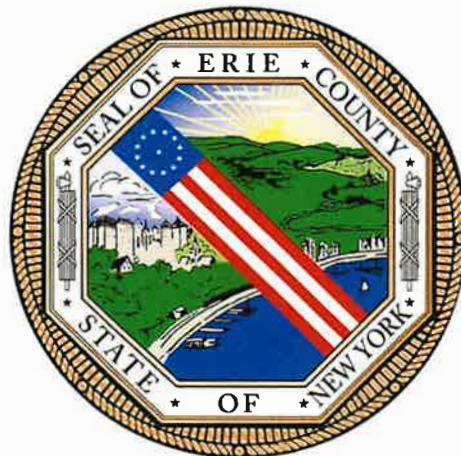


January 2026

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**Erie County Cultural Funding Grant Monitoring Program
Black Rock Historical Society
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**



January 9, 2026

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. 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	VENOR	AMOUNT	TAX YEAR 2009	TAX YEAR 2010	TAX YEAR 2011
517125 Roy Eave Photo Store	111183 \$ 26,600.00	36,600.00	\$ 38,000.00			
518004 African American Cultural Center	112604 \$ 275,450.00	311,950.00	\$ 208,000.00			
518012 Alleyway Theatre	109340 \$ 8,500.00	8,500.00	\$ 11,000.00			
518018 American Legion Band of	100379 \$ 7,500.00	7,500.00	\$ 15,000.00			
518017 Amerika Symphony Orchestra	100475 \$ 25,500.00	25,750.00	\$ 26,740.00			
518019 Arts Services Initiative of WNY Inc	147185 \$ 26,050.00	26,050.00	\$ 30,000.00			
518028 Ballet Artists Of WNY (Negis)	100785 \$ 24,000.00	34,000.00	\$ 10,000.00			
Buffalo Arts Studio (Arts Studio of						
518040 Western New York Arts Council	101244 \$ 38,000.00	45,500.00	\$ 38,000.00			
518041 Buffalo Museum City Center Co Inc	158197 \$ 27,000.00	27,000.00	\$ 27,000.00			
518050 Buffalo Music Hall of Fame	113142 \$ 4,500.00		\$ 5,000.00			
518051 Buffalo Heritage Carousel	161329 \$ 30,000.00	30,000.00	\$ 35,000.00			
518074 Colored Musicians Club	103177 \$ 5,000.00		\$ 12,500.00			
518084 El Museo Galeria	158484 \$ 12,585.00	\$ 5,385.00	\$ 11,000.00			
518104 Graybill Conservancy	1003179 \$ 59,200.00	59,200.00	\$ 60,000.00			
518113 Hull House Foundation	143473 \$ 15,375.00	5,375.00	\$ 7,500.00			
Jewish Community Center Cultural						
518119 (Jewish Ctr of Greater Buff)	111239 \$ 13,500.00	\$ 4,750.00	\$ 13,500.00			
518120 Just Buffalo Literacy Center	100462 \$ 10,000.00	\$ 9,000.00	\$ 10,000.00			
518132 Neighborhood Art Classes	109965 \$ 26,250.00	25,250.00	\$ 26,500.00			
518150 Martin House Restoration	104493 \$ 175,500.00	175,500.00	\$ 190,000.00			
518159 Muftis At	109615 \$ 48,000.00	\$ 44,000.00	\$ 19,000.00			
518164 Polish Arts Club Of Buffalo Inc	106132 \$ 7,000.00	7,000.00	\$ 3,000.00			
518167 Preservation Buffalo Niagara	147594 \$ 4,615.00	4,615.00	\$ 6,000.00			
518169 Springfield Center For The Arts	113360 \$ 30,505.00	20,505.00	\$ 36,000.00			
518170 Squeaky Wheel	101260 \$ 20,920.00	20,920.00	\$ 27,000.00			
518172 Theodore Roosevelt Inaugural Site	106552 \$ 12,320.00	12,320.00	\$ 17,000.00			
518176 Ujima Company	100147 \$ 83,000.00	\$ 48,000.00	\$ 57,710.00			
518179 Western New York Artists Group	108255 \$ 5,275.00	5,275.00	\$ 10,000.00			
518181 WNY Book Arts Collaborative Inc	100308 \$ 10,000.00	\$ 6,640.00	\$ 6,000.00			
518182 WNY Book Arts Collaborative Inc	105618 \$ 10,500.00	10,500.00	\$ 14,000.00			
518196 Buffalo Niagara Heritage Village	151996 \$ 18,500.00	\$ 18,500.00	\$ 24,500.00			
518200 Michigan Afr American Heritage	152578 \$ 15,000.00	15,000.00	\$ 12,500.00			
518203 General Parasiki Association	103060 \$ 10,000.00	\$ 11,000.00	\$ 12,500.00			
518204 Brighton Place Inc	1056134 \$ 10,000.00	16,000.00	\$ 26,000.00			
518211 Hispanic Heritage Council of WNY	159305 \$ 12,000.00	\$ 20,000.00	\$ 24,500.00			
Black Rock Historical Society (Black						
518216 Rock Riverdale Alliance!	170369 \$ 22,500.00	\$ 7,500.00	\$ 10,000.00			
518223 Centro Cumunale Italiano of Buffalo	167500 \$ 25,000.00	\$ 20,000.00	\$ 15,000.00			
518239 South Buffalo Irish Fest/Can You Dig	151042 \$ 10,000.00	\$ 15,000.00	\$ 15,000.00			
518258 Net Positive DBA The Foundry	158605 \$ 5,000.00	\$ 5,000.00				

