



Nevada State Contractors Board

STRATEGIC PLAN

**EXECUTIVE OFFICER REPORT
QUARTER ONE REPORT**

July 1 - September 30, 2013



Members of the Board

Guy M. Wells, *Chairman*

Margaret Cavin, *Treasurer*

Thomas “Jim” Alexander

Kevin E. Burke

Joe Hernandez

Jan Leggett

Stephen P. Quinn

Executive Leadership

Margi Grein, *Executive Officer*

Dan Hammack, *Chief of Enforcement*

George Lyford, *Director of Investigations*

Nancy Mathias, *Licensing Administrator*

members
and
dr



Message from the Executive Officer

The start of a new fiscal year is a great time for all of us at the Board because we are able to reflect on the strides made in the last 12 months, while beginning to change our focus to the new goals and objectives outlined for us in the FY 2013-14 Strategic Plan. Striving to be a model regulatory agency is our paramount objective, and we know it is not possible unless we do all we can to protect the health, safety, and welfare of the public by making information and resources accessible and available to our customers.

Administratively, we are focused on streamlining our operations and public interfaces through our website. By establishing improved online resources, allowing for more forms to be downloaded and submitted online, and revamping our website layout to be more customer-oriented, we hope to better meet the needs of our customers, improve processing times, and more effectively utilize our staff resources.

Our focus on unlicensed contracting issues remains a priority, and our criminal investigators and management continue to battle the underground economy on a daily basis. Through sting operations and aggressive investigations, we have been successful in taking unlicensed contractors off the streets and sending a clear message throughout the industry that the Board maintains a zero tolerance policy on the matter.

In the end, it is our assistance to homeowners, through proactive outreach efforts, investigative solutions, and recourse by way of the Residential Recovery Fund that prevails as our most rewarding and demonstrable accomplishment. With many more objectives before us in the months ahead, we can only expect to become better at serving and meeting the needs of those who seek our help the most.

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

MARGI A. GREIN
Nevada State Contractors Board Executive Officer

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Executive Officer Highlights

Governor Makes Appointments to Commission on Construction Education

At the start of the quarter, Governor Brian Sandoval reappointed five members to the Commission on Construction Education, each to serve another three-year term. Following his announcement in September, Sandoval appointed a new member, Thomas Pellett, to serve as the sixth member on the Commission. Pellett's term will run from September 4, 2013 thru June 30, 2016. Pellett is a native of Nevada and has over 35 years experience in the construction industry.

Family of Unlicensed Contractors Sought by NSCB (Goals 2 & 3)

After several complaints were received by NSCB regarding abandonment of projects after payment had been made to a father-son unlicensed contracting duo, investigators partnered with local law enforcement to arrest Joseph Castanon (Sr.) on gross misdemeanor charges of contracting without a license. His son, Joe Castanon (Jr.), remains at large with misdemeanor and felony warrants pending for his arrest. Live coverage of the arrest of Sr. was coordinated by the PIO with enforcement and KLAS-TV, Channel 8 in Las Vegas.

Board Participates in National Conference (Goal 4)

The Executive Officer participated in the National Association of State Contractors Licensing Agencies conference where she joined representatives from Home Depot to provide state members with an overview of the permit kiosk project launched in Nevada and highlight the upcoming efforts and achievements expected of the program. Staff also gave a presentation on utilizing social media, such as Facebook, and provided tips on setting up an account,

best practices for effectively using the tool, and highlighted some of its benefits and areas to be cautious of. Other training topics received from the conference included Board regulations (effectiveness and challenges faced), contractor fraud and scams, top regulatory cases and how judicial outcomes shape the construction industry, construction worker shortage and future projections, strategic partnerships, and an overview of each states' achievements throughout the year.

Board & Staff Development (Goals 5 & 6)

In August, members of the Board participated in the National Judicial College training program, while Board supervisors and managers received training on sexual harassment prevention in September. Additionally, the Executive Officer created a succession plan for future development of the Board's leadership team, which will encompass various training, hiring, and mentoring programs. Also during the quarter, several new staff joined the NSCB team, including two new customer service representatives, two criminal investigators, and one administrative assistant.

Enhancing Efficiency (Goals 3 & 6)

One of the major projects initiated this quarter included a full evaluation and design proposal of the Board's website to make it more efficient, user-friendly, and customer-oriented. Although there is still much work to be done, IT and PIO departments are working closely to make recommendations for such enhancements. Additionally, the Licensing Department continues to identify new ways to promote licensing services and programs, while adding and enhancing content and forms to the Board's website.

