

California



QUICK FACTS ON GÜLEN CHARTER SCHOOLS CALIFORNIA



NUMBER OF SCHOOLS

11           

KNOWN AS

Magnolia Science Academy
Bay Area Technology Charter School
Pacific Technology Charter School

TOTAL ENROLLMENT

3,714

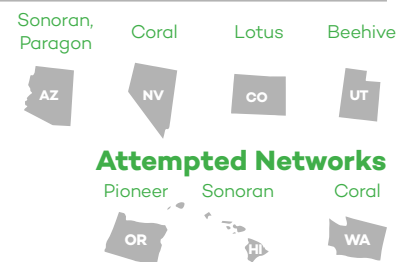
CHARTER VENDOR

MERF
Magnolia Public Schools

TOTAL REVENUES

MERF: \$47.7 million
Willow: \$3,008,614

RELATED INSTITUTIONS



KEY PEOPLE



Huseyin
"Joseph" Hurmali



Ertan
Salik



Remzi
Oten



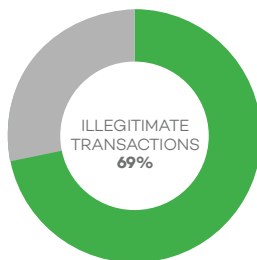
Suleyman
Bahceci

INSUFFICIENT FINANCIAL CONTROLS

"We have done some looking into that allegation and there is some evidence that some **members of the Magnolia organization do have ties with the Gülen movement...**"

—LAUSD Inspector General, March 2015

Audits in 2014, 2015, and 2016 revealed that **over 69% of the transactions** reviewed were either unauthorized or had no evidence indicating their legitimacy as a transaction in the public benefit.



According to the 2016 update from the State of California, Magnolia had only implemented **seven out of twelve required findings** for improvement.



H-1B VISA APPLICATIONS

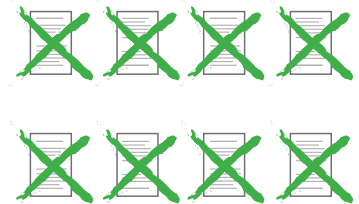
457 H-1B

**H-1B VISA APPLICATIONS
2001-2016**

Magnolia spent from
\$126,000.00 to \$200,000.00
in legal and registration fees to secure
H-1B visas for Turkish nationals.

CHARTER SCHOOL PETITIONS

MERF filed eight charter petitions last year, but all were withdrawn after recommendations for denial.



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

Quick Facts

- ▶ Region: Western
- ▶ School Names (known as):
 - ▷ Magnolia Science Academy
 - ▷ Bay Area Technology Charter School
 - ▷ Pacific Technology Charter School
- ▶ Total # of Schools in State: 11
- ▶ Total Student Enrollment 2015-2016: 3,714¹
- ▶ Charter Holder/Governing Board(s):
 - ▷ Magnolia Education & Research Foundation ("MERF")
 - Organized as a Non-profit with 501(c)(3) status
 - Runs 10 schools
 - ▷ Willow Education ("Willow")
 - Organized as a Non-Profit with 501(c)(3) status
 - Runs 1 school
- ▶ Charter Management Services Vendor: MERF/Magnolia Public Schools
- ▶ Regional Gülen Organization Oversight Entity: Accord Institute for Education
- ▶ Regional Sister Networks: Sonoran (AZ), Paragon (AZ); Coral (NV); Lotus (CO); Beehive (UT). Attempted Networks: Pioneer (OR); Sonoran (HI); Coral (WA)².
- ▶ Total Revenues for FY 2016:
 - ▷ MERF - \$47.7 million³
 - ▷ Willow - \$3,008,614⁴
- ▶ California Network Founders:
 - ▷ Huseyin "Joseph" Hurmali: MSA-1's first principal⁵; CEO Magnolia 2002-2008 (CA); Petitioner for Pac Tech charter district 2009 (CA); Petitioner for failed Pioneer charter school (OR); Chairman of the West American Turkic Council; Vice President of the Journalists and Writers Foundation⁶ in Turkey, Gülen's public relations arm.⁷
 - ▷ Ertan Salik: Dialog/MERF board member; Accord employee; contributor to known Gülenist magazine *The Fountain*.⁸
 - ▷ Remzi Oten: Dialog/MERF board member; donated \$700,000 to MERF in 2012/13⁹; donated \$20,000 to Beehive (UT)¹⁰; served on California Turkish Chamber of Commerce¹¹ which is under the Turkish American Alliance/ West American Turkic Council.¹²
 - ▷ Suleyman Bahceci: Cosmos/ Harmony (TX) Founder¹³; Willow

¹ Student demographic information available at: <http://tinyurl.com/mqo5otd> (last checked 3/24/2017).

² Coral Academy of Science Application that was later denied by the Washington State Charter Commission available at: <http://tinyurl.com/hvytvse> (last checked 2/1/2017).

³ MERF audit 2016, available at: <http://tinyurl.com/zpkywpu> (last checked 2/14/2017).

⁴ Bay Area Technology School Budget Statement, available at: <http://tinyurl.com/kfusquq> (last checked 3/22/2017).

⁵ See MERF/Dialog 990 form for 2002, available at: <http://tinyurl.com/z33bpsv> (last checked 2/14/2017).

⁶ <http://tinyurl.com/zo8rd7m> (last checked 2/14/2017).

⁷ The New York Times described the JWF as "an Istanbul-based public-relations arm for Gülen's followers." Article available at: <http://tinyurl.com/hk3zueh> (last checked 2/14/2017).

⁸ Listing of Salik's articles available at: <http://tinyurl.com/gvgjjrn> (last checked 2/14/2017).

⁹ LAUSD forensic audit at pg 27, available at: <http://tinyurl.com/l36xlws> (last checked 3/20/2017).

¹⁰ Beehive 990 2008 form, available at: <http://tinyurl.com/l5dg6wz> (last checked 3/21/2017).

¹¹ <http://tinyurl.com/n2c3jso> (last checked 3/20/2017).

¹² <http://tinyurl.com/lsagq73> (last checked 3/21/2017).

¹³ First Harmony charter petition, listing Bahceci as petitioner, available at: <http://tinyurl.com/mhkeovf> (last checked 3/25/2017).

