

Nevada State Contractors Board



2011-12
Executive Officer's Report
Strategic Plan Quarterly Report
January 1 – March 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 January 1 – March 31, 2012.

Shortly after the beginning of the 3rd Quarter, Reno became victim to yet another devastating fire. The Washoe Drive Fire destroyed 29 homes and burned approximately 2700 acres. Fortunately, staff in Reno was already prepared after their recent Caughlin Fire response efforts. Immediately following the fire, staff continued posting signs warning of unlicensed contractors, handing out literature to homeowners, and partnering with emergency response team members to equip them with information to best ensure all personnel have knowledge of the Board and can direct homeowners to our office for assistance. As a result, no unlicensed contracting has been reported or noticed to date in the affected areas.

Effective partnering is becoming a new cornerstone of the Board. Throughout this quarter, the Board has been focused on raising awareness of senior scams. On May 2, the Board is partnering with state agencies and legislators to launch the first Senior Awareness Program in Clark County. The forum will provide seniors information on a variety of senior scams, tips on how to proactively protect themselves, as well as points of contact to report incidents of abuse. Aiding the success of this program is the launch of a statewide Public Service Announcement with Governor Sandoval as the spokesperson, which highlights senior scams and sends a clear message that the Board is here to help. This program will be hosted in every Senate District throughout the state in the upcoming year, and we are eager to report on its success.

Speaking of success, our partnership with Home Depot and Clark County building officials is nearing a monumental occasion – the launch of the first national pilot for permitting kiosks. Home Depot has taken significant efforts to meet the needs of building officials by developing an electronic permitting kiosk that syncs with each jurisdiction's IT system. The first phase of the project will launch in every Home Depot in Clark County; the second phase will expand to all of Nevada; and the third phase expands the project nationwide. This system is expected to result in cost savings for building departments, expedited processing for customers, and enhanced reporting and information sharing from the Home Depot kiosks. Without NSCB's involvement and coordination of this initiative, this project may have never come to fruition as quickly as it did.

While raising awareness is our primary mission, we also recognize the importance of serving our licensed contractors. This past quarter, the Licensing Department has been actively working on updating our licensed contractor identification pocket card as well as continuing to serve contractors more efficiently through the online renewal program. These services and tools are being communicated through our *NSCB Horizons* newsletter, direct mailings, and e-mail. Additionally, staff has been meeting with various associations and agency representatives to address and help clarify Board processes, classification questions, and other industry-specific issues, such as owner-builder permits.

As the Board maintains focus on serving our customers, we are careful not to overlook those most vital to our success, our staff. Continuing education, training opportunities, team building, and staff recognition continue to be of great focus and importance to all management within the Board. We have the framework for success, and we look forward to finalizing and reporting on our goals for FY 2011-12.

Sincerely,

A handwritten signature in blue ink that reads "Margi Grein".

MARGI GREIN
NSCB, Executive Officer

Table of Contents

Licensing Data Dashboard.....	4
-------------------------------	---

Quarter in Review

Enforcement – Compliance	7
Enforcement – Criminal	8
Licensing	9

Tracking Performance

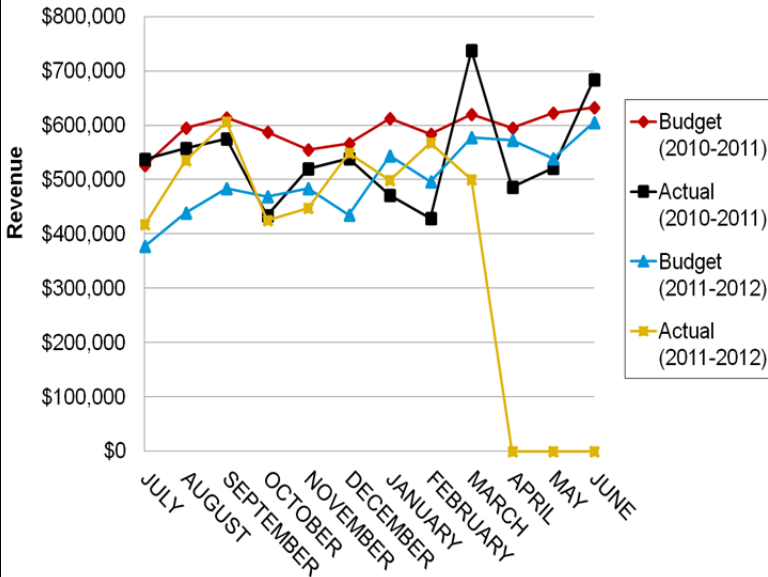
Goal 1 (Licensing).....	12
Goal 2 (Enforcement)	14
Goal 3 (Public Information)	18
Goal 4 (Partnering)	20
Goal 5 (Board)	21
Goal 6 (Administrative)	22

Looking Forward

1 st Quarter Reflections	24
2 nd Quarter Expectations	24

LICENSING DATA DASHBOARD

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



180 Day Retention Rate

Projected Year-End Retention Rate	Sep '11 Lic's	17,494	
	Cancellations	(1,659)	(9.70%)
	New Licenses	535	3.13%
	Susp/Reinstate	739	4.32%
	Mar '12 Lic's	17,109	
	Change	(385)	
6 Month Rolling	% Change	-2.25%	

90 Day Retention Rate

Projected Year-End Retention Rate	Dec '11 Lic's	17,275	
	Cancellations	(655)	(3.83%)
	New Licenses	241	1.41%
	Susp/Reinstate	248	1.45%
	Mar '12 Lic's	17,109	
	Change	(166)	
3 Month Rolling	% Change	-0.97%	

Jan to Mar 2012	
Licenses (Beginning of Quarter)	17,275
New Licenses Issued	241
Licenses Cancelled / Surrendered /Revoked	(655)
Variance in Suspended/Reinstated Licenses	248
Licenses (End of Quarter)	17,109
# of Licenses on Dec 31st, 2011	17,275
# of Licenses on Mar 31st, 2012	17,109
Net YTD (Fiscal Year)	
Licenses Gained / Lost	(166)
Renewal Revenue Gained / Lost	(\$99,600)
*Does not include suspended licenses	

FISCAL YTD LICENSING FEE TOTALS (FY2012)

LICENSING FEES	ACTUAL	VARIANCE
License Renewals	3,080,050	274,358
New License Fee	463,700	(83,798)
Application Fee	294,600	(5,775)
License Changes	279,925	33,550
Invest Recov Costs	166,704	9,204
Renewal Late Fees	126,915	29,418
Renewal Inactive Fee	132,725	(16,678)

	January 2012			February 2012			March 2012		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
License Renewals	\$ 372,407	\$367,930	(\$4,477)	\$ 328,760	\$376,350	\$47,590	\$ 402,527	\$327,985	(\$74,542)
New License Fee	\$ 60,833	\$36,600	(\$24,233)	\$ 60,833	\$54,600	(\$6,233)	\$ 60,834	\$59,850	(\$984)
Application Fee	\$ 33,375	\$26,700	(\$6,675)	\$ 33,375	\$38,100	\$4,725	\$ 33,375	\$38,100	\$4,725
License Changes	\$ 27,375	\$23,700	(\$3,675)	\$ 27,375	\$38,450	\$11,075	\$ 27,375	\$30,325	\$2,950
Investigative Recov Costs	\$ 17,500	\$17,561	\$61	\$ 17,500	\$23,074	\$5,574	\$ 17,500	\$14,739	(\$2,761)
Renewal Late Fees	\$ 12,941	\$11,250	(\$1,691)	\$ 11,424	\$15,150	\$3,726	\$ 13,988	\$15,015	\$1,027
Renewal Inactive Fee	\$ 19,831	\$14,400	(\$5,431)	\$ 17,506	\$21,600	\$4,094	\$ 21,435	\$13,475	(\$7,960)
TOTALS:	\$ 544,262	\$ 498,141	(\$46,121)	\$496,773	\$ 567,324	\$70,551	\$ 577,034	\$499,489	(\$77,545)
	October 2011			November 2011			December 2011		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
License Renewals	\$ 303,491	\$ 262,600	(\$40,891)	\$316,508	\$ 351,450	\$34,942	\$ 271,329	\$448,600	\$177,271
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	\$ 10,546	\$ 10,650	\$104	\$ 10,999	\$ 14,000	\$3,001	\$ 9,429	\$ 15,525	\$6,096
Renewal Inactive Fee	\$ 16,161	\$ 10,200	(\$5,961)	\$ 16,854	\$ 11,800	(\$5,054)	\$ 14,448	\$ 16,450	\$2,002
TOTALS:	\$ 469,281	\$ 417,907	(\$51,374)	\$483,444	\$ 534,460	\$51,016	\$ 434,289	\$606,732	\$172,443

