



*Nevada State Contractors Board*

# **STRATEGIC PLAN**

**EXECUTIVE OFFICER REPORT  
QUARTER ONE REPORT**

*July 1 - September 30, 2017*



## **Members of the Board**

Jan Leggett, *Chairman*

Margaret Cavin, *Treasurer*

Kevin E. Burke

Mason Gorda

Joe Hernandez

Kent Lay

Guy M. Wells

## **Executive Leadership**

Margi Grein, *Executive Officer*

Ron Lynn, *Director of Operations*

Nancy Mathias, *Licensing Administrator*

Paul Rozario, *Director of Investigations*

Brian Hayashi, *Information Technology Manager*

Jennifer Lewis, *Public Information Officer*

members  
and  
dr



## Message from the Executive Officer

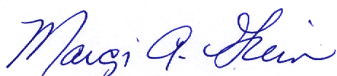
Starting a new fiscal year with new strategic initiatives can be quite refreshing. Although the beginning of a fiscal year technically falls in the middle of the calendar year, there is something to be said about making it to the halfway point and being able to take a deep breath, re-evaluate, and then re-engage in efforts that will further your ultimate vision and goal.

What I find most welcoming about this process is the fluidity with which our initiatives come to life. We start our year with efforts to implement legislation resulting from the 2017 Legislative Session as well as the objectives outlined in our 2017-18 Strategic Plan. But it's the unknown tasks that keep us on our toes, and keep our day-to-day business interesting and fulfilling.

Having served as Executive Officer for nearly 20 years, there is not a day that goes by where I don't learn something new or find a new reason to be passionate about the work of the Contractors Board. Having strategic direction not only holds us accountable to the public and industry that we serve, but it acts as a roadmap of our accomplishments and a reminder of what we were and who we have become.

Having a quarterly vision instills a constant sense of progress and advancement in our agency. It keeps our mindset looking forward, trying to anticipate what's next to come and how we can best prepare for it, while also preparing and educating our customers. We take time to discuss efforts that aren't working and identify new solutions, while thinking innovatively about how we can expand upon our successes.

Serving the needs of our customers - whether applicants for licensure, homeowners seeking assistance, or a variety of groups interested in learning about the resources of the Board - is the foundation of our purpose in Nevada. We are proud to assist the public and industry, and hope the information contained in our reports every few months provides a glimpse into the impact our efforts are making.

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

MARGI A. GREIN  
Nevada State Contractors Board Executive Officer

# Contents

Executive Officer Highlights .....	1
Licensing - Data Dashboard.....	2
Licensing - Quarter One Snapshot.....	3
Licensing Overview .....	4
Licensing Highlights .....	6
Enforcement - Applicant Backgrounds.....	7
Enforcement Overview .....	8
Enforcement - Highlights.....	9
Information Technology Highlights .....	10
Public Information Office Highlights .....	11
Looking Forward: Quarter Two.....	12



# Executive Officer Highlights

## **Executive Officer Attends NASCLA's Annual Conference (Goals 4 & 5)**

The National Association of State Contractor Licensing Agency's 2017 Annual Conference provided a number of valuable seminars on relevant topics currently facing regulatory agencies, including license by endorsement, solar industry enforcement concerns, regulatory best practices, etc. Executive Officer Grein had the opportunity to update members on Nevada's activities and its upcoming participation in Nevada's Occupational Licensing Policy Learning Consortium.

## **New Database Enters Production Phase (Goals 1, 2, & 5)**

In September, the Board's new licensing and enforcement database was put into production. The redesigned interface is expected to allow for enhanced functionality of existing systemic operations and allow for increased reporting opportunities. Staff training on the new system is in progress.

## **Informational Videos Developed to Guide Applicants & Consumers (Goal 3)**

As part of its strategic initiative, the Board has produced an informational video to help introduce and walk applicants through some of the requirements to become licensed. Additionally, the Board is using its new video capabilities to record short consumer awareness videos highlighting various disaster preparedness messages for Disaster Preparedness Month.

## **Judicial College Trains Board on Administrative Law Matters (Goal 4)**

In a unique twist, this year's Judicial College training held by Justice Gillette and Judge Boone was brought in-house for Board members and select staff to participate in. The on-site meeting allowed for a more dynamic presentation customized to address the specific needs and areas concerning the Board's regulatory operations, such as disciplinary and application denial hearings.

## **Feedback Provided by Staff Help Shape Development of NSCB Training Program (Goal 5)**

At the beginning of the fiscal year, the Board engaged the Simmons Group to begin development of a leadership development training program for Board management. The training program is expected to begin in the near future.

## **Executive Officer, Staff Engage in Community & Industry Outreach**

During the quarter, the Executive Officer and staff provided informational presentations to a variety of community and industry groups, including Kiwanis, Rotary, and Lions Clubs, the Glazing Contractors Association of Las Vegas, the Plumbing, Heating, Cooling Contractors Association of Nevada, as well as attended events focused on disaster preparedness, public education, and homeowner awareness.

