

# Nash County ABC Board

## Performance Audit Report



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## Alcoholic Beverage Control

August 8, 2025

CHAIRMAN:  
Hank Bauer

Nash County ABC Board  
Jacquelyn Lewis, Chair  
1206 Eastern Ave.  
Nashville, NC 28469

COMMISSIONERS:  
La'Tanta (L.T.) McCrimmon  
Raleigh

David Sherlin  
Raleigh

Chairperson Lewis,

DEPUTY COMMISSIONER:  
Mike DeSilva

On the following pages, you will find the performance audit report conducted by the staff of the ABC Commission reviewing the operations of the Nash County 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.

LOCATION:  
400 East Tryon Road  
Raleigh NC 27610

MAILING:  
4307 Mail Service Center  
Raleigh NC 27699-4307

PHONE: (919) 779-0700  
<http://abc.nc.gov/>

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

Nash County is in central to eastern North Carolina and was formed in 1777 from part of Edgecombe County. The seat is Nashville, and largest community is Rocky Mount. The county's population per the 2020 census was 94,970 residents and was estimated at 96,551 residents in 2023. The Nash County ABC Board operates eight (8) retail store and is the only board with stores in the county.

S.L. 1935-493 authorized Nash County to have an ABC store. The referendum was held on June 6, 1935, and passed 2,870 to 635. Subsequent mixed beverage elections occurred and passed in four municipalities within the county.

Upon vote passage, the county was authorized to create an ABC board consisting of a chairman and two members to serve for three staggered year terms. S.L. 1992-863 authorized the Nash County Commissioners to increase board membership from three to five. Current board members are Jacquelyn Lewis, Chair, W.M. Bill Jones, Vice-Chair, Raeford (Butch) Freeman, Priscilla Whitaker, and Carmen Hicks, board members.

*The last performance audit for the Nash County ABC Board concluded in 2016.* The Commission audit serves as a continuous way to provide local boards with information and best practices that target areas for improvement.



**1206 Eastern Ave. Nashville**

## **OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS**

On Monday, June 9, 2025, ABC Commission Program Analyst Edwin Strickland visited the Nash County ABC Board and interviewed the General Manager, Randy Carroll and other personnel. Below is a financial analysis followed by operation observations, findings, and recommendations related to the performance audit.



