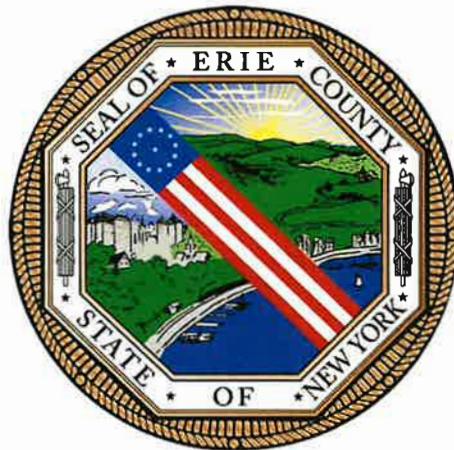


December 2025

Erie County Cultural Funding Grant Monitoring Program
African American Cultural Center
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**



December 19, 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, and a second batch was sent in early October 2023. The review of all agencies is expected to be completed by December 31, 2025.

2023 – 2024 Program

During the interview phase, the Auditor identifies use of funding to narrow down the expenses to be verified. 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 2019	TAX YEAR 2020	TAX YEAR 2021	TAX YEAR 2022
Entertainment Literary Arts Center & Dreyer Books Store						
517125	Dreyer Books Store	151183	\$ 18,000.00	\$ 36,600.00	\$ 55,000.00	
518003	African American Cultural Center	112620	\$ 275,450.00	\$ 311,950.00	\$ 200,000.00	
518012	Alleyway Theatre	106340	\$ 8,500.00	\$ 6,500.00	\$ 11,000.00	
518016	American Legion Band of	100379	\$ 7,500.00	\$ 7,500.00	\$ 15,000.00	
518017	Amness Symphony Orchestra	100475	\$ 32,500.00	\$ 26,750.00	\$ 26,740.00	
518019	Arts Services Initiative of WNY Inc.	147159	\$ 26,050.00	\$ 26,050.00	\$ 30,000.00	
518028	Ballet Artists Of WNY Inc.	100794	\$ 24,000.00	\$ 25,500.00	\$ 36,000.00	
518040	Buffalo Arts Studio (Art Studio of Western New York, Inc.)	101744	\$ 28,000.00	\$ 45,500.00	\$ 55,000.00	
518044	Buffalo Inner City Ballet Co. Inc.	105597	\$ 27,000.00	\$ 21,000.00	\$ 21,000.00	
518050	Buffalo Music Hall of Fame	113142	\$ 4,500.00	\$ -	\$ 5,500.00	
518051	Buffalo Heritage Carousel	167825	\$ 20,000.00	\$ 30,000.00	\$ 35,000.00	
518074	Colonel Mustard Club	130377	\$ 5,000.00	\$ -	\$ 17,500.00	
518084	El Museo Gallery	105830	\$ 12,365.00	\$ 8,825.00	\$ 11,000.00	
518094	Graycliff Conservancy	105197	\$ 59,200.00	\$ 59,200.00	\$ 60,000.00	
518113	Hull House Foundation	143474	\$ 15,375.00	\$ 5,375.00	\$ 7,500.00	
Jewish Community Center Cultural						
518119	Jewish Ctr of Greater Buff	111289	\$ 13,500.00	\$ 8,750.00	\$ 13,500.00	
518120	Just Buffalo Literary Center	105577	\$ 78,100.00	\$ 78,100.00	\$ 88,520.00	
518332	Louise St Neighborhood Art Classes	109895	\$ 29,250.00	\$ 25,250.00	\$ 26,500.00	
518116	Martin House Restoration	104883	\$ 175,500.00	\$ 175,500.00	\$ 190,000.00	
518239	MusicMilk Art	135615	\$ 48,000.00	\$ 48,000.00	\$ 59,000.00	
518256	Palmer Acad Club Et Buffalo Inc	106112	\$ 7,040.00	\$ 7,040.00	\$ 3,000.00	
518147	Preservation Buffalo Niagara	147509	\$ 4,615.00	\$ 4,615.00	\$ 6,000.00	
518160	Springville Center for The Arts	111308	\$ 20,515.00	\$ 20,505.00	\$ 36,000.00	
518164	Squeaky Wheel	101268	\$ 20,920.00	\$ 20,920.00	\$ 27,000.00	
518172	Theodore Roosevelt Inaugural Site	105552	\$ 32,120.00	\$ 32,120.00	\$ 37,000.00	
518176	Ujima Company	101047	\$ 83,000.00	\$ 83,000.00	\$ 57,714.00	
518181	Western New York Artists Group	104295	\$ 8,275.00	\$ 8,275.00	\$ 7,500.00	
518188	WNY Book Arts Collaborative, Inc	131958	\$ 4,640.00	\$ 4,640.00	\$ 6,000.00	
518184	Young Audiences Of WNY	105812	\$ 10,500.00	\$ 10,500.00	\$ 14,000.00	
518195	Buffalo Niagara Heritage Village	151998	\$ 18,500.00	\$ 18,500.00	\$ 24,500.00	
518200	Michigan St African Amer Heritage	162278	\$ 15,000.00	\$ 15,000.00	\$ 32,250.00	
518201	General Pulaski Association	101060	\$ 10,000.00	\$ 11,000.00	\$ 12,500.00	
518204	Righter Place, Inc.	156154	\$ 10,000.00	\$ 16,000.00	\$ 26,000.00	
518211	Hispanic Heritage Council of WNY	159205	\$ 12,000.00	\$ 20,000.00	\$ 24,500.00	
518216	Black Rock National Society/Black Rock Interdenominational Alliance	173369	\$ 22,500.00	\$ 7,500.00	\$ 10,000.00	
518253	Centro Cultural Italiano di Buffalo	167500	\$ 15,000.00	\$ 20,000.00	\$ 15,000.00	
518542	South Buffalo Irish Fest/Can You Dig	112041	\$ 18,000.00	\$ 15,000.00	\$ 15,000.00	
518566	Net Positive DBA The Foundry	168905	\$ 5,000.00	\$ -	\$ 5,000.00	

