



*Nevada State Contractors Board*

# **STRATEGIC PLAN**

**EXECUTIVE OFFICER REPORT**

**QUARTER FOUR REPORT**

*April - June 2015*

**FY 2014-15 ANNUAL REPORT**

*July 2014 - June 2015*



## **Members of the Board**

Guy M. Wells, *Chairman*

Margaret Cavin, *Treasurer*

Thomas “Jim” Alexander

Kevin E. Burke

Joe Hernandez

Jan B. Leggett

Stephen P. Quinn

## **Executive Leadership**

Margi Grein, *Executive Officer*

Dan Hammack, *Chief of Enforcement*

Nancy Mathias, *Licensing Administrator*

Paul Rozario, *Director of Investigations*

members  
and  
dr



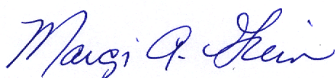
## Message from the Executive Officer

Every year, the Contractors Board embarks on a new journey that responds to the current conditions of the economy and construction industry, while expanding its sights on new accomplishments and opportunities to further enhance public safety and promote the resources of the Board. This strategic approach has guided us toward enhanced public outreach efforts, improved and streamlined our enforcement and licensing processes, and made us a more efficiently operating entity overall.

As we outlined the objectives and goals for FY 2014-15 nearly a year ago, our strategic compass was focused on the importance of information technology with respect to the multitude of services and customers we interact with on a daily basis. Some initiatives we undertook included reconfiguring our call center to expedite the transferring of calls and reduce customer wait times; upgrading several of our infrastructure systems to improve end-user functionalities and processing of information; and initiating a project to enhance our licensing and enforcement databases.

This year's emphasis returns to public outreach efforts with an additional internal focus among each of our departments to further enhance the customers' experience by streamlining forms and generating new consumer tools and resources. Our Licensing Department will be working through the regulatory process to adopt a B-6 classification, which will allow for tenant improvement work in high rise buildings. Enforcement will be establishing new methods for proactive monitoring of large construction projects while expanding its focus on fraudulent and unlicensed activities. And the Board overall will be expanding its reach within our communities through presentations to various groups, engagement with legislators, enhanced media partnerships, and increased promotion of the consumer protection services and resources available to Nevada residents.

With our map drawn and navigation firmly in place, we look forward to the course set before us and anticipate a journey filled with new accomplishments, challenges, and positive rewards as a result of our efforts. We hope you find equal benefit in the direction we are headed and value from the customer service improvements we are preparing to make.

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

MARGI A. GREIN

Nevada State Contractors Board Executive Officer

# Contents

Executive Officer Highlights . . . . .	1
Licensing - Data Dashboard . . . . .	2
Licensing - Quarter Four Snapshot. . . . .	3
Licensing Overview and Comparison. . . . .	4
Licensing Trends . . . . .	5
Licensing Annual Highlights. . . . .	6
Enforcement - Annual Background Checks. . . . .	7
Enforcement - Compliance Overview. . . . .	8-9
Enforcement - Annual Compliance Highlights . . . . .	10
Enforcement - Criminal Overview . . . . .	11-12
Enforcement - Annual Criminal Highlights. . . . .	13
Information Technology - Annual Highlights . . . . .	14
Public Information Office - Annual Highlights . . . . .	15
Customer Service Survey Reports. . . . .	16-19
Looking Forward: Fiscal Year 2015-16 . . . . .	20



# Executive Officer Annual Highlights

## **Board Engages in National Efforts (Goals 2, 4, & 6)**

NSCB's involvement in the National Association of State Contractors Licensing Agencies (NASCLA) provides for unique partnering, networking, and recognition opportunities. During the year, the Executive Officer accepted an award for Innovation in Regulation, participated in two conferences in her position as Treasurer and Resources Committee Chair, and led the development of national resources for Boards concerning legislative engagement, social media, and the development of a mobile application. Additionally, NSCB partnered with nine states in a joint sting event coordinated by NASCLA targeting unlicensed contractors advertising on online bulletins.

## **Licensing Focuses on Classification Enhancements (Goal 1)**

During the year, the Licensing Department improved its service to consumers by making available on the Board's website an enhanced search feature to find licensed contractors by county and classification. Additionally, efforts were made to implement a temporary regulation for a B-6 classification allowing for tenant improvement work in high rise buildings. In connection with this initiative, staff also worked with subject matter experts to develop a B-6 examination, which was implemented in May 2015.

## **Enforcement Teams Up With Local Law Enforcement (Goals 2 & 4)**

Multiple sting operations were held throughout the year targeting unlicensed contractors. Participating in these initiatives were officers from local law enforcement agencies who were on-site to ensure the safety of NSCB investigators and actively check if the suspects had pending warrants of concern to the public's safety. These partnerships were further enhanced through NSCB outreach efforts to law enforcement groups, such as the Sheriffs and Chiefs

Association, whereby staff provided information on the mission of the Board and ways law enforcement could help us in our efforts to combat unlawful activities.

## **Public Outreach on Solar Construction Initiated (Goals 2, 3, & 4)**

In response to an increased number of solar complaints received by the Board concerning both licensed and unlicensed activities, NSCB began reaching out to solar industry groups to discuss the issues and raise awareness of compliance requirements. Additionally, the Board became proactive in its efforts to educate homeowners on solar matters of concern by teaming up with NV Energy to present at public forums already scheduled. The Board is currently expanding its outreach initiatives and will be implementing new approaches in the coming year.

## **Board Sets Direction for FY 2015- 16; Enhances Knowledge of Role and Responsibilities (Goal 5)**

As part of its effort to remain current on industry and regulatory practices, the Board participated in a series of trainings throughout the year, including the National Judicial College and a presentation by the Federal Association of Regulatory Boards (FARB) on the role and responsibilities of boards. Later in the year, the Board met with executive staff to discuss and develop the goals and objectives for FY 2015-16, which were adopted in June 2015 as the Board's Strategic Plan.

## **Board Participates in 2015 Legislative Session (Goal 6)**

The Board was actively engaged in this year's Legislative Session, testifying in various committee hearings, meeting with legislators, and responding to legislative inquiries. While only one of the Board's bills was successful, the overall outcome rendered positive results and changes for NSCB. One noteworthy change was the enhanced penalties made for unlicensed contracting activities.

