Nevada State Contractors Board 2013-2014 Strategic Plan

JULY 2013



# acknowledgements

#### Governor

Brian Sandoval

#### **Board Members**

Guy M. Wells, Chairman Thomas "Jim" Alexander Kevin E. Burke Margaret Cavin Joe Hernandez Jan Leggett Stephen P. Quinn

#### **Staff Members**

Margi Grein, Executive Officer Dan Hammack, Chief of Enforcement George Lyford, Director of Investigations Nancy Mathias, Licensing Administrator Jennifer Turner, Public Information Officer





## letter from the board chair

The Nevada State Contractors Board has dedicated much of its time over the last few years improving its services, enhancing its outreach and educational awareness efforts to a variety of audiences, and identifying ways to streamline internal operations. We have made great strides to reintroduce ourselves to the various stakeholder groups, inform them of efforts being made by the Board, and working to better understand the needs of our customers.

Through roundtable discussions, community presentations, partnering/strategy meetings, and use of multiple media outlets, we have been successful in raising awareness of the Board, emphasizing the importance of hiring licensed contractors, and better meeting the needs of those we serve. This will continue to be an ongoing focus of the Board as we find ourselves adapting to new changes in the political, environmental, and economic worlds we operate in.

This Strategic Plan follows a legislative session encompassed with many changes. Along with a push toward automated services and streamlined information sharing between private, local, and state agencies, we will be analyzing the new requirements and enforcement changes that have been enacted. Through these efforts and open communication with our stakeholders, we will begin to develop a path toward implementation.

It's bound to be another busy year for the Board as we narrow our focus on the objectives set forth in this plan. But with every challenge comes an opportunity, and we look forward to sharing with you the rewards of our efforts in June 2014.





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### I. introduction

The Nevada State Contractors Board (NSCB) was created by the Legislature in 1941 to license and regulate contractors. Nevada requires licensure for all aspects of residential and commercial contracting. The Board is also responsible for enforcement, public awareness and administering a homeowner recovery fund.

The Board is empowered with determining applicant qualifications and establishing license conditions, including a monetary limit for services and types of work that may be performed. The Board is also empowered to promulgate rules and regulations necessary for implementing and enforcing the enabling statute, NRS 624, and to discipline licensees found in violation of the statute. The Governor appoints the seven members of the Board to three-year terms. Six members are licensed contractors, and one is a representative of the public.

The Board's public awareness program provides informational materials for consumers and contractors. Board employees give presentations and work with members of the media to provide public information concerning contractor responsibilities and the role of the Board.

The Board administers the Residential Recovery Fund, which was established in 1999 and provides financial assistance to single-family homeowners who have suffered damages in certain cases.



### II. overview

The primary purpose of the NSCB is to ensure consumer protection and the general health, safety and welfare of the public.

The State of Nevada was the fastest growing state for 20 of 21 consecutive years, until 2007. This unprecedented rate of growth created an atmosphere of high demand for homes and commercial construction, and the Board's workload increased accordingly to meet the demand for contractor licensing and investigation of workmanship complaints.

The conditions of the construction industry have changed considerably since the onset of the recession, and the Board continues to face challenges related to Nevada's slow economic recovery. Economic conditions have created hardships for many contractors, and the proliferation of unlicensed contractors remains an issue and continues to impact investigator workload.

However, as of late, the Board has also seen a slight increase in the number of contractor license applications. In addition, once-stalled construction projects are beginning to move forward again, and the demand for information about hiring licensed contractors is beginning to grow.

This Strategic Plan and its Implementation Action Plan reflect the goals and priorities of the Board, and identify specific actions and responsibilities to help NSCB achieve its mission while addressing evolving challenges and navigating the cyclical nature of the construction industry.

While regulators are often viewed as impediments to growth, the NSCB strives to serve as a catalyst for change, constantly working to strengthen its expertise, improve the quality of the construction industry and its licensees, and establish greater trust and credibility with the public. In doing so, the NSCB will protect the health, safety and welfare of the citizens of Nevada while serving the public quickly and efficiently.

**66** Everyone has always been more than helpful right from the original application process."

-J. Blockovich



# III. summary of recent accomplishments

Many of the Board's recent accomplishments are highlighted here. A more detailed list of activities is included as Appendix B.

