



May 13, 2026

Town of Robbins

WHY WE CONDUCTED THIS REPORT

The Office of the State Auditor (OSA) initiated a review of the Town of Robbins (the Town) based on an OSA Tipline referral.

OBJECTIVE

To determine whether the Town's financial management personnel followed applicable provisions of the North Carolina General Statutes and guidance from the North Carolina Department of State Treasurer during Fiscal Years (FY) ended June 30, 2021–2025.¹

WHAT WE FOUND

OSA found that the Town's financial management personnel did not fully comply with applicable provisions of the North Carolina General Statutes and guidance from the North Carolina Department of State Treasurer during FYs 2021–2025. In addition to the weaknesses in internal financial controls detailed in Findings 1 through 8, OSA discovered a forged check in the amount of

\$3,570 during its review. The Town filed a police report on August 20, 2025 in response to the discovery of this forged check.²

OSA's review resulted in the following eight Findings, each of which is detailed herein:

1. The Town failed to complete required bank reconciliations on a monthly basis and had accumulated unreconciled activities. The Town has since contracted with vendor Southern Software, Inc. (Southern Software) to assist with catching up on outstanding reconciliations. As of the date of this review, reconciliations have been completed through January 2024, and work is ongoing to bring all accounts fully current.
2. The Town did not follow its own purchasing policies, which require appropriate personnel to initial each invoice for approval and cancel each invoice by recording check details on the invoice.

¹ As discussed in detail below, applicable sections of the North Carolina General Statutes considered by OSA during its review include, without limitation, N.C.G.S. §§ 116B-53, 132-1, 132-3, 159-25, and 159-34.

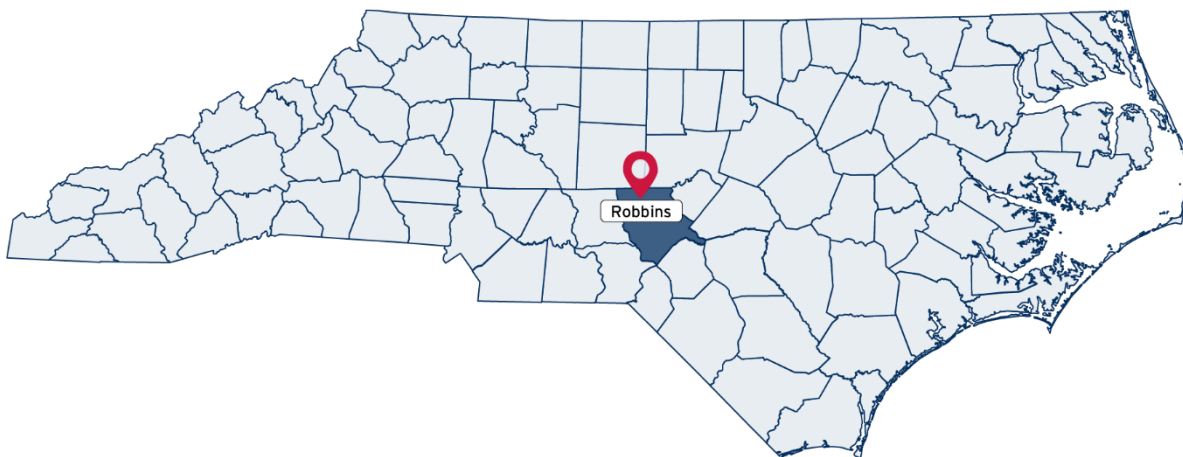
² On February 29, 2025, in response to OSA's inquiry, the Town reported that the forged check remains under active investigation and has not been recovered; the named recipient is a real individual in another county but has not been positively identified or located; the matter was referred to the County Cyber Crimes Division due to the use of mobile deposit; the Town has no record of the individual as a customer and believes the check was fully doctored; and, following the incident, the Town enrolled in a "positive check" program through its bank, requiring approval of new or unauthorized checks prior to processing.

WHAT WE FOUND cont.

