

Greensboro ABC Board

Performance Audit Report



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Alcoholic Beverage Control

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October 16, 2025

Greensboro ABC Board
James Galyon, Chair
333 N. Greene St. Suite 300
Greensboro, NC 27401

Chairperson Galyon,

On the following pages, you will find the performance audit report conducted by the staff of the ABC Commission reviewing the operations of the Greensboro ABC Board. The report consists of an overview of the objectives & background summary, financial analysis and findings, and a summary of actions recommended based upon your board's performance and related findings. Additional considerations are listed as well to provide further guidance and enhance awareness to promote ABC board success.

Please reach out if you have any questions or require assistance in implementing any of the statute requirements, Commission rules, or other recommendations included in the report. On behalf of the North Carolina ABC Commission, I thank you and your staff for your assistance and cooperation in conducting this periodic review. We appreciate the continued efforts by your board to comply with the performance standards, as well as the board's commitment to increase profitability and reduce expenses.

If we can be of assistance in the future, please do not hesitate to reach out to the Commission staff.

Respectfully,

Michael DeSilva
Deputy Commissioner

OBJECTIVE, PURPOSE & BACKGROUND INFORMATION

In addition to regular and special financial audits, G.S. 18B-705(a) authorizes the NC ABC Commission to conduct performance audits of all local ABC boards in the state. Performance audits are examinations of existing operating policies, practices, controls, and activities to determine those areas in which there may be a need for improvement.

The audits are designed to ensure that all local ABC Boards comply with established performance standards pursuant to G.S. 18B-203(a)(20). The audit's scope addresses compliance with ABC laws and rules, store appearance, operating efficiency, solvency, and customer service.

To achieve the objectives of the audit, auditors:

- Review applicable General Statutes, ABC Commission Rules, Reports, and Administrative Policies
- Verify compliance with Commission and Board policies
- Verify results of previous performance audit recommendations
- Review ABC Board annual independent financial audits
- Review ABC Board reporting and documentation reports
- Visit the store(s)
- Interview key ABC Board personnel

Greensboro is a city in central North Carolina and was originally established in 1808. It is the seat and largest city in Guilford County, and the third largest city in the state. The city's population per the 2020 census was 299,035 residents, up nearly 11% from 2010. The estimated current population for Greensboro is over 307,000. The Greensboro ABC Board operates fifteen retail stores, one mixed beverage outlet, and is one of four boards with stores in the county.

Chapter 394 of the 1951 S.L. authorized the City of Greensboro to hold an election upon a petition signed by at least fifteen percent (15%) of registered voters. The referendum was held on June 5, 1951, and passed 11,176 to 6,724. The first retail sale occurred on August 30, 1951. A mixed beverage election occurred on February 9, 1979, and passed 18,252 to 8,360. The first mixed beverage sale occurred on March 1, 1979. Upon election of an ABC store, the City of Greensboro was authorized to create an ABC board consisting of three board members. S.L. 2003 increased the board members from three to five members. Current board members are Jim Galyon Jr., Chair, Cassandra Brown Jones, Zachary Engle, James Upchurch, and Adam Marshall.

The last performance audit for the Greensboro ABC Board concluded in 2015. The Commission audit serves as a continuous way to provide local boards with information and best practices that target areas for improvement.



115-C N. Cedar St.

OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS

On Thursday, May 29, 2025, ABC Commission Program Analyst Edwin Strickland visited the Greensboro ABC Board and interviewed the General Manager, Niegel Sullivan and other board personnel. Below is a financial analysis followed by operation observations, findings, and recommendations related to the performance audit.



