

# **Nevada State Contractors Board**



**2011-12**  
**Executive Officer's Report**  
**Strategic Plan Quarterly Report**  
*July 1 – September 30*

**To:** NSCB Members  
**From:** Margi Grein, Executive Officer  
**Subject:** FY 2011-12 Executive Officer's Report and Strategic Plan Quarterly Report

---



*The enclosed report and financial statements are in accordance with NAC 624.030 and summarize the activities of Nevada State Contractors Board from July 1 – September 30, 2011.*

In July, the Board renegotiated its Henderson office lease with Tech Park and in September, office updates were made to update the paint, flooring, and office arrangement for staff providing them more space.

With regard to Strategic Planning efforts, the beginning of a new fiscal year presents many new and innovative opportunities. Board management has been working diligently to develop operational roadmaps, which will assist all staff in better understanding how day-to-day operations are advancing the goals outlined in the Strategic Plan.

The goals defined in the 2011-12 Strategic Plan place a large emphasis on public education, outreach and engagement, and enhanced partnering activities with businesses and associations throughout the industry.

- **Goal 1 – Licensing:** Ensure that all applicants and licensees are qualified to provide construction services and provide licensing services in a timely and professional manner.
- **Goal 2 – Enforcement:** Reduce and prevent unlicensed activity and unprofessional conduct that poses a threat to public safety and threatens legitimate business activity.
- **Goal 3 – Public Awareness and Information:** Enhance the visibility of the NSCB and ensure accurate information is available to the public and professionals through a variety of media.
- **Goal 4 – Partnering:** Partner with other public and private organizations to better serve customers and leverage resources.
- **Goal 5 – Board Development:** Organize Board training and activities to focus on governance and policy issues while ensuring the execution of the Strategic Plan.
- **Goal 6 – Administrative Efficiency:** Improve agency operations and technology to achieve regulatory efficiency, customer service, and consumer protection.

We will maintain an ongoing focus to improve data collection efforts as they relate to the quality of our performance and the ability to meet each of our customers' needs. With an increased emphasis on staff engagement, improving the lines of communication, and regularly reporting Strategic Plan progresses and outcomes to staff, we believe our efforts will result in a more quality and efficient work product.

The enclosed report will demonstrate the significant efforts that have been made relative to each goal, while also providing you a framework of what is still left to achieve throughout the fiscal year. We are pleased with the progress made thus far and look forward to presenting on our future successes in upcoming Board meetings.

Sincerely,

A handwritten signature in blue ink that reads "Margi A. Grein".

MARGI GREIN  
NSCB, Executive Officer

# Table of Contents

Licensing Data Dashboard.....	4
-------------------------------	---

## **Quarter in Review**

Enforcement –Compliance .....	7
Disciplinary Actions Overview.....	8
Enforcement – Criminal .....	9
Licensing .....	10

## **Tracking Performance**

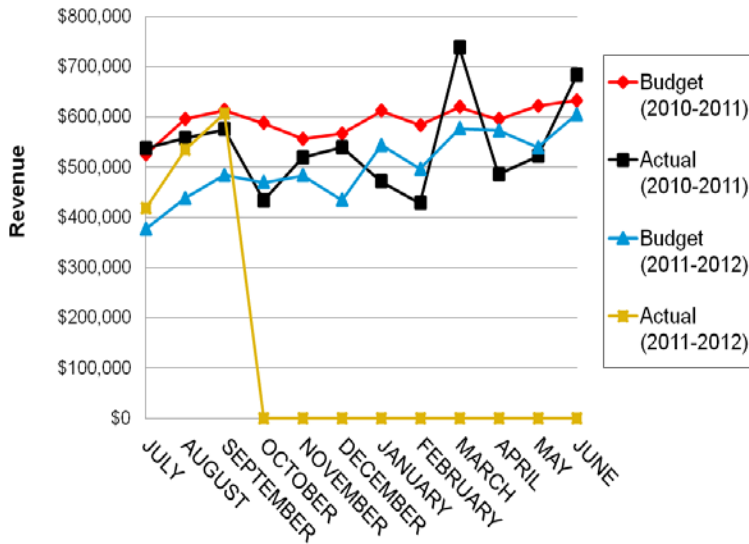
Goal 1 (Licensing).....	13
Goal 2 (Enforcement) .....	15
Goal 3 (Public Information) .....	19
Goal 4 (Partnering) .....	21
Goal 5 (Board) .....	22
Goal 6 (Administrative) .....	23

## **Looking Forward**

1 <sup>st</sup> Quarter Reflections .....	25
2 <sup>nd</sup> Quarter Expectations .....	25

## LICENSING DATA DASHBOARD

**Application, Renewal & Cost Recovery Revenue  
(FISCAL YEARS 2010-11 & 2011-12)**



180 Day Retention Rate			
Projected Year-End			
Retention Rate	Mar '11 Lic's	17,670	
	Cancellations	(693)	(3.98%)
	New Licenses	572	3.28%
	Susp/Reinstate	(125)	(0.72%)
	Sep '11 Lic's	<u>17,424</u>	
	Change	(246)	
6 Month Rolling	% Change	-1.41%	

90 Day Retention Rate			
Projected Year-End			
	Jul '11 Lic's	17,547	
	Cancellations	(257)	(1.47%)
	New Licenses	272	1.56%
	Susp/Reinstate	(138)	(0.79%)
	Sep '11 Lic's	<u>17,424</u>	
	Change	(123)	
3 Month Rolling	% Change	-0.71%	

July to Sept 2011	
Licenses (Beginning of Quarter)	17,547
New Licenses Issued	272
Licenses Cancelled / Surrendered / Revoked	(257)
Variance in Suspended/Reinstated Licenses	(138)
Licenses (End of Quarter)	17,424
# of Licenses on Oct 1st, 2010	18,462
# of Licenses on Sep 30th, 2011	17,424
Net YTD (Fiscal Year)	
Licenses Gained / Lost	(1038)
Renewal Revenue Gained / Lost	(\$622,800)
*Does not include suspended licenses	

FISCAL YTD LICENSING FEE TOTALS (FY2011)			
LICENSING FEES	BUDGET	ACTUAL	VARIANCE
License Renewals	810,670	1,062,650	251,980
New License Fee	182,499	159,750	(22,749)
Application Fee	100,125	105,000	4,875
License Changes	82,125	96,275	14,150
Invest Recov Costs	52,500	56,799	4,299
Renewal Late Fees	28,170	40,175	12,005
Renewal Inactive Fee	43,168	38,450	(4,718)

	July 2011			August 2011			September 2011		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
License Renewals	\$ 218,748	\$ 262,600	\$43,852	\$ 274,903	\$ 351,450	\$76,547	\$ 317,019	\$ 448,600	\$131,581
New License Fee	\$ 60,833	\$ 54,300	(\$6,533)	\$ 60,834	\$ 63,000	\$2,166	\$ 60,833	\$ 42,450	(\$18,383)
Application Fee	\$ 33,375	\$ 27,900	(\$5,475)	\$ 33,375	\$ 44,400	\$11,025	\$ 33,375	\$ 32,700	(\$675)
License Changes	\$ 27,375	\$ 28,200	\$825	\$ 27,375	\$ 34,675	\$7,300	\$ 27,375	\$ 33,400	\$6,025
Investigative Recov Costs	\$ 17,500	\$ 24,057	\$6,557	\$ 17,500	\$ 15,135	(\$2,365)	\$ 17,500	\$ 17,607	\$107
Renewal Late Fees	\$ 7,601	\$ 10,650	\$3,049	\$ 12,782	\$ 14,000	\$1,218	\$ 11,016	\$ 15,525	\$4,509
Renewal Inactive Fee	\$ 11,648	\$ 10,200	(\$1,448)	\$ 19,586	\$ 11,800	(\$7,786)	\$ 16,881	\$ 16,450	(\$431)
<b>TOTALS:</b>	<b>\$ 377,080</b>	<b>\$ 417,907</b>	<b>\$40,827</b>	<b>\$ 446,355</b>	<b>\$ 534,460</b>	<b>\$88,105</b>	<b>\$ 483,999</b>	<b>\$ 606,732</b>	<b>\$122,733</b>

	April 2011			May 2011			June 2011		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
License Renewals	\$ 373,500	\$ 323,625	(\$49,875)	\$ 397,800	\$ 343,275	(\$54,525)	\$ 409,900	\$ 481,750	\$71,850
New License Fee	\$ 72,917	\$ 55,500	(\$17,417)	\$ 72,917	\$ 69,200	(\$3,717)	\$ 72,917	\$ 64,450	(\$8,467)
Application Fee	\$ 58,333	\$ 43,200	(\$15,133)	\$ 58,334	\$ 37,500	(\$20,834)	\$ 58,334	\$ 41,100	(\$17,234)
License Changes	\$ 39,583	\$ 28,875	(\$10,708)	\$ 39,584	\$ 35,575	(\$4,009)	\$ 39,584	\$ 37,375	(\$2,209)
Investigative Recov Costs	\$ 23,333	\$ 12,076	(\$11,257)	\$ 23,334	\$ 14,177	(\$9,157)	\$ 23,334	\$ 18,024	(\$5,310)
Renewal Late Fees	\$ 13,333	\$ 13,950	\$617	\$ 13,334	\$ 9,350	(\$3,984)	\$ 13,334	\$ 11,950	(\$1,384)
Renewal Inactive Fee	\$ 14,100	\$ 8,550	(\$5,550)	\$ 16,800	\$ 12,300	(\$4,500)	\$ 15,750	\$ 28,975	\$13,225
<b>TOTALS:</b>	<b>\$ 595,099</b>	<b>\$ 485,776</b>	<b>(\$109,323)</b>	<b>\$ 622,103</b>	<b>\$ 521,377</b>	<b>(\$100,726)</b>	<b>\$ 633,153</b>	<b>\$ 683,624</b>	<b>\$50,471</b>