Monitoring Program – Phase II

ACT #	APPROPRIATION	VENDOR NUMBER	TAX YEAR 2020	TAX YEAR 2021	TAX YEAR 2022
Entertainment Literary Arts Center & Dreyer Books Store					
517533	Buffalo Olmsted Parks Conservancy	140237	\$ 25,910.00	\$ 25,910.00	\$ 31,000.00
518008	Albright-Knox Art Gallery	106707	\$ 575,000.00	\$ 575,000.00	\$ 675,000.00
518009	Albright-Knox Public Art Curator	147223	\$ 48,250.00	\$ 68,250.00	\$ -
518015	Assembly House 150, Inc	157747	\$ 1,000.00	\$ 1,000.00	\$ 6,500.00
518034	Buffalo & Erie County Botanical Garden	108741	\$ 101,000.00	\$ 125,000.00	\$ 150,000.00
518036	Buffalo & Erie Co Historical Society	106772	\$ 417,000.00	\$ 667,000.00	\$ 417,000.00
518045	Buffalo & Erie County Naval & Servicemen's Park	105319	\$ 33,000.00	\$ 35,000.00	\$ 30,000.00
518069	Buffalo Philharmonic Orchestra	101032	\$ 926,000.00	\$ 940,000.00	
518071	Buffalo Philharmonic Chorus	109795	\$ 34,500.00	\$ 34,500.00	\$ 33,000.00
518064	Buffalo Society Natural Sciences	109767	\$ 955,000.00	\$ 955,000.00	\$ 955,000.00
518045	Buffalo String Works, Inc.	107333	\$ 3,500.00	\$ 3,500.00	\$ 3,355.00
518048	Burchfield Penney Art Center	101094	\$ 155,000.00	\$ 155,000.00	\$ 160,000.00
518072	Center for Exploratory and Perpetual Danceability	106931	\$ 55,000.00	\$ 55,000.00	\$ 63,000.00
518082	Explore & More Children's Museum	156639	\$ 2,500.00	\$ 5,500.00	\$ 3,000.00
518108	Frontwallz Contemporary Arts Center	102758	\$ 42,000.00	\$ 42,000.00	\$ 78,000.00
518111	Frontwallz Contemporary Arts Center	106599	\$ 57,000.00	\$ 57,000.00	\$ 69,000.00
518116	Irish National Society/Penn-Dive	101282	\$ 98,314.00	\$ 98,314.00	\$ 98,314.00
518116	Irish Classical Theatre Company	100727	\$ 83,500.00	\$ 83,500.00	\$ 93,500.00
518124	O Youville College Ravivino Theater	105341	\$ 11,750.00	\$ -	\$ 9,500.00
518128	Lancaster Opera House	111681	\$ 45,200.00	\$ 30,300.00	\$ 35,000.00
518131	MusicalCare Theatre	105304	\$ 61,525.00	\$ 61,525.00	\$ 66,000.00
518141	New Phoenix Theatre	109342	\$ 7,500.00	\$ 7,500.00	\$ -
518144	Road Less Traveled Productions	121041	\$ 63,300.00	\$ 53,500.00	\$ 67,000.00
518152	Rocoffly Campus Corporation	118213	\$ 50,000.00	\$ 40,000.00	\$ 50,000.00
518153	Shakespeare in The Park	105675	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00
518166	Theatre Of You	109688	\$ 69,400.00	\$ 69,400.00	\$ 74,000.00
518173	Torn Space Theatre	135673	\$ 20,460.00	\$ 15,250.00	\$ 19,500.00
518188	Zoological Society Of Buffalo	106613	\$ 3,500,000.00	\$ 3,500,000.00	\$ 1,700,000.00
518191	Orchard Park Symphony Orchestra	147747	\$ 4,615.00	\$ 4,615.00	\$ 6,000.00
518202	Buffalo Opera Unlimited Incorporated	135573	\$ 2,300.00	\$ 2,300.00	\$ 10,000.00
518207	Buffalo-Toronto Public Media WNYD/WFED	172900	\$ 2,750.00	\$ -	\$ 3,000.00
518209	Cheektowaga Community Symphony Orchestra	109191	\$ -	\$ 7,500.00	\$ 7,500.00
518210	Frontwallz Contemporary Arts Center	105311	\$ 5,500.00	\$ 3,500.00	\$ 3,000.00
518213	Frontwallz Contemporary Arts Center	109162	\$ 23,100.00	\$ 23,100.00	\$ 31,500.00
Arts & Crafts/Giant Crafters Red Bazaar					
518215	Men's Club	162245	\$ 3,000.00	\$ 3,000.00	\$ 6,000.00
518221	Buffalo Center for Arts and Technology	152207	\$ 3,000.00	\$ 1,000.00	\$ 7,500.00
518224	Chemungago Historical Association	143121	\$ 3,350.00	\$ 6,250.00	\$ 6,100.00
518229	Second Generation Theatre Company	164657	\$ 2,020.00	\$ 2,020.00	\$ 5,000.00
518330	Street Plant Museum of Western New York	147749	\$ 2,020.00	\$ 2,020.00	\$ 3,000.00
518503	Allen Christian Theater Society	114358	\$ 10,000.00	\$ -	\$ 3,000.00
518514	Clarence Concert Association	101712	\$ 5,500.00	\$ -	\$ 3,000.00
518515	Town of Clarence	113067	\$ 5,500.00	\$ -	\$ 8,000.00

