

Welcome to 2009 and this 14th Edition of the Board Bulletin

This publication offers the Board's 2008 Annual Report and other information specifically designed to increase the level of licensee and public awareness relative to the responsibilities and obligations of both. The Board will make every effort possible to assure current issues that impact licensees and consumers alike are disseminated in an expeditious manner.

Fiscal Year 2010 budget deficit as anticipated will be significantly greater than the 2009 deficit upon which legislators scrambled to balance. As a result, additional cuts in service, furloughs and reductions in force shall occur throughout the state. Sadly, the Board of Funeral Directors and Embalmers will not be exempt from the impact of the issues with the General Fund. Fund balance sweeps created through legislation have eliminated all surplus funds created over the last ten years. While attempts were made through discussions with budget analysts, and assistance from lobbyist, the state deficit left no room for negotiations. Requests for a fee increase would be futile amidst a hostile legislation and the requirement of two thirds vote mandated for any fee increase. The Board would have to amend statute therefore, this effort was essentially impossible. This left an unpleasant decision resulting in the lay off of the Deputy Director. So what does this mean in terms of the Board's capacity to maintain the goals and objectives stressed for many years?

A twenty five percent reduction in personnel results in additional responsibility for remaining employees and increased workloads. However, staff will make every effort to continue the same level of service to consumers and licensees. Additionally the Board is currently working on alternatives to maintaining compliance visits which reduce complaints and future problems for licensees. The overall economic outlook remains bleak and flashes of optimism appear inconsistently. The Board and Board Staff will once again work towards rebuilding a stable financial base and remain service orientated as in the past. We understand that these economic times have created a ripple effect that has placed strains on each and every one of us. We can only believe that the following year will be optimistically better than the past and hoping that you have a tremendous year! Thank you for all the work you do and your support!

Sincerely,

Rodolfo Thomas
Executive Director

BOARD VISION

To create and maintain a balance between fair and equitable business regulation and the protection of the public's health, safety and welfare in the use and purchase of goods and services required for death.

PHILOSOPHY

To maximize public protection through education and minimal regulation.

BOARD MISSION

To maintain and enforce a set of standards that provides protection for the health, safety and welfare of Arizona Citizens by educating the consumer and by actively and impartially regulating those licensed to provide funeral goods and services.

BOARD STRATEGIC PLAN GOALS

1. To ensure that where regulation is required that consumers are only accessing licensed Businesses or Individuals and that licenses are only granted and renewed to competent Individuals with high standards of professional and ethical conduct.
2. To ensure and enforce that information is made available to both the consumer and the Licensee that educates them to the standards of practice, their rights and obligations.
3. To actively and impartially investigate and resolve allegations and complaints, and provide enforcement to protect the public from incompetent services, unprofessional, unethical and illegal conduct.

BOARD DESCRIPTION

The State Board of Funeral Directors and Embalmers examines and licenses individuals who provide funeral goods and services. The Board accepts complaints against licensed individuals, establishments, including staff, investigate allegations, and forwards complaints of criminal/civil matters to appropriate authorities. The Board oversees approximately 1600 licensees practicing in the state, and serves all Arizona Citizens who receive funeral goods and services.

BOARD STATUTORY FUNDING FORMULA

A.R.S. 32-1308 requires that all fees and revenues accruing to the Board be paid to the State Treasurer. Ninety percent of the fees are paid to the Board's fund to cover operational fees and one hundred percent of civil penalties are deposited in the State's general fund. For Fiscal Year 2008, ninety percent represents the Board's appropriated budget of \$350,000 however nearly \$367,000 was collected. With ten percent at approximately \$37,000, plus civil penalties estimated at \$3,000, the Board is returning at least \$40,000 to the State's general fund. This figure does not include the \$600,000 swept due to the states budget issues.

BOARDS COMPOSITION

The Board is comprised of four qualified and practicing funeral directors and three consumers, one of which must be the owner or manager of a business. Board Members are appointed by the Governor and serve four-year terms with annual elections for President and Secretary.

