



Nevada State Contractors Board

STRATEGIC PLAN

**EXECUTIVE OFFICER REPORT
QUARTER ONE REPORT**

July 1 - September 30, 2016



Members of the Board

Jan Leggett, *Chairman*

Margaret Cavin, *Treasurer*

Thomas “Jim” Alexander

Kevin E. Burke

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

Every day at the Contractors Board, we are presented opportunities to assist homeowners with their workmanship concerns, protect the public through proactive investigation into unlicensed contracting activities, and help resolve issues between contractors. Our mission to serve and protect the public's health, safety and welfare is not necessarily reflected in the outcomes of each of these scenarios, but rather the processes by which we respond.

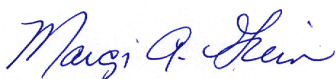
Whether a contractor is ordered to make corrections to a project at an individual's home or the Board validates the work was performed according to industry standards, our goal is to ensure residents across the state are living and working in safe structural environments and that the industry is exemplifying the craftsmanship necessary to promote confidence and integrity within the trades.

We encourage homeowners to hire licensed contractors to enhance the protections available to them in the event a contractor fails to uphold their responsibilities in business or licensure. As was noted in FY 2015-16 with the case against Summerlin Energy Las Vegas, LLC, homeowners can become significantly damaged in these circumstances.

The first quarter of FY 2016-17 began with a Residential Recovery Fund hearing specifically dedicated to this case, providing the maximum distribution of \$400,000 in financial recourse to more than 130 homeowners collectively. Whether dealing with a single caseload of this magnitude or a number of smaller individual claims, the Residential Recovery Fund is a timely option afforded to eligible homeowners, providing the majority of claimants full or partial financial recovery for damages they've incurred.

There are always areas for improvement in our operations and we strive to identify new ways to enhance the protections available to those in need. Our strategic initiatives outline these ambitions and provide a course for open and honest dialogue toward positive changes. As you will note in our First Quarter Report as well as those to follow, our vision of being a model regulatory agency is reflected in our progressive internal, external, and legislative endeavors.

It is my pleasure to keep you informed of the Board's activities throughout the year and hope those interested find value in the contents of our reports.

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 Attends Conference Focused on Regulatory Law (Goal 5)

Executive Officer Grein attended the 2016 Federation of Associations of Regulatory Boards (FARB) Regulatory Law Seminar at the close of the quarter. The three-day seminar addressed a variety of Board topics, including board composition, enforcement efforts, open meeting requirements, disciplinary processes, regulatory cases, and other matters of relevance to the regulatory community. Information gathered in the training provided guidance on best practices Boards should utilize.

Licensing and Enforcement Database Upgrade Nears Final Stages for Test Launch (Goal 1)

After more than a year of dedicated efforts by the Licensing and Information Technology Departments, the Board's upgraded licensing and enforcement database system is nearing the final stages to begin the implementation phase, which will require ongoing testing, troubleshooting, and staff training. The system is expected to go live by the end of the second quarter.

3rd Annual Contractor Training Day Addresses Labor & Construction Laws (Goals 3)

In August and September, the Board held its 3rd Annual Contractor Training Day in Reno and Henderson where two packed houses received a half-day training session geared toward labor and construction law compliance. Addressing topics such as lien laws, retention issues, contract requirements, sexual harassment prevention, e-Verify requirements, and other compliance tips for contractors. A seminar for southern Nevada is scheduled for the second quarter.

Updates Made to Succession Plans for Staff and Board Members (Goals 4 & 5)

During the quarter, the Executive Officer updated the Board's Succession Plan to better address personnel changes that have occurred over the last three fiscal years and redefine the strategies the Board will utilize to enhance staff training, leadership development, and overall recruitment efforts. Additionally, a succession

plan for Board vacancies was also developed, providing an outline for new member training and related mentorship opportunities.

Residential Recovery Fund Subcommittee Holds Special Meeting; Awards \$400,000 to Damaged Homeowners (Goal 2 & 5)

Following one of the largest compliance investigations to come before the Board in recent years, the Residential Recovery Fund Subcommittee held a special meeting on August 4 where 133 claims for valued at over \$1 million were considered for financial recovery. After receiving testimony from Board investigators, the Committee ordered the maximum amount of \$400,000 be distributed on a pro-rata basis to all claimants involved.

2017 Legislative Session on the Horizon (Goal 4)

In preparation for the upcoming 2017 Legislative Session, the Board has begun discussing opportunities for legislative initiatives that will address housekeeping items as well as improvements to the Board's authority to protect the public's health, safety, and welfare.

Board and Staff Participate in Variety of Trainings and Industry Meetings (All Goals)

Throughout the quarter, Members attended the National Judicial College Training, the Executive Officer attended the Nevada Contractors Association monthly meeting to learn about statewide construction projects, the Director of Operations and select enforcement staff attended the ICC Southern Nevada meeting to learn about changes to construction defect laws, and all staff received training on the handling of criminal records with regard to application and investigative processes.

Board Hires Director of Operations (Goal 5)

The Board welcomed former Clark County Building Director/Official Ron Lynn as Director of Operations in August 2016. Lynn joins the executive team where he will oversee a variety of special projects, review internal policies and procedures and make recommendations for improvements, as well as represent the Board in external collaborative/networking opportunities.

