

Nevada State Contractors Board



2011-12
Executive Officer's Report
Strategic Plan Quarterly and Annual Report
For the period ending June 30, 2012

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 July 1, 2011 – June 30, 2012.

Strategic planning that began a few years ago as an effort to place greater structure around the Board's activities has led to the creation of a living document that guides our day-to-day operations and aides us in advancing the mission of the Board through innovative and progressive objectives.

Throughout this past year, much effort has been placed on evaluating and tracking the experiences of our customers, including members of the public, licensees, new applicants, and agency representatives we come into contact with. Through the development of enhanced surveys, better data collection methods, and a more focused approach of evaluating the data we've received, we are beginning to gain a better understanding of the areas within the Board that require additional attention, while also being able to praise staff for the achievements they are making.

As you will read in our report, we successfully fulfilled all of the objectives in each of the six goals outlined in this year's Strategic Report. Each department and the administration worked extensively over the last 12 months to implement efforts, such as contractor pocket identification cards and an online renewal program; a statewide senior awareness program and homeowner awareness forum; joint sting ventures with a number of western states focused on unlicensed contracting and immediate response to two fire disasters in Northern Nevada; enhanced staff training opportunities and involvement in the Strategic Plan; and much, much more.

We have demonstrated our abilities to take on new challenges, create new partnerships, enhance existing policies, respond to requests for improvements and change, and we understand this task will never be final. As we look to the goals and objectives outlined in the FY 2012-13 Strategic Plan, we are reminded of the work that still lies ahead and inspired to continue to advance the Board to new heights.

It is with great pleasure that I present our annual report to you this year, and hope that you too see the progress being made and continue to envision the new opportunities that will shape our Board to become a model regulatory agency among our partners in this great nation.

Sincerely,

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

MARGI GREIN
NSCB, Executive Officer

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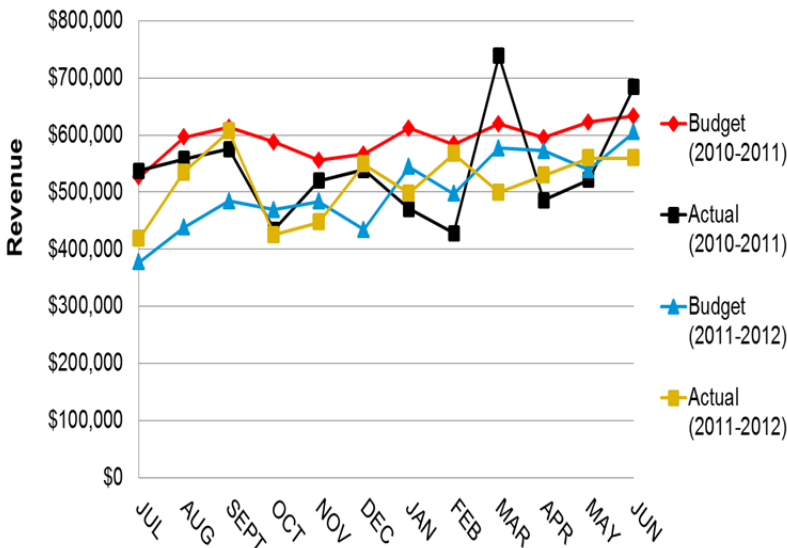
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LICENSING DATA DASHBOARD

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



90 Day Retention Rate

Projected Year-End	Apr '12 Lic's	17,109	
	Cancellations	(655)	(3.87%)
	New Licenses	229	1.35%
	Susp/Reinstat	225	1.33%
	Jun '12 Lic's	16,908	
Change		(201)	
3 Month Rolling		% Change	-1.19%

180 Day Retention Rate

Projected Year-End	Jan '12 Lic's	17,275	
	Cancellations	(1,683)	(9.95%)
	New Licenses	470	2.78%
	Susp/Reinstat	846	5.00%
	Jun '12 Lic's	16,908	
Change		(367)	
6 Month Rolling		% Change	-2.17%

Apr to Jun 2012	
Licenses (Beginning of Quarter)	17,109
New Licenses Issued	229
Licenses Cancelled / Surrendered /Revoked	(1,030)
Variance in Suspended/Reinstated Licenses	600
Licenses (End of Quarter)	16,908
# of Licenses on Mar 31, 2012	17,109
# of Licenses on June 30, 2012	16,908
Net YTD (Fiscal Year)	
Licenses Gained / Lost	(201)
Renewal Revenue Gained / Lost	(\$120,600)
*Does not include suspended licenses	

FISCAL YTD LICENSING FEE TOTALS (FY2012)

LICENSING FEES	BUDGET	ACTUAL	VARIANCE
License Renewals	4,000,000	4,197,975	197,975
New License Fee	730,000	620,100	(109,900)
Application Fee	400,500	406,200	5,700
License Changes	328,500	377,625	49,125
Invest Recov Costs	210,000	242,635	32,635
Renewal Late Fees	139,000	167,700	28,700
Renewal Inactive	213,000	180,150	(32,850)

	April 2012			May 2012			Jun 2012		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
License Renewals	\$ 398,443	\$365,850	(\$32,593)	\$ 367,813	\$389,150	\$21,337	\$428,052	\$362,925	(\$65,127)
New License Fee	\$ 60,834	\$45,600	(\$15,234)	\$ 60,834	\$40,200	(\$20,634)	\$ 60,834	\$70,600	\$9,766
Application Fee	\$ 33,375	\$33,300	(\$75)	\$ 33,375	\$35,100	\$1,725	\$ 33,375	\$43,200	\$9,825
License Changes	\$ 27,375	\$25,950	(\$1,425)	\$ 27,375	\$36,750	\$9,375	\$ 27,375	\$35,000	\$7,625
Investigative Recov Costs	\$ 17,500	\$32,086	\$14,586	\$ 17,500	\$21,567	\$4,067	\$ 17,500	\$22,278	\$4,778
Renewal Late Fees	\$ 13,846	\$12,620	(\$1,226)	\$ 12,782	\$16,650	\$3,868	\$ 14,875	\$11,515	(\$3,360)
Renewal Inactive Fee	\$ 21,217	\$13,500	(\$7,717)	\$ 19,586	\$19,800	\$214	\$ 22,794	\$14,125	(\$8,669)
TOTALS:	\$ 572,590	\$528,906	(\$43,684)	\$ 539,265	\$ 559,217	\$19,952	\$604,805	\$559,643	(\$45,162)
	January 2012			February 2012			March 2012		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
License Renewals	\$ 218,748	\$262,600	\$43,852	\$328,760	\$376,350	\$47,590	\$402,527	\$327,985	(\$74,542)
New License Fee	\$ 60,833	\$54,300	(\$6,533)	\$ 60,833	\$54,600	(\$6,233)	\$ 60,834	\$59,850	(\$984)
Application Fee	\$ 33,375	\$27,900	(\$5,475)	\$ 33,375	\$38,100	\$4,725	\$ 33,375	\$38,100	\$4,725
License Changes	\$ 27,375	\$28,200	\$825	\$ 27,375	\$38,450	\$11,075	\$ 27,375	\$30,325	\$2,950
Investigative Recov Costs	\$ 17,500	\$24,057	\$6,557	\$ 17,500	\$23,074	\$5,574	\$ 17,500	\$14,739	(\$2,761)
Renewal Late Fees	\$ 7,601	\$10,650	\$3,049	\$ 11,424	\$15,150	\$3,726	\$ 13,988	\$15,015	\$1,027
Renewal Inactive Fee	\$ 11,648	\$10,200	(\$1,448)	\$ 17,506	\$21,600	\$4,094	\$ 21,435	\$13,475	(\$7,960)
TOTALS:	\$ 377,080	\$417,907	\$40,827	\$ 496,773	\$ 567,324	\$70,551	\$577,034	\$499,489	(\$77,545)