Monitoring Program – Phase II

ACT#	APPROPRIATION	VENOR	AMOUNT	TAX YEAR 2009	TAX YEAR 2010	TAX YEAR 2011
517153 Buffalo Olmsted Parks Conservancy	140237 \$ 21,910.00	\$ 25,910.00	\$ 35,000.00			
518008 African Art Gallery	103707 \$ 575,000.00	\$ 575,000.00	\$ 675,000.00			
518029 Albany Knit Public Art Curand	147238 \$ 68,250.00	\$ 68,250.00	\$ 1,000.00			
518025 Assembly House 150, Inc	167747 \$ 1,000.00		\$ 1,000.00			
518342 Erie Park & Erie County Historical Garden	106143 \$ 10,750.00	\$ 12,500.00	\$ 12,500.00			
518019 Buffalo & Erie Co Historical Society	106772 \$ 417,000.00	\$ 667,000.00	\$ 417,000.00			
518020 Erie Park & Erie County Natural & Environmental						
518020 Buffalo Philharmonic Orch Society	101032 \$ 126,000.00	\$ 126,000.00	\$ 940,000.00			
515061 Buffalo Philharmonic Chorus	105796 \$ 34,200.00	\$ 34,200.00	\$ 35,000.00			
518064 Buffalo Society Natural Sciences	109761 \$ 95,000.00	\$ 95,000.00	\$ 95,000.00			
518265 Buffalo & Erie Parks	157353 \$ 1,500.00		\$ 1,500.00			
518006 Buffalo Performing Art Center	101004 \$ 155,000.00		\$ 155,000.00			
518012 Center for Enviro Justice & Peacem	119515 \$ 55,200.00	\$ 55,000.00	\$ > 100,000			
518023 DanceAbility	156859 \$ 2,500.00		\$ 5,500.00			
518076 Explore & More Childrens Museum	102756 \$ 42,000.00	\$ 42,000.00	\$ 75,000.00			
518108 Hallwalls Contemporary Arts Center	100690 \$ 52,000.00	\$ 52,000.00	\$ 52,000.00			
518110 Hallwalls Contemporary Arts Center	105291 \$ 14,100.00	\$ 14,100.00	\$ 11,125.00			
518116 Irish Cultural Theatre Company	105723 \$ 44,500.00	\$ 44,500.00	\$ 91,500.00			
518125 O'Dwyers College Savings + Theatres	105343 \$ 11,750.00		\$ 9,500.00			
518128 Lancaster Opera House	111661 \$ 45,300.00		\$ 30,000.00			
518142 Muzza Farm Theatre	105306 \$ 61,325.00		\$ 61,325.00			
518143 New York State Theater	105290 \$ 10,000.00		\$ 10,000.00			
518144 Red Leaf Theater Produc ons	112654 \$ 63,500.00		\$ 63,500.00			
518145 Renaissance Dance Compagnie	108213 \$ 50,000.00		\$ 40,000.00			
518156 Shakespeare in the Park	124975 \$ 35,000.00		\$ 9,000.00			
518158 Theater of Touch	109888 \$ 69,400.00		\$ 69,400.00			
518173 Town Square Theatre of Buffalo	119573 \$ 20,400.00		\$ 15,160.00			
518188 Zonta Club Section Of Buffalo	106823 \$ 1,300,000.00		\$ 1,300,000.00			
518192 Buffalo Opera Unlimited Incorporated	155975 \$ 1,000.00		\$ 2,300.00			
518205 Cheektowaga Comm Symphony Orchestra	105177 \$ 7,500.00		\$ 1,000.00			
518209 Newsread - Storytelling Soc	105518 \$ 1,000.00		\$ 3,500.00			
518123 O'Connell & Company Productions	159162 \$ 23,100.00		\$ 11,500.00			
518124 American Music Club of Red Blaser	167045 \$ 3,000.00		\$ 1,000.00			
518125 Buffalo Center for Art & Technology	152207 \$ 1,000.00		\$ 1,000.00			
518126 Cheektowaga Comm Associa on	168113 \$ 1,250.00		\$ 6,500.00			
518128 Second Generation Therapy Company	164957 \$ 2,020.00		\$ 2,020.00			
518129 Seneca Falls Comm Center New York	157420 \$ 2,020.00		\$ 2,020.00			
518160 Alders Christian Theatre Society	118426 \$ 10,000.00		\$ 10,000.00			
518161 Care & Learn Associa on	105711 \$ 1,000.00		\$ 1,000.00			
518162 Clinton Museum (Strong Soc of the	116067 \$ 1,000.00		\$ 1,000.00			
518163 Town of Darien	116067 \$ 1,000.00		\$ 1,000.00			

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.

