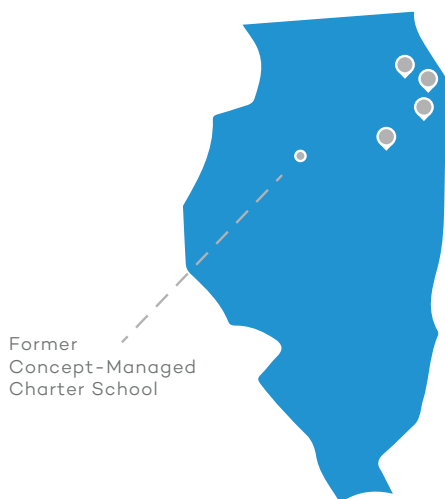


Illinois



QUICK FACTS ON GÜLEN CHARTER SCHOOLS

Illinois



Former
Concept-Managed
Charter School

KEY PEOPLE:



Taner
Ertekin



Sedat
Duman



Salim
Ucan



Engin Karatas,
a.k.a.
Engin Blackstone

NUMBER OF SCHOOLS:

4

KNOWN AS:

HORIZON SCIENCE ACADEMY
MATH AND SCIENCE ACADEMY

TOTAL ENROLLMENT:

2,196

CHARTER VENDOR:

CONCEPT SCHOOLS, INC.

TOTAL REVENUES:

\$22,827,232

RELATED
INSTITUTIONS:

MATH AND SCIENCE



GATEWAY



HORIZON, NOBLE



H-1B VISA PROGRAM OVERUSE

During the period of **2001-2016**:

200-253 H-1 B

applications
were filed by
Concept IL.

176-197 H-1 B

applications
were filed by
Concept itself.

REAL ESTATE AND BONDS

CMSA sold its property To **NPL** at a loss and was bound to inclusion in a \$33 million educational facility revenue bond.

\$\$\$

Of the **\$33 million** borrowed by NPL, approximately **\$12.8 million** was allocated to CMSA.

A NOTABLE TURKISH VENDOR - CONCEPT SCHOOLS INC.

Concept is the contracted **nonprofit management** services vendor for **30 charter schools** across **7 states**.



OHIO



ILLINOIS



MISSOURI



INDIANA



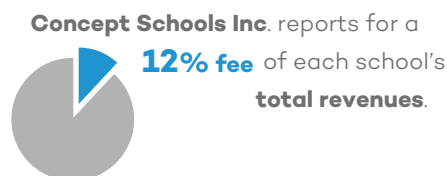
MICHIGAN



WISCONSIN



MINNESOTA



All figures based on available data for 2015-2016 academic year.

Quick Facts

- ▶ Region: Midwestern (MI); Gateway (MO); Math and Science (WI).
- ▶ School Names (known as):
 - ▷ Horizon Science Academy
 - ▷ Math and Science Academy
- ▶ Total Revenues for the 2015-16 school year: Approximately \$22,827,232²
- ▶ Total # of Schools in State: 4
- ▶ Network Founders:
 - ▷ Taner Ertekin: Established Gülenist schools in Thailand and Japan;³ Co-founder of first Horizon Science Academies; founder of Concept Schools;⁴ used HSA Cleveland funds to pay immigration expenses for his wife;⁵ founder and president of Breeze, Inc., Concept's preferred Gülenist landlord entity;⁶ founder of Chicago Math and Science Academy.⁷
 - ▷ Sedat Duman: Founder of Horizon Science Academies;⁸ Co-Founder of Concept Schools, Inc.;⁹ CEO of Concept Schools, Inc.;¹⁰ Currently being investigated by the FBI for his role in purportedly certifying fraudulent forms to procure E-Rate funding.¹¹
 - ▷ Salim Ucan: Founding Principal Chicago Math and Science;¹² Co-Founder of Concept Schools, Inc.;¹³ Founding board member for Breeze Inc., for-profit Gülenists
- ▶ Total Student Enrollment 2015-16: 2196¹
- ▶ Charter Holder/Governing Board(s):
 - ▷ Chicago Math and Science Academy, Inc.
 - Non-profit organization with 501(c)(3) status, oversees Chicago Math and Science Academy.
 - ▷ Concept Schools NFP
 - Oversees HSA McKinley Park, HSA Belmont, HSA Southwest
- ▶ Charter Management Services Vendor: Concept Schools, Inc.
- ▶ Regional Gülen Organization Oversight Entity: Concept Schools, Inc.
- ▶ Regional Sister Networks: Horizon (OH); Noble (OH); Math and Science (IN); Math and Science (MN); Math and Science

¹ Student enrollment and demographic information available at: <http://tinyurl.com/lhvvo8r> (last checked 4/19/2017).

² Figure includes revenues from 2015-16 revenues for CMSA, available at: <http://tinyurl.com/kx7zjm9> (last checked 4/23/2017); 2014-15 revenues for HSA Belmont, HSA McKinley Park, and HSA Southwest, available from a FOIA request at: <http://tinyurl.com/lbtsbt> (last checked 4/23/2017).

³ Bond statement at A-23 describing Ertekin's involvement, available at: <http://tinyurl.com/keaa5f5> (last checked 4/19/2017).

