



Nevada State Contractors Board

STRATEGIC PLAN

EXECUTIVE OFFICER REPORT

QUARTER FOUR REPORT

April - June 2017

FY 2016-17 ANNUAL REPORT

July 2016 - June 2017



Members of the Board

Jan B. Leggett, *Chairman*

Margaret Cavin, *Treasurer*

Kevin E. Burke

Mason Gorda

Joe Hernandez

Kent Lay

Guy M. Wells

Executive Leadership

Margi Grein, *Executive Officer*

Nancy Mathias, *Licensing Administrator*

Paul Rozario, *Director of Investigations*

Ron Lynn, *Director of Operations*

Brian Hayashi, *IT Manager*

Jennifer Lewis, *Public Information Officer*

members
and
public



Message from the Executive Officer

The Board's vision is to be a model regulatory agency, and with that comes the responsibility to adapt to the changes in the environments surrounding the Board, including economic, political, and industrial, while also upholding and supporting the Board's mission of protecting the public's safety and the integrity of the industry. The balance is not always an easy feat to achieve, but we have done so since 1941.

In recent years, this past fiscal year most importantly, the Board has begun to take a closer look at its licensing processes to identify opportunities to expand upon avenues that allow for license by endorsement. These decisions require thoughtful discussion, anticipation of outcome-based scenarios, a close review and understanding of all laws and regulations that would be impacted.

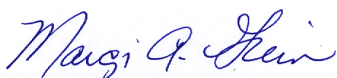
The willingness to change and view its operations from a different perspective, to seek the input from other state contractor boards across the nation, to listen to the needs of the industry, respond to the directives ordered by and through the state's governing bodies, and to represent the needs of the public is an ongoing necessity to advancing the Board and staying current with the times.

As we improve our internal processes and resources, we become better equipped to fulfill these goals. Our new licensing and enforcement database will enhance our expediency, and reporting of data for internal evaluation. Our investigative opportunities are strengthening as we look for new ways to combat unlicensed contracting, educate the public, and bring justice to the most egregious offenders through the Board's fraud investigations.

The image of the Board plays a significant role that impacts every one of its operations. Outreach is an area that requires constant innovation, adaption to environmental needs, and a willingness to explore new mediums. Because ultimately, it is our customers that we aim to serve, and it is important every one of them understand the purpose and significance of what we do to protect our communities, to promote confidence in the industry, and to make a lasting career in construction a viable opportunity for as many people as possible.

It's a never-ending process, and one that I take great pride in tackling each and every day. For every day there is a new challenge that we are presented with. But every day, there are also new solutions and advancements being made, too.

I welcome you to read through the efforts we continue to make in each of our departments and follow us on this journey to remain a model regulatory agency.

A handwritten signature in blue ink that reads "Margi A. Grein". The signature is written in a cursive, flowing style.

MARGI A. GREIN
Nevada State Contractors Board Executive Officer

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Executive Officer Quarterly Highlights

Board Participates in Joint Meeting with California Contractors Board (Goals 4 & 5)

Continuing what has become an annual tradition, the Nevada and California Boards came together in June for a collaborative discussion addressing trends related to the economy, industry, licensing and enforcement, and topics including solar energy. Also discussed were existing inter-state exam waiver agreements, ways to ease licensing requirements, and opportunities for license by endorsement.

Construction Education Programs & Industry Careers Promoted (Goals 1 & 3)

The Board teamed up with two trade and technical academy high schools during the quarter in an effort to promote construction education programs throughout Nevada and highlight construction as a long-term career path for students. Each event included representation from local dignitaries, school officials, and showcased the students' construction talents, from robotic mechanical devices, to life-size doll houses, to a single-family home built from the ground up.

2017 Legislative Session Comes to an End (Goal 5)

Nearly half of this fiscal year was spent tracking a number of legislative measures that could have had an impact on the Board's operations and/or the industry at-large. The Executive Officer and members of management participated in the process by way of testifying at legislative committees, working with sponsors' and proponents of bills to amend language, providing information to legislators, and engaging the support of industry representatives as needed. Some of the applicable themes from the 2017 Legislative Session included license by endorsement, easing occupational licensing barriers, renewable energy, and data collection efforts for veteran applicants.

NSCB Utilizes Kiwanis and Rotary Clubs to Help Spread Its Message (Goals 2 & 3)

As part of the Board's mission to protect the public, the Public Information Office reached out to several Kiwanis and Rotary Clubs during the quarter to provide their members with valuable information about the Board's resources, scams targeting seniors, proactive steps to protect oneself from getting harmed, and highlight the Board's recourse options and Residential Recovery Fund. Utilizing these well-established forums increases the Board's grassroots efforts, which further support the Board's outreach opportunities in print, television, radio, and social media.

NSCB Fraud Case Comes To An End With Federal Indictment (Goal 2)

Following one of the Board's first extensive fraud investigations, staff received information that the Clark County District Attorney issued arrest warrants for the involved suspects, Darin Christensen and John Graft III, after obtaining a 12-count felony indictment against the two co-conspirators involved in the theft and diversion of \$563,000 from a licensed general contractor. The Board's investigation revealed multiple criminal activities, including fraudulent documents and forgery, occurring between 2011 and 2015.

Executive Officer Gives Presentations to Industry and Community Groups (Goals 1, 2, 3 & 5)

Executive Officer Margi Grein along with members of management participated in a number of presentations during the quarter and fiscal year, providing information to contractor groups about compliance with NRS Chapter 624 and understanding the statutory and regulatory requirements in place that allow them to make changes to their license. Additionally, Executive Officer Grein presented to the Nevada Hispanic Business Group to provide them information on the services of the Board and how interested persons can become licensed, while also cautioning members of the dangers of unlicensed contracting.

