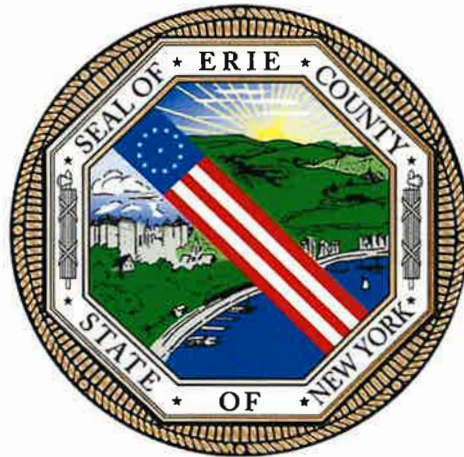


August 2025

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**Erie County Cultural Funding Grant
Monitoring Program
Buffalo Center for Arts and Technology
January 1, 2020 through December 31, 2022**



**HON. KEVIN R. HARDWICK
ERIE COUNTY COMPTROLLER**

**HON. KEVIN R. HARDWICK
ERIE COUNTY COMPTROLLER'S OFFICE
DIVISION OF AUDIT & CONTROL
95 FRANKLIN STREET
BUFFALO, NEW YORK 14202**



August 22, 2025

Erie County Legislature
92 Franklin Street, Fourth Floor
Buffalo, New York 14202

Dear Honorable Members:

In 2023, the Erie County Comptroller's Office, Division of Audit & Control initiated a regular Monitoring Program of Erie County Cultural Funding Grants. The Erie County Cultural Funding program provides annual grants to non-profit arts and cultural organizations operating within the County. County funds are intended to be limited in their use to current operating expenses including salaries, program costs, fringe benefits, rents, utilities, office supplies, and equipment. Grant funds may not be used for or applied towards capital projects or physical improvements of buildings or facilities, nor as a revenue offset against accounts receivable. No funds received shall be used for any services provided or activities performed outside Erie County. The County's Department of Environment and Planning executes contracts with organizations and is the primary agency charged with monitoring.

Objective

The objective of the Cultural Funding Monitoring Program is to verify that the recipients have utilized County funds according to the terms and conditions associated with the Erie County Cultural Funding grant process and the recipient's contract with the County. In order to verify the proper use of the grant award, a number of agencies were selected in order to review their expenses and financial records.

Scope and Methodology

Approximately 120 different organizations receive funding annually from Erie County. The Comptroller's Cultural Funding Grant Monitoring Program is intended to review organizations that received a minimum of \$5,000 in funding during any of the three prior years. Approximately 80 agencies were identified as receiving \$5,000 or more in grant funding. The list of recipient organizations was split into two groups of approximately 40 agencies. The first batch of letters announcing the commencement of a review was sent to the selected non-profit organizations during mid-February 2023, with a second batch scheduled to be sent in early October 2023. The review of all agencies is expected to be completed by December 31, 2025.

2023 Program

During the interview phase, the Auditor identifies use of funding to narrow down the expenses to be verified. If an organization fails to respond to the Auditor's request for records, they will be deemed non-responsive. If an organization refuses to provide some or all requested documentation, it will be deemed non-compliant. Either designation will be reported to the Department of Environment and Planning. A table of agencies which meet the criteria for review along with the amount of grant awards can be found on the following page.

