



The Director

April 2011

ARKANSAS FUNERAL DIRECTORS ASSOCIATION

President's Message



Hello Colleagues,

Spring is here and it is time to get outside. I hope all of you have had a successful first quarter this year.

Well, if you missed the AFDA-ASU event at Mtn. Home, you missed a great time. ASU welcomed us and provided top notch facilities and equipment. We had around 80 people including students, funeral directors, and vendors. El Chico

provided us with a great lunch. Steve Ballard and Brian Carroll gave a great presentation on the CANA Symposium in Las

Vegas. It was a great CE that opened my eyes to some stats and trends regarding cremation. They may have some packets left over if any of you would like one.

For our lunch CE, the Chancellor of ASU, Dr. Ed Coulter, welcomed us and gave a presentation on the school. Later, he gave a tour. Also, Dr. Pat Bailey talked more in general about the funeral science program and where it is headed. She also thanked us for helping them meet their requirements. Matt Buel, the Funeral Science Department Head, talked about the program itself. Then he introduced three students who spoke about their thoughts on our profession and what their expectations were coming into this field.

It was a success and they would like for us to do it again next

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AFDA Mission Statement

Inspiring
excellence
in service for
funeral
professionals.

Pursuit of Excellence

NFDA continues to find ways to expand and improve its premier international recognition program, *Pursuit of Excellence*[®]. NFDA is always identifying ways to bring greater value to those funeral homes worldwide for their dedication to maintaining the highest professional and ethical standards, participating in the program, as well as ensure that the criteria reflect the latest funeral service issues and trends significant to funeral homes, the families they serve and their communities.

For more than a quarter-century, NFDA's *Pursuit of Excellence* program has recognized hundreds of funeral homes and continually evaluating and improving their programs and services.

Highlights of new criteria introduced this year:

- Participants must engage families through some mechanism to gather customer satisfaction feedback, thus helping funeral homes continually improve their services.
- A mission statement that demonstrates the purpose of the funeral home both in terms of its growth as a business and its value to the community/families it serves.
- Professional development opportunities in the areas of cremation, cemetery and business operations, which increases the value of the program beyond the funeral home itself.

Criteria are evaluated annually by the *Pursuit of Excellence* Committee so that those funeral homes that receive this honor can demonstrate their commitment to the highest level of ethics and service to the families and communities they serve. To learn more about the program and how to apply, visit the [NFDA website](#).

Source: NFDA

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**DON'T LET
YOUR
MEMBERSHIP
LAPSE**

If you have already renewed your AFDA membership for 2011, THANK YOU! We are happy to have you back.

If you haven't renewed yet, we want to make sure you don't inadvertently lose access to the benefits and services AFDA offers its members. At the end of May, AFDA will deactivate members who have not yet renewed for 2011. If you still need to renew, click [here](#) for the membership application. You can submit your renewal by mail or fax using the form you received in the mail. You can also call the AFDA office at (501) 687-9860 to renew by phone.



Earning Your CPC Designation:

- Sets you apart from the preneed competition
- Confers recognition of your professional achievement
- Increases the confidence of the families you serve

**October 22-23 Chicago
(NFDA Pre-Convention)**

APPLY TODAY

www.nfda.org/cpc

800-228-6332

REGISTER NOW!

JUNE 5-7, 2011

AFDA STATE CONVENTION

Holiday Inn Airport

For more information [click here](#)

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year. I hope more of you can attend.

In March, I had the honor of attending the Advocacy Summit in Washington D.C. with Bill Booker, Sumner Brashears, Courtney Crouch, and Robert Eichelberger. We met with four congressmen and two senators. We discussed several topics and were glad that we had the ear and support of those we put in office. For me, it was a great learning experience and one that I will always remember. Make sure you read Bill Booker's report on the trip for more information.

Well, the convention is coming up and we are working hard on it. The dates are June 5-7. We look forward to seeing you there and watch for info very soon in the mail or by email. If you have any thoughts or suggestions about the convention, let us know. You can always email me at bobby@nelsonfuneral.com.

See you at convention,

Bobby R. Thurman
AFDA President

UPCOMING NFDA EVENTS IN MAY

May 5, 2011

NFDA Teleconference
Annual FTC Staff Update and Training

May 16-18, 2011

Certification Seminar –Preplanning Consultant Seminar
Winnipeg, Canada

May 19-21, 2011

NFDA Asia Funeral Expo and Conference
Hong Kong

May 26, 2011

NFDA Web Seminar Preventing the Most Frequently
Cited OSHA Violations in Funeral Homes

Report Finds That EPA's Formaldehyde Assessment Needs Revision

The National Academy of Sciences (NAS) concluded that the U.S. Environmental Protection Agency's (EPA) draft health assessment of formaldehyde required "substantial revision." The NAS disagreed with a number of the EPA's key findings, including that formaldehyde causes leukemia, specific cancers of the respiratory tract and other noncancerous health effects, such as asthma. It is now up to EPA officials to decide how to address the NAS recommendations.

