

# AUDIT REPORT



CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF FINANCIAL AUDIT  
**WILLIAM C. THOMPSON, JR., COMPTROLLER**

## **Audit Report on the New York Yankees Rental Credits For the First Quarter of 2007 (January 1–March 31, 2007)**

*FR08-087A*

**March 19, 2008**



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
1 CENTRE STREET  
NEW YORK, N.Y. 10007-2341

WILLIAM C. THOMPSON, JR.  
COMPTROLLER

To the Citizens of the City of New York

Ladies and Gentlemen:

Pursuant to the terms of the lease between the City of New York and the New York Yankees (Yankees), we have examined the rental credits claimed by the Yankees for the maintenance of City-owned Yankee Stadium for the first quarter of 2007 (January 1–March 31, 2007).

The Yankees are responsible for the care and upkeep of Yankee Stadium, and the costs incurred by the Yankees for maintaining the stadium are offset against any rental income due the City from the Yankees. Thus, every approved dollar spent and accounted for as a rental credit for the maintenance of the stadium results in a dollar-for-dollar decrease in the rent due the City. These audits provide a means of ensuring that the Yankees take credit against rent only for eligible expenses.

The results of our audit, which are presented in this report, have been discussed with officials from the New York Yankees and the Department of Parks and Recreation, and their comments have been considered in preparing this report. The Yankees' complete written response is attached to this report.

I trust that this report contains information that is of interest to you. If you have any questions concerning this report, please e-mail my audit bureau at [audit@Comptroller.nyc.gov](mailto:audit@Comptroller.nyc.gov) or telephone my office at 212-669-3747.

Very truly yours,

A handwritten signature in black ink, appearing to read "William C. Thompson, Jr.", written over a horizontal line.

William C. Thompson, Jr.

WCT/fh

Report: FR08-087A  
Filed: March 19, 2008

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

**Audit Report on the  
New York Yankees Rental Credits  
For the First Quarter of 2007  
(January 1–March 31, 2007)**

**FR08-087A**

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**AUDIT REPORT IN BRIEF**

According to a 1972 lease agreement between the New York Yankees (the Yankees) and the City of New York (the City) that is overseen by the Department of Parks and Recreation (Parks), the Yankees are responsible for the care and upkeep of the City-owned Yankee stadium, and must pay the City rental income. However, the lease also allows the Yankees to offset against any rental income due the City, costs incurred by the Yankees for maintaining the stadium. Thus, every dollar spent and accounted for as a maintenance credit results in a dollar-for-dollar decrease in the rent due the City.

Under the terms of the lease, the Yankees must notify the Comptroller's Office of all claimed maintenance credits, and provide supporting computations. The Comptroller's Office then determines whether any of the charges for which credits are claimed are permissible.

**Audit Findings and Conclusions**

The audit found that Yankee rental credits submitted for the First Quarter of 2007 were overstated by \$52,447.88 as follows:

- \$34,801.96 in excess payroll charges and salary expenses that should have been paid by the Yankees.
- \$1,031.28 in payments to ADCO Electric consisting of material and labor costs that should not have been charged to the City.
- \$4,383.60 in payments to Miranda Fuel Corporation that should not have been charged against rental income.
- \$12,231.04 in expenses that lacked documentation or are not City costs under the terms of the lease and cannot be offset against rental income.

## **Audit Recommendations**

We recommend that the Yankees deduct \$52,447.88 from the total rental credits taken for maintenance pertaining to the First Quarter of 2007, ensure that all maintenance credits claimed are properly supported by sufficient documentation, and ensure that appropriate approvals from the Department of Parks and Recreation (Parks) are obtained prior to submitting rental credits to the Comptroller's Office. In addition, we recommend that Parks ensure that the Yankees comply with the report's recommendations.

## **INTRODUCTION**

### **Background**

Under the terms of the 1972 lease agreement, the general rule is that the City pays to maintain all areas of Yankee Stadium except Yankee 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. Since the rental credits are subject to the approval of the Comptroller's Office, the Yankees are required by the lease to submit to the Comptroller all documentation necessary for the audit of credits. After the audit, the Comptroller's Office presents 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 may submit to the Comptroller's Office additional documentation that was previously omitted to support rental credits claimed. Once this documentation is received and reviewed, the Comptroller's Office issues a final report.