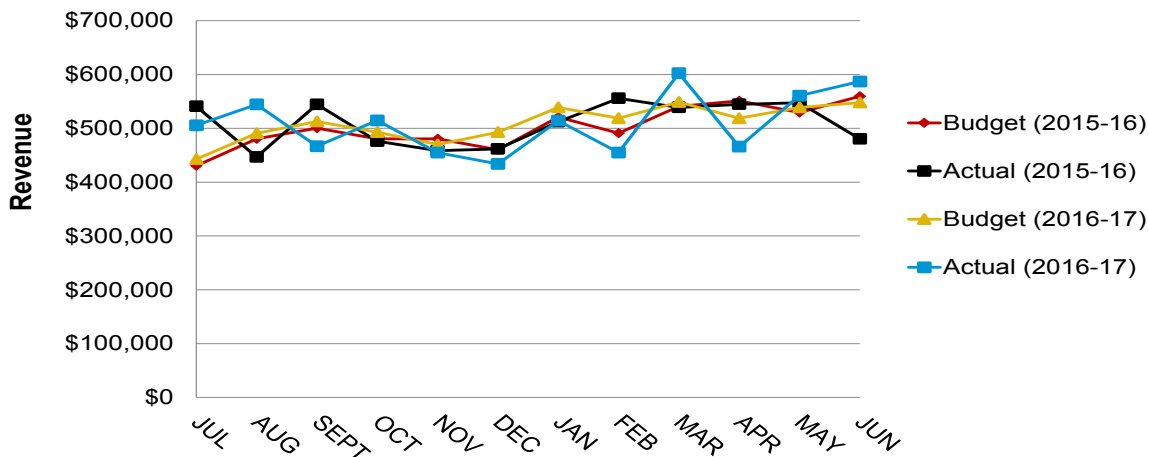
Licensing - Data Dashboard

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	\$307,550	\$371,700	\$380,800	\$4,050,350
New License Fee	\$63,600	\$57,000	\$51,750	\$67,500	\$40,200	\$62,400	\$61,500	\$55,800	\$54,150	\$46,800	\$65,400	\$68,700	\$694,800
Application Fee	\$36,600	\$40,800	\$40,500	\$37,500	\$41,100	\$35,700	\$38,700	\$36,300	\$42,600	\$38,700	\$46,800	\$48,350	\$483,650
License Changes	\$34,400	\$40,975	\$28,675	\$35,300	\$32,850	\$31,325	\$28,800	\$31,725	\$41,075	\$33,675	\$38,825	\$45,800	\$423,425
Investigative Recov Costs	\$21,479	\$24,574	\$24,626	\$20,270	\$16,622	\$32,410	\$15,055	\$22,772	\$23,524	\$27,423	\$22,389	\$31,338	\$282,481
Renewal Late Fees	\$4,650	\$7,125	\$8,425	\$9,575	\$6,695	\$4,815	\$8,555	\$6,075	\$5,770	\$6,905	\$7,125	\$5,735	\$81,450
Renewal Inactive Fee	\$8,400	\$8,700	\$6,300	\$10,800	\$7,200	\$5,025	\$8,250	\$6,000	\$8,625	\$4,800	\$8,400	\$6,300	\$88,800
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	\$465,853	\$560,639	\$587,023	\$6,104,956
Variance (2016-2017)	JULY-16	AUG-16	SEPT-16	OCT-16	NOV-16	DEC-16	JAN-17	FEB-17	MAR-17	APR-17	MAY-17	JUN-17	TOTALS
License Renewals	\$61,450	\$42,197	(\$38,556)	\$8,753	\$8,070	(\$62,812)	(\$17,600)	(\$54,755)	\$45,553	(\$43,450)	\$700	\$800	(\$49,650)
New License Fee	\$12,767	\$6,167	\$916	\$16,667	(\$10,633)	\$11,566	\$10,667	\$4,967	\$3,316	(\$4,033)	\$14,567	\$17,866	\$84,800
Application Fee	(\$2,983)	\$1,217	\$916	(\$2,083)	\$1,517	(\$3,884)	(\$883)	(\$3,283)	\$3,016	(\$883)	\$7,217	\$8,766	\$8,650
License Changes	\$3,150	\$9,725	(\$2,575)	\$4,050	\$1,600	\$75	(\$2,450)	\$475	\$9,825	\$2,425	\$7,575	\$14,550	\$48,425
Investigative Recov Costs	(\$9,354)	(\$6,259)	(\$6,208)	(\$10,563)	(\$14,211)	\$1,576	(\$15,778)	(\$8,061)	(\$7,310)	(\$3,410)	(\$8,444)	\$504	(\$87,519)
Renewal Late Fees	(\$1,933)	\$542	\$1,841	\$2,992	\$112	(\$1,769)	\$1,972	(\$508)	(\$814)	\$322	\$542	(\$849)	\$2,450
Renewal Inactive Fee	(\$350)	(\$50)	(\$2,450)	\$2,050	(\$1,550)	(\$3,725)	(\$500)	(\$2,750)	(\$125)	(\$3,950)	(\$350)	(\$2,450)	(\$16,200)
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	(\$52,979)	\$21,807	\$39,187	(\$9,044)



Licensing - Q4 Snapshot

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



April to June 2017	
Licenses (Beginning of Quarter)	16,074
New Licenses Issued	298
Licenses Cancelled / Surrendered / Revoked	(453)
Variance in Suspended/Reinstated Licenses	169
Licenses (End of Quarter)	16,088
# of Licenses on April 1, 2017	16,074
# of Licenses on June 30, 2017	16,088
Net YTD (Fiscal Year)	
Licenses Gained / Lost	14
Renewal Revenue Gained / Lost	\$8,400
*Does not include suspended licenses	

FISCAL YTD LICENSING FEE TOTALS (FY2017)			
LICENSING FEES	BUDGET	ACTUAL	VARIANCE
License Renewals	4,100,000	4,050,350	(49,650)
New License Fee	610,000	694,800	84,800
Application Fee	475,000	483,650	8,650
License Changes	375,000	423,425	48,425
Invest Recov Costs	370,000	282,481	(87,519)
Renewal Late Fees	79,000	81,450	2,450
Renewal Inactive	105,000	88,800	(16,200)

90 Day Retention Rate			
Projected Year-End Retention Rate	Apr 2017	16,074	
	Cancellations	(453)	(2.82%)
	New	298	1.85%
	Susp/Reinsta	169	1.05%
	Jun 2017	16,088	
	Change	14	
3 Month Rolling	% Change	0.09%	

180 Day Retention Rate			
Projected Year-End Retention Rate	Jan 2017	16,081	
	Cancellations	(983)	(6.11%)
	New	586	3.64%
	Susp/Reinsta	404	2.51%
	Jun 2017	16,088	
	Change	7	
6 Month Rolling	% Change	0.04%	

Licensing - Overview and Comparison

QUARTER 4 OVERVIEW

- New License Apps: 455 (+16%)
- 355 Approved, 14 Tabled or Denied by Staff
- Issued Licenses: 298 (-2%)
- License Change Apps: 878 (+9%)
- Placed on Inactive Status: 52 (0%)
- Voluntary Surrender: 82 (+5%)
- Active Lic. Renewals: 1,656 (-5%)
- Inactive Lic. Renewals: 60 (-35%)
- Lic. Susp. (no bond): 170 (+4%)
- Licenses Canceled: 179 (+20%)
- 20 App. Denial Hearings (-5%)
- 156 Financial Reviews Opened
- 145 Approved by Staff
- 7 Financial Resp. Hearings (-30%)

Additional Quarterly Stats:

- 632 Scanned license files verified (+22%)
- 75 People attended Business Assistance Program (+44%)
- 10,141 Calls received
- 126 Calls abandoned (1.2%)
Improvement of 0.3% from third quarter abandoned call rate.
 - Avg. abandoned call time 77 sec.
- 1,216 of 2,093 People responded to Customer Service Survey (58% Return)

New License Applications

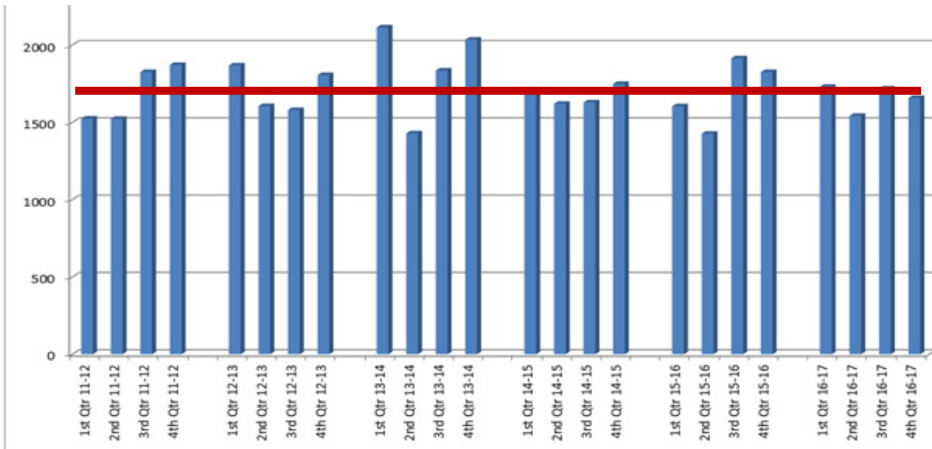
FY 2014 - 2015			FY 2015 - 2016			FY 2016 - 2017		
14	JUL	124	15	JUL	144	16	JUL	123
14	AUG	125	15	AUG	143	16	AUG	135
14	SEPT	121	15	SEPT	147	16	SEPT	136
14	OCT	112	15	OCT	121	16	OCT	129
14	NOV	116	15	NOV	126	16	NOV	140
14	DEC	120	15	DEC	108	16	DEC	116
15	JAN	91	16	JAN	96	17	JAN	133
15	FEB	117	16	FEB	176	17	FEB	122
15	MAR	160	16	MAR	142	17	MAR	143
15	APR	143	16	APR	129	17	APR	131
15	MAY	131	16	MAY	137	17	MAY	158
15	JUN	177	16	JUN	125	17	JUN	166
	TOTAL	1,537		TOTAL	1,594		TOTAL	1,632

