

Introduction

The audit of the Highway Lighting Rehabilitation Southeast 2 Project (Project) in the City of Rochester and Brighton was selected based on the Office of Public Integrity's (OPI's) risk assessment for Monroe County.

Background

On February 8, 2022, the Monroe County Legislature adopted Resolution #32-2022 to enter into a contract with M.L. Caccamise Electric Corp. (Contractor) for \$1,689,092 to rehab highway lighting in the City of Rochester and the Town of Brighton, NY.

The Project included upgrading lighting equipment, including poles, arms, bases, conduit, pull boxes, wiring, power points, lighting controls, and LED's. The location was the mainline expressway and ramps on I-590 between I-490 and Monroe Avenue.

The project was completed under budget for \$869,583 (51% of the original contract value of \$1,689,092), for the condition of the infrastructure was better than anticipated, as not all conduit and cable needed to be replaced.

Framework for Audit

OPI's audits are based on the following 5 Control Objectives:

- Compliance with laws, regulations, and contracts
- Accomplishment of goals and objectives
- Reliability and integrity of financial and operational information
- Effectiveness and efficiency of operations
- Safeguarding of assets

Based on OPI's 5 Control Objectives, audit plans are developed to assess whether:

- All eligible customers are being served
- Revenues are maximized
- Receivables are collected
- Expenditures are proper and authorized
- Assets are safeguarded
- Employees are trained and competent
- Liabilities are minimized and laws are complied with
- Financial and operational reports are timely, relevant and accurate

Risks to Monroe County

Risk is the possibility of an event occurring, which could prevent the County from meeting its objectives. To maximize its resources and effectiveness, OPI focuses on areas of high risk to the County. Based on our preliminary research and discussions, we determined that the Project posed the following potential risks to the County, which were addressed in our audit objectives:

- a) Did the County follow its procurement policies and procedures?
- b) Were expenditures to prime contractors and subcontractors allowable, authorized, necessary, and for services that were actually provided?

- c) Did subcontractors adequately complete their portions of the construction, in a timely manner and without putting residents at risk of accidents?
- d) Was traffic control adequate to prevent accidents from occurring?
- e) Did Prime and subcontractors adhere to contractual requirements, including Minority and Women-Owned Business Enterprises (M/WBE) areas?
- f) Were revenues from State and Federal grants maximized and collected?

Audit Objectives

Based on the potential risks that the Project posed, our audit objectives were to:

- a) Confirm that the County followed its procurement policies and procedures.
- b) Confirm that expenditures to the prime and subcontractors were for expenses that are allowable, authorized, necessary, and for services actually provided.
- c) Confirm that traffic control was adequate.
- d) Confirm that contractors completed their portions of construction and complied with contractual requirements, including M/WBE efforts.
- e) Confirm that State and Federal funding was maximized and collected.

Scope and Methodology

OPI's scope was all prime and subcontractors related to the Project.

To meet our objectives, OPI performed the following:

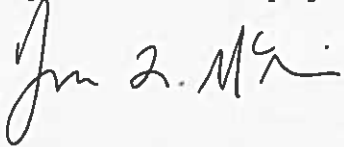
- Reviewed the documents related to the selection process, including, but not limited to, the public bid, the project specifications, the vendors' proposals, the vendor scoring sheet, and the Contract Approval form.
- Reviewed the documents related to the contract process, including, but not limited to, legislative referrals and resolutions, the executed contract, insurance certificates, and debarment certifications.
- Reviewed the documents related to M/WBE compliance, including the public bid, proposals, contracts, and monthly M/WBE reports.
- Attended subcontractor meetings.
- Reviewed meeting minutes from the engineering architect.
- Reviewed the Contractor's progress reports.
- Reviewed payment applications from the Contractor.
- Conducted construction-site visits.
- Made inquiries to management as to certain procedures and outstanding issues.
- Reviewed SAP transactions to confirm the funding sources.

Conclusion, Findings and Recommendations

Based on our test work, we met the objectives of our audit, and did not have any findings. In addition, we did not make any recommendations, and thus, management is not required to provide a response to our audit.

Final Note

We would like to thank Tim Harris, Transportation Project Manager for the Monroe County Department of Transportation, for his assistance during our audit, and would like to acknowledge that his supervision of the project facilitated the project being completed at 51% of the original contract amount.



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To report fraud, waste, or abuse, or to comment on this report, please contact the Monroe County Office of Public Integrity.

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