

Nevada State Contractors Board

STRATEGIC PLAN

**EXECUTIVE OFFICER REPORT
QUARTER TWO REPORT**

October 1 - December 31, 2014



Members of the Board

Guy M. Wells, *Chairman*

Margaret Cavin, *Treasurer*

Thomas “Jim” Alexander

Kevin E. Burke

Joe Hernandez

Jan Leggett

Stephen P. Quinn

Executive Leadership

Margi Grein, *Executive Officer*

Dan Hammack, *Chief of Enforcement*

Paul Rozario, *Director of Investigations*

Nancy Mathias, *Licensing Administrator*

members
and
dr



Message from the Executive Officer

Embarking on a new year is always an exciting time for the Board. It marks our halfway point in meeting the goals and objectives of our strategic plan and brings us that much closer to becoming a model regulatory agency.

During the first two quarters of the fiscal year, we have begun to tackle major technological challenges while progressing on new opportunities, both of which have afforded the Board the opportunity to improve its services and internal operations. These efforts will remain ongoing for the continuation of the year, but the advancements being made are extremely promising for the Board's future.

We also placed emphasis on our partnering and engagement strategies with law enforcement agencies across the state. Our efforts led to several collaborative sting events resulting in arrests of individuals with active warrants who were operating as unlicensed contractors. It is partnerships like this that promote and take our mission of protecting the health, safety, and welfare of the public to new heights. The Board was also able to engage the Nevada Sheriffs and Chiefs Association through a presentation highlighting the ways law enforcement can combat unlicensed contracting activities in the course of their day-to-day duties, while enhancing the lines of communication with Board investigators.

In preparing for the 2015 Legislative Session, which is scheduled to begin in February, I've been meeting proactively with members of the Legislature to introduce them to the Board, share the mission and public services we have to offer, and provide them with opportunities to partner with the Board on outreach initiatives for their constituencies.

2015 is poised to be another busy and productive year. With many different paths being pursued relative to our strategic direction, it will be a pleasure to report back in the months to come on the status of the Board and its goals.

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

MARGI A. GREIN
Nevada State Contractors Board Executive Officer

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Executive Officer Highlights

Executive Officer Develops National Resources; Sets Strategic Direction for NASCLA (Goal 4)

In her role as NASCLA Treasurer and Resources Committee Chair, Executive Officer Grein dedicated time this quarter to developing a number of national resources, which are made available to Boards across the country. These programs include an in-depth list of recommendations and strategies for navigating and participating in a legislative environment; a guide to effective public relations tactics; and a clearinghouse of resources utilized by NASCLA members. Additionally, Grein contributed to setting direction for NASCLA in their 2015 Strategic Planning meeting held in December.

Regulatory Changes Sought (Goal 1)

In October, the Board received approval by the Legislative Commission on LCB File R019-14 relating to administrative fines. Additionally, the Board completed its Regulation Workshop and Hearing in December addressing the B-classification. The temporary regulation to add a new B-6 subclassification will be presented to the Board for approval at the January meeting.

NSCB and Law Enforcement Partner on Sting Events (Goal 2)

Sting events in both the north and south ends of the state were held during the quarter, resulting in over 20 citations to unlicensed contractors. With the cooperation of the Las Vegas Metropolitan Police Department and the Reno Police Department, three individuals were also arrested on warrants for fraud, felony narcotics possession, and an NSCB gross misdemeanor.

Legislative Meetings Create Opportunity to Promote the Board's Services (Goal 6)

In gearing up for the start of the 2015 legislative session, meetings were held with several legislators to promote the Board's mission, services, and opportunities to engage with the Board.

Outreach to Law Enforcement Agencies and Legislators Help Engage and Enhance Partnerships (Goal 3)

In November, the Board attended the Nevada Sheriffs and Chiefs Association event highlighting the Board's mission and promote partnering opportunities among law enforcement agencies. In December, NSCB participated in the New Member Legislative Orientation meeting, interacting with legislators to provide an overview of the constituent services the Board has to offer.

Board Receives Training from Federal Association of Regulatory Boards (Goal 5)

NSCB leadership participated in an all-day training dedicated to gaining greater insight on the role, purpose, and function of a regulatory board. The training, which has been made available at national forums, provided an engaging environment with dynamic conversations, current case law, and thought provoking scenarios for group discussions.

Enhancements to Board Orientation Training Being Made (Goal 5)

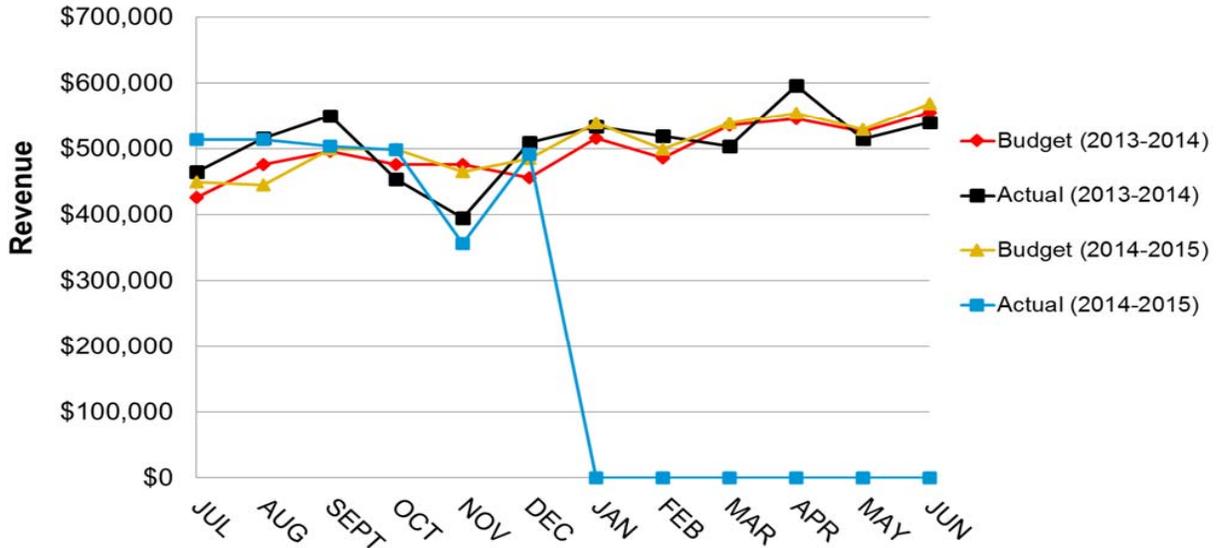
Enhancements are being made to the Board Member Orientation training to provide a more engaging experience. The new presentation will afford new members the opportunity to watch a video walking them through the various aspects of the Board while highlighting key information contained within the Orientation Manual.