STAFFING AND BUDGET

The Board maintains four full time positions. An Executive Director responsible for overall administration, a License Administrator responsible for investigation of complaints and compliance visits of establishment. A Licensing Coordinator responsible for licensing and continuing education and background investigations. The Board due to a reduction in force currently staff three positions and during the last quarter of FY 2009 only staffed three full time positions.

The Board's appropriation for FY 2009 was \$350,000 and \$350,000 for FY 2010.

ENFORCEMENT INFORMATION

This section has been renamed and the scope of information provided will be centered on current procedural or statutory modifications to keep licensees in compliance.

COMPLIANCE CORNER

License Administrator Alexander Estrada during recent inspections of funeral establishments has observed the following reoccurring violations: Prep room must be functional at all times, if you utilize the facility or not. This includes the proper operation of all required equipment and not to replace other rooms such as a storage bin. Additionally, the establishment and appropriate documentation for example statement of goods and services and price list must be prepared in compliance with FTC mandates. Maintain OSHA standards and be prepared for inspections and undercover operations by both the FTC and OSHA employees.

LAWS AND RULES

There were no new Statutes or rules created during the previous year and a moratorium on all rules has been in effect considering the budget issues of the State. It is necessary to remind licensees of Senate bill 1023 and the effects of obtaining proper authorizing agents and the new tools now made available.

Senate Bill 1023 relating to burial responsibility became effective on September 19, 2007. The greatest impact upon the industry in terms of funeral directors is A.R.S. § 32-1365.02. Key provisions in Senate bill 1023 have changed burial responsibility from the surviving spouse to adult children if the deceased person is legally separated or divorced from his or her spouse at the time of death. Additional provisions require a majority of siblings to determine final disposition rather than the use of unanimous agreement of all siblings. The utilization of “reasonably available” and the fifteen day (15) time frame facilitates the arrangement process for families and reduce storage of remains. There are other amendments to the bill which assist the funeral director in expediting final disposition. Take time to view our web site and become familiar with the changes implemented in assisting you in your responsibilities. If you have any questions please do not hesitate to contact Board staff with your questions.

LICENSING ACTIONS

During the reporting period, in addition to over 1600 renewals, the Board also issued:

- 7 Crematory Licenses
- 7 Establishment Permits
- 26 Pre-Need Salespersons Registrations
- 20 Interns
- 32 Embalmers
- 29 Funeral Directors Licenses
- 14 Establishment Licenses (includes new, location changes, ownership)
- 46 Cremationist Licenses
- 4 Crematory Permits
- 4 Multiple Licenses

OTHER AGENCY IMPROVEMENTS

The State Board's Office has redesigned its current web site to reflect that of the State of Arizona. Take a little time to browse this informative site. The address is www.funeralbd.state.az.us.

A partnership between the Arizona Department of Health Services Office of Vital Records and Arizona State Board of Funeral Directors has provided a means of recording the actual number of dispositions for the preceding year which determines the renewal fee for establishments. Indicated on the renewal form is a warning for **fraudulently submitting incorrect numbers in the renewal process**. The Office of Vital Records will provide the exact number of dispositions (death certificate filings) to the State Boards office for reconciliation of numbers submitted by each establishment within the state. This satisfies the Auditor General inquiry into the verification of statistics for the renewal process. Please ensure that the total number of death certificates filed by your establishment is submitted accurately.

The following statistics were gathered in this time frame.

Conventional Burials	13,817	29%
Cremations	28,587	60%
Ship Outs	4,764	9%
Total	47,645	100%

CONTINUING EDUCATION MASTER RECORCE LIST

PROGRAMS BY NATIONAL FUNERAL SERVICE ORGANIZATIONS:

- Academy of Professional Funeral Service Practice
- American Board of Funeral Service EducationAmerican Funeral Consultants
- National Association of Approved Morticians
- National Funeral Dir. & Morticians Assoc.
- International Conference of Funeral Service Exam. Boards
- National Funeral Directors Association
- Western Cemetery Alliance
- Cremation Assoc. of North America (crem cert.)
- Selected Independent Funeral Homes
- FIAT-IFTA Int'l Fed. of Thantologist
- Order of Golden Rule
- Federated Funeral Dir. Of America
- Preferred Funeral Directors International
- Funeral Service Foundation
- Casket Manufacturer Association
- Jewish Funeral Directors Association
- International Cemetery, Cremation and Funeral Association