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 Cos	\$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 Cos	\$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 Cos	(\$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 Cos	\$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	\$365,850	\$389,150	\$362,925	\$4,197,975
New License Fee	\$54,300	\$63,000	\$42,450	\$48,900	\$45,100	\$58,900	\$36,600	\$54,600	\$59,850	\$45,600	\$40,200	\$70,600	\$620,100
Application Fee	\$27,900	\$44,400	\$32,700	\$27,600	\$24,900	\$34,200	\$26,700	\$38,100	\$38,100	\$33,300	\$35,100	\$43,200	\$406,200
License Changes	\$28,200	\$34,675	\$33,400	\$29,625	\$31,025	\$30,525	\$23,700	\$38,450	\$30,325	\$25,950	\$36,750	\$35,000	\$377,625
Investigative Recov Cos	\$24,057	\$15,135	\$17,607	\$10,683	\$20,709	\$23,139	\$17,561	\$23,074	\$14,739	\$32,086	\$21,567	\$22,278	\$242,635
Renewal Late Fees	\$10,650	\$14,000	\$15,525	\$12,450	\$11,550	\$21,325	\$11,250	\$15,150	\$15,015	\$12,620	\$16,650	\$11,515	\$167,700
Renewal Inactive Fee	\$10,200	\$11,800	\$16,450	\$13,800	\$12,000	\$19,000	\$14,400	\$21,600	\$13,475	\$13,500	\$19,800	\$14,125	\$180,150
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	\$528,906	\$559,217	\$559,643	\$6,192,385
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)	(\$32,593)	\$21,337	(\$65,127)	\$197,975
New License Fee	(\$6,533)	\$2,167	(\$18,383)	(\$11,933)	(\$15,733)	(\$1,933)	(\$24,233)	(\$6,233)	(\$984)	(\$15,234)	(\$20,634)	\$9,766	(\$109,900)
Application Fee	(\$5,475)	\$11,025	(\$675)	(\$5,775)	(\$8,475)	\$825	(\$6,675)	\$4,725	\$4,725	(\$75)	\$1,725	\$9,825	\$5,700
License Changes	\$825	\$7,300	\$6,025	\$2,250	\$3,650	\$3,150	(\$3,675)	\$11,075	\$2,950	(\$1,425)	\$9,375	\$7,625	\$49,125
Investigative Recov Cos	\$6,557	(\$2,365)	\$107	(\$6,817)	\$3,209	\$5,639	\$61	\$5,574	(\$2,761)	\$14,586	\$4,067	\$4,778	\$32,635
Renewal Late Fees	\$3,049	\$4,447	\$4,509	\$1,904	\$551	\$11,896	(\$1,691)	\$3,726	\$1,027	(\$1,226)	\$3,868	(\$3,360)	\$28,700
Renewal Inactive Fee	(\$1,448)	(\$2,839)	(\$431)	(\$2,361)	(\$4,854)	\$4,552	(\$5,431)	\$4,094	(\$7,960)	(\$7,717)	\$214	(\$8,669)	(\$32,850)
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)	(\$43,684)	\$19,952	(\$45,162)	\$171,385



Year in Review

***4th Quarter Data
Reflected***

ENFORCEMENT

During the 4th Quarter of FY 2011-12, the Investigations Department opened a total of 890 cases against licensed and unlicensed contractors combined. During this time period, 1,002 cases were closed. In total, the Investigations Department opened 2,127 against licensed contractors and 1,242 complaints against unlicensed contractors during FY 2011-12. This represents a decrease of approximately five percent from FY 2010-11. Also during FY 2011-12, a total of 3,488 cases were closed. Below is a summary of highlights from the Compliance and Criminal Divisions.

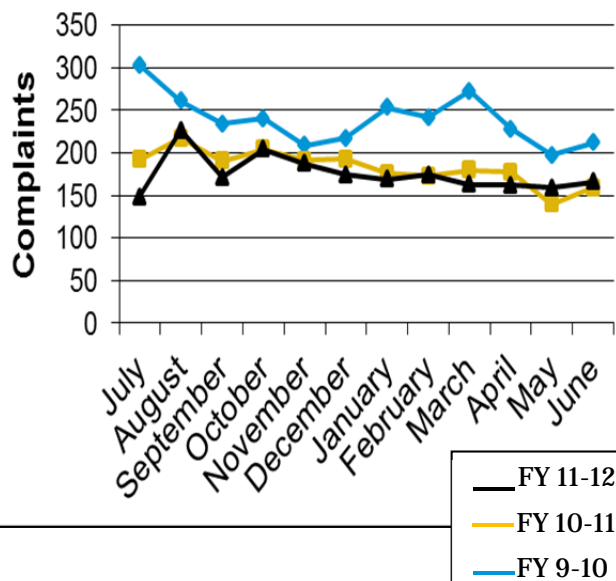
4th Quarter Highlights

- **487 Compliance cases opened against licensed contractors**
- **65 Cases referred for Disciplinary Hearings**
- **103 Compliance cases closed as valid; 195 cases closed as invalid-no violation**
- **54 Administrative Citations issued** – fines totaled \$68,950; investigative costs totaled \$28,184

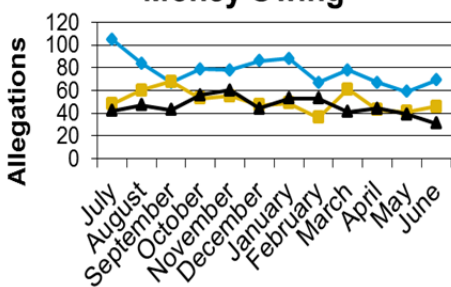
FY 2011-12 Annual Highlights

- **555 Money owing complaints and 553 workmanship complaints opened** – a 15% reduction from previous FY
- **702 Industrial regulation complaints opened** – an increase of 11% from previous FY
- **NSCB-initiated complaints totaled 403** – an increase of 27% from previous FY