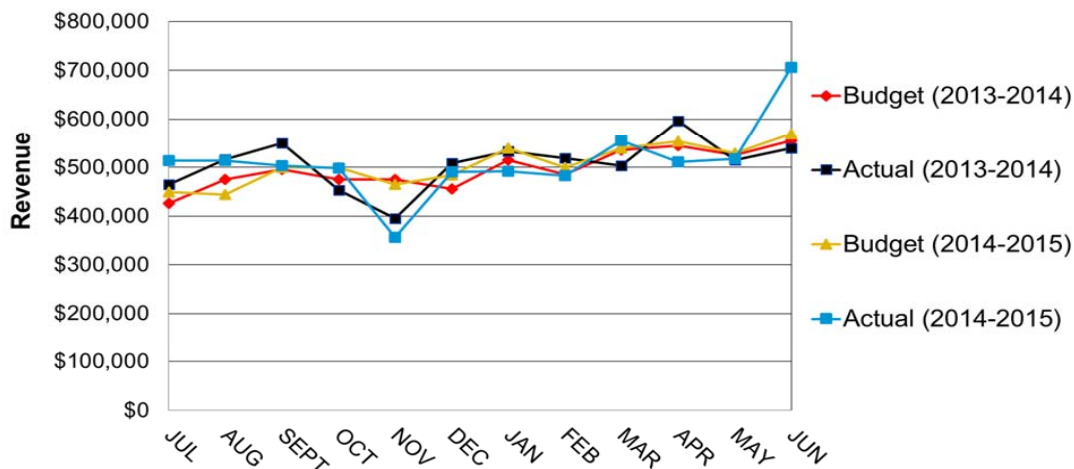
# Licensing - Data Dashboard

Budget (2013-2014)	JULY-13	AUG-13	SEPT-13	OCT-13	NOV-13	DEC-13	JAN-14	FEB-14	MAR-14	APR-14	MAY-14	JUN-14	TOTALS
License Renewals	\$270,000	\$320,000	\$340,000	\$320,000	\$320,000	\$300,000	\$360,000	\$330,000	\$380,000	\$390,000	\$370,000	\$400,000	\$4,100,000
New License Fee	\$49,166	\$49,166	\$49,166	\$49,166	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$590,000
Application Fee	\$33,333	\$33,333	\$33,333	\$33,333	\$33,333	\$33,333	\$33,333	\$33,333	\$33,334	\$33,334	\$33,334	\$33,334	\$400,000
License Changes	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$28,750	\$345,000
Investigative Recov Costs	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$270,000
Renewal Late Fees	\$8,333	\$8,333	\$8,333	\$8,333	\$8,333	\$8,333	\$8,333	\$8,333	\$8,334	\$8,334	\$8,334	\$8,334	\$100,000
Renewal Inactive Fee	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,333	\$13,334	\$13,334	\$13,334	\$13,334	\$160,000
<b>TOTALS</b>	<b>\$425,415</b>	<b>\$475,415</b>	<b>\$495,415</b>	<b>\$475,415</b>	<b>\$475,416</b>	<b>\$455,416</b>	<b>\$515,416</b>	<b>\$485,416</b>	<b>\$535,419</b>	<b>\$545,419</b>	<b>\$525,419</b>	<b>\$555,419</b>	<b>\$5,965,000</b>
Actual (2013-2014)	JULY-13	AUG-13	SEPT-13	OCT-13	NOV-13	DEC-13	JAN-14	FEB-14	MAR-14	APR-14	MAY-14	JUN-14	TOTALS
License Renewals	\$316,800	\$317,650	\$396,220	\$296,300	\$254,005	\$334,003	\$383,925	\$349,520	\$299,588	\$418,250	\$331,950	\$365,215	\$4,063,425
New License Fee	\$46,200	\$60,600	\$41,850	\$54,000	\$46,800	\$46,350	\$39,000	\$46,800	\$57,150	\$57,000	\$49,200	\$52,950	\$597,900
Application Fee	\$28,800	\$42,300	\$32,150	\$39,300	\$26,700	\$34,800	\$39,900	\$40,800	\$42,900	\$40,200	\$41,400	\$42,650	\$451,900
License Changes	\$32,150	\$30,425	\$27,200	\$28,050	\$26,375	\$27,200	\$29,275	\$31,400	\$41,225	\$34,275	\$32,425	\$30,525	\$370,525
Investigative Recov Costs	\$25,955	\$42,690	\$18,598	\$21,165	\$28,607	\$30,385	\$26,717	\$26,194	\$39,941	\$26,765	\$40,546	\$30,950	\$358,514
Renewal Late Fees	\$5,480	\$7,875	\$16,010	\$7,300	\$4,495	\$16,415	\$5,475	\$7,450	\$10,175	\$8,175	\$5,925	\$6,025	\$100,800
Renewal Inactive Fee	\$8,700	\$14,400	\$18,300	\$7,500	\$8,100	\$19,650	\$8,700	\$16,200	\$12,300	\$11,700	\$13,200	\$11,700	\$150,450
<b>TOTALS</b>	<b>\$464,085</b>	<b>\$515,940</b>	<b>\$550,328</b>	<b>\$453,615</b>	<b>\$395,082</b>	<b>\$508,803</b>	<b>\$532,992</b>	<b>\$518,364</b>	<b>\$503,279</b>	<b>\$596,365</b>	<b>\$514,646</b>	<b>\$540,015</b>	<b>\$6,093,514</b>
Variance (2013-2014)	JULY-13	AUG-13	SEPT-13	OCT-13	NOV-13	DEC-13	JAN-14	FEB-14	MAR-14	APR-14	MAY-14	JUN-14	TOTALS
License Renewals	\$46,800	(\$2,350)	\$56,220	(\$23,700)	(\$65,995)	\$34,003	\$23,925	\$19,520	(\$80,413)	\$28,250	(\$38,050)	(\$34,785)	(\$36,575)
New License Fee	(\$2,966)	\$11,434	(\$7,316)	\$4,834	(\$2,367)	(\$2,817)	(\$10,167)	(\$2,367)	\$7,983	\$7,833	\$33	\$3,783	\$7,900
Application Fee	(\$4,533)	\$8,967	(\$1,183)	\$5,967	(\$6,633)	\$1,467	\$6,567	\$7,467	\$9,566	\$6,866	\$8,066	\$9,316	\$51,900
License Changes	\$3,400	\$1,675	(\$1,550)	(\$700)	(\$2,375)	(\$1,550)	\$525	\$2,650	\$12,475	\$5,525	\$3,675	\$1,775	\$25,525
Investigative Recov Costs	\$3,455	\$20,190	(\$3,902)	(\$1,335)	\$6,107	\$7,885	\$4,217	\$3,694	\$17,441	\$4,265	\$18,046	\$8,450	\$88,514
Renewal Late Fees	(\$2,853)	(\$458)	\$7,677	(\$1,033)	(\$3,838)	\$8,082	(\$2,858)	(\$883)	\$1,841	(\$159)	(\$2,409)	(\$2,309)	\$800
Renewal Inactive Fee	(\$4,633)	\$1,067	\$4,967	(\$5,833)	(\$5,233)	\$6,317	(\$4,633)	\$2,867	(\$1,034)	(\$1,634)	(\$134)	(\$1,634)	(\$9,550)
<b>TOTALS</b>	<b>\$38,670</b>	<b>\$40,525</b>	<b>\$54,913</b>	<b>(\$21,800)</b>	<b>(\$80,334)</b>	<b>\$53,387</b>	<b>\$17,576</b>	<b>\$32,948</b>	<b>(\$32,140)</b>	<b>\$50,946</b>	<b>(\$10,773)</b>	<b>(\$15,404)</b>	<b>\$128,514</b>
Budget (2014-2015)	JULY-14	AUG-14	SEPT-14	OCT-14	NOV-14	DEC-14	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	TOTALS
License Renewals	\$285,000	\$280,000	\$335,000	\$335,000	\$300,000	\$320,000	\$375,000	\$335,000	\$375,000	\$390,000	\$365,000	\$405,000	\$4,100,000
New License Fee	\$49,166	\$49,166	\$49,166	\$49,166	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$49,167	\$590,000
Application Fee	\$35,417	\$35,416	\$35,416	\$35,416	\$35,417	\$35,416	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$35,417	\$425,000
License Changes	\$29,167	\$29,166	\$29,167	\$29,166	\$29,167	\$29,167	\$29,166	\$29,167	\$29,167	\$29,167	\$29,166	\$29,167	\$350,000
Investigative Recov Costs	\$29,167	\$29,166	\$29,167	\$29,166	\$29,167	\$29,167	\$29,166	\$29,167	\$29,167	\$29,167	\$29,166	\$29,167	\$350,000
Renewal Late Fees	\$8,333	\$8,333	\$8,334	\$8,333	\$8,333	\$8,334	\$8,333	\$8,333	\$8,334	\$8,333	\$8,334	\$8,333	\$100,000
Renewal Inactive Fee	\$12,917	\$12,916	\$12,917	\$12,917	\$12,916	\$12,917	\$12,917	\$12,916	\$12,917	\$12,917	\$12,916	\$12,917	\$155,000
<b>TOTALS</b>	<b>\$449,167</b>	<b>\$444,163</b>	<b>\$499,167</b>	<b>\$499,164</b>	<b>\$464,167</b>	<b>\$484,168</b>	<b>\$539,166</b>	<b>\$499,167</b>	<b>\$539,169</b>	<b>\$554,168</b>	<b>\$529,166</b>	<b>\$569,168</b>	<b>\$6,070,000</b>
Actual (2014-2015)	JULY-14	AUG-14	SEPT-14	OCT-14	NOV-14	DEC-14	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	TOTALS
License Renewals	\$328,500	\$328,375	\$334,475	\$331,700	\$215,200	\$320,503	\$355,450	\$326,550	\$366,910	\$340,925	\$351,270	\$404,765	\$4,004,623
New License Fee	\$66,000	\$65,400	\$35,700	\$58,500	\$45,600	\$58,700	\$41,000	\$52,800	\$50,450	\$45,600	\$54,000	\$56,700	\$630,450
Application Fee	\$34,800	\$36,050	\$35,400	\$33,300	\$34,550	\$33,650	\$27,600	\$33,900	\$48,300	\$42,950	\$39,000	\$52,200	\$451,700
License Changes	\$35,725	\$36,075	\$31,250	\$36,050	\$31,175	\$28,675	\$27,175	\$29,250	\$36,525	\$37,025	\$29,725	\$37,200	\$395,850
Investigative Recov Costs	\$33,592	\$31,719	\$43,165	\$17,925	\$16,400	\$36,332	\$24,094	\$23,298	\$31,375	\$28,616	\$28,991	\$134,580	\$450,086
Renewal Late Fees	\$7,275	\$7,200	\$7,390	\$7,875	\$4,500	\$6,685	\$6,880	\$7,295	\$5,813	\$6,975	\$6,300	\$8,063	\$82,250
Renewal Inactive Fee	\$7,800	\$8,775	\$16,313	\$12,775	\$9,300	\$6,538	\$9,000	\$10,200	\$15,600	\$9,300	\$8,400	\$12,900	\$126,900
<b>TOTALS</b>	<b>\$513,692</b>	<b>\$513,594</b>	<b>\$503,692</b>	<b>\$498,125</b>	<b>\$356,725</b>	<b>\$491,082</b>	<b>\$491,199</b>	<b>\$483,293</b>	<b>\$554,972</b>	<b>\$511,391</b>	<b>\$517,686</b>	<b>\$706,408</b>	<b>\$6,141,858</b>
Variance (2014-2015)	JULY-14	AUG-14	SEPT-14	OCT-14	NOV-14	DEC-14	JAN-15	FEB-15	MAR-15	APR-15	MAY-15	JUN-15	TOTALS
License Renewals	\$43,500	\$48,375	(\$525)	(\$3,300)	(\$84,800)	\$503	(\$19,550)	(\$8,450)	(\$8,090)	(\$49,075)	(\$13,730)	(\$235)	(\$95,378)
New License Fee	\$16,834	\$16,234	(\$13,466)	\$9,334	(\$3,567)	\$9,533	(\$8,167)	\$3,633	\$1,283	(\$3,567)	\$4,833	\$7,533	\$40,450
Application Fee	(\$617)	\$634	(\$16)	(\$2,116)	(\$867)	(\$1,766)	(\$7,817)	(\$1,517)	\$12,883	\$7,533	\$3,583	\$16,783	\$26,700
License Changes	\$6,558	\$6,909	\$2,083	\$6,884	\$2,008	(\$492)	(\$1,991)	\$83	\$7,358	\$7,858	\$559	\$8,033	\$45,850
Investigative Recov Costs	\$4,425	\$2,553	\$13,998	(\$11,241)	(\$12,767)	\$7,165	(\$5,072)	(\$5,869)	\$2,208	(\$551)	(\$175)	\$105,413	\$100,086
Renewal Late Fees	(\$1,058)	(\$1,133)	(\$944)	(\$458)	(\$3,833)	(\$1,649)	(\$1,453)	(\$1,038)	(\$2,522)	(\$1,358)	(\$2,034)	(\$271)	(\$17,750)
Renewal Inactive Fee	(\$5,117)	(\$4,141)	\$3,396	(\$142)	(\$3,616)	(\$6,380)	(\$3,917)	(\$2,716)	\$2,683	(\$3,617)	(\$4,516)	(\$17)	(\$28,100)
<b>TOTALS</b>	<b>\$64,525</b>	<b>\$69,431</b>	<b>\$4,525</b>	<b>(\$1,039)</b>	<b>(\$107,442)</b>	<b>\$6,914</b>	<b>(\$47,967)</b>	<b>(\$15,874)</b>	<b>\$15,803</b>	<b>(\$42,777)</b>	<b>(\$11,480)</b>	<b>\$137,240</b>	<b>\$71,858</b>