#### Licensing

Licensing staff modified its operations to streamline the financial capacity of license candidates, evaluated the feasibility of adding additional applications to the online program, and reviewed and made changes to various licensing classifications to conform to current industry standards.

#### Enforcement

Investigative staff began developing a program to allow for training in lieu of monetary fines for violations, identified ways to enhance and report data within the department, and partnered with various industry association groups to streamline the reporting of unlicensed contractors.

#### Public Awareness and Information

The Board developed and implemented a communications plan, enhanced its outreach efforts in rural areas throughout the state, and outlined a plan to implement an industry outreach program as well as a Training Day for contractors.

### Partnering

NSCB staff developed a partnering plan, which included improvements to the way partnering meetings were conducted and evaluated to better track meeting outcomes. Additionally, the Board made significant efforts to engage its stakeholders in the legislative process and keep them informed of the Board's position on pending legislation.

### **Board Development**

A new Board member orientation manual was generated to informatively streamline statutory and regulatory requirements. Board members also participated in a number of trainings relative to the Board's role and business operation.

### Administrative Efficiency

The Board enhanced its customer service efforts and improved its methods of gathering customer feedback. Staff also worked to develop a Standard Operating Procedure manual for each department of the Board and also create a succession plan and strategy to develop the next generation of leadership.



### IV. strategic issues and priorities

Board members have identified the following issues and trends affecting the work of the NSCB. These issues affect NSCB's day-to-day operations as well as its long-term forecast, and help describe the economic, political and regulatory environment in which NSCB operates.

#### Slow Economic Recovery

Nevada continues to feel the effects of the State fiscal crisis and recession. Projections suggest the Nevada construction industry will likely take a minimum of 3 to 5 years to fully recover.

#### Workforce Trends

A recent increase in home remodeling activity and public works projects is driving the need to focus enforcement activities in these areas. The Board has recently identified the need to build internal capacity to address nonresidential construction issues, as well.

#### **Unlicensed Activity**

Unlicensed construction activity, fraud and out-of-scope work are continuing trends that threaten the financial wellbeing and reputation of legitimate contractors, and have resulted in the need for heightened enforcement, legislative action, industry communications and public information.

#### **Changing Demographics**

The face of Nevada is changing, and the senior population is expected to grow as the Baby Boomer generation continues to age. This requires increasing the availability of information and raising awareness to meet the needs of different populations and to prevent elder abuse.

#### **Changing Technology**

Industry trends, such as an increase in the use of renewable energy technology, are driving the need to keep licensure classifications and Board processes up-todate.

**66** The NSCB made a wrong into a right. We thank you for your diligence and being a valuable resource for Nevada residents."

STRATEGIC ISSUES AND PRIORITIES

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— D. Chavarria



# V. NSCB strategic plan framework

The NSCB Strategic Plan is organized according to the framework illustrated below and is described on the following pages. Each year, the Board reviews progress on the Strategic Plan and establishes a new set of specific objectives with assignments and timelines to ensure implementation.





•• NSCB took the time to review our case and listened to our side of the story. The final outcome was fair."

– W. Knipp

## VI. mission, vision and values

#### Mission

The Nevada State Contractors Board is committed to promote the integrity and professionalism of the construction industry in Nevada.

The Nevada State Contractors Board has the responsibility to promote quality construction by Nevada licensed contractors through a regulatory licensing system designed to protect the health, welfare, and safety of the public.

"Striving to Be a Model Regulatory Agency"

#### Vision

The Nevada State Contractors Board strives to be a model regulatory agency, integrating efficiency with consumer protection. We are committed to exceptional customer service, fair and efficient licensure, and innovative educational and enforcement programs.

Our empowered employees are committed to public service and professional development, and work to promote a fair and competitive marketplace.

#### Values

The Nevada State Contractors Licensing Board strives for the highest program quality. We commit to uphold the values of:

#### Fairness and Respect

We treat all customers and colleagues in a fair and impartial manner and with dignity and compassion.

#### Honesty and Integrity

We conduct ourselves professionally, ethically and honorably. We go beyond the legal minimum to do what is right.

#### Trust

We are reliable, dependable and accountable. We strive to build and maintain public and industry trust through honesty, sincerity and by playing by the rules.

