



Village of Churchville

Procurement

2025M-140 | April 2026

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Audit Results

Village of Churchville



Audit Objective	Audit Period
Did Village of Churchville (Village) officials seek competition for the procurement of goods and services?	March 1, 2023 – October 30, 2025
Understanding the Audit Area	
<p>Municipal purchases should be made in the best interest of taxpayers. One method for ensuring that goods and services are acquired in a cost-effective manner is to create as much competition as possible. One of the goals of seeking competition is to foster honest competition to obtain quality goods and services at the lowest possible cost. For example, using formal competitive bids, obtaining written and verbal quotes or using other competitive methods, such as a request for proposals (RFPs) process, can help ensure that a village obtains needed goods and qualified professional services with the most favorable terms and conditions, and in the best interests of taxpayers. Seeking competition also guards against favoritism, extravagance, fraud, and corruption while allowing interested vendors a fair and equal opportunity to compete.</p> <p>The Village purchased approximately \$7.6 million in goods and services during March 1, 2023 through May 28, 2025</p>	

Audit Summary

Village officials did not always solicit competition according to statutory requirements set forth in New York State (NYS) General Municipal Law (GML) or the Village’s procurement policy. When Village officials do not solicit competition as required by GML and Village policies, there is an increased risk that goods and services are not obtained at a favorable cost, free from favoritism or for appropriate purchases.

Of the approximately \$1.4 million in goods and services purchased between March 1, 2023 and May 28, 2025 that we reviewed, officials did not adequately seek competition for purchases totaling \$664,748 (48 percent). The audit identified instances where Village officials responsible for purchasing did not:

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- Ensure that two purchases made using the “piggybacking”¹ exception totaling \$416,861 for a digger truck and lawnmower adhered to the competitive bidding exception in GML Section 103(16).
 - Issue RFPs or use any other form of competitive process before procuring professional services from nine providers paid \$184,010.
 - Ensure that the Village received the NYS Office of General Services (OGS) contract price in lieu of competitively bidding for purchasing a backhoe for \$111,665.
 - Obtain written quotes, as required by the Village’s procurement policy, or use any other form of competitive process for two purchases totaling \$31,397. For example, Village officials did not obtain quotes for signs totaling \$11,891.
 - Obtain the minimum number of written quotes required by the Village’s procurement policy for one purchase for electric utility poles totaling \$16,614.

Additionally, the Village Board (Board) did not ensure adequate segregation of duties over purchasing, because the Village’s procurement policy did not include details on when Board approval was required prior to making purchases. Also, the Clerk-Treasurer and Department of Public Works Superintendent (Superintendent) signed and approved their own purchase orders, limiting the Board’s ability to ensure compliance with procurement requirements.

The report includes five recommendations that, if implemented, will improve the Village’s procurement of goods and services. Village officials agreed with our recommendations and their response is included in Appendix B.

We conducted this audit pursuant to Article V, Section 1 of the State Constitution and the Office of the New York State Comptroller’s (OSC) authority as set forth in Article 3 of GML. Our methodology and standards are included in Appendix C.

The Board has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and provided to our office within 90 days, pursuant to Section 35 of GML. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. We encourage the Board to make the CAP available for public review in the Village Clerk-Treasurer’s office.

¹ The piggybacking exception allows a village to benefit from the competitive process already undertaken by other local governments (see Appendix A for further details).

Procurement: Finding and Recommendations

GML Section 103 generally requires a village board to advertise for competitive bids for purchase contracts exceeding \$20,000 and public works contracts exceeding \$35,000. However, GML has certain exceptions to the competitive bidding requirements. For instance, villages are authorized, as an exception to competitive bidding, to make purchases using other publicly awarded government contracts, including county and OGS contracts, provided certain prerequisites are met.

In addition, a village board is required by GML Section 104-b to adopt written policies and procedures for procuring goods and services not subject to competitive bidding requirements. The Village's procurement policy states that Village officials must procure goods and services less than \$20,000 but more than \$10,000 using written quotes. In addition, the procurement policy requires Village officials to document each action taken in connection with each procurement and document an explanation whenever a contract is awarded to other than the lowest responsible proposal or quote.