Licensing - Data Dashboard

Budget (2013-2014)	JULY-13	AUG-13	SEPT-13	OCT-13	NOV-13	DEC-13	JAN-14	FEB-14	MAR-14	APR-14	MAY-14	JUN-14	TOTALS
License Renewals	\$270,000	\$320,000	\$340,000	\$320,000	\$320,000	\$300,000	\$360,000	\$330,000	\$380,000	\$390,000	\$370,000	\$400,000	\$4,100,000
New License Fee	\$49,166	\$49,166	\$49,166	\$49,166	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$590,000
Application Fee	\$33,333	\$33,333	\$33,333	\$33,333	\$33,333	\$33,333	\$33,333	\$33,333	\$33,334	\$33,334	\$33,334	\$33,334	\$400,000
License Changes	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$345,000
Investigative Recov Costs	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$270,000
Renewal Late Fees	\$8,333	\$8,333	\$8,333	\$8,333	\$8,333	\$8,333	\$8,333	\$8,333	\$8,334	\$8,334	\$8,334	\$8,334	\$100,000
Renewal Inactive Fee	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,334	\$13,334	\$13,334	\$13,334	\$160,000
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$425,415	\$475,415	\$495,415	\$475,415	\$475,416	\$455,416	\$515,416	\$485,416	\$535,419	\$545,419	\$525,419	\$555,419	\$5,965,000
Actual (2013-2014)	JULY-13	AUG-13	SEPT-13	OCT-13	NOV-13	DEC-13	JAN-14	FEB-14	MAR-14	APR-14	MAY-14	JUN-14	TOTALS
License Renewals	\$316,800	\$317,650	\$396,220	\$296,300	\$254,005	\$334,003	\$383,925	\$349,520	\$299,588	\$418,250	\$331,950	\$365,215	\$4,063,425
New License Fee	\$46,200	\$60,600	\$41,850	\$54,000	\$46,800	\$46,350	\$39,000	\$46,800	\$57,150	\$57,000	\$49,200	\$52,950	\$597,900
Application Fee	\$28,800	\$42,300	\$32,150	\$39,300	\$26,700	\$34,800	\$39,900	\$40,800	\$42,900	\$40,200	\$41,400	\$42,650	\$451,900
License Changes	\$32,150	\$30,425	\$27,200	\$28,050	\$26,375	\$27,200	\$29,275	\$31,400	\$41,225	\$34,275	\$32,425	\$30,525	\$370,525
Investigative Recov Costs	\$25,955	\$42,690	\$18,598	\$21,165	\$28,607	\$30,385	\$26,717	\$26,194	\$39,941	\$26,765	\$40,546	\$30,950	\$358,514
Renewal Late Fees	\$5,480	\$7,875	\$16,010	\$7,300	\$4,495	\$16,415	\$5,475	\$7,450	\$10,175	\$8,175	\$5,925	\$6,025	\$100,800
Renewal Inactive Fee	\$8,700	\$14,400	\$18,300	\$7,500	\$8,100	\$19,650	\$8,700	\$16,200	\$12,300	\$11,700	\$13,200	\$11,700	\$150,450
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$464,085	\$515,940	\$550,328	\$453,615	\$395,082	\$508,803	\$532,992	\$518,364	\$503,279	\$596,365	\$514,646	\$540,015	\$6,093,514
Variance (2013-2014)	JULY-13	AUG-13	SEPT-13	OCT-13	NOV-13	DEC-13	JAN-14	FEB-14	MAR-14	APR-14	MAY-14	JUN-14	TOTALS
License Renewals	\$46,800	(\$2,350)	\$56,220	(\$23,700)	(\$65,995)	\$34,003	\$23,925	\$19,520	(\$80,413)	\$28,250	(\$38,050)	(\$34,785)	(\$36,575)
New License Fee	(\$2,966)	\$11,434	(\$7,316)	\$4,834	(\$2,367)	(\$2,817)	(\$10,167)	(\$2,367)	\$7,983	\$7,833	\$33	\$3,783	\$7,900
Application Fee	(\$4,533)	\$8,967	(\$1,183)	\$5,967	(\$6,633)	\$1,467	\$6,567	\$7,467	\$9,566	\$6,866	\$8,066	\$9,316	\$51,900
License Changes	\$3,400	\$1,675	(\$1,550)	(\$700)	(\$2,375)	(\$1,550)	\$525	\$2,650	\$12,475	\$5,525	\$3,675	\$1,775	\$25,525
Investigative Recov Costs	\$3,455	\$20,190	(\$3,902)	(\$1,335)	\$6,107	\$7,885	\$4,217	\$3,694	\$17,441	\$4,265	\$18,046	\$8,450	\$88,514
Renewal Late Fees	(\$2,853)	(\$458)	\$7,677	(\$1,033)	(\$3,838)	\$8,082	(\$2,858)	(\$883)	\$1,841	(\$159)	(\$2,409)	(\$2,309)	\$800
Renewal Inactive Fee	(\$4,633)	\$1,067	\$4,967	(\$5,833)	(\$5,233)	\$6,317	(\$4,633)	\$2,867	(\$1,034)	(\$1,634)	(\$134)	(\$1,634)	(\$9,550)
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$38,670	\$40,525	\$54,913	(\$21,800)	(\$80,334)	\$53,387	\$17,576	\$32,948	(\$32,140)	\$50,946	(\$10,773)	(\$15,404)	\$128,514
Budget (2014-2015)	JULY-14	AUG-14	SEPT-14	OCT-14	NOV-14	DEC-14	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	TOTALS
License Renewals	\$285,000	\$280,000	\$335,000	\$335,000	\$300,000	\$320,000	\$375,000	\$335,000	\$375,000	\$390,000	\$365,000	\$405,000	\$4,100,000
New License Fee	\$49,166	\$49,166	\$49,166	\$49,166	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$590,000
Application Fee	\$35,417	\$35,416	\$35,416	\$35,416	\$35,417	\$35,416	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$425,000
License Changes	\$29,167	\$29,166	\$29,167	\$29,166	\$29,167	\$29,167	\$29,166	\$29,167	\$29,167	\$29,167	\$29,166	\$29,167	\$350,000
Investigative Recov Costs	\$29,167	\$29,166	\$29,167	\$29,166	\$29,167	\$29,167	\$29,166	\$29,167	\$29,167	\$29,167	\$29,166	\$29,167	\$350,000
Renewal Late Fees	\$8,333	\$8,333	\$8,334	\$8,333	\$8,333	\$8,334	\$8,333	\$8,333	\$8,334	\$8,333	\$8,334	\$8,333	\$100,000
Renewal Inactive Fee	\$12,917	\$12,916	\$12,917	\$12,917	\$12,916	\$12,917	\$12,917	\$12,916	\$12,917	\$12,917	\$12,916	\$12,917	\$155,000
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$449,167	\$444,163	\$499,167	\$499,164	\$464,167	\$484,168	\$539,166	\$499,167	\$539,169	\$554,168	\$529,166	\$569,168	\$6,070,000
Actual (2014-2015)	JULY-14	AUG-14	SEPT-14	OCT-14	NOV-14	DEC-14	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	TOTALS
License Renewals	\$328,500	\$328,375	\$334,475	\$331,700	\$215,200	\$320,503							\$1,858,753
New License Fee	\$66,000	\$65,400	\$35,700	\$58,500	\$45,600	\$58,700							\$329,900
Application Fee	\$34,800	\$36,050	\$35,400	\$33,300	\$34,550	\$33,650							\$207,750
License Changes	\$35,725	\$36,075	\$31,250	\$36,050	\$31,175	\$28,675							\$198,950
Investigative Recov Costs	\$33,592	\$31,719	\$43,165	\$17,925	\$16,400	\$36,332							\$179,133
Renewal Late Fees	\$7,275	\$7,200	\$7,390	\$7,875	\$4,500	\$6,685							\$40,925
Renewal Inactive Fee	\$7,800	\$8,775	\$16,313	\$12,775	\$9,300	\$6,538							\$61,500
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$513,692	\$513,594	\$503,692	\$498,125	\$356,725	\$491,082	\$0	\$0	\$0	\$0	\$0	\$0	\$2,876,910
Variance (2014-2015)	JULY-14	AUG-14	SEPT-14	OCT-14	NOV-14	DEC-14	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	TOTALS
License Renewals	\$43,500	\$48,375	(\$525)	(\$3,300)	(\$84,800)	\$503	(\$375,000)	(\$335,000)	(\$375,000)	(\$390,000)	(\$365,000)	(\$405,000)	(\$2,241,248)
New License Fee	\$16,834	\$16,234	(\$13,466)	\$9,334	(\$3,567)	\$9,533	(\$49,167)	(\$49,167)	(\$49,167)	(\$49,167)	(\$49,167)	(\$49,167)	(\$260,100)
Application Fee	(\$617)	\$634	(\$16)	(\$2,116)	(\$867)	(\$1,766)	(\$35,417)	(\$35,417)	(\$35,417)	(\$35,417)	(\$35,417)	(\$35,417)	(\$217,250)
License Changes	\$6,558	\$6,909	\$2,083	\$6,884	\$2,008	(\$492)	(\$29,166)	(\$29,167)	(\$29,167)	(\$29,167)	(\$29,166)	(\$29,167)	(\$151,050)
Investigative Recov Costs	\$4,425	\$2,553	\$13,998	(\$11,241)	(\$12,767)	\$7,165	(\$29,166)	(\$29,167)	(\$29,167)	(\$29,167)	(\$29,166)	(\$29,167)	(\$170,867)
Renewal Late Fees	(\$1,058)	(\$1,133)	(\$944)	(\$458)	(\$3,833)	(\$1,649)	(\$8,333)	(\$8,333)	(\$8,334)	(\$8,333)	(\$8,334)	(\$8,333)	(\$59,075)
Renewal Inactive Fee	(\$5,117)	(\$4,141)	\$3,396	(\$142)	(\$3,616)	(\$6,380)	(\$12,917)	(\$12,916)	(\$12,917)	(\$12,917)	(\$12,916)	(\$12,917)	(\$93,500)
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$64,525	\$69,431	\$4,525	(\$1,039)	(\$107,442)	\$6,914	(\$539,166)	(\$499,167)	(\$539,169)	(\$554,168)	(\$529,166)	(\$569,168)	(\$3,193,090)