Budget (2010-2011)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$304,800	\$374,400	\$392,700	\$366,300	\$335,400	\$345,900	\$388,500	\$362,400	\$398,400	\$373,500	\$397,800	\$409,900	\$4,450,000
New License Fee	\$72,916	\$72,916	\$72,917	\$72,917	\$72,916	\$72,916	\$72,917	\$72,917	\$72,917	\$72,917	\$72,917	\$72,917	\$875,000
Application Fee	\$58,333	\$58,333	\$58,334	\$58,333	\$58,333	\$58,333	\$58,334	\$58,333	\$58,333	\$58,333	\$58,334	\$58,334	\$700,000
License Changes	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,583	\$39,583	\$39,583	\$39,584	\$39,583	\$39,584	\$39,584	\$475,000
Investigative Recov C	\$23,333	\$23,333	\$23,333	\$23,333	\$23,333	\$23,333	\$23,334	\$23,333	\$23,334	\$23,333	\$23,334	\$23,334	\$280,000
Renewal Late Fees	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,334	\$13,333	\$13,334	\$13,333	\$13,334	\$13,334	\$160,000
Renewal Inactive Fee	\$13,350	\$13,650	\$13,350	\$13,950	\$12,750	\$13,050	\$16,050	\$13,500	\$13,700	\$14,100	\$16,800	\$15,750	\$170,000
<b>Totals</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$525,648	\$595,548	\$613,551	\$587,749	\$555,648	\$566,448	\$612,052	\$583,399	\$619,602	\$595,099	\$622,103	\$633,153	\$7,110,000

Actual (2010-2011)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$357,000	\$411,200	\$345,150	\$283,800	\$358,250	\$334,800	\$325,700	\$288,800	\$502,325	\$323,625	\$343,275	\$481,750	\$4,355,675
New License Fee	\$57,600	\$48,000	\$124,706	\$46,800	\$55,800	\$95,425	\$46,200	\$42,900	\$94,300	\$55,500	\$69,200	\$64,450	\$800,881
Application Fee	\$36,300	\$25,200	\$41,700	\$33,300	\$28,200	\$35,400	\$27,000	\$24,900	\$53,400	\$43,200	\$37,500	\$41,100	\$427,200
License Changes	\$31,675	\$28,550	\$25,850	\$25,925	\$33,150	\$26,250	\$26,225	\$24,350	\$38,925	\$28,875	\$35,575	\$37,375	\$362,725
Investigative Recov C	\$21,685	\$19,607	\$20,511	\$13,573	\$13,534	\$23,846	\$16,166	\$23,057	\$11,784	\$12,076	\$14,177	\$18,024	\$208,040
Renewal Late Fees	\$19,000	\$12,000	\$6,525	\$13,350	\$17,000	\$10,050	\$14,250	\$13,350	\$13,050	\$13,950	\$9,350	\$11,950	\$153,825
Renewal Inactive Fee	\$14,100	\$13,500	\$10,725	\$17,100	\$13,700	\$13,200	\$15,300	\$10,800	\$24,475	\$8,550	\$12,300	\$28,975	\$182,725
<b>Totals</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$537,360	\$558,057	\$575,167	\$433,848	\$519,634	\$538,971	\$470,841	\$428,157	\$738,259	\$485,776	\$521,377	\$683,624	\$6,491,071

Variance (2010-2011)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$52,200	\$36,800	(\$47,550)	(\$82,500)	\$22,850	(\$11,100)	(\$62,800)	(\$73,600)	\$103,925	(\$49,875)	(\$54,525)	\$71,850	(\$94,325)
New License Fee	(\$15,316)	(\$24,916)	\$51,789	(\$26,117)	(\$17,116)	\$22,509	(\$26,717)	(\$30,017)	\$21,383	(\$17,417)	(\$3,717)	(\$8,467)	(\$74,119)
Application Fee	(\$22,033)	(\$33,133)	(\$16,634)	(\$25,033)	(\$30,133)	(\$22,933)	(\$31,334)	(\$33,433)	(\$4,933)	(\$15,133)	(\$20,834)	(\$17,234)	(\$272,800)
License Changes	(\$7,908)	(\$11,033)	(\$13,734)	(\$13,658)	(\$6,433)	(\$13,333)	(\$13,358)	(\$15,233)	(\$659)	(\$10,708)	(\$4,009)	(\$2,209)	(\$112,275)
Investigative Recov C	(\$1,648)	(\$3,726)	(\$2,822)	(\$9,760)	(\$9,799)	\$513	(\$7,168)	(\$276)	(\$11,550)	(\$11,257)	(\$9,157)	(\$5,310)	(\$71,960)
Renewal Late Fees	\$5,667	(\$1,333)	(\$6,808)	\$17	\$3,667	(\$3,283)	\$916	\$17	(\$284)	\$617	(\$3,984)	(\$1,384)	(\$6,175)
Renewal Inactive Fee	\$750	(\$150)	(\$2,625)	\$3,150	\$950	\$150	(\$750)	(\$2,700)	\$10,775	(\$5,550)	(\$4,500)	\$13,225	\$12,725
<b>Totals</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$11,712	(\$37,491)	(\$38,384)	(\$153,901)	(\$36,014)	(\$27,477)	(\$141,211)	(\$155,242)	\$118,657	(\$109,323)	(\$100,726)	\$50,471	(\$618,929)

Budget (2011-2012)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$218,748	\$274,903	\$317,019	\$303,491	\$316,508	\$271,329	\$372,407	\$328,760	\$402,527	\$398,443	\$367,813	\$428,052	
New License Fee	\$60,833	\$60,833	\$60,833	\$60,833	\$60,833	\$60,833	\$60,833	\$60,833	\$60,834	\$60,834	\$60,834	\$60,834	
Application Fee	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	
License Changes	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	
Investigative Recov C	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	
Renewal Late Fees	\$7,601	\$9,553	\$11,016	\$10,546	\$10,999	\$9,429	\$12,941	\$11,424	\$13,988	\$13,846	\$12,782	\$14,875	
Renewal Inactive Fee	\$11,648	\$14,639	\$16,881	\$16,161	\$16,854	\$14,448	\$19,831	\$17,506	\$21,435	\$21,217	\$19,586	\$22,794	
<b>Totals</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$377,080	\$438,178	\$483,999	\$469,281	\$483,444	\$434,289	\$544,262	\$496,773	\$577,034	\$572,590	\$539,265	\$604,805	\$0

Actual (2011-2012)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$262,600	\$351,450	\$448,600										
New License Fee	\$54,300	\$63,000	\$42,450										
Application Fee	\$27,900	\$44,400	\$32,700										
License Changes	\$28,200	\$34,675	\$33,400										
Investigative Recov C	\$24,057	\$15,135	\$17,607										
Renewal Late Fees	\$10,650	\$14,000	\$15,525										
Renewal Inactive Fee	\$10,200	\$11,800	\$16,450										
<b>Totals</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$417,907	\$534,460	\$606,732	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

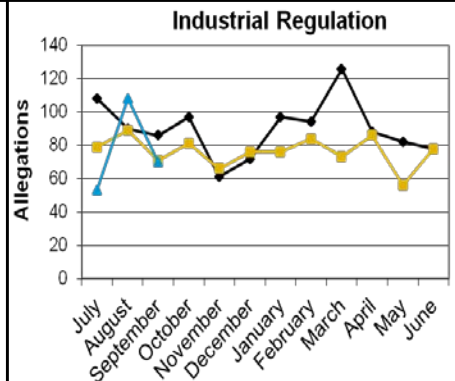
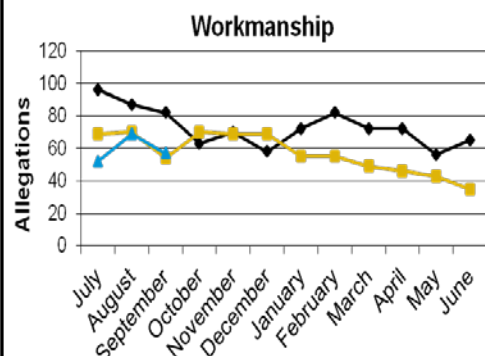
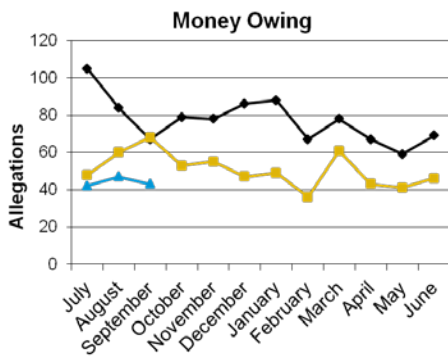
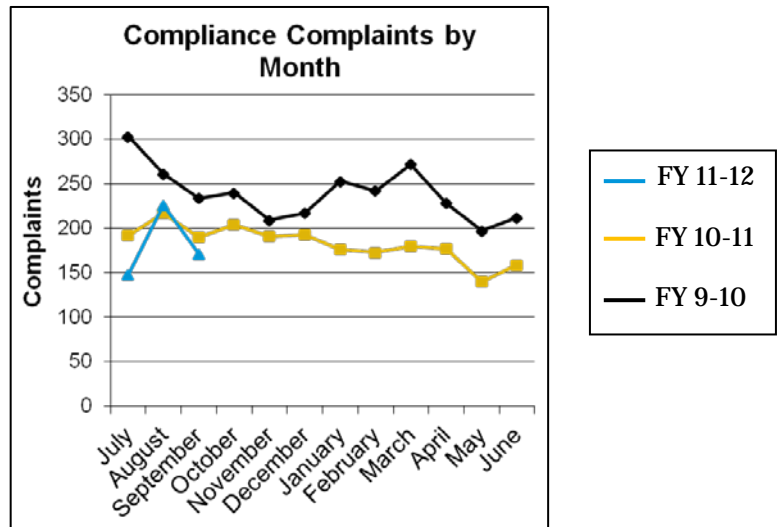
Variance (2011-2012)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$43,852	\$76,547	\$131,581	(\$303,491)	(\$316,508)	(\$271,329)	(\$372,407)	(\$328,760)	(\$402,527)	(\$398,443)	(\$367,813)	(\$428,052)	\$0
New License Fee	(\$6,533)	\$2,167	(\$18,383)	(\$60,833)	(\$60,833)	(\$60,833)	(\$60,833)	(\$60,833)	(\$60,834)	(\$60,834)	(\$60,834)	(\$60,834)	\$0
Application Fee	(\$5,475)	\$11,025	(\$675)	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	\$0
License Changes	\$825	\$7,300	\$6,025	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	\$0
Investigative Recov C	\$6,557	(\$2,365)	\$107	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	\$0
Renewal Late Fees	\$3,049	\$4,447	\$4,509	(\$10,546)	(\$10,999)	(\$9,429)	(\$12,941)	(\$11,424)	(\$13,988)	(\$13,846)	(\$12,782)	(\$14,875)	\$0
Renewal Inactive Fee	(\$1,448)	(\$2,839)	(\$431)	(\$16,161)	(\$16,854)	(\$14,448)	(\$19,831)	(\$17,506)	(\$21,435)	(\$21,217)	(\$19,586)	(\$22,794)	\$0
<b>Totals</b>	<b>JUL</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	
	\$40,827	\$96,282	\$122,733	(\$469,281)	(\$483,444)	(\$434,289)	(\$544,262)	(\$496,773)	(\$577,034)	(\$572,590)	(\$539,265)	(\$604,805)	(\$4,461,901)

