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The New York City Department of Investigation's Findings  
Regarding Fraud and Financial Mismanagement at  
The Gloria Wise Boys and Girls Club

Rose Gill Hearn, Commissioner

September 2006

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## **I. INTRODUCTION AND SUMMARY OF FINDINGS**

The New York City Department of Investigation (DOI) began this investigation in 2004, after receiving an anonymous written complaint from a self-described employee of the Gloria Wise Boys and Girls Club in the Bronx (Gloria Wise). Among the allegations were theft, “no-show” employees, and executives’ receiving “outrageous” salaries, concealed through the use of separate accounts. There were few other specifics.

At that time, Gloria Wise and its affiliate, Goose Bay Nursery and Kindergarten (Goose Bay) held contracts valued at about \$9 million per year with three New York City agencies, the Departments for Youth & Community Development (DYCD) and the Aging (DFTA), and the Department of Education (DOE).

By June 2005, DOI’s ongoing investigation had established, among other facts, that Gloria Wise’s officials had approved significant inappropriate transactions and falsified documents submitted to various City agencies. Accordingly, the City’s agencies and the New York City Housing Authority (NYCHA) terminated their contracts and grant agreements with Gloria Wise and its affiliates, which by then included another Bronx-based youth organization - the Pathways for Youth Boys & Girls Club (Pathways).

DOI has determined that, between 2000 and 2004, Gloria Wise’s executives, led by then-Executive Director Charles Rosen, (1) improperly obtained from Gloria Wise more than \$290,000 for their personal use, all untaxed and much of it stolen from the public, on top of their generous salaries, (2) lent \$875,000 of Gloria Wise’s money, most of it without informing their Board of Directors, to a start-up commercial radio station, then called Radio Free America (RFA), where a Gloria Wise executive had a financial stake, and (3) routinely falsified records to deceive public agencies about a host of matters, from how public funds were spent to whether children attending Goose Bay had received required vaccinations.

Gloria Wise’s executives fraudulently used Gloria Wise’s money to pay their personal expenses for home-renovations and furnishings, new cars, parking, insurance, and other purchases, disguising them as Gloria Wise’s expenses. And Rosen paid them and himself unreported, five-figure “bonuses” from off-record bank accounts with money stolen from public agencies under the false pretense that it was spent on programs in track, wrestling, tennis, and basketball for youngsters. Moreover, Gloria Wise’s executives deliberately obstructed DOI’s investigation by falsifying documents and lying to investigators.

In September 2005, at DOI’s request, Air America Radio, RFA’s successor, deposited \$875,000 - the sum that Gloria Wise had improperly lent to RFA - into its attorney’s fiduciary account to be retained until DOI authorized its disbursement. And in September 2006, DOI, on behalf of DYCD, DFTA, and DOE, recovered through a negotiated settlement with Gloria Wise’s current management \$625,000 in City funds, much of which had been stolen and misspent by Gloria Wise’s executives.

This report is based on DOI’s interviews of witnesses and its review of various documents, including bank and other financial records and City agencies’ contract files. DOI has shared its findings with the Office of the New York State Attorney General.

## II. BACKGROUND – GLORIA WISE

The Gloria Wise Boys and Girls Club’s roots date back to 1977. That year, Rosen, a resident of Co-op City<sup>1</sup> and then-Chairman of the Riverbay Corporation, its management entity, recruited Gloria Brown Wise to form and lead an after-school program for children living in Co-op City, which became known as the Youth Activities Committee (YAC). In February 1985, YAC was incorporated as a not-for-profit corporation, and Ms. Wise served as its chairperson and, later, its unpaid Executive Director. Also in 1985, YAC became an affiliate of the Boys and Girls Clubs of America, a national organization whose goals are to “enhance the development of boys and girls by instilling a sense of competence, usefulness, belonging and influence.”<sup>2</sup>

In October 1992, Ms. Wise, then terminally ill, handed-over the leadership of YAC to Rosen, who served as the Acting Executive Director until June 1993, when he became the Executive Director. Rosen said that in 1994 he began to draw a salary. That year, YAC became a member of the Boys and Girls Clubs of America, which enabled YAC to receive additional funding and offer services to the youth of Co-op City’s neighboring communities, including Williamsbridge, Edenwald and Baychester. YAC simultaneously expanded its array of services, adding employment-readiness counseling, social service case management, and family support programs.

In 1995, YAC formed an alliance with Goose Bay, a provider of early-childhood education in Co-op City that integrated children requiring special education with those in general education. After aligning itself with YAC, Goose Bay expanded from one center with four classrooms to four centers with 17 classrooms.

In 1996, YAC was re-named the Gloria Wise Boys and Girls Club, Inc. in honor of its founder. At all times pertinent to DOI’s investigation, Gloria Wise and Goose Bay shared one board of directors, were managed by the same executive staff, but remained separate legal entities filing separate tax returns. Goose Bay is a charter school, and Gloria Wise is a not-for-profit corporation.

In 2000, Gloria Wise took over two senior centers that had been operating within Co-op City and established the Gloria Wise Senior Citizen’s Program, which provided senior citizens with meals and special programs, including music, art, dance, and trips to attractions and special events.

In February 2004, Gloria Wise entered into a management agreement to provide financial and programmatic oversight to Pathways, another Bronx community-based organization that offered similar services. All but one of the members of Pathways’ Board of Directors were replaced by Gloria Wise’s Board members. By spring 2004, Gloria Wise executive staff had begun managing Pathways. The combined entities had over 700 employees and annual budgets totaling approximately \$20 million. Until the City canceled their contracts in 2005, Gloria Wise and Pathways received nearly 80% of their funding from the City.

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<sup>1</sup> Co-op City is a 15,372-unit housing cooperative in the Bronx.

<sup>2</sup> From the Boys and Girls Clubs of America website: [www.bgca.org](http://www.bgca.org).

### III. KEY PERSONNEL

**Charles Rosen** was the full-time Executive Director of Gloria Wise from June 1993 until June 2005. Rosen was a signatory on Gloria Wise's bank accounts and was in charge of its overall operations. Rosen was also the Recording Secretary of the Board of Directors.

**Jeffrey Aulenbach** was hired by Rosen as Gloria Wise's Deputy Executive Director of Operations in March 1999 and left in August 2005. Aulenbach oversaw Gloria Wise's and its affiliates' financial operations, including grant proposals, budget, and project development.

**Lorraine Corva** became a Gloria Wise employee through its acquisition of Goose Bay in 1995. She had been intricately involved with Goose Bay since its inception in the 1970's. In 2000, Corva became Gloria Wise's Deputy Executive Director of Programs, responsible for overseeing all its service programs. In June 2005, Corva briefly succeeded Rosen as Gloria Wise's Executive Director; Corva resigned from Gloria Wise in September 2005.

**Sinohe Terrero** started at Gloria Wise in 2000. Initially he worked on grants and payrolls. By 2001, Terrero was Gloria Wise's Fiscal Director, in charge of all its financial operations and reporting to Aulenbach. In late 2003, Terrero left Gloria Wise and became the Vice-President of Finance at Radio Free America (now Air America Radio).

**John Mullen** was hired in February 2004 as Gloria Wise's Chief Fiscal Officer, replacing Terrero and reporting to Aulenbach. Mullen's responsibilities included overseeing Gloria Wise's accounting and financial operations. Mullen resigned from Gloria Wise in early 2006.

**Evan Montvel-Cohen** was hired in May 2002 as Gloria Wise's Director of Development, primarily responsible for fundraising. He was also one of the principal directors of a for-profit venture called "Radio Free America" whose aim was to establish talk radio stations nationwide. By the end of 2003, Montvel-Cohen was performing few functions at Gloria Wise and apparently was rarely present, although he continued to be paid as a full-time employee. After the first few months of 2004 Montvel-Cohen stopped working at Gloria Wise altogether. His employment was formally terminated in May 2004. Though Montvel-Cohen initially told investigators that he wanted to come in and answer questions, he informed DOI by letter dated March 6, 2006, that if subpoenaed he would refuse to answer questions under his Fifth Amendment right not to incriminate himself.

**Ibis Ozoria** started at Gloria Wise as a contract manager in 2001, overseeing most of its DFTA and Goose Bay contracts. Sometime in 2004, he became budget director at Gloria Wise. He essentially held the number two fiscal position at Gloria Wise, first under Terrero, then Mullen. Ozoria left Gloria Wise in the fall of 2005.

**Jeanette Graves** was a Board member since 1999 and President from January 2003 through the spring of 2006. As President, Graves was responsible for signing checks and presiding over Board meetings, among other things. Graves replaced Hillel Valentine as President.

**Hillel Valentine** was a Board member from the inception of Gloria Wise until the spring of 2006. He was President for many years until January 2003, when he became Secretary. Valentine was a signatory on the Gloria Wise bank accounts, including “secret” bank accounts he opened at Chase with Rosen in 2000.

**Octavio Cruz** was the Treasurer of the Gloria Wise Board for approximately 11 years and a board member for approximately 18 before he left in the spring of 2006. Cruz’s responsibilities included among other things signing Gloria Wise’s checks and reviewing its financial reports. Before he left Gloria Wise, Cruz was also President of the Pathways Board and that agency’s acting executive director.

#### **IV. DOI’S INVESTIGATION AND FINDINGS**

DOI examined Gloria Wise’s books and records, including its general ledger, bank records, check-payment requests, contracts, vouchers and invoices, and other documents that Gloria Wise submitted to City and other public agencies to obtain funds. DOI also interviewed Gloria Wise executive staff, Board members, employees, consultants, and other witnesses. Following is a summary of DOI’s findings, by topic.

##### **A. Improper Payments to Evan Montvel-Cohen and Radio Free America**

Evan Montvel-Cohen improperly received \$46,000 of Gloria Wise’s funds through payments of \$10,000 and \$35,000, described below, and \$1,000 from the “Sports Accounts,” described in a later section of this report. Rosen also improperly lent \$875,000 of Gloria Wise’s money to RFA, a commercial radio station in which Montvel-Cohen had a financial interest, as described in Section 3, below.

##### **1. Unexplained \$10,000 Payment to Evan Montvel-Cohen for “Consulting Services”**

In July 2003, Rosen issued a \$10,000 Gloria Wise check to Montvel-Cohen and, several months later, when DOI asked for supporting documentation, fabricated a purported “consulting agreement.” Rosen signed the check, dated July 25, 2003, which also bears Graves’s stamped signature (see Ex. 1). On April 27, 2004, DOI investigators requested supporting documentation for the check and three days later received a purported consulting contract on a DYCD form, dated July 17, 2003, signed by Rosen and bearing Montvel-Cohen’s purported signature. According to the contract, Montvel-Cohen, a consultant not employed by Gloria Wise, would receive \$10,000 to help raise \$4 million for a new Gloria Wise Community Center (see Ex. 2). In July 2003, contrary to the consulting agreement, Montvel-Cohen was employed as Gloria Wise’s Director of Development with an annual salary of \$91,000, and fundraising was his primary responsibility.

On June 10, 2005, Rosen, the first Gloria Wise employee whom DOI interviewed, told investigators that he did not remember the \$10,000 check or the contract, “which [he] did not put together,” but acknowledged that he had signed both (T, 6/10/05, 198-199).<sup>3</sup> Rosen, “assumed” that it was Montvel-Cohen’s “bonus,” he said. But after acknowledging that Montvel-Cohen had not actually raised any money and that fundraising was his salaried job, Rosen ultimately could not say “why [the check] was

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<sup>3</sup> “T” refers to the transcript of the witness’s interview on the date stated; the page number follows the date.

given.” (T, 6/10/05, 200) Rosen said he did not inform the Board of the payment because it was unnecessary to inform the Board of his subordinates’ salaries.

Aulenbach later told DOI that he had fabricated and backdated the “July 17, 2003” consulting agreement at Rosen’s direction in April 2004, after DOI investigators asked for supporting documentation for the \$10,000 check. Rosen signed the fabricated contract, and Aulenbach cut-and-pasted Montvel-Cohen’s signature from another document onto it (T, 6/15/05, 131). Mullen confirmed that he was present when Rosen asked Aulenbach to create and backdate the contract. Mullen also confirmed that Montvel-Cohen received a salary for fundraising duties identical to those in the contract and that normally Gloria Wise did not pay its employees as consultants (T, 6/17/05, 140-146).

When DOI requested a second interview with Rosen to discuss this and other issues, Rosen’s attorney responded that Rosen would assert his Fifth Amendment right not to answer DOI’s questions because of possible self-incrimination.

## **2. Uncollected “Personal Loan” to Montvel-Cohen for \$35,000 “Written-off”**

On September 16, 2003, Rosen signed two Gloria Wise checks, for \$25,000 and \$10,000, to Montvel-Cohen, recorded in the general ledger as one loan of \$35,000 (see Ex. 3). Seven months later, in April 2004, after investigators requested documentation, Rosen fabricated and gave DOI an “agreement letter,” dated September 16, 2003, bearing Montvel-Cohen’s forged signature, which states that he would begin repaying the \$35,000 loan on July 1, 2004 (see Ex. 4). By that date, Montvel-Cohen’s employment had been terminated, and Mullen “wrote off” the loan as uncollectible (T, 6/17/05, 163). Gloria Wise’s external auditor, Mark Beller was never informed of the matter, he and Mullen told DOI.

Graves, then Board President, whose signature stamp was routinely placed on corporate checks, later told DOI that neither she nor the Board was informed of the loan and should have been.

When asked, Rosen could not remember why the single loan for \$35,000 was divided into two checks (T, 6/10/05, 224-225). When shown the “agreement letter,” Rosen said that Montvel-Cohen had “drafted it up” at Rosen’s request. And Rosen was “delighted to see that we actually have a piece of paper.” (T, 6/10/05, 229)

Mullen later told DOI that Rosen fabricated and backdated the September 16, 2003 “agreement letter” and other documents, in April 2004, after DOI investigators asked for documentation (T, 6/17/05, 166-169).

Terrero, as Gloria Wise’s Fiscal Director, prepared and initialed both checks and in a later interview with DOI partially explained why the single loan was issued in two checks: one check went into his bank account. According to Terrero, he needed a \$25,000 loan and told Montvel-Cohen, who went to Rosen and received his permission to borrow \$35,000 from Gloria Wise. Terrero issued two checks, for \$25,000 and \$10,000, payable to Montvel-Cohen, who “signed over” the \$25,000 check to Terrero and kept the \$10,000 check (confirmed by bank records). Even though the \$25,000 Gloria Wise check Terrero received was ostensibly a loan from Montvel-Cohen, who was “liable” to Gloria Wise for it, Terrero never repaid Montvel-Cohen (or Gloria Wise). Instead, Montvel-Cohen

forgave Terrero's supposed debt to him as payment for work that Terrero performed for Radio Free America (T 07/15/05, 55-69).<sup>4</sup>

What Terrero neglected to tell DOI is that on the same day he created the \$25,000 Gloria Wise check that Montvel-Cohen immediately "signed over" to him, Terrero's bank debited his account for \$25,000 because a personal check from Montvel-Cohen, which Terrero had deposited four days earlier, was returned for insufficient funds.

### **3. \$875,000 in Loans to Montvel-Cohen for Radio Free America**

Between October 2003 and March 2004, Rosen made four loans of Gloria Wise's funds totaling \$875,000 to Montvel-Cohen for Radio Free America (RFA), a commercial radio station in which Montvel-Cohen had a financial interest. DOI was provided with agreement letters for each loan and later learned that Rosen had fabricated two of them after DOI asked for the loan documents. None of the four loans was repaid to Gloria Wise until DOI intervened with Air America, RFA's successor.

#### **a. First Loan - \$80,000**

On October 1, 2003, Gloria Wise issued a check for \$80,000 to SCG, Inc. (SCG), a for-profit enterprise owned and controlled by Montvel-Cohen and two partners, which owned RFA (see Ex. 5).<sup>5</sup> Rosen told DOI that Montvel-Cohen, while employed at Gloria Wise, explained his role in RFA, asked Rosen for an \$80,000 loan for its start-up expenses, and held out the prospect of the radio station's raising funds for Gloria Wise (T, 6/10/05, 241-243).

The \$80,000 check to SCG, signed by Rosen and Graves, was recorded in the Gloria Wise general ledger as a "loan." The minutes of the Gloria Wise Board meeting of October 14, 2003 state that (1) Graves told the Board that she and Rosen had authorized the \$80,000 loan and (2) the Board unanimously approved it after-the-fact (see Ex. 6). Graves confirmed to DOI that she had personally signed the check and that Rosen had informed her of this loan.

Gloria Wise gave DOI SCG's promissory note and letter to Rosen, both dated September 30, 2003, stating that SCG would repay the \$80,000 loan by September 30, 2004 (see Ex. 7). The letter states that SCG would issue a 4% interest-bearing note for the loan. But, contradicting the letter, the note itself states that no interest would be paid.

#### **b. Second Loan - \$87,000**

On November 26, 2003, Gloria Wise issued a second check to SCG, for \$87,000. That check, signed by Rosen and stamped with Graves's signature (see Ex. 8), was recorded as a "loan" in the Gloria Wise general ledger. An "agreement letter," dated November 26, 2003, states that repayment of the loan is subject to the terms of the prior loan and that Montvel-Cohen would provide as collateral \$87,000 worth of his shares of

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<sup>4</sup> By December of 2003 Terrero left Gloria Wise to work full time at Radio Free America as its vice-president of finance.

<sup>5</sup> David Goodfriend, former director of Progress Media, Inc. (PMI), in a civil deposition on May 16, 2005, testified that PMI owned 95 percent of RFA and that SCG "was the original name of Progress Media, Inc., same entity just different name."



Progress Media, Inc. (see footnote 5) and a life insurance policy to cover the unpaid balance of both loans (see Ex. 9).

Rosen admitted that, contrary to the November 26, 2003 “agreement letter,” Gloria Wise received no collateral (T, 6/10/05, 280-282). The Gloria Wise Board meeting minutes do not mention the \$87,000 loan. Graves said that Rosen informed her of that loan, but because she missed the next Board meeting she didn’t know whether the full Board was informed. Valentine said that he was not informed of the second loan until June 2004 - six months later.

Accountant Mark Beller told DOI that during the year-end audit for fiscal 2003 he reviewed the records of both above-mentioned loans, which he considered extraordinary transactions because Gloria Wise did not normally lend money. Beller said that Rosen asked him to report the loans as “investments,” contrary to the records, and despite his disagreement, Beller eventually complied.

Mullen told DOI that in March 2004, shortly after Mullen began working at Gloria Wise, Rosen also pressed him to label the payments as “investments,” rather than “loans” and that he also acquiesced.

**c. Third Loan - \$218,000**

On March 5, 2004, Gloria Wise issued to RFA a \$218,000 check, signed by Rosen and stamped with Graves’s signature (see Ex. 10). The general ledger and the check stub record the payment as a “loan.” Gloria Wise gave DOI (1) a check requisition approved by Rosen and Aulenbach (see Ex. 11), (2) an “agreement letter” dated March 5, 2004 bearing Montvel-Cohen’s purported signature, and (3) a \$225,000 SCG check payable to Gloria Wise, signed by Montvel-Cohen and dated April 3, 2004 (collectively, Ex. 12).

The requisition identifies the \$218,000 payment as a “loan” to be repaid April 3, 2004. The March 5, 2004 “agreement letter” states that Montvel-Cohen will pay \$7,000 interest and provide Progress Media shares worth \$218,000 as collateral. But unlike the requisition, the check stub, and all previous records, the “agreement letter” refers to all three Gloria Wise checks, for \$80,000, \$87,000, and \$218,000, as “investments.”

Rosen told DOI that when he issued the \$218,000 check, Montvel-Cohen simultaneously gave him two SCG checks payable to Gloria Wise - the post-dated check for \$225,000, purportedly repayment of the loan plus \$7,000 interest, and an undated \$500,000 check, purportedly a “donation.” Montvel Cohen told Rosen to wait a few days after RFA went on the air - projected for early April - before depositing the checks. (T, 6/10/05, 295-314).

When asked whether he had sought Board approval for the \$218,000 loan or discussed it in advance with Graves, Rosen said that he first told Graves and Valentine about that loan and a subsequent loan for \$490,000 more than three weeks later, on March 31, 2004, when they were driving together to the RFA “kickoff” dinner (T, 6/10/05, 317). Graves confirmed that statement. Valentine’s recollection was that he was first informed of the latter two loans in June 2004, i.e., three months after they were issued.

Mullen recalled that soon after he began working at Gloria Wise, Rosen produced a signed requisition and SCG's \$225,000 post-dated check and said that he needed a \$218,000 check "now" for a short-term loan to RFA. Mullen said that Rosen told him that the Board knew about the loan. At Mullen's request, Aulenbach countersigned the requisition, which was the only documentation that Mullen saw; he saw no "agreement letter" when the loan was made (T, 6/17/05, 53-54).

**d. Fourth Loan - \$490,000**

On March 15, 2004, just ten days after signing a \$218,000 check to RFA, Rosen transferred an additional \$490,000 from Gloria Wise to RFA (see Ex. 13). Gloria Wise gave DOI a copy of an "agreement letter" dated March 15, 2004 purportedly signed by Montvel-Cohen, referring to the \$490,000 payment as an "investment" and stating that Montvel Cohen will provide as "collateral" \$490,000 worth of his shares in Progress Media and a life insurance policy (see Ex. 14).

In his interview, Rosen told DOI that on March 15, 2004 Montvel-Cohen told him, by telephone, that RFA needed \$490,000 wired to its account immediately and later that day at Gloria Wise's office gave Rosen the above-mentioned "agreement letter" and two undated RFA checks, for \$632,000 and \$250,000, payable to Gloria Wise, as purported repayment of all four loans with interest (see Ex. 15). Montvel-Cohen told him to hold the checks for about ten days, Rosen said, so Rosen understood that there were insufficient funds to cover them when he received them. Rosen never received or confirmed the existence of the purported collateral (T, 6/10/05, 323-335).

Mullen told DOI that at Rosen's direction Mullen or his subordinate, Ozoria, used an online banking program and Rosen's name and password to transfer \$490,000 to RFA. Mullen said that his discussion with Rosen was "pretty much the same" as for the \$218,000 check: Rosen said that the Board knew about the loan and gave Mullen RFA's checks to Gloria Wise, including a post-dated "donation" check for \$500,000 (see Ex. 16), as assurance that "our money would be returned in short order." Mullen said that Aulenbach told him to transfer the money, if that's what Rosen wanted. Mullen did not consider discussing the matter with the Board, because he believed Rosen had already done so (T, 6/17/05, 72-73).

Graves, Valentine and Octavio Cruz said that the \$490,000 transfer was not brought to the Board's attention until weeks after the funds-transfer. Cruz, who had been Treasurer for approximately ten years, told DOI in substance that he had no particular responsibilities in that position; "we need a title for whatever and that's what I was named. I'm an accountant, so they named me as the Treasurer." (T, 6/20/05, 4) He added that at the time he did not review financial records or the annual reports prepared by Gloria Wise's outside accountant and auditor (T, 6/20/05, 57-58) and, except for voting to approve the \$80,000 loan, after-the-fact, at the October 14, 2003 Board meeting, he was unaware of the loans to RFA until the Board was informed, in June 2004, that RFA's repayment checks would not be honored (T, 6/20/05, 45).

**e. Fabricated, Backdated Loan Agreements**

After interviewing Rosen, DOI learned from other witnesses that after DOI began its investigation, the “agreement letters” for the \$218,000 and \$490,000 “investments” were fabricated and given to DOI at Rosen’s direction.

Rosen’s assistant, Claudia Bayuelo, said that after DOI’s initial visit in April 2004, she, at Rosen’s direction, used an “agreement letter” for either the \$80,000 loan or the \$87,000 loan to create and backdate similar letters for the \$218,000 and the \$490,000 payments, calling them “investments.” Bayuelo copied Montvel-Cohen’s signature from another document. When shown the “agreement letters” DOI had received from Gloria Wise for the \$218,000 and the \$490,000 checks, Bayuelo confirmed that they were the documents that she had created.

Mullen confirmed that in his presence Rosen directed Bayuelo to create and backdate the two purported “agreement letters” for DOI and added that Rosen claimed that he had spoken to Montvel-Cohen, who had agreed that Rosen could put his name on the two agreements. Mullen said that Rosen directed him to give the documents to DOI (T, 6/17/05, 116-121).

**f. Gloria Wise’s Loans to RFA Remained Unpaid until DOI Intervened**

Mullen told DOI that in April 2004, RFA’s bank told Gloria Wise’s bank that RFA’s account had insufficient funds to cover any of the previously-mentioned checks given to Gloria Wise in connection with the four loans. RFA’s and SCG’s bank accounts were closed in July 2004, and more than a year later, Gloria Wise still had not received repayment of any of the four loans.

Then, in September 2005, after DOI advised Air America Radio, RFA’s successor, to deposit the full amount received from Gloria Wise into an account controlled by DOI, Piquant, LLC, owner and operator of Air America, deposited \$875,000 into its attorney’s fiduciary account to be retained until DOI authorized its disbursement (see Ex. 17). In September 2006, Gloria Wise’s current chief executive and counsel were presented with an outline of DOI’s investigative findings, including, as described below, the theft of City funds by Gloria Wise’s then-executives. As described in Section VI of this report, settlement was reached regarding the \$875,000 in the attorney’s fiduciary account: Gloria Wise received \$250,000; and \$625,000 was paid to the City.

**B. Improper Payments to Selected Gloria Wise Executives for Personal Purposes**

By interviewing witnesses and reviewing records, DOI discovered that five Gloria Wise executives - Rosen, Aulenbach, Corva, Terrero, and Ozoria - stole or improperly obtained more than \$244,000, unreported and untaxed, from Gloria Wise and the City agencies and other public agencies that funded it. That sum is in addition to improper payments totaling \$46,000 to Montvel-Cohen individually and to the above-named executives’ salaries.

DOI found that through three fraudulent schemes, described below, the following five individual executives stole or improperly obtained the sums shown:

- Rosen	\$69,216.32
- Aulenbach	\$87,370.77
- Corva	\$60,801.95
- Terrero	\$13,406.94
- Ozoria	<u>\$13,820.00</u>
Total	\$244,615.98

Scheme One: Between 2000 and 2004, Gloria Wise paid about \$142,000 toward Rosen's, Aulenbach's, Corva's, and Terrero's personal expenses for home improvements and furnishings, cars, and other purchases, disguising them as Gloria Wise's expenses.

Scheme Two: In 2002 and 2004, Rosen, Aulenbach, Corva, and Terrero, obtained about \$89,000 (and Montvel-Cohen obtained \$1,000), much of it stolen from public agencies, through four off-the-books bank accounts, called the "Sports Accounts" in this report, under the false pretense that Gloria Wise was paying that money to nonprofit athletic clubs running youth-sports programs.

Scheme Three: In 2003 and 2004, through records that Aulenbach and Ozoria falsified, Gloria Wise executives stole about \$14,000 from City and federal agencies and paid it to Ozoria, unreported and untaxed, through a phony youth-training contract with "Vincent Millays, Inc.," a private business that he operated.

Aulenbach, Corva, and Ozoria, who benefited from the above-described schemes, asserted that Gloria Wise reduced their salaries and that the above-described payments merely compensated them for those reductions. Even if true, such assertions could not justify the executives' benefiting from the frauds upon public agencies. But, as explained in greater detail later, Gloria Wise's payroll records and tax filings contradict those assertions. The records show that, with the exception of small, temporary reductions in Aulenbach's and Ozoria's wages, which were immediately followed by substantial wage increases, the executives' reported wages increased every year.

## **1. Scheme One: Gloria Wise's Payment of Executives' Personal Expenses**

### **a. Rosen**

#### **i. Overview**

By interviewing witnesses and examining documents, DOI found that from 2001 through 2004, Rosen, while employed as Gloria Wise's Executive Director and without Board approval, fraudulently arranged for Gloria Wise to pay him more than \$69,000, unreported and untaxed, for personal expenditures: (1) more than \$35,000 toward home furnishings, renovation of his beach apartment and a new car; and (2) about \$34,000 from the "Sports Accounts," described in a later section of this report.

