

Nevada State Contractors Board



2011-12
Executive Officer's Report
Strategic Plan Quarterly Report
October 1 – December 31

To: NSCB Members
From: Margi Grein, Executive Officer
Subject: FY 2011-12 Executive Officer's Report and Strategic Plan Quarterly Report



The enclosed report and financial statements are in accordance with NAC 624.030 and summarize the activities of Nevada State Contractors Board from October 1 – December 31, 2011.

The beginning of Quarter 2 for FY 2011-12 kicked off with NSCB hosting the first ever National Association of State Contractors Licensing Agencies (NASCLA) Resources Committee meeting. Exceeding the deadline we set out for ourselves, the members of the Resources Committee fully developed the framework for two national model programs, which are currently being added to NASCLA's website for all states to utilize. The programs center on strategies and tools to prevent elder abuse while also providing a structure for states to follow when responding to disasters in their respective areas. This collaborative partnering effort further demonstrates our leadership and our ability to be forward thinking as a Board.

Another significant event to impact a region of our state was the Caughlin Fire in Reno. This whirlwind fire destroyed 32 homes and burned over 2,000 acres of land. Already having the NASCLA Disaster Response Plan afforded us the opportunity to perform the necessary response and outreach measures expeditiously. Within 48 hours, staff had coordinated efforts with local law enforcement, fire department personnel, building officials, and others assisting with the response. From the office, staff partnered with the Governor's Office in sending out a press release warning of unlicensed activity, placed warning signs throughout the area, distributed collateral materials, and made information prominently available on the homepage of the website. Following the disaster, Board staff in Reno was interviewed to discuss our efforts, provide visuals of the signs placed in the community, and offer homeowners information on contracting dos and don'ts. Our efforts have been acknowledged by the industry and homeowners in a variety of settings for our quick response and constant visibility in the affected areas. To date, no unlicensed contractors have been identified in the areas, which is a testament to our ongoing efforts.

Other notable events this quarter include the completion of a year-long investigation into Blue Lagoon Pools, in which 18 homeowners were awarded more than \$183,000 collectively from the Residential Recovery Fund, the addition of two new unlicensed contractors to our Most Wanted list, and the award of \$27,900 in construction education grants to four entities throughout the state.

Our agenda this quarter continued to be ambitious, but our commitment to maintain open communication with staff and industry partners, focus on strategic planning initiatives, and embrace new ideas helped us achieve our goals. Staff was provided with a variety of trainings to enhance customer service and job-related skills, and regular meetings among management and staff continue to be held to ensure everyone stays informed of challenges and opportunities facing the Board.

As always, we will maintain an ongoing focus to improve data collection efforts as they relate to the quality of our performance and the ability to meet each of our customers' needs. There is still much work ahead of us and we are eager to come before you in the near future to report on our successes.

Sincerely,

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

MARGI GREIN
NSCB, Executive Officer

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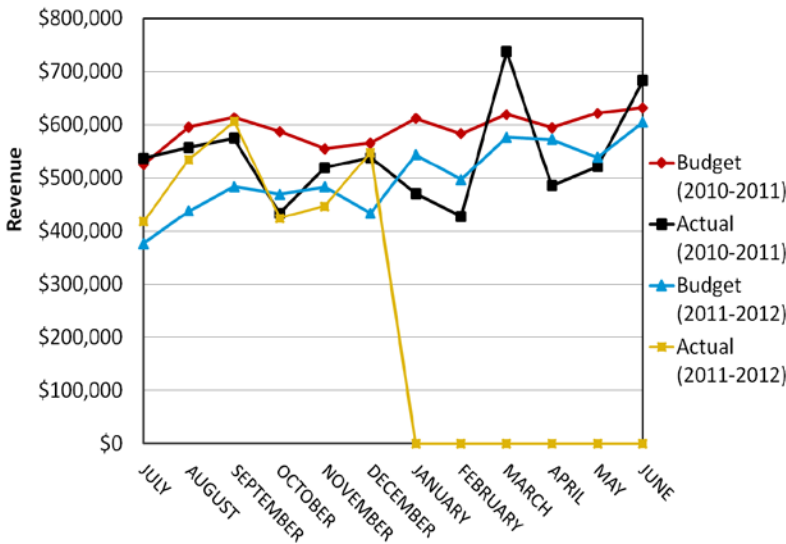
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LICENSING DATA DASHBOARD

**Application, Renewal & Cost Recovery Revenue
(FISCAL YEARS 2010-2011 / 2011-2012)**



180 Day Retention Rate			
Projected Year-End	Jun '11 Lic's	17,670	
	Cancellations	(1,638)	(9.48%)
	New Licenses	496	2.87%
	Susp/Reinstat	747	4.32%
	Dec '11 Lic's	17,275	
	Change	(395)	
6 Month Rolling	% Change	-2.29%	

90 Day Retention Rate			
Projected Year-End	Sep '11 Lic's	17,494	
	Cancellations	(918)	(5.31%)
	New Licenses	224	1.30%
	Susp/Reinstat	475	2.75%
	Dec '11 Lic's	17,275	
	Change	(219)	
3 Month Rolling	% Change	-1.27%	

Oct to Dec 2011

Licenses (Beginning of Quarter)	17,424
New Licenses Issued	224
Licenses Cancelled / Surrendered / Revoked	(918)
Variance in Suspended/Reinstated Licenses	545
Licenses (End of Quarter)	17,275
# of Licenses on Jul 1st, 2011	
	17,547
# of Licenses on Dec 31st, 2011	
	17,275
Net YTD (Fiscal Year)	
Licenses Gained / Lost	(272)
Renewal Revenue Gained / Lost	(\$163,200)
*Does not include suspended licenses	

FISCAL YTD LICENSING FEE TOTALS (FY2012)

LICENSING FEES	BUDGET	ACTUAL	VARIANCE
Licenses Renewals	1,701,998	2,007,785	305,787
New License Fee	364,998	312,650	(52,348)
Application Fee	200,250	191,700	(8,550)
License Changes	164,250	187,450	23,200
Invest Recov Costs	105,000	111,330	6,330
Renewal Late Fees	59,144	85,500	26,356
Renewal Inactive Fee	90,631	83,250	(7,381)

	October 2011			November 2011			December 2011		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Licenses Renewals	\$ 303,491	\$ 281,700	(\$21,791)	\$ 316,508	\$ 302,100	(\$14,408)	\$ 271,329	\$ 361,335	\$90,006
New License Fee	\$ 60,833	\$ 48,900	(\$11,933)	\$ 60,833	\$ 45,100	(\$15,733)	\$ 60,833	\$ 58,900	(\$1,933)
Application Fee	\$ 33,375	\$ 27,600	(\$5,775)	\$ 33,375	\$ 24,900	(\$8,475)	\$ 33,375	\$ 34,200	\$825
License Changes	\$ 27,375	\$ 29,625	\$2,250	\$ 27,375	\$ 31,025	\$3,650	\$ 27,375	\$ 30,525	\$3,150
Investigative Recov Costs	\$ 17,500	\$ 10,683	(\$6,817)	\$ 17,500	\$ 20,709	\$3,209	\$ 17,500	\$ 23,139	\$5,639
Renewal Late Fees	\$ 10,546	\$ 12,450	\$1,904	\$ 10,999	\$ 11,550	\$551	\$ 9,429	\$ 21,325	\$11,896
Renewal Inactive Fee	\$ 16,161	\$ 13,800	(\$2,361)	\$ 16,854	\$ 12,000	(\$4,854)	\$ 14,448	\$ 19,000	\$4,552
TOTALS:	\$ 469,281	\$ 424,758	(\$44,523)	\$ 483,444	\$ 447,384	(\$36,060)	\$434,289	\$ 548,424	\$114,135

	July 2011			August 2011			September 2011		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Licenses Renewals	\$ 218,748	\$ 262,600	\$43,852	\$ 274,903	\$ 351,450	\$76,547	\$317,019	\$ 448,600	\$131,581
New License Fee	\$ 60,833	\$ 54,300	(\$6,533)	\$ 60,833	\$ 63,000	\$2,167	\$ 60,833	\$ 42,450	(\$18,383)
Application Fee	\$ 33,375	\$ 27,900	(\$5,475)	\$ 33,375	\$ 44,400	\$11,025	\$ 33,375	\$ 32,700	(\$675)
License Changes	\$ 27,375	\$ 28,200	\$825	\$ 27,375	\$ 34,675	\$7,300	\$ 27,375	\$ 33,400	\$6,025
Investigative Recov Costs	\$ 17,500	\$ 24,057	\$6,557	\$ 17,500	\$ 15,135	(\$2,365)	\$ 17,500	\$ 17,607	\$107
Renewal Late Fees	\$ 7,601	\$ 10,650	\$3,049	\$ 9,553	\$ 14,000	\$4,447	\$ 11,016	\$ 15,525	\$4,509
Renewal Inactive Fee	\$ 11,648	\$ 10,200	(\$1,448)	\$ 14,639	\$ 11,800	(\$2,839)	\$ 16,881	\$ 16,450	(\$431)
TOTALS:	\$ 377,080	\$ 417,907	\$40,827	\$ 438,178	\$ 534,460	\$96,282	\$483,999	\$ 606,732	\$122,733