2417 Lawndale Dr.



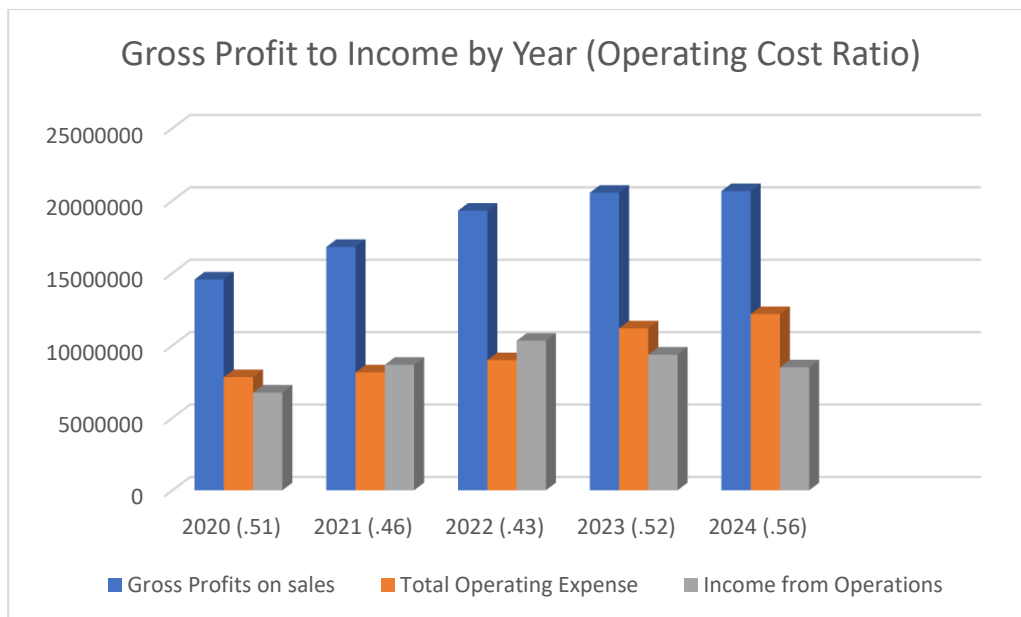
3741 Farmington Dr.

FINANCIAL ANALYSIS

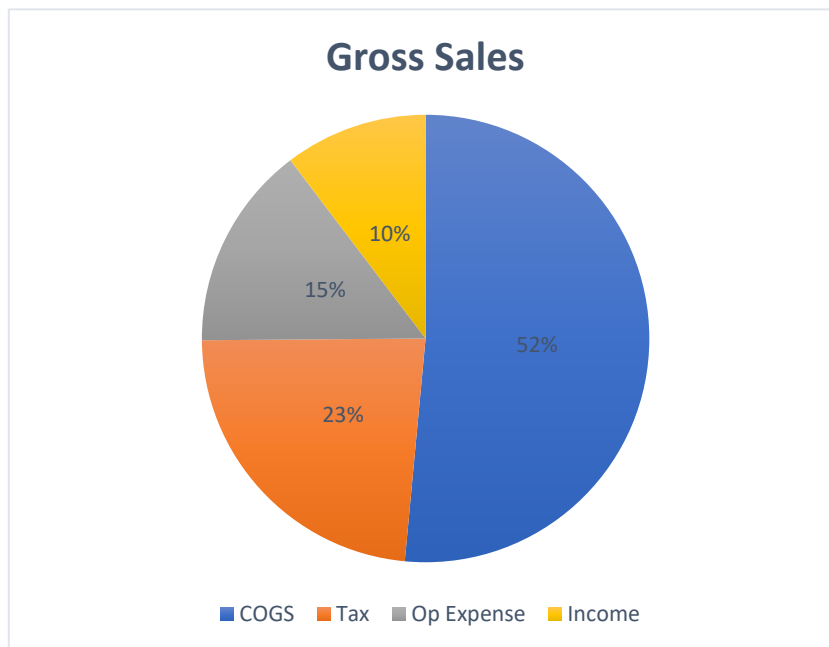
PROFIT PERCENTAGE TO SALES & OPERATING COST RATIO

- In fiscal year (FY) 2023-2024, the Greensboro ABC Board had a profit percentage to sales ratio of 10.33%. The NC ABC Commission profit to sales standards for ABC Boards with gross sales greater than \$10M is 9%.
 - The Greensboro ABC Board's gross sales totaled \$82,177,472 which was a less than .4% increase from the previous fiscal year.
 - The board's sales have grown almost 41% over the last five completed fiscal years.
- Greensboro ABC Board operates ten stores with mixed beverage sales. The operating cost ratio for the board was .56 in FY 2023-2024. The NC ABC Commission standard for ABC Boards with three or more stores and mixed beverage is .63 or less.
 - Operating cost ratio is calculated by dividing total operating expenses less depreciation by the gross profit on sales (Total operating expenses less depreciation/Gross Profit).
- Thus, the Greensboro ABC Board meets both the profitability and the operating cost standards set by the NC ABC Commission. Below are charts showing gross profit on sales, total operating expenses, and income from operations for recent years.