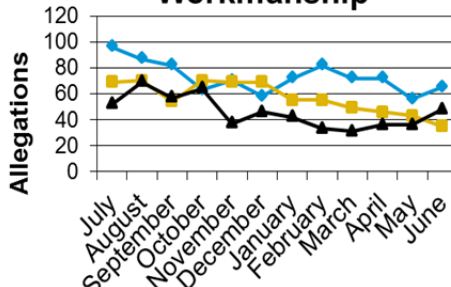
Compliance Complaints



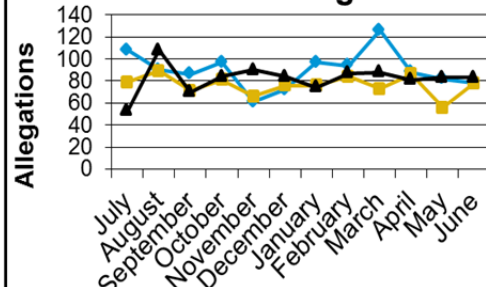
Money Owing



Workmanship



Industrial Regulation



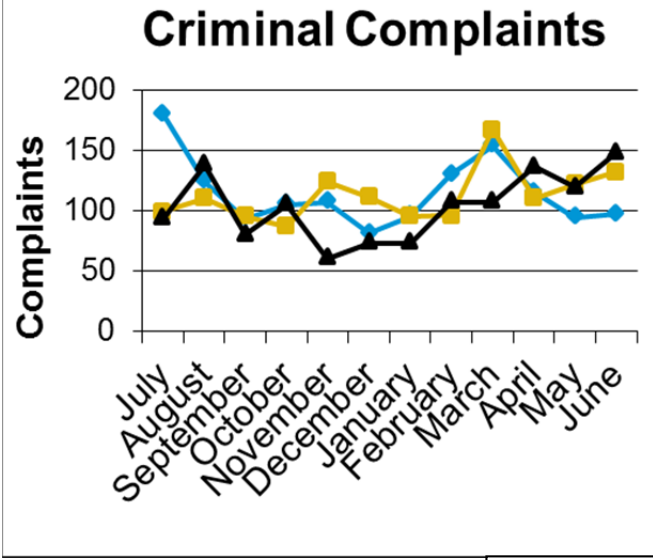
		Money Owing			Workmanship			Industrial Regulation		
		FY 2010	FY 2011	FY 2012	FY 2010	FY 2011	FY 2012	FY 2010	FY 2011	FY 2012
Q1	JUL	105	48	42	96	69	52	108	79	53
	AUG	84	60	47	87	70	69	90	89	108
	SEPT	67	68	43	82	54	57	86	71	70
Q2	OCT	79	53	56	63	70	64	86	71	70
	NOV	78	55	60	70	69	37	97	81	84
	DEC	86	47	44	58	69	46	61	66	90
Q3	JAN	88	49	53	72	55	42	72	76	74
	FEB	67	36	53	82	55	33	97	76	74
	MAR	78	61	41	72	49	31	94	84	87
Q4	APR	67	43	44	72	46	36	126	73	88
	MAY	59	41	39	56	43	36	88	86	81
	JUN	69	46	31	65	35	48	82	56	83

4th Quarter Highlights

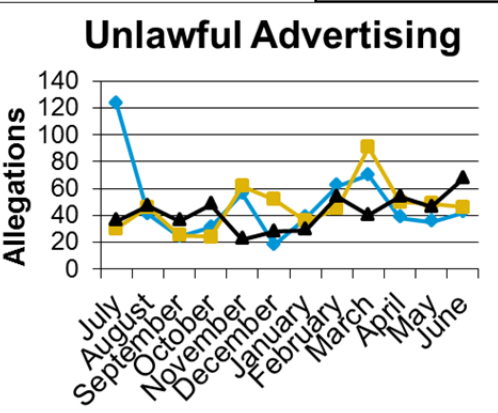
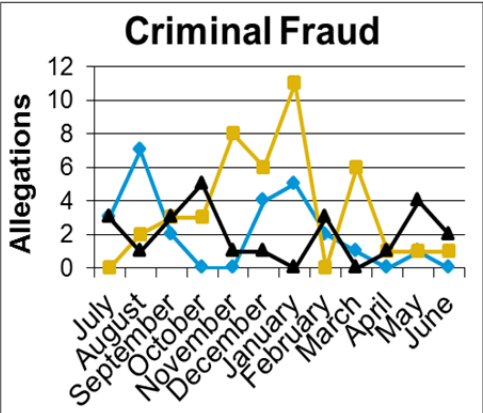
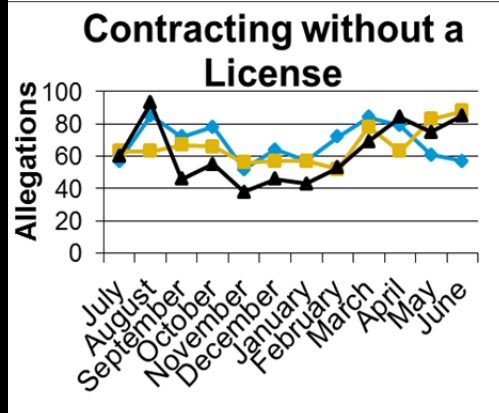
- **403 Criminal cases** opened against unlicensed contractors
- **48 Criminal cases** closed as valid; 143 cases closed as invalid – no violation
- **104 Misdemeanor convictions**, 5 Gross Misdemeanor and 3 Felony convictions filed
- **142 Criminal citations** were issued

FY 2011-12 Annual Highlights

- **751 Cases** initiated for contracting without a license
- **513 Cases** initiated for unlawful advertising
- **24 Cases** initiated for criminal fraud
- **482 Criminal charges** filed resulting in 312 criminal convictions; includes 34 plea bargains
- **65% Overall conviction rate** of unlicensed contractors



— FY 11-12
 — FY 10-11
 — FY 9-10



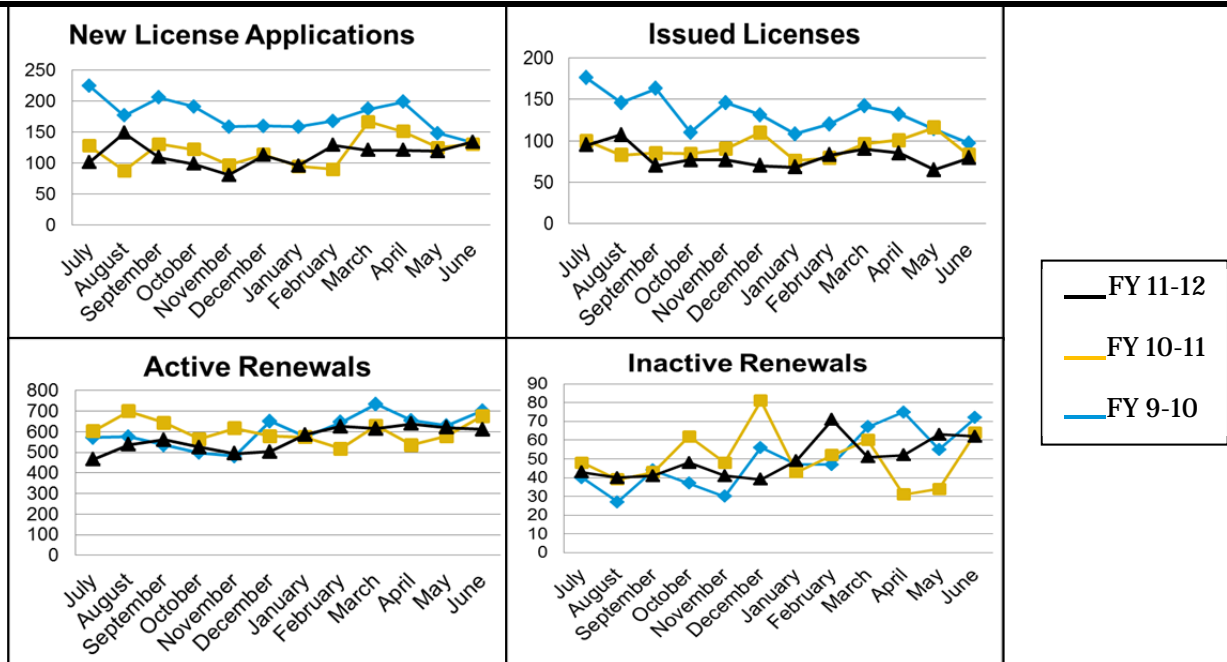
		Contracting without a License			Criminal Fraud			Unlawful Advertising		
		FY 2010	FY 2011	FY 2012	FY 2010	FY 2011	FY 2012	FY 2010	FY 2011	FY 2012
Q1	JUL	57	63	60	3	0	3	123	30	36
	AUG	85	63	93	7	2	1	41	46	47
	SEPT	72	67	46	2	3	3	24	25	36
Q2	OCT	78	66	55	0	3	5	31	24	48
	NOV	52	56	38	0	8	1	56	62	22
	DEC	64	57	46	4	6	1	18	52	28
Q3	JAN	57	57	43	5	11	0	38	36	29
	FEB	72	52	53	2	0	3	62	45	54
	MAR	84	78	69	1	6	0	70	91	40
Q4	APR	79	63	84	0	1	1	38	50	54
	MAY	61	83	75	1	1	4	35	49	46
	JUN	57	88	85	0	1	2	42	46	67