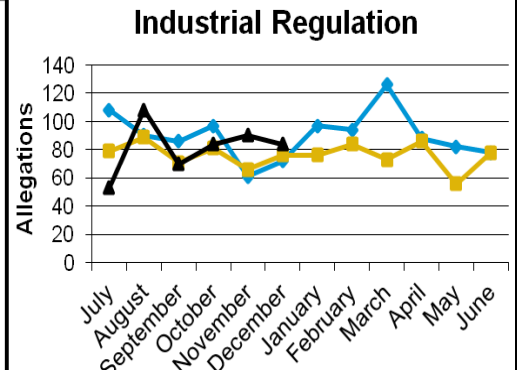
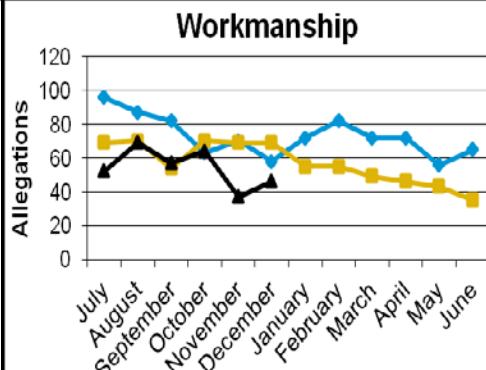
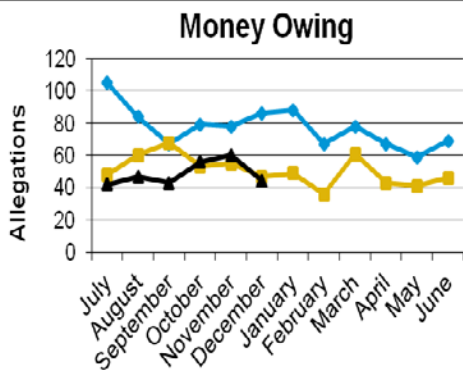
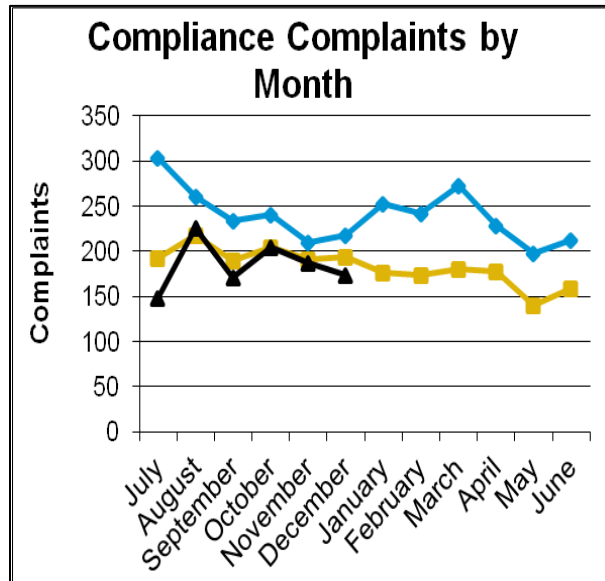
Budget (2010-2011)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$304,800	\$374,400	\$392,700	\$366,300	\$335,400	\$345,900	\$388,500	\$362,400	\$398,400	\$373,500	\$397,800	\$409,900	\$4,450,000
New License Fee	\$72,916	\$72,916	\$72,917	\$72,917	\$72,916	\$72,916	\$72,917	\$72,917	\$72,917	\$72,917	\$72,917	\$72,917	\$875,000
Application Fee	\$58,333	\$58,333	\$58,334	\$58,333	\$58,333	\$58,333	\$58,334	\$58,333	\$58,333	\$58,333	\$58,334	\$58,334	\$700,000
License Changes	\$39,583	\$39,583	\$39,584	\$39,583	\$39,583	\$39,583	\$39,583	\$39,583	\$39,584	\$39,583	\$39,584	\$39,584	\$475,000
Investigative Recov Costs	\$23,333	\$23,333	\$23,333	\$23,333	\$23,333	\$23,333	\$23,334	\$23,333	\$23,334	\$23,333	\$23,334	\$23,334	\$280,000
Renewal Late Fees	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,334	\$13,333	\$13,334	\$13,333	\$13,334	\$13,334	\$160,000
Renewal Inactive Fee	\$13,350	\$13,650	\$13,350	\$13,950	\$12,750	\$13,050	\$16,050	\$13,500	\$13,700	\$14,100	\$16,800	\$15,750	\$170,000
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$525,648	\$595,548	\$613,551	\$587,749	\$555,648	\$566,448	\$612,052	\$583,399	\$619,602	\$595,099	\$622,103	\$633,153	\$7,110,000
Actual (2010-2011)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$357,000	\$411,200	\$345,150	\$283,800	\$358,250	\$334,800	\$325,700	\$288,800	\$502,325	\$323,625	\$343,275	\$481,750	\$4,355,675
New License Fee	\$57,600	\$48,000	\$124,706	\$46,800	\$55,800	\$95,425	\$46,200	\$42,900	\$94,300	\$55,500	\$69,200	\$64,450	\$800,881
Application Fee	\$36,300	\$25,200	\$41,700	\$33,300	\$28,200	\$35,400	\$27,000	\$24,900	\$53,400	\$43,200	\$37,500	\$41,100	\$427,200
License Changes	\$31,675	\$28,550	\$25,850	\$25,925	\$33,150	\$26,250	\$26,225	\$24,350	\$38,925	\$28,875	\$35,575	\$37,375	\$362,725
Investigative Recov Costs	\$21,685	\$19,607	\$20,511	\$13,573	\$13,534	\$23,846	\$16,166	\$23,057	\$11,784	\$12,076	\$14,177	\$18,024	\$208,040
Renewal Late Fees	\$19,000	\$12,000	\$6,525	\$13,350	\$17,000	\$10,050	\$14,250	\$13,350	\$13,050	\$13,950	\$9,350	\$11,950	\$153,825
Renewal Inactive Fee	\$14,100	\$13,500	\$10,725	\$17,100	\$13,700	\$13,200	\$15,300	\$10,800	\$24,475	\$8,550	\$12,300	\$28,975	\$182,725
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$537,360	\$558,057	\$575,167	\$433,848	\$519,634	\$538,971	\$470,841	\$428,157	\$738,259	\$485,776	\$521,377	\$683,624	\$6,491,071
Variance (2010-2011)	JULY-10	AUG-10	SEPT-10	OCT-10	NOV-10	DEC-10	JAN-11	FEB-11	MAR-11	APR-11	MAY-11	JUN-11	TOTALS
License Renewals	\$52,200	\$36,800	(\$47,550)	(\$82,500)	\$22,850	(\$11,100)	(\$62,800)	(\$73,600)	\$103,925	(\$49,875)	(\$54,525)	\$71,850	(\$94,325)
New License Fee	(\$15,316)	(\$24,916)	\$51,789	(\$26,117)	(\$17,116)	\$22,509	(\$26,717)	(\$30,017)	\$21,383	(\$17,417)	(\$3,717)	(\$8,467)	(\$74,119)
Application Fee	(\$22,033)	(\$33,133)	(\$16,634)	(\$25,033)	(\$30,133)	(\$22,933)	(\$31,334)	(\$33,433)	(\$4,933)	(\$15,133)	(\$20,834)	(\$17,234)	(\$272,800)
License Changes	(\$7,908)	(\$11,033)	(\$13,734)	(\$13,658)	(\$6,433)	(\$13,333)	(\$13,358)	(\$15,233)	(\$659)	(\$10,708)	(\$4,009)	(\$2,209)	(\$112,275)
Investigative Recov Costs	(\$1,648)	(\$3,726)	(\$2,822)	(\$9,760)	(\$9,799)	\$513	(\$7,168)	(\$276)	(\$11,550)	(\$11,257)	(\$9,157)	(\$5,310)	(\$71,960)
Renewal Late Fees	\$5,667	(\$1,333)	(\$6,808)	\$17	\$3,667	(\$3,283)	\$916	\$17	(\$284)	\$617	(\$3,984)	(\$1,384)	(\$6,175)
Renewal Inactive Fee	\$750	(\$150)	(\$2,625)	\$3,150	\$950	\$150	(\$750)	(\$2,700)	\$10,775	(\$5,550)	(\$4,500)	\$13,225	\$12,725
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$11,712	(\$37,491)	(\$38,384)	(\$153,901)	(\$36,014)	(\$27,477)	(\$141,211)	(\$155,242)	\$118,657	(\$109,323)	(\$100,726)	\$50,471	(\$618,929)
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							\$2,007,785
New License Fee	\$54,300	\$63,000	\$42,450	\$48,900	\$45,100	\$58,900							\$312,650
Application Fee	\$27,900	\$44,400	\$32,700	\$27,600	\$24,900	\$34,200							\$191,700
License Changes	\$28,200	\$34,675	\$33,400	\$29,625	\$31,025	\$30,525							\$187,450
Investigative Recov Costs	\$24,057	\$15,135	\$17,607	\$10,683	\$20,709	\$23,139							\$111,330
Renewal Late Fees	\$10,650	\$14,000	\$15,525	\$12,450	\$11,550	\$21,325							\$85,500
Renewal Inactive Fee	\$10,200	\$11,800	\$16,450	\$13,800	\$12,000	\$19,000							\$83,250
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	\$0	\$0	\$0	\$0	\$0	\$0	\$2,979,665
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	(\$372,407)	(\$328,760)	(\$402,527)	(\$398,443)	(\$367,813)	(\$428,052)	(\$1,992,215)
New License Fee	(\$6,533)	\$2,167	(\$18,383)	(\$11,933)	(\$15,733)	(\$1,933)	(\$60,833)	(\$60,833)	(\$60,834)	(\$60,834)	(\$60,834)	(\$60,834)	(\$417,350)
Application Fee	(\$5,475)	\$11,025	(\$675)	(\$5,775)	(\$8,475)	\$825	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	(\$33,375)	(\$208,800)
License Changes	\$825	\$7,300	\$6,025	\$2,250	\$3,650	\$3,150	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	(\$27,375)	(\$141,050)
Investigative Recov Costs	\$6,557	(\$2,365)	\$107	(\$6,817)	\$3,209	\$5,639	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	(\$17,500)	(\$98,670)
Renewal Late Fees	\$3,049	\$4,447	\$4,509	\$1,904	\$551	\$11,896	(\$12,941)	(\$11,424)	(\$13,988)	(\$13,846)	(\$12,782)	(\$14,875)	(\$53,500)
Renewal Inactive Fee	(\$1,448)	(\$2,839)	(\$431)	(\$2,361)	(\$4,854)	\$4,552	(\$19,831)	(\$17,506)	(\$21,435)	(\$21,217)	(\$19,586)	(\$22,794)	(\$129,750)
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	(\$544,262)	(\$496,773)	(\$577,034)	(\$572,590)	(\$539,265)	(\$604,805)	(\$3,041,335)