	FY 2023-2024	FY 2022-2023
Gross Profit on Sales	\$20,653,768	\$20,540,958
Total Operating Expense	(\$12,162,745)	(\$11,177,280)
Income from Operations	\$8,491,023	\$9,363,678



- The chart below shows where portions of gross sales are expended or retained as income. COGS and primary distributions (Taxes) usually account for approximately seventy six percent (76%) of any board's gross receipts, with the remainder used to operate the system and as income. In turn, the income is then used to satisfy other statutory distributions and as working capital, capital improvements, or as additional distributions beyond the minimum requirement.



- *Factors affecting sales:*
 - Greensboro ABC Board's stores are within a 30-mile radius of fourteen other ABC board's stores.
 - A 4.6% unemployment rate in Guilford County in June of 2024 with a .4% increase from the previous year.
 - The board currently has over 300 active mixed beverage customers. *In FY 2023/2024 mixed beverage accounted for over 21% of gross sales.*

INVENTORY TURNOVER

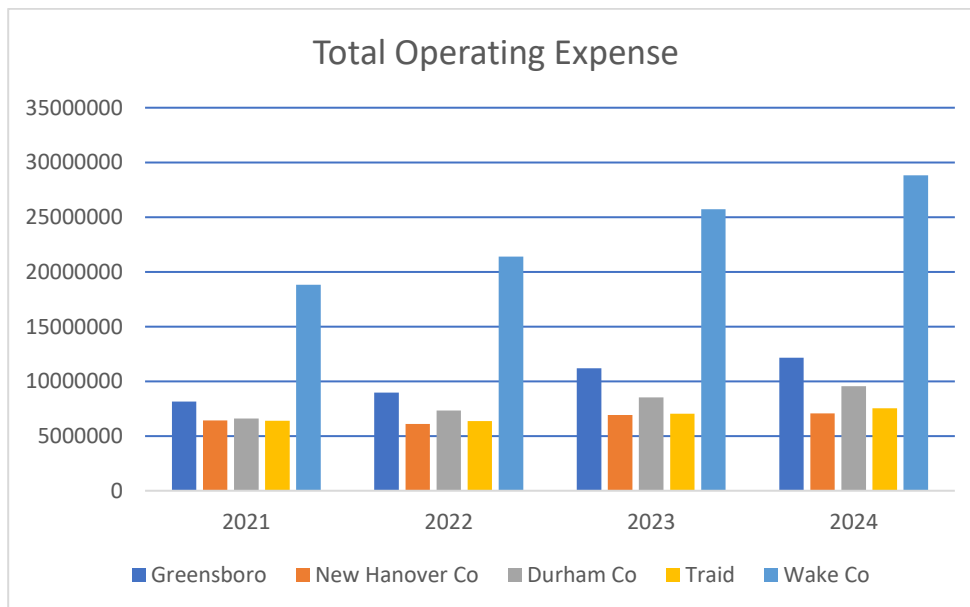
- The inventory turnover rate is calculated by dividing the cost of liquor by the average inventory in the system (Cost of Liquor/Average Inventory). The Commission has set these goals for determining an effective rate based on the frequency of deliveries.
 - Once a week deliveries target at 6 times or more per year
 - Twice a month deliveries target at 5 times or more per year
 - Monthly deliveries target at 4.5 times or more per year
- The Greensboro ABC Board receives shipments weekly with a target inventory turnover rate of 6. The inventory rate in (FY) 2023-2024 was 4.1, which is below the goal.
 - The Board has a high inventory due to its robust buy-ins program, and self-distributing warehouse which inflates inventory and results in a lower turnover rate.

FINANCIAL ANALYSIS (cont.)

➤ *Factors affecting expenses:*

- Total operating expenses increased approximately nine percent (9%) from the last fiscal year and were roughly fifteen percent (15%) of total annual sales in FY-23/24.
- Board salaries and wages were about five- and one-half percent (5.5%) of total annual sales. Salaries and wages increased less than three percent (2.8%) from the previous fiscal year.
- Cost of Goods Sold (COGS) was roughly 51.5% for the fiscal year with a normal range being 52% to 54%.