# **Quarter in Review**

## ENFORCEMENT

During the 1<sup>st</sup> Quarter of FY 2011-12, the Investigations Department opened a total of 856 cases against licensed and unlicensed contractors combined. During this time period, 815 cases were closed. Below is a summary of highlights from the Compliance and Criminal Divisions.

- **545 compliance cases opened against licensed contractors** –32% decrease from FY 09-10 Quarter 1 figures.
- **65 cases referred for Disciplinary Hearings;** 44 cases were heard by the Hearing Officer.
- **352 cases closed as Invalid – No Violation;** 10 cases were closed as not within the statute of limitations.
- **45 Administrative Citations issued** – fines totaled \$44,100; investigative costs totaled \$17,371.
- **5 Construction Defect requests received** – 3 responses pending.
- Reno has 41 pending cases; Henderson has 181 pending cases.
- Workmanship complaints outnumbered money owing complaints by 26%.

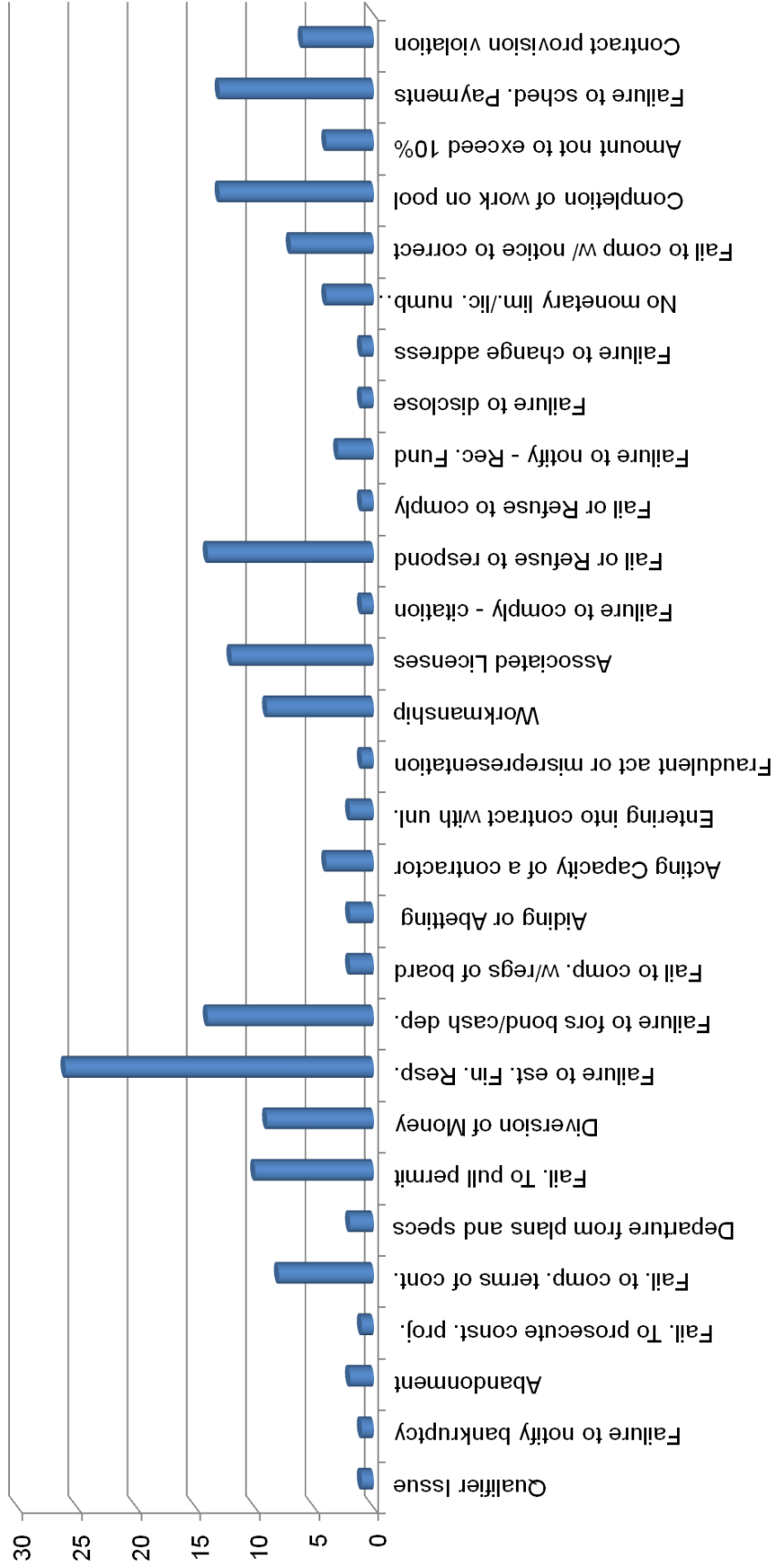


### Compliance Investigations Encompass:

- Money owing
- Workmanship complaints
- Industry regulation violations of NRS 624
- Unlawful advertising
- Fraudulent or deceitful acts
- Misuse of a license
- Working outside the scope of the license
- Bidding over the monetary limit of the license

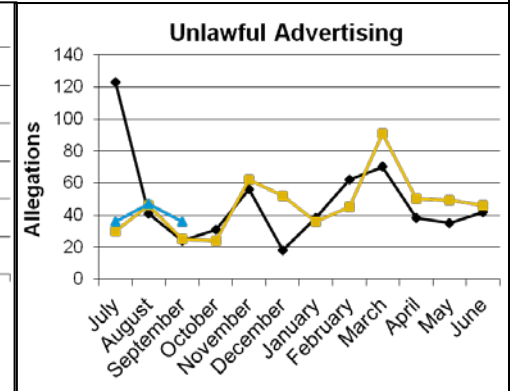
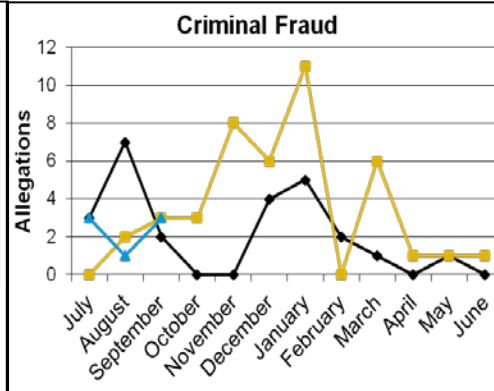
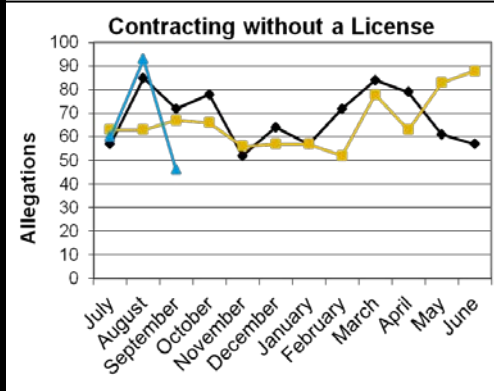
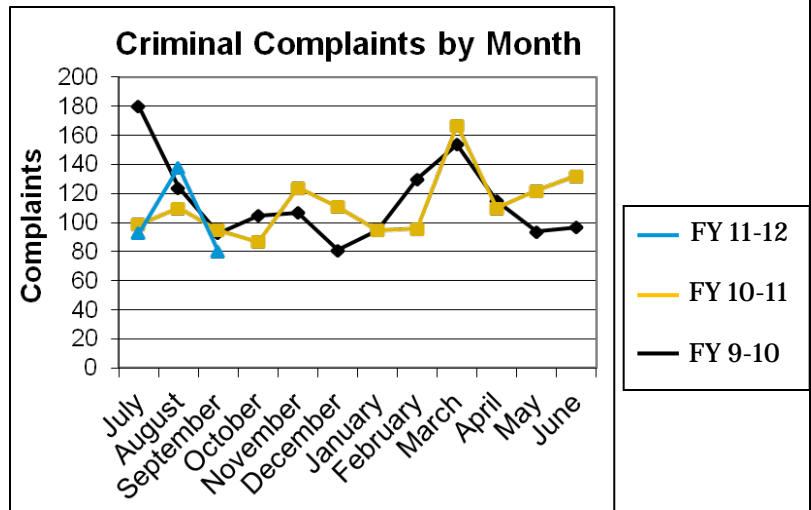
Workmanship complaints are primarily assigned to compliance investigators. All Board investigators have been cross trained to handle Industry Regulation investigations and money owing complaints. The resolution of homeowner/workmanship complaints is a priority for the Investigations Department.

