



DATE: January 22, 2024
TO: Larry Davis, Assistant City Manager
FROM: Internal Audit Division
SUBJECT: Piedmont Business Capital Compliance Review
(No Response Required)

The Internal Audit Division has completed our compliance review of Piedmont Business Capital. Attached you will find our review report; the agency response and our replies to their responses. We feel that our concerns have been sufficiently addressed 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, Deputy City Manager
Jon Decker, Director of Budget & Evaluation
Marshall Yandle, Economic Development & Business Support Manager
Michael McKinney, Executive Director of Piedmont Business Capital



DATE: August 22, 2023
TO: Marshall Yandle, Economic Development and Business Support Manager
FROM: Internal Audit Division
SUBJECT: Piedmont Business Capital
(Written Response Required by September 5, 2023)

The Internal Audit Division has completed our compliance review of Piedmont Business Capital (PBC) (formerly known as Greensboro Community Development Fund) on August 16, 2023 which executed an agreement with the City of Greensboro in the amount of \$400,000.

This agreement is designed to assist PBC in providing debt financing (including subordinated debt) to small businesses in Greensboro. This agreement also assists PBC with Operational Costs in the organization. These two (2) allocations are \$280,000 and \$120,000 respectively.

We tested documentation maintained by the entity for the 2022-2023 fiscal year. These transactions tested by us were selected from the records provided to us without limitation such as: promissory notes; business plans and board of directors meeting minutes who approves all loans provided by PBC. These loans range from \$5,000 to \$25,000 for Small Business Loans; and \$10,000 to \$50,000 for Contract Loans. The External Audit, 990-Tax Return and any Management Letters issued for the year ended December 31, 2022 were due to us on June 30, 2023 and have not been received. We require a written response by September 5, 2023.

We would like to thank Mr. Michael McKinney, Executive Director; and Mrs. Robyn Farrington, Executive Administrator of PBC for their courtesy and cooperation shown to us during this visit. If there are any questions or comments concerning the details of this visit, we can be reached at 373-2823.

Len Lucas
Internal Audit Director

Cc: Chris Wilson, Deputy City Manager
Larry Davis, Assistant City Manager
Michael McKinney, Executive Director of Piedmont Business Capital
Robyn Farrington, Executive Administrator of Piedmont Business Capital

Lucas, Len

From: Michael McKinney <michael@piedmontbusinesscapital.org>
Sent: Tuesday, January 16, 2024 4:08 PM
To: Yandle, Marshall; Delahanty, Reggie; Lucas, Len
Subject: FW: Piedmont Business Capital Final Audit Report 2022
Attachments: 2. Financial statements and Gov Reporting.pdf; Final Package 2022 Piedmont Business Capital.pdf

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Good afternoon, gentlemen, and Happy New Year!

I hope you are doing well. First, thank you all for your patience and understanding as we worked to get caught up on all our reporting and filings. With that being said, I forwarded to you a couple of months ago the 2022 PBC 990 and now I am attaching the 2022 third party audit. Again, I am sorry that it took so long. We are on the right track now. Also, it is our intention to get on the council's agenda for the first meeting in February to provide updates and progress. We are so appreciative of our partnership with the City of Greensboro and enjoy our working relationship with each of you. Please do not hesitate to contact me if you have any questions.

With every good wish,
Michael



Michael McKinney, MA, NPM.
Executive Director, Piedmont Business Capital

336-256-9358 | www.piedmontbusinesscapital.org

michael@piedmontbusinesscapital.org

1451 S. Elm-Eugene Street, Suite 2125, Greensboro, NC 27406





DATE: January 18, 2024
TO: Michael McKinney, Executive Director of Piedmont Business Capital
FROM: Internal Audit Division
SUBJECT: Piedmont Business Capital Review Response

The Internal Audit Division has reviewed your response to the Piedmont Business Capital Review and we have received the IRS-990 on November 9, 2023; the External Audit and Management Letters on January 16, 2024 which were the last outstanding items. We find the response sufficient and no further action is required.

We would like to thank Piedmont Business Capital for their assistance and cooperation during this review. If there are any questions concerning the details of this review, please call us at (336) 373-2823.

Len Lucas
Internal Audit Director

Cc: Chris Wilson, Deputy City Manager
Larry Davis, Assistant City Manager
Marshall Yandle, Economic Development & Business Support Manager
Robyn Farrington, Executive Administrator of Piedmont Business Capital