⁴ Id.

⁵ See, e.g., HSA Cleveland 2002 audit, pg 24, where a finding was made against the school for paying the immigration expenses of the spouses of Sedat Duman and Taner Ertekin, Concept's founders, available at: <http://tinyurl.com/zlpzg45> (last checked 9/8/2016).

⁶ 2007 Breeze Inc. 990 form, available at: <http://tinyurl.com/zj9xbzx> (last checked 9/8/2016).

⁷ CMSA 990 tax documents listing Ertekin, available at: <http://tinyurl.com/hdu6gbe> (last checked 4/20/2017).

⁸ See Concept Schools, Our Story narrative, available at: <http://tinyurl.com/z6s23yh> (last checked 9/6/2016).

⁹ See Concept Schools, Our Story narrative, available at: <http://tinyurl.com/z6s23yh> (last checked 9/6/2016).

¹⁰ CEO's welcome, available at: <http://tinyurl.com/k2ybgnm> (last checked 4/20/2017).

¹¹ Search warrant, pg 22, available at: <http://tinyurl.com/jt9j4ed> (last checked 4/20/2017).

¹² LinkedIn profile, available at: <http://tinyurl.com/lt6se6n> (last checked 4/19/2017).

¹³ See Concept Schools, Our Story narrative, available at: <http://tinyurl.com/z6s23yh> (last checked 9/6/2016).

landlord for Concept Schools;¹⁴ Vice President of Concept Schools, Inc.;¹⁵ currently Professional Development coach for Concept.¹⁶

- ▷ Engin Karatas, a.k.a. Engin Blackstone: Co-founded Chicago Math and Science Academy; Assistant Principal HSA Denison

Middle; Principal HSA Toledo; Principal Quest Charter Academy; Assistant Principal Wisconsin Career Academy;¹⁷ visited Fethullah Gülen at the Golden Generation Retreat Center with Concept whistleblower Mustafa Emanet;¹⁸ Superintendent Gateway Science Academy (MO).¹⁹

Overview

As of the 2016-2017 school year, Illinois has 4 Gülen Organization charter schools in operation. CMSA is overseen by its own incorporated governing board, but the Concept Schools governing board directly controls and oversees HSA McKinley Park, HSA Belmont, and HSA Southwest. All 4 schools contract with Concept

Schools, Inc., the charter management organization responsible for the Midwestern region of the Gülen Organization charter network. Concept allegedly provides additional educational management services for the charter schools for a percentage fee of total school revenues.

School	Operation	Student Demographic Information*	Authorizer	Governing Board
Chicago Math and Science Academy 7212 N. Clark St. Chicago, IL 60626	Grades 6-12 2004-Present	10% SWD 13% ELL 92.5% FRL 97.5% Minority 2.5% Caucasian	Chicago Public Schools	Chicago Science and Math Academy Inc.
HSA Belmont 5035 W. North Ave. Chicago, IL 60639	Grades K-7 (eventually K-12) 2013-Present	10.6% SWD 13.3% ELL 94.7% FRL 98.5% Minority 1.5% Caucasian	Illinois State Charter School Commission	Concept Schools NFP
HSA McKinley Park 2245 W. Pershing Rd. Chicago, IL 60609	Grades K-11 (eventually K-12) 2013-Present	9% SWD 25% ELL 83% FRL 95% Minority 5% Caucasian	Illinois State Charter School Commission	Concept Schools NFP
HSA Southwest 5401 S. Western Avenue Chicago, IL 60609	Grades K-10 (eventually K-12) 2014-Present	14% SWD 24% ELL 95% FRL 99% Minority 1% Caucasian	Illinois State Charter School Commission	Concept Schools NFP

¹⁴ Breeze Articles of Incorporation, available at: <http://tinyurl.com/mlc5jc4> (last checked 4/20/2017).

¹⁵ LinkedIn profile, available at: <http://tinyurl.com/lt6se6n> (last checked 4/19/2017).

¹⁶ LinkedIn profile, available at: <http://tinyurl.com/lt6se6n> (last checked 4/19/2017).

¹⁷ Interview with Engin Blackstone, available at: <http://tinyurl.com/mw9bey6> (last checked 4/23/2017).

¹⁸ 2015 Letter from Mary Addi and Mustafa Emanet to OH legislature, available at: <http://tinyurl.com/mezzupx> (last checked 4/20/2017).

¹⁹ LinkedIn profile, available at: <http://tinyurl.com/lylm33o> (last checked 4/25/2017).