ANNUAL STATISTICS

- New License Apps: 1,632 (+2%)
- Issued Licenses: 1,168 (+3%)
- License Change Apps: 3,204 (+7%)
- Active Licenses: 15,335 (+1.6%)
- Inactive Licenses: 753 (-17%)
- Placed on Inactive Status: 197 (+1%)
- Voluntary Surrender: 327 (+17%)
- Active Lic. Renewals: 6,637 (-6%)
- Inactive Lic. Renewals: 272 (-32%)
- Lic. Susp. (no bond): 655 (-5%)
- Licenses Canceled: 774 (+3%)
- 71 Application Denial Hearings (-12%)
- 34 Financial Responsibility Hearings (-8%)
- 581 Financial Reviews Opened
- 505 Approved by Staff

Licensing - Annual Trends

ACTIVE RENEWALS

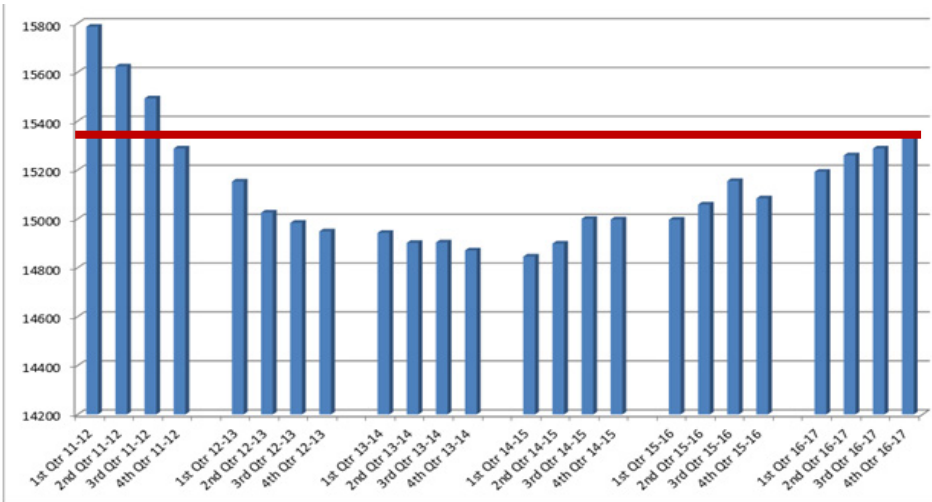


Trends from the year indicate that new license applications, licenses issued, and the overall active license counts continue to rise modestly.

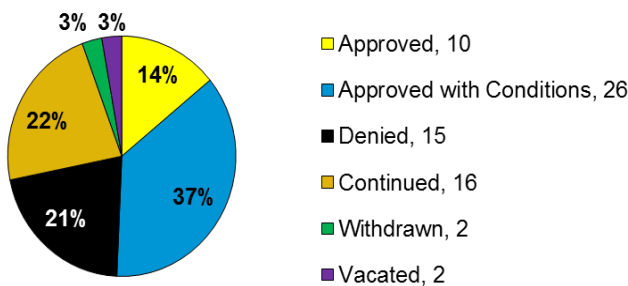
Other positive indicators for the year are the decline in license suspensions and inactive license renewals, which could be attributed to the higher active license count.

Additionally, the Board's strategic initiatives to improve the processing of an application is demonstrated through a continued decline in the number of application denial hearings and financial responsibility hearings.

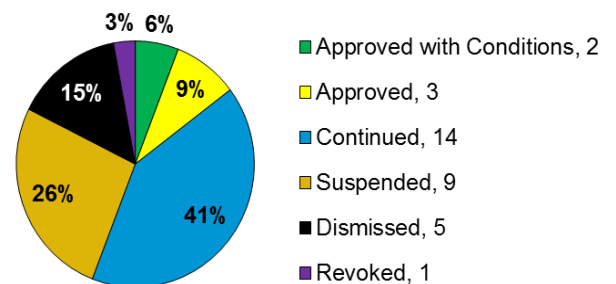
ACTIVE LICENSES



New License Application Hearing Results FY 2016-17



Financial Responsibility Hearing Results FY 2016-17



Licensing - Annual Highlights

Investigator Qualifications Modified through Temporary Regulation

In November, 2016, following approval from the Board, a public workshop was held to create a temporary regulation amending the provisions of NAC 624.136(1) concerning persons employed by the Board as criminal investigators. The public hearing was later held in December, 2016. No public comments were received either in favor or opposition to the proposed temporary regulation, which took effect February 24, 2017. The Board is currently in the process of requesting a permanent rulemaking file through the Legislative Counsel Bureau, at which time a public workshop and hearing will be scheduled.

Updates Made to Licensure Examinations

During the fiscal year, Board staff worked closely with PSI Services, LLC and subject matter experts to enhance the financial management questions currently incorporated into the Business and Law Exam, as well as begin development of a new B-2 Residential and Small Commercial examination. The updated Business and Law Exam was released February, 2017. A first review meeting for the B-2 examination is scheduled for July, 2017. Additionally, the Board solicited proposals to provide contractor licensing exams in the State of Nevada from processional licensing exam providers. PSI Services, LLC was the only bidder to respond and the Board approved this contract on April 20, 2017, which was finalized by the Board of Examiners on June 13, 2017.

Enhancements to Processes, Forms, and Programs

Staff worked diligently over the 12-month period participating in process review meetings, responding to numerous design and technical specifications, and engaging in testing of the new licensing and enforcement database system. Additionally, the Board made changes to its licensing applications to simplify the instructions and improve the quality and completeness of forms received by staff.

One significant change was made to our fingerprint submissions. Following new requirements by the Nevada Department of Public Safety, the Board cannot accept any fingerprints concurrent with the submission of an application. The new change requires the applicant to submit the application with a Fingerprint Waiver Form, at which time the applicant will be provided the requirements for obtaining their fingerprints.

Lastly, Board staff enhanced its promotion of the Business Assistance Program, which resulted in a 44% increase in overall attendance.

Enforcement - Background Check Q4 v. Annual

QUARTER 4 STATS

Fingerprint Cards Submitted	741
Total fingerprints returned with criminal histories	171
Total fingerprints returned without criminal histories	570
Criminal Histories	23%

BACKGROUND CHECKS

- 65 Investigations Initiated
- 50 Investigations Closed
- 2 Applicants Withdrew Their Application
- 27 Pending
- 22 Licensing Interviews Conducted
- 40 Failed to disclose criminal history
 - 8 DUI
 - 8 Domestic Violence
 - 5 Theft
 - 3 Sexual Assault

Other crimes not reported included:
 Forgery, Burglary, Felony Narcotics,
 Reported Stolen Property, Battery, Assault,
 Vehicular Manslaughter, Smuggling,
 Liquor, Contracting without a License,
 Vandalism, Ex-Felon Fail to Register.