Licensing - Q2 Snapshot

Application, Renewal & Cost Recovery Revenue
(FISCAL YEARS 2013-2014 / 2014-2015)



OCTOBER TO DECEMBER 2014

Licenses (Beginning of Quarter)	16,024
New Licenses Issued	282
Licenses Cancelled / Surrendered / Revoked	(336)
Variance in Suspended/Reinstated Licenses	28
Licenses (End of Quarter)	15,998
# of Licenses on September 30, 2014	16,024
# of Licenses on December 31, 2014	15,998
Net YTD (Fiscal Year)	
Licenses Gained / Lost	(26)
Renewal Revenue Gained / Lost	(\$15,600)
*Does not include suspended licenses	

FISCAL YTD LICENSING FEE TOTALS (FY2015)

LICENSING FEES	BUDGET	ACTUAL	VARIANCE
License Renewals	4,100,000	1,858,753	(2,241,248)
New License Fee	590,000	329,900	(260,100)
Application Fee	425,000	207,750	(217,250)
License Changes	350,000	198,950	(151,050)
Invest Recov Costs	350,000	179,133	(170,867)
Renewal Late Fees	100,000	40,925	(59,075)
Renewal Inactive	155,000	61,500	(93,500)

90 Day Retention Rate

Projected Year-End Retention Rate	Sept '14 Lic's	16,024	
	Cancellations	(336)	(2.10%)
	New Licenses	282	1.76%
	Susp/Reinstate	28	0.18%
	Dec'14 Lic's	15,998	
Change	(26)		
3 Month Rolling	% Change	-0.16%	

180 Day Retention Rate

Projected Year-End Retention Rate	June '14 Lic's	16,113	
	Cancellations	(660)	(4.13%)
	New Licenses	592	3.70%
	Susp/Reinstate	168	1.05%
	Dec'14 Lic's	15,998	
Change	(115)		
6 Month Rolling	% Change	-0.72%	

Licensing - Overview

QUARTERLY STATS

New License Apps: 348 (+4.5%)

- 305 Approved
- 24 Tabled/Denied
- Avg. Processing Time 63 days; 55% approved/denied within 60 days

Issued Licenses: 282 (+15%)

License Change Apps: 759 (+6%)

- Avg. Processing Time 28 days; 73% approved/denied within 30 days

Active Licenses: 14,899 (-.02%)

Inactive Licenses: 1,099 (-16%)

- 52 Placed on inactive status during Q2 (-7%)

Voluntary Surrender: 62 (-14%)

Active License Renewals:

- 1,609 (+13%)

Inactive License Renewals:

- 108 (+21%)

Online Renewals: 339

- 31% of total renewed licenses
- 7,675 Licensees registered

License Suspensions (no bond):

- 220 (-1.7%)

Licenses Cancelled: 257 (+10%)

Application Denial Hearings:

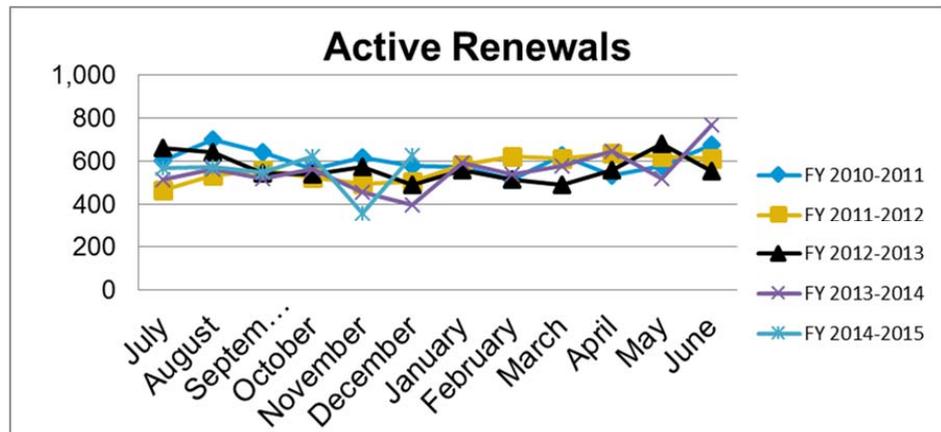
- 33 (-28%)

Financial Responsibility Hearings:

- 16 (-15%)

NEW LICENSES ISSUED

	FY 2012-13	FY 2013-14	FY 2014-15
OCT	83	88	92
NOV	84	65	82
DEC	65	93	108
TOTAL	232	246	282



INACTIVE LICENSE RENEWALS

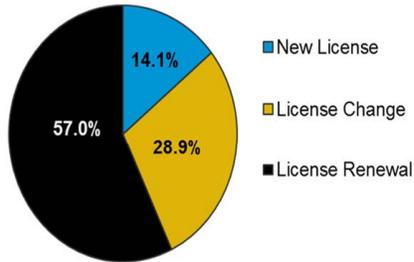
	FY 2012-13	FY 2013-14	FY 2014-15
OCT	55	36	38
NOV	50	23	27
DEC	47	30	43
TOTAL	152	89	108

Single Project Increase Requests See 35% Jump in Second Quarter

While only a modest indicator of an improving industry, the Board received a total of 46 single project increase applications during the second quarter, marking a 35% increase over the same period last year. Of those, 39 were approved and two were tabled or denied.

