



Nevada State Contractors Board

STRATEGIC PLAN

**EXECUTIVE OFFICER REPORT
QUARTER THREE REPORT**

January 1 - March 31, 2013



Members of the Board

Guy M. Wells, *Chairman*

Margaret Cavin, *Treasurer*

Thomas “Jim” Alexander

Kevin E. Burke

Donald L. Drake

Jan Leggett

Stephen P. Quinn

Executive Leadership

Margi Grein, *Executive Officer*

Dan Hammack, *Chief of Enforcement*

George Lyford, *Director of Investigations*

Nancy Mathias, *Licensing Administrator*

members
and
group



Message from the Executive Officer

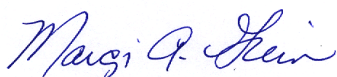
We kicked off the third quarter welcoming in the New Year and engaging ourselves in new strategic objectives. One of our priority focuses the past couple months has been monitoring the 2013 Legislative Session. To date, there have been several pieces of legislation introduced, which could have a direct impact on the Board's administrative and enforcement efforts and the industry as a whole if passed.

We've made significant efforts to voice the Board's support of and opposition to various bills and have worked with sponsors on amendment language. In March, I joined Chairman Guy Wells and other members of the Board in Carson City to meet with various legislators. Our goal was to inform them of the Board's mission and to discuss our position on pending legislative matters. Continuing this effort, the Board also utilized its communication avenues to engage the industry, building officials, and other partners believed to be affected by pending legislation.

In addition to these external efforts, much has been accomplished internally as well. Our partnering efforts continue to be an effective means for the Board to learn of industry and consumer concerns, improve its services and operations, and communicate enforcement issues being noticed by the Board's investigators.

This quarter, we also took our Senior Program to the next level by training Board investigators to give community presentations. Much like the benefit of working with the industry to communicate our messages, increasing the outreach abilities within our own ranks has already allowed us to reach more homeowners and raise awareness of the benefits of hiring licensed contractors.

Our strategic year is not over yet, however. With many exciting objectives still left to explore and accomplish in the fourth quarter, we look forward to closing the book on another successful year and beginning fresh with a new Strategic Plan in July.

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

National Association of State Contractor License Agencies (NASCLA)

The 2013 NASCLA mid-year conference was another successful partnering opportunity. In addition to gaining insightful knowledge from other member states, NSCB's Executive Officer had the chance to personally meet with Senator Heller and Congressman Horsford. Being able to personally sit down and communicate with our state's national leaders was an invaluable experience and allowed for the Executive Officer to express the Board's priority issues, concerns, and opportunities. Awareness of our outreach programs was brought to life and is likely to lead to future partnering opportunities at a local level. The conference meetings led to information sharing and identification of new resources of interest to contractor boards across the nation.

Investigative & Media Efforts Lead to Arrests (Goals 2 & 3)

Much took place in the three months of the third quarter with regard to our Top 10 Most Wanted. Two individuals, James Gregg and Steve Yon, both unlicensed contractors, were apprehended thanks to media coverage and cooperation from public citizens, the California State Licensing Board, and Arizona law enforcement officials. Additionally, the Board added one individual to the Top 10 list who was a former licensee, but continues to perform commercial and residential work after one of his licenses was revoked and the other cancelled for non-renewal.

Engaging the Industry (Goal 4)

Coinciding with the 2013 Legislative Session, the Board met with a number of industry groups to learn of their legislative priorities

and concerns, and share the Board's position on legislation it was actively tracking. Each of these meetings provided the opportunity for open dialogue on industry issues, allowed for discussion on unintended consequences of pending legislative ideas, and gave the Board information to consider as it prepared to engage in the legislative process. Due to the success of each meeting, the industry groups and the Board agreed to hold such roundtable discussions quarterly in an effort to maintain consistent and current communication.

Strategic Planning (Goal 5)

On March 5, executive staff met with Board members to begin discussion and development of the FY 2013-14 Strategic Plan. The meeting resulted in dynamic discussions concerning customer service, the future of technology and automated services, initiatives pending in the Legislature that may affect Board operations, enhancement of data collection, and continued implementation and expansion of outreach programs.

Enhancing Efficiency (Goals 1 & 6)

This quarter, staff focused on different ways to enhance our services, internal operations, and data collection efforts. We looked at a variety of forms and applications to automate on our website; consolidated and revised our customer service surveys to more accurately track information of importance to management; and have been evaluating and making changes to our IT infrastructure to make systems and applications more user-friendly for staff and public customers visiting our website.

