



Nevada State Contractors Board
2017-2018
Strategic Plan

JULY 2017



acknowledgements

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letter from the board chair

This past year, I was honored when my colleagues on the Board voted to continue my term as Chairman for another year, and not for reasons you may think. Serving as Chairman for a regulatory agency in an industry as large and diverse as construction is a challenge that I have come to appreciate now more than ever.

Beyond the personal growth and knowledge I continue to acquire at each meeting, I am most proud to be a member of a Board that works diligently and thoughtfully to protect the public while upholding and promoting the confidence and integrity of the construction industry.

Staff of the Board understand the critical role they play in the professional lives of the licensees and applicants, which is why we've made significant improvements over recent years to streamline our processes, enhance staff's ability to work directly with applicants to resolve matters that may be causing delays, and involving the assistance of our enforcement division when character issues arise from background investigations. These improvements have led to improved application processing times and a reduced number of denial hearings coming before the Board.

With regard to proceedings before the Board, licensees, applicants, and homeowners benefit from the diverse backgrounds of each Board member. As we learn all the facts and hear directly from the parties involved in a contested case or application, we become enlightened not only by the testimony, but by the opinions, questions, and recommendations from each Member. In the end, we all vote independently, but I trust we are all more well-rounded and constructive in our decisions because of the value of information shared.

This is a Board that maintains its focus on reinforcing its laws, doing what is right and best for the protection of the public, and never hesitating to reach out to subject matter experts whenever necessary before formalizing an opinion or recommendation. The Contractors Board may not be able to assist everyone in every situation, but the integrity that drives its operations speaks measures about its abilities to achieve its mission and vision to be a model regulatory agency.

It is always a pleasure when I hear about the Contractors Board in the news, whether through the television, radio, or social media posts. It means we are being effective in our public outreach efforts. Helping people understand the protections and services of the Board is vital to the integrity and confidence of the industry. Over the last year, the Board focused heavily on its outreach initiatives, providing a host of community-based presentations, meeting with industry groups and homeowner associations, and attending various consumer-based events to help provide information on where people can turn to for assistance during the course of their home remodel or repair projects.

Our job at the Board is never done, and I enjoy the innovation and forward thinking that continues to progress the strategic, policy, and operational directives of this agency. We do not waiver in our commitments, but we are always adapting to new realities, which is what should be expected of a model regulatory Board.

Jan Leggett
Nevada State Contractors Board Chairman



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I. introduction

The Nevada State Contractors Board (NSCB) was created by the Legislature in 1941 to license and regulate contractors. Nevada requires licensure for all aspects of residential and commercial contracting. The Board is also responsible for enforcement, public awareness and administering a homeowner recovery fund.

The Board is empowered with determining applicant qualifications and establishing license conditions including a monetary limit for services and types of work that may be performed. The Board is also empowered to promulgate rules and regulations necessary for implementing and enforcing the enabling statute, NRS 624, and to discipline licensees found in violation of the statute.

The Governor appoints the seven members of the Board to three-year terms. Six members are licensed contractors, and one is a representative of the public.

The Board's public awareness program provides informational materials for consumers and contractors. Board employees give presentations and work with members of the media to provide public information concerning contractor responsibilities and the role of the Board.

The Board administers the Residential Recovery Fund. Established in 1999, the Fund provides financial assistance to single-family homeowners who have suffered damages in certain cases.



II. overview

Established in 1941, NSCB is an agency dedicated to consumer protection. Each of its departments aides the Board's mission to ensure the health, safety and welfare of the general public in all construction matters under its jurisdiction. Funded by contractor license fees, NSCB also maintains a Residential Recovery Fund account, which affords residential homeowners financial recourse in the event they incur damages as a result of a construction project.

The Board's Licensing Department further promotes consumer protection through the licensing application process. In 2011, the Board began requiring all applicants to submit fingerprint cards in an effort to better identify character issues in an applicant's background that may warrant denial of licensure due to safety concerns. With approximately 15,000 licensees in the State of Nevada to serve, the Licensing Department is NSCB's customer service cornerstone and initial point of contact for all contractors in the State.

