

St Pauls ABC Board

Performance Audit Report



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Alcoholic Beverage Control

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Hank Bauer

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September 4, 2025

St Pauls ABC Board
Jerry Weindel, Chair
948 W. Broad St.
Saint Pauls, NC 28384

Chairperson Weindel,

On the following pages, you will find the performance audit report conducted by the staff of the ABC Commission reviewing the operations of the St Pauls 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

St Pauls, located in Robeson County, is a town in southeastern North Carolina. The town's population per the 2020 census was 2,045 residents, up .5% from 2010. The St Pauls ABC Board operates one (1) retail store and is one of seven (7) ABC Boards in the county.

Chapter 405 of the 1967 Session Laws authorized the Town of Saint Pauls to hold an election for an ABC store upon at least twenty-five percent (25%) of registered voters. The referendum was held on September 19, 1967, and passed 265 to 231. The first sale occurred on November 4, 1967.

Upon election of an ABC store, the town was authorized to create an ABC board consisting of a chairman and two board members to serve for three-year terms. In 2020 the town passed a resolution increasing board membership by two members. Current board members include Gerald Weindel, board chair, Sandra Cain, secretary, Bobby Evans, Sarah Hayes, and Chris Jackson, board members.

The last performance audit for the St Pauls ABC Board concluded in 2019. The Commission audit serves as a continuous way to provide local boards with information and best practices that target areas for improvement.

OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS

On July 23, 2025, ABC Commission Program Analyst Edwin Strickland visited the St Pauls ABC Board and interviewed the General Manager, Christopher Willis and other board personnel. Below is a financial analysis followed by operation observations, findings, and recommendations related to the performance audit.



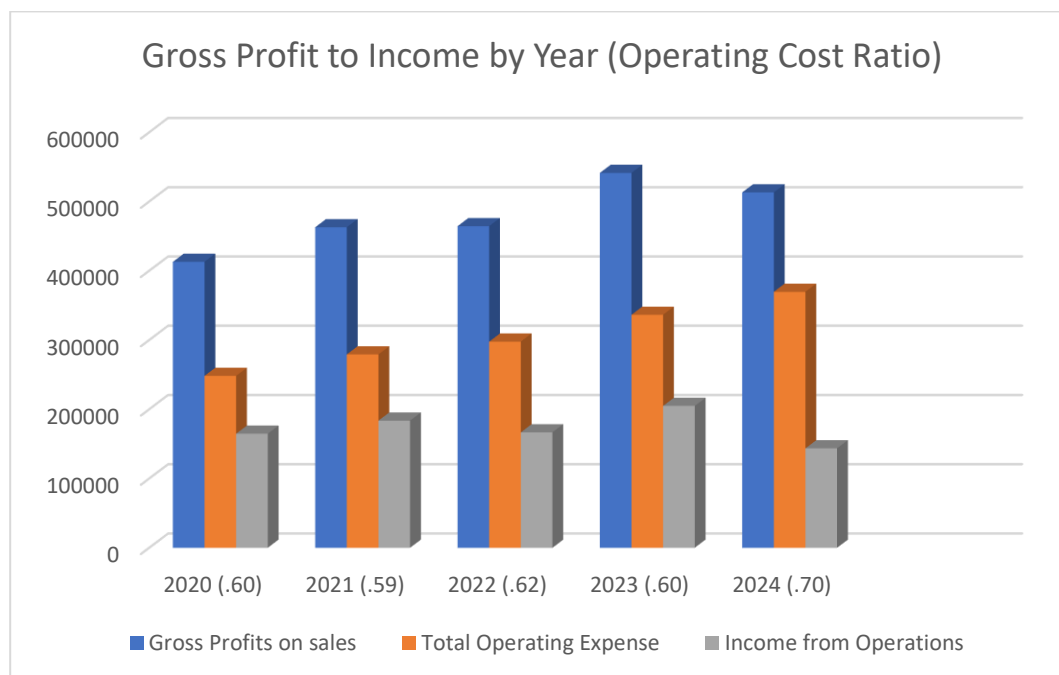
948 W. Broad St. St Pauls.

