

***The City of New York  
Office of the Comptroller  
Bureau of Financial Audit***

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**WILLIAM C. THOMPSON, JR.**  
***Comptroller***

**Audit Report on the  
New York Yankees Rental Credits  
for the First Quarter of 2001  
(January 1, 2001, to March 31, 2001)**

**FR02-123A**

***April 18, 2002***

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Office of the Comptroller  
Bureau of Financial Audit*

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**INTRODUCTION**

**Background**

In accordance with the August 8, 1972, lease agreement between the New York Yankees (the Yankees) and the City of New York (the City), the Comptroller's Office is required to audit all rental credits claimed by the Yankees for maintaining Yankee Stadium. Under the terms of the lease, the Yankees are responsible for maintaining the City-owned stadium. The costs incurred by the Yankees for maintaining the stadium are offset against the rental income due the City from the Yankees for the stadium lease. Therefore, every approved dollar spent in maintaining the stadium and accounted for as a rental credit results in a dollar-for-dollar decrease in the rent due the City.

The general rule for eligible work is that the City pays to maintain all areas of the stadium except Yankees offices, concession space, the receiving room, the Commissary, and the restaurant space (Yankee Club, Yankee Dining Room, Pinstripe Pub, and Stadium Club). The City also pays for materials used to maintain the stadium; however, it does not pay for uniforms or tools.

The rental credits are subject to the approval of the Comptroller's Office. According to the lease, the Yankees are required to submit to the Comptroller, not more than once a month, all documentation necessary for the audit of these rental credits. However, the Yankees and the Comptroller's Office have agreed that the Yankees will submit the maintenance credits and supporting documentation on a quarterly basis instead.

Furthermore, the Comptroller's Office has agreed to audit the quarterly submissions and to present its findings to the Yankees in a preliminary draft report and at an exit conference before issuing a draft report. Within two weeks of the issuance of the draft report, the Yankees will submit any documentation previously omitted to the Comptroller's Office to support any rental credits claimed. Once the Comptroller's Office receives and reviews this documentation, it will issue a final report.

## **Objectives**

The objectives of this audit were to:

- verify the adequacy of the documentation supporting the submitted labor and materials charges,
- ascertain the eligibility for reimbursement of the invoices in accordance with the lease in the form of rental credits, and
- verify the accuracy of the computations and to ensure that non-City charges are not credited toward the rent due under the lease for the period January 1, 2001, through March 31, 2001.

## **Scope and Methodology**

The Comptroller's Bureau of Financial Audit and Bureau of Engineering examined 100 percent of the labor and materials charges, and the supporting documentation submitted by the Yankees.

Financial auditors audited the billings of two subcontractors—River Payroll (Cleaning Services), under Schedule A-1, and PEM Electric, under Schedule A-2—for sufficient documentation in the form of invoices, time sheets, and activity reports to determine whether these billings for labor and materials were justified under the lease.

The Bureau of Engineering is responsible for the audit of all other vendor invoices covered under Schedules A-3 through A-6 with the schedule headings of Miranda Fuel, Brown & Silver, Stadium Repairs, and Other Expenses. The Bureau's findings are included in this report.

The audit scope covered the period January 1, 2001, through March 31, 2001. Financial auditors audited all source documents for each month of the quarter submitted under Schedule A-1 (River Payroll) and Schedule A-2 (PEM Electric) for reimbursement through the rental credits. These documents included time sheets, payroll reports, and invoices to support the costs of labor and materials charged to the City.

In addition, we verified the charges for materials under Schedule A-2 (PEM Electric) for appropriateness and reasonableness. The settlement agreement of October 29, 1993, designated the Yankees as agents of the City. Therefore, maintenance credits for sales tax are not accepted as credits against rental income. In this regard, we verified that charges for materials did not include sales tax.

We verified all retroactive salary adjustments for accuracy against supporting documentation or relevant agreements.

We documented all recurring unreasonable charges for rental credits on a spreadsheet with our comments, and included them as appendices to this report. We calculated all dollar amounts on the supporting schedules for accuracy and reconciled these amounts with the total amounts listed on the lead schedule for all vendors from Schedule A-1 through A-6.

The Bureau of Engineering audited all of the billings on Schedules A-3 through A-6 for accuracy and eligibility for reimbursement. The Bureau of Engineering used the following criteria to allow or to disallow rental credits:

- To verify the cost of an item, an invoice and check must be submitted.
- To receive maintenance credit toward rent, the Yankees must provide pre-authorization and acceptance reports from Department of Parks and Recreation (Parks) for the work or services performed.

Without the submission of the above supporting documentation, maintenance costs submitted as credits against rental income are disallowed.

These audits are lease-mandated, thereby requiring that the Yankees submit all source documents to the Comptroller's Office in order to receive credits toward rental income due to the City.

We did not conduct an entrance conference or evaluate the Yankees' internal controls over the process and procedures for payment of the invoices for maintenance. However, we verified that all documents contained valid certification from the Parks designees at Yankee Stadium as proof that labor costs were incurred and that material was purchased and received.

The audit was conducted in accordance with generally accepted government auditing standards (GAGAS) and included tests of the records and other auditing procedures considered necessary. This audit was performed in accordance with the City Comptroller's audit responsibilities as set forth in Chapter 5, §93, of the New York City Charter.

## **Discussion of Audit Results**

The matters covered in this report were discussed with officials from the New York Yankees and from the Department of Parks and Recreation during and at the conclusion of this audit. A preliminary draft report was issued on February 21, 2002. On February 28, 2002, Yankee officials waived their right to an exit conference. Parks, however, submitted documentation supporting a portion of the credits that we were disallowing as rental credits because of lack of its approval. On March 19, 2002, we issued a draft report with a request for comments.