#### **ii. Rosen's Home Furnishings and Renovations**

Records show that in 2001 and 2002 Gloria Wise paid more than \$21,000 for Rosen's purchases of home furnishings and a contractor's renovation of his beachfront

apartment in Rockaway. Rosen disguised the payments as Gloria Wise's expenses and stole \$3,200 of that amount directly from DYCD by falsely claiming that the contractor was conducting a "gang prevention workshop."

Initially, in June 2005, Aulenbach and Corva told DOI that Gloria Wise paid for Rosen's personal expenses, including renovations (Aulenbach, T2, 6/21/05, 161-162; Corva T2, 6/30/05, 68).

By examining records and interviewing witnesses, DOI identified payments by Gloria Wise totaling \$21,366 for Rosen's home furnishings and renovations. Separately, in October 2005, Gloria Wise produced its own summary (Ex. 18) and list (Ex. 19) of its payments for Rosen's home furnishings and renovations, totaling \$18,121.

Each list – DOI's and Gloria Wise's – includes some charges omitted from the other. DOI identified two items absent from Gloria Wise's list: (1) an October 1, 2001 Gloria Wise check for \$6,178 to Home Depot, signed by Rosen, for bathroom fixtures delivered to Gino Boccia, the contractor who renovated Rosen's apartment; and (2) \$1,248 in direct payments to Boccia. Conversely, Gloria Wise identified other payments totaling \$4,183 – for purchases from U-Haul, ABC Carpet, Home Depot, a floor stripping service, and a wall unit vendor - that DOI did not independently verify or include in its total. The net difference between the two lists is that DOI's total exceeds Gloria Wise's total by \$3,245.

In November 2005, DOI interviewed Boccia, who said that for 17 years he had worked for Riverbay, performing repairs in Co-op City. Since the late 1980s Boccia had also performed "custom" renovations through his own company, "Gino Designs," and had performed renovations and repairs for Gloria Wise and Rosen in both capacities.

Boccia told DOI that in 2002, as an independent contractor, he renovated Rosen's one-bedroom apartment on the fifth or sixth floor of an oceanfront building in Rockaway. Boccia verified his endorsement signature on the back of a December 16, 2002 Gloria Wise check to him for \$6,670.47 (see Ex. 20), which he said was for his work on that apartment. When shown Gloria Wise's supporting documentation for the check, Boccia identified items totaling \$1,260 as charges for his work at the Yellow School House, a Gloria Wise site, and the remaining items – totaling \$5,410.47 – as his charges for work at Rosen's Rockaway apartment, and DOI included that portion of the check in its calculation of Gloria Wise's payments for Rosen's renovations.

Gloria Wise's payments for Rosen's renovations also include a \$3,200 check to Boccia dated June 28, 2002. That payment was charged to DYCD, supported by a phony "consulting agreement," signed by Rosen and bearing Boccia's purported signature, stating that Boccia was conducting a "gang prevention workshop." (See Ex. 21.) When shown the "consulting agreement" and a related "Consultant/Stipend Recipient Sign-In" form, Boccia said that he had not previously seen or signed either one and had not conducted a "gang prevention workshop" or any similar program.

DOI was unable to ask Rosen about the above-described transactions, because DOI learned of them after interviewing Rosen, who thereafter invoked his Fifth Amendment right against self-incrimination and refused to answer any further questions.

When he was interviewed, Rosen said nothing to suggest that Gloria Wise had paid or reimbursed any of his personal expenses.

### **iii. Rosen's Car Purchase**

Investigators learned from Terrero, Valentine, and various records that in August 2002 Rosen purchased a Volvo convertible for himself with a Gloria Wise check for \$34,500. As described more fully below, Rosen later repaid a small portion of the purchase price through payroll deductions and kept the car after he resigned from Gloria Wise in June 2005. Therefore, even if Rosen's assertion that part of the cost of the car was covered by an approved "car allowance" is correct, Gloria Wise still ended up paying an additional "unapproved" \$14,427 for Rosen's personal car.

Specifically, in an August 1, 2002 memo to Valentine, Rosen proposed that Gloria Wise pay approximately \$35,000 for a new car for his use and amortize it over the next five years, at an interest rate of 7% (1) by applying a \$400 monthly car allowance that, Rosen asserted, Gloria Wise had budgeted for him, and (2) through Rosen's paying Gloria Wise \$353 per month, which according to Rosen represented the difference between the budgeted car allowance and the cost of the car.

Gloria Wise payroll records indicate that, from August 2002 through June 2004, a 20-month period, Rosen partially repaid Gloria Wise for the car purchase through biweekly payroll deductions averaging \$467 per month. A total of \$10,752 was deducted from Rosen's wages during that time, of which \$4,678 was applied to interest and \$6,073 was allocated to repaying the principal.

DOI has not identified records that clearly establish whether, as of August 2002, Gloria Wise in fact had budgeted a \$400 monthly car allowance for Rosen and, if so, whether Rosen thereafter received no cash reimbursements for automotive expenses, such as gas and oil purchases.

But giving Rosen the benefit of the doubt on both questions and applying \$400 per month for the 35 months he remained as Gloria Wise's Executive Director, a total of \$14,000, plus the previously-mentioned \$6,073 of payroll deductions allocated to the principal, Rosen is credited with repaying Gloria Wise a total of \$20,073 of the \$34,500 that Gloria Wise paid for his car.

Moreover, the transaction that Rosen actually implemented differed materially – to Gloria Wise's detriment - from the terms that Rosen proposed in his memo to Valentine. Significantly, Rosen's memo requests Valentine's and the Board's approval to "purchase the car in the name of the agency," but Rosen, instead, put title to the car in his own name. And contrary to Rosen's statement - that if he left Gloria Wise's employ within five years of the purchase, he would "purchase the car from the agency for \$1 and be responsible for paying the full amount outstanding or relinquish the car to the Club to dispose of as it sees fit," - what he did instead was to resign from Gloria Wise less than three years after the car was purchased and keep the car for himself without paying the outstanding balance of \$14,427, plus interest, owed to Gloria Wise.

## **b. Aulenbach**

### **i. Overview**

By interviewing witnesses and examining documents, DOI found that from 2000 through 2004, Aulenbach, while employed as Gloria Wise's Deputy Executive Director of Operations and without Board approval, fraudulently arranged for Gloria Wise to give him \$87,370, unreported and untaxed, for personal expenditures: (1) more than \$62,470 toward home renovations, car payments, and other personal items, and (2) \$24,900 from the "Sports Accounts," described in a later section of this report.

### **ii. Aulenbach's Home Renovation**

In 2001 and 2003, Aulenbach obtained \$24,817 from Gloria Wise for the renovation of his apartment in Jackson Heights, Queens.

Aulenbach said and Gloria Wise records confirm that the renovation expenses were "masked" to appear as though they were for Gloria Wise (T2, 160).<sup>6</sup> For example, Aulenbach said, he purchased materials from Home Depot and submitted requisitions for the purchase amounts to Gloria Wise for reimbursement, as though the materials had been purchased for the agency. Records indicate that in 2001, Aulenbach received \$15,317 from Gloria Wise for such purchases (see Ex. 22).

Gloria Wise also paid for the labor for the apartment-renovation. Matthew Tanaka, a handyman, told DOI that, starting in the fall of 2001, as the work progressed, Aulenbach paid Tanaka with nine Gloria Wise checks totaling \$9,500 (see Ex. 23) for work on Aulenbach's apartment, including plastering, painting, electrical work, bathroom plumbing, and the installation of ceiling fans, brass door hinges and locks, bathroom tiles, and a wall heater. Most of the check stubs are annotated "renovations," "site renovation," or "GB renovation," presumably referring to Goose Bay. Aulenbach never gave Tanaka a personal check and "might have" given him one cash payment, Tanaka said.

Gloria Wise's check requisitions for the above-mentioned checks, pre-printed forms with hand-written notations "renovations" and "renovations @ site," were initialed by Aulenbach and Rosen (see Ex. 24).

### **iii. Aulenbach's Car Payments and Related Expenses**

Records revealed that from 2000 through 2004 Gloria Wise paid \$36,187 for Aulenbach's personal car, insurance, and residential parking. Specifically, Gloria Wise paid, (1) from November 2000 through June 2004, approximately \$585 per month, a total of \$24,988, for a new 2001 Subaru Forester registered and titled to Aulenbach, (2) between July 2001 and June 2004, Aulenbach's car insurance premiums totaling \$4,949, and (3) between July 2001 and November 2003, his monthly parking charges at a garage near his Queens apartment, which totaled \$6,250. Gloria Wise also provided Aulenbach with an E-Z pass, and from July 2001 through November 2004 paid his E-Z Pass charges totaling \$3,983 (not included in the above-reported sums Aulenbach obtained for car-related expenses and other personal expenditures). Gloria Wise reported none of the above-mentioned payments as taxable income to Aulenbach.

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<sup>6</sup> The number "2" following "T" means that the interview was the witness's second transcribed interview.

During a June 2005 interview, Aulenbach said only that Gloria Wise, with Board approval, was “reimbursing” him for his car, which he frequently used for business (T2, 6/21/05, 192). Contrary to Aulenbach’s assertion, Valentine told DOI that the Board knew only that Rosen received a car allowance as a “perk” and was not informed that Gloria Wise was paying for any other employees’ cars, including Aulenbach’s.

#### **iv. Aulenbach’s Miscellaneous Expenses**

Records reveal that in 2001 – 2003, Gloria Wise paid Aulenbach’s personal tennis expenses totaling \$1,465. Separate from DOI’s findings, in October 2005, in response to a DOI subpoena, Gloria Wise produced a list of its payments of Aulenbach’s personal expenses between January 2001 and November 2003 totaling more than \$30,000. It includes most of the above-mentioned apartment-renovation expenses, omits the car payments and related expenses, and lists other payments totaling about \$5,000 for tennis, tennis supplies, miscellaneous purchases, and school payments.

#### **v. Aulenbach’s Purported Repayment to Gloria Wise**

Aulenbach claimed that in 2004, over Rosen’s objection, Aulenbach attempted to repay Gloria Wise for some of its improper reimbursements of his personal expenses. As purported proof, Aulenbach, through his attorney, gave DOI two of his canceled personal checks paid to Gloria Wise. But as detailed below, Aulenbach’s checks were unrelated to Gloria Wise’s previous payments of his personal expenses, and Gloria Wise returned the check amounts to Aulenbach. In other words, ultimately, Aulenbach repaid nothing.

Aulenbach’s first check, dated May 24, 2004, for \$15,000 (Ex. 25), was deposited into Gloria Wise’s account on June 4, 2004 with a deposit slip that states “Jeff’s return loan & exchange.” Mullen explained that Aulenbach gave Gloria Wise that check because he said he was resigning and therefore refunding part of a \$28,000 “advance bonus” he had received from Gloria Wise in January 2004 (see Ex. 26). But because Aulenbach did not resign, on August 4, 2004, Gloria Wise gave him a new check for \$15,000 (Ex. 27), which Aulenbach deposited into his bank account. Thus, the records indicate that Aulenbach’s \$15,000 check was unrelated to Gloria Wise’s payment of Aulenbach’s personal expenses and that Gloria Wise returned the \$15,000 to Aulenbach within about two months.

Aulenbach’s second check, dated June 8, 2004, for \$25,850 (Ex. 28) was payable to the “Co-op City Tennis Club Program.” The memo on Aulenbach’s check states “repayment,” and on June 9, 2004 the check was deposited into the “Tennis Club account,” one of the previously-mentioned “Sports Accounts.” In 2002, as he later admitted, Aulenbach had received approximately \$25,000 from those accounts, separately from and in addition to Gloria Wise’s above-described payments for his personal expenses (T2, 6/21/05, 142-149). That scheme is discussed later in this report. Accordingly, Aulenbach’s second check appears to have been unrelated to Gloria Wise’s payment of his personal expenses. In any case, bank records show that on August 4, 2004, Aulenbach received another check for \$25,850 from the “Co-op City Tennis Club Program,” which he endorsed and deposited into his personal bank account a few days later (see Ex. 29).



Thus, the records show that, ultimately, the proceeds of the two checks that Aulenbach produced as evidence of his attempts to repay Gloria Wise were returned to him, and he repaid nothing.

**c. Corva**

By interviewing witnesses and examining documents, DOI found that from 2000 through 2004, Corva, while employed as Gloria Wise's Deputy Executive Director of Programs and without Board approval, improperly received \$60,801, unreported and untaxed, for personal use: (1) more than \$37,000 in car payments; and (2) \$23,570 from the "Sports Accounts," described in a later section of this report.

**Corva's Car Payments**

Corva admitted that for more than three years Gloria Wise made the monthly payments for her two BMWs. Based on Corva's statements and Gloria Wise's bank and financial records, DOI found that Gloria Wise's monthly payments for Corva's cars from August 2000 through May 2004 totaled more than \$37,000.

Corva told DOI that, first, for approximately three years, Gloria Wise paid about \$1,000 per month for her leased BMW automobile. Gloria Wise's records show that Gloria Wise's lease payments for that car, from May 2000 through July 2003 totaled \$23,079. Then, in August 2003, Corva purchased a new BMW for \$35,000, financed through the dealership with no down payment, and, she said, Gloria Wise made all of her monthly payments for that car until Mullen stopped them during 2004 (T, 6/30/05, 84-89). Records establish that between August 20, 2003 and May 25, 2004 Gloria Wise paid \$1,415 per month, or \$14,152, for Corva's second BMW.

Corva characterized Gloria Wise's payments for her cars as compensation in lieu of salary, because, she asserted, her salary was reduced by the same amount (T, 6/30/05, 88). However, as discussed in more detail in a later section of this report, Gloria Wise's payroll records indicate that, contrary to Corva's assertion, her salary was never reduced at any time during her employment at Gloria Wise. In fact, Corva received salary increases annually. Between 2001 and 2004, Corva's wages, excluding off-record "bonuses" and car payments, rose each year, from \$72,000 in 2000 to \$189,783 in 2004.

**d. Terrero**

By interviewing witnesses and examining documents, DOI found that in 2002 and 2004, Terrero, while employed as a Gloria Wise executive and without Board approval, improperly received \$13,406, unreported and untaxed, for personal use: (1) more than \$7,000 in payments for personal items; and (2) \$6,400 from the "Sports Accounts," described in the next section of this report.

Terrero told DOI that Gloria Wise began to pay for his car when he became an Associate Executive Director and that Gloria Wise's by-laws authorize such payments to employees holding that title or above. DOI found no such authorization in the Gloria Wise by-laws. Terrero said that he received approximately \$5,000 from Gloria Wise for his car payments. In addition, Gloria Wise, in response to a DOI subpoena, reported having paid \$7,000 to two businesses, "Microwarehouse," and "CDW Direct," for Terrero's personal expenses (see Ex. 30).

## **2. Scheme Two: Off-the-Books Payments from Secret Bank Accounts – the “Sports Accounts”**

### **a. Overview**

Rosen, Aulenbach, Corva, Terrero, and Montvel-Cohen, combined, obtained about \$90,000 in unreported and untaxed income, much of it stolen from City, State, and federal agencies, through a fraudulent scheme that Rosen and the other executives implemented through the following actions:

- (1) opening six off-the-books bank accounts, controlled by Rosen, under assumed and fictitious names of different athletic clubs (in this report, “Sports Accounts”), at a bank other than that where Gloria Wise maintained its accounts of record;
- (2) fabricating documents, such as purported “consulting agreements” between Gloria Wise and the fictional athletic clubs, stating falsely that the clubs were subcontractors paid by Gloria Wise to run sports programs for youngsters;
- (3) issuing Gloria Wise checks payable to the fictional athletic clubs, ostensibly paying them for the youth-sports programs they purportedly ran, and depositing those checks into the Sports Accounts;
- (4) submitting false “reimbursement” claims to DYCD for some of the Gloria Wise checks written to the fictional athletic clubs; and
- (5) issuing checks from four of the Sports Accounts to Gloria Wise’s executives.

In sum, the Sports Accounts collectively were a fraudulent device that Rosen and other Gloria Wise executives used to steal public money under the false pretense that Gloria Wise was spending that money on sports programs operated by independent subcontractors.

Chase Bank records revealed that in two years, from May 2000 through June 2002, Gloria Wise deposited \$115,222 into the Sports Accounts. Of that total, \$45,125 was obtained from the City’s DYCD, by Gloria Wise’s submitting fraudulent claims for reimbursement. Gloria Wise’s records reveal that an additional \$33,966 deposited in the Sports Accounts was charged to four publicly-funded programs: the federal Bureau of Justice Assistance, the State Office of Children and Family Services, the State Education Department, and the After-School Corporation.

Chase Bank records show that in three and one-half years, from May 2000 through January 2004, Rosen wrote and signed checks for more than \$98,600 from the Sports Accounts, of which more than \$89,700 (91%) was paid directly to five Gloria Wise executives, as follows:

- in 2002, Rosen received \$33,850;
- in 2002, Aulenbach received \$24,900;
- in 2002 and 2004, Corva received \$23,570;<sup>7</sup>
- in 2002, Terrero received \$6,400; and

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<sup>7</sup> This amount (\$23,570) excludes \$10,900, which Corva received in May 2002, which she returned in August 2002, and which Gloria Wise then returned to her with its own check.

- in 2002, Montvel-Cohen received \$1,000.

(See Ex. 31.)

Witnesses said and Gloria Wise's records show that for tax purposes the payments the executives received in 2002 were not reported as 2002 income. Later, after DOI began this investigation, Gloria Wise added those amounts to each executive's reported income for 2004.

Rosen signed all the Sports Accounts checks, including a \$31,850 check he wrote to himself dated May 15, 2002. A fictitious post office box number appears on Gloria Wise's checks to the Sports Accounts – "P.O. Box 1812, Bronx New York, 10475" - apparently to foster the false impression that the checks went to independent entities rather than into bank accounts that Rosen controlled. The United States Postal Inspection Service reports that no such post office box existed.

#### **b. Sports Accounts Created**

Bank records show that on May 8, 2000 Rosen and Valentine, then president of Gloria Wise's Board, opened six accounts at Chase Bank. (Gloria Wise maintained its accounts at Citibank.) Each Chase account was opened in the name of a different athletic club or program, "in care of Gloria Wise." For example, one account was opened in the name "Mustang Wrestling Program c/o Gloria Wise, 950 Baychester Avenue, Bronx, New York" (Gloria Wise's address). That account name resembled that of a separate organization, the "Mustang Wrestling Club," but, as explained later, the account was opened without the club's knowledge or permission.

The other names used for the Sports Accounts were the Co-op City Tennis Club Program, the Bronx International Express Track Program, the Bronx Queens Basketball Program, the Bronx Youth Soccer Program, and the Bronx Tigers Cheerleading Program, all "c/o Gloria Wise."

On August 12, 2005, when interviewed by investigators and shown Chase Bank account documents he had signed, Valentine said in substance that Rosen and he signed applications to open Chase Bank accounts in the names of the "Co-op City Tennis Club," "Bronx International Express Track," and the "Mustang Wrestling Club." Valentine knew those organizations but not why he and Rosen were opening bank accounts in their names. Valentine trusted Rosen and signed the account applications at his request. After the accounts were opened, Valentine never knew what activity, if any, occurred within them. He had not known and Rosen had not told him, or the Board to his knowledge, that Rosen, Corva, Aulenbach and Terrero received checks from the accounts.

#### **c. Aulenbach's Statements regarding the Sports Accounts**

Aulenbach said in substance that at Rosen's prompting, Terrero submitted claims for "reimbursement" to government funding agencies under the pretense that athletic clubs were running programs for Gloria Wise, in track and field, wrestling, tennis, basketball, and cheerleading, and "money came into the agency for services that largely were not rendered...and those accounts built up some sum of money used for administration expenses." (T2, 6/21/05, 143-145)

After DOI began its investigation, Rosen became “paranoid” about the Sports Accounts. For example, Rosen gave Aulenbach a box containing the Sports Accounts records and told him to “get rid of this.” Rosen later asked Aulenbach whether he had destroyed the records. When Aulenbach said he had not, Rosen told Aulenbach to return them to him. Aulenbach photocopied the records, returned the originals to Rosen, and later provided copies to DOI (T2, 6/21/05, 144-146). Aulenbach added that as DOI was investigating Gloria Wise’s financial activities, Rosen “was pushing hard” to “empty those accounts...Just empty them and close them....He asked me to meet with the...Co-op City Tennis Club...and to negotiate something...and draw down the money from that account for that team.” (T2, 6/21/05, 148-150)

**d. Terrero’s Statements regarding the Sports Accounts**

Corroborating Aulenbach’s statements, Terrero told investigators that the Chase Bank accounts were just a “gimmick” created for Gloria Wise to bill DYCD for services that had not been provided. Terrero also said that when he began working at Gloria Wise in or around July 2000, he posted entries regarding the Sports Accounts in Gloria Wise’s general ledger but was instructed by Aulenbach or Rosen to remove them. Terrero said that the Sports Accounts “were off the books, basically.” (T, 7/15/05, 90) He added that Rosen was “the sole signatory on the accounts.” (T, 7/15/05, 91)

Terrero said that when he worked there, Gloria Wise neither withheld taxes from payments its executives received from the Sports Accounts nor reported them to the IRS and State tax authorities. He claimed that, discomfited by the situation, he discussed it with Beller, Gloria Wise’s external auditor. Terrero did not recall Beller’s exact response but said that Beller just “brushed it off.”

**e. Corva’s Statements regarding the Sports Accounts**

Bank records show, and Corva’s testimony confirms, that in 2002 and 2004 Corva received three payments totaling \$34,470 from the Sports Accounts. Of that amount, Corva returned \$10,900 in August 2002 and within two weeks accepted a replacement check from Gloria Wise for the same sum.

Corva acknowledged receiving two 2002 checks payable to her: (1) check no. 1001, dated May 15, 2002, drawn on the “Mustang Wrestling Program” account, for \$10,900.00; and (2) check no. 1009, also dated May 15, 2002, drawn on the “Co-op City Tennis Club Program” account, for \$13,000 (T2, 6/30/05, 69-70). She also acknowledged receiving, at a later date, a third check, dated January 15, 2004, drawn on the “Co-op City Tennis Club Program” account, for \$9,570, annotated, “Congratulations, Michael Corva’s Scholarship.” (T2, 6/30/05, 63-65) Michael, then a college student, is Corva’s son.

Corva did not recall Rosen’s ever saying why she received the above-mentioned payments from the Sports Accounts, but said that Terrero, then Gloria Wise’s Fiscal Director, told Corva that she would be getting a “bonus” or a “raise,” and “then I went into the office and I was handed these checks.” (T2, 6/30/05, 65)

As Gloria Wise’s Director of Programs Corva knew which outside organizations’ programs were funded by Gloria Wise and that the organizations named on the checks she received were not then operating programs for Gloria Wise. Corva understood, based on a later conversation with Mullen at which Rosen and Aulenbach were present, that

Rosen, Aulenbach, and Terrero also received payments from the Sports Accounts, and she believed that the amounts of the “bonuses” that she, Aulenbach, and Terrero received were based on a percentage of Rosen’s raises or bonuses (T2, 6/30/05, 62-65).

**f. Individual Sports Accounts**

**i. Bronx International Express Track Program**

Phyllis and Anthony Francis told DOI that they have managed the “Bronx Express Track Club” (Bronx Express) since 1997. Bronx Express’s address is and at all relevant times was 1615 Unionport Road. The Francises were unaware of PO Box 1812, Bronx, NY 10473 (the address printed on Gloria Wise’s checks to the “Bronx International Express Track Program”). The Francises said that since the mid-1990s Bronx Express has maintained a single savings and checking account at Chase, unrelated to the “Bronx International Express Track Program” account that Rosen and Valentine opened at Chase in May 2000.

Bronx Express operated programs with Gloria Wise from 1998 until January 2001, and, based on its records, received a total of \$44,340.43 from Gloria Wise for doing so. In early 2001 Rosen attempted to make Bronx Express part of Gloria Wise. When Bronx Express refused, Rosen severed all relations with the club. Bronx Express conducted no programs for and received no money from Gloria Wise after January 2001.

The Francises said that they never signed any agreement with Gloria Wise for any purpose. Before DOI investigators showed them a purported “consulting agreement” dated October 1, 2001, signed by Aulenbach and bearing Phyllis Francis’s purported signature (Ex. 32), the Francises had never seen it, and Ms. Francis had not signed it. Her signature in Bronx Express’s bank records, which she produced for investigators, appears quite different. When shown a series of Gloria Wise’s checks, totaling over \$40,000, which had been deposited in the Rosen-controlled Bronx International Express Track Program account, the Francises said that they had never seen them or received any of the proceeds. Phyllis Francis produced for DOI all the checks deposited into the Bronx Express account from 1997 to the present.

**ii. Mustang Wrestling Club**

Rosen stole more than \$14,000 in City funds by submitting fraudulent reimbursement claims to DYCD for the Mustang Wrestling Club (Mustang), depositing the money in the Chase account falsely named for that club, and disbursing the money from that account to Gloria Wise executives.

Michael Ondich, former Mustang coach, told investigators that Mustang operated out of Truman High School, Bronx, near Co-op City, until the fall of 2001, when Ondich moved to New Jersey, and began teaching at a high school there. Ondich conducted wrestling programs at Gloria Wise periodically between 1995 and 2001, and Rosen was his contact.

According to Ondich, Gloria Wise gave Mustang equipment, such as practice “dummies,” and, once, Gloria Wise paid for a bus to transport Mustang to a meet. Ondich completed paperwork for Rosen for some of the above-mentioned items. Throughout the six years when Mustang periodically conducted wrestling program for Gloria Wise, the

cost of the equipment and bus transportation that Mustang received from Gloria Wise totaled less than \$6,000, Ondich said.

Ondich said that in the spring of either 1999 or 2000 Rosen wanted to pay Mustang a stipend of approximately \$300 per month for conducting its program at Gloria Wise. The monthly payments never materialized, but Mustang received two checks from Gloria Wise, one on October 11, 2000 for \$710, and one on January 23, 2001 for \$212, for meet-entry fees and services.

Ondich had never heard of the “Mustang Wrestling Program c/o Gloria Wise” bank account at Chase. Before investigators showed Ondich 22 canceled Gloria Wise checks totaling \$14,550 deposited into that account between May 2000 and February 2002, he had never seen them or any of the supposed supporting documents, and Mustang had received none of the proceeds.

### **iii. Co-op City Tennis Club**

Interviews and records established that Rosen transferred more than \$55,000 from Gloria Wise to the Rosen-controlled “Co-op City Tennis Club Program” account. That amount includes \$32,260 that Rosen and Aulenbach stole from the City through fraudulent claims to DYCD.

DOI investigators interviewed Milton Alexander, who said that he and his wife, Lorraine Rohlsen, have operated the Co-op City Tennis Club since 1983. In 1997 or 1998, Rosen invited the tennis club and several other athletic clubs at Co-op City to form a sports federation. That federation soon disintegrated, Alexander said, because the athletic clubs wanted to remain independent while Rosen wanted them to become part of Gloria Wise under his control.

Alexander said that until 2004, the tennis club received no money from Gloria Wise but occasionally used its facilities and office equipment, such as the photocopier. In August 2001, Gloria Wise spent \$1,100 for tennis shirts and caps. In 2004, Aulenbach asked Alexander if the club could provide tennis lessons at Gloria Wise’s summer camp. Gloria Wise and Alexander signed an agreement (Alexander produced it during the interview), lessons were provided, and the tennis club was paid \$4,485, by Gloria Wise checks, which were deposited into the tennis club’s account at HSBC. Alexander said that that was the only agreement he ever entered into with Gloria Wise.