Licensing - Highlights

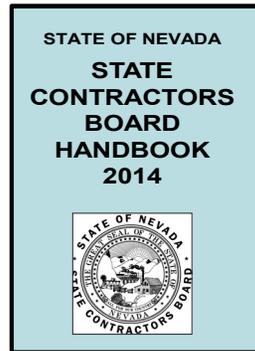
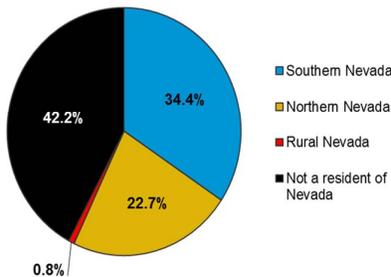
Type of Applicant



Licensing Training

In September, Licensing staff participated in an Annual Credit Report training. The training covered security and confidentiality requirements, how to read and interpret credit reports in relation to financial responsibility requirements, and provided recommendations on the proper methods of correspondence with applicants.

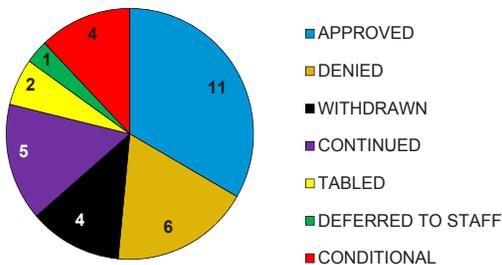
Customers are Residents of:



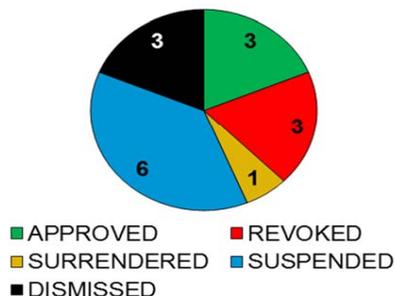
Regulatory Changes Approved; Temporary Regs In Progress

Final language concerning administrative fines in LCB File R019-14 was approved by the Legislative Commission on October 24, 2014. A workshop and hearing were also held concerning the temporary rulemaking initiative to implement a new subclassification, B-6, which would permit remodeling of interior commercial spaces.

New License Application Denial Hearing Outcomes



Financial Responsibility Hearing Outcomes



Executive Order Implemented Affecting Application Data Collection

During the quarter, staff implemented Governor Sandoval's Executive Order regarding data collection and tracking of Veteran information. This Order requires agencies to collect data from its licensees at the time of licensure and license renewal concerning past military service. Agencies are required to report their findings to the Governor's Office starting February, 2015.

Enforcement - Applicant Backgrounds

SIGNIFICANT OUTCOMES:

- 54 investigations initiated; 24 pending; 61 closed
- 33 Applicants failed to disclose criminal history.
- 6 applicants withdrew their application.



Fingerprint Cards Submitted	798
Total fingerprints returned with criminal histories	358
Total fingerprints returned without criminal histories	440
Criminal Histories	44%

UNREPORTED CRIMINAL ACTIVITY

(in reference to background investigations mentioned above)

- DUI (10)
- Domestic Violence (6)
- Burglary (4)
- Misdemeanor Theft (3)
- Sexual Assault (3)
- Felony Narcotics (2)
- Felony Theft (1)
- Misdemeanor Battery (1)
- DUI Felony (1)
- Felony Theft (1)
- Felony Battery (1)
- Trespassing (1)
- Disorderly Conduct (1)

Enforcement Overview - Compliance

QUARTER SNAPSHOT

Opened Complaints: 388

- 145 Workmanship
- 60 Money Owing
- 196 Industry Regulation

Closed Complaints: 432

- 176 single-family residences; 13 multi-family residences; 8 public works projects; and 67 commercial projects

Pending cases: 268;
10 over 90 days (4%)

83 Administrative citations issued

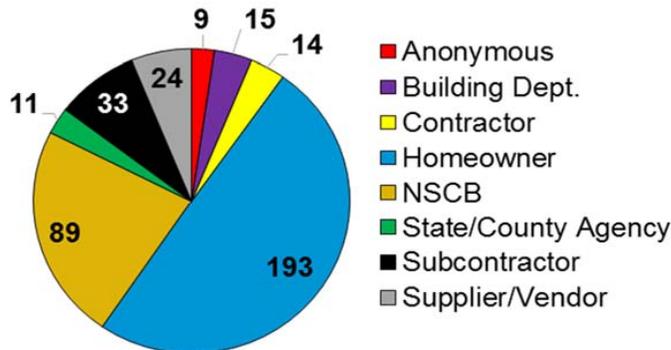
- \$75,500 in Fines
- \$30,721 in Investigative Costs

21 Cases referred for Disciplinary Hearing

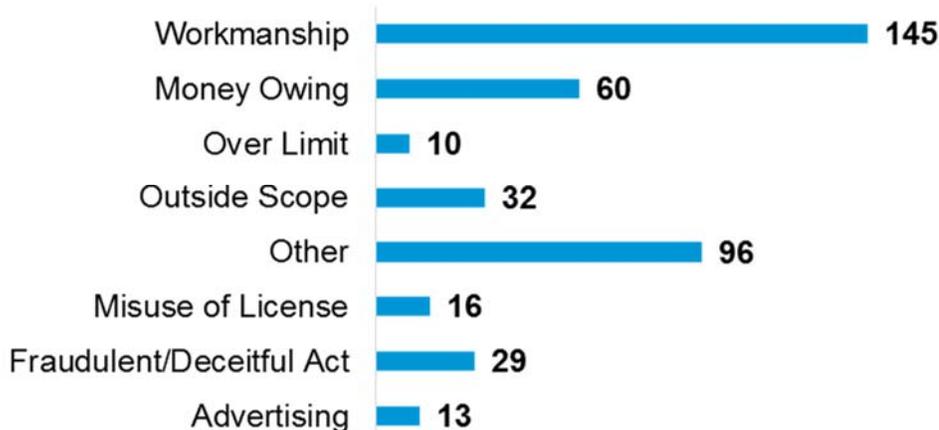
- 7 licenses revoked
- Fines imposed on 17 cases totalling \$28,500

	Money Owing				Workmanship				Industrial Regulation			
	FY2012	FY2013	FY2014	FY2015	FY2012	FY2013	FY2014	FY2015	FY2012	FY2013	FY2014	FY2015
JUL	42	22	19	22	52	48	54	60	53	87	73	90
AUG	47	23	30	36	69	48	43	60	108	87	72	73
SEPT	43	30	21	20	57	45	61	68	70	95	42	68
1st Qtr:	132	75	70	78	178	141	158	188	231	269	187	231
OCT	56	47	27	30	64	53	38	53	84	84	66	68
NOV	60	33	21	12	37	58	24	50	90	67	64	63
DEC	44	19	22	18	46	34	55	42	84	80	57	65
2nd Qtr:	160	99	70	60	147	145	117	145	258	231	187	196
JAN	53	42	22		42	38	32		74	103	69	
FEB	53	36	17		33	32	48		87	100	62	
MAR	41	31	29		31	48	44		88	71	59	
3rd Qtr:	147	109	68	0	106	118	124	0	249	274	190	0
APR	44	26	30		36	45	47		81	95	71	
MAY	39	27	27		36	47	55		83	72	80	
JUN	31	23	32		48	45	57		83	62	78	
4th Qtr:	114	76	89	0	120	137	159	0	247	229	229	0

Source of Complaints



Violation Types



Enforcement - Compliance Highlights

SOLAR 'BOOM' SHEDS LIGHT ON UNLAWFUL PRACTICES FROM OUT-OF-STATE BUSINESSES

At a time when the demand is high for solar and renewable energy solutions, aggressive efforts from out-of-state manufacturers to sell and install their products in Nevada homes is becoming more and more rampant.

