

Instructions How To Complete the “Automated” Excel Preneed to At-Need Reconciliation Worksheet for Contracts With Non-Guaranteed Cash Advance Items

IMPORTANT: You must enter all amounts as positive numbers and not as negative numbers. Also, do not round any amounts. For example, if a \$100.35 balance is owed on the preneed funeral contract (PFC), enter \$100.35 and not (\$100.00). All formulas in the Excel spreadsheet have been frozen to protect the integrity of the worksheet. You must retain documentation supporting the amounts entered on the worksheet for review purposes.

PAGE 1: Section I. Guaranteed Services and Merchandise and II. Non-Guaranteed Services and Merchandise – You must input the contract information as it appears on the PFC and the at-need contract in Columns A and B. The items and respective prices must be reflected on the worksheet *exactly* as they appear on the contracts. The worksheet will automatically calculate and populate the information in Columns C, D, E, and F based on the data entered in Columns A and B.

PAGE 1: Section III. Other Information – You must input the following information on the worksheet:

Item # 1: If applicable, input the discount amount from the PFC.

Item # 2: If applicable, input the remaining balance due on the PFC.

Item # 3: If applicable, input the discount amount given to the family from the at-need contract. (*This is in addition to any discounts given on the PFC.*)

Item # 4: Input the amount of earnings and/or policy growth attributable to the PFC.

Item # 5*: If applicable, input the extra charge collected for any merchandise or service that is upgraded from the PFC to the at-need contract.

Item # 6*: If applicable, input the credit given for any merchandise or service that is downgraded from the PFC to the at-need contract.

PAGE 2: Sections IV. Calculation of Proportionate amount of Interest to be applied towards Non-Guaranteed Items and V. Calculation of Non-Guaranteed Cash Advance Items Section – The worksheet will automatically calculate and populate the information in these Sections. These Sections calculates the interest/policy growth that will be allocated to non-guaranteed cash advance items. Line 9 is either the amount due from the family to the funeral provider or the amount due to the family from the funeral provider for non-guaranteed cash advance items.

PAGE 2: Section VI. Preneed to At-Need Contract Reconciliation – The worksheet will automatically calculate and populate the information in this Section. This Section reconciles the activity from the PFC to the at-need contract. Line 21 is either the *final* amount due from the family to the funeral provider or the *final* amount due to the family from the funeral provider.

**The value attributable to any contracted funeral merchandise or service that is surrendered or exchanged in a modification must be calculated on a comparable time-price basis. See Section 154.1551 of the Finance Code.*