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Report Released Today

IBM subcontractor falsified payroll records relating to work in New York City schools

Today, Special Commissioner of Investigation Richard J. Condon released a report detailing an investigation which found that Maurizio Randazzo, owner of ANR Electrical Contractors and Grand Electric, falsified documents on which he claimed to pay prevailing wages and supplemental benefits to ANR employees who worked in NYC DOE schools. ANR worked for Bayview Custom Construction which was a subcontractor for International Business Machines Corporation ("IBM") which held the "Project Connect" job to cable schools throughout New York City.

The DOE was charged as if Randazzo had paid his workers the proper amount; however, some of the individuals listed did not perform the work and were not paid at all. Other ANR employees and "pick up" workers used by ANR received a fraction of the pay due under State law. The investigation also revealed that Randazzo does not hold an electrician's license and, instead, ANR and Grand Electric operate under the license of an electrician who works for another company.

The Special Commissioner noted that this was not the first time that his office had found that IBM subcontractors or sub-subcontractors had failed to pay prevailing wages and supplemental benefits for work related to Project Connect. He recommended that IBM be held accountable for the oversight of those who were performing the cabling in City schools.

The Special Commissioner also recommended to the Chancellor that the DOE refrain from contracting with Randazzo, ANR, and Grand Electric. The report was referred to Queens District Attorney Richard A. Brown, the United States Department of Education, the New York City Comptroller's Office, the New York State Attorney General's Office, and the New York City Department of Buildings Licensing Unit for appropriate action.

The Office of the Special Commissioner of Investigation is part of the New York City Department of Investigation and Special Commissioner Condon reports to Commissioner Rose Gill Hearn.