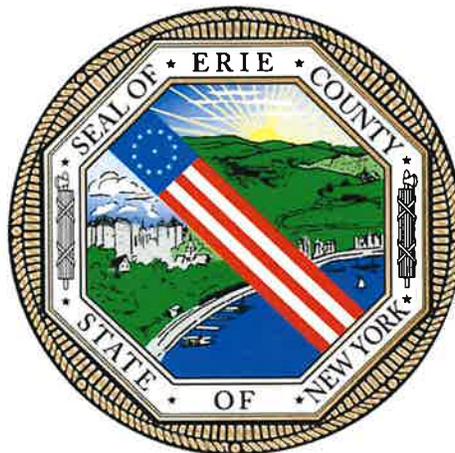


January 2026

**Erie County Cultural Funding Grant Monitoring Program
Michigan Street African American Heritage Corridor Commission Inc.
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 30, 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.

MICHIGAN STREET AFRICAN AMERICAN HERITAGE CORRIDOR COMMISSION, INC.

BACKGROUND

The Michigan Street African American Heritage Corridor Commission (MSAAHC) is a 501(c)(3) nonprofit organization established in 2009. Its stated mission is to integrate and highlight the African American cultural significance and impact on Buffalo's history through public engagement and community education, with the goal of invigorating, inspiring, and enlivening cultural appreciation, preservation, and community development.

MSAAHC received the following funding during the years under review:

- **2020:** \$15,000 in Cultural Grant Funding, which was \$15,000 above the Executive recommendation
- **2021:** \$15,000 through a legislative public benefit grant
- **2022:** \$32,500 in Cultural Grant Funding, which was \$25,000 above the Executive recommendation

Legislative public benefit grant funding falls outside the scope of this review.

AUDITOR'S OBSERVATIONS

The Michigan Street African American Heritage Corridor Commission (MSAAHC) was established pursuant to New York State legislation designating a portion of Michigan Avenue as a historic preservation area. A Governor-appointed commission was charged with managing a multi-level funding initiative involving New York State, Erie County, and the City of Buffalo. Core objectives of the commission include maintaining recognition of the Corridor's historic integrity and cultural significance at the regional, national, and international levels; directing a sustainable, far-reaching, and diverse organization; maintaining relationships with and encouraging investment from public and private partners; facilitating operational economic development within the Corridor; and advocating for the interests of Michigan Avenue's cultural anchors.

MSAAHC is comprised of four long-standing cultural anchors within the Corridor. Collaboration among these institutions is a central component of the organization's mission. Each cultural anchor operates as an independent 501(c)(3) organization with its own Board of Directors. The cultural anchors include the Michigan Street Baptist Church, the Historic Colored Musicians Club & Jazz Museum, the Nash House, and the WUFO Radio Station & Black History Collective. MSAAHC functions as an administrative support entity and umbrella organization for the existing anchors and any future anchors that may develop along the Corridor. Each anchor has at least one representative on the Commission's Board. Currently, MSAAHC is sponsored by East Side Avenues as part of Governor Cuomo's Buffalo Billion initiative.

It should be noted that while MSAAHC's legislative role is to "manage" the Corridor, certain invested funds such as the East Side Collaborative Fund and the East Side Corridor Economic Development Fund are controlled and legally administered by partner organizations, including the Community Foundation for Greater Buffalo, the University at Buffalo Regional Institute, and Empire State Development.

For the years under review, MSAAHC's primary sources of revenue consisted of grants, contributions, and donations, accounting for more than 90 percent of total revenue. Funding increased substantially in 2022 due to the receipt of capital funding. Approximately \$2 million was secured through the New York State Urban Development Corporation (NYSUDC) to support expansion of the Corridor, including the acquisition of approximately four buildings and properties. Planned uses include the creation of community spaces and a visitor center.

The COVID-19 pandemic resulted in the cancellation of in-person programming and events, including fundraising activities and site tours. MSAAHC conducted limited virtual tours, while other programming was postponed pending the reopening of the cultural anchors, each of which followed independent reopening timelines. MSAAHC did not receive pandemic-related assistance such as the Paycheck Protection Program (PPP) or Shuttered Venue Operators Grant (SVOG).

For the years under review, MSAAHC's primary operating expenses included salaries and wages, consultant fees, accounting costs, and occupancy-related expenses. Cultural Grant Funding (CGF) awarded to the organization was used to support operating expenses such as rent, web development, office equipment purchases, and the Corridor's cultural anchors tour program, In Freedom's Footsteps. This program is intended to be offered to all County residents and made available to schools.

AUDITOR'S CONCLUSIONS

During review process, MSAAHC provided adequate documentation to substantiate its use of CGF awards for each of the years under review. Documentation included IRS Forms 990, payroll returns and supporting documentation, information returns, financial statements, and electronic financial records. In each year reviewed, the organization's operating expenses exceeded the amount of CGF awarded by the County.

As part of the grant review process, the Auditor reviewed the organization's financial records and transactions conducted for the years under review. Based on a review of the organization's records, no unusual or questionable operational expenses were identified.

A review of executive compensation for the years under review indicated that payroll payments for the organization began during the year 2020. A payroll analysis indicates that executive compensation increased by approximately 21% during the year 2021 and by approximately 12% during the subsequent year. Compensation increases for the years under review exceed the national benchmark ranges of 3–5%.

During the years under review, the organization was in a developmental phase, with multiple components in progress, including the establishment of governance policies and procedures, the structuring of committees, the hiring of staff and consultants, and the development of a strategic action plan.

MSAAHC is governed by an eleven-member Board of Directors. Based on information provided, the Board maintains an active role in organizational governance and oversight. The Board reviews and approves IRS Form 990 prior to submission and is actively involved in financial oversight, employment decisions, and capital projects.

At the conclusion of the grant review, the Auditor confirmed that MSAAHC complied with IRS filing requirements for Form 990 and New York State Form CHAR500 for 2020, 2021, and 2022. MSAAHC also adhered to all other relevant federal and state obligations for these years.