## BOARD DISCIPLINARY ACTIONS





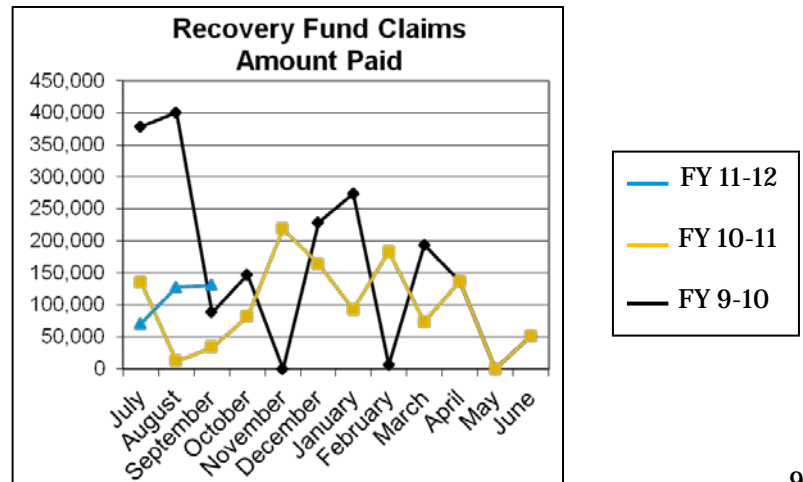
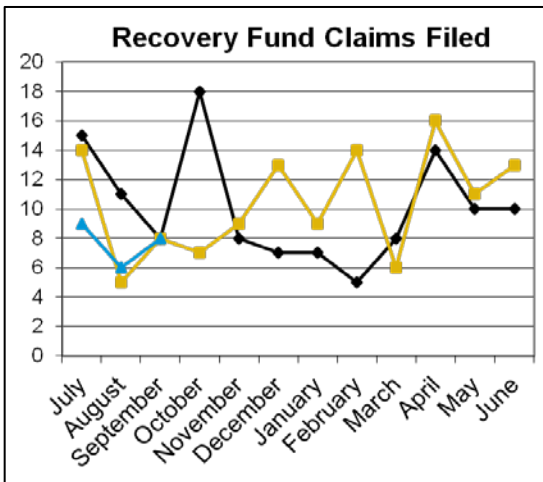
- **311 criminal cases opened against unlicensed contractors** – this is a 2% increase from FY 10-11 Quarter 1 data and a 22% decrease from FY 09-10 Quarter 1 data.
- **116 cases closed as Invalid – no violation established**; 2 cases were closed as not within the statute of limitations.
- **136 criminal charges were filed**; 45 convictions recorded (generally from cases filed in previous reporting periods).
- Reno has 79 pending cases; Henderson has 109 pending cases.
- **105 criminal citations were issued**



### RESIDENTIAL RECOVERY FUND

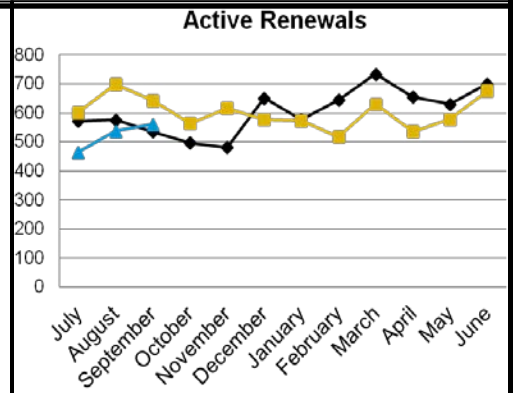
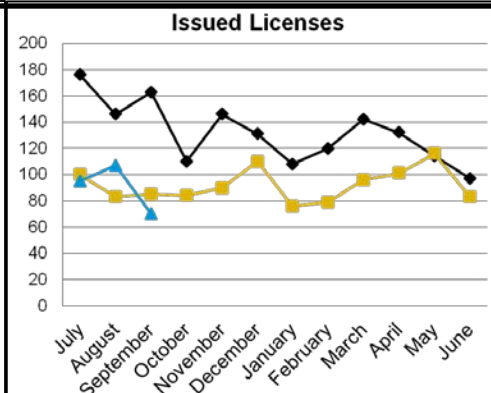
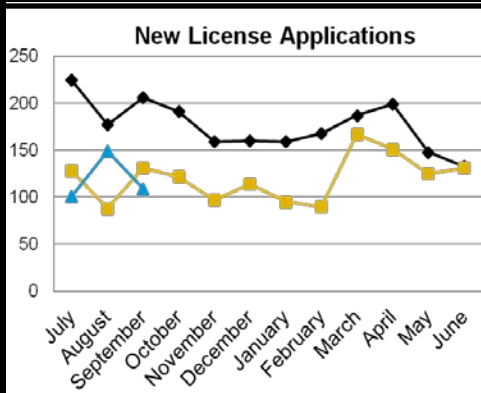
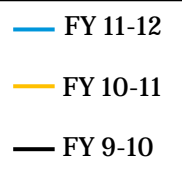
Three hearings were held in the 1<sup>st</sup> Quarter by the Board. A total of 27 cases were heard, of which 19 were awarded over \$135,000 collectively. Awards to homeowners ranged from \$520 - \$35,000. The average claim was approximately \$7,105.

- **23 new claims** were received during this period totaling \$127,744
- As of September 30, there are **35 pending claims** totaling approximately \$541,271 – 18 are against pool contractor Blue Lagoon (\$223,850) and will be heard on October 19
- The Residential Recovery Fund balance as of September 30 was \$4,840,271



## LICENSING

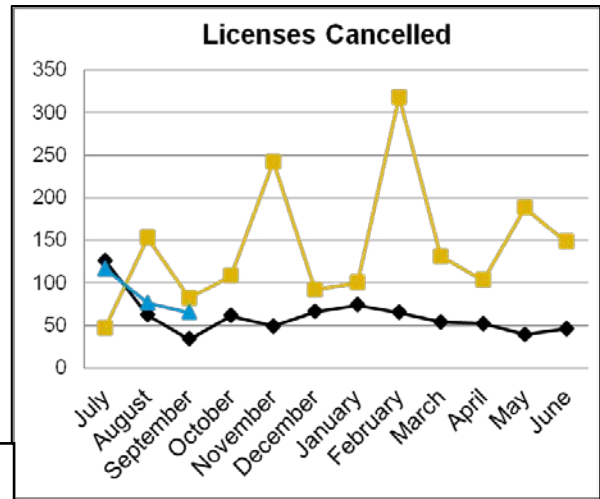
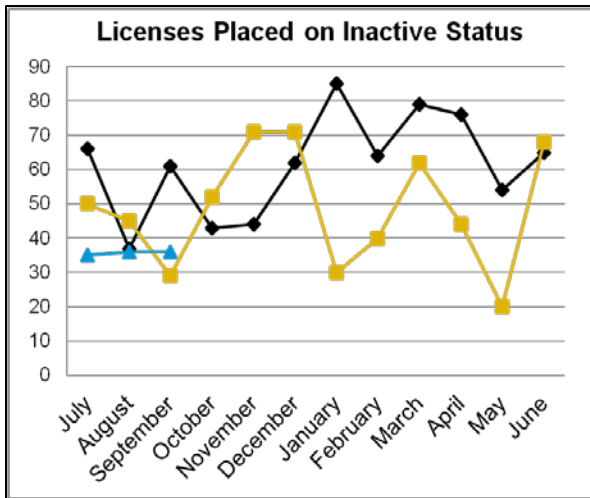
At the end of the 1<sup>st</sup> Quarter for FY 11-12, there were 15,786 active licenses and 1,628 inactive licenses in the State of Nevada. Active licenses decreased 4.4% since the same period last year, while inactive licenses increased 0.2%. A total of 150 financial review cases were opened, of which 133 have been approved by staff. Licensees who perform residential work are subject to financial review for the first two years of licensure. Licensees who fail to provide the required statement or fail to meet the financial responsibility requirement are set for hearing. Financial reviews are also scheduled when an indemnification agreement is withdrawn. Below is an overview of licensing data collected for the 1<sup>st</sup> Quarter.



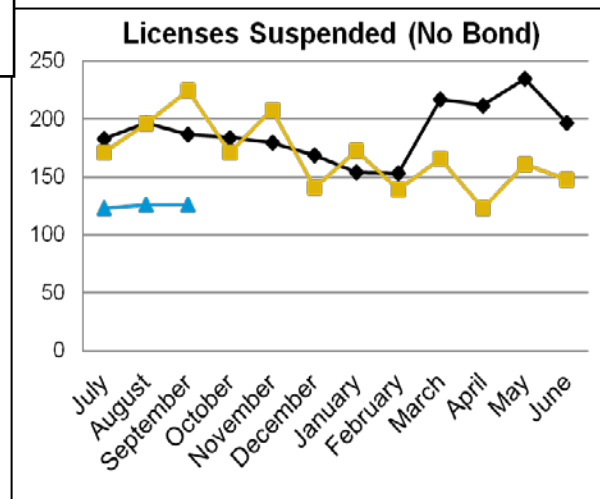
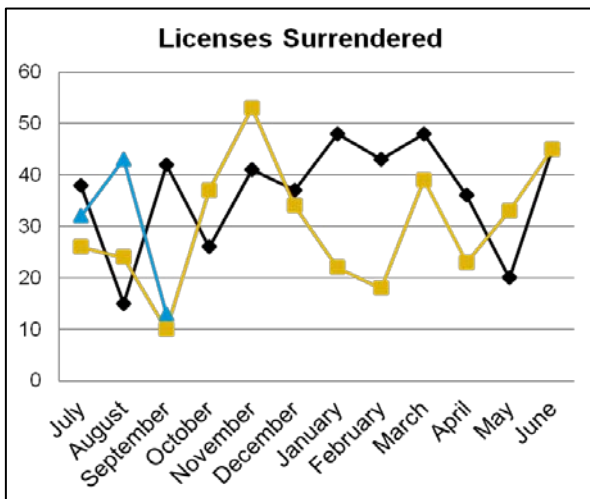
- **359 new applications received** –4% increase from the same period last year and a 41% decrease from FY 2009-10 Quarter 1 figures
- **285 applications were approved ; 52 applications were tabled or denied**
- **272 new licenses issued** –4.8% increase from the same period last year and a 44% decrease from FY 09-10 Quarter 1 data
- **838 license change applications received** – 5.1% decrease from the same period last year and a 26% decrease from FY 2009-10 Quarter 1 figures
- **696 license change applications were approved; 37 were tabled or denied**
- **Includes 40 single project increase applications;** 27 approved; 7 tabled/denied (18%)
- **1,562 active licenses renewed** – 20% decrease from same period last year and a 7% decrease from FY 2009-10 Quarter 1 figures
- **124 inactive licenses renewed** – 5% decrease from same period last year and a 12% increase from FY 2009-10 Quarter 1 figures
- **21 application denial hearings** – 25% decrease from same period last year and a 14% increase from FY 2009-10 Quarter 1 figures
- **25 responsibility hearings** – 14% decrease from same period last year and a 80% increase from FY 2009-10 Quarter 1 figures