Quarter in Review

ENFORCEMENT

During the 2nd Quarter of FY 2011-12, the Investigations Department opened a total of 801 cases against licensed and unlicensed contractors combined. During this time period, 912 cases were closed. Below is a summary of highlights from the Compliance and Criminal Divisions.

- **564 compliance cases opened against licensed contractors** –3.5% increase from last quarter.
- **77 cases referred for Disciplinary Hearings**; 44 cases heard by Hearing Officer resulting in 37 license revocations.
- **306 cases closed as Invalid – No Violation**; 13 cases were closed as not within the statute of limitations.
- **65 Administrative Citations issued** – fines totaled \$77,800; investigative costs totaled \$25,566.
- **2 Construction Defect requests received** – 5 responses rendered; one opinion pending.
- Reno has 63 pending cases; Henderson has 245 pending cases.
- Compared to last quarter, workmanship complaints decreased 17%, while money owing complaints increased 16%.

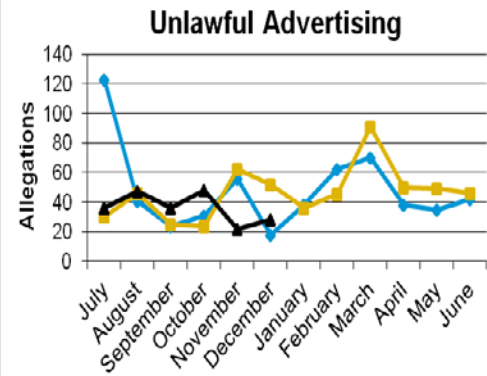
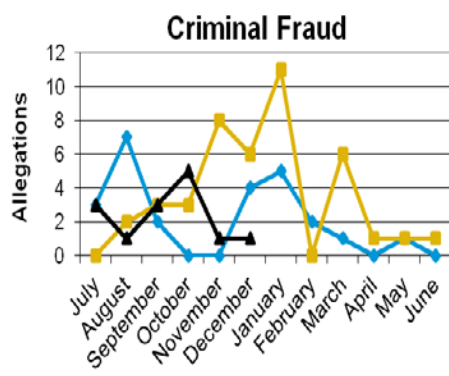
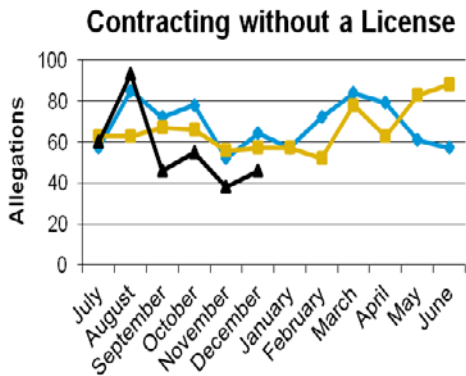
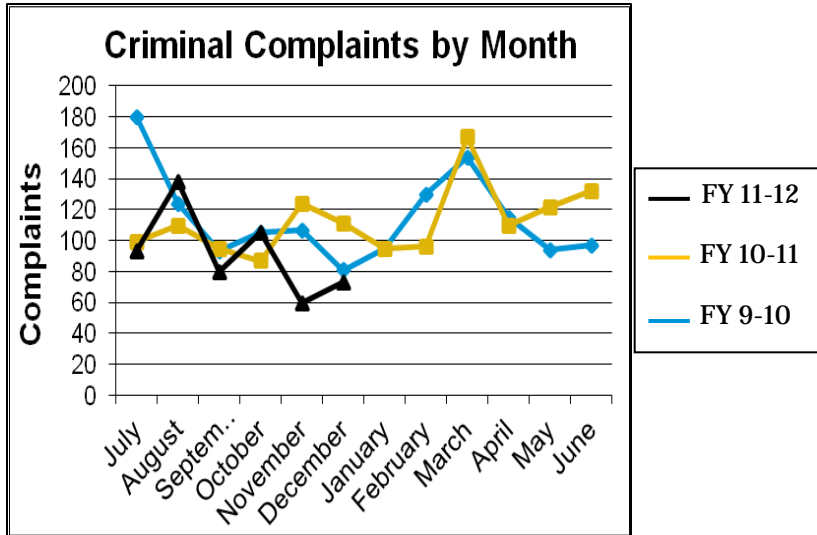


Compliance Investigations Encompass:

- Money owing
- Workmanship complaints
- Industry regulation violations of NRS 624
- Unlawful advertising
- Fraudulent or deceitful acts
- Misuse of a license
- Working outside the scope of the license
- Bidding over the monetary limit of the license

Workmanship complaints are primarily assigned to compliance investigators. All Board investigators have been cross trained to handle Industry Regulation investigations and money owing complaints. The resolution of homeowner/workmanship complaints is a priority for the Investigations Department.

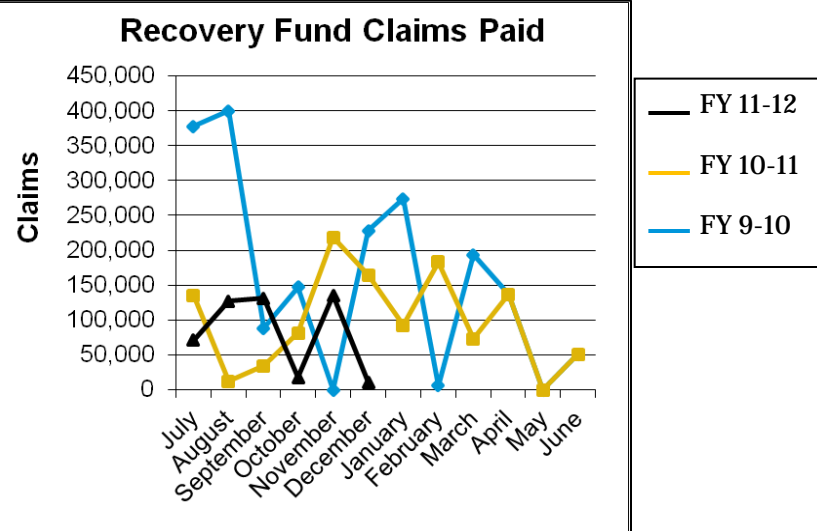
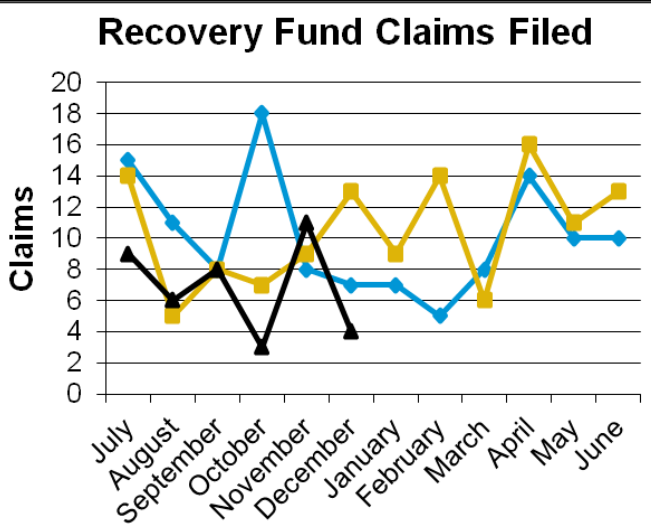
- **238 criminal cases opened against unlicensed contractors** – 23% decrease from last quarter.
- **107 cases closed as Invalid – no violation established**; 4 cases were closed as not within the statute of limitations.
- **101 criminal charges were filed**; 78 convictions recorded (generally from cases filed in previous reporting periods).
- Reno has 24 pending cases; Henderson has 287 pending cases.
- **83 criminal citations were issued**



