



Nevada State Contractors Board

STRATEGIC PLAN

**EXECUTIVE OFFICER REPORT
QUARTER THREE REPORT**

January 1 to March 31, 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

Overseeing a regulatory agency in an industry as large as construction has been both an opportunity and a challenge I have welcomed for nearly 20 years. Being charged with protecting the public's health, safety, and welfare is a balanced endeavor that drives the Board to look innovatively at its operations while reinforcing the standards established through existing laws and regulations.

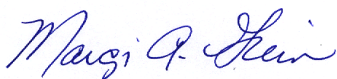
It is our responsibility to ensure we are conforming to best standards and adapting to environmental realities that are constantly shifting. Attending national conferences and engaging with other licensing and regulatory agencies across the country is one avenue we utilize to hold ourselves accountable to our goals and vision to be a model regulatory agency.

Our Board members receive annual training from experts in regulatory law, administrative law, judicial law, and other focused areas, which provide constant guidance on the best practices that should be implemented regularly in our daily operations.

Our commitments to excellence begin and end with each of our customers. We strive to provide our applicants and licensees with opportunities to become active contributors to the State's economy, while affording them due process in all instances before the Board. We strive to offer courses for remedy to homeowners who have undesirable experiences during their project, while still upholding the integrity and confidence of the industry.

For a Board to be successful, we have to be consistent in our application of the law, but also be open and willing to adapt our interpretations as new factors arise that alter the environments impacting the Board and industry at large.

Our efforts this quarter are reflective of this operational mindset, and I look forward to sharing the ways the Board will continue to evolve in the years to come.

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

Board Participates in Comprehensive Regulatory Training (Goal 4)

In January, Board members joined management and Board counsel for a full-day comprehensive regulatory training led by Dale Atkinson of the Federation of Associations of Regulatory Boards (FARB). The training provided an interactive session of case studies, best practices for regulatory boards and explained both current and significant case law driving the direction of the regulatory boards across the country.

Executive Officer Monitors New Legislation; Engages with Legislators (Goal 5)

The 2017 Legislative Session began in February, introducing a number of legislative items of interest to the Board. During the quarter, Ms. Grein worked closely with the Board's legislative consultant on amending legislation, testifying before the Assembly Commerce and Labor Committee on the Board's positions, and communicating directly with members of the Legislature and other stakeholders as necessary.

Board Promotes Construction Education (Goal 3)

Continuing its 75th Anniversary campaign initiatives, the Board partnered with the Northwest Career & Technical Academy and Western Governors Union (WGU) Nevada to highlight the importance of construction education as it relates to workforce development within the industry. On display at the event were "Buddy Benches" constructed by Junior and Senior high school students. The benches

are placed on elementary campuses as an anti-bullying tool for children.

Executive Officer & Staff Present at Regulatory Conference (Goal 5)

In February, Executive Officer Grein and members of management were invited to lead a breakout session at the FARB Annual Conference. The session led by Ms. Grein focused on the role and best practices of Board staff, including communication policies, Board member guidance and training, handling of complex or high profile cases, interaction with the media and legislature, and the importance of technology and how to adapt to such changes in a regulatory environment.

Board Directs Pathway for FY 2017-18

Nearing the end of the quarter, Board members met with executive staff to discuss the strategic direction of the Board for the upcoming fiscal year. The meeting, held annually, allows for an open dialogue on the successes and challenges faced by the Board in meeting its objectives, discuss any environmental impacts within the industry or economy that will have an effect on the Board in the future, and outline new initiatives the Board wishes to accomplish in the months ahead.

Staff Participate in Events & Training

The quarter provided several opportunities for staff to engage with members of the industry, business groups, seniors, and the public at-large. Additionally, staff were afforded the opportunity to become CPR certified in a training offered by the Board.