# Licensing - Q4 Snapshot

Application, Renewal & Cost Recovery Revenue  
(FISCAL YEARS 2013-2014 / 2014-2015)



## APRIL TO JUNE 2015

Licenses (Beginning of Quarter)	16,065
New Licenses Issued	251
Licenses Cancelled / Surrendered / Revoked	(550)
Variance in Suspended/Reinstated Licenses	267
Licenses (End of Quarter)	16,033
# of Licenses on April 01, 2015	16,065
# of Licenses on June 30, 2015	16,033
Net YTD (Fiscal Year)	
Licenses Gained / Lost	(32)
Renewal Revenue Gained / Lost	(\$19,200)
*Does not include suspended licenses	

## FISCAL YTD LICENSING FEE TOTALS (FY2015)

LICENSING FEES	BUDGET	ACTUAL	VARIANCE
License Renewals	4,100,000	4,004,623	(95,378)
New License Fee	590,000	630,450	40,450
Application Fee	425,000	451,700	26,700
License Changes	350,000	395,850	45,850
Invest Recov Costs	350,000	450,086	100,086
Renewal Late Fees	100,000	82,250	(17,750)
Renewal Inactive	155,000	126,900	(28,100)

## 90 Day Retention Rate

Projected Year-End Retention Rate	Apr 2015 Lic's	16,065	
	Cancellations	(550)	(3.43%)
	New Licenses	251	1.57%
	Susp/Reinstat	267	1.67%
	Jun 2015 Lic's	16,033	
	<b>Change</b>	<b>(32)</b>	
3 Month Rolling	% Change	-0.20%	

## 180 Day Retention Rate

Projected Year-End Retention Rate	Jan 2015 Lic's	15,998	
	Cancellations	(1,035)	(6.46%)
	New Licenses	511	3.19%
	Susp/Reinstat	559	3.49%
	Jun 2015 Lic's	16,033	
	<b>Change</b>	<b>35</b>	
6 Month Rolling	% Change	0.22%	

# Licensing - Overview and Comparison

## QUARTER 4 OVERVIEW

New License Apps: 451 (+7%)

- 340 Approved, Tabled, or Denied by Staff

Issued Licenses: 251 (-4%)

License Change Apps: 819 (+6%)

Placed on Inactive Status: 76 (+68%)

Voluntary Surrender: 69 (+6%)

Active Lic. Renewals: 1,747 (-10%)

Inactive Lic. Renewals: 93 (-27%)

Lic. Susp. (no bond): 177 (-28%)

Licenses Canceled: 304 (-29%)

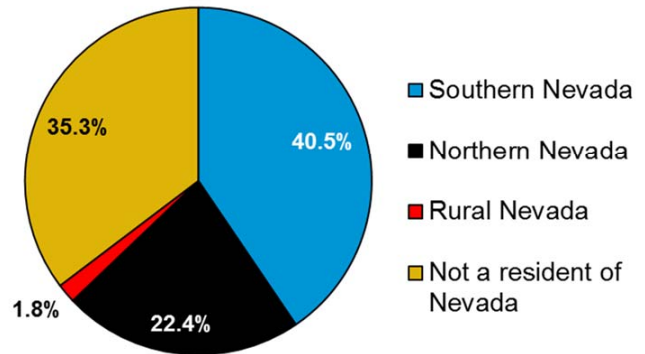
16 App. Denial Hearings (-71%)

143 Financial Reviews Opened

- 123 Approved by Staff

12 Financial Resp. Hearings (-40%)

## Residential Location of Licensees



*\*Based off customer survey response data*

## NEW LICENSE APPLICATIONS

	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15
JUL	128	101	106	98	124
AUG	88	149	130	141	125
SEPT	131	109	100	110	121
<b>1st Qtr:</b>	<b>347</b>	<b>359</b>	<b>336</b>	<b>349</b>	<b>370</b>
OCT	122	99	111	131	112
NOV	97	81	121	87	116
DEC	114	113	114	115	120
<b>2nd Qtr:</b>	<b>333</b>	<b>293</b>	<b>346</b>	<b>333</b>	<b>348</b>
JAN	95	96	135	132	91
FEB	90	129	117	135	117
MAR	167	121	117	137	160
<b>3rd Qtr:</b>	<b>352</b>	<b>346</b>	<b>369</b>	<b>404</b>	<b>368</b>
APR	151	121	144	131	143
MAY	125	119	129	138	131
JUN	131	134	141	152	177
<b>4th Qtr:</b>	<b>407</b>	<b>374</b>	<b>414</b>	<b>421</b>	<b>451</b>
<b>TOTALS</b>	<b>1,439</b>	<b>1,372</b>	<b>1,465</b>	<b>1,507</b>	<b>1,537</b>

## ANNUAL STATISTICS

New License Apps: 1,537 (+2%)

- 1,378 Approved, Tabled, or Denied by Staff

Issued Licenses: 1,103 (+10%)

License Change Apps: 3,200 (+2%)

Active Licenses: 14,871 (+0.8%)

Inactive Licenses: 1,242 (-17%)

Placed on Inactive Status: 247 (-2%)

Voluntary Surrender: 269 (-8%)

Active Lic. Renewals: 6,676 (-.04%)

Inactive Lic. Renewals: 403 (-10%)

Lic. Susp. (no bond): 793 (-12%)

Licenses Canceled: 1,021 (+6%)

