North Carolina
Home Inspector Licensure Board: Encouraging Performance

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NC Dept. of Insurance, Office of State Fire Marshal
NC General Statute § 143-151.44. Purpose.
This Article safeguards the public health, safety, and welfare and protects the public from being harmed by unqualified persons by regulating the use of the title "Licensed Home Inspector" and by providing for the licensure and regulation of those who perform home inspections for compensation.
Board established 1994 – 18 years
- Home Inspection Fee - $300 +/-
- 2 per day, 5 days per week, 50 weeks per year
  - 500 inspections @ $300 each = $150,000
  - 250 inspections @ $300 each = $75,000
- Visual examination (2-4 hrs)
- Written report (1 – 2 hrs)
- Confidential results unless release authorized by client
The Basics (2)

- License application / qualification / issuance
- Licensee Continuing Education (CE) Req’ts
  - 16 hours / license period (Oct. 1 – Sep. 30)
  - 4 hrs Board-developed Update / 12 hrs Elective
- CE Sponsor/Instructor/Course qualification
- Complaint Investigations
- Board Meetings
- Disciplinary Action / Hearings
Initial Board Direction (10/2009)

- “Pay to Play” – inspector / broker relationships
- Online renewals / photo IDs
- Unlicensed Inspectors?
  - Property Condition Reports
  - HUD REO (Real Estate Owned)
- Clear backlog of (45) complaints, 2-4 years old
- Complaint processing time (6 months)
What to do first?

Catch the alligators?

or

Drain the swamp?
Results Based Management

- Strategic Planning – *The long view*…..
  - Processes & Products
- Performance Management Systems
  - Organizational Structure
  - Process Improvements
  - Rewards
  - Contracts
  - Budgeting
- Outcome Indicators
- Program Evaluation
## Logic Model

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Early Victories?

- Capacities
  - Organizational Structure
  - Process Improvements
    - Licensee Database
      - MS ACCESS®
Organizational Structure

Director
  - Admin Assistant
    - Education Coordinator
    - Investigator
  - License Administrator
  - Investigator

Director
Process Improvements

- License Renewal – 2 page form to online
- License Application – 5 page form to online
- CE Rosters – handwritten at course to online
- Complaint Processing – Investigation Reports
- Communications – email vs. standard mail
- Board and Committee meetings –
  – Even months (6/yr) to Quarterly (4/yr)
Encouragement

- Incentives
  - Rewards (Individual & Group)
  - Contracts
  - Performance Budgeting
Rewards

- Job description / responsibilities
- Performance Evaluations
  - Performance & Behavior combination
  - Quantity / Quality
- Work plans / expectations
- Working hours / time sheets
- Recognition – Board meetings/newsletters
Contracts

- Information Technology
  - web application interface for online renewals / CE

- Contract Inspectors
  - Used for site visits and report reviews to reduce backlog and improve customer response.
  - Benchmark for staff
    - Charlotte (2)
    - Concord (1)
    - Cary (1)
Budget

- Line item / account codes
- Fund balance
- Policy
A BILL TO BE ENTITLED
AN ACT TO REQUIRE STATE AGENCIES AND CERTAIN NON-STATE ENTITIES TO DEVELOP, IMPLEMENT, AND MAINTAIN INFORMATION SYSTEMS THAT PROVIDE UNIFORM, PROGRAM-LEVEL ACCOUNTABILITY INFORMATION REGARDING THE PROGRAMS OPERATED BY THOSE AGENCIES, AS RECOMMENDED BY THE LRC COMMITTEE ON EFFICIENCIES IN STATE GOVERNMENT.

Performance measures for each program sufficient for a citizen to determine all of the following:

a. **Outcome.** – The verifiable quantitative effects or results attributable to the program compared to a performance standard.

b. **Output.** – The verifiable number of units of services or activities provided by the program.

c. **Efficiency.** – The verifiable total direct and indirect cost per output and per outcome.

d. **Performance standards.** – The metrics based upon best practices, generally recognized standards, or comparisons with relevant peer entities in other states or regions for gauging achievement of efficiency, output, and outcomes.

e. ** Benchmarks.** – A broad societal indicator used for gauging ultimate outcomes of programs, such as U.S. Census data. Multiple programs among several agencies may be benchmarked to the same indicator.