



DATE: September 20, 2021
TO: Larry Davis, Assistant City Manager
FROM: Internal Audit Division
SUBJECT: YWCA Operations Grant - FY 2019-2020
(No Response Required)

The Internal Audit Division has completed our review of the YWCA Operations Grant along with a Programmatic Review by the Neighborhood Development Department. Attached you will find our review report; the departmental response and our replies to their responses. We feel that sufficient corrective actions have been implemented to our recommendations as we move forward. If you have any questions or need additional information, please let us know. Thanks.

Len Lucas
Internal Audit Director

Cc Chris Wilson, Interim City Manager
Michelle Kennedy, Director of Neighborhood Development
Cyndi Blue, Manager of Housing Services, Neighborhood Development
Caitlin Warren Bowers, Grant Administrator for Neighborhood Development
Charla Gaskins, Federal Compliance Coordinator



DATE: June 11, 2021

TO: Cyndi Blue, Interim Director of Neighborhood Development

FROM: Internal Audit Division

SUBJECT: YWCA Operations Grant – FY 2019-2020
(Written Response Required by June 25, 2021)

The Internal Audit Division has performed our monitoring of the Young Women’s Christian Association (YWCA) Greensboro (“Agency” or “Grant Recipient”), which received a grant in the amount of \$40,000 from the City of Greensboro (“City”) for the purpose of providing certain essential services to homeless individuals within the City. The award was comprised of Community Development Block Grant (CDBG) funds designated as grant number **B-19-MC-37-0007**.

Under the agreement, the Grant Recipient was to perform the necessary services in connection with operating a temporary shelter and/or provide essential services to address the needs of homeless persons in emergency shelter. An estimated 135 individuals were projected to be served with this grant during the course of the contract period.

Funding provided by this agreement could be used to reimburse the Grant Recipient for case management services. All grant funds were expended during the contract period.

We examined selected financial transactions maintained by the Agency for compliance with the contract. Based on our review, it appears that the funds were spent in accordance with the terms of the contract. However, we noted the following in regards to the City’s requirements for submitting audit documents:

Finding: Under Section 23 of the written agreement between the YWCA and the City, it states: “The Agency shall submit to the City an audited comparative financial audit. Financial audit must meet the requirements of 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards no later than September 30.” For fiscal year ended June 30, 2020, the financial audit was completed on May 18, 2021; and Internal Audit received a copy from the Agency on May 28, 2021. The Agency’s 990 Tax Returns were received by Internal Audit on May 21, 2021. However, we have not received a copy of the Management Letter for fiscal year ended June 30, 2020.

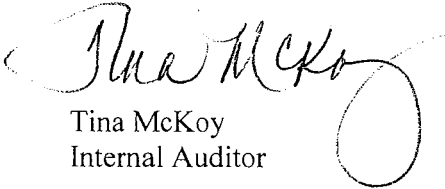
Recommendation: To address this finding, the Agency must submit a copy of their audit firm’s signed Management Letter for fiscal year ended June 30, 2020. If no Management Letter is issued, please provide us a signed letter from the firm (on firm letterhead) stating that no Management Letter was issued.

Regarding the late submission of the Agency's financial documents (which normally requires a written response), we feel this was adequately addressed in the Agency's March 10, 2021 written response to our FY 2018-2019 review report with the same finding; therefore, no written response is requested.


As a reminder, in the event the Agency is unable to submit audit documents according to the contract requirements due to extenuating circumstances, (upon request) a temporary extension may be granted if approved by the City Manager's Office and/or Neighborhood Development. Non-compliance with executed agreements could affect future funding considerations.

We request a written and signed response from the Neighborhood Development Department and the YWCA of Greensboro, Incorporated by June 25, 2021; and mailed to: City of Greensboro, Internal Audit Division, P. O. Box 3136, Greensboro, NC 27402.

We would like to thank Dr. Pamela Palmer, Chief Executive Officer; and the staff of the YWCA Greensboro for providing the documentation to complete our review. If there are any questions or comments concerning the details of this visit, we can be reached at 373-4528.



Tina McKoy
Internal Auditor



Len Lucas
Internal Audit Director

Cc: Larry Davis, Assistant City Manager
Chris Wilson, Assistant City Manager
Caitlin Bowers, Community Development Analyst, Neighborhood Development
Charla Gaskins, Federal Compliance Coordinator, Neighborhood Development
Elizabeth Alverson, Homelessness Prevention Coordinator, Neighborhood Development
Dr. Pamela Palmer, Interim President and CEO, YWCA Greensboro



NEIGHBORHOOD DEVELOPMENT

December 10, 2020

Ms. Lindy Garnette, Chief Executive Officer
YWCA Greensboro
1807 E. Wendover Avenue
Greensboro, NC 27406

Dear Ms. Garnette:

The City of Greensboro's Neighborhood Development Department is issuing this report based upon the monitoring function for the service grant agreement between the City of Greensboro and YWCA Greensboro for the Family Emergency Shelter. The scope of the compliance monitoring addresses a desk review of cost allowability and program requirements.