98 Application Denial Hearings (-52%)

48 Financial Responsibility Hearings (-28%)

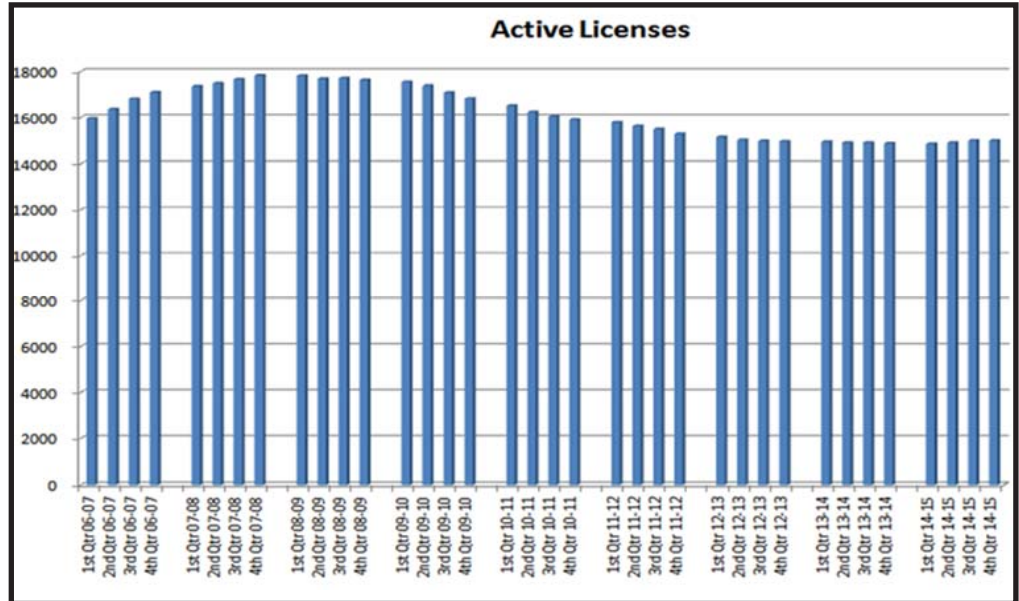
547 Financial Reviews Opened

- 474 Approved by Staff

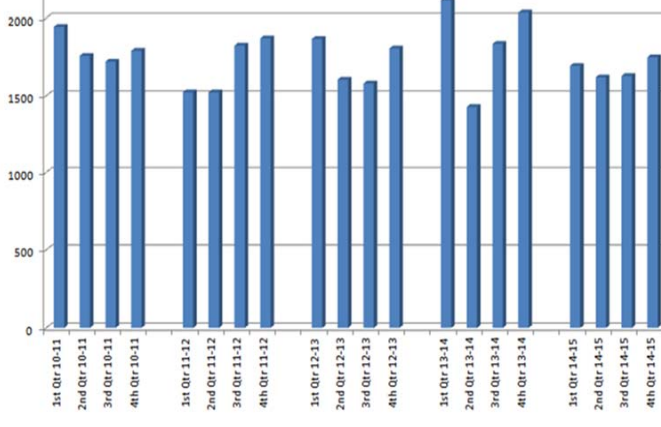


# Licensing Trends

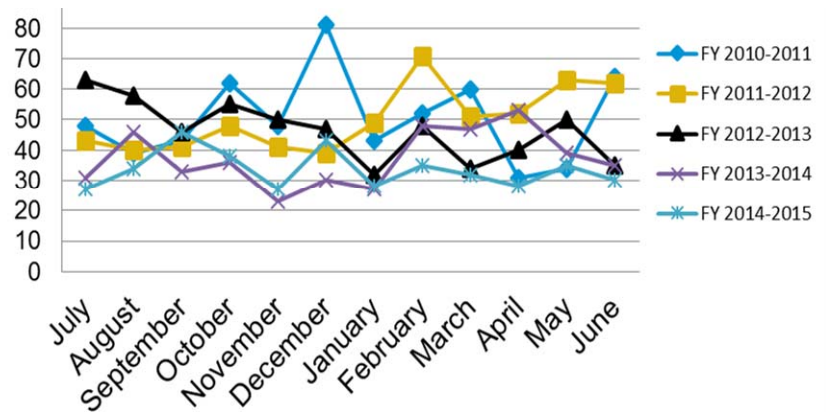
Overall, FY 2014-15 demonstrated a relatively flat trend across all licensing sectors. Positive declines in the number of application denial and financial responsibility hearings held during the year were noticed as a result of implemented programs aimed at working more actively with the applicant to address financial issues. Active licenses are up a modest 0.8%, new licenses issued are up 10% from last year, and single project increase requests saw an increase of 35% over FY 2013-14.



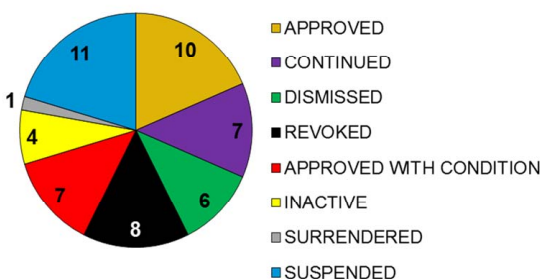
## ACTIVE RENEWALS



## INACTIVE RENEWALS

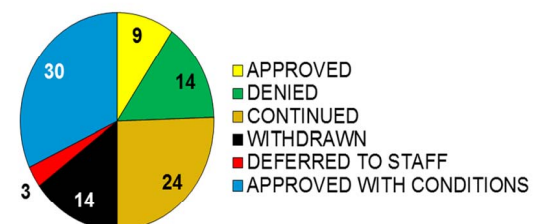


## FINANCIAL REVIEW HEARING RESULTS YEAR END



Since FY 2013-14, New Application Denial Hearings have decreased 54% and Financial Responsibility Hearings have decreased 27%.

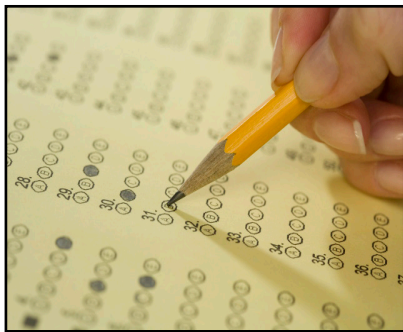
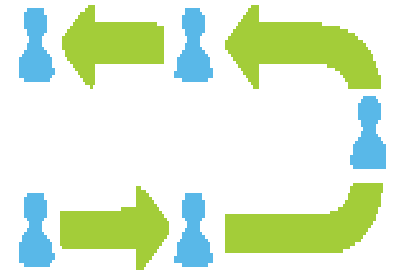
## NEW LICENSE APPLICATION DENIAL HEARING RESULTS YEAR END



# Licensing - Annual Highlights

## Call Center Configuration Improves Customer Service

In an effort to better serve NSCB customers and improve staff response times to calls received, the call center was reconfigured to improve routing of calls, leading to increased answering speeds and fewer dropped calls. Since being implemented, staff have recorded approximately 10,000 calls per quarter with an abandoned call rate of not more than 1.39%. It is estimated each abandoned call lasts approximately 53 seconds.



## Exams Improved to Better Address Industry Expectations

During the year, an occupational analysis for the “B” exam was completed using subject matter experts from the general building trade and building officials. As a result, the general building exam was modified and implemented in October 2014. Reference materials for all general engineering and general building were also updated, where applicable. Additionally, staff worked with subject matter experts on the development of a B-6 classification trade examination in connection with the adoption of new temporary regulations. This examination was released in May 2015 and consists of 80 questions in ten subject areas.

## Enhancements to Application Denial Appeals Leads to Significant Reduction in Hearings

Improving the process for applications slated to be denied was a steady focus of the licensing department this fiscal year in an effort to reduce the number of application denial hearings being recommended for Board action. Many changes related to this objective were implemented during the first quarter, including:

- Modifications to the Notice of Hearing;
- Providing each denied applicant a Statement of Obligations and Rights;
- Rules for timely submission and submittal of supplemental information and evidence; and
- Changes to the format and duration of hearings.

In addition to these efforts, language was modified in the final notice of denial to more clearly state the findings of the case and why the applicant, if granted licensure, would pose a risk to the public. The additional time invested by staff in working toward resolution of credit and other financial issues is proving successful, as there was a 54% decrease in denial hearings over last year.

# Enforcement - Annual Background Checks



<b>Fingerprint Cards Submitted</b>	<b>2915</b>
<b>Total Fingerprints returned with Criminal Histories</b>	<b>1173</b>
<b>Total fingerprints returned w/o criminal histories</b>	<b>1742</b>
<b>Criminal Histories</b>	<b>40%</b>

## BACKGROUND CHECKS

- 300 Investigations initiated
- 313 Investigations closed
- 36 Pending
- 189 Applicants failed to report misdemeanor or felony convictions
- 69 Administrative Citations issued
  - \$34,500 in fines
  - \$18,975 in investigative costs

## SIGNIFICANT FINDINGS

- 4 Applicants were on probation
- 1 Applicant resided in a halfway house
- 1 Applicant had a misdemeanor warrant for his arrest
- 1 Applicant was a registered sex offender
- 19 Applicants withdrew their application once background issues were identified.

## UNDISCLOSED ACTIVITY

- Misdemeanor DUI (49)
- Felony DUI (3)
- Burglary (13)
- Misdemeanor Theft (17)
- Felony Theft (9)
- Robbery (1)
- Fraud (3)
- Felony Narcotics (17)
- Felony Assault (9)
- Misdemeanor Assault (4)
- Felony battery (3)
- Misdemeanor battery (10)
- Domestic violence (27)
- Child cruelty (1)
- Kidnapping (1)

# Enforcement - Compliance Overview

## 4TH QUARTER OVERVIEW

Opened Complaints: 490

- 165 Workmanship
- 96 Money Owing
- 243 Industry Regulation

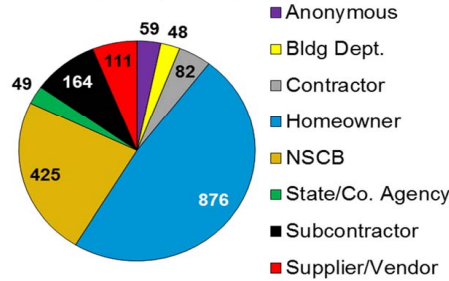
Closed Complaints: 435

- 93 Administrative Citations
- \$84,550 in Fines
- \$34,642 in Invest. Costs

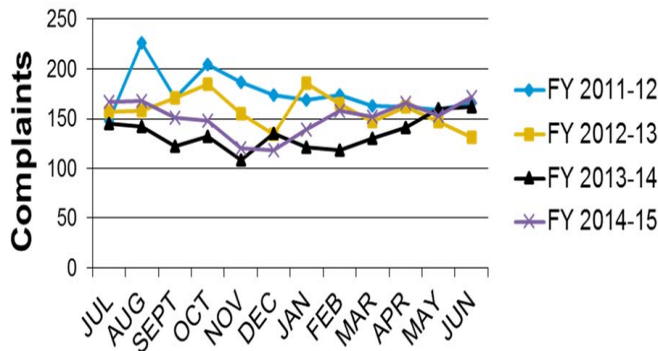
50 Cases referred for Disciplinary Hearing

