smith, pending passing final inspection. Mr. Nelson seconded the motion, which carried unanimously.

- 3. Jenkins Funeral Home Darryl Leonard Jamison
- Ms. Samantha Thompson's is purchasing this funeral home from her father Mr. Jenkins. Mr. Darryl Jamison will be the proposed manager of this funeral home.
- Mr. Nelson stated that he noticed that question number 13 on the application wasn't completed with his employment information. Mr. Nelson stated that employer names, addresses and length of service for each employer should be provided to board staff for all of Mr. Jamison's employers.

#### **MOTION**

- Mr. Nelson made a motion that the Board approve the application pending completion of application and passing final inspection. Mr. McKnight seconded the motion, which carried unanimously.
- 4. King-Fields Mortuary Monroe D. Fields, Jr.
- Mr. Fields stated that King Funeral Home was licensed but closed and he now wants to open the funeral home and merge it with his. Mr. Nelson stated that he doesn't see the tax ID number and the proof of purchase for King Funeral Home. Mr. Fields stated since he submitted his application he now has the tax ID number and the purchase letter from his attorney, which should be completed on August 10, 2012. Mr. Fields stated that he embalms for a couple of different funeral homes. Mr. Horton asked Mr. Fields if he is a

trade embalmer. Mr. Fields stated yes but he will be working a minimum of 35 hours a week at King-Fields Mortuary.

#### **MOTION**

- Mr. Horton made a motion that the Board approve the application pending passing final inspection, submission of the tax ID number and proof of purchase. Mr. Nelson seconded the motion, which carried unanimously.
- 5. Mahaffey-Wilson Funeral Service & Cremation Henry Stevens Dunbar, II
- Mr. O'Steen stated he knows Mr. Dunbar and will recuse himself if Mr. Dunbar wishes. Mr. Dunbar stated he is fine with Mr. O'Steen remaining.
- Mr. Dunbar is requesting that this application be approved for new ownership and himself as manager.

#### **MOTION**

- Mr. Temples made a motion that the Board approve this application pending passing final inspection and a favorable letter from Consumer Affairs regarding pre-need. Mr. Horton seconded the motion, which carried unanimously.
- 6. Michael A. Glenn Funeral Home Michael A. Glenn
- Mr. Glenn stated that this is an existing funeral home but he was forced to re-locate without prior approval from the Board. He stated the owner of the building where the funeral home was located was foreclosed on so he had to move quickly. He contacted the Board inspector and that is when it was noticed that there wasn't an application on file prior to the move.

#### **MOTION**

Mr. Horton made a motion that the Board approve this application. Mr. McKnight seconded the motion, which carried unanimously.

#### Additional Facility

- 1. Brown & Son Funeral Chapel Warren Sam Smith
- Mr. Smith has been owner and manager of this funeral home he is just requesting a location change.

#### **MOTION**

Mr. Temples made a motion that the Board approve this application managed by Mr. Smith, pending passing final inspection. Mr. Nelson seconded the motion, which carried unanimously.

#### <u>Break</u>

#### <u>MOTION</u>

Mr. Horton made a motion that the Board take a ten minute break. Mr. Temples seconded the motion, which carried unanimously.

#### Request for extension to pass exams or re-do apprenticeship

1. Kevin Brock - Apprentice Funeral Director/Embalmer

Mr. Brock is asking for consideration for an extension to pass the exams. He stated on November 17, 2011 he was granted six months to take and pass the exams. He stated he has taken the exam twice and hasn't been successful in passing. He stated that if the Board can't grant him an extension he would like to do his apprenticeship over again.

#### **Executive Session**

#### **MOTION**

Mr. Temples made a motion that the Board enter into executive session for legal advice. Mr. Petty seconded the motion, which carried unanimously.

#### **Return to Public Session**

#### **MOTION**

Mr. Horton made a motion that the Board return to public session. Mr. McKnight seconded the motion, which carried unanimously. Mr. Baker noted for the record that no official action was taken during executive session.

#### <u>MOTION</u>

Mr. Horton made a motion that the Board grant Mr. Brock's request to re do his apprenticeship. Mr. O'Steen seconded the motion, which carried unanimously.

#### Request to take exams or re-do apprenticeship

1. David Hartley - Apprentice Funeral Director/Embalmer

#### **MOTION**

Mr. Temples made a motion that the Board table this until Mr. Hartley can be present. Mr. McKnight seconded the motion, which carried unanimously.

2. Clifton Jermaine Holloway - Apprentice Funeral Director/Embalmer

Ms. Rose stated that Mr. Holloway's apprenticeship expired in 2005. He also graduated from Piedmont Tech in 2007. Now he is requesting to take the exams however the apprenticeship is only good for five years after the completion of the apprenticeship. Mr. Temples asked Mr. Holloway if he is ready to take the exams. Mr. Holloway stated he is ready but request a little time to pass the exams.

#### **MOTION**

Mr. Temples made a motion that the Board grant Mr. Holloway's request. But he must take and pass the funeral director, embalmer and SC law within 90 days from the date of this meeting. If he fails to take and pass all exams he must serve his apprenticeship again and re-take the exams. Mr. Horton seconded the motion, which carried unanimously

#### Request for Apprenticeship/Each applicant has other full-time employment

1. Terdell Mealing - Apprentice Funeral Director

Mr. McKnight recused himself since he knows Mr. Mealing.