**125 Falls at Tar Court. Rocky Mount**



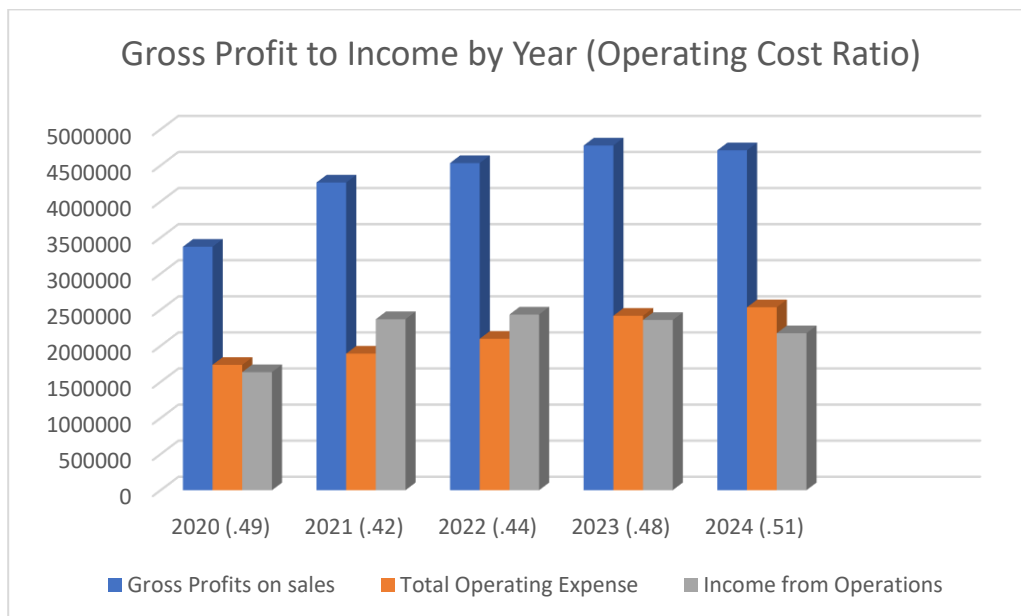
**706 E. Nash St. Spring Hope**

## FINANCIAL ANALYSIS

### PROFIT PERCENTAGE TO SALES & OPERATING COST RATIO

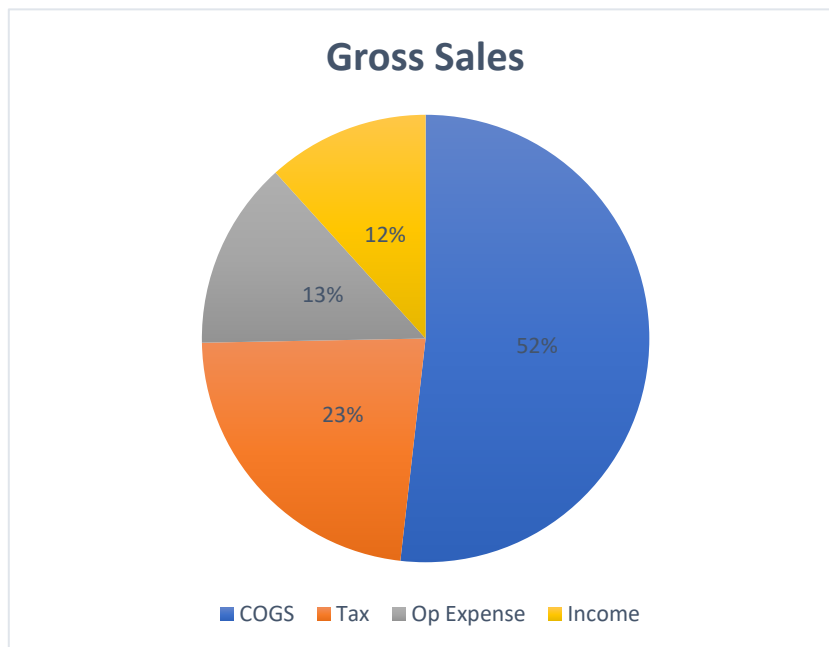
- In fiscal year (FY) 2023-2024, the Nash County ABC Board had a profit percentage to sales ratio of 11.69%. The NC ABC Commission profit to sales standards for ABC Boards with gross sales greater than \$10M is 9%.
  - The Nash County ABC Board's gross sales totaled \$18,594,661 which was an approximate 1% decrease from the previous fiscal year.
  - The board's sales have grown over 39% over the last five completed fiscal years.
- Nash County ABC Board operates eight retail stores with mixed beverage sales. The operating cost ratio for the board was .51 in FY 2023-2024. The NC ABC Commission standard for ABC Boards with three 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 Nash County 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
<b>Gross Profit on Sales</b>	\$4,709,060	\$4,775,139
<b>Total Operating Expense</b>	(\$2,534,898)	(\$2,416,908)
<b>Income from Operations</b>	\$2,174,162	\$2,358,231





- 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:*
  - Other ABC boards with stores within a 30-mile radius of Nash County ABC stores include Wake County, Wilson County, Edgecombe County, Halifax County, Bunn, Youngsville, Franklinton, and Louisburg.
  - A 4.8% unemployment rate in Nash County in June of 2024 with a .1% increase from the previous year.
  - The board currently has approximately 55 active mixed beverage customers. *In FY 2023/2024 mixed beverage accounted for 9% of gross sales.*

