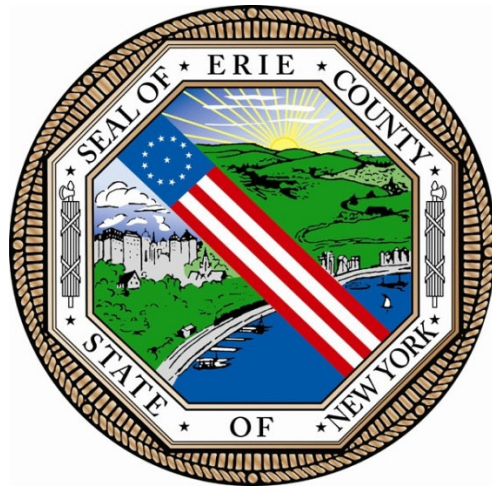


January 2026

**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 | VENDOR NUMBER | TAX YEAR 2020 | TAX YEAR 2021 | TAX YEAR 2022 |
|--------|--------------------------------------|---------------|---------------|---------------|---------------|
| 517125 | Enlightenment Literary Arts Center & | 152183 | \$ 28,400.00 | \$ 36,600.00 | \$ 55,000.00 |
| 518004 | African American Cultural Center | 112694 | \$ 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 | 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 | 111239 | \$ 13,500.00 | \$ 8,750.00 | \$ 13,500.00 |
| 518120 | Just Buffalo Literacy Center | 108577 | \$ 78,100.00 | \$ 78,100.00 | \$ 85,500.00 |
| 518132 | Louise 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 | Souersky Wheel | 101268 | \$ 20,300.00 | \$ 20,300.00 | \$ 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 | 159305 | \$ 12,000.00 | \$ 20,000.00 | \$ 24,500.00 |
| 518216 | Black Rock Historical Society (Black | 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 NUMBER | TAX YEAR 2020 | TAX YEAR 2021 | TAX YEAR 2022 |
|--------|---|---------------|-----------------|-----------------|-----------------|
| 517539 | 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 | 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 Yavinsky Theater | 109341 | \$ 11,750.00 | \$ - | \$ 9,500.00 |
| 518128 | Lancaster Opera House | 111681 | \$ 45,300.00 | \$ 30,300.00 | \$ 35,000.00 |
| 518140 | MusicaFare Theatre | 103508 | \$ 61,525.00 | \$ 61,525.00 | \$ 66,000.00 |
| 518141 | New Phoenix Theatre | 109342 | \$ 7,500.00 | \$ 7,500.00 | \$ - |
| 518148 | Real Less Traveled Productions | 121043 | \$ 63,500.00 | \$ 63,500.00 | \$ 67,000.00 |
| 518152 | Roycroft Campus Corporation | 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 WNED/WBFO | 172909 | \$ 3,750.00 | \$ - | \$ 5,000.00 |
| 518205 | Cheektowaga Comm Symphony Orchestra | 108177 | \$ - | \$ 7,500.00 | \$ - |
| 518209 | Newstead Historical Society | 105518 | \$ 5,000.00 | \$ 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 | 162045 | \$ 3,000.00 | \$ 3,000.00 | \$ 6,000.00 |
| 518221 | Men's Chorus | 153207 | \$ 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 | Albion Christian Theater Society | 141358 | \$ 10,000.00 | \$ - | \$ 3,000.00 |
| 518514 | Clarence Concert Association | 101711 | \$ 3,500.00 | \$ - | \$ 5,000.00 |
| 518515 | Clarence Museum (Historical Soc. of the | 113067 | \$ 5,500.00 | \$ - | \$ 15,000.00 |
| 518515 | Town of Clarence) | 113067 | \$ 5,500.00 | \$ - | \$ 15,000.00 |

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 (BRRRA), became an independent entity and received its IRS 501(c)(3) determination on November 4, 2019. Evidence indicates that BRHS and BRRRA 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 BRHS 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.