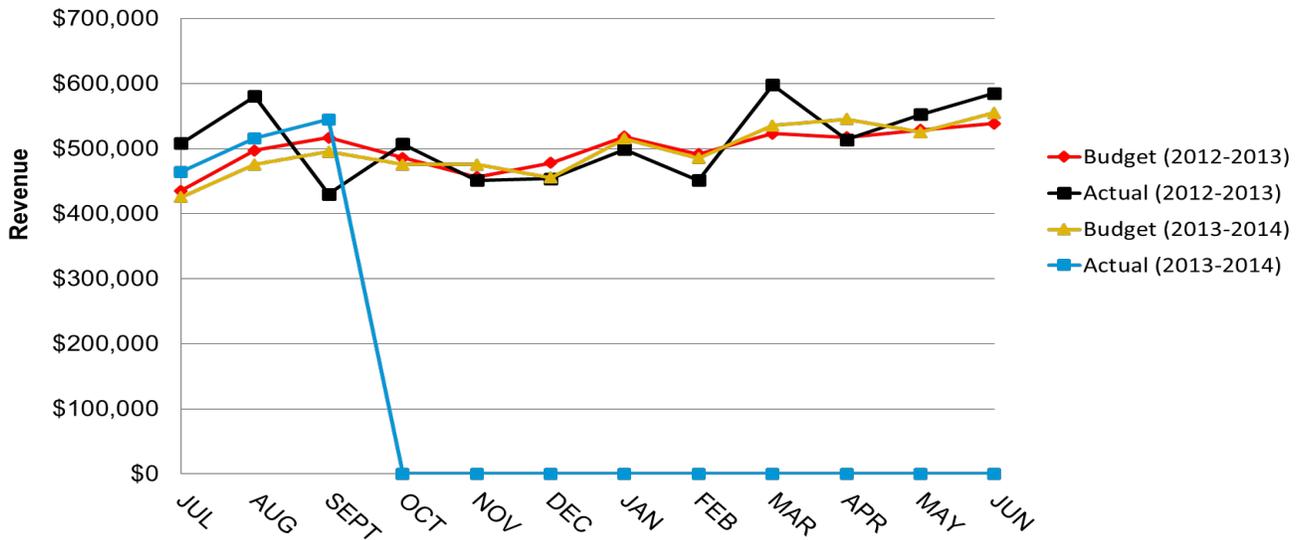
Licensing - Data Dashboard

Budget (2012-2013)	JULY-12	AUG-12	SEPT-12	OCT-12	NOV-12	DEC-12	JAN-13	FEB-13	MAR-13	APR-13	MAY-13	JUN-13	TOTALS
License Renewals	\$280,000	\$340,000	\$360,000	\$330,000	\$300,000	\$320,000	\$360,000	\$335,000	\$365,000	\$360,000	\$370,000	\$380,000	\$4,100,000
New License Fee	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$600,000
Application Fee	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$31,250	\$375,000
License Changes	\$29,132	\$29,133	\$29,132	\$29,133	\$29,132	\$29,133	\$29,132	\$29,133	\$29,132	\$29,133	\$29,132	\$29,132	\$349,589
Investigative Recov Costs	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$18,750	\$225,000
Renewal Late Fees	\$11,583	\$11,584	\$11,583	\$11,583	\$11,584	\$11,583	\$11,583	\$11,583	\$11,584	\$11,583	\$11,583	\$11,584	\$139,000
Renewal Inactive Fee	\$14,800	\$16,400	\$16,100	\$15,450	\$15,600	\$17,400	\$18,000	\$16,050	\$17,400	\$16,550	\$18,350	\$17,900	\$200,000
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$435,515	\$497,117	\$516,815	\$486,166	\$456,316	\$478,116	\$518,715	\$491,766	\$523,116	\$517,266	\$529,065	\$538,616	\$5,988,589
Actual (2012-2013)	JULY-12	AUG-12	SEPT-12	OCT-12	NOV-12	DEC-12	JAN-13	FEB-13	MAR-13	APR-13	MAY-13	JUN-13	TOTALS
License Renewals	\$344,845	\$401,081	\$278,944	\$334,380	\$286,150	\$295,223	\$340,950	\$303,525	\$407,790	\$341,175	\$386,625	\$388,723	\$4,109,410
New License Fee	\$54,600	\$49,500	\$48,300	\$47,400	\$44,600	\$45,900	\$55,200	\$42,600	\$52,950	\$49,800	\$43,200	\$51,900	\$585,950
Application Fee	\$28,800	\$39,900	\$30,600	\$31,800	\$34,800	\$36,900	\$39,900	\$34,500	\$34,500	\$43,250	\$37,800	\$41,700	\$434,450
License Changes	\$26,100	\$33,675	\$24,200	\$33,800	\$22,975	\$28,375	\$24,100	\$26,075	\$38,600	\$30,000	\$26,875	\$30,100	\$344,875
Investigative Recov Costs	\$25,283	\$24,376	\$28,292	\$29,725	\$37,680	\$22,549	\$18,294	\$24,456	\$31,555	\$30,601	\$38,286	\$36,758	\$347,855
Renewal Late Fees	\$12,150	\$14,100	\$12,525	\$14,100	\$10,650	\$13,200	\$10,350	\$7,050	\$13,340	\$6,300	\$6,075	\$17,248	\$137,088
Renewal Inactive Fee	\$16,200	\$17,700	\$7,250	\$15,900	\$14,400	\$11,850	\$9,900	\$13,200	\$19,650	\$12,600	\$13,800	\$18,900	\$171,350
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$507,978	\$580,332	\$430,112	\$507,105	\$451,255	\$453,997	\$498,694	\$451,406	\$598,385	\$513,726	\$552,661	\$585,328	\$6,130,977
Variance (2012-2013)	JULY-12	AUG-12	SEPT-12	OCT-12	NOV-12	DEC-12	JAN-13	FEB-13	MAR-13	APR-13	MAY-13	JUN-13	TOTALS
License Renewals	\$64,845	\$61,081	(\$81,056)	\$4,380	(\$13,850)	(\$24,778)	(\$19,050)	(\$31,475)	\$42,790	(\$18,825)	\$16,625	\$8,723	\$9,410
New License Fee	\$4,600	(\$500)	(\$1,700)	(\$2,600)	(\$5,400)	(\$4,100)	\$5,200	(\$7,400)	\$2,950	(\$200)	(\$6,800)	\$1,900	(\$14,050)
Application Fee	(\$2,450)	\$8,650	(\$650)	\$550	\$3,550	\$5,650	\$8,650	\$3,250	\$3,250	\$12,000	\$6,550	\$10,450	\$59,450
License Changes	(\$3,032)	\$4,542	(\$4,932)	\$4,667	(\$6,157)	(\$758)	(\$5,032)	(\$3,058)	\$9,468	\$867	(\$2,257)	\$968	(\$4,714)
Investigative Recov Costs	\$6,533	\$5,626	\$9,542	\$10,975	\$18,930	\$3,799	(\$456)	\$5,706	\$12,805	\$11,851	\$19,536	\$18,008	\$122,855
Renewal Late Fees	\$567	\$2,516	\$942	\$2,517	(\$934)	\$1,617	(\$1,233)	(\$4,533)	\$1,756	(\$5,283)	(\$5,508)	\$5,664	(\$1,913)
Renewal Inactive Fee	\$1,400	\$1,300	(\$8,850)	\$450	(\$1,200)	(\$5,550)	(\$8,100)	(\$2,850)	\$2,250	(\$3,950)	(\$4,550)	\$1,000	(\$28,650)
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$72,463	\$83,215	(\$86,703)	\$20,939	(\$5,061)	(\$24,119)	(\$20,021)	(\$40,360)	\$75,269	(\$3,540)	\$23,596	\$46,712	\$142,388
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
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$425,415	\$475,415	\$495,415	\$475,415	\$475,416	\$455,416	\$515,416	\$485,416	\$535,419	\$545,419	\$525,419	\$555,419	\$5,965,000
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										\$1,030,670
New License Fee	\$46,200	\$60,600	\$11,850										\$148,650
Application Fee	\$28,800	\$42,300	\$32,150										\$103,250
License Changes	\$32,150	\$30,425	\$24,450										\$87,025
Investigative Recov Costs	\$25,955	\$42,690	\$15,686										\$84,331
Renewal Late Fees	\$5,480	\$7,875	\$16,010										\$29,365
Renewal Inactive Fee	\$8,700	\$14,400	\$18,300										\$41,400
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$464,085	\$515,940	\$544,666	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,524,691
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	(\$320,000)	(\$320,000)	(\$300,000)	(\$360,000)	(\$330,000)	(\$380,000)	(\$390,000)	(\$370,000)	(\$400,000)	(\$3,069,330)
New License Fee	(\$2,966)	\$11,434	(\$7,316)	(\$49,166)	(\$49,167)	(\$49,167)	(\$49,167)	(\$49,167)	(\$49,167)	(\$49,167)	(\$49,167)	(\$49,167)	(\$441,350)
Application Fee	(\$4,533)	\$8,967	(\$1,183)	(\$33,333)	(\$33,333)	(\$33,333)	(\$33,333)	(\$33,333)	(\$33,334)	(\$33,334)	(\$33,334)	(\$33,334)	(\$296,750)
License Changes	\$3,400	\$1,675	(\$4,300)	(\$28,750)	(\$28,750)	(\$28,750)	(\$28,750)	(\$28,750)	(\$28,750)	(\$28,750)	(\$28,750)	(\$28,750)	(\$257,975)
Investigative Recov Costs	\$3,455	\$20,190	(\$6,814)	(\$22,500)	(\$22,500)	(\$22,500)	(\$22,500)	(\$22,500)	(\$22,500)	(\$22,500)	(\$22,500)	(\$22,500)	(\$185,669)
Renewal Late Fees	(\$2,853)	(\$458)	\$7,677	(\$8,333)	(\$8,333)	(\$8,333)	(\$8,333)	(\$8,333)	(\$8,334)	(\$8,334)	(\$8,334)	(\$8,334)	(\$70,635)
Renewal Inactive Fee	(\$4,633)	\$1,067	\$4,967	(\$13,333)	(\$13,333)	(\$13,333)	(\$13,333)	(\$13,333)	(\$13,334)	(\$13,334)	(\$13,334)	(\$13,334)	(\$118,600)
TOTALS	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	\$38,670	\$40,525	\$49,251	(\$475,415)	(\$475,416)	(\$455,416)	(\$515,416)	(\$485,416)	(\$535,419)	(\$545,419)	(\$525,419)	(\$555,419)	(\$4,440,309)