RESIDENTIAL RECOVERY FUND

During the 4th Quarter, 23 cases were closed resulting in 16 awards issued to homeowners totaling approximately \$204,340. There are currently 18 cases pending as of June 30, 2012. Throughout FY 2011-12, a total of 69 claims were received by NSCB. Six Residential Recovery Fund hearings were held where 81 claimants were awarded a collective sum of approximately \$719,400. A total of 24 claims were denied. The number of claims is significantly down from previous years – 45% from FY 2010-11 and 43% from FY 2009-10.

LICENSING

At the end of the 4th Quarter for FY 11-12, there were 15,288 active licenses and 1,612 inactive licenses in the State of Nevada. Active licenses decreased 4% compared to the same period last year, while inactive licenses also decreased by 1%. A total of 179 financial review cases were opened, of which 114 have been approved by staff. Over the course of FY 2011-12, a total of 1,372 new applications were received, 1,019 applications approved, and 996 new licenses were issued. Below is an overview of licensing data collected during the quarter and annual reporting periods.

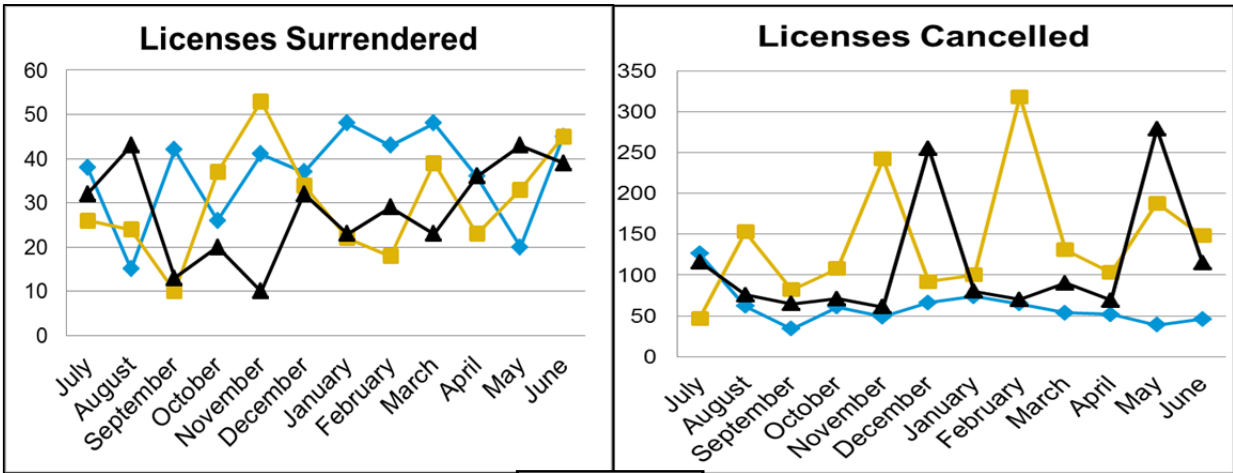


4th Quarter Highlights (figures compared to same period last year)

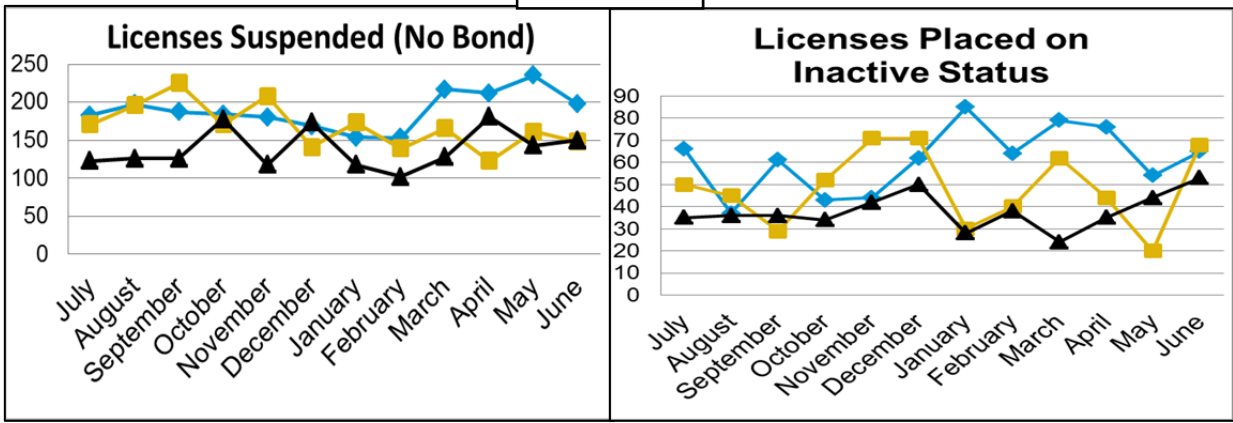
- **374 New applications received** – 8% decrease
- **272 Applications were approved**; 39 applications were tabled or denied
- **229 New licenses issued** –24% decrease
- **906 License change applications received** – 3% decrease
- **767 license change applications were approved**; 36 were tabled or denied
- **1,871 Active licenses renewed** – 4% increase
- **177 Inactive licenses renewed** – 27% increase
- **35 Application denial hearings** – 3% increase
- **25 Financial responsibility hearings** – 39% increase

FY 2011-12 Annual Highlights

- **1,372 New applications received** – 4.5% decrease from FY 2010-11; however, this is an improvement compared to the 32% decrease seen between FY 2009-10 and FY 2010-11
- **1,019 Applications were approved**; 159 applications were tabled or denied
- **966 New licenses issued** – 12% decrease from FY 2010-11
- **3,389 License change applications received** – 4% decrease from FY 2010-11
- **2,733 License change applications were approved**; 121 were tabled or denied
- **101 Single project increase applications received**; 73 approved, 19 tabled or denied
- **132 New application denial hearings held** – 36% increase from FY 2010-11
- **93 Financial responsibility hearings held** – 25% decrease from FY 2010-11



— FY 11-12
 — FY 10-11
 — FY 9-10



4th Quarter Highlights (figures compared to same period last year)

- **118 Licenses voluntarily surrendered** – 17% increase
- **132 Licenses placed on inactive status** – this figure is unchanged
- **474 Licenses suspended due to lack of maintaining required bond** – 10% increase
- **463 Licenses cancelled for non-renewal** – 5% increase

FY 2011-12 Annual Highlights

- **343 Licenses voluntarily surrendered** – 6% decrease from FY 2010-11
- **455 Licenses placed on inactive status** - 22% decrease from FY 2010-11
- **1,666 Licenses suspended due to lack of maintaining required bond** – 18% decrease from FY 2010-11 and a 27% decrease from FY 2009-10
- **1,347 Licenses cancelled for non-renewal** – 21% decrease from FY 2010-11

Additional Highlights

- A total of 7,729 licensee files have been scanned since February 2010.
- As of June 30, approximately 2,768 licensees, or 18% of the total number of licensees, have registered to use online services, and 1,584 have utilized the on-line program.
- During the fourth quarter, 68 construction management exams (CMS) and 82 technical (trade) exams were administered.

