

REVISED

**Meeting Notice
Missouri State Board of Embalmers
and Funeral Directors**

**October 27, 2010
Division of Professional Registration
3605 Missouri Blvd.
Jefferson City, Missouri**

The Missouri State Board of Embalmers and Funeral Directors will be meeting on Wednesday, October 27, 2010 beginning at 10:00 a.m. Notification of special needs as addressed by the American with Disabilities Act should be forwarded to the Missouri State Board of Embalmers and Funeral Directors, P.O. Box 423, 3605 Missouri Boulevard, Jefferson City, Missouri 65102 or by calling (573) 751-0813 to ensure available accommodations. The text telephone for the hearing impaired is (800) 735-2966.

Except to the extent disclosure is otherwise required by law, the Missouri State Board of Embalmers and Funeral Directors is authorized to close meetings, records and votes, to the extent they relate to the following: Sections 610.021(1), (3), (5), (7), (13) and (14), RSMo, and Chapter 324.001.8 and 324.001.9 RSMo.

The Board may go into closed session at any time during the meeting. If the meeting is closed the appropriate section will be announced to the public with the motion and vote recorded in open session minutes.

Please see attached tentative agenda for this meeting.

Attachment

cc: Jane Rackers and OA News

Revised and Reposted October 23, 2010
11:30 a.m.
Posted October 18, 2010
5:30 p.m.

REVISED

OPEN AGENDA

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3605 Missouri Blvd.
Jefferson City, Missouri**

Public Call in Number: 866-630-9353

Wednesday, October 27, 2010 – 10:00 a.m. - OPEN MEETING

**Call to Order
Roll Call**

- 1. Review and Approval of Agenda**
- 2. Executive Director Report**
- 3. Discussion regarding the examination/audit process**
- 4. 11:00 a.m. Probation Violation Hearing**
 - Board vs. Ronald Marts and Matron, L.L.C., DBA Marts Memorial Services**
- 5. Other**

Closed Meeting. The Board will move into closed session pursuant to Section 610.021 Subsection (14) and 324.001.8 RSMo for discussing educational transcripts and/or test scores and/or complaints and/or audits and/or investigative reports and/or other information pertaining to the licensee or applicant for licensure; Section 610.021 Subsection (1) RSMo for discussing general legal actions, causes of action or litigation and any confidential or privileged communications between this agency and its attorney; Section 610.021 Subsection (1) RSMo and 324.001.9 RSMo for deliberation on discipline; Section 610.021 Subsection (3) RSMo discussing hiring, firing, disciplining or promoting an employee of this agency; Section 610.021 Subsection (13) RSMo for making performance ratings pertaining to individual employees; Section 610.021 Subsection (7) RSMo for reviewing testing and examination materials; Section 610.021 Subsection (14) and Section 324.001.8 RSMo for proceedings required pursuant to a disciplinary order concerning medical, psychiatric, psychological, or alcoholism or drug dependency diagnosis or treatment of specific licensees; and Subsection of 610.021 RSMo for the purpose of reviewing and approving the closed minutes of previous meetings.

Adjournment

Revised and Reposted October 23, 2010
11:30 a.m.
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Proposed Examination/Audit Process

Non-complaint initiated

1. Examination/Audit Selection

- A. Following October 31st annual renewal period but no later than December 1st divide sellers into 2 categories (large and small) with approximately 60% of the total sellers in the small category and 40% of the total sellers in the large category.
- Pull approximately 1/5 of the total licensed sellers to be scheduled for audit/examination for that year with 60% coming from the small category and 40% coming from large category. The intent of this is to balance the overall workload of the examination staff.
 - If there was an audit/examination completed on a seller's license within the previous 6 months based on a complaint that resulted in no disciplinary action and that license appears in the data pull, they may be excluded from that specific pull but be included in a future data pull.

2. Examination/Audit Notification

- A. A letter will be sent to the seller notifying them of the pending audit/examination and will -
- request that they forward to the office a copy of the trust statements, insurance statements, and statements from financial institutions as applicable to the type of funding used for preneed contracts
 - identify the examiner/s assigned to the audit/examination and indicate that contact will be made to establish a date/time to be on site
 - outline some credential verifications that will be produced upon their arrival

3. Examination/Audit Process

- A. Upon receipt of the information (trust statements, insurance statements, and statements from financial institutions, as applicable) the examination staff will review and prepare work documents prior to going on site.
- B. Following prep work the examiners will establish a date/time to be at the seller's location to conduct on site examination/audit of records involving 100% of the active contracts, which will include, but not be limited to -
- General
 1. Is the seller licensed
 2. Do the preneed contracts comply with the statutory requirements
 3. Are the contracts properly signed
 4. Does the seller properly deposit and track payments from consumers
 5. Are the books and records sufficient to show compliance
 6. Does the contract match the funding source and current location of funds
 7. Does the seller have contracts with its providers and are those contracts in compliance with Chapter 436

Non-complaint initiated (continued)

- Joint Accounts
 1. Are the funds held jointly as required by statute
 2. Are 100% of the funds paid by the consumer in the joint account
 3. Is the seller being charged by the financial institution to withdraw money for expenses
 4. Are the seller's records adequate to verify compliance
- Trust Accounts
 1. Are deposits made timely
 2. Have the right amounts of money been deposited
 3. Does the trust agreement give control of assets to the trustee
 4. Does the trust agreement comply with the statutes
 5. Have all consumer payments been deposited
 6. Has the seller properly requested the origination fee & 10% distribution from the trust
- Insurance Accounts
 1. Do the policies comply with Chapter 436
 2. Is the seller the beneficiary or assignee and not the owner
 3. Does the seller properly handle consumer funds

C. A component of the on site examination/audit will include a random selection of 25% of the fulfilled contracts, which will include, but not be limited to -

- Death Claims
 1. Does the seller have proper procedures in place for death claims
 2. Does the seller timely request payment from trustee and pay death claims
 3. Does the seller pay the providers by the terms of the seller/provider contract
 4. Does the seller maintain its fulfilled files for 5 years

4. Examination/Audit Exit Interview

At the conclusion of the examination/audit the examiners will sit down with the seller and tell them what they will be reporting to the board as their findings. The purpose is not to provide guidance on any corrective action.

5. Board Review

The Board will review the examination/audit report and make a determination which could include but not be limited to taking no further action to a form of disciplinary action.

The decision could include a request for corrective action including a follow up visit by an examiner within an established period of time.

If there is no action being taken a letter will be sent to the seller notifying them that the board has reviewed the examination/audit report and no action is being taken and the process is considered complete at this time.

If during the course of the examination the examiner has concerns regarding the insurance company or financial institution relating to the trust or joint accounts, the examiner will write a memorandum to the Executive Director outlining those concerns.

Complaint initiated

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Complaint initiated (continued)

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