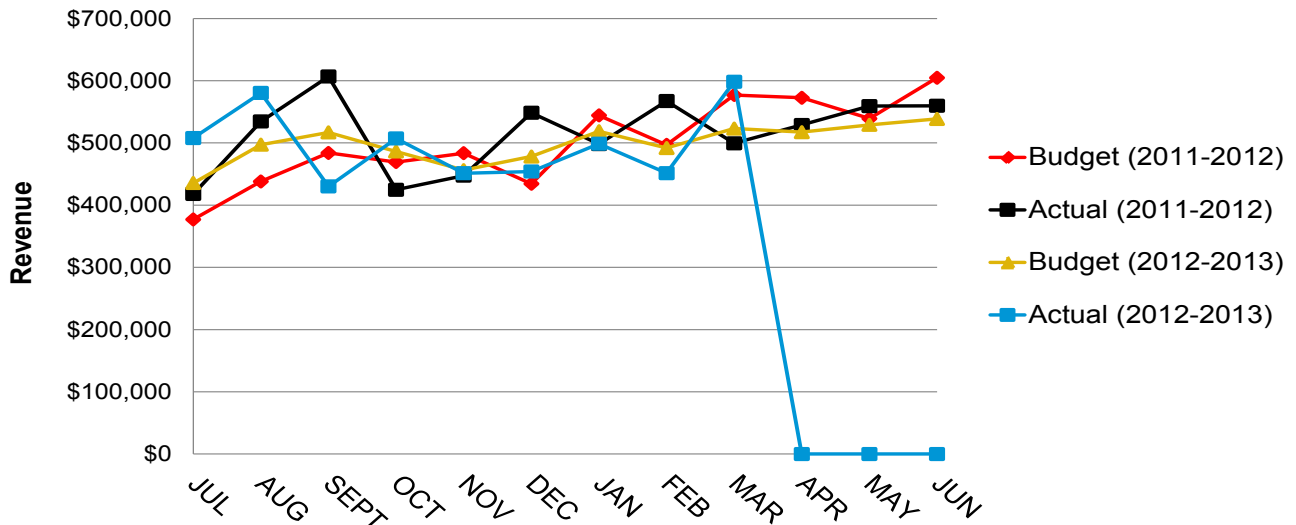
Licensing - Data Dashboard

Budget (2011-2012)	JULY-11	AUG-11	SEPT-11	OCT-11	NOV-11	DEC-11	JAN-12	FEB-12	MAR-12	APR-12	MAY-12	JUN-12	TOTALS
License Renewals	\$218,748	\$274,903	\$317,019	\$303,491	\$316,508	\$271,329	\$372,407	\$328,760	\$402,527	\$398,443	\$367,813	\$428,052	\$4,000,000
New License Fee	\$60,833	\$60,833	\$60,833	\$60,833	\$60,833	\$60,833	\$60,833	\$60,833	\$60,834	\$60,834	\$60,834	\$60,834	\$730,000
Application Fee	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$33,375	\$400,500
License Changes	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$27,375	\$328,500
Investigative Recov Costs	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$17,500	\$210,000
Renewal Late Fees	\$7,601	\$9,553	\$11,016	\$10,546	\$10,999	\$9,429	\$12,941	\$11,424	\$13,988	\$13,846	\$12,782	\$14,875	\$139,000
Renewal Inactive Fee	\$11,648	\$14,639	\$16,881	\$16,161	\$16,854	\$14,448	\$19,831	\$17,506	\$21,435	\$21,217	\$19,586	\$22,794	\$213,000
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$377,080	\$438,178	\$483,999	\$469,281	\$483,444	\$434,289	\$544,262	\$496,773	\$577,034	\$572,590	\$539,265	\$604,805	\$6,021,000
Actual (2011-2012)	JULY-11	AUG-11	SEPT-11	OCT-11	NOV-11	DEC-11	JAN-12	FEB-12	MAR-12	APR-12	MAY-12	JUN-12	TOTALS
License Renewals	\$262,600	\$351,450	\$448,600	\$281,700	\$302,100	\$361,335	\$367,930	\$376,350	\$327,985	\$365,850	\$389,150	\$362,925	\$4,197,975
New License Fee	\$54,300	\$63,000	\$42,450	\$48,900	\$45,100	\$58,900	\$36,600	\$54,600	\$59,850	\$45,600	\$40,200	\$70,600	\$620,100
Application Fee	\$27,900	\$44,400	\$32,700	\$27,600	\$24,900	\$34,200	\$26,700	\$38,100	\$38,100	\$33,300	\$35,100	\$43,200	\$406,200
License Changes	\$28,200	\$34,675	\$33,400	\$29,625	\$31,025	\$30,525	\$23,700	\$38,450	\$30,325	\$25,950	\$36,750	\$35,000	\$377,625
Investigative Recov Costs	\$24,057	\$15,135	\$17,607	\$10,683	\$20,709	\$23,139	\$17,561	\$23,074	\$14,739	\$32,086	\$21,567	\$22,278	\$242,635
Renewal Late Fees	\$10,650	\$14,000	\$15,525	\$12,450	\$11,550	\$21,325	\$11,250	\$15,150	\$15,015	\$12,620	\$16,650	\$11,515	\$167,700
Renewal Inactive Fee	\$10,200	\$11,800	\$16,450	\$13,800	\$12,000	\$19,000	\$14,400	\$21,600	\$13,475	\$13,500	\$19,800	\$14,125	\$180,150
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$417,907	\$534,460	\$606,732	\$424,758	\$447,384	\$548,424	\$498,141	\$567,324	\$499,489	\$528,906	\$559,217	\$559,643	\$6,192,385
Variance (2011-2012)	JULY-11	AUG-11	SEPT-11	OCT-11	NOV-11	DEC-11	JAN-12	FEB-12	MAR-12	APR-12	MAY-12	JUN-12	TOTALS
License Renewals	\$43,852	\$76,547	\$131,581	(\$21,791)	(\$14,408)	\$90,006	(\$4,477)	\$47,590	(\$74,542)	(\$32,593)	\$21,337	(\$65,127)	\$197,975
New License Fee	(\$6,533)	\$2,167	(\$18,383)	(\$11,933)	(\$15,733)	(\$1,933)	(\$24,233)	(\$6,233)	(\$984)	(\$15,234)	(\$20,634)	\$9,766	(\$109,900)
Application Fee	(\$5,475)	\$11,025	(\$675)	(\$5,775)	(\$8,475)	\$825	(\$6,675)	\$4,725	\$4,725	(\$75)	\$1,725	\$9,825	\$5,700
License Changes	\$825	\$7,300	\$6,025	\$2,250	\$3,650	\$3,150	(\$3,675)	\$11,075	\$2,950	(\$1,425)	\$9,375	\$7,625	\$49,125
Investigative Recov Costs	\$6,557	(\$2,365)	\$107	(\$6,817)	\$3,209	\$5,639	\$61	\$5,574	(\$2,761)	\$14,586	\$4,067	\$4,778	\$32,635
Renewal Late Fees	\$3,049	\$4,447	\$4,509	\$1,904	\$551	\$11,896	(\$1,691)	\$3,726	\$1,027	(\$1,226)	\$3,868	(\$3,360)	\$28,700
Renewal Inactive Fee	(\$1,448)	(\$2,839)	(\$431)	(\$2,361)	(\$4,854)	\$4,552	(\$5,431)	\$4,094	(\$7,960)	(\$7,717)	\$214	(\$8,669)	(\$32,850)
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$40,827	\$96,282	\$122,733	(\$44,523)	(\$36,060)	\$114,135	(\$46,121)	\$70,551	(\$77,545)	(\$43,684)	\$19,952	(\$45,162)	\$171,385
Budget (2012-2013)	JULY-12	AUG-12	SEPT-12	OCT-12	NOV-12	DEC-12	JAN-13	FEB-13	MAR-13	APR-13	MAY-13	JUN-13	TOTALS
License Renewals	\$280,000	\$340,000	\$360,000	\$330,000	\$300,000	\$320,000	\$360,000	\$335,000	\$365,000	\$360,000	\$370,000	\$380,000	\$4,100,000
New License Fee	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$600,000
Application Fee	\$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
License Changes	\$29,132	\$29,133	\$29,132	\$29,133	\$29,132	\$29,133	\$29,132	\$29,133	\$29,132	\$29,133	\$29,132	\$29,132	\$349,589
Investigative Recov Costs	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$225,000
Renewal Late Fees	\$11,583	\$11,584	\$11,583	\$11,583	\$11,584	\$11,583	\$11,583	\$11,583	\$11,584	\$11,583	\$11,583	\$11,584	\$139,000
Renewal Inactive Fee	\$14,800	\$16,400	\$16,100	\$15,450	\$15,600	\$17,400	\$18,000	\$16,050	\$17,400	\$16,550	\$18,350	\$17,900	\$200,000
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$435,515	\$497,117	\$516,815	\$486,166	\$456,316	\$478,116	\$518,715	\$491,766	\$523,116	\$517,266	\$529,065	\$538,616	\$5,988,589
Actual (2012-2013)	JULY-12	AUG-12	SEPT-12	OCT-12	NOV-12	DEC-12	JAN-13	FEB-13	MAR-13	APR-13	MAY-13	JUN-13	TOTALS
License Renewals	\$344,845	\$401,081	\$278,944	\$334,380	\$286,150	\$295,223	\$340,950	\$303,525	\$407,790				\$2,992,888
New License Fee	\$54,600	\$49,500	\$48,300	\$47,400	\$44,600	\$45,900	\$55,200	\$42,600	\$52,950				\$441,050
Application Fee	\$28,800	\$39,900	\$30,600	\$31,800	\$34,800	\$36,900	\$39,900	\$34,500	\$34,500				\$311,700
License Changes	\$26,100	\$33,675	\$24,200	\$33,800	\$22,975	\$28,375	\$24,100	\$26,075	\$38,600				\$257,900
Investigative Recov Costs	\$25,283	\$24,376	\$28,292	\$29,725	\$37,680	\$22,549	\$18,294	\$24,456	\$31,555				\$242,210
Renewal Late Fees	\$12,150	\$14,100	\$12,525	\$14,100	\$10,650	\$13,200	\$10,350	\$7,050	\$13,340				\$107,465
Renewal Inactive Fee	\$16,200	\$17,700	\$7,250	\$15,900	\$14,400	\$11,850	\$9,900	\$13,200	\$19,650				\$126,050
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$507,978	\$580,332	\$430,112	\$507,105	\$451,255	\$453,997	\$498,694	\$451,406	\$598,385	\$0	\$0	\$0	\$4,479,263
Variance (2012-2013)	JULY-12	AUG-12	SEPT-12	OCT-12	NOV-12	DEC-12	JAN-13	FEB-13	MAR-13	APR-13	MAY-13	JUN-13	TOTALS
License Renewals	\$64,845	\$61,081	(\$81,056)	\$4,380	(\$13,850)	(\$24,778)	(\$19,050)	(\$31,475)	\$42,790	(\$360,000)	(\$370,000)	(\$380,000)	(\$1,107,113)
New License Fee	\$4,600	(\$500)	(\$1,700)	(\$2,600)	(\$5,400)	(\$4,100)	\$5,200	(\$7,400)	\$2,950	(\$50,000)	(\$50,000)	(\$50,000)	(\$158,950)
Application Fee	(\$2,450)	\$8,650	(\$650)	\$550	\$3,550	\$5,650	\$8,650	\$3,250	\$3,250	(\$31,250)	(\$31,250)	(\$31,250)	(\$63,300)
License Changes	(\$3,032)	\$4,542	(\$4,932)	\$4,667	(\$6,157)	(\$758)	(\$5,032)	(\$3,058)	\$9,468	(\$29,133)	(\$29,132)	(\$29,132)	(\$91,689)
Investigative Recov Costs	\$6,533	\$5,626	\$9,542	\$10,975	\$18,930	\$3,799	(\$456)	\$5,706	\$12,805	(\$18,750)	(\$18,750)	(\$18,750)	\$17,210
Renewal Late Fees	\$567	\$2,516	\$942	\$2,517	(\$934)	\$1,617	(\$1,233)	(\$4,533)	\$1,756	(\$11,583)	(\$11,583)	(\$11,584)	(\$31,535)
Renewal Inactive Fee	\$1,400	\$1,300	(\$8,850)	\$450	(\$1,200)	(\$5,550)	(\$8,100)	(\$2,850)	\$2,250	(\$16,550)	(\$18,350)	(\$17,900)	(\$73,950)
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$72,463	\$83,215	(\$86,703)	\$20,939	(\$5,061)	(\$24,119)	(\$20,021)	(\$40,360)	\$75,269	(\$517,266)	(\$529,065)	(\$538,616)	(\$1,509,326)