- A total operating expense report compares the Greensboro ABC Board with other boards with somewhat comparable variables. *There really is no other board in the state over the last few years that compares well with Greensboro ABC regarding variables including sales, staffing, number of stores, residents, and the proximity to other board's stores.*



BUDGET ANALYSIS

	FY 2023-2024 <i>Budget Projections</i>	<i>FY2023-2024 Actual</i>	Variance	Variance %
Total Revenues	\$82,338,067	\$82,334,420	(\$3,647)	(-%)
Total Expenditures	\$76,238,576	\$76,650,368	(\$411,752)	(.05%)
Distributions	\$5,999,928	\$3,418,156	\$2,581,772	
Revenue over or (under) Expenditures & Dist.		\$2,265,896		
After Reconciling Items		\$5,224,089		

- In reviewing the budget to actual analysis of the FY 2023-2024 financial audit, actual total revenues were marginally less than the final budget amendments.
 - The net income change during the fiscal year was \$5,224,089. *The board's collective net position on June 30, 2024, was \$20,752,564; the net position has increased over 135% over the last five (5) fiscal years.*
- Based on sales trajectory for the current fiscal year with ten months (83%) of the budget year completed, the board is tracking at around 84% of annual budgeted sales.
 - *The board has submitted amendment(s) to their FY 2024-2025 budget to date.*

DISTRIBUTIONS

G.S. 18B-805 (b) requires the board to pay from gross receipts, all expenses, excise, and rehabilitation taxes. G.S. 18B-805(c)(2) requires the board to *typically* distribute at least five percent (5%) of applicable gross receipts to law enforcement and *typically* at least seven percent (7%) for alcohol education. *Before assigning these percentage distributions, G.S. 18B-805(c)(1) requires the board to first make a minimum quarterly distribution of the 3.5% markup & relevant bottle charges to certain county/municipal recipients. Some of these distribution percentages are designated by an official local enabling act (and thus distribution requirements and recipients are subject to vary).*

- In FY 2023-2024, Greensboro ABC made other statutory distributions totaling \$3,418,156 (Net profit distribution recipient received \$2,831,156).
- The amount of \$19,212,424 in primary distributions and other taxes were paid to the NC Department of Revenue (NCDOR), DHHS, and the county commissioners of Guilford County.
- *Per the local enabling act, the distribution formula for recipients of net profits is as follows:*
 - 85% to Greensboro General Fund
 - 15% to Guilford County General Fund and Municipalities Without Liquor Stores
 - Additional Distributions to the Town of Summerfield Based on Store Profits

DISTRIBUTIONS (cont.)

➤ STATUTORY DISTRIBUTIONS:

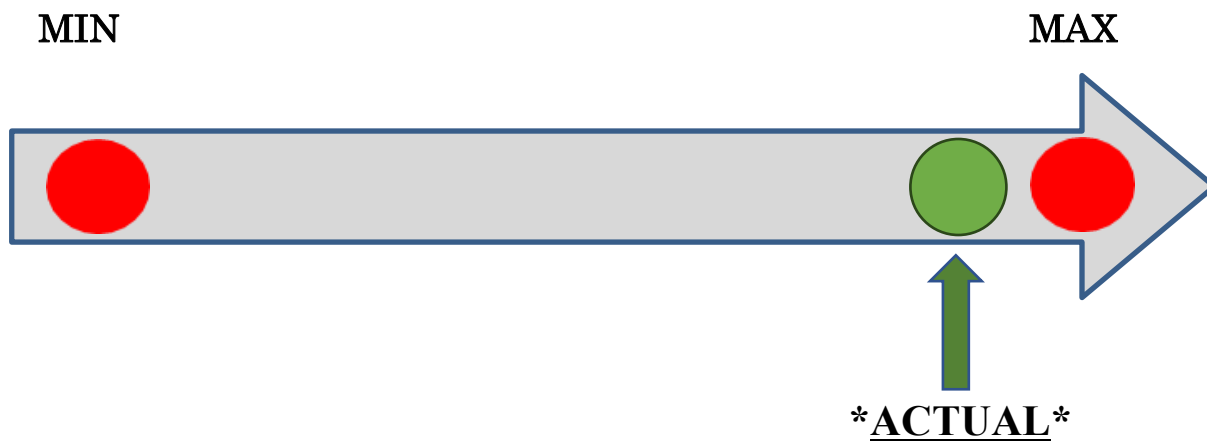
- Net Profit Distributions – The Greensboro ABC board has made net profit distributions the last five (5) fiscal years at or above the minimum mandatory distribution in reference to NCGS 18B-805(c)(1). **The table below references distributions calculated on the left and total distributions made by the ABC Board for the last five (5) years on the right.**
- Law Enforcement Distributions: Have been properly disbursed at or above the standard 5% statute amount over the last five (5) FYs.
- Alcohol Education Distributions: Have been disbursed at or above the standard 7% statute amount for one (1) the last five (5) FYs. *The board's enabling act mandates a 5% alcohol education distribution.*