When customers aren't seeking licensure, they are usually filing a complaint with the Enforcement Department. Roughly 2,200 cases against licensed contractors and 1,800 unlicensed contractor complaints are investigated each year. The majority of cases stem from residential construction; however, the Board is preparing for more commercial and public works cases as economic conditions continue to improve.

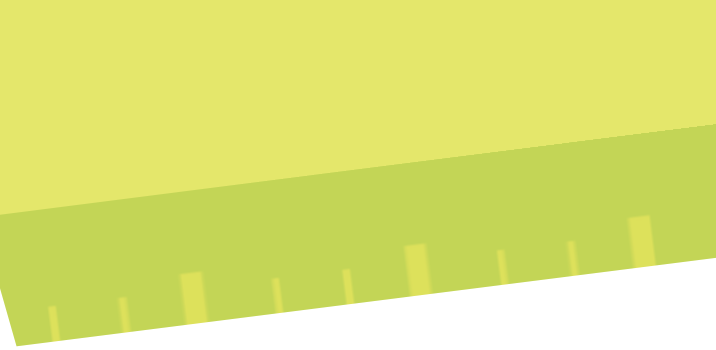
Investigators work with contractors and homeowners to correct workmanship issues, assist with money owing disputes, and address violations of industry regulations. Additionally, cases against unlicensed contractors are referred to local District Attorney's Offices where individuals may be prosecuted for crimes of unlicensed contracting. Such punishments include a misdemeanor for a first offense, gross misdemeanor for a second offense and class E felony for a third offense. The Board will also seek enhanced penalties for crimes against seniors – a matter not taken lightly by NSCB.

Outreach initiatives such as the Board's Senior Awareness Program, Home Improvement Forum and tailored presentations for specialized groups involved with hiring contractors, such as community managers and local government personnel, are vital to raising awareness among the public of the importance of hiring licensed contractors. NSCB combats unlicensed contracting by presenting to various contractor groups and inviting the media to cover its undercover sting operations, whose stories help the Board reach thousands of homeowners.

Each of the operations performed by NSCB allow the Board to accumulate data, identify trends and evaluate what will be needed next. It is with this information that NSCB commits itself to developing a strategic plan each year. This annual exercise allows the Board to

respond to new and emerging issues and challenges, set new goals and objectives and formulate an action plan.

The Board's vision is to be a model regulatory agency that works cooperatively with all stakeholders; engages the public, industry and community leaders in meaningful discussions; and improves the quality of the construction industry and its licensees. In doing so, NSCB is dedicated to protecting the health, safety and welfare of the citizens of Nevada and establishing greater trust and credibility with the public.



III. summary of recent accomplishments

Many of the Board's recent accomplishments are highlighted here. A more detailed list is included as Appendix A.

Licensing

Staff analyzed factors impacting the processing of licensing applications, including the new application denial hearings and financial responsibility hearings, and made recommendations to the Board for improvement, which were subsequently implemented.

Enforcement

Aided in the investigation of over 135 complaints against a single licensed contractor after the contractor abandoned its business and filed for bankruptcy. As result, 127 homeowners received financial recourse through the Board's Residential Recovery Fund.

Public Awareness and Information

Partnered with trade schools, higher education institutions, and industry representatives to promote construction education initiatives and the value of the

construction industry for the state's communities and economy. The events addressed the current workplace shortage and offered encouraging words to students about choosing a career in construction.

Board Development

Received a customized training from the Federation of Association of Regulatory Boards, which offered guidance on the best practices of a regulatory Board with regard to its mission, operations, policies, and applications of the law.

Administrative Efficiency

Updated the Board's staff succession plan, including review of current and future department needs, enhanced training programs for staff, and an overall review of the Board's structure.

IV. strategic issues and priorities

Board members have identified the following issues and trends affecting the work of the NSCB. These issues affect NSCB's day-to-day operations as well as its long-term forecast, and help describe the economic, political and regulatory environment in which NSCB operates.

Economic Recovery

The Nevada economy continues to improve, placing greater pressure on labor markets and the need for qualified construction workers.