FINANCIAL ANALYSIS

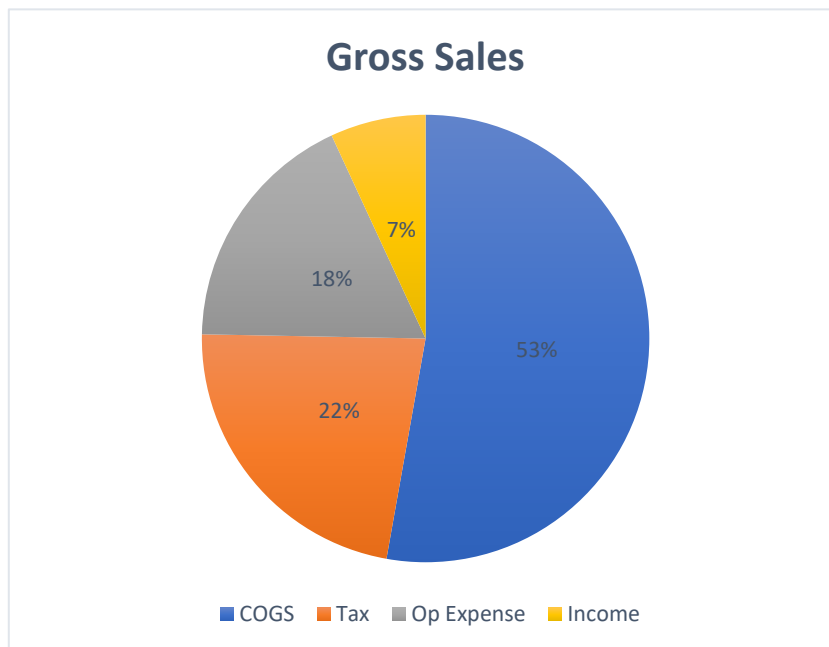
PROFIT PERCENTAGE TO SALES & OPERATING COST RATIO

- In fiscal year (FY) 2023-2024, the St Pauls ABC Board had a profit percentage to sales ratio of 6.9%. The NC ABC Commission profit to sales standards for ABC Boards with gross sales greater than \$2M is 6.5%.
 - The St Pauls ABC Board's gross sales totaled \$2,079,613 which was an approximate 1.8% decrease from the previous fiscal year.
 - The board's sales have grown over 32% over the last five completed fiscal years.
- St Pauls ABC Board operates one retail store with no mixed beverage sales. The operating cost ratio for the board was .70 in FY 2023-2024. The NC ABC Commission standard for ABC Boards with one store and no mixed beverage sales is .85 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 St Pauls ABC Board meets both the profitability and operating cost standard 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	\$513,155	\$541,320
Total Operating Expense	(\$369,565)	(\$336,431)
Income from Operations	\$143,590	\$204,889



- 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.