Budget (2010-2011)	JUL-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
MONTHLY 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)	JUL-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
MONTHLY 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)	JUL-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
MONTHLY 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)	JUL-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
MONTHLY 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)	JUL-11	AUG-11	SEPT-11	OCT-11	NOV-11	DEC-11	JAN-12	FEB-12	MAR-12	APR-12	MAY-12	JUN-12	TOTALS
License Renewals	\$262,600	\$351,450	\$448,600	\$281,700	\$302,100	\$361,335	\$367,930	\$376,350	\$327,985				\$3,080,050
New License Fee	\$54,300	\$63,000	\$42,450	\$48,900	\$45,100	\$58,900	\$36,600	\$54,600	\$59,850				\$463,700
Application Fee	\$27,900	\$44,400	\$32,700	\$27,600	\$24,900	\$34,200	\$26,700	\$38,100	\$38,100				\$294,600
License Changes	\$28,200	\$34,675	\$33,400	\$29,625	\$31,025	\$30,525	\$23,700	\$38,450	\$30,325				\$279,925
Investigative Recov Costs	\$24,057	\$15,135	\$17,607	\$10,683	\$20,709	\$23,139	\$17,561	\$23,074	\$14,739				\$166,704
Renewal Late Fees	\$10,650	\$14,000	\$15,525	\$12,450	\$11,550	\$21,325	\$11,250	\$15,150	\$15,015				\$126,915
Renewal Inactive Fee	\$10,200	\$11,800	\$16,450	\$13,800	\$12,000	\$19,000	\$14,400	\$21,600	\$13,475				\$132,725
MONTHLY TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$417,907	\$534,460	\$606,732	\$424,758	\$447,384	\$548,424	\$498,141	\$567,324	\$499,489	\$0	\$0	\$0	\$4,544,619
Variance (2011-2012)	JUL-11	AUG-11	SEPT-11	OCT-11	NOV-11	DEC-11	JAN-12	FEB-12	MAR-12	APR-12	MAY-12	JUN-12	TOTALS
License Renewals	\$43,852	\$76,547	\$131,581	(\$21,791)	(\$14,408)	\$90,006	(\$4,477)	\$47,590	(\$74,542)	(\$398,443)	(\$367,813)	(\$428,052)	(\$919,950)
New License Fee	(\$6,533)	\$2,167	(\$18,383)	(\$11,933)	(\$15,733)	(\$1,933)	(\$24,233)	(\$6,233)	(\$984)	(\$60,834)	(\$60,834)	(\$60,834)	(\$266,300)
Application Fee	(\$5,475)	\$11,025	(\$675)	(\$5,775)	(\$8,475)	\$825	(\$6,675)	\$4,725	\$4,725	(\$33,375)	(\$33,375)	(\$33,375)	(\$105,900)
License Changes	\$825	\$7,300	\$6,025	\$2,250	\$3,650	\$3,150	(\$3,675)	\$11,075	\$2,950	(\$27,375)	(\$27,375)	(\$27,375)	(\$48,575)
Investigative Recov Costs	\$6,557	(\$2,365)	\$107	(\$6,817)	\$3,209	\$5,639	\$61	\$5,574	(\$2,761)	(\$17,500)	(\$17,500)	(\$17,500)	(\$43,296)
Renewal Late Fees	\$3,049	\$4,447	\$4,509	\$1,904	\$551	\$11,896	(\$1,691)	\$3,726	\$1,027	(\$13,846)	(\$12,782)	(\$14,875)	(\$12,085)
Renewal Inactive Fee	(\$1,448)	(\$2,839)	(\$431)	(\$2,361)	(\$4,854)	\$4,552	(\$5,431)	\$4,094	(\$7,960)	(\$21,217)	(\$19,586)	(\$22,794)	(\$80,275)
MONTHLY TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$40,827	\$96,282	\$122,733	(\$44,523)	(\$36,060)	\$114,135	(\$46,121)	\$70,551	(\$77,545)	(\$572,590)	(\$539,265)	(\$604,805)	(\$1,476,381)

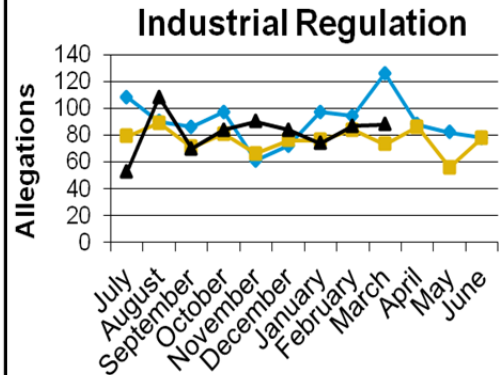
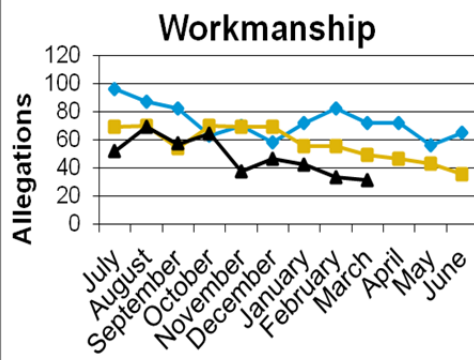
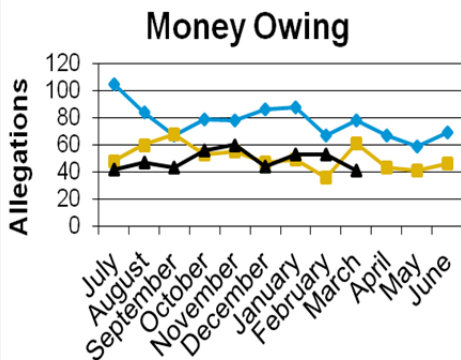
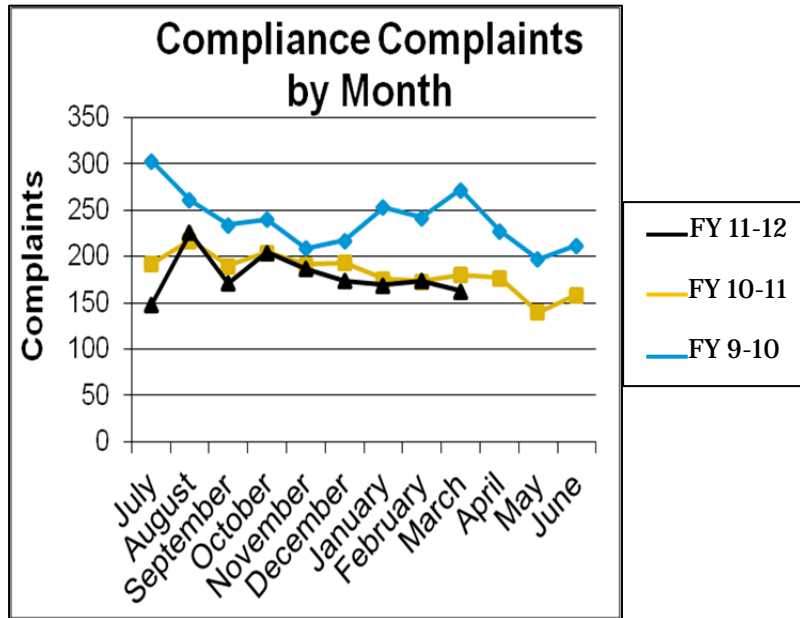
The background features a large, stylized graphic of a quarter-circle. The outer edge is a solid blue arc, while the inner edge is a lighter blue arc with a halftone dot pattern. The space between these arcs is white. The text is centered within this white space.