Education President¹⁴; Accord founder; Magnolia CEO; Accord CEO;¹⁵ loaned Beehive \$30,000;¹⁶

now VP of Student Affairs at Virginia International University, a Gülen-inspired university.¹⁷

Overview

As of the 2016-2017 school year, California has 11 Gülen Organization charter schools in operation. 10 of these schools are overseen by MERF, a non-profit governing board of directors in operation since 1997. MERF serves as the charter holder and corporate head of Magnolia Public Schools, a charter management services provider that serves its own schools for a percentage fee of each Magnolia school's total revenues. MERF/Magnolia also contracts with Accord Institute for Educational Research ("Accord"), the corporate entity

responsible for the Western region of the Gülen Organization charter networks, allegedly for additional educational management services for the Magnolia schools. Outside of the official Magnolia network, Bay Area Technology Charter School is operated by its charter holder Willow Education, but it is under the oversight of both Magnolia and Accord as well. Magnolia has attempted to expand its network significantly, submitting eight charter petitions throughout California in the 2015-2016 school year. All eight were denied.

School	Operation	Student Demographic Information*	Authorizer	Governing Board
Magnolia Science Academy ("MSA") -1 Reseda 18238 Sherman Way Reseda, CA 91335-4550	2002-2017-LAUSD 2017-Los Angeles County	12% ELL 91% FRL 01% African American 07% Caucasian 84% Hispanic	Originally: Los Angeles Unified School District ("LAUSD"), Now: Los Angeles County	MERF
MSA-2 Valley 17125 Victory Blvd. Van Nuys, CA 91406	2007-2017 LAUSD 2017-Los Angeles County	13% ELL 80% FRL 03% African American 09% Caucasian 82% Hispanic	Originally: LAUSD, Now: Los Angeles County	MERF
MSA-3 Carson 1254 East Helmick St. Carson, CA 90746	2008-2017 LAUSD 2017-Los Angeles County	05% ELL 81% FRL 44% African American 02% Caucasian 49% Hispanic	Originally: LAUSD, Now: Los Angeles County	MERF
MSA-4 Venice 11330 West Graham Pl., B-9 Los Angeles, CA 90064	2008-present	09% ELL 76% FRL 10% African American 08% Caucasian 78% Hispanic	LAUSD	MERF

¹⁴ See Willow 2004 990 form, available at: <http://tinyurl.com/zvl5372> (last checked 2/14/2017).

¹⁵ Summary of Bahceci's experience listed in the 2015 California State audit at pg 40, available at: <http://tinyurl.com/zen2cb7> (last checked 2/14/2017).

¹⁶ <http://tinyurl.com/zkbb8yy> (last checked 3/20/2017).

¹⁷ McGahan, Jason. *Did a California Charter School Group Fund an Effort to Overthrow the Turkish Government?* LA Weekly. (1 December 2016). Available at: <http://tinyurl.com/jxcepq7>

School	Operation	Student Demographic Information*	Authorizer	Governing Board
MSA-5 Los Lobos 18230 Kittridge Street Reseda, CA 91335	2008-present	28% ELL 95% FRL 05% African American 08% Caucasian 82% Hispanic	LAUSD	MERF
MSA-6 Palms 3754 Dunn Dr. Los Angeles, CA 90034	2009-present	15% ELL 84% FRL 10% African American 03% Caucasian 85% Hispanic	LAUSD	MERF
MSA-7 Northridge/Van Nuys 18355 Roscoe Blvd. Northridge, CA 91325	2010-present	32% ELL 74% FRL 05% African American 19% Caucasian 66% Hispanic	LAUSD	MERF
MSA-8 Bell 6411 Orchard Ave. Bell, CA 90201-1023	2010-present	14% ELL 94% FRL 00% African American 06% Caucasian 93% Hispanic	LAUSD	MERF
MSA Santa Ana 2840 West 1st St. Santa Ana, CA 92703	2014-present	13% ELL 61% FRL 00% African American 32% Caucasian 55% Hispanic	Denied by Santa Ana Unified, Denied by Orange County Board of Education, reversed by State Advisory Commission—now authorized by Orange County.	MERF
MSA San Diego (formerly known as Momentum Middle School) 6365 Lake Atlin Ave. San Diego, CA 92119-3206	2005-present	03% ELL 22% FRL 04% African American 56% Caucasian 27% Hispanic	San Diego Unified	MERF
Bay Area Technology Charter School 8251 Fontaine St. Oakland, CA 94605	2004-present	20% ELL 96% FRL 40% African American 11% Caucasian 45% Hispanic	Oakland Unified	Willow Education
Closed/Abandoned Schools				
MSA-San Diego 2 6365 Lake Atlin Ave. San Diego, CA 92119-3206	2010-2011 Low enrollment		San Diego Unified	MERF
MSA-San Diego 3	Abandoned 2013 No facility		San Diego Unified	MERF

School	Operation	Student Demographic Information*	Authorizer	Governing Board
MSA-Santa Clara 14271 Story Road Santa Clara, CA 95127	2010-2016 Voluntary Closure due to fiscal concerns		Santa Clara County Board of Education	MERF
Pacific Technology Charter School- Santa Ana 102 Baker St. East, Costa Mesa CA 92626	2009-2014 Withdrew its charter renewal request when faced with denial due to enrollment and financial issues.		State Board of Education	MERF
Pacific Technology Charter School-Orangevale 6550 Filbert Ave. Orangevale, CA 95662	2009-2013		State Board of Education	MERF
2015-2016 Charter Petition Denials				
MSA-Anaheim Elementary	Denied		Anaheim City School District	MERF
MSA-Anaheim			Anaheim Union School District	MERF
MSA-Garden Grove	Denied		Garden Grove Unified School District	MERF
MSA-Fremont	Denied		Fremont Unified School District	MERF
MSA-9	Denied		LAUSD	MERF
MSA-10	Denied		LAUSD	MERF
MSA-11	Denied		LAUSD	MERF
MSA-Oceanside	Denied		Oceanside Unified School District	MERF

*Data taken from 2015-16 school year. "FRL" indicates students eligible for free/reduced lunch, and "ELL" indicates English language learners. No data was available for students with disabilities.¹⁸

¹⁸ Student demographic information available at: <http://tinyurl.com/mqo5otd> (last checked 3/24/2017).



A History of Strategic Ambiguity and Conflicting Interests

"We have done some looking into that allegation and there is some evidence that some members of the Magnolia organization do have ties with the Gülen movement..."

*LAUSD Inspector General,
Ken Bramlett, March 2015¹⁹*

MERF, originally known as the Dialog Cultural, Scientific, & Educational Foundation,²⁰ was incorporated in 1997 and opened its first charter school, Magnolia Science Academy ("MSA")-1, in 2002. Since then, MERF has applied for and opened MSA locations across the state of California, focusing heavily on the greater Los Angeles area. MERF serves as the non-profit governing board for both Magnolia Public Schools, the corporate entity that provides management services to the Magnolia schools for a fee, as well as each of the charter schools in the Magnolia network. This arrangement essentially allows MERF to create its own customer base by

starting new Magnolia charter schools, which are then forced by MERF to employ Magnolia for a hefty cut of the school's annual revenues. For example, MSA-2 paid \$1.1 million of its \$5 million annual revenues in management fees.²¹ The schools are also required to pay significant fees to Accord for services deemed duplicative to what Magnolia corporate allegedly provides by state.²² In one case, a Magnolia charter was required to pay Accord 30% of its total revenues for that year.