Licensing - Q2 Snapshot

**Application, Renewal & Cost Recovery Revenue
(FISCAL YEARS 2011-2012 / 2012-2013)**



JANUARY to MARCH 2013	
Licenses (Beginning of Quarter)	16,571
New Licenses Issued	248
Licenses Cancelled / Surrendered / Revoked	(459)
Variance in Suspended/Reinstated Licenses	16,452
Licenses (End of Quarter)	16,452
# of Licenses on Dec 31st, 2012	16,571
# of Licenses on Mar 31st, 2013	16,452
Net YTD (Fiscal Year)	
Licenses Gained / Lost	(119)
Renewal Revenue Gained / Lost	(\$71,400)
*Does not include suspended licenses	

FISCAL YTD LICENSING FEE TOTALS (FY2013)			
LICENSING FEES	BUDGET	ACTUAL	VARIANCE
License Renewals	4,100,000	2,992,888	(1,107,112)
New License Fee	600,000	441,050	(158,950)
Application Fee	375,000	311,700	(63,300)
License Changes	349,589	257,900	(91,689)
Invest Recov Costs	225,000	242,210	17,210
Renewal Late Fees	139,000	107,465	(31,535)
Renewal Inactive Fee	200,000	126,050	(73,950)

90 Day Retention Rate			
Projected Year-End Retention Rate	Dec '12 Lic's	16,571	
	Cancellations	(459)	2.79%
	New Licenses	248	1.51%
	Susp/Reinstate	92	0.56%
	Mar '13 Lic's	16,452	
	Change	(119)	
3 Month Rolling	% Change	-0.72%	