Quarter in Review

ENFORCEMENT

During the 3rd Quarter of FY 2011-12, the Investigations Department opened a total of 794 cases against licensed and unlicensed contractors combined. During this time period, 767 cases were closed. Below is a summary of highlights from the Compliance and Criminal Divisions.

- **507 compliance cases opened against licensed contractors** –10% decrease from last quarter.
- **43 cases referred for Disciplinary Hearings;** Hearing Officers heard 29 cases; 34 licenses revoked.
- **208 compliance cases closed as valid;** 229 cases closed as invalid-no violation; 12 cases were closed as not within the statute of limitations.
- **47 Administrative Citations issued** – fines totaled \$47,900; investigative costs totaled \$19,346.
- **3 Construction Defect requests received** – two opinions pending.
- Reno has 53 pending cases (3 cases over 90 das); Henderson has 146 pending cases (8 cases over 90 days).
- Compared to last quarter, all complaint categories experienced a decrease: workmanship 28%, money owing 8%, and industry regulation 4%.



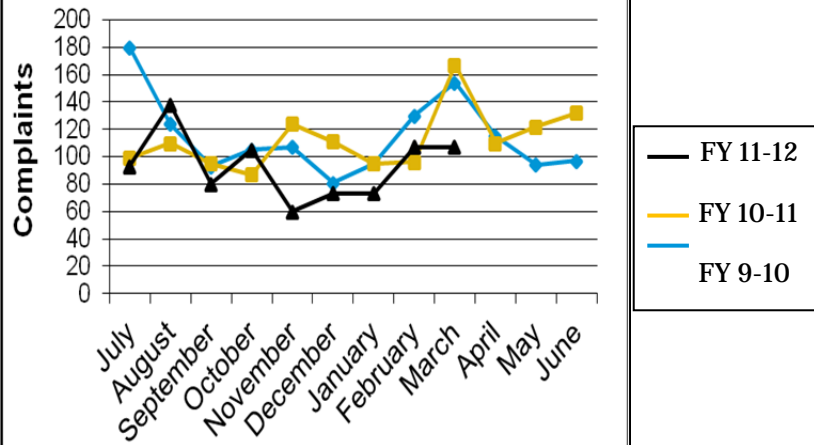
Compliance Investigations Encompass:

- 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

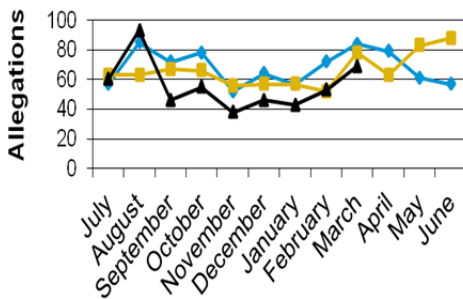
Workmanship complaints are primarily assigned to compliance investigators. All Board investigators have been cross trained to handle Industry Regulation investigations and money owing complaints. The resolution of homeowner/workmanship complaints is a priority for the Investigations Department.

- **287 criminal cases opened against unlicensed contractors** – 21% increase from last quarter.
- **62 criminal cases closed as valid**; 92 cases closed as invalid – no violation
- **113 criminal charges were filed**; 48 convictions recorded (generally from cases filed in previous reporting periods).
- Reno has 18 pending cases; Henderson has 287 pending cases (2 cases over 90 days).
- **92 criminal citations were issued**

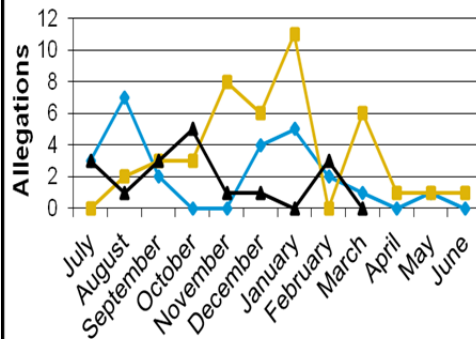
Criminal Complaints by Month



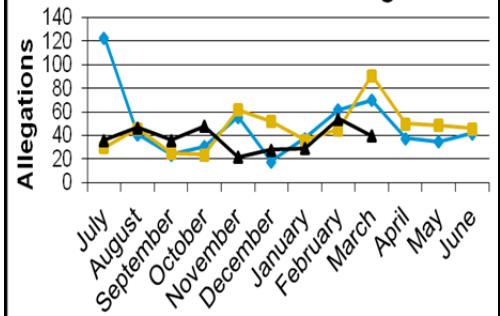
Contracting without a License



Criminal Fraud



Unlawful Advertising

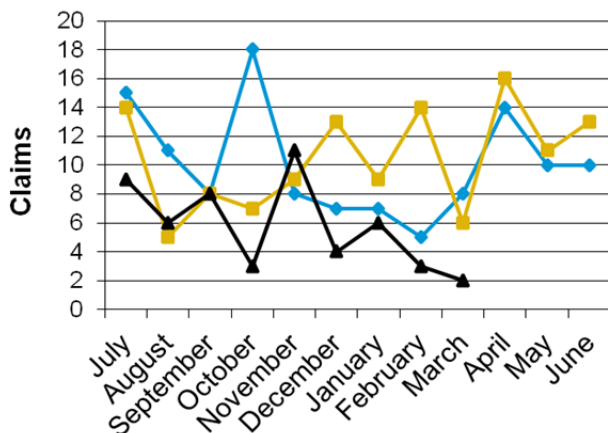


RESIDENTIAL RECOVERY FUND

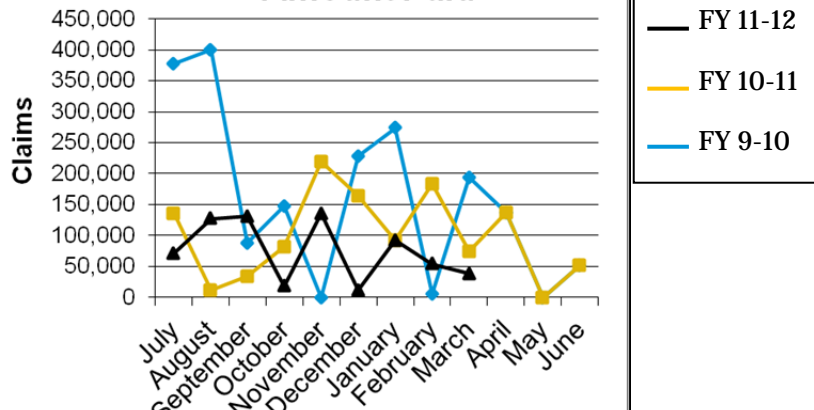
Three Recovery Fund meetings were held in the 3rd Quarter by the Board. A total of 29 cases were heard, of which 23 were awarded \$217,989 collectively. Awards to homeowners ranged from \$438 - \$35,000. The average claim was approximately \$7,517.

- **13 new claims** were received during this period totaling \$204,915.
- As of March 31, there were **8 claims pending** totaling approximately \$168,877 – most of those claims will be heard May 23, 2012.
- The Residential Recovery Fund balance as of March 31 was \$5,023,749.