While Accord is involved with all of the Gülen Organization charter networks located in its Western region, it is most entrenched in MERF/Magnolia. Magnolia has signed a contract with Accord for these "duplicative" services every year that the two organizations have both been operational. Accord and Magnolia shuffle employees and board members back and forth between organizations, raising significant

¹⁹ Romo, Vanessa. New Chief of Troubled Magnolia, LA School Report, January 9, 2015, available at: <http://tinyurl.com/mca47ea> (last checked 3/20/2017).

²⁰ See early 990 tax forms (2001, etc) identifying the organization as Dialog, available at: <http://tinyurl.com/z33bpsv> (last checked 2/14/2017).

²¹ See MERF 2016 financial statements, pg 32, available at: <http://tinyurl.com/zpkywpu> (last checked 2/14/2017).

²² 2015 State Audit at 56, available at: <http://tinyurl.com/zen2cb7> (last checked 2/14/2017).

concern of nepotism and conflicting interest transactions between them. The most prominent example is with regards to Suleyman Bahceci, who founded Accord. Bahceci left Accord when he was hired in 2009 to be Magnolia's CEO. While working as CEO for Magnolia, Bahceci signed a contract for Accord's services for over \$700,000.00 for the 2011-2012 school year. He then left Magnolia to become Accord's CEO at the end of the 2011-2012 fiscal year and served in that role until April of 2015. This outrageous conduct alone establishes that a Magnolia officer engaged in a transaction that directly benefited him financially within the same year.²³ Further, it also shows that Magnolia is failing to adhere to open and competitive bidding practices and instead granted major contracts to an affiliated corporation, paying Accord approximately \$3 million between 2010-2014.²⁴

LAUSD became suspicious of MERF's operation of the Magnolia charter schools in its district due to their periodic insolvency and launched a series of forensic audits in 2012-2014. LAUSD released its findings in 2014, which documented significant financial issues, potential fraud, abuse of the H-1B visa program, and inappropriate dealings with its related vendor Accord. As a result, LAUSD required MERF to sever its relationship with Accord for the Magnolia charters located in LAUSD in order to gain renewal for MSA-4, MSA-5, and MSA-6 in 2015. According MERF's board minutes in May of 2015, there was discussion of potential litigation by Accord, perhaps due to the terms of the settlement forcing their contractual relationship.²⁵ No litigation resulted.

Meanwhile, the Inspector General of LAUSD continued to investigate Magnolia, and because

Magnolia delayed or ignored LAUSD's repeated requests for documentation regarding its finances, LAUSD voted to deny renewal for three MSA charters, MSA-1, MSA-2, MSA-3, in the fall of 2016. MERF appealed the denial to the Los Angeles County Board of Education, who voted to authorize these three schools to continue under its jurisdiction.

In 2009, MERF received approval from the State Board of Education to open ten statewide benefit charter schools under the name *Pacific Technology*.²⁶ Only two were ever opened, and both closed. The petition efforts were led by Huseyin "Joseph" Hurmalı, CEO of Magnolia from 2002-2008 and instrumental member of the Gülen Organization throughout the Western region.

Currently, MERF operates ten MSA charter schools throughout California. It filed eight charter petitions last year throughout California, but all were withdrawn after recommendations for denial and pressure from the districts where they sought authorization to back up suspicious information they had provided regarding community support and the names of anticipated teacher hires in the petitions.

Willow Education incorporated in 2003, and operates only one charter school—the Bay Area Technology Charter school. Though Willow attempted to open additional branches, the charter petitions were all denied. Notable founders of Willow, such as Suleyman Bahceci, went on to run both Accord and Magnolia in turn. Like Magnolia, Willow contracted with Accord for services, however as of January 2016, Willow was at least considering the termination of its agreement with Accord.²⁷

²³ See 85 Ops. Cal. Att'y Gen. 176 (2002) (providing a similar analysis and stating that the prohibition in Cal. Gov. Code § 1090 on financially interested contracts would be implicated if a city council voted to extend a grant to a nonprofit that later hired one of the city council members for a salaried executive director role); see also 89 Ops. Cal. Att'y Gen. 258 (2006) (outlining guidelines for assessing whether an individual has a direct financial interest in contracting that would apply to Bahceci's actions).

²⁴ See Letter from Los Angeles Unified School District to Magnolia Public Schools, at 5, (June 27, 2014), available at <http://www.scribd.com/doc/233404441/Report-of-audit-from-LAUSD-to-Magnolia-Science-Academy-outlining-fiscal-audit#scribd> (hereinafter "LAUSD Letter") (outlining LAUSD's forensic audit findings).

²⁵ Board minutes, available at: <http://tinyurl.com/lx45gr6> (last checked 3/22/2017).

²⁶ 2009 Board meeting minutes discussing "PacTech" available at: <http://tinyurl.com/j8dlk24> (last checked 2/14/2017).

²⁷ Board agenda, available at: <http://tinyurl.com/kcs8wqh> (last checked 3/22/2017).

Financial Issues

The Magnolia network has been audited by both LAUSD in 2014 and the State of California in 2015 and 2016 due to severe concerns with a serial lack of financial transparency and ongoing periodic insolvencies by the Magnolia schools. The LAUSD forensic audits and State Audits uncovered systemic financial abuse at the Magnolia charter schools that are endemic to other Gülen Organization charter networks. Like the other Gülen Organization charter networks that have been audited and investigated, the Magnolia network's pattern of financial abuse allows the Gülen Organization effectively to siphon public funds out of the network's charter schools and funnel it into the hands of related Turkish vendors for use by the Gülen Organization. The frequent inter-entity lending practice utilized by Magnolia—from school to school, from schools to their governing board MERF, from MERF to its hired management vendor Accord, and even from schools to Magnolia-Corporate—is a known warning sign for money laundering and is indicative of periodic insolvency.²⁸

The numerous audit findings uncovered by the LAUSD and State of California audits²⁹ include:

- ▶ **Insufficient Financial Controls and Lack of Transparency**
 - ▷ Over 69% of the transactions reviewed were either unauthorized or had no evidence indicating their legitimacy as a transaction in the public benefit;
 - ▷ Magnolia orchestrated numerous inter-school "loans" that were not properly recorded and were never
- ▷ paid back to the lending schools;
 - ▷ Magnolia held over \$5 million dollars that belonged to its schools and was not able to provide LAUSD auditors an explanation;
 - ▷ Major discrepancies between the amount of Magnolia's management fee reported as paid by the schools and what Magnolia recorded as paid;
 - ▷ Numerous issues with Magnolia's recordkeeping, both at its central office as well as within the schools;
 - ▷ Lack of financial controls to regulate check signing and distribute check signing authority appropriately;
 - ▷ Inadequate truancy data reporting that results in inflated state funding;
- ▶ **Improper Relationships with Affiliated Vendors**
 - ▷ Magnolia and its charter schools utilized affiliated vendors whose overlapping ties present a conflict of interest;
 - ▷ Magnolia utilized poor vendor selection processes that allowed for nepotism and conflicts of interest;
 - ▷ Magnolia and its vendor Accord entered into a lease together for office space;
 - ▷ MERF and Accord provided each other with interest-free loans;
 - ▷ Magnolia and Accord had overlapping leadership which led to the signing of a contract for business between the two entities by an individual who ultimately was on both sides of the transaction;

²⁸ The Anti-Money Laundering and Countering Terrorist Financing Guidance to accompany the federal and international legislation list numerous unusual transactions made with little to no justification between affiliated entities as warning signs. See Guidance at <http://tinyurl.com/zb56xel> (last checked 9/7/2016).

²⁹ For the LAUSD audits, the 2015 California Audit, and the 2016 State Audit Update, see Vicenti, Lloyd & Stuzman, Report of Magnolia Science Academy 6 & 7 Forensic Auditing, Los Angeles Unified School District (June 12, 2014), available at <http://bit.ly/1RVtkSE> (hereinafter "2014 LAUSD Audit"); Cal. State Auditor, Magnolia Science Academies, Report 2014-135R (May 2015), available at <http://tinyurl.com/zen2cb7>; Cal. State Auditor, Implementation of State Auditor's Recommendations, Report 2016-406A (Feb. 2016), available at <http://tinyurl.com/zu97ftb> (last checked 2/14/2017).

- ▷ Magnolia paid for the H-1B visa fees of Accord employees;
 - ▷ Auditors questioned the value of Accord's multi-million dollar arrangement with Magnolia as it appeared Accord provided duplicative services;
 - ▶ Extensive and Undocumented Use of the H-1B visa program
 - ▷ Magnolia maintained inadequate human resources documentation to justify extensive use of H-1B process; and
 - ▷ Magnolia spent from \$126,000.00 to \$200,000.00 in legal and registration fees to secure H-1B visas for Turkish nationals.
- According to the 2016 update from the State of California, Magnolia had only implemented seven out of twelve required findings for improvement.³⁰ Magnolia still had not implemented a stronger system for monitoring use of public funds, vendor agreements, vendor selection procedures, human resources documentation to justify use of the H-1B program, or reporting of truancy data.

Bond Financing

MERF received \$6 million in bonds issued by the California School Finance Authority in 2014 to fund the MSA-1 Reseda project.³¹ Approximately \$4.5 million was slated for the acquisition of the MSA-1 building, \$1 million for improvements, with the remaining money used to pay bond costs and fund reserves. The bonds received a BB rating, which is low and resulted in higher interest penalties paid for the funds received.

Like Harmony in Texas and Concept in the Midwest, MERF created two affiliated entities operated by MERF and Magnolia staff to receive the bond proceeds and own the properties to rent back to Magnolia. This structure allows the parties to maintain control over both sides of the property transaction and utilize it to funnel public funds to private entities. In MERF's case, MERF created Magnolia Properties Management Sherman Way ("MPM-SW") LLC to serve as the Borrower of the bond debt and also owner of the MSA-1 facility. MPM-SW is operated by the Sole Member, Magnolia Properties Management, Inc., ("MPM, Inc.") a non-profit designed to support MERF and its schools with facilities services. MERF pays MPM-SW rent to lease the MSA-1 facility, the revenues of which are used to pay the bond debt. The price of this rent is currently

unknown, but the lease itself is likely 30 years in length as that is the term of the bond debt and fits the suspected Gülen Organization bond exploitation model repeated in other states. While the lease and rental amounts are unknown in Magnolia's example, this information is available with Harmony and Concept, and in both cases, these Gülen Organization charter networks pay their affiliated landlord entities significantly more than the bond debt service on the rented properties and the bond reserve requirements in thirty-year leases with abusive terms. We believe that using affiliated entities controlled by the charter network to hold the property and bond proceeds, like MPM-SW, enables the charter network to overpay in rent and effectively extract public funds from public oversight to place into the Gülen Organization. How much Magnolia pays its for-profit arm MPM-SW for renting the MSA-1 building is critical information that authorities should examine upon investigation of Magnolia to determine if it, too, is using bonds to orchestrate additional profit for the Gülen Organization.

The bond's official statement also discloses that MERF borrows money from its schools and transfers funds between schools. The bond states that these transfers must be evidenced

³⁰ 2016 update at 34-35, available at: <http://tinyurl.com/zu97ftb> (last checked 3/21/2017).

³¹ See 2014 series bond statement, available at: <http://tinyurl.com/hqg5ba2> (last checked 2/14/2017).

in notes payable,³² however, both the LAUSD and State audits discovered these “inter-company loans” were not recorded properly as notes payable, nor paid back to the lending accounts. According to the bond statement, MERF owed MSA-1 over \$1.1 million from loans it had taken,³³ but the LAUSD and State audits uncovered over \$5.2 million of the schools’ funds wrongfully held by MERF from 2011-2014 due to these “loans.”³⁴

The bond statement also includes a significant disclaimer regarding MERF and MPM, Inc. in two areas: 1) whether MERF and MPM, Inc. truly qualified as 501(c)3 organizations was

“subject to a number of qualifications and limitations” from their legal counsel, Musick Peeler & Garrett, LLP; and 2) whether MERF and MPM, Inc. were in compliance with the “unrelated trade or business activities” requirements of 513(a) was unconfirmed by independent legal counsel.³⁵ This latter provision requires organizations with tax exempt status to perform only trade or business activities related to their charitable purposes. In light of what we believe to be the Gülen Organization’s model of using public funds to enrich private actors, these organizations may be in violation of their federal tax designations.



Real Estate

Of the ten schools operated by MERF, MERF (or its affiliate MPM-SW) owns only two of the schools’ buildings—MSA-1 and MSA-Santa Ana. The rest of the Magnolia schools’ buildings appear to be rented from third parties or shared school district space under Proposition 39.

While MSA-1 was purchased with proceeds from the \$6 million bond discussed above, the MSA-Santa Ana building was purchased and renovated through a \$17.4 million grant/loan from the State of California’s Charter School Facilities Program.³⁶ This grant was highly

³² See id, at pg 47.

³³ See id., at Appendix 1, pg 9.

³⁴ See Cal. State Auditor, Magnolia Science Academies, Report 2014-135R, at 19-2, available at <http://tinyurl.com/zen2cb7> (last checked 3/16/17).