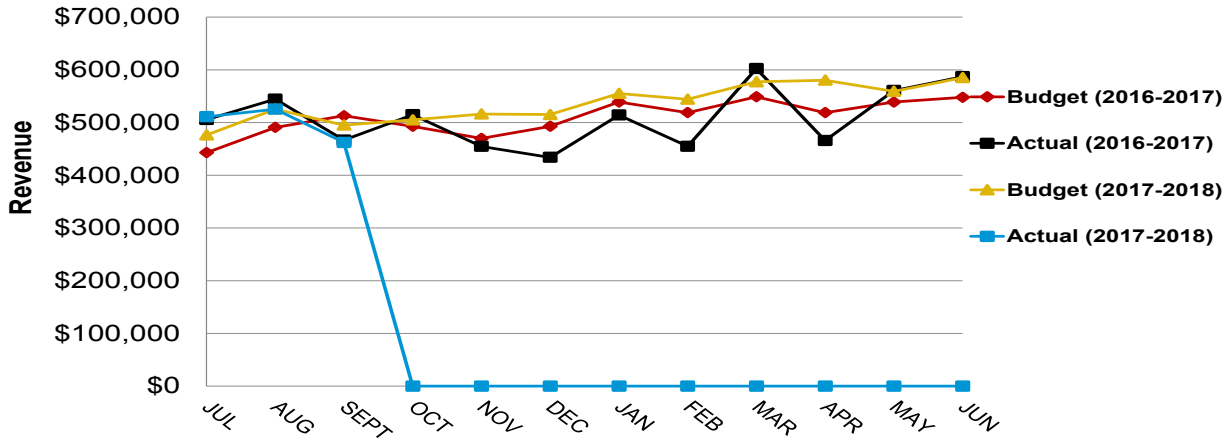
# Licensing - Data Dashboard

Budget (2016-2017)	JULY-16	AUG-16	SEPT-16	OCT-16	NOV-16	DEC-16	JAN-17	FEB-17	MAR-17	APR-17	MAY-17	JUN-17	TOTALS
License Renewals	\$275,000	\$323,000	\$345,000	\$325,000	\$302,000	\$325,000	\$371,000	\$351,000	\$381,000	\$351,000	\$371,000	\$380,000	\$4,100,000
New License Fee	\$50,833	\$50,833	\$50,834	\$50,833	\$50,833	\$50,834	\$50,833	\$50,833	\$50,834	\$50,833	\$50,833	\$50,834	\$610,000
Application Fee	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$475,000
License Changes	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$375,000
Investigative Recov Costs	\$30,833	\$30,833	\$30,834	\$30,833	\$30,833	\$30,834	\$30,833	\$30,833	\$30,834	\$30,833	\$30,833	\$30,834	\$370,000
Renewal Late Fees	\$6,583	\$6,583	\$6,584	\$6,583	\$6,583	\$6,584	\$6,583	\$6,583	\$6,584	\$6,583	\$6,583	\$6,584	\$79,000
Renewal Inactive Fee	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$8,750	\$105,000
<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>	<b>\$6,114,000</b>
	\$442,832	\$490,832	\$512,836	\$492,832	\$469,832	\$492,836	\$538,832	\$518,832	\$548,836	\$518,832	\$538,832	\$547,836	
Actual (2016-2017)	JULY-16	AUG-16	SEPT-16	OCT-16	NOV-16	DEC-16	JAN-17	FEB-17	MAR-17	APR-17	MAY-17	JUN-17	TOTALS
License Renewals	\$336,450	\$365,197	\$306,444	\$333,753	\$310,070	\$262,188	\$353,400	\$296,245	\$426,553	\$307,550	\$371,700	\$380,800	\$4,050,350
New License Fee	\$63,600	\$57,000	\$51,750	\$67,500	\$40,200	\$62,400	\$61,500	\$55,800	\$54,150	\$46,800	\$65,400	\$68,700	\$694,800
Application Fee	\$36,600	\$40,800	\$40,500	\$37,500	\$41,100	\$35,700	\$38,700	\$36,300	\$42,600	\$38,700	\$46,800	\$48,350	\$483,650
License Changes	\$34,400	\$40,975	\$28,675	\$35,300	\$32,850	\$31,325	\$28,800	\$31,725	\$41,075	\$33,675	\$38,825	\$45,800	\$423,425
Investigative Recov Costs	\$21,479	\$24,574	\$24,626	\$20,270	\$16,622	\$32,410	\$15,055	\$22,772	\$23,524	\$27,423	\$22,389	\$31,338	\$282,481
Renewal Late Fees	\$4,650	\$7,125	\$8,425	\$9,575	\$6,695	\$4,815	\$8,555	\$6,075	\$5,770	\$6,905	\$7,125	\$5,735	\$81,450
Renewal Inactive Fee	\$8,400	\$8,700	\$6,300	\$10,800	\$7,200	\$5,025	\$8,250	\$6,000	\$8,625	\$4,800	\$8,400	\$6,300	\$88,800
<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>	<b>\$6,104,956</b>
	\$505,579	\$544,371	\$466,720	\$514,698	\$454,737	\$433,864	\$514,260	\$454,917	\$602,296	\$465,853	\$560,639	\$587,023	
Variance (2016-2017)	JULY-16	AUG-16	SEPT-16	OCT-16	NOV-16	DEC-16	JAN-17	FEB-17	MAR-17	APR-17	MAY-17	JUN-17	TOTALS
License Renewals	\$61,450	\$42,197	(\$38,556)	\$8,753	\$8,070	(\$62,812)	(\$17,600)	(\$54,755)	\$45,553	(\$43,450)	\$700	\$800	(\$49,650)
New License Fee	\$12,767	\$6,167	\$916	\$16,667	(\$10,633)	\$11,566	\$10,667	\$4,967	\$3,316	(\$4,033)	\$14,567	\$17,866	\$84,800
Application Fee	(\$2,983)	\$1,217	\$916	(\$2,083)	\$1,517	(\$3,884)	(\$883)	(\$3,283)	\$3,016	(\$883)	\$7,217	\$8,766	\$8,650
License Changes	\$3,150	\$9,725	(\$2,575)	\$4,050	\$1,600	\$75	(\$2,450)	\$475	\$9,825	\$2,425	\$7,575	\$14,550	\$48,425
Investigative Recov Costs	(\$9,354)	(\$6,259)	(\$6,208)	(\$10,563)	(\$14,211)	\$1,576	(\$15,778)	(\$8,061)	(\$7,310)	(\$3,410)	(\$8,444)	\$504	(\$87,519)
Renewal Late Fees	(\$1,933)	\$542	\$1,841	\$2,992	\$112	(\$1,769)	\$1,972	(\$508)	(\$814)	\$322	\$542	(\$849)	\$2,450
Renewal Inactive Fee	(\$350)	(\$50)	(\$2,450)	\$2,050	(\$1,550)	(\$3,725)	(\$500)	(\$2,750)	(\$125)	(\$3,950)	(\$350)	(\$2,450)	(\$16,200)