### **Objectives**

Our audit objectives were to determine whether the Yankees:

- adequately documented and supported the submitted labor and materials charges;
- submitted invoices for rental credits that were eligible for reimbursement and were in accordance with the lease agreement; and
- accurately calculated all credits and did not deduct non-City charges from the rent due for the first-quarter period, January 1–March 31, 2007.

### **Scope and Methodology**

The audit scope covered the period January 1–March 31, 2007. We examined 100 percent of the \$1,391,032 labor and materials charges and supporting documentation submitted by the Yankees.

To determine whether the billings for labor and materials were appropriate, reasonable, and allowable under the lease, we reviewed all source documents for adequate documentation for each month of the quarter pertaining to the billings of River Payroll (Cleaning Services), ADCO

Electric, Miranda Fuel, Brown & Silver, Stadium Repairs, and Other Expenses. The documents included invoices, canceled checks, time sheets, payroll reports, and activity reports to support the costs of labor and materials charged to the City. We also determined whether retroactive salary adjustments were accurate by tracing these adjustments to the respective supporting documentation or relevant settlement agreements. An October 29, 1993 settlement agreement designated the Yankees as agents of the City; therefore, we reviewed whether charges for materials correctly excluded sales tax. Finally, we determined whether the Yankees provided pre-authorization and acceptance reports from Parks for the work or services performed to receive maintenance credit toward rent.

We documented all unwarranted and unreasonable charges for rental credits on a spreadsheet with our comments and have included them as Appendices I through V of this report. We calculated all dollar amounts on the supporting schedules for accuracy, and reconciled these amounts with the total amounts on the lead schedule for all vendors in Appendix I, Schedules A-1 through A-6.

These audits are lease-mandated and therefore require that the Yankees submit all source documents to the Comptroller's Office to receive credits toward rental income due the City. Accordingly, without the submission of all necessary supporting documentation, maintenance costs submitted as credits against rental income are disallowed.

We did not evaluate Yankee internal controls over the process and procedures for payment of the invoices submitted to support maintenance credits. However, all documents were examined to ascertain whether they contained valid certification from Parks designees at Yankee Stadium as proof that labor costs were incurred and that material was purchased and received.

This audit was conducted in accordance with generally accepted government auditing standards (GAGAS) and included all tests considered necessary. The audit was performed in accordance with the audit responsibilities of the City Comptroller 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 Yankee and Parks officials during and at the conclusion of this audit. A preliminary draft report was sent to Yankee and Parks officials on December 19, 2007. On December 21, 2007 Yankee officials waived their right to an exit conference. On January 9, 2008 we submitted a draft report to Yankees and Parks officials with a request for comments. We received a response from Yankee officials on January 22, 2008.

In the draft report, we disallowed \$67,518.88. However, after our review of the documentation provided by the Yankees and by Parks subsequent to the issuance of the draft report, we allowed additional credits of \$15,071, resulting in a final disallowance of \$52,447.88, which the Yankees accepted as Yankee costs.

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

## FINDINGS

### Overstatement of Rental Credits

Rental credits audited under the schedules submitted for the First Quarter of 2007 were overstated by \$52,447.88 as summarized on Table I, below:

**Table I**  
Disallowance Schedule\*

Schedule	Billed	Allowed	Disallowed
A-1 (River Payroll)	\$ 294,071.59	\$259,269.63	\$ 34,801.96
A-2 (ADCO Electric)	255,406.80	254,375.52	1,031.28
A-3 (Miranda Fuel)	151,689.62	147,306.02	4,383.60
A-4 (Brown & Silver)	0.00	0.00	0.00
A-5 (Stadium Repairs)	555,805.03	555,805.03	0.00
A-6 (Other Expenses)	134,059.30	121,828.26	12,231.04
<b>Total</b>	<b>\$1,391,032.34</b>	<b>\$1,338,584.46</b>	<b>\$52,447.88</b>

\* All calculations are rounded to two decimal points

Summaries of the maintenance credit billings as submitted by the Yankees and of our disallowances for each vendor are presented in Appendix I, Schedules A–1 through A–6.