More details on the criteria used in this report, as well as resources/publications we make available to local officials to help officials improve operations (Figure 1), are included in Appendix A.

Finding 1 – Village officials did not always seek adequate competition when procuring goods and services.

We reviewed purchases of goods and services totaling approximately \$1.4 million from March 1, 2023 through May 28, 2025, and determined that Village officials did not always solicit competition according to GML or the Village's procurement policy for purchases totaling \$664,748. Specifically, we determined that the officials responsible for purchasing did not:

- Ensure that two purchases made using the “piggybacking” exception through group purchasing organizations (GPO) totaling \$416,861 for a digger truck and lawnmower adhered to the competitive bidding exception set forth in GML Section 103(16). For example, Village officials purchased a digger truck for \$405,856 using a GPO but did not document a review of the procurement and award process. Before awarding a contract for goods and services using a GPO contract, Village officials should evaluate whether the selected goods and services are the most practical and economical choice and are in the best interest of the Village. Performing this evaluation, and determining whether purchasing goods and services through a GPO contract will help the Board:
 - Identify whether the purchase will provide cost savings to the Village;
 - Determine whether the Village will benefit from the GPO's competitive process; and
 - Help ensure that the procurement is consistent with the requirements of GML Section 103.

Therefore, had Village officials done their due diligence in reviewing procurement and award documentation, they should have questioned whether the GPO's process was consistent with competitive bidding laws in GML.

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- Seek competition when procuring any professional services, which included nine providers paid \$184,010. Our review of payments to three professional service providers paid \$88,212 confirmed that Village officials did not issue RFPs or use any other form of competitive process before procuring professional services, because the Village's procurement policy did not require a competitive process for procuring professional services. The Clerk-Treasurer told us that she was unaware of the need to seek competition for professional services. Although there is no legal requirement to do so, and Village officials may be satisfied with the Village's current professional service providers, Village officials should seek competition. Using RFPs increases the awareness of other professional service providers who could offer similar services at a more favorable rate, could result in existing professional service providers providing more favorable terms, and helps assure taxpayers that procurements are made in their best interest.
 - Ensure that the Village received the OGS contract price for the purchase of a backhoe for \$111,665. Although using an OGS contract is an exception to the competitive bidding requirements in GML, the Clerk-Treasurer told us that the Village did not have any documentation showing that the Village received the OGS discounted price for the backhoe. Therefore, she was not sure that the Village received the discount set forth by purchasing the backhoe from the OGS contract-awarded vendor.
 - Obtain written quotes, as required by the Village's procurement policy, or use any other form of competitive process for two purchases totaling \$31,397. The Clerk-Treasurer did not provide adequate explanations for why quotes for these purchases were not obtained. For example, she told us that Village officials did not obtain quotes for signs totaling \$11,891, because they used the vendor that the Village previously used for the signs that were replaced.
 - Obtain the minimum number of written quotes required by the Village's procurement policy for one purchase totaling \$16,614. The Clerk-Treasurer told us that officials obtained two quotes, instead of the three quotes required by the Village's procurement policy, for purchasing electric utility poles, because there were only two vendors that sold utility poles. However, this explanation was not documented and we identified additional vendors that sold utility poles.

The lack of adequate procurement practices occurred, in part, because the Village's procurement policy did not include specific requirements or guidelines for procuring goods and services when using exceptions to competitive bidding and quotes, including using OGS or piggybacking on other government contracts and procuring professional services.

In addition, the Board did not ensure adequate segregation of duties over the approval of purchases, and the Clerk-Treasurer and Superintendent created and approved their own purchase orders. We reviewed 20 purchases over \$10,000 that the Village made totaling \$1.3 million and determined that the Board did not approve 11 of these purchases totaling \$333,746. This occurred because the Village's procurement policy did not include details on when the Board's approval is required prior to making purchases. While the Mayor told us that the Board considered adopting the annual budget as its approval of certain large purchases, approving appropriations in the budget is not the same as approving a purchase to a specific vendor after reviewing documentation of a competitive process. Two other Board members told us that the Board discusses certain purchases but did not provide adequate

explanations for the Board not approving most purchases. However, when the Board does not ensure that Village officials solicit competition as required by statute and policies, there is an increased risk that goods and services are not obtained at a favorable cost, free from favoritism and for appropriate purposes.