## INVENTORY TURNOVER

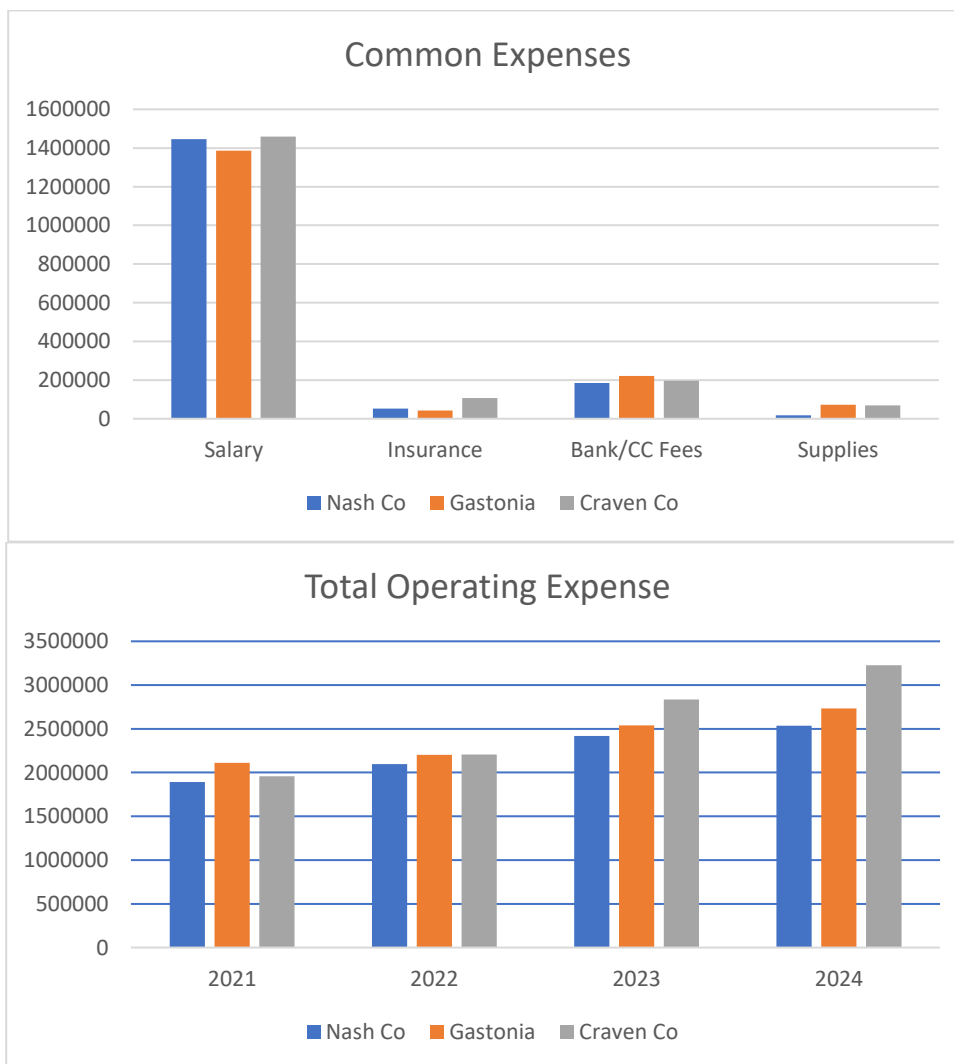
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- The inventory turnover rate is calculated by dividing the cost of liquor by the average inventory in the system (Cost of Liquor/Average Inventory). The Commission has set these goals for determining an effective rate based on the frequency of deliveries.
  - 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 Nash County ABC Board receives shipments weekly with a target inventory turnover rate of 6. The inventory turnover rate in (FY) 2023-2024 was 3.9, which is below the goal. *The inventory turnover rate calculation can be misleading as it does not fully account for buy-ins and additional central warehouse stock accumulation.*