Monitoring Program – Phase I

ACT #	APPROPRIATION	VENDOR NUMBER	TAX YEAR 2020	TAX YEAR 2021	TAX YEAR 2022
517123	Enlightenment Literary Arts Center & Dog Ears Bookstore	152181	\$ 28,600.00	\$ 36,600.00	\$ 35,000.00
518004	African American Cultural Center	112604	\$ 275,430.00	\$ 311,950.00	\$ 200,000.00
518012	Alleyway Theatre	109240	\$ 8,500.00	\$ 8,500.00	\$ 11,000.00
518016	American Legion Band of	100379	\$ 7,500.00	\$ 7,500.00	\$ 45,000.00
518017	Amherst Symphony Orchestra	100473	\$ 32,500.00	\$ 26,750.00	\$ 28,740.00
518019	Arts Services Initiative of WNY Inc	147159	\$ 26,050.00	\$ 26,050.00	\$ 30,000.00
518023	Ballet Artists Of WNY (Neglig)	100794	\$ 24,000.00	\$ 24,000.00	\$ 30,000.00
518040	Buffalo Arts Studio (Arts Studio of Western New York, Inc)	101244	\$ 38,000.00	\$ 45,500.00	\$ 33,900.00
518044	Buffalo Inner City Ballet Co. Inc.	108337	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00
518050	Buffalo Music Hall of Fame	131342	\$ 4,500.00		\$ 5,500.00
518051	Buffalo Heritage Carousel	167820	\$ 30,000.00	\$ 30,000.00	\$ 35,000.00
518054	Colored Musicians Club	130377	\$ 5,000.00		\$ 12,500.00
518059	El Museo Gallery	101935	\$ 12,583.00	\$ 8,583.00	\$ 11,000.00
518104	Graycliff Conservancy	103197	\$ 59,200.00	\$ 59,200.00	\$ 60,000.00
518113	Hull House Foundation	142473	\$ 15,375.00	\$ 5,375.00	\$ 7,500.00
518119	Jewish Community Center Cultural	111239	\$ 13,500.00	\$ 8,750.00	\$ 15,500.00
518120	Jewish Ctr. of Greater Buff.	108377	\$ 78,100.00	\$ 78,100.00	\$ 83,500.00
518132	Just Buffalo Literacy Center	109985	\$ 29,250.00	\$ 25,250.00	\$ 28,500.00
518136	Locus St Neighborhood Art Classes	104661	\$ 175,500.00	\$ 175,500.00	\$ 190,000.00
518139	Martin House Restoration	139615	\$ 48,000.00	\$ 48,000.00	\$ 39,000.00
518146	Music is Art	106132	\$ 7,000.00	\$ 7,000.00	\$ 3,800.00
518147	Polish Arts Club Of Buffalo Inc	147509	\$ 4,615.00	\$ 4,615.00	\$ 6,000.00
518160	Preservation Buffalo Niagara	113301	\$ 30,505.00	\$ 30,505.00	\$ 36,000.00
518164	Squeaky Wheel	101268	\$ 20,920.00	\$ 20,920.00	\$ 27,000.00
518172	Theodore Roosevelt Inaugural Site	106552	\$ 32,320.00	\$ 32,320.00	\$ 37,000.00
518176	Ujima Company	101047	\$ 83,000.00	\$ 83,000.00	\$ 57,714.00
518180	Western New York Artists Group	108395	\$ 6,275.00	\$ 6,275.00	\$ 7,500.00
518181	WNY Book Arts Collaborative, Inc	135959	\$ 4,640.00	\$ 4,640.00	\$ 6,000.00
518184	Young Audiences Of WNY	109818	\$ 10,300.00	\$ 10,300.00	\$ 14,300.00
518196	Buffalo Niagara Heritage Village	151996	\$ 18,500.00	\$ 18,500.00	\$ 24,500.00
518200	Michigan St African Amer Heritage	152575	\$ 15,000.00	\$ 15,000.00	\$ 32,500.00
518201	General Pulaski Association	103060	\$ 10,000.00	\$ 11,000.00	\$ 12,500.00
518204	Brighton Place, Inc	156104	\$ 10,000.00	\$ 16,000.00	\$ 20,000.00
518211	Hispanic Heritage Council of WNY	159305	\$ 12,000.00	\$ 10,000.00	\$ 24,500.00
518214	Black Rock Historical Society (Black Rock Riverside Alliance)	170369	\$ 22,500.00	\$ 7,500.00	\$ 10,000.00
518233	Centro Culturale Italiano di Buffalo	167500	\$ 25,000.00	\$ 20,000.00	\$ 15,000.00
518549	South Buffalo Irish Feis/Can You Dig	112641	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
518596	Not Positive DBA The Foundry	168805	\$ 5,000.00		\$ 5,000.00