RESIDENTIAL RECOVERY FUND

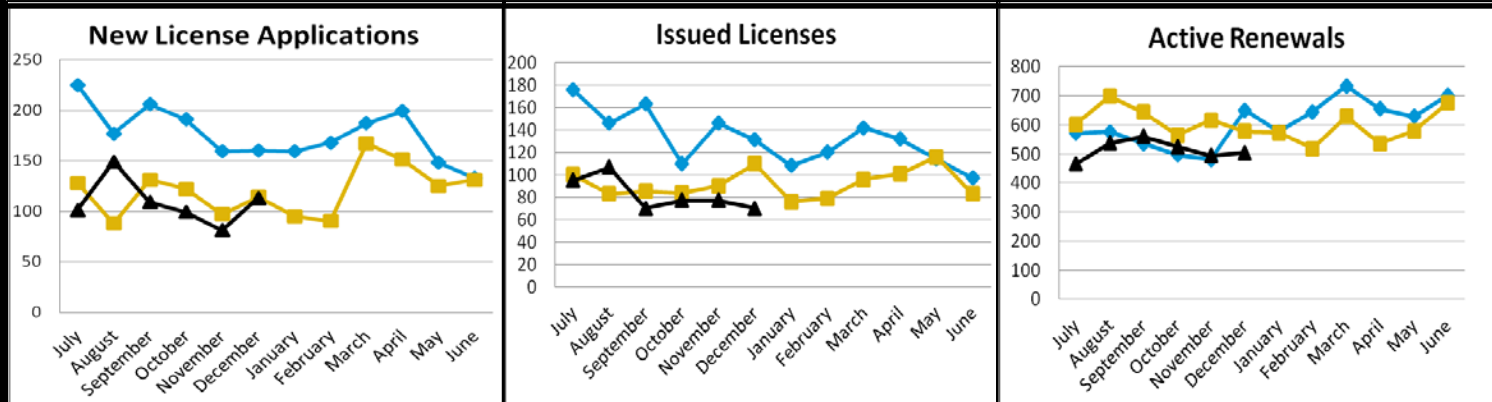
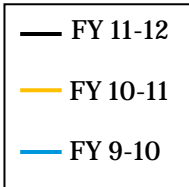
Three hearings were held in the 2nd Quarter by the Board. A total of 30 cases were heard, of which 23 were awarded \$190,061 collectively. Awards to homeowners ranged from \$130 - \$24,900. The average claim was approximately \$6,335.

- **24 new claims** were received during this period totaling \$204,915.
- As of December 31, there were **25 pending claims** totaling approximately \$273,152.11 – 13 of those claims will be heard January 18, 2012.
- The Residential Recovery Fund balance as of December 31 was \$4,852,875.



LICENSING

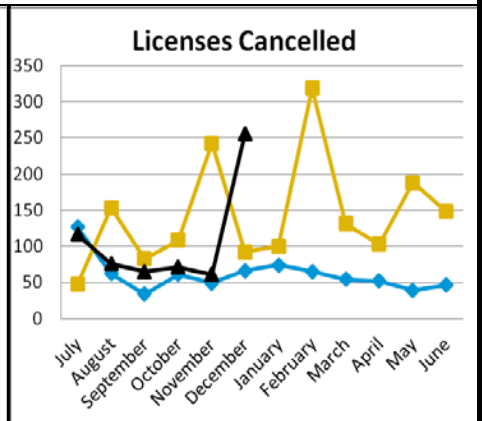
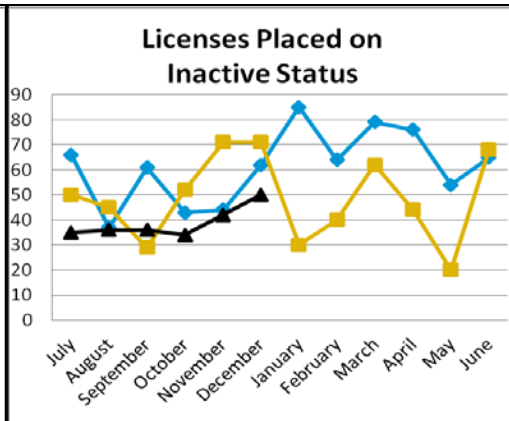
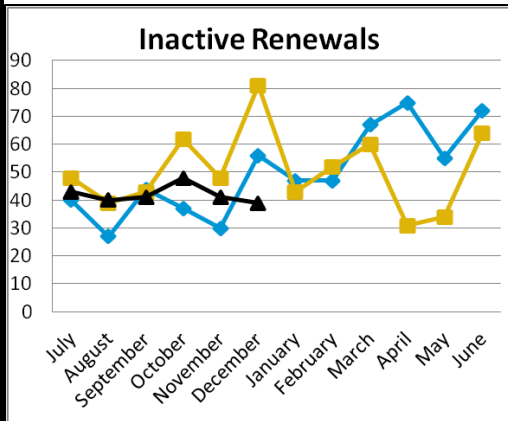
At the end of the 2nd Quarter for FY 11-12, there were 16,234 active licenses and 1,687 inactive licenses in the State of Nevada. Active licenses decreased 3.7% since the same period last year, while inactive licenses also decreased 2.5%. A total of 125 financial review cases were opened, of which 103 have been approved by staff. Licensees who perform residential work are subject to financial review for the first two years of licensure. Licensees who fail to provide the required statement or fail to meet the financial responsibility requirement are set for hearing. Financial reviews are also scheduled when an indemnification agreement is withdrawn. Below is an overview of licensing data collected for the 2nd Quarter.



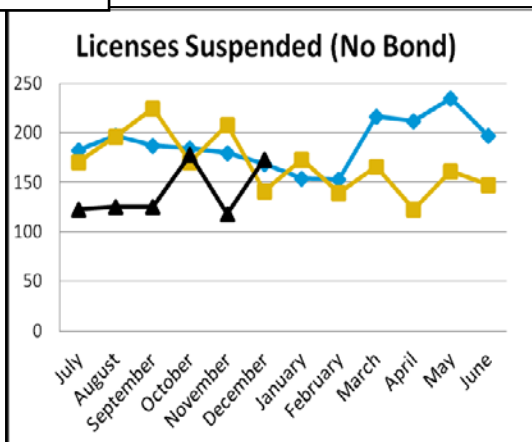
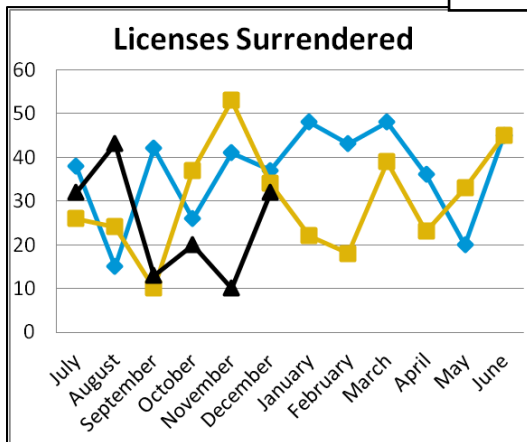
- **293 new applications received** –12% decrease from the same period last year and a 43% decrease from FY 09-10 Quarter 2 data
- **227 applications were approved ; 43 applications were tabled or denied**
- **224 new licenses issued** –21% decrease from the same period last year and a 42% decrease from FY 09-10 Quarter 2 data
- **775 license change applications received** – 9.7% decrease from the same period last year and a 25% decrease from FY 09-10 Quarter 2 figures
- **647 license change applications were approved; 19 were tabled or denied**
 - *Includes 19 single project increase applications – 15 approved; 3 tabled/denied*
- **1,523 active licenses renewed** – 13% decrease from same period last year
- **128 inactive licenses renewed** – 33% decrease from same period last year
- **38 application denial hearings** – 31% increase from same period last year
- **20 financial responsibility hearings** – 56.5% decrease from same period last year