#### Excellence and Exceptional Customer Service

The way we conduct business is as important as the business we conduct. We strive to deliver the best possible service, to create quality outcomes and to exceed expectations.

#### Innovation and Creativity

We encourage innovation and promote excellence through learning and development. We are flexible and creative, adapting to changing customer needs, pursuing novel solutions and growing our expertise.

#### Open, Clear and Frequent Communication

We build partnerships and engage with customers in meaningful interactions. We believe in open communication, participatory governance and transparency.

#### Education

We promote and encourage education of consumers, contractors and our employees.



# VII. customers and constituencies

individuals	constituency needs	constituency contributions
Public – property and homeowners	Public health, safety and welfare	Feedback on customer experience
Applicants	Licensing requirements, guidelines and resources	Feedback on application process
Licensees	Regulation of practice and business and legal resources	Legitimate and legal business activity
Recovery Fund Claimants	Compensation for wrongdoing	Feedback on fund administration
Building Officials	Timely, accurate communications	Feedback on contractor performance

organizations	constituency needs	constituency contributions
State Legislature	Protection of the public interest and efficient administration of program	Feedback on Board efficiency and effectiveness
State Executive Branch	Protection of the public interest and efficient administration of program	Feedback on Board efficiency and effectiveness
Office of the Attorney General	Investigation and enforcement of illegal activities	Legal guidance and oversight
Industry Associations	Fair and competitive marketplace	Insights or industry trends, issues and challenges
Local Governments	Verification of Contractor license status	Feedback on contractor performance

CHAPTER TITLE



# VIII. goals

The NSCB has established six goals which provide the framework of its mission:



#### 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 that accurate information is available to the public and professionals through a variety of media.



**66** I couldn't believe how smooth things went. My representative was very professional and prompt."

- K. Jackson



#### 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 execution of the Strategic Plan.



#### GOAL 6: ADMINISTRATIVE EFFICIENCY

Improve agency operations and technology to enhance regulatory efficiency, customer service and consumer protection.

GOALS



# IX. implementation action plan

The following section includes a list of actions currently underway and strategic objectives that will help NSCB meet each of its goals. These objectives were updated in March of 2013 and were based on the Board's review of the 2012-2013 Strategic Plan. Performance measure categories and desired outcomes are also provided.

**6** Your website is one of the best I have used. In addition, your staff is easy to reach and I appreciate that they e-mail us when issues occur."

-R. Burns





#### 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.

ongoing responsibilities	lead responsibility
Ensure all applicants meet experience and financial responsibility requirements, pass required examinations and complete background checks.	Licensing Staff
Ensure that the license classification system is consistent with industry practices.	Licensing Staff

specif	ic objectives 2013-2014	lead responsibility	completion date
1.A	Create a plan for placing additional applications online.	Licensing Staff	September 2013
1.B	Initiate rulemaking to finalize changes to classifications.	Licensing Staff	November 2013
1.C	Study feasibility of establishing a searchable/sortable licensee database by classification.	Licensing Staff	February 2014
1.D	Develop and implement a new way to measure application processing times.	Licensing Staff	December 2013

performance measures	desired outcomes
Timeliness	Qualified and licensed professional contractors
Customer Experience	Satisfied licensees





#### GOAL 2: ENFORCEMENT

Reduce and prevent unlicensed activity and unprofessional conduct that poses a threat to public safety and threatens legitimate business activity.

ongoing responsibilities	lead responsibility
Respond to complaints from the public in a timely manner and enforce regulations to protect public health, safety and welfare.	Enforcement Staff
Facilitate early intervention on serious life safety complaints.	Enforcement Staff
Ensure that disciplinary processes are effective and fair.	Enforcement Staff
Increase enforcement of unlicensed contracting activities.	Enforcement Staff
Strengthen efforts to prevent and prosecute elder abuse.	Enforcement Staff
Improve enforcement in rural areas.	Enforcement Staff





#### **GOAL 2: ENFORCEMENT**

Reduce and prevent unlicensed activity and unprofessional conduct that poses a threat to public safety and threatens legitimate business activity.