Our draft report disallowed rental credits totaling \$56,260.76. After review of documentation provided by Parks subsequent to the preliminary draft report, we allowed additional rental credits of \$846.42. This resulted in our final disallowance of \$55,414.34, of which the Yankees accepted \$39,941.99 as a Yankee cost. The remaining disallowance of \$15,472.35, under Schedule A-5, is not chargeable to the City because the Yankees did not provide us the required documentation. Parks should ensure that the Yankees deduct \$55,414.34 from their rental credits.

This final report reflects our changes based on additional documentation submitted by the Yankees and Parks. The Yankees response is included as an addendum to this report.

## FINDINGS AND RECOMMENDATIONS

### Overstatement of Rental Credits

Rental credits audited under the schedules submitted for the first quarter of 2001 were overstated by \$55,414.34 as summarized below:

**Table I**

Disallowance Schedule\*

Schedule	Billed	Allowed	Disallowed
A-1 (River Payroll)	\$372,902.33	\$347,839.25	\$25,063.08
A-2 (PEM Electric)	204,081.54	190,922.65	13,158.89
A-3 (Miranda Fuel)	69,591.08	69,591.08	0.00
A-4 (Brown & Silver)	4,297.10	4,297.10	0.00
A-5 (Stadium Repairs)	346,175.26	329,812.01	16,363.25
A-6 (Other Expenses)	2,928.12	2,099.00	829.12
Total	\$999,975.43	\$944,561.09	\$55,414.34

\* All calculations are rounded to two decimal points

A summary of the maintenance credit billings, as submitted by the Yankees, and our disallowances for each vendor are presented in Appendix I, including all the vendors under Schedules A-1 through A-6 for each month of the audit period.

The River Payroll disallowance of \$25,063.08 consists of the following:

- \$12,053.01—for excess security costs for the period December 1, 2000, through March 29, 2001. Based on the hourly rates stated in the agreement between the Yankees and Burns International Security (Burns), and on the staffing levels approved by Parks, the Yankees should have billed the City for \$77,256.40 instead of the \$89,309.41 actually billed. The Yankees accepted the \$12,053.01 disallowance as a Yankees cost.
- \$5,792.36—for hours worked on Yankee assignments, which were listed on the time records as “Maintenance/In-House,” “Maintenance/Field,” “Movie,” and “Canteen.” These expenses, under the terms of the lease, are chargeable to the Yankees and cannot be offset as maintenance credits against rental income. The Yankees accepted the \$5,792.36 disallowance as a Yankees cost.

- \$2,726.64—for contributions to various funds and payroll taxes that are related to our River Payroll disallowances listed here.<sup>1</sup> The Yankees accepted the \$2,726.64 disallowance as a Yankees cost.
- \$1,235.19—for incorrect hourly rates paid to employees in the titles of lead utilityman, utilityman, and steady extras. Based on the Yankee payroll codes, these employees were paid at a higher rate than allowable under the Local 54 agreement covering these titles. The Yankees accepted the \$1,235.19 disallowance as a Yankees cost.
- \$1,034.59—for time-and-a-half payments made to three employees instead of straight time payments, for double-time payments made to three employees instead of time-and-a-half payments, and for double-time-and-a-half payments made to two employees instead of double-time payments. Based on the Yankee payroll codes, these employees were paid at a rate higher than allowable under the respective Local 30 and Local 54 agreements. The Yankees accepted the \$1,034.59 disallowance as a Yankees cost.
- \$669.32—for unreasonable labor costs—\$649.32 for two engineers who worked a third shift, and \$20 for a bonus payment to an assistant chief engineer who is not regularly scheduled to work Sundays and is, therefore, ineligible for bonus pay. The Yankees accepted the \$669.32 disallowance as a Yankees cost.
- \$624.90—for time paid to three employees who did not fill in their sign-in/sign-out times on their time sheets or who did not initial their time sheets at the end of their work shifts. The Yankees accepted the \$624.90 disallowance as a Yankees cost.
- \$423.09—for questionable labor hours. These charges lacked proper documentation to support eligibility for credit against rental income. The Yankees accepted the \$423.09 disallowance as a Yankees cost.
- \$273.13—for the cost of “lunch-not-taken.” §162 of New York State Labor Law states that “every person in any establishment or occupation covered by the Labor Law must be afforded a meal period of at least thirty minutes.” Furthermore, Article VI of the Agreement between Local 54 S.E.I.U., AFL-CIO, and River Operating Company, Inc. (River Payroll), states, in part: “Hours of work each day shall be exclusive of a daily lunch period of not more than one (1) hour.” In addition, according to a letter to us dated June 9, 1997, Parks stated that it informed the Yankees that effective January 1, 1996, it would not accept “lunch not taken” labor cost credits that were not approved in advance. The Yankees accepted the \$273.13 disallowance as a Yankees cost.
- \$153.90—for labor hours not worked that, under the terms of the lease, cannot be offset against rental income due to the City. The Yankees accepted the \$153.90 disallowance as a Yankees cost.

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<sup>1</sup> Includes Welfare, Pension, and Annuity Funds.



- \$76.95—for double-billed labor hours. Some timesheets indicated that employees began a second shift even though the first had not ended. As a result, the City was charged twice for the same expense. The Yankees accepted the \$76.95 disallowance as a Yankees cost.

Appendix II gives details of the above disallowances.

The PEM Electric disallowance of \$13,158.89 consists of \$4,751.25 in labor costs and \$8,407.64 in materials charges.