License Change Applications Include:

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> ✓ Entity conversions ✓ Change of qualifier ✓ Broadening of classification ✓ Name change ✓ Applications to reactive an inactive status license ✓ Permanent raise in limit | <ul style="list-style-type: none"> ✓ Single project limit increase requests ✓ Relief of bonding requirement requests ✓ Removal of indemnification requests | <ul style="list-style-type: none"> ✓ Voluntary surrender requests ✓ Inactive status license request ✓ Change of officer |
|---|---|--|



— FY 11-12
 — FY 10-11
 — FY 9-10



- **126 licenses placed on inactive status** – 35% decrease from the same period last year
- **62 licenses were voluntarily surrendered** – 50% decrease from the same period last year
- **469 licenses suspended for failure to maintain the required bond** – 10% decrease from the same period last year
- **387 licenses cancelled for non-renewal** – 12% decrease from the same period last year

Additional Highlights

- 215 construction management exams (CMS) and 292 technical (trade) exams were administered.
- 1036 existing licensee files were scanned during this period; a 38% increase in productivity over the prior quarter. A total of 6,830 files have been scanned since February 2010.
- Approximately 549 licensees have registered to use online services in the 2nd Quarter, for a total of 1,539 registered licensees. Of the 549, a total of 389 have utilized the online program to renew their license; this accounts for 24% of the total license renewals during the 2nd Quarter.
- Since July 15, 2011, 587 licensees have used online services to renew their license.

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Tracking Performance



HIGHLIGHTS

- Two Business Assistance classes were offered in October to interested applicants and existing licensees who need assistance with various application and exam processes.
- All internal call paths were evaluated and redesigned in an effort to increase efficiency for staff and customers alike.
- An amended Advisory Opinion was issued regarding licensing requirements for the inspection, maintenance, repair, and installation of private fire hydrants.
- The provisions of Assembly Bill 32 became effective October 1, which require a licensee to submit an application for a single project increase at least five working days prior to the bid date and the application must be approved prior to bidding the project. As a result, NAC 624.670 was amended to comply with the provisions of the new law.
- The regulation review completed by the committee during the first quarter was summarized and approved by the Board on October 20. The final report was filed with the Governor's Office on November 22.
- Also on October 20, the Board selected five members to serve on the Insulation Advisory Committee. The initial meeting of the committee was held on November 3.

UPCOMING EFFORTS

- Licensing is continuing to work on developing an updated contractor's license identification card, which will include enhanced security features. Staff will also develop strategies on how to educate consumers on what to look/ask for.
- When an e-mail address is available, staff is beginning to send approval letters electronically, which affords an opportunity to link customers to a customer service survey. While still a new initiative, it is staff's intent to increase the sampling rate of survey responses over time.
- A review of the C15 and C15a (Roofing) exam was performed by PSI Services LLC using subject matter experts from the State of Nevada. The release date of the new exam is scheduled for February 2012.

PERFORMANCE MEASURES

TIMELINESS

- The average processing time for new license applications during the 2nd Quarter was 59 days with 58% of applications being approved or denied within 60 days. The average processing time for a License Change Application in the 2nd Quarter was 19 days with 80% being approved or denied within 30 days.
- Current trends impacting processing times: Length of time before applicant passes the required examinations; length of time for applicant to respond to requests for additional information; and, applicant credit or bankruptcies issues (requires more time to gather needed information)

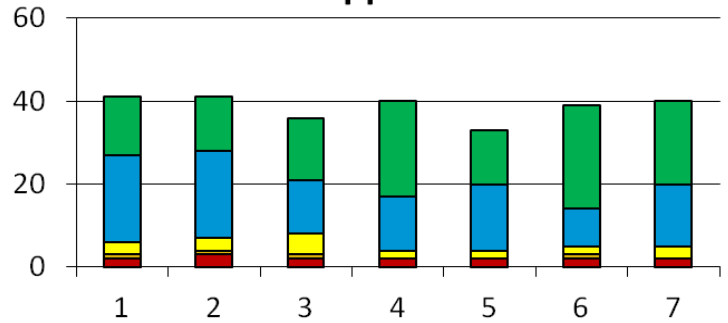
CUSTOMER EXPERIENCE

- Sampling sizes for customer service surveys continue to be low:
 - *New License Application*: 540 received survey; 47 responded; sampling rate 8.7% (decrease of 4.3% from last quarter)
 - *Change Application*: 388 received survey; 36 responded; 9.3% sampling rate (increase of 2.3% from last quarter)
 - *Renewal License Application*: 843 received survey; 70 responded; 8.3% sampling rate (decrease of 0.7% from last quarter)

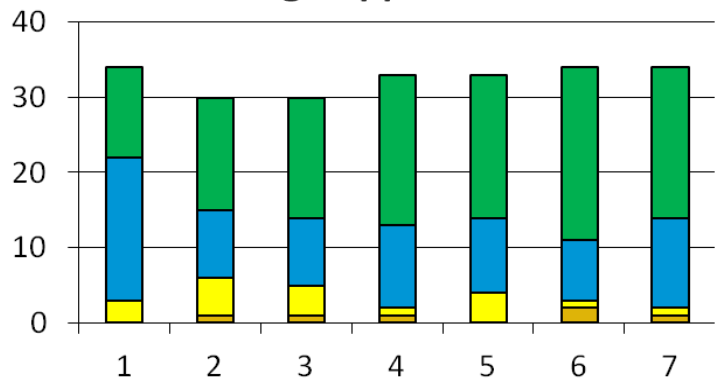
- Customer service surveys for licensing operations indicate that of the 153 respondents, 45% found their overall experience (question 7) to be excellent, 35% found it to be good, 5% found it fair, 2% found it poor/unacceptable, and 13% declined to answer. The data and comments relative to customer service are conveyed to staff to identify ways to improve, while also recognizing positive feedback.

- Compared to last quarter’s customer service data, staff is experiencing improvements in the areas of change applications and renewal license applications. New license applications continue to be an area of focus for management to ensure a new licensee’s first impression and interaction with the Board are positive.

Customer Experience with New License Application Process



Customer Experience with Change Applications



Customer Experience with Renewal License Applications

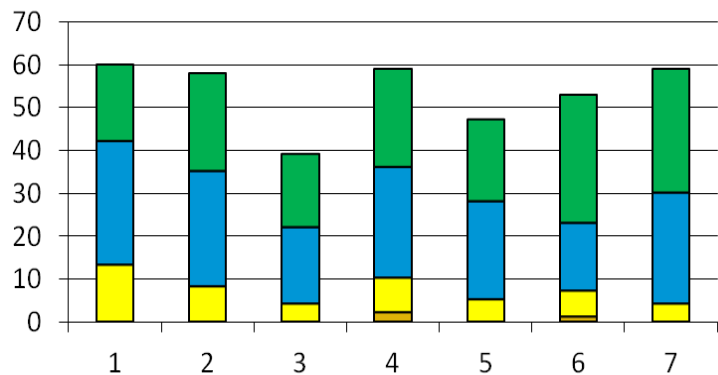


CHART KEY

1. Completeness and clarity of forms and instructions.
2. Length of time it took to process my application/renewal.
3. Length of time it took to notify me of any problems with my renewal.
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 renewal was handled.





HIGHLIGHTS

- Three licensed contractors were Summarily Suspended: Whaley Construction; Cabinet Savers Inc.; and Spirit Underground.
- A Recovery Fund hearing was held October 19, whereby 18 homeowners affected by Blue Lagoon Pools received a combined total of \$183,543.
- Unlicensed contractor Gerald “Jerry” Shaw and Leyter Benites were added to NSCB’s Most Wanted webpage. Both men have multiple warrants out for their arrest, including contracting without a license, diversion of funds, and obtaining money under false pretenses.
- Staff reviewed and evaluated approximately 1,100 old cases where charges were filed with the District Attorney and arrest warrants were issued to determine if the prosecution is still viable, if witnesses could still be located, and if the warrants should be withdrawn. The review identified 146 cases that needed to be withdrawn.
- Within 48 hours of the Caughlin Fire outbreak in Reno, NSCB staff coordinated with local law enforcement, the Governor’s Office, building officials, and homeowners providing them with information relative to licensed/unlicensed contracting, hotline cards, warning signs to post around the affected areas, and contact numbers to reach at the Board. Reno investigators are monitoring the area daily and have not yet written any citations for unlicensed work.

UPCOMING EFFORTS

- After receiving a total of 17 homeowner complaints and ten money owing complaints against Aquascape Pool & Spa, the contractor’s license was revoked October 10. There are currently 11 Recovery Fund claims in process with six additional claims pending for this case.
- The Reno Investigations Department has initiated a partnership with Reno Code Enforcement personnel to check various job sites. To date, this partnership has resulted in multiple unlicensed contractor cases being opened and the issuance of seven citations.