## FINANCIAL ANALYSIS (cont.)

- *Factors affecting expenses:*
  - Total operating expenses increased approximately five percent (5%) from the last fiscal year and were over thirteen percent (13%) of total annual sales in FY-23/24.
  - Board salaries and were almost eight percent (8%) of total annual sales.
  - Cost of Goods Sold (COGS) was roughly 51.8% for the fiscal year with a normal range being 52% to 54%.
- A common expense report and a total operating expense report show the Nash County ABC Board has similar categorical and lower total operating expenses comparable to other ABC boards within a relatable gross sales range and other variables. *Common expense report categories can, sometimes, be unreliable as different CPAs may include different expenses in their line items.*



## BUDGET ANALYSIS

	FY 2023-2024 <i>Budget Projections</i>	FY2023-2024 <i>Actual</i>	Variance	Variance %
<b>Total Revenues</b>	\$19,075,000	\$18,667,825	(\$407,175)	(2.1%)
<b>Total Expenditures</b>	\$18,418,000	\$16,311,232	\$2,106,768	11.4%
<b>Distributions</b>	\$1,607,000	\$1,490,612		
<b>Revenue over or (under) Expenditures</b>		\$865,981		
<b>After Reconciling Items</b>		\$756,714		

- In reviewing the budget to actual analysis of the FY 2023-2024 financial audit, actual total revenues were 2.1% below final budget amendment and total expenditures were 11.4% below.
  - The net income change during the fiscal year was \$756,714. *The board's collective net position on June 30, 2024, was \$8,545,063; the net position has increased more than 57% over the last five (5) fiscal years.*
- Based on sales trajectory for the current fiscal year with eleven months (92%) of the budget year completed, the board is tracking at almost 90% of annual budgeted sales.

## 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, Nash County ABC made other statutory distributions totaling \$1,490,612 (Net profit distribution recipient received \$1,288,460).
- The amount of \$4,253,906 in primary distributions and other taxes were paid to the NC Department of Revenue (NCDOR), DHHS, and the county commissioners of Nash County.
- *Per the local enabling act, the distribution formula for recipients of net profits is as follows:*
  - Seventy Five percent (75%) to the Town of Nash County General Fund
  - Twenty Five percent (25%) of store profits to the town in which stores are located

## DISTRIBUTIONS (cont.)

### ➤ STATUTORY DISTRIBUTIONS:

- Net Profit Distributions – The Nash County ABC board has made robust net profit distributions for the last five (5) fiscal years well over the minimum mandatory distribution in reference to G.S. 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 four (4) of the last five (5) FYs.
- Alcohol Education Distributions: Have been disbursed at or above the standard 7% statute amount the last five (5) FYs.

NC GENERAL STATUTE: 18B-805 (c)(1)			
Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients		Nash County 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	\$523,825	FY-2024	<b>\$1,288,460</b>
FY-2023	\$530,003	FY-2023	<b>\$1,353,132</b>
FY-2022	\$519,208	FY-2022	<b>\$1,379,583</b>
FY-2021	\$480,277	FY-2021	<b>\$1,314,273</b>
FY-2020	\$384,403	FY-2020	<b>\$884,697</b>