Workforce Trends

Home remodeling activities and public works projects have continued to increase, resulting in a growing need for labor. With greater demand for qualified workers, the Board will continue to focus on enforcement activities in order to ensure consumer safety.

Legislative Trends

The Board will continue to monitor new State legislation and its impact on both industry regulation and consumer protection.

The Board will look for ways to streamline the licensing application processes and evaluate opportunities to expand reciprocity with other states, while ensuring that quality standards and consumer protection are held in place.

Unlicensed Activity

An increase in unlicensed construction activity, fraud and out-of-scope work have an impact on investigator case loads. The Board will monitor fraud activity to evaluate the need for contracted staff to assist during periods of higher workload. NSCB will continue to cite testimonials of successful cases to inform the public of heightened enforcement activities.



Contractor Trends

Nevada's economic recovery is drawing more companies into the marketplace to meet the increased demand for public and private projects. With increasing numbers of large projects there will be a greater demand for qualified contractors. The Board will closely monitor these changes to understand their impact on the agency's resources and enforcement activities.

Changing Technology

Like other industries, building and construction continue to experience the impact of new technologies, such as solar. These changes in turn require NSCB to keep licensure classifications, training requirements and Board processes up-to-date.

“If it wasn't for the Board, we wouldn't have had any work done on our home. We dealt with a bad contractor and the Board helped us.”

— Ann M.

V. strategic plan framework

The NSCB Strategic Plan is organized according to the framework illustrated below and as described on the following pages.

Each year, the Board reviews progress on the Strategic Plan and establishes a new set of specific objectives with assignments and timelines to ensure implementation.





“I’ve gone through several [NSCB] processes and all of them have turned out well for me.”

— Paul G.

VI. mission, vision and values

Mission

The Nevada State Contractors Board is committed to ensuring the integrity and professionalism of the construction industry in Nevada.

The Nevada State Contractors Board has the responsibility to promote quality construction by Nevada licensed contractors through a regulatory licensing system designed to protect the health, safety and welfare of the public.

“Striving to Be a Model Regulatory Agency”

Vision

The Nevada State Contractors Board strives to be a model regulatory agency, integrating efficiency with consumer protection. We are committed to exceptional customer service, fair and efficient licensure and innovative educational and enforcement programs.

Our empowered employees are committed to public service and professional development, and work to promote a fair and competitive marketplace.

Values

The Nevada State Contractors Board strives for the highest program quality. We commit to uphold the values of:

Fairness and Respect

We treat all customers and colleagues in a fair and impartial manner and with dignity and compassion.

Honesty and Integrity

We conduct ourselves professionally, ethically and honorably. We go beyond the legal minimum to do what is right.

Trust

We are reliable, dependable and accountable. We strive to build and maintain public and industry trust through honesty, sincerity and by playing by the rules.

Excellence and Exceptional Customer Service

The way we conduct business is as important as the business we conduct. We strive to deliver the best possible service, create quality outcomes and exceed expectations.

Innovation and Creativity

We encourage innovation and promote excellence through learning and development. We are flexible and creative, adapting to changing customer needs, pursuing novel solutions and growing our expertise.

Open, Clear and Frequent Communication

We build partnerships and engage with customers in meaningful interactions. We believe in open communication, participatory governance and transparency.

Education

We promote and encourage education of consumers, contractors and our employees.

VII. customers and constituencies

individuals	constituency needs	constituency contributions
Public – property and homeowners	Public health, safety and welfare	Feedback on the customer experience
Applicants	Licensing requirements, guidelines and resources	Feedback on the application process
Licensees	Regulation of practice and business and legal resources	Legitimate and legal business activity
Recovery Fund Claimants	Compensation for wrongdoing	Feedback on fund administration
Building Officials	Timely, accurate communications	Feedback on contractor performance

organizations	constituency needs	constituency contributions
State Legislature	Protection of the public interest and efficient administration of program	Feedback on Board efficiency and effectiveness
State Executive Branch	Protection of the public interest and efficient administration of program	Feedback on Board efficiency and effectiveness
Office of the Attorney General	Investigation and enforcement of illegal activities	Legal guidance and oversight
Industry Associations	Fair and competitive marketplace	Insights or industry trends, issues and challenges
Local Governments	Verification of Contractor license status	Feedback on contractor performance



VIII. goals

The NSCB has established five goals which provide the framework for the strategic plan:



GOAL 1: LICENSING

Ensure that all applicants and licensees are qualified to provide construction services and that licensing services are delivered in a timely and professional manner.