PERFORMANCE MEASURES

TIMELINESS

- Processing times for Recovery Fund claims in the 2nd Quarter from when a claim was opened until the Notice of Hearing was mailed averaged 23.3 days.
- Customer service surveys for enforcement operations indicate that of the 89 respondents, 47% found timeliness (questions 2, 3, & 5) to be excellent, 20% found it to be good, 6% found it fair, 6% found it poor, and 3% found it unacceptable (18% did not respond). Management uses this data and customer comments to guide decisions relative to policy or procedural changes.
- Henderson compliance cases 90+ days to resolve = 33 (13.4%); Reno = 2 (.03%)
- Henderson criminal cases 90+ days to resolve = 3 (.1%); Reno = 0 (0%)

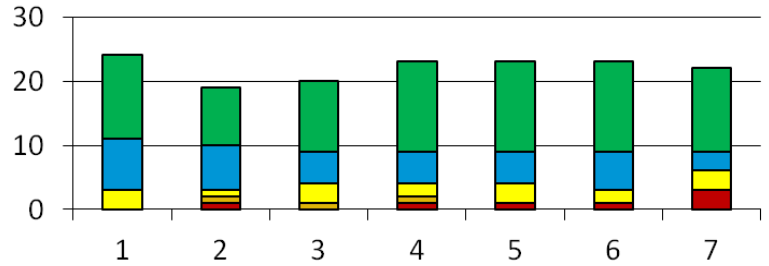
CUSTOMER EXPERIENCE

- Sampling sizes for customer service surveys continue to be low:
 - *Complaints filed against contractor:* 464 received survey; 30 responded; sampling rate 6.5% (decrease of 0.5% from last quarter)
 - *Customers filing complaints against licensed contractors:* 277 received survey; 55 responded; 19.9% sampling rate (5.9% increase from last quarter)
 - *Unlicensed contractor complaints:* 41 received survey; 4 responded; 9.8% sampling rate (decrease of 4.2% from last quarter)

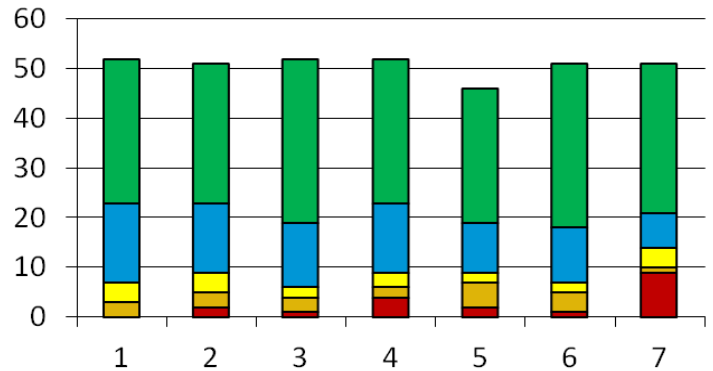
- Customer service surveys for enforcement operations indicate that of the 89 respondents, 49% found their overall experience (question 7) to be excellent, 11% found it to be good, 9% found it fair, 2% found it poor, and 15% found it unacceptable. The data and comments relative to customer service are conveyed to staff to identify ways to improve, while also recognizing positive feedback.

- Compared to last quarter, customer service data for Quarter 2 demonstrates an increase in excellent ratings by 17% and a decrease in unacceptable ratings by 2%.

Contractor Experience When Complaint is Filed Against Them by a Consumer



Customer Experience when Filing a Complaint Against a Licensed Contractor



Customer Experience When Filing Complaints Against Unlicensed Contractors

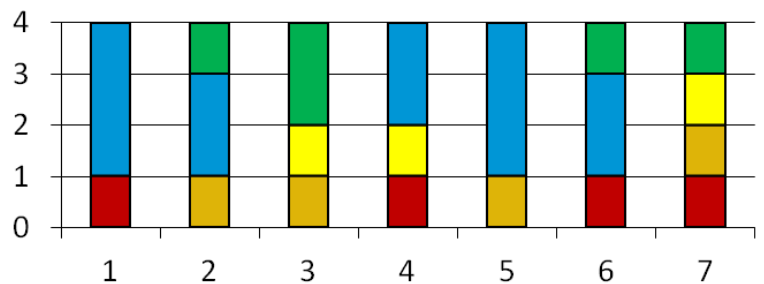


CHART KEY

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 contact me after 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 my complaint was handled.



QUALITY OF ENFORCEMENT

- The criminal conviction rate for the 2nd Quarter was 77%.
- The ongoing implementation of the fingerprinting and background checks continues to be beneficial for the Board to identify omissions in applicants' criminal activities. Of the 697 fingerprint cards submitted in the 2nd Quarter, 24 individuals had failed to disclose prior criminal activities.
 - Unreported criminal activities include: Robbery (1); Burglary (1); Felony Theft (3); Felony Narcotics (4); Felony Forgery (1); Misdemeanor Assault (1); Domestic Violence (6); Felony DUI (3); Unregistered Sex Offenders (2)
 - The information obtained through the fingerprint initiative is proving to be of great value to Board investigators for several reasons. Not only is it helping to identify omission of factual truths, but it is now presenting additional opportunities for the Board to partner with law enforcement agencies on the identification and location of some of the identified individuals who continue to fail to comply with legal reporting requirements.
- During the 2nd Quarter, 50 background investigations were conducted, of which 45 cases were closed. The blue chart below indicates a list of all applicants who either withdrew their application and/or their application was denied based on the criminal activity information obtained through the background investigation process.

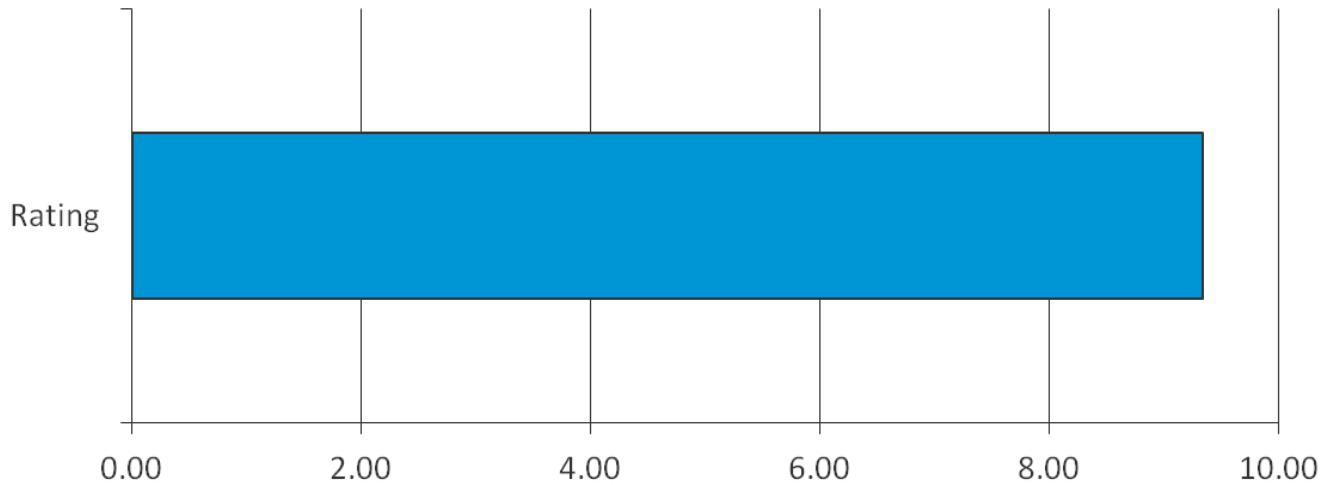
Applicant	Description	Disclosed	Hearing Date	Board Action
1	1885 Sexual Assault of Daughter - Oregon - Tier 0 Registered Sex Offender	No	10/20/2011 & 12/15/11	Denied
2	2006 Narcotics Trafficking - Probation until 7/29/14	Yes	12/15/2011	Denied
3	6 Felony convictions for Burglary, PCS, Stolen Vehicle, Grand Larceny, Fraudulent Credit Cards, - Career Criminal -	Yes	11/17/2011	Denied
4	1988 Sodomy 3rd - Crime against a child - Failure To Register as a Sex Offender	No	11/30/2011	Withdrawn - Moved out of Nevada
5	2001 Felony Theft; Financial Responsibility	No	12/15/2011	Denied
6	2004 UCMJ, Use of Marijuana; 2005 DUI; 2007 DUI; 2008 DUI; 2009 Hit & Run; Probation until 11/1/12	Yes	12/15/2011	Denied
7	1987 Assault; 2007 Domestic Violence; Financial Responsibility	No	12/15/2011	Denied

Fingerprint Cards Submitted		697
Total fingerprints returned with criminal histories		148
Total fingerprints returned without criminal histories		384
Criminal histories total 27.8%		