Mr. Meailing has a full-time job at an elementary school and wishes to serve an apprenticeship full-time. He stated that the school lets out at 2:15pm every day and he will drive 2 miles to the funeral home to start work at 2:30pm every day.

#### **MOTION**

Mr. Nelson made a motion that the Board approve Mr. Mealing's request as long as he works a minimum of 35 hours a week under direct supervision. Mr. O'Steen seconded the motion, which carried unanimously.

#### 12. Election of Officers

#### **Nominations**

#### **President**

Mr. Temples nominated Mr. Kenneth Beasley for president. Mr. Nelson seconded the motion, which carried unanimously.

#### Vice President

Mr. Temples nominated Mr. Thomas Baker for vice president. Mr. Petty seconded the motion, which carried unanimously.

#### Secretary/Treasurer

Mr. Temples nominated Mr. Wallace McKnight for Secretary/Treasurer. Mr. Petty seconded the nomination. There being no further nominations, the nominations were closed.

#### 13. Items

1. What can be required on a claim form for death benefits?

Mr. Bill Lemmon from the Dept. of Insurance stated they issue licenses for insurance agents and insurance companies. He stated they couldn't tell whom a deceased person has an insurance policy with. He also stated they cannot indicate what is required on a claim form for death benefits since the claim forms vary from the different insurance companies.

2. Cremation Affidavit form

Mr. Squires presented the Board with a cremation affidavit form so it can be used.

#### MOTION

Mr. Horton made a motion that the Board accept this form. Mr. Temples seconded the motion, which carried unanimously.

- 3. Outside full time employment for apprenticeship/manager?
- 4. Cost of funeral home logos on obits being passed to the customer
- 5. Guidelines for CE classes for committee members
- 6. Funeral Assistants listed on funeral homes website are not licensed
- 7. Pre-need Bill

Mr. Collins stated that there was a change to the pre-need law that was signed by the Governor on June 18, 2012, so it is already in effect. He stated that they added three new

definitions, but one of the definitions they added has got two parts to it, and that is "at need" and "pre-need". And the purpose of adding that was to make clear transfers. The second definition was "funeral service". It is a short definition because they were trying to focus only on what would require licensing for the sale of pre-need funeral contracts.

The last definition was "trust account". And trust account was added because it was already in the law that they have to have a federally-insured account, and it was already in the law that they had to wait until they got their death certificate and statement of services before they paid it out. But they found a bank or two that was trying to pay it out early, so they put a definition in, limiting it to being paid out one the death certificate and the certificate or statement of services was presented to them.

The second area changed, is for clarification, if a contract is going to be transferred to another pre-need, it has to be to a funeral home that is licensed to sell pre-need. If it is at need, it can be transferred to any licensed funeral home.

The third area changed was the cost of the license. He stated that consumer affairs took over the pre-need licensing in 2006. He stated the amount they have been charging for a license to sell pre-need was and currently is \$250 and is now referenced in the statute.

He stated pre-need license renewals were added and will be due by September 30<sup>th</sup> of every odd number year. The renewal fee will be \$200, half of which goes into the loss reimbursement fund.

The fourth area is the loss reimbursement fund, which half of the renewal fee will fund. He stated the loss reimbursement fund balance is capped at \$500,000. They currently have about \$250,000 in the fund and are aware of possible claims totaling \$360,000.

He stated the fifth area is penalties. He stated the old law had a misdemeanor for violations and the maximum fine of \$500. He stated in addition to the misdemeanor fines, it can now have two levels of felonies, depending on how much the family or individual loses. He stated now instead of being put in jail for six months, it is a serious felony with a high dollar amount to be paid.

- 8. Define: funeral home owned by same entity in order to use same manager
- 9. Discussion of possible Statute and Regulation changes

#### <u>MOTION</u>

Mr. Horton made a motion that the Board tables all items under number 13 until the next meeting except 13(1), 13(2) and 13(7). Mr. Petty seconded the motion, which carried unanimously.

#### **Notice of Drafting**

Mr. Saxon informed the Board that they need to make a motion for notice of drafting if they hope to make any suggested legislation changes.

#### **MOTION**

Mr. Horton made a motion for notice of drafting. Mr. O'Steen seconded the motion, which carried unanimously.

#### 14. Committee Reports

- A. Legislative Committee Brad Evans, Eddie Nelson This committee had no report.
- B. Examination/CEU/Education Jeff Temples, Mark O'Steen This committee had no report.
- C. Regulatory Compliance (Federal and State) / FTC / OSHA / ADA / PreNeed Billy Horton, Doris Cubitt
   This committee had no report.

#### 15. Public Comments

No comments were made during the meeting.

#### 16. Adjournment

#### **MOTION**

Mr. Nelson made a motion the Board adjourn. Mr. O'Steen seconded the motion, which carried unanimously.

The August 2, 2012 meeting of the SC Board of Funeral Service adjourned at 3:56 p.m.

The next meeting of the SC Board of Funeral Service is scheduled for October 4, 2012.

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