<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>	<b>(\$9,044)</b>
	\$62,747	\$53,539	(\$46,116)	\$21,866	(\$15,095)	(\$58,972)	(\$24,572)	(\$63,915)	\$53,460	(\$52,979)	\$21,807	\$39,187	
Budget (2017-2018)	JULY-17	AUG-17	SEPT-17	OCT-17	NOV-17	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	MAY-18	JUN-18	TOTALS
License Renewals	\$281,000	\$331,000	\$301,000	\$311,000	\$321,000	\$321,000	\$361,000	\$351,000	\$381,000	\$386,000	\$365,000	\$390,000	\$4,100,000
New License Fee	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$780,000
Application Fee	\$47,916	\$47,917	\$47,917	\$47,916	\$47,917	\$47,917	\$47,916	\$47,917	\$47,917	\$47,916	\$47,917	\$47,917	\$575,000
License Changes	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,584	\$475,000
Investigative Recov Costs	\$26,666	\$26,667	\$26,667	\$26,666	\$26,667	\$26,667	\$26,666	\$26,667	\$26,667	\$26,666	\$26,667	\$26,667	\$320,000
Renewal Late Fees	\$7,083	\$7,083	\$7,084	\$7,083	\$7,083	\$7,084	\$7,083	\$7,083	\$7,084	\$7,083	\$7,083	\$7,084	\$85,000
Renewal Inactive Fee	\$9,100	\$8,200	\$7,900	\$7,900	\$8,900	\$8,000	\$8,000	\$7,000	\$10,000	\$8,000	\$8,000	\$9,000	\$100,000
<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>	<b>\$6,435,000</b>
	\$476,348	\$525,450	\$495,152	\$505,148	\$516,150	\$515,252	\$555,248	\$544,250	\$577,252	\$580,248	\$559,250	\$585,252	
Actual (2017-2018)	JULY-17	AUG-17	SEPT-17	OCT-17	NOV-17	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	MAY-18	JUN-18	TOTALS
License Renewals	\$345,880	\$332,230	\$316,981										\$995,091
New License Fee	\$65,300	\$60,700	\$54,000										\$180,000
Application Fee	\$34,600	\$44,400	\$38,700										\$117,700
License Changes	\$33,900	\$36,800	\$38,375										\$109,075
Investigative Recov Costs	\$19,678	\$41,775	\$86										\$61,367
Renewal Late Fees	\$8,700	\$5,775	\$4,725										\$19,200
Renewal Inactive Fee	\$3,000	\$3,750	\$9,675										\$16,425
<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>	<b>\$1,498,858</b>
	\$511,058	\$525,430	\$462,370	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Variance (2017-2018)	JULY-17	AUG-17	SEPT-17	OCT-17	NOV-17	DEC-17	JAN-18	FEB-18	MAR-18	APR-18	MAY-18	JUN-18	TOTALS
License Renewals	\$64,880	\$1,230	\$15,981	(\$311,000)	(\$321,000)	(\$321,000)	(\$361,000)	(\$351,000)	(\$381,000)	(\$386,000)	(\$365,000)	(\$390,000)	(\$3,104,909)
New License Fee	\$300	(\$4,300)	(\$11,000)	(\$65,000)	(\$65,000)	(\$65,000)	(\$65,000)	(\$65,000)	(\$65,000)	(\$65,000)	(\$65,000)	(\$65,000)	(\$600,000)
Application Fee	(\$13,316)	(\$3,517)	(\$9,217)	(\$47,916)	(\$47,917)	(\$47,917)	(\$47,916)	(\$47,917)	(\$47,917)	(\$47,916)	(\$47,917)	(\$47,917)	(\$457,300)
License Changes	(\$5,683)	(\$2,783)	(\$1,209)	(\$39,583)	(\$39,583)	(\$39,584)	(\$39,583)	(\$39,583)	(\$39,584)	(\$39,583)	(\$39,583)	(\$39,584)	(\$365,925)
Investigative Recov Costs	(\$6,988)	\$15,108	(\$26,753)	(\$26,666)	(\$26,667)	(\$26,667)	(\$26,666)	(\$26,667)	(\$26,667)	(\$26,666)	(\$26,667)	(\$26,667)	(\$258,633)
Renewal Late Fees	\$1,617	(\$1,308)	(\$2,359)	(\$7,083)	(\$7,083)	(\$7,084)	(\$7,083)	(\$7,083)	(\$7,084)	(\$7,083)	(\$7,083)	(\$7,084)	(\$65,800)
Renewal Inactive Fee	(\$6,100)	(\$4,450)	\$1,775	(\$7,900)	(\$8,900)	(\$8,000)	(\$8,000)	(\$7,000)	(\$10,000)	(\$8,000)	(\$8,000)	(\$9,000)	(\$83,575)
<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>	<b>(\$4,936,142)</b>
	\$34,710	(\$20)	(\$32,782)	(\$505,148)	(\$516,150)	(\$515,252)	(\$555,248)	(\$544,250)	(\$577,252)	(\$580,248)	(\$559,250)	(\$585,252)	