- 17 licenses revoked
- \$109,850 in Fines
- \$163,820 in Investigative Costs

SOURCE OF COMPLAINTS  
FY 2014-15



Compliance Complaints by Month



## ANNUAL SNAPSHOT

Opened Complaints: 1,814

- 685 Workmanship
- 306 Money Owing
- 879 Industry Regulation

Closed Complaints: 1,743

321 Admin. Citations issued

- \$305,600 in Fines
- \$128,831 in Investigative Costs

122 Cases referred for Disciplinary Hearing

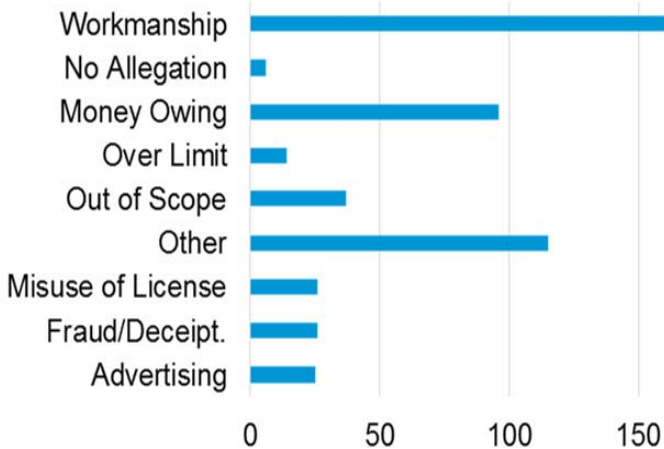
- 59 licenses revoked
- \$224,850 Fines
- \$293,923 Invest. Costs

	Money Owing				Workmanship				Industrial Regulation			
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
JUL	42	22	19	22	52	48	54	60	53	87	73	90
AUG	47	23	30	36	69	48	43	60	108	87	72	73
SEPT	43	30	21	20	57	45	61	68	70	95	42	68
<b>1st Qtr:</b>	<b>132</b>	<b>75</b>	<b>70</b>	<b>78</b>	<b>178</b>	<b>141</b>	<b>158</b>	<b>188</b>	<b>231</b>	<b>269</b>	<b>187</b>	<b>231</b>
OCT	56	47	27	30	64	53	38	53	84	84	66	68
NOV	60	33	21	12	37	58	24	50	90	67	64	63
DEC	44	19	22	18	46	34	55	42	84	80	57	65
<b>2nd Qtr:</b>	<b>160</b>	<b>99</b>	<b>70</b>	<b>60</b>	<b>147</b>	<b>145</b>	<b>117</b>	<b>145</b>	<b>258</b>	<b>231</b>	<b>187</b>	<b>196</b>
JAN	53	42	22	25	42	38	32	52	74	103	69	64
FEB	53	36	17	20	33	32	48	71	87	100	62	78
MAR	41	31	29	27	31	48	44	63	88	71	59	65
<b>3rd Qtr:</b>	<b>147</b>	<b>109</b>	<b>68</b>	<b>72</b>	<b>106</b>	<b>118</b>	<b>124</b>	<b>186</b>	<b>249</b>	<b>274</b>	<b>190</b>	<b>207</b>
APR	44	26	30	35	36	45	47	51	81	95	71	87
MAY	39	27	27	30	36	47	55	48	83	72	80	90
JUN	31	23	32	32	48	45	57	66	83	62	78	76
<b>4th Qtr:</b>	<b>114</b>	<b>76</b>	<b>89</b>	<b>97</b>	<b>120</b>	<b>137</b>	<b>159</b>	<b>165</b>	<b>247</b>	<b>229</b>	<b>229</b>	<b>253</b>

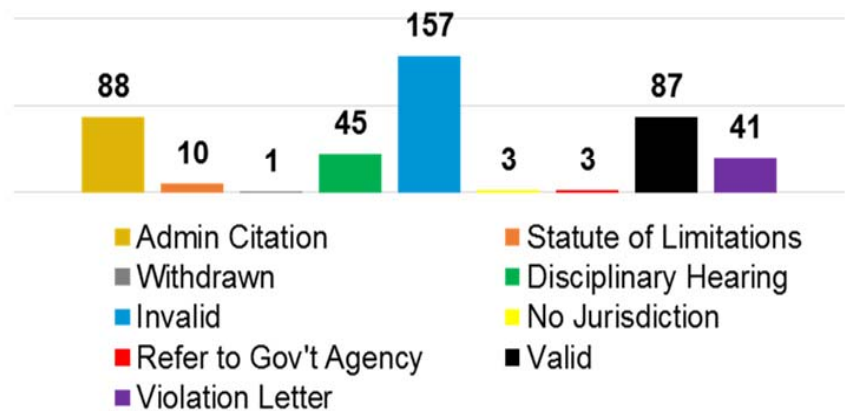


# Enforcement - Compliance Overview

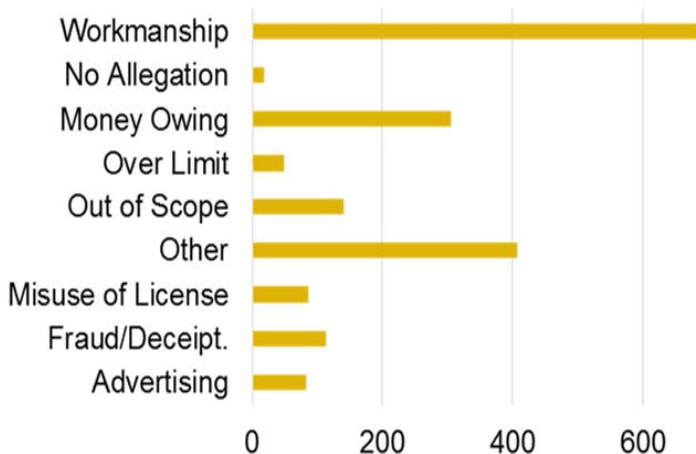
## Q4 Violation Types



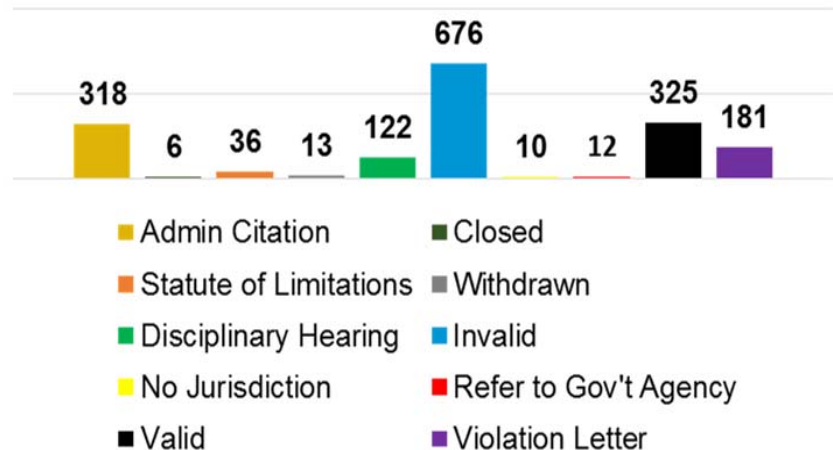
## Q4 Case Outcomes



## FY 2014-15 Violation Types

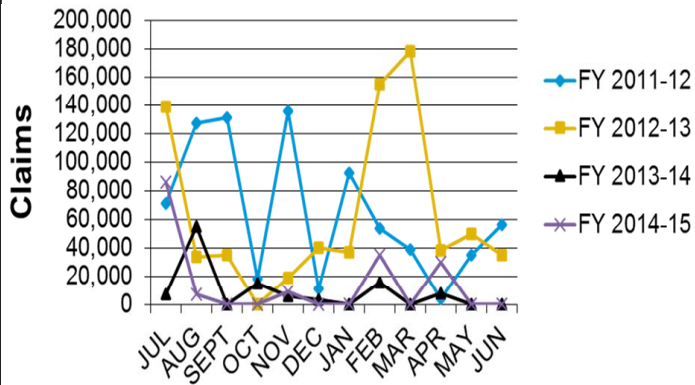


## FY 2014-15 Case Outcomes

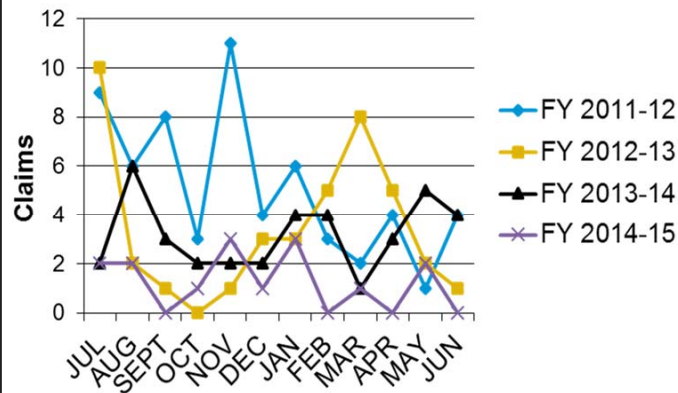


# Enforcement - Annual Compliance Highlights

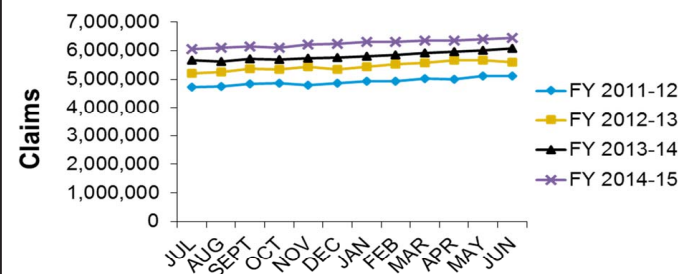
## RESIDENTIAL RECOVERY FUND Claim Amounts Paid



## Claims Filed



## Fund Balance



## THREE CONTRACTORS SUMMARILY SUSPENDED DISCIPLINARY HEARINGS PENDING

### CASE #1

In less than one month, NSCB investigators received nine criminal complaints against a contractor who was allegedly contracting for and installing photovoltaic systems on residential properties. The problem? Not only was the contractor not appropriately licensed for the scope of work being performed, but most of the projects were abandoned after the contractor received payment for the installation. It is estimated the contractor received over \$228,000 in this fashion. Shortly thereafter, Board investigators received an additional three complaints against the licensee's active C-2 license for workmanship, money owing issues, and violations of industrial regulations. Because of the ongoing danger the contractor was creating to the public's health, safety, and welfare, the license was summarily suspended and has been scheduled for Disciplinary Hearing.