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.

AFRICAN AMERICAN CULTURAL CENTER

BACKGROUND

The African American Cultural Center (AACC), a 501(c)(3) non-profit organization established in 1958, is committed to fostering an appreciation for African and African American heritage. Its mission is to preserve and advance the history, art, and culture of the African Diaspora, serving as a hub for cultural exchange where communities engage, collaborate, and grow.

AACC has received Cultural Grant Funding (CGF) from Erie County in the following amounts:

- \$275,450 in 2020 (including \$90,000 above the executive recommendation)
- \$311,950 in 2021 (including \$126,500 above the executive recommendation)
- \$200,000 in 2022

AUDITOR'S OBSERVATIONS

AACC is a multifaceted educational and cultural institution that has had a transformative impact on the region. Its primary programmatic component is the Dance and Drums Performance Company. Additionally, AACC offers a multidisciplinary After-School Enrichment Program, the Jumpin' Jambalaya Summer Program, operates the Paul Robeson Theatre, and organizes the annual Pine Grill Jazz Reunion.

For the years under review, grants, along with contributions, and donations constitute the organization's primary source of revenue. Based on data from the organization's tax return, income generated from programming activities and events represents the second-largest revenue stream. The organization also generates additional revenue through other miscellaneous activities and events.

The COVID-19 pandemic led to the temporary closure of AACC and the suspension of all in-person programming and events. However, AACC adapted by offering virtual theatre productions and a virtual Pine Grill Jazz Reunion. Additionally, the Dance and Drums Performance Company performed outdoors during the Juneteenth celebration. Details regarding the impact of the pandemic on staff were not available during the grant review process. AACC also received economic relief through the federal Paycheck Protection Program (PPP).

Information from the organization's federal tax return indicates that major expenses include salaries and wages, accounting fees, office expenses, occupancy costs, and other miscellaneous expenditures. Based on information provided by AACC, County Cultural Grant Funds were allocated to support the Kakilambe Dance and Drum Company, the Paul Robeson Theatre, and educational enrichment programs, both in the summer and after school.

AUDITOR'S CONCLUSIONS

During the grant monitoring review, the Auditor was not provided with the required financial and administrative documentation for any of the years under review, other than Form 990. The organization was unable to provide the Auditor with essential documents, including bank statements, credit card statements, payroll documentation, information return documents, accounting records, or financial statements. AACC's leadership stated that these records were inaccessible due to inadequate record-keeping practices and alleged pilfering by former staff and Board members. As a result, the Auditor could not verify the accuracy, completeness, or allowability of the information reported to federal, state, and local entities. Furthermore, AACC was found to be non-compliant with both the grant review process and the Cultural Service Contract.