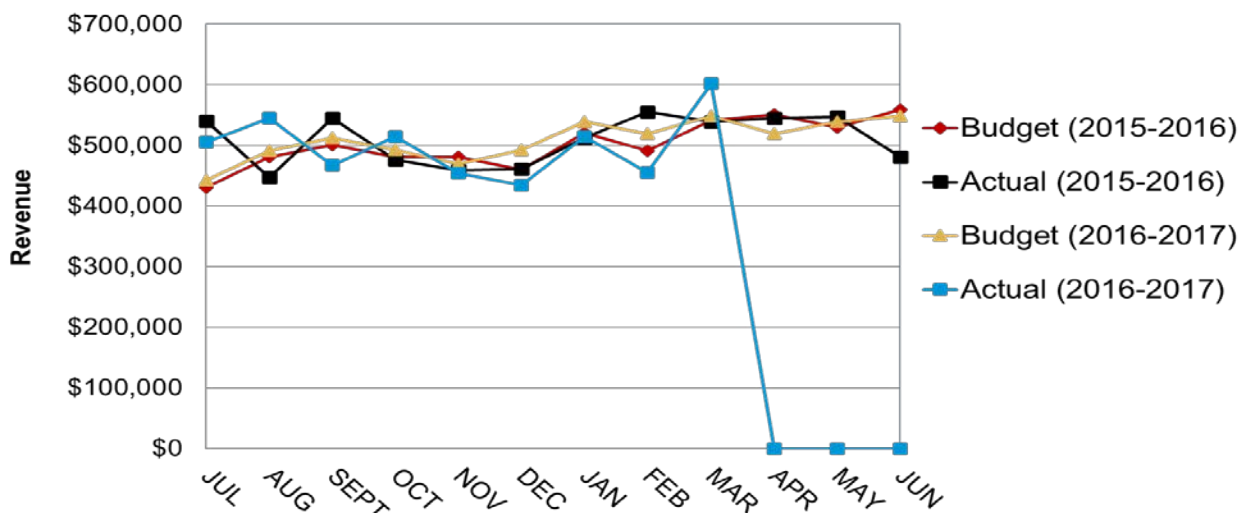
Licensing - Data Dashboard

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	\$29,167	\$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	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$430,416	\$480,417	\$500,419	\$480,413	\$480,419	\$460,419	\$520,918	\$490,909	\$540,924	\$550,913	\$529,419	\$559,414	\$6,025,000
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	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$540,832	\$446,691	\$544,568	\$476,000	\$458,499	\$461,678	\$512,157	\$555,777	\$538,861	\$544,656	\$547,505	\$480,452	\$6,107,677
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	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$110,416	(\$33,726)	\$44,149	(\$4,413)	(\$21,920)	\$1,259	(\$8,761)	\$64,868	(\$2,063)	(\$6,257)	\$18,086	(\$78,962)	\$82,677
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	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$442,832	\$490,832	\$512,836	\$492,832	\$469,832	\$492,836	\$538,832	\$518,832	\$548,836	\$518,832	\$538,832	\$547,836	\$6,114,000
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				\$2,990,300
New License Fee	\$63,600	\$57,000	\$51,750	\$67,500	\$40,200	\$62,400	\$61,500	\$55,800	\$54,150				\$513,900
Application Fee	\$36,600	\$40,800	\$40,500	\$37,500	\$41,100	\$35,700	\$38,700	\$36,300	\$42,600				\$349,800
License Changes	\$34,400	\$40,975	\$28,675	\$35,300	\$32,850	\$31,325	\$28,800	\$31,725	\$41,075				\$305,125
Investigative Recov Costs	\$21,479	\$24,574	\$24,626	\$20,270	\$16,622	\$32,410	\$15,055	\$22,772	\$23,524				\$201,331
Renewal Late Fees	\$4,650	\$7,125	\$8,425	\$9,575	\$6,695	\$4,815	\$8,555	\$6,075	\$5,770				\$61,685
Renewal Inactive Fee	\$8,400	\$8,700	\$6,300	\$10,800	\$7,200	\$5,025	\$8,250	\$6,000	\$8,625				\$69,300
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$505,579	\$544,371	\$466,720	\$514,698	\$454,737	\$433,864	\$514,260	\$454,917	\$602,296	\$0	\$0	\$0	\$4,491,441
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	(\$351,000)	(\$371,000)	(\$380,000)	(\$1,109,700)
New License Fee	\$12,767	\$6,167	\$916	\$16,667	(\$10,633)	\$11,566	\$10,667	\$4,967	\$3,316	(\$50,833)	(\$50,833)	(\$50,834)	(\$96,100)
Application Fee	(\$2,983)	\$1,217	\$916	(\$2,083)	\$1,517	(\$3,884)	(\$883)	(\$3,283)	\$3,016	(\$39,583)	(\$39,583)	(\$39,584)	(\$125,200)
License Changes	\$3,150	\$9,725	(\$2,575)	\$4,050	\$1,600	\$75	(\$2,450)	\$475	\$9,825	(\$31,250)	(\$31,250)	(\$31,250)	(\$69,875)
Investigative Recov Costs	(\$9,354)	(\$6,259)	(\$6,208)	(\$10,563)	(\$14,211)	\$1,576	(\$15,778)	(\$8,061)	(\$7,310)	(\$30,833)	(\$30,833)	(\$30,834)	(\$168,669)
Renewal Late Fees	(\$1,933)	\$542	\$1,841	\$2,992	\$112	(\$1,769)	\$1,972	(\$508)	(\$814)	(\$6,583)	(\$6,583)	(\$6,584)	(\$17,315)
Renewal Inactive Fee	(\$350)	(\$50)	(\$2,450)	\$2,050	(\$1,550)	(\$3,725)	(\$500)	(\$2,750)	(\$125)	(\$8,750)	(\$8,750)	(\$8,750)	(\$35,700)
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$62,747	\$53,539	(\$46,116)	\$21,866	(\$15,095)	(\$58,972)	(\$24,572)	(\$63,915)	\$53,460	(\$518,832)	(\$538,832)	(\$547,836)	(\$1,622,559)



Licensing - Q3 Snapshot

**Application, Renewal & Cost Recovery Revenue
(FISCAL YEARS 2015-16 / 2016-17)**



JANUARY TO MARCH 2017				FISCAL YTD LICENSING FEE TOTALS (FY2017)			
Licenses (Beginning of Quarter)	16,081			LICENSING FEES	BUDGET	ACTUAL	VARIANCE
New Licenses Issued	288			License Renewals	4,100,000	2,990,300	(1,109,700)
Licenses Cancelled / Surrendered / Revoked	(530)			New License Fee	610,000	513,900	(96,100)
Variance in Suspended/Reinstated Licenses	235			Application Fee	475,000	349,800	(125,200)
Licenses (End of Quarter)	16,074			License Changes	375,000	305,125	(69,875)
# of Licenses on Jan 1, 2017	16,081			Invest Recov Costs	370,000	201,331	(168,669)
# of Licenses on March 31, 2017	16,074			Renewal Late Fees	79,000	61,685	(17,315)
Net YTD (Fiscal Year)				Renewal Inactive Fee	105,000	69,300	(35,700)
Licenses Gained / Lost	(7)						
Renewal Revenue Gained / Lost	(\$4,200)						
*Does not include suspended licenses							
180 Day Retention Rate				90 Day Retention Rate			
Projected Year-End Retention Rate	Oct 2016	16,067		Projected Year-End Retention Rate	Jan 2017	16,081	
	Cancellations	(955)	(5.94%)		Cancellations	(530)	(3.30%)
	New Licenses	0	0.00%		New Licenses	288	1.79%
	Susp/Reinstate	404	2.51%		Susp/Reinstate	235	1.46%
	Mar 2017	16,074			Mar 2017	16,074	
	Change	7		Change	(7)		
6 Month Rolling	% Change	0.04%		3 Month Rolling	% Change	-0.04%	

Licensing - Overview

QUARTERLY STATS

New License Apps: 398 **(-3.9%)**

- 301 Approved
- 15 Tabled/Denied
- Avg. Processing Time 75 days; 52% approved/denied within 60 days

Issued Licenses: 288 **(+4.3%)**

Change Apps: 785 **(+2.5%)**

- Avg. Processing Time 29 days; 34% approved/denied within 30 days

Active Licenses: 15,288 **(+0.8%)**

Inactive Licenses: 786 **(-14.8%)**

- 56 Placed on Inactive Status During Q3 **(+33.3%)**

Voluntary Surrender: 94 **(+19%)**

Active License Renewals:

1,714 **(+5.2%)**

Inactive License Renewals:

69 **(-27.3%)**

Online Renewals: 611

34% of total renewals

License Suspensions (no bond):

170 **(+4.3%)**

Licenses Cancelled:

244 **(+5.6%)**

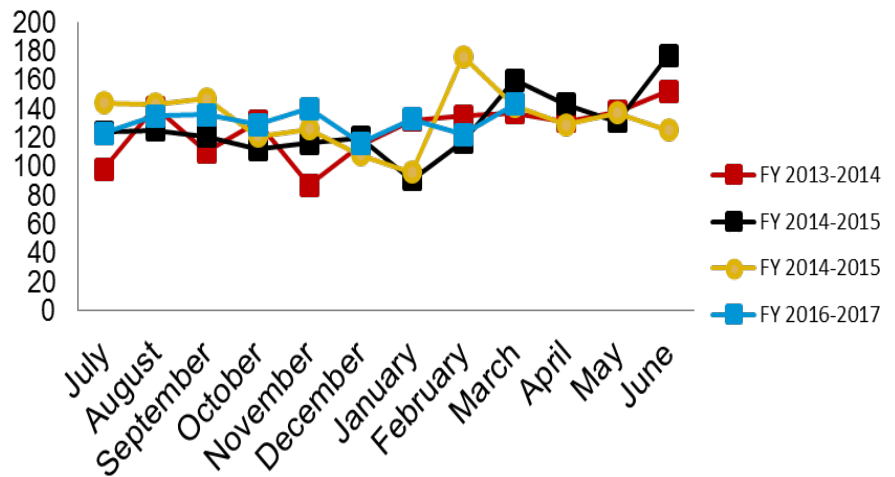
Application Denial Hearings:

19 **(-5%)**

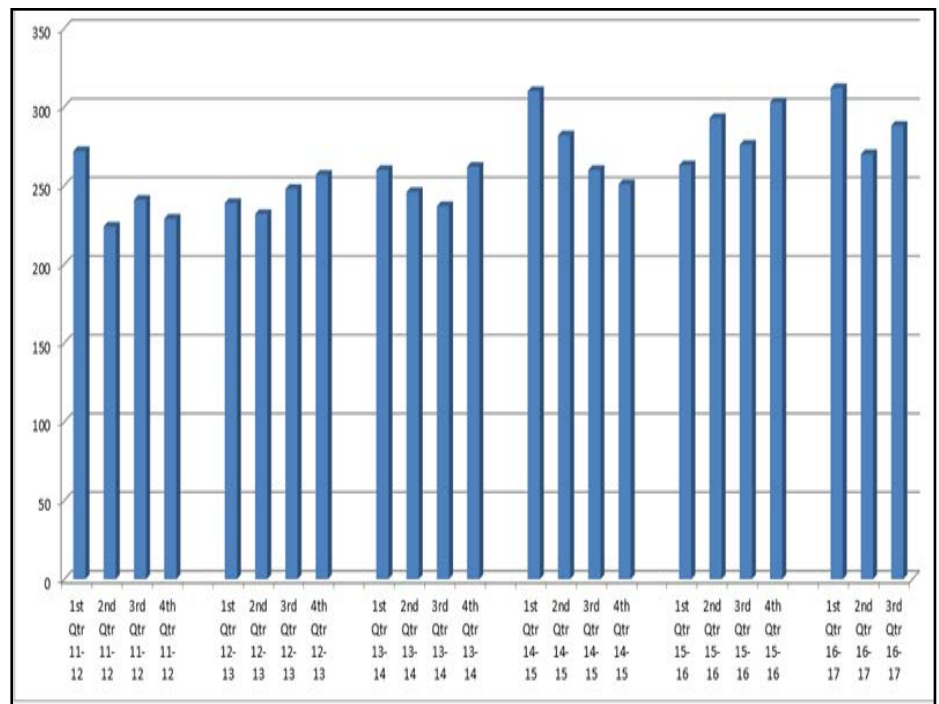
Financial Responsibility

Hearings: 5 **(-28.6%)**

New License Applications

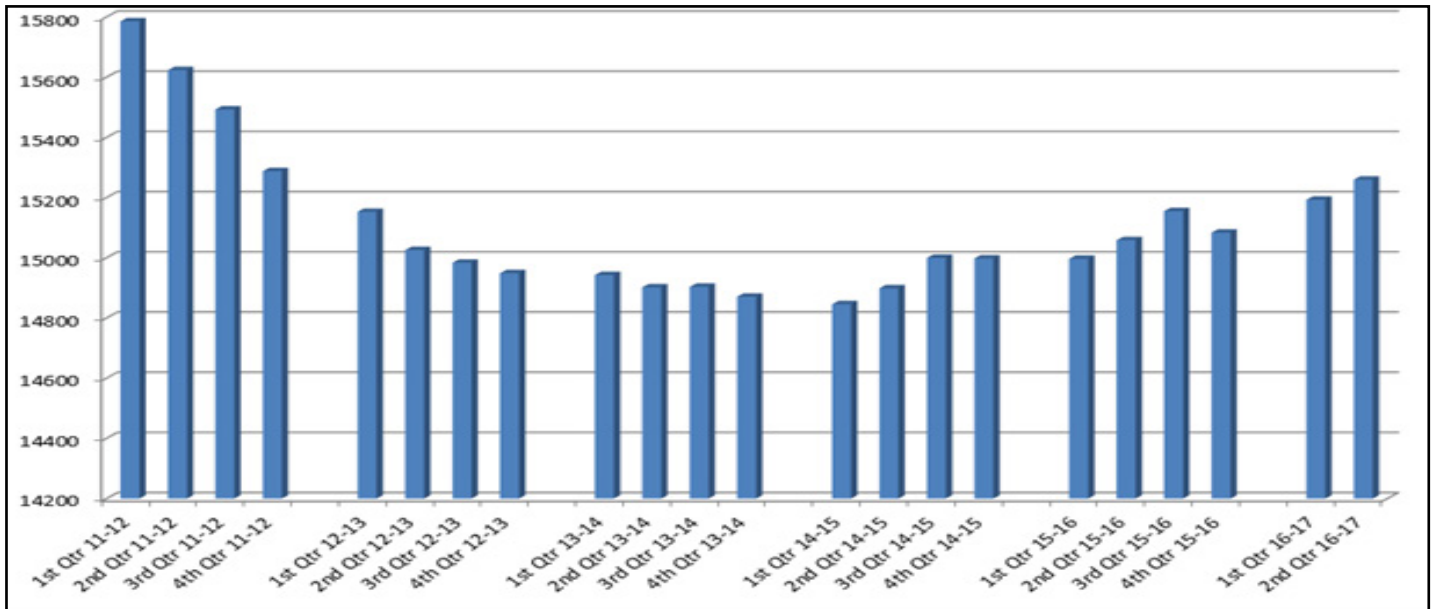


Licenses Issued

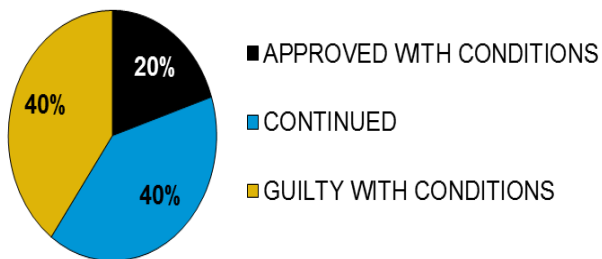


Licensing - Overview

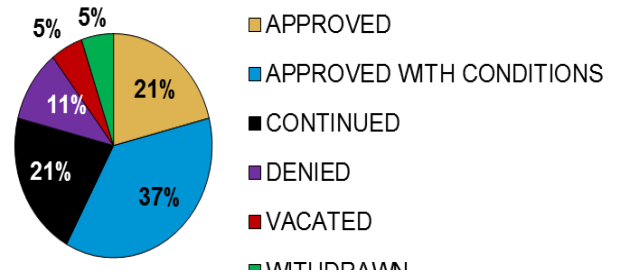
ACTIVE LICENSES



Financial Responsibility Hearing Results



New License Application Denial Hearing Results - Q3



Licensing - Highlights

EFFORTS MADE TO STRENGTHEN FINANCIAL LITERACY IN LICENSING EXAMS



During the quarter, staff worked with subject matter experts and exam administrators to enhance and increase the number of questions related to financial management.

