EXAMINATION REPORT

Pennsylvania Liquor Control Board

Fine Wine and Good Spirits

Store 4306

2321 East State Street

Hermitage, Pennsylvania 16148

For the Period

July 16, 2025 to July 6, 2026

August 2026

Commonwealth of Pennsylvania

Department of the Auditor General

Timothy L. DeFoor • Auditor General

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TIMOTHY L. DEFOOR
AUDITOR GENERAL

The Honorable Darrell Clarke, Chairman
Pennsylvania Liquor Control Board
518 Northwest Office Building
Harrisburg, PA 17124

Dear Chairman Clarke:

We have performed an examination of Fine Wine and Good Spirits Store 4306, Mercer County, District 3-6, operated by the Pennsylvania Liquor Control Board (PLCB). We examined store operations for the period July 16, 2025 to July 6, 2026.

This report presents the results of the Department of the Auditor General's examination of store operations under the jurisdiction of the Pennsylvania Liquor Control Board (PLCB). The examination was conducted under statutory authority provided under 47 P.S. § 3-306 of the Pennsylvania Liquor Code.

This examination was conducted only to the extent that we considered necessary to determine if the wine and spirits store operated in compliance with PLCB operating procedures. The examination was not conducted, nor was it required to be, in accordance with professional auditing or attestation standards.

Our examination included:

- Conducting a physical inventory count for a selection of liquor codes and comparing our results to the store's perpetual inventory records to determine whether inventory variances exceed 1% of the value examined;

- Reviewing deposits, consisting of cash and checks deposited manually and credit and debit card receipts deposited electronically, to determine whether deposits were appropriately accounted for and agreed with PLCB financial records;

- Reviewing Clerk Performance Reports, Ad Hoc Reports, Shipment Invoices, and Transfer Reports to determine the store's compliance with PLCB internal controls;

- Performing a count of all cash on hand to determine whether the store's cash on hand agrees with supporting store documents and bank records, and verifying whether the total store operating fund charged to the store agrees with the amount provided by the PLCB;

- Performing tests of Licensee Sales, Tax-Exempt Sales, Minor Challenges, System Prices, Register Voids, Register Deposits, and Breakage/Adjustment Controls to determine whether store operations were in compliance with PLCB operating procedures;

- Selecting liquor codes and verifying that the sales price in the store system agrees to the PLCB's approved price list; and,

- Locating and verifying that all PLCB capital assets are present at the store and comparing our results to the PLCB fiscal year asset equipment list for accuracy.

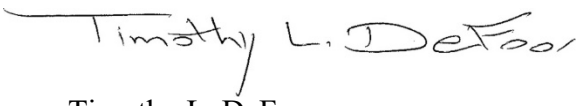
The results of our examination found that Fine Wine and Good Spirits Store 4306 operated in compliance with all PLCB operating procedures falling within the scope of our examination, except as noted in the following finding and discussed later in this report. This matter was discussed with appropriate personnel and is intended to assist you in improving internal controls.

Finding – Excessive Cash in Register Drawers

We would like to thank store management for their cooperation extended to us during the conduct of the examination.

If you have any questions concerning this report, please contact the Bureau of Liquor Control Audits at (717) 783-1236.

Sincerely,



Timothy L. DeFoor
Auditor General
August 21, 2026

CONTENTS

Background 1

Finding and Recommendation:

Finding – Excessive Cash in Register Drawers 2

Prior Finding and Recommendation 3

Report Distribution List 4

BACKGROUND

The Pennsylvania Liquor Control Board (PLCB) operates a diverse network of retail and wholesale distribution facilities across the Commonwealth, including Premium Collection Stores, One-Stop/Supermarket Stores, Taste & Learn Stores, Lottery Locations, Wholesale Stores/Licensee Service Centers (LSCs) and an online E-Commerce Store. Each of these store types serves a distinct function – ranging from public retail and licensee fulfillment to education, special product releases, and bulk distribution.

The Department of the Auditor General's authority to examine PLCB store operations is derived from Section 306 of the Pennsylvania Liquor Code (47 P.S. § 3-306).

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LIQUOR CONTROL BOARD
FINE WINE AND GOOD SPIRITS STORE 4306
FINDING AND RECOMMENDATION

Finding – Excessive Cash in Register Drawers

Condition

During our examination of 88 cash deposits made, as detailed on register slips, we discovered 5 instances of excessive cash in the registers that exceeded the allowable amount.

Criteria

Standard Operating Procedures (SOP), Customer Transactions, states stores have established cash limits for each till to prevent excessive cash from being held in the register. When the cash limit has been reached, the POS will display a message indicating the Manager on Duty (MOD) needs to conduct a pickup. When this occurs, the MOD should be alerted that a cash pickup is needed.

Cause

The general manager stated that on busy days they are unable to get to the pickups on time. The general manager also stated that he does not want pickups done one hour prior of shifts ending due to many errors at the end of the shifts.

Effect

The failure to remove excess cash from the register drawers increases the risk of loss, theft, or misuse of these funds.

Recommendation

We recommend that PLCB management ensure compliance with SOP Customer Transactions Specifically, store management should monitor the cash registers to ensure the registers are not exceeding the store's allowable amount.

Management Response

The general manager agreed with the finding and will try to get to the pickups on time.

Examiner's Conclusion

Compliance may be subject to verification in the next examination.

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FINE WINE AND GOOD SPIRITS STORE 4306
PRIOR FINDING AND RECOMMENDATION

STATUS OF PRIOR FINDING AND RECOMMENDATION

Random Sample Shortages

Our prior examination of a random sample of the store's inventory reported an inventory discrepancy exceeding $200 between actual and perpetual inventory. Store management complied with our recommendation.

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LIQUOR CONTROL BOARD
FINE WINE AND GOOD SPIRITS STORE 4306
REPORT DISTRIBUTION LIST

This report was initially distributed to the following:

The Honorable Darrell Clarke
Chairman
Pennsylvania Liquor Control Board

Jeremy Snyder
Assistant Director
PLCB Audit Services Division/Bureau of Audits
Pennsylvania Office of the Budget

Rodrigo Diaz
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Pennsylvania Liquor Control Board

Angela Blecher
Chief Financial Officer
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Angela Schaul
Director of Store Operations
Pennsylvania Liquor Control Board

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