³⁵ See bond statement at pg 51.

³⁶ See MERF’s 2016 financial statements at pg 18, available at: <http://tinyurl.com/zpkywpu> (last checked 2/14/2017).

contentious in light of MSA-Santa Ana's inability to gain approval of its charter contract from the local school district or the county board of education due to its poor financial condition during its previous incarnation, Pacific Technology School Santa Ana. After local and county denial, the State Advisory Commission of Charter Schools ultimately reversed the county's decision to deny, and MSA-Santa Ana's charter was approved, allowing the construction of the state-funded facility to go forward.

A notable anomaly occurred during the first round of bids for the construction and design of the MSA-Santa Ana building, which ultimately resulted in an award to Saiful/Bouquet, a structural engineering firm and former employer of MERF board member Metin Oguzmert. The project was first bid out in July 2014,³⁷ and bids were received in mid-September. At the time, the Magnolia CEO and CFO had just been dismissed seemingly in light of the damning findings of the LAUSD audits and the growing concern that Magnolia would not pass the California School Finance Authority (CSFA) financial soundness test. As a result, the project was delayed after the receipt of the bids, which were opened but allegedly never considered by the MERF board.

While the \$17.4 million grant was conditionally approved in December 2015 contingent upon Magnolia passing the CSFA financial soundness test, Magnolia would not pass the test unless and until LAUSD renewed the schools that were currently being recommended for non-renewal due to the results of the 2014 forensic audits. Thus, MERF's financial soundness, the \$17.4 million grant, and Magnolia's substantial footprint within LAUSD were all at risk. As a result, MERF sued LAUSD for its non-renewal of the three Magnolia charters. The case settled in May 2015, requiring LAUSD to renew the schools because of a rushed non-renewal process, but

also requiring MERF to cease using H-1Bs and its affiliated vendor Accord within LAUSD.

With the three LAUSD MSAs renewed, MERF passed the CSFA financial soundness test, and the \$17.4 million award was finalized. Magnolia then decided to conduct a new round of bidding,³⁸ and this time, a different construction company with suspected ties to the new Magnolia CFO at the time was chosen, along with Saiful/Bouquet as the project's structural engineers. Metin Oguzmert, longtime MERF board member and California network founder, was employed by Saiful/Bouquet from 2005-2011³⁹ before he moved to GA and joined the board of a Gülenist charter there.

This kind of "failed" bidding process often gives rise to allegations that the bidding entity, in this case Magnolia, was able to view bids and illegally subvert the procurement process to hand-pick a different, preferred bidder. In light of the connections between Saiful Bouquet and Magnolia leadership, as well as potential connections between Neff Construction and the Magnolia CFO hired to replace the dismissed individual, these relationships should be examined as well as the overall bidding process to ensure that the CSFA's requirements for bidding were actually followed.

MERF has attempted to purchase other buildings, including the MSA-San Diego, although these deals did not ultimately succeed. In San Diego, MERF wanted to acquire a school district building for its school and hired a member of the San Diego Unified board a month after he left office to negotiate the land sale deal between MERF and San Diego Unified. Because the board member was deemed to have or potentially have insider information regarding the land, the school district's legal counsel became involved, and the deal failed.⁴⁰ This was not the first time MERF hired a former school board member to negotiate with its authorizers—after

³⁷ Bid notice, available at: <http://tinyurl.com/mv4pjcs> (last checked 3/20/2017).

³⁸ Bid sheet available at: <http://tinyurl.com/lodf2kg> (last checked 3/20/2017).

³⁹ <http://tinyurl.com/lj2m339> (last checked 3/20/2017).

⁴⁰ Koran, Mario. Scott Barnett vs. San Diego Unified Is the Least Surprising Fight Ever, Voice of San Diego, January 27, 2015, available at: <http://tinyurl.com/mgezsf> (last checked 3/16/2017).

the scandal regarding Magnolia's finances, MERF recruited Caprice Young, former LAUSD board

member, to steer the organization out of trouble with LAUSD and the state.⁴¹

Excessive Use of the H-1B Visa Program

Like other Gülen Organization charter networks, both MERF and Willow and their schools utilize the H-1B visa program to immigrate large numbers of Turkish Gülenists into the United States for employment in the schools. From 2001-2016, MERF filed at least 402 H-1B visa applications for foreign workers,⁴² while Willow filed 55 H-1B applications for its one school.⁴³ While Magnolia's leadership has stated that these H-1Bs are only to fill shortage areas for math and science teachers, these applications were filed for such positions as: English teachers, compliance managers, budget analysts, internship coordinating teachers, career counselors, ESL, AP, administrators, business manager, facilities managers, counselors, and finance directors, largely from Turkey.⁴⁴

MERF and Willow use 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:

- ▶ Owais Qazi: MERF used Qazi, a California-based attorney, to file numerous H-1B applications. Qazi's other clients include:
 - ▷ Lotus (CO)

- ▷ Accord (CA)
- ▷ Westwood Production (CA)
- ▷ Coral (NV)
- ▷ Apex (CA)⁴⁵

- ▶ Joshua Surowitz: MERF used Surowitz, a California-based attorney, to file numerous H-1B applications. Surowitz also filed applications for:

- ▷ Daisy/Sonoran (AZ)
- ▷ Accord (Western Region)
- ▷ Coral (NV)
- ▷ Willow Education (CA)⁴⁶

- ▶ Nancy Robinett. MERF used Robinett, a Minnesota-based attorney, to file numerous H-1B applications. Robinett also filed applications for:

- ▷ Paragon Education Foundation (AZ)
- ▷ Daisy/Sonoran (AZ)
- ▷ Foundation for Inter-Cultural Dialogue (AZ)⁴⁷

- ▶ Nadadur Kumar: MERF used Kumar, a California-based attorney, to file numerous H-1B applications. Kumar also filed applications for:

- ▷ Willow (CA)
- ▷ Apex (CA vendor)⁴⁸

⁴¹ Romo, Vanessa. New Chief of Troubled Magnolia, LA School Report, January 9, 2015, available at: <http://tinyurl.com/mca47ea> (last checked 3/20/2017).

⁴² This number was taken by adding the H-1B applications from MERF's numerous names used to increase ambiguity, including: Magnolia Educational & Research Foundation (276) <http://tinyurl.com/z5nkmzd>, Magnolia Education & Research Foundation (12) <http://tinyurl.com/z5kw4pf>, Dialog Foundation (39) <http://tinyurl.com/j2mn3nr>, Dialog Foundation DBA MSA (1) <http://tinyurl.com/jay67ft>, Magnolia Science Academy-San Diego (1) <http://tinyurl.com/zbnzv3f>; Magnolia Science Academy (47) <http://tinyurl.com/zpr388u>; and Momentum Middle School (26) <http://tinyurl.com/j9vuxyt>. (last checked 2/13/2017).