GOAL 2: ENFORCEMENT

Reduce and prevent unlicensed activity and unprofessional conduct that pose a threat to public safety and threaten legitimate business activity.



GOAL 3: PUBLIC AWARENESS AND INFORMATION

Enhance the visibility of the NSCB and ensure that accurate information is available to the public and professionals through a variety of media.

“The investigator went above and beyond. I feel totally satisfied with his communication skills. The whole entire Board was awesome!”

— Sandra W.



GOAL 4: BOARD DEVELOPMENT

Ensure that Board members are well-supported to develop policy and provide direction to Board staff.



GOAL 5: ADMINISTRATIVE EFFICIENCY

Improve agency operations and technology to enhance regulatory efficiency, customer service and consumer protection.



IX. action plan

The following section includes a list of actions currently underway and strategic objectives that will help NSCB meet each of its goals.

These objectives were updated in March of 2017 and were based on the Board's review of the 2016-2017 Strategic Plan. Performance measures and desired outcomes are also identified for each goal area.

“I thought it was very thorough and they [NSCB] responded in a timely manner. I was very pleased with the process.”

— *Darnell N.*



GOAL 1: LICENSING

Ensure that all applicants and licensees are qualified to provide construction services and that licensing services are delivered in a timely and professional manner.

ongoing responsibilities	lead responsibility
Ensuring that all applicants meet experience and financial responsibility requirements, pass required examinations and complete background checks.	Licensing Staff
Ensuring that the license classification system is consistent with industry best practices.	Licensing Staff
Ensuring that license exams are up-to-date and consistent with industry best practices.	Licensing Staff
Ensuring contractors understand the rationale for financial requirements.	Licensing Staff



GOAL 1: LICENSING

Ensure that all applicants and licensees are qualified to provide construction services and that licensing services are delivered in a timely and professional manner.

specific objectives 2017-2018		lead responsibility	completion date
1.A	Train customer service and licensing staff on the new licensing and enforcement database.	Licensing Staff	September 2017
1.B	Review the scope of the E license category and adjust as necessary	Licensing Staff	March 2018
1.C	Evaluate opportunities for expanding license reciprocity with more states.	Licensing Staff	June 2018
1.D	Review licensing requirements to identify opportunities for simplification	Licensing Staff	June 2018

performance measures	desired outcomes
Timeliness	Qualified and licensed professional contractors
Customer Experience	Satisfied licensees



GOAL 2: ENFORCEMENT

Reduce and prevent unlicensed activity and unprofessional conduct that pose a threat to public safety and threaten legitimate business activity.

ongoing responsibilities	lead responsibility
Responding to complaints from the public in a timely manner and enforcing regulations to protect public health, safety and welfare.	Enforcement Staff
Facilitating early intervention on serious life safety complaints.	Enforcement Staff
Ensuring that disciplinary processes are effective and fair.	Enforcement Staff
Increasing enforcement of unlicensed contracting activities.	Enforcement Staff
Strengthening efforts to prevent and prosecute elder abuse.	Enforcement Staff
Improving enforcement in rural areas.	Enforcement Staff
Coordinating with local law enforcement agencies in identifying potential fraudulent contractors	Enforcement Staff
Partnering with the District Attorney's office to aggressively prosecute elder abuse.	Enforcement Staff



GOAL 2: ENFORCEMENT

Reduce and prevent unlicensed activity and unprofessional conduct that pose a threat to public safety and threaten legitimate business activity.

specific objectives 2017-2018		lead responsibility	completion date
2.A	Train compliance and criminal staff on the new licensing and enforcement database.	Enforcement Staff	September 2017
2.B	Determine whether there is a need to expand the Fraud Unit.	Enforcement Staff	December 2017
2.C	Meet with local planning and building departments to increase their awareness of the potential for unlicensed activity and how they can help combat it.	Enforcement Staff	June 2018

performance measures	desired outcomes
Timeliness	Satisfied claimants
Customer Experience	Clear resolution of claims
Quality of Enforcement	Increased investigations of unlicensed activity
Value of the Contractor License	Fair and competitive marketplace
Fiscal Management of Recovery Fund	Recovery Fund solvency