3. The Town improperly shredded voided checks in violation of applicable public records law.
4. Information in the Town's accounts payable register regarding payee and amount paid did not match with corresponding issued checks. The discrepancies appear to be the result of human error.
5. The Town did not issue checks in sequential order.
6. The Town failed to strictly exercise the dual check signer requirement prescribed by N.C.G.S. § 159-25(b).
7. The Town did not report and remit outstanding checks over one year old to the North Carolina Department of State Treasurer as unclaimed property.
8. The Town did not complete annual audits in a timely manner.

BACKGROUND

The Town of Robbins (Town) is in Moore County, North Carolina and has a population of approximately 1,398³ residents. The Town operates under a council-manager system of local government and is governed by an elected Mayor and Board of Commissioners (Board). The Board consists of five voting members: the Mayor Pro Temp and four commissioners. The Town Manager is appointed by the Board and is the chief administrator of the Town.⁴



The current Town Manager assumed his duties on July 7, 2021. The Town was without a finance officer for more than three years before the current Town Manager's hiring, during which time the Town funded a part-time Town Manager, the Town Clerk handled daily

³ [Robbins, NC - Profile data - Census Reporter](#)

⁴ [Town of Robbins - Manager-Council Government](#)

financial tasks, and a part-time Certified Public Accountant (CPA) reviewed the Town's accounts on a monthly basis. The Town confirmed to OSA that the lack of a finance officer for several years before 2021 resulted in annual audits, bank reconciliation, and some federal construction projects falling out of compliance.⁵

The Town has also experienced frequent turnover in its financial management staff since the current Town Manager was hired in 2021, with three different permanent Finance Directors serving at various points. In January 2023, the Town's public accounting firm resigned, and in August 2025, a second public accounting firm under contract also provided notice of resignation.⁶ From May to August 2023, in the absence of a Finance Director, the Town Manager and Town Clerk again assumed responsibility for the Town's financial duties.

Notwithstanding this turnover, the Town has made efforts to increase stability. These efforts include hiring a new Finance Officer and a new independent CPA to assist with bookkeeping and pre-audit processes. On December 22, 2025, the Town entered into a contract with Mauldin & Jenkins, PLLC to perform auditing services for FY 2022. The Town also enrolled in the Accounting Instruction & Mentorship (AIM) program administered by the North Carolina League of Municipalities (NCLM) to receive practical guidance and mentorship on finance-related matters.⁷

FINDING 1 DETAILS & RECOMMENDATIONS

The Town failed to complete bank reconciliations and has engaged a third party to bring reconciliations current.

The Town has not completed monthly bank reconciliations for its operating bank account in a timely manner. The Town hired Southern Software to catch up on the overdue bank reconciliations. As of February 2, 2026, Southern Software was working on the Town's bank reconciliations for calendar year 2024 and had completed the January 2024 bank reconciliation.

Because the Town did not complete timely monthly bank reconciliations, it failed to detect discrepancies between bank activity and the Town's general ledger. Specifically, in reviewing the Town's financial records, OSA identified the following errors:

⁵ E-mail from Town of Robbins Town Manager to OSA (February 4, 2026) (on file with OSA).

⁶ E-mail from Town of Robbins Town Manager to OSA (August 14, 2025) (on file with OSA).

⁷ E-mail from Town of Robbins Town Manager to OSA (February 4, 2026) (on file with OSA). For more information on the AIM program, see <https://www.nclm.org/member-services/financial-operational-consulting/municipal-accounting-services/mas-blog/nclms-aim-program/>.

1. A forged check in the amount of \$3,570 cashed in 2023 was not promptly detected by the Town. OSA discovered the forgery on July 14, 2025, after which the Town filed a police report on August 20, 2025.
2. Five checks to two vendors in the amount of \$4,645.65 were cashed even though they were recorded as voided in the Town's check register. Upon OSA inquiry, the Town contacted the vendors; one vendor has refunded \$1,145.65.⁸
3. A duplicate payment of \$15,440 was made to a vendor on November 13, 2024.
4. A check in the amount of \$65,692.69 was issued at a time when the corresponding bank account had an insufficient balance to pay the check, which resulted in non-sufficient funds charges. The check was re-presented and paid the following month.
5. The number of outstanding checks older than one year could not be accurately determined, and the checks were not reported or remitted to the North Carolina Department of State Treasurer as required (see Finding 7 below).