⁴³ <http://tinyurl.com/jdnj9s8> (last checked 2/13/2017).

⁴⁴ See charts available at: <http://tinyurl.com/zkux2b6> (last checked 2/13/2017) for information regarding MERF's H-1B visa filing by subject matter, country, entry level, and year.

⁴⁵ Qazi profile listing H-1B clients, available at: <http://tinyurl.com/juefgh8> (last checked 2/9/2017).

⁴⁶ Surowitz profile listing entities represented for H-1B visa work, available at: <http://tinyurl.com/gva9h7t> (last checked 1/31/2017).

⁴⁷ List of entities represented by Nancy Robinett, available at: <http://tinyurl.com/jcr9rru> (last checked 1/31/2017).

⁴⁸ Kumar profile listing entities represented for H-1B visa work, available at: <http://tinyurl.com/zlanaw5> (last checked 2/13/2017).

Scandals, Investigations, & Notable Activities

Magnolia has had a number of scandals and investigations which have already been discussed, including the LAUSD forensic audits, the State of California audits, the improper withholding by MERF of over \$5 million in public funds from the Magnolia schools, the attempted non-renewal of several MSA charters in LAUSD and subsequent law suit, and the failed bidding process for MSA-Santa Ana.

by Accord he gathered *tuzuk* funds from each of Lotus's Turkish H-1B employees in cash each month and delivered them in a briefcase to Accord's headquarters in California. Despite what Accord alleges it provides in the manner of educational services, Avcu stated that Accord was more focused on arranging trips to Turkey for American dignitaries, ensuring that its Gülenist charter schools maintained Turkish leadership

“ ***Accord engages in systematic exploitation of Turkish H1-B visa employees through the tuzuk.*** ”

An additional scandal recently emerged when a Turkish whistleblower named Yunus Avcu came forward and provided interviews to both the media and Amsterdam & Partners regarding his work with Accord. Avcu, formerly employed by Accord first in Arizona to work with SSA-Phoenix, and then later in Colorado, provided testimony regarding Accord's true purpose and his work with both SSA-Phoenix and Lotus. While this testimony primarily concerned wrongdoing in Arizona and Colorado, Avcu also implicated current Magnolia and Accord employees in the wrongdoing and discussed liberally what Accord's true purpose for the Western region of the Gülen Organization was.

Avcu stated that as an accountant employed

at the school level, and requiring that Turkish leadership would regularly hire H-1B Turkish teachers in order to keep the cash flow from these teachers' forced tithing through *tuzuk* payments high. As an H-1B employee recruited from Turkey himself, Avcu stated that he was required to turn over as much as 40% of his salary, which he said went to fund Gülen himself.⁴⁹ Avcu's account of Accord's true operations, the systemic exploitation of Turkish H-1B visa employees through the *tuzuk*, and the system rigged in favor of hiring Turkish nationals through the H-1B visa program to ensure more manpower and funding for the Gülen Organization's hidden agenda is substantiated by the testimony of other Turkish individuals who have left the Gülen Organization, such as Mustafa Addi in the Concept network.

Notable Turkish Vendors

- **Accord Institute for Education Research (Accord):** In addition to MERF/Magnolia, Accord contracts with each of the Western Gülen Organization charter networks and allegedly provides

them with the same educational and operational services, including financial services, for a fee. Accord has the greatest overlap in ties with Magnolia as they are both headquartered in the same

⁴⁹ Jason McGahan, Did a California Charter School Group Fund an Effort to Overthrow the Turkish Government? LA Weekly (Dec. 1, 2016), available at: <https://tinyurl.com/jxcep7> (last checked 2/9/2017).
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state, but Accord also provides services to Daisy/Sonoran (AZ)⁵⁰, Coral (NV), Lotus (CO), Beehive (UT), and was listed as a partner for failed schools/regions, as well, including Pioneer (OR) and Mokapu STEM (HI). Yunus Avcu, a Turkish Accord employee first hired to work for SSA-Phoenix, provided detailed information about how Accord functions as a regional oversight entity primarily focused with operating the Gülen Organization.

- **Apex Educational Services (Apex):** Magnolia has utilized Apex for IT services paid for by the federal E-Rate grant program. Daisy also utilizes Apex for IT services paid for through E-Rate, and Concept Schools (Midwest) is currently under federal investigation for allegedly defrauding the E-Rate program by using affiliated vendors with a system of kick-backs to Concept's management. Apex may also be an affiliated vendor with Daisy/Sonoran (AZ); a reporter found tax documentation linking Apex as an owned property/asset of Daisy and Sonoran, though this fact could not be independently verified.⁵¹

- **Westwood Production:** Westwood is a multi-media design group that provides services to many of the other California-based Gülen-affiliated entities, including the Pacifica Institute for their Anatolian Food and Cultures festival, the West American Turkic Council, and the California Turkish American Chamber of Commerce.⁵² The owner of this business, Kemal Cem Gur,⁵³ has been identified by Turkish whistleblowers as the Imam or head of the Western region of the Gülen Organization. Gur emigrated from Turkey to the United States as an H-1B teacher and founding board member of the Georgia Gülen charter schools that were later shut down for fraud. As a prime example of Westwood's connections to the Gülenist web, former Westwood employee Ozgur Koca lists on his curriculum vitae former positions with both the Pacifica Institute and Magnolia Science Academy. Koca is currently a professor of Islamic Studies and has written numerous publications regarding Gülen and has organized several conferences specifically focused upon Gülen.⁵⁴

⁵⁰ SSA-B Club Catalog 2016/2017 Fall Semester, Sonoran Schools, available at <http://tinyurl.com/j34uhb3> (last checked 2/1/2017); Minutes of Meeting of Governing Board of Daisy Education Corporation dba Sonoran Science Academy – Phoenix, Sonoran Schools (Mar. 3, 2016), available at <http://tinyurl.com/hprollg> (last checked 2/1/2017); Tim Steller, Sr. Reporter: *What does \$364k in Tax Money Buy These Charter Schools*, Arizona Daily Star (Oct. 22, 2010), available at <http://tinyurl.com/ht36ax6> (last checked 2/1/2017) (discussing payments of over \$350,000 to Accord from Daisy schools); Academic Competitions, Sonoran Schools, available at <http://tinyurl.com/z9ft448> (last checked 2/1/2017) (the Sonoran Schools' website shows use of Accord products); Tim Vanderpool, *Hidden Agenda?*, Tucson Weekly, (Dec. 31, 2009), available at <http://tinyurl.com/zgwkak>; Magnolia Educational and Research Foundation, *Magnolia Science Academy – Santa Clara: Countywide Charter School Petition*, Santa Clara County Office of Education, at 17, available at <http://tinyurl.com/hwg8jj8> (last checked 2/1/2017). The Accord Education website even includes a promotional blurb from the CFO of "Sonoran Schools" with other Gülen schools. Accord Education, available at <http://tinyurl.com/gkpvlo> (last checked 2/1/2017).