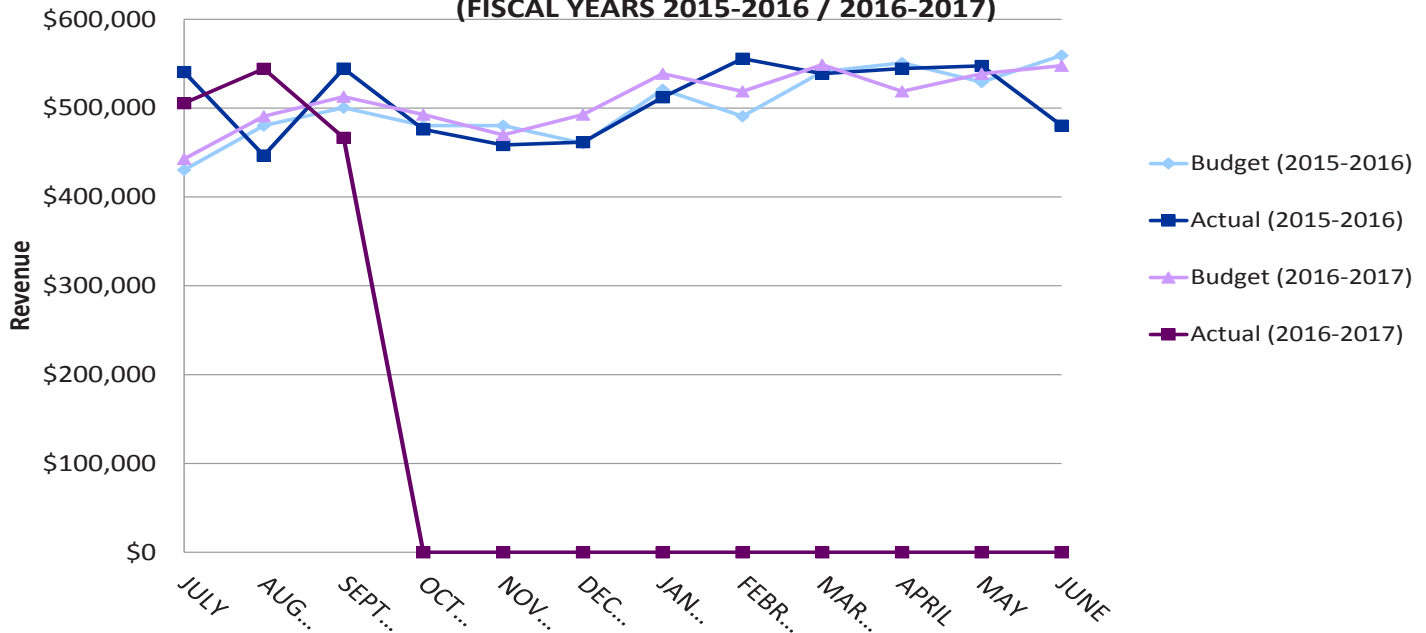
Licensing - Data Dashboard

Budget (2015-2016)	JULY-15	AUG-15	SEPT-15	OCT-15	NOV-15	DEC-15	JAN-16	FEB-16	MAR-16	APR-16	MAY-16	JUN-16	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	\$49,170	\$49,165	\$49,170	\$49,165	\$49,170	\$49,165	\$49,170	\$49,160	\$49,170	\$49,165	\$49,170	\$49,160	\$590,000
Application Fee	\$35,415	\$35,415	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$425,000
License Changes	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$360,000
Investigative Recov Costs	\$29,166	\$29,167	\$29,167	\$29,166	\$29,166	\$29,167	\$29,166	\$29,167	\$29,167	\$29,166	\$29,167	\$29,167	\$350,000
Renewal Late Fees	\$6,665	\$6,670	\$6,665	\$6,665	\$6,665	\$6,670	\$6,665	\$6,665	\$6,670	\$6,665	\$6,665	\$6,670	\$80,000
Renewal Inactive Fee	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,500	\$10,500	\$10,500	\$10,500	\$9,000	\$9,000	\$120,000
Totals	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	\$6,025,000
	\$430,416	\$480,417	\$500,419	\$480,413	\$480,419	\$460,419	\$520,918	\$490,909	\$540,924	\$550,913	\$529,419	\$559,414	
Actual (2015-2016)	JULY-15	AUG-15	SEPT-15	OCT-15	NOV-15	DEC-15	JAN-16	FEB-16	MAR-16	APR-16	MAY-16	JUN-16	TOTALS
License Renewals	\$361,470	\$276,970	\$356,030	\$303,070	\$286,130	\$298,563	\$362,275	\$380,625	\$340,218	\$359,100	\$383,600	\$324,578	\$4,032,628
New License Fee	\$47,400	\$59,700	\$67,350	\$62,700	\$51,300	\$56,750	\$52,200	\$55,800	\$54,700	\$67,800	\$52,800	\$46,050	\$674,550
Application Fee	\$43,200	\$42,000	\$43,600	\$35,400	\$37,800	\$32,100	\$29,400	\$52,500	\$42,900	\$38,200	\$40,050	\$37,200	\$474,350
License Changes	\$31,000	\$27,200	\$30,950	\$30,225	\$32,250	\$27,000	\$26,400	\$28,475	\$40,900	\$36,925	\$34,750	\$31,275	\$377,350
Investigative Recov Costs	\$45,087	\$25,971	\$24,526	\$31,905	\$35,944	\$40,033	\$29,507	\$23,377	\$29,926	\$29,656	\$23,485	\$23,419	\$362,837
Renewal Late Fees	\$5,775	\$6,450	\$10,075	\$5,800	\$6,675	\$6,100	\$5,175	\$6,000	\$8,288	\$5,475	\$5,320	\$8,780	\$79,913
Renewal Inactive Fee	\$6,900	\$8,400	\$12,038	\$6,900	\$8,400	\$1,133	\$7,200	\$9,000	\$21,930	\$7,500	\$7,500	\$9,150	\$106,050
Totals	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	\$6,107,677
	\$540,832	\$446,691	\$544,568	\$476,000	\$458,499	\$461,678	\$512,157	\$555,777	\$538,861	\$544,656	\$547,505	\$480,452	
Variance (2015-2016)	JULY-15	AUG-15	SEPT-15	OCT-15	NOV-15	DEC-15	JAN-16	FEB-16	MAR-16	APR-16	MAY-16	JUN-16	TOTALS
License Renewals	\$91,470	(\$43,030)	\$16,030	(\$16,930)	(\$33,870)	(\$1,438)	\$2,275	\$50,625	(\$39,783)	(\$30,900)	\$13,600	(\$75,423)	(\$67,373)
New License Fee	(\$1,770)	\$10,535	\$18,180	\$13,535	\$2,130	\$7,585	\$3,030	\$6,640	\$5,530	\$18,635	\$3,630	(\$3,110)	\$84,550
Application Fee	\$7,785	\$6,585	\$8,183	(\$17)	\$2,383	(\$3,317)	(\$6,017)	\$17,083	\$7,483	\$2,783	\$4,633	\$1,783	\$49,350
License Changes	\$1,000	(\$2,800)	\$950	\$225	\$2,250	(\$3,000)	(\$3,600)	(\$1,525)	\$10,900	\$6,925	\$4,750	\$1,275	\$17,350
Investigative Recov Costs	\$15,921	(\$3,196)	(\$4,641)	\$2,739	\$6,777	\$10,866	\$341	(\$5,790)	\$759	\$490	(\$5,682)	(\$5,748)	\$12,837
Renewal Late Fees	(\$890)	(\$220)	\$3,410	(\$865)	\$10	(\$570)	(\$1,490)	(\$665)	\$1,618	(\$1,190)	(\$1,345)	\$2,110	(\$88)
Renewal Inactive Fee	(\$3,100)	(\$1,600)	\$2,038	(\$3,100)	(\$1,600)	(\$8,868)	(\$3,300)	(\$1,500)	\$11,430	(\$3,000)	(\$1,500)	\$150	(\$13,950)
Totals	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	\$82,677
	\$110,416	(\$33,726)	\$44,149	(\$4,413)	(\$21,920)	\$1,259	(\$8,761)	\$64,868	(\$2,063)	(\$6,257)	\$18,086	(\$78,962)	
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
Totals	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	\$6,114,000
	\$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										\$1,008,091
New License Fee	\$63,600	\$57,000	\$51,750										\$172,350
Application Fee	\$36,600	\$40,800	\$40,500										\$117,900
License Changes	\$34,400	\$40,975	\$28,675										\$104,050
Investigative Recov Costs	\$21,479	\$24,574	\$24,626										\$70,679
Renewal Late Fees	\$4,650	\$7,125	\$8,425										\$20,200
Renewal Inactive Fee	\$8,400	\$8,700	\$6,300										\$23,400
Totals	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	\$1,516,670
	\$505,579	\$544,371	\$466,720	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
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)	(\$325,000)	(\$302,000)	(\$325,000)	(\$371,000)	(\$351,000)	(\$381,000)	(\$351,000)	(\$371,000)	(\$380,000)	(\$3,091,909)
New License Fee	\$12,767	\$6,167	\$916	(\$50,833)	(\$50,833)	(\$50,834)	(\$50,833)	(\$50,833)	(\$50,834)	(\$50,833)	(\$50,833)	(\$50,834)	(\$437,650)
Application Fee	(\$2,983)	\$1,217	\$916	(\$39,583)	(\$39,583)	(\$39,584)	(\$39,583)	(\$39,583)	(\$39,584)	(\$39,583)	(\$39,583)	(\$39,584)	(\$357,100)
License Changes	\$3,150	\$9,725	(\$2,575)	(\$31,250)	(\$31,250)	(\$31,250)	(\$31,250)	(\$31,250)	(\$31,250)	(\$31,250)	(\$31,250)	(\$31,250)	(\$270,950)
Investigative Recov Costs	(\$9,354)	(\$6,259)	(\$6,208)	(\$30,833)	(\$30,833)	(\$30,834)	(\$30,833)	(\$30,833)	(\$30,834)	(\$30,833)	(\$30,833)	(\$30,834)	(\$299,321)
Renewal Late Fees	(\$1,933)	\$542	\$1,841	(\$6,583)	(\$6,583)	(\$6,584)	(\$6,583)	(\$6,583)	(\$6,584)	(\$6,583)	(\$6,583)	(\$6,584)	(\$58,800)
Renewal Inactive Fee	(\$350)	(\$50)	(\$2,450)	(\$8,750)	(\$8,750)	(\$8,750)	(\$8,750)	(\$8,750)	(\$8,750)	(\$8,750)	(\$8,750)	(\$8,750)	(\$81,600)
Totals	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	(\$4,597,330)
	\$62,747	\$53,539	(\$46,116)	(\$492,832)	(\$469,832)	(\$492,836)	(\$538,832)	(\$518,832)	(\$548,836)	(\$518,832)	(\$538,832)	(\$547,836)	