Licensing - Q1 Snapshot

Application, Renewal & Cost Recovery Revenue
(FISCAL YEARS 2012-2013 / 2013-2014)



JULY TO SEPTEMBER 2013				FISCAL YTD LICENSING FEE TOTALS (FY2014)			
Licenses (Beginning of Quarter)	16,355			LICENSING FEES	BUDGET	ACTUAL	VARIANCE
New Licenses Issued	260			License Renewals	4,100,000	1,030,670	(3,069,330)
Licenses Cancelled / Surrendered / Revoked	(360)			New License Fee	590,000	148,650	(441,350)
Variance in Suspended/Reinstated Licenses	29			Application Fee	400,000	103,250	(296,750)
Licenses (End of Quarter)	16,284			License Changes	345,000	87,025	(257,975)
# of Licenses on June 30th, 2013	16,355			Invest Recov Costs	270,000	84,331	(185,669)
# of Licenses on Sept 30th, 2013	16,284			Renewal Late Fees	100,000	29,365	(70,635)
Net YTD (Fiscal Year)				Renewal Inactive	160,000	41,400	(118,600)
Licenses Gained / Lost	(71)						
Renewal Revenue Gained / Lost	(\$42,600)						
*Does not include suspended licenses							
90 Day Retention Rate				180 Day Retention Rate			
Projected Year-End Retention Rate	June '13 Lic's	16,355		Projected Year-End Retention Rate	March '13 Lic's	16,452	
	Cancellations	(360)	(2.21%)		Cancellations	(749)	(4.60%)
	New Licenses	260	1.60%		New Licenses	517	3.17%
	Susp/Reinstat	29	0.18%		Susp/Reinstat	(126)	(0.77%)
	Sept '13 Lic's	16,284			Sept '13 Lic's	16,284	
	Change	(71)			Change	(168)	
3 Month Rolling	% Change	-0.44%		6 Month Rolling	% Change	-1.03%	

Licensing - Highlights

QUARTERLY STATS

New License Apps: 349 (+4%)

- 245 Approved
- 70 Tabled/Denied
- Avg. Processing Time - 67 days; 50% approved/denied within 60 days

Issued Licenses: 260 (+9%)

License Change Apps: 817 (+5%)

- Avg. Processing Time - 29 days; 70% approved/denied within 30 days

Active Licenses: 14,943 (-1%)

Inactive Licenses: 1,341 (-16%)

- 79 Placed on inactive status during Q1 (-27%)

Voluntary Surrender: 105 (+22%)

Active License Renewals:
1,902 (3%)

Inactive License Renewals:
139 (-17%)

License Suspensions (no bond):
260 (-16%)

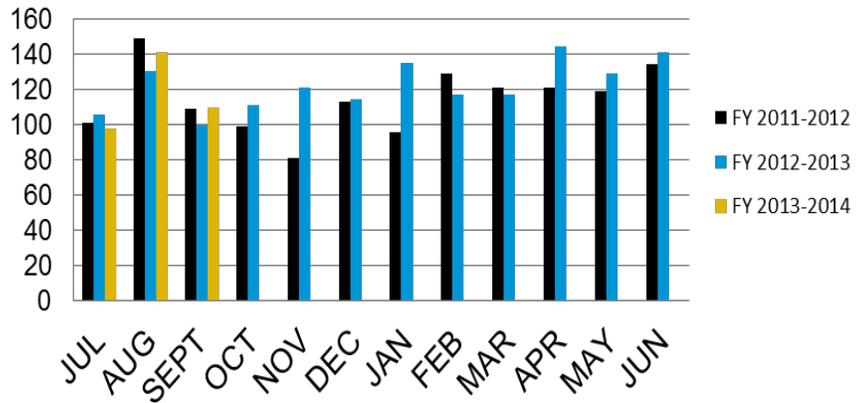
Licenses Cancelled: 251 (-13%)