Recovery Fund Claims Filed

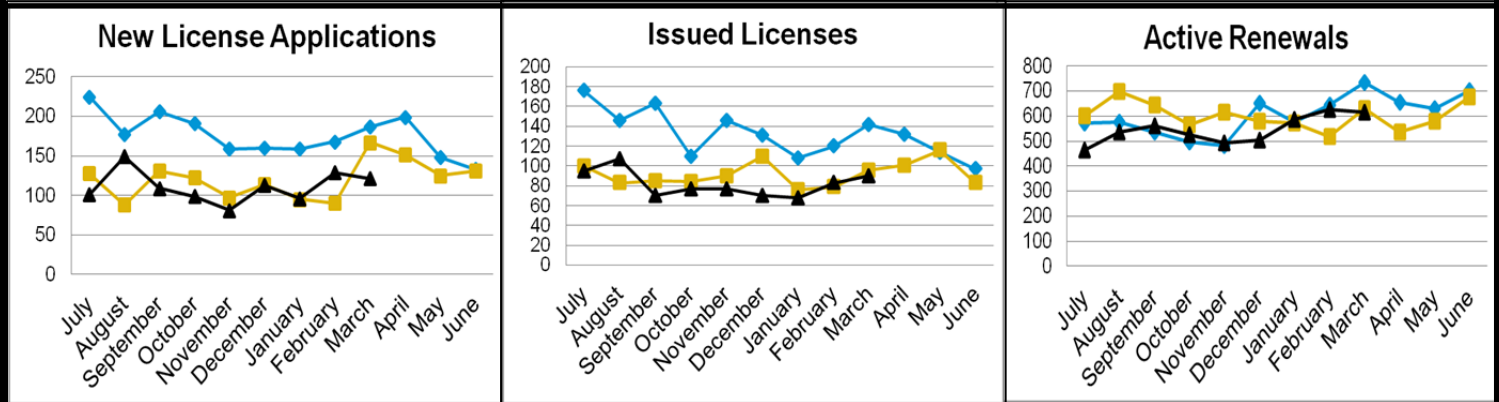
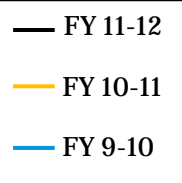


Recovery Fund Claims Amount Paid



LICENSING

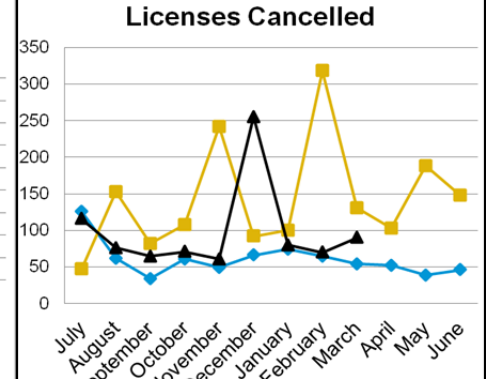
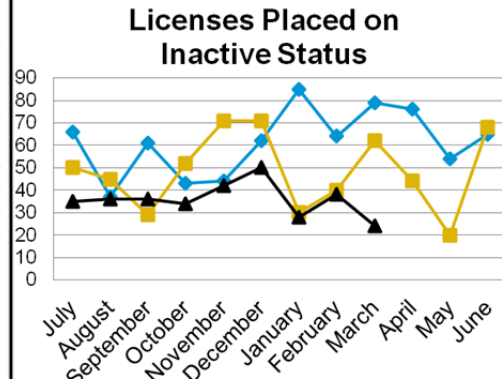
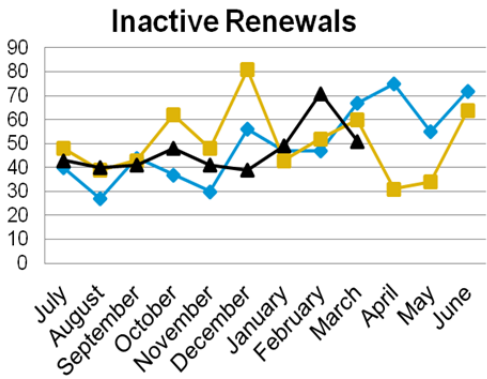
At the end of the 3rd Quarter for FY 11-12, there were 15,493 active licenses and 1,608 inactive licenses in the State of Nevada. Active licenses decreased 3.3% since the same period last year, while inactive licenses also decreased 2.4%. A total of 179 financial review cases were opened, of which 114 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 3rd Quarter.



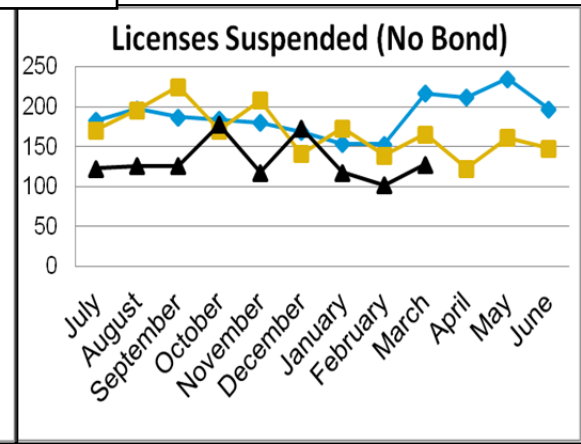
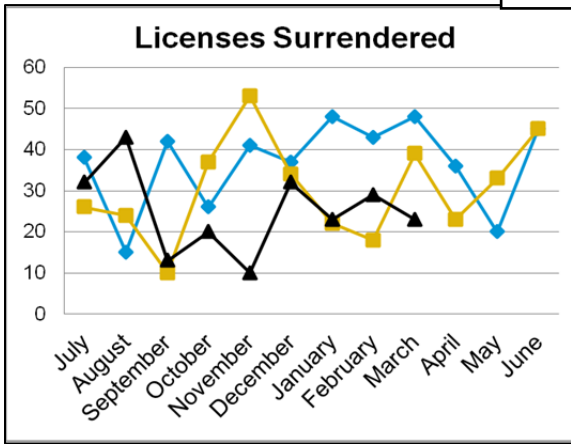
- **346 new applications received** –1.7% decrease from the same period last year
- **263 applications were approved ; 45 applications were tabled or denied**
- **241 new licenses issued** –4% decrease from the same period last year and a 35% decrease from FY 09-10 Quarter 2 data
- **846 license change applications received** – 3.6% increase from the same period last year
- **622 license change applications were approved; 60 were tabled or denied**
 - *Includes 19 single project increase applications – 15 approved; 4 tabled/denied*
- **1,825 active licenses renewed** – 6% increase from same period last year
- **171 inactive licenses renewed** – 10% increase from same period last year
- **36 application denial hearings** – 64% increase from same period last year
- **28 financial responsibility hearings** – 13% decrease from same period last year

License Change Applications Include:

- | | | |
|---|--|-----------------------------------|
| ✓ Entity conversions | ✓ Single project limit increase requests | ✓ Voluntary surrender requests |
| ✓ Change of qualifier | ✓ Relief of bonding requirement requests | ✓ Inactive status license request |
| ✓ Broadening of classification | ✓ Removal of indemnification requests | ✓ Change of officer |
| ✓ Name change | | |
| ✓ Applications to reactive an inactive status license | | |
| ✓ Permanent raise in limit | | |



— FY 11-12
 — FY 10-11
 — FY 9-10



- **90 licenses placed on inactive status** – 32% decrease from the same period last year
- **75 licenses were voluntarily surrendered** – 5% decrease from the same period last year
- **348 licenses suspended for failure to maintain the required bond** – 27% decrease from the same period last year
- **210 licenses cancelled for non-renewal** – 61.7% decrease from the same period last year

Additional Highlights

- 243 construction management exams (CMS) and 308 technical (trade) exams were administered.
- 676 existing licensee files were scanned during this period. A total of 7,588 files have been scanned since February 2010.
- Since implementing the Online Renewal program, a total of 2,098 licensees have registered. During the 3rd Quarter, 508 have utilized the online program to renew their license; this accounts for 25% of the license renewals processed during the 3rd Quarter.
- Since July 15, 2011, 1066 licensees have used online services to renew their license.