### License Change Applications Include:

- |   |  |                                   |
|---|--|-----------------------------------|
| ✓ Entity conversions                                  | ✓ Single project limit increase requests | ✓ Voluntary surrender requests    |
| ✓ Change of qualifier                                 | ✓ Relief of bonding requirement requests | ✓ Inactive status license request |
| ✓ Broadening of classification                        | ✓ Removal of indemnification requests    | ✓ Change of officer               |
| ✓ Name change   |  |                                   |
| ✓ Applications to reactive an inactive status license |  |                                   |
| ✓ Permanent raise in limit                            |  |                                   |



— FY 11-12  
 — FY 10-11  
 — FY 9-10



- **107 licenses placed on inactive status** – 14% decrease from the same period last year and a 35% decrease from FY 2009-10 Quarter 1 data
- **88 licenses were voluntarily surrendered** – 47% increase from the same period last year and a 7% decrease from FY 2009-10 Quarter 1 data
- **375 licenses suspended for failure to maintain the required bond** – 37% decrease from the same period last year and 34% decrease from FY 2009-10 Quarter 1 data
- **257 licenses cancelled for non-renewal** – 9% decrease from the same period last year and a 16% increase from FY 2009-10 Quarter 1 data

### Additional Highlights

- 218 construction management exams (CMS) and 266 technical (trade) exams were administered.
- 749 existing licensee files were scanned during this period. A total of 5,876 files have been scanned since February 2010. An additional 14,571 files are currently waiting to be scanned.
- As of September 30, a total of 922 licensees have registered to use online services. Of those, 198 have utilized the online program to renew their license.

The background features a large, stylized blue shape that curves from the top right towards the bottom left, resembling a thick, light blue arc. The rest of the page is white.

# **Tracking Performance**

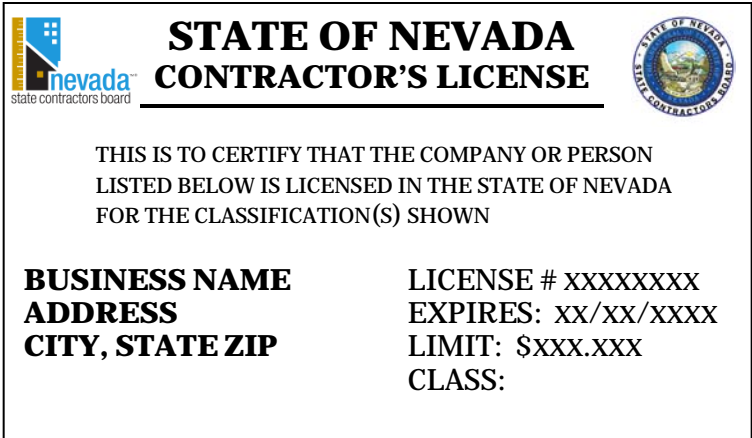


**HIGHLIGHTS**

- The Online License Renewal Program was successfully launched in July 2011. To date, 922 licensees have registered for online services.
- The Classification/Regulation Subcommittee met on September 15 to review Advisory Opinion 11-04-21-194 pertaining to the installation and maintenance of private fire hydrants. The meeting was well attended with 17 industry partners. The Subcommittee also met on September 15 to complete the review of regulations pursuant to Governor Sandoval’s Executive Order and the Board’s Strategic Plan.

**UPCOMING EFFORTS**

- Licensing is currently working on developing an updated contractor’s license identification card (sample to the right) as well as strategies on how to educate consumers to ask for it.
- Henderson and Reno offices are beginning to offer the Business Assistance Program to interested applicants or licensees wishing to change their license classification.
- Efforts to advertise and promote online services will continue to be developed and implemented.



**PERFORMANCE MEASURES**

**TIMELINESS**

- The average processing time for new license applications during the 1<sup>st</sup> Quarter was 64 days with 60% of applications being approved or denied within 60 days. The average processing time for a License Change Application in the 1<sup>st</sup> Quarter was 20 days with 81% being approved or denied within 30 days.
- In September, data collection and reporting efforts were enhanced to more accurately track department and employee performance.
- Customer service surveys for licensing operations indicate that of the 173 respondents, 36% found timeliness (questions 2, 3, & 5) to be excellent, 33% found it to be good, 11% found it fair, 3% found it poor, and 1% found it unacceptable. Management uses this data and customer comments to guide decisions relative to policy or procedural changes.

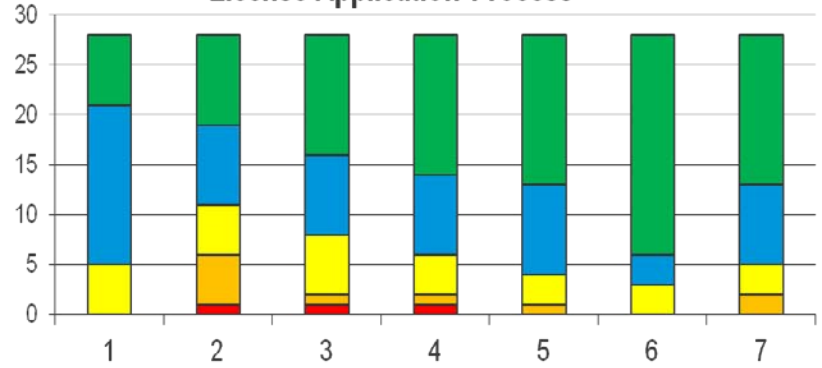
## **CUSTOMER EXPERIENCE**

- Sampling sizes for customer service surveys continue to be low:
  - *New License Application*: 211 received survey; 28 responded; sampling rate 13%
  - *Change Application*: 479 received survey; 33 responded; 7% sampling rate
  - *Renewal License Application*: 1,422 received survey; 125 responded; 9% sampling rate

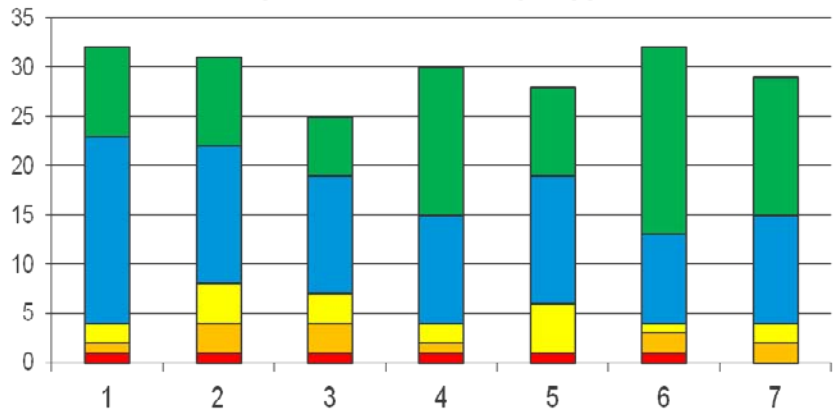
- Customer service surveys for licensing operations indicate that of the 173 respondents, 51% found their overall experience (question 7) to be excellent, 35% found it to be good, 8% found it fair, 3% found it poor, and nobody found it unacceptable. The data and comments relative to customer service are conveyed to staff to identify ways to improve, while also recognizing positive feedback.

- Staff is continuing to identify additional measures to encourage customers to provide us their feedback. Some efforts include soliciting an e-mail address from each customer over the phone and sending them the survey, reviewing our forms/documentation to solicit e-mail addresses from our customers, etc.

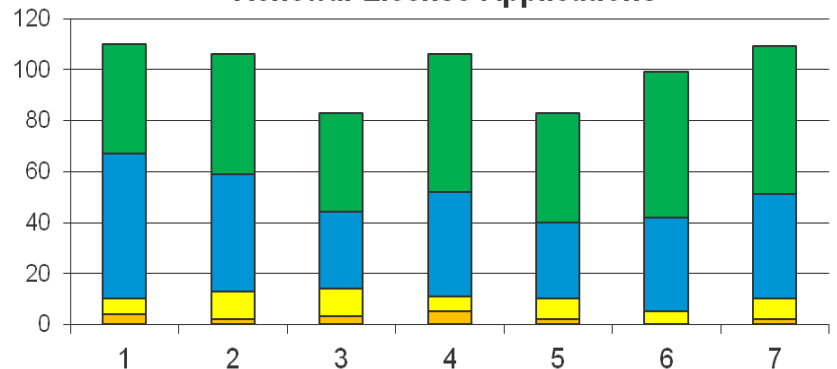
**Customer Experience with New License Application Process**



**Customer Experience With Change Applications**

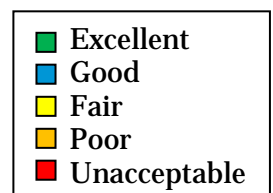


**Customer Experience with Renewal License Applications**



## **CHART KEY**

1. Completeness and clarity of forms and instructions.
2. Length of time it took to process my application/renewal.
3. Length of time it took to notify me of any problems with my renewal.
4. Quality and clarity of correspondence received from NSCB staff.
5. Length of time it took to respond to my phone/email inquiries.
6. Professional and courteous conduct by NSCB staff.
7. Overall satisfaction with the manner in which my renewal was handled.