Licensing - Q1 Snapshot

**Application, Renewal & Cost Recovery Revenue
(FISCAL YEARS 2015-2016 / 2016-2017)**



July to Sept 2016				FISCAL YTD LICENSING FEE TOTALS (FY2017)			
Licenses (Beginning of Quarter)	15,987			LICENSING FEES	BUDGET	ACTUAL	VARIANCE
New Licenses Issued	312			License Renewals	4,100,000	1,008,091	(3,091,909)
Licenses Cancelled / Surrendered / Revoked	(427)			New License Fee	610,000	172,350	(437,650)
Variance in Suspended/Reinstated Licenses	195			Application Fee	475,000	117,900	(357,100)
Licenses (End of Quarter)	16,067			License Changes	375,000	104,050	(270,950)
# of Licenses on July 1, 2016	15,987			Invest Recov Costs	370,000	70,679	(299,321)
# of Licenses on Sept 30, 2016	16,067			Renewal Late Fees	79,000	20,200	(58,800)
Net YTD (Fiscal Year)				Renewal Inactive Fee	105,000	23,400	(81,600)
Licenses Gained / Lost	80						
Renewal Revenue Gained / Lost	\$48,000						
*Does not include suspended licenses							
180 Day Retention Rate				90 Day Retention Rate			
Projected Year-End Retention Rate	Apr 2016	16,078		Projected Year-End Retention Rate	July 2016	15,987	
	Cancellations	(671)			Cancellations	(427)	
	New Licenses	613	(4.18%)		New Licenses	312	-2.66%
	Susp/Reinstate	47	3.82%		Susp/Reinstate	195	1.94%
	Sept 2016	16,067	0.29%		Sept 2016	16,067	1.21%
	Change	(11)		Change	80		
6 Month Rolling	% Change	-0.07%		3 Month Rolling	% Change	0.50%	

Licensing - Overview

QUARTERLY STATS

New License Apps: 394 **(-9%)**

- 334 Approved
- 17 Tabled/Denied
- Avg. Processing Time 73 days; 45% approved/denied within 60 days

Issued Licenses: 312 **(+18%)**

Change Apps: 756 **(+9%)**

- Avg. Processing Time 29 days; 72% approved/denied within 30 days

Active Licenses: 15,193 **(+1%)**

Inactive Licenses: 874 **(-12%)**

- 52 Placed on Inactive Status During Q1 **(-8%)**

Voluntary Surrender: 82 **(+17%)**

Active License Renewals: 1,725 **(+2%)**

- Inactive License Renewals: 78 **(-27%)**

Online Renewals: 601
33% of total renewals

License Suspensions (no bond):

168 **(-8%)**

- Licenses Cancelled: 164 **(-1%)**

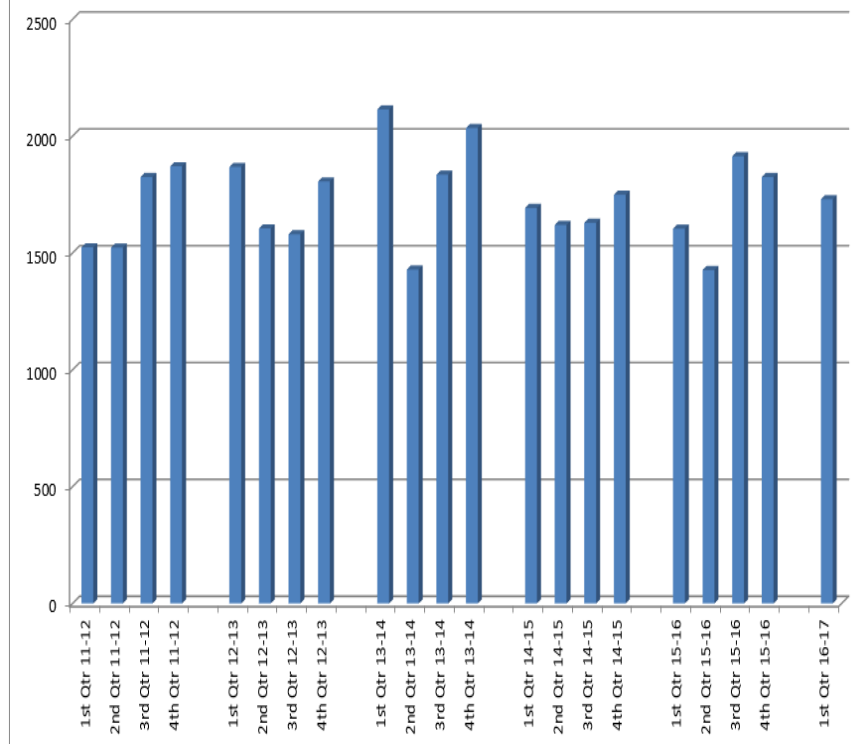
Application Denial Hearings: 18 **(+20)**

