STATE OF CALIFORNIA
DEPARTMENT OF CONSUMER AFFAIRS

BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY • GAVIN NEWSOM, GOVERNOR
CEMETERY AND FUNERAL BUREAU
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(Read the instructions beginning on Page 8 before completing this report.)

2019 PRENEED FUNERAL TRUST FUND REPORT

FUNERAL ESTABLISHMENT: _____
LICENSE NUMBER: **FD** _____

ADDRESS: _____
_____
_____

Check One

☐ **Current Report** **January 1, 2019 to December 31, 2019**

☐ **Final Report** **Period Beginning** _____ **to Period Ending** _____

☐ **OTHER** **Period Beginning** _____ **to Period Ending** _____

IMPORTANT

1. This report must be filed with the Cemetery and Funeral Bureau on or before May 1, 2020. The fee for timely filing is $200.00.

2. Any report received or postmarked after May 1, 2020, will be deemed to be late. The fee for late filing is $300.00.

3. A final preneed trust fund report is required upon the transfer of license or cessation of business. A final report, and the applicable report fee, must accompany the Application for Assignment of Funeral Directors License. Reporting forms will be mailed upon request.

4. Two (2) or more funeral directors who utilize a common trust fund may cause the trustees of the fund to file one (1) combined report. A combined report must disclose each funeral director's summary of trust transactions (page 4) separately. The fee for timely filing of a combined report is $200.00 and for a late report is $300.00.

FOR OFFICIAL USE ONLY

Reviewer:_____ Date Received:_____

__p/c __b/c __m/o __csh

Date:_____ Amount:_____

Receipt No:_____

(Read the instructions beginning on Page 8 before completing this report.)

QUESTIONNAIRE

1. Type of Business Organization:

   ☐ Individual ☐ Partnership ☐ Corporation

2. Are you also a licensed cemetery authority?

   ☐ YES ☐ NO

3. Is this trust active (i.e., receiving payments and/or adding new trustors)?

   ☐ YES ☐ NO

   If yes, please attach a blank copy of the current trust agreement to this report.

4. How are trust funds invested?

   ☐ Individual Passbooks ☐ Commingled Savings
   ☐ Commingled Investments ☐ Other (Explain)

5. Is the entire corpus returned upon revocation?

   ☐ YES ☐ NO (If NO, please explain.)

6. Are requests for revocation honored within 15 days?

   ☐ YES ☐ NO (If NO, please explain.)

7. Were any investments in default for more than sixty (60) days?

   ☐ YES ☐ NO (If YES, please explain.)

8. Have individual beneficiary ledger accounts been established?

   ☐ YES ☐ NO (If NO, please explain.)

9. Do actual expenses exceed the 4% allowable annual trust administration fee limitation?

   ☐ YES ☐ NO (If YES, please explain on page 5.)

10. Have all funds collected been deposited into trust within thirty (30) days?

    ☐ YES ☐ NO (If NO, please explain.)

11. List all trustees and include each individual's residence or business address and telephone numbers (not the funeral establishment address and telephone number). Identify any and all relationships with individual trustees who are designated as NON-FIRM MEMBERS, including business and personal relationships.

	NAME	ADDRESS	PHONE
a.	_____ (Firm Member or Non-Firm Member)	_____	(____)_____
b.	_____ (Non-Firm Member)	_____	(____)_____
c.	_____ (Non-Firm Member)	_____	(____)_____
d.	_____ (Non-Firm Member)	_____	(____)_____
e.	_____ (Non-Firm Member)	_____	(____)_____

12. How are the trustees selected?
    - (a) ☐ By the licensee
    - (b) ☐ By the depositor
    - (c) ☐ Other (Please explain) _____

13. Where, **in California**, are the books and records of the trust funds are available for inspection or audit by the Cemetery and Funeral Bureau?

    Name of Custodian:
    _____

    Name of Entity or Location: _____

    Address: _____ City _____ ZIP_____

14. Who prepared this report?

    Name: _____ Telephone: (____)_____

    Address: _____ City _____ ZIP_____

15. Who is the authorized contact person to whom questions regarding the contents of this report should be directed.

    Name: _____ Telephone: (____)_____

SUMMARY OF TRUST TRANSACTIONS

	CORPUS	INCOME/ EXPENSE	TOTAL
Beginning Balance	_____	_____	_____
ADD:			
Corpus Received this Period	+ _____		+ _____
Income Earned this Period		+ _____	+ _____
SUBTRACT:			
Funds From Corpus Applied to:			
Serviced Accounts	- _____		- _____
Canceled Accounts	- _____		- _____
Funds From Income Applied to:			
Serviced Accounts		- _____	- _____
Canceled Accounts		- _____	- _____
Annual Administration Fees		- _____	- _____
Revocation Fees		- _____	- _____
ENDING BALANCES:	= _____	= _____	= _____
ENDING BALANCE BASED UPON 12/31/19 MARKET VALUATION			= _____