Recommendations:

1. The Town should perform timely and complete bank reconciliations to ensure discrepancies between bank activity and the general ledger are promptly detected and resolved.
2. The Town should ensure that access to check stock is limited to authorized personnel only and that all issued checks are properly recorded in the register before being issued.
3. Before issuing a check, the Town should verify the appropriate account balance to ensure the Town has sufficient funds to pay the check.
4. The Town should review reconciliation, check registers, and disbursement activity on a monthly basis to reduce risk of fraud and error.

⁸ In a February 2, 2026, response to OSA, the Town stated that the remaining four checks were voided in its financial software system after the vendor reported they were "lost in the mail," but that the vendor later received and cashed the checks. The Town stated its software system could not "unvoid" checks, so it requested Southern Software to correct the accounting records through a journal entry. The Town stated that no additional payments were made to the vendor and that all related invoices were paid.

FINDING 2 DETAILS & RECOMMENDATIONS

The Town did not adhere to its own purchasing policies for approving and cancelling invoices.

The Town's FY 2020 audit reported that invoices were not properly approved or cancelled in accordance with the Town's purchasing policies. These policies require the Town Manager to initial each invoice and the Finance Officer to document payment by recording the check number, date, and account number.⁹ In response, the Town proposed a corrective action stating that:

“Management and staff have been made well aware of their duties pursuant to the Town’s purchasing policies, which include all disbursements being preaudited and certified by the Town’s finance officer and all disbursements being approved by the Town manager.”

To test implementation of this corrective action, OSA selected 16 invoices from FY 2021 through FY 2025 for review and found that none of the invoices were marked to document approval or payment, as required by the Town's purchasing policies. These testing results indicate that the Town did not implement the corrective action as proposed in response to its FY 2020 audit or the pre-payment review and approval procedures recommended by the North Carolina Department of State Treasurer for checks issued by local governments.¹⁰

This failure to follow appropriate invoicing procedures increases the risk of improper or duplicate payments by the Town. For example, OSA determined during its review that one invoice dated October 10, 2024, in the amount of \$15,440 was paid twice—once on October 31, 2024, and again on November 13, 2024.

Upon OSA's inquiry, the Town indicated that the error was identified a few days after the duplicate payment and the Finance Officer was mentored on the “payment process for this particular project.”

After OSA identified this duplicate payment, the Town contacted the vendor for clarification and the vendor provided an accounts receivable ledger. The vendor indicated that \$11,600 of the duplicate payment was applied to invoice 81637 on December 4, 2024, and that the remaining \$3,840 was recorded as an overage and subsequently applied to invoice 82305 on March 10, 2025.

⁹ FY 2020 Audited Financial Statement, page 80, Finding 2020-5, Criteria: “Pursuant to the Town of Robbins’ own purchasing policies the Town manager initials each invoice for approval and the finance officer cancels [sic] each invoice by writing the check number, date and account number on the invoice.”

¹⁰ [NC Department of State Treasurer, Memorandum, #2026-04](#), at 7 (“Check signers should review supporting documentation for disbursements prior to signing the checks”), at 9 (“Invoices and other supporting documentation should be thoroughly reviewed prior to the invoice being approved”) (September 25, 2025).

Recommendations:

1. The Town should require that all invoices be approved, and initialed by authorized personnel prior to payment, and mark invoices as “PAID” after disbursement to prevent reuse.
2. The Town should document any identified errors, including duplicate payments, with written and dated documentation demonstrating how the issue was resolved.
3. The Town should develop formal processes to pursue and document recovery of overpayments in a timely manner, including a process to continue tracking the overpayment until resolved.

FINDING 3 DETAILS & RECOMMENDATIONS

The Town improperly shredded voided checks in violation of applicable public records law.

OSA’s review showed that the Town has not complied with record retention requirements and the Treasurer’s guidance regarding voided checks. OSA selected numbered checks 129292¹¹ through 132690¹² (a sequential range totaling 3,399 check numbers) for testing. Of these checks, OSA identified 153 check numbers that were missing from the check register. Among these missing checks, 21 were cashed.¹³ Additionally, OSA identified 96 checks which were recorded as voided, of which five had been cashed.¹⁴ Accordingly, OSA requested images of the 132 missing checks that had not been cashed¹⁵ and all of the 96 voided checks, totaling 228 checks. The town provided images for 91 checks. Of the 91 checks images provided, 57 were clearly marked “VOID” on the face of the check, 19 displayed no markings to indicate the checks had been voided, and 15 were blank checks.