58 Application Denial Hearings
(+93%)

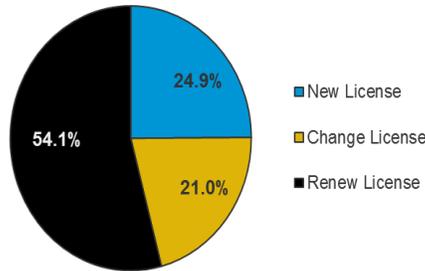
153 Financial Reviews Opened
• 130 Approved by Staff

12 Financial Responsibility Hearings (-14%)

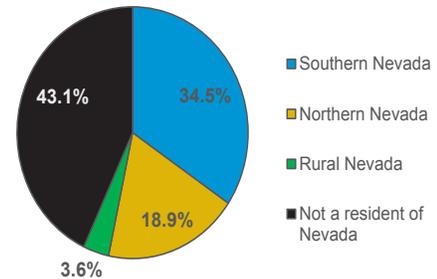
New License Applications



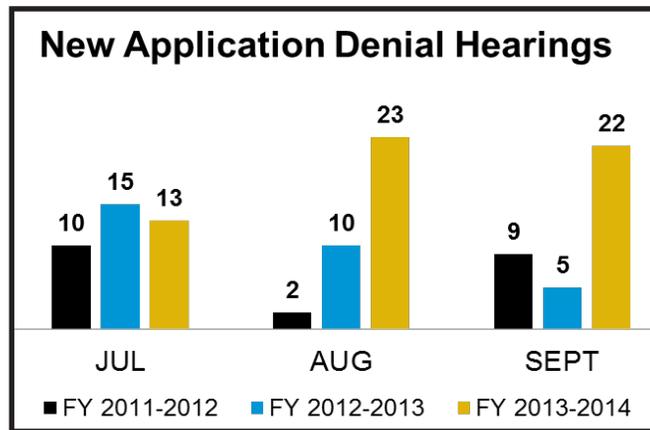
Types of Applicants



Licensing Customers Residents Of



New Application Denial Hearings



93%



Enforcement - Applicant Backgrounds

SIGNIFICANT OUTCOMES:

- 55 applicants failed to disclose prior criminal histories.
- 45 applicants withdrew their application once background issues were identified.
- Two applicants failed to register as convicted felons.



Fingerprint Cards Submitted	675
Total Fingerprints returned w/ Criminal Histories	125
Total Fingerprints returned w/o Criminal Histories	550
Criminal Histories	22%

BACKGROUND CHECKS

- 78 investigations initiated; 32 pending
- 10 applicants failed to report misdemeanor convictions (\$5,000 in fines; \$2,750 in investigative costs)

UNREPORTED CRIMINAL ACTIVITY

(in reference to background investigations mentioned above)

- DUI (20)
- Domestic Violence (8)
- Felony Narcotics (7)
- Felony Theft (5)
- Misdemeanor Battery (3)
- Misdemeanor Theft (2)
- Misdemeanor Narcotics (1)
- DUI Felony (1)
- Felony Injury to Child (1)
- Obstruction (1)
- Impersonation (1)
- Robbery (1)
- Home Invasion (1)

Enforcement Overview - Compliance

QUARTER SNAPSHOT

Opened Complaints: 410

- 158 Workmanship
- 70 Money Owing
- 187 Industry Regulation

Closed Complaints: 406

- 156 single-family residences; 6 multi-family residences; 9 public works projects; and 81 commercial projects

Pending cases: 267;
9 over 90 days (3%)

69 Administrative citations issued

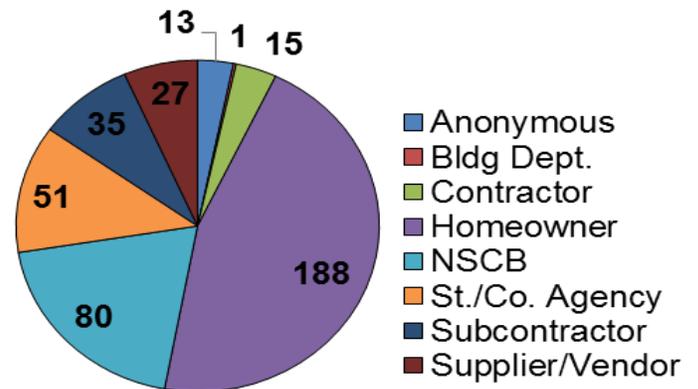
- \$48,150 in Fines
- \$24,089 in Investigative Costs

38 Cases referred for Disciplinary Hearing

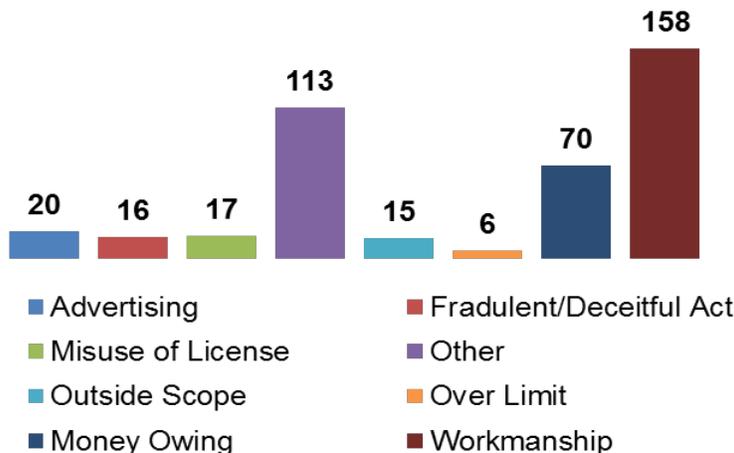
- 7 licenses revoked

	Money Owing			Workmanship			Industrial Reg.		
	FY2012	FY2013	FY2014	FY2012	FY2013	FY2014	FY2012	FY2013	FY2014
JUL	42	22	19	52	48	54	53	87	73
AUG	47	23	30	69	48	43	108	87	72
SEPT	43	30	21	57	45	61	70	95	42
1st Qtr:	132	75	70	178	141	158	231	269	187
OCT	56	47		64	53		84	84	
NOV	60	33		37	58		90	67	
DEC	44	19		46	34		84	80	
2nd Qtr:	160	99	0	147	145	0	258	231	0
JAN	53	42		42	38		74	103	
FEB	53	36		33	32		87	100	
MAR	41	31		31	48		88	71	
3rd Qtr:	147	109	0	106	118	0	249	274	0
APR	44	26		36	45		81	95	
MAY	39	27		36	47		83	72	
JUN	31	23		48	45		83	62	
4th Qtr:	114	76	0	120	137	0	247	229	0

SOURCE OF COMPLAINTS FILED



VIOLATION TYPES



Enforcement - Compliance Highlights

LICENSED CONTRACTOR CHARGED WITH FELONY

A licensed contractor in Elko failed to complete construction projects and allegations of Diversion of Funds surfaced. A criminal investigation was conducted in conjunction with the compliance case and a felony warrant and complaint were secured on September 5, 2013 from the Elko County District Attorney's Office charging the licensed contractor with a felony count of Diversion of Construction Funds. The Elko contractor was taken into custody by the Elko Police Department on September 10, 2013 when he showed up at a job site to meet with Board investigators to discuss his case.