***12 Administrative Citations
 Issued for Misrepresentation***

ANNUAL STATS

Fingerprint Cards Submitted	3,139
Total fingerprints returned with criminal histories	799
Total fingerprints returned without criminal histories	2,340
Criminal Histories	25%

BACKGROUND CHECKS

- 253 Investigations Initiated
- 20 Applicants Withdrew Their Application
- 94 Licensing Interviews Conducted
- 127 Failed to disclose criminal history
 - 28 Misdemeanor DUI
 - 22 Battery Domestic Violence
 - 11 Theft
 - 9 Felony Narcotics
 - 8 Misdemeanor Assault
 - 6 Receiving Stolen Property
 - 5 Burglary
 - 5 Sexual Assault
 - 4 Misdemeanor Battery

Other crimes included: Felony Theft,
 Embezzlement, Forgery, Homicide,
 Misdemeanor Narcotics, Felony Assault,
 Felony/Misdemeanor Battery, Disorderly
 Conduct, Criminal Mischief, Vandalism,
 Ex-felon Fail to Register, and Contracting
 without a License.

***49 Administrative Citations
 Issued for Misrepresentation***

Enforcement - Compliance Overview

	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
SEPT	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	15	53	38	53	85	49	84	66	68	76	33
NOV	33	21	12	30	16	58	24	50	52	63	67	64	63	56	38
DEC	19	22	18	20	13	34	55	42	48	47	80	57	65	49	27
2nd Qtr:	99	70	60	73	44	145	117	145	185	159	231	187	196	181	98
JAN	42	22	25	29	12	38	32	52	43	50	103	69	64	59	45
FEB	36	17	20	22	27	32	48	71	100	51	100	62	78	104	53
MAR	31	29	27	23	16	48	44	63	64	78	71	59	65	68	51
3rd Qtr:	109	68	72	74	55	118	124	186	207	179	274	190	207	231	149
APR	26	30	35	12	13	45	47	51	72	66	95	71	87	53	52
MAY	27	27	30	20	20	47	55	48	68	63	72	80	90	81	53
JUN	23	32	32	10	24	45	57	66	67	79	62	78	76	97	55
4th Qtr:	76	89	97	42	57	137	159	165	207	208	229	229	253	231	160

4TH QUARTER OVERVIEW

Opened Complaints: 325

- 165 Workmanship
- 47 Money Owing
- 131 Industry Regulation

Closed Complaints: 331

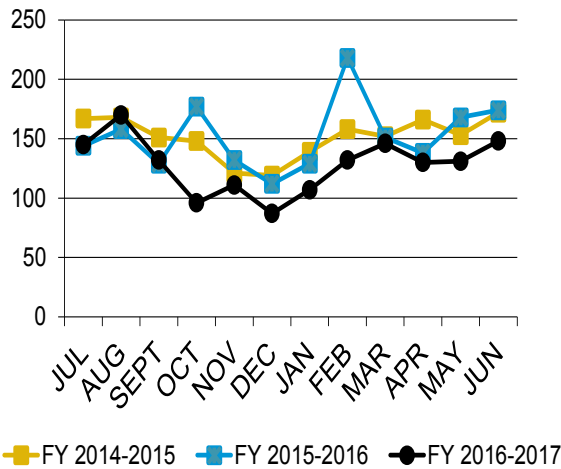
53 Administrative Citations

- \$58,950 in Fines
- \$15,592 in Invest. Costs

36 Cases referred for Disciplinary Hearing

- 21 licenses revoked
- \$50,900 in Fines
- \$46,933 in Investigative Costs

Compliance Complaints by Month



ANNUAL SNAPSHOT

Opened Complaints: 1,529

- 745 Workmanship
- 205 Money Owing
- 623 Industry Regulation

Closed Complaints: 1,616

227 Admin. Citations issued

- \$241,250 Fines
- \$78,136 Invest. Costs

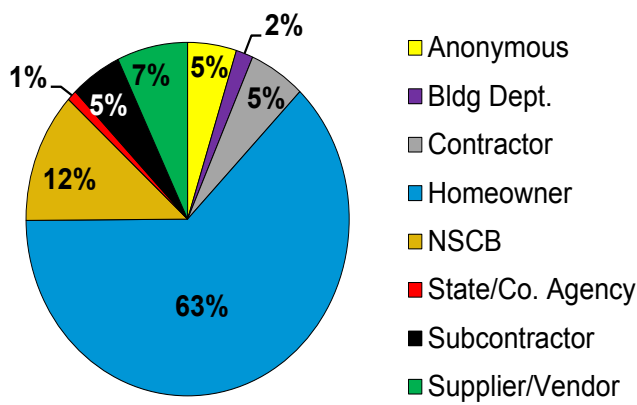
94 Cases referred for Disciplinary Hearing