School	Operation	Student Demographic Information*	Authorizer	Governing Board
Former Concept-Managed Charter Schools				
Quest Charter Academy 2503 N University St, Peoria, IL 61604	Grades 5-12 2010-Present	14.3% ELL 62% FRL 7.5% SWD 86% Minority 14% Caucasian	Peoria Public School District 150	Peoria Charter School Initiative Co

*Student demographic information was taken from the 2015-2016 school year. "SWD" indicates students with disabilities. "ELL" indicates English language learners. "FRL" indicates students receiving free/reduced lunch.²⁰

A History of Strategic Ambiguity and Conflicting Interests

After Gülen relocated to the United States in 1999, his followers promptly formed non-profit educational foundations and filed applications for the first of the Gülen Organization's charter schools throughout the country. Some of the earliest charter school efforts by the Gülen Organization took place in the Midwestern region orchestrated by a tight-knit group of Turkish businessmen, led predominantly by Taner Ertekin and Vedat Akgun. After forming the first of the Horizon Science Academies in Ohio, these Gülenists formed Concept Schools to serve as an external charter management organization that would oversee the charter schools they opened throughout the Midwestern region.²¹ Then, in 2003, Ertekin and Akgun followed up by forming Breeze Inc., a for-profit corporation to serve as the Concept schools' landlord.²² In 2004, the first of the Concept IL schools was opened—Chicago Math and Science Academy ("CMSA"). Within four years, Ertekin, Akgun, and their Gülenist colleagues created a vertically integrated chain of businesses and vendors, all feeding upon a captive customer base of their

own charter schools in Ohio and Illinois.

After CMSA, Concept did not attempt to open another of its own schools until 2013. Before that, however, Concept was hired by Quest Charter Academy to provide charter management services in 2010. Quest was unique within the Gülen Organization as it was the only school under Gülenist control that was not directly created by Gülenists, nor operated by a Gülenist governing board. In 2009, community efforts within Peoria to open a STEM charter school began.²³ An application was submitted for approval and granted in January of 2010. The governing board then hired Concept Schools as its management partner shortly thereafter. As a result, the Quest governing board was not controlled by Gülenists, although the school's administration was Gülenist since Concept controlled hiring the members of the administration. In 2015, the Quest governing board and Concept "mutually agreed to end their contract."²⁴ The authorizer then renewed Quest's charter and it has been operating independently since.²⁵

²⁰ Student enrollment and demographic information available at: <http://tinyurl.com/k52paej> (last checked 4/19/2017).

²¹ Concept Schools NFP corporate information, available at: <http://tinyurl.com/zallyt7> (last checked 4/20/2017).

²² Corporate information available at: <http://tinyurl.com/kn9xuzr> (last checked 4/20/2017).

²³ Quest history, available at: <http://tinyurl.com/m4awbgx> (last checked 4/23/2017).

²⁴ Id.

²⁵ Adams, Pam. Quest Charter Academy Approves Five-Year Plan, Peoria Journal Star, February 27, 2015. Available at: <http://tinyurl.com/kqzxcc7> (last checked 4/23/2017).

In 2013, Concept applied to Chicago Public Schools to open HSA Belmont and HSA McKinley Park. Chicago Public Schools denied both applications, however, stating that CMSA's poor academic performance did not warrant Concept's expansion. Concept then appealed CPS's denials to the Illinois State Charter School Commission, which approved both charter schools to open under its management that same year. The following year, the Commission approved a fourth Concept-managed school, HSA Belmont, to open as well.

Concept's most serious controversy to date is the ongoing FBI investigation concerning the purported collusion of Concept employees and their vendors to defraud the federal E-Rate grant program of millions of dollars.²⁶ According to the released FBI's search warrant application, Concept executives violated the competitive bidding rules of the E-Rate program by selecting a vendor complicit with Concept's plans to defraud E-Rate outside of the normal procurement process. Then, according to the search warrant application, Concept's Chief Information Officer directed that vendor to divert hefty "subcontracts" to affiliated Turkish individuals and companies in exchange for a cut of the proceeds. The actual work purportedly was performed by Concept employees themselves, not by the complicit vendor who was approved by E-Rate to provide the work, or the so-named

companies and Turkish vendors for the subcontracts.²⁷ In 2014, FBI agents raided numerous locations throughout Illinois and Ohio, including CMSA, Concept's regional offices, and the offices of several Gülenist vendors. According to several sources, former Concept executive and Ohio Founder Ozgur Balsoy was one of the fraudulently enriched Turkish vendors who was raided.²⁸ While Balsoy and his business remains under suspicion in the FBI investigation, Concept continues to give him and the other Turkish-owned vendors named in the search warrant application substantial business.²⁹ The investigation is ongoing.

Mustafa Emanet, a former H-1B employee and Gülenist, provided interviews to the FBI regarding his work as a network administrator and teacher at HSA Toledo. He corroborated that Concept purposefully used related service providers who overcharged, just like all of the charter networks throughout the Gülen Organization.³⁰ Since his cooperation with the FBI, Emanet and his wife who was also employed with Concept, Mary Addi, have come forward and provided information regarding the forced tuzuk payments and tithing to the Gülen Organization required of Turkish H-1B employees.³¹ Emanet also produced a copy of the tuzuk agreement itself, which is attached to this report as Appendix I.

Financial Issues

While Illinois requires its charter schools to undergo annual audits, these audits are not made publicly available without submission of a

Freedom of Information Act request. Requests have been made for these audits but have not yet been fulfilled.

²⁶ Mihalopoulos, Dan and Seidel, Jon, *Charter Firm Suspected of Cheating Federal Grant Program*, Chicago Sun-Times (Aug. 9, 2016). Available at: <http://tinyurl.com/j3snbad> (last checked 9/8/2016).