The purpose of this monitoring is to determine compliance with agreement requirements; ESG match requirements; and CDBG rules, regulations, and funding requirements during fiscal year 2019-2020. On December 2, compliance monitoring of program requirements was completed. Enclosed you will find the City of Greensboro's Fiscal Year 2019-2020 compliance monitoring review for the emergency shelter which documents the details of the review. There were no findings or concerns resulting from this monitoring review, therefore an official response is not required. If YWCA Greensboro would like to submit a response, the response should be submitted in writing to Charla Gaskins within 14 days of this letter.

As a reminder, all project files are to be maintained for a period of seven years from the final payment under the agreement. Neighborhood Development staff appreciates the assistance and documentation that Ms. Lindy Garnette, CEO, provided during the desk review. As a reminder, all project files are to be maintained for a period of seven years from the final payment under the agreement.

Sincerely,

Charla Gaskins
Federal Compliance Coordinator

Lamont Taylor
Fiscal Planning and Administration Manager

Attachment

cc: Chris Wilson, Assistant City Manager
Elizabeth Danley, Homeless Prevention Program Coordinator, Neighborhood Development
Caitlin Bowers, Community Development Analyst, Neighborhood Development
Tina McKoy, Internal Auditor, Executive
Denise Manello, Board Chair, YWCA Greensboro

**City of Greensboro
Neighborhood Development**

COMPLIANCE MONITORING REVIEW FOR EMERGENCY SHELTER



Subrecipient: YWCA Greensboro

Compliance for FY: 2019-2020

Funding Source: CDBG

Date of Desk Review: 12/2/20

Reviewer: Charla Gaskins

QUESTIONS	YES	NO	N/A	NOTES
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A. ELIGIBILITY					
1.	Was the activity classified as a presumed benefit? [24 CFR 570.208(a)(2)(i)(A)]	X			
2.	Were all essential services provided only in an emergency shelter or to homeless individuals and families staying in emergency shelter?	X			
3.	Were activities consistent with the City's 2015-2019 Consolidated plan?	X			
4.	Was this activity classified under an eligible program component for ESG match?	X			
5.	Did an inspection report reflect that the shelter met the minimum safety and sanitation standards?	X			

B. COST ALLOWABILITY					
1.	Were expenditures necessary and reasonable for proper and efficient administration of the program? [24 CFR 85.22 and 2 CFR Part 225, Appendix B]	X			
2.	Were expenses eligible for the program? [2CFR Part 225, Appendix B]	X			
3.	Were funds used for the costs of maintenance, rent, security, fuel, equipment, insurance, utilities, food, furnishings, supplies necessary for the operation of the emergency shelter, and, when no appropriate emergency shelter is available, for hotel or motel vouchers for homeless families or individuals?	X			
4.	Were funds used for the costs of improving knowledge and basic educational skills, including eligible services and activities, only when necessary for the program participant to obtain and maintain housing?	X			
5.	Were all purchases less than \$5,000	X			
6.	Were all funds expended by June 30th?	X			

QUESTIONS	YES	NO	N/A	NOTES
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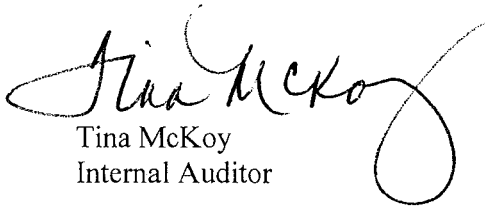
C. SCOPE AND SERVICES RENDERED

1.	Did the subrecipient meet or exceed the estimated number of people to be served?	X		135 individuals were estimated to be served; 125 individuals were actually served. No findings or concerns
2.	Did the subrecipient report program participant data in HMIS?	X		



DATE: June 25, 2021
TO: Cyndi Blue, Interim Director of Neighborhood Development
FROM: Internal Audit Division
SUBJECT: YWCA Operations Grant – FY 2019-2020

Thank you for your reply dated June 11, 2021. Internal Audit agrees with the Neighborhood Development Department's response to Internal Audit's subject report dated June 11, 2021.



Tina McKoy
Internal Auditor



Len Lucas
Internal Audit Director

Cc: Chris Wilson, Interim City Manager
Larry Davis, Assistant City Manager
Caitlin Bowers, Community Development Analyst, Neighborhood Development
Charla Gaskins, Federal Compliance Coordinator, Neighborhood Development
Elizabeth Danley, Homelessness Prevention Coordinator, Neighborhood Development

Attachment



NEIGHBORHOOD DEVELOPMENT

Date: June 11, 2020
TO: Len Lucas, Internal Audit Director
FROM: Charla Gaskins, Federal Compliance Coordinator
SUBJECT: **FY 2019-2020 Internal Audit Review of YWCA**

Neighborhood Development acknowledges the prior response received regarding the late submission of financial documents. YWCA should submit the Management Letter (or statement that no letter was issued) as soon as possible. Neighborhood Development concurs with the information, findings, and recommendations of the Internal Audit FY 2019-2020 review.

