

# Mandatory Evaluation Components

## Report 2020-02:

N.C. Gen. § 120-36.14 requires the Program Evaluation Division to include certain components in each of its evaluation reports, unless exempted by the Joint Legislative Program Evaluation Oversight Committee. The table below fulfills this requirement and, when applicable, provides a reference to the page numbers(s) where the component is discussed in the report.

N.C. Gen. § 120-36.14 Specific Provision	Component	Program Evaluation Division Determination	Report Page
(b)(1)	Findings concerning the merits of the program or activity based on whether the program or activity		
(b)(1)(a)	Is efficient	Overall, the process for handling alleged ABC administrative violations is inefficient <b>because the compromise process—which is used in 96% of cases—costs more and takes longer to administer than the alternative option of processing these allegations through the administrative court system.</b> However, given the ABC Commission’s expertise, functional differences in the types of cases handled through each process, and the complementary (as opposed to duplicative) relationship between the two processes, the Program Evaluation Division does not recommend any structural changes.	Page 22-23
(b)(1)(b)	Is effective	Analysis of ABC administrative violations shows mixed results. ABC administrative penalties were shown to be <b>effective at reducing the prevalence of violations but did not affect the rate of repeat offenses.</b>	Pages 19-22
(b)(1)(c)	Aligns with entity mission	The mission of the ABC Commission is to provide uniform control over the sale, purchase, transportation, manufacture, consumption, and possession of all alcoholic beverages in the state. Enforcing administrative penalties aligns with this mission.	Page 5
(b)(1)(d)	Operates in accordance with law	The ABC Commission <b>operates in accordance with state law.</b> Statute gives the ABC Commission the authority to impose and enforce administrative penalties.	Page 24
(b)(1)(e)	Does not duplicate another program or activity	The Program Evaluation Division found that <b>no duplication exists between the procedures for settling alleged ABC administrative violations.</b> The ABC Commission compromise process and the administrative court process function in a complementary manner.	Page 9
(b)(1a)	Quantitative indicators used to determine whether the program or activity		
(b)(1a)(a)	Is efficient	The Program Evaluation Division determined the <b>efficiency of procedures for settling administrative violation allegations by comparing cases settled through the compromise process with cases settled in administrative court.</b> The following performance measures were collected from Fiscal Year 2013–14 to Fiscal Year 2017–18: <ul style="list-style-type: none"> <li>• processing time (in days) and</li> <li>• cost per case settled.</li> </ul>	Page 23

(b)(1a)(b)	Is effective	<p>The Program Evaluation Division determined <b>effectiveness of the procedure for settling alleged administrative violations by analyzing administrative violations and penalties</b>. The following performance measures were collected from Fiscal Year 2013–14 to Fiscal Year 2017–18:</p> <ul style="list-style-type: none"> <li>• ratio of permittees receiving violations to new permittees per year,</li> <li>• repeat violations, and</li> <li>• length of suspensions.</li> </ul>	Pages 18-21
(b)(1b)	Cost of the program or activity broken out by activities performed	<p>In Fiscal Year 2013–14 through 2017–18, the ABC Commission spent an estimated \$1.4 million to settle ABC administrative violation cases through the compromise process. In this time period, the yearly cost per case settled fluctuated between \$164 per case and \$249 per case with a five-fiscal-year-average of \$215 per case. In comparison, the average cost of setting cases through the administrative courts during these five fiscal years was \$134 per case.</p>	Pages 23-24
(b)(2)	Recommendations for making the program or activity more efficient or effective	<p>The report makes no recommendations to improve the efficiency or effectiveness of settling cases of alleged ABC administrative violation.</p>	N/A
(b)(2a)	Recommendations for eliminating any duplication	<p>The Program Evaluation Division did not find evidence of duplication in the procedure for settling ABC administrative violation cases.</p>	Page 9
(b)(4)	Estimated costs or savings from implementing recommendations	<p>There are no costs or savings from implementing this report's recommendations.</p>	N/A