### CASE #2

Another licensee was summarily suspended after the Board received 25 validated complaints from homeowners for workmanship issues and violations of industrial regulations totaling nearly \$154,000. An additional five money owing complaints from vendors were validated by the Board to the tune of \$15,000.

### CASE #3

An initial money owing complaint by a contractor totaling nearly \$6,200 ballooned into six subsequent complaints against the same licensee in the aggregate amount of \$71,260 after the licensee failed to pay for work performed and materials supplied on various construction projects. NSCB summarily suspended the respondent's license pending a disciplinary hearing.

# Enforcement - Criminal Overview

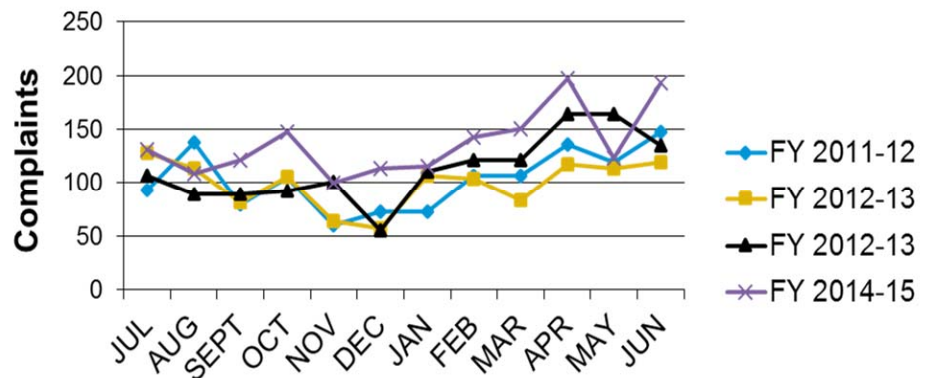
## QUARTER 4 OVERVIEW

- Opened Complaints: 513
- Closed Complaints: 394
- Pending cases: 1,382
- Criminal charges filed: 192
- Administrative Citations: 11
- Criminal convictions: 106

## ANNUAL OVERVIEW

- Opened Complaints: 1,646
- Closed Complaints: 1,543
- Pending cases: 1,381
- Criminal charges filed: 640
- Administrative Citations: 35
- Criminal convictions: 508

### Criminal Complaints by Month

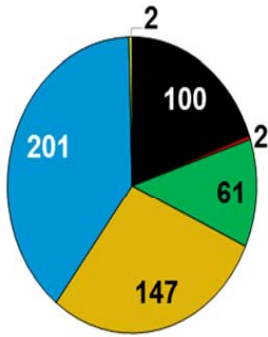


More than  
**\$7.06 MILLION LOST**  
 to Unlicensed Contractors during FY 2014-15  
 Over 2x the amount lost in FY 2013-14

	Contracting w/o License				Criminal Fraud				Unlawful Advertising			
	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 11-12	FY 12-13	FY 13-14	FY 14-15
JUL	60	84	55	58	3	4	3	0	36	46	45	70
AUG	93	76	65	64	1	6	1	0	47	37	25	44
SEPT	46	37	52	67	3	0	1	0	36	43	36	56
<b>1st Qtr:</b>	<b>199</b>	<b>197</b>	<b>172</b>	<b>189</b>	<b>7</b>	<b>10</b>	<b>5</b>	<b>0</b>	<b>119</b>	<b>126</b>	<b>106</b>	<b>170</b>
OCT	55	73	56	77	5	1	0	1	48	30	35	67
NOV	38	47	63	49	1	5	0	3	22	14	30	50
DEC	46	36	36	82	1	1	0	2	28	21	20	32
<b>2nd Qtr:</b>	<b>139</b>	<b>156</b>	<b>155</b>	<b>208</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>6</b>	<b>98</b>	<b>65</b>	<b>85</b>	<b>149</b>
JAN	43	53	68	72	0	0	0	0	29	57	40	48
FEB	53	61	60	91	3	3	0	1	54	43	56	52
MAR	69	55	81	104	0	3	0	2	40	30	38	41
<b>3rd Qtr:</b>	<b>165</b>	<b>169</b>	<b>209</b>	<b>267</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>3</b>	<b>123</b>	<b>130</b>	<b>134</b>	<b>141</b>
APR	84	89	62	112	1	2	0	2	54	29	99	89
MAY	75	67	74	71	4	0	0	1	46	47	84	54
JUN	85	69	86	130	2	2	2	0	67	47	44	67
<b>4th Qtr:</b>	<b>244</b>	<b>225</b>	<b>222</b>	<b>313</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>167</b>	<b>123</b>	<b>227</b>	<b>210</b>

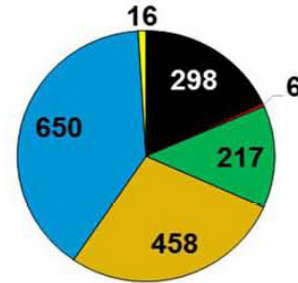
# Enforcement Overview - Criminal

## Q4 Source of Complaints



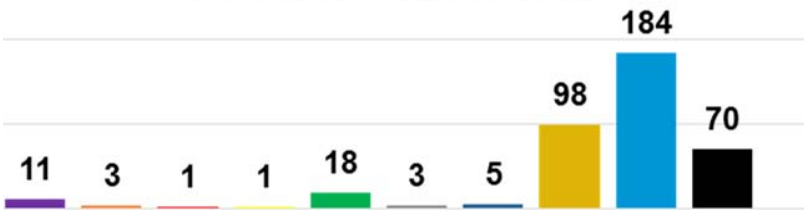
- Anonymous
- Bldg Dept.
- Contractor
- Homeowner
- NSCB
- State/Co. Agency

## FY 2014-15 Source of Complaints



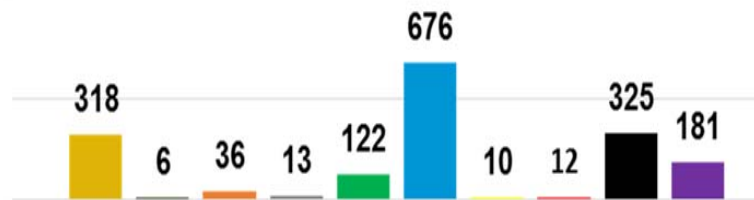
- Anonymous
- Bldg. Dept.
- Contractor
- Homeowner
- NSCB
- State/Co. Agency

## Q4 Case Outcomes



- Admin Citation
- Closed
- Withdrawn
- Plea Bargain
- Charges Dismissed
- Felony
- Gross Misdemeanor
- Misdemeanor
- Invalid
- Valid

## FY 2014-15 Case Outcomes



- Admin Citation
- Closed
- Statute of Limitations
- Withdrawn
- Disciplinary Hearing
- Invalid
- No Jurisdiction
- Refer to Gov't Agency



# Enforcement - Annual Criminal Highlights

## *Unlicensed Contractor Sentenced to 5 Years Probation*



On May 4, 2015, Elko District Court sentenced Michael Scott Hoover of Hoover & Sons Handyman to 40 months in Nevada State Prison after Hoover pled “no contest” to a felony charge of Diversion of Funds. This sentence was later suspended and Hoover was placed on five years’ probation and

ordered to pay \$2,500 restitution to his victim.

The charges stem from a 2013 NSCB investigation after an elderly man hired the

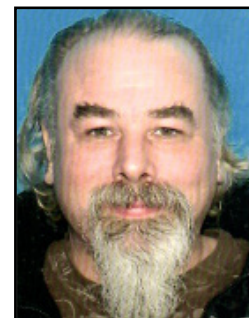
unlicensed contractor in 2012 to stucco the walls of his building. Hoover misled the victim to think he was a licensed contractor by including a fictitious contractor’s license number on his business card. Hoover received \$2,500 from the victim to begin the project and another \$2,500 to purchase materials to complete the job. Shortly thereafter, the victim was informed by the City of Wells his project had been shut down because proper permits weren’t - and could not be - pulled by Hoover, nor did Hoover obtain a business license. Hoover abandoned the project after refusing to reimburse the victim \$2,500 for materials.

