BEFORE THE STATE BOARD OF EMBALMERS
AND FUNERAL DIRECTORS
STATE OF MISSOURI

In re:	)	
CHARLES R. "RANDY" SHELDON	)	Board file nos.
d/b/a SHELDON FUNERAL HOME and	)	2020-004553
RANDY SHELDON	)	2020-004555
d/b/a SHELDON-GOODRICH FUNERAL HOME	)	

SETTLEMENT AGREEMENT BETWEEN THE STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS AND CHARLES R. "RANDY" SHELDON, D/B/A SHELDON FUNERAL HOME AND D/B/A SHELDON-GOODRICH FUNERAL HOME

The State Board of Embalmers and Funeral Directors (the "Board") and Charles R. "Randy" Sheldon ("Sheldon"), d/b/a Sheldon Funeral Home, and d/b/a Sheldon-Goodrich Funeral Home (collectively "Licensee") enter into this Agreement to resolve the question of whether the licenses issued by the Board should be subject to discipline and, if so, the appropriate level of discipline to impose.

Upon receipt of a fully-signed Agreement, the Board will dismiss the current Complaint which is pending before the Administrative Hearing Commission in case no. 21-1839. Pursuant to the terms of Section 536.060, RSMo, the parties waive the right to a hearing by the Administrative Hearing Commission and the right to a disciplinary hearing before the Board.

The parties stipulate and agree to a final disposition of this matter as follows:

The Parties

1. The Board is an agency of the State of Missouri created and established pursuant to Section 333.151, RSMo, and vested with the authority to execute and enforce the provisions of Chapter 333 and portions of Chapter 436, RSMo.

2. Charles R. "Randy" Sheldon has the following license status with the Board:

a) Funeral Director: Sheldon has a funeral director license, no. 003018. The license is currently in good standing and has a present expiration date of May 31, 2024.

b) Embalmer: Sheldon previously held an embalmer license, no. 005564. The embalmer license expired on June 1, 2020 and became void on June 1, 2022 due to the failure to renew. On November 29, 2022, the Board received Sheldon's new application for embalmer license.

c) Preneed Agent Funeral Director: Sheldon previously held a Preneed Agent Funeral Director registration, no. 2010009380. The preneed agent registration expired on December 1, 2020 and became void on December 1, 2022 due to the failure to renew.

d) Preneed Seller: Sheldon previously held a Preneed Seller license, no. 2009038845. (This license was held under "Randy Sheldon d/b/a Sheldon-Goodrich Funeral Home".) The preneed seller license was revoked on November 25, 2020.

3. Sheldon is the owner of two funeral homes in Missouri, Sheldon Funeral Home in El Dorado, Missouri and Sheldon-Goodrich Funeral Home in Osceola, Missouri.

4. Sheldon Funeral Home holds the following licenses from the Board:

a) Establishment: Sheldon Funeral Home holds an establishment license, no. 002618. The establishment license is currently in good standing and has a present expiration date of December 31, 2023.

b) Preneed Provider: Charles Sheldon, d/b/a Sheldon Funeral Home, holds a preneed provider license, no. 2009038842. The preneed provider license is currently in good standing and has a present expiration date of October 31, 2023.

5. Sheldon-Goodrich Funeral Home holds the following licenses from the Board:

a) Establishment: Sheldon-Goodrich Funeral Home holds an establishment license, no. 001864. The license is currently in good standing and has a present expiration date of December 31, 2023.

b) Preneed Provider: Randy Sheldon, d/b/a Sheldon-Goodrich Funeral Home, holds a preneed provider license, no. 2009038844. The preneed provider license is currently in good standing and has a present expiration date of October 31, 2023.

Relevant Statutes

6. Section 333.330.2, RSMo, authorizes discipline against licensees of the Board and states, in relevant part:

> The board may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621 against any holder of any certificate of registration or authority, permit, or license required by this chapter, or any person who has failed to renew or has surrendered his or her certificate of registration or authority, permit, or license for any one or any combination of the following causes:
>
> *****
>
> (6) Violation of, or assisting or enabling any person to violate any provision of this chapter, or of any lawful rule or regulation adopted pursuant thereto;
>
> *****
>
> (14) Violation of any professional trust or confidence;
>
> *****
>
> (19) Violation of any of the provisions of chapter ... 436[.]