The Town was unable to provide images for 137 checks that were either voided or missing from the check register. As a result, OSA was unable to verify the final status of those 137 checks.

¹¹ Check number 129292, issued in January 2021 and cashed in February 2021, is the first check appearing in both the check register and the bank statement available to OSA.

¹² Check number 132690, issued in April 2025 and cashed in April 2025, is the last check appearing in both the check register and the bank statement available to OSA at the time the workpaper was prepared.

¹³ On August 27, the Town provided OSA documentation for 14 checks totaling \$1,378.62 obtained via transaction query. On February 4, 2026, the Town provided a document titled ‘List of ALL Checks and Disbursements,’ which included records for two checks totaling \$120.27. However, the remaining five checks totaling \$8,971.27 could not be located in the Town’s accounting system. This discrepancy is likely attributable to mismatched check numbers, as discussed in Finding 4.

¹⁴ See Finding 1(b) and footnote 8.

¹⁵ OSA obtained the images of 21 checks that were missing from the check register but cashed from the bank statements. Even though OSA had images of the 5 checks recorded as void but cashed, OSA requested the Town’s copies to determine the cause.

The North Carolina Department of State Treasurer recommends that “[v]oided checks should be indicated in the check register. The checks themselves should be sufficiently defaced so that no one else could use them. Voided checks should be maintained on file in numerical order.”¹⁶

In addition to this guidance, local governments such as the Town are subject to public records retention requirements under State law. The North Carolina Public Records Act defines public records to include all documentary materials “made or received . . . in connection with the transaction of public business,” including financial records such as check registers. N.C.G.S. § 132-1(a). Destruction of public records is permitted only in accordance with applicable law, see N.C.G.S. §132-3(a), 121-5(b), and as authorized by the applicable retention schedule issued by the North Carolina Department of Natural and Cultural Resources, Division of State Archives.¹⁷ Under the Records Retention and Disposition Schedule for Local Government Agencies, deposits, returned checks, cancelled checks and reconciliation reports must be retained for three years¹⁸ with the caveat that “[n]o destruction of records may take place if audits or litigation are pending or reasonably anticipated”.¹⁹

Further, Since the Town’s FY 2022 audit has not yet been completed as the date of this review, the applicable retention period for checks issued and received by the Town begins July 1, 2021. Based on the Town’s check register, the first check written within the current retention period is check #129701, dated August 3, 2021. Accordingly, of the 137 missing checks, an estimated 135 fall within the required retention period. The exact number cannot be confirmed because the Town occasionally issued checks out of sequence. The Town did not provide OSA with documentation of lawful destruction for the checks, but according to an email from the Town to OSA on August 25, 2025, the former Finance Officer shredded voided checks “for a while”.

Recommendations:

1. The Town should consider adopting a practice that requires all voided checks be marked “VOID” across the face and physically defaced (crosscut, punched) without obscuring key information.
2. The Town should retain in numeric sequence with paid checks (or in a dedicated “Voided Check” file) until eligible for lawful destruction.

¹⁶ NC Department of State Treasurer, Memorandum, #2026-04, at 6 (September 25, 2025).

¹⁷ The applicable retention period for the Town’s check register is likely three to five years, depending on the payee. See Records Retention and Disposition Schedule General Records Schedule: Local Government Agencies, Item #2.01.

¹⁸ [Records Retention and Disposition Schedule General Records Schedule: Local Government Agencies](#), Items #2.03, 2.08.

¹⁹ [Records Retention and Disposition Schedule General Records Schedule: Local Government Agencies](#).

3. The Town should review its records management policy and practices to ensure it is retaining, managing, and destroying its financial records in accordance with applicable law and the applicable retention schedule.

FINDING 4 DETAILS & RECOMMENDATIONS

Finding information regarding payee and amount in the accounts payable register did not match the corresponding issued checks.