# Licensing - Q1 Snapshot

Application, Renewal & Cost Recovery Revenue  
(FISCAL YEARS 2016-2017 / 2017-2018)



JULY TO SEPTEMBER 2017				FISCAL YTD LICENSING FEE TOTALS (FY2017)			
Licenses (Beginning of Quarter)	16,088			<b>LICENSING FEES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
New Licenses Issued	278			License Renewals	4,100,000	995,091	(3,104,909)
Licenses Cancelled / Surrendered /Revoked	(255)			New License Fee	780,000	180,000	(600,000)
Variance in Suspended/Reinstated Licenses	(169)			Application Fee	575,000	117,700	(457,300)
Licenses (End of Quarter)	15,942			License Changes	475,000	109,075	(365,925)
# of Licenses on July 1, 2017	16,088			Invest Recov Costs	320,000	61,367	(258,633)
# of Licenses on Sept 30, 2017	15,942			Renewal Late Fees	85,000	19,200	(65,800)
Net YTD (Fiscal Year)				Renewal Inactive	100,000	16,425	(83,575)
Licenses Gained / Lost	(146)						
Renewal Revenue Gained / Lost	(\$87,600)						
<i>*Does not include suspended licenses</i>							
<b>180 Day Retention Rate</b>				<b>90 Day Retention Rate</b>			
Projected Year-End Retention Rate	Apr 2017	16,074		Projected Year-End Retention Rate	July 2017	16,088	
	Cancellations	(708)	(4.44%)		Cancellations	(255)	(1.60%)
	New Licenses	576	3.61%		New Licenses	278	1.74%
	Susp/Reinstat	0	0.00%		Susp/Reinstat	(169)	(1.06%)
	Sept 2017	15,942			Sept 2017	15,942	
	<b>Change</b>	<b>(132)</b>		<b>Change</b>	<b>(146)</b>		
<b>6 Month Rolling</b>	<b>% Change</b>	<b>-0.83%</b>		<b>3 Month Rolling</b>	<b>% Change</b>	<b>-0.92%</b>	

# Licensing - Overview

## QUARTERLY STATS

New License Apps: 398 (+1%)

- Avg. Processing Time (July) 74 days; 52% approved/denied within 60 days
- Avg. Processing Time (Aug) 64 days; 54% approved/denied within 60 days

Issued Licenses: 278 (-11%)

Change Apps: 741 (-2%)

- Avg. Processing Time (July) 28 days; 72% approved/denied within 30 days
- Avg. Processing Time (Aug) 28 days; 73% approved/denied within 30 days

Active Licenses: 15,220 (+0.2%)

Inactive Licenses: 701 (-20%)