7. Section 324.038, RSMo., states in relevant part:

> Whenever a board within or assigned to the division of professional registration, including the division itself when so empowered, may refuse to issue a license for reasons which also serve as a basis for filing a complaint with the administrative hearing commission seeking disciplinary action against a holder of a license, the board, as an alternative to refusing to issue a license, may, at its discretion, issue to an applicant a license subject to probation.

8. Section 333.320.1, RSMo, requires a license to sell preneed funeral contracts. The statute states in relevant part:

> No person shall sell, perform, or agree to perform the seller's obligations under, or be designated as the seller of, any preneed contract unless, at the time of the sale, performance, agreement, or designation, such person is licensed by the board as a seller[.]

9. Section 436.455.2, RSMo, requires all preneed contract funds which are not held in trust to be secured in joint bank accounts. The statute states:

> In lieu of a trust-funded or insurance-funded preneed contract, the seller and the purchase may agree in writing that all funds paid by the purchase or beneficiary for the preneed contract shall be deposited with a financial institution chartered and regulated by the federal or state government authorized to do business in Missouri in an account in the joint names and under the joint control of the seller and purchaser, beneficiary or party holding power of attorney over the beneficiary's estate, or in an account titled in the beneficiary's name and payable on the beneficiary's death to the seller. There shall be a separate joint account established for each preneed contract sold or arranged under this section. Funds shall only be withdrawn or paid from the account upon the signatures of both the seller and the purchaser or under a pay-on-death designation or as required to pay reasonable expenses of administering the account.

Statement of Relevant Facts

10. On or about November 25, 2020, Sheldon's license as a preneed seller, no. 2009038845, was revoked by Order of the Board.

11. On or about August 23, 2022, the Board performed site visits at both of Sheldon's funeral homes. During the site visit, Board staff was given access to most (but not all) records regarding preneed contracts and determined contracts were written after the date of revocation of the preneed seller license. Staff observed 23 contracts written for preneed services at Sheldon Funeral Home in El Dorado Springs and 28 contracts written

for preneed services at Sheldon-Goodrich Funeral Home in Osceola.

12. After Sheldon's preneed seller license was revoked, Sheldon continued to enter into contracts with consumers and represented both Sheldon Funeral Home and Sheldon-Goodrich Funeral Home as having a preneed seller license. A sampling of the contracts include, but are not limited to, the following:

a. On or about January 6, 2021, Sheldon entered into a preneed funeral contract with consumer R.D. and received the sum of $1,195.00 from the consumer (for future credit towards services).

b. On or about October 6, 2021, Sheldon entered into a preneed funeral contract with consumers P.G. and M.G. and received the total sum of $15,000.00 from the consumers (one contract for two funeral services at $7,500.00 each).

c. On or about November 1, 2021, Sheldon entered into a preneed funeral contract with consumer C.H. (beneficiary H.N.S.) and received the sum of $500.00 from the consumer (with a total contract value of $5,000.00).

d. On or about July 12, 2022, Sheldon entered into a preneed cremation contract with consumers E.M. and D.M. and received the total sum of $3,770.00 from the consumers (one contract for two cremation services at $1,885.00 each).

13. Sheldon's preneed contracts stated the funds would be held in "separate joint accounts of the Provider and the Purchaser".

14. In or about September 2022, the Board issued subpoenas for bank records of Sheldon and the funeral homes in order to determine whether the preneed funds were held securely in joint accounts. The bank records demonstrate, in approximate summary:

a. Sheldon holds over $840,000.00 in numerous CDs under the name of Sheldon Funeral Home. The CDs are individual accounts identified by each consumer as "for the benefit of".

b. Sheldon holds in excess of 400 separate individual savings accounts which are identified as "for [beneficiary name]". The accounts appear to contain balances ranging from $50.00 to over $3,000.00 each.

