



Nevada State Contractors Board
2018-2019
Strategic Plan

JULY 2018



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letter from the board chair

Strategic planning is a vital practice for any business to undertake on a regular basis, and the Nevada State Contractors Board is no exception. Just before spring each year, our members meet alongside Board management to have a robust conversation addressing current industry, economic, and operational trends, issues, and opportunities that are likely to impact the Board in the year ahead.

This process requires authenticity of information, openness to new ways of thinking, adaptability to change, refinement of practices already in place, and an awareness of how surrounding environmental factors may influence or alter the course of day-to-day business in the short- and long-term future.

As we met this year to structure our goals and objectives for FY 2018-19, we acknowledged the acceleration of projects occurring within the industry, the challenges noticed by workforce shortages, and the national discussions regarding occupational licensing and the need for improvements and reform. Such realities invite opportunities for proactive actions and innovative solutions to best mitigate future pitfalls for the protection of Nevada's public and the overall integrity of the industry.

Our efforts this year are predominantly centered on the Board's licensing requirements and processes. We had meaningful discussions about ways to reduce unnecessary burdens for new and existing licensees, improve application processing times, and expand license by endorsement agreements related to testing and experience requirements, among others. The objectives we've crafted include a variety of statutory and regulatory amendments, changes to Board policies and procedures, and further review into some of the recommended solutions to outline the options available and how best to achieve the intended outcomes the Board is seeking.

Public protection remains at the forefront of all our discussions and is weighted heavily when new solutions for any operations of the Board are considered. As we continue to find ways to better serve our new and existing licensees, we are cautious not to compromise the significant role the Board maintains in protecting the public.

Maintaining this balance is achieved through continued enhancements to our public information and awareness efforts, as well as expanding and promoting the services of our enforcement department. This coming year aims to improve the Board's website to allow maximum clarity and exposure to consumer-based information, identify new opportunities to promote the Board's services and customer experiences, and increase the resources available to assist new license applicants with the license application process.

We've made organizational recommendations to improve our efficiencies, and hope to expand our enforcement efforts within the Board to continue addressing the growing demand for construction fraud investigations. As you will see, this year's plan encompasses an ambitious agenda, which we are eager to embark upon and accomplish.

Margaret Cavin

Nevada State Contractors Board Chair



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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. 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 aide 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. 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 consumers and contractors in the State.

When customers aren’t seeking licensure or checking the status of a license, 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 unlicensed contracting. Such punishments may 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 or the disabled– a priority matter of the 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 action plans.

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 and integrity 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

Worked closely with the Information Technology and Enforcement Departments to implement the Board's new licensing and enforcement database system and provide extensive staff training.

Enforcement

Obtained multiple felony convictions as a result of investigations into unlicensed and fraudulent activities. Many of these convictions resulted in court-ordered restitution to the victims involved.

Public Awareness and Information

Expanded the Board's print and online resources by translating brochures and two public service announcements into Spanish, and making new instructional/informational videos accessible to consumers and contractors on the Board's website.

Board Development

Established a mentorship program as part of the Board's new member orientation and updated the Board Member succession plan.

Administrative Efficiency

Implemented a management training program focused on career and leadership principles, and offered staff custom trainings to enhance communication and internal/external interactions with customers.

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

Large commercial, public works, and residential projects across the state are drawing heavily on Nevada's construction industry, creating a greater demand for out-of-state contractors. As such, the Board continues to be prepared in both its licensing and enforcement departments to accommodate licensing requests and respond to construction-related complaints.

Legislative Trends

Much of the nation is focused on occupational licensing and looking at ways to ease licensing burdens, while expanding opportunities for individuals interested in entering the workforce.

The Board has already begun identifying increased opportunities for licensure by endorsement, and will continue to evaluate and pursue similar initiatives during the 2019 Legislative Session.

Unlicensed Activity

The ongoing demand to investigate allegations of construction fraud is cause for the Board to evaluate possible expansion of the Board's Fraud Unit. Additionally, the growth of large public and private projects across the state is anticipated to generate an increase in unlicensed activities at the residential level as homeowners face difficulties hiring licensed contractors for smaller,



home repair-remodel projects. The Board will remain proactive in both its enforcement efforts to combat unlicensed activity, as well as its public outreach efforts to educate consumers about the loss of protections when using unlicensed contractors and how the Board's resources can be utilized.

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. These changes in turn require NSCB to keep licensure classifications, training requirements and Board processes up-to-date.

“I like the way the Board works and think they do all they can to protect consumers and contractors.”

— Licensee

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.





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

— *Complainant of Licensed Contractor*

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 home owners	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.

“I was impressed with the way the Board got involved and got results - more contractors should know about [reporting unlicensed contractors]”

— *Complainant of Unlicensed Contractor*



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 2018 and were based on the Board's review of the 2017-18 Strategic Plan. Performance measures and desired outcomes are also identified for each goal area.

“The staff members were helpful and responded every time I had a question.”

