



Funeral Planning¹

Nayda I. Torres and Josephine Turner²

Individuals and families are concerned about the high costs of funerals. Currently funeral prices can range from \$1,000 to \$10,000, but the average cost is over \$6,000. The total funeral cost can be higher than these figures indicate because the average does not include charges for cemetery plots, opening and closing the grave, flowers, extra limousines, etc. Today, the funeral bill represents the largest item the average family will ever buy excluding a house or an automobile.

There are more than 2,398,343 deaths annually in the U.S. Since death is inevitable, it is an event that commands concern. Certain things must be done after death, and most families are not familiar with the laws, prices, and options surrounding this emotional event.

Death is a crisis in any home. It brings sorrow, confusion, and the pain of separation. For these reasons, many families arrange a funeral without having the needed information to make a good consumer decision. Not knowing what is needed or how much it will cost can lead to an extravagant burial that may become an economic burden on the survivors.

Is death a total surprise? Everyone is a part of this "cycle" of life, and death may occur at any point in this cycle. Since death is a part of life, it is no sign of maturity to refuse to face it or talk about it. Death is as real and normal as birth, and we need to face the reality of death. For adults, this means making a will, providing for the disposal of wealth or property, and giving directions on a variety of other subjects associated with departure from this life.

Those who have had a death in the immediate family will remember how many unexpected problems arose. Usually the problems occurred because the family was totally unprepared. Today, more families are planning their funerals in advance. This publication contains information about the practices and pricing policies of the funeral industry and describes alternatives to customary funerals.

The Meaning of Funerals

A funeral is a "rite of passage." It marks the completion of a life. A funeral ceremony serves three main purposes:

1. To dispose of the body

1. This document is FCS7050, one of a series of the Family Youth and Community Sciences Department, Florida Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida. Original publication date November 1, 1989. Revised January 16, 2007. Visit the EDIS Web Site at <http://edis.ifas.ufl.edu>.

2. Nayda I. Torres, professor, Family and Consumer Economics, Department of Family, Youth and Community Sciences, Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida, Gainesville FL 32611.

2. To help survivors adjust to the shock of death, and
3. To publicly acknowledge and commemorate a death.

The Pricing of a Funeral

The pricing of a funeral service represents a combination of cost, customs, and psychology. This includes the cost of a casket; removal of remains from place of death, cemetery plot or crematory; embalming; use of a viewing room; grave marker; use of hearse; service by professional staff; flowers; music; use of chapel; grave liner or vault; placement of newspaper death notices; acknowledgement cards and other incidentals.

Basically, there are two pricing methods used by funeral directors: **package pricing** and **unit pricing**.

Package pricing usually includes:

- The casket
- Preparation by embalming and cosmetology for burial
- The services of the funeral director and staff
- The use of the funeral home for a wake or service.

Ask the funeral director for a list of everything that is included in the package price. If the price does not suit you, ask for the price of another package.

The casket is the key to the pricing of a funeral. The main difference between an expensive and an inexpensive funeral is the price of the casket you select. The family or friends of the deceased make the choice in the casket selection room of the funeral home. Usually there are several caskets on display. They differ in material, design, finish, color, and price. The cost of caskets varies greatly. The casket can be the most expensive item in the cost of the funeral. The mark-up on caskets is 300 percent or more. If you can not afford the caskets that are on display, ask the funeral director to show you some that are less expensive, or ask if they have any for rent. When a rental casket is selected, this casket is

used for viewing, and a less expensive casket is used for burial. After a price is quoted for a rental casket, ask if that amount includes the cost of the burial casket. No matter which casket you select, the services and facilities provided at the funeral home are usually the same.

Unit pricing gives you a separate price for each part of the funeral. With this system you can have more control over the kind of funeral you want.

Reasons for Planning Ahead

- When a person is overcome with grief, reasoning and good judgement are impaired. Not knowing what is appropriate, and being anxious about doing things right, may make you susceptible to purchasing products and/or services you cannot afford.
- When you have to make decisions in a hurry, the level of stress may increase. Making funeral arrangements requires many decisions in a short period of time.
- When you make funeral arrangements, you are buying both a product and a service; remember, the funeral director is the salesperson. When buying this service, many people feel they should not discuss prices because they are being cheap and disrespectful to the dead, but feel free to ask for lower cost options.
- This purchase decision is not made often, so many consumers feel they are inexperienced. According to Federal Trade Commission statistics, 50 percent of consumers have never arranged a funeral, and 25 percent have arranged only one.
- Many consumers are not aware of how much money is involved. In 2006, for example, the average cost of a complete funeral and burial was over \$6,000.00.
- Most consumers are not aware of their rights and the options available. Consumers do not have complete information about costs, options, and legal requirements.