Alexander was shown a purported “consulting agreement” produced by Gloria Wise, dated October 1, 2001, bearing Aulenbach’s signature and Alexander’s purported signature, which states that for \$2,500 the tennis club would operate a tennis program at Gloria Wise between November 2001 and April 2002 (see Ex. 33). Alexander said that he had not signed or previously seen the supposed “consulting agreement” and that the tennis club had operated no program and received no money from Gloria Wise during the time specified in it.

Alexander told DOI that he had never heard of or authorized anyone to open the Chase Bank account titled “Co-op City Tennis Club c/o Gloria Wise.” When shown 56 cancelled Gloria Wise checks, totaling \$55,266, deposited in that account between May 8, 2000 and June 28, 2002, Alexander said that he had not previously seen any of them and that neither he nor the tennis club had received any of the proceeds. Further,

Alexander said, he had never seen the “Consultant/Stipend/Recipient Sign-in sheets” bearing his name and address, which, in Gloria Wise’s records, were attached to many of the 56 checks as purported documentation. Finally, Alexander said that he had not previously seen or known about two checks totaling \$36,900 paid from the account to Aulenbach and Corva (see Ex. 34) and that neither of them had ever performed any services for the tennis club.

### **3. Scheme Three: Improper Payments to Ozoria Charged to DYCD and HUD**

From December 2003 through June 2004, Ozoria, Gloria Wise’s Budget Director, fraudulently obtained nearly \$14,000, untaxed, in City and federal funds through a scheme in which he and Aulenbach falsified business records – including a contract, invoices, and payment requests to DYCD - to state falsely that a retail clothing store called “Vincent Millays, Inc.” (Millays), which Ozoria operated, was providing “workshops for youth” in “retail management” and “fashion and design” under a DYCD-funded contract with Gloria Wise. Neither Millays nor Ozoria provided any such services, and none of the money they received for doing so was returned to the public agencies that paid for them, until September 2006, when DOI recovered \$625,000 from Gloria Wise, as described later in Section VI of this report. The information in this section is based upon Gloria Wise’s records, bank records, DYCD records, and interviews with witnesses.

Ozoria and Aulenbach, separately, told DOI in substance that in late 2003 Ozoria told Aulenbach that he had financial problems and was unable to pay his bills. Although Ozoria and Aulenbach differed about who suggested it (each said the other did), both told DOI that they created and signed a purported consulting contract between Gloria Wise and Millays for the purpose of paying Ozoria \$10,000, untaxed, in DYCD funds (Ozoria, T, 6/22/05, 90-93; Aulenbach, T2, 6/21/05, 114-118). Aulenbach said that Rosen approved the idea (T2, 6/21/05, 115). Earlier, Rosen, when shown the contract, said he knew nothing about it or Millays (T, 6/10/05, 393).

The December 11, 2003 contract, on a standard DYCD form, states that Gloria Wise and Millays agree that for \$50 per hour in DYCD funds not exceeding \$10,000 Millays will provide to the “citizens of...the Bronx...workshops including...retail management and fashion and design.” (See Ex. 35.)

Ozoria and Aulenbach both admitted that between December 2003 and June 2004 Gloria Wise submitted to DYCD for reimbursement seven Millays invoices prepared by Ozoria, processed by Gloria Wise’s fiscal staff, and, as part of Gloria Wise’s monthly payment requests, approved by Rosen, in amounts totaling \$13,820. Each invoice states falsely that Millays was providing, each month, “retail management” and “fashion design” “workshops for youth” and that the payments are “tax exempt.” (See Ex. 36.)<sup>8</sup>

In the same period, Gloria Wise issued to Millays seven checks also totaling \$13,820. Ozoria said that he received the money from Gloria Wise’s checks (T, 6/22/05, 187). After Gloria Wise exhausted the \$10,000 available under the DYCD contract, it funded the remaining payments through its preexisting contract with the U.S. Department of Housing and Urban Development (HUD) (Ozoria, T, 6/22/05, 176).

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<sup>8</sup> Two invoices were submitted for April 2004 workshops; none was submitted for March 2004.

Ozoria and Aulenbach also told DOI that Ozoria provided no “workshops for youth” or any similar services (Ozoria T, 6/22/05, 106; Aulenbach, T2, 6/21/05, 123). Ozoria attributed his failure to provide those services to his being “overwhelmed” with other work for Gloria Wise (T, 6/22/05, 99). Aulenbach, though, said that “it was presumed...that the services weren’t going to be provided, that this was a way of changing his (Ozoria’s) compensation.” (T2, 6/21/05, 124)

Ozoria and Aulenbach both claimed that the money that Ozoria received through the Millays contract was repaid by a reduction of his salary, even though Ozoria claimed that the reason for his getting this money in the first place was because he was experiencing financial problems. In fact, though, Ozoria’s yearly salary was not reduced in either 2003 or 2004 - the years when he received the Millays payments. To the contrary, while there was a temporary reduction, his salary increased substantially, as noted below.

Gloria Wise’s payroll records show a temporary reduction – totaling \$6,538 through seven months, from November 2003 through June 2004 – in Ozoria’s gross pay, less than half the amount he received through the phony Millays contract. However, when that temporary decrease ended, in July 2004, Ozoria’s salary was immediately increased from its original pre-reduction level of \$55,000 to \$75,000 - more than 36%. Furthermore, in October 2004, Ozoria received a one-time additional payment of \$3,846. Gloria Wise’s tax filings also show that Ozoria’s actual wages rose every year - from \$49,738 in 2002 to \$52,312 in 2003 and \$70,077 in 2004.

Mullen said that soon after he began working at Gloria Wise, he was asked to approve one of the phony payments to Millays. When Mullen asked what the payment was for, Aulenbach lied, telling him that it was to pay Ozoria under a “consulting contract” for training young people. Similarly, when Mullen then asked Ozoria about Millays, Ozoria also lied, describing it as a clothing business through which he was training the “the youth that we serve.” (T, 6/17/05, 195)

Ozoria said that Aulenbach was displeased that Ozoria had discussed Millays with Mullen. According to Ozoria, Aulenbach asked “Why would you even tell him that - we don’t know if he’s one of us yet?” (T, 6/22/05, 100) Ozoria understood Aulenbach to be “pretty much saying we don’t know if [Mullen is] gonna turn around and tell somebody that this is going on.” (T, 6/22/05, 101) Ozoria said that in May or June 2004 Mullen ended the payments to Millays (T, 6/22/05, 102).

In May 2004, the month before he received his last “consulting” payment through Millays, Ozoria received a personal loan of \$16,400 from Gloria Wise. Mullen told DOI that Rosen approved the loan and signed the check to Ozoria, and that Ozoria signed a loan agreement and a promissory note agreeing to repay the loan through wage deductions. Although Mullen knew about Gloria Wise’s payments to Millays, “it did not cross [Mullen’s] mind” to tell Rosen in connection with the loan that Gloria Wise had also been paying Ozoria through a consulting contract with Millays (T, 6/17/05, 215-223).



### **C. Gloria Wise's False Rationale for its Improper Payments to its Executives**

In June 2005, Aulenbach told DOI that, starting in 2001, Gloria Wise, perennially short of funds, reduced its executives' salaries and, to compensate for those reductions, paid their personal expenses (T2, 6/21/05, 131-134). However, Gloria Wise's records flatly contradict the assertion that Aulenbach's and other Gloria Wise executives' salaries were reduced proportionately to the amounts of the improper payments they received.

Using Gloria Wise's available State and federal filings for 2000 to 2005 and other records, DOI tabulated the reported wages and the unreported personal income that five executives - Rosen, Aulenbach, Corva, Terrero, and Ozoria - received from Gloria Wise. The following table shows that, except for Aulenbach's \$478 decrease in 2001, every executive's reported wages increased from year to year. And Aulenbach's unreported income - of \$31,780 in 2001 and \$87,370 through 2004 - far outweighed that single \$478 decrease.

Because Gloria Wise's payroll records reflect anomalies in Aulenbach's biweekly base pay from October 2000 through October 2001 - one missed pay date in each calendar year and fluctuating gross pay amounts - DOI cannot extrapolate from them a reliable reckoning of what Aulenbach's annual salary was supposed to have been during that period, if one was established, and whether he forswore some portion of it.

What is known is that in 2000 Aulenbach received reported gross wages of \$78,766 and off-the-books income of \$1,002 in car payments, raising his total income to \$79,768. The records further show that the next year Aulenbach's reported wages declined slightly, as noted above, to \$78,288 while his off-the-books income increased substantially - to \$31,780, boosting his total income that year to more than \$110,000, a 40% increase.

And Aulenbach's reported wages, or "salary," in the next three years - 2002 through 2004 - increased dramatically, as shown in the following table. For example, in 2002, a year in which Aulenbach received off-the-books income of \$37,858, his reported wages exceeded \$117,000, an increase of 50% above his reported wages in 2001, and his total compensation exceeded \$155,065, an increase of 41% above that of 2001. Thereafter, his gross reported wages and total compensation continued to rise for each full year in which he remained employed by Gloria Wise.

As mentioned in the preceding section, Gloria Wise's payroll records show a small, temporary reduction between November 2003 and June 2004 in Ozoria's biweekly gross pay, followed immediately by a substantial increase above its original, pre-reduction level. Furthermore, Gloria Wise's tax filings show that Ozoria's reported wages and total compensation rose every year.

Moreover, Gloria Wise's records contradict Aulenbach's suggestion that fiscal austerity prevented Gloria Wise from paying its executives reasonable salaries. By 2004, Rosen's total compensation exceeded \$250,000; Corva's exceeded \$206,000; and Aulenbach's exceeded \$189,000. That year, those three executives, combined, received more than \$650,000 in taxed and untaxed income from Gloria Wise.

Compensation of Selected Gloria Wise Executives, 2000 - 2005

Name	Year	Wages and Bonuses Reported on W-2*	Sports Accounts (unreported)	Personal Expenses (unreported)	Car Payments (unreported)	Total Compensation
Rosen	2000	\$109,477.01	0	0	0	\$109,477.01
	2001	\$156,440.86	0	\$ 6,178.92	0	\$162,619.78
	2002	\$178,274.86	\$33,850.00	\$15,187.40	\$2,000	\$229,312.26
	2003	\$225,395.50	0	0	\$4,800	\$230,195.50
	2004	\$249,610.96	0	0	\$4,800	\$254,410.96
	2005	**\$142,452.50	0	0	\$2,400	\$144,852.50
Subtotal Rosen		\$1,061,651.69	\$33,850.00	\$21,366.32	\$14,000.00	\$1,130,868.01
Aulenbach	2000	\$78,766.35	0		\$1,002.27	\$79,768.62
	2001	\$78,288.50	0	\$25,930.44	\$5,850.30	\$110,069.24
	2002	\$117,206.48	\$24,900.00	\$5,353.57	\$7,605.39	\$155,065.44
	2003	\$160,716.74	0	\$5,327.08	\$7,020.36	\$173,064.18
	2004	\$185,217.86	0	\$871.18	\$3,510.18	\$189,599.22
	2005	**\$104,832.33	0	0	0	\$104,832.33
Subtotal Aulenbach		\$725,028.26	\$24,900.00	\$37,482.27	\$24,988.50	\$812,399.03
Corva	2000	\$72,000.08	0	0	0	\$72,000.08
	2001	\$83,419.96	0	0	\$11,209.97	\$94,629.93
	2002	\$139,659.87	\$14,000.00	0	\$7,253.51	\$160,913.38
	2003	\$165,495.57	0	0	\$11,692.17	\$177,187.74
	2004	\$189,783.40	\$9,570.00	0	\$7,076.30	\$206,429.70
	2005	**\$126,924.57	0	0	0	\$126,924.57
Subtotal Corva		\$777,283.45	\$23,570.00	0	\$37,231.95	\$838,085.40
Terrero	2000	**\$16,876.90	0	0	0	\$16,876.90
	2001	\$52,553.84	0	0	0	\$52,553.84
	2002	\$56,821.15	\$6,400.00	0	0	\$63,221.15
	2003	\$66,534.22	0	0	0	\$66,534.22
	2004	**\$13,448.14	0	\$7,006.94	0	\$20,455.08
Subtotal Terrero		\$206,234.25	\$6,400.00	\$7,006.94	0	\$219,641.19
Ozoria	2001	**\$9,346.16	0	0	0	\$9,346.16
	2002	\$49,738.42	0	0	0	\$49,738.42
	2003	\$52,312.80	0	†\$2,833.00	0	\$55,145.80
	2004	\$70,077.84	0	†\$10,987.00	0	\$81,064.84
	2005	**\$66,618.79	0	0	0	\$66,618.79
Subtotal Ozoria		\$248,094.01	0	\$13,820.00	0	\$261,914.01
Total		\$3,018,291.66	\$88,720.00	\$79,675.53	\$76,220.45	\$3,262,907.64

\* Excludes fringe benefits

\*\* Employed for part of the year

† Payment through Millays

#### **D. Gloria Wise's Executives Have Retained their Fraudulently-Obtained Gains**

Excluding \$46,000 in improper payments to Montvel-Cohen, DOI has identified improper payments totaling \$244,615 to five Gloria Wise executives: Rosen, Aulenbach, Corva, Terrero, and Ozoria, much of it stolen from the City.

In 2004, after DOI initiated this investigation, Gloria Wise took what its then-executives later held out as “corrective” action, which in substance involved: (1) discontinuing some of its improper “compensation” practices, for example, halting monthly payments for Aulenbach’s and Corva’s personal cars, and (2) belatedly and inaccurately reporting as 2004 income approximately \$132,521 – about 57% - of the improper, untaxed income that four of the above-named executives – all but Ozoria - received from 2001 through that year (see Ex. 37).<sup>9</sup>

But Gloria Wise’s executives returned none of the money they had collected improperly. And Gloria Wise returned no stolen and misspent money to the City – until September 2006, when DOI recovered \$625,000, as described later in Section VI of this report.

Aulenbach and Corva told DOI in substance that, in 2004, after Mullen questioned some of Gloria Wise’s fraudulent practices, the executives tallied up the untaxed personal-expense payments and “bonuses” they had received since 2001, which Mullen then reported as taxable 2004 income. Aulenbach said, “And so much like it just began, it also ended. And in the summer of 2004, John (Mullen) collected all of the amounts that have been submitted for personal reimbursement and totaled them up and issued corrective W-2s. And at least in my own case, all federal, state and city taxes have been paid on compensation received.” (T2, 6/21/05, 136)

Corva’s recollection was that the records were corrected after an April 2004 visit by DOI investigators: “That one was after the DOI investigation started, and then we met with John Mullen and—who said we need to clear up all that stuff. Then everything was rectified and everything was picked up, all the taxes were paid, everything was corrected.” (T2, 6/30/05, 60)

Gloria Wise’s records reveal that on December 9, 2004, adjusting entries totaling \$132,521 were made to that year’s reported income of four executives: Aulenbach, Corva, Rosen, and Terrero, as though they had received all that income in 2004.

DOI interviewed Mullen on June 17, 2005, six months after the above-mentioned adjusting entries were made, but several days before DOI learned of them and most of the improper payments to Gloria Wise’s executives. Because of that chronology, Mullen was not asked directly and specifically about the December 2004 adjusting entries or the four executives’ prior receipt of unreported income, and he said nothing about either topic.

When asked whether Gloria Wise had been paying for Corva’s and Aulenbach’s cars, Mullen said that he had stopped those payments about a year earlier (T, 6/17/05,

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<sup>9</sup> Gloria Wise’s 2004 adjustments totaling \$132,521 fail to account for Gloria Wise’s payments for, among other things, Corva’s and Aulenbach’s personal cars, the unpaid balance of its payment for the purchase of Rosen’s personal car, its payments for Aulenbach’s residential parking and car insurance, and the money paid to Ozoria through Vincent Millays.

243). And Mullen denied knowing of any Gloria Wise employees' or consultants' receiving publicly-funded money that was supposed to have been used for a different purpose, specifically, a program (T, 6/17/05, 221).

From Gloria Wise's and its executives' records, DOI totaled the improper, unreported payments that each of the five above-named executives received from 2000 through 2004, consisting of (1) payments for personal expenses, (2) checks from the Sports Accounts, and (3) car payments. Those totals are shown below, alongside Gloria Wise's (Mullen's) adjustment to each executive's reported income for 2004, followed by the difference, which remains unreported after Gloria Wise's adjustment:

<u>Executive</u>	<u>Total per DOI's Calculation</u>	<u>Gloria Wise's (Mullen's) 2004 Adjustment</u>	<u>Difference (unreported)</u>
Rosen	\$69,216.32	\$51,971.00	\$17,305.32
Aulenbach	87,370.77	55,243.58	32,127.19
Corva	60,801.95	11,900.00	48,901.95
Terrero	13,406.94	13,406.94	0.00
Ozoria	<u>13,820.00</u>	<u>0.00</u>	<u>13,820.00</u>
Total	\$244,615.98	\$132,521.52	\$112,154.46

As shown above, even Gloria Wise's belated adjustment of its payroll records omits more than \$112,154 of five executives' untaxed income.

In sum, Gloria Wise's purported corrective action – halting car payments and reporting as 2004 income a portion of four executives' pre-2004 unreported income - should not be confused with a comprehensive remedy for (a) its and its executives' frauds upon and thefts from the City and other sources, (b) its executives' improper receipt of stolen money and other unauthorized benefits, and (c) its and its executives' failures to report the executives' income.

#### **E. City and Federal Funds Stolen to Pay Development Consultant**

Between May 2003 and January 2004, Rosen and Aulenbach stole \$10,000 from DYCD and \$4,500 from HUD by fabricating two contracts and submitting three altered invoices, all of which state falsely that Gloria Wise was paying Constructive Strategies, Inc., to train young people in "job readiness" and "interior design." In fact, Constructive Strategies, a consulting business owned and operated by Thomas Montvel-Cohen, Evan's brother, was paid by Gloria Wise to help secure government approval for a new community center, a service that Gloria Wise could not properly charge to DYCD. DOI found no evidence that Thomas Montvel-Cohen participated in or knew about the submission of the false documents to the City and HUD.

The following account is based on interviews with Aulenbach and Thomas Montvel-Cohen and an examination of Gloria Wise's and DYCD's records.

For several years, Gloria Wise contemplated developing a new community center on a two-acre, City-owned site, which required a formal proposal to the City's Economic

Development Corporation (EDC). In 2002, Rosen and Aulenbach, on Evan Montvel-Cohen's recommendation, retained Constructive Strategies, i.e., Thomas Montvel-Cohen, who had relevant experience, to prepare the proposal. Thomas Montvel-Cohen worked on the project from late 2002 until mid-2004 and produced a draft proposal, for which Constructive Strategies was paid \$31,100.

To obtain DYCD funds for part of Constructive Strategies' fee, Rosen and Aulenbach created, on DYCD forms, two phony consulting contracts, dated May 1, 2003, each stating that for \$50 per hour, up to a maximum of \$5,000, Constructive Strategies would provide training for youth in, respectively, "job readiness" and "interior design workshops." The four signatures on the two phony contracts, for both Gloria Wise and Constructive Strategies appear to have been written by the same person – Rosen - which Aulenbach confirmed (see Ex. 38). In June 2003, Aulenbach altered and submitted to DYCD two Constructive Strategies invoices, each for \$5,000, by inserting "youth job readiness training" in one and "interior design youth workshop" in the other (see Ex. 39). On or about January 15, 2004, Gloria Wise submitted a similarly-altered Constructive Strategies invoice for \$4,500 to HUD purportedly for "youth job readiness training." (See Ex. 40.) Thomas Montvel-Cohen produced his original invoices (Ex. 41) and when shown copies of the altered invoices said that he had never seen them before and had not known that he was being paid under them.

Aulenbach told DOI that he believed that Thomas Montvel-Cohen neither saw the false contracts and invoices nor knew that his fees were being paid with funds that Gloria Wise was obtaining fraudulently.

#### **F. City Funds Stolen to Pay for Site Renovations**

DOI determined that, through fraudulent payment requests submitted to DYCD, Gloria Wise improperly obtained more than \$20,000 from the City to fund renovations of Gloria Wise's sites.

Gloria Wise's records show payments totaling almost \$100,000 to Ahmet Nakishbendi, reportedly Rosen's personal friend, for architectural plans and renovation of Gloria Wise sites during several years ending in 2003. Of the total it paid to Nakishbendi, Gloria Wise obtained \$35,230 from DFTA and \$20,138 from DYCD. Unlike DFTA, which pays for renovations at sites where senior citizens attend programs, DYCD does not fund site renovations. Therefore, to charge DYCD for Nakishbendi's work, Gloria Wise used a fraudulent scheme similar to that used to pay Constructive Strategies: Gloria Wise submitted fraudulent payment-claims to DYCD falsely stating that Nakishbendi was providing training programs for youth, when in reality he was only performing renovations. Based on Gloria Wise's false claims, DYCD paid \$10,350 for a "job development workshop" in May 2001, \$6,588 for a "kitchen planner workshop" in May and June 2001, and \$3,200 for a "diversity workshop" in June 2002, all fictitious (see Ex. 42).

Investigators called Nakishbendi in Pennsylvania, where he resides. Nakishbendi said that the payments he received from Gloria Wise were for renovating a kitchen and purchasing furniture. He could not recall conducting any youth programs for Gloria Wise, and when asked what kinds of youth programs an architect and contractor would conduct, Nakishbendi essentially admitted that he had conducted none. Nakishbendi abruptly

ended the telephone conversation and did not respond to later telephone messages and faxed inquiries concerning contract documents bearing his purported signature.

Investigators compared the endorsements on the cancelled checks deposited into Nakishbendi's bank account with a Gloria Wise contract that he purportedly signed; the signatures are clearly different. Whether Nakishbendi knew of or participated in the submission of fraudulent claims to DYCD by which he was paid over \$20,000 is unknown.

## **V. FALSIFICATION OF RECORDS AT GOOSE BAY**

### **A. Medical Records and a Teacher's Credentials Falsified before Health Audits**

DOI's investigation also revealed that Goose Bay administrators and teachers falsified students' medical records at the Gloria Wise Goose Bay Nursery and Kindergarten before annual audits by the New York City Department of Health and Mental Hygiene (DOHMH). That revelation was one reason for City agencies' terminating their contracts with Goose Bay and Gloria Wise in June 2005.

According to Corva, in the mid- and late-1990s, when she was a Goose Bay "site director," she and two teachers, Sheila Borrero and Rosemary Santiago, who both later became site directors, "doctored" students' medical records by falsely writing in them that the children had received required medical examinations and vaccinations for diseases such as measles, mumps, rubella, diphtheria and tuberculosis. Corva said that she believed that the practice continued at Goose Bay until approximately March 2004, when Borrero left (T, 6/16/05, 98, et. seq.; T2, 6/30/05, 13 et. seq.). Borrero and Santiago confirmed that they had helped Corva falsify the vaccination records and later, as site directors, had continued to falsify such records.

Corva explained that some parents failed to submit the required form, signed by a doctor or nurse-practitioner, stating that a child had been examined and vaccinated. Rather than requiring the parents to provide the completed forms before admitting their children, Corva created false records purporting to show that those children had been vaccinated. When asked, Corva said that she took no steps to ensure that the children whose forms she altered were in fact vaccinated. Corva also acknowledged that occasionally she "might have," fabricated an entire form, including the signature of a physician or nurse practitioner, by photocopying one student's completed form onto a blank form for another student (T 2, 6/30/05, 33-34).

Corva said that as Goose Bay's Director, she reported to Rosen and spoke with him about DOHMH audits and parents' failures to submit completed medical forms on time. She said that Rosen instructed her to "make sure you fly through the audit." Corva said that she never directly told Rosen that she was falsifying medical records, but she believed that he knew, because he knew that parents often failed to submit the required forms and that Goose Bay would not pass the audit without them. She added that during various audits and investigations, including DOI's, Rosen displayed a "total disregard for authority" and encouraged the staff to do what they needed to do, including not telling the truth (T2, 6/30/05, 20).

Additionally, Corva told investigators that before one DOHMH audit she and Rosen fabricated a high school diploma to create the false appearance that a Goose Bay assistant teacher had that required credential (T, 6/16/05, 104).

Corva told DOI that in or about March 2004, Corva hired a business manager for Goose Bay whose job included ensuring that Goose Bay received properly completed medical forms for all children in its programs (T2, 6/30/05, 20-21).

Santiago, who worked at Goose Bay from 1995 until August 2005, first as a teacher and ultimately as a site director, admitted to DOI that she, Borrero, and Corva forged children's medical records to pass annual health inspections. Santiago generally reiterated Corva's description of why and how they falsified the forms and confirmed that no steps were taken to ensure that the children whose forms were falsified actually received the required vaccinations. Santiago said that she believed that medical forms were falsified at all of Goose Bay's sites, although she claimed to have no specific knowledge of others' doing so.

Borrero, employed at Goose Bay from 1998 until 2004, initially as a teacher and later as a site director and Educational Director, confirmed that, with Corva and Santiago, she altered and fabricated children's medical records, checking-off required treatments and examinations to make the forms appear complete. When a child's medical record was missing, they copied and altered another child's form. Borrero said that Goose Bay eventually received actual medical records from parents and substituted them for the fabricated ones.

Borrero estimated that as a site director she fabricated approximately six to eight records per inspection, and because Goose Bay had an unwritten "must pass" policy concerning health inspections, Borrero believed that the other site directors also fabricated medical records.

Investigators also interviewed Brenda Taylor, DOHMH's former Bronx borough manager for day care programs, who visited Goose Bay regularly during the period when medical forms were being altered. She said that she never suspected that records were altered or forged for the inspections, and none of her staff reported such suspicions to her.

#### **B. Records of "Related Services" Classes Falsified and State Overbilled**

Corva also informed DOI that on occasion State Department of Education (SED) filings were altered at Goose Bay so that the school received additional money from the State.

SED funded classes called "related services," such as speech therapy, that Goose Bay conducted. To receive SED funds for "related services," Goose Bay had to file an "RS-1" form, which describes the services provided, the number of times children received them, and the number of children in each session. Corva said that SED requires that some "related services" be conducted "one-on-one," that is, one child per session with one instructor, rather than several children in a group session. Corva said that some of Goose Bay's RS-1 forms falsely stated that two or three children each attended separate "one-on-one" related service sessions, when in reality they attended a single group session with one instructor. The falsification made it appear that Goose Bay complied with the "one-on-one" requirement and enabled Goose Bay to bill SED for

more sessions than Goose Bay was providing: Rather than billing SED for one speech therapy class attended by three children, Goose Bay billed SED for three sessions by falsely claiming that a separate session had been conducted for each child.

## **VI. DOI RECOVERS \$625,000 OF CITY FUNDS FROM GLORIA WISE**

DOI has recovered \$625,000 that Gloria Wise owed to the City.

In September 2005, at DOI's request, Piquant, LLC, owner and operator of Air America Radio, deposited \$875,000 into its attorney's fiduciary account, to be retained until DOI authorized its disbursement (see Ex. 17). That sum equaled the total that Gloria Wise's executives had improperly withdrawn from Gloria Wise's accounts, most of which came from the City, and lent to SCG, Inc. and RFA, Air America's former owners, as detailed previously in this report.

In September 2006, Gloria Wise's current chief executive and counsel were presented with an outline of DOI's investigative findings, including the frauds and thefts from City agencies described previously in this report. On behalf of the City's DOE, DYCD, and DFTA, DOI requested repayment of funds that Gloria Wise owed to them. On September 26, 2006, Gloria Wise agreed to a settlement by which \$625,000 that had been preserved in the fiduciary account was repaid to the City. That payment compensates the City for \$250,000 in improper expenditures by Gloria Wise from City funds paid by DYCD and DFTA between 2000 and 2004 and \$375,000 in overpayments by DOE to Goose Bay between 1997 and 2006.

