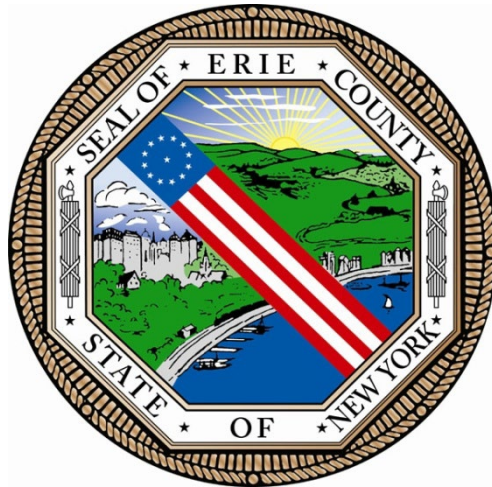


November 2024

**Erie County Cultural Funding Grant Monitoring Program  
Cheektowaga Community Symphony Orchestra  
January 1, 2020 through December 31, 2022**



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

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



November 27, 2024

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, 2024.

### **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 NUMBR	TAX YEAR 2020	TAX YEAR 2021	TAX YEAR 2022
517125	Enlightenment Literary Arts Center & Dog Ears Bookstore	152183	\$ 28,600.00	\$ 36,600.00	\$ 55,000.00
518004	African American Cultural Center	112604	\$ 275,450.00	\$ 311,950.00	\$ 200,000.00
518012	Alleyway Theatre	109340	\$ 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	100475	\$ 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
518028	Ballet Artists Of WNY (Neglia)	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	\$ 53,000.00
518044	Buffalo Inner City Ballet Co, Inc.	108597	\$ 27,000.00	\$ 27,000.00	\$ 27,000.00
518050	Buffalo Music Hall of Fame	113142	\$ 4,500.00	\$ -	\$ 5,500.00
518051	Buffalo Heritage Carousel	167829	\$ 30,000.00	\$ 30,000.00	\$ 35,000.00
518074	Colored Musicians Club	130377	\$ 5,000.00	\$ -	\$ 12,500.00
518084	El Museo Gallery	109836	\$ 12,585.00	\$ 8,585.00	\$ 11,000.00
518104	Graycliff Conservancy	103197	\$ 59,200.00	\$ 59,200.00	\$ 60,000.00
518113	Hull House Foundation	143473	\$ 15,375.00	\$ 5,375.00	\$ 7,500.00
518119	Jewish Community Center Cultural (Jewish Ctr of Greater Buff)	111239	\$ 13,500.00	\$ 8,750.00	\$ 13,500.00
518120	Just Buffalo Literacy Center	108577	\$ 78,100.00	\$ 78,100.00	\$ 83,500.00
518132	Locust St Neighborhood Art Classes	109985	\$ 29,250.00	\$ 25,250.00	\$ 28,500.00
518136	Martin House Restoration	104863	\$ 175,500.00	\$ 175,500.00	\$ 190,000.00
518139	Music is Art	139615	\$ 48,000.00	\$ 48,000.00	\$ 39,000.00
518146	Polish Arts Club Of Buffalo Inc	106132	\$ 7,000.00	\$ 7,000.00	\$ 3,800.00
518147	Preservation Buffalo Niagara	147509	\$ 4,615.00	\$ 4,615.00	\$ 6,000.00
518160	Springville Center For The Arts	113308	\$ 30,505.00	\$ 20,505.00	\$ 36,000.00
518164	Squeaky Wheel	101268	\$ 20,920.00	\$ 20,920.00	\$ 27,000.00
518172	Theodore Roosevelt Inaugural Site	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	108295	\$ 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	\$ 10,500.00	\$ 10,500.00	\$ 14,000.00
518196	Buffalo Niagara Heritage Village	151996	\$ 18,500.00	\$ 18,500.00	\$ 24,500.00
518200	Michigan Str African Amer Heritage	152578	\$ 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	156194	\$ 10,000.00	\$ 16,000.00	\$ 20,000.00
518211	Hispanic Heritage Council of WNY (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	113041	\$ 18,000.00	\$ 15,000.00	\$ 15,000.00
518596	Net Positive DBA The Foundry	168005	\$ 5,000.00	\$ -	\$ 5,000.00