The background features a large, stylized white shape resembling a thick, curved line or a partial circle, set against a blue background. The blue background is composed of several overlapping, semi-transparent curved bands in various shades of blue, creating a dynamic, layered effect. The white shape is centered and occupies most of the page's width and height.

Tracking Performance



HIGHLIGHTS

- Contractor license pocket cards were redesigned to include NSCB's logo and the state seal. The revised pocket cards will be mailed out to licensees upon issuance and renewal of their license. The mailing included an order form for licensees to purchase additional cards at a cost of \$10 per card.
- To help alleviate reoccurring issues with failure to disclose information on the license application, staff made modifications to the background disclosure statement to emphasize and clarify information being requested of the applicant.
- Staff has been experiencing an increase in the number of application denials, as compared to previous years. As a result, staff are working to analyze the trends to see if improvements or further efficiencies can be made to internal processes and/or the application itself.
- As a result of a Pool Association Roundtable meeting in January, staff met individually with the Southern Nevada Health District to assist them in clarifying classification requirements for areas in their permitting jurisdictions. This project is still in process, but aims to streamline and provide greater consistency between the two offices.

UPCOMING EFFORTS

- Review and update CMS examinations.
- Explore feasibility of developing online directory searches by classifications and area(s) of interest.
- Classification Subcommittee will meet to prioritize classification changes for rule making.
- Exploring integrated communication technology to replace aging phone systems.

PERFORMANCE MEASURES

TIMELINESS

- The average processing time for new license applications during the 3rd Quarter was 61 days with 59% of applications being approved or denied within 60 days. The average processing time for a License Change Application in the 3rd Quarter was 21 days with 77% being approved or denied within 30 days.

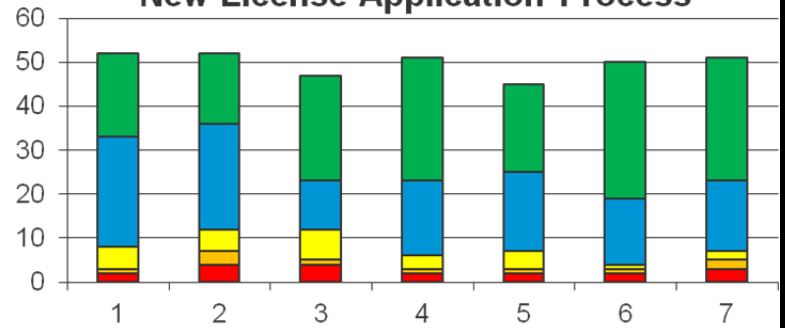
CUSTOMER EXPERIENCE

- Sampling sizes for customer service surveys are beginning to improve as compared to previous quarters:
 - *New License Application*: 161 received survey; 54 responded; **27% sampling rate**
 - *Change Application*: 155 received survey; 42 responded; **34% sampling rate**
 - *Renewal License Application*: 532 received survey; 142 responded; **27% sampling rate**

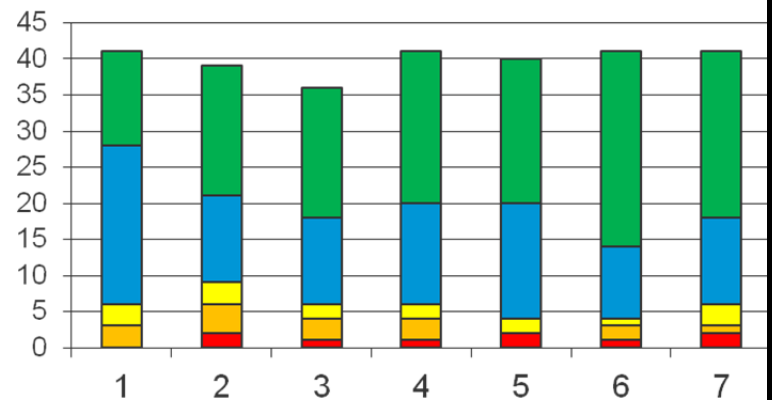
- Customer service surveys for licensing operations indicate that of the 238 respondents, 54% found their overall experience (question 7) to be excellent, 32% found it to be good, 6% found it fair, 4% found it poor/unacceptable, and 5% declined to answer. The data and comments relative to customer service are conveyed to staff to identify ways to improve, while also recognizing positive feedback.

- The data and information received from the customer service surveys is being incorporated into daily e-mail correspondence with staff to assist in obtaining greater results.

Customer Experience with New License Application Process



Customer Experience with Change Applications



Customer Experience with Renewal License Applications

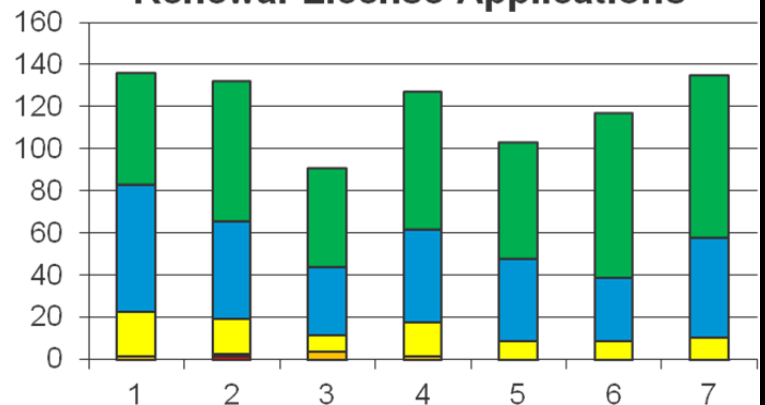


CHART KEY

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

- Former licensed contractor of Blue Lagoon Pools, Kelly Ann Sagona, plead guilty to diversion of funds. Sagona was ordered to pay approximately \$182,400 in restitution to NSCB and serve 12 months in Clark County Detention Center, which was suspended on the condition Sagona serve up to three years probation. Resolution of this case highlights the collaborative efforts of the Board and the District Attorney’s office to provide restitution to affected homeowners and the State of Nevada.
- In response to the Washoe Drive Fire that broke January 19, staff began patrolling the affected areas, putting up signs warning of unlicensed contractors, and communicating with members of the emergency response team. On January 30 and 31, staff attended a community forum put on by the University of Nevada Co-operative Extension Service to discuss contracting as it related to rebuilding structures and landscaping.
- Effective March 26, two investigators from the Henderson office are designated for full-time proactive investigation of unlicensed contractors on both residential and commercial projects.
- With each visit to a rural community, investigators are meeting with local building officials, dropping off literature to senior centers, community centers, and other areas of high traffic, and conducting sweeps throughout the area for unlicensed contracting activities.

UPCOMING EFFORTS

- The Investigations Department will continue to emphasize the proactive enforcement of unlicensed contractor complaints and increase the number of prosecutions. Workmanship complaints will be addressed in a timely manner and resolved within 90 days.
- The continuing education of staff personnel will be emphasized. All investigators will work on completing their mandatory training requirements.
- The Investigations Department personnel will participate in the Senior Awareness Program and continue the outreach program with rural area building departments and senior citizen centers.
- The Investigations Department will continue to work on the Standard Operating Procedures Project to insure uniformity in practices and procedures.