27 Placed on Inactive Status (-48%)

Voluntary Surrender: 59 (-28%)

Active License Renewals: 1,433 (-10%)

Inactive License Renewals: 27 (-65%)

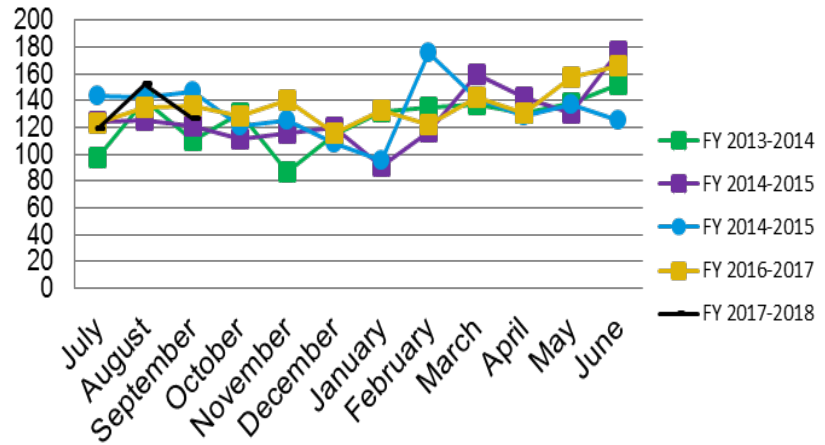
License Suspensions (no bond):  
208 (+24%)

Licenses Cancelled:  
181 (+10%)

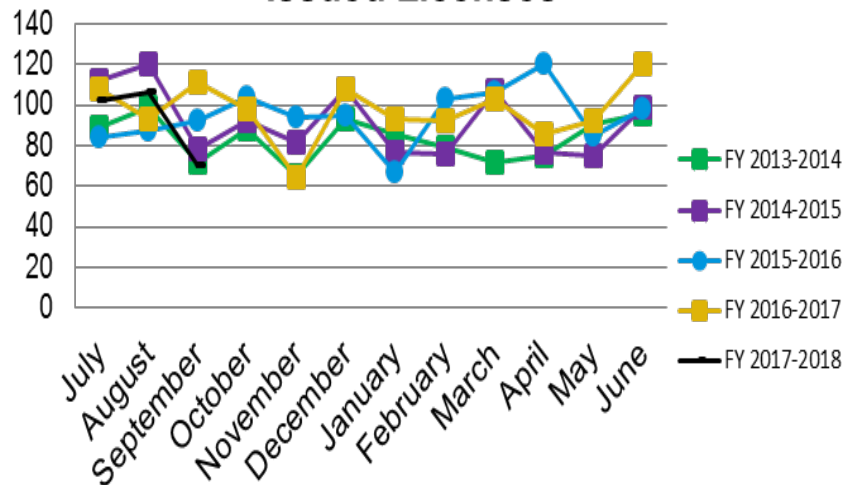
Application Denial Hearings:  
8 (-56%)

Financial Responsibility Hearings: 4  
(-50%)

