

REPORTING OF PREFINANCED FUNERAL AGREEMENTS

pursuant to K.A.R. 63-3-20

In order that your establishment or branch establishment renewal can be processed it is necessary to submit a copy of all the prefinanced agreements on file with your funeral home. The following includes two *examples (one trust, one insurance)* of the information that must be included:

<u>Funeral Home Agreement #</u>	<u>Insurance Co/ Institution of Deposit</u>	<u>City</u>	<u>Account #</u>	<u>Purchase Amount</u>	<u>Date of Purchase</u>
00000001	Bank IV	Topeka	89116-427	\$7,800.13	11/17/71
00000002	Doe Insurance	Chicago, Ill.	CL421187	\$7,500.00	12/21/95

Funeral Home Agreement #--The numbers that identify the accounts, in the records of the funeral establishment or branch establishment, of each purchaser of merchandise and services pursuant to these agreements.

Institution of Deposit--Either the name of the financial institution or the insurance company.

City--The location of either the financial institution or the insurance company.

Account #--The account number assigned by the financial institution or the policy number assigned by the insurance company.

Purchase Amount--The amounts of each purchase pursuant to these agreements or policies.

Date--The date (month, day and year) that the prefinanced agreement was purchased. Do not submit just the month and year or just the year. The month, day and year are necessary.

All prefinanced agreements on file at the funeral home must be listed on this report. The board suggests that you keep a copy for your own records--in case you are audited by the Secretary of State's Office and to make it easier when submitting the report at your next renewal date. It is not necessary for you to use the enclosed forms--as long as all the required information is submitted. Many funeral homes have computer programs, and they are fine to use--so long as all the previously mentioned information is submitted. The board suggests that you do not submit any more information than is required--such as: the consumer's name, address, social security number . . . **The prefinance report is considered open under the Kansas Open Records Act, so the board does not recommend submitting any additional information--other than what is required.**

Remember that the information must be signed and dated by the funeral director in charge of the funeral establishment. In cases of branch establishments, the funeral director listed in charge of the main establishment that the branch establishment is licensed under should sign the report. Be sure and remember to do this--especially if you are using computer generated software.

IT IS ALSO NECESSARY FOR YOU TO TOTAL THE NUMBER AND DOLLAR AMOUNT OF AGREEMENTS FUNDED THROUGH TRUSTS, AND THE NUMBER AND DOLLAR AMOUNT OF AGREEMENTS FUNDED THROUGH INSURANCE. Example:

Total number of all insurance funded agreements:	112
Total dollar amount of all insurance funded agreements:	\$448,000.00
Total number of all trust funded agreements:	123
Total dollar amount of all trust funded agreements:	\$405,900.00

The regulation that fully explains this requirement is K.A.R. 63-3-20. It can be found on page 49 of the Rules and Regulations booklet effective **July 1, 2015**. This rulebook can be purchased for \$5.00 per copy through the board's Topeka office or can be viewed or printed at no cost from the agency's web site, at:

<http://ksbma.ks.gov>

(Over)