PERFORMANCE MEASURES

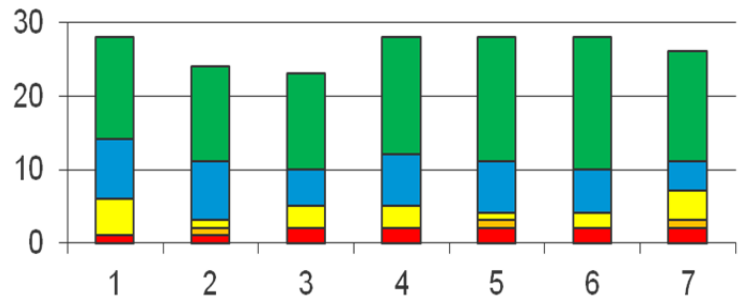
TIMELINESS

- Processing times for Recovery Fund claims in the 3rd Quarter from when a claim was opened until the Notice of Hearing was mailed averaged 12.7 days.
- Customer service surveys for enforcement operations indicate that of the 89 respondents, 55% found timeliness (questions 2, 3, & 5) to be excellent, 20% found it to be good, 5% found it fair, 4% found it poor, and 9% found it unacceptable (7% did not respond).
- Henderson compliance cases 90+ days to resolve = 8 (5.47%); Reno = 3 (.05%)
- Henderson criminal cases 90+ days to resolve = 2 (.1%); Reno = 0 (0%)

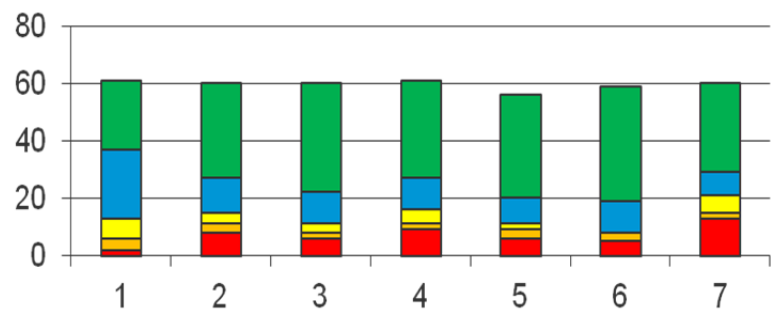
CUSTOMER EXPERIENCE

- Sampling sizes for customer service surveys continue to be low:
 - *Complaints filed against contractor:* 464 received survey; 30 responded; sampling rate 6.5%
 - *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 92 respondents, 51% found their overall experience (question 7) to be excellent, 14% found it to be good, 11% found it fair, 3% found it poor, and 17% 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.
- Management is beginning to pull case information that correlates with negative or suggestion-based feedback from customers. The case is then reviewed with staff to address opportunities for future improvements of how the case could be handled differently. Additionally, management uses the positive feedback to offer staff accommodations during department meetings.

Contractor Experience when a Complaint is Filed Against Them by a Consumer



Customer Experience when Filing a Complaint Against a Licensed Contractor



Customer Experience when Filing a Complaint Against an Unlicensed Contractor

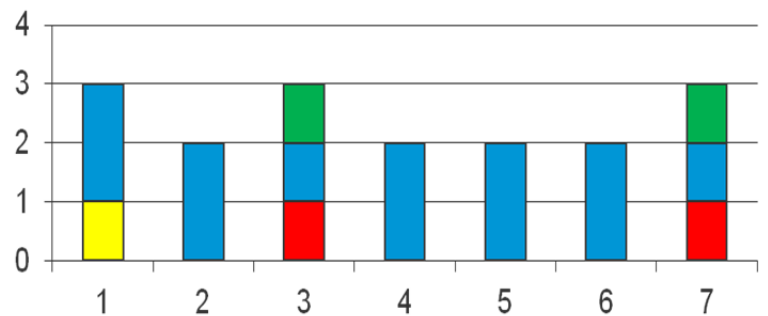


CHART KEY

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 3rd Quarter was 42%.
- 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 686 fingerprint cards submitted in the 3rd Quarter, 24 individuals had failed to disclose prior criminal activities.
 - Unreported criminal activities include: Burglary (2); Embezzlement (1); Theft (5); Fraud/Forgery (2); Sexual Assault (2); Assault (5); Battery (12); DUI (5); False Imprisonment (1); Telephone Interception (1); and Harassment (1).
 - 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 3rd Quarter, 80 background investigations were initiated. Of those cases, 25 are currently pending. 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.

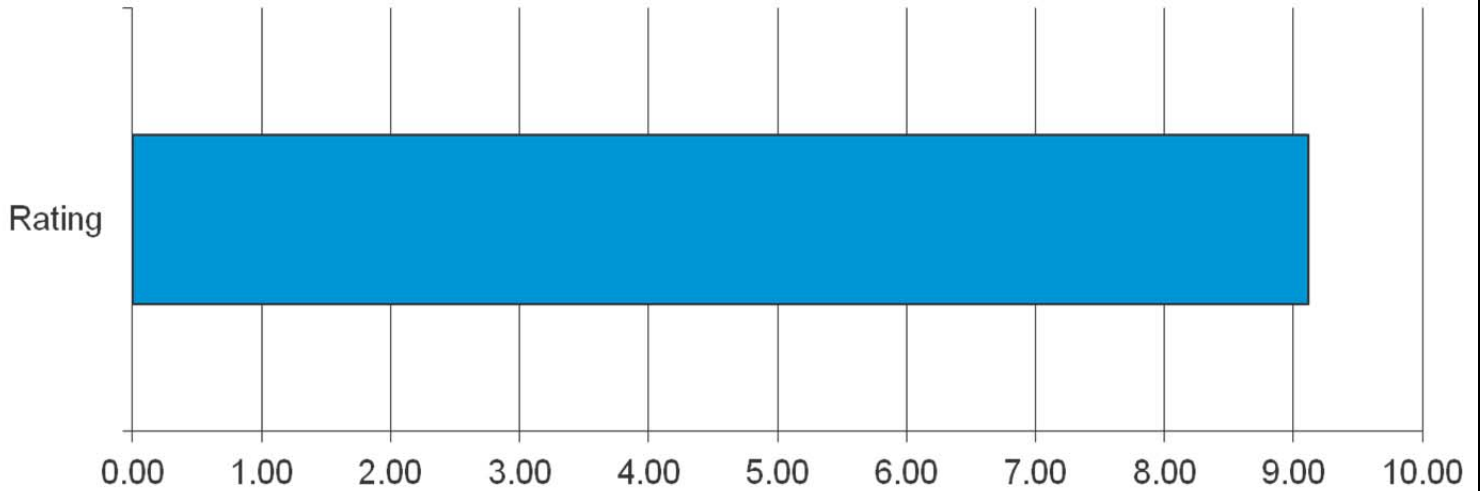
Respondent	Description	Disclosed	Board Action
1	1975 Robbery; 1984 Gambling; 1991 Check Fraud; 1998 Manufacturing Controlled Substances; 1999 Battery, Drugs; 2004 Manufacturing Controlled Substances	Yes	Denied
2	Outstanding felony arrest warrant for Fraud, Theft & Bad check for \$14,000	No	Withdrawn
3	2006 Domestic Battery; Fiancial Responsibility	Yes	Denied
4	2001 Burglary Conspiracy - Gross Misdemeanor	Yes	Denied
5	2011 - Warrant - Gross Misdemeanor - Tampering with a vehicle	Yes	Withdrawn

Fingerprint Cards Submitted		686
Total fingerprints returned with criminal histories		217
Total fingerprints returned without criminal histories		469
Criminal histories		32%

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.