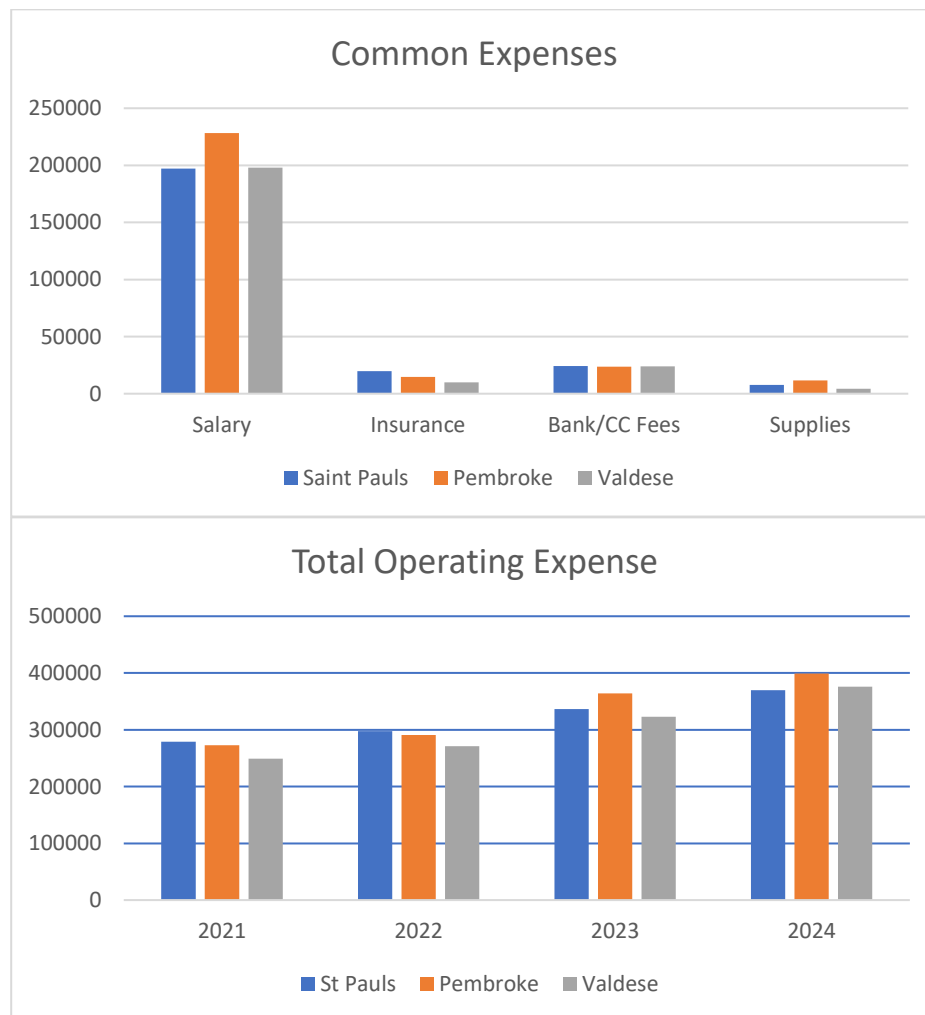
- *Factors affecting sales:*
 - Robeson County has six other ABC Boards and surrounding counties have additional ABC Boards with stores.
 - South Carolina is approximately 30 miles from the store with additional retail outlets.
 - A 5.8% unemployment rate in Robeson County in June of 2024 with a .7% increase from the previous year.
 - The board currently has no active mixed beverage customers.

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 St Pauls ABC Board receives shipments twice monthly with a target inventory turnover rate of 5. The inventory turnover rate in (FY) 2023-2024 was 3.2, which is below the goal.

FINANCIAL ANALYSIS (cont.)

- *Factors affecting expenses:*
 - Total operating expenses increased almost ten percent (10%) from the last fiscal year and were around eighteen percent (18%) of total annual sales in FY-23/24.
 - Board salaries and were around nine- and one-half percent (9.5%) of total annual sales. Salaries and wages increased approximately nine- and one-half percent (9.5%) from the previous fiscal year.
 - Cost of Goods Sold (COGS) was roughly 52.8% for the fiscal year with a normal range being 52% to 54%.
- A common expense report and a total operating expense report show the St Pauls ABC Board has similar categorical and 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. Total operating expense reports include the depreciation expense.*



BUDGET ANALYSIS

	FY 2023-2024 <i>Budget Projections</i>	<i>FY2023-2024 Actual</i>	Variance	Variance %
Total Revenues	\$2,091,159	\$2,075,971	(\$15,188)	(.7%)
Tax/COG/OP EX	\$1,929,224	\$1,909,135	\$20,089	1%
Distributions	\$161,935	\$125,826		
Revenue over/under Expenditures & Finance		\$41,010		
After Reconciling Items		\$14,122		

- In reviewing the budget to actual analysis of the FY 2023-2024 financial audit, actual total revenues were .7% below budget and taxes/costs/operating expenses were above the final budget amendment by 1%.
 - The net income change during the fiscal year was \$14,122. *The board's collective net position on June 30, 2024, was \$408,110; the net position has increased approximately 32% over the last five (5) fiscal years.*

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, St Pauls ABC accrued funds for other statutory distributions totaling \$125,826 (Net profit distribution recipient received \$112,812).
- The amount of \$467,913 in primary distributions and other taxes were paid to the NC Department of Revenue (NCDOR) and the county commissioners of Robeson County.
- *Per the local enabling act, the distribution formula for recipients of net profits is as follows:*
 - 65% to Saint Pauls General Fund for any governmental, library, recreational or educational purposes
 - 35% to Robeson County General Fund for any governmental, library, educational or hospital purposes

DISTRIBUTIONS (cont.)