VETERAN OWNED BUSINESSES



Additionally, staff made modifications to the Board's license application forms to better promote and collect information concerning veteran owned businesses and our veteran's assistance program.

VENDORS SOUGHT FOR EXAMS



Licensing staff solicited bids from professional licensure examination providers for proposals to provide contractor licensing examinations for the State of Nevada.

CALL CENTER TRACKING



During the quarter, 9,115 calls were received with 137 calls abandoned. The percentage of abandoned calls for the quarter was 1.5%. Average abandoned time per call was 90 seconds.

In comparison, during the first quarter for FY 2016-2017, the Board received 9,977 calls were received with 170 calls abandoned. The percentage of abandoned calls for the quarter was 1.7%. Average abandoned time per call was 57 seconds.

In comparison during the second quarter for FY 2016-2017, 8,351 calls were received with 137 calls abandoned. The percentage of abandoned calls for the quarter was 1.6%. Average abandoned time per call was 149 seconds.

Enforcement - Applicant Backgrounds

SIGNIFICANT OUTCOMES:

- 34 Applicants failed to disclose criminal history
- 35 Investigations initiated
 - 14 Pending
 - 49 Closed
- 14 Administrative Citations issued for misrepresentation
 - \$7,000 in fines
 - \$3,850 in costs
- 28 Interviews conducted of applicants with criminal histories



Fingerprint Cards Submitted	653
Total fingerprints returned with criminal histories	189
Total fingerprints returned without criminal histories	464
Criminal Histories	29%

Enforcement - Compliance Overview

QUARTER SNAPSHOT

Opened Complaints: 291

- 144 Workmanship
- 46 Money Owing
- 109 Industry Regulation

47 Administrative Citations

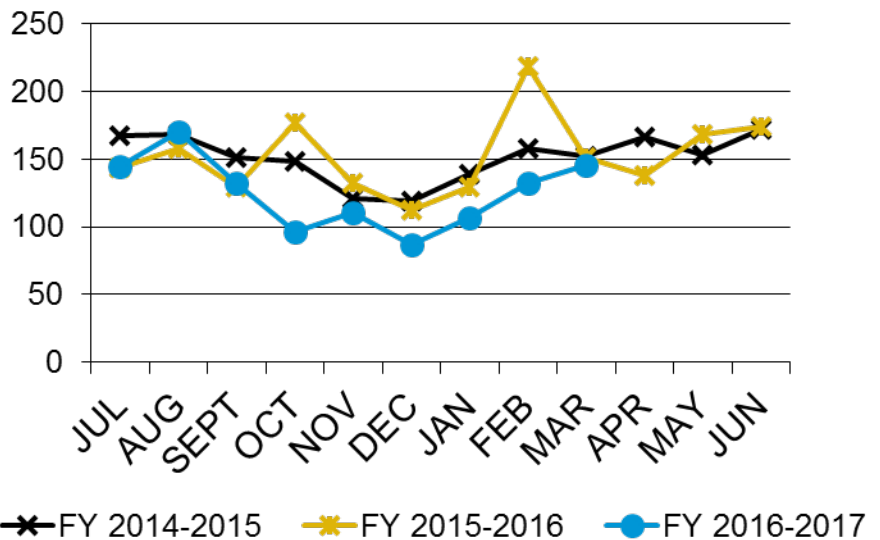
- \$40,250 in Fines
- \$13,275 in investigative costs

Closed complaints: 288

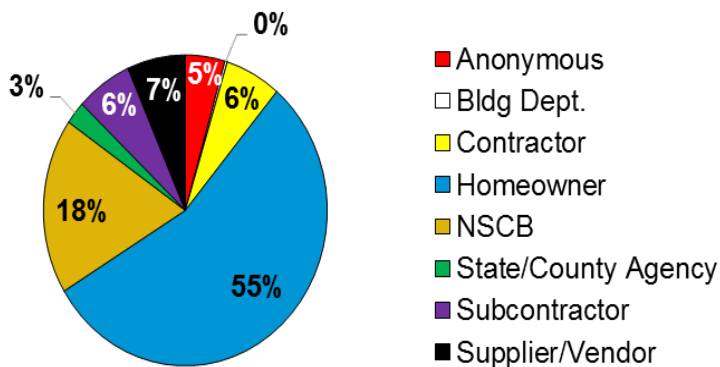
32 Cases referred for disciplinary hearing

- 14 licenses revoked
- 26 fines imposed totalling \$43,700 and \$35,900 in investigative costs.

Complaints by Month



SOURCE OF COMPLAINT

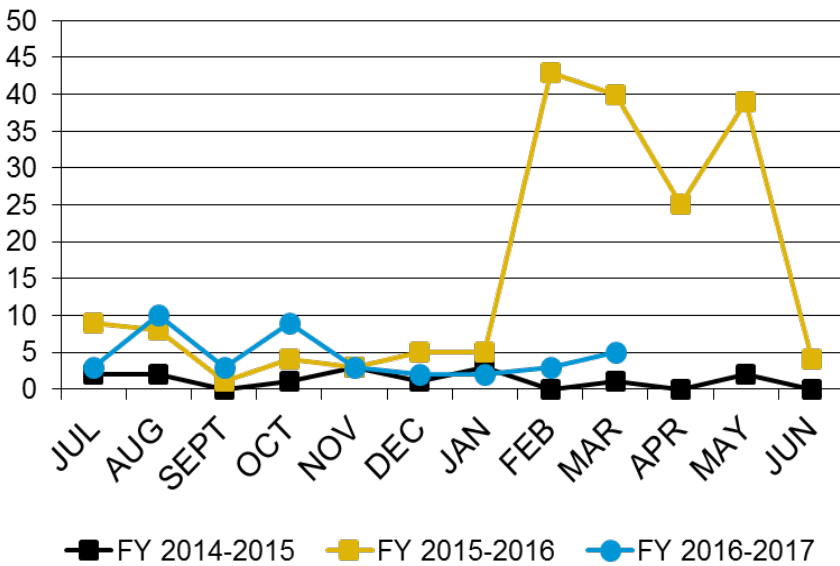


TYPES OF VIOLATIONS

Advertising	7
Fraudulent	17
Misuse of a License	12
Other	89
Outside Scope	17
Over Limit	7
Money Owing	46
Workmanship	144