The disallowed labor costs include:

- \$2,776.06—for five employees who did not fill in their sign-out time or who did not initial their timesheets at the end of their work shifts. The Yankees accepted the \$2,776.06 disallowance as a Yankees cost.
- \$1,783.35—for hours that were not supported on the employees' timesheets. The Yankees accepted the \$1,783.35 disallowance as a Yankees cost.
- \$191.84—for incorrect hourly rates paid to employees in the foreman and electrician titles. Based on the Yankee payroll codes, these employees were paid at a rate higher than allowable under the agreement between PEM Electrical Corporation and Local Union #3. The Yankees accepted the \$191.84 disallowance as a Yankees cost.

Appendix III gives details of the above disallowances for PEM Electric labor hours.

The disallowed materials costs include:

- \$3,239.88—for lighting expenses. Based on the documentation provided by the Yankees, we were unable to determine whether these expenses were City charges or Yankee charges. The Yankees accepted the \$3,239.88 disallowance as a Yankees cost.
- \$3,620.84—for items whose eligibility as a City cost could not be determined from the invoices provided. The Yankees accepted the \$3,620.84 disallowance as a Yankees cost.
- \$597.63—for the purchase of tools, batteries, tape, gloves, and a safety harness that, under the terms of the lease agreement, cannot be charged to the City. The Yankees accepted the \$597.63 disallowance as a Yankees cost.
- \$570.86—for materials used in Yankee-designated areas. These are not City costs and cannot be offset against rental income. The Yankees accepted the \$570.86 disallowance as a Yankees cost.

- \$362.05—4.5 percent of disallowed materials.<sup>2</sup> The Yankees accepted the \$362.05 disallowance as a Yankee cost.
- \$16.38—for an irreconcilable difference between the material charges according to Yankees billings and the amount computed from the invoices as chargeable to the City. The Yankees accepted the \$16.38 disallowance as a Yankees cost.

Appendix IV gives details of the above disallowances for materials charges.

The Stadium Repairs disallowance of \$16,363.25 consists of:

- \$15,472.35—for expenses, for which the required written notification for the increase in monthly maintenance fees, by White Way Sign & Maintenance, was not provided.
- \$636.00—for sales tax charged to the City. Since the settlement agreement of October 29, 1993, designated the Yankees as agents of the City, maintenance credits for sales tax are not acceptable. The Yankees accepted the \$636.00 disallowance as a Yankees cost.
- \$254.90—for items that, under the terms of the lease, are not a City cost. The Yankees accepted the \$254.90 disallowance as a Yankees cost.

Finally, the Other Expenses disallowance of \$829.12 consists of items that, under the terms of the lease, are not a City cost. The Yankees accepted the \$829.12 disallowance as a Yankees cost.

See Appendices V and V.1 for details on disallowances for schedules A-3 through A-6.

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<sup>2</sup> The PEM Electrical and Maintenance Agreement with the Yankees, § 2 (e), entitles PEM Electric to include a 4.5 percent overhead charge (contract adder) for materials purchased for the maintenance of the stadium.

## **Recommendations**

The Yankees should:

1. Deduct \$55,414.34 from the total rental credits for maintenance for the first quarter of 2001.
2. Ensure that all maintenance credits claimed are properly supported by sufficient documentation and appropriate approvals from Parks before submitting rental credits to the Comptroller's Office. This procedure would enable the Comptroller's Office to review and approve the rental credits more expeditiously. It would also enable the Yankees to conform to the lease requirements.

Parks should:

3. Ensure that the Yankees comply with Recommendation #1.
4. Direct its representatives at the stadium to ensure that all maintenance credits claimed are properly supported by sufficient documentation and appropriate approvals from Parks before submitting rental credits to the Comptroller's Office. This procedure would enable the Comptroller's Office to review and approve the rental credits more expeditiously. It would also enable the Yankees to conform to the lease requirements.

NEW YORK YANKEES RENTAL CREDITS  
SUMMARY SCHEDULE FOR VENDORS A-1 THROUGH A-6  
AUDIT PERIOD: 1/1/01 - 3/31/01  
AUDIT NO. FR02-123A

APPENDIX I  
PAGE 1 OF 1

NY Y SCHEDULE	AMOUNT BILLED	PREVIOUS ALLOWANCE Note(1)	PREVIOUS DIS- ALLOWANCE Note(1)	ADJUSTMENTS			FINAL ALLOWANCE Note(3)	FINAL DIS- ALLOWANCE Note(3)
				AMOUNT ACCEPTED BY NY Y Note(2)	AMOUNT RE- SUBMITTED BY NY Y	ADDITIONAL AMOUNT ACCEPTED BY CITY		
A-1 RIVER PAYROLL								
Total	\$372,902.33	\$347,839.25	\$25,063.08	\$25,063.08	\$0.00	\$0.00	\$347,839.25	\$25,063.08
A-2 PEM ELECTRIC								
Total	\$204,081.54	\$190,076.23	\$14,005.31	\$13,158.89	\$846.42	\$846.42	\$190,922.65	\$13,158.89
A-3 MIRANDA FUEL								
Total	\$69,591.08	\$69,591.08	\$0.00	\$0.00	\$0.00	\$0.00	\$69,591.08	\$0.00
A-4 BROWN & SILVER								
Total	\$4,297.10	\$4,297.10	\$0.00	\$0.00	\$0.00	\$0.00	\$4,297.10	\$0.00
A-5 STADIUM REPAIRS								
Total	\$346,175.26	\$329,812.01	\$16,363.25	\$890.90	\$15,472.35	\$0.00	\$329,812.01	\$16,363.25
A-6 OTHER EXPENSES								
Total	\$2,928.12	\$2,099.00	\$829.12	\$829.12	\$0.00	\$0.00	\$2,099.00	\$829.12
Grand Total	\$999,975.43	\$943,714.67	\$56,260.76	\$39,941.99	\$16,318.77	\$846.42	\$944,561.09	\$55,414.34