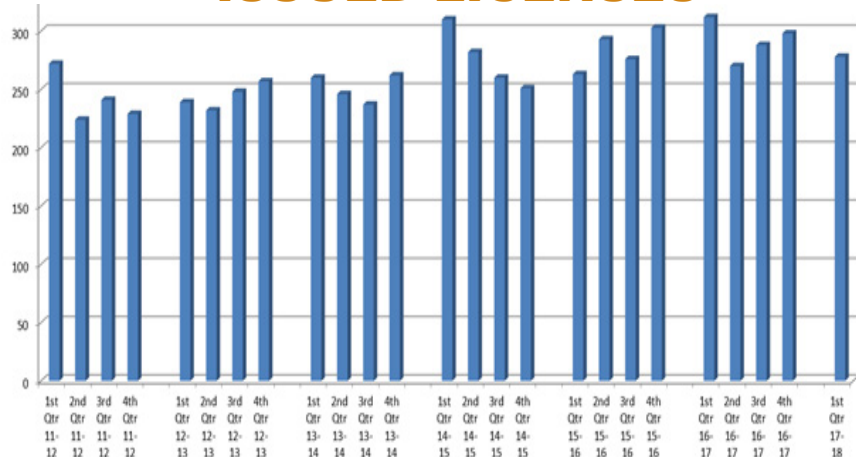
## New License Applications



## Issued Licenses



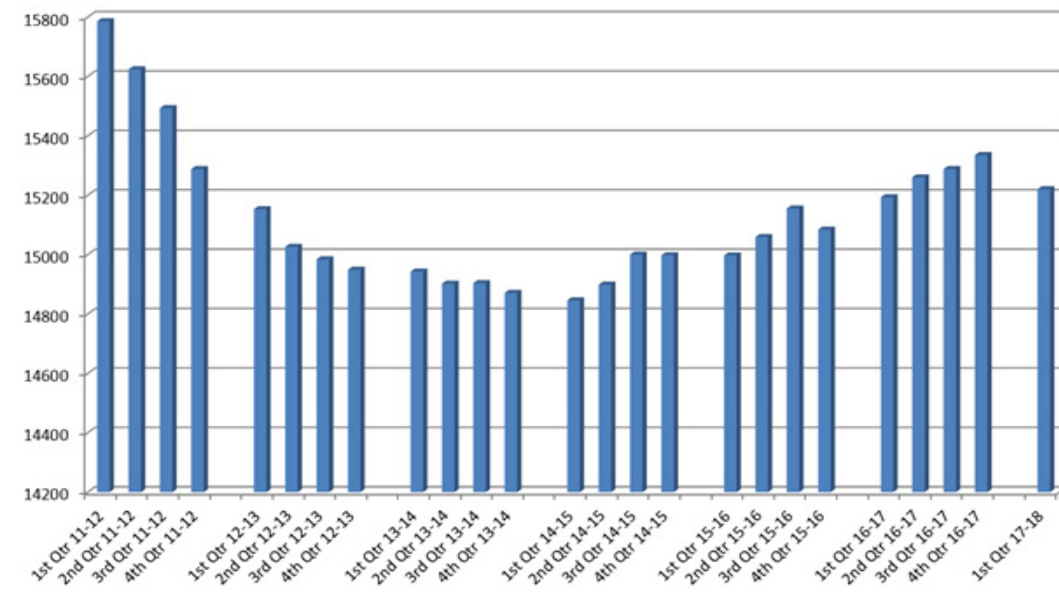
## ISSUED LICENSES



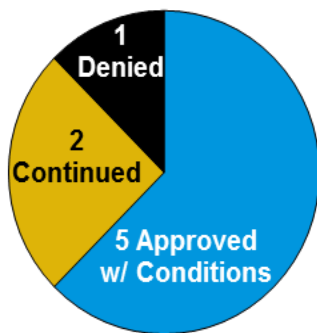


# Licensing - Overview

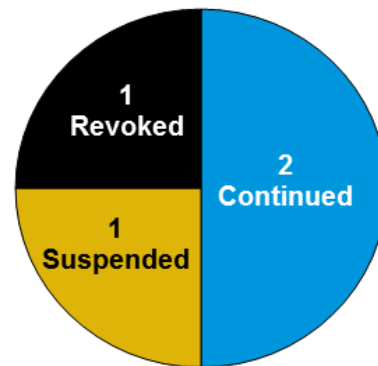
## ACTIVE LICENSES



**1st Quarter 2017-2018  
New License Application Denial  
Hearing Results**



**1st Quarter 2017-2018  
Financial Review Hearing Results**



# Licensing - Highlights

## ***LICENSE SEARCH FUNCTIONS ENHANCED***



**Contractor Listing Search**

Please select the County and Classification you would like to search by for the Contractor Listing.

County:

Classification:

- All
- Primary Classification A General Engineering
- Primary Classification AB General Engineering and General Building
- Primary Classification B General Building
- Primary Classification C01 Plumbing and Heating
- Primary Classification C02 Electrical**
- Primary Classification C03 Carpentry, Maintenance, and Minor Repairs
- Primary Classification C04 Painting and Decorating
- Primary Classification C05 Concrete Contracting
- Primary Classification C06 Erecting Signs
- Primary Classification C07 Elevation and Conveyance
- Primary Classification C08 Glass and Glazing
- Primary Classification C09 Movement of Buildings
- Primary Classification C10 Landscape Contracting
- Primary Classification C11 Spraying Mixtures Containing Cement
- Primary Classification C13 Using Sheet Metal
- Primary Classification C14 Steel Reinforcing and Erection
- Primary Classification C15 Roofing and Siding
- Primary Classification C16 Finishing Floors
- Primary Classification C17 Lathing and Plastering

**Contractor Listing Results**

Active Directory of Licensed Contractors  
Information Current as of 11/6/2017 4:33:32 PM

Location: Clark  
Class: Primary Classification C02 Electrical

1 SUN SOLAR ELECTRIC LLC 2708 HIGHLAND DRIVE LAS VEGAS NV 89109	License #: <a href="#">0071332</a> (702)309-9300 Classifications: C-2 Electrical	Expires: 6/30/2018 Monetary Limit: \$245,000.00 Active
24 7 ELECTRICAL SERVICES LLC 6325 FAIRWOOD AVE LAS VEGAS NV 89107	License #: <a href="#">0078207</a> (702)927-1054 Classifications: C-2 Electrical	Expires: 8/31/2019 Monetary Limit: \$200,000.00 Active

## **CALL CENTER TRACKING**

During the quarter, 9,646 calls were received with 174 calls abandoned. The percentage of abandoned calls for the quarter was 1.8%. Average abandoned time per call was 93 seconds. On average, calls were answered within 23 seconds, lasting approximately 113 seconds.