180 Day Retention Rate			
Projected Year-End Retention Rate	Sep '12 Lic's	16,758	
	Cancellations	(924)	(5.62%)
	New Licenses	480	2.92%
	Susp/Reinstate	(272)	(1.65%)
	Mar '13 Lic's	16,452	
	Change	(306)	
6 Month Rolling	% Change	-1.86%	

Licensing - Highlights

QUARTERLY STATS

New License Apps: 372 (+8%)

- 258 Approved
- 45 Tabled/Denied

Issued Licenses: 248 (+3%)

License Change Apps: 764 (-10%)

Active Licenses: 14,991 (-3%)

Inactive Licenses: 1,461 (-9%)

- 69 Placed on inactive status during Q3 (-23%)

Voluntary Surrender: 95 (+27%)

Active License Renewals: 1,569 (-14%)

Inactive License Renewals: 114 (-33%)

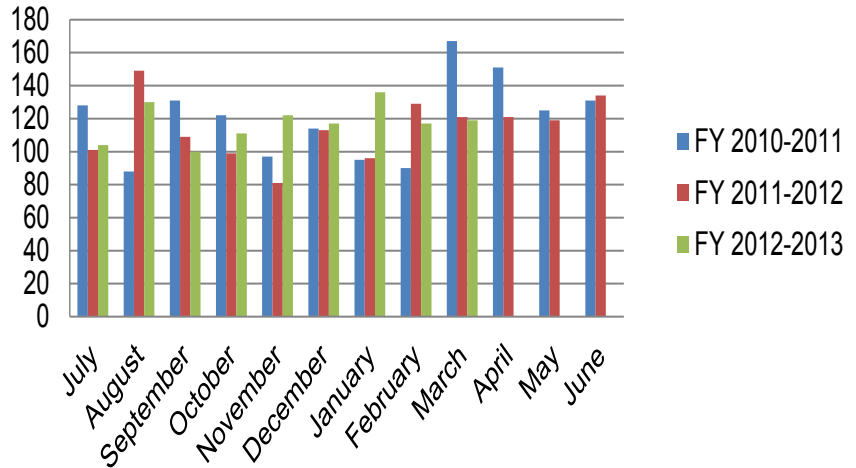
License Suspensions (no bond):
233 (-33%)

Licenses Cancelled: 332 (+38%)

41 Application Denial Hearings

12 Financial Responsibility Hearings

New License Applications



8%



New License Applications

HIGHLIGHTS

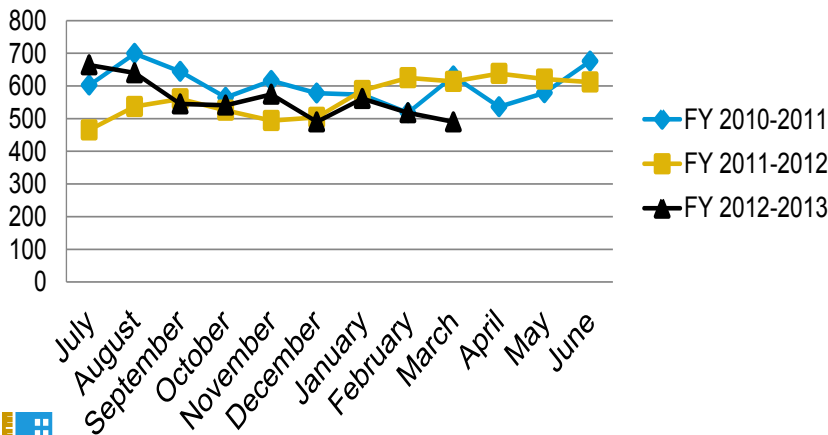
- Revised the CMS exam and the Reference Manual.
- Promoted new Licensing Supervisor in Henderson office.
- Updated the Business Assistance Program; shared information with Oregon's Construction Contracting Board.

84%

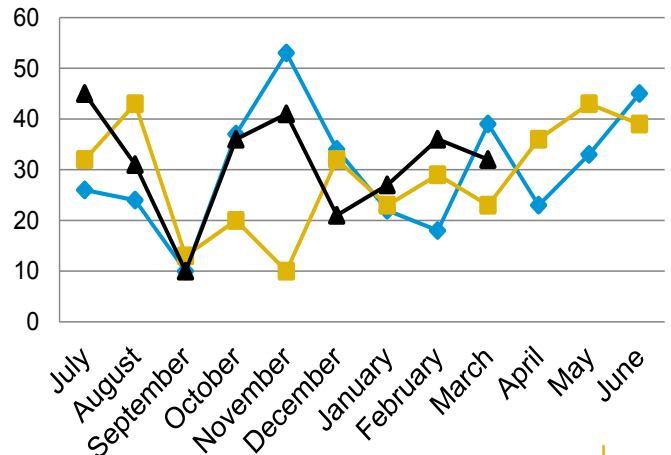


Single Project Increase Applications

Active Renewals



Licenses Surrendered



Enforcement - Applicant Backgrounds

SIGNIFICANT OUTCOMES:

- 61 applicants failed to disclose criminal activity (*details below*).
- One applicant identified and required to register as a felon; one illegal immigrant was identified and withdrew his application.
- Nine applicants withdrew their application after prior criminal histories were identified.



Fingerprint Cards Submitted	1036
Total Fingerprints returned w/ Criminal Histories	238
Total Fingerprints returned w/o Criminal Histories	798
Criminal Histories	23%

BACKGROUND CHECKS

- 96 investigations initiated; 32 pending
- 9 applicants failed to report misdemeanor convictions (\$4,500 in fines; \$2,475 in investigative costs)

UNREPORTED CRIMINAL ACTIVITY

(in reference to background investigations mentioned above)

- Burglary (2)
- Vehicle Prowling (1)
- Homicide (1)
- Obtaining Money Under False Pretense (1)
- Fraud (1)
- Bad Check (1)
- Robbery (1)
- Theft (8)
- Narcotics (7)
- Assault w/ a Deadly Weapon (2)
- Battery w/ a Deadly Weapon (3)
- Assault (3)
- Battery (4)
- Domestic Violence (8)
- Obstruction (2)
- Sexual Contact (1)
- Intimidate a Police Officer (1)
- DUI (14)
- Criminal Mischief (1)
- Soliciting Prostitution (1)
- Failure to Appear (1)