Notes:

- (1) Per Draft Report dated March 19, 2002.  
(2) Per New York Yankees Response received on April 3, 2002  
(3) At Final Stage

NEW YORK YANKEES RENTAL CREDITS  
SCHEDULE OF RIVER PAYROLL INELIGIBLE LABOR HOURS  
FOR THE 1st QUARTER OF 2001  
AUDIT PERIOD: 1/1/01 - 3/31/01  
AUDIT NO.: FR02 - 123A

DESCRIPTION OF DISALLOWANCE	AMOUNT DISALLOWED (Per Draft Report)	AMOUNT ACCEPTED BY NYY	AMOUNT RESUBMITTED BY NYY	ADD'L AMT ACCEPTED BY CITY	FINAL DIS- ALLOWANCE
<u>RIVER PAYROLL</u>					
1. BURNS SECURITY SVCS.	\$12,053.01	\$12,053.01	\$0.00	\$0.00	\$12,053.01
2. YANKEE ASSIGNMENTS	\$5,792.36	\$5,792.36	\$0.00	\$0.00	\$5,792.36
3. WELFARE CONTRIBUTIONS & PAYROLL	\$2,726.64	\$2,726.64	\$0.00	\$0.00	\$2,726.64
4. INCORRECTLY HOURLY RATES	\$1,235.19	\$1,235.19	\$0.00	\$0.00	\$1,235.19
5. INELIGIBLE 1.5/D.T./2.5 PAYMENTS	\$1,034.59	\$1,034.59	\$0.00	\$0.00	\$1,034.59
6. UNREASONABLE LABOR COSTS	\$669.32	\$669.32	\$0.00	\$0.00	\$669.32
7. INCOMPLETE T/S	\$624.90	\$624.90	\$0.00	\$0.00	\$624.90
8. QUESTIONABLE LABOR HOURS	\$423.09	\$423.09	\$0.00	\$0.00	\$423.09
9. LUNCH NOT TAKEN	\$273.13	\$273.13	\$0.00	\$0.00	\$273.13
10. HOURS NOT WORKED	\$153.90	\$153.90	\$0.00	\$0.00	\$153.90
11. DOUBLE-BILLED HOURS	<u>\$76.95</u>	<u>\$76.95</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$76.95</u>
TOTAL:	\$25,063.08	\$25,063.08	\$0.00	\$0.00	\$25,063.08

NEW YORK YANKEES RENTAL CREDITS  
 SCHEDULE OF PEM ELECTRIC INELIGIBLE LABOR HOURS  
 FOR THE 1st QUARTER OF 2001  
 AUDIT PERIOD: 1/1/01 - 3/31/01  
 AUDIT NO.: FR02 - 123A

APPENDIX III  
 PAGE 1 OF 1

DESCRIPTION OF DISALLOWANCE	AMOUNT DISALLOWED (Per Draft Report)	AMOUNT ACCEPTED BY NYN	AMOUNT RESUBMITTED BY NYN	ADD'L AMT. ACCEPTED BY CITY	FINAL DIS- ALLOWANCE
<u>PEM ELECTRIC-LABOR</u>					
1. INCOMPLETE TIME SHEET	\$2,776.06	\$2,776.06	\$0.00	\$0.00	\$2,776.06
2. HOURS NOT WORKED	\$1,783.35	\$1,783.35	\$0.00	\$0.00	\$1,783.35
3. INCORRECT O/T, S/T RATE	\$191.84	\$191.84	\$0.00	\$0.00	\$191.84
TOTAL:	\$4,751.25	\$4,751.25	\$0.00	\$0.00	\$4,751.25

NEW YORK YANKEES RENTAL CREDITS  
SCHEDULE OF PEM ELECTRIC INELIGIBLE MATERIAL CHARGES  
FOR THE 1st QUARTER OF 2001  
AUDIT PERIOD: 1/1/01 - 3/31/01  
AUDIT NO.: FR02 - 123A

DESCRIPTION OF DISALLOWANCE	AMOUNT DISALLOWED (Per Draft Report)	AMOUNT ACCEPTED BY NYY	AMOUNT RESUBMITTED BY NYY	ADD'L AMT ACCEPTED BY CITY	FINAL DIS- ALLOWANCE
<u>PEM ELECTRIC-MATERIAL</u>					
1. LAMPS	\$4,049.85	\$3,239.88	\$809.97	\$809.97	\$3,239.88
2. QUESTIONABLE CHARGES	\$3,620.84	\$3,620.84	\$0.00	\$0.00	\$3,620.84
3. NOT A CITY COST	\$597.63	\$597.63	\$0.00	\$0.00	\$597.63
4. NYY CHARGE	\$570.86	\$570.86	\$0.00	\$0.00	\$570.86
5. IRRECONCILABLE DIFFERENC	\$16.38	\$16.38	\$0.00	\$0.00	\$16.38
6. CONTRACT ADDER	<u>\$398.50</u>	<u>\$362.05</u>	<u>\$36.45</u>	<u>\$36.45</u>	<u>\$362.05</u>
TOTAL:	\$9,254.06	\$8,407.64	\$846.42	\$846.42	\$8,407.64
SUMMARY OF DISALLOWANCES - LABLOR & MATERIALS					
PEM - LABOR (APPENDIX III)	\$4,751.25	\$4,751.25	\$0.00	\$0.00	\$4,751.25
PEM - MATERIALS (APPENDIX IV)	<u>\$9,254.06</u>	<u>\$8,407.64</u>	<u>\$846.42</u>	<u>\$846.42</u>	<u>\$8,407.64</u>
TOTAL:	\$14,005.31	\$13,158.89	\$846.42	\$846.42	\$13,158.89

THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF ENGINEERING

MEMORANDUM

4-Apr-02

To: Lawrence Baum  
Audit Manager

From: Michael P. Rennard, P.E.  
Chief Engineer

Re: Yankee Stadium Billing  
Schedule A-3, A-4, A-5, A-6 01-01

\*\*\*\*\*

We are in receipt of the referenced billing from the New York Yankees. Our enclosed analysis indicates that we should allow \$22,816.97 in rental credits and disallow \$2,524.27.

cc: Roger Liwer  
Stanley Rosarioff  
Jonathan Rubin  
Yasmin Tejani  
Michael Leonetti (DPR)  
Artie Rollins (DPR)



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF ENGINEERING

MEMORANDUM

4-Apr-02

To: Michael Rennard, P.E.  
Chief Engineer  
From: Stanley Rosanoff, P.E.  
Division Chief  
Re: Yankee Stadium Billing 01-01  
Schedule A-3, A-4, A-5, A-6

\*\*\*\*\*  
The following table summarizes the analysis of the above referenced billing submitted by the New York Yankees. Detailed billing analysis is shown in the tables below.

Item	Yankee Billing	Amount Allowed	Disallowed Amount
Sched. A-3			
Miranda Fuel	\$0.00	\$0.00	\$0.00
Sched. A-4			
Brown & Silver	\$0.00	\$0.00	\$0.00
Sched. A-5			
Stadium Repairs	\$25,341.24	\$22,816.97	\$2,524.27
Sched. A-6			
Other Expenses	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>\$25,341.24</b>	<b>\$22,816.97</b>	<b>\$2,524.27</b>

Schedule A-3 Miranda Fuel

Check Number	Invoice Number	Item Description	Yankee Billing	Allowed Amount	Disallowed Amount	
			\$0.00	\$0.00	\$0.00	
	<b>Total</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

Schedule A-4 Brown & Silver

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
			\$0.00	\$0.00	\$0.00	
	<b>Total</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

Schedule A-5 Stadium Repairs

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
27337	11712	Exterminator	\$1,700.00	\$1,700.00	\$0.00	
27396	6816-01	White Way	\$2,524.27	\$0.00	\$2,524.27	
27351	254790	Pump	\$2,573.51	\$2,573.51	\$0.00	
	264109	Pump	\$3,990.00	\$3,990.00	\$0.00	
27457	47114	fan motor	\$93.21	\$93.21	\$0.00	
27438	P1037672	Chem. Water Treatment	\$1,141.25	\$1,141.25	\$0.00	
	P1058398	Chem. Water Treatment	\$750.00	\$750.00	\$0.00	
27465	3278	Doors	\$525.00	\$525.00	\$0.00	
27336	52422	ACE Elevator	\$11,744.00	\$11,744.00	\$0.00	
	52527	ACE Elevator	\$150.00	\$150.00	\$0.00	
	52528	ACE Elevator	\$150.00	\$150.00	\$0.00	
	<b>Total</b>		<b>\$25,341.24</b>	<b>\$22,816.97</b>	<b>\$2,524.27</b>	

Schedule A-6 Other Expenses

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
			\$0.00	\$0.00	\$0.00	
	<b>Total</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	

Standard Legend:

- a. Not a City cost
- b. No indication of use or approval by DPR
- c. Approval withheld pending DPR approval
- d. Backup documentation missing from package submitted
- e. Sales Tax
- f. New York City costs attributable to these bills not clear
- g. Approval withheld pending receipt of bid tabulations and copy of contract
- h. No evidence of payment
- i. Approval pending receipt of written notification of increase in monthly charge.

Calculations Checked

Juddie S. Simms

HEAIYANKEEWY01-01

THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF ENGINEERING

MEMORANDUM

4-Apr-02

To: Lawrence Baum  
Audit Manager

From: Michael P. Rennard, P.E.  
Chief Engineer

Re: Yankee Stadium Billing  
Schedule A-3, A-4, A-5, A-6 02-01

\*\*\*\*\*

We are in receipt of the referenced billing from the New York Yankees. Our enclosed analysis indicates that we should allow \$169,325.54 in rental credits and disallow \$11,311.07.

cc: Roger Liwer  
Stanley Rosanoff  
Jonathan Rubin  
Yasmin Tejani  
Michael Leonetti (DPR)  
Artie Rollins (DPR)

THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF ENGINEERING

MEMORANDUM

4-Apr-02

To: Michael Rennard, P.E.  
Chief Engineer  
From: Stanley Rosanoff, P.E.  
Division Chief  
Re: Yankee Stadium Billing 02-01  
Schedule A-3, A-4, A-5, A-6

\*\*\*\*\*  
The following table summarizes the analysis of the above referenced billing submitted by the New York Yankees. Detailed billing analysis is shown in the tables below.