A. PROGRAMS SPONSORED BY STATE ASSOCIATIONS:

- Any other State Association where their State requires Continuing Education
- Arizona Cemetery Association
- Arizona Funeral Directors Association

B. PROGRAMS SPONSORED BY LOCAL ASSOCIATIONS:

- Grief Outreach
- Grief Network
- New Song Center
- American Academy of Bereavement
- Lions Eye Bank
- Accord Aftercare Services

C. PROGRAMS SPONSORED BY SUPPLIERS:

- Batesville
- Dodge Chemical Company
- Elder Davis
- Forethought
- Matthews Bronze
- Wilbert & Company
- York Products
- Aurora Casket Company
- Matthews Cremation Division (cert)
- Options
- Trigard University
- Matthews International
- Crematory Manufacturing & Service, Inc. (cert)
- B & L Cremation Systems, Inc. (cert) 1-800-622-5411 sales@blcremationsystems.com

D. HOME STUDY COURSES WITH TEST:

- Thanos Institute: Phone 1-800-742-8257
- ARC MESA Educators: Phone 1-800-597-6372
- NFDA Home Study: Phone 1-800-228-6332
- Funeral Ethics Association: Phone 1-217-525-1520
- Elite CME, inc: Phone 1-888-857-6920 www.elitecme.com
- Practicum Strategies 1-800 731-4714 www.pshomestudy.com , www.PracticumStrategies.com
- Apex e-mail address: info@apexces.com

E. COLLEGE COURSES

F. HOSPITAL OR LABORATORY BASED INSTRUCTIONAL HOSPICE

G. GOVERNMENT AGENCIES:

- Board of Funeral Directors & Embalmers
- Public Fiduciary
- Arizona Department of Health Services
- Social Security Administration
- Veterans Administration
- FEMA (Federal Emergency Mgt Association)
- OSHA
- DMORT
- Office of the Medical Examiner (Arizona)

H. OTHER:

- Center for Loss & Life Transition
- Life Appreciation Training
- Risk & Insurance Management Society
- Mission for Infant Survival & Stillbirth (M.I.S.S.)
- Ford Schools Insurance and Securities
- Dr. Thomas Taggart, Director, Mortuary Science Program, and Cremationist Certifier
- Donna Backhaus, Cremationist Certifier
- Rob Drechsler, Cremationist Certifier
- Lincoln Heritage Funeral Planning
- Forensic Medical Investigation, Mary H. Dudley, MD
- Funeral Review. Com, LLC, www.funeralreview.com
- Alderwoods Group
- Donor Network of Arizona
- Diversified Environment Information Systems
- Fountain National Academy Professional Embalming Skills
- Career Track, Inc. (Seminars only)
- Howard Perlman-Osha, Compliance & Risk Mgt.
- Duane Moore-Osha, Compliance & Risk Mgt.
- Great Western Insurance Company
- MKJ Marketing
- [www.Mindleaders.com,inc.](http://www.Mindleaders.com,inc) (online)
- 360 Training, (online) www.funeralcampus.com
- HeartSpace Adventures, Barbara Joy, PhD
- SCI
- Continental Computers
- In-Sight Institute of In-Sight Books
- Epsilon Nu Delta Mortuary Fraternity, Inc.
- Stericycle
- 100% Education by McKissock (online) www.mckissock.com

REQUIRED CONTINUING EDUCATION CATEGORIES AND HOURS:

- Mortuary Science 3 hours
- Legal Compliance & Ethics 3 hours
- Professional development 6 hours

CONTINUING EDUCATION COMMITTEE MEMBERS

- Donna Backhaus - Chair
- Ed O'Sullivan - Committee member
- Julian King - Committee member
- Jesse DeAnda - Committee member
- Patricia Keith - Board Liaison

