

Introduction

The audit of the Highway Preventive Maintenance #9 Project in the Town of Greece (Project) 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 27-2022 to enter into a contract with Keeler Construction Company, Inc. for \$5,447,127.29 for construction services for highway preventive maintenance in the Town of Greece.

The Project included milling and repaving, spot pavement repairs, cleaning/adjusting drainage basins and pipes, lining of storm sewer pipes, traffic signal loops, minor pedestrian signal improvements, new pavement markings, and ADA-compliant sidewalks.

The total budgeted cost of the Project was \$6,386,000 with 95% Federal and New York State Department of Transportation funding.

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) Did the County maximize its Federal and State funding?

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 the County received all Federal and State funding.

Scope and Methodology

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

To meet our objectives, OPI performed the following:

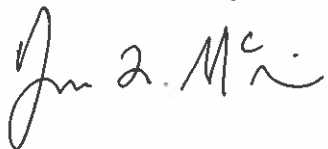
- Reviewed the documents related to the selection process, including the public bid, the project specifications, the vendors' proposals, the vendor scoring sheet, and the Contract Approval form.
- Reviewed the documents related to the contract process, including, but not limited to, legislative referrals 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 various subcontractor meetings.
- Reviewed meeting minutes from the progress meetings.
- Reviewed progress reports from the Contractor.
- Reviewed payment applications from the Contractor.
- Conducted construction-site visits.
- Reviewed reimbursement claims from the County to the Federal and State funding agencies.
- Made inquiries to management as to certain procedures and outstanding issues.

Findings, Recommendations and Management Response

We met the objectives of our audit and did not have any findings. Accordingly, we did not have any recommendations for improvement, and thus, a management response was not required.

Final Note

We would like to thank Henry Herdzyk, P.E., Transportation Project Manager for the Monroe County Department of Transportation, for his assistance during our audit, and commend him for an efficient and effective project. We would also like to commend Keeler Construction on the project, including its extensive use of Disadvantaged Business Enterprises.



Janson D. McNair, CIG
Director, Office of Public Integrity

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

Telephone: (585) 753-3100
Fax: (585) 325-6293
Whistleblower Hotline: (585) 753-3105
Website: www.monroecountyny-opi.gov
Email: whistleblower@monroecounty.gov

Address:
Monroe County Office of Public Integrity
Times Square Building
45 Exchange Boulevard, Suite 900
Rochester, New York 14614