Tracking Performance



ANNUAL HIGHLIGHTS

- **Launch of Online Renewal Program** in July 2011 has led to enhanced internal efficiencies and a more streamlined, accessible option to contractors looking to renew their license.
- **Contractor License Pocket Cards** were redesigned to include NSCB's logo and the state seal, while also being printed on a "hard plastic" type of card. The first production batch was sent out April 2, 2012. In addition to the regular pocket cards sent at time of licensure or renewal, 65 additional cards were ordered by licensees, which is an increase of 71% in the number of requests during the previous quarter.
- **Changes to New License Application** were made throughout the course of the year to address common complaints/mistakes made by applicants relative to the information requested of them on the form. It is the hopes of the Board and staff that these changes will alleviate these mistakes and ultimately reduce the need to have a hearing before the Board.
- **Partnering Efforts** throughout the year, such as those with the Pool Association and Building Officials, have increased information sharing and aided external parties in better understanding the role of the Board and the various licensing classifications. Each of these meetings provides an opportunity for enhanced and streamlined operations with those agencies and entities the Board works with on a regular basis.
- **Revisions to the Financial Review Procedure** were made to allow staff greater flexibility when reviewing financial information of an applicant and to potentially reduce or eliminate the need for a hearing.
- **C-21 (Refrigeration and Air Conditioning) Exam** was reviewed and completed during this period, which is now in production. Reference material and exam information will be updated during the first quarter of FY 2012-13.

FY 2012-13 Strategic Planning Objectives

- Consider revisions to licensing classifications and determine priorities for implementation (September 2012);
- Explore alternative ways of ensuring the financial capacity of license candidates (February 2013); and
- Investigate the feasibility of expanding the use of online application procedures (March 2013).

PERFORMANCE MEASURES

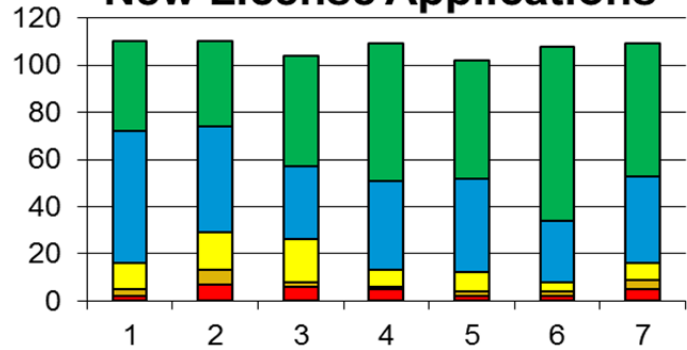
TIMELINESS

The average processing time for new license applications during the 4th Quarter was 54 days with 58% of applications being approved or denied within 60 days. The average processing time for a License Change Application in the 4th Quarter was 21 days with 81% being approved or denied within 30 days.

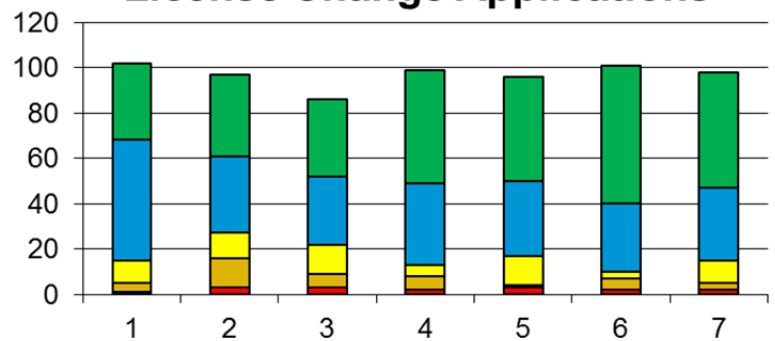
CUSTOMER EXPERIENCE

- Below are the compiled customer service survey results for FY 2011-12:
 - *New License Application*: 1,059 received survey; 112 responded; **11% sampling rate**
 - *Change Application*: 1,480 received survey; 108 responded; **7% sampling rate**
 - *Renewal License Application*: 4,790 received survey; 378 responded; **8% sampling rate**
- Customer service surveys for licensing operations indicate that of the 598 respondents, 48% found their overall experience (question 7) to be excellent, 31% found it to be good, 7% found it fair, 4% found it poor/unacceptable, with 10% declining 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. The aftermath of these efforts have resulted in more specific feedback relative to a customer's experience with the staff member they worked with directly.

Customer Experience with New License Applications



Customer Experience with License Change Applications



Customer Experience with Renewal License Applications

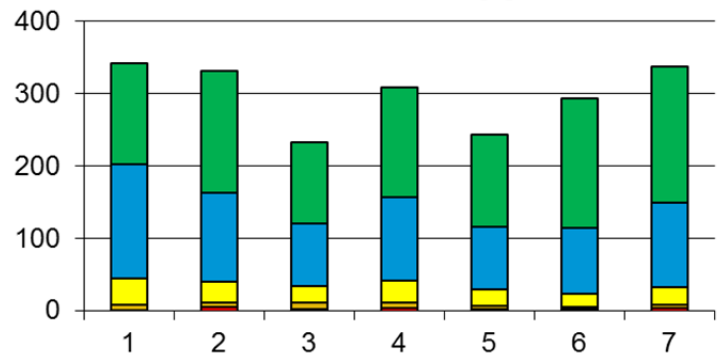


CHART KEY

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

- **Year-Long Pool Contractor Investigation Ends in Criminal Convictions** – 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.
- **Disaster Response Plan Results in No Unlicensed Contracting Activity in Impacted Areas** – Staff’s response to the Caughlin Ranch and Washoe Drive Fires in late 2011, early 2012, have resulted in no unlicensed contracting activities reported to-date in the affected areas. Staff efforts included daily patrol of the affected areas, putting up warning signs of unlicensed contractors, communicating with members of the emergency response team, and utilizing licensed contractors to be the eyes/ears in the field.
- **Joint Stings Target Unlicensed Contractors** – In addition to the second annual Cal-Neva border blitz with California, NSCB partnered with western states and NASCLA to launch the first unlicensed contractor sting with a focus on unlawful advertisements posted on electronic bulletin boards, such as Craigslist.
- **Top 10 Unlicensed Contractor Arrested** – After 1.5 years of searching for Neil Brodsky, staff partnered with the Culver City Police Department to locate and arrest the unlicensed contractor who was subsequently held on no bail warrant pending extradition. Brodsky had three active warrants for his arrest, and has since been returned to Las Vegas where he is currently negotiating a plea deal with the Clark County Prosecutor.