Last year, after more than a decade of study, the EPA issued a draft risk

assessment of formaldehyde, which was intended to update its Integrated Risk Information System (IRIS) with recent studies that assessed the health hazards posed by inhaling formaldehyde. Many of these studies have classified formaldehyde as a carcinogen; however, because of intense debate over whether inhaled formaldehyde poses a risk of nasopharyngeal cancer (back of the throat), leukemia or asthma, the EPA asked NAS to evaluate its draft IRIS assessment.

Visit the [NFDA website](#) to learn more about the conclusions of the NAS report and the NFDA tools and resources

available to help you ensure that you are using formaldehyde safely.

NFDA closely monitors domestic and international formaldehyde studies, like the NAS report, since the chemical is widely used in embalming products.



Source: NFDA

Policy Board Report

I recently represented my fellow Arkansas funeral directors at the National Funeral Directors Association Policy Board meeting recently held in Washington DC. The meeting was held in connection with NFDFA's annual Legislative Summit.

The bulk of the meeting was politically related, with various discussions of issues ranging from taxes, regulatory matters such as the FTC, IRS, OSHA and even the TSA as they attempt to implement the new requirement that all cargo be subjected to screening, including human remains.

The Board continues to study ways to improve communication between NFDA and our various state associations. A task force released its findings related to their work on "Allied Members". This group was formed after the defeat of the Allied Member proposal was narrowly defeated by the House of Delegates in Boston in 2009. This new group is attempting to refine the proposal and or address concerns expressed by those who are opposed to the idea of creating this type of NFDA member.

Various reports were presented by NFDA staff detailing the various areas where NFDA is working on our behalf to

represent our common interest. We also were presented reports concerning our membership and status of dues collections. Frankly, NFDA is confronted with the same challenges all associations are—declining membership and declining attendance at various association-sponsored events.

The Board hear recommendations from our Government Affairs Committee as to positions NFDA should take as to FOR or AGAINST various currently pending legislative matters. (See section related to our visits to Capitol Hill).

The board is committed to improving itself and its ability to effectively recommend and implement sound policy direction for all funeral professionals.

If you have any question or comment about any of these issues or would like to suggest other issues, please feel free to contact me at any time.

Report submitted by:
Bill Booker
NFDA Policy Board Representative

President Signs new Form 1099 Repeal Bill (H.R. 4) into Law

On April 14th, the day before Americans are required to pay their taxes, the President signed into law H.R. 4, a bill that repeals the onerous new Form 1099 requirements contained in the health care law passed last Congress. This is a clear victory for NFDA and small business and saves NFDA members thousands of dollars in compliance costs!

OSHA

OSHA continues to ramp up its inspections of funeral homes for compliance with the Hazardous Communication, Blood Borne Pathogen, Formaldehyde and Respirator Standards. In addition, some state plan states are also enforcing the OSHA Asbestos Standard. NFDA members are strongly urged to insure they are in full compliance with all these standards including the training of employees on them

ADVOCACY SUMMITT REPORT by Bill Booker

Arkansas Funeral Directors recently joined with their colleagues from around the country to visit their Congressmen and Senators in our Nation's Capital.

This year's Arkansas delegation of funeral representatives were: AFDA President, Bobby Thurman, Past AFDA and NFDA President Sumner Brashears, Courtney Crouch, and Robert Eichelberger and Bill Booker as AFDA's Policy Board Representative to the NFDA Policy Board..

To some extent, it was an unusual experience for some of us who have been on "the Hill" over the years. For the first time in my memory, we visited with more newcomers than "old-timers", as we met three brand new Congressmen (Steve Womack from northwest Arkansas, Tim Griffin from Central Arkansas and Rick Crawford from Northeast/ East Arkansas). And even though some of us had been familiar with John Boozman as a Congressman, we had yet to meet him as a new U.S. Senator. As a result, 4 of the 6 members we met, only 2 of the six were in the same position as prior years.

As we met with each member, we reviewed with them three key issues that are important to funeral directors: Overturning the new requirement for all businesses to greatly expand their 1099 tax reports that must be reported to the IRS each year. As part of the new health care law, a section was added to expand who has to file 1099's. It has been estimated by accountants that millions of new forms would have been required by virtually every small (and large) business in the country. Under this requirement, the payer would have to report payments made for goods and services, and payments to corporations would not be exempt. Meaning for folks like us, instead of reporting annually things like payments for landscaping, we would have to report payments for caskets, vaults, utilities etc. Every member we visited with about this issue was very sensitive to our concerns and promised that the matter would be resolved soon.

(UPDATE—a new law was recently passed by Congress and signed by President Obama that repealed this specific requirement.)

We also asked each member to help get a law enacted that would place into Federal Law, the current administrative ruling that funds placed into irrevocable funeral contracts are exempt from the assets of older persons to determine if they meet SSI eligibility requirements. Currently these assets are excluded by a rule only and not by statute. Again our requests were met by very receptive members.