2008 DISCIPLINARY ACTIONS

Licensee	Violation	Action Taken
Yuma Mortuary & Crematory	False Advertising	Dismissed No Violation
Morris David's Funeral Home	After Suspension of license Licensee distributed cards Falsely claiming being licensed	Combined with Docket# 2007-13 agreed to consent agreement
Harper Funeral Home	Staff arrived for first call with Alcohol on breath	Dismissed No Violation
Arizona Ruffner Wakelin F.H.	Professional Services	Dismissed No Violation
Angels Cremation & Burial	Deceased embalmed after given Specific directions to not Embalm	Establishment issued Letter of Concern & Admin fees
La Paz Funeral Home	Unprofessional Services	Letter of Reprimand and Probation For RFD, Probation 60 days for RFD & Establishment. Report to Ex. Director with procedural Changes and Admin fees
Paradise Sunset Chapel	Unprofessional Services	Dismissed No Violation
Bisbee Funeral Home	Unprofessional Conduct	Letter of Reprimand and Admin Costs to establishment, RFD to Pay penalty in the amount of \$2,000 dollars and RFD to receive additional training in FTC Rules, AZ Laws and Rules

2009 BOARD MEETING SCHEDULE

January 19, 2009
February 16, 2009
March 16, 2009
April 20, 2009

May 18, 2009
June 16, 2009
July 21, 2009
August 18, 2009 Tele-Conf.

September 15, 2009
October 20, 2009
November 17, 2009
December 15, 2009

Board Members

Rev. Katherine Shindel
Consumer Member
President

John Munden
Funeral Director
Secretary

Charles Merrick
Funeral Director
Member

Monsignor O’Keeffe
Consumer Member

Martin A. Crist
Funeral Director
Member

James Ahearne
Funeral Director
Member

Phyllis Rowe
Consumer Member

Staff

Rodolfo Thomas
Executive Director

Alexander Estrada
Licensing Administrator

Patricia Keith
Administrative Assistant

A MESSAGE FROM THE BOARD PRESIDENT

2009 is proving to be a challenging year for the funeral industry in Arizona and the State Board. The economic woes of Arizona and its citizens are impacting your businesses with the bottom line. Similarly, the Board is struggling with its own economic woes. Thanks to the fiscal responsibility of our Executive Director and staff, the Board had built up a savings account of \$600,000. Because of the income from that account, license fees have not been raised in 10 years. (Of the license fees collected, 10% of the revenue went to the General Fund and 90% to the Funeral Board fund.) Faced with the need to balance the state budget last year, the state “swept” all \$600,000 leaving the board to operate on only the 2008-2009 license fees. Other boards, with similar license fee division, have sued on the legal grounds that the sweep violates the laws that established the license fees. The board is closely monitoring those suits. In the meantime, not only is the Board operating on \$30,000 less, but all the costs related to the state such as rent, telephone, and printing and risen dramatically. The total impact has been dramatic.

The Deputy Director was let go because there were no funds to cover her salary. There is not the level of funding needed to allow Alex Estrada to do his normal visits inspecting funeral establishments and crematories. Inspections have been reduced 60%. While some may be glad not to see Alex, he has proven to be a valuable friend. His teaching and corrections ensure our facilities and staffs operate not only within Arizona rules and statutes but also meet the requirements of the Federal Trade Commission (FTC) and the Office of Safety and Health Administration (OSHA). The Board is lucky to have the outstanding dedication of its staff: Director, Rudy Thomas, Alex Estrada, and Pat Keith. These three have managed to do the work of four people. We are all deeply indebted to them. Just As you pay your way to attend board meetings, the board members do also now. I hope we will not See Board members from Maricopa County only because of the cost to be a Board member from outside Maricopa County.

While the H1N1 virus, Swine Flu, was not a virulent as feared on its first sweep through Arizona, public health officials expect it to return this fall. It may be more dangerous when it does. Are you prepared to handle an increased death rate? In an economy where you order the casket and supplies only when need them, what happens if the supplier is unable to deliver them to you? Do you have plans of how you will operate when more than one-quarter of your staff is unable to come to work? Now is the time to think and prepare. The good news is that our funeral professionals are classified as first responders and will have access to the flu vaccine when one is developed for H1N1.

I am confident that we can handle whatever challenges we face because of the outstanding service that is provided by our licensees. Last year there were 48,000 deaths and only 9 complaints. Thank you for caring so well for the grieving citizens you serve. I look forward to serving together with you.

Sincerely,

Rev. Katherine Shindel
Board President