Board Assists in Money Owning Cases

- 70% (27/46) of cases were resolved by Board investigators prior to the administrative meetings
- \$1.8 million in mutually agreed settlements

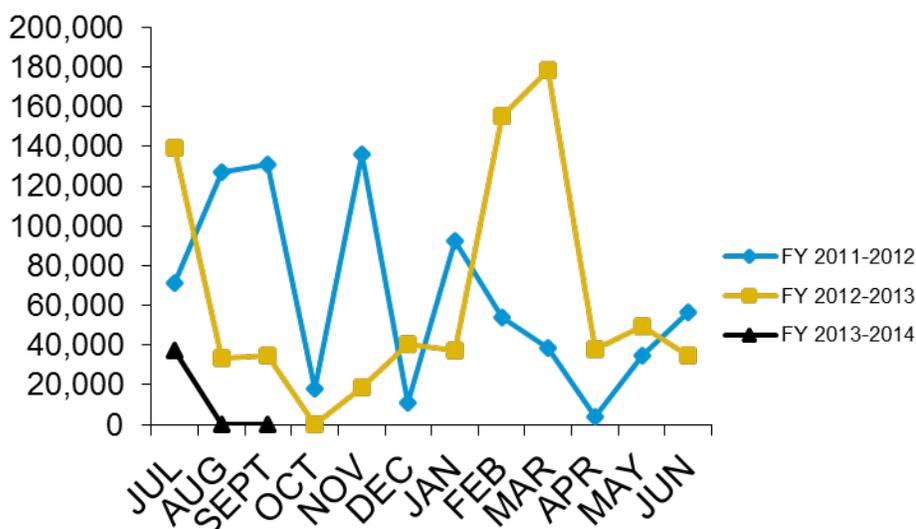
RESIDENTIAL RECOVERY FUND

3 Residential Recovery Fund hearings

- Nine cases heard
- Approximately \$118,000 awarded collectively
- Average claim awarded - Approximately \$13,000
- One claim denied by Committee
- One case denied by Staff as Invalid

As of September 30, 2013, the Fund has a balance of \$5.7 million.

Recovery Fund Claims Amount Paid



Enforcement Overview - Criminal

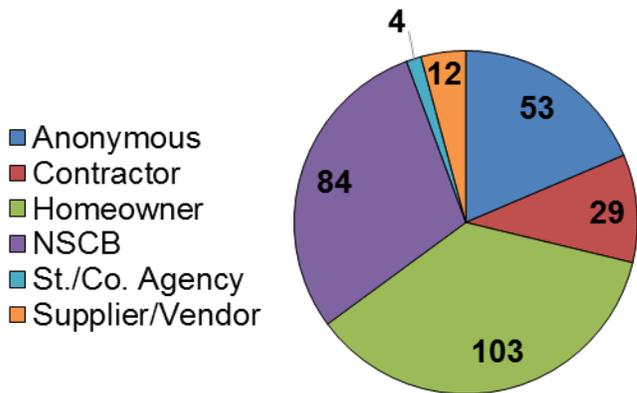
QUARTER SNAPSHOT

- Opened Complaints: 285
- Closed Complaints: 299
- 1,172 Pending cases
- Four cases over 90 days
- 87 Criminal charges filed
- 78 Criminal convictions recorded
 - 76 Misdemeanor
 - 2 Felony

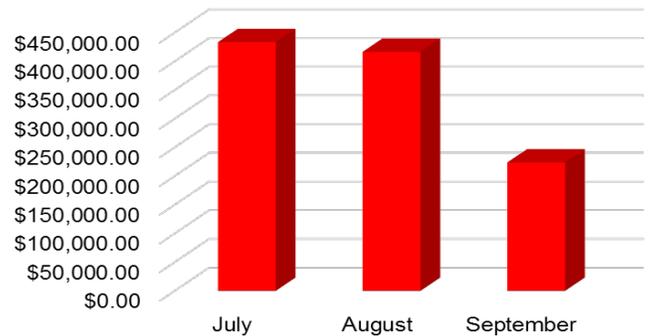
NUMBER OF COMPLAINTS FILED

FY 2011-2012		FY 2012-2013		FY 2013-2014	
Complaints		Complaints		Complaints	
Jul	93	Jul	128	Jul	107
Aug	138	Aug	114	Aug	89
Sept	80	Sept	81	Sept	89
1st Qtr:	311	1st Qtr:	323	1st Qtr:	285
Oct	105	Oct	106	Oct	
Nov	60	Nov	64	Nov	
Dec	73	Dec	57	Dec	
2nd Qtr:	238	2nd Qtr:	227	2nd Qtr:	0
Jan	73	Jan	107	Jan	
Feb	107	Feb	104	Feb	
Mar	107	Mar	83	Mar	
3rd Qtr:	287	3rd Qtr:	294	3rd Qtr:	0
Apr	136	Apr	117	Apr	
May	119	May	114	May	
Jun	148	Jun	119	Jun	
4th Qtr:	403	4th Qtr:	350	4th Qtr:	0