## Monitoring Program – Phase II

ACT #	APPROPRIATION	VENDOR NUMBR	TAX YEAR 2020	TAX YEAR 2021	TAX YEAR 2022
517533	Buffalo Olmsted Parks Conservancy	140237	\$ 25,910.00	\$ 25,910.00	\$ 35,000.00
518008	Albright-Knox Art Gallery	108707	\$ 575,000.00	\$ 575,000.00	\$ 675,000.00
518009	Albright-Knox Public Art Curator	147228	\$ 68,250.00	\$ 68,250.00	\$ -
518025	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	\$ 150,000.00
518036	Buffalo & Erie Co Historical Society (Buffalo & Erie County Naval & Servicemans Park)	108772	\$ 417,000.00	\$ 667,000.00	\$ 417,000.00
518052	Buffalo Philharmonic Orch Society	109339	\$ 35,000.00	\$ 35,000.00	\$ 50,000.00
518060	Buffalo Philharmonic Chorus	101032	\$ 926,000.00	\$ 926,000.00	\$ 840,000.00
518061	Buffalo Philharmonic Chorus	109796	\$ 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	\$ 5,355.00
518068	Burchfield Penney Art Center	101004	\$ 155,000.00	\$ 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	\$ 2,500.00	\$ 2,500.00	\$ 3,000.00
518095	Explore & More Children's Museum	102758	\$ 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-Daie	103282	\$ 98,314.00	\$ 98,314.00	\$ 96,314.00
518116	Irish Classical Theatre Company	103727	\$ 83,500.00	\$ 83,500.00	\$ 93,500.00
518124	O'Youville College Kavinoky Theater	109341	\$ 11,750.00	\$ -	\$ 9,500.00
518128	Lancaster Opera House	111681	\$ 45,300.00	\$ 30,300.00	\$ 35,000.00
518140	Musicalfare Theatre	105308	\$ 61,525.00	\$ 61,525.00	\$ 66,000.00
518141	New Phoenix Theatre	109342	\$ 7,500.00	\$ 7,500.00	\$ -
518148	Road Less Traveled Productions	121043	\$ 63,500.00	\$ 63,500.00	\$ 67,000.00
518152	Roycroft Campus Cooperation	118213	\$ 50,000.00	\$ 40,000.00	\$ 50,000.00
518156	Shakespeare In The Park	109675	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00
518168	Theatre Of Youth	109888	\$ 69,400.00	\$ 69,400.00	\$ 74,000.00
518173	Torn Space Theatre	143673	\$ 20,460.00	\$ 15,460.00	\$ 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	\$ 6,000.00
518202	Buffalo Opera Unlimited Incorporated	155973	\$ 2,300.00	\$ 2,300.00	\$ 10,000.00
518203	Buffalo-Toronto Public Media WNEB/WBFO	172909	\$ 3,750.00	\$ -	\$ 5,000.00
518205	Cheektowaga Comm Symphony Orchestra	109177	\$ -	\$ 7,500.00	\$ -
518209	Newstead Historical Society	105518	\$ 5,500.00	\$ 3,500.00	\$ 5,000.00
518213	O'Connell & Company Productions (Amherst Male Glee Club dba Red Blazer)	159162	\$ 23,100.00	\$ 23,100.00	\$ 31,500.00
518219	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	163121	\$ 3,250.00	\$ 6,250.00	\$ 6,100.00
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 (Clarence Museum (Historical Soc. of the Town of Clarence)	101711	\$ 3,500.00	\$ -	\$ 5,000.00
518515	Town of Clarence	113067	\$ 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 at several organizations 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.

## **CHEEKTOWAGA COMMUNITY SYMPHONY ORCHESTRA**

### **BACKGROUND**

The Cheektowaga Community Symphony Orchestra (CCSO) is a 501(c)(3) non-profit organization founded in 1960. The stated mission of the organization is to provide the local community with free public performances of classic, popular, and patriotic music by a full symphony orchestra and to provide a cultural experience for each member of the community and to encourage appreciation of music.

CCSO received \$7,500 in Cultural Grant Funding (CGF) in 2021. The organization did not receive cultural grant funding for the years 2020 and 2022.

### **AUDITOR'S OBSERVATIONS**

CCSO was established in 1960 to serve as a community symphony orchestra intended to educate interested residents and promote musical arts, with a focus on classical and patriotic compositions. CCSO caters to all age groups, but places particular emphasis on elderly and lower income residents, as well as working with local schools to reach young people. One of the orchestra's primary objectives is to engender collaboration between seasoned professionals from other musical groups with student musicians to offer affordable, family-friendly entertainment to the community. CCSO has a full-size orchestra consisting of 70 individuals. It is a mix of professional and amateur musicians and there is no requisite skill level necessary to join.