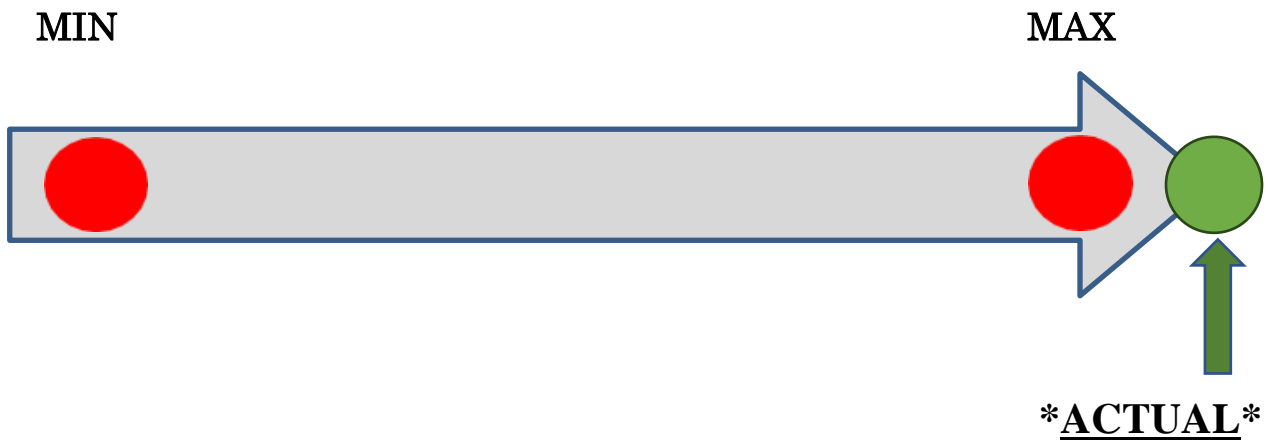
- Since inception, the Nash County ABC Board has made distributions totaling \$26,417,960 to the county and municipalities with stores.

## WORKING CAPITAL

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- 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 \$1.5M as an amount equal to three (3) 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 Nash County ABC Board is required to maintain a minimum working capital of \$551,568 with a maximum working capital amount of \$3,585,189.
  - The Nash County ABC Board had a working capital balance of \$5,387,003 which is more 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.
- *Effective June 30, 2012, the Nash County Board of Commissioners approved the Nash County ABC Board to establish a capital improvement fund to be funded with thirty-seven percent of their remaining gross profits per G.S. 18B-805.*
- *The board has requested an updated approval from their appointing authority.*

## **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. Members receive compensation for their services at or below maximum \$150.00 per meeting and the appointing authority has approved a \$175.00 per meeting compensation for the chairperson.
  - Four board members were compliant on ethics training at Commission visit and one reappointed member satisfied the requirement before the conclusion of this report.
  - Current member term end dates are not staggered exactly to statute with no member's term end date slated for one of three years. *The board could consider requesting their appointing authority realign at least one member's term end date to comply with G.S. 18B-700(a).*
  - The board consists of a mix of members serving both initial and consecutive terms.
  - Members have a variety of professional experience in business, law enforcement, insurance and finance.
- Members may have taken an oath of office per G.S. 11-7 and written copies are available at the board's administrative office.
- Meetings are generally held the last Thursday of each month, and the county has been notified. *Board personnel were not sure if the meetings are posted at the county office.*
- Meeting minutes are well organized and follow the order of proceedings, providing detail of business discussed in a transparent and easily comprehensible manner.
  - Financial reports including sales comparisons to previous year, comparisons to other similar boards nearby, and top selling products, are discussed at meetings.
  - Board members are heavily encouraged by the Commission to use checks and balances to ensure that cash management practices are upheld. Boards should also, routinely review any notes and recommendations provided by the CPA firm on annual audits.
- 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 location.

## **Board Personnel**

- The board currently staffs forty-five total employees, with twenty-four full time, and twenty-one part time.
- General Manager has been with the board for thirty-eight years. He has worked in the stores, been the warehouse manager, finance officer, and has been the general manager for approximately two years.
  - General manager is full time, their salary is below the maximum allowable compensation per G.S. 18B-700(g1), and they are compliant on ethics training.
  - They are responsible for oversight of all board operations including budgets, human resources, and other daily activities.
- The finance officer has been with the board for approximately ten years and has previously worked in the store(s). She is part-time, and her responsibilities include the statutory obligations of the finance officer and other office related tasks.
- The board has a full-time accountant and bookkeeper. Her responsibilities include billing, distributions, taxes, payroll, and other accounting related tasks.
- The board has a warehouse manager who is responsible for ordering, inventory of the warehouse, distribution of liquor, and oversees a warehouse team.
- Each store has a manger responsible for scheduling, inventory, customer requests, and overseeing store operations.
- 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 from seasoned personnel and is on the job and mentorship styled with an immediate emphasis on legal alcohol sales.
  - RASP training is planned with new LE Chief to administer.
  - Product knowledge training is provided from sales reps, team members, and customer interactions.
- Employee files are kept locked in the administrative office and include applications, tax information, disciplinary notices, and other employment documents.
- Full time employees are enrolled in LGERS.
- No conflicts pertaining to nepotism found and per discussion with general manager.