NC GENERAL STATUTE: 18B-805 (c)(1)			
Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients		Greensboro ABC Board Net profit distribution made annually by fiscal year	
<i>Note: Referencing CPA Audit Reports</i>			
Calculated Amount		Total paid to recipient(s)	
FY-2024	\$2,281,753	FY-2024	\$2,831,156
FY-2023	\$2,274,714	FY-2023	\$5,681,163
FY-2022	\$2,114,728	FY-2022	\$6,927,869
FY-2021	\$1,871,422	FY-2021	\$7,217,156
FY-2020	\$1,648,862	FY-2020	\$5,414,973

WORKING CAPITAL

- G.S. 18B-805(d) allows the board to set aside a portion of the remaining gross receipts, within the limits set by the rules of the Commission, as cash to operate the ABC system.
 - NCAC 15A .0902 sets a working capital maximum standard for boards with annual gross sales greater than \$50M as an amount equal to two (2) months of gross sales.
 - G.S. 18B-702(g)(3) defines "Working Capital" as the total of cash, investments, and inventory less all unsecured liabilities. As it pertains to working capital computation, gross sales mean gross receipts from the sale of alcoholic beverages less distributions as defined in G.S. 18B-805(b)(2), (3), and (4).
- Based upon the existing rules, as of June 30, 2024, the Greensboro ABC Board is required to maintain a minimum working capital of \$3,160,672 with a maximum working capital amount of \$13,696,244.
 - The Greensboro ABC Board had a working capital balance of \$12,453,125 which is more than the minimum and less than the maximum Commission requirement for this section (*).

*** FY 2023-2024: *Working Capital (WC)* graphic**



- Under G.S. 18B-805(d), with approval of the appointing authority for the board, the local board may set aside a portion of the remaining gross receipts as a fund for specific capital improvements whenever working capital is exceeded.

PERSONNEL, OPERATIONAL & ADMINISTRATIVE COMPLIANCE

The findings for personnel, operational & administrative compliance are as follows:

Board Members

- The board consists of four members and a chairperson who do not receive monetary compensation.
 - All board members are currently compliant on ethics training and all term end dates are appropriately staggered.
 - Three members are serving in their first term with the Chairperson and another member having served multiple terms with the board.
 - Members have a variety of experience in different businesses, law, and other areas of local involvement.
- All members have taken an oath of office per G.S. 11-7. *Copies of oaths should be kept available at the board's administrative office.*
- Meetings are generally held the fourth Tuesday of each month and public notice is provided to the city and advertised on the board's official website, to include an option to attend the meeting(s) virtually.
- A city liaison is regularly in attendance at meetings.
- Meeting minutes are well organized and follow the order of proceedings, providing detail of business discussed in a transparent and easily comprehensible manner.
 - An abundance of financial reports, law enforcement activities, and operational and other informative information is discussed and chronicled through a well-crafted packet.
- The board's login website had been updated at and prior to Commission visit and contains accurate information pertaining to board members, personnel, and store locations.

Law Enforcement

- The board has a law enforcement contract with the Greensboro Police Department, but no updated copy is on file in Commission records. *A contract that appears to be more geared towards off duty assistance at the stores is on file, but the contract expired in 2012.*
- Law enforcement reports are currently submitted regularly by Lt. Jones with the GSOPD.
 - Reports provide details of activities for accountability per G.S. 18B-501(f1).