- Financial Responsibility Hearings: 8 **(-33%)**

New Licenses Issued

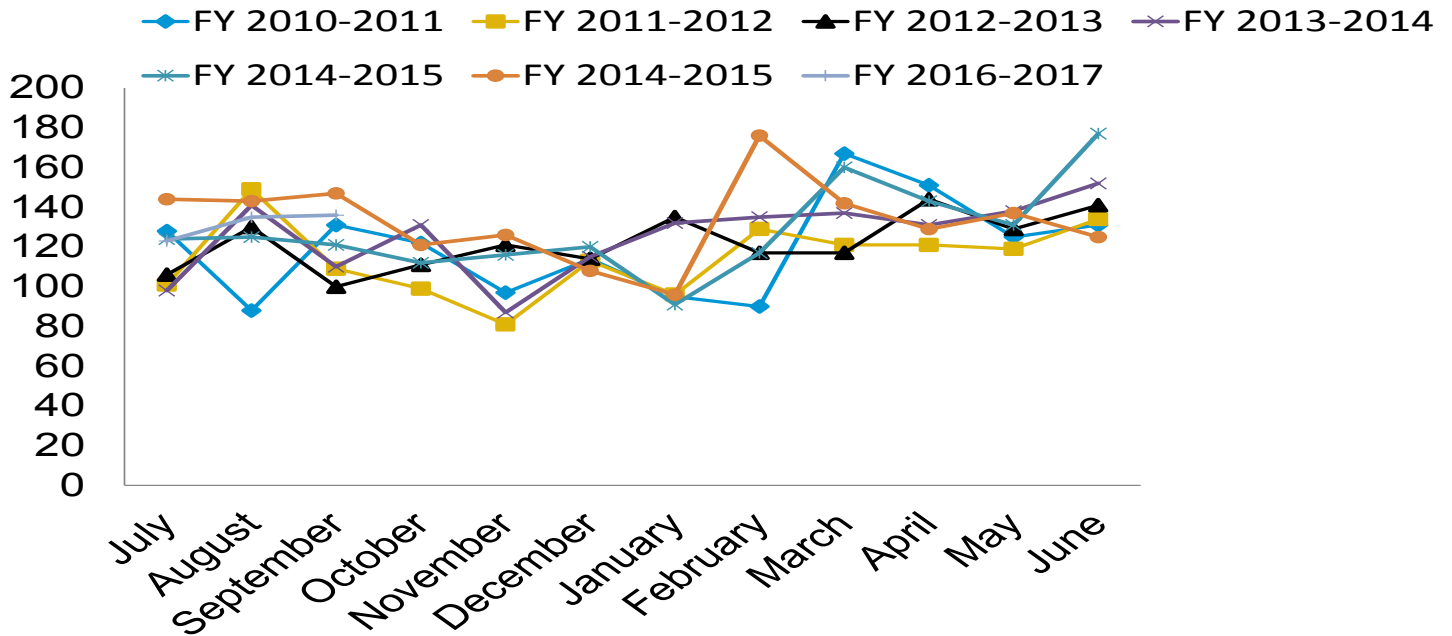
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
JUL	100	95	86	89	112	84	108
AUG	83	107	79	99	120	87	93
SEP	85	70	74	72	78	92	111
1st Qtr:	268	272	239	260	310	263	312
OCT	84	77	83	88	92	104	
NOV	90	77	84	65	82	94	
DEC	110	70	65	93	108	95	
2nd Qtr:	284	224	232	246	282	293	0
JAN	76	68	85	86	77	67	
FEB	79	83	78	79	76	103	
MAR	96	90	85	72	107	106	
3rd Qtr:	251	241	248	237	260	276	0
APR	101	85	89	75	77	120	
MAY	116	65	71	91	75	85	
JUN	83	79	97	96	99	98	
4th Qtr:	300	229	257	262	251	303	0
FY	1,103	966	976	1,005	1,103	1,135	312

Active Renewals

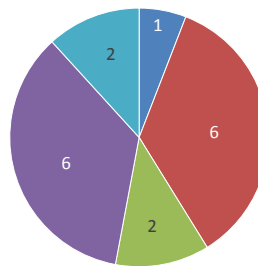


Licensing - Highlights

New Applications Received

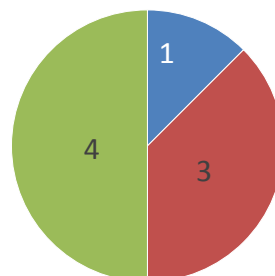


Application Denial Hearings



Approved w/ Conditions
 Approved
 Continued
 Denied
 Remanded to Staff

Financial Responsibility Hearings



Suspended
 Continued
 Dismissed

HIGHLIGHTS

- * Staff participated in process review meetings and reviewed and responded to numerous design and technical specifications related to the licensing and enforcement database replacement project.
- * Improved and updated license application forms.

Enforcement - Applicant Backgrounds

SIGNIFICANT OUTCOMES:

- 70 Background investigations initiated; 16 pending; 80 closed
- 27 Applicants failed to disclose criminal history
- 29 Applicant interviews conducted concerning criminal history



Fingerprint Cards Submitted	926
Cards Returned with Criminal Histories	225
Cards Returned without Criminal Histories	702
Criminal Histories	24%

Enforcement - Compliance Overview

QUARTER SNAPSHOT

Opened Complaints: 450

- 197 Workmanship
- 49 Money Owing
- 201 Industry Regulation

Pending cases: 366

85 administrative citations

- \$90,050 in Fines
- \$31,202 in investigative costs

Closed complaints: 450

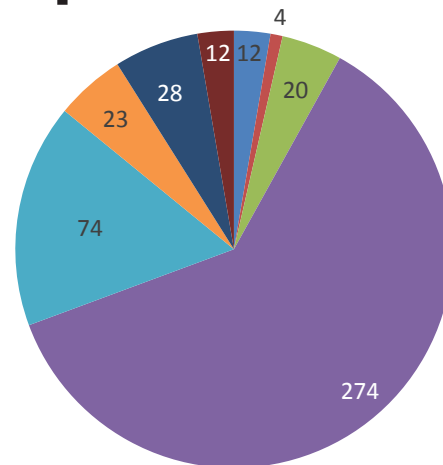
29 Cases referred for disciplinary hearing

- 2 licenses revoked
- 13 fines imposed totalling \$38,750 and \$26,560 in investigative costs.

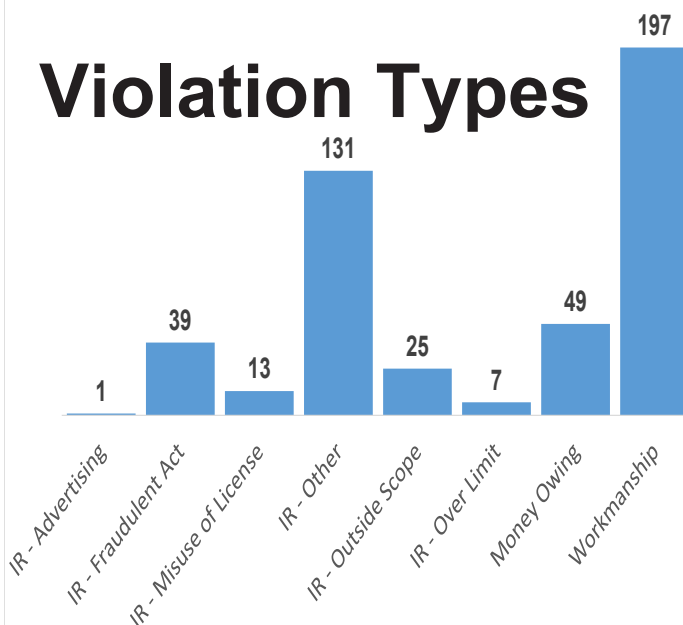
Compliance Complaints

	Money Owing					Workmanship					Industrial Regulation				
	FY2013	FY2014	FY2015	FY2016	FY2017	FY2013	FY2014	FY2015	FY2016	FY2017	FY2013	FY2014	FY2015	FY2016	FY2017
JUL	22	19	22	18	9	48	54	60	54	76	87	73	90	76	69
AUG	23	30	36	17	25	48	43	60	71	67	87	72	73	69	82
SEP	30	21	20	15	15	45	61	68	53	54	95	42	68	66	65
1st Qtr:	75	70	78	50	49	141	158	188	178	197	269	187	231	211	216
OCT	47	27	30	23		53	38	53	85		84	66	68	76	
NOV	33	21	12	30		58	24	50	52		67	64	63	56	
DEC	19	22	18	20		34	55	42	48		80	57	65	49	
2nd Qtr:	99	70	60	73	0	145	117	145	185	0	231	187	196	181	0
JAN	42	22	25	29		38	32	52	43		103	69	64	59	
FEB	36	17	20	22		32	48	71	100		100	62	78	104	
MAR	31	29	27	23		48	44	63	64		71	59	65	68	
3rd Qtr:	109	68	72	74	0	118	124	186	207	0	274	190	207	231	0
APR	26	30	35	12		45	47	51	72		95	71	87	53	
MAY	27	27	30	20		47	55	48	68		72	80	90	81	
JUN	23	32	32	10		45	57	66	67		62	78	76	97	
4th Qtr:	76	89	97	42	0	137	159	165	207	0	229	229	253	231	0