The River Payroll disallowance totaling \$34,801.96 consists of the following:

- \$20,525.32—for security costs from December 24, 2006 through February 11, 2007 that were Yankee, not City costs. These costs include overcharges based on the staffing levels approved by Parks for security at Yankee Stadium. The Yankees accepted \$20,525.32 as a Yankee cost.
- \$6,673.76—for the cost of “lunch-not-taken.” Section 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.” In addition, Article VI of the Agreement between Local 32B–32J S.E.I.U., AFL-CIO, and 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.” Moreover, a Parks letter dated June 9, 1997, informed the Yankees that effective January 1, 1996, Parks would not accept “lunch-not-taken” labor cost credits that were not approved in advance. The Yankees, however, provided no documentation that such approvals were obtained. The Yankees accepted \$6,673.76 as a Yankee cost.
- \$3,976.50—for incorrect hourly rates paid to 13 engineers and mechanics and utilitymen. These employees were paid at a rate higher than is allowable under the

Local 30, AFL-CIO, CLC, and Local 32B 32J agreements. The Yankees accepted \$3,976.50 as a Yankee cost.

- \$2,104.88—for contributions to various funds related to River Payroll disallowances.<sup>1</sup> The Yankees accepted \$2,104.88 as a Yankee cost.
- \$745.68—for undocumented overtime adjustment paid to one employee. The Yankees accepted \$745.68 as a Yankee cost.
- \$525.75—for hours worked on Yankee assignments listed on the time records as “other,” and for welfare contributions made on behalf of “sweepers” for the month of February 2007 who were assigned to work in Yankee areas. Such expenses, under the terms of the lease, are not chargeable to the City. The Yankees accepted \$525.75 as a Yankee cost.
- \$184.12—for double time hours paid to one engineer that, according to the Local 30 agreement, should have been paid at time-and-a-half. The Yankees accepted \$184.12 as a Yankee cost.
- \$45.95—for labor hours not worked that under the terms of the lease should not have been offset against rental income. The Yankees accepted \$45.95 as a Yankee cost.
- \$20—for ineligible bonus payments made to one employee. The Yankees accepted \$20 as a Yankee cost.

Appendix II gives further details of the above disallowances.

The ADCO Electric disallowed costs totaling \$1,031.28 consist of \$865.08 in labor costs and \$166.20 in materials charges.

The disallowed labor costs totaling \$865.08 consisted of labor hours not worked that should not have been offset against rental income. The Yankees accepted \$865.08 as a Yankee cost.

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

The disallowed material costs totaling \$166.20 include charges of \$97.84 for sales tax, \$61.20 for purchasing a master lock and \$7.16 for a 4.5 percent overhead charge pertaining to disallowed materials.<sup>2</sup> The Yankees accepted \$166.20 as a Yankee cost.

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

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

Appendix IV gives details of the above disallowances for ADCO Materials.

The Miranda Fuel Corporation disallowance totaling \$4,383.60 was for a duplicate submission of Invoice #822153 in the same amount for the same date. The Yankees accepted \$4,383.60 as a Yankee cost.

Finally, the “Other Expenses” disallowances of \$12,231.04 are as follows:

- \$10,228—for Yankee charges such as ADT security, and telecommunication services provided by Motorola. In accordance with the lease agreement, these are Yankee costs and should not be offset as maintenance credits against rental income. The Yankees accepted \$10,228 as a Yankee cost.
- \$1,772.50—for services performed that should have been covered under the monthly maintenance agreements between the Yankees and *Bug Doctor Termite and Pest Control*. The Yankees accepted \$1,772.50 as a Yankee cost.
- \$169.30—for charges that exceeded the contractual rates listed in the Yankees’ contract with White Way Sign Company. The Yankees accepted \$169.30 as a Yankee cost.
- \$61.24—for the purchase of sand cloth and tube brushes that are not City costs and should not have been included as rental credits submitted by the Yankees. The Yankees accepted \$61.24 as a Yankee cost.

Appendix V includes the details for the above-stated disallowances pertaining to Stadium Repairs and Other Expenses.

## **RECOMMENDATIONS**

We recommend that the Yankees:

1. Deduct \$52,447.88 from the total rental credits for maintenance pertaining to the First Quarter of 2007.
2. Ensure that all maintenance credits claimed are properly supported by sufficient documentation and that appropriate approvals from Parks are obtained prior to submitting rental credits to the Comptroller’s Office.