In comparison, during the first quarter for FY 2016-2017, the Board received 9,977 calls with an average abandoned call rate of 1.7%.

## **LICENSING & ENFORCEMENT DATABASE**

The licensing staff continues to work with the licensing and enforcement database vendor, GL Solutions, to address stabilization issues and ensure desired functionality after going live during the middle of the quarter.

Additionally, licensing management conducted several training sessions with Customer Service, Data Entry, and License Analyst staff related to the use of the new database. This initiative will be an ongoing process.

## ***BOARD INITIATES RULEMAKING***

The passage of SB 69 requires the Board to adopt regulations to provide for licensure by endorsement. During the quarter, the Board voted to initiate rulemaking and approved proposed language to amend NAC Chapter 624 to comply with the provisions of SB 69. The proposed language was submitted to the Legislative Counsel Bureau and returned in revised form. The required workshop and hearing are scheduled for November.

# Enforcement - Applicant Backgrounds

## SIGNIFICANT OUTCOMES:

- 47 Investigations initiated
  - 13 Pending
- 45 Background investigations closed
- 19 Applicants failed to disclose criminal history
  - (7) Misdemeanor DUI
  - (2) Misdemeanor Theft; Misdemeanor Assault
  - (1) Felony Narcotics; Burglary; Felony Battery; Felony Assault; Domestic Violence; Contracting w/o License; Murder; Disorderly
- 14 Administrative Citations issued for misrepresentation
  - \$7,500 in fines
  - \$4,125 in costs
- 14 Interviews conducted of applicants with criminal histories



<b>Fingerprint Cards Submitted</b>	<b>670</b>
Total fingerprints returned with criminal histories	168
Total fingerprints returned without criminal histories	502
<b>Criminal Histories</b>	<b>25%</b>

# Enforcement - Overview

## QUARTER SNAPSHOT

Complaints Opened Against Licensed Contractors: 420

- 250 Workmanship
- 38 Money Owing
- 132 Industry Regulation

29 Administrative Citations Issued to Licensed Contractors

- \$32,900 in Fines
- \$9,367 in Investigative Costs

35 Cases Referred for Disciplinary Hearing

- 8 licenses revoked
- 22 fines imposed totalling \$56,750 and \$49,648 in investigative costs.

Complaints Opened Against Unlicensed Contractors: 324

- 204 Contracting w/o License
- 118 Unlawful Advertising
- 2 Criminal Fraud

5 Administrative Citations Issued to Unlicensed Contractors

- \$6,500 in Fines

\$2,475 in Investigative Costs 40 Criminal Citations Issued

60 Criminal Affidavits Filed with District Attorney's Office

## RESIDENTIAL RECOVERY FUND

*During the reporting period, a total of 9 Recovery Fund cases were opened.*

- *The Recovery Fund Committee awarded \$97,122.64 collectively to 9 cases*
- *5 Cases were continued and 2 cases were denied.*
- *Recovery Fund balance as of September 30, 2017 is \$6.034 million*

## NOTICED TRENDS

- The Board has noticed an increase in the number of cases referred by the Department of Business and Industry's Division of Industrial Relations for contractors' failure to maintain required Workers' Compensation Insurance.
- Contractors bidding and working out of scope is another trend in the industry causing concern, not only for the violation of law, but also because contractors in these instances are not pulling the required permits necessary for inspection and the health and safety of the public.

## ENFORCEMENT EXCEEDS STRATEGIC STANDARDS

As part of its strategic planning initiatives, the Board sets performance standards for each department, which helps guide the efficiency of all Board operations.

Currently, all minor claims are to be addressed within 90 days of the claim being filed and other claims are to be processed within 150 days of receipt by the Board.

During the first quarter of FY 2017-2018:

- Compliance staff mailed the Notice of Hearing on average 34 days from the time the claim was opened.
- Additionally, complainants received a hearing within 70 days, on average, from the time when their claim was opened.

# Enforcement Highlights

## Fraud Investigation Leads to Indictment of Drew Levy

Following an extensive investigation by the Nevada State Contractors Board's Fraud Division on September 7, 2017, the Grand Jury returned an indictment from the Clark County District Attorney's office against Drew Levy, former qualified employee and 30 percent owner of Summerlin Energy Las Vegas, LLC, on 18 felony counts as a result of theft and diversion of funds of homeowners between July 31, 2015 through February 24, 2016. Chief Deputy District Attorney J.P. Raman said more charges are likely.

The indictment alleges nine victims with an estimated loss of \$140,000, after they paid for the installation of solar panels and had no materials delivered or work performed on their home. A warrant for Levy's arrest was issued on September 7, and bail is set in the amount of \$500,000.

The Board's Fraud Unit investigated Levy in the wake of a March 31, 2016 disciplinary hearing where the licenses of Summerlin Energy were revoked by Administrative Law Judge Philip M. Pro. Pro sustained 46 of 48 Causes of Action against Summerlin Energy for taking money without providing adequate work or materials, and failing to pay its vendors, which resulted in liens being placed on homeowner properties who had paid the company in full.