Complaint Sources



Violation Types

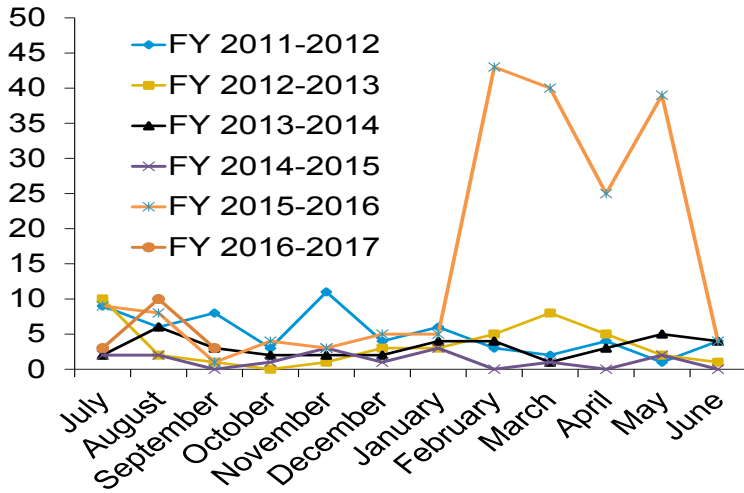


Anonymous
Bldg. Dept.
Contractor
Homeowner

NSCB
Other Agency
Subcontractor
Supplier/Vendor

Enforcement - Residential Recovery Fund

Claims Filed



QUARTER SNAPSHOT

17 Claims Opened

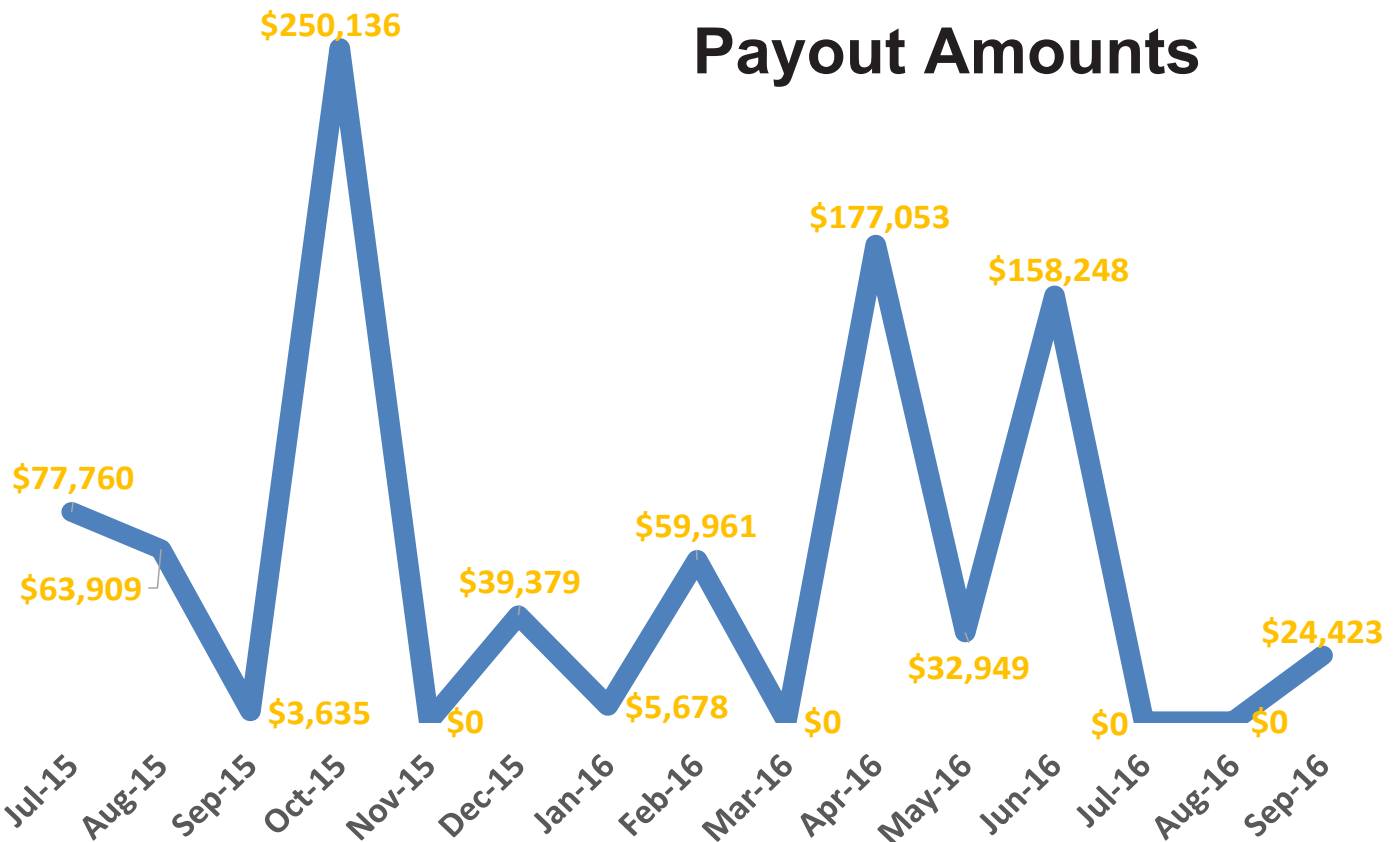
144 Cases Awarded Funds
Totaling \$503,612

Average Claim: \$3,497

1 Case Dismissed

RF Balance: \$5.8 million

Payout Amounts



Enforcement Overview - Criminal

Violation Types

	CWL					Criminal Fraud					Unlawful Advertising				
	FY2013	FY2014	FY2015	FY2016	FY2017	FY2013	FY2014	FY2015	FY2016	FY2017	FY2013	FY2014	FY2015	FY2016	FY2017
JUL	84	55	58	93	40	4	3	0	7	4	46	45	70	83	24
AUG	76	65	64	71	54	6	1	0	3	5	37	25	44	39	33
SEP	37	52	67	78	52	0	1	0	2	0	43	36	56	64	24
1st Qtr:	197	172	189	242	146	10	5	0	12	9	126	106	170	186	81

QUARTER SNAPSHOT

Opened Complaints: 237

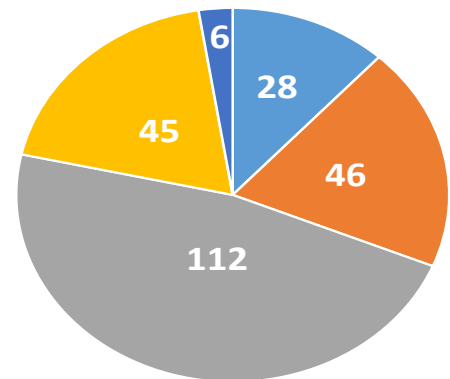
- 146 Contracting without a License
- 82 Unlawful Advertising
- 9 Criminal Fraud

Closed Complaints: 260

Pending cases: 1,383

- 10 Administrative Citation
- 32 Criminal Citations Issued
- 38 Criminal Charges Filed
- 64 Criminal convictions recorded
 - 41 Misdemeanor
 - 5 Gross Misdemeanor
 - 18 Felony
- 80 Cease and Desist Orders

Complaint Sources



- Anonymous
- Contractor
- Homeowner
- NSCB
- Other Agency

Case Outcomes

Administrative Citation	6
Dismissed	22
Felony	18
Gross Misdemeanor	5
Misdemeanor	41
No Violation	119
Undefined	9
Valid	31

Enforcement Highlights

Fraud Unit Records Felony Conviction on Recreational Development Company Case

Stemming from an August 2014 tip, NSCB's Fraud Unit began an extensive investigation into allegations of falsified invoices on VA Clinic constructed in 2010-11 by then licensed general contractor Recreational Development Company.