VALUE OF CONTRACTOR LICENSE

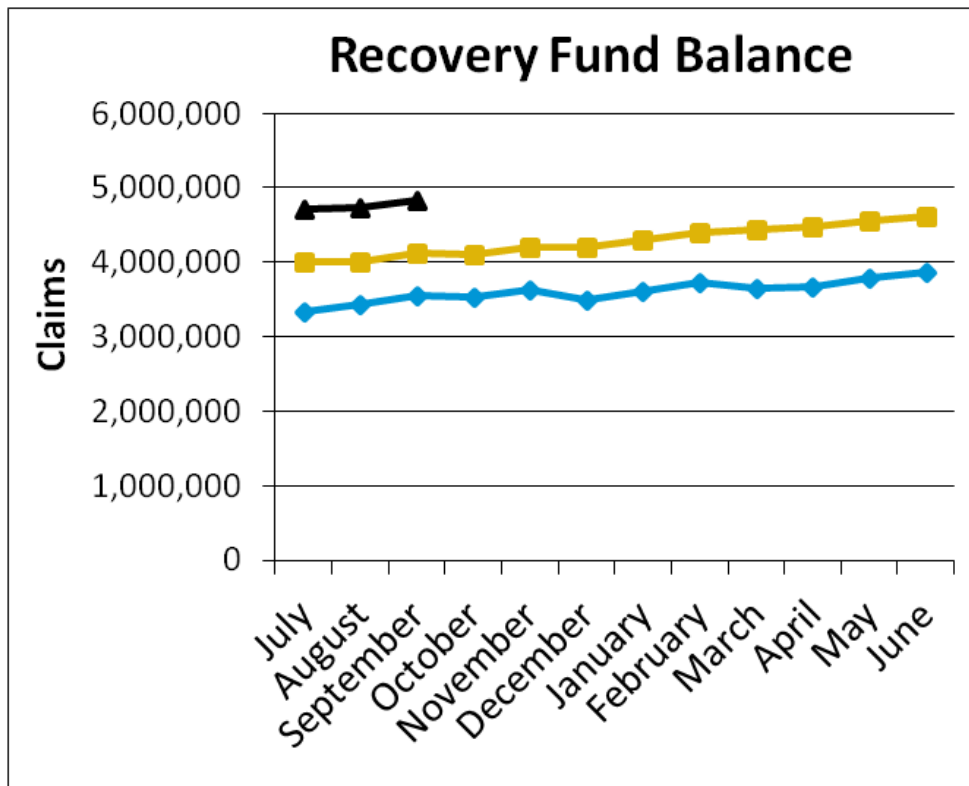
- Although not a drastic change, it is noteworthy that the value of a contractor's license increased by 0.5 rating as compared to last quarter's assessment.

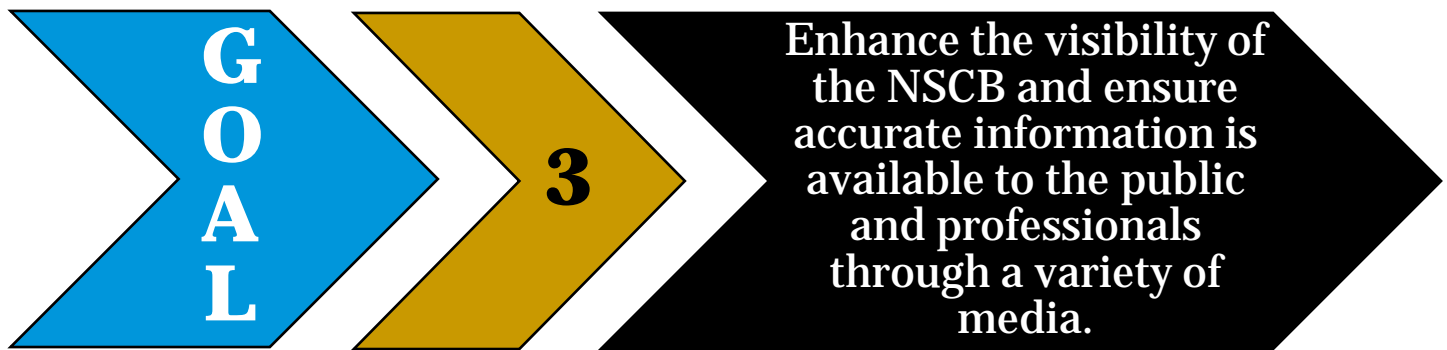
How Contractors Rate the Value of Their License



FISCAL MANAGEMENT OF RECOVERY FUND

- The Recovery Fund balance has increased during the last three fiscal years.
- During the 2nd Quarter, the Board voted to decrease the Recovery Fund assessments by 15% for FY 2011-12 through FY 2013-14.





HIGHLIGHTS

- **Response to Caughlin Fire:** Within 48 hours, staff coordinated efforts to secure and distribute warning signs, brochures, and maintain a physical presence within the impacted areas. Information was quickly disseminated to media relative to contracting scams and hiring licensed contractors. Staff solicited partnerships with a variety of entities including law enforcement, fire department personnel, building officials, the Insurance Commissioner, and Governor's Office. Media coverage of the Board's activities was timely and included comprehensive information for homeowners to be wary of. Information was sent out to all contractors via e-mail informing them of opportunities to assist with monitoring unlicensed contracting in the affected areas.
- **Outreach Improving:** In addition to the improvements being made to *NSCB Horizons*, PIO has seen an increase of more than 250% "likes" on Facebook since June 2011. In Quarter 2, there were six newsworthy items sent out via press release, including multiple Industry Bulletins. Additionally, PIO participated in two 15-minute radio interviews with Las Vegas radio station KLAV.
- **Focus on Senior Initiatives:** Our Senior Bulletin continues to go out monthly to 167 individual seniors (e-mails collected from senior presentations) and 71 senior groups/representatives. Additional partnering opportunities are being explored to expand and implement NSCB's senior outreach program. Staff in both offices has been proactive in their efforts to solicit new partnerships and networking opportunities for senior initiatives.
- **Significant Events:** The PIO helped to coordinate two events this quarter, including development of a Power Point presentation marking the 70th Anniversary of the Board and obtaining a Proclamation from the Governor's Office recognizing November 14-18, 2011 as *Nevada Licensed Contractors Week*.
- **Media Partnerships:** Channel 3, KTVU, in Las Vegas has been actively working with the PIO for their "Manhunt Monday's" segment. Two feature stories have aired on our Most Wanted individuals and future partnerships are currently being discussed relative to senior scam outreach and awareness.

UPCOMING EFFORTS

The following objectives will be the areas of focus for Quarter 3:

- Explore possibilities for establishing a voluntary continuing education program for applicants and licensees
- Increase contractor awareness of general business and legal principles and practices
- Develop a contractor recognition program
- Continue to enhance outreach to rural areas
- Development of comprehensive and expanded senior seminar proposal

PERFORMANCE MEASURES

TIMELINESS

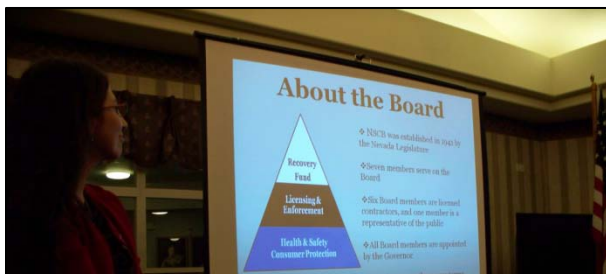
- Improvements to timeliness continue to be an area of focus. Information is distributed on important matters while the issue is relevant, but there is always an opportunity to become more efficient.

CUSTOMER EXPERIENCE

- Respondents to the newsletter survey totaled 187 contractors and/or trade association members. This is a 167% increase compared to last quarter's feedback. Continued enhancements to *NSCB Horizons* are being made in order to address the interests of readers. Feedback continues to be well balanced with suggestions for improvements, areas/topics to include in future issues, and overall positive/appreciative comments for the content being provided on a quarterly basis.

VALUE OF NEWSLETTER TOPICS	Very Useful	% Found Very Useful	Somewhat Helpful	% Found Somewhat Helpful	Not Useful	% Found Not Useful	Response Count
NSCB News & Updates	115	63%	61	33%	8	4%	184
Industry Association Updates	78	45%	84	48%	13	7%	175
Industry Events	71	41%	79	46%	22	13%	172
Training/Educational Opportunities	96	56%	61	35%	15	9%	172

- PIO is continuing to develop strategies to solicit feedback from seniors after they participate in our senior presentations. Our focus is to not only track their experience, but also begin tracking how effective our presentations are in advancing their knowledge on contractor-related matters.



PRE-QUALIFIED LICENSED CONTRACTOR LIST	
PLUMBER	
Name: _____	License No.: _____
Phone No.: _____	Status of License: _____
Name: _____	License No.: _____
Phone No.: _____	Status of License: _____
Name: _____	License No.: _____
Phone No.: _____	Status of License: _____

SENIOR BULLETIN

November 2011

Greeting!