## **NSCB Partners Locally, Statewide, & Nationally on Stings Operations**

Dozens of unlicensed contractors were targeted and cited in a number of sting events throughout FY 2014-15. Aiding in the successful efforts of NSCB investigators were partnerships with various local law enforcement agencies who were present and available to assist in maintaining a safe environment. NSCB’s efforts to identify and cite unlicensed activity by stateline border jumpers was fulfilled again in this year’s fourth annual ‘Border Blitz’ operation with the California State Licensing Board. NSCB also participated in the second annual NASCLA sting, which brought national awareness to the public who utilize online bulletins, such as Craigslist, of the dangers of hiring unlicensed contractors.

## **Investigation Results in Two Felony Arrests**

In March 2014, a father/son team were arrested by the Douglas County Sheriff’s Department after felony charges were obtained by NSCB for contracting without a license. Stemming from a July 2014 complaint received by NSCB, investigators spent the next eight months gathering evidence against Irving “Dale” Coleman and son Scott Hunter Coleman of Coleman and Sons Plumbing. One alleged victim was a 72-year-old who received a bid by the Colemans to install an air conditioner on his home - a service that requires a contractor’s license. After the victim provided payment, it is alleged the Colemans never returned to perform the work.



# Information Technology - Annual Highlights

## Licensing & Enforcement Database Upgrade Initiated

Information Technology Department worked closely with management in each department throughout the year as it finalized and received Board approval to contract for upgrades to the Board's existing licensing and enforcement databases. The new project will entail a new user interface and structure for both internal and external customers. It is anticipated all customers will have improved access and expediency to information, while the software itself will be better equipped to handle and process automated form submissions. Efforts to implement the new databases will continue to be made throughout the year and into the next fiscal year.



## *IT Develops Strategic Plan - Sets Outlook for Future Needs*



In connection with the Board's overall strategic efforts, the Information Technology Department spent time at the beginning of the fiscal year to construct its own strategic plan aimed at addressing the future technological needs of the Board. The all-encompassing outlook has better guided the Board in prioritizing its approach for making infrastructure upgrades and purchasing necessary equipment and software, while keeping in focus the big picture of changes that will still be needed over time. As a result of this organized effort, much progress has been made throughout the year and the Board is becoming more current with its technological involvement.

## Pilot Tests for New Workstations Troubleshoot Issues Before Office-wide Launch

Continuing with the technological upgrade theme this year, a handful of staff participated in a pilot test with new workstation equipment allowing the Information Technology Department to troubleshoot any significant issues or road blocks for a successful office-wide implementation. Once expanded, the new workstations will provide staff with upgraded software resources and enhanced functionalities to better fulfill their daily obligations.



# Public Information Office - Annual Highlights

## Solar Construction Drives Need for Public Outreach Initiatives

The Public Information Office joined forces with NSCB Enforcement Department to initiate a series of outreach presentations to both contractors and homeowners interested in solar construction at the start of 2015. Reaching out to solar industry groups to inform contractors and vendors of noticed violations within the industry was a proactive approach to prevent further compliance issues from being reported to the Board. These presentations also offered an opportunity to have a two-way dialogue with the industry and seek collaborative solutions to combating unlicensed activities occurring from out-of-state businesses.

The other important focus was getting in front of homeowners to provide them cautionary tips when considering solar for their home to ensure

they maintain the protections offered by a licensed contractor. In partnership with NV Energy and various industry groups, the Board was



present to answer questions from homeowners and share with them the warning signs of unscrupulous contractors.

These initiatives are expected to expand in FY 2015-16.

## *PIO Works with Departments to Enhance Customer Materials*

The Public Information Office met with management from each department during the year to assess the communication and consumer awareness needs relative to the respective operations. As a result, the PIO has begun assisting each department in making improvements and modifications to existing forms and documents to enhance overall customer experiences with the Board.

## New Collateral In Development

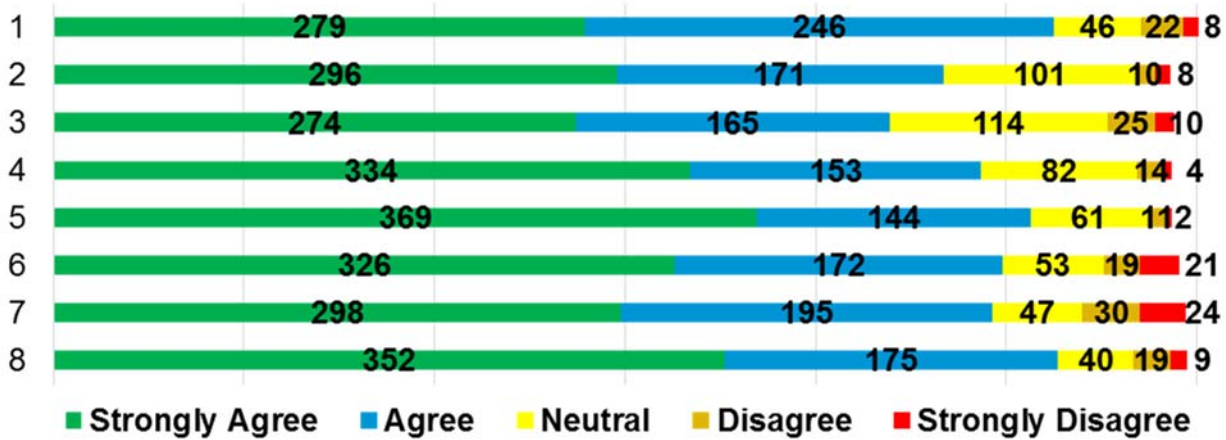
New collateral brochures are in development that will better assist applicants with the application process and requirements; provide consumers with seasonal-specific information relative to home improvement needs as well as seasonal scams; and offer information to law enforcement about unlicensed activities and how they can partner with NSCB on further protecting the public's safety. Other brochures in development will focus on solar projects, offering guidance to homeowners on questions to ask, verifying contractor's licenses, and warning signs of unscrupulous activities.





# Customer Service Survey - Licensing

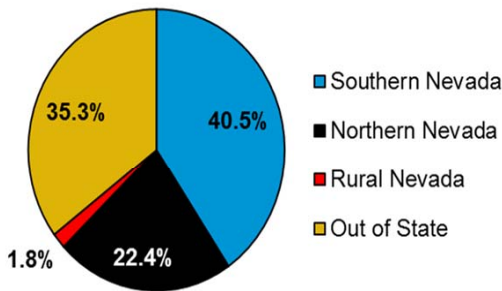
## Q4 Licensee/Applicant Feedback



**SURV**

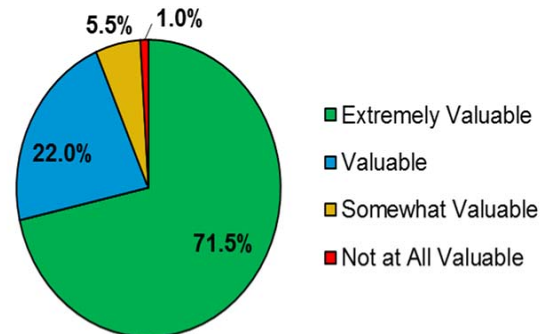
1. The forms and instructions were clear and easily accessible.
2. NSCB staff notified me of problems/issues within a reasonable timeframe.
3. NSCB staff kept me informed of the progress of my licensing request.
4. NSCB staff was responsive to my questions and concerns.
5. I was treated with respect and professionalism.
6. The time it took to process my request met my expectations based on my interactions with NSCB staff.
7. I feel the licensing processes are efficient.
8. I am satisfied at how my request was handled.