## **VII. CONCLUSION**

DOI found that, between 2000 and 2004, Rosen and other Gloria Wise executives (1) fraudulently siphoned from Gloria Wise more than \$290,000, much of it stolen from the public, for their personal benefit, (2) lent \$875,000, unsecured, most without informing their Board, to one executive's private business venture, and (3) routinely falsified records about a host of matters - from how public funds were spent to whether children attending Goose Bay had received required vaccinations. Rosen and other executives also attempted to conceal their misconduct and obstruct DOI's investigation by fabricating documents and misrepresenting the facts when questioned under oath.

Rosen was particularly untruthful. When DOI investigators first visited Gloria Wise and asked for backup documents for several hundred thousand dollars' payments to RFA and Montvel-Cohen, Rosen, rather than responding truthfully - that none existed - told his subordinates to fabricate them. Later, as the first executive to testify, he compounded that obstruction by falsely claiming that the fabricated documents were authentic. Then, after other witnesses revealed some of the frauds in which they and Rosen had participated, including those fabrications, Rosen invoked his right against self-incrimination and declined to speak with investigators.

Even the executives who revealed the frauds at Gloria Wise - Aulenbach, Mullen, Corva, Terrero, and Ozoria - rationalized them and exaggerated Gloria Wise's purported remedial action. Gloria Wise's executives returned none of the \$290,000 they improperly collected from Gloria Wise and the taxpayers. Only through DOI's intervention - its investigation, its briefing of the City's agencies who funded and dealt with Gloria Wise, its advice to Air America Radio to place all money received from Gloria Wise into a



fiduciary account subject to DOI's control, and its pursuit of the previously-described settlement with Gloria Wise - has any of the misappropriated money been recovered.

Under Rosen, Aulenbach, Corva, and Ozoria, Gloria Wise's business records – letters, contracts, invoices, check requisitions, notations on corporate checks, ledgers, certifications filed with government agencies, and children's medical records – rather than reflecting actual events, were made to say whatever suited the executives' purposes, without regard to accuracy or authenticity.

So at Gloria Wise, fabricating a contract and telling a City agency that the contractor renovating Rosen's apartment was conducting a "gang-prevention workshop" was a valid way of funding Rosen's compensation, and telling the agency that the consultant planning a new Gloria Wise building was training young people in "interior design" and "job-readiness" was a valid way of funding the consultant's fee. Opening secret bank accounts in the names of athletic clubs and fabricating youth-activities contracts was a valid way of funding \$90,000 in untaxed "bonuses" for selected executives. And Goose Bay Nursery's "flying through" a health audit – and preserving its funding - was what mattered, not whether deceiving the auditors by "doctoring" students' medical records - and ignoring vaccination requirements - jeopardized the students' health. At Gloria Wise under Rosen, fraud, whenever expedient, was an accepted way of doing business.

Gloria Wise's Board, apparently oblivious to the reality of how Gloria Wise was being managed and unmindful of its fiduciary responsibility, left the organization completely exposed to Rosen's unethical and irresponsible actions. Led by President Graves, Vice President Valentine, and Treasurer Cruz, the Board met monthly but generally deferred to Rosen, accepted his statements uncritically, and took no independent action to monitor Gloria Wise's financial condition. Cruz, after ten years as Treasurer, testified that he had no particular responsibilities, understood "Treasurer" to be an all but meaningless title, and so took no particular interest in Gloria Wise's financial records and annual financial reports. It was evident that the Board's three officers – volunteers and community residents - were unprepared to govern an organization of Gloria Wise's size and complexity or to ensure that its dominant Executive Director – their long-time neighbor and friend - was managing it responsibly. DOI has been informed that Graves, Valentine, and Cruz recently resigned.

DOI has shared its findings with the New York State Attorney General's Office, and has briefed several public agencies, including DOE, SED, which licenses nursery schools, DYCD, DFTA, NYCHA, the Mayor's Office of Contract Services, and the State Office of Children and Family Services. DOI intends to provide copies of this report to other public agencies, including HUD and the Internal Revenue Service.

DOI has been informed that Gloria Wise is seeking to reconstitute itself and adopt policies and procedures to prevent a reoccurrence of the kinds of misconduct revealed by the investigation. The New York State Attorney General's Office, through its Charities Bureau, is reviewing those recent developments, along with DOI's findings.

## **VIII. RECOMMENDATIONS**

At any given time, DOI is investigating allegations of theft, fraud, waste, abuse, and mismanagement within various not-for-profit organizations under contract with the City. In such cases, investigators have repeatedly found similar patterns of theft, fraud, abuse of position, mismanagement, and governance-failures.

The following are some of the more common frauds and abuses: (1) interest-free loans to executives that end up uncollected, written-off, and unreported; (2) executives' abuse of organizational bank accounts and credit, debit, and ATM cards for personal purchases and cash withdrawals; (3) double-payment of salaried employees as consultants; and (4) vendors' "kicking back" money to a not-for-profit customer's executives. DOI has also seen that, increasingly, not-for-profit executives have been collecting salaries and perks that appear excessive and disproportionate to their organizations' budgets.

DOI has found that long-running frauds and abuses by not-for-profit insiders are often associated with the absence of oversight: passive boards of directors and superficial annual financial reviews by external accountants. The scope and depth of the annual financial reviews are often constrained by the funds that the not-for-profits allocate for them and possibly by the accountants' reluctance to alienate the not-for-profit executives who hire them and with whom they become familiar over time.

City agencies that fund not-for-profits are ill-equipped to stand-in for their ineffective boards and external accountants. City contract agencies are usually concerned with narrow issues – whether the funds allocated to a not-for-profit's contract are sufficient to pay its charges and whether those charges appear to be for contractually-authorized purposes, based on the not-for-profit's written description. Contract agencies rarely verify the accuracy of those descriptions by, for example, interviewing purported subcontractors and payees. At best, some City agencies audit specific programs to verify that the funded services are provided. Such audits are not designed to reveal the not-for-profit's financial condition or the integrity of its fiscal and management practices, and they rarely do.

When the City doesn't know whether a not-for-profit it deals with is fundamentally a responsible, trustworthy organization whose records and written representations are reliable, it lacks assurance that the public's money is being used for its intended purpose. As the Gloria Wise case shows, experienced but unethical not-for-profit executives become adept at stealing public money by falsifying the documents on which the agencies rely in authorizing payments. Therefore, DOI recommends that when significant amounts of public money are involved, the City deal with only those not-for-profits that meet minimum standards of corporate governance and fiscal responsibility.

### **A) Recommendations Concerning Boards of Directors**

When the City's prospective contracts with a not-for-profit entity, in total, will involve the expenditure of significant public funds, for example, more than \$1 million in a given year, it should first review the entity's management and governance practices, starting with its board of directors, and decide whether they provide a sufficient level of assurance that the not-for-profit is being managed responsibly, that its financial records

accurately reflect its activities, and that its written and oral representations generally are reliable. If the not-for-profit meets those standards and is deemed a responsible prospective contractor, the City's contracts should require that the entity maintain the necessary level of integrity as a condition of continuing contractual relations. Following are criteria and specific steps that, although not guaranteeing a board's integrity and effectiveness, at least indicate its awareness of applicable standards:

1) Participation in training, such as that offered by the Volunteer Consulting Group, a New York City organization with more than 35 years' experience in assisting the boards of not-for-profit organizations in developing oversight and governance capabilities. Boards should also be encouraged to avail themselves of the information and assistance available to not-for-profits from the New York State Attorney General's Charities Bureau at [www.oag.state.ny.us/charities](http://www.oag.state.ny.us/charities).

2) The availability of detailed minutes of regular board meetings, which the City should review before entering into or renewing a contract with a not-for-profit. The minutes should reflect the extent and depth of the board's awareness of the entity's mission, operations, and financial condition, its oversight of the chief executive, and its actions in response to issues and problems. The continuing availability or provision to the City of board minutes should be a contractual obligation of the not-for-profit. The chairman and another board officer should personally certify the authenticity and accuracy of the minutes in a signed, notarized writing submitted to the City with the minutes.

3) The existence of a functioning finance committee of the board, responsible for ensuring that sound, written fiscal procedures are established and followed at all levels of the organization, with particular emphasis on compliance and enforcement by the chief executive, fiscal executive, and their staffs. To monitor the organization's compliance, the finance committee should be responsible to obtain, review, and report to the board concerning quarterly reports on the overall financial condition of the organization. The reports, at a minimum, should include the opening and closing balances of all bank accounts, cash-flow, major expenditures and liabilities incurred during the quarter, payables and receivables, a list of all that quarter's consulting payments with brief justifications, any emergency payroll advances, compensation and perks to executive staff, other than specifically approved by the board, if any, during the quarter, and the finance committee's observations concerning the organization's compliance with the "two-signature rule" and procedures for executive compensation, discussed below. The finance committee's report should be incorporated in the minutes of the board meeting at which it is presented, and the minutes should reflect any relevant board action concerning the matters contained in the report.

4) The existence and enforcement by the board of a meaningful "two-signature rule," with one signer to be a designated board officer, for all organizational checks above a certain amount, appropriate to that organization, except for regular paychecks issued by an independent payroll service. Gloria Wise, like other not-for-profits DOI has investigated, had a two-signature rule that was rendered meaningless by the staff's routine use of a board officer's signature stamp. At Gloria Wise, the Board President's signature stamp was used without her specific knowledge on checks of \$35,000 and \$218,000 to an executive and his private business; therefore, she had no opportunity to

question those or other questionable disbursements. One simple step through which the board can maintain accountability and prevent the abuse of organizational funds is to require the original signature of a designated board officer, in addition to the original signature of an authorized staff member, on all significant checks. Compliance with the policy should be monitored and reported to the full board by the finance committee, whose members, therefore, should not sign organizational checks, or by an active, functioning audit committee with the same quarterly reporting responsibilities.

5) The board's annual written evaluation of the chief executive's performance and its setting of the executive's compensation. In the absence of specific advance approval by a majority of the board members at a duly scheduled meeting of the full board reported in the minutes, no additional compensation or perks for the executive should be permitted. Compensation decisions should be based on the executive's performance, reflected in the annual evaluation, the organization's financial condition, and ethical business practices. Compensation of other executive staff should require the board's approval, upon the chief executive's recommendation.

6) Loans should be prohibited with one limited exception. The board might, if it wishes, authorize the chief executive to approve an emergency payroll advance to an employee other than himself or herself, never exceeding the net amount of the employee's next regular paycheck, with no further emergency advance permitted until that employee has repaid the previous advance, and all such advances should be recouped within sixty days. The chief executive should be required to report every emergency payroll advance to the board's finance committee within a specific time established by the board, not longer than the date of finance committee's next quarterly report, and all such advances should be included in that report.

7) The board and its finance committee should be aware of and require the chief executive to comply with material terms of the not-for-profit's contracts with the City, including the requirements for a separate bank account for all payments by the City and for the disclosure of information regarding subcontracting and consultants, discussed below. Because commingling of funds and the inappropriate use of subcontracts and consultants have frequently been associated with theft, fraud, and abuse, these practices merit board scrutiny.

## **B) Recommendation Concerning Separate Bank Account for City Payments**

City contracts already require that not-for-profit contractors establish and maintain at least one separate bank account into which all funds obtained through City contracts are deposited. No other funds should be deposited in those accounts or commingled with the funds obtained through City contracts.<sup>10</sup> City agencies should rigorously enforce that requirement, and no contract with a not-for-profit should be awarded unless and until the separate bank account for funds obtained through the City is established and the not-for-profit acknowledges in writing that continuous compliance with the requirement is a material term of the contract. Before approving a payment, the contracting agency should ascertain whether the previous payment was deposited in the proper account.

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<sup>10</sup> See DYCD General Contract Provisions, Part II, Article III – Fiscal Procedures, Section B (1).

### **C) Recommendation Relating to Subcontracting and Consultants**

Gloria Wise used phony consulting agreements, a kind of subcontract, to misappropriate significant sums from City agencies for various unauthorized uses, including paying its executives and independent contractors for reasons unrelated to Gloria Wise's contract with the City agency charged for the supposed service. City agencies should actively enforce the standard "subcontracting" clause in their contracts, which, in part, requires the City agency's prior written approval before a contractor, including a not-for-profit contractor, enters into any subcontract for the performance of its contractual obligations.<sup>11</sup> The City agency should approve only those subcontracts that clearly describe, in a signed, notarized writing, the specific services to be provided, with details such as dates, times, locations, and number of persons participating. Before approving a subcontract, the City agency should require the contractor to identify the subcontractor's officers, directors, and key staff and to disclose any additional relationship between the proposed subcontractor and the not-for-profit, such as an employment or separate contracting relationship or a financial, family, or other personal relationship among the organizations and individuals concerned. The agency should withhold approval unless it is satisfied that the subcontract appears to be an arms-length transaction for a legitimate business purpose within the scope of the contract.

### **D) Recommendations Regarding Compensation**

1) City agencies should actively enforce the "compensation" clause of City contracts, which requires a not-for-profit's key employees to report annually "all sources of their compensation, whether from this contract or another City, State, federal or private source, and the dollar amount of compensation from each such source."<sup>12</sup> City agencies should apply that reporting requirement also to any compensation a not-for-profit's key employees receive from any of the not-for-profit's affiliates.

2) City agencies should actively enforce the terms of its contracts concerning limitations on the use of the funds received under the contracts and review the reports submitted by the not-for-profits to ensure that funds are only being used for permissible purposes.

### **Note**

I would like to thank the members of DOI who worked on this investigation: Assistant Commissioner Benjamin Defibaugh, First Deputy Inspector General Valentine Douglas, Investigative Auditor Boris Galchenko, Deputy Assistant Commissioner Keith Schwam, and Deputy Commissioner Daniel D. Brownell. I would also like to thank the members of the Charities Bureau and the Public Integrity Unit of the New York State Attorney General's Office for their work on this case.

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<sup>11</sup> See DYCD's General Contract Provisions, Part II, Section 2, Subcontracting.

<sup>12</sup> See DYCD General Contract Provisions, Part II, Article VII (B) Compensation of Key Employees.

# **EXHIBIT 1**

GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK CITIBANK, N. A.  
PELHAM MANOR, NY 10803  
1-8/210

102147  
CHECK DATE 7/25/2003  
CHECK NO. 102147

PAY \*\*Ten thousand and 00/100 Dollars\*\*

540079136 106 6831 02 072803

CHECK AMOUNT  
\$\*\*10,000.00

TO THE ORDER OF  
Evan Montvel-Cohen  
2024 East 8th St.  
Brooklyn, NY 11223

*[Signature]*  
\_\_\_\_\_  
AUTHORIZED SIGNATURE

⑈ 102147 ⑈

⑈0001000000⑈

PAID CITIBANK  
CCPD #653  
6833 540079136 072803

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⑈021001088⑈  
HSBC BANK USA  
BROOKLYN, NY 07/28/03  
4200098997

*[Handwritten signature]*

# **EXHIBIT 2**



CONSULTANT CONTRACT AGREEMENT

THIS AGREEMENT, entered into this 14<sup>th</sup> day of July  
19 2003 by and between Alvin W. Bays & Co. Club  
Name of the CBO  
With principle offices at 950 Baychester Ave in  
The Borough of Bronx Community Board/Neighborhood  
Development Area \_\_\_\_\_ hereinafter known as Contractor and  
Evan Montiel-Cohen Hereafter known as residing at  
Name of Consultant  
Brooklyn, New York.

WITNESSETH

**WHEREAS** Contractor is itself under contract with the Department of Youth and Development of the City of New York (DYCD) to provide certain specified services to the citizens of Community Board/Neighborhood Development Area \_\_\_\_\_ in the Borough of Bronx and;

**WHEREAS** DYCD has allocated funds to contractor in the budget made a part of its Contract with DYCD for the contracting of a consultant; and

**WHEREAS** Contractor agrees to submit to DYCD, where applicable, the proper Forms, as required by DYCD, for payment to Consultant from its DYCD funding for those services, and,

**WHEREAS** Consultant agrees and acknowledges that s/he is not an employee of DYCD or contractor and shall have none of the rights accruing to such employees;

NOW, THEREFORE, the parties named herein agree to be bound as follows:

Article I Term of Contract

The terms of the contract shall be from July 21, 03 to June 30, 04

This contract shall become void and ineffectual should the contractor lose its DYCD funding or be required by DYCD to make budget reductions and can no longer pay for consultant's services as specified herein.

Article II Scope of Services

Consultant agrees to provide the services detailed in Article IV, for which contractor agrees that the Consultant be compensated at the rate of 10,000 per scope of work, for the period specified in Article I. Consultant's total remuneration shall not exceed 10,000.

Article III Supervision

Supervision of Consultant's work shall be the sole responsibility of the Contractor and shall not involve DYCD in any manner.

Article IV Description of Services to be Rendered

The consultant agrees to provide the Contractor the following services:

Develop and execute plan to raise \$4 million  
in major gifts for capital and operating expenses  
for the construction of a new Galien Ridge  
Weg & Sons Club Community Center on Barton Avenue.

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Article I through IV constitutes the entire agreement between Consultant and Contractor.

IN WITNESS WHEREOF, the parties here have executed this Agreement the day and year referred to herein.

Evan Montreal-Cohen

Name of Consultant - Print

359-64-9731

Consultant's Social Security Number

[Signature]

Signature of Consultant

Gloria Wynn Boys & Girls Club

Name of Contractor

[Signature]

Signature of Contractor's Director or Chairperson

# **EXHIBIT 3**



GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK CITIBANK, N.A.  
PELHAM MANOR, NY 10803  
1-8/210

10261  
CHECK DATE 9/16/2003  
CHECK NO 10261

PAY \*\*Ten thousand and 00/100 Dollars\*\*  
S10056451 22 091903 CHARGE CHECK AMOUNT  
\$\*\*10,000.00

TO THE ORDER OF  
Evan Montvel-Cohen  
2024 East 8th St.  
Brooklyn, NY 11223

*[Signature]*  
J. L. Brown  
AUTHORIZED SIGNATURE

⑈ 10261 ⑈

⑈ 0001080000 ⑈

DA: CHECK CASHING 09/19/03 15:51:31 FC#177FA# 046SUP#14  
25-01 ACCT# 34187328 \$10,000.00 ONL

*[Handwritten signature]*

To # 724726

021000089  
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CHARGE  
510056451 091903  
CITIBANK NY  
20210-0008  
2012422827

⑈ 56451 09192003 000000098917259 21 RSN 00 ⑈

# **EXHIBIT 4**


September 16, 2003

**Agreement Letter**

I, Evan Montvel-Cohen agree to the following terms and conditions in return for a loan of \$35,000 from the Gloria Wise Boys & Girls Club:

- I will begin repayment of the loan plus reasonable principal of five percent (5%) in equal payments as deductions from my bi-weekly pay commencing July 1, 2004.
- In the event of my early termination from the Gloria Wise Boys & Girls Club, I will immediately repay all outstanding loans, including interest.

Signed and agreed this September 16, 2003

  
\_\_\_\_\_  
Evan Montvel - Cohen



# **EXHIBIT 5**

**CITIBANK** **OFFICIAL CHECK** 039311716

CITIBANK, N.A., NEW YORK, NY

FC# 177 FA# 058 \$0.00 CNL DATE 10/02/03

094-02 CK. SER.# 039311716 \*\*\*\*\*80,000.00\*\*\*\*

PAY \*\*\*\*EIGHTY THOUSAND DOLLARS\*\*\*\*

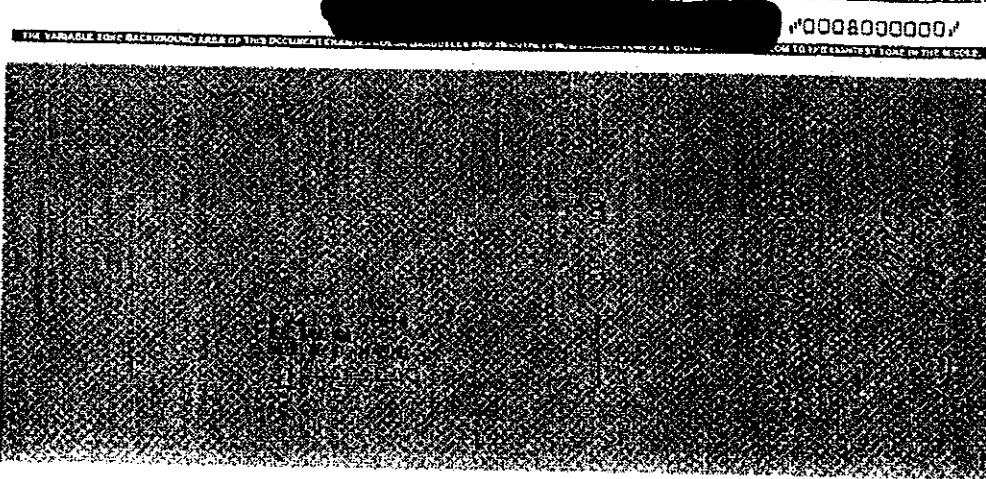
TO THE ORDER OF \*\*\*\*SCG, INC.  
75 MAIDEN LANE SUITE 221 NY NY 10038\*\*\*\*

NAME OF REMITTER ADDRESS GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVE BX NY 10475

DRAWER: CITIBANK, N.A.  
BY *John C. Cian*  
AUTHORIZED SIGNATURE

10-26 220

60 DAY CLAIM SERVICE PERIOD



Account Number	Date Posted	Check Number	Amount	Sequence Number	Tran Code
28	10/09/2003	0000311716	80000.00	41600903	311716

Item 3 of 3

GLORIA WISE BOYS & GIRLS CLUB		To: SCG, Inc	10/1/2003		
					102776
Invoice Number	Date	Description	Amount	Discount	Net Amount
Note Payable	10/1/2003	Note Payable	\$80,000.00	\$0.00	\$80,000.00
Totals:			\$80,000.00	\$0.00	\$80,000.00

GLORIA WISE BOYS & GIRLS CLUB		To: SCG, Inc	10/1/2003		
					102776
Invoice Number	Date	Description	Amount	Discount	Net Amount
Note Payable	10/1/2003	Note Payable	\$80,000.00	\$0.00	\$80,000.00
Totals:			\$80,000.00	\$0.00	\$80,000.00

Safeguard LITHO USA 12514 6250114 1001

REORDER FROM YOUR LOCAL SAFEGUARD DISTRIBUTOR, CALL (212) 738-3432

803 060-00 1595F0431014

ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER - SEE REVERSE SIDE FOR COMPLETE SECURITY FEATURES

GLORIA WISE BOYS & GIRLS CLUB  
 960 BAYCHESTER AVENUE  
 BRONX, NY 10475

CITIBANK CITIBANK, N.A.  
 PELHAM MANOR, NY 10803  
 1-8/210

CHECK DATE 10/1/2003  
 CHECK NO. 102776

102776

CHECK AMOUNT

\*\*\*80,000.00

PAY \*\*Eighty thousand and 00/100 Dollars\*\*

TO THE ORDER OF SCG, Inc  
 75 Maiden Lane, Suite 221  
 New York, New York 10038

*[Handwritten Signature]*  
 AUTHORIZED SIGNATURE

MP  
 MICROSIGNATURE SECURITY

THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE. RED IMAGE DISAPPEARS WITH HEAT.

# **EXHIBIT 6**

**GLORIA WISE COMMUNITY CENTER**  
Gloria Wise Boys & Girls Club    Gloria Wise Senior Services Program  
Goose Bay Nursery    Handicapped Adults Association

**BOARD OF DIRECTORS MEETING**  
Tuesday, Oct. 14, 2003 – 5:30pm

**MINUTES**

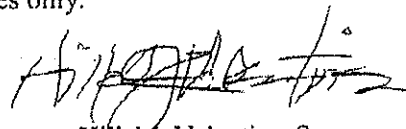
Attending: D. Barmore, R. Usher, J. Rose, H.J. Valentine, J. Graves, L. Frohberg, O. Cruz. Also attending Executive Director C. Rosen.

*President's Report:* Mrs. Graves discussed the upcoming B&GCA *Share the Vision* N.E. Regional Administrative and Board Conference which she and Mr. Rosen will be attending. She also announced a \$10,000 grant from B&GCA and the loss of \$130,000 in NYS youth funding. In a discussion which commenced, Directors Rose and Capell were asked to please represent the organization when they attended the Riverbay Corporation's Committee on Seniors and the Handicapped and to also represent the agency in the discussions which we are trying to have concerning development of a community-wide emergency evacuation plan. Mrs. Graves announced the loan of \$80,000 authorized by herself and Mr. Rosen to SCG, Inc., owned by Evan Montvel-Cohen, Director of Development. Mrs. Graves sought Board approval for the loan and presented the collateral. The loan was approved unanimously.

*Executive Director's Report:* Mr. Rosen discussed the end of the New Beginnings program at the Clubhouse and the issues surrounding the decision to have them move and be sponsored by another organization. The Board concurred in Mr. Rosen's decision. He announced that DFTA was apparently continuing to pursue a policy of consolidating Meals-on-Wheels contracts into larger contracts that would mean the loss of this program component from our senior services program. The Board approved his decision to continue to advocate to keep it as it is. There was a discussion of staff changes due to the loss of funding and a reorganization of the administrative staff. He announced the laying off of a number of higher-paid employees as well as giving the Board news that the Deputy Executive Director Operation/Administration Jeff Aulenbach, had tendered his resignation 12 months in advance, to pursue a personal journey with his new family. Mr. Rosen gave a report on fundraising and the campaign to raise funds for the Bartow Avenue project which included news that one major television star was interested in donating \$5 million over five years to our organization if we were willing to undertake a program in Queens, his home borough. Rosen announced that discussions with a B&GC in Queens was being initiated to facilitate this gift. Two members of the Advisory Board had agreed to develop a plan wherein the Club would be an equity partner in some of their real estate deals with the positive cash flow coming to the Club as unrestricted funds, the estimate is from \$400-\$600,000 annually in such funds. The Bartow project has been supported by the creation of an independent nonprofit organization whose sole purposes are to (1) raise capital funds for the project and (2) raise funds for Club operations. One Advisory Board member had already donated \$1.5 million to create the fund, the expectation is that by Dec. 5, 2003 there will be cash and/or collateral of \$5 million for the project. Mr. Rosen announced that he is pursuing discussions with Pathways For Youth B&GC in an effort to bring to the Board a plan to acquire that organization as part of the Gloria Wise Community Center. Mr. Rosen announced that our attorneys had confirmed that Rosen is not an ex-officio member of the Board although he is, as the Board has elected him, the Assistant Secretary, a Board official, for administrative purposes only.

The meeting adjourned at 7:30.

Respectfully submitted

  
Hittel J. Valentine, Secretary

# **EXHIBIT 7**

Confidential

SCG, Inc.  
75 Maiden Lane, Suite 221  
New York, New York 10038  
Tel. No. 212-402-7875  
Fax No. 212-402-7876

September 30, 2003

Lender and Address:

Charles Rosen  
Gloria Wise Boys & Girls Club  
950 Baychester  
Bronx, NY 10475

Re: Loan Agreement and Potential Future Conversion

Dear Charlie :

By this Letter of Agreement, you have agreed to provide to SCG, Inc., a Delaware corporation (the "Company"), the sum of \$ 80,000 (Eighty thousand) in the form of a short-term loan and, upon receipt of such funds, the Company will issue to you (the "Lender") a 4 % interest bearing, non-negotiable promissory note, dated September 30, 2003, in the principal amount of \$80,000 in the form attached to this Letter (the "Note"). All capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Note.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by both the Company and Lender, Lender and the Company hereby further agree as follows:

1. At the closing of the Company's future C Round Offering (as defined herein), the Company shall have the right in its sole discretion to convert without any action on the part of the Lender all of the then unpaid principal amount of the Note into securities of the Company being sold in the C Round Offering at a conversion price equal to the price per security in the C Round Offering. The "C Round Offering" shall mean any sale of the Company's debt or equity securities (the "C Securities"), following completion of the Founders' investment in the A Round and subsequent initial investors' investment in the B Round, which raises in the aggregate at least \$ 50,000,000 of gross proceeds, without taking into account the principal amount of the Note (and any other notes of like tenor). Upon such conversion, the Note shall be deemed paid-in-full and the

only obligation of the Company to the Lender will be the delivery of the C Securities in accordance with this Letter of Agreement. The Company shall give the Lender at least three (3) days' written notice prior to the consummation of the C Round Offering.