⁵¹ <http://tinyurl.com/kfl5oar> (last checked 1/25/2017).

⁵² Portfolio available at: <http://tinyurl.com/hthdu49> (last checked 2/15/2017).

⁵³ Business profile available at: <http://tinyurl.com/hjr9jgc> (last checked 2/15/2017).

⁵⁴ Ozgur Koca C.V., available at: <http://tinyurl.com/h5horwt> (last checked 2/15/2017).

Gülenist Cultural and Business Organizations Active in State

- **Pacifica Institute:** Global Cultural Connections is a non-profit organization d.b.a. the Pacifica Institute, which is the main Gülen Organization cultural association in charge of California.⁵⁵ The Pacifica Institute sponsors talks and conferences on Fethullah Gülen and his teachings,⁵⁶ and also organizes Turkish cultural events, such as the Anatolian Cultures and Foods Festival, which Apex sponsors, Westwood advertises, and the Magnolia schools participate in.⁵⁷ Even the new Magnolia CEO, Caprice Young, hired in response to the controversy over Magnolia's non-renewals in LAUSD, served as a keynote speaker for the Pacifica Institute prior to being hired for her new role.⁵⁸ Pacifica is the main Gülenist cultural association in California responsible for organizing and paying for trips for California lawmakers to Turkey.⁵⁹ Pacifica VP Attila Kahveci told USA Today that the trips were intended to serve as a bridge between Americans and Turks, and that they had no ulterior motive despite the fact that the Gülen Movement has sponsored thousands of trips costing millions of dollars across the U.S.⁶⁰ Suat Utku Ay, former Magnolia board member and now Accord board member, has donated to the Pacifica Institute. Suleyman Bahceci also donated \$164,644.00 to Pacifica, which comprised an outrageous 70% of his stated salary from Magnolia that year.⁶¹ New branches of the Pacifica Institute have been established throughout the Gülen Organization's Western region, including Oregon, Washington, Nevada, Arizona, Hawaii, and Utah.
- **Turkish American Alliance/West American Turkic Council (TAA/WATC):** This organization is a non-profit umbrella organization over several subsidiary Turkish organizations. Several key leaders in Magnolia have also served in leadership positions of this organization, including former Magnolia CEO Ozkur Yildiz and Magnolia Founder Huseyin "Joseph" Hurmali. TAA/WATC uses the same Turkish vendors noted above as Magnolia, and like Pacifica, has also organized and paid for congressional trips to Turkey. In fact, under Yildiz as CEO, TAA/WATC sponsored the 2013 trip to Azerbaijan that resulted in a Congressional Ethics investigation alongside the Turquoise Council for Americans and Eurasians (TCAE) headed by Harmony (TX) vendor, Kemal Oksuz.⁶²

⁵⁵ See information regarding Global Cultural Connections d.b.a. Pacifica Institute, also available at: <http://pacificainstitute.org/mission-vision-statement/>.

⁵⁶ See Global Cultural Connections 990 form listing events, available at: <http://tinyurl.com/j8ae3xp> (last checked 3/14/17).

⁵⁷ See Information on Anatolian Festival, also available at: <http://pacificainstitute.org/festivals/>.

⁵⁸ See Information regarding Caprice Young's speaking at Pacifica, also available at: <http://pacificainstitute.org/2015/05/12/ceo-kc-distance-learning-caprice-young-speaks-at-pi-los-angeles/>.

⁵⁹ Richman, Josh. *Mike Honda took Trip to Turkey on Iffy Group's Dime*, San Jose Mercury News, 30 October 2015 (Discussing Honda's trips to Turkey funded by Pacifica). Available at: <http://tinyurl.com/z94od74> (last checked 3/14/17).

⁶⁰ Whyte, Liz E. Turkish Opposition Subsidizes Scores of State Lawmakers' Trips, USA Today, February 9, 2017, available at: <http://tinyurl.com/ky5be2q> (last checked 3/20/2017).

⁶¹ See 2012 990 for Magnolia showing Bahceci's salary at \$120,000.00, also available at: <http://tinyurl.com/z33bpsv> and the 2012 990 for Global Cultural Connections showing Bahceci's donations in toto and for the year 2012 as \$83,546.00, available at: <http://tinyurl.com/j8ae3xp> (last checked 3/14/17).

⁶² Singer, Paul. Group Linked to Ongoing Probe Paid for House Travel This Year, USA Today, June 24, 2015, available at: <http://tinyurl.com/l24qrjc> (last checked 3/20/2017).

Friends of Gülen Spotlight: Loretta Sanchez

Sanchez was a U.S. Congresswoman from the 46th District of California from 1997-2017, and her territory covered areas targeted by Magnolia for expansion, including Santa Ana, Garden Grove, Orange, and Anaheim. Sanchez has been extensively involved with the California Gülenist network. She took a trip to Turkey paid for by the Pacifica Institute in 2011⁶³; received political donations from Gülenists Hakan Kaya (Westwood Productions); Remzi Oten (Magnolia founder); and Michelle Oten (Remzi Oten's wife and Pacifica employee); attended and presented at the 2012 Accord Education Conference; attended the groundbreaking of MSA Santa

Ana; gave Bahceci, former CEO of Accord, a certificate of congressional recognition; spoke at the California Turkish American Chamber of Commerce; sat on the congressional caucus for US-Turkey relations; and signed a letter to Secretary of State John Kerry protesting arrests of Gülenists in Turkey.⁶⁴ Our interpretation of the evidence at hand suggests that Sanchez's long-time loyalty to California Gülenists and their business and political interests is a testament to the efficacy of the paid trips to Turkey and continued donations to local politicians by Gülenists.

Gülen Connections: Individuals Caught in the Gülen Organization Web

It is quite common for the charter networks within a region to shuffle their Turkish H-1B visa teachers from school to school, as well as between education management vendors. This is just a small number of individuals with these overlapping ties throughout the Western region, which further demonstrates the region's interconnections.

- Mehmet Argin: Principal Daisy/Sonoran (AZ)⁶⁵; Daisy board member (AZ)⁶⁶; CEO at Magnolia (CA)⁶⁷; currently Lecturer at

California Polytechnic, Pomona campus.⁶⁸

- Ozkur Yildiz: Principal Daisy/Sonoran (AZ)⁶⁹; Superintendent Daisy/Sonoran (AZ)⁷⁰; Principal Bay Area Technology (CA)⁷¹; President of the West American Turkic Council.⁷²
- Varol Gurler: Principal Lotus Academy of Excellence (CO)⁷³; Principal Sonoran Science Academy-Phoenix (AZ)⁷⁴; Principal Magnolia Science Academy

⁶³ <http://tinyurl.com/ld9wqnj> (last checked 3/20/2017).