## **Law Enforcement**

- The board has an internal law enforcement department consisting of a full-time chief.
- In addition to an impressive amount of compliance checks and permittee inspections, Chief Lane assists board personnel with board other activities and provides alcohol education in the county.
- Law enforcement reports are submitted monthly to the Commission by Chief Lane and contain applicable data specific to alcohol related activities for accountability per G.S. 18B-501(f1).

## **Policies**

- The board has a thorough personnel manual that details various work requirements, behavioral standards, leave and other benefits, scheduling and holidays, alcohol sales, register shortages, and all additional requirements of Rule 15A .1006.
  - An updated copy of the manual is now in Commission records retention.
- For travel, the board has a travel policy that follows the reimbursement schedule for state employees in G.S. 138-6.
- Additional policies in Commission records include a code of ethics, credit card, vehicle usage, mixed beverage delivery, shelf management, and law enforcement oath.
- Policies not in Commission records include a price discrepancy and mixed beverage sales. *While procedures for both these activities are in place, the board should ensure these policies are written and accessible to staff and provide the Commission a written copy.*
- Additional policies could be considered including tastings and employee tastings.

## **Operations**

- Board personnel conduct full inventory weekly at each store and in the warehouse.
  - Multiple team members participate using count sheets.
  - Store managers send a variance list to the general manager.
  - Variances are reviewed and adjustments are made by the administrative office.
  - Strategies for slow moving products include moving in store and between stores, and the board is planning to do some price reductions.
- Board receives one or two truck deliveries of liquor each Thursday.
  - All deliveries are made to the central warehouse.
  - Offload is counted using the manifest and then recounted by a different team member.
  - Variances are reviewed and recounted before sending notification to LB&B.
- The warehouse manager makes orders for liquor by running the suggested sales for 30-31 days.
  - The general manager reviews and adjusts for inventory.
  - The SPA list is reviewed by item for every order and buy-ins are made.
  - The general manager also reviews quarterly price changes and orders accordingly.
- Allocated products are available for mixed beverage accounts and others are shelved randomly.
- The board does not have a website.
- The board currently has approximately fifty-five mixed beverage customer accounts and two stores are designated mixed beverage outlets.
  - Invoices are provided to permittees at the time of the transaction and a copy is kept in a file for each account.
  - Orders are checked twice before being sold to the permittee.
  - The board has a delivery policy but does not currently have delivery requests.