➤ STATUTORY DISTRIBUTIONS:

- Net Profit Distributions – The St Pauls ABC board has made net profit distributions for the last five (5) fiscal years above 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 accrued at or above the standard 5% statute amount for two (2) the last five (5) FYs.
- Alcohol Education Distributions: Have been accrued at or above the standard 7% statute amount for two (2) the last five (5) FYs.

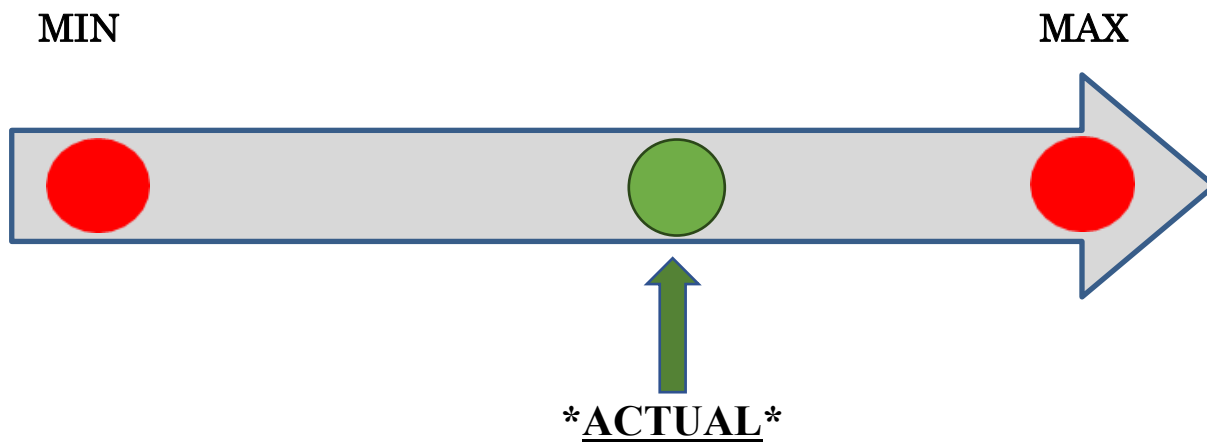
NC GENERAL STATUTE: 18B-805 (c)(1)			
Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients		St Pauls ABC Board Net profit distribution made annually by fiscal year	
<i>Note: Referencing CPA Audit Reports</i>			
Calculated Amount		Total paid to recipient(s)	
FY-2024	\$59,424	FY-2024	\$112,812
FY-2023	\$60,454	FY-2023	\$174,308
FY-2022	\$59,094	FY-2022	\$150,584
FY-2021	\$54,342	FY-2021	\$99,880
FY-2020	\$45,136	FY-2020	\$67,815

- Since inception, the board has made distributions to the St Pauls General Fund in the amount of \$2,574,909 and to Robeson County in the amount of \$1,422,323.

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 \$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 St Pauls ABC Board is required to maintain a minimum working capital of \$61,988 with a maximum working capital amount of \$537,232.
 - The St Pauls ABC Board had a working capital balance of \$334,503 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. Members receive compensation for their services at the maximum \$150.00 per meeting.
 - Current board member terms are staggered to comply with G.S. 18B-700(a), and only one member is serving in their initial term.
 - Board members are currently compliant on ethics training with two members needing to complete the training when able.
 - Members have professional experience in business, local government, and public safety and emergency services.
- Members may have not taken an oath of office per G.S. 11-7. *Copies of oaths should be available at the board's administrative office.*
- Meetings are generally held the last Thursday of each month and public awareness is posted in the stores and sometimes on the town's website. *The board may want to verify if the town clerk's office is notified when meeting dates change.*
- Meeting minutes are available and follow the order of proceedings and include the no conflict of interest statement.
 - Financial reports are provided by the general manager and are discussed at meetings to include monthly sales and comparisons to previous year and other boards, and computations for distributions.
 - 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.