Item	Yankee Billing	Amount Allowed	Disallowed Amount
Sched. A-3			
Miranda Fuel	\$30,685.43	\$30,685.43	\$0.00
Sched. A-4			
Brown & Silver	\$1,333.00	\$1,333.00	\$0.00
Sched. A-5			
Stadium Repairs	\$147,421.87	\$136,795.11	\$10,626.76
Sched. A-6			
Other Expenses	\$1,196.31	\$512.00	\$684.31
<b>Total</b>	<b>\$180,636.61</b>	<b>\$169,325.54</b>	<b>\$11,311.07</b>

**Schedule A-3 Miranda Fuel**

Check Number	Invoice Number	Item Description	Yankee Billing	Allowed Amount	Disallowed Amount	
27604	339	Fuel	\$9,715.50	\$9,715.50	\$0.00	
	340	Fuel	\$572.64	\$572.64	\$0.00	
	461	Fuel	\$9,716.64	\$9,716.64	\$0.00	
	462	Fuel	\$572.53	\$572.53	\$0.00	
	645	Fuel	\$562.62	\$562.62	\$0.00	
	646	Fuel	\$9,545.50	\$9,545.50	\$0.00	
	<b>Total</b>		<b>\$30,685.43</b>	<b>\$30,685.43</b>	<b>\$0.00</b>	

**Schedule A-4 Brown & Silver**

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
28309	51891	Plumbing	\$300.00	\$300.00	\$0.00	
28386	51984	Plumbing	\$670.00	\$670.00	\$0.00	
	52172	Plumbing	\$363.00	\$363.00	\$0.00	
	<b>Total</b>		<b>\$1,333.00</b>	<b>\$1,333.00</b>	<b>\$0.00</b>	

**Schedule A-5 Stadium Repairs**

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
28358	2001001	Painting	\$60,424.98	\$60,424.98	\$0.00	
	2001004	Painting	\$38,951.64	\$38,951.64	\$0.00	
28402	P1063348	Chemical Water Treatment	\$749.99	\$749.99	\$0.00	
27627	156923	White Way Sign	\$2,424.93	\$0.00	\$2,424.93	i
	6816-02	White Way Sign	\$5,673.29	\$0.00	\$5,673.29	i
27582	12714	Acme Exterm	\$1,700.00	\$1,700.00	\$0.00	
28378	1711	Acme Exterm	\$1,700.00	\$1,700.00	\$0.00	
27581	52672	ACE Elevator	\$11,744.00	\$11,744.00	\$0.00	
28377	52863	ACE Elevator	\$11,744.00	\$11,744.00	\$0.00	
28335	47635	Electrical	\$103.61	\$0.00	\$103.61	a
28393	1583	Dorson Environ.	\$617.50	\$617.50	\$0.00	
28308	102387	Motor	\$139.00	\$139.00	\$0.00	
28422	158231	White Way	\$2,424.93	\$0.00	\$2,424.93	i
28368	48032S	Boiler Repair	\$2,730.00	\$2,730.00	\$0.00	
	48140S	Boiler Repair	\$6,294.00	\$6,294.00	\$0.00	
	<b>Total</b>		<b>\$147,421.87</b>	<b>\$136,795.11</b>	<b>\$10,626.76</b>	

**Schedule A-6 Other Expenses**

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
27412	13798501	?	\$675.63	\$0.00	\$675.63	a
28300	81026R	Airweld	\$22.00	\$22.00	\$0.00	
28356	NY-677638	Keys	\$8.68	\$0.00	\$8.68	a
28380	B804	chloride pellets	\$490.00	\$490.00	\$0.00	
	<b>Total</b>		<b>\$1,196.31</b>	<b>\$512.00</b>	<b>\$684.31</b>	

**Standard Legend:**

- a. Not a City cost
- b. No indication of use or approval by DPR
- c. Approval withheld pending DPR approval
- d. Backup documentation missing from package submitted
- e. Sales Tax
- f. New York City costs attributable to these bills not clear
- g. Approval withheld pending receipt of bid tabulations and copy of contract
- h. No evidence of payment
- i. Approval pending receipt of written notification of increase in monthly charge.

Calculations Checked

Juddie S. Simms

HEA\YANKEE\NY02-01

THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF ENGINEERING

MEMORANDUM

4-Apr-02

To: Lawrence Baum  
Audit Manager

From: Michael P. Rennard, P.E.  
Chief Engineer

Re: Yankee Stadium Billing  
Schedule A-3, A-4, A-5, A-6 03-01

\*\*\*\*\*

We are in receipt of the referenced billing from the New York Yankees. Our enclosed analysis indicates that we should allow \$213,656.68 in rental credits and disallow \$3,357.03.

cc: Roger Liwer  
Stanley Rosanoff  
Jonathan Rubin  
Yasmin Tejani  
Michael Leonetti (DPR)  
Artie Rollins (DPR)



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF ENGINEERING

MEMORANDUM

4-Apr-02

To: Michael Rennard, P.E.  
Chief Engineer  
From: Stanley Rosanoff, P.E.  
Division Chief  
Re: Yankee Stadium Billing 03-01  
Schedule A-3, A-4, A-5, A-6

\*\*\*\*\*  
The following table summarizes the analysis of the above referenced billing submitted by the New York Yankees. Detailed billing analysis is shown in the tables below.

Item	Yankee Billing	Amount Allowed	Disallowed Amount
Sched. A-3			
Miranda Fuel	\$38,905.65	\$38,905.65	\$0.00
Sched. A-4			
Brown & Silver	\$2,964.10	\$2,964.10	\$0.00
Sched. A-5			
Stadium Repairs	\$173,412.15	\$170,199.93	\$3,212.22
Sched. A-6			
Other Expenses	\$1,731.81	\$1,587.00	\$144.81
<b>Total</b>	<b>\$217,013.71</b>	<b>\$213,656.68</b>	<b>\$3,357.03</b>