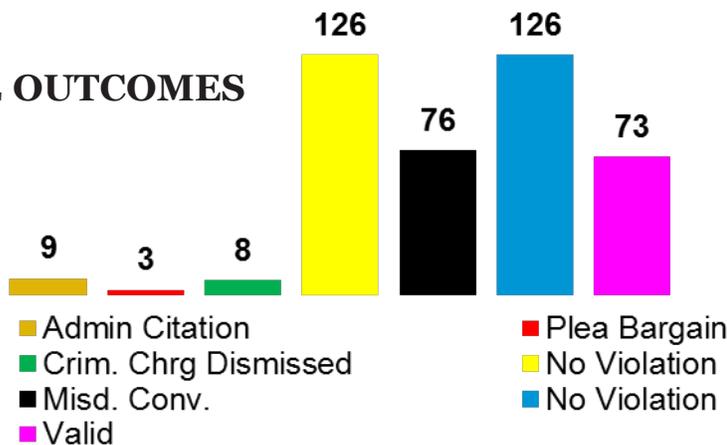
SOURCE OF COMPLAINTS FILED



TOTAL ESTIMATED CONTRACT \$\$ LOST TO UNLICENSED CONTRACTORS



CLOSED CASE OUTCOMES



Enforcement - Criminal Highlights

UNLICENSED FATHER & SON TEAM TRACKED BY NSCB - LEADS TO ARREST



Since 2002, the NSCB has initiated sixteen (16) separate cases against an unlicensed father and son team who have been working in Southern Nevada. The subjects have routinely entering contracts for flooring, accepting deposits and then failing to return or perform the work. The subjects used five (5) different company names and multiple business addresses.

The investigations have resulted in four (4) separate misdemeanor convictions, with orders for restitution and payment of the NSCB investigative cost for the father. In addition, arrest warrants were issued for both the father and son as a result of multiple current investigations.

On September 4, 2013, the NSCB in partnership with the Henderson Police and the Nevada Highway Patrol arranged for the father to come to the office of the NSCB for an interview. The father was arrested on his outstanding warrants when he arrived at the NSCB office.

The continuing investigation identified the son was living in Utah to avoid his arrest on outstanding felony charges. The NSCB is working with the Office of the DA and local law enforcement in Utah to locate, arrest and extradite the individual from Utah to Nevada.

NSCB Warns Carpenter Fire Victims of Unlicensed Contractor Solicitations

- Neighborhood Outreach
- Communication with Law/
Fire Agencies
- Distribution of Collateral
Material

UNLICENSED CONTRACTORS

BEWARE

It is a **CRIMINAL OFFENSE** to
contract without a valid
Nevada contractor's license

REPORT UNLICENSED CONTRACTORS

(702) 486-1160

www.nscb.nv.gov



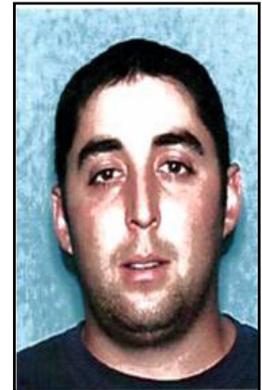
Public Information Office Update



HOMEOWNERS BEWARE

During the first quarter, the PIO issued two press releases warning consumers of unlicensed activities following a fire that struck the Mount Charleston area in southern Nevada and a series of heavy wind and rain storms that caused large amounts of damage to many southern Nevada homes. As a result, several news stations across the valley aired multiple clips highlighting information on how consumers

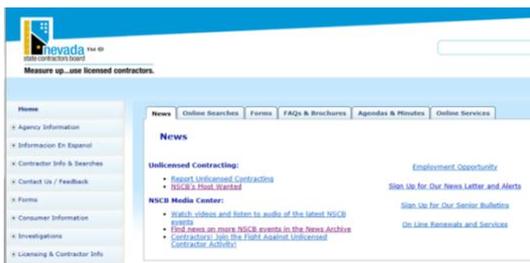
can identify warning signs of unscrupulous contractors, offering best practices when hiring licensed contractors, and encouraging consumers to contact NSCB for assistance or to report suspicious activity. These storms also led to support from local county commissioners who provided similar information to homeowners in a door-to-door outreach effort.



CASTANONS CAUGHT

In the case against Joe and Joseph Castanon, an unlicensed contracting father and son team allegedly sought for abandoning projects after taking payment, the PIO worked closely with NSCB investigators to coordinate and capture the arrest of Castanon (Sr.) with the help of southern Nevada news station KLAS-TV, channel 8.

KLAS-TV has run a series of stories on this case highlighting the alleged damages incurred by various homeowners, as well as the arrest and current updates on the Castanon family members. As of September 30, 2013, Castanon (Jr.) has multiple felony warrants out for his arrest and is still at-large.

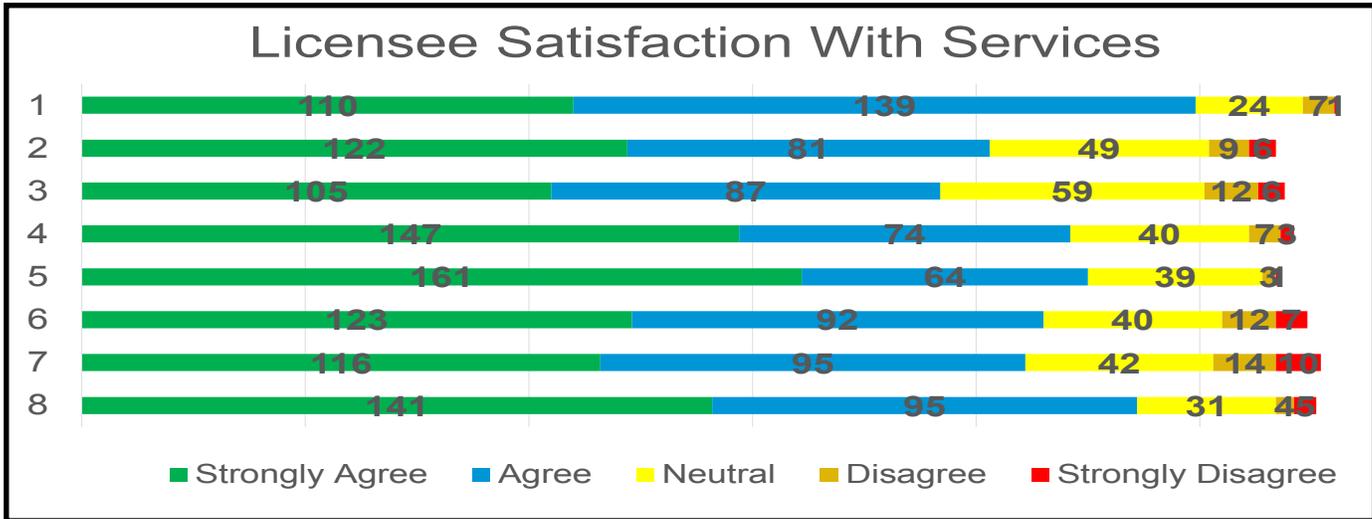


WEBSITE ON TRACK FOR IMPROVEMENTS

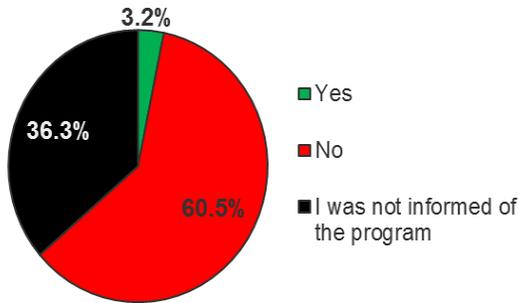
As part of the Strategic Plan this quarter, the PIO has been working with IT to analyze the Board's existing web content and design layout. Time was spent evaluating other states' webpages to determine what design features

