

Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION Division 2120-State Board of Embalmers and Funeral Directors Chapter 3 – Preened

PROPOSED RULE

20 CSR 2120-3.535 Financial Examination Committee (rule number is a proposed number)

Purpose: The purpose of the proposed rule is to establish the guidelines for a committee to review financial examinations.

Purpose: The purpose of this rule is establish a committee to review financial examinations.

(1) The board shall have as a standing committee a committee known as the “Financial Examination Committee.” The purpose of the Financial Examination Committee shall be to provide timely and expedited review of financial examination files as they are prepared by the board staff.

(2) The Financial Examination Committee shall meet, as needed, but at least once between each regularly scheduled board meeting.

(3) The members of the Financial Examination Committee shall be appointed by the board chair and shall be at least 2, but no more than 3, board members, one two of whom shall be the public industry members. unless The public member declines to shall be offered the opportunity to serve on the committee, then any board members may be appointed. Financial Examination Committee members shall be appointed each year by the board chair at the meeting in which the board holds its election of officers. Once appointed, a committee member shall serve until the next election of officers, unless the committee member resigns or if they are no longer a member of the board. In the case of a vacancy, the board chair shall appoint a new member to the Financial Examination Committee as soon as is practical to do so.

(4) The board delegates the following duties and authorities of the Financial Examination Committee:

~~(A) To review completed financial examination reports along with the licensee response and take one or more of the following actions:-~~

~~(a) Direct staff to close the examination file and send a letter to licensee informing the licensee that the financial examination is being closed;~~

~~(b) Request additional information from the licensee and request the licensee to take steps necessary to resolve any exceptions discovered during the financial examination;~~

~~(c) Allow a licensee additional time to respond to requests for more information or time to complete steps necessary to meet requests of the Financial Examination Committee;~~

~~(d) Request the licensee to appear before the board;-~~

~~(5) Refer the financial examination for review by the board;- and-~~

~~(6) Other duties as assigned by the board and/or the board chair.~~

~~(B) If a financial examination file reveals unresolved violations and/or reveals significant shortages of consumer funds held in trust and/or joint accounts or other significant misconduct by the licensee, as determined by the Financial Examination Committee, the committee shall refer the examination file to the board for review.-~~

(3) Only the board may authorize action to seek legal action against a licensee.

Authority: Section 436.470, 436.520, 333.111, RSMo