- 59 licenses revoked
- \$196,400 Fines
- \$136,092 Invest. Costs

Compliance Overview Quarter 4 vs. Annual

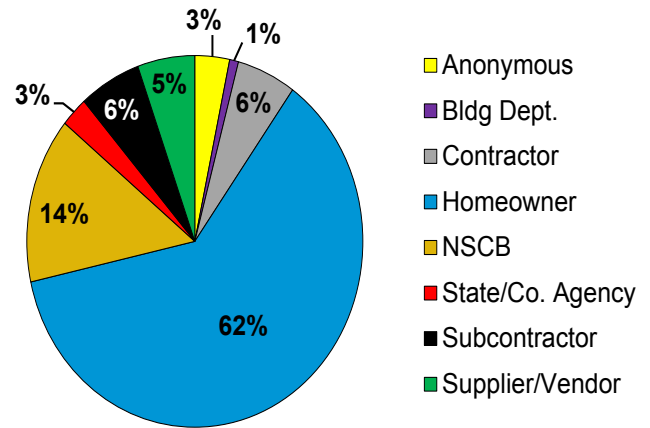
Quarter 4 Data

Source of Complaints

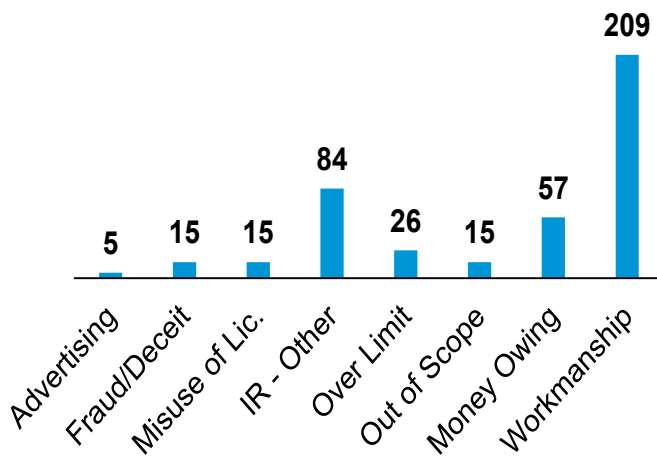


FY 2016-17 Data

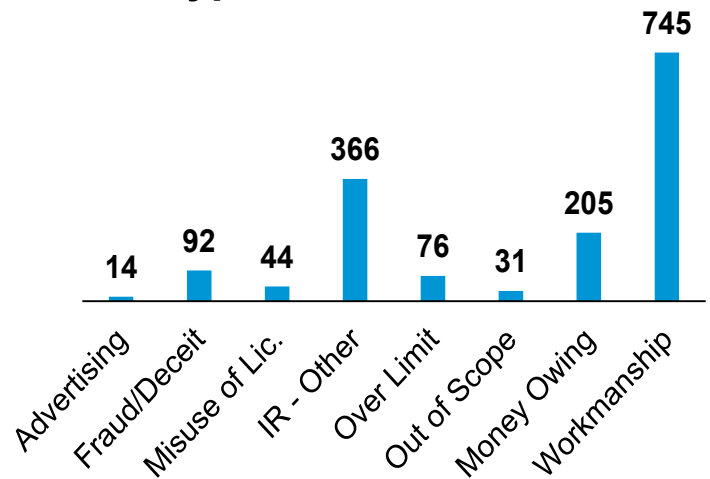
Source of Complaints



Types of Violations



Types of Violations

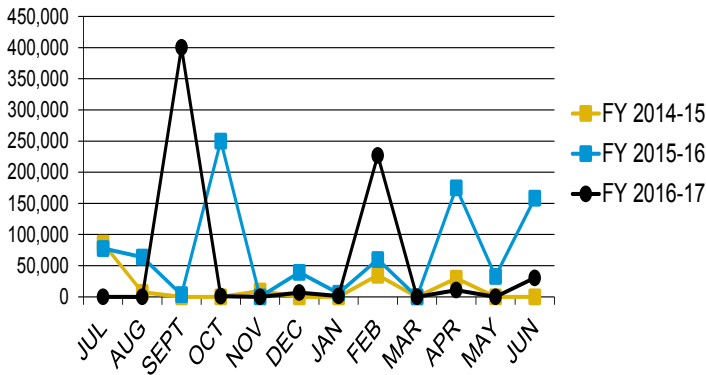


Enforcement - Annual Recovery Fund Highlights

RECOVERY FUND AWARD BRINGS PARTIAL RELIEF TO 100+ HOMEOWNERS

Following an investigation against Summerlin Energy Las Vegas, LLC, which led to the revocation of their license, the Board was able to bring partial relief to 132 homeowners who were financially harmed as a result of entering into a contract with the former licensee. The maximum statutory award allowed per license is \$400,000, affording homeowners roughly \$0.32 on the dollar. Over \$1 million in claims were received by the Board, which included money owed to vendors.

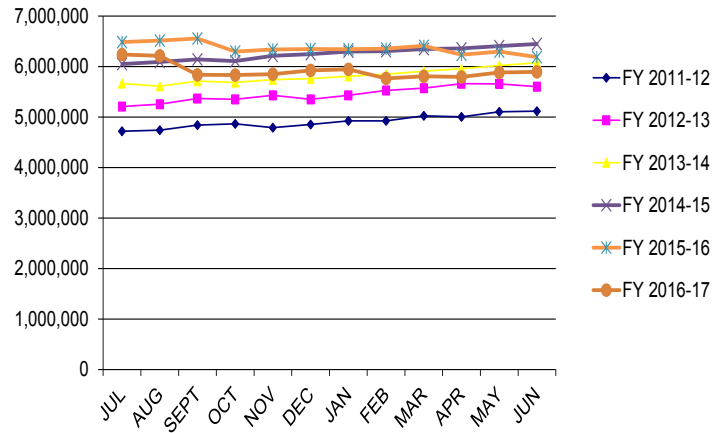
Recovery Fund Claims Amount Paid



Residential Recovery Fund Annual Highlights

- 178 claims considered
- \$755,812 in payments made to 173 homeowners
- Average award = \$4,369

Recovery Fund Balance



Recovery Fund Balance
\$5.9 million as of June 30, 2017

\$114,000 Awarded After Contractor Abandons Work, Has Licenses Revoked

Western Landmark Enterprises, LLC, dba Reno Renovators, had their licenses revoked in October, 2016 after entering into 11 contracts with homeowners for which he received approximately \$147,000 for. In return, the former licensee failed to perform the required construction projects, obtain the required building materials or return the deposits. The case was prepared and was submitted to the Washoe County District Attorney for felony charges of Theft, Diversion and Obtaining Money Under False Pretense. An arrest warrants has been issued and the case is pending adjudication. In total, 11 Residential Recovery Fund complaints were filed against Reno Renovators, which were awarded a cumulative total of \$113,776.27.

Enforcement - Criminal Overview

	Contracting w/o License					Criminal Fraud					Unlawful Advertising				
	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17
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
SEPT	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
OCT	73	56	77	83	42	1	0	1	3	2	30	35	67	37	45
NOV	47	63	49	60	43	5	0	3	1	5	14	30	50	24	52
DEC	36	36	82	52	38	1	0	2	3	1	21	20	32	18	22
2nd Qtr:	156	155	208	195	123	7	0	6	7	8	65	85	149	79	119
JAN	53	68	72	67	46	0	0	0	3	3	57	40	48	36	29
FEB	61	60	91	64	60	3	0	1	26	3	43	56	52	26	30
MAR	55	81	104	60	71	3	0	2	14	1	30	38	41	13	42
3rd Qtr:	169	209	267	191	177	6	0	3	43	7	130	134	141	75	101
APR	89	62	112	73	76	2	0	2	4	4	29	99	89	40	26
MAY	67	74	71	66	82	0	0	1	12	0	47	84	54	29	41
JUN	69	86	130	64	84	2	2	0	4	3	47	44	67	34	59
4th Qtr:	225	222	313	203	242	4	2	3	20	7	123	227	210	103	126

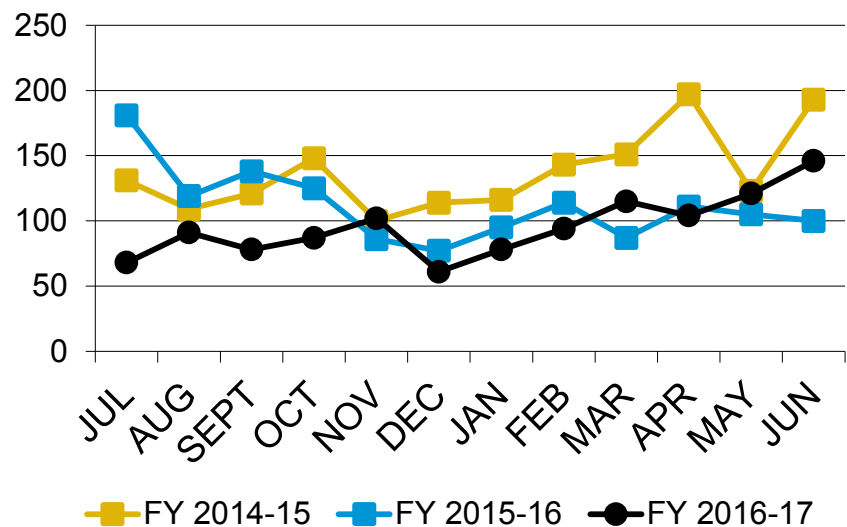
QUARTER 4 OVERVIEW

- Opened Complaints: 371
- Closed Complaints: 264
- Criminal Citations: 59
- Criminal charges filed: 33
- Cease and Desist Orders Issued: 92
- Administrative Citations: 2

ANNUAL OVERVIEW

- Opened Complaints: 1,143
- Closed Complaints: 1,021
- Criminal Citations: 464
- Criminal charges filed: 332
- Cease and Desist Orders Issued: 304
- Administrative Citations: 19