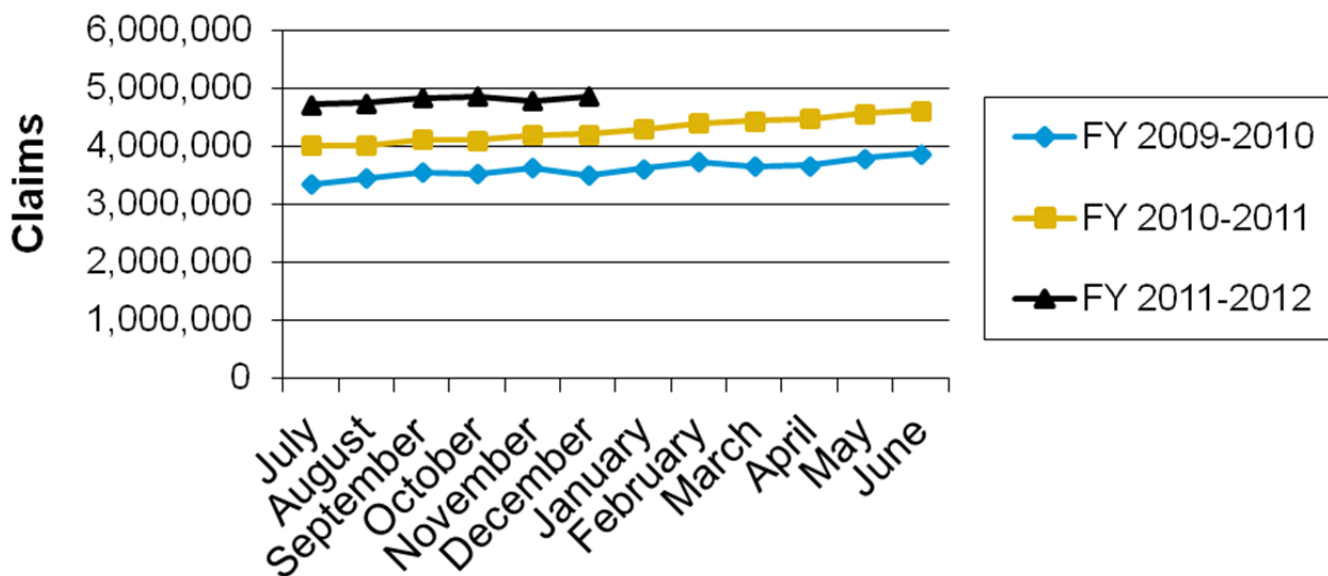
How Contractors Rate the Value of Their License

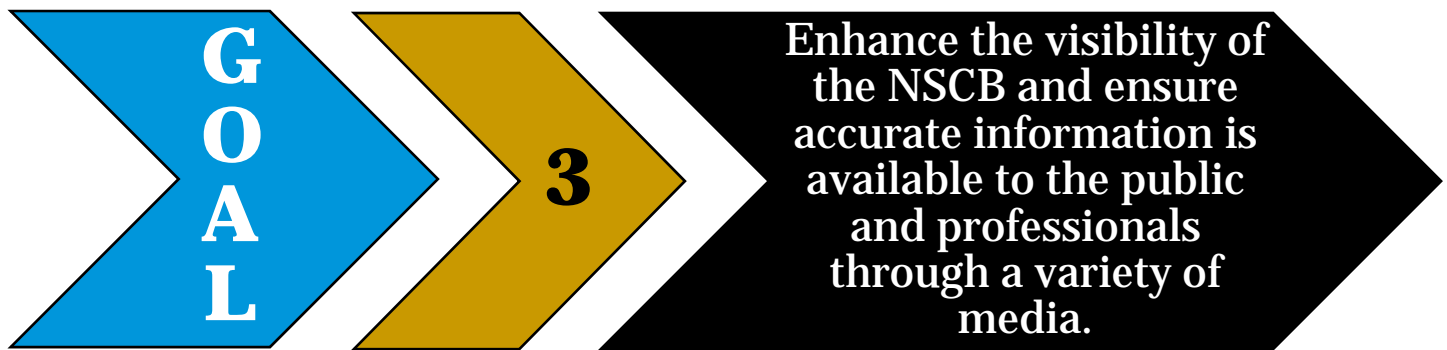


FISCAL MANAGEMENT OF RECOVERY FUND

- The Recovery Fund balance has increased during the last three fiscal years.
- At the start of the 3rd Quarter, the Board implemented a 15% reduction for all future Recovery Fund assessments through FY 2013-14.

Recovery Fund Balance





HIGHLIGHTS

- **Increasing Homeowner Awareness:** The Public Information Office (PIO) is currently partnering with representatives from various industry associations to put on a homeowner educational program, which will focus on how to hire licensed contractors, scams to be aware of, as well as industry-specific tips and information. To reach the greatest number of homeowners, large HOA communities are the initial target to launch the presentation. To date, one presentation has been scheduled for June with more opportunities in the works.
- **Increasing Senior Outreach:** In addition to current senior presentations and the distribution of our senior bulletin, NSCB will be launching its first Senior Awareness Program in partnership with state agencies and legislators. The goal of the program is to target every Senate District within the state over the next year and work with local senior centers to host this educational forum. Seniors will learn about various senior scams, efforts underway in the community to address these issues, tips and information on how they can protect themselves, as well as a list of resources available to them should they need assistance or become a victim.
- **Focus on Customer Feedback:** This past quarter, the PIO has assisted the Board with placing greater emphasis on how we utilize customer feedback. Each month, survey results and comments are sent to all managers for internal discussion and evaluation of positive and negative feedback comments. Additionally, the PIO developed a senior survey to evaluate the success of its senior bulletin. While the survey sampling rate was low, the information collected still provides valuable direction for how the PIO proceeds with future issues.
- **7th Annual Mission Cool Off Program** – In partnership with SNARSCA, NSCB received nearly 40 applications for this year’s Mission Cool Off program. From those, nine finalists were selected for site visits. There are currently three homeowners who have been chosen to receive a new air conditioning unit.

UPCOMING EFFORTS

The following objectives will be the areas of focus for Quarter 4:

- Launching and evaluating the Senior Awareness Program statewide
- Visiting rural communities to increase outreach and awareness of NSCB
- Launching Homeowner Awareness Program
- Enhancing and identifying better opportunities to evaluate Board presentations to external entities.

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

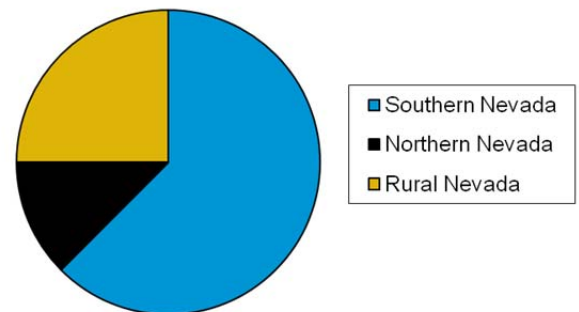
- Respondents to the newsletter survey totaled 156 contractors and/or trade association members. This is a 17% decrease compared to last quarter's feedback. Continued enhancements to *NSCB Horizons* are being made in order to address the interests of readers. Feedback continues to be well balanced with suggestions for improvements, areas/topics to include in future issues, and overall positive/appreciative comments for the content being provided on a quarterly basis.

	Very Useful Information	Somewhat Helpful	Not Useful
NSCB News & Updates	65%	31%	4%
Industry Association	48%	43%	9%
Training/Educational	51%	35%	14%

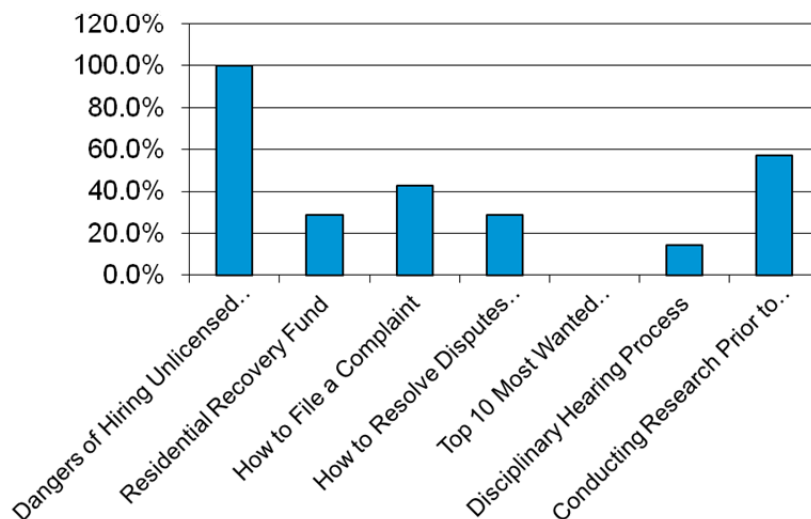
- A survey was distributed electronically to representatives of senior organizations (those who distribute our Senior Bulletin), as well as individual seniors (contacts collected from senior presentations), to gauge the effectiveness of our Senior Bulletins and better understand the needs of our customers. While the sample sizes were small, the data collected has helped to restructure the content and distribution frequency of the Senior Bulletin. Below are highlights from the information received from the senior organization representatives.