Finally, we discussed the current status of overwhelming federal deficit. We expressed our concern that things could not continue in the current trend, without placing our economy and nation at great risk. I must say that everyone we visited with, regardless of political affiliation, agreed that our nation is at risk.

It is always a humbling experience to see our nation's capital in person and see firsthand the monuments and the rich history of our nation. Unfortunately the day of our visit to the Capitol, it was raining and rather cool, but nonetheless, still a rewarding experience.

Save the Date
for the 2011 NFDA International Convention & Expo!

In collaboration with the Cremation Association of North America (CANA)

October 23-26, 2011



MAKE YOUR RESERVATION TODAY

Hyatt Regency Chicago: \$239
The Fairmont Chicago: \$234
Sheraton Chicago Hotel & Towers: \$244

Funeral professionals planning to attend the 2011 National Funeral Directors Association (NFDA) International Convention & Expo, hosted in conjunction with the Cremation Association of North America (CANA), can make their hotel reservations and lock in exclusive room rates just for convention attendees. The first-ever NFDA and CANA joint convention will take place October 23-26 in Chicago, Ill.

Reserving a room at one of the official convention hotels gives attendees access to a complimentary shuttle service. The shuttle is only available to guests staying at official convention hotels; a shuttle pass will be provided to guests upon check-in and will be required for boarding the shuttle. The complimentary shuttle service will help attendees save time and money. Taxi fare in Chicago is time-based, not mileage-based; a taxi trip from the hotel to the convention center could cost \$20 or more depending on traffic patterns.

DOL Revised Overtime Regulations Affect the Fluctuating Workweek Method of Payment

On April 5, 2011, the Department of Labor, Wage and Hour Division finalized changes to several Fair Labor Standards Act regulations. The revisions are of particular significance to the **funeral industry** and other employers who compensate salaried, non-exempt employees under the Fluctuating Workweek Method of Payment.

As we know, Funeral Directors and Embalmers are considered **non-exempt** meaning that they must receive minimum wage, maintain an accurate record of time and receive overtime for hours worked in excess of 40 hours per week (unless in the states of Minnesota and Ohio). As such, SESCO has strongly recommended the use of the Fluctuating Workweek Method of Payment as it allows employers to fix compensation under a guaranteed salary basis and subsequently pay **half-time (.5)** for hours worked in excess of 40 hours per week versus time and one-half (1.5) under an hourly pay plan.

The Wage and Hour Division has rejected a proposal to allow those employees being compensated through a fixed salary/Fluctuating Workweek Method of Payment to be paid bonuses and other non-overtime premiums without invalidating the Fluctuating Workweek Method of Payment.

The Wage and Hour Division of the Department of Labor acknowledged that bonus payments and other forms of premium pay benefit employees, but ultimately concluded that the proposed clarifying language "could have had the unintended effect of permitting employers to pay a greatly reduced fixed salary and shift a large portion of the employee's compensation into bonus and premium payments..."

The Division's interpretation means that employers who pay employees via the Fluctuating Workweek Method of Payment **cannot pay employees additional premium amounts such as bonuses and other non-overtime premiums.** The Fluctuating Workweek Method of Payment can be utilized; however, an employer cannot provide additional bonus or other monthly, quarterly or annual bonus payments unless considered completely discretionary, re: Christmas bonuses.

As this change will affect the industry significantly, it is suggested that if you currently compensate employees via the Fluctuating Workweek Method of Payment, you contact SESCO immediately to discuss the implications of the changes, schedule a Wage and Hour compliance assessment and/or discuss optional pay plans. Further, SESCO will be updating its Wage and Hour compliance manual for the funeral industry which will be made available to SESCO clients and members of NFDA and other state associations for a reduced fee of \$35.00. Contact SESCO with any questions or to order the manual. (423) 764-4127

Source: SESCO Management Consultants



Bravo! is a health insurance purchasing group, or HIPG, created by the Arkansas Society of Association Executives to provide health benefits plans for association members and their employer members and is available to members of the Arkansas Funeral Directors Association.

The program has proved advantageous for small-business employers struggling for ways to provide or maintain health insurance benefits for their workers. The plan allows small businesses to pool their purchasing power in an effort to get better rates from insurers and reduce likely future rate increases by spreading the health risk over a larger pool.

Arkansas passed the Small Employer Health Insurance Purchasing Group Act creating the HIPGs in 2001. The Legislature amended the act in 2005 to increase the number of employees a business can have from 99 to 199. According to the act, employers in the purchasing pool are required to pay at least 50 percent of each employee's premium for individual coverage.

Bravo is partnered with Stephens Insurance.

Some of the highlights of the benefits include:

- Choice of deductibles (\$500 up to \$10,000) and out-of-pocket maximums.
- Multiple plans may be offered to one employer group.
- Pre-existing conditions waived with proof and acceptance of prior coverage.
- Choice of two prescription drug cards.
- Office visit co-pays of \$20 for primary care and \$35 for specialists.
- Wellness benefits included.

Contact the Brent Stevenson at the AFDA office for more details @ (501) 687-9860.