Enforcement Overview - Compliance

QUARTER SNAPSHOT

Opened Complaints: 498

- 118 Workmanship
- 109 Money Owing
- 271 Industry Regulation

Closed Complaints: 487

Pending cases: 229; 4 over 90 days (2%)

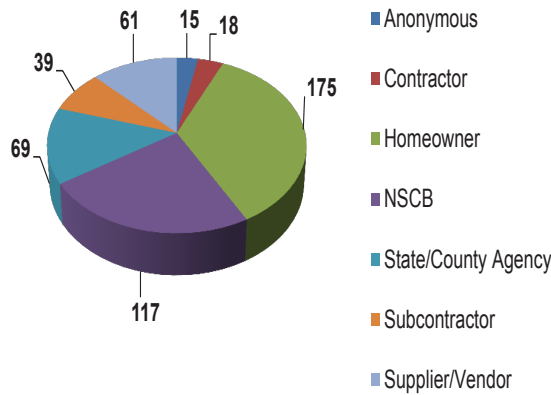
71 Administrative citations issued

- \$73,751 in Fines
- \$28,561 in Investigative Costs

33 Cases referred for Disciplinary Hearing

- 20 licenses revoked

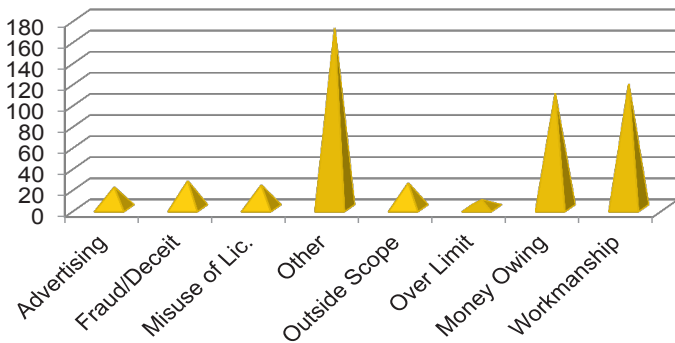
SOURCE OF COMPLAINTS FILED



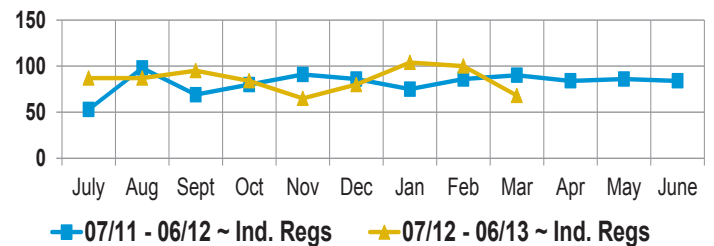
Board Success Mediating Money Owing Complaints

- 68% (30/44) of cases were resolved by Board investigators through administrative meetings
- \$255,481 agreed to in settlements
- Cases involved: 44 single-family residences; 5 multi-family residences; 5 public works projects; and 20 commercial projects

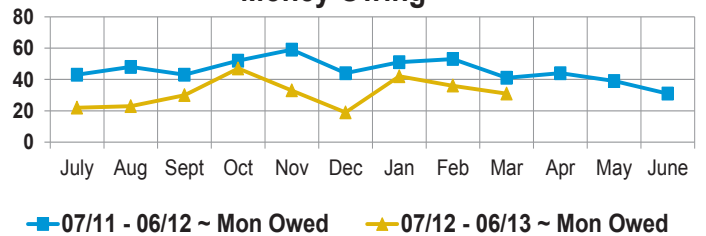
VIOLATION TYPES



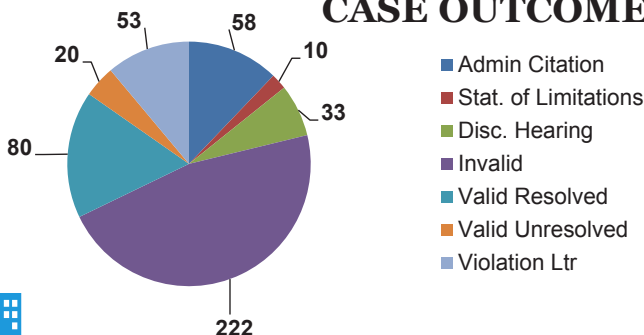
Industry Regulations



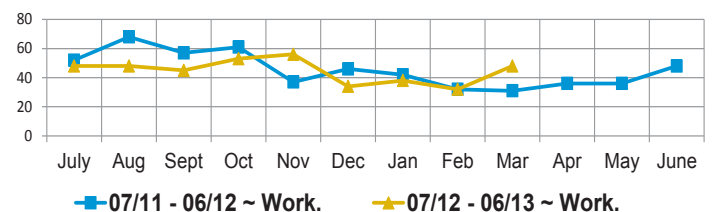
Money Owing



CASE OUTCOMES



Workmanship



Enforcement - Compliance Highlights

Company's Licenses Jeopardized After Hiring Revoked Contractor as Sales Rep

A southern Nevada licensee, Additions N More, found their B-2, C-1, and C-21 licenses in jeopardy after hiring a sales representative whose license was previously revoked by the State Contractors Board. The sales representative produced a high volume of sales contracts and collected his sales commissions. However, after investigation by the Board, it was found that the sales contracts were grossly under priced, which created a negative cash flow for Additions N More.

The Board's investigation comprised of 25 complaints filed alleging money owing, abandonment of a project, and workmanship issues. Currently, the money owing complaints total over \$100,000, while claims to the Recovery Fund exceed \$200,000 to seek recourse for outstanding residential workmanship issues.

A total of six cases were identified where large deposits were taken and no work was initiated or performed. Each of these cases were filed with the District Attorney by the Board for felony prosecution.

RESIDENTIAL RECOVERY FUND

As of March 31, 2013

- 18 New Claims Received
- Three cases heard - \$12,064 awarded collectively; average claim = \$4,021
- 15 Claims scheduled for hearing in April and May totalling approximately \$354,000.

Average period of time from when a claim was opened to when the Notice of Hearing was mailed was 16 days. The time from when a claim was opened to when a hearing was conducted was 66 days.