²⁷ Search Warrant application available at: <http://tinyurl.com/jt9j4ed> (last checked 9/8/2016).

²⁸ See *id.*; see also Mihalopoulos, Dan and Seidel, Jon, *Charter Firm Suspected of Cheating Federal Grant Program*, Chicago Sun-Times (Aug. 9, 2016). Available at: <http://tinyurl.com/j3snbad> (last checked 9/8/2016).

²⁹ See Mihalopoulos, Dan, *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times <http://tinyurl.com/jzmzevh> (last checked 9/8/2016).

³⁰ Search Warrant application, pg 44, available at: <http://tinyurl.com/jt9j4ed> (last checked 9/8/2016).

³¹ 2015 Letter from Mary Addi and Mustafa Emanet to OH legislature, available at: <http://tinyurl.com/mezzupx> (last checked 4/20/2017).

Real Estate

One of the most significant profit centers for the Gülen Organization, and in particular the Midwestern region, is through real estate. This property financing scheme has been replicated throughout the country—in fact, Vahap Uysal, a board member of Concept Schools,³² wrote and presented an article entitled “Gülen Movement and School Financing” at the Third Annual Conference on Islam in the Contemporary World: The Fethullah Gülen Movement in Thought and Practice.³³ Gülenists throughout the country attended and presented, including Alp Aslandogan, former Harmony Public Schools landlord, CEO of one Harmony’s largest vendors, property buyer from Dove Science Academy, and Gülen’s official spokesperson in his role as President of the Alliance for Shared Values, a Gülenist cultural organization.³⁴

Early on, the founders of the Midwestern region established Breeze Inc, as a for-profit corporation to acquire properties for Concept Schools throughout the Concept network.³⁵ New Plan Learning was created shortly thereafter, and now acts as the non-profit umbrella organization for Breeze and several other wholly owned subsidiaries.³⁶ Murat Arabaci, a former Concept employee,³⁷ has managed New Plan Learning and each of its subsidiaries since 2005.³⁸ Together with its subsidiaries, New Plan Learning buys, renovates, leases, and sometimes sells properties to Concept-managed schools, allegedly as a supporting organization to those schools.

Currently, New Plan Learning owns only one of the Concept IL properties—the Chicago Math and Science Academy (“CMSA”)—though it owns over a dozen other Concept school properties throughout the Midwestern region. As many of the Concept IL charter schools have opened within the last five years, New Plan Learning will likely seek to acquire more of these new school properties over time, as it did in Ohio and other states where it is more established. New Plan Learning’s property dealings with CMSA are particularly egregious, however, and serve as a prime demonstration of the apparent self-dealing by Concept and its preferred Gülenist vendors and the resulting exploitation of Gülenist-controlled charter schools.

CMSA bought its property in 2009 for \$10.4 million. Two years later, CMSA sold its building to New Plan Learning at a loss and entered into a lease-back arrangement with extremely poor terms. The lease had a non-cancelable term of thirty-five years, with annual rents ranging from \$1 million to \$1.2 million set to increase each year.³⁹ Over the term of the lease, CMSA would pay well over \$40 million in rent for a building it once owned and sold at a loss. The lease-back agreement also bound CMSA to inclusion in a \$33 million educational facility revenue bond.

Of the \$33 million borrowed by NPL with this bond, approximately \$12.8 million was allocated to CMSA for two purposes: 1) to cover NPL’s purchase of property from CMSA for \$10.2 million; and 2) for NPL to construct a 9,775 square

³² See Concept Schools 990 tax form, available at: <http://tinyurl.com/h5yvjlt>.

³³ Conference was held Nov. 3, 2007 in San Antonio, Texas, and the conference agenda is available at: <http://tinyurl.com/gt2vujs> (last checked October 31, 2016).

³⁴ See Texas profile for more information about Alp Aslandogan.

³⁵ New Plan Learning, Inc. 2011A Bond Official Statement pg A-4, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

³⁶ New Plan Learning, Inc. 2011A Bond Official Statement pg A-4, A-5, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

³⁷ See 2007 Concept 990 with Arabaci listed as employee, available at: <http://tinyurl.com/z9y36lh> (last checked 9/8/2016).

³⁸ See Business profile for New Plan Learning, Inc., showing its incorporation in 2005 and listing Arabaci as agent, available at: <http://tinyurl.com/hu2d6x7> (last checked 9/8/2016).

³⁹ See CMSA 2012 audit, available at <http://tinyurl.com/h5xcob2> (last checked 11/23/2016).

foot gym for up to \$1.5 million.⁴⁰ This means that CMSA will pay upwards of \$40 million in rent in exchange for the construction of a gym costing less than \$1.5 million,⁴¹ the approximate price of one year of CMSA's rent to NPL. CMSA's \$40 million in rent over the next three decades will pay off the construction of the gym in a little over one year, NPL's mortgage on CMSA shortly thereafter, with the remaining decades of million-dollar rents resulting in pure profit to NPL, a nonprofit organization that cannot legally profit off of its charter school customers.