Monitoring Program – Phase II

ACT #	APPROPRIATION	VENDOR NUMBER	TAX YEAR 2020	TAX YEAR 2021	TAX YEAR 2022
517533	Buffalo Olmsted Parks Conservancy	140231	\$ 25,910.00	\$ 25,910.00	\$ 35,000.00
518008	Alongside Knox Art Gallery	168707	\$ 575,000.00	\$ 575,000.00	\$ 675,000.00
518009	Alongside Knox Public Art Center	147228	\$ 48,250.00	\$ 58,250.00	\$ 35,000.00
518235	Assembly House 150, Inc	167747	\$ 1,000.00	\$ 1,000.00	\$ 6,500.00
518034	Buffalo & Erie County Botanical Garden	108743	\$ 102,000.00	\$ 125,000.00	\$ 130,000.00
518036	Buffalo & Erie Co Historical Society	108772	\$ 417,000.00	\$ 667,000.00	\$ 417,000.00
518052	Buffalo & Erie County Naval & Servicemans Park	109339	\$ 35,000.00	\$ 35,000.00	\$ 50,000.00
518060	Buffalo Philharmonic Orch Society	101032	\$ 926,000.00	\$ 926,000.00	\$ 940,000.00
518061	Buffalo Philharmonic Chorus	109795	\$ 34,500.00	\$ 34,500.00	\$ 35,000.00
518064	Buffalo Society Natural Sciences	109767	\$ 955,000.00	\$ 955,000.00	\$ 955,000.00
518065	Buffalo String Works, Inc	167853	\$ 3,500.00	\$ 3,500.00	\$ 3,353.00
518068	Butchfield Penney Art Center	101004	\$ 153,000.00	\$ 155,000.00	\$ 160,000.00
518072	Center for Exploratory and Perceptu	109934	\$ 55,000.00	\$ 55,000.00	\$ 63,000.00
518082	Danceability	156639	\$ 2,900.00	\$ 5,500.00	\$ 3,000.00
518091	Explore & More Children's Museum	102754	\$ 42,000.00	\$ 42,000.00	\$ 78,000.00
518108	Hallwalls Contemporary Arts Center	108598	\$ 57,000.00	\$ 57,000.00	\$ 60,000.00
518112	Hamburg Nat Hist Society/Penn-Dixie	103281	\$ 98,114.00	\$ 96,114.00	\$ 36,314.00
518116	Irish Classical Theatre Company	103727	\$ 83,500.00	\$ 89,500.00	\$ 93,500.00
518128	Lancaster Opera House	109341	\$ 11,750.00		\$ 9,500.00
518140	Musicalfare Theatre	111683	\$ 45,300.00	\$ 30,300.00	\$ 35,000.00
518141	New Phoenix Theatre	105301	\$ 61,525.00	\$ 61,525.00	\$ 66,000.00
518144	Road Less Traveled Productions	109342	\$ 7,500.00	\$ 7,500.00	\$ -
518145	Road Less Traveled Productions	121043	\$ 68,500.00	\$ 68,500.00	\$ 67,000.00
518152	Roycroft Campus Corporation	118213	\$ 50,000.00	\$ 40,000.00	\$ 50,000.00
518154	Shakespeare In The Park	109675	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00
518158	Theatre Of Youth	109888	\$ 69,400.00	\$ 69,400.00	\$ 74,000.00
518173	Torn Space Theatre	141673	\$ 20,440.00	\$ 15,440.00	\$ 29,500.00
518188	Zoological Society Of Buffalo	108623	\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,700,000.00
518195	Orchard Park Symphony Orchestra	147747	\$ 4,615.00	\$ 4,615.00	\$ 8,000.00
518202	Buffalo Opera Unlimited Incorporated	155973	\$ 2,300.00	\$ 2,300.00	\$ 10,000.00
518203	Buffalo Toronto Public Media (WNED/WBFO)	107909	\$ 3,710.00		\$ 5,000.00
518205	Cheektowaga Comm Symphony Orchestra	109177	\$ -	\$ 7,500.00	\$ -
518207	Newstead Historical Society	105514	\$ 5,500.00	\$ 3,500.00	\$ 5,000.00
518213	O'Connell & Company Productions	159162	\$ 23,100.00	\$ 23,100.00	\$ 31,500.00
518217	Amherst Male Glee Club dba Red Blazer Men's Chorus	162045	\$ 3,000.00	\$ 3,000.00	\$ 6,000.00
518221	Buffalo Center for Arts and Technology	152207	\$ 3,000.00	\$ 3,000.00	\$ 7,500.00
518226	Cheektowaga Historical Association	161121	\$ 3,250.00	\$ 8,250.00	\$ 4,100.00
518229	Second Generation Theatre Company	164957	\$ 2,020.00	\$ 2,020.00	\$ 5,000.00
518230	Steel Plant Museum of Western New York	147740	\$ 2,020.00	\$ 2,020.00	\$ 5,000.00
518503	Alden Christian Theater Society	114358	\$ 10,000.00		\$ 3,000.00
518514	Clarence Concert Association	101711	\$ 3,500.00		\$ 5,000.00
518515	Clarence Museum (Historical Soc. of the Town of Clarence)	113057	\$ 5,500.00		\$ 6,000.00

BEST PRACTICES

Over the course of the Monitoring Program, the Division of Audit found a number of problematic practices and questionable expense categories on a recurring basis. In order to address issues pertaining to a large number of organizations, certain generally applicable best practices and recommendations are included here.

Alcohol

Several organizations used or appeared to use CGF funds to obtain alcohol. While the Division of Audit does not recommend that CGF awards be made contingent on the absence of alcohol from events hosted by the organization, alcohol should not be purchased with CGF funds. The Division of Audit found dozens of alcohol purchases that appeared to be personal in nature and several more which likely violated NYS Alcoholic Beverage Control Laws. Furthermore, the NYS Comptroller has long held that alcohol is not a "lawful county charge", meaning that government officials and employees may not use taxpayer funds to purchase alcohol. The Division of Audit sees no reason that organizations receiving taxpayer funds should be treated differently.

Debit Cards

Credit cards, particularly with smaller organizations, can provide a critical layer of expense control. The Division of Audit found a large quantity of small-dollar expenses appearing personal in nature. If a debit card is used, the money is gone by the time statements are typically reviewed, while a credit card bill often needs to be paid and approved by the organization's board of directors.