## HIGHLIGHTS

- ‘Top 10 Most Wanted’ unlicensed contractor Neil Brodsky was arrested by the Culver City Police Department in California after NSCB investigators worked with all western states to alert them of his ongoing Craigslist advertising activities.
- The Disciplinary Hearing against Blue Lagoon Pools resulting in fines of \$88,550 and investigative costs of \$49,813. The Recovery Fund hearing is set for October 19.
- Aquascape Pool & Spa was Summarily Suspended after the Board received 15 workmanship complaints from homeowners and nine money owing complaints from contractors.
- The money owing case against Permasteelisa North America & Dunrite Construction was heard resulting in successful resolution of eight complaints totaling \$831,146 collectively.
- Investigators have been distributing the new brochures, meeting with local judicial and building department officials, and conducting sweeps throughout the areas visited.
  - Places traveled in the 1<sup>st</sup> Quarter include: Bunkerville, Carson City, Elko, Ely, Eureka, Fernely, Gardnerville, Glendale, Incline Village, Lake Tahoe, Laughlin, Logandale, Lyon County, Mesquite, Mineral County, Overton, Pahrump, Tonopah, and Winnemucca.

## UPCOMING EFFORTS

- Enforcement will focus on increasing sting operations and identifying additional sting houses throughout all areas in order to maximize enforcement of unlicensed activities.
- Enforcement is also working to streamline processes and procedures currently being used in order to increase efficiency, better track data/outcomes, and ensure all staff is implementing such policies and procedures in a consistent manner.

## PERFORMANCE MEASURES

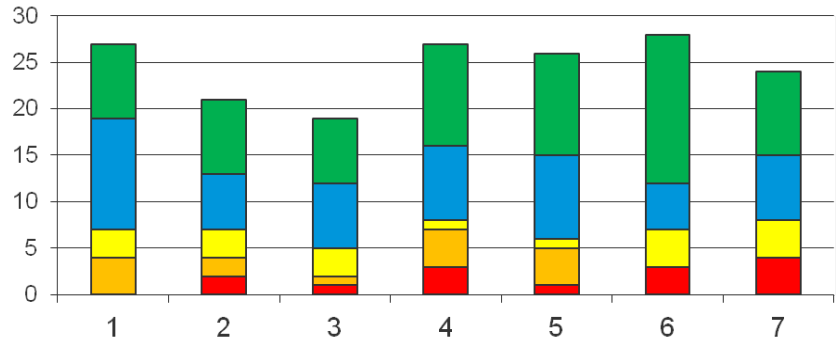
### TIMELINESS

- Processing times for Recovery Fund claims in the 1<sup>st</sup> Quarter from when a claim was opened until the Notice of Hearing was mailed averaged 20 days. This is an improvement of 20 days from FY 10-11 and 63 days from FY 09-10.
- The period of time from when a Recovery Fund claim was opened to when the hearing was conducted in the 1<sup>st</sup> Quarter was 74 days. This is an improvement of 16 days from FY 10-11.
- Customer service surveys for enforcement operations indicate that of the 70 respondents, 35% found timeliness (questions 2, 3, & 5) to be excellent, 30% found it to be good, 14% found it fair, 4% found it poor, and 8% found it unacceptable. Management uses this data and customer comments to guide decisions relative to policy or procedural changes.
- Staff is currently strategizing on ways to reduce the current backlog of criminal cases that have been sent to the District Attorney/court, which are still pending.

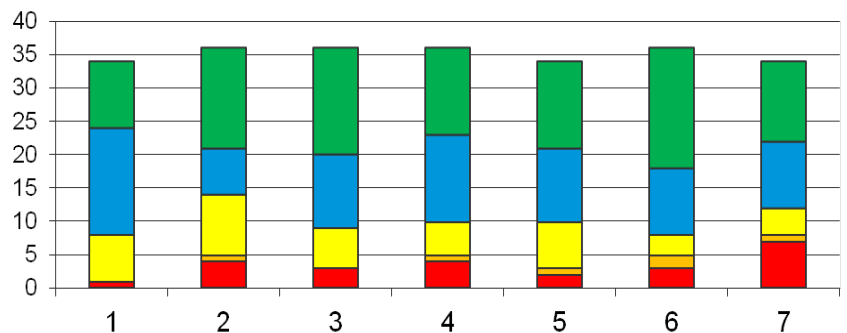
## **CUSTOMER EXPERIENCE**

- Sampling sizes for customer service surveys continue to be low:
  - *Complaints filed against contractor:* 507 received survey; 34 responded; sampling rate 7%
  - *Customers filing complaints against licensed contractors:* 288 received survey; 39 responded; 14% sampling rate
  - *Unlicensed contractor complaints:* 42 received survey; 6 responded; 14% sampling rate
- Customer service surveys for enforcement operations indicate that of the 70 respondents, 32% found their overall experience (question 7) to be excellent, 29% found it to be good, 13% found it fair, 1% found it poor, and 17% found it unacceptable. The data and comments relative to customer service are conveyed to staff to identify ways to improve, while also recognizing positive feedback.
- Customer comments received through the surveys is helpful to better understand why customers are satisfied or dissatisfied. We continue to monitor the comments to determine if a customer experience is based on staff conduct or the outcome of a customer's case.

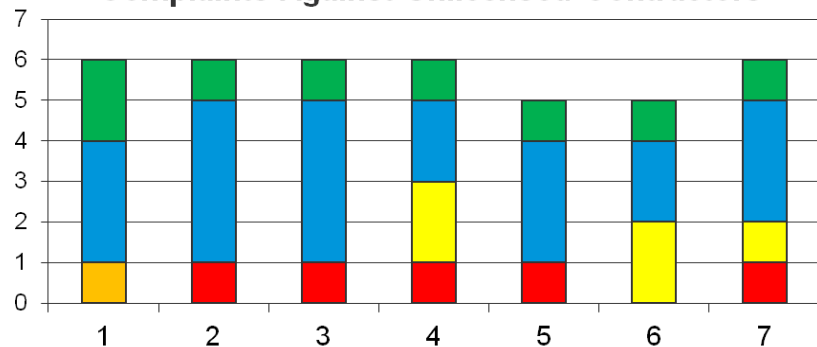
**Contractor Experience When Complaint is Filed Against Them By A Consumer**



**Customer Experience When Filing A Complaint Against A Licensed Contractor**



**Customer Experience When Filing Complaints Against Unlicensed Contractors**



## **CHART KEY**

1. Completeness and clarity of forms and instructions.
2. Length of time it took to investigate the complaint.
3. Length of time it took to contact me after complaint was filed.
4. Quality and clarity of correspondence received from NSCB staff.
5. Length of time it took to respond to my phone/email inquiries.
6. Professional and courteous conduct by NSCB staff.
7. Overall satisfaction with the manner in which my complaint was handled.





## **QUALITY OF ENFORCEMENT**

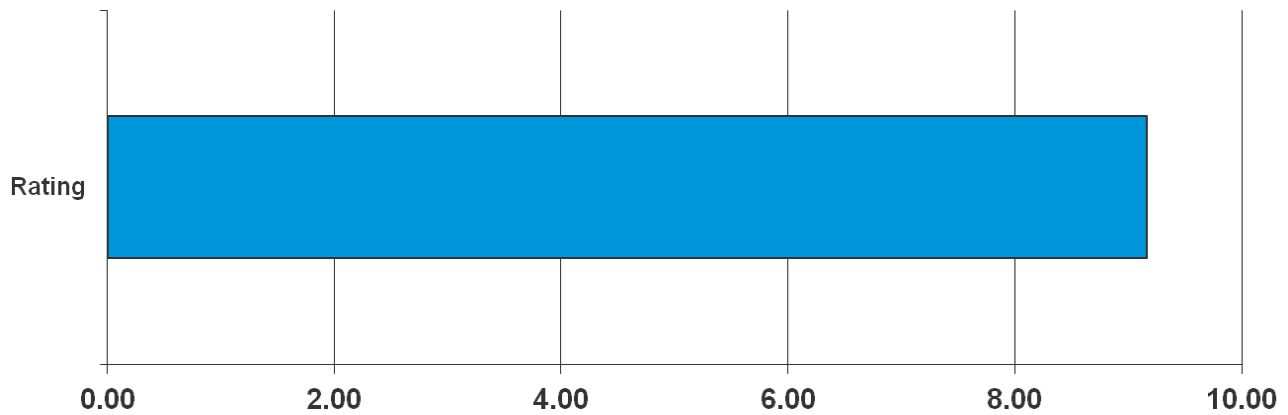
- The criminal conviction rate for the 1<sup>st</sup> Quarter was 32%. Efforts being made to improve this outcome include the review and evaluation of approximately 1,100 old cases where charges were filed with the District Attorney and arrest warrants were issued. Cases are being evaluated to determine if the prosecution is still viable, if witnesses can still be located, and if the warrants should be withdrawn.
- The ongoing implementation of the fingerprinting and background checks continues to be beneficial for the Board to identify omissions in applicants' criminal activities. Of the 697 fingerprint cards submitted in the 1<sup>st</sup> Quarter, 38 individuals had failed to disclose prior criminal activities and 11 individuals had multiple charges which were not disclosed.
  - The blue chart below indicates all applicants who were brought before the Board after staff identified major criminal omissions. The gold chart is all applicants who staff issued an Administrative Citation upon learning of minor criminal omissions.