and layout options were most functional and would best meet our needs. While the project is still in the beginning stages, the proposed design format is believed to streamline the information currently available and make end-user navigation more easily accessible. We look forward to sharing demos of the sight once it is further along in the process.

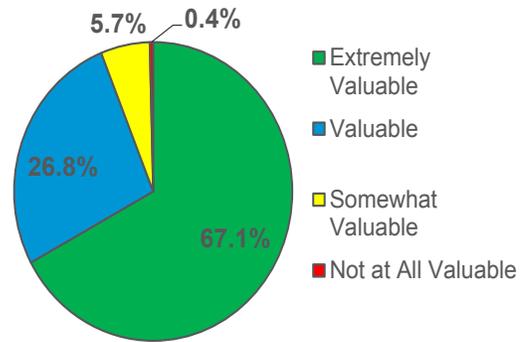
Customer Service Survey - Licensing



Participated in Business Assistance Program



How Licensees Value Having a Contractor's License in Nevada



LICENSING SAMPLING RATES

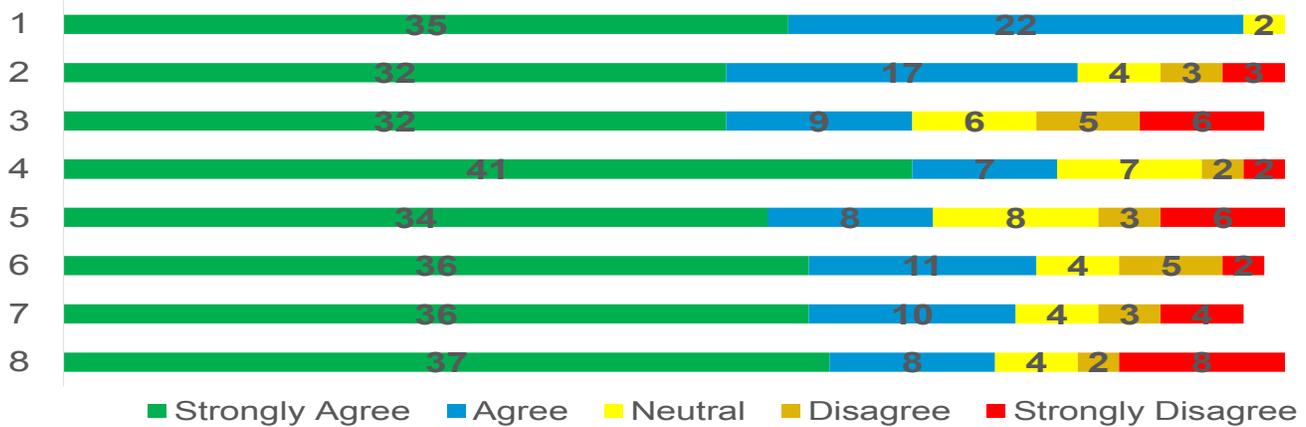
June (70/462) = 15%
 July (114/507) = 23%
 August (97/635) = 15%
Total = 18% (281/1604)

SURVEY QUESTION KEY

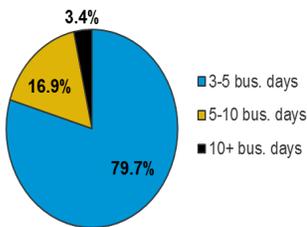
1. The forms and instructions were clear and easily accessible.
2. NSCB staff notified me of problems/issues within a reasonable timeframe.
3. NSCB staff kept me informed of the progress of my licensing request.
4. NSCB staff was responsive to my questions and concerns.
5. I was treated with respect 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.

Customer Service Survey - Complainant

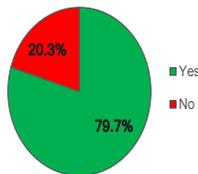
Complainant Satisfaction with Services



Complainant was contacted by a Board investigator within:



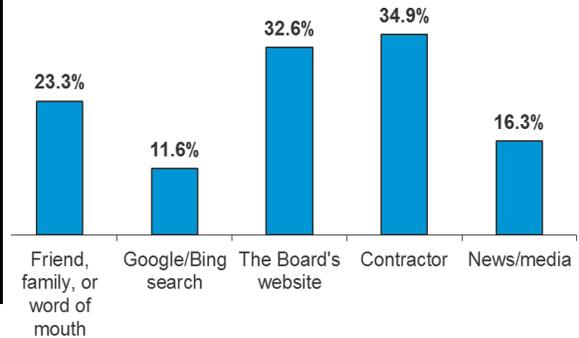
was provided with written notification of the outcome of the case.