2. The Company shall not be required to deliver to the Lender the C Securities unless the Lender shall have delivered the Note (or an executed Affidavit of Loss and Indemnity in a form acceptable to the Company) and the Other Documents (as defined below) to the Company at the Company's principal executive office. The Company shall, as soon as practicable after the receipt of the Note (or the Affidavit) and the Other Documents, issue and deliver to the Lender a certificate representing the C Securities. Such conversion shall be deemed to have occurred at the closing of the C Round Offering, and the Lender shall be treated for all purposes as the record holder of such C Securities as of such closing date.

3. Lender shall promptly execute and deliver to the Company any and all documents and instruments that the Company and its counsel may reasonably request in connection with the proposed issuance of the C Securities or as may otherwise be customary in connection with the issuance of comparable securities (including, without limitation, any and all representations, indemnities, undertakings and agreements that the subscribers for C Securities shall have executed and delivered to the Company prior to or at the closing of the C Round Offering) (the "Other Documents"). The Other Documents shall be in such form and with such substance as the Company or its counsel shall specify and shall be properly executed and delivered by Lender in a manner acceptable to the Company and its counsel.

4. The Company shall not be required to issue fractional shares of capital stock upon any conversion. If any fractions of a share would, but for this Paragraph 4, be issuable upon any conversion, in lieu of such fractional share the Company shall round up or down to the nearest whole number of shares.

5. The Company shall bear all costs and expenses, including attorneys fees, incurred in connection with the transaction described in this Letter of Agreement.

6. At the sole discretion of the Lender the Lender may decide to forgo the C round securities and be repaid the entire principal plus 4% interest on an annual basis. The lender may request this by providing six month written notice to the address listed above anytime 60 days after the signing of this agreement.

It is understood that money damages would not be a sufficient remedy for any breach of the enforceable provisions of this Letter of Agreement by any party hereto and that the parties shall be entitled to equitable relief, including injunction and specific performance, as a remedy for any such breach. Such remedies shall not be deemed to be the exclusive remedies for any breach by either party of the enforceable provisions of this Letter of Agreement but shall be in addition to all other remedies available at law or equity to the non-breaching party. In the event of litigation relating to this Letter of



Agreement, if a court of competent jurisdiction determines that any party has breached the enforceable provisions of this Letter of Agreement, then such party shall pay to the other party the reasonable legal fees and disbursements incurred in connection with litigation relating thereto, including any appeal therefrom.

Each party represents and warrants to the other that it has the requisite capacity, power and authority to enter into this Letter of Agreement and that neither the matters set forth in this Letter, nor the consummation of the transaction contemplated herein, will breach or interfere with any contractual or other obligations to any third party. Each party hereby unconditionally agrees to indemnify and hold harmless the other and its respective officers, directors, employees and agents from and against any and all liability, claim, injury, damage, cost or expense of any kind, including reasonable attorneys fees, directly or indirectly related to, associated with, or arising out of any breach of the representation and warranties or covenants contained in this Letter of Agreement.

This Letter supersedes all prior communications between the parties with respect to the transaction contemplated herein, and this Letter of Agreement and all acts and transactions pursuant hereto shall be governed, construed and interpreted in accordance with the laws of the State of New York, without giving effect to principles of conflicts of laws thereof. Lender and the Company hereby irrevocably submits to the jurisdiction of the United States District Court for the Southern District of New York located in Kings County, New York and/or the state courts of the State of New York located in Kings County, New York in any action, suit or proceeding involving this Letter of Agreement, and agrees that any such action, suit or proceeding shall be brought only in such courts (and waives any objection based upon *forum non conveniens* or any other objection to venue therein); *provided, however*, that such consent to jurisdiction is solely for the purpose referred to in this Letter of Agreement and shall not be deemed to be a general submission to the jurisdiction of such courts or in the State of New York other than for such purpose.

If the terms and conditions set forth above reflect our mutual agreement with respect to the Company's ability to fully satisfy its payment obligations under the Note by issuance of C Securities as described herein, please indicate that by signing this Letter in the space provided below and returning a fully executed copy of this Letter to the undersigned. This Letter may be executed in counterparts.

Sincerely,

SCG, INC.

By: 

Evan M. Cohen

## NON-NEGOTIABLE PROMISSORY NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (the "ACT"), OR UNDER ANY STATE SECURITIES LAW AND MAY NOT BE PLEDGED, SOLD, ASSIGNED OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT WITH RESPECT THERETO UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAW AND THE EXPRESS WRITTEN CONSENT OF THE COMPANY.

\$ 80,000 (U.S.)

September 30, 2003

**FOR VALUE RECEIVED**, SCG, Inc., a Delaware corporation (the "Company"), with its principal place of business at 75 Maiden Lane, Suite 221, New York, New York 10038, promises to pay to Gloria Wise Boys & Girls Club (the "Lender") on September 30, [2004] (the "Maturity Date"), the principal amount of Eighty thousand Dollars (\$80,000) in such currency of the United States of America as at the time of payment shall be legal tender for the payment of public or private debts. Interest shall not accrue or be payable on or with respect to the indebtedness evidenced by this Note.

This Note is issued pursuant to an agreement between the Lender and the Company, and notwithstanding the foregoing, payment by the Company may be made in shares of the Company's equity securities on or prior to the Maturity Date as more fully described in such agreement.

This Note may be prepaid at any time in whole or from time to time in part, in each case without premium or penalty.

The Company and all other parties who may become liable for payment of this Note hereby, jointly and severally, waive presentment, demand for payment, notice of dishonor, notice of protest and all other notices or demands in connection with the delivery, acceptance, performance, default, endorsement or guaranty of this Note, and agree to pay all costs and expenses (including reasonable attorneys' fees) in connection with the enforcement or collection of this Note.

Notice or demand under this Note shall be deemed to have been sufficiently given if hand-delivered or sent by certified mail, return receipt requested, to the Company at its address indicated above and the date of such notice or demand shall be the date of hand-delivery or the date immediately following the posting of the certified mail.

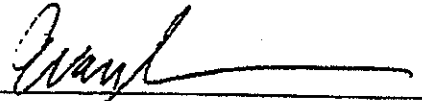
This Note shall be deemed to have been made and delivered in New York City and will be governed as to validity, interpretation, construction and effect by the internal

laws of the State of New York without regard to the principles of conflicts of laws thereof.

IN WITNESS WHEREOF, this Note has been executed and delivered on the date specified above by the duly authorized representative of the Company.

SCG, INC.

By:

A handwritten signature in black ink, appearing to read "Evan M. Cohen", is written over a horizontal line.

Evan M. Cohen

# **EXHIBIT 8**

ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER - SEE REVERSE SIDE FOR COMPLETE SECURITY FEATURES

GLORIA WISE BOYS & GIRLS CLUB  
860 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK CITIBANK, N.A.  
PELHAM MANOR, NY 10803  
1-8/210

103218

CHECK DATE CHECK NO.  
11/26/2003 103218

540034099 106 6834 02 112803 CHECK AMOUNT

PAY \*\*Eighty seven thousand and 00/100 Dollars\*\*

\$\*\*87,000.00

TO THE ORDER OF

SCG, Inc  
75 Malden Lane, Suite 221  
New York, New York 10038

*[Handwritten Signature]*  
Gloria C. Hansen  
AUTHORIZED SIGNATURE

RECEIVED  
11/26/03

THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE - RFD IMAGE DISAPPEARS WITH HEAT

# 103218 #

# 0008700000 #

PAID CITIBANK  
CDPD #653  
6636 540034099 112803

NOV 29 03

0097 99107

021001088  
HSBC BANK USA  
BROOKLYN, NY 11228/03  
4200037330

For Deposit only  
Acct # 646 539365

# **EXHIBIT 9**

November 26, 2003

### Agreement Letter

I Evan Montvel – Cohen agree to following conditions in return for the Loan of \$87,000 on November 26, 2003 from the Gloria Wise Boys & Girls Club.

1. I will provide as collateral for the loan shares of Progress Media owned solely by me equal to \$87,000. The shares provided will be based on the recent valuation model developed by Eugene Keilin of the investment bank Keilin & Co. for Progress Media's subsidiary Central Air. I will only provide shares equal to \$87,000. All remaining shares owned by me remain unencumbered and are not provided as security for this loan.
2. All agreements regarding the previous loan in the amount of \$80,000 remain in full force and effect. The interest payment and repayment agreement are the same for both loans. I.e. all provisions regarding interest and repayment for the \$80,000 loan are the same for the \$87,000 loan.
3. Proceeds from my life insurance policy from HSBC Bank USA will cover in full the outstanding amounts of both the \$80,000 loan and the \$87,000 loan if the event of my death. Only the proceeds in the amount \$167,000 plus interest (see #2 as noted above regarding interest payment) will be paid to Gloria Wise Boys & Girls Club from my life insurance policy – all other proceeds will go to the designees currently listed on the life insurance policies.
4. This document remains confidential and can not be shared with anyone unless the provisions in section #2 are violated. If it is shared for any other reasons all points 1 – 3 listed above are null and void.

Signed and agreed to on November 26, 2003,

  
Evan Montvel - Cohen

# **EXHIBIT 10**



ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER. SEE REVERSE SIDE FOR CONSTRUCTION SECURITY FEATURES.

GLORIA WISE BOYS & GIRLS CLUB  
860 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK CITIBANK, N. A.  
PELHAM MANOR, NY 10803  
1-8210

104035  
CHECK DATE 3/5/2004  
CHECK NO. 104035

PAY

\*\*Two hundred eighteen thousand and 00/100 Dollars\*\*

CHECK AMOUNT

550105428 102 4066 02 030904

\$\*\*218,000.00

TO  
THE  
ORDER  
OF

Radio Free America  
3 Park Avenue  
New York, NY 10016

*Joseph C. Thomas*  
\_\_\_\_\_  
AUTHORIZED SIGNATURE

EXPIRES 12/31/04  
ISSUED 01/01/04

THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE - RED IMAGE DISAPPEARS WITH HEAT.

# 104035#

#0021800000#

PAID CITIBANK  
CCPD #653  
4066 550105428 030904

218000000  
CITIBANK USA  
BROOKLYN, NY 03/05/04  
4100914293

for Deposit  
RFAD # 660753472

# **EXHIBIT 11**



**GLORIA WISE  
BOYS & GIRLS CLUB**

950 Baychester Avenue Bronx, NY 10475-1703 718.379.2830 Fax 718.320.3952

A.

\_\_\_ Replenish Petty Cash (Please staple receipts for all disbursements to this form)

\_\_\_ Business Advance

Check Requisition

B.

(check all that apply)

Admin <input checked="" type="checkbox"/>	Youth Division	Senior Services	Goosebay	Office of case management
	Beacon 113 ___	Nutrition ___	GB 1 ___	EISEP ___
	Beacon 142 ___	*GB ___	* Pre K ___	NORC ___
	TASC 111 ___	*SR ___	* K to 1 ___	Youth ___
	Coop City ___	Senior Programs ___	GB 2 ___	Kinship ___
	After Two ___	HAA ___	GB 4 ___	
	Truman ___	Other ___	GB 5 ___	
	Summer Camp ___		* Pre K ___	
	Other ___		* K to 1 ___	

C.

Amount of Request: \$215,000.00

Date payment must be made by: 3/15/04  
4/13/04

Make Check Payable to: Radio Free America

Address: 3 Park Avenue

City/State/Zip: NY NY 10016

Mail Check or **Hold Check** (circle one)

D.

State purpose below:

LOAN

TO BE REPAYED 4/13/04 - SEE ATTACHMENT.

E.

Approvals:

Always Program Director \_\_\_\_\_ Date \_\_\_\_\_

Over \$250 Assistant Executive Director \_\_\_\_\_ Date \_\_\_\_\_

Always Contract Manager \_\_\_\_\_ Date \_\_\_\_\_

\$500 Deputy Executive Director, Programs \_\_\_\_\_ Date \_\_\_\_\_

To Deputy Executive Director, Operations [Signature] Date 4/15/04

\$2500 \_\_\_\_\_ Date \_\_\_\_\_

Over \$2500 Executive Director [Signature] Date 4/15/04



United Way Helps Here

# **EXHIBIT 12**


March 5, 2004

### Agreement Letter

I Evan Montvel-Cohen agree to the following conditions in return for the investment of \$218,000 on March 5, 2004 from the Gloria Wise Boys & Girls Club.

1. I will provide as collateral for the investment shares of Progress Media owned solely by me equal to \$218,000. The shares provided will be based on the recent valuation model developed by Eugene Keilin of the investment bank Keilin & Co. for Progress Media's subsidiary Central Air. I will only provide shares equal to \$218,000. All remaining shares owned by me remain unencumbered and are not provided as security for this investment.
2. All agreements regarding the previous investments in the amount of \$80,000 and \$87,000 remain in full force and effect. The interest payment, \$7,000, and repayment agreement are the same for all investments. I.e. all provisions regarding interest and repayment for the \$80,000 and \$87,000 investment are the same for the \$218,000 investment.
3. Proceeds from my life insurance policy from HSBC Bank USA will cover in full the outstanding amounts of all investments and the \$218,000 investment in the event of my death. Only the proceeds in the amount \$385,000 plus interest (see #2 as noted above regarding interest payment) will be paid to Gloria Wise Boys & Girls Club from my life insurance policy – all other proceeds will go to the designees currently listed on the life insurance policies.
4. This document remains confidential and can not be shared with anyone unless the provisions in section #2 are violated. If it is shared for any other reasons all points 1 – 3 listed above are null and void.

Signed and agreed to on March 5, 2004,

  
\_\_\_\_\_  
Evan Montvel - Cohen

SCG INC.  
75 MAIDEN LANE, SUITE 221  
NEW YORK, NY 10038

1066

DATE 4/3/04

1-108210

PAY  
TO THE  
ORDER OF

Gloria Wise Boys and Girls Club

\$ 225,000

two hundred twenty five thousand and 00/100

DOLLARS



HSBC BANK USA  
NEW YORK, NY 10271

(218K principal)

FOR

investment refund w/ interest

Gerrald

⑈001066⑈

# **EXHIBIT 13**

Main Menu > Transfers and Payments >

[Help](#)

## DOMESTIC WIRE (USA DESTINATION)

WIRE: From Account: Savings Currency: US Dollars

Status: Processed - Confirmation Number is 040750750621472.  
Wire Fee: \$12.50

<b>Beneficiary</b> Radio Free America	<b>Bank</b> Name: HSBC BANK ABA: [REDACTED] Address: [REDACTED]
Beneficiary's Account number: [REDACTED]	
Amount: \$490,000.00 Date of transfer(s): March 15, 2004	
<input type="checkbox"/> Save as Model	

Save as model

Process another Wire

*3/15/04*  
*[Signature]*

## CITIBUSINESS® ONLINE ACTIVITY RECORD

Date: March 15, 2004

User: CHARLES ROSEN

Keep Activity Record

**Done**

Time	Description	Amount	Account	Effective Date
Date: March 15, 2004				
10:57a	WIRE TRANSFER	490,000.00	from Savings	3/15

## BALANCE SUMMARY

◀ [Back](#)

▼ [Bottom](#)

Savings Account(s) Summary as of 03/15/2004 at 10:58 AM EST

	Start-of-Day Ledger	Start-of-Day Available	Current Ledger	Current Available	Interest Year to Date
<b>NOT GROUPED</b>					
Savings	1,168,333.45	1,168,333.45	678,333.45	678,333.45	1,335.10



# **EXHIBIT 14**

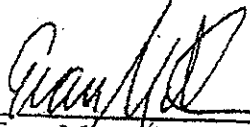
March 15, 2004

Agreement Letter

I Evan Montvel-Cohen agree to the following conditions in return for the investment of \$490,000 on March 15, 2004 from the Gloria Wise Boys & Girls Club.

1. I will provide as collateral for the investment shares of Progress Media owned solely by me equal to \$490,000. The shares provided will be based on the recent valuation model developed by Eugene Keilin of the investment bank Keilin & Co. for Progress Media's subsidiary Central Air. I will only provide shares equal to \$490,000. All remaining shares owned by me remain unencumbered and are not provided as security for this investment.
2. All agreements regarding the previous investments in the amount of \$80,000, \$87,000 and \$218,000 remain in full force and effect. The interest payment, \$16,000, and repayment agreement are the same for all investments. I.e. all provisions regarding interest and repayment for the \$80,000, \$87,000 and \$218,000 investment are the same for the \$490,000 investment.
3. Proceeds from my life insurance policy from HSBC Bank USA will cover in full the outstanding amounts of all investments and the \$490,000 investment in the event of my death. Only the proceeds in the amount \$875,000 plus interest (see #2 as noted above regarding interest payment) will be paid to Gloria Wise Boys & Girls Club from my life insurance policy – all other proceeds will go to the designees currently listed on the life insurance policies.
4. This document remains confidential and can not be shared with anyone unless the provisions in section #2 are violated. If it is shared for any other reasons all points 1 – 3 listed above are null and void.

Signed and agreed to on March 15, 2004,

  
\_\_\_\_\_  
Evan Montvel - Cohen

# **EXHIBIT 15**

RADIO FREE AMERICA INC  
3 PARK AVE  
NEW YORK, NY 10018

1139

1-108210

DATE \_\_\_\_\_

PAY  
TO THE  
ORDER OF

Gloria Wise Boys and Girls Club

\$ 632,000-

Six hundred thirty two thousand and <sup>00</sup>/<sub>100</sub> only

DOLLARS



HSBC

HSBC Bank USA Brooklyn, NY 11201-3670

FOR Investment in radio pool (principal)

MS 7K (ShortTerm) 001139

RADIO FREE AMERICA INC  
3 PARK AVE  
NEW YORK, NY 10016

1140

1-103/210

DATE \_\_\_\_\_

PAY TO THE ORDER OF

Gloria Wise Boys and Girls Club

\$ 250,000-

two hundred fifty thousand and <sup>00</sup>/100 only

DOLLARS



HSBC

HSBC Bank USA Brooklyn, NY 11201-3670

FOR

Donation # 2

*Greg Hol*

⑈001140⑈

# **EXHIBIT 16**

SCG INC.  
73 MAIDEN LANE, SUITE 221  
NEW YORK, NY 10038

1065

DATE 4/15/04

1-106210

PAY  
TO THE  
ORDER OF

Gloria Wise Boys and Girls Club

\$ 500,000 -

five hundred thousand and 00/100 only

DOLLARS

MSBC BANK USA  
NEW YORK, NY 10271



FOR

Donation - Lunch Party fundraiser

⑈001065⑈

# **EXHIBIT 17**



WILLIAM H. SCHAAP  
ATTORNEY-AT-LAW  
143 WEST 4TH STREET  
NEW YORK, NY 10012-1055

OF COUNSEL  
MARGARET RATNER KUNSTLER  
MICHAEL D. RATNER  
MICHAEL STEVEN SMITH  
ROBERT F. VAN LIEROP

MEMBER NEW YORK AND D.C. BARS  
TEL: (212) 995-2400  
FAX: (212) 995-8800  
E-MAIL: SchaapLaw@aol.com

September 7, 2005

Marjorie Landa, Esq.  
General Counsel  
City of New York  
Department of Investigation  
80 Maiden Lane  
New York, NY 10038

By Mail and By Fax to: 212-825-2405

Re: Gloria Wise Boys and Girls Club Investigation

Dear Ms. Landa,

Further to my fax and letter of August 5, 2005, and with due regard to your response of that date, this is to advise you as follows:

1. I now have in my IOLA account the entire sum in question, \$875,000.00, held on behalf of my client, Piquant, LLC, the owner and operator of Air America Radio.

2. I shall retain all these funds in that account until the Department of Investigation authorizes their payment over.

Please feel free to contact me if you have any questions.

Sincerely yours,

  
William H. Schaap

# **EXHIBIT 18**

RIDER A

17- Any and all records concerning personal expense reimbursements paid to Charles Rosen, Jeffrey Aulenbach, Lorraine Corva, Sinohe Terrero, John Mullen and Ibis Ozoria for the period January 2000 to present including, but not limited to invoices, receipts, requisition forms, check stubs, and cancelled checks.

Jeffrey Aulenbach

5/15/2002 Tennis	23,900.00		
8/21/2002 Mustang	1,000.00		
Other Expenses per Attached	30,343.58	55,243.58	Reported as taxable earnings 12/09/04 See attached ADP report.

Lorraine Corva

5/15/2002 Mustang	10,900.00		
5/15/2002 Tennis	13,000.00		
5/15/2002 Returned	(13,000.00)		
8/21/2002 Mustang	1,000.00		
Other Expenses per Attached	None	11,900.00	Reported as taxable earnings 12/09/04 See attached ADP report.

Charles Rosen

5/15/2002 Bronx Express	31,850.00		
8/21/2002 Mustang	2,000.00		
Other Expenses per Attached	18,121.00	51,971.00	Reported as taxable earnings 12/09/04 See attached ADP report.

Sinohe Terrero

5/15/2002 Bronx Express	1,400.00		
5/15/2002 Mustang	3,000.00		
5/15/2002 Queens Basketball	2,000.00		
Other Expenses per Attached	7,006.94	13,406.94	Reported as taxable earnings 12/09/04 See attached ADP report.

Ibis Ozoria

None

John C. Mullen

None

# **EXHIBIT 19**

Charles Rosen

Check #	Date	Amount	Description
97989	6/24/2002	1,300.00	home depot
97989	7/2/2002	1,490.00	wicker
98579	9/23/2002	275.00	wicker
255	10/12/2002	1,773.00	home depot
		250.00	wicker
98975	10/15/2002	765.00	wall unit
98905	10/21/2002	473.00	blinds to go
	10/22/2002	999.00	floor stripping
98905	10/27/2002	459.00	home depot
98905	10/28/2002	41.00	blinds to go
	10/28/2002	116.00	u-haul
	11/1/2002	2,260.00	abc carpet
		140.00	abc carpet
		271.00	wall units
99086/97640	12/12/2002	7,362.00	Gino
		147.00	b&e antiques
	<b>Total</b>	<b>18,121.00</b>	

# **EXHIBIT 20**

ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER - SEE REVERSE SIDE FOR COMPLETE SECURITY FEATURES

GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK CITIBANK, N. A.  
PELHAM MANOR, NY 10803

CHECK DATE CHECK NO.

1-8/210

12/16/2002

99086

160218518 22 121802 CHARGE  
CHECK AMOUNT

\$\*\*6,670.47

PAY \*\* Six thousand six hundred seventy and 47 / 100 Dollars \*\*

TO THE ORDER OF  
Gino Boccia  
3240 Barkley Ave.  
Bronx, NY 10475

*John Rosen*  
*12/16/2002*  
AUTHORIZED SIGNATURE

THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE - NEG. IMAGE DISAPPEARS WITH HEAT.

099086

00006670

00010930771 000 21

021000089 8612 >0210-0008<  
B00177 CHARGE CITIBANK, NY  
0640 160218518 121802 2012422627

12/18/02 14:01:08 FC#177348 040  
58419653 \$6,670.47 ONL

CRG: DEPOSIT  
061-01 ACCT#

*John Rosen*

# **EXHIBIT 21**



GLORIA WISE BOYS & GIRLS CLUB  
950 Baychester Avenue  
Bronx, NY 10475-1793

CONSULTANT/  
Stipend Recipient Sign-In

DATE: 6/30/02

DEPARTMENT: DYCD C 8662

PROGRAM: GANG PREVENTION  
WORKSHOP

Participant's Name:

GINO BOCCIA

**PAID**

Address:

2049 Bartow Ave  
BX NY 10475

CK. NO. 97640  
DATE 6/28/02

Social Security Number:

*On file*

02-53020-000-70-30-210



Amount of Stipend \$: 3200 per week/bi-weekly/monthly

Period of work performed:

From 6/1/02 to 6/30/02

Supervisor's  
Initials

Director's  
Initials

Stipend  
Recipient's Signature

CONSULTANT CONTRACT AGREEMENT

THIS AGREEMENT, entered into this 1 day of May  
2002 by and between GLORIA WISE BOYST GIRLS CLUB  
Name of the CBO

With principle offices at 950 Baychester Ave in  
The Borough of Bx Community Board/Neighborhood  
Development Area \_\_\_\_\_ hereinafter known as Contractor and

GIND BOCCIA Hereafter known as residing at  
Name of Consultant

WITNESSETH

WHEREAS Contractor is itself under contract with the Department of Youth and  
Development of the City of New York (DYCD) to provide certain specified services  
to the citizens of Community Board/Neighborhood Development Area \_\_\_\_\_ in the  
Borough of Bx and;

WHEREAS DYCD has allocated funds to contractor in the budget made a part of its  
Contract with DYCD for the contracting of a consultant; and

WHEREAS Contractor agrees to submit to DYCD, where applicable, the proper  
Forms, as required by DYCD, for payment to Consultant from its DYCD funding  
for those services, and,

WHEREAS Consultant agrees and acknowledges that s/he is not an employee of  
DYCD or contractor and shall have none of the rights accruing to such employees;

NOW, THEREFORE, the parties named herein agree to be bound as follows:

Article I Term of Contract

The terms of the contract shall be from 5/1/02 to 6/30/02.

This contract shall become void and ineffectual should the contractor lose its DYCD funding or be required by DYCD to make budget reductions and can no longer pay for consultant's services as specified herein.

Article II Scope of Services

Consultant agrees to provide the services detailed in Article IV, for which contractor agrees that the Consultant be compensated at the rate of 3200 per \_\_\_\_\_, for the period specified in Article I. Consultant's total remuneration shall not exceed \_\_\_\_\_.

Article III Supervision

Supervision of Consultant's work shall be the sole responsibility of the Contractor and shall not involve DYCD in any manner.

Article IV Description of Services to be Rendered

The consultant agrees to provide the Contractor the following services:

GANG PREVENTION WORKSHOP  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Article I through IV constitutes the entire agreement between Consultant and Contractor.

IN WITNESS WHEREOF, the parties here have executed this Agreement the day and year referred to herein.