Enforcement - Residential Recovery Fund

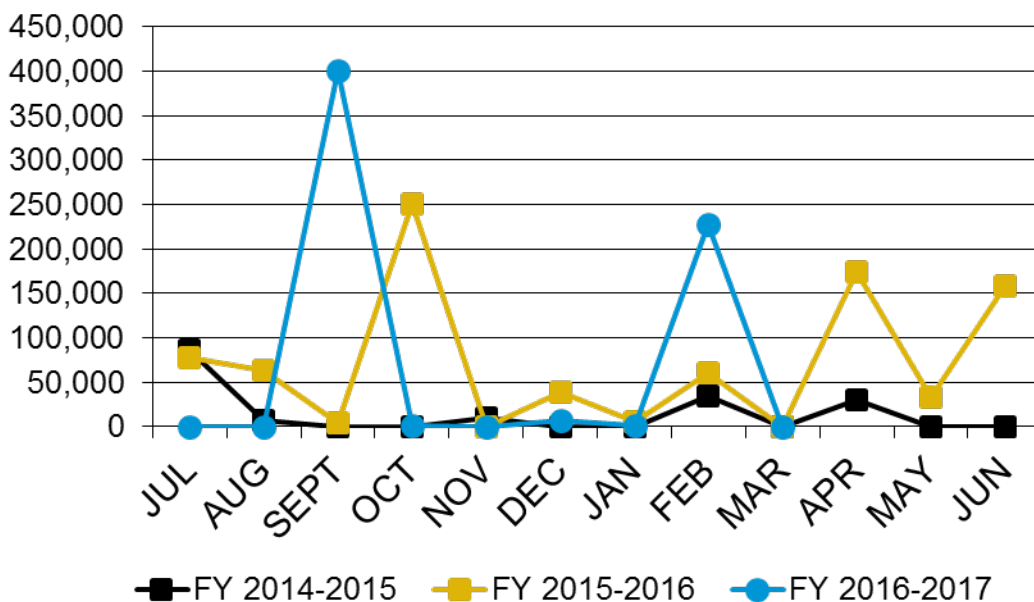
Recovery Fund Claims Filed



QUARTER SNAPSHOT

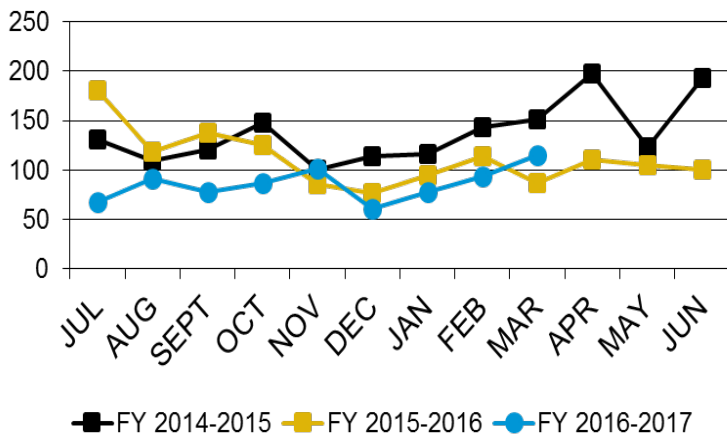
- 8 Claims Opened
- 21 Cases Awarded Funds
Totaling \$238,309.80
- Average Claim: \$11,348
- 1 Case Denied
- 1 Case Continued
- RF Balance: \$5.8 million

Recovery Fund Claims Amount Paid



Enforcement Overview - Criminal

Criminal Complaints by Month

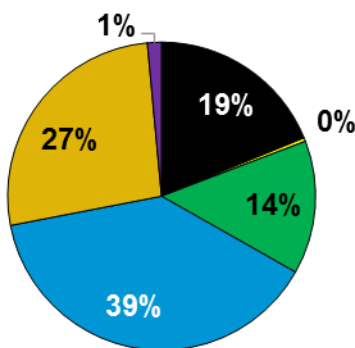


Sting IDs Repeat Offenders

Criminal investigators submitted affidavits against two alleged second-time offenders and cited seven other suspects in a sting operation conducted March 2 in Henderson. Investigators followed leads generated from advertisements found on Craigslist. The investigation found ads from Mark Moreland and Ernesto Tenorio-Delaluz, who had been cited previously for advertising without a license.

Board investigators contacted seven other unlicensed individuals who illegally placed ads to perform electrical work, driveway sealing, patio installation, painting and other work. The suspects met investigators posing as homeowners and offered bids in excess of \$1,000.

SOURCE OF COMPLAINTS



- Anonymous
- Bldg Dept.
- Contractor
- Homeowner
- NSCB
- State/County Agency

QUARTER SNAPSHOT

- Opened Complaints: 285**
- 177 Contracting without a License
 - 101 Unlawful Advertising
 - 7 Criminal Fraud
- Closed Complaints: 257**
- 4 Administrative Citations
 - \$4,000 in Fines
 - \$2,000 in Invest. Costs
 - 42 Criminal Citations Issued
 - 27 Criminal Affidavits Filed
 - 71 Criminal convictions recorded
 - 53 Misdemeanor
 - 8 Gross Misdemeanor
 - 10 Felony
 - 69 Cease and Desist Orders

CASE OUTCOMES

Admin Citation	4
Closed	2
Charges Dismissed	17
Felony	10
Gross Misdemeanor	8
Misdemeanor	53
No Violation	133
Valid	29

Enforcement Highlights

Board Nets Felony Conviction

Separate Nevada State Contractors Board investigations resulted in the conviction of two individuals on felony charges stemming from violations of the state's building and construction laws.

On Dec. 1, 2016, Deanna Tovar, 55, of Las Vegas, began serving a sentence of up to 48 months in the Nye County Detention Center after pleading guilty to engaging in business or submitting a bid without a contractor's license for large landscaping projects. Tovar's third or subsequent conviction on similar charges, the latest infraction is a category E felony. She will not be eligible for parole until she has served at least 19 months. Tovar's sentence also requires her to pay nearly \$50,000 in restitution to three victims.

The second case involves formerly licensed contractor Kurt Krug, who operated out of Mound House under the business name Great Basin Deck and Shade. On Jan. 17, 2017, Krug was sentenced to 36 months of probation and ordered to pay \$25,000 in restitution to his victims.

The Board's investigation showed that in 2015 Krug accepted 50 percent down payments for installation of decks and patio covers. He did not perform any work. After the Board revoked his contractor's license in June 2015 for failure to pay for materials, failure to establish financial responsibility, acting beyond the scope of the license and other charges, attempts by his victims to recover the moneys paid proved unsuccessful. Under questioning from Board investigators, Krug admitted using the money to pay back taxes and for living expenses. Under a plea deal, Krug pleaded guilty in Washoe District Court to one class E felony and one gross misdemeanor charge of diversion of funds.