- When the need for this service arises, no time is available for doing any comparison shopping.
- Once a funeral director has possession of the body, survivors have limited bargaining power. It is important to decide what you want for the funeral before releasing the body, since you must choose the casket and other items from what the funeral director has to offer.
- Survivors are usually alone when they purchase this service from the funeral director. Having someone with you will reduce the probability of misunderstandings.
- When buying the product or service, make sure that it is really needed. Many consumers are not aware of the requirements, and they purchase all that the funeral director offers them.

Embalming

Many people assume that embalming preserves the body indefinitely. Embalmed bodies begin the decomposition process within a week. Embalming is used primarily for cosmetic purposes for an open-casket funeral. No state explicitly requires routine embalming.

In Florida, if the body is to be donated to the Florida Anatomical Board, it must be embalmed, and the family of the deceased must pay for it. The embalming procedure used for bodies donated to medical schools requires long-term preservation, so it is a different procedure from those of funeral directors.

The national average charge for embalming is \$400-\$1,200. This cost varies depending on the amount of work required. The low cost may be due to the fact that embalming is usually part of a package. Most professional funeral directors now request the permission of the family in writing before they proceed with embalming.

Grave Liner/Coffin Vault

Usually cemeteries require either a grave liner or a vault. The grave liner is made of concrete slabs assembled at the site; the coffin vault is a one-piece unit, also made of concrete, metal or fiberglass. The

purpose of either one is to keep the earth from settling after burial, and this helps reduce cemetery maintenance costs. The grave liner costs about half the price of a vault. The average price of a grave liner is about \$400.00. The less expensive vaults start at \$500.00. The grave liner is usually sold by the cemetery, and the vault is sold by the funeral director at the time the casket is selected.

Cemeteries

If you choose to be buried, you will need to purchase a cemetery plot. About half of the plots sold today are bought in advance of need. Do not purchase the cemetery space sight unseen. American cemeteries are of two general types:

1. The traditional monument cemetery and
2. The memorial type park in which the only grave marker that may be used is a bronze marker set flush with the ground.

Before you purchase a plot, check the rules and regulations regarding grave markers, monuments, and restrictions on adornments such as planting around the grave. The cost of markers and monuments varies from the nominal to thousands of dollars. Some cemeteries require that the monument be purchased from them. If the selection of the marker or monument has not been made in advance, it is best to wait until the first shock of death eases before selecting a marker.

Select a plot in a cemetery that is managed by a reputable person or group. Check carefully the full meaning of perpetual or endowed care. Are the perpetual or endowed care funds adequately guarded with suitable amounts in reserve for continued service? Is the cemetery going to bill the family for annual upkeep of the grave site?

Cemeteries are also located on many churchyards for use by members. Cemeteries are also available for people of specific religious faiths.

Ask whether the management of the cemetery has membership in either the American Cemetery Association, the National Cemetery Association, or the Florida Cemetery Association. All of these

associations try to keep high standards among members.

The price of a plot varies from \$500 for a single lot including perpetual care in a small town municipal cemetery to several thousand dollars, with perpetual care extra. Find out whether the cost of the plot includes charges for opening and closing the grave. Usually there will be additional charges for opening grave sites. The cost for opening and closing can be as much or more than the cost of the plot. In addition, grave diggers expect a tip.

Body and Organ Donation

Many people donate their bodies to medical schools for training programs. The bodies are used by the medical schools to train students.

In Florida, body donations are made to the Florida State Anatomical Board (J. Hillis Miller Health Center; Box 7-235; Gainesville, FL 32610). The family of the deceased has to pay for transportation and for embalming before the body donation. Prior enrollment is not required.

Cremation

Cremation, if acceptable to you and your religious beliefs, can be the answer to a reasonably priced funeral. It is a simple, clean, and dignified alternative to burial. In Florida, the state specifically prohibits the funeral director from requiring a casket for cremation, but it does not require him to make an alternative container available. Most crematories require a rigid combustible container.

In Florida, a medical examiner's permit is required for cremation. Also, authorization from next-of-kin is required by most crematories. There is a 48-hour wait before cremation, and refrigeration or embalming is required after the first 24 hours. Most crematories have refrigerated storage, for which a fee is charged. The average cost of cremation, including transporting the remains, refrigerating, cremating, and filing death certificates was \$800 to \$3,000 in 2006.

In Florida, if the person died of a contagious or communicable disease, the doctor in attendance

should be consulted before cremation. In addition, most crematories require that a pacemaker be removed before cremation since it could explode during the cremation process and cause damages.