During its review of the Town's disbursement activity, OSA noted instances where information recorded in the Town's accounts payable (AP) register regarding payee and check amount did not match the corresponding information on the actual issued checks. Generally Accepted Accounting Principles (GAAP) established by GASB require faithful representation; accounting records should accurately reflect transactions.²⁰

During a meeting on August 27, 2025, the Town confirmed that these discrepancies were the result of human error.

Differences between the accounts payable register and issued checks indicate a weakness in the consistency of recordkeeping, and reduce the reliability of accounting records and supporting documentation. If not detected and corrected, such discrepancies could impair management's ability to accurately monitor disbursement activity and increase the risk of undetected errors or irregularities. Maintaining accurate and consistent records is necessary to support effective oversight, internal control, and confidence in the Town's fiscal management.

Recommendations:

1. The Town should implement reconciliation procedures that require staff to reconcile check register entries to the actual issued checks before posting to the general ledger.
2. The Town should consider including a two-person review process in these reconciliation procedures that would require confirmation of payee and amount accuracy at both the check preparation and posting stages.

²⁰ See [Governmental Accounting Standards Board, Concepts Statement No. 1, paragraph 64](#), "Objectives of Financial Reporting," which states that "[f]inancial reporting should be reliable; that is, the information presented should be verifiable and free from bias and should faithfully represent what it purports to represent."

3. Town management should review reconciliations monthly, comparing the AP register, bank statements, and check images.

FINDING 5 DETAILS & RECOMMENDATIONS

The Town did not issue checks in sequential order.²¹

During our review, OSA identified multiple instances where checks were issued out of numerical sequence. For example, check number 131194 was issued on March 10, 2023, while check number 131191 was issued on June 15, 2023.

Issuing checks out of sequence disrupts the audit trail and makes it difficult to track disbursements, identify missing or voided checks, and detect potential fraud. Gaps or irregularities in check numbers may conceal unauthorized, altered, or duplicate payments. Failure to maintain sequential integrity weakens accountability and increases the risks of errors or intentional misstatements going undetected. Disorganized check issuance also undermines the design of control activities as outlined by Principle 10 of the U.S. Government Accountability Office's **Standards for Internal Control**, which requires management to implement control activities over information processing through methods including "accounting for transactions in numerical and logical sequences."²²

Recommendations:

1. The Town should consider requiring all checks to be issued and recorded in numerical order. The Town should periodically review check sequences as part of internal control to ensure compliance and strengthen accountability.
2. On a monthly basis, the Town should reconcile issued check numbers against the check register and bank statements to confirm whether checks were issued in sequential order and identify any missing or irregular checks.
3. The Town should provide training to relevant staff on its check-handling policies and procedures.

²¹ Based on the procedures performed to date, OSA cannot determine intent and does not wish to speculate. Accordingly, the finding is limited to a factual description of the conditions observed. The primary cause appears to be a lack of adherence to established check issuance procedures. Issuing checks out of sequence weakens the audit trail and could present a fraud risk. However, OSA's testing to date identified only one instance of forgery. Based on the current scope of work, OSA does not have sufficient evidence to conclude that the practice was intentional or fraudulent in nature.

²² [United States Government Accountability Office, Standards for Internal Control in the Federal Government, 64.](#)

FINDING 6 DETAILS & RECOMMENDATIONS

The Town failed to strictly exercise the dual check signer requirement prescribed by N.C.G.S. § 159-25(b).

OSA randomly selected 39 cashed checks from June 2024 for review and determined that seven of the checks—each a manual check—were not signed by two authorized signers as required by N.C.G.S. § 159-25(b).²³

N.C.G.S. 159-25(b) allows a governing board to waive this dual-signature requirement if it formally determines that the government unit’s internal controls will be satisfactory without dual signatures. OSA obtained written confirmation from the Town on September 18, 2025, indicating that no such waiver from the Board exists. Accordingly, for the period tested, the Town could not claim a statutory waiver from the dual-signature requirement and the seven single-signature checks were not in compliance with N.C.G.S.159-25(b).

Failure to enforce dual-signature requirements weakens internal controls and increases the risks of unauthorized, improper, or fraudulent disbursement. Although the Town stated to OSA that manual checks were used only in emergencies or to correct printed-check errors, dual signatures remain a critical safeguard that ensures no single individual has unilateral control over the Town’s funds. The risk associated with the lack of dual signatures is exacerbated by the Town’s failure to perform timely bank reconciliations, as errors or irregularities could go undetected for extended periods.