November is finally upon us, which means our holiday season is quickly approaching. We know that many of you will be busy attending various holiday functions and spending quality time with friends and family, which is why we want to help prepare you for the unexpected.

While winter festivities are enjoyable, the effects of winter weather can threaten to put a damper on your mood during the holidays. Whether it's the unexpected leaky roof, broken heating system, or a faulty water heater, we want to make sure you don't have to waste any time getting assistance. Below are some quick tips, which will guide you in developing your own "Pre-qualified Licensed Contractor List." This list will ensure you've done your homework ahead of time, so that when an emergency situation occurs that needs immediate attention, you can pick up the phone and call qualified, licensed contractors instantly.

If you have any suggestions, comments or concerns, please contact the Public Information Office at: (702) 486-1165, or e-mail photod@nscsb.org.

Developing a Pre-qualified Licensed Contractor List

We want to help you complete your research on licensed contractors *before* an emergency situation occurs. Follow these steps as you fill out the Pre-qualified Licensed Contractor List:

1. Identify three businesses and/or contractors for each category.
2. Obtain the contractor license number of each entity, then verify it on the Contractor Board's website. Go to: www.nscsb.org; click "Online Services" then "Search by License Number." If you do not have access to the Internet, call one of our offices and a staff member will look it up for you. Southern Nevada (702) 486-1100; Northern Nevada (775) 688-1141.
3. Ask each contractor (only for three references. Contact each reference and ask questions about the work performed by the contractor (Was it satisfactory? Was it performed timely? Would they hire the contractor again?)
4. Once you've done your homework and are satisfied with the information you've obtained on a licensed contractor, add their information to your "Pre-qualified Licensed Contractor List"
5. **Important Reminder:** The status of a contractor's license may change over time. As a good, routine practice, it is best to double-check the status of all contractors on your list every couple months to ensure they are still in good standing with the Board. If you find they are no longer in good standing, repeat steps 1-4 to find another qualified contractor.



HIGHLIGHTS

- NSCB Executive Officer Margi Grein, who also serves as Chair of the National Association of State Contractors Licensing Agencies (NASCLA) Resources Committee, hosted the first Committee meeting in Henderson at the end of October. Participating in the discussions were representatives from Alabama, California, Kentucky, Louisiana, Mississippi, and Oregon. In one day, the Resources Committee developed two national model templates for contractor boards to utilize to address prevention of senior abuse and disaster response.
- NSCB staff attended a meeting December 1 with Carson City District Attorney Neil Rombardo to discuss a mutual interest to partner on senior outreach initiatives.
- PIO has met with association representatives in an effort to partner on the development of a homeowner awareness program focused on key industry information and topics of interest. The goal is to develop a plan that would incorporate a variety of presentations across the industry to HOA members throughout the state. The initial focus is on Southern Nevada, however, as a pilot program is further developed, it is anticipated to expand this to all regions.
- NSCB staff attended the AGC Taskforce meeting in Reno. At this meeting, much praise was offered to NSCB for our response to the Caughlin Fire. Additional networking opportunities were provided to NSCB staff relative to senior organization contacts and standing meetings.

UPCOMING EFFORTS

- **Senior Initiatives:** In addition to the development of a proposal for an expanded and coordinated senior seminar program among various state/local entities, PIO is also working closely with media stations who have expressed an interest to partner extensively on this project. Offered services included a page devoted to awareness information, senior scams, unlicensed contractor activity, etc. in addition to general media (TV) coverage. Once the program is outlined, PIO will begin reaching out to local entities interested in participating.
- **Enhanced Media Partnerships:** NSCB is currently working on the development of radio and television PSA messages focused on senior abuse. NSCB staff is working with the Governor’s Office in hopes that he will serve as the main spokesperson for the PSAs.
- **National Partnerships:** Executive Officer will attend the mid-year NASCLA meeting at the end of April to unveil the two model programs developed by the Resources Committee.

PERFORMANCE MEASURES

PARTNERING ACTIVITY

Staff have been productive in expanding the topics on which to partner and will have more to report on the outcome of these meetings in future reports. Each meeting results in new action plans, which is a positive step toward furthering our mission and goals.



HIGHLIGHTS

- Effective November 1, Governor Sandoval appointed Margaret Cavin and reappointed Kevin Burke, Nathaniel Hodgson, and Guy Wells to the Board.
- The Commission on Construction Education met November 16 and awarded four entities a total of \$27,900 in construction education grant funding. The recipients included College of Southern Nevada (\$10,000), Lyon County School District (\$10,000), Academy for Career Education (\$3,950), and Association of General Contractors Las Vegas Chapter (\$3,950).

UPCOMING EFFORTS

- A planning meeting for the next development of the Strategic Plan will take place in March. All Board members and management will participate in the discussion.
- Efforts to schedule preliminary discussions with the Legislative Committee regarding potential matters to address in the upcoming legislative session will be explored.
- The Executive Officer is working with Board Counsel to develop an in-house training program for members, which will include an annual session at the National Judicial College.
- The Board member orientation manual and handbook was revised to include updates in Nevada Law and best practices for effective board management.

PERFORMANCE MEASURES

BOARD ENGAGEMENT

- Board member attendance at the regularly scheduled monthly Board meetings is consistent and each member continues to share the responsibility of Hearing Officer for disciplinary hearings and Residential Recovery Fund hearings.
- At least one or more Board members have been in attendance when a Subcommittee or Roundtable meeting has been held.



HIGHLIGHTS

- Investigative staff have completed training in the following areas:
 1. One new investigator completed a mandatory 80-hour computer class for Nevada P.O.S.T. certification
 2. OSHA 10 training was completed by five investigators
 3. OSHA 300 training was completed by one investigator
- A financial statement review training was provided by CFMA on November 30 to licensing staff in both offices. Jim Main, CPA, CCIFP, and Penelope Tighe, CPA, CCIFP presented the information.
- Tom Hannah provided an 8-hour customer service training to all staff in October. The training focused on refreshed customer service skills, communication tactics, and responding to demanding customers.
- At the annual holiday gathering, staff recognition awards were handed out for outstanding customer service that went above and beyond their daily expectations.

UPCOMING EFFORTS

- Although performance measures have been identified, management continues to improve data collection and tracking efforts to more effectively report to the Board on advances being made.
- Efforts to improve customer service feedback will continue in the coming months. Management is working with staff to provide additional alternatives to encourage customers they come into contact with to complete the online survey in hopes of obtaining a greater sampling rate.

PERFORMANCE MEASURES

FISCAL MANAGEMENT

- Due to the downturned economy, the Board continues to experience a decrease in all revenue streams. The Executive Officer works closely with Accounting and the Financial Subcommittee to identify solutions that may be needed in the upcoming future.
- Despite the challenges of the economy and the trends being experienced, the Board is still in positive financial standings and has been able to keep expenses lower than the revenue being generated.

CUSTOMER EXPERIENCE

- The majority of customers are satisfied with the interactions with the Board. However, continued improvement is always needed, especially given the low sampling rate of our customer service surveys.

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LOOKING FORWARD

QUARTER ONE REFLECTIONS

While there were many significant events in the 2nd Quarter that required extensive work and collaboration, management and staff also devoted much of their time to improving internal processes and procedures. We acknowledge that improvements to customer service, quality of our work product, and the use of time can always be enhanced. In addition to the trainings offered to staff, each department evaluated their internal operations and solicited input from staff on opportunities for streamlined operations. As a result, call paths were adjusted, forms were amended, and stagnant cases were evaluated and dismissed in enforcement. The quality of our performance continues to be an area that is difficult to accurately judge; but with an increased focus on customer service surveys and innovative strategies to obtain feedback from those staff interact with on a daily basis, we will begin to inch closer to better identifying areas where enhancements can be made.

The dialogue between Board management and staff paired with the clear expectations outlined in our strategic plan have proven to make us more unified as a whole, which is then reflective in our external partnerships. In the last two quarters alone, the industry perception of the Board is beginning to change simply because of our proactive efforts to engage community partners on industry issues. By extending our assistance and creating a setting where we can have a comprehensive exchange of ideas, the Board is demonstrating its leadership in the industry and fulfilling its vision of becoming a model regulatory agency.

QUARTER TWO EXPECTATIONS

The 3rd Quarter will continue to place emphasis on improved performance measures. Management will be responsible for continuing to evaluate the various data being collected in order to identify opportunities for new programs or improved services. Outreach and engagement to rural areas will be another focus of improved efforts and collaboration for Board staff. Partnering will always be at the forefront, especially with regard to the development and implementation of new programs, such as the senior seminar concept. We hope to outline a plan for better recognizing the contributions made by contractors throughout the industry, as well as demonstrating our appreciation to staff through a formalized Employee Recognition Program. As time progresses, so will our successes and achievement of our goals. In the latter half of the fiscal year, we will find ourselves closer to closing the chapter on this year's strategic plan and paving the way for new opportunities and obstacles to overcome.