Fund Balance: \$5.575 million

Commercial/Public Works Construction (Q3 Stats)

Designation Types

- Single Family: 152
- Multi-Family: 22
- Com./Pub. Wrks: 76

Closure Type Breakdown:

- No violation: 26
- Valid/Resolved: 8
- Valid/Unresolved: 2
- Admin. Citation: 10
- Disciplinary Hearing: 6
- Violation Letters: 9
- Referred to Civil: 0

Commercial cases: 18% of Q3 caseload (341)

Public works cases: 4% of Q3 caseload (341)

DMV Alerts NSCB to 25-Year False Identity Case

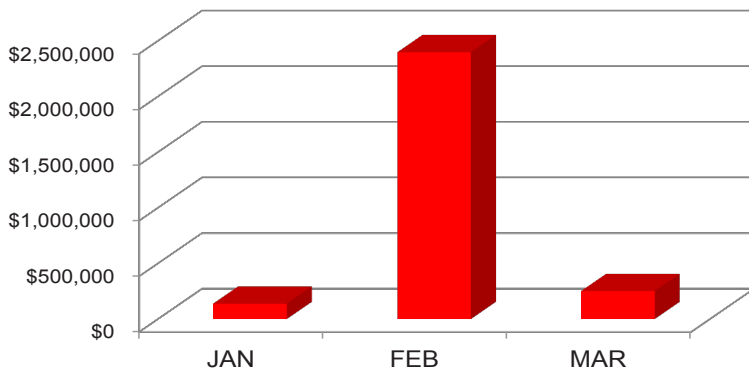
In 1987, a man with a history in the Illinois drug trade left town for Nevada to re-establish himself while gaining distance from his former associates. He obtained a Nevada contractor's license under a false identity, establishing himself as a reputable citizen of Nevada.

In December 2012, his true identity was uncovered after filing to renew his Driver's License. The DMV notified NSCB of the case details, who proceeded to schedule a Disciplinary Hearing on the matter. He stipulated to all charges filed by the Board and was given 30 days to change his identification information.

The licensee pled guilty to a Misdemeanor charge in Justice court and agreed to remove his false identity from all known records.

Enforcement Overview - Criminal

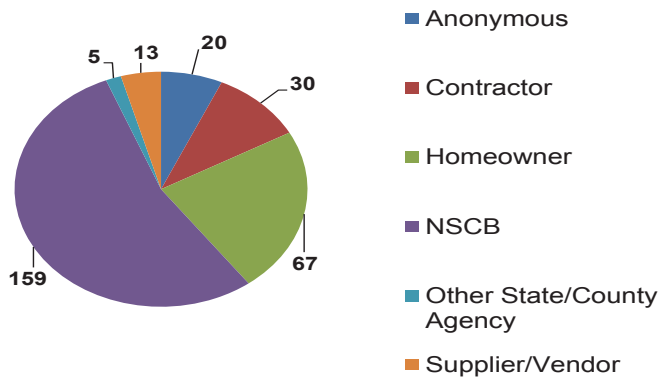
TOTAL ESTIMATED CONTRACT \$\$ LOST TO UNLICENSED CONTRACTORS



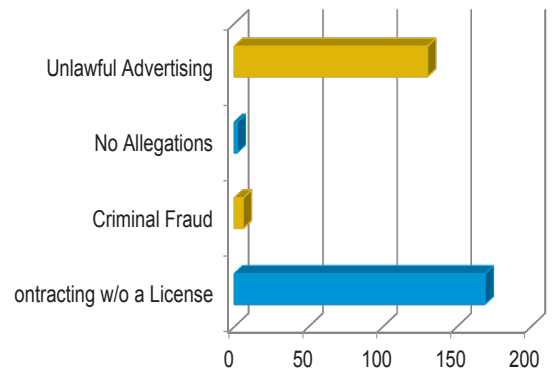
QUARTER SNAPSHOT

- Opened Complaints: 294
- Closed Complaints: 236
- 352 Pending cases
- Zero cases over 90 days
- 146 Criminal charges filed
- 74 Criminal convictions recorded

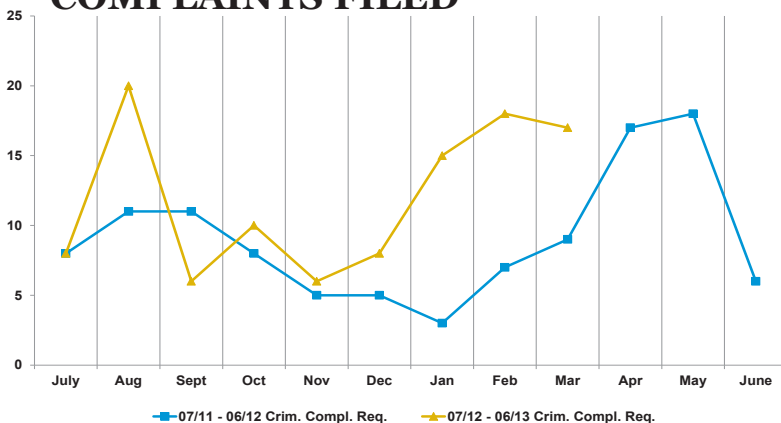
SOURCE OF COMPLAINTS FILED



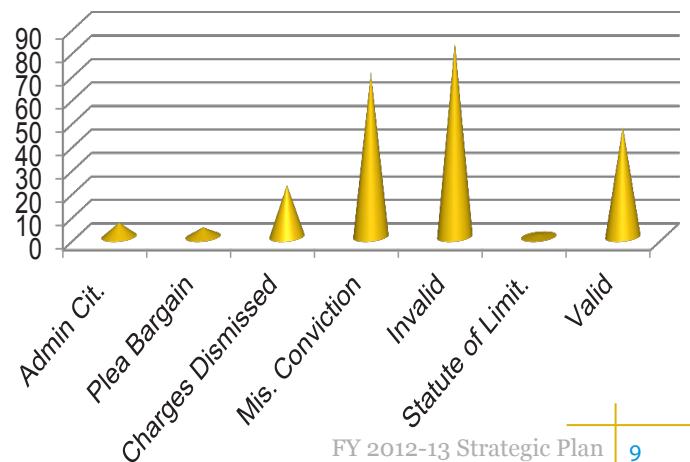
VIOLATION TYPES



NUMBER OF COMPLAINTS FILED



CLOSED CASE OUTCOMES



Enforcement - Criminal Highlights

NSCB's "Top 10 Most Wanted" List Leads to Arrest of Two Unlicensed Contractors

Case A:

NSCB learned of unscrupulous activity from an identified traveler scamming elderly homeowners in northern Nevada earlier this year. A consumer alert was issued to place homeowners throughout the state on high alert for this individual. It wasn't until March 25, 2013 that the traveler experienced his last scam. A southern Nevada homeowner was visiting a family member in Arizona when a knock at the door was heard. When she answered it, she was surprised to see the traveler standing before her soliciting roofing services. The resident quickly recognized the man from media reports and knew he was out to scam them. She declined his services and immediately picked up the phone to call the Nevada State Contractors Board. As a result of her efforts to provide specific location details, the traveler was arrested the same day by the Chandler Police Department. The individual was found to also have a felony warrant out for his arrest in Mesa, Arizona for defrauding a senior with the same roofing scam.