Recommendations:

1. The Town should determine, and formally document, whether a Board resolution waiving the dual-signature requirement under N.C.G.S. § 159-25(b) is appropriate. For all periods during which no such waiver exists, the Town should enforce the dual-signature safeguard by requiring two authorized signatures on all checks.
2. If the Board formally waives the dual-signature requirement under N.C.G.S. § 159-25(b) in the future, the Town should ensure that compensating internal controls are in place and operating effectively to mitigate the risk of unauthorized or improper disbursements.

²³ “Except as otherwise provided by law, all checks or drafts on an official depository shall be signed by the finance officer or a properly designated deputy finance officer and countersigned by another official of the local government or public authority designated for this purpose by the governing board.” N.C.G.S. § 159-25(b).

3. The Town should conduct periodic reviews to confirm either adherence to the dual-signature policy or, if waived, the adequacy and consistent application of the alternative control procedures approved by the Board.

FINDING 7 DETAILS & RECOMMENDATIONS

The Town did not report and remit outstanding checks over one year old to the North Carolina Department of State Treasurer as unclaimed property.

Per the North Carolina Unclaimed Property Act (the “Act”) at N.C.G.S. § 116B-53(c)(12), outstanding checks issued by governmental units (including local governments such as the Town) are presumed abandoned if they have not been claimed within one year of issuance.²⁴ All such abandoned checks must be reported to the North Carolina Department of State Treasurer in a report to be filed by November 1 of each year per N.C.G.S. § 116B-60 and remitted as required by the Act.

Based on these statutes, any Town checks that have remained uncashed or unrepresented for more than one year should be reviewed and reported to the North Carolina Department of State Treasurer to comply with the Town’s unclaimed property requirements.

OSA reviewed the Town’s check register beginning with check number 129292, issued on January 7, 2021, through check number 132185, issued on June 30, 2024 (one year prior to the June 2025 bank statement made available to OSA). As of June 30, 2025, 37 checks totaling \$76,464.28 remained uncashed. Due to the Town’s failed recordkeeping practices and errors documented in this report, OSA could not verify whether all 37 of these checks are actually properly issued, but uncashed, checks. For example, it is possible that some of these checks are checks that were voided, or replacement checks that were issued but not properly recorded as such in the Town’s records. As a result, OSA could not accurately determine the true number of outstanding checks.

During a meeting on August 27, 2025, the Town stated that it had annually reported its outstanding checks as unclaimed property to the North Carolina Department of State Treasurer. Following the meeting, however, the Town Manager sent OSA an email which stated that (i) the Town had not submitted the unclaimed property report for FY 2024 because its bank reconciliation was not complete, and (ii) the Town Manager did not have access to pull the Town’s unclaimed property report to provide to OSA.

²⁴ See also [North Carolina Department of State Treasurer, Guide to Unclaimed Property—Uncashed or Unpresented Checks](#).

Recommendations:

1. The Town should implement accurate recordkeeping practice by requiring all voided, reissued, or cancelled checks to be clearly marked and documented in the check register, with supporting records retained for audit purposes.
2. The Town should perform regular reviews of outstanding checks to identify items more than one year old and take timely action to resolve them.
3. The Town should consider contacting payees directly to verify the validity of outstanding checks and determine whether replacements have been issued.
4. The Town should take diligent efforts to comply with the North Carolina Unclaimed Property Act by reporting and remitting checks which remain uncashed for more than one year to the North Carolina Department of State Treasurer.
5. The Town should provide independent oversight by assigning an individual not involved in the check issuance process to periodically review outstanding check listings, reconciliation, and corrective actions.
6. The Town should train finance staff and management on proper recordkeeping, reconciliation, and unclaimed property reporting to reduce the risk of error and ensure compliance.

FINDING 8 DETAILS & RECOMMENDATION

Untimely completion of annual audits

As of February 2, 2026, the Town had not completed audited financial statements for the fiscal years ending June 30, 2022, June 30, 2023, and June 30, 2024. N.C.G.S. § 159-34(a) requires all units of local government—including the Town—to "have its accounts audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the [Local Government] Commission as qualified to audit local government accounts." These audited financial statements must be submitted to the secretary of the Local Government Commission. N.C.G.S. § 159-34(a).