On August 4, 2016, the Board's Residential Recovery Fund Committee ordered \$400,000 in financial recourse be made to 133 homeowners damaged by Summerlin Energy – the maximum amount that can be paid in claims per contractor pursuant to Nevada Revised Statute 624.510.

## BOARD UNCOVERS \$500,000 FRAUD

An investigation conducted by the Nevada State Contractors Board's Fraud unit has culminated in 12 felony charges against two men suspected of bilking a contractor out of more than \$560,000 over a 5-year period.

Darin Christensen and John Graft III have turned themselves in to law enforcement and subsequently pled guilty to felony theft charges after the Clark County District Attorney issued a warrant for their arrests, alleging forgery, fraud, and other charges.

The Contractors Board investigation found evidence that between 2011 and 2015, Graft created fraudulent invoices for equipment purchases and Clark County building permits and submitted them to Christensen, who was employed as a project manager for a licensed contractor. Christensen, the case alleges, had gained his employer's trust through years of employment, validated the invoices, which the company paid. Board investigators believe Christensen and Graft split the proceeds from the scheme.

The Board's investigation earlier helped indict a third party, a licensed subcontractor who at a 2015 disciplinary hearing pleaded guilty to committing fraudulent and deceitful acts by submitting \$100,000 in fake invoices to Christensen company, which Christensen approved for payment. Financial documentation collected during the course of the fraud unit's investigation indicated Christensen and his alleged co-conspirator divided the money. In addition to a fine and order to pay \$50,000 in restitution, the subcontractor agreed to testify in Christensen's prosecution.



# Information Technology Highlights

## **LICENSING AND ENFORCEMENT DATABASE GOES “LIVE”**

During September, the Board welcomed the news of its upgraded licensing and enforcement database project going “live” both internally and externally. IT has been actively engaged with staff from the Licensing and Enforcement Departments to communicate any ongoing needs or concerns to the database vendor, GL Solutions. The switch to the new system will continue to be improved in the months ahead, but the Board is pleased with the immediate visual interface changes that can be noticed on its public license search functions.



## **IT Supports Reno Office Move**

In addition to the launch of a new database, IT found itself supporting the relocation efforts for the Reno office. Assisting in the timely coordination of re-routing phone lines, Internet service, and all other technical needs to support the Board’s internal and external infrastructures was no easy feat, but IT staff met its deadline just in time for the doors to open in the new office.

# Public Information Office Highlights

## Board Helps Raise Awareness of Disaster Preparedness

During the quarter, the Board was engaged in promoting National Disaster Awareness Month through its participation in five events across the State and one media interview on Channel 8 Las Vegas news.

In addition to events, the Board produced three short disaster-related video clips highlighting both proactive and post-disaster tips for homeowners in potentially affected areas.

These efforts were further supported by press releases, social media posts, and distribution of collateral materials to the public in an effort to raise awareness of the Board's license verification services.



## ***Contractors Board Produces Public Service Announcements & Collateral for Spanish - Speaking Communities***

In support of the FY 2017-18 Strategic Plan, the Public Information Office spent some of its efforts during the first quarter working with Spanish media, such as Telemundo and Univision, to produce educational segments, Public Service Announcements, and translate the Board's existing collateral materials.

These initiatives were implemented to further promote the Board's services to communities in need and expand the awareness of the importance of hiring licensed contractors for most construction-related needs.

## **New Licensing Video Uses Humor to Educate Interested Applicants**

To help aide applicants with the Board's license application, the Public Information Office worked closely with the Licensing Department to produce a short video offering a brief overview of the most pertinent information. Humorous undertones and visual references were used in order to more appropriately engage and keep the interest of viewers. The application video covers major licensing requirements, pitfalls to avoid in the application, and encourages applicants to seek the assistance of Board staff for guidance or questions they may have.

## Looking Forward - Quarter 2

Things remain at a steady, accelerated pace at the Board, making our initiatives for the second quarter no exception.

As we spent the first quarter of the year switching focus from the legislative session to more expansive outreach efforts among contractor, community, and other public groups, the second quarter carries some internal objectives to review and possibly enhance, such as:

- Evaluating the need to further expand the Board's Fraud Unit;
- Identifying new training and mentorship opportunities for new and current Board members; and
- Discussing and reviewing past trends related to the economic boom to forecast the Board's needs and develop a plan that best addresses them.

These, coupled with several other efforts that are both continuing and upcoming will make for another eventful few months, giving us much to report on in January 2018. Stay tuned!



RENO OFFICE

5390 Kietzke Lane, Suite 102

Reno, NV 89511

(775) 688-1141

(775) 688-1271 Fax

LAS VEGAS OFFICE

2310 Corporate Circle, Ste. 200

Henderson, NV 89074

(702) 486-1100

(702) 486-1190 Fax

[www.nscb.nv.gov](http://www.nscb.nv.gov)