Description	Disclosed	Hearing Date	Board Action
1996 Bankruptcy Fraud	No	9/22	Withdrawn
Misdemeanor Assault 4th, 7/18/97 - Oregon; Felony Assault 3rd, 7/23/97 - Oregon;	Yes	7/21	Approved
2002 DUI - FS - Bankruptcy	No	7/21	Tabled 90 Days
2008 Felony Drug Sale, currently on probation until 7/19/2012	NO	9/22	Withdrawn
10/3/95 Mayhem/Battery; 1/17/08 Possession of Firearms	Yes	9/22	Withdrawn
1996 Burglary; 1997 Assault With Deadly Weapon	No	9/22	Withdrawn
2001 Check Fraud	No	9/22	Withdrawn
Financial Responsibility & 1999 Gross Misdemeanor for Embezzlement	No	9/22	Denied
Financial Responsibility & 1993 Misdemeanor for Petty Theft	No	9/22	No Show Denied
Financial Responsibility & 2004 Battery - Misdemeanor	No	9/22	Denied
Financial Responsibility & 2010 Narcotics Trafficking conviction - On probation until 2015	Yes	9/22	Denied

Description	Fine	Cost	Admin. Date
2009 DUI	500.00	275.00	7/14/2011
2008 DUI	500.00	275.00	7/15/2011
2007 DUI & 2011 DUI	500.00	275.00	7/20/2011
1996 Corporal Battery of Spouse	500.00	275.00	7/23/2011
2007 Domestic Battery	500.00	275.00	7/27/2011
2010 DUI in Utah	500.00	275.00	8/3/2011
2010 DUI	500.00	275.00	8/3/2011
2009 DUI in Texas	500.00	275.00	8/16/2011
1993 Felony DUI - California	500.00	275.00	8/18/2011
2008 Destruction of Property - Misdemeanor	500.00	275.00	8/30/2011
2005 DUI	500.00	275.00	9/1/2011
2010 Battery	500.00	275.00	9/15/2011
2010 DUI	500.00	275.00	9/19/2011
2001 Assault/Battery	500.00	275.00	9/19/2011

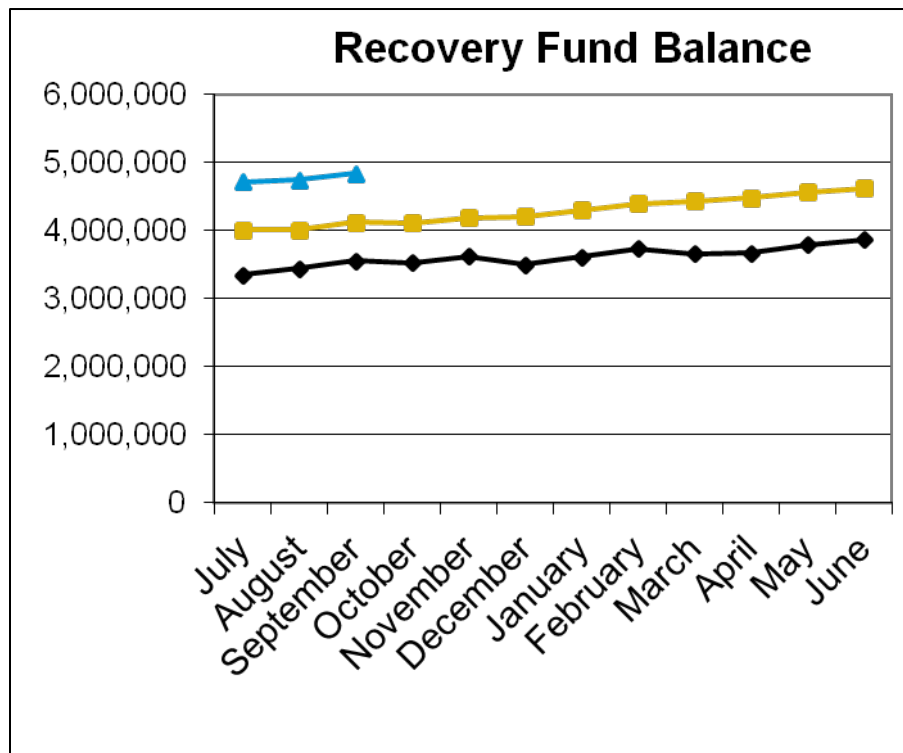
## VALUE OF CONTRACTOR LICENSE

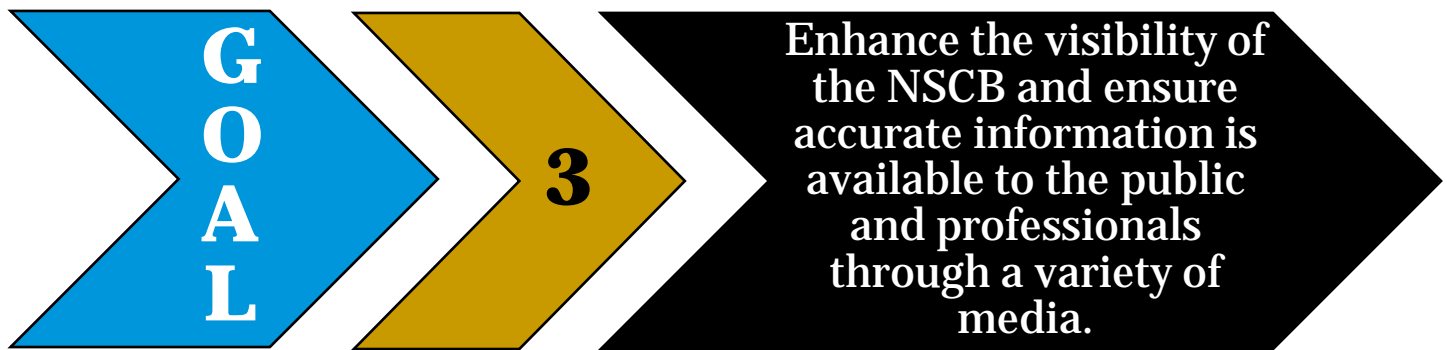
How Contractors Rate the Value of Their License



## FISCAL MANAGEMENT OF RECOVERY FUND

- The Recovery Fund balance has increased during the last three fiscal years.
- In accordance with NRS 624.470, the Recovery Fund balance is being evaluated.





### HIGHLIGHTS

- **Collateral Development:** Three new brochures were developed, posted to the website, and have begun to be distributed throughout the state by NSCB investigators. Additional brochures are being created to provide a consistent look to all materials. PIO is working with Department managers to update all documents with new letterhead and/or logo.
- **Website:** The website is now updated with the new logo. PIO is developing recommendations for improvements to the organization and display of content to allow for a more positive experience among internal and external customers.
- **Outreach to Contractors:** The contractor newsletter was revamped to be consistent with NSCB's new image. Most importantly was the inclusion of a survey to solicit feedback on the likes and interests of contractors. The input received has been valuable in preparing topics for future newsletters.
- **Outreach to Seniors:** In addition to the development of an improved senior brochure, PIO has updated its senior power point presentation and begun sending out a Senior Bulletin to senior groups and individuals, which provides information and tips specific to the senior population.
- **Public Awareness:** Two home expo shows were attended where information was distributed to consumers on how to hire licensed contractors. Additionally, a press release was distributed on NSCB's Most Wanted unlicensed contractor Neil Brodsky regarding his ongoing activity on Craigslist. The story was picked up on a number of television and radio stations throughout the state within hours and within one week, Brodsky was arrested.

### UPCOMING EFFORTS

- The PIO is working with the Governor's Office to proclaim November 14-18 as "Nevada Licensed Contractors Week." As part of this week, staff will launch the Board's 70<sup>th</sup> Anniversary presentation as well as other outreach and awareness activities.
- Analysis will be finalized on conducting a statewide survey to gauge the awareness and perception of the Board among Nevada citizens.
- An updated Board member orientation program is currently in development, which will help to provide new members with an overview of the Board's departments, key statutory/regulatory expectations, and our Strategic Planning initiatives.

### PERFORMANCE MEASURES

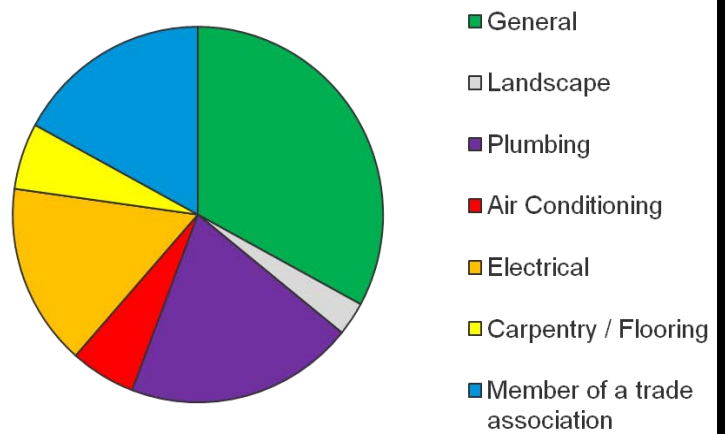
#### TIMELINESS

- Improvements to timeliness continue to be an area of focus. Information is distributed on important matters while the issue is relevant, but there is always an opportunity to become more efficient.

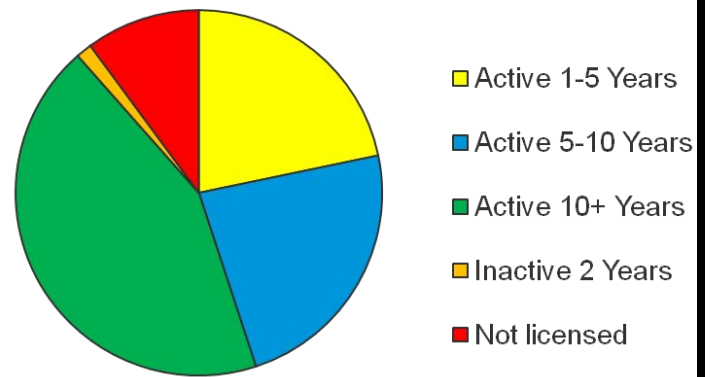
**CUSTOMER EXPERIENCE**

- Respondents to the newsletter survey totaled 70 contractors and/or trade association members. While this participation rate is extremely low, the feedback provided was very valuable. Based on the comments received, the PIO has adjusted the October issue of *NSCB Horizons* to include updates from associations, industry events/activities/trainings, information on Board activities and ways the Board can be of greater assistance to contractors, etc. The positive outcome of the survey is that no contractor who responded felt the newsletter was invaluable.
- PIO is currently working on strategies to begin soliciting feedback from seniors after they participate in our senior presentations. Our focus is to not only track their experience, but also begin tracking how effective our presentations are in advancing their knowledge on contractor-related matters. One effort recently added to raise awareness among the senior population was the creation of a Senior Bulletin, which is sent out to all e-mail contacts and senior associations.
- The PIO is also focused on improving the experiences of our internal customers (Board staff). Shortly after initiating the Staff Bulletin, which is sent out on a weekly basis and includes updates from each department, a customer service survey was sent out to solicit feedback on how communications can continue to be improved. One result of their feedback was beginning to hold joint meetings with Reno and Henderson staff in each department. This began in September and staff response has been very positive.