specif	ic objectives 2013-2014	lead responsibility	completion date
2.A	Differentiate types of enforcement actions/cases in reporting of results.	Enforcement Staff	September 2013
2.B	Analyze the feasibility of allowing completion of specific training courses in lieu of monetary fines for violations.	Enforcement Staff	October 2013
2.C	Implement program to train compliance investigators to be POST certified.	Enforcement Staff	December 2013
2.D	Build capacity within the Board to better address non-residential construction issues.	Enforcement Staff	March 2014

performance measures	desired outcomes
Timeliness	Satisfied claimants
Customer Experience	Clear resolution of claims
Quality of Enforcement	Increased investigations of unlicensed activity
Value of the Contractor License	Fair and competitive marketplace



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.

ongoing responsibilities	lead responsibility
Maximize public awareness of NSCB services and the benefits of hiring a licensed contractor through continued public outreach initiatives.	Public Information Officer
Enhance the use of online services.	Public Information Officer
Keep public information and collateral materials up-to-date.	Public Information Officer
Maximize the use of the NSCB newsletter and website to provide timely information.	Public Information Officer
Expand customer awareness of the Residential Recovery Fund.	Public Information Officer





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.

specif	ic objectives 2013-2014	lead responsibility	completion date
3.A	Work with IT to propose changes/ upgrades to website.	Public Information Officer	August 2013
3.B	Work with IT to explore use of social media and the creation of mobile applications.	Public Information Officer	October 2013
3.C	Expand outreach to HOAs and other county/state groups.	Public Information Officer	January 2014
3.D	Develop targeted collateral pieces for the Board, contractors, and consumers.	Public Information Officer	March 2014

performance measures	desired outcomes
Timeliness	Accurate, relevant, readily available information for professionals and the general public
Customer Experience	Satisfied customers





GOAL 4: PARTNERING

Partner with other public and private organizations to better serve customers and leverage resources.

ongoing responsibilities	lead responsibility
Improve Board effectiveness through partnerships and intergovernmental relationships.	Executive Team Members
Seek opportunities to leverage resources through creative partnerships.	Executive Team Members
Partner with the District Attorney's office to aggressively prosecute elder abuse.	Executive Team Members
Survey partners on a regular basis to improve two-way communication.	Executive Team Members





#### GOAL 4: PARTNERING

Partner with other public and private organizations to better serve customers and leverage resources.

specif	ic objectives 2013-2014	lead responsibility	completion date
4.A	Engage elected officials in issues and programs concerning scams, elder abuse, etc.	Executive Team Members	May 2014
4.B	Work with city and county building departments to increase awareness of the Board.	Executive Team Members	June 2014

performance measures	desired outcomes
Partnering Activity	Increase in the number of productive partnerships





#### GOAL 5: BOARD DEVELOPMENT

Organize Board training and activities to focus on governance and policy issues while ensuring the execution of the Strategic Plan.

ongoing responsibilities	lead responsibility
Focus Board efforts and activities on policy, governance and strategic plan implementation.	Executive Team Members
Implement a new Board member orientation and training program.	Executive Team Members
Partner with contractor associations, law enforcement, building officials and governmental agencies to address mutual concerns and/or issues.	Executive Team Members





#### GOAL 5: BOARD DEVELOPMENT

Organize Board training and activities to focus on governance and policy issues while ensuring execution of the Strategic Plan.

specif	ic objectives 2013-2014	lead responsibility	completion date
<b>5.</b> A	Develop departmental overview trainings for inclusion in new board member orientation.	Executive Team Members	December 2013

performance measures	desired outcomes
Board Engagement	Board is active and engaged, providing clear direction to staff



GOAL 6: ADMINISTRATIVE EFFICIENCY

Improve agency operations and technology to enhance regulatory efficiency, customer service and consumer protection.

ongoing responsibilities	lead responsibility
Provide excellent customer service and continue to develop and modify programs to improve customer experience.	Executive Team Members
Periodically survey peer agencies for best practices, benchmark NSCB performance and re-engineer and refine processes as needed.	Executive Team Members
Track performance measures and target outcomes and focus on improving processes that fall below their targets or exceed budgets.	Executive Team Members
Improve and maintain IT systems and the use of technology for document imaging, investigative services and other agency functions.	Executive Team Members
Foster a culture of teamwork and collaboration.	Executive Team Members
Develop an annual strategic plan, measure results and update the plan on a periodic basis.	Executive Team Members
Ensure that all Board staff are aware of employment policies and procedures.	Executive Team Members
Continue the Employee Recognition Program.	Executive Team Members