BLACK ROCK HISTORICAL SOCIETY

BACKGROUND

The Black Rock Historical Society (BRHS) is a 501(c)(3) tax-exempt nonprofit organization dedicated to preserving and promoting the history of the Black Rock, Grant-Amherst, Riverside, and West Hertel neighborhoods in Buffalo, New York. Its mission is to educate the public about the significant contributions of these communities by collecting, preserving, interpreting, and exhibiting historical materials. Through its programs and stewardship, BRHS seeks to inspire residents and visitors and to deepen public appreciation of the communities' influence on local, national, and global history.

Erie County Cultural Grant funding awarded to BRHS during the review period:

- \$22,500 in 2020 (including \$20,000 above the Executive Recommended Budget)
- \$7,500 in 2021 (including \$5,000 above the Executive Recommended Budget)
- \$10,000 in 2022 (including \$5,000 above the Executive Recommended Budget)

AUDITOR'S OBSERVATION

BRHS, initially operating as a subcommittee of the Black Rock Riverside Alliance (BRRA), became an independent entity and received its IRS 501(c)(3) determination on November 4, 2019. Evidence indicates that BRHS and BRRA operated from the same physical location, sharing expenses such as rent, utilities, insurance, alarm services, and other facility costs. According to Board minutes dated January 21, 2020, Erie County Cultural Grant funds awarded to BRHS were used to pay these shared expenses.

BRHS maintains and preserves a substantial collection of historical artifacts donated by community members. The collection includes items such as trophies from the Black Rock Cycle Club, sewing machines from the Domestic Sewing Machine Company, a fragment of the Black Rock, and numerous other artifacts. BRHS also holds an extensive archive of photographs documenting the history of the Black Rock community. Through these collections and its historic facility, BRHS preserves and interprets community history for the benefit of current and future generations.

During the review period, BRHS's primary revenue sources were contributions and grants, which represented the majority of total revenue. Membership fees served as the second-largest revenue source. Additional revenue was derived from fundraising activities and gross profit from merchandise sales.

The COVID-19 pandemic significantly affected BRHS's operations. All scheduled programming was suspended until museums were permitted to reopen at limited capacity in September 2020. In response, BRHS offered its Fall Speaker Series via its YouTube channel. BRHS is a fully volunteer-run organization with no paid staff. The Society did not receive Paycheck Protection Program (PPP) funding but was awarded an Erie County Industrial Development Agency (ECIDA) grant of \$1,264.50 for COVID-19 personal protective equipment (PPE) and related fixtures.

For the years under review, BRHS's primary operating expenses included occupancy-related costs. Other expenditures included costs for exhibits and storage, computer and internet services, office supplies, insurance, and food and beverages associated with programming and events. CGF funds received from Erie County were primarily used to offset rent.

AUDITOR'S CONCLUSIONS

BRHS provided sufficient documentation to substantiate its use of Erie County Cultural Grant funding for each year under review. Documentation reviewed included IRS Form 990 filings, bank statements, Board records, general ledgers, and organizational policies and procedures. In each year examined, BRHS's total operating expenses exceeded the amount of Cultural Grant funding received from Erie County.

During the site visit and discussions with the organization's Board President, the Auditor was informed that Erie County Cultural Grant funding is primarily used to offset rent expenses, while City of Buffalo grant funding supports general operating costs such as utilities, supplies, and programming, as City funds may not be applied toward rent. However, a review of organizational records indicates that BRHS received funding through the North District Arts and Cultural (NDAC) program, a City of Buffalo district arts grant, which was designated to support rent and other operating expenses. Additionally, BRHS received further NDAC funding in 2022, and organizational records reflect that these funds were used for rent, utilities, and related operating costs.

The Auditor further noted that multiple City and County grants were applied toward similar operating expenses. Although BRHS's total operating expenses exceeded the combined funding received from City and County grants indicating reliance on additional revenue sources to support overall operations this observation raises concerns related to the County's grant requirement that funding requests not exceed 20% of an organization's operating budget. While BRHS met this requirement when considering County funding independently, the Auditor notes that the County's calculation does not appear to account for operating support received from other governmental grantors. Given that many organizations receive multiple public funding sources, consideration of total governmental operating support may be necessary to ensure consistent application and monitoring of the County's 20% operating budget limitation.

BRHS is governed by an 11-member Board of Directors. Officer terms are limited to two years, and director terms are limited to three years. The organization reported that the Board plays a central role in its internal control structure, including the review and approval of IRS Form 990 filings, oversight of financial operations, decision-making related to grants and loans, and monitoring of conflict-of-interest disclosures.

At the conclusion of the review, the Auditor determined that AKG was in compliance with IRS Form 990 filing requirements, New York State Form CHAR500 requirements, and all other relevant federal and state regulatory obligations for all years under review.