### Licensee/Applicants Reside In:

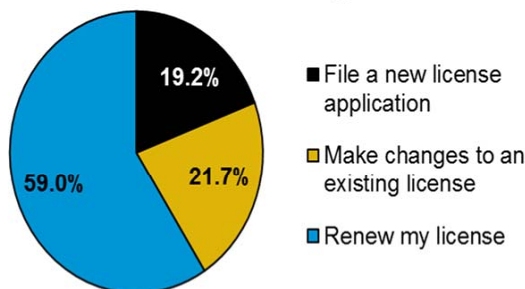


**LICENSING SAMPLING RATE Q4**  
**15.3% (133/871)**  
**ANNUAL RATE:**  
**8.6% (655/7610)**

### How Contractors Value Their License



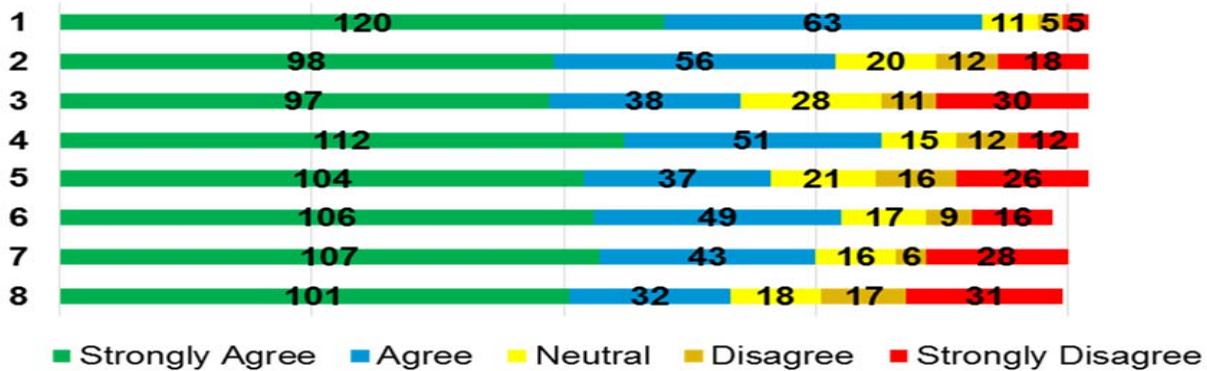
### Reason for Contacting NSCB





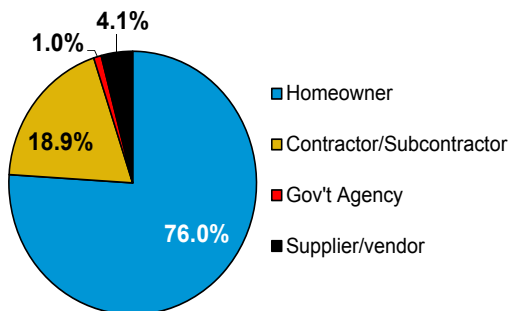
# Customer Service Survey - Complainant

## Q4 Complainant Feedback



### SURVEY QUESTION KEY

1. The information on how to file a complaint was easily accessible and understandable.
2. The procedures for investigating my complaint were clearly explained to me.
3. I was kept informed of the progress made on my complaint throughout the investigation.
4. NSCB representatives treated me with respect and professionalism.
5. The investigator was helpful in answering my questions and providing reasoning for actions taken.
6. I was notified of the outcome of my complaint.
7. I understand the outcome of my complaint (regardless if you agree or not).
8. I am satisfied with the service provided by NSCB.

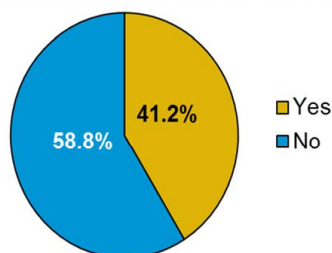


### COMPLAINANT SAMPLING RATE Q4

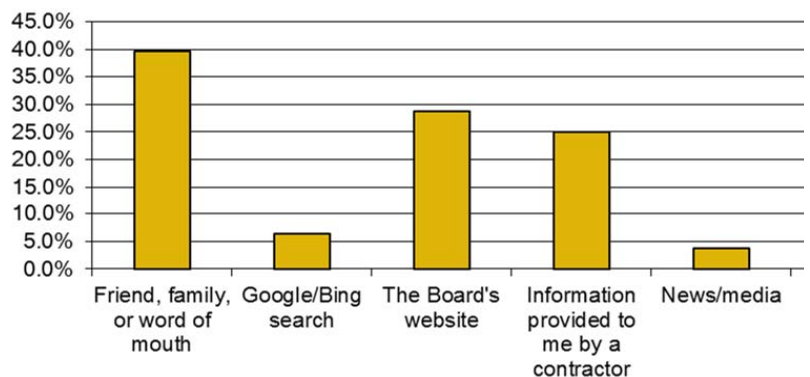
**21.7% (51/235)**

*ANNUAL RATE: 18.6% (232/1246)*

### Complainant is 60 Years or Old

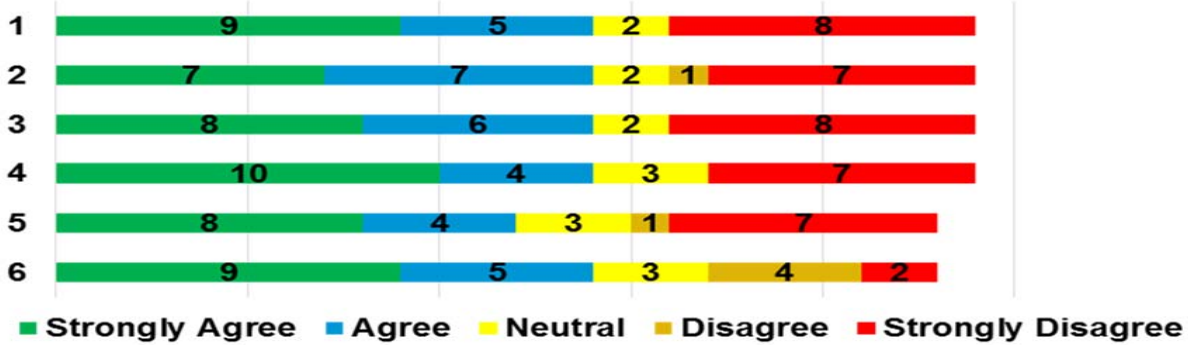


### How Complainant Learned of the Board



# Customer Service Survey - Respondent

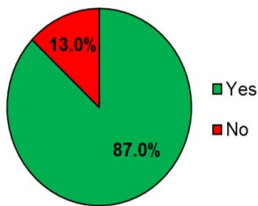
## Q4 Respondent Feedback



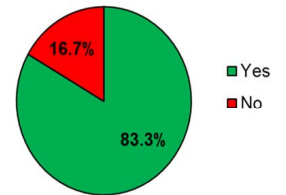
### SURVEY QUESTION KEY

1. The investigator clearly explained the complaint filed against me.
2. The procedures for investigating the complaint were clearly explained to me.
3. I was kept informed of what was happening throughout the investigation.
4. NSCB representatives treated me with respect and professionalism.
5. The investigator was helpful in answering my questions and providing the Board's reasoning for actions taken.
6. I understand the outcome of the complaint (regardless if you agree or not).

### Respondent Was Notified within 10 Days of the Complaint Being Filed

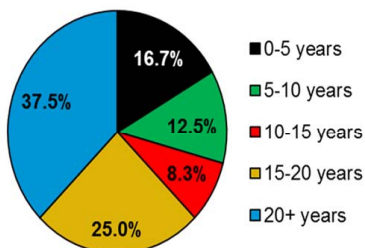


### Respondent Was Notified of the Case Outcome

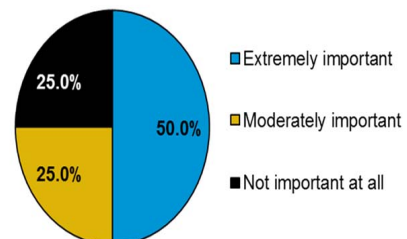


**RESPONDENT SAMPLING RATE Q4**  
**6.1% (24/393)**  
*ANNUAL RATE: 7.2% (116/1608)*

### Respondent Has Been In Business:



### Respondent Perception of Customers' Value of License



# Customer Service Survey



## ***CUSTOMER SURVEYS PROMOTED***

Upon entry to a Board office, all customers are asked to sign-in and a general feedback survey is sent to them electronically shortly after their visit. Additionally, all staff include a link to this survey on every e-mail that is sent.

Surveys are also sent out monthly to licensing customers, complainants and respondents who have made contact with the Board during the period. The feedback, which is captured in this report, focuses on our strategic performance measurements, customer service satisfaction, and awareness of Board programs and initiatives.

The results of each survey are compiled and distributed to management for review and training purposes among their staff.

## What Our Customers Are Saying

***“NSCB was extremely helpful and processed my paperwork in time.... I felt they were there to help me and I appreciated their help.”***

**- License Applicant**

***“I have always appreciated and respected the interaction with the contractor’s board and their helpfulness in resolving issues. Thank you.”***

**- Respondent**

***“Thanks to the Contractors Board I did not have to hire an attorney. I had a very positive experience with my case. There was a point where I lost all hope to find the guilty party, but somehow, the investigator found her and brought her to face her charges. And I must say that I recuperated all moneys owed to me, thanks to the Contractors Board.”***

**- Complainant**

# Looking Forward - Fiscal Year 2015-16

It is always an accomplished feeling to close the books on another successful Strategic Plan. We made much progress this year with regard to information technology advancements, outreach efforts, customer service and licensing enhancements, and partnering initiatives that aided in improved outcomes for our enforcement activities. The goals outlined for FY 2015-16 continue to drive us forward and we look forward to the challenge!

Some of the initiatives we will be launching over the next 12 months include:

- Updating and improving licensing application forms;
- Creating a permanent B-6 Classification for tenant improvement work in high rise buildings;
- Increasing the Board's capacity to better address non-residential construction issues;
- Establish proactive approaches to monitor activities on large scale construction projects;
- Conduct town hall meetings with target audiences, such as seniors and homeowners, to identify key consumer issues;
- Promote the Residential Recovery Fund;
- Enhance publicity efforts with regard to Board activities, specifically enforcement operations and outcomes;
- Provide the Board with enhanced resources and training opportunities; and
- Identifying opportunities to meet with and engage members of the Legislature during the interim.

It's going to be another busy year! Stay tuned to each of our quarterly meetings for updates on how we're progressing.





**RENO OFFICE**

**9670 Gateway Drive, Ste. 100**

**Reno, NV 89521**

**(775) 688-1141**

**(775) 688-1271 Fax**

**LAS VEGAS OFFICE**

**2310 Corporate Circle, Ste. 200**

**Henderson, NV 89074**

**(702) 486-1100**

**(702) 486-1190 Fax**

**[www.nscb.nv.gov](http://www.nscb.nv.gov)**