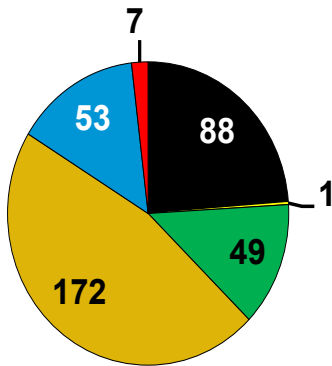
Criminal Complaints by Month



Criminal Overview Quarter 4 vs. Annual

Quarter 4 Data

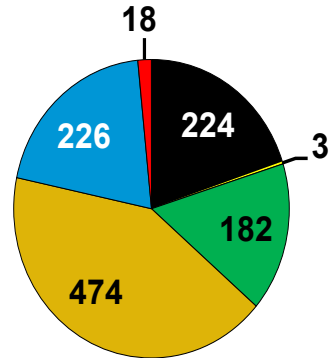
Source of Complaints



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

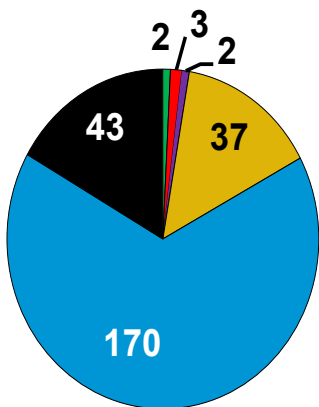
FY 2016-17 Data

Source of Complaints



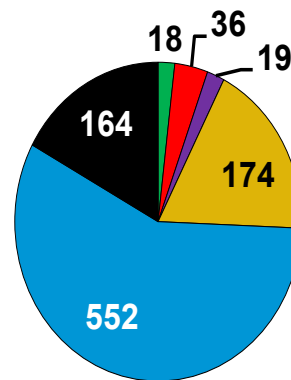
- Anonymous
- Contractor
- NSCB
- Bldg. Dept.
- Homeowner
- State/Co. Agency

Case Outcomes



- Admin Citation
- Felony
- Gross Misd.
- Misdemeanor
- No Violation
- Valid

Case Outcomes



- Admin Citation
- Felony
- Gross Misd.
- Misdemeanor
- No Violation
- Valid

Enforcement - Quarter 4 Highlights

FRAUD UNIT OBTAINS 12-COUNT FELONY

During the 4th quarter, NSCB's Fraud Unit obtained a 12-count felony indictment against two co-conspirators involved in the theft and diversion of \$563,365.95 from a licensed general contractor.

Arrest warrants were issued by the Clark County District Attorney on May 22, 2017, against Darin Christensen and John Graft III. The Board's investigation revealed the crimes occurred between 2011 and 2015, and involved multiple criminal activities, including fraudulent documents and forgery.

Christensen was employed as a project manager for a construction company operating in multiple states, including Nevada. After gaining the trust of his employer for many years, his daily operation was less scrutinized by corporate officers and the controller's office.

Most all of Christensen's crimes involved fraudulent job invoices from co-conspirators, fraudulent equipment purchase invoices and fraudulent Clark County building permit invoices and receipts.

Through the investigative efforts, a third co-conspirator, who was a licensed subcontractor, was discovered to have submitted over \$100,000.00 in phony work invoices, which Christensen approved and paid. Financial accounts obtained through subpoenas revealed the funds were split between the two. The licensed subcontractor had a Board hearing in 2015 where he pled guilty to NRS 624.3016-Fraudulent and Deceitful Acts. He was fined and required to pay \$50,000.00 in restitution for his involvement in the crime. Part of the negotiations included a requirement to cooperate with criminal prosecutors and testify as a state's witness against Christensen in the criminal proceedings.

FELONY CHARGES FOR UNLICENSED CONTRACTOR

A felony arrest warrant was issued by the Clark County District Attorney on May 22, 2017, against Richard Toney, an unlicensed contractor. Charges include obtaining money under false pretenses, forgery, and contracting without a license.

The initial complaint was that a licensed contractor received money and then failed to return calls.

NSCB's fraud investigation revealed that Toney fabricated an NSCB Contractor's License Certificate as well as a Certificate of Workman's Compensation Insurance from Liberty Mutual Insurance. These documents were submitted by Toney to get his proposal approved by the Elks Lodge Board of directors.

As a result fo the Board's investigation, a felony indictment against Toney was obtained for his involvement in creating fraudulent and fictitious documents to secure a commercial roofing job for a Nevada Elks Lodge.

Information Technology - Annual Highlights



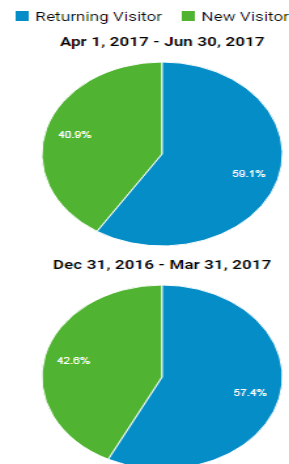
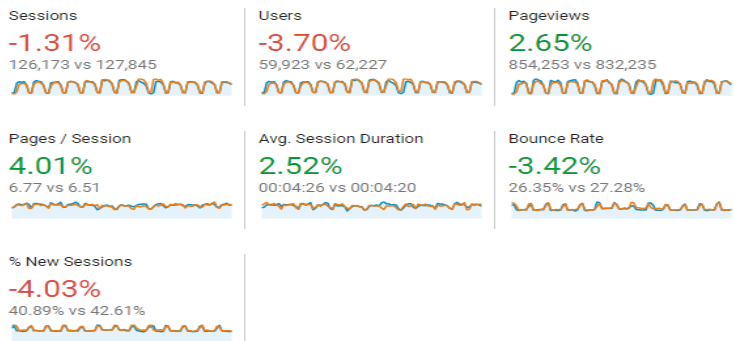
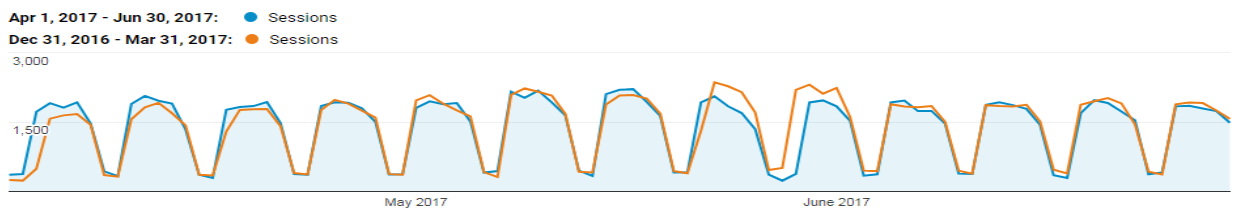
Over the course of the fiscal year, the Information Technology department implemented several upgrades to the Board's servers, allowing for enhanced availability and performance. This initiative will continue into FY 2017-18.

Significant efforts continue to be made toward the Board's licensing and enforcement database project. Many of the efforts noted in the Licensing Department updates included IT's involvement. At this time, the project has entered into the acceptance testing phase and staff continue to participate in meetings and provide feedback on the developments of the new system.



Lastly, IT has been actively involved in the renovation efforts of its Henderson office location, as well as coordinating the technical needs for the relocation of the Board's Reno office, which will take place in August, 2017.