We recommend that Parks:

3. Ensure that the Yankees comply with the report’s recommendations.

**NEW YORK YANKEES RENTAL CREDITS  
SUMMARY SCHEDULE FOR VENDORS A-1 THROUGH A-6  
AUDIT PERIOD: 1/1/07 - 3/31/07  
AUDIT # FR08-087A**

				ADJUSTMENTS				
NY Y Schedule	Amount Billed	Previous Allowance (N 1)	Previous Disallow. (N 1)	Amount Accepted by NY Y (N 2)	Amount Resubmitted by NY Y	Add'l Amt Accepted by City	Final Allowance (N 2)	Final Disallowance (N 2)
A-1 River Payroll								
<b>Total</b>	<b>\$294,071.59</b>	<b>\$259,269.63</b>	<b>\$34,801.96</b>	<b>\$34,801.96</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$259,269.63</b>	<b>\$34,801.96</b>
A-2 ADCO Electric								
<b>Total</b>	<b>\$255,406.80</b>	<b>\$254,375.52</b>	<b>\$1,031.28</b>	<b>\$1,031.28</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$254,375.52</b>	<b>\$1,031.28</b>
A-3 Miranda Fuel								
<b>Total</b>	<b>\$151,689.62</b>	<b>\$147,306.02</b>	<b>\$4,383.60</b>	<b>\$4,383.60</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$147,306.02</b>	<b>\$4,383.60</b>
A-4 Brown & Silver								
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
A-5 Stadium Repairs								
<b>Total</b>	<b>\$555,805.03</b>	<b>\$555,805.03</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$555,805.03</b>	<b>\$0.00</b>
A-6 Other Expenses								
<b>Total</b>	<b>\$134,059.30</b>	<b>\$106,757.26</b>	<b>\$27,302.04</b>	<b>\$12,231.04</b>	<b>\$15,071.00</b>	<b>\$15,071.00</b>	<b>\$121,828.26</b>	<b>\$12,231.04</b>
<b>Total All</b>	<b>\$1,391,032.34</b>	<b>\$1,323,513.46</b>	<b>\$67,518.88</b>	<b>\$52,447.88</b>	<b>\$15,071.00</b>	<b>\$15,071.00</b>	<b>\$1,338,584.46</b>	<b>\$52,447.88</b>

(1) At Draft Stage  
(2) At Final Stage

**SCHEDULE OF INELIGIBLE LABOR CHARGES  
FOR THE 1st QUARTER OF 2007  
AUDIT PERIOD: 1/1/07 - 3/31/07  
AUDIT # FR08-087A**

**RIVER PAYROLL LABOR HOURS**

Description of Disallowance	Amount Disallowed Per Draft Report	Amount Accepted by NYY	Amount Resubmitted by NYY	Add'l Amt. Accepted by City	Final Disallowance	Amount Outstanding
1. Summit Security Charges	\$20,525.32	\$20,525.32	\$0.00	\$0.00	\$20,525.32	\$0.00
2. Lunch Not Taken	\$6,673.76	\$6,673.76	\$0.00	\$0.00	\$6,673.76	\$0.00
3. Incorrect Hourly Rates	\$3,976.50	\$3,976.50	\$0.00	\$0.00	\$3,976.50	\$0.00
4. Welfare Contributions Adj	\$2,104.88	\$2,104.88	\$0.00	\$0.00	\$2,104.88	\$0.00
5. Undocumented Overtime Payment	\$745.68	\$745.68	\$0.00	\$0.00	\$745.68	\$0.00
6. NYY Hours and Contributions	\$525.75	\$525.75	\$0.00	\$0.00	\$525.75	\$0.00
7. Double Time s/b 1.5X	\$184.12	\$184.12	\$0.00	\$0.00	\$184.12	\$0.00
8. Hours Not Worked	\$45.95	\$45.95	\$0.00	\$0.00	\$45.95	\$0.00
9. Ineligible Bonus Payment	\$20.00	\$20.00	\$0.00	\$0.00	\$20.00	\$0.00
<b>TOTAL</b>	<b>\$34,801.96</b>	<b>\$34,801.96</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$34,801.96</b>	<b>\$0.00</b>

**SCHEDULE OF INELIGIBLE LABOR CHARGES  
FOR THE 1st QUARTER OF 2007  
AUDIT PERIOD: 1/1/07 - 3/31/07  
AUDIT # FR08-087A**

**ADCO ELECTRICAL - LABOR**

Description of Disallowance	Amount Disallowed Per Draft Report	Amount Accepted by NYY	Amount Resubmitted by NYY	Add'l Amt. Accepted by City	Final Disallowance	Amount Outstanding
1. Hours Not Worked	\$865.08	\$865.08	\$0.00	\$0.00	\$865.08	\$0.00
<b>TOTAL</b>	<b>\$865.08</b>	<b>\$865.08</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$865.08</b>	<b>\$0.00</b>