Over the last year NSCB investigators have been seeing an influx in such cases, whereby out-of-state manufacturers of solar products will hire or utilize an independent sales team to perform door-to-door solicitations on Nevada

homeowners. Unknowing homeowners are enticed by the promises their energy bill will be immediately and drastically reduced, that they will receive federal tax breaks, and that rebates available make the cost a deal too good to pass up.

A contract is signed, and the out-of-state manufacturer hires a Nevada licensed contractor to perform the installation. Not only are the licensed contractors jeopardizing their license, but the out-of-state manufacturers are savvy in their methods to distance themselves from the transaction, while assuring they receive payment for the service.

One of the unfortunate parts

of this scenario is the use of third party out-of-state lenders to finance the transaction. In many cases investigated by NSCB, homeowners agree to the plan thinking they are locking in at a low rate, only to find out the rate spikes dramatically after the first payment, in addition to not realizing the savings on their energy bill as promised.

One recent case of the quarter was the revocation of MRI Solar for similar circumstances, among others. This is a trend likely to increase over the next few years, and the Board can expect to see more and more cases coming before them for disciplinary hearing.

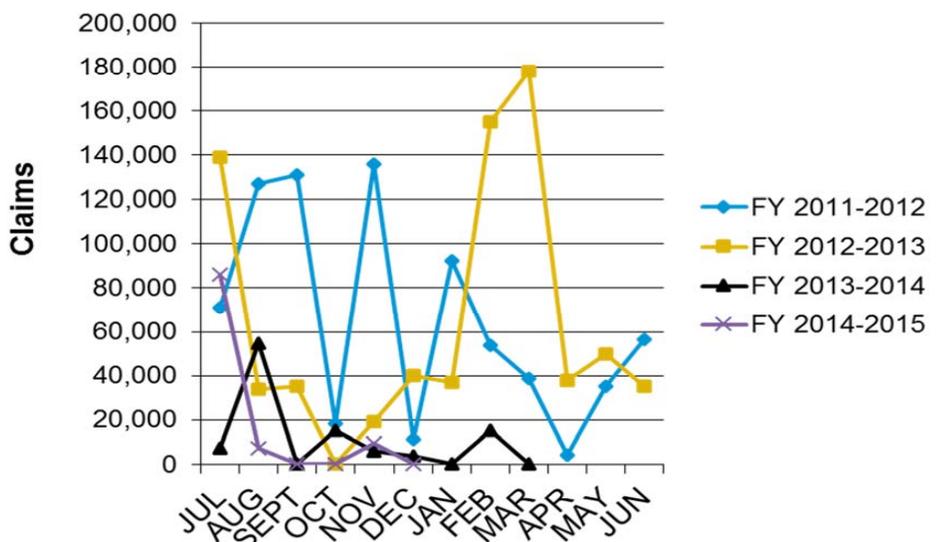
RESIDENTIAL RECOVERY FUND

1 Hearing Held

- 1 case heard
- Approximately \$4100 awarded
- One case closed due to insufficient documentation.
- Three cases opened.

As of December 31, 2014, the Fund has a balance of \$6.2 million.

Recovery Fund Claims Amount Paid



Enforcement Overview - Criminal

QUARTER SNAPSHOT

Opened Complaints: 362

- 208 Contracting w/o License
- 149 Unlawful Advertising
- 6 Criminal Fraud

Closed Complaints: 384

Pending cases: 1,250

Zero cases over 90 days

140 Criminal charges filed

150 Criminal convictions recorded

- 143 Misdemeanor
- 5 Gross Misdemeanor
- 2 Felony

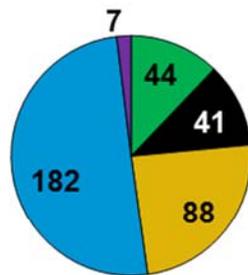
140 Cease and Desist Orders

NUMBER OF COMPLAINTS FILED

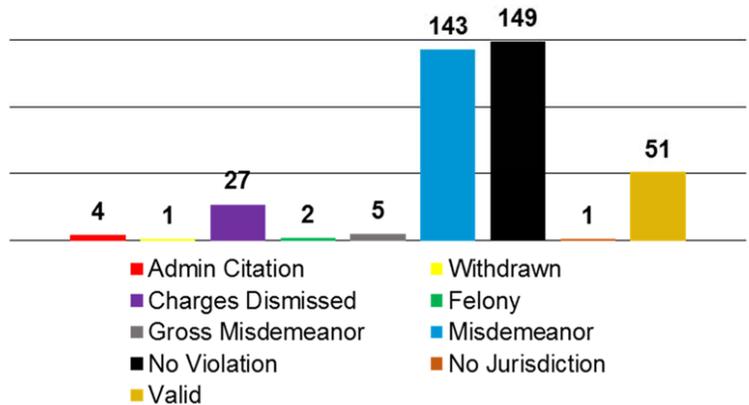
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
	Complaints	Complaints	Complaints	Complaints
JUL	93	128	107	131
AUG	138	114	89	109
SEPT	80	81	89	121
1st Qtr:	311	323	285	361
OCT	105	106	92	148
NOV	60	64	101	100
DEC	73	57	55	114
2nd Qtr:	238	227	248	362
JAN	73	107	111	
FEB	107	104	121	
MAR	107	83	121	
3rd Qtr:	287	294	353	0
APR	136	117	164	
MAY	119	114	164	
JUN	148	119	135	
4th Qtr:	403	350	463	0

Source of Complaints Filed

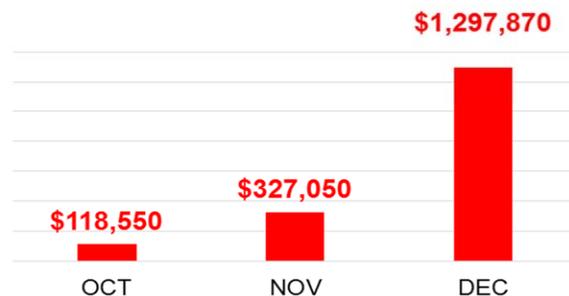
- Anonymous
- Contractor
- Homeowner
- NSCB
- State/County Agency



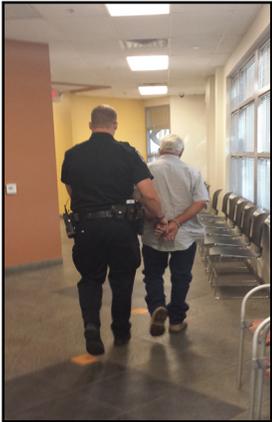
Closed Case Outcomes



Approx. \$1.74 Million Lost to Unlicensed Contractors



Enforcement - Criminal Highlights



REPEAT OFFENDER TAKEN INTO CUSTODY

Michael Robert Delbridge has been investigated by NSCB since the early 90s for unlicensed activity using several business names, such as “Southwest Design” and “The Michael R. Delbridge Construction Co.” During the last quarter of 2014, NSCB opened four new cases on Delbridge, one gross misdemeanor and three felonies. During the investigation of one case in October, it was learned that Delbridge had a felony warrant for a previous NSCB charge. He was called in under the pretense of discussing the new case and arrested for the existing warrant. He currently has a gross misdemeanor warrant from the North Las Vegas Police Department and a felony warrant from the Las Vegas Metropolitan Police Department, both NSCB cases. Another recent NSCB case submittal should result in another felony case.