CCSO produces five concerts per year, all between September and June to accommodate the school year. Fall, Christmas, Spring, and Flag Day shows are programming staples, and one additional performance is produced at a different time with a different theme each year. Concerts take place at venues such as the Depew High School, St. Andrews Church and the Cheektowaga Amphitheater. When scheduling, CCSO takes the concert schedule of other local symphonic and orchestral groups into consideration. CCSO tries to avoid repeating pieces from recent years. The budget for each show ranges between \$3,000 and \$5,000 which includes the conductor's fee, event insurance, advertising, supplies and venue rental.

CCSO was required to cancel programming events during the years 2020 and 2021 due to the Covid-19 pandemic restrictions on public gatherings. In lieu of live concerts, the CCSO posted several virtual performances staged by some of the orchestra members. The objective during this time was to maintain the engagement of orchestra members and to continue providing musical entertainment. Board meetings were also conducted virtually during the Covid-19 pandemic period. CCSO resumed programming during the 2021-2022 season, but the continued restrictions of indoor events led to a reduction in the number of concerts held, with the first in-person indoor concert taking place during 2022.

For the years under review, the average annual budget for the organization is approximately \$30,000. CCSO receives most of its funding from the Town of Cheektowaga as part of the annual Town budget. While the organization has sought programming sponsorships in the past, and continues to do so, at times they have become difficult to secure. The organization does not have a grant writer and thus relies on the Board members and volunteers to prepare grant applications. CCSO supplements revenue by selling refreshments at concerts and hosting fundraising events such as basket raffles. CCSO has hosted galas in the past to

generate fundraising revenue but has since discontinued the event as not enough revenue was generated in relation to the cost.

For the year under review, the primary operating expenses for CCSO included music rentals, equipment expenses, venue rental, liability and event insurance, advertising, licenses, and storage fees. CCSO does not have any employees, operating almost entirely via volunteers. The conductor of the orchestra is paid a stipend pursuant to a five-year contract. CGF received for the year under review was deposited in a separate bank account and allocated towards the cost of its website, insurance, storage space, and music licenses. CCSO has its own music library and adds to it when the budget allows, but often finds itself borrowing music and equipment from other orchestras.

### **AUDITOR'S CONCLUSIONS**

During the grant monitoring review process, CCSO was able to provide the Auditor with adequate substantiation for its use of the CGF award and for expenses incurred. Due to the pandemic restrictions in place in 2021 and the low cost of overhead, CCSO noted that it did not spend the full amount of CGF awarded in 2021.

The organization utilized funding towards the cost of website maintenance, storage fees for equipment, and insurance expenses. The remaining balance was carried over and used to cover operational expenses in 2022, a year in which CCSO did not receive Cultural Grant funding. Documentation provided by the organization for this purpose included the 990 Postcard and copies of bank statements and invoices, which were reviewed on site at the time of the field visit.

CCSO has an eight-member Board of Directors, who meet at the Cheektowaga Senior Center. Due to limited participation, Board members have not been subject to the established two-year term limits. CCSO does not have a business credit card and thus uses two bank account debit cards for all necessary purchases and payments. Internal controls involve a dual signature requirement involving the organization's Treasurer and President for any checks written out of the orchestra's bank account. The Treasurer and President are also authorized signors on the organization's accounts; all expense statements are reviewed by the Board each meeting.

CCSO segregates grant funds to maintain better control over allocation of expenses. Expenses paid with CGF dollars were verified by the Auditor during the review process using bank statements and invoices, most of which are automatically debited from that account on a recurring basis. CCSO is not required to complete the full IRS Form 990; instead, the organization submits an abbreviated filing known as "the Postcard". This is completed and reviewed by the Board's Treasurer, and it also reviewed and approved by the full Board prior to filing with the IRS.

CCSO hosts a series of small fundraisers and basket raffles (games of chance) to raise funds for the operation of the organization. The events are hosted in person. The Auditor referenced the New York State Gaming Commission's (NYSGC) guidelines for conducting raffles and games of chance. The organization was not required to obtain a Game of Chance Identification Number or license since the raffles conducted for the year under review generated revenue amounts which fell under the applicable thresholds. The Auditor recommends that the organization refer to Part 4620 of the NYSGC Regulations to ensure that it remains in compliance with all applicable requirements when conducting raffles and fundraisers.

At the conclusion of the grant review, the Auditor was able to determine that CCSO complied with filing requirements for IRS Form 990 and New York State Form CHAR500 for the year 2021. CCSO complied with other relevant federal and state obligations for the year under review.