Fraud Investigations Lead to Criminal Charges

Three fraud investigations were initiated by the Board in 2016 against Greg Barstow after information alleged he was committing various fraudulent acts, including diversion of funds, embezzlement, and contracting without a license. Three cases were submitted to the Clark County District Attorney's Office (DA) for felony prosecution.

In two of the cases, Barstow was charged with two felonies for obtaining money under false pretenses, one gross misdemeanor for the use of a false permit or license, and two misdemeanors for engaging in and/or submitting construction bids without a proper license. At the hearing, Barstow pled guilty to contracting without a license. The remaining charges were dismissed as long as Barstow stays out of trouble. He has since been indicted for felony theft by the DA stemming from the Board's third investigative case, and will be arraigned in court in the near future. Barstow has paid back \$10,000 in restitution as well as investigative costs incurred by the Board.

Barstow was a former employee of a legitimate licensed contractor; however, he acted on the side as the owner of a fictitious company "Diamond Restoration." Barstow's alleged offenses involved both residential and commercial projects, in which he falsified bid documents to divert materials to other projects. Additionally, Barstow misled customers into thinking they were hiring a licensed contractor by having them sign contracts, which included a licensed contractor's number and name. None of the licensed contractors whose information was used were aware of the scheme, nor did they authorize Barstow to act on their behalf.

Information Technology Highlights

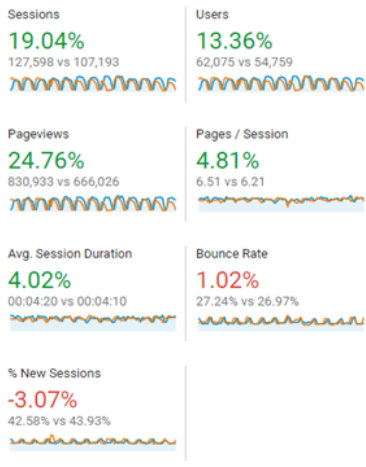
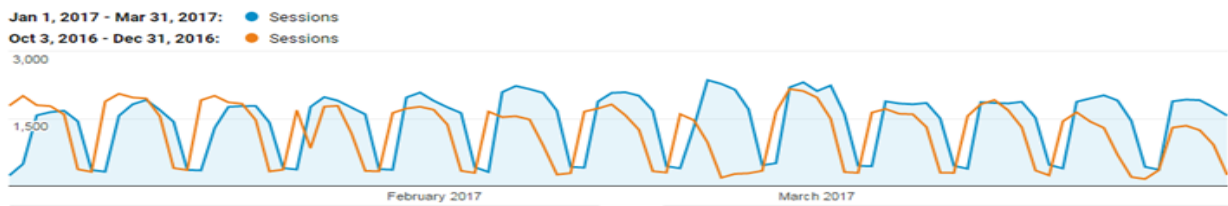
Henderson Office Remodel

During the quarter, IT coordinated the technical logistics involved in making tenant improvements to the Henderson office space and Board room. One improvement that has proven beneficial is the larger, designated conference room with video conferencing to the Board's Reno office.

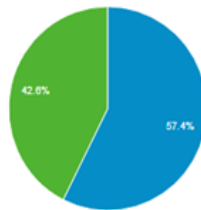
Database Project

Data conversion efforts continued throughout the quarter, presenting opportunities for streamlining information as well as discussion of improved processes.

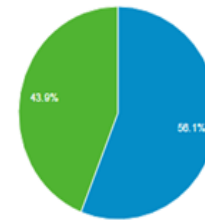
Quarterly Website Statistics



■ Returning Visitor ■ New Visitor
Jan 1, 2017 - Mar 31, 2017



Oct 3, 2016 - Dec 31, 2016



	Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session
	19.04% 127,598 vs 107,193	3.09% 42.58% vs 43.93%	15.36% 54,347 vs 47,110	1.02% 27.24% vs 26.97%	4.81% 6.51 vs 6.21
1. desktop					
Jan 1, 2017 - Mar 31, 2017	101,105 (79.24%)	39.34%	39,778 (39.19%)	22.38%	7.12
Oct 3, 2016 - Dec 31, 2016	84,765 (79.08%)	39.70%	33,650 (39.42%)	23.08%	6.82
% Change	19.28%	-0.89%	18.21%	-3.00%	4.41%
2. mobile					
Jan 1, 2017 - Mar 31, 2017	22,094 (17.32%)	54.68%	12,080 (54.72%)	46.44%	3.94
Oct 3, 2016 - Dec 31, 2016	19,045 (17.77%)	60.36%	11,496 (60.40%)	41.64%	3.63
% Change	16.01%	-9.42%	5.08%	11.54%	8.64%
3. tablet					
Jan 1, 2017 - Mar 31, 2017	4,399 (3.45%)	56.58%	2,489 (56.58%)	42.49%	5.41
Oct 3, 2016 - Dec 31, 2016	3,383 (3.16%)	58.05%	1,964 (58.05%)	41.89%	5.54
% Change	30.03%	-2.54%	26.73%	1.43%	-2.48%

Public Information Office Highlights

Board Promotes Construction Education With “Buddy Benches”

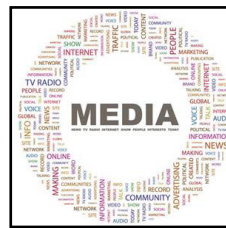


In March, the Board partnered with the Northwest Career & Technical Academy and Western Governors Union Nevada to host an event highlighting the importance of construction education programs as a means to address workforce shortage and promote career paths within the industry. Students at the high school constructed over 10 Buddy Benches, which were donated to local elementary schools to help promote anti-bullying efforts among youth.

Board Focuses Outreach to the Industry in Third Quarter

During the quarter, representatives from all departments participated in a variety of presentations and events to raise awareness among industry groups and licensees of the Board’s services and resources. These opportunities allowed staff to have dynamic Q&A with licensees, discuss tools available to research a license and other ways to verify details when bidding or contracting for services, as well as promote a more proactive relationship with the Board.

Those reached during the quarter include the Nevada Subcontractors Association, Nevada Landscape Association, the Nevada Chapter of the National Association of Minority Contractors, Northern Nevada Claims Association, and a group of general contractors, subcontractors, and suppliers attending a lien and construction compliance workshop.



PIO Expands Board’s Message Through All Media Sources

The PIO took advantage of several opportunities to convey the Board’s message and report relevant news during the quarter, including highlighting the dangers of hiring unlicensed contractors through a consumer-based story with KTNV-TV, radio interviews with CBS radio and Lotus Broadcasting, promoting the Board’s sting event through exclusive coverage by KVVU-TV Las Vegas, and content-driven articles published in the Nevada Business Press and Northern Nevada Business Weekly.