How many seniors receive your publications, which include information from the Bulletins?		
	Response Percent	Response Count
1-100	71.4%	5
101-200	0.0%	0
201-300	28.6%	2
301 or more	0.0%	0

Where do your seniors currently reside?



What topics do you feel your seniors are most interested in seeing in future Senior Bulletins?





HIGHLIGHTS

- NSCB Executive Officer Margi Grein and staff presented to the National Electrical Contractors Association and the Contractors Association providing updates on Board activities, upcoming initiatives, and addressing topics of interest from the association members. Staff also held a Roundtable with the Pool Association to address specific issues the industry was experiencing and help clarify NSCB policies and licensing classifications.
- Leading up to the development of the Senior Awareness Program, staff met with the Governor’s Office to discuss partnering and outreach opportunities. This meeting resulted in the Governor serving as the spokesperson for the Board’s senior PSA.
- Following the fire disasters in Northern Nevada, efforts were made to meet with the Insurance Commissioner to discuss coordinated messaging efforts. Outcomes from this meeting included linking NSCB information on the Division of Insurance website as well as more detailed NSCB information in their post-disaster publication, which is currently in development.
- One of our most successful outcomes regarding partnering efforts can be seen in the Board’s interaction with Home Depot and Clark County building officials. Over the last year, these meetings have resulted in the development of an innovative kiosk permitting system, which is set to launch in the summer of 2012 in every Home Depot in Clark County. Pending the outcome of the pilot project, the kiosk systems are expected to expand to all stores in the State of Nevada and possibly nationwide.

UPCOMING EFFORTS

- **Senior Initiatives:** The first Senior Awareness Program is scheduled for May 2 and will include presentations from Senator John Lee, the Division of Insurance, the Fight Fraud Task Force, NSCB, and the Health and Human Services Aging Services Division. Additional senior presentations will be scheduled in each Senate District in the months to follow.
- **Enhanced Association Partnerships:** NSCB is currently working with industry associations to message to homeowners about the benefits of hiring licensed contractors, as well as service tips specific to the various industries, what to look for when having work performed, and how to identify and report unlicensed contractor activity. NSCB is also partnering with associations who are taking a proactive approach to identifying and reporting unlicensed contractors by attending meetings and providing contractors information to help streamline the reporting of unlicensed activity they see on a day-to-day basis.

PERFORMANCE MEASURES

PARTNERING ACTIVITY

There were a total of 12 partnering activities, averaging four per month, in the 3rd Quarter. 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.



HIGHLIGHTS

- In March, the Board held a Strategic Planning session with members of the executive team to discuss the development of next year's Strategic Plan. This full-day meeting rendered dynamic and thoughtful discussion regarding the future direction of the Board. The board reflected on the FY 2011-12 goals, discussed where there were challenges, highlighted the successes, and ultimately began brainstorming the goals for FY 2012-13.
- At the March Board meeting, a special session was held to provide Board members training on a variety of topics, including Administrative Law, Ethics, and the Open Meeting Law. This presentation was provided by Board counsel in an interactive, case-study format. Board members were afforded the opportunity to think critically about different scenarios and how they would respond/react to the situation, in addition to asking questions of counsel regarding the expectations of the various laws. This training is provided to Board members annually, so that they may always have the most current point of reference available to them.

UPCOMING EFFORTS

- Board staff will present a draft Strategic Plan to the Board members at the May Board meeting. Further discussion on the plan will take place and Board staff will make final revisions to the final plan for Board adoption at the June 2012 meeting.
- Efforts to schedule preliminary discussions with the Legislative Committee regarding potential matters to address in the upcoming legislative session will be explored.
- The Finance Subcommittee will start budget preparations in May.

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

- All staff is required to take a minimum of 16 hours of continuing education and/or training classes. Options available to staff include internal trainings, classes offered through the state, trade association trainings, POST certification courses, and higher education courses.
- In January, an all-staff meeting was held in each office to provide an update on the Strategic Plan. Information discussed included highlights from the Quarterly Report and the Power Point presentation given to the Board. Management also requested each staff member to complete a S.W.O.T. analysis. This information was compiled, analyzed, and used in the Strategic Planning session discussions with the Board.
- Throughout the quarter, joint staff meetings in each department were held, including one for administrative staff. These efforts are a direct result from staff feedback recommending the Reno and Henderson offices communicate more frequently to best ensure consistency with procedures and increase information sharing.
- Staff in Henderson toured the Electrical Joint Apprenticeship Training Committee Southern Nevada Training Center. This training provided staff a first-hand look at trade operations, construction practices in the respective fields, and knowledge of current industry standards. Similar trainings are currently being scheduled and explored for staff in Reno.

UPCOMING EFFORTS

- 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

- 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.

The background features a large, stylized white shape resembling a quarter-circle or a thick, curved line that sweeps from the top-left towards the bottom-right. This shape is set against a blue background that is divided into two main sections by the white curve: a lighter blue section on the left and a darker blue section on the right. The overall design is clean and modern.

LOOKING FORWARD

QUARTER THREE REFLECTIONS

Efforts made throughout the 3rd Quarter proved extremely beneficial for the Board and the Board's image. The emphasis placed on partnering have led to a number of conversations on specific industry topics, innovative solutions and project initiatives, as well as enhanced working relationships with external entities. High level partnerships, such as that seen with Home Depot, are exciting times for the Board because we are leading the nation in addressing key issues experienced by all states. Our Roundtable discussions create an inviting forum for contractors to become connected to the Board, understand Board policies and procedures, and most importantly have their questions, concerns, and suggestions personally addressed. One of our goals in the FY 2011-12 Strategic Plan was to become and be seen as a better resource to contractors, one of our main customers. It is encouraging to see the amount of progress that has been made in such a short period of time, and to know that we have only scratched the surface of opportunities to come.

The Board's commitment to quality customer service continued to be a top priority. A process was created to ensure information gathered from the customer service surveys is being analyzed, communicated with staff, and ultimately being used to make modifications or enhancements to NSCB's policies and procedures. Additionally, management has made staff development a large focus this quarter. In addition to internal and external trainings that have been offered, staff is becoming more engaged in their staff meetings at the direction of the Executive Officer. While not a unique practice, managers have increased their efforts to solicit feedback from staff by posing various discussion questions at staff meetings. A large example of this was the S.W.O.T. analysis completed by each staff member of the Board. The information gathered was very beneficial to the Executive Team as it provided direction on staff expectations and solicited a number of opportunities that staff feels are available to the Board for continued enhancements.

QUARTER FOUR EXPECTATIONS

The 4th Quarter serves as the end of one reporting period and the start of a new plan, with a renewed outlook for the Board. While many of our goals for FY 2011-12 have been met, staff will continue to focus its efforts on maintaining and improving its performance measures, partnering activities, staff and Board development opportunities, and consumer outreach and education. Many of the programs that have been developed in the third quarter will continue to be implemented and improved upon. We look forward to enhancing and focusing our partnering efforts to obtain new and innovative solutions.