STING OPERATIONS NET 20 UNLICENSED CONTRACTORS

In October, enforcement teams in both the north and south ends of the state held a sting operation, resulting in a total of 20 alleged unlicensed contractors cited for violations of NRS 624.700 (contracting without a license) and NRS 624.720 (advertising without a license). Three individuals were arrested on various charges by local law enforcement. The Las Vegas Metropolitan Police Department (LVMPD) arrested Kamyar “Kevin” Moradi on an NSCB gross misdemeanor warrant and Michael Lucero on a felony warrant for narcotics possession. William Sanborn, a former licensed contractor, was detained by the Reno Police Department on an outstanding fraud warrant. Another alleged suspect, Timothy Penn, was cited twice for contracting without a license, after visiting both Reno sting locations, which were located two doors apart.

UNLICENSED PLUMBER ADMITS TO CONTRACTING WITHOUT A LICENSE

During the quarter, NSCB investigators identified an individual advertising without a license for plumbing services, including installation of water heaters. Upon being contacted by NSCB, Kris Salomonson admitted to contracting without a license when installing a water heater for a contract amount of \$1,650. Salomonson was cited for a gross misdemeanor for engaging in business without a license. After being cited, Salomonson was arrested by Nevada Highway Patrol on two active bench warrants for engaging in business or submitting a bid without a license. This case has been submitted to the District Attorney and the gross misdemeanor warrant is currently pending.



Information Technology Highlights



New Call Path Improves Customer Service

During the quarter, the Information Technology department upgraded the routing of customer service calls to an automatic call distribution (ACD) system. This new method improves customer experience by ensuring calls are only sent to those desks which

are staffed by an NSCB employee. Additionally, calls are no longer sent to a generic voice mailbox. The ACD queues are easily monitored by supervisors to help match staffing levels to call volumes.

GOOGLE ANALYTICS ENHANCES WEBSITE DATA COLLECTION

Quarter 2 Info

- Sessions = 101,493
- Users = 49,174
- Pages = 855,049

Daily averages

- Sessions = 1103
- Users = 535
- Pages = 9294

Average session

- Time = 5:03
- Pages = 8.42

Top Browsers

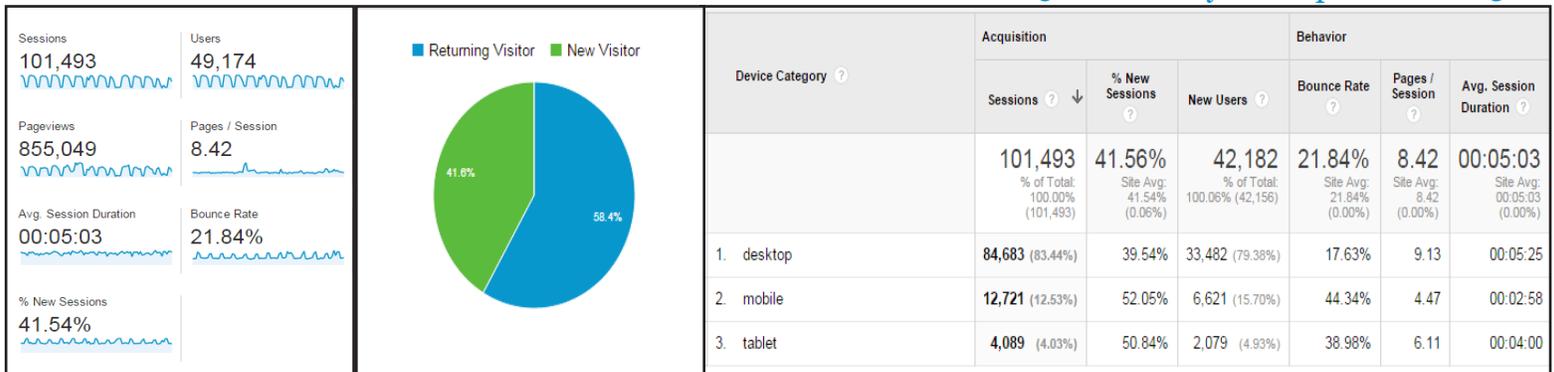
1. Internet Explorer = 50%
2. Chrome = 26%
3. Safari = 13%
4. Firefox = 9%
5. Android = 1%

Devices

- Desktop = 83%
- Mobile = 13%
- Tablet = 4%

Top activities

1. Search by Business Name = 10%
2. View Homepage = 7%
3. Search by License Number = 5%
4. Choose Search Type = 3%
5. Search by Principal Name = 3%



Age	Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session	Avg. Session Duration
	47,409 % of Total: 46.71% (101,493)	37.76% Site Avg: 41.54% (-9.08%)	17,903 % of Total: 42.47% (42,156)	22.64% Site Avg: 21.84% (3.69%)	7.48 Site Avg: 8.42 (-11.24%)	00:04:45 Site Avg: 00:05:03 (-6.07%)
1. 45-54	13,316 (28.09%)	35.23%	4,691 (26.20%)	19.38%	7.94	00:05:08
2. 55-64	11,414 (24.08%)	34.99%	3,994 (22.31%)	18.72%	8.16	00:05:06
3. 35-44	8,924 (18.82%)	38.83%	3,465 (19.35%)	25.65%	6.70	00:04:10
4. 25-34	7,147 (15.08%)	42.24%	3,019 (16.86%)	29.45%	6.29	00:04:06
5. 65+	4,664 (9.84%)	39.75%	1,854 (10.36%)	19.85%	8.12	00:05:16
6. 18-24	1,944 (4.10%)	45.27%	880 (4.92%)	35.85%	6.74	00:03:46

Public Information Office Highlights

OUTREACH PROGRAM EXPANDING TO NON-PROFIT COMMUNITY GROUPS

The premise behind the Community Managers presentations has been to educate those who assist in the hiring of contractors in the scope of their day-to-day activities. With the ongoing success of this forum, new opportunities are beginning to present themselves. The Board was recently contacted by a non-profit community group who works with the state to assist in coordinating ADA construction services for residents with disabilities. A tailored presentation is being developed for the organization's staff, which provide a new avenue to promote the hiring of licensed contractors and the Board's