Recommendations

The Board should:

1. Amend the Village's procurement policy to include specific requirements and guidelines to:
 - a. Ensure a competitive process, when required, is used to procure professional services.
 - b. Ensure goods and services procured using the piggybacking exception to competitive bidding satisfy the prerequisites for using the exception set forth in GML Section 103(16).
 - c. Determine when Board approvals are required for purchases and adequately segregate duties over the approval of purchases to ensure that an individual cannot approve their own purchases.
2. Ensure compliance with GML and the Village's procurement policy when procuring goods and services.

Village officials should:

3. When procuring goods and services using the piggybacking exception to competitive bidding, review the proposed procurement to determine, on the advice of the Village's legal counsel as appropriate, whether the procurement satisfies the prerequisites for using the exception set forth in GML Section 103(16).
4. Ensure sufficient documentation supporting compliance with GML and the Village's procurement policy (e.g., competitive bidding, piggybacking exceptions, and written quotes, etc.) is retained.
5. Document the evaluation used to help ensure the contract is awarded in compliance with GML when piggybacking off other government contracts.

Appendix A: Profile, Criteria and Resources

Profile

The Village is located in the Town of Riga in Monroe County. The Village is governed by an elected five-member Board, which includes the Mayor and four Board members. The Board is the legislative body responsible for the general management and control of the Village's financial operations. The Clerk-Treasurer serves as the chief fiscal officer of the Village and is responsible for the Village's day-to-day financial activities.

The Village Clerk-Treasurer, Superintendent, electric foreman, and Mayor are all allowed to make purchases. The Clerk-Treasurer and Superintendent sign purchase orders approving purchases. The Village's fiscal year runs from March 1 through February 28.

Criteria – Procurement

According to GML Section 103, villages are generally required to advertise for competitive bids for purchase contracts exceeding \$20,000 and public works contracts exceeding \$35,000. However, GML sets forth certain exceptions to the competitive bidding requirements. One exception, often referred to as piggybacking, allows villages to procure certain goods and services using other government contracts. For the exception to apply, certain prerequisites must be met. The contract must have been:

- Let by the United States or any agency thereof, any state, or any other political subdivision or district therein;
- Made available for use by the other government entity; and
- Let to the lowest responsible bidder or based on best value as defined in NYS Finance Law Section 163.

In some cases, GPOs may advertise using government contracts to other local governments. This piggybacking exception allows villages to benefit from the competitive process already undertaken by other local governments. However, when procuring goods and services in this manner, village officials must review the contract to ensure it was awarded in a manner consistent with the exception set forth in GML Section 103(16). A recent State supreme court decision has held that using the piggybacking exception set forth in GML Section 103(16) is not available for public works, public works contracts, and public works projects.²

Before awarding a contract for goods and services using a GPO contract, village officials should evaluate whether the selected goods and services are the most practical and economical choice and

² See, *Matter of Daniel J. Lynch v Board of Education of the Maine-Endwell Central School District*, 2025 NY Misc. LEXIS 711 (Broome Co. Sup. Ct. 2025).

are in the best interest of a village. Performing this evaluation, and determining whether purchasing goods and services through a GPO contract will help a village board:

- Identify whether the purchase will provide cost savings to a village;
- Determine whether a village will benefit from the GPO's competitive process; and
- Help ensure that the procurement is consistent with the requirements of GML Section 103.

As such, village officials should maintain appropriate documentation to demonstrate that they reviewed each prerequisite prior to procuring the good or service. As noted above, documentation may include such items as contract copies, as well as a contract analysis to help ensure it has met each prerequisite set forth in the piggybacking exception.

GML Section 104-b requires a village board to adopt written policies and procedures for procuring goods and services that are not required to be competitively bid and annually review the policies and procedures. The Village's procurement policy states that Village officials must procure goods and services less than \$20,000 but more than \$10,000 using written quotes. In addition, the procurement policy requires Village officials to document each action taken in connection with each procurement, and document an explanation whenever a contract is awarded to other than the lowest responsible proposal or quote.