FY 2012-13 Strategic Planning Objectives

- Determine the feasibility of establishing a specialized commercial construction and public works unit (September 2012);
- Improve NSCB’s ability to quantify enforcement results (December 2012); and
- Analyze the feasibility of allowing completion of specific training courses in lieu of monetary fines or violations (February 2013).

PERFORMANCE MEASURES

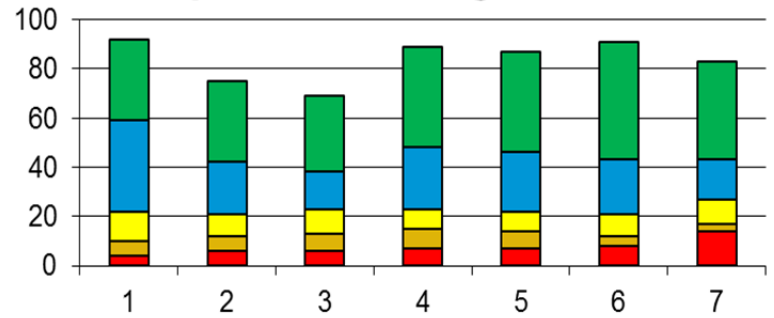
TIMELINESS

- Processing times for Recovery Fund claims from when a claim was opened until the Notice of Hearing was mailed averaged 20.3 days in FY 2011-12, an improvement from 35.7 days as experienced in FY 2010-11.
- Approximately 3% of compliance cases for the 4th Quarter took 90+ days to resolve.

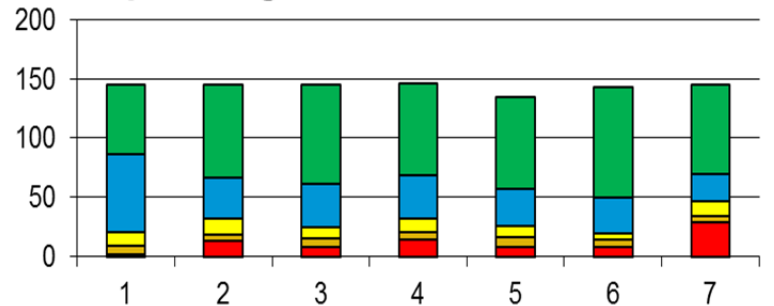
CUSTOMER EXPERIENCE

- Below are the compiled customer service survey results for FY 2011-12:
 - *Contractor experience survey when a complaint is filed against them:* 1,716 received survey; 109 responded; **6% sampling rate**
 - *Customer experience survey when filing a complaint against a licensed contractor:* 867 received survey; 160 responded; **18% sampling rate**
 - *Customer experience survey when filing complaints against an unlicensed contractor:* 161 received survey; 16 responded; **10% sampling rate**
- Customer service surveys for enforcement operations indicate that of the 285 respondents, 42% found their overall experience (question 7) to be excellent, 15% found it to be good, 9% found it fair, 8% found it poor, and 15% found it unacceptable. Approximately 11% of all respondents did not answer this question. The data and comments relative to customer service are conveyed to staff to identify ways to improve, while also recognizing positive feedback.
- Management has begun 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



Customer Experience when Filing a Complaint Against a Licensed Contractor



Customer Experience when Filing a Complaint Against an Unlicensed Contractor

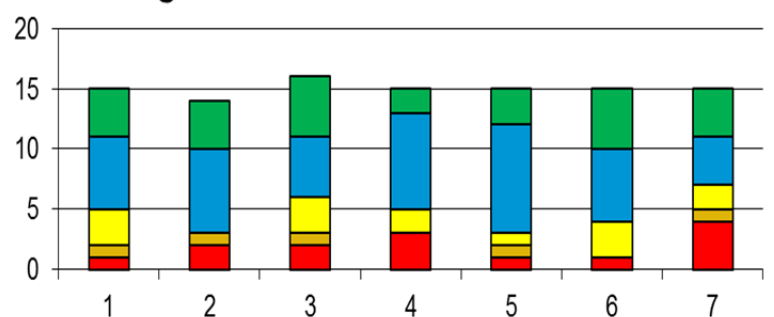


CHART KEY

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

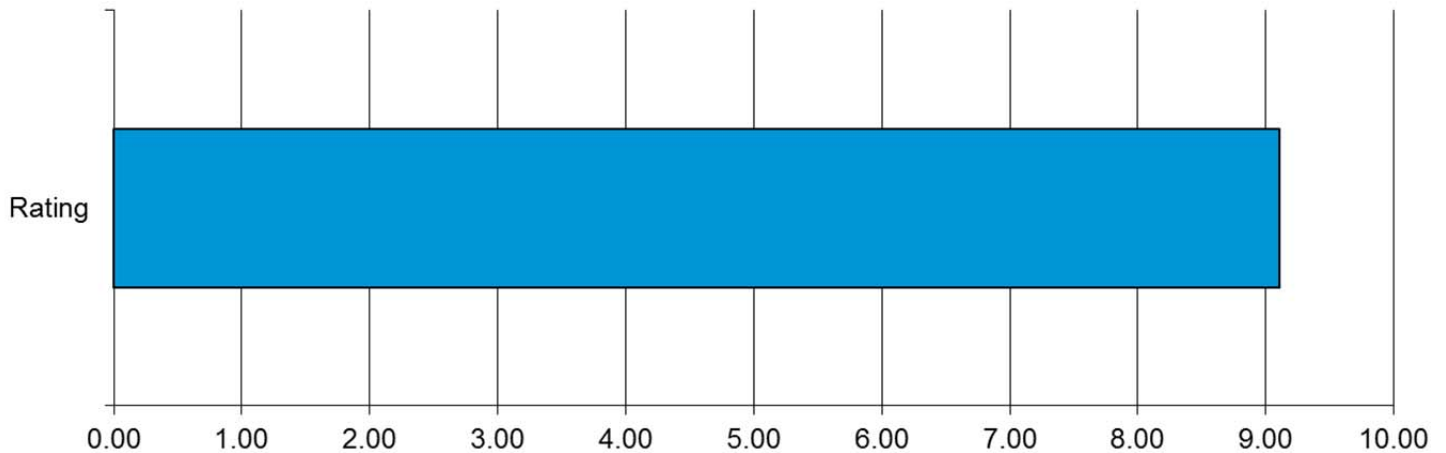
- The criminal conviction rate of unlicensed contractors for FY 2011-12 was 65%.
- The ongoing implementation of the fingerprinting and background checks continues to be beneficial for the Board to identify omissions in applicants' criminal activities. As seen in the chart below, over 2,500 fingerprint cards were submitted, resulting in findings of one-third of all applicants holding some type of criminal history.
 - Fingerprinting and background investigations assisted in causing 21 applicants to withdraw their applications and 13 applications being denied at Board Hearings.
 - Fingerprinting identified 42 applicants that had failed to disclose a prior misdemeanor criminal conviction related to domestic battery, driving while intoxicated, destruction of property, assault, larceny, communications fraud and attempted burglary. These applicants received Administrative Citations with fines totaling \$21,250 and \$11,625 in investigative costs.
 - Criminal activity included bankruptcy fraud, robbery, felony drug sales, mayhem/battery, burglary, deadly assaults, check fraud, embezzlement, felony theft, felony battery, narcotics, trafficking, sexual assault, career criminal, felony domestic violence, manufacturing drugs, transporting illegal aliens, false imprisonment, and attempted murder.
 - 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.
- Throughout the fiscal year, a total of 271 background investigations were conducted, with a total of 279 investigations being closed. This figure is approximately 30% less than the number of background investigations (391) initiated during FY 2010-11.