The failure to timely complete and submit audited financial statements could constitute a violation of N.C.G.S. § 159-34(a) and could expose the Town to potential withholding of sales tax distributions per N.C.G.S. § 159-34(g). Additionally, delayed audits increase the risk that material errors or irregularities go undetected and impede informed decision-making.

Recommendation:

1. Based on a February 2, 2026 update from the Town, OSA understands that the Town has contracted with a new external auditor to complete the outstanding audits listed above. The Town should specify a clear timeline for completing the outstanding audits and that complies with the requirements for audit agreements in N.C.G.S. § 159-34(a). The Town should allocate sufficient resources to compile and provide complete and accurate accounting records to the external auditor and should require the auditor to report monthly progress to the Board until all delinquent audits are issued. Once the audits are issued, the Town should provide copies of the audits to the Local Government Commission in satisfaction of N.C.G.S. § 159-34.

Additional Issues

In addition to the Findings detailed above, OSA noted deficiencies in the Town's practices regarding its petty cash and vendor list. Regarding petty cash, North Carolina Department of Treasurer guidance states that "[c]hecks should never be made payable to cash."²⁵ Although OSA's review did not encompass all check images, OSA noted two instances where checks were made payable to "Cash" or "Petty Cash." Town management should discontinue this practice and meet petty cash needs with documented receipts and custody controls as outlined in North Carolina Department of State Treasurer Memorandum #2026-04.

Regarding vendor lists, North Carolina Department of State Treasurer guidance states that disbursements "should only be made to authorized vendors."²⁶ This requires the Town to maintain an approved vendor list with current information. OSA noted two instances in which the Town issued replacement checks to vendors after the original checks were mailed to outdated addresses, in one instance resulting in a duplicate payment in the amount of \$1,145.65. The Town did not provide evidence of stop payment orders for the original checks and did not detect the error until it was identified by OSA during OSA's review. Vendors are responsible for providing the Town with current address information and bear any costs for failing to do so, but the Town should strive to maintain an approved vendor list with complete, current, and updated information.

²⁵ [NC Department of State Treasurer, Memorandum, #2026-04](#), at 7 (September 25, 2025).

²⁶ [NC Department of State Treasurer, Memorandum, #2026-04](#), at 7 (September 25, 2025).

Closing Remarks

OSA recognizes the constraints and challenges faced by small North Carolina municipalities and towns. However, maintaining minimum internal control procedures, such as those outlined by the North Carolina Department of State Treasurer's Memorandum #2026-04, is imperative. As detailed in this report, the Town's internal controls have traditionally fallen short in several areas that require remediation. The Town has made efforts to correct some shortcomings described in this report—including hiring a new auditor to complete outstanding financial audits—but further strengthening of the Town's controls will not only reduce the risk of errors and fraud but also improve the reliability of the Town's financial information and its readiness for annual audits.

At the time of this review, the Town is undertaking a water system improvement project costing over \$4 million. It is imperative that the Town adhere to the internal control procedures outlined by the North Carolina Department of State Treasurer and implement OSA's recommendations from this review to safeguard public assets, both in relation to this notable improvement project and in the conduct of the Town's general business moving forward.

OSA appreciates the cooperation of Town of Robbins management and their willingness to provide requested documentation as OSA conducted this review.

RESPONSE FROM TOWN OF ROBBINS



April 5th, 2026

To: North Carolina Office of the State Auditor

From: Clint Mack, Town Manager, Town of Robbins

Subject: Reply to Rapid Response Special Report

The following memorandum along with the two extensively detailed memorandums sent previously by the town staff and the live interview conducted by the state auditor's office outlines the town's reply to the findings of the Rapid Response Special Report.

Finding 1:

We acknowledge the vital importance of bank reconciliation which led to the decision to outsource the task due to long-term staff shortages and lack of continuity in the finance department. The town will continue its progress towards completion. Bank reconciliation has been completed to the best of staff's ability through spreadsheets due to the reconciliation gap being so vast for reasons undetermined prior to 2021. The Town's previous CPA was making vast improvements until his resignation due to changing his employment unexpectedly to the Town of Spring Lake, NC. exclusively. The previous Finance Officer was specifically hired to aid in bank reconciliation based on their stated experience, however, this turned out to not be a viable skillset leading to management accepting their resignation.