— *Complainant of Licensed Contractor*



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



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 2018-2019		lead responsibility	completion date
1.A	Identify opportunities to expand license by endorsement opportunities for testing and experience requirements with other states.	Licensing Staff	June 2018
1.B	Consider legislative solutions related to management and construction roles on large construction projects.	Licensing Staff	June 2018
1.C	Evaluate the need for additional bonding requirements for residential solar construction.	Licensing Staff	June 2018
1.D	Submit legislation to remove the two year financial statement requirement for newly licensed residential contractors.	Licensing Staff	June 2018
1.E	Consider if changes are needed to the E-Classification.	Licensing Staff	September 2018
1.F	Review and identify opportunities to improve license classifications.	Licensing Staff	September 2018
1.G	Identify opportunities to improve and update the licensure exam program.	Licensing Staff	December 2018

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 partner with District Attorney's Offices to prosecute violations perpetrated against senior citizens or persons with a disability.	Enforcement Staff
Improving enforcement in rural areas.	Enforcement Staff
Coordinating with local law enforcement agencies in identifying potential fraudulent contractors.	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 2018-2019		lead responsibility	completion date
2.A	Identify legislative remedies to the allocation amounts currently allowed for claimants of the Residential Recovery Fund.	Enforcement Staff	June 2018
2.B	Evaluate the need to expand the Board's Fraud Unit.	Enforcement Staff	September 2018
2.C	Develop alternative remedies for compliance violations to be used other than fines.	Enforcement Staff	October 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 Office Staff
Enhancing the use of online services.	Public Information Office Staff
Keeping public information and collateral materials up-to-date.	Public Information Office Staff
Maximizing the use of the NSCB newsletter and website to provide timely information.	Public Information Office Staff
Expanding customer awareness of the Residential Recovery Fund.	Public Information Office Staff
Improving Board effectiveness through partnerships and intergovernmental relationships.	Public Information Office Staff
Surveying partners on a regular basis to improve two-way communication.	Public Information Office Staff
Working with city and county building departments to increase awareness of the Board.	Public Information Office Staff



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 2018-2019		lead responsibility	completion date
3.A	Develop a messaging strategy for FY 2018-19 to include a variety of outreach initiatives and media approaches.	Public Information Officer	July 2018
3.B	Research the feasibility of conducting webinars for Board programs and presentations.	Public Information Officer	July 2018
3.C	Produce video testimonials from claimants of the Residential Recovery Fund to promote on NSCB's website.	Public Information Officer	September 2018
3.D	Work with department staff to update all website content and make recommendations for enhanced organization of material.	Public Information Officer	December 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 2018-2019		lead responsibility	completion date
4.A	Develop the Board's legislative package and strategy for the 2019 Legislative Session.	Executive Team Members	June 2018
4.B	Identify opportunities to engage in efforts to promote the Board's mission with legislative representatives, government officials and the public.	Executive Team Members	December 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 2018-2019		lead responsibility	completion date
5.A	Prepare a proposal for establishing an in-house Legal Department.	Executive Team Members	June 2018
5.B	Research and compile a list of best practices related to the Board's operations and identify strategies for the Board to consider implementing.	Executive Team Members	January 2019

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



appendix A: recent accomplishments 2017-18

Licensing

- Trained customer service and licensing staff on the new licensing and enforcement database system.
- Enhanced the Board's online license search functions to include direct links to licenses from various search outputs.
- Completed the rulemaking process to create regulations addressing licensure by endorsement requirements pursuant to Senate Bill 69 from the 2017 Legislative Session.
- Updated and released the B-2 Residential and Small Commercial examination following review by subject matter experts.

Enforcement

- Trained compliance and criminal staff on the new licensing and enforcement database system.
- Hosted the Third Annual Western States Forum on Construction Enforcement with seven participating states in attendance. Subjects discussed included trends related to solar construction and unlicensed traveler investigations, as well as recruitment and training programs, enforcement communications, and related criminal/compliance matters.
- The Fraud Unit received two felony

convictions for theft/fraud following an investigation of two co-conspirators responsible for creating \$560,000 in fraudulent invoices for equipment and building permit purchases over a five-year period. Restitution of over \$450,000 and fines of \$20,000 were ordered, with one individual being sentenced to 3-8 years in State Prison.

Public Information & Awareness

- Produced two informational videos highlighting tips and resources for homeowners preparing for and dealing with damages caused by natural and man-made disasters.
- Developed new applicant resources by creating an online license application assistance video and a supporting brochure that focuses on important requirements, pitfalls to avoid, and other tips to expedite application processing times.
- Enhanced the consumer and contractor resources pages on the Board's website to be more user friendly, and added a YouTube library where all of the Board's informational videos and public service announcements are readily accessible to the public.
- Co-sponsored the 2nd Annual Buddy Bench program at Northwest Career and

Technical Academy, and launched the first Buddy Bench program with A.C.E. High School in northern Nevada. In total, 14 schools received the student-constructed anti-bullying “Buddy Bench.” The events brought together educational leaders, state and local dignitaries, and industry representatives to share the importance of construction education programs, while promoting the value and viability of construction-related occupations for Nevada’s young adults.

Board Development

- Reviewed and updated the Board member succession plan, and offered customized in-house training for Board members relative to Administrative and Open Meeting Laws.
- Expanded the New Board Member Orientation program to include a mentorship component. Incoming (new) members are paired up with an existing member to provide more individualized guidance in becoming accustomed to their role and responsibilities as a member of the Board.
- Reflected on the efforts made during the 2017 Legislative Session and discussed opportunities to improve the Board’s strategy and legislative focus for 2019. The Board’s annual Strategic Planning Session provided an opportunity for Board management and members to collaborate on key initiatives and legislative priorities for the year ahead.

Administrative Efficiency

- Evaluated ways to improve the Board’s recruitment efforts in support of the Staff Succession Plan, and implemented new strategies as vacancies became available.
- Evaluated licensing and enforcement trends as they related to the economic boom in recent years and discussed strategies and operational needs that may be necessary to proactively prepare for increased applications and investigative complaints.
- Implemented a staff development program that provided more interactive and personalized customer service training, as well as offering management more tools and resources related to career and leadership development strategies, in addition to ongoing technical training.

“The investigator was very professional and the Board did a great job...they talked to me in a way that I could understand what was going on.”

— *Complainant of Licensed Contractor*





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