Case B:

A former licensed contractor was added to the Board's "Top 10 Most Wanted" list in January 2010 after a felony warrant for diversion of funds was obtained from the Incline Justice Court. In the fall of 2012, NSCB investigators were able to gather information indicating the contractor may be living in the Sacramento area with a family member. This information was quickly shared with investigators from the California State Licensing Board's Fraud Team. After CSLB conducted spot surveillances, the contractor was eventually located at the identified location and arrested. He has since been extradited back to Nevada to face the felony charges against him.

Public Information Office Update



HOMEOWNERS BEWARE

Homeowners in northern Nevada were alerted to an unlicensed contractor with a large sales team of 50+ individuals this quarter. The sales team was operating under the name Horton Home Improvement and was soliciting many home improvement services requiring a contractor's license. Although no scams have been reported to the Board to date, the message was effectively distributed across northern media outlets.



Thanks to effective media outreach and collaborative efforts with its California partners, the Nevada State Contractors Board successfully removed two individuals from its Top 10 Most Wanted list this quarter. Steve Yon and James Gregg were both unlicensed contractors in the community placing homeowners at added risk and liability because of their unlawful contracting practices. Gregg, was identified as a traveler and was known by the Board for actively scamming homeowners with shoddy roofing services.

INDUSTRY OUTREACH

The Board has long recognized the benefits of partnering and wants to take its efforts to the next level, which is why its working on a new Industry Outreach Program. Some of the program goals include:

- Becoming more familiar with associations' needs and interests, and developing solutions to address those areas;
- Identifying associations that have existing workgroups with local, state, and industry partners and engaging the Board in these discussions;
- Better identification of industry trends, challenges, and opportunities to partner; and
- Helping the Board convey to the industry the important role contractors play in homeowner/industry education.

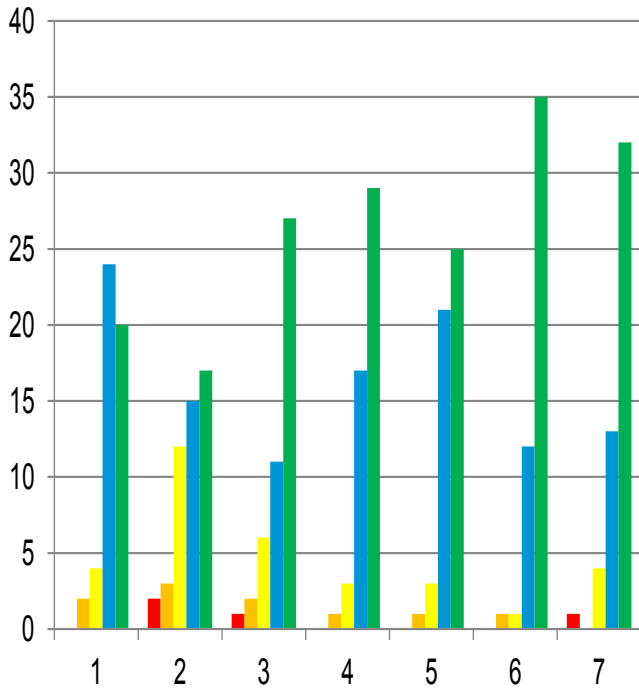
With the Legislature currently in session, this program will launch in June. Program goals and strategies will remain fluid to allow for adaptation to individual association needs.



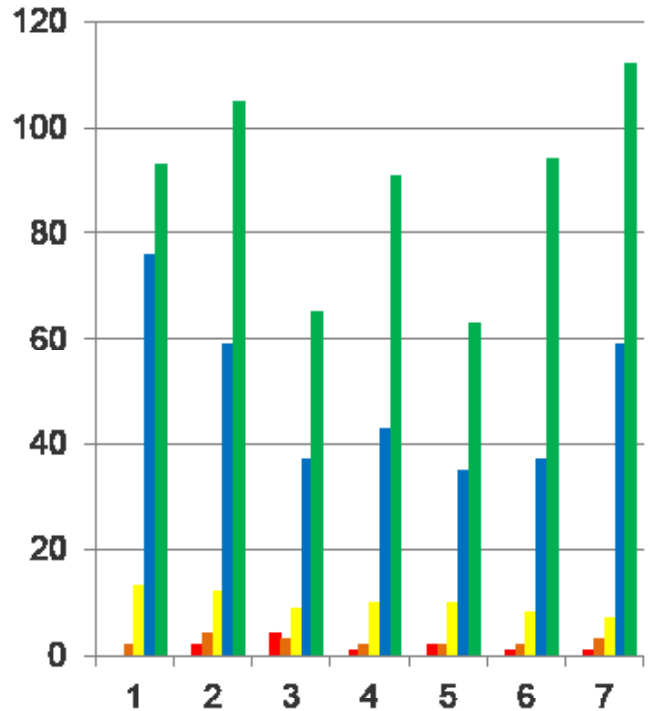
Benjamin Smith once held two contractors licenses for his business, BSA Construction and Development. However, Smith failed to renew his C-2 (electrical) in 2008 and lost his B-2 license after disciplinary action led to its revocation for failure to establish financial responsibility, maintain a bond, and engaging in deceitful acts among other non-compliance issues. Homeowners throughout the state were alerted to Smith's active contracting projects, which were known to be primarily commercial, but residential work was also noticed by the Board. To date, Smith remains on the Board's Top 10 Most Wanted list.