GOAL 3: PUBLIC AWARENESS AND INFORMATION

Enhance the visibility of the NSCB and ensure that accurate information is available to the public and professionals through a variety of media.

ongoing responsibilities	lead responsibility
Maximizing public awareness of NSCB services and the benefits of hiring a licensed contractor through continued public outreach initiatives.	Public Information Officer
Enhancing the use of online services.	Public Information Officer
Keeping public information and collateral materials up-to-date.	Public Information Officer
Maximizing the use of the NSCB newsletter and website to provide timely information.	Public Information Officer
Expanding customer awareness of the Residential Recovery Fund.	Public Information Officer
Improving Board effectiveness through partnerships and intergovernmental relationships.	Public Information Officer
Surveying partners on a regular basis to improve two-way communication.	Public Information Officer
Working with city and county building departments to increase awareness of the Board.	Public Information Officer



GOAL 3: PUBLIC AWARENESS AND INFORMATION

Enhance the visibility of the NSCB and ensure that accurate information is available to the public and professionals through a variety of media.

specific objectives 2017-2018		lead responsibility	completion date
3.A	Develop a tiered budget for public information activities, providing the Board with low, medium and high levels of public outreach budget options.	Public Information Officer	July 2017
3.B	Create an information packet to assist the public in understanding the nature of unlicensed contracting and the role of NSCB.	Public Information Officer	September 2017
3.C	Translate select NSCB collateral material into Spanish.	Public Information Officer	December 2017
3.D	Implement upgrades to the NSCB website to promote stories and testimonials of successful cases as a result of NSCB heightened enforcement activities. Add additional public information resources to the website.	Public Information Officer	March 2018

performance measures	desired outcomes
Timeliness	Accurate, relevant, readily available information for professionals and the general public
Customer Experience	Satisfied customers



GOAL 4: BOARD DEVELOPMENT

Ensure that Board members are well-supported to develop policy and provide direction to Board staff.

ongoing responsibilities	lead responsibility
Focusing Board efforts and activities on policy, governance and strategic plan implementation.	Executive Team Members
Keeping the new Board member orientation and training program up-to-date.	Executive Team Members
Assisting Board members in learning the Contractors License Law and Administrative Code.	Executive Team Members
Partnering with contractor associations, law enforcement, building officials and governmental agencies to address topics of mutual interest.	Executive Team Members



GOAL 4: BOARD DEVELOPMENT

Ensure that Board members are well-supported to develop policy and provide direction to Board staff.

specific objectives 2017-2018		lead responsibility	completion date
4.A	Review and modify the Board Member succession plan and identify opportunities for current and former Board members to engage in training new members.	Executive Team Members	September 2017
4.B	Identify new opportunities to enhance the New Board Member Orientation program; in addition, provide all new Board members with a designated mentor from the existing list of Board members.	Executive Team Members	October 2017
4.C	Evaluate the Board's legislative involvement during the 2017 session and begin developing a strategy for the 2019 legislative session.	Executive Team Members	January 2018

performance measures	desired outcomes
Board Engagement	Board is active and engaged, providing clear direction to staff
Board Diversity	New Board members represent different geographies and industry sectors



GOAL 5: ADMINISTRATIVE EFFICIENCY

Improve agency operations and technology to enhance regulatory efficiency, customer service and consumer protection.

ongoing responsibilities	lead responsibility
Providing excellent customer service and continuing to develop and modify programs to improve customer experience.	Executive Team Members
Periodically surveying peer agencies for best practices, benchmarking NSCB performance and re-engineering and refining Board processes as needed.	Executive Team Members
Tracking performance measures and focus on improving processes that fall below their targets or exceed budgets.	Executive Team Members
Improving and maintaining IT systems and the use of technology for document imaging, investigative services and other agency functions.	Executive Team Members
Fostering a culture of teamwork and collaboration.	Executive Team Members
Developing an annual strategic plan, measuring results and updating the plan on a periodic basis.	Executive Team Members
Ensuring that all Board staff members are aware of employment policies and procedures.	Executive Team Members