Thank you.

CG

Approved by: _____

Cynthia Blue
Neighborhood Development



September 15, 2021

Dr. Pamela Palmer
Interim President and Chief Executive Officer
YWCA, Inc.
1807 E. Wendover Ave.
Greensboro, NC 27405

Re: YWCA Operations Grant – FY 2019-2020

Dear Dr. Palmer:

We are awaiting your response to the finding on our review report for the YWCA Operations Grant dated June 11, 2021, for which a copy of the agency's 2020 Management Letter was requested by June 25, 2021 to satisfy this finding. A copy of our final report letter has been provided for your reference. Your immediate attention to this matter is requested.

Thank you.

Sincerely,

Tina McKoy
Internal Auditor

Len Lucas
Internal Audit Director

Cc: Chris Wilson, Interim City Manager
Larry Davis, Assistant City Manager
Cyndi Blue, Interim Director of Neighborhood Development
Caitlin Bowers, Community Development Analyst, Neighborhood Development
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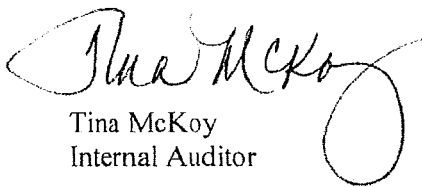
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Tina McKoy
Internal Auditor



Len Lucas
Internal Audit Director

- Cc: Larry Davis, Assistant City Manager
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Dr. Pamela Palmer, Interim President and CEO, YWCA Greensboro



NEIGHBORHOOD DEVELOPMENT

December 10, 2020

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YWCA Greensboro
1807 E. Wendover Avenue
Greensboro, NC 27406

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Sincerely,

Charla Gaskins
Federal Compliance Coordinator

Lamont Taylor
Fiscal Planning and Administration Manager

Attachment

cc: Chris Wilson, Assistant City Manager
Elizabeth Danley, Homeless Prevention Program Coordinator, Neighborhood Development
Caitlin Bowers, Community Development Analyst, Neighborhood Development
Tina McKoy, Internal Auditor, Executive
Denise Manello, Board Chair, YWCA Greensboro

COMPLIANCE MONITORING REVIEW FOR EMERGENCY SHELTER



Subrecipient: YWCA Greensboro

Compliance Period: 2019 - 2021

Funding Source: CDBG

Date of Desk Review: 11/17/20

Reviewer: Charla Gaskins

QUESTIONS	YES	NO	N/A	NOTES
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Bason & Company, P.A.

Certified Public Accountants and Consultants

Rick Bason, CPA
Vickie Reid, CPA

501 West McGee Street
Greensboro, North Carolina 27401
Telephone (336) 273-5649
Fax (336) 379-8004

May 18, 2021

To the Board of Directors
YWCA Greensboro
Greensboro, North Carolina

In planning and performing our audit of the financial statements of YWCA Greensboro as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered YWCA Greensboro's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control that we consider to be significant deficiencies.

This communication is intended solely for the information and use of management, Board of Directors, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Bason & Company, P.A.

Bason & Company, P.A.
Greensboro, North Carolina



The CPA. Never Underestimate The Value.SM

Bason & Company, P.A.

Certified Public Accountants and Consultants

Rick Bason, CPA
Vickie Reid, CPA

501 West McGee Street
Greensboro, North Carolina 27401
Telephone (336) 273-5649
Fax (336) 379-8004

May 18, 2021

To the Board of Directors
YWCA Greensboro
Greensboro, North Carolina

We have audited the financial statements of YWCA Greensboro for the year ended June 30, 2020, and have issued our report thereon dated May 18, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 28, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by YWCA Greensboro are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2020. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The costs of providing its various programs are summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and administrative activities benefited. Management and general expenses have been allocated to programs based on management's estimates of time and resources devoted to each program.



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Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no disclosures identified as sensitive.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. We have attached the *Adjusting Journal Entries* made for the year ended June 30, 2020 which represents the misstatements detected as a result of audit procedures and corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 18, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's

YWCA Greensboro

Page 3

auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of YWCA Greensboro's Board of Directors and the management of YWCA Greensboro and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Bason & Company, P. A.

Bason & Company, P.A.
Greensboro, North Carolina



September 16, 2021

Dr. Pamela Palmer
Interim President and CEO
YWCA of Greensboro, Inc.
1807 Wendover Ave. E
Greensboro, NC 27405

Re: YWCA Operations Grant – FY 2019-2020

Dear Dr. Palmer:

Thank you for submitting the agency's 2020 Management Letter in response to the finding in our final review letter dated June 11, 2021. There are no further responses required regarding this matter.

It is a pleasure working with you.

Sincerely,



Tina McKoy
Internal Auditor



Len Lucas
Internal Audit Director

Cc: Chris Wilson, Interim City Manager
Larry Davis, Assistant City Manager
Michelle Kennedy, Director of Neighborhood Development
Cyndi Blue, Manager of Housing Services, Neighborhood Development
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