Customer Service Survey Report

FEEDBACK ON NEW LICENSE APPLICATIONS



FEEDBACK ON LICENSE RENEWALS



LICENSING SAMPLING RATES

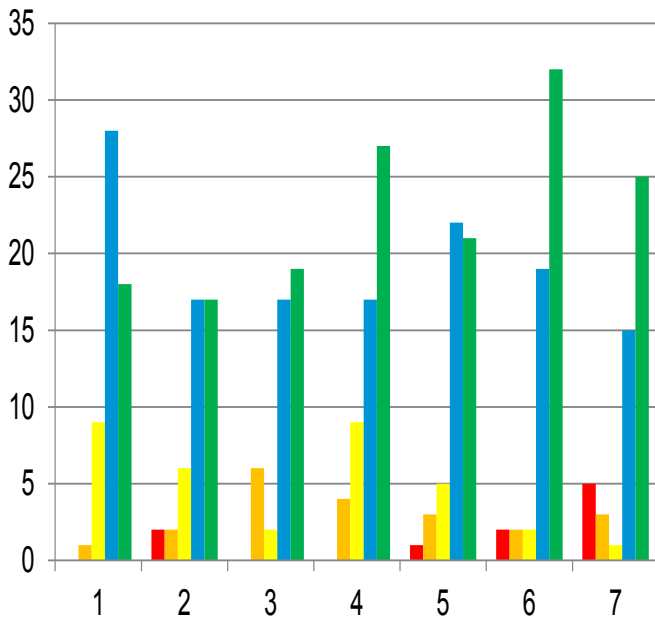
Change app: 19% (28/122)
 Renewal app: 15% (200/1316)
 New license app: 30% (53/176)
OVERALL: 17% (281/1614)

SURVEY QUESTION KEY

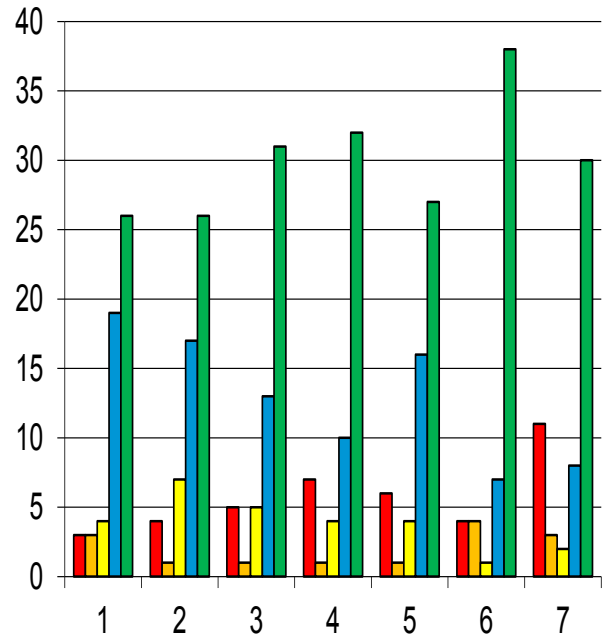
1. Completeness and clarity of forms and instructions.
2. Length of time it took to process my application.
3. Length of time it took to notify me of any problems with my application.
4. Quality and clarity of correspondence received from NSCB staff.
5. Length of time it took to respond to my phone/email inquiries.
6. Professional and courteous conduct by NSCB staff.
7. Overall satisfaction with the manner in which my application was handled.

Customer Service Survey Report

RESPONDENT FEEDBACK



COMPLAINANT FEEDBACK



ENFORCEMENT SAMPLING RATES

Respondent: 14% (63/440)
 Complainant: 33% (58/175)
 Unlicensed Complainant: 35% (6/17)
 Recovery Fund: 43% (3/7)
OVERALL: 20% (130/639)

SURVEY QUESTION KEY

1. Completeness and clarity of forms and instructions.
2. Length of time it took to investigate the complaint.
3. Length of time it took to notify/contact me after the complaint was filed.
4. Quality and clarity of correspondence received from NSCB staff.
5. Length of time it took to respond to my phone/email inquiries.
6. Professional and courteous conduct by NSCB staff.
7. Overall satisfaction with the manner in which the investigation was handled.

Customer Survey Summary



CUSTOMER SURVEYS ENHANCED

This quarter, staff worked on consolidating the Board's seven customer service surveys into four; revising the questions to make them more specific to operational needs and priority interests of the Board; and implementing a general customer service feedback survey.

Upon entry to a Board office, all customers are asked to sign-in, and staff have begun sending each customer who provides an e-mail a general survey about the service they received. In addition, all staff were provided a link to the survey to include on their signature, so that all customers reached through e-mail correspondence may have the opportunity to provide us their feedback.

We continue to struggle in some areas with sampling rates, but are pleased to see some rates jumping into the 30-40% range.

What Our Customers Are Saying

"I am responsible for maintaining our contractor's license in several states. Your website is one of best I have used. In addition, your staff is easy to reach and I appreciate that they email us when issues occur. Thank you." ~ License Change Applicant

"Knowledge and courtesy of office staff greatly appreciated."
~New License Applicant

"The staff took time to review our case and listened to our side of story and reviewed our documentation. The final outcome was fair."

~Respondent to a Complaint

"Our investigator was great. He took time and kept us informed. We appreciate everything he did to assist us with our complaint."

~Recovery Fund Claimant

Looking Forward - Quarter 4

The fourth quarter signals the end of a fiscal year and the chance to embrace and welcome new opportunities through the objectives and goals outlined in our upcoming Strategic Plan. However, before we can begin a new journey, we must concentrate on those initiatives still before us. Of greatest priority will continue to be monitoring the legislative session and maintaining open and active communication with industry representatives, local government stakeholders, and members of the Legislature.

At the next quarterly meeting, we plan to report on the progress made with the following objectives:

- Establish an annual “Training Day” seminar for contractors;
- End of Session overview/analysis;
- Develop a Standard Operating Procedure (SOP) for all departments; and
- Create a succession plan and strategy for developing the next generation of leadership.

We are approaching the end to yet another Strategic Plan. It is uplifting and rewarding to look back at our accomplishments up to this point and to see how far we’ve progressed as a Board in such a short time. With that in mind to inspire and drive our efforts, we look forward to closing the book on this chapter and reporting our annual successes to you in just a few months!



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