Additionally, the first segment in a six-month series with Univision was filmed, the PIO received training on social media best practices and attended community events like the Vegas Voice Elder Empowerment and the Sun City Summerlin Home Expo. Meet and greets were also held with the City of Henderson Police Department & Vegas PBS.

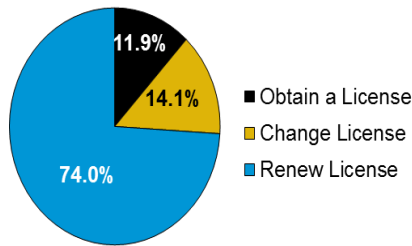
Customer Service Survey - Licensing

SAMPLING RATE
57% (1,212/2,136)

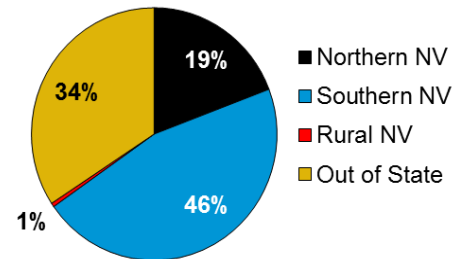
CUSTOMER FEEDBACK

- 92% found the licensing forms easy to locate and understand.
- Only 29.2% of applicants contacted the Board for assistance with forms.
- 97% Satisfied with the Board's handling of their application.
- 96.1% Find value in having a contractor's license.
- 96.6% Felt the application process to be efficient and timely.
- 76.5% Had processing times of 0-30 days; 13.7% reported 30-60 days.
- 23.6% Were aware of the Board's Business Assistance Program.

Reason for Contacting the Board

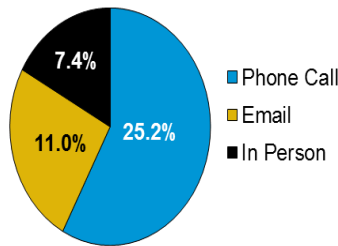


Applicant Residence

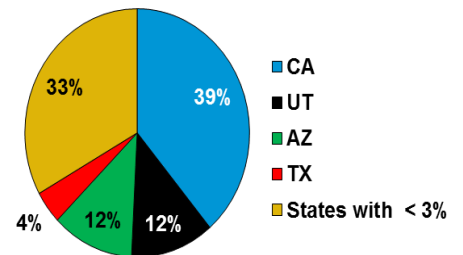


Method for Contacting the Board

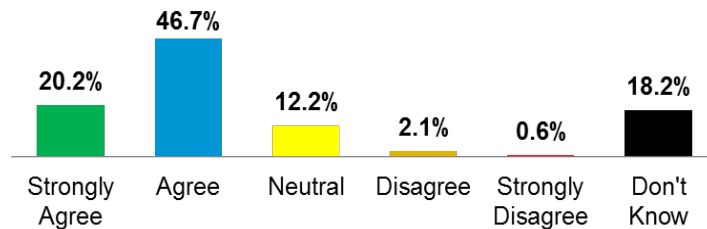
% Based on applicable customers within total surveyed



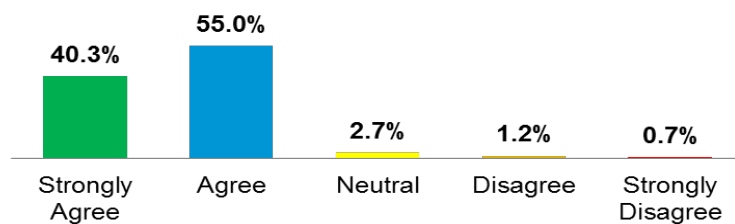
Out of State Residence



Applicant was able to learn the status of their license application

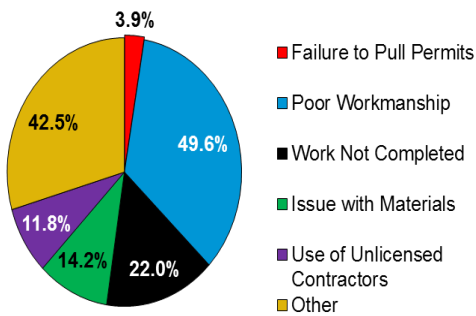


Satisfaction with Board's Handling of My Application

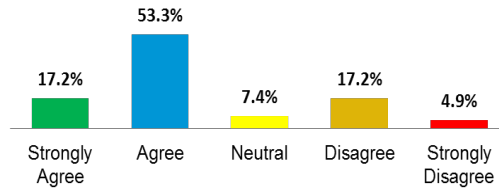


Customer Service Survey - Complainant

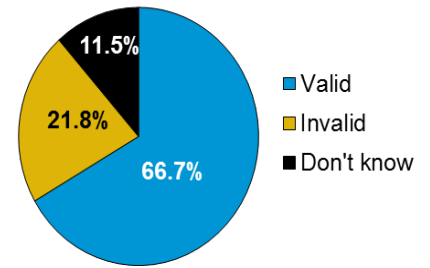
Nature of Complaint



Complainant Was Always Informed of Case Status

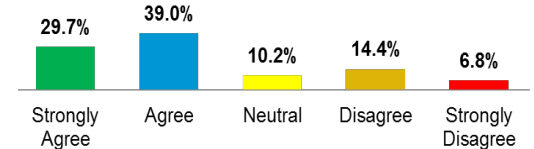


Complaint Outcome



SAMPLING RATE
64% (127/199)

Complainant Understands Reasoning for Outcome



ADDITIONAL STATS

- Approximately 93% found the complaint form, instructions, and process easy to understand.
- 85% Were contacted within 10 days of filing a complaint.
- 58.5% Received a jobsite visit by an investigator.
- 82.4% Received written notification of the outcome of their case.
- 75.2% Spoke to their investigator personally or by phone to learn the outcome.
- 87.8% Felt their investigator acted in an unbiased manner.
- 91.3% Tried to resolve issues with contractor before filing a complaint.

COMPLAINANT FEEDBACK

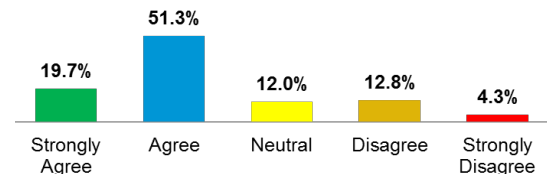
"The process is a pretty well-oiled machine."

"...very thorough...they responded in a timely manner."

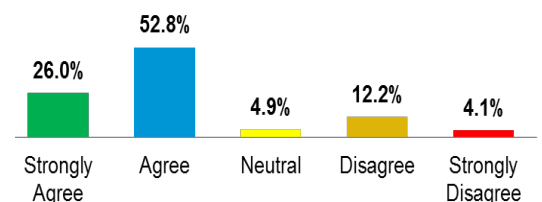
"If it wasn't for the Board, we wouldn't have had any work done on our home."