What is particularly concerning about CMSA's bad property deal with New Plan Learning is that Edip Pektas, CMSA's board treasurer and president, was a paid business development consultant for New Plan Learning during all of the relevant transactions.⁴² This was an explicit conflict of interest as Pektas was on both sides of the transaction and had a personal financial interest in New Plan Learning, and in fact was paid to help New Plan Learning develop business. A few years later, when Pektas was CMSA's board president, New Plan Learning renegotiated the lease-back agreement with even worse terms, taking away the school's ability to buy back the property at the end of the lease and

increasing the rent significantly.⁴³ Pektas' loyalty to New Plan Learning, his employer, instead of to CMSA, cannot be doubted.

In our view, New Plan Learning put CMSA at an even greater disadvantage by hiring a related Gülen-affiliated construction vendor, Quality Builders of Midwest, to construct CMSA's gym. CMSA's board president Pektas is also listed as the registered agent for Quality Builders, adding another layer of his conflict of interest.⁴⁴ Within one year of construction, the \$1 million gym displayed significant building issues, including multiple leaks in its roof, cracks in its foundation, rodent problems, sanitary issues, and flooring that peeled upward due to an improperly installed bleacher system.⁴⁵ Despite these major concerns with the gym's construction, Quality Builders did not provide repairs, and neither NPL nor Concept covered the repair costs. CMSA was on the hook per the terms of its lease-back agreement to fix the gym's issues, and could not rely on a warranty with Quality Builders to correct its building flaws. The exploitation of CMSA is a prime example of the Gülen Organization's highly suspect property scheme, which appears to enrich private Gülenist interests in both money and property holdings, all orchestrated at the tax payers' expense.

Bond Financing

In 2011 New Plan Learning expanded its capital significantly by applying for a bond for approximately \$33 million dollars to purchase, refinance, and/or renovate four Concept schools, CMSA

and three Concept OH schools--HSA Dayton HS, HSA Toledo HS, and HSA Springfield.⁴⁶ Due to their inclusion in the bond, these schools are now subject to extremely high annual rents in

⁴⁰ New Plan Learning, Inc. 2011A Bond Official Statement pg 9, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁴¹ According to the project information, the contract's price was listed as approximately \$1 million. See project information, available at <http://tinyurl.com/zwzkxy2> (last checked 11/11/2016).

⁴² New Plan Learning, Inc. 2011A Bond Official Statement pg A-6, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016); Mihalopoulos, Dan. *Lawyers for Turkey Call for Probe of Chicago Charter School*, Chicago Sun-Times (Jan. 25, 2017), available at: <http://tinyurl.com/jzmzevh> (last checked 4/27/2016).

⁴³ See CMSA 2014 audit, pg 13 located at <http://tinyurl.com/h37lkov> (last checked 11/11/2016).

⁴⁴ Quality Builders of Midwest corporate documents, available at: <http://tinyurl.com/zallyt7> (last checked 4/28/2017).

⁴⁵ See Whistle Blower pg 640 for a personal statement from CMSA's former athletic director regarding the quality of the gym. Pictures are available online of the moisture damage and cracks in the gym's foundation. A concerned citizen documented these issues on a blog post, available at: <http://tinyurl.com/hjq4zjk> (last checked 11/11/2016).

⁴⁶ New Plan Learning, Inc. 2011A Bond Official Statement, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

non-cancelable leases set to expire in 2041.⁴⁷ The bond was issued by the Industrial Development Authority of the County of Pima, Arizona, the

same organization that issued bonds for both the Sonoran (AZ) and Coral (NV) Gülen Organization charter networks.⁴⁸

Excessive Use of the H-1B Visa Program

Like other Gülen Organization charter networks, Concept and their IL schools utilize the H-1B visa program to immigrate large numbers of Turkish Gülenists into the United States for employment in the schools and network. The Concept IL network filed between 200-253 H-1B applications from 2001-2016, while Concept itself filed between 176-197 H-1B applications during the same time period.⁴⁹ It is difficult to ascertain the exact amount because Concept used a number of slightly different names for its entities when filing H-1B applications. While the Gülen Organization typically states that these H-1Bs are only to fill shortage areas for math and science teachers, these applications were filed for such positions as: physical education teachers, school business managers, administrators, English teachers, network administrators, accountants, and auditors.

Concept IL uses the same immigration attorneys to file and process their H-1B applications as other known Gülen Organization charter networks, vendors, and cultural associations, indicating once again the existence of an overall network. For example:

- ▶ Remzi Kulen. Concept IL used Kulen, a New York-based attorney, to file numerous H-1B applications. Kulen also filed applications for:

- ▶ Concept Schools (OH, IL, MO, IN, MI, MN)
- ▶ Gateway (MO)
- ▶ Pioneer (MA)
- ▶ Niagara Foundation (IL)
- ▶ Young Scholars (PA)
- ▶ Golden Generation Workshop Center (PA)
- ▶ Blue Ocean Construction (FL)
- ▶ Academy of Science, Syracuse, Buffalo (NY)
- ▶ Arts and Science, Bergen, Passaic (NJ)⁵⁰

- ▶ David Nachman: Concept IL used Nachman, a New Jersey-based attorney, to file H-1B applications.⁵¹ Nachman also filed H-1B applications for:
 - ▶ MilkyWay Education Center (NJ)
 - ▶ Paterson Charter School for Science and Technology (NJ)

- ▶ Nuzhat Hafeez: Concept IL schools used Hafeez, an Illinois-based attorney, to file numerous H-1B applications.⁵² Hafeez also filed H-1B applications for:
 - ▶ Concept Schools, Inc.
 - ▶ Niagara Educational Services, Inc. (IL)
 - ▶ Niagara Foundation (IL)
 - ▶ The Core Group (IL)

⁴⁷ *Id.*

⁴⁸ Pima County bond issuances, available at: <http://tinyurl.com/kards94> (last checked 3/30/2017).