## **Financial, Administrative, and Internal Controls**

- Invoices for liquor are processed weekly by the accounting office and finance officer. The board has begun paying many suppliers via ACH draft.
  - *A small sample of invoices were checked and indicated payments submitted well within the thirty-day requirement.*
- The board's checks do have the required disbursement certificate in compliance with G.S. 18B-702(q).
  - Invoices are stamped for ACH payments.
  - Checks are signed by the general manager, bookkeeper, and finance officer.
- The finance officer does pre-audit purchases for compliance with G.S. 18B-702(m).
  - Both invoices and the order are pre-audited.
- The board has three credit cards issued to the general manager, warehouse, and law enforcement chief.
  - Itemized invoices and receipts for credit card purchases are retained in board records and the account is settled monthly.
- Different stores have different numbers of registers with tills beginning at \$100.00.
  - Cash is matched to the register tape and overage and shortages are recorded or settled by the employee or manager.
  - Change funds are counted twice daily.
- Deposits are made daily at some but not all stores with a few stores staggering deposits because of proximity to their bank.
  - *The board could consider requesting the Commission waive the daily deposit requirements for compliance with Rule 15A .0905 referencing (d).*
  - The bookkeeper verifies cash deposits to bank account weekly and again at month end reconciliation. *A sample of deposit slips and register cash reports were verified for both different stores with no discrepancies.*
- The warehouse has a petty cash fund of \$50.00.
- Funds are kept in a pooling bank(s) approved by the North Carolina Treasury Office.
- Payroll is processed monthly by the accounting office.
  - Store managers supply time sheets for hours worked.
  - The general manager reviews and records leave hours.
  - *A review of recent payroll records indicates accurate pay rates for board members and the general manager.*
- The board keeps records for unsaleable merchandise reports and emails copies of the reports quarterly to the Commission in compliance with NCAC 15A .1701(c).
- The board distributes their alcohol education and substance abuse fund to the county. *For compliance with G.S. 18B-805(h), the board should verify their appointing authority includes in their minutes how these funds are spent and could consider retaining a copy of the minutes in board records annually.*
- The annual CPA audit was received by the Commission on September 25, 2024.
- All board members and all staff members are each bonded for \$50,000 per G.S. 18B-700(i) and G.S. 18B-803(b) and (c), and the bond was reviewed at Commission visit.

## **STORE INSIGHT & OVERVIEW**

- Three stores, the board's administrative office, and central warehouse were visited during the performance review.
  - All three stores are freestanding buildings in commercial areas and located on busy thoroughfares.
  - All have adequate parking and signage.
  - *The board is planning to revamp their Nashville store, office, and central warehouse to include a completely new store building behind their current facility.*
- Outside areas surrounding the stores are free of trash or debris, have well maintained landscaping, and the general appearance of the buildings and properties are professional.
- The retail areas are well-lit, floors are clean, and signs are not faded or worn.
  - The Fetal Alcohol Syndrome poster required by G.S. 18B-808.
  - Quarterly price books are kept at the counters for customers.
  - The board does not use different tags for specially priced items. *The stores have print outs of special pricing available to the customers.*
  - North Carolina products are mixed throughout the stores but do not always have a special tag indicating an NC product.
  - At Commission visit, two of the stores were working to reorganize shelving. *Both stores had considerable empty shelf space.*
- The warehouse and administrative areas are well-lit and organized.
- Shelf management practices are fully implemented, and a written plan is available for store personnel which corresponds 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 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.
- A sample of approximately 100 items were selected to determine if uniform pricing is displayed. Of those selected, all items but one's shelf price tags, across three stores, 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.
- Tastings have been held and may be considered in the future.
- Store hours vary per store with some opening at 10:00 am and others 11:00 am. All stores close at 9:00 pm on weekends and some close earlier on weekdays. They are currently closed every Sunday and the five (5) previously required annual holidays, Memorial Day, Martin Luther King Jr. Day, and Easter Monday.
- Security systems are in place and functional in all designated areas.
  - *The stores have cameras, alarms, and panic buttons.*

## **RECOMMENDED ACTIONS (STATUTES OR COMMISSION RULES)**

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- Daily cash bank deposits should be conducted or a waiver request from the Commission should be requested for compliance with NCAC 15A .0905 (a)(d). *Commission staff will be happy to assist should the board decide to seek a waiver request.*
- The recipient(s) of alcoholism fund or education distributions should provide annual documentation to the board describing the activity for which these awarded funds are spent per G.S. 18B-805(h). *The board may simply request their appointing authority provide their meeting minutes discussing how the funds distributed are spent.*
- While already understood and practiced by board personnel, the board should craft and provide in writing to their store employees and the Commission a price discrepancy policy to adhere with Rule 15A .1705(b).
- While practices and procedures for mixed beverage sales are in place and the board is providing good service to their permitted establishments, the board should craft in writing a mixed beverage sales policy to provide to their accounts and staff. Once written, the board should provide a copy for approval to the Commission for compliance with Rule 15A .1102
- 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 ....**