"It was an easy process!"

Investigator Was Responsive in Resolving Complaint

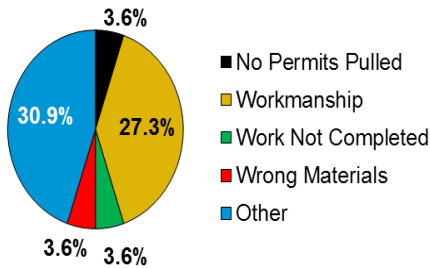


Investigator Clearly Communicated What Was Required to Resolve Complaint



Customer Service Survey - Respondent

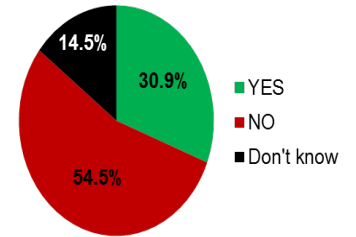
Nature of Complaint



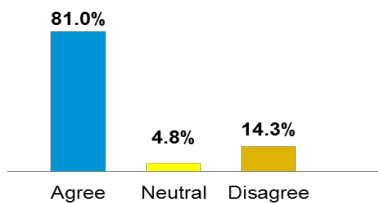
SAMPLING RATE

14% (55/382)

Customer Tried to Resolve Complaint Before Contacting the Board



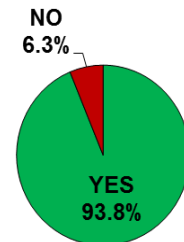
Investigator Acted in an Unbiased Manner



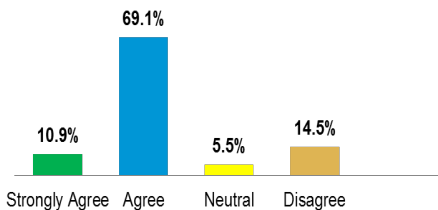
ADDITIONAL STATS

- Respondents reported 100% of complaints against them were resolved.
- 30.9% Said the customer reached out to them before filing a complaint to try and resolve the issue.
- 95.2% Felt the Investigator was respectful while resolving the complaint.
- 89.5% Thought the Investigator was knowledgeable of Nevada Construction Laws.

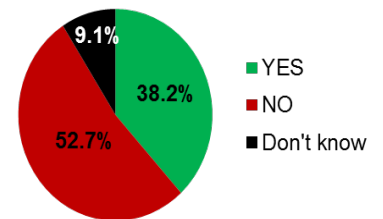
Respondent Tried Resolving Complaint Before It Was Filed



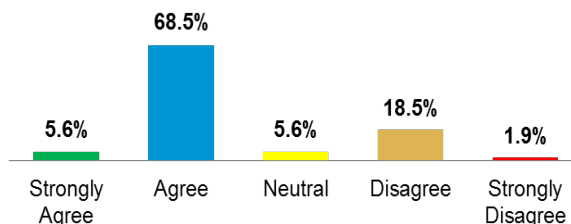
Board Demonstrated Professionalism in Handling of Complaint



Respondent Contacted Customer After Complaint Filed

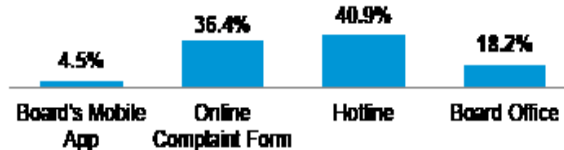


Respondent Felt Outcome Was Fair

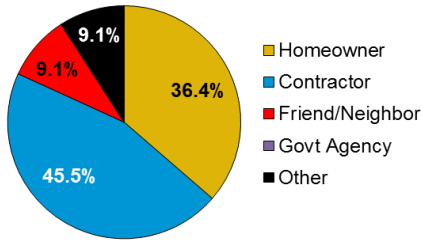


Customer Survey - Unlicensed Complainant

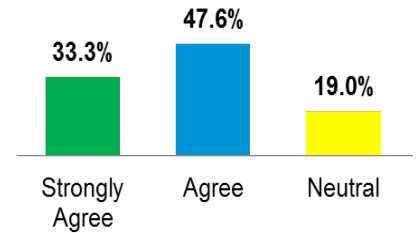
How Complaint was Filed



Source of Complaint

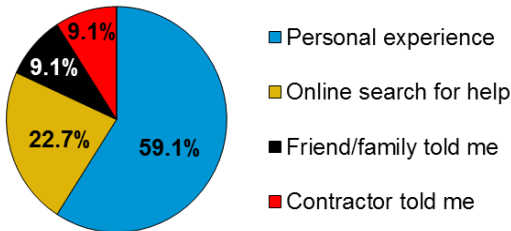


Board Responded in a Timely Manner

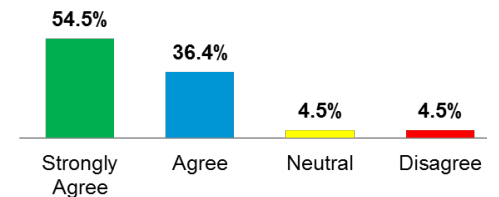


SAMPLING RATE
59% (22/37)

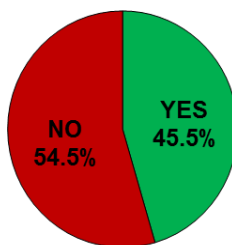
How Complainant Knew to File A Complaint



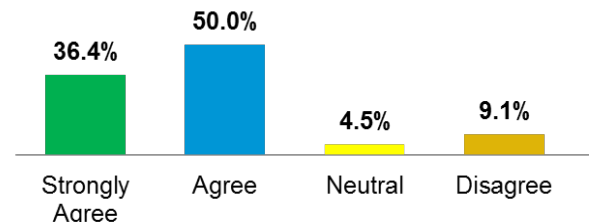
The Board Was Professional in Handling My Complaint



Complainant Contacted Board for Assistance Filing Complaint



Complainant Found Value in Reporting Unlicensed Activity



Looking Forward - Quarter 4

We're moving right along! The next quarter for the Board will not only include a focus on accomplishing the remainder of our objectives, but we will be wrapping up our involvement in the 2017 Legislative Session and continuing our progress on the development of the upgraded licensing and enforcement database project.

In the months to come, we will be directing our efforts toward:

- Establishing a proactive approach to monitoring activities on very large construction projects.
- Developing a testimonial database for staff and Board members to use as a resource to promote NSCB enforcement activities.
- Implementing upgrades to the NSCB website to promote stories and testimonials of successful cases as a result of NSCB heightened enforcement activities.
- Adding additional public information resources to the website.
- Exploring the feasibility of creating an NSCB leadership and staff training program.
- Developing a plan for updating accounting and fund management software.

It's been an eventful year so far! Stay tuned to see what else we tackle in the months to come.



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