STAT FACTS

- 50.8% over 60 yrs. old
- 60% male; 40% female
- 83% from So. NV
- 84% will educate others

Complainants Learned of the Board From



COMPLAINANT SAMPLING RATES

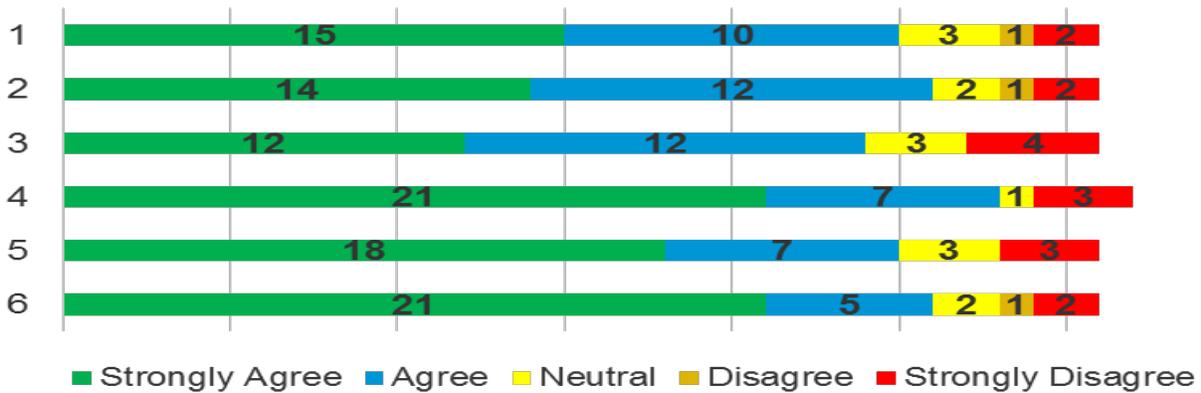
June (25/59) = 42%
 July (13/54) = 24%
 August (21/62) = 34%
Total (59/175) = 34%

SURVEY QUESTION KEY

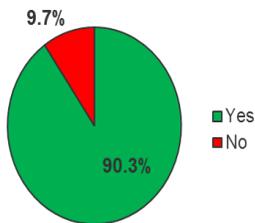
1. The information on how to file a complaint was easily accessible and understandable.
2. The procedures for investigating my complaint were clearly explained to me.
3. I was kept informed of the progress made on my complaint throughout the investigation.
4. NSCB representatives treated me with respect 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.

Customer Service Survey - Respondent

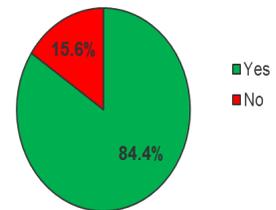
Respondent Satisfaction with Services



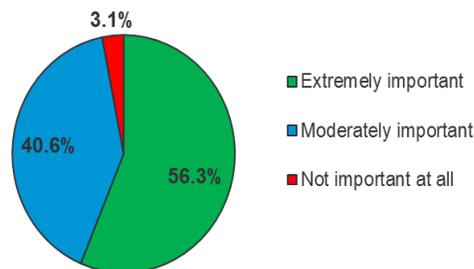
Respondent was Notified within 10 Days of Complaint Being Filed



Respondent was Provided Written Notification of the Outcome of the Case



Contractor Perception of Customers' Value of a License



RESPONDENT SAMPLING RATES

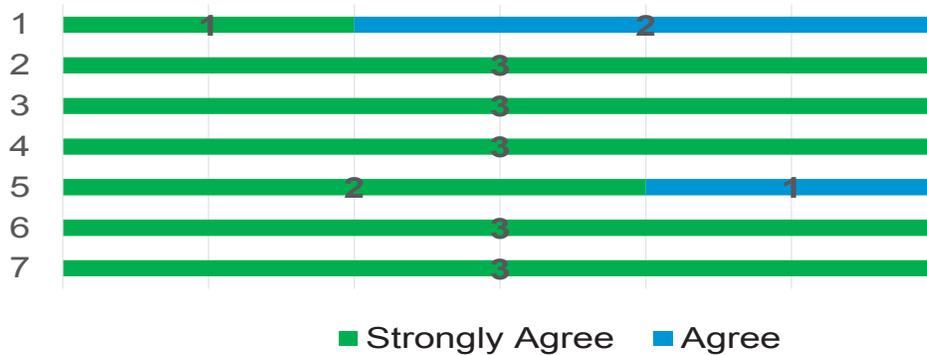
June (17/122) = 14%
 July (8/114) = 7%
 August (7/104) = 7%
Total (32/340) = 9%

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).

Customer Service Survey - Recovery Fund

Recovery Fund Claimants' Satisfaction with Services



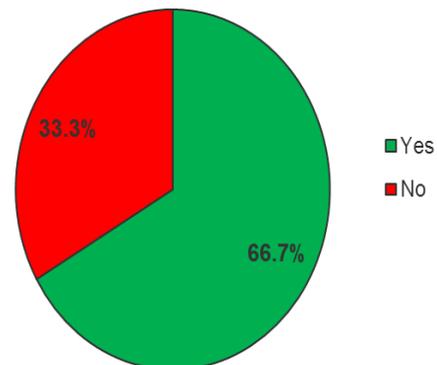
SURVEY QUESTION KEY

1. The information on how to file a Recovery Fund claim was easily accessible and understandable.
2. The time it took for NSCB to contact me after filing my claim was satisfactory.
3. The correspondence and information I received was clear and well explained.
4. NSCB representatives treated me with respect and professionalism.
5. I am satisfied with the time it took to finalize my claim.
6. I feel the Residential Recovery Fund is a valuable protection in place for consumers.
7. I am satisfied at how my claim was handled.

RECOVERY FUND SAMPLING RATES

June (1/5) = 20%
 July (2/3) = 67%
 August (0/2) = 0%
Total (3/10) = 30%

Customer Knew of the Residential Recovery Fund Prior to Contacting the Board



Customer Service Survey- Respondent

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

“Our investigator was professional and courteous...he could see the big picture [and] remained neutral.”

~ Respondent to a Complaint

“I file for licenses in six other states. By far, this process is the most efficient. Thanks!!”

~Licensing Customer

“The best customer service I’ve received in a long time, great communication by mail & telephone. I was informed of all aspects of my ‘short’ complaint filing time and ended with a great outcome...Thank you!”

~Respondent to a Complaint

“The notification through e-mails of any issues and the progress updates of the application were great. They kept me very informed with the status.”

~New License Applicant

Looking Forward - Quarter 2

This fiscal year is already in full swing and our efforts are well underway to accomplishing and advancing the goals of the Board this year. In the months ahead, we will continue to place emphasis on partnering efforts, while engaging in a variety of outreach opportunities.

At the next quarterly meeting, we plan to report on the progress made with the following objectives:

- Initiate rulemaking to finalize changes to classifications.
- Analyze the feasibility of allowing completion of specific training courses in lieu of monetary fines for violations.
- Implement program to train compliance investigators to be POST certified.
- Work with IT to explore use of social media and the creation of mobile applications.
- Develop departmental overview trainings for inclusion in new board member orientation.

There is still much before us to complete, but we are looking forward to the challenges and being able to report on the progress made in these upcoming months, so stay tuned!



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