Board Personnel

- The board currently staffs one hundred and thirty-one total employees, with eighty-four full time and forty-seven part time, across fifteen retail stores, a central warehouse, an administrative office, and a mixed beverage only outlet store.
- General Manager has served in this role with the board for approximately four years and has previous retail management experience including another ABC Board.
 - General Manager is full time, their salary is approved to exceed maximum allowable compensation per G.S. 18B-700(g1), and they are compliant on ethics training.
 - Their responsibilities include full administrative oversight, long term planning, working with the city, property management, and they serve as a resource to the public.
- The Assistant General Manager is full time and has been with the board for several years and has experience with other ABC Board(s). Their responsibilities include handling day to day operations and personnel development.
- The Finance Director and officially designated finance officer is full time and has been with the board for approximately three years. Their responsibilities include the oversight of a deputy finance officer and other administrative team member(s) to ensure full compliance with regulatory governmental principles on all things accounting and budgetary.
- The board has a variety of other management positions to include Human Resources, Senior Operations Manager and other operations managers, Warehouse and Purchasing Manager(s), and various assistant managers.
- All stores have a manager and assistant manager whose focus is on their store's team's affectively providing service to their patrons, ordering, and store upkeep.
- All other store employees are sales associates and primarily responsible for providing friendly customer service, general store cleaning and upkeep, and stock maintenance.
- Training is provided to new employees through on-bordering, by management at designated training stores, and through the use of checklists and other tools for specific job functions.
 - Internal RASP training is included in on-boarding.
 - Product knowledge training is provided from managers who attend trade shows and have management level meetings, through suppliers, and through informal discussions.
 - *The board's website has some general alcohol education information available to the staff and others.*
- No conflicts pertaining to nepotism found and per discussion with general manager.

Policies

- The board has a very comprehensive personnel manual that details various policies to include those associated with employment, payroll, benefits, behavioral standards, conduct, and discipline. *An updated copy was provided at visit and is now in Commission records retention.*
- For travel, the board chooses to adhere to a travel policy that conforms to their appointing authority's travel policy. For compliance with G.S. 18B-700(g2), the board should supply the Commission written approval from the city authorizing the board to follow their policy.
- Additional policies in Commission records include a code of ethics, shelf management, vehicle usage, credit card and gas card usage agreement, job descriptions, and mixed beverage sales and delivery.
- Policies not on file with the Commission that could be considered by the board include lottery, tastings and employee tastings. *The board should work to ensure all updated policies are forwarded to the Commission for approval in compliance with NCAC 15A .1102.*

Alcohol Education

- The board oversees an extensive alcohol education grant program. Multiple recipients are awarded funds. Potential candidates provide financial documentation of their plans for awarded funds. All recipients provide reports describing how funds were expended at least annually, and these records are available to the board's appointing authority.
- In the FY 2023/2024, the board granted funding to different (5) different programs, and facilities totaling at least \$192,500.

Operations

- Inventory is conducted monthly at all stores and more frequently at the warehouse.
 - The board staggers inventory to help track corresponding discrepancies between the warehouse and retail stores.
 - Participants include partnered managers who visit one another's stores and regular team members, and warehouse staff.
 - Inventory manager and warehouse manager investigate discrepancies and could make adjustments.
 - Strategies for slow moving products include price reductions and other means associated with supplier representatives.
- Board receives multiple deliveries for goods twice weekly at their main warehouse.
 - Pallets are pulled and cases are checked against the manifest with plans to begin using scanners.
 - Variances are reviewed and recounted before sending notification to LB&B.
- The board currently has over 300 mixed beverage active customer accounts.
 - Invoices are provided to permittees at the time of the transaction and copies are retained in a file for each account.
 - Orders are generally picked by one associate and verified at stamping by a different colleague.
 - The board has one store devoted to mixed beverage and four other stores designated as mixed beverage outlets.
 - The board has a very accommodating mixed beverage policy, and a copy is in Commission record retention.
 - The board is planning to, perhaps, centralize mixed beverage at their main warehouse and focus on deliveries to customers.
 - Online ordering for mixed beverage is available through the board's website.
- Each store manager makes their liquor order for a two-week block by reviewing sales and inventory stock. *The board plans to change this practice with their new system which will auto-facilitate orders based on mins and maxes.* The warehouse manager adjusts final orders to LB&B.
- The central warehouse manager's team facilitate all deliveries from the warehouse to the stores on a revolving basis.
- Allocated products are offered to mixed beverage accounts. Additionally, the board does random drops and has a fall lottery.
- The board has an innovative website which serves to provide the public information about hours, locations, products and specially priced items, employment, contact information, mixed beverage account info, grant programs, weekly recipes, and party planning.