Quarterly website statistics



Public Information Office - Annual Highlights

Board Spotlights Construction Education

As a continued effort from the Board's 75th Anniversary Campaign, the Board co-hosted two events aimed at raising awareness of the importance of construction education programs and the many ways they contribute to the viability of the industry at-large. The events were held at the Northwest Technical Career Academy (NWTCA) in North Las Vegas and the Academy for Construction Education (ACE) High School in Reno, and highlighted the students' construction knowledge and passions. At NWTCA, students constructed Buddy Benches, an anti-bullying tool, which were presented to 11 elementary schools. Students at ACE showcased the construction of a single-family residence, which they built from the ground up. Additionally, the Board was able to highlight the contributions made by the Commission on Construction Education to support programs and training opportunities throughout the state. A truly memorable experience for all involved.



Board Diversifies Outreach Initiatives

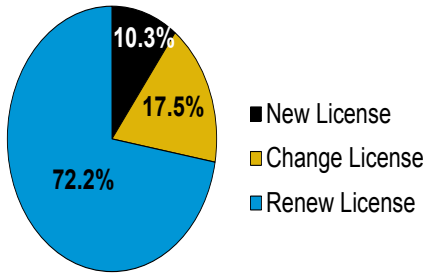
During the fiscal year, the Public Information Office engaged in a significant number of opportunities to communicate the Board's message and inform the public, industry members, and community groups of the Board's services. The Board proactively sought out publications to place tailored articles for seasonal topics, responded to invitations from television stations to inform the public about trends and scams affecting the public, expanded its use of social media and enhanced its followers, partnered with Univision on a 6-month venture to promote awareness among Hispanic communities, and participated in informational radio programs reaching homeowners statewide. These efforts were combined with a series of presentations to groups like Kiwanis, Rotary Clubs, large homeowner associations, as well as industry and contractor groups.

PIO Seeks to Expand Online Resources

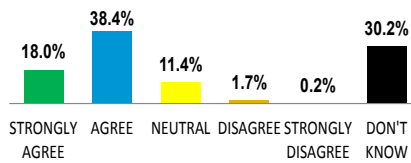
With outreach efforts in full swing, the Public Information Office is looking at ways to utilize technology to enhance the availability of the Board's resources. Recently, the Board acquired the means to begin producing video content, which will feature a series of informational and instructional videos for license applicants, contractors, and the public. The first video will assist applicants with the new license application, walking them through the requirements and providing tips that will help to expedite the processing of their application. The PIO will be looking at topics to assist the public in selecting a contractor, how to verify a contractor's license and an explanation of the information contained on the Board's license printout, as well as other proactive messages to help promote consumer protection and empowerment.

Customer Service Survey - Licensing

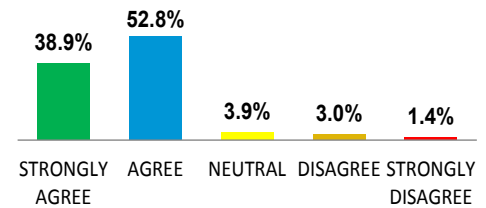
Purpose for NSCB Contact



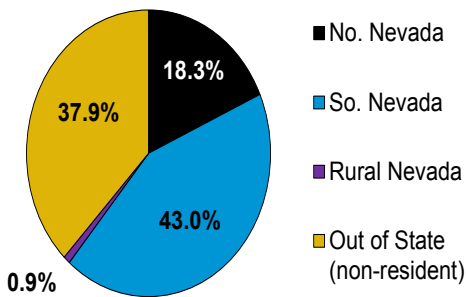
Applicant was Readily Able to Learn the Status of Their Application



Application was Processed in a Timely Manner



Applicant Residency



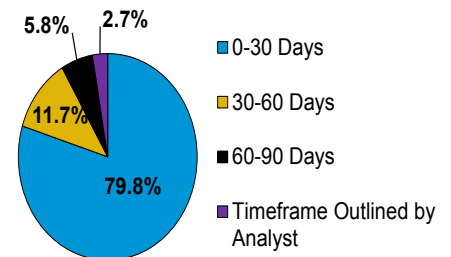
SAMPLING RATE

56%
(4,753/8,503)

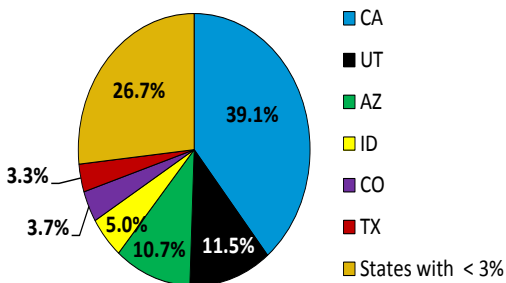
ADDITIONAL STATS

- 23.2% Were aware of the Business Assistance Program; 3.4% participated
- 95.6% Think having a contractor's license is valuable.
- 97.7% Felt the forms were easy to understand.
- 96.1% Said the Board's handling of the licensing process was efficient.
- Only 29.2% of customers had to contact the Board for assistance with forms or processes.
- 95.7% Found staff to be readily accessible to help them.
- 97.7% Found staff to be respectful, 98.5% felt staff were well-trained, and 96.4% thought staff were helpful in resolving their questions.

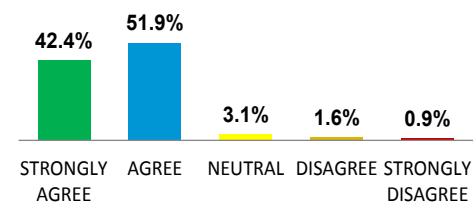
Applicant's Definition of "Timely"



Out of State Residency

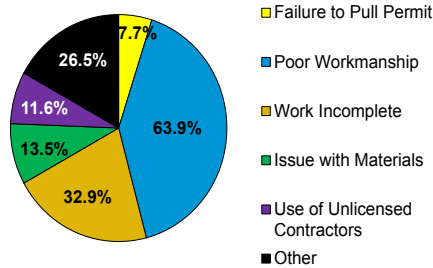


Applicant is Satisfied with the Handling of their Application



Customer Service Survey - Complainant

Nature of Complaint



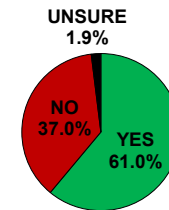
SAMPLING RATE

64%
(127/199)

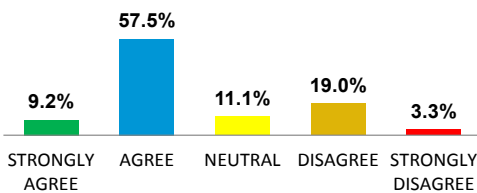
ADDITIONAL STATS

- 80.7% Felt the Board demonstrated professionalism in handling their complaint.
- 92.2% Tried to resolve their complaint with the contractor before contacting the Board.
- 97.4% Found it easy to find the information on how to file a complaint and that the instructions were clear.
- 89.7% Were contacted by a Board investigator within 10 days of filing the complaint.
- 80% Were notified of the outcome in writing, and by way of phone call or in-person meeting.
- 85.7% felt Board staff were helpful.