Evidence collected showed eight separate invoices were falsely submitted for the project at a total value of \$281,000, and illegal payments were being made to the developer's on-site representative and RDC.

After issuing 38 Subpoena's, identifying and

reviewing 19 bank accounts, and acquiring over 12,000 related documents, NSCB forwarded the case to the U.S. Attorney's Office who brought in the FBI to pursue potential federal violations.

On July 27, 2016, the Federal Grand Jury returned a true Bill Indictment against Jeffrey Whittle and Brian Vanderburgh for 1 count of Conspiracy and 4 counts of Wire Fraud. Whittle has entered a guilty plea to the Conspiracy charge and is awaiting sentencing on November 21, 2016.

Consumer Alert on Travelers Helps Investigation



On July 29, 2016 the Board issued a Consumer Alert warning northern Nevada residents, seniors, and small businesses of a group of unlicensed "travelers" targeting areas of Reno, Tahoe, and Carson City. Going by the name "Reliable Roofing and Paving," the four men involved in the scheme were allegedly taking money up front and providing no work or materials in return.

Information in the alert included descriptions of the suspects' vehicle, names, and aliases. After media coverage of the travelers hit the air and the Board's hotline was published, investigators received enough information to positively identify the father and son in the operation, George and Sonny Paul Delmaro, enabling them to submit two warrants for arrest to the Washoe County District Attorney's Office, which are currently pending.

Enforcement to Broaden Proactive Strategies

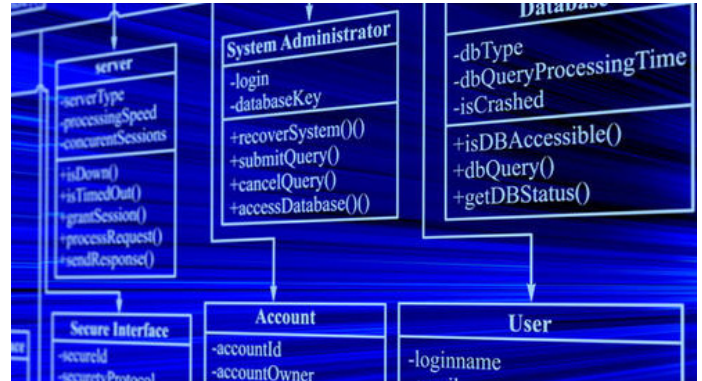
Whether looking at high-risk projects or concerning trends in a licensee's complaint history, the Enforcement Department will be taking more proactive steps to engage contractors and ensure compliance standards are adhered to. Such efforts are likely to include collaborative meetings with the Building Department on large-scale projects, as well as meetings with individual contractors to proactively address issues causing concern for the Board as they relate to the public's safety. The Public Information Office will also be evaluating opportunities on how Industry Bulletins and presentation to industry groups or small businesses could enhance their understanding and compliance with Nevada's construction and building laws.



Information Technology Highlights

Improvements Made to Record Management System

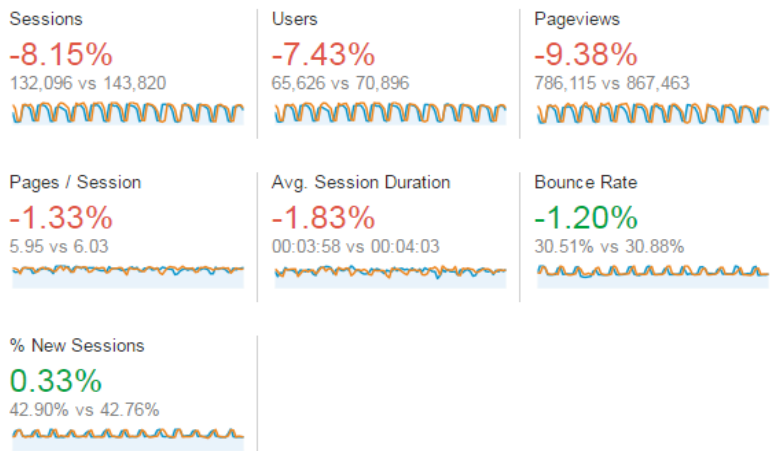
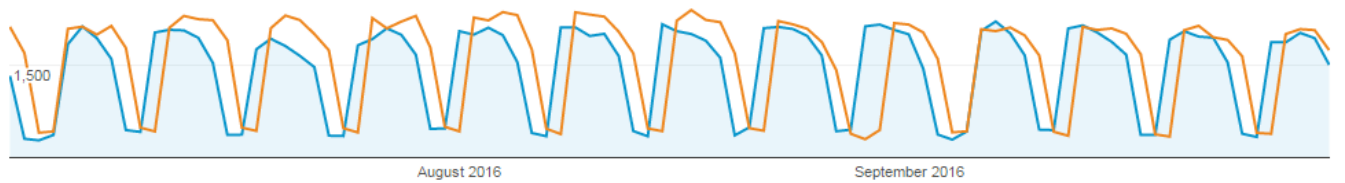
Access to applicant, licensee, and complainant records remain mission-critical for the Board. The Information Technology Department has upgraded the document and records systems, which will streamline and advance security, availability, and access.



Licensing & Enforcement Database Project Still Priority Focus

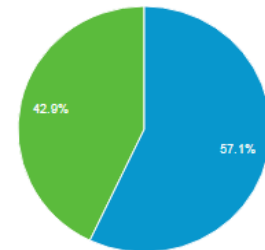
Information Technology continued to dedicate much of the first quarter to preparing the Board and its internal system for the expected launch of the new licensing and enforcement database, which is expected to go live for testing by the end of 2016.

Quarterly Website Statistics

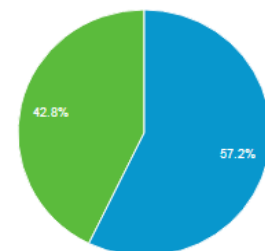


■ Returning Visitor ■ New Visitor

Jul 1, 2016 - Sep 30, 2016



Mar 31, 2016 - Jun 30, 2016



Public Information Office Highlights

Executive Officer & Public Information Officer Participate in Print and Radio Opportunities



At the beginning of the quarter, Executive Officer Margi Grein was interviewed by Doresa Banning of Nevada Business Magazine regarding trends in commercial construction through the Board's perspective. The interview also focused more broadly on the Board's general operations and mission, recent accomplishments, the 75th Anniversary campaign efforts, licensing requirements, and common investigative trends or violations noticed by the Board.

During the same month, the Public Information Officer teamed up with a representative from the Red Cross for a 20 minute interview with Beasley Media Group concerning disaster preparedness and response efforts. In coordination with the 75th Anniversary campaign, the interview highlighted preventative tips and information to homeowners regarding the public protection services the Board provides and warnings of unlicensed activities following disaster-type events.

BOARD EXPANDS OUTREACH TO HOME BUILDERS



Expanding its outreach series to homebuilders during the quarter, the Public Information Office again teamed up with Enforcement to provide two licensed homebuilders & their staff in southern Nevada with compliance information, tips on utilizing the Board's resources, and ways the industry can proactively communicate with the Board for assistance as it relates to their project needs.