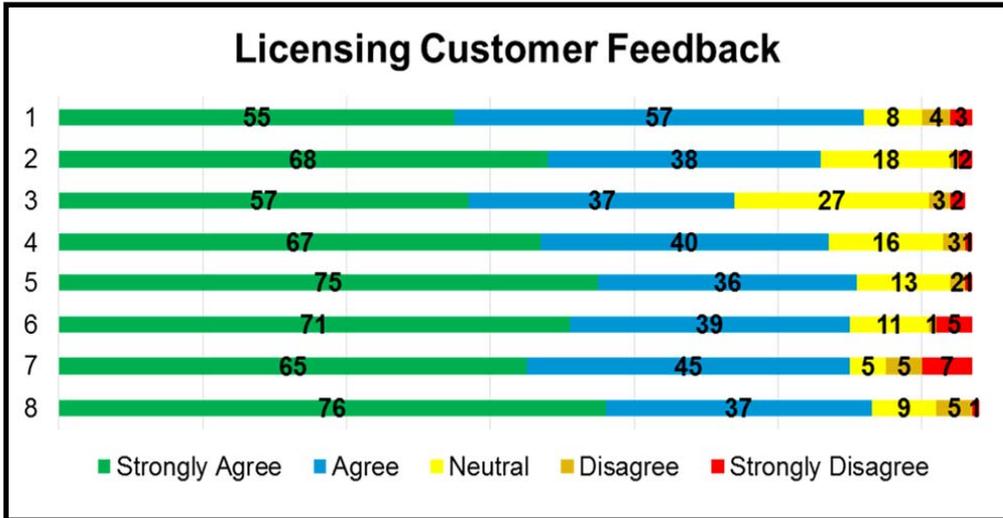


NSCB PROMOTES SERVICES AND PARTNERING OPPORTUNITIES AMONG LAW ENFORCEMENT AGENCIES



NSCB was invited by the Nevada Sheriffs and Chiefs Association to provide a presentation highlighting the Board's purpose and operations. This was a great opportunity to emphasize the similarities in the Board's mission and law enforcement's as it relates to public safety. The presentation included information on how officers can engage with the Board through sting events, signs to look for while out on patrol, how to report suspicious activities, etc. The presentation was very well received and forwarded to all members of the NSCA.

Customer Service Survey - Licensing

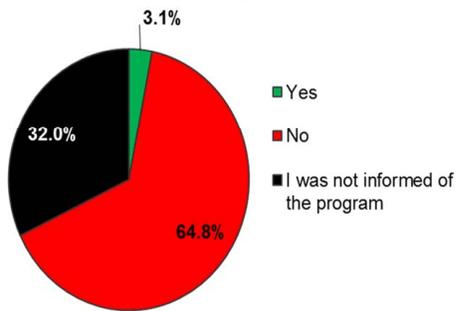


SAMPLING RATE

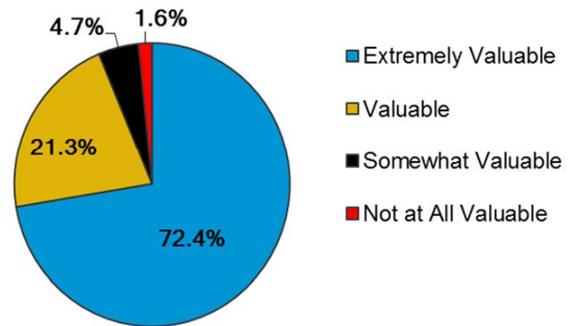
8%

(163/1952)

Customers Participated in Business Assistance Program



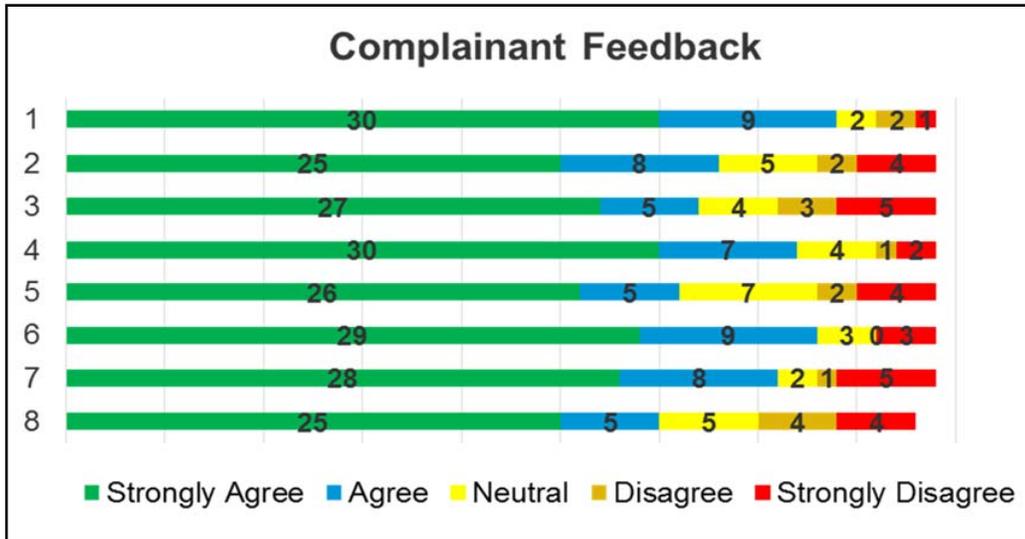
How Licensees Value Their License



SURVEY QUESTION KEY

1. The forms and instructions were clear and easily accessible.
2. NSCB staff notified me of problems/issues within a reasonable timeframe.
3. NSCB staff kept me informed of the progress of my licensing request.
4. NSCB staff was responsive to my questions and concerns.
5. I was treated with respect and professionalism.
6. The time it took to process my request met my expectations based on my interactions with NSCB staff.
7. I feel the licensing processes are efficient.
8. I am satisfied at how my request was handled.

Customer Service Survey - Complainant



SAMPLING RATE

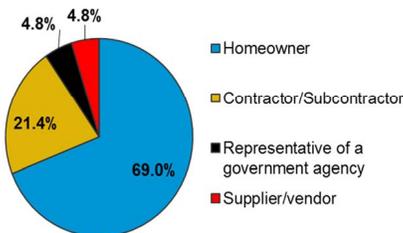
24%

(73/305)

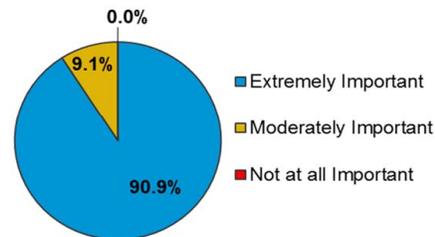
STAT FACTS

- 52% Male; 48% Female
- 45.5% Over 60 years old
- 91% From Southern Nevada
- 69% Complainants were homeowners

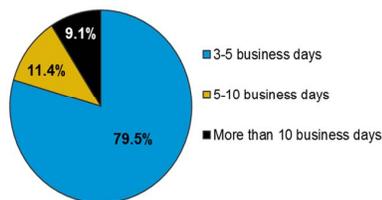
Complainant Type



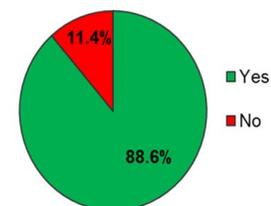
Complainants' Value of Hiring Licensed Contractor



After Filing Complaint, Complainant was Contacted By NSCB within:



Complainant Provided Written Notification of Case Outcome

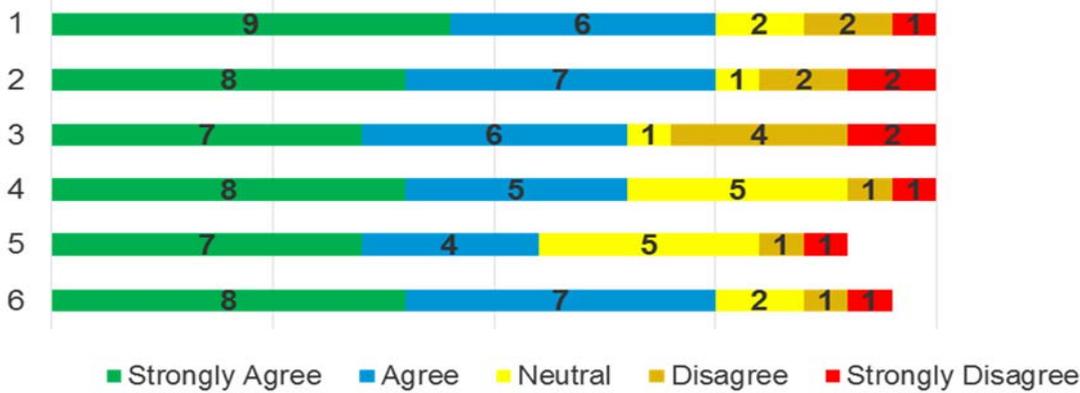


SURVEY QUESTION KEY

1. The information on how to file a complaint was easily accessible and understandable.
2. The procedures for investigating my complaint were clearly explained to me.
3. I was kept informed of the progress made on my complaint throughout the investigation.
4. NSCB representatives treated me with respect and professionalism.
5. The investigator was helpful in answering my questions and providing reasoning for actions taken.
6. I was notified of the outcome of my complaint.
7. I understand the outcome of my complaint (regardless if you agree or not).
8. I am satisfied with the service provided by NSCB.

Customer Service Survey - Respondent

Respondent Feedback

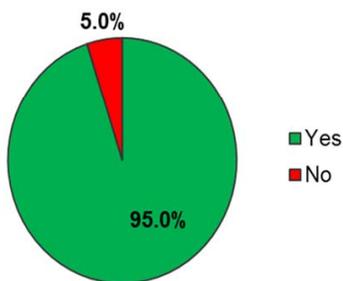


SAMPLING RATE

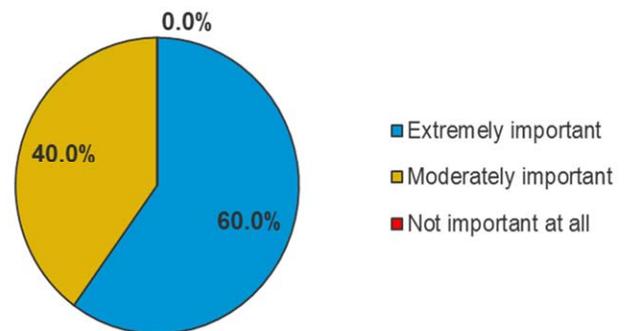
6%

(31/553)

Respondent Provided Written Notification of Case Outcome



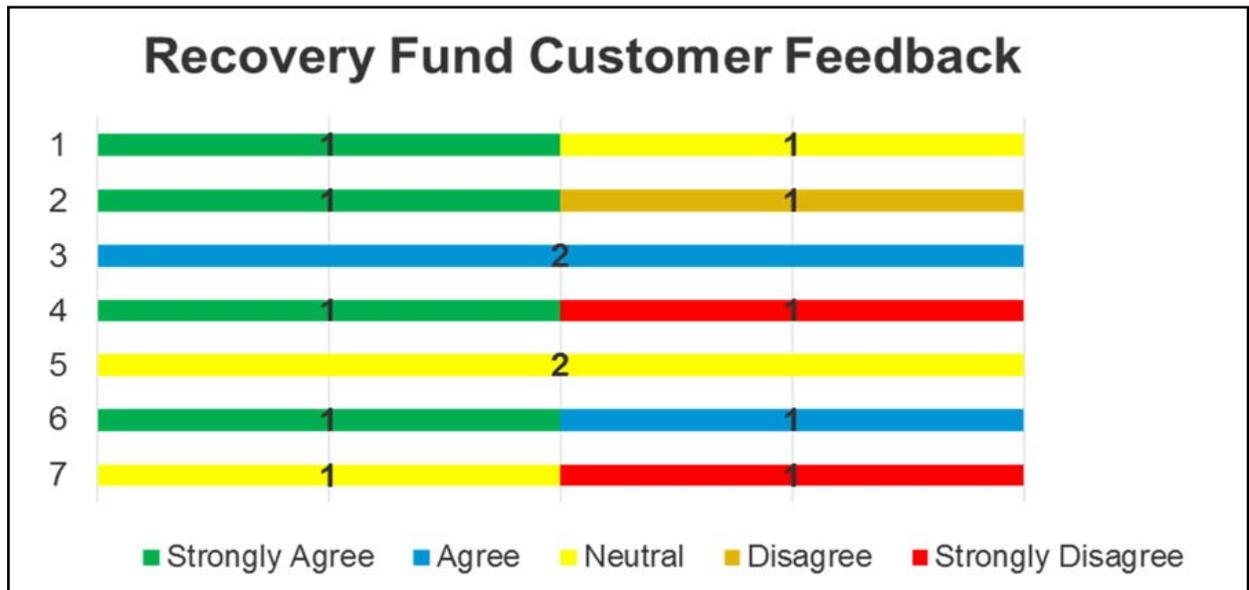
Respondents' Perception of How Customers Value a License



SURVEY QUESTION KEY

1. The investigator clearly explained the complaint filed against me.
2. The procedures for investigating the complaint were clearly explained to me.
3. I was kept informed of what was happening throughout the investigation.
4. NSCB representatives treated me with respect and professionalism.
5. The investigator was helpful in answering my questions and providing the Board's reasoning for actions taken.
6. I understand the outcome of the complaint (regardless if you agree or not).

Customer Service Survey - Recovery Fund



SAMPLING RATE
8%
(2/24)

SURVEY QUESTION KEY

1. The information on how to file a Recovery Fund claim was easily accessible and understandable.
2. The time it took for NSCB to contact me after filing my claim was satisfactory.
3. The correspondence and information I received was clear and well explained.
4. NSCB representatives treated me with respect and professionalism.
5. I am satisfied with the time it took to finalize my claim.
6. I feel the Residential Recovery Fund is a valuable protection in place for consumers.
7. I am satisfied at how my claim was handled.

Customer Service Survey- Respondent

CUSTOMER SURVEYS PROMOTED



Upon entry to a Board office, all customers are asked to sign-in and a general feedback survey is sent to them electronically shortly after their visit. Additionally, all staff include a link to this survey on every e-mail that is sent.

Surveys are also sent out monthly to licensing customers, complainants and respondents who have made contact with the Board during the period. The feedback, which is captured in this report, focuses on our strategic performance measurements, customer service satisfaction, and awareness of Board programs and initiatives.

The results of each survey are compiled and distributed to management for review and training purposes among their staff.

What Our Customers Are Saying

“Very pleased with the professional conduct of the Board and its representatives. Thank you very much.”

~Complainant

“It is very convenient and helpful to be able to speak with a live representative who is willing to discuss our questions.”

~Licensing Customer

“The licensing team did an outstanding job of helping me understand the application and its classes. They processed the application quickly and efficiently and were very courteous.”

~Respondent

“I am very happy with how fast the Board got back to me. You all represent what customer service should be about.”

~Complainant

Looking Forward - Quarter 3

As progress continues on the Strategic Plan, the Board is prepared to move the ball even further during the third quarter by focusing on the objectives below:

- Build capacity within the Board to better address non-residential construction issues through staff training and recruitment efforts.
- Meet with departmental staff to discuss and evaluate options for enhancing public information resources specific to departmental needs.
- Coordinate a “Legislative Day” in Carson City.

It will be a busy second half of the fiscal year, but with great effort comes great reward. We look forward to sharing our successes and experiences in next quarter’s report.



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