Cause for Discipline

15. Sheldon's sale of preneed services to consumers after his seller license was revoked is in violation of Section 333.320.1, RSMo, and provides cause to discipline his licenses pursuant to Section 333.330.2(6), RSMo.

16. Sheldon's holding of consumer funds in individual accounts – which are not jointly controlled, is in violation of Section 436.455.2, RSMo, and provides cause to discipline his licenses pursuant to Section 333.330.3(19), RSMo.

17. Sheldon's conduct violates the professional trust and confidence held in him by the Board and provides cause to discipline his licenses pursuant to Section 333.330.2(14), RSMo.

Disciplinary Order

The parties agree and stipulate that the following shall constitute the disciplinary order entered by the Board in this matter under the authority of Sections 324.038, 333.330, and 621.045.3, RSMo:

18. Funeral Director License: Sheldon's license as a funeral director is hereby placed on PROBATION for a period of FIVE YEARS.

19. Embalmer License: Upon completion of the apprenticeship requirements, Sheldon's license as an embalmer will be issued on terms of PROBATION for a period of FIVE YEARS.

20. Preneed Agent Funeral Director: Should Sheldon apply for a new preneed agent funeral director registration, the registration will be issued on terms of PROBATION for a period of FIVE YEARS.

21. Establishment License of Sheldon Funeral Home: The establishment license of Sheldon Funeral Home is hereby placed on PROBATION for a period of FIVE YEARS.

22. Preneed Provider License of Charles Sheldon, d/b/a Sheldon Funeral Home: The preneed provider license of Sheldon Funeral Home is hereby placed on PROBATION for a period of FIVE YEARS.

23. Establishment License of Sheldon-Goodrich Funeral Home: The establishment license of Sheldon-Goodrich Funeral Home is hereby placed on PROBATION for a period of FIVE YEARS.

24. Preneed Provider License of Randy Sheldon, d/b/a Sheldon-Goodrich Funeral Home: The preneed provider license of Sheldon-Goodrich Funeral Home is

hereby placed on PROBATION for a period of FIVE YEARS.

25. PROBATION CONDITIONS:

a. Sheldon shall immediately begin the process of bringing all consumer funds into compliance with Chapter 436, RSMo.

b. Preneed Contracts written prior to November 25, 2020: All consumers who hold outstanding contracts written for preneed services with Sheldon, Sheldon Funeral Home, and/or Sheldon-Goodrich Funeral Home prior to the seller revocation shall be notified that the contract and funds must be transferred to another preneed seller of the purchaser's choice. Any consumer that requests to cancel a revocable contract shall be provided a refund as set forth in Section 436.456, RSMo.

c. Preneed Contracts written on or after November 25, 2020: All consumers who hold outstanding contracts written for preneed services with Sheldon, Sheldon Funeral Home, and/or Sheldon-Goodrich Funeral Home since the preneed seller revocation shall be notified in writing that the contract is void and that the consumer has the option to cancel the contract and obtain a refund or, alternatively, have a new contract written with another licensed preneed seller.

d. Sheldon may refer the consumers to Goth Entities, LLC

(once the preneed seller license is issued). Sheldon shall ensure that any consumer referred to Goth Entities, LLC shall not be charged the $25.00 per contract reporting fee. Any consumer that requests to cancel the contract shall be provided a refund as set forth in Section 436.425.2, RSMo.

e. Sheldon shall not be an officer of Goth Entities, LLC.

f. All consumer preneed funds held by Sheldon or any entity controlled by Sheldon shall be resolved as set forth above within 6 months from the effective date of this Agreement. Sheldon shall provide the Board with monthly progress reports until such time as the Board provides written notice that monthly progress reports are no longer required. The Board may then require Sheldon to submit additional progress reports as requested in writing. The progress reports shall contain such information requested by the Board, including, but not limited to:

By location, provide status update of all existing preneed contracts (to include whether the consumer has been notified, the action the consumer took, what actions have been taken with the joint account or other account type, etc.).