Financial, Administrative, and Internal Controls

- Invoices for liquor are usually processed twice monthly by the finance officer's team with the deputy finance officer cutting checks.
- Board's checks have the required disbursement certificate in compliance with G.S. 18B-702(q).
 - The general manager and assistant general manager sign checks.
- The board has positive pay which is monitored daily by the deputy finance officer.
- Per the finance officer, invoices are preaudited for recurring payments and invoices for liquor are stamped after the order has been received. *For a more accurate application of G.S. 18B-702(m). the board could consider stamping and having the finance officer sign the order edit list or comparable document with the anticipated purchase amount.*
- The board has seven credit cards issued to administrative staff.
 - Itemized invoices and receipts for credit card purchases are retained in the accounting department records and are reconciled monthly.
 - Board has additional gas (Wex) cards.
 - The board has a thorough credit card policy that details usage and record keeping requirements.
- The board uses three to four registers at each store.
 - Employees are responsible for their own tills.
 - Safes and change funds are counted twice daily.
 - Money is periodically fed to a smart safe which, in effect, becomes an electronic and automatic deposit.
 - Armored carrier or cash in transit companies pick up currency weekly.
 - An accountant with the financial team conducts bank reconciliation monthly with additional routine account observation.
- Funds are kept in a pooling bank(s) approved by the North Carolina Treasury Office.
- Payroll is bi-weekly and processed by the finance officer's team through ADP.
 - Employees clock in directly through the service.
 - Store managers verify time worked weekly.
- The board routinely submits breakage reports to the Commission in compliance with NCAC 15A .1701(c).
- The annual CPA audit was received by the Commission on August 30, 2024.
- All board members and the general manager and finance officer are each bonded for \$50,000 per G.S. 18B-700(i). Additionally, all store managers are bonded under a blanket bond for at least \$50,000, in compliance with G.S. 18B-803(b).

STORE INSIGHT & OVERVIEW

- Commission staff visited the board's administrative offices, three retail outlets, and their mixed beverage only location.
 - All locations visited are in busy commercial areas and the mixed beverage outlet is near the downtown bar and restaurant area.
 - Outside area surrounding the stores are free of trash or debris, have well-maintained landscaping, and general professional commercial appearances.
 - Two locations visited have ample parking with the Cedar Street store, administrative office, and mixed beverage outlet having somewhat limited parking. *The board is discussing future considerations for this location.*
- The retail areas are well-lit and shelving, endcaps, and other displays are well organized.
 - Show rooms are modern, have good categorical signage, and space is sufficiently utilized and allows for easy flow for patrons and staff.
 - The Fetal Alcohol Syndrome poster required by G.S. 18B-808 was not displayed at one of the stores visited.
 - A quarterly price book is kept at the counters for customers.
 - Floors are modern, clean, and signs are not faded or worn.
 - Shelf tags include some broker supplied and some custom-made highlights for special pricing.
 - Shelf tags for North Carolina products are generally utilized.
- The board has a large independent warehouse that may also serve as a mixed beverage outlet in the future. *This was not visited at this review but has been visited by the Program Analyst in their previous role.*
 - Store warehouse space is plentiful, well lit, and organized.
 - The administrative area is professional and accommodating to staff and visitors.
- Shelf management practices are fully implemented correspond with NCAC 15A .1708.
 - Products are fronted and dusted, and most are placed in categorized areas.
 - Premium products are generally found at eye-level or top shelf.
 - Bottles are generally arranged so they increase in size left to right of the same item.
 - Products are cross-merchandised.
- Sales associate interactions with customers are attentive, courteous, and the staff is eager to meet the needs of the customers.
- Team members are provided some different apparel options and are easily distinguishable as an employee.
- A sample of approximately 100 items were selected at three stores to determine if uniform pricing is displayed. Of those selected, all items price tags reflected current pricing.
 - Price discrepancies will be handled in the customers favor if the shelf tag were to be lower than the current price mandate and the customer objects.
- All stores are open from 9:00 am until 9:00 pm. This year they will be closed every Sunday, New Years Day, Thanksgiving, and Christmas.
- Security systems are in place and functional in all designated areas.
 - All stores have alarms, security cameras, and panic buttons.
 - Law enforcement is present at certain stores on certain days.

