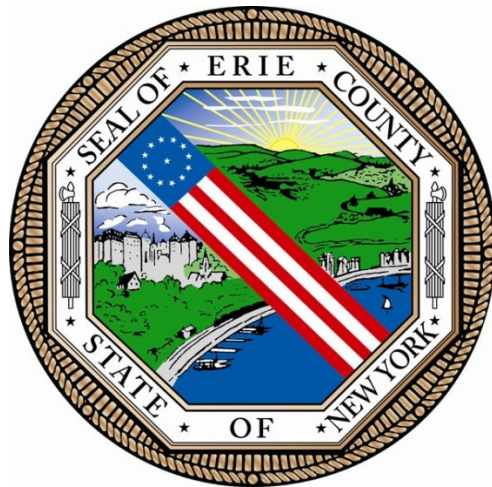


August 2025

**Erie County Cultural Funding Grant Monitoring Program
Center for Exploratory & Perceptual Art 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**



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 does not respond to the Auditor's request for documentation, 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 considered when CGF is allocated in future years. 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 |
|--------|--|---------------|---------------|---------------|---------------|
| 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 |
| 518238 | 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 NUMBER | 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 | 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 | 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 | \$ 5,500.00 | \$ 3,000.00 |
| 518096 | 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-Dixie | 103282 | \$ 98,314.00 | \$ 96,314.00 | \$ 96,314.00 |
| 518116 | Irish Classical Theatre Company | 103727 | \$ 83,500.00 | \$ 83,500.00 | \$ 93,500.00 |
| 518124 | O'Youville College Kavinoky Theatre | 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 Corporation | 118213 | \$ 30,000.00 | \$ 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 | Tom 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 WNED/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 | 159162 | \$ 23,100.00 | \$ 23,100.00 | \$ 31,500.00 |
| 518219 | 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 | 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 | 101711 | \$ 3,500.00 | \$ - | \$ 5,000.00 |
| 518515 | Clarence Museum (Historical Soc. of the 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 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.

CENTER FOR EXPLORATORY AND PERCEPTUAL ARTS

BACKGROUND

The Center for Exploratory & Perceptual Arts, Inc. (CEPA) is a 501(c)(3) non-profit organization founded in 1974. CEPA serves as a photography and visual arts center, community darkroom, and exhibition space with both local and national reach. The organization's stated mission is to foster the exploration of photography and contemporary visual art, nurture creativity, and encourage active learning.

CEPA was awarded \$55,000 in Cultural Grant Funding (CGF) for the years 2020 and 2021 and was awarded \$63,000 for the year 2022.

AUDITOR'S OBSERVATIONS

CEPA was established during the era of the Alternative Space Movement, which repurposed abandoned or under-utilized spaces for artistic use. Initially founded as a community darkroom and exhibition space, CEPA has since evolved into a nationally recognized arts center and is one of the oldest non-profit photography-based arts organizations in the United States.

CEPA directs its programming toward urban youth and working artists, offering services and programs such as workshops, classes, extracurricular and summer initiatives, exhibitions, and public access to image-making resources. These are available to artists, schools, and nonprofits. Photography exhibits are free and open to the public. CEPA also provides photographic learning programs and mentorship workshops for individuals with disabilities.

During the years under review, grants, contributions, and donations represented the organization's largest source of revenue, comprising more than 80% of total revenue. Program revenue served as the organization's second-largest revenue stream. Additional operating income was generated through art-related fundraising auctions and mission-related activities such as facility rentals, membership sales, and ticketed events. The organization also sold merchandise aligned with its mission.

The COVID-19 pandemic significantly impacted CEPA's operations, requiring the temporary closure of part of its facilities. Workshops, classes, and other educational initiatives were either canceled or rescheduled, and in-person activities were restricted. In response, CEPA developed virtual exhibits and public art projects. The organization was able to retain all full-time staff. However, instructors employed as subcontractors were not retained during periods when instructional programming was not conducted. CEPA applied for and received Paycheck Protection Program (PPP) funding during both rounds of federal distribution.

Primary operating expenses incurred by the organization during the review period included salaries and wages, occupancy costs, office supplies, advertising, and insurance. Per the contract between CEPA and Erie County, CGF received during the years under review was to be allocated toward personnel expenses, specifically, 25% of the salaries of the Executive Director, Development Director, and Director of Education.

AUDITOR'S CONCLUSIONS

During the grant monitoring review, CEPA provided the Auditor with sufficient documentation to substantiate its use of the CGF award for each year under review. Documentation included IRS Form 990s, payroll records, invoices, and electronic financial statements. The organization's operating expenses, including wages and salaries, exceeded the CGF amount awarded by the County for each year under review.

As part of the grant review process, an analysis of the organization's operating expenses was conducted. However, an accurate analysis of CEPA's executive compensation could not be completed due to frequent changes in executive leadership during the review period, which led to fluctuating salary payments. A historical review of executive salaries prior to the review period indicated that salary increases remained consistent with national averages. A review of additional operating expenses revealed no atypical or excessive expenditures.

CEPA currently has a Board of Directors consisting of 14 members. Board members are limited to three consecutive three-year terms. The organization affirmed that the Board is integrated into its internal control system. The Board reviews and approves internal policies, compensation packages, membership rates, and potential conflicts of interest. A draft of Form 990 is reviewed and approved by the Board prior to filing. The Board also elects new members at each annual meeting to fill expiring or vacant positions. Additionally, the Board oversees the allocation and use of funds and plays an active role in the development of new programming.

During the review, CEPA submitted its internal control, cash management, and disbursement policy, which outlines step-by-step procedures to ensure financial security and accountability. The organization maintains segregation of duties, dual-signature requirements, and audit trail protocols. These policies appear to be reviewed and updated annually by the Board.

At the conclusion of the grant review, the Auditor determined that CEPA complied with filing requirements for IRS Form 990 and New York State Form CHAR500 for the years 2020, 2021, and 2022. CEPA was also found to be in compliance with all other relevant federal and state obligations during the review period.