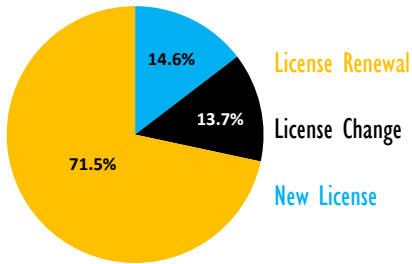
3rd Annual Training Day Sees High Attendance

The third quarter marked another successful Training Day for the Contractors Board. Keynote speakers provided valuable information on contract laws, lien laws, and labor laws spanning issues from worker's compensation coverage, to e-Verify requirements, and sexual harassment policies. The two events were held in Reno and Las Vegas, each experiencing nearly packed houses.

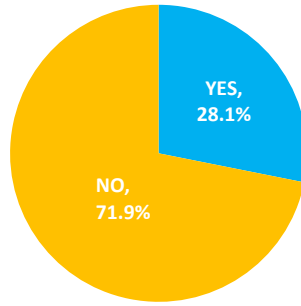


Customer Service Survey - Licensing

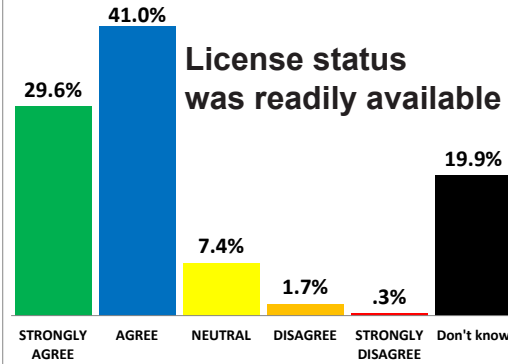
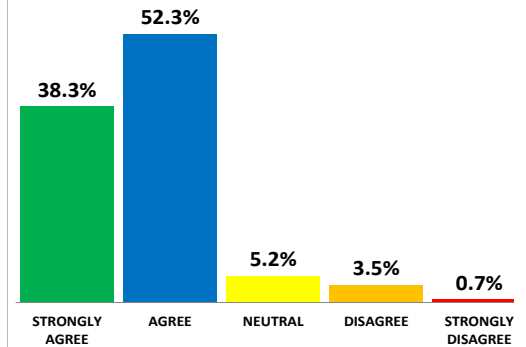
Reason for contacting the Board



Contacted the Board for help with application forms

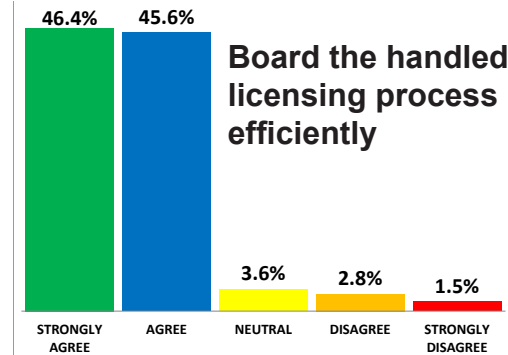
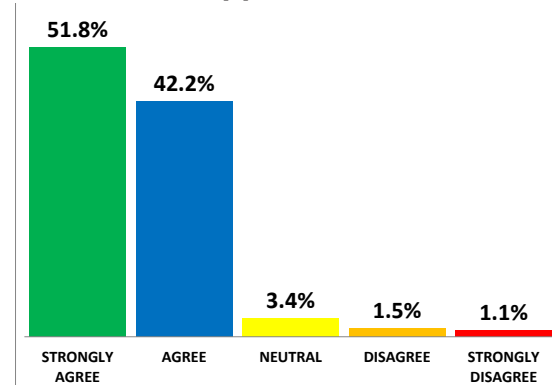


Clear what information was needed on the application



SAMPLING RATE
54% (1,182/2,198)

Satisfied with the way the Board handled the application



CUSTOMER FEEDBACK

"We lapsed on a renewal, and the Board was able to help us with that."

"I was really impressed with how easy it was."

"I've been really satisfied with customer service."

"My experience was very good."

"You have a great system going."

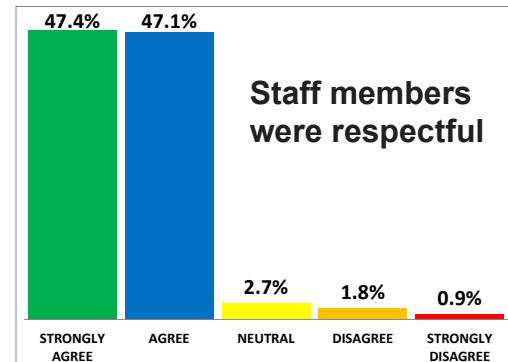
"...seamless."

"...clearcut."

"Fairly simple."

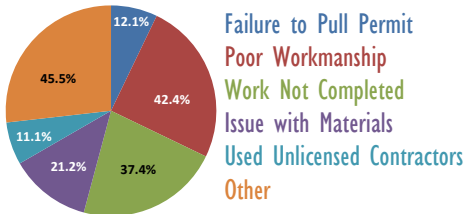
ADDITIONAL STATS

- 12.0% participated in Business Assistance Program
- 96.0% think having a contractor's license is valuable.
- 92.3% felt the forms they needed were easy to find.
- 90.5% said the application forms are easy to understand.
- 93.6% said staff members readily accessible when they needed help.
- 91.6% found staff members helpful.

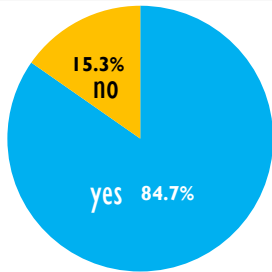


Customer Service Survey - Complainant

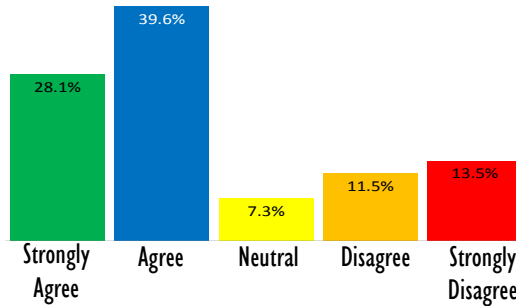
Nature of Complaint



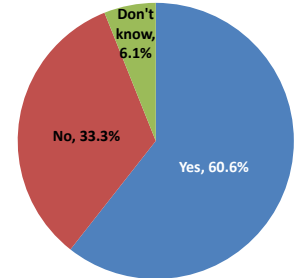
Tried to resolve complaint before contacting the Board



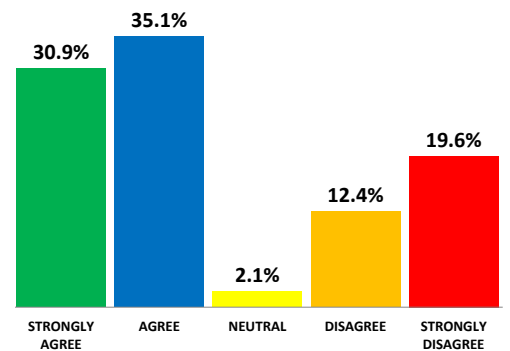
Investigator clearly communicated what was required of me in order



Investigator visited jobsite in attempt to resolve the complaint



Board showed professionalism in handling my complaint



SAMPLING RATE
56.2% (123/219)

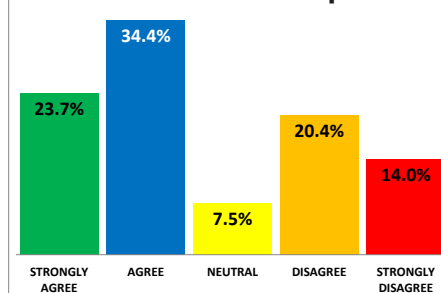
COMPLAINANT FEEDBACK

"We were very fortunate that everything worked out well in our case, and I think the Board did an excellent job."