There is considerable flexibility over what to do with the cremains (what is left after cremation). They may be scattered if they are converted to unrecognizable skeletal remains, buried at sea, buried on private property or in a cemetery, or the urn may be placed in a columbarium (a building of niches of various sizes and types.)

Memorial Societies

Memorial societies are nonprofit, non-sectarian groups of volunteers whose goal is to promote simplicity in funeral practices and to emphasize the spiritual values of life and death rather than exalt the physical.

Memorial societies can help people plan in advance for simple and dignified arrangements at a savings of 50 to 75 percent of the usual funeral costs. Membership is open to anyone at a one time registration fee. If your place of residence changes, your membership transfers to the memorial society closest to your new home.

FTC Funeral Rule

The Federal Trade Commission developed a trade regulation rule concerning funeral industry practices, which went into effect on April 30, 1984. It is called the Funeral Rule, and its purpose is to enable consumers to obtain information about funeral arrangements.

In general, the rule makes it easier for you to select only those goods and services you want or need and to pay for only those you select. For example, now you are able to find the cost of individual items over the telephone. By using the telephone, you can compare prices among funeral providers. Also, when you inquire in person about funeral arrangements, the funeral home will give you a written price list of the goods and services available. The list also discloses important legal rights and requirements regarding funeral arrangements. When arranging a funeral, you can purchase individual items or buy an entire

package of goods and services. If you want to purchase a casket, the funeral director will provide a list that describes their available selection and prices.

The Funeral Rule requires funeral directors to give consumers information about embalming that can help them decide whether to purchase this service. Funeral directors may not claim that embalming or a certain kind of casket will indefinitely preserve a body.

The Rule also requires the funeral director to inform you when a service fee is added to the price of cash advance items (flowers, obituary notices, clergy honorarium), or if the provider gets a refund, discount, or rebate from the supplier of any cash advance item.

In addition, the Rule prohibits funeral providers from making claims that funeral goods, such as caskets or vaults, will keep out water, dirt, and other gravesite substances when that is not true.

Prepaid Funerals

One in eleven people, or 9.2 percent of persons polled, select and prepay for their funeral in advance. The money paid is placed in a trust fund. The interest that accumulates is used to offset inflation since the cost is preset at the time the arrangements are made. If you change your mind regarding the funeral home, or move, you do not lose the money, but the contract may cause a loss of the interest earned on the money.

Before making a decision about prepaid plans:

- Read the contract carefully.
- Obtain at least two proposals from different funeral homes.
- Know what is included and what is not; make sure the contract specifies every detail of the funeral.
- Know the terms of the contract.
- Know the cost of items and services.

- Do not make the decision in a hurry.
- Take the contract to your lawyer to get advice.

If you want to know if the funeral home is reliable and licensed by the Insurance Department in Florida, you may call their Consumer Hotline at 1-800-342-2762.

Remember, it is important to plan for your funeral preference before death, but it is not necessary to pay in advance.

Financing Funerals

Men and women who have served in the armed forces of the United States are entitled to payments of about \$300.00 for a funeral service and \$150.00 to cover interment expenses in other than national cemeteries. For service related deaths, an allowance of up to \$1,100.00 will be furnished in place of any other burial benefit. The Office of the Quartermaster General will furnish a headstone or marker upon proper application.

Veterans and their immediate families may be buried in a national cemetery without any charge. A grave marker and a flag will be furnished.

Persons covered by Social Security who have a surviving spouse or dependent child can apply for a lump sum death benefit of \$255.00 for funeral services.

Standard type insurance policies are another means of paying for the funeral. This is a very expensive means of paying for a funeral, since you are paying years of insurance premiums. If you plan in advance, you can place the money in savings and when needed it is used to pay for the funeral. Additionally, if you own anything of sufficient value, you need not reserve your savings account for funeral costs since the funeral director's bill has high priority in the settling of an estate.

If you have no life insurance coverage, no close family, or no adequate estate, the county Welfare Department of Social Services will provide minimal funeral and burial arrangements.

References

Carlson Lisa. *Caring For Your Own Dead*. Upper Access Publishers, 1987.

Consumer Union of the United States, Inc. *Funerals: Consumers' Last Rights*. 1977.

Continental Association of Funeral and Memorial Societies, Inc. *A Multitude of Voices: Funerals and the Clergy*. June 1980.

Federal Trade Commission. *Consumer Guide to the FTC Funeral Rule*. Bureau of Consumer Protection, April 1984.

Stephenson, Mary J. *Funeral Planning*. The University of Maryland, Cooperative Extension Service, 1986-87.