**SCHEDULE OF INELIGIBLE LABOR CHARGES  
FOR THE 1st QUARTER OF 2007  
AUDIT PERIOD: 1/1/07 - 3/31/07  
AUDIT # FR08-087A**

**ADCO ELECTRICAL - MATERIALS**

Description of Disallowance	Amount Disallowed Per Draft Report	Amount Accepted by NYY	Amount Resubmitted by NYY	Add'l Amt. Accepted by City	Final Disallowance	Amount Outstanding
1. Sales Tax	\$97.84	\$97.84	\$0.00	\$0.00	\$97.84	\$0.00
2. Not A City Cost [Master Lock]	\$61.20	\$61.20	\$0.00	\$0.00	\$61.20	\$0.00
3. 4.5% Contract Adder	\$7.16	\$7.16	\$0.00	\$0.00	\$7.16	\$0.00
<b>TOTAL</b>	<b>\$166.20</b>	<b>\$166.20</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$166.20</b>	<b>\$0.00</b>

**SUMMARY OF LABOR AND MATERIALS**

	Amount Disallowed Per Draft Report	Amount Accepted by NYY	Amount Resubmitted by NYY	Add'l Amt. Accepted by City	Final Disallowance	Amount Outstanding
LABOR (Appendix III)	\$865.08	\$865.08	\$0.00	\$0.00	\$865.08	\$0.00
MATERIALS (Appendix IV)	\$166.20	\$166.20	\$0.00	\$0.00	\$166.20	\$0.00
<b>TOTAL</b>	<b>\$1,031.28</b>	<b>\$1,031.28</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,031.28</b>	<b>\$0.00</b>

**SCHEDULE OF DISALLOWANCES  
FOR VENDORS A-3 THROUGH A-6  
FOR THE 1st QUARTER OF 2007  
AUDIT PERIOD: 1/1/07 - 3/31/07  
AUDIT # FR08-087A**

Description of Disallowance	Amount Disallowed Per Draft Report	Amount Accepted By NYY	Amount Resubmitted by NYY	Add'l Amt. Accepted by City	Final Disallowance	Amount Outstanding
<b>A-3 MIRANDA FUEL</b>						
<b>NO DISALLOWANCES</b>	\$4,383.60	\$4,383.60	\$0.00	\$0.00	\$4,383.60	\$0.00
<b>Total</b>	<b>\$4,383.60</b>	<b>\$4,383.60</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,383.60</b>	<b>\$0.00</b>
<b>A-4 BROWN &amp; SILVER</b>						
<b>NO DISALLOWANCES</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>A-5 STADIUM REPAIRS</b>						
<b>NO DISALLOWANCES</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>A-6 OTHER EXPENSES</b>						
1. NYY Chgs [Motorola Telecommunication, ADT Security Annual Charge]	\$23,526.50	\$10,228.00	\$13,298.50	\$13,298.50	\$10,228.00	\$0.00
2. Covered Under Existing Contract [50/50 split since work performed at loading dock, bleacher & docks]	\$3,545.00	\$1,772.50	\$1,772.50	\$1,772.50	\$1,772.50	\$0.00
3. Exceeds Contract Amount [White Way Signs]	\$169.30	\$169.30	\$0.00	\$0.00	\$169.30	\$0.00
4. Not A City Cost [Gates Belts, Rolls Sandcloth, Tube Brushes]	\$61.24	\$61.24	\$0.00	\$0.00	\$61.24	\$0.00
<b>Total</b>	<b>\$27,302.04</b>	<b>\$12,231.04</b>	<b>\$15,071.00</b>	<b>\$15,071.00</b>	<b>\$12,231.04</b>	<b>\$0.00</b>

# New York Yankees

ROBERT B. BROWN  
VICE PRESIDENT, CFO/ACCOUNTING



EXECUTIVE OFFICE  
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BRONX, NEW YORK 10451  
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January 22, 2008  
Ms. Faige Hornung  
Director of Financial Audit & Support Services  
1 Centre Street  
Room 1300 North  
New York, NY 10007

RE: Audit Report FR08-087A on the New York Yankees Rental Credits- 1<sup>st</sup> Quarter 2007

Dear Ms. Hornung:

In response to the draft report, the New York Yankees are accepting \$52,447.88 and rejecting \$15,071.00.