26. Standard Probationary Terms: Sheldon and his entities (collectively

"Licensee") shall comply with the following terms and conditions during the time of Probation:

a. Licensee shall keep the Board informed of Licensee's current work and home telephone numbers and addresses. Licensee shall notify the Board in writing within ten (10) business days of any change in this information. If Licensee utilizes e-mail, Licensee shall provide the Board with the current and active e- mail address;

b. Licensee shall comply with all applicable provisions of Chapters 194, 333 and 436, RSMo, all Board regulations and all federal, state and local laws and regulations related to business operations in the funeral and death care industry including all insurance and security laws applicable to any insurance or annuity used to fund preneed funeral contracts;

c. Licensee shall engage in no conduct that would give the Board cause to seek authority to discipline from the Administrative Hearing Commission;

d. Licensee shall meet in person with the Board or any Board representative at any such time and place as required by the Board or its representative upon reasonable notice. Any such meetings shall be at the Board's discretion;

e. Upon the request by the Board or its representative, Licensee shall immediately submit any and all records requested to show compliance

with these terms and conditions;

f. Licensee shall renew timely all licenses and/or registrations, shall pay timely all fees required for licensure/registration and shall meet all other requirements necessary to maintain all licenses and registrations issued by the Board current and active including not allowing any license to be suspended for failure to comply with any revenue laws of the state; and

g. Licensee shall accept and cooperate with unannounced visits from the Board, or its representatives.

27. Other Standard Terms:

a) The terms of this Agreement are contractual, legally enforceable and binding, not merely recital. Except as otherwise contained herein, neither this Agreement nor any of its provisions may be changed, waived, discharged or terminated, except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge or termination is sought.

b) Licensee, together with his heirs and assigns and attorney(s), do hereby waive, release, acquit and forever discharge the Board, its past and present members and its past and present employees, agents or attorneys, of, or from, any liability, claim, actions, causes of action, fees, costs and expenses and compensation, including, but not limited to, any claims for attorney's fees and expenses, including any claims pursuant to Section

536.087 RSMo, or any claim arising under 42 U.S.C. § 1983, which may be based upon, arise out of, or relate to any of the matters raised in this case, its settlement or from the negotiation or execution of its settlement. Licensee acknowledges that this paragraph is severable from the remaining portions of this Agreement in that it survives in perpetuity even in the event that any court of law deems this Agreement or any portion thereof void or unenforceable.

c) Each party agrees to pay all their own expenses and fees incurred as a result of this matter or any ensuing litigation.

d) Licensee understands that he waives the right to submit the executed Agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties constitute grounds for discipline.

e) The effective date of this Agreement is fifteen (15) days after the document is signed by all parties.

f) This Agreement shall be maintained as an open and public record of the Board as required by Missouri statutes.

If the Board determines that Sheldon or his entities have violated a term or condition of this Agreement or any other violation that would be cause for discipline pursuant to Section 333.330, RSMo, the Board may elect to pursue any lawful remedies or procedure afforded it pursuant to the laws of Missouri.

LICENSEE

Charles R. "Randy" Sheldon
d/b/a Sheldon Funeral Home
d/b/a Sheldon-Goodrich Funeral Home
PO Box 384
Osceola, MO. 64776

4-7-2023
Date

J.D. Baker, Mo. Bar no. 24881
Baker Law Firm, LLC
PO Box 565
Osceola, MO. 64776
Telephone: (417) 646-8125
Email: jd@bakerlawfirmllc.com
Attorney for Licensee

4-7-2023
Date

STATE BOARD OF EMBALMERS & FUNERAL DIRECTORS

Patty Faenger, Executive Director
State Board of Embalmers & Funeral Directors
P.O. Box 613
3605 Missouri Boulevard
Jefferson City, MO 65102-0613

4-12-23
Date

Samantha Anne Green, Mo. Bar no. 49813
The Green Law Firm, PC
300-B East High Street
Jefferson City, MO 65102
Telephone: 573-636-9974
Facsimile: 573-635-4683
Email: sgreen@hearnegreen.com
Attorney for the Board

4-11-23
Date