Law Enforcement

- The board has a law enforcement contract with the St Pauls Police Department from 2011 and a copy is in Commission records.
- Law enforcement reports are submitted regularly by the general manager with data supplied from Captain Lopez of the Police Department.
 - Law enforcement reports contain applicable data for accountability as required by G.S. 18B-501(f1). *The board could consider discussing law enforcement activity at board meetings.*

Board Personnel

- The board currently staffs seven total employees with two working full time.
- General Manager has been with the board for around fifteen years having started as a clerk and became the manager in 2019.
 - 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 and works directly with the staff on all store operative functions.
- The board has a full-time assistant manager who works directly with the general manager on many operative functions.
- The Finance Officer is a third-party accounting service.
 - Their responsibilities include all things accounting and they administer the statutory requirements of the finance officer.
 - A board member is designated as a deputy finance officer to sign checks when needed and to aid when needed.
- 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 the managers and on the job and mentorship styled.
 - RASP training has not been extended to employees recently, but the manager is open to considering.
 - Product knowledge training is provided by literature from the broker reps, and through conversations with the staff and managers.
 - Staff will let the manager know when there are special order requests.
- Employee files are kept in the administrative office and include tax and personnel manual acknowledgements.
- Full time employees are enrolled in LGERS.
- No conflicts pertaining to nepotism found and per discussion with general manager.

Policies

- The board has a personnel manual and an additional safety procedure manual. While the manuals do include applicable information on store operations, it does not include all the requirements of Rule 15A .1006.
 - The manual does not fully cover compensation and all benefits, promotions, demotions, suspensions, or the granting of salary increases.
 - The personnel manual includes an acknowledgment sheet.
- Additional policies on file with the Commission include credit card usage and shelf management.
- For travel, the board has chosen to follow the state's travel policy for compliance with G.S. 18B-700(g2).

Operations

- The General Manager usually conducts full inventory monthly on a Sunday.
 - Counts are made using scanners and the manager is usually alone.
 - Adjustments are made by the same person counting.
 - Strategies for slow moving products include selling to another board.
 - A small sample of items were selected to verify accurate current inventory. Of those selected, only one variance was found with the other items actual inventory matching the theoretical.
- Board receives deliveries for goods on the first and third Friday of the month.
 - Pallets are dropped and cases are checked against the manifest.
 - Any variances are investigated and reported quickly.
- Liquor order is made by first examining what was not shipped on the previous order. The manager goes item by item and compares to a 15-day sales history and stock status. SPA list is reviewed and considered.
- More common allocated products are shelved at the counters and others are reserved to filter against re-sellers.
- The board does not have a website or social media accounts.
- The board keeps records for the destruction of unsaleable merchandise and has a section dedicated for the retention.
 - The manger tries to send breakage back with truck deliveries when possible.
 - *For compliance with NCAC 15A .1701(c), the board should email copies of the reports to the Commission at least quarterly.*
- The board currently does not have a mixed beverage account. *Commission staff explained at visit, there has not been a notice submitted verifying the mixed beverage election results. Currently, the statewide tool for verifying legal sales in areas suggests mixed beverage is not allowed in St Pauls.*
 - Prior to final submission of this report, the legal sales area has been updated.
- The board has not held tastings.

Financial, Administrative, and Internal Controls

- Invoices for liquor are processed per delivery.
 - Invoices are provided to the finance officer shortly after delivery and payment is made electronically via bill pay.
- The finance officer stamps the required disbursement certificate, in compliance with G.S. 18B-702(q), on a list of bank pay transactions made.
- A board member is designated as deputy finance officer to counter sign other checks with the general manager if needed.
- The preaudit certificate is not used on purchase orders or liquor orders in compliance with G.S. 18B-702(m). *For liquor orders, this could most reasonably be accomplished by stamping the order edit list before the final order is placed.* The deputy finance officer can also sign the preaudit certificate.
- The board has a credit card in possession of the general manager. Itemized receipts are maintained and reviewed by the finance officer when the account is fully settled monthly. Most are recurring payments or on-line purchases.
- Each store has a change fund, and the board does not use petty cash.
- The store has two registers with tills and bags equaling \$434.00.
 - Safe drops are made after \$300.00 in sales.
 - Tills are verified at the beginning and end of the day.
 - The general manager makes the combined deposit in the morning and one of the managers takes to the bank.
 - *A sample of recent deposits were reviewed and matched with cash register tapes with no significant variances.*
 - The finance officer conducts monthly deposit reconciliation.
- Funds are kept in a pooling bank(s) approved by the North Carolina Treasury Office.
- Payroll is processed bi-weekly by the finance officer using QuickBooks.
 - General manager emails hours based on schedule and adjustments.
 - *A review of recent payroll records indicates accurate pay rates as entered on the board website for board members and the general manager.*
- The board currently makes their alcohol education distribution to the Police Department.
 - For compliance with G.S. 18B-805(h), the board should request a report at least annually for accountability on how these funds are spent. This should be reported to the board's appointing authority.
- The annual CPA audit was received by the Commission on September 18, 2024.
- All board members and the general manager and finance officer are bonded for at least \$50,000 per G.S. 18B-700(i).