Should you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to be "R. Brown", written over a horizontal line.

Robert Brown

RB/rb

Cc:

Yasmin Tejani

New York Yankees Rental Credits  
Summary of Disallowances for Schedules A-1 to A-6  
For the 1st Quarter of 2007  
Audit # FR08-087A

	Yankees Accept	Yankees Reject	Total Disallowance
A-1 River Payroll	\$34,801.96	\$0.00	\$34,801.96
A-2 ADCO Electrical	\$1,031.28	\$0.00	\$1,031.28
A-3 Miranda Fuel	\$4,383.60	\$0.00	\$4,383.60
A-4 Brown & Silver	\$0.00	\$0.00	\$0.00
A-5 Stadium Repairs	\$0.00	\$0.00	\$0.00
A-6 Other Expenses	\$12,231.04	\$15,071.00	\$27,302.04
<b>TOTAL</b>	<b>\$52,447.88</b>	<b>\$15,071.00</b>	<b>\$67,518.88</b>

**A-1 RIVER PAYROLL**

Description of Disallowance	Amount Accepted	Amount Rejected	Total Amount
1. Security Charges	\$20,525.32	\$0.00	\$20,525.32
2. Lunch Not Taken	\$6,673.76	\$0.00	\$6,673.76
3. Incorrect Hourly Rates	\$3,976.50	\$0.00	\$3,976.50
4. Welfare Contributions	\$2,104.88	\$0.00	\$2,104.88
5. Undocumented Overtime Adjustment	\$745.68	\$0.00	\$745.68
6. NYY Assignments	\$525.75	\$0.00	\$525.75
7. Double time s/b 1.5X	\$184.12	\$0.00	\$184.12
8. Hours Not Worked	\$45.95	\$0.00	\$45.95
9. Ineligible Bonus Payment	\$20.00	\$0.00	\$20.00
<b>TOTAL</b>	<b>\$34,801.96</b>	<b>\$0.00</b>	<b>\$34,801.96</b>

**A-2 ADCO ELECTRICAL - LABOR**

Description of Disallowance	Amount Accepted	Amount Rejected	Total Amount
1. Hours Not Worked	\$865.08	\$0.00	\$865.08
<b>TOTAL</b>	<b>\$865.08</b>	<b>\$0.00</b>	<b>\$865.08</b>

**A-2 ADCO ELECTRICAL - MATERIALS**

Description of Disallowance	Amount Accepted	Amount Rejected	Total Amount
1. Sales Tax Charged	\$97.84	\$0.00	\$97.84
2. Not A City Cost [Master Lock]	\$61.20	\$0.00	\$61.20
3. Contract Adder (4.5%)	\$7.16	\$0.00	\$7.16
<b>TOTAL</b>	<b>\$166.20</b>	<b>\$0.00</b>	<b>\$166.20</b>

New York Yankees Rental Credits  
Summary of Disallowances for Schedules A-1 to A-6  
For the 1st Quarter of 2007  
Audit # FR08-087A

**A-3 MIRANDA FUEL**

Description of Disallowance	Amount Accepted	Amount Rejected	Total Amount
1. Duplicate Payment	\$4,383.60	\$0.00	\$4,383.60
<b>TOTAL</b>	<b>\$4,383.60</b>	<b>\$0.00</b>	<b>\$4,383.60</b>

**A-4 BROWN & SILVER**

Description of Disallowance	Amount Accepted	Amount Rejected	Total Amount
NO DISALLOWANCE	\$0.00	\$0.00	\$0.00

**A-5 STADIUM REPAIRS**

Description of Disallowance	Amount Accepted	Amount Rejected	Total Amount
NO DISALLOWANCE	\$0.00	\$0.00	\$0.00

**A-6 OTHER EXPENSES**

Description of Disallowance	Amount Accepted	Amount Rejected	Total Amount
1. NYY Areas/Services [Motorola Telecommunications & ADT Security Svcs]	\$10,228.00	\$13,298.50	\$23,526.50
2. Covered Under Contracts	\$1,772.50	\$1,772.50	\$3,545.00
3. Exceeded Contractual Agreement	\$169.30	\$0.00	\$169.30
4. Not A City Cost [sandcloth and tube brushes]	\$61.24	\$0.00	\$61.24
<b>TOTAL</b>	<b>\$12,231.04</b>	<b>\$15,071.00</b>	<b>\$27,302.04</b>