

October 2005

## Certificate of Authority Requirements

A cemetery is a place for disposition of human remains. Generally, private cemeteries are required to obtain and maintain a state license, referred to as a Certificate of Authority.

To obtain a Certificate of Authority for operation of a Cemetery, A Corporation must submit the following:

1. Completed Certificate of Authority application with the filing fee of \$400.00.
2. A corporate resolution delegating authority to submit the application on behalf of the corporation.
3. A certified copy of your Articles of incorporation, (may be obtained from the Secretary of State's web site located at <http://www.ss.ca.gov/business/>).
4. Application for permit to sell and issue securities or permit to sell and issue securities. If not applicable, submit a statement that securities will not be sold or issued.
5. Application to the city or county planning commission for a cemetery use permit or rezoning for cemetery purposes, or a certified copy of a land use or zoning permit.
6. Declaration of dedication for cemetery purposes certified by the county recorder.
7. Deed to the property, contract of purchase or any other instrument which provides the applicant with merchantable title thereto.
8. Endowment care trust agreement executed by the board of directors of the cemetery authority.
9. A statement signed by a majority and verified by one of the directors of the applicant, which statement shall set forth the following eleven requirements:
  - Names and addresses of the incorporators, directors, officers, trustees of the endowment care fund, the cemetery broker and the designated cemetery manager, together with a statement of their experience and fitness to engage in the cemetery business.
  - Statement of compensation received or to be received by the officers, directors and sales agents and/or manager.
  - A complete and detailed financial statement showing assets, liabilities and reserve.
  - If the applicant is a new corporation, the statement shall designate the amount of stock subscribed, the consideration paid for all stock issued and the amount of promotional stock involved.
  - If the applicant has engaged in business for a period of time, the statements shall include complete operating profit and loss statements for the preceding three (3) years, or such period of time as the applicant has been in business if less than three years.
  - An itemized statement of estimated receipts, (from all sources, capitalization, sales, loans, etc.), and expenditures of the applicant for at least five (5) years or such other period as the Bureau may require by written notice to the applicant.
  - A statement setting forth the size, location and topography of, and water available for, the property to be used for cemetery purposes.

- A statement of the applicant's proposed plan of operation, which shall include type of selling, approximate size of sales department, along with number of acres initially developed.
  - A statement of the amount deposited to the Endowment Care Fund, type of investment made or to be made and the proposed rate of contribution for the future.
  - An independent confirmation from the depository or other such proof of deposit of the initial contribution of \$35,000.00 to the endowment care fund as required by Health and Safety Code (HSC) § 8738.1.
  - A \$50,000.00 Fidelity bond coverage for Endowment and Special Care Fund Trustees, HSC § 8734.
10. Submit Certification Affidavit's for all officers and trustees.
11. Verification of publication of change of ownership, (if applicable).
12. Once all required documents have been submitted and approved by the Bureau, a field representative will inspect your cemetery before final approval is given and a Certificate of Authority license issued. As part of the inspection process, the field representative will review your cemetery maps. Please have available for inspection a copy of the map(s) that have been filed with the county recorder for retention by the field representative. Upon completion of a satisfactory inspection, the field representative will submit the maps to the Cemetery and Funeral Bureau in accordance with the licensing requirement.

If you have any questions or need clarification about any of the documents that need to be submitted to complete the COA application, please contact the Cemetery and Funeral Bureau Licensing Unit at (916) 574-7870.