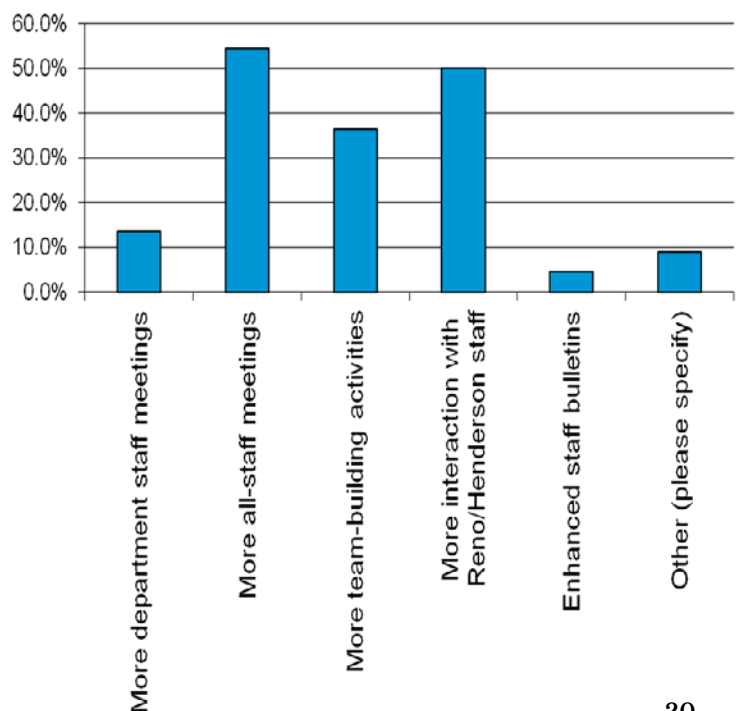
**Contractors Who Read the Newsletter**



**Status of Contractor's License Newsletter Readers**



**Staff feedback on how communication can be improved**





**HIGHLIGHTS**

- A number of roundtable meetings have been held in the first quarter, providing industry partners the opportunity to bring forward issues and suggestions for improved relations with the Board. Below is a list of each meeting held:
  - August 17 – **Building Officials** – This was a continued meeting to discuss opportunities to streamline the permitting process for contractors and homeowners.
  - August 19 – **Pool Association** – Topics discussed included requirements for various scopes of work, owner-builder issues, and continuing education ideas.
  - September 14 – **Industry Partners** – Topics discussed focused on legislative interests for the upcoming session, improved communication and outreach efforts between NSCB and the industry, and partnering opportunities.
  - September 28 – **Senior Groups** – This meeting provided NSCB the opportunity to discuss outreach strategies with senior group representatives, receive feedback on our senior presentation, and solicit information/suggestions on issues facing the senior population and how NSCB could be of assistance.

**UPCOMING EFFORTS**

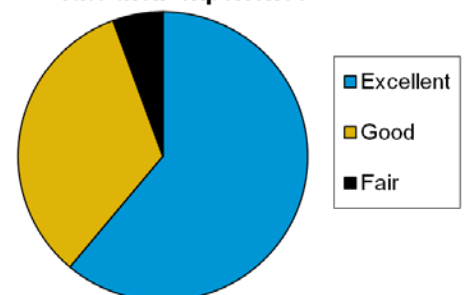
- The PIO is looking to develop a Senior Seminar Series in coordination with local and state agencies and organizations who share an interest in educating seniors about ways to protect themselves. Ideally, the seminar would be given in every legislative district throughout the state and would solicit the participation of elected officials, board members, and partners.
- Enforcement from Reno and Henderson are looking at ways to enhance/encourage partnering among District Attorneys, building officials, and law enforcement.
- Roundtable meetings will continue to be held addressing a number of issues from industry matters, to regulations/statutory changes, and legislative changes as the time nears.
- The Executive Officer, who is Chair of the NASCLA Resources Committee, is planning to host the next committee meeting in Nevada where topics of disaster plans, how to work with legislators, and senior outreach programs will be discussed.

**PERFORMANCE MEASURES**

**PARTNERING ACTIVITY**

- Participants of Roundtable discussions have expressed ongoing appreciation for the ability to meet with Board members and staff to address key issues of importance to them and enhance partnering efforts.
- Feedback collected also solicits ideas for future topics to discuss. From these comments, staff is able to identify partners to bring to the table for future meetings.

How Roundtable participants rate their experience





### **HIGHLIGHTS**

- Staff continues to revise the way information and reports are delivered to the Board regarding Strategic Planning activities. A new concise format was developed to focus on high-level highlights, provide visual representations of progresses, and forecast future efforts staff will address.
- A Legislative Subcommittee meeting was held July 13 with Board lobbyist Keith Lee in attendance. Discussions centered on upcoming strategies and reflections from the last legislative session.
- Four Industry Roundtable meetings were held with a variety of partners throughout the quarter, which have served as an additional opportunity for Board members to engage and interact with industry partners.
- The Classification/Regulation Subcommittee met on September 15 to review Advisory Opinion 11-04-21-194 pertaining to the installation and maintenance of private fire hydrants, as well as complete the review of regulations pursuant to Governor Sandoval's Executive Order and the Board's Strategic Plan.

### **UPCOMING EFFORTS**

- The Board's Legislative Subcommittee will meet to discuss strategies and legislative issues to address for the upcoming legislative session.
- The Finance Subcommittee is also scheduled to meet to review Board finances and trends in order to forecast future strategies that may be need to be implemented.
- Staff are continuing to work and will finalize the Board Member Orientation Manual, which will include information about each department, applicable statutory and regulatory requirements, and Strategic Planning initiatives.

### **PERFORMANCE MEASURES**

#### **BOARD ENGAGEMENT**

- Board member attendance at the regularly scheduled monthly Board meetings is consistent and each member continues to share the responsibility of Hearing Officer for disciplinary hearings and Residential Recovery Fund hearings.
- At least one or more Board members have been in attendance when a Subcommittee or Roundtable meeting has been held.





### HIGHLIGHTS

- PIO implemented a Staff Bulletin, which is sent generally sent out weekly, and includes a variety of information relative to Board activities and Strategic Planning initiatives. The Bulletin is the main tool utilized to communicate detailed information to all staff, including staff recognition items and messages from management.
- Customer service surveys continue to be implemented. The information received from the surveys, including customer comments, are being sent to all managers on a monthly basis in order to adjust programs, policies, trainings, etc. as needed depending on the areas identified for improvement. Additionally, the customer service surveys have been a valued tool for receiving positive feedback to provide staff about their efforts.
- Although performance measures have been identified, management continues to improve data collection and tracking efforts to more effectively report to the Board on advances being made.

### UPCOMING EFFORTS

- All Board staff will receive customer service training from Tom Hannah, which will focus on how to enhance customer service skills, utilize de-escalation techniques in challenging situations, and build trust and confidence with our customers.
- The Board will be holding its annual event to recognize and pay tribute to all of its veteran employees on November 10.

### PERFORMANCE MEASURES

#### **FISCAL MANAGEMENT**

- Due to the downturned economy, the Board continues to experience a decrease in all revenue streams. The Executive Officer works closely with Accounting and the Financial Subcommittee to identify solutions that may be needed in the upcoming future.
- Despite the challenges of the economy and the trends being experienced, the Board is still in positive financial standings and has been able to keep expenses lower than the revenue being generated.

#### **CUSTOMER EXPERIENCE**

- The majority of customers are satisfied with the interactions with the Board. However, continued improvement is always needed, especially given the low sampling rate of our customer service surveys.
- Identification of individual, departmental, and all-staff customer service trainings are being analyzed by each manager and coordinated through the Executive Officer.

The background features a large, stylized graphic composed of several overlapping, curved shapes in various shades of blue (from light to dark) and white. These shapes form a large, irregular frame that is open on the right side, creating a sense of movement and depth. The overall aesthetic is clean and modern.

# **LOOKING FORWARD**



## QUARTER ONE REFLECTIONS

1<sup>st</sup> Quarter outcomes from the Strategic Plan have been beneficial and productive. With our focus on partnering activities and implementing the new image of the Board, staff and members are beginning to see valuable and positive feedback from businesses, organizations, and customers throughout the State. From these experiences, we know there are areas where additional improvements can be made, such as customer service, data collection efforts, and effectively tracking performance measurements. These matters will continue to be a key focus of the Executive Team in the next quarter, as will keeping the lines of communication open with staff to ensure they have a solid and working knowledge of the Strategic Plan goals and performance measurements.

Our outreach efforts are improving with new/improved ideas like the Staff Bulletin, Senior Bulletin, contractor newsletter, and increased use of social media to get information out to customers more timely. While these are a starting point, the Strategic Plan has much outlined for the next three quarters. A focus on tracking the effectiveness of these efforts and ways they can be improved continue to be at the forefront as innovative concepts are implemented.

The most important reflection of them all, however, is the ongoing need to ensure all staff of the Board is engaged and aware of the goals and objectives outlined in the Strategic Plan. Management is committed to working with staff one-on-one, in staff meetings, and as an entire Board to remind them of the importance of the Strategic Plan and to help them see how their daily activities and contributions impact the Board as a whole.

## QUARTER TWO EXPECTATIONS

The 2<sup>nd</sup> Quarter will likely prove to be just as exciting and eventful as the first. We look forward to reporting on future Roundtable and partnering activities, while speaking to the outcomes of those meetings and the changes or opportunities we are generating as a result. The PIO will continue to evaluate existing efforts and identify innovative ways to expand outreach and educational opportunities throughout the State. Licensing will be focusing on better serving contractors through programs like Online Services and the Business Assistance Workshops, while Enforcement will be concentrating their efforts on partnering with local agencies as it relates to unlicensed contractors and expediting the criminal proceedings on identified cases.