Total Number of Trustors at the Beginning of the Year =_____

ADD: New Trustors +_____

SUBTRACT: Serviced Accounts -_____

Canceled Accounts -_____

Total Number of Trustors at the End of the Year =_____

ADMINISTRATION FEE SUMMARY

		AMOUNT
INVESTMENT FEES	.....	_____
FILING FEES	.....	_____
ATTORNEY FEES	.....	_____
BOOKKEEPING FEES	.....	_____
AUDITING FEES	.....	_____
ADMINISTRATIVE FEES	.....	_____
TRUSTEE FEES	.....	_____
_____	.....	_____
_____	.....	_____
TOTAL ADMINISTRATION EXPENSES INCURRED THIS PERIOD	.....	_____
TOTAL ADMINISTRATION FEES RECOVERED THIS PERIOD	.....	_____
EXCESS AMOUNT WITHDRAWN OR <UNRECOVERED EXPENSES ACCRUED>	.....	_____

NOTE: **The annual trust administration fee may not exceed 4% of the year-end balance of corpus plus prior years' accumulated income, and may only be recovered from the income received during the 2019 reporting period (16 CCR § 1265).**

TRUST FUND INVESTMENTS

A. Individual Passbooks (List by Financial Institution):

FINANCIAL INSTITUTION & LOCATION	NO. OF ACCTS	AVERAGE INT. RATE	AMOUNT
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

A1 Total Income Earned this Period _____

A2 Total Ending Corpus _____

B. Commingled Checking and/or Savings Accounts (List by Financial Institution))*:*

FINANCIAL INSTITUTION & LOCATION	ACCOUNT NUMBER	AMOUNT	ANNUAL RETURN
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

B1 Total Income Earned this Period _____

B2 Total Ending Corpus Listed this Period _____

C. Commingled Investments (Bonds, Trust Deeds, Guaranteed Securities, etc.):

Attach a schedule of assets showing the ORIGINAL COST and MARKET VALUE as of 12/31/19 or fiscal year end. Provide an income statement that includes realized gains and losses.

VERIFICATIONS

(BOTH VERIFICATIONS ARE REQUIRED, EXCEPT AS NOTED IN THE INSTRUCTIONS)

A. OWNER, PARTNERS, OR CORPORATE OFFICERS:

I/We hereby certify or declare under penalty of perjury, under the laws of the State of California, that, to the best of my/our knowledge and belief, the foregoing report, including all attachments thereto, is complete, true and correct.

1. Signature:_____ Date: _____

   Print Name:_____ Title: _____

2. Signature:_____ Date: _____

   Print Name:_____ Title: _____

Name of the Funeral Establishment:_____

License Number: FD-_____

(BOTH VERIFICATIONS ARE REQUIRED, (B EXCEPT AS NOTED IN THE INSTRUCTIONS)

B. TRUSTEES:

I/We hereby certify or declare under penalty of perjury, under the laws of the State of California, that, to the best of my/our knowledge and belief, the foregoing report, including all attachments thereto, is complete, true and correct.

1. Signature:_____ Date: _____

   Print Name:_____ Title: _____

2. Signature:_____ Date: _____

   Print Name:_____ Title: _____

INSTRUCTIONS

(These instructions may be detached and disposed of or retained after completion of the report.)
(Do not return the instructions with the completed report.)

PAGE 1

Check whether this is a current or final report.

If the report covers a period other than a calendar year, please indicate in the space provided what period is covered.

PAGES 2–3

Answer all questions and provide all required information. Provide explanations as required and/or necessary.

ITEM 3 Attach a copy of the current trust agreement to the report if the trust is active. The trust will be considered active if corpus payments are being received and/or new trustors are being added.

ITEM 11 The "trustee" must be either a bank or trust company authorized to act as a trustee in California; or not less than three (3) individuals. Only one of the individual trustees may be an employee, partner, officer, owner, director or agent of the funeral director. If friends and/or family of the trustor/depositor are appointed trustees on individual passbook-type accounts, please indicate that fact in this section.

List all trustees and their individual addresses and telephone numbers. Do not use the funeral director's address and telephone number for the non-firm member trustees.

A change in trustees in required to be reported within thirty (30) days after the effective date of change on a Notification of Change form accompanied by the required $50.00 fee.

ITEM 13 Indicate who is responsible for maintaining the trust books and records in California and where those records are maintained. If they are maintained at the funeral establishment, you need only enter the words "on site" on the line asking for the name of the entity or location. If the books and records are maintained at a location other than the funeral establishment, enter the appropriate information.