STORE INSIGHT & OVERVIEW

- The board's store and administrative office is located on the town's major thoroughfare and very close to an exit with Interstate 95. There are many other retail and commercial businesses in the vicinity.
 - Building is free-standing and has visible signage also viewable from the interstate.
 - Floors, counters, and shelves are clean.
 - Store has limited categorical signage.
 - The Fetal Alcohol Syndrome poster required by G.S. 18B-808 is displayed.
 - Quarterly price book is available, but specially priced items lists are not available to customers.
 - North Carolina products are mixed throughout the store with some special shelf tags.
 - Outside areas around the building is free of trash and debris.
- Shelf management practices are generally followed.
 - 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 not always arranged so they increase in size left to right of the same item.
 - Special shelf tags are used to highlight items on sale if provided by the sales reps.
- Sales associate interactions with customers are attentive, courteous, and the staff is eager to meet the needs of the customers. *All staff is aware that loitering is prohibited.*
- A sample of approximately 100 items were selected to determine if uniform pricing is displayed. Of those selected several items price tags did not reflect 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.
- Store hours are 9:00 am until 9:00 pm each day except Sunday.
- Security systems are in place and functional in all designated areas.
 - *The store has cameras, alarms, and panic buttons.*

RECOMMENDED ACTIONS (STATUTES OR COMMISSION RULES)

- Board members should take an oath before taking office or before the execution of the office per G.S. 160A-61 and G.S. 11-7. *A written account of the oaths should, please, be available at the board's administrative office.*
- The board should consult Rule 15A .1006 to determine their personnel manual covers all requirements. *The manual does not fully cover compensation and all benefits, promotions, demotions, suspensions, or the granting of salary increases.*
- The board should re-establish full compliance with G.S. 18B-702(m) preaudit approval certificate to take substantially the following form on checks, "This instrument has been preaudited in the manner required by GS 18B-702". *This could most reasonably be accomplished by stamping and signing the order edit list or other purchase orders.*
- Board should work to ensure shelf prices match the cash register price. *Price checks could be completed each quarter or for monthly price changes and could be incorporated in routine inventory spot counts.*
- Local boards shall establish and maintain a shelf management plan per NCAC 15A .1708 Shelf Management. While sometimes followed, the board could work to rearrange liquor inventory on the shelves to follow shelf management requirements, in particular ensuring bottles increase in size from left to right where applicable.
- 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.

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.

- 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. *Two board members currently need to complete training and each appointed or reappointed member should satisfy the ethics training requirement when applicable.*
- *The board should consider having more than one person conduct inventory and review discrepancies. The person making adjustments would usually not be the only person making counts.*
- 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.
- 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.
- 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.

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

PREVIOUS PERFORMANCE AUDIT RECOMMENDATIONS (2019)

- All ABC Boards are required to operate within a balanced budget. When sales projections exceed actual amounts, amend the budget to adjust for the increase. If budgeted line items are not balanced, adopt budget amendments to correct specific items or add omitted line items.
- Begin distributing toward alcohol education/rehabilitation programs as described by G.S. 18B in FY2019 and future years.
- Amend budget to reflect the expected alcohol education distribution requirement. Once approved, forward copies to the appointing authority, the NC ABC Commission, and the financial auditor.
- Consider the following to increase traffic flow:
 - Utilizing resources that would provide effective practices, i.e. shelf management, customer service, and inventory management, using the board's sales history
 - Modernize the existing location to generate more traffic and to further enhance customer shopping experiences and increase profits.