⁴⁹ In another example of strategic ambiguity, Concept and its schools use several different versions of their names to make it difficult to aggregate how many H-1B applications they are filing. The sum total of all of the Concept IL schools from 2001-2016 is between 200-253 applications, and the numbers supporting that total are located at the following links: 1) CMSA, anywhere from 24 H-1Bs-60 H-1Bs, due to multiple names used, <http://tinyurl.com/k9pbuvy>; <http://tinyurl.com/ny94qjd>; <http://tinyurl.com/n3yyw6t>; <http://tinyurl.com/k8mz7aa>; <http://tinyurl.com/lrr5v79>. Concept filed between 176-197 H-1B applications 2001-2016. See <http://tinyurl.com/j3whatt> for Concept Schools, Inc.; <http://tinyurl.com/zhgx3xl> for Concept Schools Nfp.

⁵⁰ List of entities represented by Remzi Kulen, available at <http://tinyurl.com/gptwx5x> (last checked 3/21/2017).

⁵¹ Nachman profile listing entities represented for H-1B visa work, available at <http://tinyurl.com/ny5h3ty> (last checked 4/13/2017).

⁵² Hafeez profile listing entities represented for H-1B visa work, available at: <http://tinyurl.com/mvnttav> (last checked 4/13/2017).

Scandals, Investigations & Notable Activities

In 2011, CMSA non-Gülenist employees complained to the American Federation of Teachers ("AFT") regarding CMSA and Concept's excessive use of the H-1B program to hire unqualified Turkish teachers and discriminatory preferential pay to Turkish employees. The AFT presented these complaints to the U.S. Department of Labor, who initiated an investigation that is still ongoing.⁵³ The Department of Labor had already been investigating a Horizon Science Academy in Ohio due to a July 2008 complaint by Mustafa Emanet regarding the forced tithing payments to Concept.⁵⁴

In 2010, CMSA principal Ali Yilmaz fired a teacher who was eight months' pregnant at the time.⁵⁵ The teacher had been involved in establishing a union for CMSA employees, and prior to her efforts to organize the staff, she'd received performance bonuses and had her contract renewed. CMSA spent extensive resources

fighting its teachers' union organization efforts. CMSA ultimately settled with the teacher in 2011 for the wrongful termination, and no union was formed on campus.

In 2015, two Arizona Members of Congress, U.S. Representative Raul Grijalva and U.S. Representative Ruben Gallego, wrote letters urging the U.S. Department of Education and the Government Accountability Office respectively to urge an investigation of charter schools affiliated with Gülen. These letters were sent in light of the recent raids of the Concept Schools network located in Ohio, Illinois, and other Midwestern states for suspected defrauding of the federal E-Rate program by Concept's Turkish administrators and vendors. Both Grijalva and Gallego were concerned about the connections between Concept and the Sonoran network in Arizona uncovered by investigative journalists at the time and asked for a thorough investigation.⁵⁶

Spotlight: Friends of Gülen Mike Madigan

Michael Madigan is the Speaker of the Illinois State House of Representatives, a title he has held for the last three decades. Madigan has extensive ties with Concept Schools and the Niagara Foundation, and has taken at least four trips to Turkey coordinated by the Niagara Foundation.⁵⁷ Madigan created the Illinois Charter School Commission, the authorizer of three of Concept's four charter schools in

the state, though the Commission states that Madigan did not pressure the Commission to approve the applications for either HSA McKinley Park or HSA Southwest.⁵⁸ Madigan has also visited CMSA's campus, speaking highly of the school and its leadership, and his son, Andrew Madigan, provides insurance services to CMSA, HSA McKinley Park, and HSA Southwest.⁵⁹

⁵³ Saul, Stephanie. Charter Schools Tied to Turkey Grow in Texas, The New York Times (June 6, 2011), available at: <http://tinyurl.com/3ua255n> (last checked 4/23/2017).

⁵⁴ Feds Question Schools' Visa Use, The Columbus Dispatch (May 20, 2011), available at: <http://tinyurl.com/m2ssl9h> (last checked 4/23/2017).

⁵⁵ Lydersen, Kari. Firing of pregnant Chicago teacher becomes battle over charter school unionization. In These Times. (August 9, 2010) Available at: <http://tinyurl.com/jqytnt>.

⁵⁶ Representative Grijalva's letter is available at: <http://tinyurl.com/hnhcbq5> (last checked 3/14/2017). Representative Gallego's letter is available at: <http://tinyurl.com/zyrhf3u> (last checked 3/14/2017).