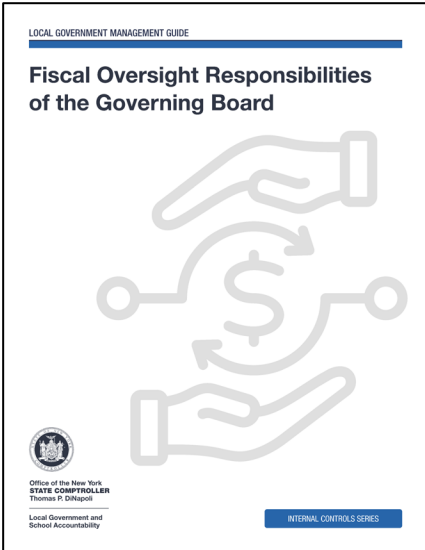
GML also states that goods and services must be procured prudently, economically, and in a manner that is in the taxpayers' best interest and is not influenced by favoritism, extravagance, fraud or corruption. GML does permit a village board to set forth in its policies the circumstances when or the types of procurements for which a village has determined solicitation of alternative proposals or quotations will not be in the best interests of a village. Nonetheless, using a competitive method, such as an RFP process, can help ensure that a village obtains needed qualified services upon the most favorable terms and conditions, and in the best interest of the taxpayers.

An RFP provides detailed information on the type of service needed and the evaluation criteria used to award the contract. Evaluation criteria can include experience, work plans, and the methodology used to achieve desired results and estimated completion times. Obtaining professional services through an RFP process helps village officials avoid any potential appearance of partiality when awarding these contracts.

Additional Procurement Resources

Figure 1: OSC Publications

OSC *Local Government Management Guides* and other information resources are available on our website to help officials understand and perform their responsibilities and implement effective internal controls.

Seeking Competition in Procurement	Fiscal Oversight Responsibilities of the Governing Board
	
https://www.osc.ny.gov/files/local-government/publications/pdf/seeking-competition-in-procurement.pdf	https://www.osc.ny.gov/files/local-government/publications/pdf/fiscal-oversight-responsibilities-of-the-governing-board.pdf

- “Piggybacking” Law: Exception to Competitive Bidding – <https://www.osc.ny.gov/files/local-government/publications/pdf/piggybacking-law.pdf>

In addition, our website can be used to search for audits, resources, publications and training for officials: <https://www.osc.ny.gov/local-government>.

Appendix B: Response From Village Officials



Village of Churchville

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March 26, 2026

Stephanie Howes, Chief of Municipal Audits
Office of State Comptroller
The Powers Building
16 West Main St., Suite 522
Rochester, NY 14614-1608

Re: Village of Churchville Audit Report
Procurement 2025M-140

Dear Ms. Howes:

On February 24, 2026, the Village of Churchville office received the Office of the State Comptroller Procurement Report of Examination, covering the period beginning March 1, 2022, and ending October 30, 2025. Village officials, including the Mayor, Board of Trustees, and the Clerk/Treasurer, have carefully reviewed the report and recommendations. This letter will serve jointly as the Village of Churchville's response to the audit and the Corrective Action Plan.

We agree with the findings and recommendations in the report. In all purchases, we strive to act in the best interests of our taxpayers and recognize the importance of soliciting competition. Further, we see the importance of improving our documentation procedures to ensure complete understanding of our reasoning when procuring goods and services.

Corrective actions we will undertake, or have already undertaken, are:

1. Improve awareness of the requirement to obtain written quotes, the issuing of RFPs, and the appropriate piggybacking exemptions to competitive bidding. (completed)
2. Improve documentation retention, including notes of conversations, emails, and other related documents, pertaining to the evaluation of purchases covered by our Procurement Policy. (on-going)
3. Segregate duties so department heads are not approving their own purchase orders. (completed)
4. Update our Procurement Policy with specific guidelines to adopt these changes. (Mayor)
5. Document piggybacking exemptions and verification of receiving state contract prices. (on-going)

The Board appreciates the OSC's recommendations and views this audit as a constructive tool to further enhance the Village's procurement practices and thanks the auditors for their thorough review and constructive recommendations. This response/CAP was approved by the Board of Trustees on March 23, 2026.