GIND BOCCIA  
Name of Consultant - Print

122-48-4532  
Consultant's Social Security Number

*Gind Boccia*  
Signature of Consultant

GLORIA WICE BOYS + GIRLS CLUB  
Name of Contractor

*CR* CHARLES ROSEN EX DIR.  
Signature of Contractor's Director or Chairperson

# **EXHIBIT 22**

GLORIA WISE BOYS AND GIRLS CLUB, INC.  
 950 BAYCHESTER AVENUE, BRONX, NY 10475

REIMBURSEMENT SUMMARY

JEFF AULENBACH

3438 81st Street, Apt. 51, Jackson Heights, NY 11372

Control #	Check #	Check Date	Check stub date	Amount	Vendor Receipts	Amount
1	94909		07/12/01	\$1,372.50	Maintenance supplies, renovation supplies, paint, hinges	\$521.96
1	94909		07/12/01		Office cabinet	\$435.54
2	94988		07/22/01	\$1,697.00	Reimbursement for site renovations	\$1,697.00
3	95036	07/31/01	07/30/01	\$1,818.71	Reimbursement for site renovations	\$1,818.71
4	95152	08/13/01	08/09/01	\$1,138.12	Reimbursement for site renovations	\$1,138.12
5	95277	08/29/01	08/28/01	\$1,791.42	Reimbursement for site renovations	\$1,791.42
6	95483	10/01/01	10/01/01	\$871.69	Reimbursement for site renovations	\$871.69
9	95755	10/31/01	10/31/01	\$3,428.80	Reimbursement for site renovations	\$3,428.80
10	95900	11/27/01	11/26/01	\$3,420.20	Reimbursement for site renovations	\$3,420.20
					<b>Subtotal for 2001</b>	<b>\$15,123.44</b>
25	100027	04/03/03	04/02/03		Site renovation supplies	\$193.98
					<b>Reimbursement for site renovations Total</b>	<b>\$15,317.40</b>

# **EXHIBIT 23**

GLORIA WISE BOYS AND GIRLS CLUB, INC.				
950 BAYCHESTER AVENUE, BRONX, NY 10475				
SCHEDULE OF PAYMENTS TO MATHEW TANAKA (CHECKS)				
34-48 81st Street, Jackson Heights, NY 11372				
Control #	Check #	Check Date	Payee	Amount
1	94997	07/24/01	Mathew Tanaka	\$850.00
2	94998	07/24/01	Mathew Tanaka	\$900.00
3	95043	07/31/01	Mathew Tanaka	\$900.00
4	95626	10/19/01	Mathew Tanaka	\$400.00
5	95627	10/19/01	Mathew Tanaka	\$1,300.00
6	95810	11/09/01	Mathew Tanaka	\$1,200.00
7	95858	11/19/01	Mathew Tanaka	\$1,500.00
8	95902	11/27/01	Mathew Tanaka	\$1,200.00
9	100014	03/28/03	Mathew Tanaka	\$1,250.00
			<b>TOTAL</b>	<b>\$9,500.00</b>



GLORIA WISE BOYS AND GIRLS CLUB, INC.  
 950 BAYCHESTER AVENUE, BRONX, NY 10475

SCHEDULE OF PAYMENTS TO MATHEW TANAKA (CHECK STUBS AND REQUISITION FORMS)  
 34-48 81st Street, Jackson Heights, NY 11372

Control #	Check #	Check stub date	Payee	Amount	Check stub description	Additional information on check requisition	Tax ID	Documents available during interview	Comments
1	94997	07/24/01	Mathew Tanaka	\$850.00	Renovation work	SS# 068-68-2257	N/A	Check stub and requisition	Check was not presented during interview
2	94998	07/24/01	Mathew Tanaka	\$900.00	Renovation work	SS# 068-68-2257	N/A	Check stub and requisition	Check was not presented during interview
3	95043	07/30/01	Mathew Tanaka	\$900.00	Renovation work	N/A	N/A	Check stub and requisition	Check was not presented during interview
4	95626	10/18/01	Mathew Tanaka	\$400.00	Renovation at site	N/A	068-68-2257	Check, check stub and requisition	
5	95627	10/19/01	Mathew Tanaka	\$1,300.00	Renovation at site	N/A	068-68-2257	Check, check stub and requisition	
6	95810	11/09/01	Mathew Tanaka	\$1,200.00	Site renovations	Comment: Give [check] to Jeff	N/A	Check, check stub and requisition	
7	95858	11/19/01	Mathew Tanaka	\$1,500.00	Site renovations	Renovations	N/A	Check, check stub and requisition	
8	95902	N/A	Mathew Tanaka	\$1,200.00	N/A	N/A	N/A	Check	
9	100014	03/28/03	Mathew Tanaka	\$1,250.00	GB renovations		N/A	Check, check stub and requisition	
			<b>TOTAL</b>	<b>\$9,500.00</b>					

# **EXHIBIT 24**



**GLORIA WISE  
BOYS & GIRLS CLUB**

950 Baychester Avenue Bronx, NY 10475 718.379-2830 Fax 718.320-3952 email: gwbgc2830@aol.com

Jeff Aulenbach  
Deputy Executive Director

SS# 068-68-2257

- Replenish Petty Cash (Please staple receipts for all disbursements to this form)
- Cash Advance
- Check Requisition

Program: (Check One)

Youth Division

- Beacon 113
- Beacon 142
- TASC 111
- YSH Programs
- After Two
- Truman
- Summer Camp
- Other \_\_\_\_\_

Senior Services

- Nutrition
- NORC/IVCP
- Grandparents
- EISEP
- Other \_\_\_\_\_

Goosebay

- GB 1
- GB 2
- GB 3
- GB 4
- Other \_\_\_\_\_

Sports

- Track
- Cheerleaders
- Soccer
- Tennis
- Girls Basketball
- Wrestling
- Other \_\_\_\_\_

Amount of Request 850<sup>00</sup> Date payment must be made by: \_\_\_\_\_

Make Check Payable to: Matthew Tanaka

Address: 3448 81st St

City/State/Zip Jackson Heights, NY 11372

Mail Check or

Hold Check

**RECEIVED**  
7/24/01

State purpose below: Renovation work

**ENTERED**  
7/24/01

02 55010 000 3030 910

Approvals:

Under \$100: Program Director: \_\_\_\_\_ Date \_\_\_\_\_  
(Sign name)

\$100 to \$250: Assistant Executive Director \_\_\_\_\_ Date \_\_\_\_\_

Over \$250: Deputy Executive Director, Programs \_\_\_\_\_ Date \_\_\_\_\_

Deputy Executive Director, Operations [Signature] Date 7/24/01

Exec Director [Signature] Date \_\_\_\_\_



**GLORIA WISE  
BOYS & GIRLS CLUB**

950 Baychester Avenue Bronx, NY 10475 718.379-2830 Fax 718.320-3952 email: gwbgc2830@aol.com

Jeff Aulenbach  
Deputy Executive Director

SS # 068-68-2257

Replenish Petty Cash (Please staple receipts for all disbursements to this form)  
 Cash Advance  
 Check Requisition

Program: (Check One)

Youth Division

Beacon 113  
Beacon 142  
TASC 111  
YSH Programs  
After Two  
Truman  
Summer Camp  
Other \_\_\_\_\_

Senior Services

Nutrition  
NORC/IVCP  
Grandparents  
EISEP  
Other \_\_\_\_\_

Goosebay

GB 1  
GB 2  
GB 3  
GB 4  
Other \_\_\_\_\_

Sports

Track  
Cheerleaders  
Soccer  
Tennis  
Girls Basketball  
Wrestling  
Other \_\_\_\_\_

Amount of Request 900 Date payment must be made by: \_\_\_\_\_

Make Check Payable to: Matthew Tanaka

Address: 3448 81ST ST

City/State/Zip Jackson Heights, NY 11372.

Mail Check or Hold Check



State purpose below: Recreation work.

02 55 010 000 3030910

Approvals:

Under \$100: Program Director: \_\_\_\_\_ Date \_\_\_\_\_  
(Sign name)

\$100 to \$250: Assistant Executive Director \_\_\_\_\_ Date \_\_\_\_\_

Over \$250: Deputy Executive Director, Programs \_\_\_\_\_ Date \_\_\_\_\_

Deputy Executive Director, Operations [Signature] Date 7/24/01

Exec Director [Signature] [Signature]



**GLORIA WISE  
BOYS & GIRLS CLUB**

950 Baychester Avenue Bronx, NY 10475 718.379-2830 Fax 718.320-3952 email: gwbgc2830@aol.com

Jeff Aulenbach  
Deputy Executive Director

\_\_\_ Replenish Petty Cash (Please staple receipts for all disbursements to this form)  
\_\_\_ Cash Advance  
  F   Check Requisition

Program: (Check One)

Youth Division

- Beacon 113
- Beacon 142
- TASC 111
- YSH Programs
- After Two
- Truman
- Summer Camp
- Other \_\_\_\_\_

Senior Services

- Nutrition
- NORC/IVCP
- Grandparents
- EISEP
- Other \_\_\_\_\_

Goosebay

- GB 1
- GB 2
- GB 3
- GB 4
- Other \_\_\_\_\_

Sports

- Track
- Cheerleaders
- Soccer
- Tennis
- Girls Basketball
- Wrestling
- Other \_\_\_\_\_

Amount of Request \_\_\_\_\_ Date payment must be made by: \_\_\_\_\_

Make Check Payable to: Mr Drew Tanaka

Address: 3438 81st St

City/State/Zip: Jackson Hts, NY 11372

Mail Check or Hold Check

State purpose below: \$900 - Renovation work

Approvals:

Under \$100: Program Director: \_\_\_\_\_ Date \_\_\_\_\_  
(Sign name)

\$100 to \$250: Assistant Executive Director \_\_\_\_\_ Date \_\_\_\_\_

Over \$250: Deputy Executive Director, Programs [Signature] Date \_\_\_\_\_

Deputy Executive Director, Operations \_\_\_\_\_ Date 7/30/01

Exec Director \_\_\_\_\_ Date \_\_\_\_\_

**RECEIVED**  
7/31/01

**ENTERED**  
7/31/01

02 55010 000 3030 910



**GLORIA WISE  
BOYS & GIRLS CLUB**

950 Baychester Avenue Bronx, NY 10475 718.379-2830 Fax 718.320-3952 email: gwbgc2830@aol.com

Jeff Aulenbach  
Deputy Executive Director

- Replenish Petty Cash (Please staple receipts for all disbursements to this form)
- Cash Advance
- Check Requisition

Program: (Check One)

Youth Division

- Beacon 113
- Beacon 142
- TASC 111
- YSH Programs
- After Two
- Truman
- Summer Camp
- Other \_\_\_\_\_

Senior Services

- Nutrition
- NORC/IVCP
- Grandparents
- EISEP
- Other \_\_\_\_\_

Goosebay

- GB 1
- GB 2
- GB 3
- GB 4
- Other \_\_\_\_\_

Sports

- Track
- Cheerleaders
- Soccer
- Tennis
- Girls Basketball
- Wrestling
- Other \_\_\_\_\_

Amount of Request ~~\$1000~~ \$400 Date payment must be made by: \_\_\_\_\_

Make Check Payable to: Matthew Jankov

Address: \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Mail Check or Hold Check

State purpose below: Renovations @ site

Approvals:

Under \$100: Program Director: \_\_\_\_\_ Date \_\_\_\_\_  
(Sign name)

\$100 to \$250: Assistant Executive Director \_\_\_\_\_ Date \_\_\_\_\_

Over \$250: Deputy Executive Director, Programs \_\_\_\_\_ Date \_\_\_\_\_

Deputy Executive Director, Operations [Signature] Date 10/18/01

02 55010 000 3030 917



**GLORIA WISE  
BOYS & GIRLS CLUB**

950 Baychester Avenue Bronx, NY 10475 718.379-2830 Fax 718.320-3952 email: gwbgc2830@aol.com

Jeff Aulenbach  
Deputy Executive Director

- Replenish Petty Cash (Please staple receipts for all disbursements to this form)
- Cash Advance
- Check Requisition

Program: (Check One)

Youth Division

- Beacon 113
- Beacon 142
- TASC 111
- YSH Programs
- After Two
- Truman
- Summer Camp
- Other \_\_\_\_\_

Senior Services

- Nutrition
- NORC/IVCP
- Grandparents
- EISEP
- Other \_\_\_\_\_

Goosebay

- GB 1
- GB 2
- GB 3
- GB 4
- Other \_\_\_\_\_

Sports

- Track
- Cheerleaders
- Soccer
- Tennis
- Girls Basketball
- Wrestling
- Other \_\_\_\_\_

Amount of Request 1,300 Date payment must be made by: \_\_\_\_\_

Make Check Payable to: Mr. Thomas Tanaka

Address: \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Mail Check or Hold Check

State purpose below: Renovation @ site

Approvals:

Under \$100: Program Director: \_\_\_\_\_ Date \_\_\_\_\_  
(Sign name)

\$100 to \$250: Assistant Executive Director \_\_\_\_\_ Date \_\_\_\_\_

Over \$250: Deputy Executive Director, Programs \_\_\_\_\_ Date \_\_\_\_\_

Deputy Executive Director, Operations [Signature] Date 10/18/02

0255010 000 3030 9/6

GLORIA WISE BOYS & GIRLS CLUB

To: Mathew Tanaka

ID: M. Tanaka

Contact:

95872

Invoice Number	Date	Description	Amount	Discount	Net Amount
11/9/01	11/9/2001	site renovations	\$1,200.00	\$0.00	\$1,200
Totals			\$1,200.00	\$0.00	\$1,200

YSH Programs  
 After Two  
 Truman  
 Summer Camp  
 Other \_\_\_\_\_

EISEP  
 Other \_\_\_\_\_

GB 4  
 Other \_\_\_\_\_

Tennis  
 Girls Basketball  
 Wrestling  
 Other \_\_\_\_\_

Amount of Request

1,200

Date payment must be made by:

Make Check Payable to:

Mathew Tanaka

Address:

City/State/Zip

Mail Check or

Hold Check

Give to Jeff

State purpose below:

Site Renovation

Approvals:

Under \$100: Program Director:

(Sign name)

Date

\$100 to \$250: Assistant Executive Director

Date

Over \$250: Deputy Executive Director, Programs

Date

Deputy Executive Director, Operations

Date

11/7/01

04 55010 000 5020 550





**GLORIA WISE  
BOYS & GIRLS CLUB**

950 Baychester Avenue Bronx, NY 10475 718.379-2830 Fax 718.320-3952 email: gwbgc2830@aol.com

Jeff Aulenbach  
Deputy Executive Director

- Replenish Petty Cash (Please staple receipts for all disbursements to this form)
- Cash Advance
- Check Requisition

Program: (Check One)

Youth Division

- Beacon 113
- Beacon 142
- TASC 111
- YSH Programs
- After Two
- Truman
- Summer Camp
- Other \_\_\_\_\_

Senior Services

- Nutrition
- NORC/IVCP
- Grandparents
- EISEP
- Other \_\_\_\_\_

Goosebay

- GB 1
- GB 2
- GB 3
- GB 4
- Other \_\_\_\_\_

Sports

- Track
- Cheerleaders
- Soccer
- Tennis
- Girls Basketball
- Wrestling
- Other \_\_\_\_\_

Amount of Request \$1,500<sup>00</sup> Date payment must be made by: \_\_\_\_\_

Make Check Payable to: Mr. Don Tanker

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Mail Check or Hold Check

State purpose below: Renovations

Approvals:

Under \$100: Program Director: \_\_\_\_\_ Date \_\_\_\_\_  
(Sign name)

\$100 to \$250: Assistant Executive Director \_\_\_\_\_ Date \_\_\_\_\_

Over \$250: Deputy Executive Director, Programs \_\_\_\_\_ Date \_\_\_\_\_

Deputy Executive Director, Operations [Signature] Date 11/19/01

04 55010 000 50 20 550



**GLORIA WISE  
BOYS & GIRLS CLUB**

950 Baychester Avenue Bronx, NY 10475-1703 718.379.2830 Fax 718.320.3952

- A.
- Replenish Petty Cash (Please staple receipts for all disbursements to this form)
- Business Advance
- Check Requisition

B. (check all that apply)

Admin	Youth Division	Senior Services	Goosebay	Office of case management
<input type="checkbox"/>	Beacon 113 <input type="checkbox"/>	Nutrition <input type="checkbox"/>	GB 1 <input type="checkbox"/>	EISEP <input type="checkbox"/>
<input type="checkbox"/>	Beacon 142 <input type="checkbox"/>	*GB <input type="checkbox"/>	* Pre K <input type="checkbox"/>	NORC <input type="checkbox"/>
<input type="checkbox"/>	TASC 111 <input type="checkbox"/>	*SR <input type="checkbox"/>	* K to 1 <input type="checkbox"/>	Youth <input type="checkbox"/>
<input type="checkbox"/>	Coop City <input type="checkbox"/>	Senior Programs <input type="checkbox"/>	GB 2 <input type="checkbox"/>	Kinship <input type="checkbox"/>
<input type="checkbox"/>	After Two <input type="checkbox"/>	HAA <input type="checkbox"/>	GB 4 <input type="checkbox"/>	
<input type="checkbox"/>	Truman <input type="checkbox"/>	Other <input type="checkbox"/>	GB 5 <input type="checkbox"/>	
<input type="checkbox"/>	Summer Camp <input type="checkbox"/>		* Pre K <input type="checkbox"/>	
<input type="checkbox"/>	Other <input type="checkbox"/>		* K to 1 <input type="checkbox"/>	

C.

Amount of Request: 1250 Date payment must be made by: 3/28/03

Make Check Payable to: Mr. J. Tanaka

TANAKA

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Mail Check  or Hold Check (circle one)

D. State purpose below: FB RENOVATIONS

E. Approvals:

Always Program Director \_\_\_\_\_ Date \_\_\_\_\_

Over \$250 Assistant Executive Director \_\_\_\_\_ Date \_\_\_\_\_

Always Contract Manager \_\_\_\_\_ Date 3/28/03

\$500 Deputy Executive Director, Programs \_\_\_\_\_ Date \_\_\_\_\_

To Deputy Executive Director, Operations JM Date 3/28/03

Over \$2500 Executive Director \_\_\_\_\_ Date \_\_\_\_\_



United Way Helps Here

3-28-03  
04-55010-500

# **EXHIBIT 25**



# **EXHIBIT 26**

EMPLOYEE	HOURS	EARNINGS	GROSS	STATUTORY DEDUCTIONS	NET PAY	REMARKS
<b>APONTE, GLORIA</b> File: 010322 Rate: 10.0000	30.00	300.00	300.00	19.81 FIT 18.80 SS 4.35 MED 1.27 NY 1.20 NY SUI/DI	254.77	Y CHECK1 Voucher# 040008 0.00
<b>ARMSTEAD, ROBERT</b> File: 010203 Rate: 1615.36		1,615.38	1,615.38	.00 FIT 98.92 SS 23.13 MED 1.20 NY SUI/DI	2.08 F LIFE 2.37 V VISION 19.59 H HEALTH 250.00 75 CHSUPP	Check# 1778 1,218.09
<b>ARZOLA, REBECCA</b> File: 010301 Rate: 1730.77 Y		1,730.77	1,730.77	250.08 FIT 105.94 SS 24.78 MED 80.77 NY 1.20 NY SUI/DI	1294.55 Y CHECK1 11.49 P LEGAL 19.59 H HEALTH 2.37 V VISION	Voucher# 040007 0.00
<b>ATKINSON, DARLENE</b> File: 010046 Rate: 19.2300	59.00	1,134.57	1,134.57	34.99 FIT 70.50 SS 16.49 MED 32.94 NY 1.20 NY SUI/DI 21.19 0022	2.59 F LIFE	Check# 1779 954.67
<b>AULENBACH, JEFFREY</b> File: 010109 Rate: 5692.30 X		5,692.30	5,692.30	.00 FIT 349.92 SS 81.83 MED 2.16 NY 1.20 NY SUI/DI 2.47 0022	19.59 H HEALTH 5206.28 I 457PL 28.85 M FSA	Voucher# 040008 0.00
Rate: 5692.30		2,148.07 R	2,148.07	.00 FIT 133.18 SS 31.15 MED	1983.74 I 457PL	Voucher# 040009 Pay 2 0.00
Rate: 5692.30		28,000.00 S	28,000.00	2,732.35 FIT 1,736.00 SS 406.00 MED 756.29 NY 440.59 0022	4118.79 Y CHECK1 2885.00 K 401K 9615.00 B 403B 5369.98 I 457PL	Voucher# 040010 Pay 3 0.00
<b>AUSTIN, DONNA</b> File: 010058 Rate: 1561.53		1,561.53	1,561.53	207.77 FIT 95.46 SS 22.33 MED 69.18 NY 1.20 NY SUI/DI 41.84 0022	50.00 X SAVI 19.59 H HEALTH 2.37 V VISION 1040.30 Y CHECK1 11.49 P LEGAL	Voucher# 040011 0.00
<b>AYALA, AMY</b> File: 010003 Rate: 15.0000	77.50	1,162.50	1,162.50	145.53 FIT 72.00 SS 18.85 MED 45.98 NY 1.20 NY SUI/DI 28.64 0022		Check# 1780 852.22

# **EXHIBIT 27**

ORIGINAL DOCUMENT PRINTED ON CHEMICAL REACTIVE PAPER WITH MICROPRINTED BORDER - SEE REVERSE SIDE FOR COMPLETE SECURITY FEATURES

GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVENUE  
BRONX, NY 10475

105524

CITIBANK CITIBANK, N. A.  
PELHAM MANOR, NY 10803  
1-8/210

CHECK DATE 8/4/2004  
CHECK NO. 105524

PAY \*\*Fifteen thousand and 00/100 Dollars\*\*

CHECK AMOUNT

560023689 102 4227 02 081004 \$15,000.00

TO THE ORDER OF Jeff Aufenbach  
642 10th street  
Park Slope, NY 11215

*Jeffrey P. Aufenbach*  
ME  
IP



THIS DOCUMENT CONTAINS HEAT SENSITIVE INK. TOUCH OR PRESS HERE - RED IMAGE DISAPPEARS WITH HEAT

105524

000150000

*Jeff M*  
443535  
AUG 06 2004  
TELLER #67  
226078036

226078036 - ECFCU  
08-09-04 0398238410  
08-09-04 039820598238410

PAID CITIBANK  
CCPD #653  
4229 560023689 081004



# **EXHIBIT 28**



# **EXHIBIT 29**

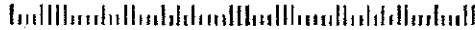
July 23 - August 20, 2004  
Page 1 of 2

902-00902-8015-00902- -023-5-01-W B -1 00-

CO-OP CITY TENNIS CLUB PROGRAM  
% GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVE.  
BRONX NY 10475

**Customer Service**

- Call Small Business ServiceLine at 1-800-CHASE38
- Small Business Experts - 5 a.m. to midnight ET
- Updated Account Information
- Transfer Funds/Pay Bills
- Hearing impaired call 1-800-CHASETD



Access Accounts, Make Payments, Transfer Money  
Chase Online<sup>SM</sup> for Small Business  
www.chase.com/cosb

Primary Account Number: 902-5000387-85  
Number of Checks Enclosed: 1

**Important Information**

Your average checking account balance(s) in July totaled \$35,538.00.

**BusinessCustom Checking** Account # [REDACTED] **CO-OP CITY TENNIS CLUB PROGRAM**

Summary	Number	Amount
Opening Balance		35,538.35
Deposits and Credits	0	0.00
Withdrawals and Debits	0	0.00
Checks Paid	1	25,850.00
Ending Balance		9,688.35

**Checks Paid**

Check	Date Paid	Amount	Check	Date Paid	Amount	Check	Date Paid	Amount
[REDACTED]	[REDACTED]	25,850.00						
							<b>Total (1 check)</b>	<b>25,850.00</b>

\* indicates gap in check sequence

**Daily Balances**

Date	Balance	Date	Balance	Date	Balance	Date	Balance
08/10	9,683.35						

**Service Fee Explanation**

All service fees were waived on your account this month.

THIS ENDS YOUR STATEMENT FINANCIAL DATA

THE SMALL BUSINESS TEAM AT CHASE<sup>SM</sup>

19-Sep-05

7914-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION

GROUP ID G7914-06SEP05

Sequence number 0030128307 Posting date 10-AUG-04

87

DATE: 8/4/04

PAY TO THE ORDER OF JEFFREY AULENBACH \$ 25,500.00

twenty five thousand, five hundred and no/100ths DOLLARS

**CHASE** The Chase Manhattan Bank  
60 York Street  
New York, NY 10038

FOR \_\_\_\_\_

\*000087\* [REDACTED] #0002585000\*

PAID 11/11/04  
3000128307

0018828680288400  
0398220898288400  
09-04 0898288400  
\*2260288961 - EFCU

PAID 11/11/04  
3000128307  
185535  
[Signature]

AcctNum: [REDACTED] Amount: 000000002585000  
 Xerno: 0000000087 PostDate: 20040810 Sequence: 003000128307  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802040810003000128307 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 Doctype: 8  
 EntryNum: ItemType:

# **EXHIBIT 30**

Sinohe Terrero

Check #	Date	Amount	Description
103582	1/15/2004	3,063.15	Microwarehouse
103582	1/15/2004	2,729.51	Microwarehouse
103663	1/22/2004	1,214.28	CDW Direct
Total		7,006.94	

# **EXHIBIT 31**



Gloria Wise Boys and Girls Club, Inc.  
 950 Baychester Avenue  
 Bronx, NY 10475

**SCHEDULE OF DISBURSEMENTS FROM  
 SPORTS ACCOUNTS**

Check #	Check Date	Payee	Account Name	Account Number	Amount	Check Memo	Comment
1005	11/29/00	[REDACTED]	Co-op City Tennis Club Program	9025000387-65	\$105.00	15 hrs@7 9/16-10/28/00	
		<b>Total</b>			\$105.00		
1004	11/29/00	[REDACTED]	Co-op City Tennis Club Program	9025000387-65	\$104.00	13 hrs@8 9/16-10/28/00	
		<b>Total</b>			\$104.00		
1001	05/15/02	Charles Rosen	Bronx International Express Track Program	9025000379-65	\$31,850.00	None	
1003	08/21/02	Charles Rosen	Mustang Wrestling Program	9025000467-65	\$2,000.00	None	
		<b>Charles Rosen Total</b>			\$33,850.00		
1006	08/21/02	Evan Montvel-Cohen	Mustang Wrestling Program	9025000467-65	\$1,000.00	None	
		<b>Evan Montvel-Cohen Total</b>			\$1,000.00		
1003	11/29/00	[REDACTED]	Co-op City Tennis Club Program	9025000387-65	\$150.00	15 hrs@10 9/16-10/28	
		<b>Total</b>			\$150.00		
86	05/25/00	Gloria Wise Boys and Girls Club	Co-op City Tennis Club Program	9025000387-65	\$100.00	Reimb of Adv.	No a/c holder name in upper left corner of check
86	05/25/00	Gloria Wise Boys and Girls Club	Bronx International Express Track Program	9025000379-65	\$210.00	QuickBooks Pro-reimb	No a/c holder name in upper left corner of check
86	05/25/00	Gloria Wise Boys and Girls Club	Bronx Queens Basketball Program	9025000459-65	\$100.00	Reimb for Adv.	No a/c holder name in upper left corner of check
93	11/28/00	Gloria Wise Boys and Girls Club	Bronx International Express Track Program	9025000379-65	\$680.00	Reimburse Ck 93235	No a/c holder name in upper left corner of check
		<b>Gloria Wise Boys and Girls Club Total</b>			\$1,090.00		
1001	09/07/00	[REDACTED]	Co-op City Tennis Club Program	9025000387-65	\$128.75	Tennis balls	
		<b>Total</b>			\$128.75		

Check #	Check Date	Payee	Account Name	Account Number	Amount	Check Memo	Comment
1008	05/15/02	Jeffrey Aulenbach	Co-op City Tennis Club Program	9025000387-65	\$23,900.00	None	
1005	08/21/02	Jeffrey Aulenbach	Mustang Wrestling Program	9025000467-65	\$1,000.00	None	
		<b>Jeffrey Aulenbach Total</b>			\$24,900.00		
87	06/06/00	[REDACTED]	Bronx Queens Basketball Program	9025000459-65	\$197.16	Reimbursement Bskt. Supplies	No a/c holder name in upper left corner of check
		<b>[REDACTED] Total</b>			\$197.16		
1001	05/15/02	Lorraine Corva	Mustang Wrestling Program	9025000467-65	\$10,900.00	None	
1009	05/15/02	Lorraine Corva	Co-op City Tennis Club Program	9025000387-65	\$13,000.00	None	
1004	08/21/02	Lorraine Corva	Mustang Wrestling Program	9025000467-65	\$1,000.00	None	
4882	08/13/02	Mustang Wrestling	N/A	N/A	(\$10,900.00)	None	Endorsed "For Deposit only A/C #902500046765"
1010	01/19/04	Manhattan College	Co-op City Tennis Club Program	9025000387-65	\$9,570.00	Congratulations! Michael Corva's Scholarship	
		<b>Lorraine Corva Total</b>			\$23,570.00		
88	07/28/00	[REDACTED]	Bronx International Express Track Program	9025000379-65	\$100.00	[REDACTED] Reimb FLA Track meet	No a/c holder name in upper left corner of check
89	08/10/00	[REDACTED]	Bronx International Express Track Program	9025000379-65	\$300.00	[REDACTED] Track FLA	No a/c holder name in upper left corner of check
		<b>[REDACTED] Total</b>			\$400.00		
90	10/05/00	[REDACTED]	Bronx International Express Track Program	9025000379-65	\$372.30	Inv - 472779 - 242.85 / #486438 - 129.45	
92	11/14/00	[REDACTED]	Bronx International Express Track Program	9025000379-65	\$836.00	Inv. #511471 / 846259 Bronx Express	No a/c holder name in upper left corner of check
		<b>[REDACTED] Total</b>			\$1,208.30		
87	01/23/01	Michael Ondich	Mustang Wrestling Program	9025000467-65	\$212.00	Mustang Wrestling	No a/c holder name in upper left corner of check
		<b>Michael Ondich Total</b>			\$212.00		