GOAL 5: ADMINISTRATIVE EFFICIENCY

Improve agency operations and technology to enhance regulatory efficiency, customer service and consumer protection.

ongoing responsibilities	lead responsibility
Recognizing Board employees for superior performance.	Executive Team Members
Seeking opportunities to leverage resources through creative partnerships.	Executive Team Members

specific objectives 2017-2018		lead responsibility	completion date
5.A	Discuss and review past trends related to the economic boom to forecast the Board's needs and develop a plan that best addresses them.	Executive Team Members	November 2017
5.B	Continue to improve the Board's recruitment efforts, as it relates to the Staff Succession Plan.	Executive Team Members	January 2018
5.C	Create a staff development program that encompasses more career and leadership driven principles, in addition to ongoing technical training.	Executive Team Members	March 2018

performance measures	desired outcomes
Fiscal Management	Balanced Budget
Customer Experience	Satisfied customers
Agency Operations	Preservation of Industry Knowledge



appendix A: recent accomplishments 2016-2017

Licensing

- Evaluated and implemented various opportunities to streamline and improve the licensing application and new application denial hearing processes.
- Made significant strides in the development of the Board's licensing and enforcement database; a process that has allowed for a review and opportunity to improve the Board's existing processes impacting nearly all operational aspects of the Board.
- Aimed to improve the financial literacy of applicants applying for licensure by adding more rigorous financial questions in applicable licensing exams, while also promoting statewide resources, including financial, for applicants to utilize while in pursuit of their license.
- Updated the B-2 licensing exam in coordination with subject matter experts.

Enforcement

- Revoked the license of Summerlin Energy, LLC after investigating over 135 complaints received by the Board. The six-month process ended with the maximum value of \$400,000 being pro-rated to 127 homeowners through the Residential Recovery Fund.
- Proactively communicated with and cautioned the public impacted by natural disasters, such as floods and fires, of the dangers of hiring unlicensed contractors and how they can verify a contractor's license on the Board's website or mobile application. These efforts led to no unlicensed contractor complaints being received as a result of severe storms in all parts of the state.
- The Fraud Unit received its first federal felony conviction against owners of Recreational Development Company – a case that involved over 12,000 pages of evidence, review of 32 bank account records, and months of analysis and preparation.

“The Board was absolutely 100% fantastic - more people should know about them.”

— Jayne C.

Public Information & Awareness

- Expanded the Board's video production capabilities in pursuit of developing a variety of web-based resources that offer guidance and direction specific to their needs and testimonials from the Board's diverse customers.
- More proactively engaged the public utilizing television, print, radio, and social media to promote the Board's mission, resources, activities, and accomplishments.
- Highlighted the importance of construction education programs during two events held at A.C.E. High School in Reno and Northwest Career and Technical Academy in North Las Vegas. Each event promoted students' construction achievements and addressed the importance of the construction industry as a viable career path.
- Worked closely with all departments to conduct community and industry presentations, enhance existing communication tools for staff, and streamline Board documents.

Board Development

- Engaged in the 2017 legislative session, including daily monitoring of key legislation, communicating the Board's position in various matters, and working closely with members of the

legislature and stakeholders as appropriate.

- Discussed and identified new opportunities to improve the orientation process for new Board members.
- Provided training by the Federation of Association of Regulatory Boards to all Board members, management, and counsel. Topics included best practices to implement as a regulatory Board, application of various laws driving the Board's operations and public meetings, and a review of pending and recent case law impacting regulatory communities.

Administrative Efficiency

- Reviewed and updated the succession plan for Board staff, including improved strategies for promoting and filling vacancies, training opportunities for staff, and an overall review of the Board's structure and short- and long-term personnel needs.
- Began evaluating fund and accounting management software options to determine which would best meet the demands of the Board.
- Considered a variety of options to expand and better adapt training resources and opportunities to the professional requirements expected of staff in their respective departments.





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