#### GOAL 6: ADMINISTRATIVE EFFICIENCY

Improve agency operations and technology to enhance regulatory efficiency, customer service and consumer protection.

specif	ic objectives 2013-2014	lead responsibility	completion date
6.A	Evaluate accounting/licensing software options.	Executive Team Members	September 2013
6.B	Develop a plan to engage staff in the implementation of strategic planning initiatives.	Executive Team Members	March 2014
6.C	Obtain proposals to conduct a Board audit of internal processes.	Executive Team Members	June 2014

performance measures	desired outcomes
Fiscal Management	Balanced budget
Customer Experience	Satisfied customers





# appendices

Appendix A: Recent Accomplishments 2012-2013



### appendix A: recent accomplishments 2012-2013

### Licensing

- Adopted Regulation R098-12, which revises the provisions of NAC 624 to reduce penalties for the late filing of a renewal application, clarify language concerning motions, and repeal language no longer needed or that is already addressed in other sections of the law.
- Explored alternative ways to ensure the financial capacity of license candidates as well the feasibility of expanding the use of online application procedures.
- The Board moved to have all license denial hearings be heard before the full Board, instead of a committee of members.
- The Board implemented a Veteran's Assistance Program, which affords veterans and their spouses expedited service when applying for a contractor's license.

### Enforcement

APPENDIX B

- Evaluated ways to enhance investigative efforts specializing in commercial construction and public works projects.
- Began to develop a plan that would allow licensees to complete specific training courses in lieu of monetary fines for violations.
- Partnered with contractor boards from Arizona, California, Nevada, Oregon, Rhode Island, South Carolina, Utah, and also the National Association of State

Contractor Licensing Agencies (NASCLA) in a joint sting event targeting individuals advertising on online and electronic bulletin boards without a license and contracting without a license.

- The Board implemented a pilot project using Administrative Law Judges to serve as Hearing Officer for certain disciplinary hearings.
- Two 'Top 10 Most Wanted' unlicensed contractors were arrested during the fiscal year.

### Partnering

- Created a partnering plan, which prioritized Board issues for outreach and enforcement.
- Enhanced the reporting structure of partnering efforts to the Board to focus more on outcomes and strategies.
- Held a number of meetings with state and local agencies to address and/or collaborate on different matters.

### **Board Development**

- Developed a streamlined Board Orientation Manual, which aids members in becoming familiar with the rules, regulations, and statutory requirements affecting their role with the Board.
- Members participated in the 2013 Legislative Session by ways of testifying at committee hearings, participating in roundtable discussions with stakeholders



and legislators, and receiving monthly updates from management about legislative progress or challenges.

#### **Residential Recovery Fund**

- Beginning July 1, 2012, the Residential Recovery Fund assessments were reduced by 41 percent.
- The Board authorized over \$433,000 in Residential Recovery Fund payments to homeowners.
- A total of 39 homeowners received recourse through the Residential Recovery Fund for an average award of approximately \$11,100.
- The Residential Recovery Fund brochure was updated to include the statutory language licensed contractors are required to provide homeowners about the Recovery Fund.

### Public Awareness and Information

- Developed and utilized a comprehensive communications plan.
- Established and launched the first Training Day event for contractors throughout the state, which consisted of a number of industry experts and professionals providing quality hourlong presentations in Las Vegas and Reno.
- Coordinated the development of targeted collateral pieces for legislators, seniors, HOA groups,

realtors, and property management groups relative to hiring practices of licensed contractors.

# Administration and Information Technology

- Each department began to compile its policies and procedures into a formal Standard Operating Procedure Manual.
- The Executive Officer created a succession plan and strategy for developing the next generation of leadership for the Board.
- Information Technology continued to streamline the Board's online appearance and internal technologies to improve and enhance the efficiencies of Board staff in their daily operations.
- The Executive Officer participated extensively in the 2013 Legislative Session, at the direction of the Board, and provided members a weekly update of significant activities and legislative updates to keep them informed.





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