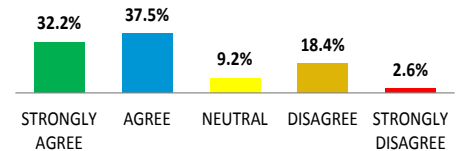
Investigator Conducted a Jobsite Visit



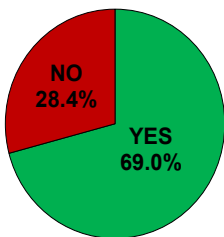
Complainant was Always Aware of the Status of Their Case



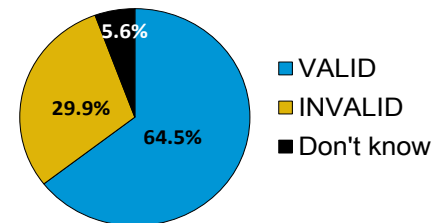
Complainant Received Clear Direction from Investigator on Requirements to Resolve Complaint



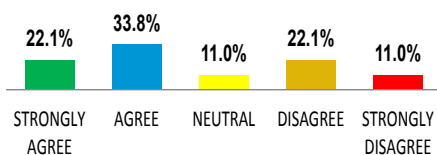
Complaint Has Been Resolved



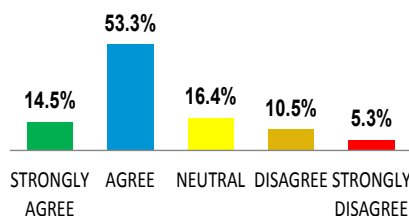
Complaint Outcome



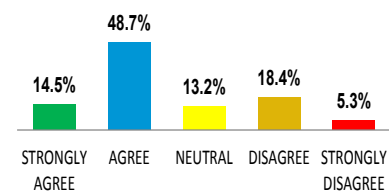
Regardless of the Outcome, Complainant Understands the Board's Reasoning for Closing the Case



Investigator Acted in an Unbiased Manner



The Investigator was Responsive in Resolving the Complaint



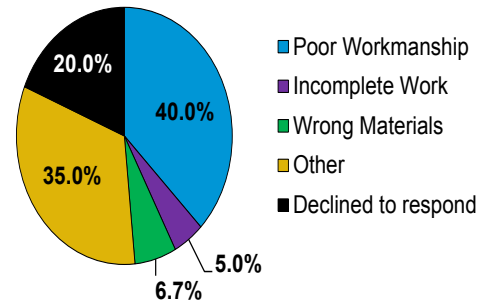
Customer Service Survey - Respondent

SAMPLING RATE
14%
(55/382)

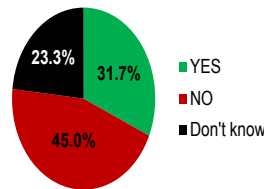
ADDITIONAL STATS

- 100% of complaints were resolved.
- 91.5% Felt the Board was professional in handling the complaint.
- 54.4% of Respondents met with an investigator at the job site to discuss the customer's concerns with the work performed.
- 96.7% Felt the investigator was respectful.
- 93.3% Felt the investigator was knowledgeable of construction laws.

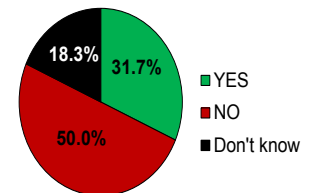
Nature of Consumer's Complaint



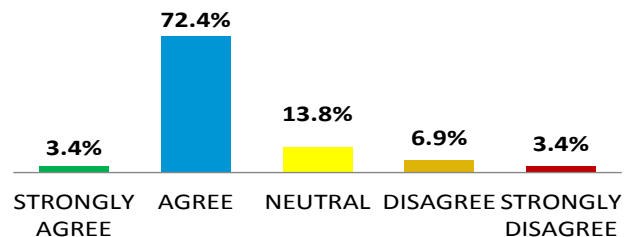
Customer Tried to Resolve Complaint Before Contacting the Board



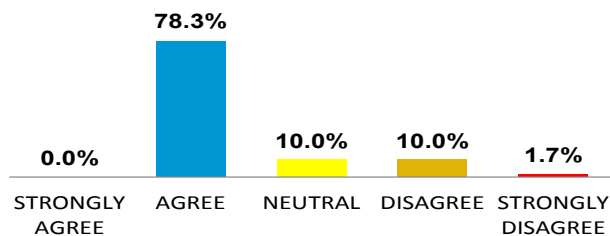
Respondent Contacted Customer After Receiving Board Complaint



Respondent Felt Investigator Acted in Unbiased Manner



The Outcome of the Complaint Was Fair



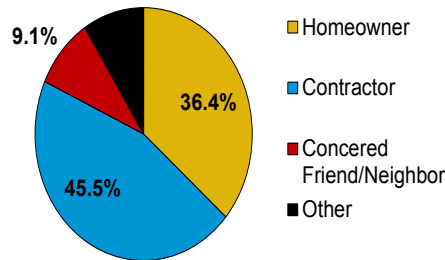
Customer Service Survey - Unlicensed Complainant

SAMPLING RATE
59%
(22/37)

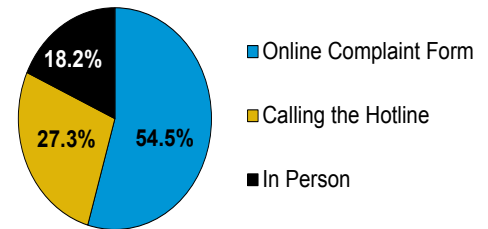
ADDITIONAL STATS

- 100% of complainants said they hired the unlicensed contractor because they seemed knowledgeable, trustworthy, and offered a cheaper price.
- 75% of complainants stated they did not know they were hiring an unlicensed contractor.
- 100% of complainants found value in reporting an unlicensed contractor.
- 100% of complainants indicated the information and process for submitting a complaint were easy and seamless.
- 100% of complainants found NSCB staff to be helpful and respectful during the investigative process.

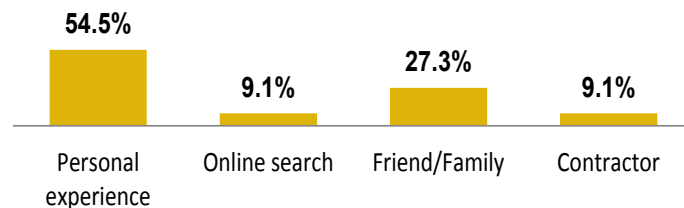
Complainant Type



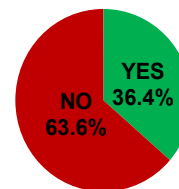
Method for Filing Complaint



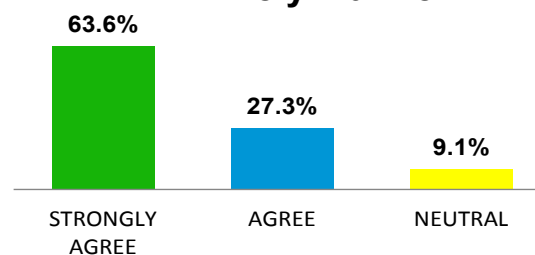
How Complainant Knew to File a Complaint



Complainant Contacted the Board for Assistance in Filing Complaint



NSCB Responded to Complaint in Timely Manner



Looking Forward - Fiscal Year 2017-18

As with any strategic plan, the list of objectives and goals to accomplish tend to expand and adapt to meet the demands of the environments the Board operates in. There is always a sense of pride at the end of every fiscal year to look back on all that staff accomplished and to realize the strides we continue to make to be a model regulatory agency.

However, it is the process of strategic planning that keeps our agency humbled and focused on the paths we've yet to take, the opportunities we've yet to encounter, and the challenges we've yet to resolve. The initiatives outlined in our FY 2017-18 Strategic Plan will continue to drive our agency forward and looking for inspired and innovative ways to improve our operations to the public, industry, and entities we serve daily.

Some of the initiatives we will be launching over the next three months include:

- Training customer service and licensing staff, as well as compliance and criminal investigators on the new licensing and enforcement database.
- Creating an informational packet to assist the public in understanding the nature of unlicensed contracting and the role of the Board.
- Reviewing and modifying the Board Member succession plan and identifying opportunities for current Board members to engage in training incoming members.

Continue to track our progress each quarter and learn of the many undertakings that lie ahead for the Board!



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