Alternate Funding Sources and Segregation of Accounts

Organizations may have several sources of governmental or philanthropic funding. One way to ensure that CGF funds go farthest is to tailor awards to the needs of the organization. Such an assessment would require applicants to provide certain financial documents covering prior years and a disclosure of current year funding applications.

Furthermore, accounts received from Erie County should not be comingled with the other funds of the organization. Having source information upfront and requiring the segregation of accounts substantially decreases the likelihood of wasted CGF funds.

BUFFALO CENTER FOR ART AND TECHNOLOGY

BACKGROUND

Buffalo Arts and Technology Center, Inc. (BCAT) is a 501(c)(3) non-profit organization founded in 2013 with the mission of addressing barriers to employment caused by poverty, trauma, and educational disparities. BCAT aims to create career opportunities through programs in technology, the arts, and workforce development.

BCAT received \$3,000 in Cultural Grant Funding (CGF) for each of the years 2020 and 2021 and was awarded \$7,500 in 2022. In addition to these funds, BCAT received payments from the County's Department of Social Services - Youth Services for programming outside the scope of this review.

AUDITOR'S OBSERVATIONS

BCAT was established to break the cycle of generational poverty by offering wraparound services that help participants complete workforce training programs. These programs are provided at no cost and include adult workforce training as well as after-school arts education for underserved populations. Adult participants receive career counseling, mentoring, employment certifications, and training in healthcare and IT fields. High school students engage in project-based arts and technology programs along with college readiness support.

BCAT's training programs prepare students to become IT Support Professionals, Pharmacy Technicians, Medical Assistants, Phlebotomists, and Landscaping Technicians. Most courses are held four days per week and last between three to six months. After program completion, BCAT supports job placement efforts by offering resume assistance, interview preparation, and connections to local employers. Youth-focused programming includes courses in 3D printing, digital media, fine arts, music production, and public/mural art training.

During the years under review, grants along with direct contributions and donations accounted for at least 95% of BCAT's total revenue, primarily from philanthropic and corporate sources. The organization also received additional revenue from other unspecified sources, with fundraising representing a minor portion of the income. BCAT does not charge tuition, so it generates no program-related revenue.

The COVID-19 pandemic disrupted operations, prompting a shift from in-person to virtual learning for several months, followed by a hybrid instruction model. While technology-related programming continued, performing arts programs were suspended due to social distancing requirements. Some staff were furloughed, and others worked remotely. BCAT received federal COVID-19 relief through the Paycheck Protection Program (PPP) and the Employee Retention Credit.

Primary expenses included salaries, employee compensation, benefits, and payroll-related costs. Per the contract with Erie County, CGF funds were eligible to be used to offset the costs of salaries, programming, and supplies.

AUDITOR'S CONCLUSIONS

During the grant monitoring review, BCAT provided documentation to support its use of CGF funds, including IRS Forms 990, payroll records, information returns, bank and credit card statements, and other financial records. For each year under review, CGF funds were designated for salaries and wages, programming, and supply expenses. Based on the documentation provided, the Auditor verified that total expenses incurred by the organization exceeded the amount of CGF awarded by the County in each of the years reviewed.

In reviewing the organization's tax returns, the Auditor determined that executive compensation decreased by 3.5% from 2020 to 2022, well below the national average of a 3%-5% increase annually. While executive compensation was identified as slightly higher than other local organizations, it is indicated in the organization's federal return that the compensation package was established during the time of hiring by the officers of the Board.

During the course of the review, the Auditor identified a series of payments made out to members of the finance staff for program incentives. Based on the organization's fiscal policy, in order to pay program incentives to the participating students, a check is written for the full amount to a staff member who will subsequently cash the check and distribute payments. The organization indicated that a completed form W9 is also required from program participants prior to the disbursement of stipend payment. Although practices and procedures are outlined in the organization's Fiscal Policies, the Auditor recommends that stipends be issued directly to participants, as this provides a clearer audit trail, improves accountability, reduces the risk of error, and provides for a more direct method of record keeping.

The Board of Directors for BCAT currently consists of 16 members. The organization affirmed that the Board is actively involved in the internal control processes, which was supported by information found in the Board meeting minutes. Internal policies, compensation packages, and conflicts of interest are reviewed and acted upon by the Board. The Board's Audit Committee reviews the draft IRS Form 990 and submits it to the full Board, which then approves or amends the form prior to filing. Board members are required to complete individual conflict of interest disclosures annually. When conflicts arise, members must document them and recuse themselves from any related votes. Executive compensation is reviewed and approved annually by the Board.

At the close of the review, the Auditor confirmed that BCAT met its filing requirements for IRS Form 990 and New York State CHAR500 for fiscal years 2020 through 2022 as well as other related federal and state obligations.