- Conduct a physical inventory count of the entire store monthly. Forward any and all adjustments to the NC ABC Commission until further notice. Keep a copy of all backup paperwork explaining why adjustments were made.
- Have clear, concise, and detailed board meeting minutes reflecting what has transpired during the meeting. Have the board chairman read a conflict of interest statement provided in the NC ABC Commission Operations Manual. Notate the conflict of interest statement was read in the board meeting minutes.
- To increase transparency with the board and remove any conflicts of interest, the chairman must refrain from discussing and voting on matters concerning ABC distributions to the town.
- Adopt a personnel manual and/or policies that incorporate board practices. The ABC Commission encourages ABC boards to model personnel policies and procedures after those of the appointing authority. However, certain ABC procedures must be clearly presented in the employee manual specific to duties and responsibilities of the general manager and other personnel. Once employee manual is adopted and approved by the NC ABC Commission, provide copies to all employees for review and acknowledgement of receipt.
- As a reminder, submit policies to the NC ABC Commission prior to adoption.
- All ABC Boards are required to adopt a travel policy that conforms to the appointing authority or the Office of State Budget and Management. Utilize a travel reimbursement form when traveling overnight on ABC Board business. Provide documentation of meals, lodging, parking etc. to the bookkeeper.
- At the end of each clerk's shift, have both clerks count each other's drawer and initial count sheet as to what has been counted. Two signatures must be displayed on the cash drawer count sheet, one of the owners and one of the verifiers.
- The manager or someone with authorized access must count the change fund drawer multiple times throughout the day. Create a counted change fund form to document the date, time, and initials.
- Conduct a routine check of shelf prices along with the register to ensure accuracy. All prices must match what is in the register, the shelf, and in the NC Liquor Quarterly, and/or memorandums. Refer to the ABC Commission's website to verify product pricing.
- Cease payroll prepayments to employees. Establish clear payroll period guidelines requiring time sheets of all employees to be completed and submitted to management for review on a specific date. The verified timesheets are to be forwarded to the bookkeeper on another specific date according to the payroll period established.

While having addressed many considerations from previous Commission review (2019), board should still monitor and strive to satisfy previously noted recommended actions.

Performance Audit Response Letter
ABC Commission
400 E. Tryon Rd.
Raleigh, NC 27610

August 8th, 2025

The St. Paul's ABC board appreciates the time taken for as well as the recommendations from the recent performance audit. The audit helped point out areas that could be improved and modernized for the current state of the world. Listed below are the responses to the recommendations and review.

Item 1 : Oaths of Office

The Board now has copies of the Oaths on file for the board members.

Item 2: Alcohol Education Distribution

The Board has spoken to police department and will receive updates on the fund usage.

Item 3: RASP Training

The General Manager attended training and intends to have the employees take the online course.

Item 4: Manual Coverage Update

The Board has reviewed the sample manual from the state and is in the process of updating the manual.

Item 5: Shelf Management

The Board is in the process of making a detailed shelf management plan following the guidelines and recommendations and will keep it on file.

Item 6: Breakage reports

The board will email copies of any breakage reports Quarterly.

Item 7: Mixed Beverages

The town has taken the required steps for mixed beverages to be approved.

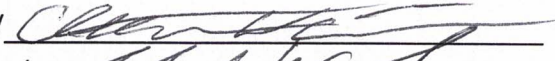
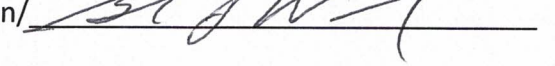
Item 8: Order Pre- Audits

The order edit list will be signed by the finance officer prior to the orders being placed.

Item 9: Certificate of Accountability

The Board will send a signed COA with this letter.

Sincerely,

Christopher Willis/GM/ 
Jerry Weindel/Chairman/ 
St. Paul's ABC Board

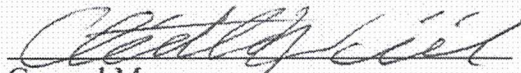
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Month Day Year

St. Pauls ABC
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.

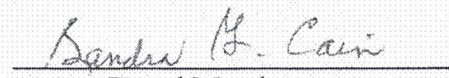
1. The system has complied with all State uniform pricing requirements pursuant to NCGS §18B-804.
2. That all alcoholic beverages sold have been approved by the Commission for sale in this State pursuant to NCGS §18B-800.
3. That all "gross receipts" pursuant to NCGS §18B-805(a) have been properly accounted 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