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- 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 30<sup>th</sup> 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.
- Board members and applicable personnel are encouraged to satisfy requirements of G.S. 18B-706(b) and Rule 14B 15A .2001 in a prompt manner and before the twelve (12) month mandate. *All board members are now current on ethics training with one member completing the requirement marginally before the deadline.*

- The board should verify compliance with G.S. 143-318.12 regarding public notice of board meetings. This could be accomplished by verifying advertising the meetings at the county administration building(s) and could consider advertising at store(s) as well.
- 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.
- ABC Boards are required to operate within a balanced budget each fiscal year. Budget amendments must be approved by the board before any funds are transferred between accounts and utilized, occurring at the actual point of time an adjustment of funds is necessary. This would include the point in time during the fiscal year when annual forecasted sales or expenditures will differ significantly from budgeted. Ensure budget amendment copies are submitted to the ABC Commission and the board's appointing authority as required per G.S. 18B-702(h), to include a final reconciliation budget amendment for the fiscal year end.
- 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 (2016)**

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- Adopt a vehicle usage policy that would specify the following:
  - a. Who is able to use the vehicle,
  - b. Requirement that all drivers must have a valid driver's license
  - c. What purposes vehicle may be used for
  - d. Requirement that a mileage and/or gas log be filled out for every trip, if applicable.

**The board has fully addressed the considerations from previous Commission review (2016).**



## NASH COUNTY ALCOHOLIC BEVERAGE CONTROL BOARD

Jacquelyn Lewis  
Board Chair

1206 Eastern Avenue  
Nashville, NC 27856  
(252) 459-2318  
FAX (252) 459-6376  
abcnashcounty@gmail.com

Randy W. Carroll  
General Manager

North Carolina ABC Commission

RE: Reply to Audit

1. Daily Bank Deposits: We have asked and already received a waiver for our three stores in question on making daily bank deposits. ( attached)
2. We are in the process of reaching out to Nash County regarding the use of funds for Alcohol Education and once received we will have it on file and will send you a copy.
3. Price discrepancy Policy – Nash County ABC was already handling this procedure but, nothing was formerly written down in our Procedure book ( attached)
4. Mixed Beverage Policy – Nash County ABC was already handling this procedure also, but nothing was formerly written down in our Procedure book (attached)
5. Also attached is the Certificate of Accountability signed by the Board and applicable personnel.

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Randy Carroll – General Manager


8      1      2025  
Month      Day      Year

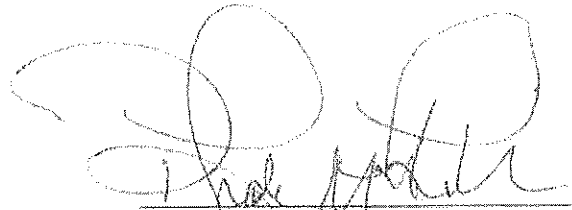
NASH COUNTY  
ABC Board


## Certificate of Accountability

This document assures this Board and the State of North Carolina that the following statutory duties required of local ABC Boards have been properly performed.

1. The system has complied with all State uniform pricing requirements pursuant to NCGS §18B-804.
2. That all alcoholic beverages sold have been approved by the Commission for sale in this State pursuant to NCGS §18B-800.
3. That all "gross receipts" pursuant to NCGS §18B-805(a) have been properly accounted for and are lawful.
4. That all taxes due and board expenses have been properly and timely paid pursuant to NCGS §18B-805(b).
5. That all distributions pursuant to NCGS §18B-805 have been properly and timely paid.
6. That the finance officer for the board has properly performed all duties as required pursuant to NCGS §18B-702(k).

  
General Manager

  
Financial Officer

  
Chairman

  
Board Member

  
Board Member

  
Board Member

  
Board Member