Schedule A-3 Miranda Fuel

Check Number	Invoice Number	Item Description	Yankee Billing	Allowed Amount	Disallowed Amount	
28447	784	Fuel	\$568.65	\$568.65	\$0.00	
	785	Fuel	\$9,630.50	\$9,630.50	\$0.00	
	967	Fuel	\$9,206.58	\$9,206.58	\$0.00	
	968	Fuel	\$543.02	\$543.02	\$0.00	
28659	1099	Fuel	\$9,205.50	\$9,205.50	\$0.00	
	1100	Fuel	\$542.15	\$542.15	\$0.00	
	1200	Fuel	\$8,695.50	\$8,695.50	\$0.00	
	1201	Fuel	\$513.75	\$513.75	\$0.00	
	<b>Total</b>		<b>\$38,905.65</b>	<b>\$38,905.65</b>	<b>\$0.00</b>	

Schedule A-4 Brown & Silver

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
28492	51985	Plumbing	\$561.70	\$561.70	\$0.00	
	52054	Plumbing	\$77.40	\$77.40	\$0.00	
28564	52364	Gas Cylinder	\$114.00	\$114.00	\$0.00	
	52397	Plumbing	\$691.25	\$691.25	\$0.00	
	52479	Plumbing	\$633.00	\$633.00	\$0.00	
	52494	Plumbing	\$340.00	\$340.00	\$0.00	
	52504	Toilet	\$363.00	\$363.00	\$0.00	
	52505	Plumbing	\$183.75	\$183.75	\$0.00	
	<b>Total</b>		<b>\$2,964.10</b>	<b>\$2,964.10</b>	<b>\$0.00</b>	

Schedule A-5 Stadium Repairs

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
28436	21846	G&D Decorators	\$1,200.49	\$1,200.49	\$0.00	
28489	NY-67737	Keys/Padlocks	\$151.29	\$0.00	\$151.29	a
28497	2001002	Painting	\$11,806.55	\$11,806.55	\$0.00	
	2001006	Painting	\$43,395.00	\$43,395.00	\$0.00	
	2001007	Painting	\$29,962.80	\$29,962.80	\$0.00	
	2001009	Painting	\$34,956.60	\$34,956.60	\$0.00	
	2001010	Painting	\$21,972.72	\$21,972.72	\$0.00	
28604	60999	Fire Equip.	\$346.25	\$346.25	\$0.00	
28623	159563	White Way	\$2,424.93	\$0.00	\$2,424.93	i
28552	500507	ACE Elevator	\$525.00	\$525.00	\$0.00	
	53095	ACE Elevator	\$11,744.00	\$11,744.00	\$0.00	
	53284	ACE Elevator	\$567.00	\$567.00	\$0.00	
28565	171941	Bug Doctor	\$11,236.00	\$10,600.00	\$636.00	e
28584	48282S	Boiler Repair	\$3,123.52	\$3,123.52	\$0.00	
	<b>Total</b>		<b>\$173,412.15</b>	<b>\$170,199.93</b>	<b>\$3,212.22</b>	

**Schedule A-6 Other Expenses**

Check Number	Invoice Number	Item Description	Yankee Billing	Amount Allowed	Amount Disallowed	
2112	1049167*	Burns Security	\$0.00	\$0.00	\$0.00	*
2132	1112782*	Burns Security	\$0.00	\$0.00	\$0.00	*
	1174535*	Burns Security	\$0.00	\$0.00	\$0.00	*
	1235033*	Burns Security	\$0.00	\$0.00	\$0.00	*
28554	81812R	Airweid	\$22.00	\$22.00	\$0.00	
28556	B810	Cal Chloride	\$637.00	\$637.00	\$0.00	
28562	B04426	Rock Salt	\$441.75	\$441.75	\$0.00	
	B04938	Rock Salt	\$23.25	\$23.25	\$0.00	
28491	B00855	Icemelt	\$175.00	\$175.00	\$0.00	
	B01216	Rock Salt	\$288.00	\$288.00	\$0.00	
28490	310899	Welding Supplies	\$144.81	\$0.00	\$144.81	a
<b>Total</b>			<b>\$1,731.81</b>	<b>\$1,587.00</b>	<b>\$144.81</b>	

\*Costs of \$89,309.41 billed by Burns International Security not included - to be processed under Schedule A-1

**Standard Legend:**

- a. Not a City cost
- b. No indication of use or approval by DPR
- c. Approval withheld pending DPR approval
- d. Backup documentation missing from package submitted
- e. Sales Tax
- f. New York City costs attributable to these bills not clear
- g. Approval withheld pending receipt of bid tabulations and copy of contract
- h. No evidence of payment
- i. Approval pending receipt of written notification of increase in monthly charge.

Calculations Checked

Juddie S. Simms

1\EA\YANKEE\WY03-01

APPENDIX V.I  
PAGE 1 OF 1

NEW YORK YANKEES RENTAL CREDITS  
BUREAU OF ENGINEERING REPORTS FOR  
SCHEDULES A-3 THROUGH A-6  
AUDIT PERIOD: 1/1/01 - 3/31/01  
AUDIT #FR02-123A

DESCRIPTION OF DISALLOWANCE	Amount Disallowed (Per Draft Report)	Amount Accepted by NYN	Amount Resubmitted by NYN	Add'l Amt. Accepted by City	Final Disallowance (Note 1)	Unresolved Amount
A-3 MIRANDA FUEL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A-4 BROWN & SILVER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A-5 STADIUM REPAIRS						
(a) Not a City Cost	\$254.90	\$254.90	\$0.00	\$0.00	\$254.90	\$0.00
(e) Sales Tax	\$636.00	\$636.00	\$0.00	\$0.00	\$636.00	\$0.00
(f) Approval Withheld Pending Written Notification of Increase in Monthly Charge	\$15,472.35	\$0.00	\$15,472.35	\$0.00	\$15,472.35	\$15,472.35
Total	\$16,363.25	\$890.90	\$15,472.35	\$0.00	\$16,363.25	\$15,472.35
A-6 OTHER EXPENSES						
(a) Not a City Cost	\$829.12	\$829.12	\$0.00	\$0.00	\$829.12	\$0.00
Total	\$829.12	\$829.12	\$0.00	\$0.00	\$829.12	\$0.00
GRAND TOTAL:	\$17,192.37	\$1,720.02	\$15,472.35	\$0.00	\$17,192.37	\$15,472.35