The Auditor identified significant internal control deficiencies related to procurement, reimbursements, operations, and overall financial management of AACC during the review period. Key findings include:

- Lack of a formal procurement policy: Reimbursements were processed without independent review or approval.
- Inadequate segregation of duties: The same individuals were responsible for collections, preparing deposits, processing reimbursements, and posting entries to the general ledger.
- Absence of checks and balances: The Executive Director and/or Board Chair reviewed, approved, and submitted invoices, eliminating critical oversight functions.

During the review period, the Auditor observed Board members engaging in operational tasks, including website management, reception duties, clerical work, and administrative support responsibilities typically outside the scope of proper board governance. This involvement suggests underlying organizational weaknesses.

Moreover, the Auditor identified multiple bank accounts and financial platforms with access restricted to a limited number of individuals, which hindered oversight and accountability. Limited board documentation revealed practices related to cash deposits, management of funds for pass-through entities, legal disputes, and potential embezzlement that raise concerns about the integrity of AACC's financial management.

The Auditor also discovered that funding requests made by AACC did not comply with the guidelines established in the cultural grant application. According to the Erie County Department of Environment and Planning, CGF requests should not exceed 20% of an organization's most recently completed fiscal year operating expenses. The Auditor found that AACC's CGF requests and awards exceeded the allowable threshold in each year under review.

AACC's reported operating expenses were:

- \$215,623 in 2020
- \$340,591 in 2021
- \$536,150 in 2022

Based on the 20% limitation, the allowable CGF requests would have been:

- \$43,125 in 2020
- \$68,118 in 2021
- \$107,230 in 2022

However, AACC received (these amounts do not include legislative funding)

- \$185,450 in 2020
- \$185,450 in 2021
- \$200,000 in 2022

These amounts substantially exceeded the permitted threshold, resulting in non-compliance with the CGF limitations.

Furthermore, AACC was unable to provide documentation substantiating the use or allocation of the Cultural Grant Funds for the years under review. Current leadership and board members were unaware of the specific amounts awarded or how the funds were utilized. As a result, AACC is also not in compliance with the grant agreement requirements or with generally accepted nonprofit financial accountability standards. The lack of supporting records increases the risk of undetected errors, irregularities, and/or noncompliance.

AACC's current leadership reported that they lack access to the organization's former bank accounts and historical financial records, preventing them from explaining how County funds were received, managed, or expended during the review periods.

During a site visit and interviews with new leadership, the Auditor was informed of circumstances suggesting potential misappropriation of funds under the prior administration. Checks were allegedly issued directly to former board members or staff who exercised financial control at the time. Combined with the lack of segregation of duties, the absence of procurement policies, and missing expenditure documentation, these conditions significantly increase the risk of fraud, waste, or abuse.

Public records indicate that AACC also received funding from the City of Buffalo, New York State arts agencies, and other private and public grant makers. In 2020, total grant revenue exceeded AACC's reported operating expenses. However, due to the absence of transaction-level records, the Auditor could not confirm how these funds were used or whether they complied with donor restrictions.

Additionally, AACC was unable to secure funding from Erie County for the prior and current grant periods due to the untimely filing of federal tax returns. The Auditor advised that timely filing of tax returns is essential for non-profit organizations to maintain tax-exempt status.

The Auditor also determined that AACC was not in compliance with the timely filing of tax returns and information return documentation.

RECOMMENDATIONS

Given the significant overfunding, the lack of substantiated expenditures, and the failure to return surplus funds as required, the Auditor strongly recommends that AACC refund the surplus amount to Erie County as outlined in Section 10 of the grant agreement. The refunded amount should reflect the difference between the funds received and the organization's allowable operating expenses under the contract terms. Based on these terms, AACC would have been entitled to \$218,473; therefore, the overage of \$352,427 should be returned to the County.

Additionally, due to the severity of the internal control deficiencies, the absence of reliable historical financial records, and indications of potential misappropriation of funds under prior leadership, the Auditor further recommends that:

- 1) Erie County refer this matter to local law enforcement for evaluation of potential criminal misconduct; and
- 2) A formal complaint be submitted to the New York State Attorney General's Charities Bureau for review of potential violations of nonprofit governance requirements, fiduciary duties, and regulations governing charitable assets.

These actions are necessary to ensure full accountability for prior conduct, safeguard public funds, and protect the integrity and future operations of the organization.