
Audit Report

Visual Arts Research and Resource Center/
Caribbean Cultural Center

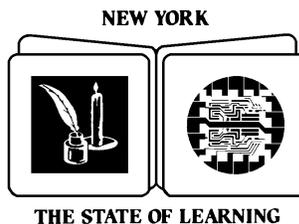
For the Period

July 1, 1996 through June 30, 1997

EC-1297-4

May 26, 1998

The University of the State of New York
THE STATE EDUCATION DEPARTMENT
Office of Audit Services
Albany, New York 12234



May 26, 1998

Ms. Melody Capote
Executive Director
Visual Arts Research and Resource Center/Caribbean Cultural Center
404 West 58th Street
New York, New York 10019

Report Number EC-1297-4

Dear Ms. Capote:

We have performed a review of the legislative grant expenses and accomplishments reported by the Visual Arts Research and Resource Center/Caribbean Cultural Center (Center) to the State Education Department (Department). This letter represents a report on the results of the review.

The Center is dedicated to opening and sustaining dialogue about the cultures and communities of the African Diaspora. The Center expended \$800,000 during the 1997 fiscal year in carrying out its activities. The New York State Legislature appropriated a \$200,000 grant to promote the understanding of the influence of African traditions in the arts and cultures of the Americas. The Center entered into a contract with the Department specifying the funds would be used to implement and present visual arts exhibitions, concerts, dance festivals, lectures, educational programs and research programs, that celebrate the traditions and transformations of the African Diaspora in the Americas.

The purpose of the review was: to verify entitlement to the grant funds received by the Center; to verify the accuracy and propriety of the financial information reported to the Department; and to determine if the activities and goals specified in the contract were accomplished. We reviewed practices, records and documentation supporting the Final Expenditure Report that the Center submitted covering the period July 1, 1996 through June 30, 1997. The review concentrated on the \$200,000 in reported grant expenses and the accomplishments of the grant's objectives, and did not assess the Center's overall operations or the adequacy of internal controls.

The review determined the Center was entitled to the full \$200,000 in grants funds it received (see Exhibit A). However, we found that the Center reported fringe benefit expenses on grant-related salaries at a rate (29 percent) exceeding the Center's overall fringe benefit rate (24 percent). The review made no adjustments for the excess fringe benefit expenses because total grant-related expenses exceeded the amount of the grant. Nevertheless, the Center should not report fringe benefits at a rate in excess of its overall fringe benefit rate

The review determined the Center accomplished the activities specified in the contract. Grant funds were used to implement and present art exhibitions, concerts, education programs, and other activities that celebrate the traditions and transformations of the African Diaspora in the Americas.

RECOMMENDATION

Implement procedures to ensure that expenses for fringe benefits claimed on the contract do not exceed fringe benefit expenses based on the Center's overall fringe benefit rate.

The Center did not provide a formal written response to the report. However, Center officials verbally indicated that they agreed with the findings and recommendation in the report and would take corrective action.

The report will be used by the Department's Bureau of Fiscal Management and the Office of Cultural Education in reviewing and approving contracts and payments for any subsequent legislative grants.

I appreciate the cooperation and courtesies extended to our staff during this review.

Sincerely,

Daniel Tworek
Director

cc: R. Cate
T. Sheldon
M. Carey
C. Foster (DOB)
C. Huxley
R. Lindholm (OSC)

bcc: D. Browne
R. Calhoun
M. DiVirgilio

Visual Arts Research and Resource Center/Caribbean Cultural Center
Legislative Grant Expenses
Contract Number C-960852
July 1, 1996 through June 30, 1997

Category	Claimed	Questioned	Approved
Professional Staff Salaries	\$110,000		\$110,000
Purchased Services	56,000		56,000
Supplies and Materials	2,000		2,000
Fringe Benefits*	32,000		32,000
Total	\$200,000	\$0	\$200,000

* The Center reported fringe benefit expenses at a rate exceeding its overall fringe benefit rate, but the review made no adjustments because total grant-related expenses exceed the amount of the grant.