RECOMMENDED ACTIONS (STATUTES OR COMMISSION RULES)

- While it is understood the board contracts with the City of Greensboro's Police Department for compliance with G.S. 18B-501 (a)(f), the board should submit a copy of their contract for Commission records retention. *The board currently has agreement on file with the Commission which notes an expiration date of June 30, 2012.*
- While the board has supplied the Commission with an updated copy of their city's travel policy, the board has not supplied the Commission with their appointing authority's written approval as required annually in adherence with G.S. 18B-700(g2).
- In connection with the periodic audit, a Certificate of Accountability attestation form should be reviewed and signed by board members and applicable personnel. A signed copy would then only need to be emailed to Commission personnel for recordkeeping.

Please network with the ABC Commission whenever needed for guidance and assistance to support local ABC board mission and success.

ADDITIONAL CONSIDERATIONS & GUIDANCE

- The Commission's primary focus for ABC board members:
 - ABC board members are highly encouraged to meet monthly for the best formal oversight and review of board operations, routinely recording meeting minutes (*adhering to closed meeting requirements where applicable*) and ensuring either no conflicts of interest are present or that they are addressed appropriately when presented. Monthly sales should be reported to the Commission at beginning of next month, providing annual budgets, budget amendments, miscellaneous financial reporting to Commission following timelines, and ensuring Commission has annual CPA audits by September 30th of each year.
 - ABC boards are highly encouraged to keep term begin dates & term end dates updated on the Commission's board login website for all ABC board members and other information such as store hour changes, pictures, email updates, etc.
- With the anticipated construction of a new state warehouse in the foreseeable future, boards should evaluate the need for updates or expansions to efficiently accommodate the expected increase in products and their availability.
- As a reminder, remove all faded posters and replace with new ones when applicable. Reach out to the Commission to provide fetal alcohol syndrome posters, NC Dept of Labor can provide wage & hour posters, and OSHA can provide some applicable federal posters if any are needed.

- Board should verify full compliance with G.S. 18B-702(p)&(q), pertaining to the finance officer or properly designated finance officer signing checks and administering the disbursement approval certificate.
 - *The board does have countersigned checks, but they do not include a finance officer or deputy finance officer's signature.*
- Cross training opportunities for personnel should be maximized to ensure solid continuity of operations occurs for ABC boards. Also, training opportunities can work well to develop store employees for increased responsibility roles and serving to make both the routine operations and employee morale stronger.
- ABC boards can explore additional training opportunities periodically available through the ABC Commission Education Outreach as well as partnering with other ABC boards or the Association of ABC Boards on specific areas such as best retail and marketing practices.

PREVIOUS PERFORMANCE AUDIT RECOMMENDATIONS (2015)

- Consider reducing the number of leased stores and purchasing stores to generate significant savings toward overhead expenses.
- To ensure correct pricing on the store shelves and in the computer system, audit shelf tags on a regular basis by incorporating this practice during or in between the regularly scheduled inventory counts. Ensure everyone involved in pricing receives or reviews memo correspondence from the Commission.
- Communicate with the financial auditor the correct formula to calculate the 3 ½% minimum distribution

While having addressed considerations from previous Commission review (2015), board should still monitor and strive to satisfy previously noted recommended actions.

Appendix A

Program Analyst's Summary

The performance audit recommendations and findings were presented to the Greensboro ABC Board on August 26, 2025. The board agrees to the recommendations as presented and attests to their implementation. The board will continue to be vigilant with profitability enhancement and expense reduction while operating modern stores with a robust customer service focus.