Finding 2:

The town currently adheres to the invoice approval and preaudit process and will ensure that invoices are marked "PAID" upon completion. The overpaid invoice was for \$11,600 was identified and specifically mentioned to the Finance Officer to "not mail until reimbursement is confirmed" yet it still was and was mistakenly reissued after their resignation. Management assumes responsibility for applying the overage to the next invoice for the project but will ensure a *credit memo* is received in the future in lieu of any other use of the funds.

Finding 3.

The town has historically shredded voided checks annually once logged and recorded to prevent theft or fraud. The internal control policy has been updated, and staff will adhere to the current record retention regulations.

Finding 4.

Staff and management will adhere to a two-person review process to ensure matching AP registers, invoice numbers, and printed check numbers.



Finding 5.

As outlined in previous memorandums to the state auditor, issued checks being out of sequential order were attributed to human error in loading the incorrect check batch into the printer and annotated and changed in the payment software as a result. An additional internal control of manual logging and verifying the first and last check number per each box of new checks before being loaded for printing.

Finding 6.

The town has historically maintained a secure manual checkbook for emergency situations needing a check payment. The manual checks are issued with a single signature line, however, at no point has a manual check been issued without managers knowledge or approval. The town will adhere to N.C.G.S. § 159-25(b) ensure dual signatures in the future unless the governing body formally waives the requirement in writing.

Finding 7.

As the town becomes current on bank reconciliations for each year, any findings of unclaimed property will be reported to the state treasurer in accordance with N.C.G.S. § 116B-60.

Finding 8.

As the Rapid Response Report states in detail, as of July 2021 the town was three years delinquent on Annual Financial Audits. The current administration made great strides to complete two previous years before being hindered by two stalemate auditors and personnel changeovers. Once the second auditor could not complete an initial audit, town management fully disclosed and communicated the problem with LGC, then lobbied for assistance in finding qualified personnel, CPAs and auditors in hopes of addressing the years of subpar bookkeeping practices and late audits. Currently, the town has contracted a independent CPA to assist with all bookkeeping shortcomings, outsources bank reconciliation to ensure continuity, hired a new experienced finance officer, and contracted a new auditing firm (Mauldin & Jenkins LLC), along with mentorship and training through the NCLM A.I.M. program.

Additional Issues:

As recorded at the live interview, no petty cash has ever been issued or retained by the current administration. The only check to "cash" was specifically issued, receipted, recorded, and returned as part of a specific Anti-Drug Task Force sting operation where the Robbins Police Department utilized the cash for an illegal drug purchase resulting in the seizer of hundreds of pounds of illegal drugs and led to the arrest of several individuals. At no point were the funds considered "petty" or floating unaccounted for. All records of the operation were provided to the state auditors' office.



Closing Remarks:

We greatly appreciate the state auditor offices' tenacity, professionalism, and proficiency throughout this investigation. The town is currently in its best position ever with the most qualified personnel and culture to address all the findings annotated and regain full financial compliance.

A handwritten signature in black ink, appearing to read "Clint E. Mack". The signature is stylized and somewhat abstract, with several vertical strokes on the left side.

Clint E. Mack
Town Manager
Robbins, NC.

Ordering Information

Copies of this report may be obtained by contacting:



Office of the State Auditor
State of North Carolina
20601 Mail Service Center
Raleigh, North Carolina 27699

Telephone: 919-807-7500
Fax: 919-807-7647
Internet: www.auditor.nc.gov

**To report alleged incidents of fraud, waste or abuse in state government
contact the Office of the State Auditor's Tipline:**

Telephone: 1-800-730-8477

Internet: www.auditor.nc.gov/about-us/state-auditors-tipline

NOTE: OSA maintains strict confidentiality when handling personally identifiable and other sensitive information in accordance with State and federal law. OSA takes all necessary precautions to ensure that sensitive information is not compromised or improperly shared. This special report is based on the limited information available to OSA during our investigation and is not exhaustive. This report does not constitute an audit or attestation engagement conducted in accordance with generally accepted government auditing standards.