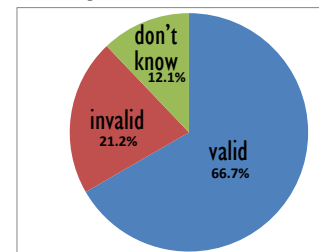
"The person that contacted me was thorough, made everything easy."

"[This was] my first time filing a complaint. I was very pleased with [the Board's] work."

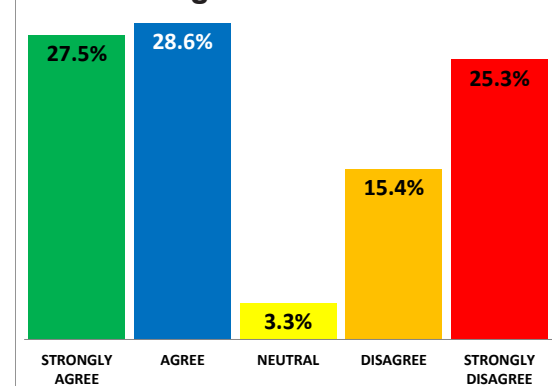
Was always made aware of the status of the complaint



Complaint Outcome



Understand reasoning for investigator's decisions

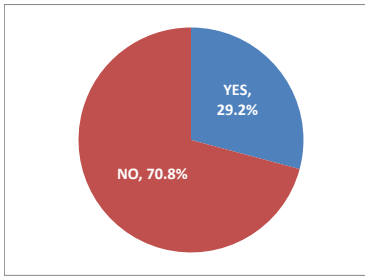


ADDITIONAL STATS

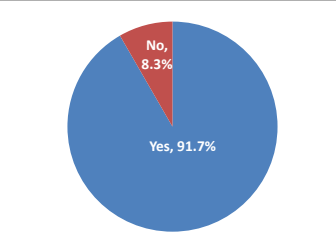
- 86.6% Said the instructions on the complaint were easy to understand.
- Only 2.0% were unable to provide supporting documentation requested by the Board.
- 73.7% Were contacted within 10 days of filing a complaint.
- 64.1% Found NSCB staff to be helpful.
- 59.4% Thought their investigator was responsive in resolving their complaint.
- 48.4% Felt the investigator was knowledgeable of construction laws.

Customer Service Survey - Respondent

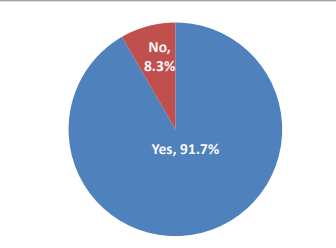
Met investigator at jobsite to discuss customer's concerns



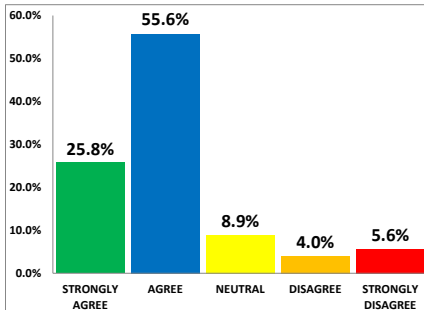
Customer tried to resolve before contacting Board



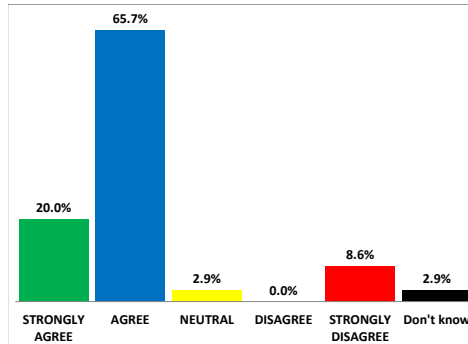
Respondent tried to resolve before Board was contacted



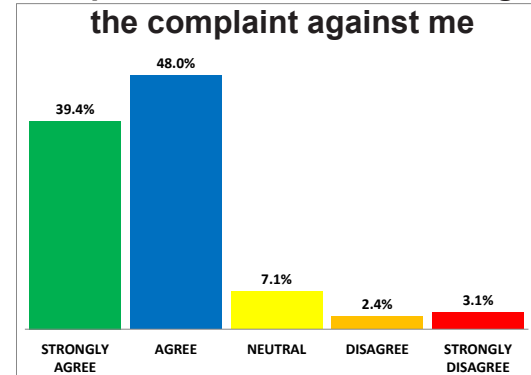
Complaint outcome was fair



Investigator was knowledgeable of Nevada construction laws

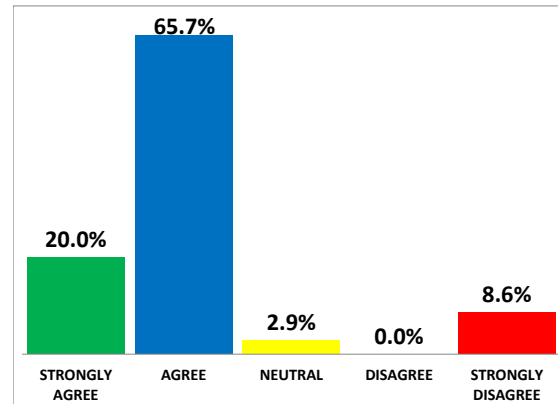


Board demonstrated professionalism in handling the complaint against me



SAMPLING RATE
26% (127/489)

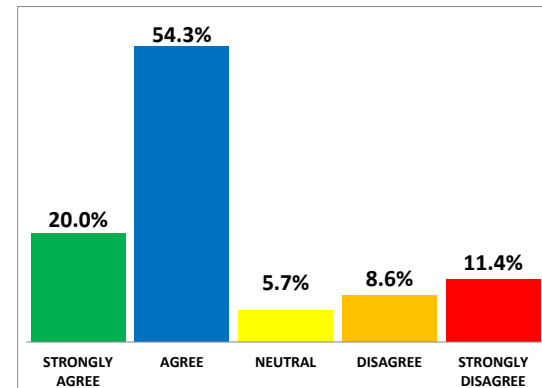
Inspector was respectful while working to resolve the complaint



ADDITIONAL STATS

- 98.4% of complaints were resolved.
- 50.4% of respondents contacted the customer after receiving the complaint letter from the Board.
- 100% Felt they did all they could do to ensure the complaint was resolved.
- 25.2% contacted the customer after receiving notice of a complaint from the Contractors Board.

Inspector acted in an unbiased manner



Looking Forward - Quarter 2

The second quarter may be light on objectives outlined in the Strategic Plan, but that doesn't mean we're sitting idle. Quite the opposite in fact! On the agenda for the next three months include the launch of our licensing and enforcement database system, which will not only entail a testing phase, but also involve extensive staff training and guidance for external end-users.

Our Public Information Office will be working to utilize new video production equipment, which will pilot a series of short tutorials on the licensing application. Enhancements to the Board's website will also be an area of focus during the second quarter as we look to revamp the Board's interface with the public.

Enforcement efforts will further pursue opportunities to be proactive, including meetings with industry groups and building officials. Additionally, the Board will be hosting the 2nd Annual Western States Enforcement Forum to discuss current trends and relevant case studies with neighboring states in an effort to increase collaboration and networking.

Administratively, we will be looking to further develop and implement strategies on staff training and development programs, evaluate new Board member mentorship opportunities, and continue discussions surrounding the Board's agenda for the 2017 legislative session.

It's going to be another busy quarter! Stay tuned for our January 2017 report to learn of the progress we made.



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