⁵⁷ Article discussing Madigan's involvement with Concept, available at pg 107-08: <http://tinyurl.com/m9fmvo4> (last checked 4/22/2017).

⁵⁸ Id.

⁵⁹ Id.

Notable Turkish Vendors

- ▶ Concept Schools, Inc. Concept is a comprehensive services vendor that controls human resources, fiscal management, school design, curriculum, accountability, compliance, and reporting for a twelve percent fee of each school's total revenues. Currently, Concept is the contracted nonprofit management services vendor for thirty such charter schools, with seventeen schools in Ohio, four in Illinois, three in Missouri, three in Indiana, one in Michigan, one in Wisconsin, and one in Minnesota.⁶⁰ The founders of the first OH charter schools in the Gülen Organization formed Concept shortly thereafter.
- ▶ Breeze Inc./New Plan Learning: Breeze, Inc., was created in 2004 as a for-profit corporation to acquire properties for Concept Schools throughout the Concept Network.⁶¹ New Plan Learning was created shortly thereafter, and now acts as the non-profit umbrella organization for Breeze and several other wholly owned Ohio-based subsidiaries (250 Shoup Mill LLC, OG-Ohio LLC, NOG-Ohio LLC, and 2350 Morse LLC).⁶² Together with its subsidiaries, New Plan Learning buys, renovates, leases, and sometimes sells properties to Concept-managed schools, allegedly as a supporting organization to those schools.
- ▶ Quality Builders of Midwest: Quality Builders is a Gülen-affiliated construction company that does the majority of Concept and NPL's construction work.⁶³ Several of Quality Builders' Gülenist employees have worked at Concept and its schools, as well as at other charter networks throughout the Gülen Organization.
- ▶ The Core Group: The Core Group, owned by Ertugrul Gurbuz, is currently under federal investigation as one of the vendors Concept used purportedly to defraud the E-Rate program.⁶⁴ The company and its subsidiaries have received over \$3.2 million dollars from Concept schools.⁶⁵ The Core Group also provided uniforms to the Fulton Science (GA) network at an excessive cost and amount, as noted by the forensic audits prior to the network's termination.⁶⁶
- ▶ Advanced Solutions for Education: Advanced Solutions for Education, owned by former Concept employee Ozgur Balsoy, is also implicated in the ongoing FBI investigation regarding the purported defrauding of the E-Rate program.⁶⁷ The company served as an E-Rate funding consultant to the schools.

⁶⁰ See Concept Schools network, available at: <http://tinyurl.com/z3d8qsb> (last checked 8/26/2016).

⁶¹ New Plan Learning, Inc. 2011A Bond Official Statement pg A-4, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁶² New Plan Learning, Inc. 2011A Bond Official Statement pg A-4, A-5, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁶³ See project information, available at <http://tinyurl.com/zwzkxy2> (last checked 11/11/2016).

⁶⁴ See Mihalopoulos, Dan. *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times <http://tinyurl.com/jzmzevh> (last checked 9/8/2016).

⁶⁵ Id.

⁶⁶ See Georgia profile; see also Georgia Forensic Audit of Gülen-affiliated Charter Schools (June 1, 2012), at 17-25, available at <http://bit.ly/1TATHiy>.

⁶⁷ See Mihalopoulos, Dan. *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times <http://tinyurl.com/jzmzevh> (last checked 9/8/2016).

Gülenist Cultural Foundations

- **Niagara Foundation:** The Niagara Foundation is a major Turkish Gülenist cultural association based in Chicago. Gülen is its honorary president.⁶⁸ Niagara Educational Services, Inc., oversees both the Niagara Foundation and the Science Academy of Chicago, a private Gülenist school. In 2007, the Niagara Foundation gave an extensive loan to Breeze Inc.

(New Plan Learning's predecessor) to purchase new properties for Concept charter schools.⁶⁹ Several Concept employees as well as school employees are members of the Niagara Foundation. Niagara provides free/low-cost trips to Turkey for legislators, as well as hosting dialogue dinners and fundraisers.⁷⁰

Individuals Caught in the Gülen Organization Web

It is quite common for the Gülen Organization charter networks within a region to shuffle their Turkish H-1B visa teachers from school to school, as well as between regions. This is just a small number of individuals with these overlapping ties throughout the region, which further demonstrates the region's interconnections. Notably, this shuffling only occurs with Turkish employees.

- **Aydin Kara:** Teacher, Director at HSA Columbus;⁷¹ Director for HSA Cleveland MS;⁷² Principal for Chicago Math and Science Academy (IL);⁷³ Director for HSA Toledo;⁷⁴ Author for The Fountain, a known Gülenist magazine.⁷⁵

- **Ali Kuran:** Teacher, Dean HSA Columbus (OH);⁷⁶ Principal HSA Dayton Elementary (OH);⁷⁷ proposed Principal for Indiana Math and Science Academy South (IN);⁷⁸ Principal Quest Charter Academy (IL);⁷⁹ Principal, CMSA (IL).⁸⁰
- **Ahmet Ozarslan:** Board member Fulton Science (GA);⁸¹ Quality Builders of Midwest – Gülen-affiliated construction vendor (Midwestern region);⁸²
- **Levent Elibal:** Employed at Ramson Contractors - Gülenist construction vendor (Western region);⁸³ Quality Builders of Midwest – Gülen-affiliated

⁶⁸ See <http://www.niagarafoundation.org/> for information about the Niagara Foundation and <http://tinyurl.com/d8tlv5c> for information about Gülen as Honorary President (last checked 9/6/2016).