Check #	Check Date	Payee	Account Name	Account Number	Amount	Check Memo	Comment
1006	12/18/00	[REDACTED]	Co-op City Tennis Club Program	9025000387-65	\$100.00	Membership fee	
					\$100.00		
		<b>Total</b>					
1002	09/07/00	[REDACTED]	Co-op City Tennis Club Program	9025000387-65	\$529.95	Misc Tennis Equipment	
		[REDACTED] Inc.			\$529.95		
		<b>Total</b>					
87	07/26/00	Phyllis Francis	Bronx International Express Track Program	9025000379-65	\$260.00	Bronx Exp Track Airline Tkts FLA 7/21	No a/c holder name in upper left corner of check
91	10/13/00	Phyllis Francis	Bronx International Express Track Program	9025000379-65	\$1,459.00	None	No a/c holder name in upper left corner of check
94	12/21/00	Phyllis Francis	Bronx International Express Track Program	9025000379-65	\$300.00	Track Meet 12/23/00	No a/c holder name in upper left corner of check
96	01/24/01	Phyllis Francis	Bronx International Express Track Program	9025000379-65	\$110.00	PAL Track Meet 1/24/01	No a/c holder name in upper left corner of check
97	01/24/01	Phyllis Francis	Bronx International Express Track Program	9025000379-65	\$450.00	Track Meet Entry Fee	No a/c holder name in upper left corner of check
98	01/31/01	Phyllis Francis	Bronx International Express Track Program	9025000379-65	\$190.00	Replacement Ck#95	No a/c holder name in upper left corner of check
		<b>Phyllis Francis Total</b>			\$2,769.00		
1001	05/15/02	Sinohe Terrero	Bronx Queens Basketball Program	9025000459-65	\$2,000.00	None	
1002	05/15/02	Sinohe Terrero	Bronx International Express Track Program	9025000379-65	\$1,400.00	None	
1002	05/15/02	Sinohe Terrero	Mustang Wrestling Program	9025000467-65	\$3,000.00	None	
		<b>Sinohe Terrero Total</b>			\$6,400.00		
1007	09/07/01	[REDACTED]	Co-op City Tennis Club Program	9025000387-65	\$1,250.00	Seasonal court time: Tues. 7p-9p	
		[REDACTED] Club			\$1,250.00		
		<b>Total</b>					

Check #	Check Date	Payee	Account Name	Account Number	Amount	Check Memo	Comment
86	10/11/00	[REDACTED]	Mustang Wrestling Program	9025000467-65	\$710.00	Mustang Wrestling Club, Reimb. 50/INS 20/EF 32@\$20	No a/c holder name in upper left corner of check
		[REDACTED] Total			\$710.00		
		<b>Grand Total</b>			<b>\$98,674.16</b>		

Gloria Wise Boys and Girls Club, Inc.  
 950 Baychester Avenue  
 Bronx, NY 10475

**SCHEDULE OF DISBURSEMENTS FROM  
 SPORTS ACCOUNTS TO ADMINISTRATIVE STAFF**

Check #	Check Date	Deposit Date	Payee	Account Name	Account Number	Amount	Check Memo	Comment
1001	05/15/02	N/A	Charles Rosen	Bronx International Express Track Program	9025000379-65	\$31,850.00	None	
1003	08/21/02	N/A	Charles Rosen	Mustang Wrestling Program	9025000467-65	\$2,000.00	None	
			<b>Charles Rosen Total</b>			<b>\$33,850.00</b>		
1006	08/21/02	N/A	Evan Montvel-Cohen	Mustang Wrestling Program	9025000467-65	\$1,000.00	None	
			<b>Evan Montvel-Cohen Total</b>			<b>\$1,000.00</b>		
1008	05/15/02	N/A	Jeffrey Aulenbach	Co-op City Tennis Club Program	9025000387-65	\$23,900.00	None	
1005	08/21/02	N/A	Jeffrey Aulenbach	Mustang Wrestling Program	9025000467-65	\$1,000.00	None	
			<b>Jeffrey Aulenbach Total</b>			<b>\$24,900.00</b>		
1001	05/15/02	N/A	Lorraine Corva	Mustang Wrestling Program	9025000467-65	\$10,900.00	None	
1009	05/15/02	N/A	Lorraine Corva	Co-op City Tennis Club Program	9025000387-65	\$13,000.00	None	
1004	08/21/02	N/A	Lorraine Corva	Mustang Wrestling Program	9025000467-65	\$1,000.00	None	
4882	08/13/02	08/14/02	Mustang Wrestling	N/A	N/A	(\$10,900.00)	None	Endorsed "For Deposit only A/C #902500046765"
1010	01/19/04	01/21/04	Manhattan College	Co-op City Tennis Club Program	9025000387-65	\$9,570.00	Congratulations! Michael Corva's Scholarship	
			<b>Lorraine Corva Total</b>			<b>\$23,570.00</b>		
1001	05/15/02	N/A	Sinohe Terrero	Bronx Queens Basketball Program	9025000459-65	\$2,000.00	None	
1002	05/15/02	N/A	Sinohe Terrero	Bronx International Express Track Program	9025000379-65	\$1,400.00	None	

Check #	Check Date	Deposit Date	Payee	Account Name	Account Number	Amount	Check Memo	Comment
1002	05/15/02	N/A	Sinohe Terrero	Mustang Wrestling Program	9025000467-65	\$3,000.00	None	
			<b>Sinohe Terrero Total</b>			<b>\$6,400.00</b>		
			<b>Grand Total</b>			<b>\$89,720.00</b>		

16-Sep-05

7888-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION  
GROUP ID G7888-06SEP05

Sequence number 0012441288 Posting date 16-MAY-02

**BX INTERNATIONAL EXPRESS TRACK PROGRAM** 1001  
% GLOBE-WISE 8023 & CAROL OLIN  
 100 BAYCHESPER AVENUE  
 BROOKLYN, NY 10778

PAY TO THE ORDER OF Charles Rosen 140275718 02 051602 DATE 8/15/02 CHARGE  
Thirty One thousand Eight hundred and Fifty \$ 31,850  
 CHASE The Chase Manhattan Bank  
 140 Lane 17th Street  
 New York, NY 10008 [Signature]  
 FOR [Redacted] \*001001\* \*0003185000\*

003 # 06900101 01 09/16/02 14:11:22 FOR 177 FAR 058  
 051-02 ACCT# 1000081048888612 \$31,800 (BIDDEN)  
 800177 CHARGE CITIBANK NY  
 0607 140275718 051602 2012422627

[Signature]  
 4/04/88 111

PAID 2  
 8/16/02 487  
 5100762460

AcctNum: [Redacted] Amount: 00000003185000  
 Xerno: 0000001001 PostDate: 20020516 Sequence: 001200441288  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020516001200441288 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: 8  
 EntryNum: ItemType:

16-Sep-05

7761-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION

GROUP ID G7761-06SEP05

Sequence number 0012621022 Posting date 22-AUG-02

**MUSTANG WRESTLING PROGRAM** 1003  
 14 GLORIA WISE BOYS & GIRLS CLUB  
 890 BAYCHESTER AVE.  
 BRONX, NY 10478

120047161 02 082202 CHARGE

DATE 8/21/02  $\frac{15}{100}$

PAY TO THE ORDER OF Charlie Rosen \$ 2000<sup>00/100</sup>

Two thousand dollars and 00/100 DOLLARS

**CHASE** The Chase Manhattan Bank  
 150 BANK 125th Street  
 New York, NY 10024

FOR \_\_\_\_\_

⑈00100⑈ [REDACTED] ⑈0000200000⑈

021000069 5612 20210-00084  
 RC0000 CHARGE CITIBANK, NY  
 0600 120047161 082202 2012423622

*9547325*  
*[Signature]*

PAID 1  
 7600660464

AcctNum: [REDACTED] Amount: 000000000200000  
 Xerno: 0000001003 PostDate: 20020822 Sequence: 001200621022  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020822001200621022 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 Doctype: 8  
 EntryNum: ItemType:



19-Sep-05

7914-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION  
GROUP ID G7914-06SEP05

Sequence number 0070785532 Posting date 17-MAY-02

CO-OP CITY TENNIS CLUB PROGRAM 1008  
% OLDMAN WISE BOYS & GIRLS CLUB  
200 WESTCHESTER AVE  
SPRING VALLEY, NY 10478

PAY TO THE ORDER OF Jeffrey Askenbach DATE 5/13/02 \$ 23,900 -

Twenty three thousand, nine hundred ~~00~~ 00 DOLLARS

**CHASE** Met Chase Association Bank  
150 West 17th Street  
New York, NY 10011

FOR [Redacted] *[Signature]*

⑈001008⑈ ⑈0000239000⑈

RECEIVED  
CITY TENNIS CLUB  
MAY 15 2002  
7000785532

05-16-02 0281802618387070  
05-16-02 0281802618387070  
⑈001008⑈

↓  
D 3M 18 2002  
TELLER MIM  
28078036  
↑

*Jeffrey N. A.  
48 3535-71*

AcctNum: [Redacted] Amount: 00000002390000  
Xerno: 0000001008 PostDate: 20020517 Sequence: 007000785532  
BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
UDK: 0802020517007000785532 BOFD: CapSRC: N  
TranCode: 0000 RouteTran: 02100002 DocType: 8  
EntryNum: ItemType:

16-Sep-05

7761-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION

GROUP ID G7761-06SEP05

Sequence number 0075326587 Posting date 26-AUG-02

MUSTANG WRESTLING PROGRAM 1005  
 4 GLORIA WISE BOYS & GIRLS CLUB  
 840 BAYCHESTER AVE  
 BRONX NY 10475

PAY TO THE ORDER OF Jeffrey Aulenbach DATE 8/21/02  
One thousand dollars and 00/100 \$ 1000.00

CHASE The Chase Manhattan Bank  
 40 East 17th Street  
 New York, NY 10003

FOR [REDACTED]

#001005# [REDACTED] #0000100000#

TELETYPE UNIT  
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 TELETYPE UNIT

Jeffrey A  
 1183555

02100002: 0000  
 PAID 1 0000  
 08/26/02 370 10 11  
 7500326587

0826078036 - ECF CU  
 08-23-02 0480518538  
 08-23-02 048050420518538

AcctNum: [REDACTED] Amount: 00000000100000  
 Xerno: 0000001005 PostDate: 20020826 Sequence: 007500326587  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020826007500326587 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: 8  
 EntryNum: ItemType:

19-Sep-05

7914-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION

GROUP ID G7914-06SEP05

Sequence number 0072030792 Posting date 20-MAY-02

CO-OP CITY TENNIS CLUB PROGRAM 150100104 02 051702 1009  
 GLORIA WISE BOYS & GIRLS CLUB  
 990 BAYCHESTER AVE  
 BROOKLYN, NY 10475

PAY TO THE ORDER OF Lorraine Corva DATE 5/15/02 \$ 13,000  
thirteen thousand ~~XX~~ 700 DOLLARS

CHASE The Chase Manhattan Bank  
 140 East 17th Street  
 New York, NY 10022

FOR [Redacted] *[Signature]*

⑆000001000⑆ [Redacted] ⑆00000130000⑆

021000089 8612 50210 00064  
 0259 150100104 051702 2012422627  
 CITIBANK, NY

03/09/02 999  
 PAID 1 0000  
 05/24/02 44 01 51  
 7200630792

*[Handwritten signature]*

AcctNum: [Redacted] Amount: 00000001300000  
 Xerno: 0000001009 PostDate: 20020520 Sequence: 007200030792  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020520007200030792 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: 8  
 EntryNum: ItemType:

16-Sep-05

7761-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION

GROUP ID G7761-06SEP05

Sequence number 0012620150 Posting date 22-AUG-02

**MUSTANG WRESTLING PROGRAM** 1004  
 c/o GLORIA WISE BOYS & GIRLS CLUB  
 150 BAYCHESTER AVE  
 BRENCO, NY 10478 180194253 02 082202 069771954

PAY TO THE ORDER OF LAURIE CORVA DATE 8/21/02 \$ 1000.00

One thousand dollars and 00/100 DOLLARS

**CHASE** The Chase Manhattan Bank  
 150 East 17th Street  
 New York, NY 10035

FOR [REDACTED]

⑆001004⑆ [REDACTED] ⑆0000100000⑆

021000089 8612 >0210-0008<  
 800000 069771954 CITIBANK, NY  
 0475 180194253 082202 2017422627

69771954

PAID 1  
 8/22/02 \$1  
 7600687591

AcctNum: [REDACTED] Amount: 000000000100000  
 Xerno: 0000001004 PostDate: 20020822 Sequence: 001200620150  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020822001200620150 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: 8  
 EntryNum: ItemType:

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION  
GROUP ID G7914-06SEP05

Sequence number 0005255712 Posting date 21-JAN-04

CO-OP CITY TENNIS CLUB PROGRAM  
 - GEORGIA WIDE BOYS & GIRLS CLUB  
 190 BAYCHESTER AVE  
 BRONX, NY 10475

1010

DATE 1/15/04

PAY TO THE ORDER OF Manhattan College

Nine thousand five hundred and seventy 00/100

\$ 9,570

DOLLARS

CHASE

Congratulations!  
 for Michael Corrao Scholarship

#001010# [REDACTED] #0000957000#

368761789 01202004 000000014100044 00 RSN 00

021000055 8612 20F10-00000  
 000110 014100040171BANK, NY  
 0557 56026:1780 012004 2012422677

CS 1/14/04

PAY TO THE ORDER OF  
 CITIBANK  
 FOR DEPOSIT ONLY  
 MANHATTAN COLLEGE  
 110 1410004-28

021000021 021  
 PAID 1 021  
 01/21/04 04 01 01  
 0500255712

AcctNum: [REDACTED] Amount: 00000000957000  
 Xerno: 0000001010 PostDate: 20040121 Sequence: 000500255712  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802040121000500255712 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: 8  
 EntryNum: ItemType:

16-Sep-05

7761-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION  
GROUP ID G7761-06SEP05

Sequence number 0012441289 Posting date 16-MAY-02

**MUSTANG WRESTLING PROGRAM** 1002  
 % GLORIA WISE BOYS & GIRLS CLUB  
 850 BAYCHESTER AVE  
 BROOKLYN, NY 11210

PAY TO THE ORDER OF Sinche Terrero DATE 5/16/02  
 140275730 02 051602 CHARGE \$ 3,000 -  
Three thousand <sup>XX</sup>/<sub>100</sub> DOLLARS

**CHASE** The Chase Manhattan Bank  
 140 Bay Street  
 New York, NY 10038

FOR \_\_\_\_\_ *[Signature]*

⑆001002⑆ \_\_\_\_\_ ⑆000030000⑆

001141 0000 000 10  
 021000089 8612 >0210-0008<  
 R00177 CHARGE CITIBANK, NY  
 0007 140275730 051602 2012422627

55085849

PAID 1  
 5/16/02  
 6100762461

AcctNum: \_\_\_\_\_ Amount: 000000000300000  
 Xerno: 0000001002 PostDate: 20020516 Sequence: 001200441289  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020516001200441289 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: 8  
 EntryNum: ItemType:

Posting Date: 2002-05-16  
Sequence #: 1200441291  
Account #: 902500045265  
Routing Transit: 02100002  
Amount #: \$2000.00  
Check Serial #: 00500001001  
Bank #: 802  
Tran Code: 0000  
IRID: N/A  
Item Type: N/A  
BOFD: N/A

BRONX QUEENS BASKETBALL PROGRAM 1001  
MADONNA MADE SPORTS & GYM CLUB  
100 WEST 142ND ST  
BRONX NY 10453

PAY TO THE ORDER OF Sirke Tahir DATE 5/16/02  
Two thousand 10275732 02 051502 CHARGE \$ 2,000.00  
CHASE THE CHASE BANK  
110 W 11th Street  
New York, NY 10038

POSTAL # [REDACTED] 000000000000

43781 02 05  
02100002 8512 0000000000  
000177 CHARGE CITIBANK NY  
0627 140275732 051602 6012422627

PAID  
1512 14  
510275732

510275732

16-Sep-05

7888-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION

GROUP ID G7888-06SEP05

Sequence number 0012441290 Posting date 16-MAY-02

**BX INTERNATIONAL EXPRESS TRACK PROGRAM** 1002  
50 GEORGIA STREET SUITE 800 NEW YORK, NY 10036

PAY TO THE ORDER OF Sinche Tarrero DATE 5/16/02  
 140275731 02 051602 CHARGE \$ 1,400

One thousand Four hundred DOLLARS

**CHASE** The Chase Manhattan Bank  
140 East 60th Street  
New York, NY 10022

FOR [Signature]

\*001002\* XXXXXXXXXX \*0000140000\*

021000000 8812 >0210-0008<  
 000177 CHARGE CITIBANK NY  
 0607 140275731 051602 2012422627

55085874

PAID 1  
 5/16/02  
 5100762462

AcctNum: XXXXXXXXXX Amount: 000000000140000  
 Xerno: 0000001002 PostDate: 20020516 Sequence: 001200441290  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020516001200441290 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: 8  
 EntryNum: ItemType:



16-Sep-05

7761-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION

GROUP ID G7761-06SEP05

Sequence number 0074102513 Posting date 03-SEP-02

**MUSTANG WRESTLING PROGRAM** 1006  
 14 GLOBA WREST BOYS & GIRLS CLUB  
 100 SANDHURST AVE  
 BRONX, NY 10475

DATE 8/21/02 <sup>2002</sup>/<sub>21</sub>

PAY TO THE ORDER OF Evgen Cohen Montvel \$ 1000.00  
One thousand dollars and 00/100 DOLLARS

**CHASE** The Chase Manhattan Bank  
 140 East 125th Street  
 New York, NY 10021

FOR [Redacted]

⑈001008⑈ [Redacted] ⑈0000100000⑈

PRINTED ON RECYCLED PAPER  
 NO. 57-220111

7071 100

REMISSI 7/20/02  
 101 1000 51  
 7400102513

*[Handwritten signature]*  
 10/21/02  
 081363361

AcctNum: [Redacted] Amount: 000000000100000  
 Xerno: 0000001006 PostDate: 20020903 Sequence: 007400102513  
 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020903007400102513 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: 8  
 EntryNum: ItemType:

# **EXHIBIT 32**

FY 2002

ID#

5532B

BUDGET CODE

3614

## CONSULTANT CONTRACT AGREEMENT

THIS AGREEMENT, entered into this 1 day of Oct, 2001 by and between GLORIA LISE BOYD GIRLS with its principal place of business at 952 BAXCHESTER AVE. BX NY 10475 (hereinafter the "Contractor") and PROX EXPRESS CLUB, with its principal place of business at 1615 UNIONPORT RD. SUITE #4 BX NY (hereinafter the "Consultant").

### WITNESSETH:

**WHEREAS**, Pursuant to Contract I.D. # 2532B of DYCD, the Contractor entered into an Agreement (hereinafter the "Contract") with the Department of Youth and Community Development (hereinafter the "Department") to provide certain services to the citizens of New York City as more specifically described in the Contract; and

**WHEREAS**, DYCD has allocated funds to Contractor in the budget made part of the Contract for the contracting of a Consultant; and

**WHEREAS**, In accordance with the terms prescribed hereinbelow, the Contractor enters into an agreement (hereinafter the "Consultant Agreement") with the Consultant to perform certain services prescribed in the Contract between the Contractor and the Department and described in detail herein; and

**WHEREAS**, Contractor agrees to submit to DYCD, where applicable, the proper forms, as required by DYCD, for payment to Consultant from its DYCD funding for those services; and

**WHEREAS**, Consultant agrees and acknowledges that s/he is not an employee of DYCD or Contractor and shall have none of the rights accruing to such employees.

**NOW, THEREFORE**, In consideration of the terms and obligations set forth hereinbelow, the Contractor and Consultant hereby agree as follows:

**Article I - Term of Consultant Agreement**

The Term of the Consultant Agreement shall be from 11/21/01 to 4/30/02.

This contract shall become void and ineffectual should the contractor lose its DYCD funding or be required by DYCD to make budget reductions and can no longer pay for Consultant's services as specified herein.

**Article II - Scope of Services**

Consultant shall provide the services summarized below and more fully described in Article IV ("Description of Services to be Rendered") of this Consultant Agreement, ~~for which Contractor shall compensate Consultant at the rate of \$ 250 per hr,~~ for the period specified, above, in Article I. Consultant's total remuneration shall not exceed \$ 1500.

**Article III - Supervision**

The Contractor shall be responsible for the programmatic and fiscal monitoring of the Consultant's program throughout the term of the Consultant Agreement. The Department reserves the right to independently monitor the Consultant's programmatic and fiscal performance and to review the Contractor's monitoring capacity and performance of the Consultant's program.

**Article IV - Description of Services to be Rendered**

The Consultant agrees to provide the Contractor the following services:

TRACK PROGRAM

## Article V – Miscellaneous Provisions

1. Both parties recognize, and the Contractor shall ensure, that the work performed by the Consultant must be in accordance with the terms and conditions of the Contract between DYCD and the Contractor.
2. The Consultant specifically agrees to be bound by the confidentiality provisions set forth in the Contract between DYCD and the Contractor.
3. The parties agree that nothing herein shall create, establish, imply or impute a contractual relationship between the Department and the Consultant.
4. The Consultant represents and warrants that neither s/he nor a member of her/his immediate family is employed by the Contractor or is a person whose ~~employment or service under this Agreement would violate Chapter 68 of the~~ New York City Charter.
5. The parties agree that the terms of this Consultant Agreement shall not impair the rights of the Department.

## Article VI – Entire Agreement

1. This Consultant Agreement contains all the terms and conditions agreed upon by the parties hereto, and no other agreement, oral or otherwise, regarding the subject matter of this Consultant Agreement shall be deemed to exist or to bind any of the parties hereto, or to vary any of the terms contained herein.
2. Any waiver, alteration, modification, cancellation or replacement (hereinafter “change”) of this Agreement, or any of its provisions, must be agreed upon in writing by the Parties and approved in writing, in advance, by the Department. No such change shall be effective unless and until the Department approves it in writing.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, the parties undersigned have executed the Subcontract on the date and year set opposite their respective authorized signatures.

**Contractor**

**Consultant**

BY: JNA  
Signature of Authorized Agent

BY: Phyllis Francis  
Signature of Consultant

Jeff Anlenbach  
Name/Print

Phyllis FRANCIS  
Name/Print

Chief Operating Officer  
Title/Print

\_\_\_\_\_  
Social Security Number

10/1/01  
Date

10/1/07  
Date

Approved as to Form and Substance

\_\_\_\_\_  
Department of Youth and Community  
Development

\_\_\_\_\_  
Date

# **EXHIBIT 33**

FY 2002

ID# 2532B

BUDGET CODE 3614

CONSULTANT CONTRACT AGREEMENT

THIS AGREEMENT, entered into this 1 day of Oct, 2001 by and between FLORIAN ROSE BUSTOS with its principal place of business at 950 BAYCHESTER AVE NY 10475 (hereinafter the "Contractor") and Co-op City Tennis Club with its principal place of business at 140-206 45th Loop NY 10475 (hereinafter the "Consultant").

WITNESSETH:

WHEREAS, Pursuant to Contract I.D. # 2532B of DYCD/Gwabe, the Contractor entered into an Agreement (hereinafter the "Contract") with the Department of Youth and Community Development (hereinafter the "Department") to provide certain services to the citizens of New York City as more specifically described in the Contract; and

WHEREAS, DYCD has allocated funds to Contractor in the budget made part of the Contract for the contracting of a Consultant; and

WHEREAS, In accordance with the terms prescribed hereinbelow, the Contractor enters into an agreement (hereinafter the "Consultant Agreement") with the Consultant to perform certain services prescribed in the Contract between the Contractor and the Department and described in detail herein; and

WHEREAS, Contractor agrees to submit to DYCD, where applicable, the proper forms, as required by DYCD, for payment to Consultant from its DYCD funding for those services; and

WHEREAS, Consultant agrees and acknowledges that s/he is not an employee of DYCD or Contractor and shall have none of the rights accruing to such employees.

NOW, THEREFORE, In consideration of the terms and obligations set forth hereinbelow, the Contractor and Consultant hereby agree as follows:



**Article I - Term of Consultant Agreement**

The Term of the Consultant Agreement shall be from 11/1/01 to 4/30/04.

This contract shall become void and ineffectual should the contractor lose its DYCD funding or be required by DYCD to make budget reductions and can no longer pay for Consultant's services as specified herein.

**Article II - Scope of Services**

Consultant shall provide the services summarized below and more fully described in Article IV ("Description of Services to be Rendered") of this Consultant Agreement, ~~for which Contractor shall compensate Consultant at the rate of \$ 416 per hr,~~ for the period specified, above, in Article I. Consultant's total remuneration shall not exceed \$ 2500.

**Article III - Supervision**

The Contractor shall be responsible for the programmatic and fiscal monitoring of the Consultant's program throughout the term of the Consultant Agreement. The Department reserves the right to independently monitor the Consultant's programmatic and fiscal performance and to review the Contractor's monitoring capacity and performance of the Consultant's program.

**Article IV - Description of Services to be Rendered**

The Consultant agrees to provide the Contractor the following services:

TENNIS PROGRAM

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## Article V – Miscellaneous Provisions

1. Both parties recognize, and the Contractor shall ensure, that the work performed by the Consultant must be in accordance with the terms and conditions of the Contract between DYCD and the Contractor.
2. The Consultant specifically agrees to be bound by the confidentiality provisions set forth in the Contract between DYCD and the Contractor.
3. The parties agree that nothing herein shall create, establish, imply or impute a contractual relationship between the Department and the Consultant.
4. The Consultant represents and warrants that neither s/he nor a member of her/his immediate family is employed by the Contractor or is a person whose ~~employment or service under this Agreement would violate Chapter 68 of the~~ New York City Charter.
5. The parties agree that the terms of this Consultant Agreement shall not impair the rights of the Department.

## Article VI – Entire Agreement

1. This Consultant Agreement contains all the terms and conditions agreed upon by the parties hereto, and no other agreement, oral or otherwise, regarding the subject matter of this Consultant Agreement shall be deemed to exist or to bind any of the parties hereto, or to vary any of the terms contained herein.
2. Any waiver, alteration, modification, cancellation or replacement (hereinafter “change”) of this Agreement, or any of its provisions, must be agreed upon in writing by the Parties and approved in writing, in advance, by the Department. No such change shall be effective unless and until the Department approves it in writing.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF, the parties undersigned have executed the Subcontract on the date and year set opposite their respective authorized signatures.