(1) At Final Stage

# New York Yankees

TICKET OFFICE  
YANKEE STADIUM  
BRONX, NEW YORK 10451  
(718) 293-6600



EXECUTIVE OFFICE  
YANKEE STADIUM  
BRONX, NEW YORK 10451  
(718) 293-4300

April 3, 2002

Mr. Gary Rose  
Assistant Deputy Controller, Financial Audit & Support Services  
1 Centre Street  
Room 1300 North  
New York, NY 10007

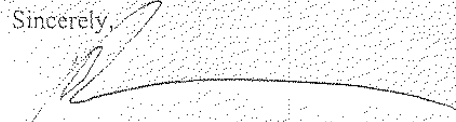
RE: Audit Report on the New York Yankees Rental Credits- 1<sup>st</sup> Quarter 2001

Dear Mr. Rose:

In response to the draft report, the New York Yankees are accepting \$39,941.99.

Should you have any questions, please feel free to contact Joe Hecht at 718-579-4490.

Sincerely,

  
Robert Brown

RB/jh

Cc: Lawrence Baum  
Yasmin Tejani

ADDENDUM

Page 2 of 3

AUDIT NUMBER: FR02-123A  
New York Yankees 1st Qtr of 2001

	ACCEPT	REJECT	TOTAL
A-1	\$25,063.08	\$0.00	\$25,063.08
A-2	\$13,158.89	\$846.42	\$14,005.31
A-3	\$0.00	\$0.00	\$0.00
A-4	\$0.00	\$0.00	\$0.00
A-5	\$890.90	\$15,472.35	\$16,363.25
A-6	<u>\$829.12</u>	<u>\$0.00</u>	<u>\$829.12</u>
TOTAL	\$39,941.99	\$16,318.77	\$56,260.76

Total

A-1 RIVER PAYROLL

	Amount Accepted	Amount Rejected	Total Amount
Description of Disallowance			
1. BURNS SECURITY SVCS.	\$12,053.01	\$0.00	\$12,053.01
2. YANKEE ASSIGNMENTS	\$5,792.36	\$0.00	\$5,792.36
3. WELFARE CONTRIBUTIONS & PAYROLL TAXES	\$2,726.64	\$0.00	\$2,726.64
4. INCORRECTLY HOURLY RATES	\$1,235.19	\$0.00	\$1,235.19
5. INELIGIBLE 1.5/D.T./2.5 PAYMENTS	\$1,034.59	\$0.00	\$1,034.59
6. UNREASONABLE LABOR COSTS	\$669.32	\$0.00	\$669.32
7. INCOMPLETE T/S	\$624.90	\$0.00	\$624.90
8. QUESTIONABLE LABOR HOURS	\$423.09	\$0.00	\$423.09
9. LUNCH NOT TAKEN	\$273.13	\$0.00	\$273.13
10. HOURS NOT WORKED	\$153.90	\$0.00	\$153.90
11. DOUBLE-BILLED HOURS	<u>\$76.95</u>	<u>\$0.00</u>	<u>\$76.95</u>
TOTAL:	\$25,063.08	\$0.00	\$25,063.08

A-2 PEM ELECTRIC-LABOR HOURS

	Amount Accepted	Amount Rejected	Total Amount
Description of Disallowance			
1. INCOMPLETE TIME SHEET	\$2,776.06	\$0.00	\$2,776.06
2. HOURS NOT WORKED	\$1,783.35	\$0.00	\$1,783.35
3. INCORRECT O/T, S/T RATE	<u>\$191.84</u>	<u>\$0.00</u>	<u>\$191.84</u>
TOTAL:	\$4,751.25	\$0.00	\$4,751.25

PEM ELECTRIC-MATERIAL

	Amount Accepted	Amount Rejected	Total Amount
Description of Disallowance			
1. LAMPS	\$3,239.88	\$809.97	\$4,049.85
2. QUESTIONABLE CHARGES	\$3,620.84	\$0.00	\$3,620.84
3. NOT A CITY COST	\$597.63	\$0.00	\$597.63
4. NYY CHARGE	\$570.86	\$0.00	\$570.86
5. IRRECONCILABLE DIFFERENCE	\$16.38	\$0.00	\$16.38
6. CONTRACT ADDER	<u>\$362.05</u>	<u>\$36.45</u>	<u>\$398.50</u>
TOTAL:	\$8,407.64	\$846.42	\$9,254.06

ADDENDUM

Page 3 of 3

A-3 MIRANDA FUEL	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total	\$0.00	\$0.00	\$0.00

A-4 BROWN & SILVER	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total	\$0.00	\$0.00	\$0.00

A-5 STADIUM REPAIRS

Description of Disallowance

(a) Not a City Cost	\$254.90	\$0.00	\$254.90
(e) Sales Tax	\$636.00	\$0.00	\$636.00
(g) Approval Withheld Pending Contract	<u>\$0.00</u>	<u>\$15,472.35</u>	<u>\$15,472.35</u>
Total	\$890.90	\$15,472.35	\$16,363.25

A-6 OTHER EXPENSES

Description of Disallowance

(a) Not a City Cost	<u>\$829.12</u>	<u>\$0.00</u>	<u>\$829.12</u>
Total	\$829.12	\$0.00	\$829.12