ITEM 14 Indicate who prepared the report and how that person may be contacted.

ITEM 15 Indicate the name and telephone number of the contact person who is authorized to answer questions regarding the report.

PAGE 4

The beginning balances should match the prior year's ending balances. If these figures do not match, attach a detailed explanation with supporting documentation.

"Income Earned this Period." Is the amount of gross income or earnings derived from all trust investments listed on Page 6.

"Funds From income Applied to: Canceled Accounts," is the total amount of income, both accumulated and current, refunded to the trustor upon revocation.

"Funds From Income Applied to: Annual Trust Administration Fees," is the total amount of current year's income withdrawn for the annual trust administration fee as detailed on Page 5.

"Funds From Income Applied to: Revocation Fees," is the total amount of income, both accumulated and current, retained as a revocation fee upon cancellation of an individual trustor account.

PAGE 5

Detail all actual expenses attributable to the administration of the trust and enter the total as "Total Administrative Expenses Incurred This Period."

Enter the total amount withdrawn from the current year's income for recovery of the annual administration fee as "Total Administration Fees Recovered This Period."

> **The total annual trust administration fee withdrawal may not exceed 4% of the year-end balance of corpus plus prior year's accumulated income, and may only be recovered from current year's income.**
>
> To calculate the total allowable withdrawal add the total beginning balance (the prior year's ending balance) from Page 4 to the corpus received this period, also from Page 4, and multiply the result by .04.

Subtract the "Total Administration Fee Recovered" from the "Total Administration Expenses Incurred" and enter the difference as accrued unrecovered expenses or as an excess withdrawal (where the allowable total withdrawal exceeds actual expenses incurred).

PAGE 6

Provide detail of trust investment as indicated.

PAGE 7

ITEM A Verification must be completed for all reports, except combined reports filed pursuant to 16 CCR § 1269(f).

This verification shall be completed and signed by the owner, the partners or, in the case of a corporation, two (2) officers thereof, including the president or vice-president and one other officer of the corporation.

ITEM B Verification must be completed for all reports, including combined reports filed pursuant to 16 CCR § 1269(f), except as provided below.

This verification shall be completed and signed by two (2) individual, non-firm member trustees, if individuals act as trustee; or by an authorized representative of the institutional trustee if a bank or trust company acts as trustee.

In cases where individual passbook-type accounts are used, and the depositor and /or family or friends of the depositor act as trustees, along with one member for the firm, Verification B is not required.

In cases where trust funds have been commingled for purposes of investment, this report shall be prepared by a **Certified Public Account or a Public Accountant,** currently licensed in the State of California. An independent audit report certifying compliance with the provisions of Article 9, Chapter 12, Division 3 of the Business and Professions Code and Title 16, Chapter 12, Article 8 of the California Code of Regulations must accompany this report. **In addition, any findings of noncompliance with existing law regarding preneed trust funds must be identified by the auditor in a separate report for review and action by the Bureau.** Audits and reports of noncompliance shall be filed simultaneously (Business and Professions Code § 7737.3 and California Code of Regulations § 1269(d)).

NOTICE ON COLLECTION OF PERSONAL INFORMATION

Collection and Use of Personal Information

The Cemetery and Funeral Bureau (Bureau) of the Department of Consumer Affairs collects the personal information requested on this form in accordance with Business and Professions Code sections 30, 144, 7600 et. seq., and the Information Practices Act. The Bureau uses this information principally to identify and evaluate applicants for licensure, issue and renew licenses, and enforce licensing and reporting standards set by law and regulation.

Mandatory Submission

Submission of the requested information is mandatory unless otherwise noted on the application and/or form. The Bureau cannot consider your application for licensure or renewal unless you provide all of the requested information.

Access to Personal Information

You may review the records maintained by the Bureau that contain your personal information, as permitted by the Information Practices Act. See below for contact information.

Possible Disclosure of Personal Information

We make every effort to protect the personal information you provide us. The information you provide, however, may be disclosed in the following circumstances:

- In response to a Public Records Act request (Government Code Section 6250 and following), as allowed by the Information Practices Act (Civil Code Section 1798 and following);
- To another government agency as required by State or Federal law; or,
- In response to a court or administrative order, a subpoena, or a search warrant.

Contact Information

For questions about this notice or access to your records, you may contact the Custodian of Records, Cemetery and Funeral Bureau at 1625 North Market Boulevard, Suite S-208, Sacramento, CA 95834, by phone at (916) 574-7870, or by e-mail at emailcfb@dca.ca.gov. For questions about the Department's Privacy Policy, you may contact the Department of Consumer Affairs at 1625 North Market Boulevard, Sacramento, CA 95834, by phone at (800) 952-5210, or by e-mail at dca@dca.ca.gov.