**Contractor**

**Consultant**

BY: JNM  
Signature of Authorized Agent

BY: Milton Alexander  
Signature of Consultant

Chief Operating Officer  
Name/Print

MILTON ALEXANDER  
Name/Print

JAA Aulbach  
Title/Print

\_\_\_\_\_  
Social Security Number

10/01/01  
Date

10/01/01  
Date

Approved as to Form and Substance

\_\_\_\_\_  
Department of Youth and Community  
Development

\_\_\_\_\_  
Date

# **EXHIBIT 34**



19-Sep-05

7914-06SEP05

THIS ITEM IS PART OF A LEGAL STATEMENT RECONSTRUCTION  
GROUP ID G7914-06SEP05

Sequence number 0072030792 Posting date 20-MAY-02

CO-OP CITY TENNIS CLUB PROGRAM 150100104 02 051702 1009  
 BY GLORIA WISE BOYS & GIRLS CLUB  
 950 BAYCHESTER AVE  
 BRONX, NY 10473

PAY TO THE ORDER OF Lorraine Coxa DATE 5/15/02 \$ 13,000  
thirteen thousand TWO DOLLARS

CHASE The Chase Manhattan Bank  
 150 East 175th Street  
 New York, NY 10025

FOR: [Redacted] [Signature]

\*000100\* [Redacted] \*000001000\*

021000069 5612 50210-00064  
 800906 CITIBANK, NY  
 0269 150100104 051702 2012422527

PAID 1 0000  
 05/15/02 01 51  
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*[Handwritten signature]*

AcctNum: [Redacted] Amount: 000000001300000  
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 BankNum: 0802AppCode: 1013 Field4: 0000 ImageStat: 05  
 UDK: 0802020520007200030792 BOFD: CapSRC: N  
 TranCode: 0000 RouteTran: 02100002 DocType: B  
 EntryNum: ItemType:

# **EXHIBIT 35**

FY '2004

ID #

7345

BUDGET CODE

3614

CONSULTANT CONTRACT AGREEMENT

THIS AGREEMENT, entered into this 11th day of December

16 2003 by and between Gloria Wise Boys & Girls Club  
Name of the CBO

With principle offices at 950 Baychester Ave in

The Borough of Bronx Community Board/Neighborhood

Development Area hereinafter known as Contractor and

Vincent Millays, Inc. Hereafter known as residing at  
Name of Consultant

3131 E. Tremont Ave. Bronx, NY 10461

WITNESSETH

WHEREAS Contractor is itself under contract with the Department of Youth and Development of the City of New York (DYCD) to provide certain specified services to the citizens of Community Board/Neighborhood Development Area in the Borough of Bronx and;

WHEREAS DYCD has allocated funds to contractor in the budget made a part of its Contract with DYCD for the contracting of a consultant; and

WHEREAS Contractor agrees to submit to DYCD, where applicable, the proper Forms, as required by DYCD, for payment to Consultant from its DYCD funding for those services, and,

WHEREAS Consultant agrees and acknowledges that s/he is not an employee of DYCD or contractor and shall have none of the rights accruing to such employees;



NOW, THEREFORE, the parties named herein agree to be bound as follows:

Article I Term of Contract

The terms of the contract shall be from 1/1/2004 to 6/30/2004

This contract shall become void and ineffectual should the contractor lose its DYCD funding or be required by DYCD to make budget reductions and can no longer pay for consultant's services as specified herein.

Article II Scope of Services

Consultant agrees to provide the services detailed in Article IV, for which contractor agrees that the Consultant be compensated at the rate of \$50 per hour, for the period specified in Article I. Consultant's total remuneration shall not exceed \$10,000.

Article III Supervision

Supervision of Consultant's work shall be the sole responsibility of the Contractor and shall not involve DYCD in any manner.

Article IV Description of Services to be Rendered

The consultant agrees to provide the Contractor the following services:

~~Workshops including but not limited to Retail Management along with, fashion and design. Retail Management workshops will include purchasing and selling of inventory. Fashion and design workshops will include contemporary fashions.~~

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

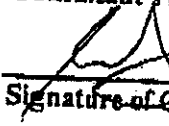
Article I through IV constitutes the entire agreement between Consultant and Contractor.

IN WITNESS WHEREOF, the parties here have executed this Agreement the day and year referred to herein.

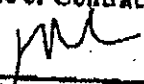
Vincent Millay's, Inc.  
Name of Consultant - Print

16-1664409

Consultant's Social Security Number

  
Signature of Consultant

Gloria Wise Boys & Girls Club  
Name of Contractor

  
Signature of Contractor's Director or Chalrperson

# **EXHIBIT 36**

GLORIA WISE BOYS AND GIRLS CLUB, INC.  
950 BAYCHESTER AVE., BRONX, NY 10475

SCHEDULE OF PAYMENTS TO VINCENT MILLAYS, INC.

Check #	Check Date	Payee	Amount of check
103258	12/01/03	Vincent Millays, Inc.	\$2,833.00
		<b>Subtotal 2003</b>	<b>\$2,833.00</b>
103677	01/27/04	Vincent Millays, Inc.	\$1,833.00
103696	01/27/04	Vincent Millays, Inc.	\$1,833.00
103990	03/02/04	Vincent Millays, Inc.	\$1,833.00
104272	04/02/04	Vincent Millays, Inc.	\$1,833.00
104513	05/03/04	Vincent Millays, Inc.	\$1,825.00
105081	06/25/04	Vincent Millays, Inc.	\$1,830.00
		<b>Subtotal 2004</b>	<b>\$10,987.00</b>
		<b>TOTAL</b>	<b>\$13,820.00</b>

GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK  
CITIBANK, N.A.  
PELHAM MANOR, NY 10803  
1-8210

EUJ208  
CHECK DATE: 12/1/2003  
CHECK NO. 103258

PAY

\*\*Two thousand eight hundred thirty three and 00/100 Dollars\*\*

560137487 102 4298 21 120203

CHECK AMOUNT

\$\*\*2,833.00

TO  
THE  
ORDER  
OF

Vincent Millays, inc.  
3131 E. Tremont Ave.  
Bronx, NY 10461

*Jeanette C. Hansen*

*[Signature]*

SECURITY  
MARKING  
11 C 03

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Security Features:  
Microprinted Ink  
Watermark  
All Official Statements  
Color and Microprinting  
Heat Sensitive Ink  
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The word "CITIBANK" is printed in the background of the front and back of the check.

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FOR DEPOSIT ONLY

Vincent Millays, Inc.  
3131 E. Tremnont Ave  
Bronx, NY 10461

Invoice No. 000028  
Date 11/30/2003

## INVOICE

**Customer**   
Name Gloria Wise Boys & Girls Club  
Address 950 Baychester Ave  
City Bronx State NY ZIP 10475

Description	TOTAL
November 30, 2003	
Novembe services	
Retail Management Workshop for Youth	\$ 1,000.00
December Services	
Retail Management Workshop for Youth	\$ 1,000.00
Fashion and Design Workshop for Youth	\$ 833.00
sub total	\$ 2,833.00
Tsx rate	Exempt
<b>TOTAL</b>	<b>\$ 2,833.00</b>



***It's Not Just Fashion***

Thank You

PAID 12/1/03  
CK 103258

GLORIA WISE BOYS & GIRLS CLUB  
880 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK  
CITIBANK, N.A.  
PELHAM MANOR, NY 10803  
1-8210

CHECK DATE: 1/27/2004  
CHECK NO. 103677

520031358 106 6819 21 012704 CHECK AMOUNT

PAY

\*\*One thousand eight hundred thirty three and 00/100 Dollars\*\*

\$\*\*1,833.00

TO  
THE  
ORDER  
OF

Vincent Millays, inc.  
3131 E. Tremont Ave.  
Bronx, NY 10461

*James L. Brown*  
*[Signature]*  
AUTHORIZED SIGNATURE

SECURITY  
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SECURE

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Colorful Security  
Heat Sensitive Ink

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HSBC BANK USA  
BROOKLYN, NY 01/27/04  
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Vincent Millays, Inc.  
 3131 E. Tremont Ave  
 Bronx, NY 10461

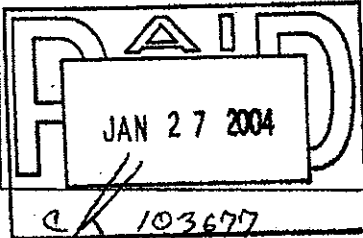
Invoice No. 000029  
 Date 1/27/2004

## INVOICE

**Customer**

Name	Gloria Wise Boys & Girls Club		
Address	950 Baychester Ave		
City	Bronx	State	NY ZIP 10475

Description	TOTAL
January 2004	
January 2004 services	
Retail Management Workshop for Youth	\$ 1,000.00
Fashion and Design Workshop for Youth	\$ 833.00
sub total	\$ 1,833.00
Tax rate	Exempt
<b>TOTAL</b>	<b>\$ 1,833.00</b>



C7345

1-27-04  
 09.530p-2502



**It's Not Just Fashion**

Thank You



GLORIA WISE BOYS & GIRLS CLUB  
868 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK CITIBANK, N. A.  
FELHAM MANOR, NY 10803  
1-8270

103696

CHECK DATE CHECK NO.

1/27/2004

103696

520031359 106 6819 21 012704

CHECK AMOUNT

PAY

\*\*One thousand eight hundred thirty three and 00/100 Dollars\*\*

\$\$\$1,833.00

TO  
THE  
ORDER  
OF

Vincent Millays, Inc.  
3131 E. Tremont Ave.  
Bronx, NY 10461

*Jonathan C. L...*  
*A. Rosen*

AUTHORIZED SIGNATURE

SECURITY  
MARKING  
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GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVENUE  
BRONX, NY 10475

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CITIBANK, N.A.  
PELHAM MANOR, NY 10803  
1-8210

103990  
CHECK DATE 3/2/2004  
CHECK NO. 103990

540052182 106 6832 21 030504 CHECK AMOUNT

PAY \*\*One thousand eight hundred thirty three and 00/100 Dollars\*\*

\*\*\*1,833.00

TO  
THE  
ORDER  
OF

Vincent Millays, Inc.  
3131 E. Tremont Ave.  
Bronx, NY 10461

*Jeanette C. Thomas*  
AUTHORIZED SIGNATURE

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Microprint Features  
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Colorful Window  
Heat Sensitive Ink



GLORIA WISE BOYS & GIRLS CLUB  
950 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK  
CITIBANK, N.A.  
PELHAM MANOR, NY 10803  
1-8210

104272  
CHECK DATE 4/2/2004  
CHECK NO. 104272

540039308 106 6823 21 050504 CHECK AMOUNT

PAY  
\*\*One thousand eight hundred thirty three and 00/100 Dollars\*\*

\$\$\$1,833.00

TO THE ORDER OF  
Vincent Millays, Inc.  
3131 E. Tremont Ave.  
Bronx, NY 10461

*Janette C. Thomas*  
AUTHORIZED SIGNATURE

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Vincent Millays, Inc.  
3131 E. Tremont Ave  
Bronx, NY 10461

Invoice No. 000072  
Date 4/2/2004

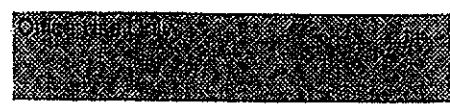
## INVOICE

**Customer**

Name Gloria Wise Boys & Girls Club  
Address 950 Baychester Ave  
City Bronx State NY ZIP 10475

Description	TOTAL
April 2004	
April 2004 services	
Retail Management Workshop for Youth	\$ 1,000.00
Fashion and Design Workshop for Youth	\$ 833.00
sub total	\$ 1,833.00
Tax rate	Exempt
<b>TOTAL</b>	<b>\$ 1,833.00</b>

4-2-04  
07-53010-752



***It's Not Just Fashion***

Thank You

GLORIA WISE BOYS & GIRLS CLUB  
986 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK CITIBANK, N.A.  
PELHAM MANOR, NY 10803  
1-8/210

CHECK DATE 5/3/2004  
CHECK NO. 104513

540039307 106 6823 21 050504 CHECK AMOUNT

PAY \*\*One thousand eight hundred twenty five and 00/100 Dollars\*\*

\$\*\*1,825.00

TO THE ORDER OF Vincent Millays, Inc.  
3131 E. Tremont Ave.  
Bronx, NY 10461

*Janette C. Thompson*  
*M. J. [Signature]*  
AUTHORIZED SIGNATURE

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PAY ANY BANK

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for Deposit only  
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GLORIA WISE BOYS & GIRLS CLUB  
850 BAYCHESTER AVENUE  
BRONX, NY 10475

CITIBANK CITIBANK, N.A.  
PELHAM MANOR, NY 10803  
1-8/210

105081  
CHECK DATE 6/25/2004  
CHECK NO. 105081

PAY TO THE ORDER OF Vincent Millays, inc.  
3131 E. Tremont Ave.  
Bronx, NY 10461  
520065866 106 6829 21 063004  
CHECK AMOUNT \$\*\*1,830.00  
\*\*One thousand eight hundred thirty and 00/100 Dollars\*\*

*Gloria C. Llanos*  
AUTHORIZED SIGNATURE

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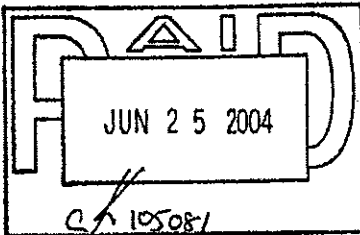
Vincent Millays, Inc.  
 3131 E. Tremont Ave  
 Bronx, NY 10461

Invoice No. 000096  
 Date 6/24/2004

## INVOICE

**Customer**  
 Name Gloria Wise Boys & Girls Club  
 Address 950 Baychester Ave  
 City Bronx State NY ZIP 10475

Description	TOTAL
June 2004	
June 2004 services	
Retail Management Workshop for Youth	\$ 1,000.00
Fashion and Design Workshop for Youth	\$ 830.00
<i>6.24.04</i> <i>02-53010 - 250 \$ 843 Project 7345</i> <i>02-53010 - 250 \$ 987 Hud 9117</i>	
sub total	\$ 1,830.00
Tax rate	Exempt
<b>TOTAL</b>	<b>\$ 1,830.00</b>



**It's Not Just Fashion**

Thank You

# **EXHIBIT 37**

GLORIA WISE BOYS AND GIRLS CLUB, INC.  
950 BAYCHESTER AVENUE, BRONX, NY 10475

SUMMARY OF COMPENSATION PAID TO EXECUTIVE EMPLOYEES

A	B	C	D	E	F	G	H	I
Employee Last Name	Employee First Name	Year	Total of Base Salaries and Bonuses Reported on W-2 Except for 2004	Sports Accounts Bonuses Unreported on W-2	Personal Reimbursements Unreported on W-2	Car Payments Unreported on W-2	Total Compensation	Mullen's Adjustment, 2004
Rosen	Charles	2000	\$109,477.01 -				\$109,477.01 -	
		2001	\$156,440.86 -		\$6,178.92 -		\$162,619.78 -	
		2002	\$178,274.86 -	\$33,850.00	\$15,187.40	\$2,000.00	\$229,312.26 -	
		2003	\$225,385.50 -			\$4,800.00	\$230,195.50 -	
		2004	\$249,610.96 -			\$4,800.00	\$254,410.96 -	\$51,971.00 *
		2005	\$142,452.50 -			\$2,400.00	\$144,852.50 -	
		<b>Subtotal</b>	<b>\$1,061,651.69</b>	<b>\$33,850.00</b>	<b>\$21,366.32</b>	<b>\$14,000.00</b>	<b>\$1,130,868.01</b>	<b>\$51,971.00</b>
Aulenbach	Jeffrey	2000	\$78,766.35 -			\$1,002.27	\$79,768.62 -	
		2001	\$78,288.50 -		\$25,930.44	\$5,850.30	\$110,069.24 -	
		2002	\$117,206.48 -	\$24,900.00	\$5,353.57	\$7,605.39	\$155,065.44 -	
		2003	\$160,716.74 -		\$5,327.08	\$7,020.36	\$173,064.18 -	
		2004	\$185,217.86 -		\$871.18	\$3,510.18	\$189,599.22 -	\$55,243.58 *
		2005	\$104,832.33 -				\$104,832.33 -	
		<b>Subtotal</b>	<b>\$725,028.26</b>	<b>\$24,900.00</b>	<b>\$37,482.27</b>	<b>\$24,988.50</b>	<b>\$812,399.03</b>	<b>\$55,243.58</b>
Corva	Lorraine	2000	\$72,000.08 -				\$72,000.08 -	
		2001	\$83,419.96 -			\$11,209.97	\$94,629.93 -	
		2002	\$139,659.87 -	\$14,000.00 -		\$7,253.51	\$160,913.38 -	
		2003	\$165,495.57 -			\$11,692.17	\$177,187.74 -	
		2004	\$189,783.40 -	\$9,570.00 -		\$7,076.30	\$206,429.70 -	\$11,900.00 *
		2005	\$126,924.57 -				\$126,924.57 -	
		<b>Subtotal</b>	<b>\$777,283.45</b>	<b>\$23,570.00</b>	<b>\$0.00</b>	<b>\$37,231.95</b>	<b>\$838,085.40</b>	<b>\$11,900.00</b>
Terrero	Sinohe	2000	\$16,876.90 -				\$16,876.90 -	
		2001	\$52,553.84 -				\$52,553.84 -	
		2002	\$56,821.15 -	\$6,400.00 -			\$63,221.15 -	
		2003	\$66,534.22 -				\$66,534.22 -	
		2004	\$13,448.14 -		\$7,006.94 -		\$20,455.08 -	\$13,406.94 *
		<b>Subtotal</b>	<b>\$206,234.25</b>	<b>\$6,400.00</b>	<b>\$7,006.94</b>	<b>\$0.00</b>	<b>\$219,641.19</b>	<b>\$13,406.94</b>
Ozorla	Ibis	2001	\$9,346.16 -				\$9,346.16 -	
		2002	\$49,738.42 -				\$49,738.42 -	
		2003	\$52,312.80 -		\$2,833.00 -		\$55,145.80 -	
		2004	\$70,077.84 -		\$10,987.00 -		\$81,064.84 -	
		2005	\$66,618.79 -				\$66,618.79 -	
		<b>Subtotal</b>	<b>\$248,094.01</b>	<b>\$0.00</b>	<b>\$13,820.00</b>	<b>\$0.00</b>	<b>\$261,914.01</b>	<b>\$0.00</b>
		<b>Grand total</b>	<b>\$3,018,291.66</b>	<b>\$88,720.00</b>	<b>\$79,675.53</b>	<b>\$76,220.45</b>	<b>\$3,262,907.64</b>	<b>\$132,521.52</b>
<b>Subtotal for Sports Accounts Bonus, Personal Reimbursements, &amp; Car Payments</b>						<b>\$244,615.98</b>		
* As a result of Mullen's adjustments, the 2004 W-2's reflect gross wages as follows:						Rosen	\$301,581.96	(columns D+I)
						Aulenbach	\$240,461.44	(columns D+I)
						Corva	\$201,683.40	(columns D+I)
						Terrero	\$26,855.08	(columns D+I)

# **EXHIBIT 38**

CONSULTANT CONTRACT AGREEMENT

THIS AGREEMENT, entered into this 1 day of MAY

19 2003 by and between Gloria Wise Boys & Girls Club  
Name of the CBO

With principle offices at 950 Baychester Avenue in

The Borough of Bronx Community Board/Neighborhood

Development Area 10 hereinafter known as Contractor and

Constructive Strategies Hereafter known as residing at  
Name of Consultant

334 Furman Street, Brooklyn, NY 11201

WITNESSETH

**WHEREAS** Contractor is itself under contract with the Department of Youth and Development of the City of New York (DYCD) to provide certain specified services to the citizens of Community Board/Neighborhood Development Area 12 in the Borough of Bronx and;

**WHEREAS** DYCD has allocated funds to contractor in the budget made a part of its Contract with DYCD for the contracting of a consultant; and

**WHEREAS** Contractor agrees to submit to DYCD, where applicable, the proper Forms, as required by DYCD, for payment to Consultant from its DYCD funding for those services, and,

**WHEREAS** Consultant agrees and acknowledges that s/he is not an employee of DYCD or contractor and shall have none of the rights accruing to such employees;

NOW, THEREFORE, the parties named herein agree to be bound as follows:

Article I Term of Contract

The terms of the contract shall be from 5/1/03 to 6/30/03

This contract shall become void and ineffectual should the contractor lose its DYCD funding or be required by DYCD to make budget reductions and can no longer pay for consultant's services as specified herein.

Article II Scope of Services

Consultant agrees to provide the services detailed in Article IV, for which contractor agrees that the Consultant be compensated at the rate of \$50 per hour, for the period specified in Article I. Consultant's total remuneration shall not exceed \$5,000.

Article III Supervision

Supervision of Consultant's work shall be the sole responsibility of the Contractor and shall not involve DYCD in any manner.

Article IV Description of Services to be Rendered

The consultant agrees to provide the Contractor the following services:

Job readiness training for youth.

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Article I through IV constitutes the entire agreement between Consultant and Contractor.

*IN WITNESS WHEREOF*, the parties here have executed this Agreement the day and year referred to herein.

Constructive Strategies

Name of Consultant - Print

11-3632990

Consultant's Social Security Number

Signature of Consultant

Gloria Wise Boys & Girls Club

Name of Contractor

Signature of Contractor's Director or Chairperson



CONSULTANT CONTRACT AGREEMENT

THIS AGREEMENT, entered into this 1 day of May

19 2003 by and between Gloria Wise Boys & Girls Club  
Name of the CBO

With principle offices at 950 Baychester Avenue in  
The Borough of Bronx Community Board/Neighborhood  
Development Area 10 hereinafter known as Contractor and

Constructive Strategies Hereafter known as residing at  
Name of Consultant

334 Furman Street, Brooklyn, NY 11201

WITNESSETH

**WHEREAS** Contractor is itself under contract with the Department of Youth and Development of the City of New York (DYCD) to provide certain specified services to the citizens of Community Board/Neighborhood Development Area 0/12 in the Borough of Bronx and;

**WHEREAS** DYCD has allocated funds to contractor in the budget made a part of its Contract with DYCD for the contracting of a consultant; and

**WHEREAS** Contractor agrees to submit to DYCD, where applicable, the proper Forms, as required by DYCD, for payment to Consultant from its DYCD funding for those services, and,

**WHEREAS** Consultant agrees and acknowledges that s/he is not an employee of DYCD or contractor and shall have none of the rights accruing to such employees;



Article I through IV constitutes the entire agreement between Consultant and Contractor.

*IN WITNESS WHEREOF*, the parties here have executed this Agreement the day and year referred to herein.

Constructive Strategies

Name of Consultant - Print

11-3682990

Consultant's Social Security Number

Signature of Consultant

Gloria Wise Boys & Girls Club

Name of Contractor

Signature of Contractor's Director or Chairperson

# **EXHIBIT 39**

**"ALTERED"**

**CONSTRUCTIVE STRATEGIES, INC.**  
334 Furman Street  
Brooklyn, NY 11201  
718-624-6030 fax 718-624-4076  
email: tamc@hotmail.com

---

Invoice Number: GW2  
Invoice Date: June 26, 2003  
Client: Gloria Wise Boys and Girls Club  
950 Baychester Avenue  
Bronx, New York

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YOUTH JOB READINESS TRAINING  
BILLING THROUGH FOR MAY AND JUNE, 2003

Total 100 hours @ \$50 per hour  
**TOTAL DUE THIS BILL**

**\$5,000**

02-53010-210 MS 113



**PAID**

CK. NO. 267  
DATE 6/26/03

**"ALTERED"**

**CONSTRUCTIVE STRATEGIES, INC.**  
334 Furman Street  
Brooklyn, NY 11201  
718-624-6030 fax 718-624-4076  
email: tamc@hotmail.com

---

Invoice Number: GW2  
Invoice Date: June 30, 2003  
Client: Gloria Wise Boys and Girls Club  
950 Baychester Avenue  
Bronx, New York

---

INTERIOR DESIGN YOUTH WORKSHOP  
BILLING FOR THE PERIOD OF MAY 01, 03 THROUGH JUNE 30, 2003

Total 100 hours @ \$50 per hour  
**TOTAL DUE THIS BILL**

**\$5,000**

**PAID**  
CK. NO. 106864  
DATE 6/30/03

02-53010-250 C7345

ENTERED  
G 4/21/03

# **EXHIBIT 40**

**"ALTERED"**

**CONSTRUCTIVE STRATEGIES, INC.**  
334 Furman Street  
Brooklyn, NY 11201  
718-624-6030 fax 718-624-4076  
email: tamc@hotmail.com

---

Invoice Number: GW4  
Invoice Date: January 15, 2004  
Client: Gloria Wise Boys and Girls Club  
950 Baychester Avenue  
Bronx, New York

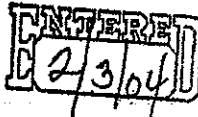
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YOUTH JOB READINESS TRAINING  
BILLING THROUGH FOR OCTOBER THROUGH DECEMBER, 2003

Total 90 hours @ \$50 per hour

**TOTAL DUE THIS BILL**

**\$4,500**



02-53010-250 H209117

*ok  
YWA*

**PAID**

CK. NO. 103772  
DATE 2/15/04



# **EXHIBIT 41**

**"ORIGINAL"**

**CONSTRUCTIVE STRATEGIES, INC.**  
334 Furman Street  
Brooklyn, NY 11201  
718-624-6030 fax 718-624-4076  
email: tamc@hotmail.com

---

Invoice Number: GW2  
Invoice Date: June 26, 2003  
Client: Gloria Wise Boys and Girls Club  
950 Baychester Avenue  
Bronx, New York

---

**BILLING THROUGH FOR MAY AND JUNE, 2003**

Total 100 hours @ \$50 per hour  
**TOTAL DUE THIS BILL**

**\$5,000**

**"ORIGINAL"**

**CONSTRUCTIVE STRATEGIES, INC.**  
334 Furman Street  
Brooklyn, NY 11201  
718-624-6030 fax 718-624-4076  
email: tamc@hotmail.com

---

Invoice Number: GW4  
Invoice Date: January 15, 2004  
Client: Gloria Wise Boys and Girls Club  
950 Baychester Avenue  
Bronx, New York

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**BILLING THROUGH FOR OCTOBER THROUGH DECEMBER, 2003**

Meetings and site visits at Gloria Wise and at Ferzan, Robbins. Meetings at the Economic Development Corporation. Review RFPs, budgets other materials prepared with Ferzan. Numerous calls with Ferzan (Robbins, Katz, Smith), EDC (J. Barr, Y. Pattie, D. Rice), Gloria Wise staff, P. Gangsel, W. Ruggiero, Park Spencer, NYC Council central staff, Seabrook's office, etc.

Total 30 hours @ \$150 per hour

**TOTAL DUE THIS BILL**

**\$4,500**

# **EXHIBIT 42**

Gloria Wise Boys and Girls Club, Inc.  
 950 Baychester Avenue  
 Bronx, NY 10475

SCHEDULE OF CLAIMS SUBMITTED TO DYCD FOR SERVICES PURPORTEDLY PROVIDED BY NAKISHBENDI CORP.

DYCD ID	Budget Code	Check #	Check Date	Period covered from	Period covered to	Payee	Service	Hours	Amount chargeable to DYCD
9628A	3180	94497	05/31/01	05/01/01	05/31/01	Nakishbendi Corp.	Job Development	Flat Rate	\$5,000.00
8662	3180	94498	05/31/01	04/01/01	05/31/01	Nakishbendi Corp.	Job Development	N/A	\$5,350.00
12036	3125	94666	05/31/01	01/30/01	05/31/01	Nakishbendi Corp.	Kitchen Planner	5 mo @1098	\$5,490.00
12036	3125	94790	06/29/01	06/01/01	06/29/01	Nakishbendi Corp.	Kitchen Planner	1 mos@1098	\$1,098.00
8662	3180	97642	06/28/02	06/01/02	06/28/02	Nakishbendi Corp.	Diversity Workshop	N/A	\$3,200.00
<b>Nakishbendi Corp. Total</b>									<b>\$20,138.00</b>