Fingerprint Cards Submitted	2521
Applicants with Criminal Histories	833 (33%)
Applicants Failed to Disclose Criminal Histories	128 (5%)

VALUE OF CONTRACTOR LICENSE

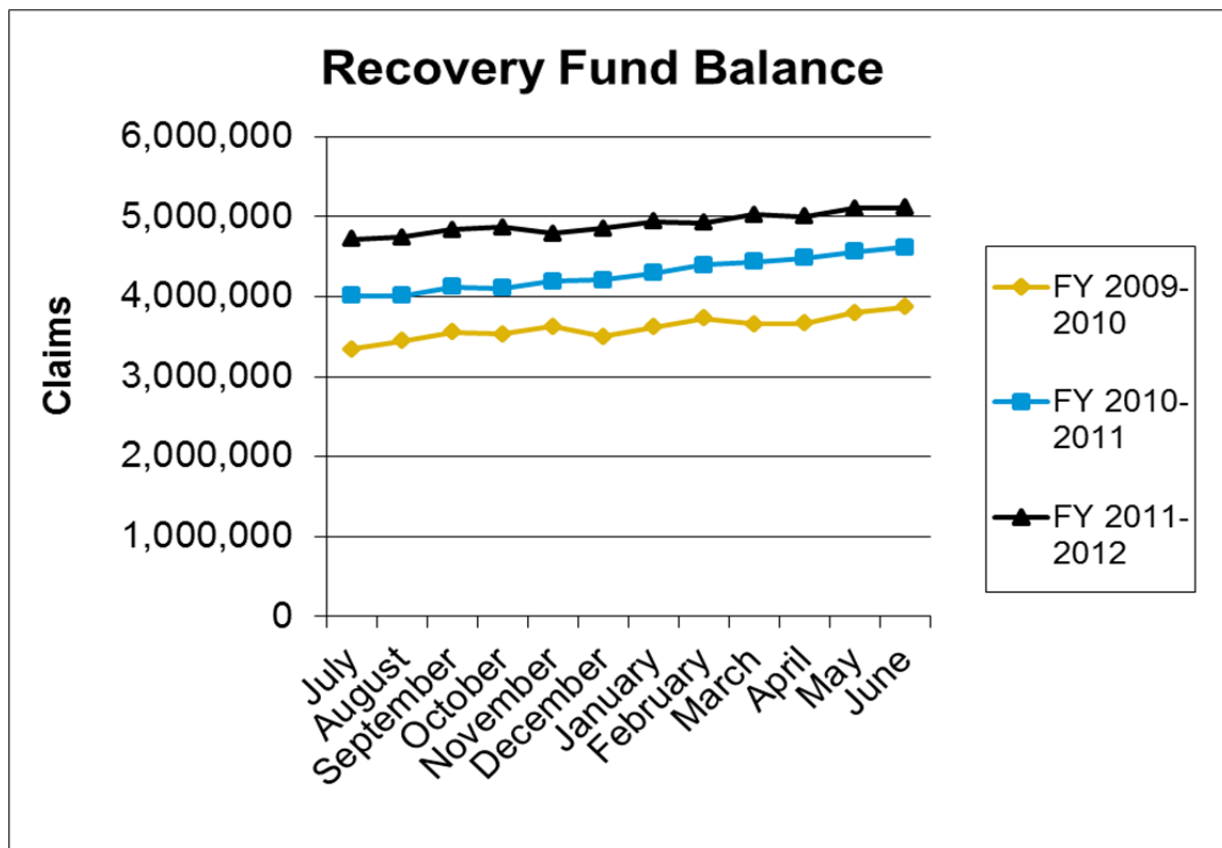
- As seen below, the average value placed on a contractor's license by the contractor themselves is slightly over 9 on a 10-point scale, with 10 being the highest.

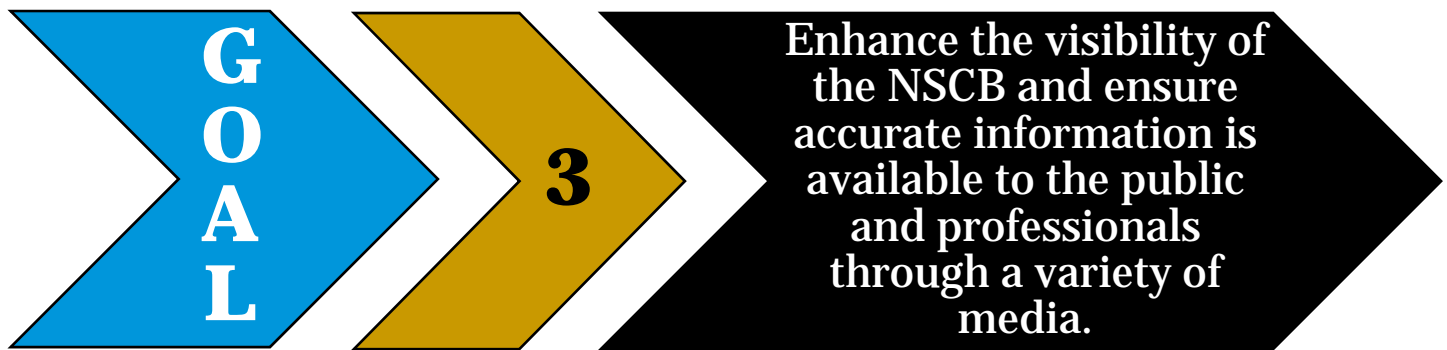
How Contractors Rate the Value of Their License



FISCAL MANAGEMENT OF RECOVERY FUND

- The Recovery Fund balance has steadily increased during the last three fiscal years, with a current fund balance of approximately \$5.1 million.
- A total of \$719,415 was awarded during FY 2011-12 to 81 homeowners.
- The average claim award was \$8,882.





HIGHLIGHTS

- **Enhanced Collateral Materials:** The Public Information Office (PIO) launched the new NSCB logo at the start of the fiscal year, integrating and updating all collateral materials, and revamping the look and content of the contractor newsletter, *NSCB Horizons*. Additionally, the PIO placed added focus on revising its brochures to create a uniformed and consistent look. Each brochure now includes information on the Residential Recovery Fund, the Board’s contact information, and easy-to-read language.
- **Raising Awareness Among Seniors:** Efforts have been enhanced this past year to place added focus on the senior population. The PIO created a Senior Bulletin; implemented a Senior Awareness Program that partners with a variety of state agencies, members of the legislature, and local law enforcement to raise awareness of senior scams and various topics concerning elder abuse; and made a subscription service available on the homepage of the website.
- **Outreach to Homeowners:** NSCB launched its first Home Improvement Forum in partnership with industry association representatives to have an interactive discussion about the dos and don’ts of contracting, things to be cautious of, questions to ask along the way, and how homeowners can reduce their risks and liabilities by hiring licensed contractors.
- **In the News** – Efforts to increase NSCB’s exposure in various news mediums continues to be achieved. Whether reports stemmed from press releases, consumer calls to news stations, or invitations to be interviewed based on a growing interest in NSCB activities, NSCB was recognized dozens of times throughout the year in both small and extensive reports.