Respectfully submitted,

John Hartman
Mayor, Village of Churchville

Stacy L. Stanton
Clerk/Treasurer

John B. Fitzsimmons
Village Attorney

John T. Hartman
Mayor

Michael H. Brown
Trustee

Scott A. Cullen
Trustee

Diane F. Pusateri
Deputy Mayor

Julie L. Michalko
Trustee

Mike J. Robinson
DPW Superintendent

John A. Mancuso
ZAP Board Attorney

www.churchvilleNY.gov

Appendix C: Audit Methodology and Standards

We obtained an understanding of internal controls that we deemed significant within the context of the audit objective and assessed those controls. Information related to the scope of our work on internal controls, as well as the work performed in our audit procedures to achieve the audit objective and obtain valid audit evidence, included the following:

- We interviewed Village officials and employees and reviewed and evaluated the Village's procurement policy to gain an understanding of the Village's procurement process.
- We reviewed Board meeting minutes to identify relevant purchasing decisions, including purchases made using bids or quotes, and to determine whether the Board approved purchases.
- We used our professional judgment to select 21 purchases totaling more than \$1.3 million and used a random number generator to randomly select an additional six purchases totaling \$36,265 from approximately \$8.3 million in purchases made between March 1, 2023 and May 31, 2025. In total, we reviewed 27 purchases totaling approximately \$1.4 million. We selected purchases to review by focusing on high dollar values, purchases exceeding competitive bidding thresholds, purchases below certain thresholds that combined to be over the thresholds, purchases exceeding the policy requirement for quotes, and professional services. In addition, we reviewed Board meeting minutes to determine whether the Board approved all 20 purchases totaling \$1.3 million that exceeded \$10,000 and required Board approval.
- For purchases that exceeded competitive bidding thresholds, we reviewed documentation to determine whether officials sought competition through bids or purchased items through an OGS or other municipal contract. For other purchase thresholds, we reviewed documentation to determine whether officials sought competition based on the requirements in the Village's procurement policy and whether the purchase was for an appropriate Village purpose. When appropriate documentation was not maintained to demonstrate competition was sought or another acceptable purchasing method was used, we discussed these purchases with Village officials.
- We reviewed payments totaling \$88,212 made to three professional service providers from March 1, 2023 through May 28, 2025. We reviewed documentation to determine whether Village officials sought competition before awarding professional service contracts. We also used our professional judgment to determine whether the services were of a nature appropriate for Village business. The total amount paid to all nine professional service providers was \$184,010 over the period.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or relevant population size and the sample selected for examination.

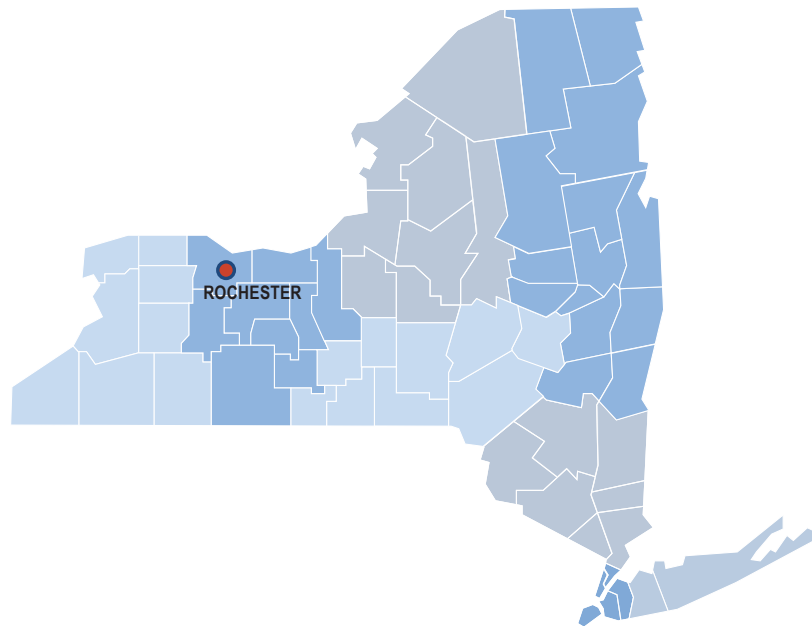
Contact

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