Burial Planning Form

Every spouse should know the location of all papers, contracts, documents, policies and other needed information pertaining to you. Each should know whom to turn to for advice in case of emergency. The purpose of these sections is to organize this information so that your surviving family members can proceed with the funeral arrangements.

Study these sections with your spouse:

Table 1.

Personal Information		Date:
Full Name:		
Address:		
Citizenship:	Race:	
Date of Birth:	Birthplace:	
Location of Birth Certificate:		
Father's Name:		
Father's Birthplace:		
Mother's Name (include maiden name):		
Mother's Birthplace:		

Table 1.

Marital Status:	Spouse's Full Name:(include maiden name)
Location of Marriage Certificate:	
Name of next of kin: (other than spouse)	
Relationship:	Address:
Your Occupation:	Employer:
Address of Employer:	
If a Veteran Rank:	Branch of Service:
Serial Number:	Date discharged:
Religious Affiliation:	Congregation:
Social Security Number:	

Table 2.

Financial Information		Date:
The Will		
Do you have a will? Yes No		
If you do have a will:		
Where is it?		
When was it written?		
Lawyer's name:		
Lawyer's address:		
Personal Representative's name:		
Personal Representative's address:		
Life Insurance		
Do you have life insurance? Yes No		
If yes, with what company?		
Policy number:		
How is it payable? (Check one)		
<input type="checkbox"/>	Lump sum only	
<input type="checkbox"/>	Lump sum and fixed installments for a specified number of years	
<input type="checkbox"/>	Lump sum and fixed installments for life	
Where is the policy?		
Are there any unpaid loans?		
If loans have been paid in full or part, where are the receipts?		
Where are the premium receipts?		
Who is your insurance advisor?		
Address of insurance advisor:		
Other Insurance		
Do you have health insurance? Yes No		
If yes, with what company?		

Table 2.

Policy number:	
Do you have hospitalization insurance?	Yes No
If yes, with what company?	
Policy number:	
Do you have long term insurance?	Yes No
If yes, with what company?	
Policy number?	
Where are the policies?	
Social Security	
Do you pay Social Security tax?	Yes No
If not, have you ever paid Social Security tax?	Yes No
Do you have an up-to-date employment record showing type of work in each case?	Yes No
Where is it?	
<i>Payment of retirement or survivor's benefits is not automatic. Claim should be filed immediately with the nearest office of the Social Security Administration.</i>	
Address of nearest Social Security Administration office:	
Banking and Investments	
Do you have a checking account?	Yes No
Bank:	Account Number:
Address:	
Do you have a savings account?	Yes No
Bank:	Account Number:
Address:	
Do you and your spouse have a joint account?	Yes No
Which account(s)?	
Do you have any stocks and bonds?	Yes No
Which ones?	
Where are they?	
Who is your advisor?	

Table 2.

Address of your advisor.	
Do you have any U.S. Security and War Bonds? Yes No	
Where are they?	
Who is designated as co-owner?	
Who is designated as beneficiary?	
Are these bonds listed by serial number or denomination?	
Where is the list?	
Do you have a safe-deposit box? Yes No	
Bank:	Address:
Box number:	Key location:
Do you have any other investments: Yes No	
Where are they?	
Who is your advisor?	
Address of your advisor:	
Property	
Personal Property	
Are household goods insured? Yes No	
Where are the policy and inventory list?	
Where are the bill of sale and insurance policy for your car(s)?	
Real Estate	
Do you own any real estate? Yes No	
Location of property:	
In whose name is the title held?	
Is title insured? Yes No	
Company:	
Address:	

Table 2.

Where is the title insurance policy?		
Is there a mortgage on the property	Yes	No
If yes, who holds the mortgage:		
Has the mortgage been paid in part?	Yes	No
If no, how many years remain on the mortgage?		
Where are the receipts?		
Where are the real estate tax receipts?		
Is property insured?	Yes	No
Company:		
Where are the policies?		
Do you own a cemetery plot?	Yes	No
If yes, where is it located?		
Where is the deed?		
Other Financial Records		
Personal creditors or debtors, if any:		
Where are your copies of notes and evidence of payment of loans?		
Where are your income tax records and receipts?		

Table 3.

Address:			
Have funeral arrangements been discussed with the directors? Yes No			
Where are they on file?			
Have funeral expenses been prepaid? Yes No			
Which pre-payment plan?			
Address:			
Type of disposition requested: (Check one)			
Donation of body	Cremated	Burial	
Type of service preferred:			
Memorial	Funeral	Graveside	Other

Table 5. *Much of this vitally important information changes from time to time. It should be reviewed and revised once a year.*

Things To Do