FY 2012-13 Strategic Planning Objectives

- Develop a communications plan (August 2012);
- Target outreach and public information to rural areas (September 2012);
- Create orientation materials for key constituencies, such as legislators, agency representatives, and consumer groups on the mission and function of NSCB (November 2012);
- Increase contractor awareness of general business and legal principles and practices (December 2012);
- Develop a “Train the Trainer” program in partnership with industry groups (March 2013); and
- Establish an annual “Training Day” seminar for contractors (May 2013).

PERFORMANCE MEASURES

CUSTOMER EXPERIENCE

The PIO continues to outreach to contractors, seniors, and external partners for feedback on the efforts being implemented across the Board. Over the past year, the PIO has provided this information to management to assist with enhanced operations. The information collected is narrative and helps to guide and improve upon future activities of the PIO.



HIGHLIGHTS

- **Joining Forces with Industry Representatives** – Over the course of the fiscal year, NSCB met with a number of association representatives to address a range of issues concerning matters from licensing classifications, enforcement requirements/processes, and providing better assistance to the industry.
- **Paving the Way with Innovative Partnerships** – NSCB partnered with local building officials and Home Depot to facilitate the development of an innovative pilot program aimed to create easy access for contractors and homeowners when pulling building permits. The pilot is expected to launch in the beginning of the coming fiscal year.
- **Disasters Create Opportunity for Enhanced Outreach** – Following the fire disasters in Northern Nevada, NSCB met with the Insurance Commissioner to discuss coordinated messaging efforts for future events, including posting NSCB information on their website and including our literature in future publications. This meeting led to a number of additional contacts, which staff will continue to follow up on for enhanced outreach/educational efforts.
- **State Partners Share Same Desire to Educate Seniors** – Launched in May, NSCB has begun to partner with state legislators, state and local agency representatives to host a Senior Awareness Program in senior centers across the state. The program is centered on providing seniors the tips and information needed to identify warning signs of scams and abuse, obtain the knowledge of how they can protect themselves, and learn where and how to report incidents of abuse. To date, four programs have been held throughout the state, including North Las Vegas, Ely, Elko, and Fallon.
- **NASCLA Resources Committee** – NSCB Executive Officer is the Chair of the National Association of State Contractor License Agencies (NASCLA) and led the development of two national model programs focused on reducing elder abuse and developing a disaster response plan. This leadership brings NSCB one step closer to becoming a model regulatory agency.

FY 2012-13 Strategic Planning Objectives

- Create a partnership plan that identifies issues and priorities for outreach and enforcement (August 2012);
- Develop a reporting structure for partnering activities to provide Board members at the quarterly meetings (October 2012); and
- Build partnerships with specific groups to address NSCB's high priority issues such as unlicensed activity and elder abuse (December 2012).

PERFORMANCE MEASURES

PARTNERING ACTIVITY

NSCB has held several partnering activities through the last fiscal year. Tracking these activities with regard to their frequency and effectiveness has been a challenge for staff, which is why the upcoming Strategic Plan has placed added focus to develop a consistent reporting structure to capture the details of importance to the Board.



HIGHLIGHTS

- **Strategic Planning a Continued Focus** – Whether it’s the operational outline generated by the Board and the Board’s Executive team, or the way in which strategic planning information is reported to the Board and Board staff, Strategic Planning remains at the forefront of all internal operations. Board staff participated in a full-day meeting in March 2012 to discuss 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.
- **Enhanced Board Training** – Board members were provided a unique spin on the annual Administrative Law, Ethics, and the Open Meeting Law trainings this year. Board counsel developed an interactive presentation, which included critical thinking opportunities regarding different scenarios and how one would respond/react to the situation, in addition to asking questions of counsel regarding the expectations of the various laws.
- **Engaging Board Members** – Board member presence at a variety of partnering and committee meetings reinforced the Board’s commitment to becoming an active, model regulatory agency. With the attendance of Board members at partnering meetings, it sends a unified and engaging message to those representatives in attendance that our Board cares and is dedicated to finding resolution and/or working together on new opportunities.

FY 2012-13 Strategic Planning Objectives

- Develop an ongoing orientation and training program for Board members on key NSCB functions and priorities (October 2012); and
- Identify issues and formulate positions for potential legislation (June 2013).

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

- **Enhanced Staff Training Requirements** – To best ensure staff continues to receive ample training throughout the year, all staff were required to take a minimum of 16 hours of training and/or continuing education courses. This effort assists staff in exploring new areas for growth, helps to build new skills and abilities, and spark innovation from within.
- **Staff Outreach** – An enhanced staff bulletin was designed and distributed via e-mail to all staff throughout the agency in the past year. Bulletins are currently sent out on a monthly basis and include updates from each Department, strategic planning accomplishments/efforts, team building sections, and customer service suggestions.
- **Staff Engagement in Strategic Planning** – Prior to the development of the FY 2012-13 Strategic Plan, all staff were asked to complete a S.W.O.T. analysis on the Department and make suggestions for ideas and/or improvements to consider in the next year. As a result of staff feedback, new objectives were added to the Strategic Plan reflecting their interests and ongoing communication about issues raised continues to be addressed in staff meetings.
- **New Web Services** – With the implementation of the Online Renewal Program, added subscription services to the website, utilization of Facebook, and uploading new media videos/resources, NSCB continues to advance its technological presence both internally and externally. Information technology has been updated across the Board, including new software, server upgrades, and scanning equipment.

UPCOMING EFFORTS

- Improve methods of acquiring customer feedback (October 2012);
- Develop a Standard Operating Procedure (SOP) manual for all departments (May 2013); and
- Create a succession plan and strategy for developing the next generation of leadership (May 2013).

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.



LOOKING FORWARD

FY 2012-13 Strategic Plan

FY 2011-12 placed a large focus on partnering and tracking/obtaining customer service feedback. While these efforts will continue, our objectives for the next 12 months are geared to push the Board to even higher limits. We've become engaged in meeting with various parties on a multitude of issues, but still lack the structure to document and track the effectiveness of our efforts. In the coming year, the Board will turn to the development of plans detailing the course of our efforts, anticipated outcomes, and ways to report our findings/achievements. We will prioritize our issues, communications strategies, and identify ahead of time the partners we need to partner with to obtain the best outcome for the Board and industry alike.

Our staff will become even more engaged in Board operations by evaluating the policies and procedures within their respective areas and making recommendations for improvements and or streamlined operations. Additionally, Board management will be looking for innovative training opportunities, unique team building strategies, and ongoing enhancements to both internal and external communication efforts.

The legislative season will swing into full effect come January of 2013. Staff will work to ensure the Board is current on legislative matters as they progress through the Legislature and keep the public and contractors informed on important matters as necessary.

The FY 2012-13 Strategic Plan is progressive in its initiatives and forces staff to explore new possibilities, new ways of conducting business and educating the public at large. NSCB staff is energized and excited about what lies ahead and looks forward to reporting on its experiences in the near future.