⁶⁹ Audit available at: <http://tinyurl.com/haos4qu> (last checked 9/8/2016).

⁷⁰ For a description of a legislator's trip to Turkey with the Niagara Foundation, see: <http://tinyurl.com/mkfando> (last checked 4/20/2017).

⁷¹ <http://tinyurl.com/mkvkmgs> (last checked 4/20/2017).

⁷² <http://tinyurl.com/m6obc3h> (last checked 4/20/2017).

⁷³ CMSA 990 tax forms 2012-2015, available at: <http://tinyurl.com/hdu6gbe> (last checked 4/20/2017).

⁷⁴ Director's message, available at: <http://tinyurl.com/kcc8v48> (last checked 4/20/2017).

⁷⁵ <http://tinyurl.com/lz3bwoz> (last checked 4/20/2017).

⁷⁶ Bio available at: <http://tinyurl.com/l5h956w> (last checked 4/23/2017).

⁷⁷ Press release listing Kuran as Principal, available at: <http://tinyurl.com/lhgbatn> (last checked 4/23/2017).

⁷⁸ Petition available at: <http://tinyurl.com/mej56l8> (last checked 4/23/2017).

⁷⁹ Article quoting Kuran as principal, available at: <http://tinyurl.com/ne6dwhy> (last checked 4/23/2017).

⁸⁰ School information, available at: <http://tinyurl.com/mwkpu9l> (last checked 4/23/2017).

⁸¹ See Fulton Educational Services 990 tax forms, available at <http://tinyurl.com/zxtjkrm> (last checked 11/23/2016). Ozarslan was on the board from 2007-2010.

⁸² See LinkedIn profile for Ahmet Ozarslan, available at: <http://tinyurl.com/jdrhk34> (last checked 11/23/2016).

⁸³ See LinkedIn profile for Levent Elibal, available at <http://tinyurl.com/zu3r3nv> (last checked 11/23/2016).

construction vendor (Midwestern region);⁸⁴ Director of Purchasing Concept

(Midwestern region);⁸⁵ Indiana Math and Science Academy (IN).⁸⁶

Notable Articles regarding the Illinois Network

- ▶ Mihalopoulos, Dan. *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times <http://tinyurl.com/jzmzevh>.
- ▶ Cohen, Rachel M. *The National Labor Relations Board says charter school teachers are private employees*. The American Prospect. (September 8, 2016) Available at: <http://tinyurl.com/joesxk2>.
- ▶ Torres, Louie, *Teacher Accuses Chicago Charter School of Sexual Harassment*, Cook County Record (May 9, 2016) Available at: <http://tinyurl.com/hvo72py>.
- ▶ Mihalopoulos, Dan. *Federal funds for clout school operator despite probe*. Chicago Sun-Times. (May 7, 2016) Available at: <http://tinyurl.com/jmy8web>.
- ▶ Adams, Pam. *Quest Charter Academy Approves Five-Year Plan*, Peoria Journal Star, February 27, 2015. Available at: <http://tinyurl.com/kqzxcc7> (last checked 4/23/2017).
- ▶ Mihalopoulos, Dan and Seidel, Jon, *Charter Firm Suspected of Cheating Federal Grant Program*, Chicago Sun-Times (December 16, 2015). Available at: <http://tinyurl.com/j3snbad>.
- ▶ Ravitch, Diane. *Concept Schools in Ohio Import Large Numbers of Turkish Teachers for Gülen Schools*. (October 14, 2014) Available at: <http://tinyurl.com/hcy34t9>.
- ▶ Livingston, Doug, *Auditor Joins Investigation of 19 Charter Schools*, Akron Beacon Journal (July 17, 2014) Available at: <http://tinyurl.com/hevz2h8>.
- ▶ Livingston, Doug. *Former Teachers at Turkish-run charter school allege test-cheating, discrimination, sexual activity*, Akron Beacon Journal (July 15, 2014) Available at: <http://tinyurl.com/zsddk35>.
- ▶ Karp, Sarah. *Concept Charter Schools get a green light*. Catalyst Chicago. (April 22, 2013) Available at: <http://tinyurl.com/jag6699>.
- ▶ Strauss, Valerie. *Charter school ruled private entity for labor relations*. The Washington Post. (January 4, 2013) Available at: <http://tinyurl.com/hhrn5jv>.
- ▶ Lydersen, Kari. *Firing of pregnant Chicago teacher becomes battle over charter school unionization*. In These Times. (August 9, 2010) Available at: <http://tinyurl.com/jqytnt>.

⁸⁴ Id.

⁸⁵ Id.

⁸⁶ Id.