⁶⁴ <http://tinyurl.com/ksrb5kx> (last checked 3/20/2017).

⁶⁵ Article quoting Argin during his tenure as SSA principal, available at: <http://tinyurl.com/lcbxuff> (last checked 2/15/2017).

⁶⁶ See 2012 Daisy Education 990 tax form, available at: <http://tinyurl.com/jjcrxh9> (last checked 2/15/2017).

⁶⁷ Article quoting Argin during his tenure as Magnolia CEO, available at: <http://tinyurl.com/mbj72a3> (last checked 2/15/2017).

⁶⁸ According to Argin's LinkedIn profile, available at: <http://tinyurl.com/jsdqztz> (last checked 2/15/2017).

⁶⁹ Article quoting Yildiz during his tenure as Vice Principal at SSA-Tucson, available at: <http://tinyurl.com/j5msxcy> (last checked 2/15/2017).

⁷⁰ Article quoting Yildiz during his tenure as Sonoran Superintendent, available at: <http://tinyurl.com/h6ancpq> (last checked 2/15/2017).

⁷¹ Oakland Unified directory listing Yildiz as Principal of Bay Area Technology, available at: <http://tinyurl.com/zjhsu34> (last checked 2/15/2017).

⁷² According to Yildiz's LinkedIn profile, available at: <http://tinyurl.com/h87ukmf> (last checked 2/15/2017).

⁷³ Gurler is listed as Lotus Principal in this directory published by the Colorado Department of Education, available at: <http://tinyurl.com/hlw28pe> (last checked 2/9/2017).

⁷⁴ Gurler is still listed as site contact on the AZ Department of Education for SSA-Phoenix, available at: <http://tinyurl.com/jygdkoq> (last checked 2/9/2017).

Santa Ana (CA)⁷⁵; Principal of Brooklyn Amity School (NY)⁷⁶; now various leadership positions at Magnolia (CA)⁷⁷.

- Adnan Doyuran: Momentum Middle School (Now Magnolia Science Academy San Diego) Principal (CA)⁷⁸; Lotus Academy of Excellence Principal (CO)⁷⁹; SSA-Tucson Principal (AZ); Sonoran Associate Superintendent (AZ)⁸⁰.
- Murat Biyik: Math teacher at Sonoran Science Academy (AZ); Vice Principal at Beehive (UT)⁸¹; then Magnolia (CA); then Accord (CA), and now is back at Beehive (UT).⁸² Biyak made a \$61,000 donation to Beehive while Vice Principal, comprising twice his entire salary,⁸³ and appears to have forgiven the amount before being made Principal.
- Umit "Matt" Yapanel: Board president of Lotus (CO) while simultaneously

employed by Accord, Lotus's vendor⁸⁴; MERF/Magnolia board member (CA); outreach coordinator for the Pacifica Institute (CA). Yapanel has admitted to his conflicting employment with Accord as well as following Gülen.⁸⁵

- Mustafa Keskin: Board Member Dialog/MERF Magnolia (CA); 2008 Pioneer Technology Charter School Petitioner (OR)⁸⁶; Board Secretary of Accord Education (CA); Board Member of Beehive, loaned Beehive (UT) \$49,000.⁸⁷
- Timur "Tim" Saka: Openly Gülenist,⁸⁸ founder and start-up coordinator for Lotus School for Excellence (CO),⁸⁹ then left to found and teach at the Beehive charter network (UT),⁹⁰ became principal in the Magnolia (CA) network,⁹¹ and now serves as the events coordinator for the Gülenist cultural association Peace Islands Institute and director of

⁷⁵ Listed as principal, available at: <http://tinyurl.com/z5xv6ha> (last checked 2/9/2017).

⁷⁶ Gurler is listed as principal as of the 2013-14 school year, available at: <http://tinyurl.com/haq2sy3> (last checked 2/9/2017).

⁷⁷ Gurler is currently Magnolia COO according to his LinkedIn profile, available at: <http://tinyurl.com/j3pukmw> (last checked 2/9/2017); formerly Magnolia CAO as listed in this Magnolia 2010 newsletter, available at: <http://tinyurl.com/zy75jt8> (last checked 2/9/2017).

⁷⁸ Pg 15 of Magnolia application, available at: <http://tinyurl.com/hcfjhep> (last checked 1/31/2017).

⁷⁹ Aurora Public Schools listed Doyuran as Lotus Principal on page 8 of this directory, available at: <http://tinyurl.com/jmqtku9> (last checked 2/9/17).

⁸⁰ Doyuran's LinkedIn profile still lists him as a principal, available at: <http://tinyurl.com/zcaomq7> (last checked 2/9/2017); but is listed as associate superintendent on Sonoran's central office webpage, available at: <http://tinyurl.com/hxhyvod> (last checked 2/9/2017).

⁸¹ See 2008 990 form for Beehive listing Biyak as the vice principal, available at: <http://tinyurl.com/zjoq9nx> (last checked 2/14/2017).

⁸² Tim Steller, *Foreigners Fill Ranks of Local Charter-School Chain*, Arizona Daily Star (Apr. 25, 2010) available at: <http://tinyurl.com/jlpgo4a> (last checked 2/2/2017).

⁸³ <http://tinyurl.com/zkbb8yy> (last checked 3/20/2017).

⁸⁴ See Yapanel's LinkedIn information, available at: <https://www.linkedin.com/in/umit-yapanel-98b4b011>, and the conference agenda from Accord's conference showing Yapanel as an Accord employee in 2010, also available at: http://accordeducationconference.org/wp-content/uploads/2010/07/Accord_2010_Schedule.pdf.

⁸⁵ For an article featuring comments by Yapanel, see <http://tinyurl.com/z5yw94z>, (last checked 2/9/2017).

⁸⁶ Petition available at: <http://tinyurl.com/lz9vn8y> (last checked 3/20/2017).

⁸⁷ <http://tinyurl.com/zkbb8yy> (last checked 3/20/2017).

⁸⁸ <http://tinyurl.com/jhdrwhq> (last checked 2/9/2017).

⁸⁹ Aurora Public Schools board meeting minutes 2005, available at: <http://tinyurl.com/zynyejb> (last checked 2/9/2017).

⁹⁰ Pictures from 2006 event with Tim Saka's class from Beehive, available at: <http://tinyurl.com/kngjyhf> (last checked 3/23/2017).

⁹¹ Saka was the principal at MSA-Santa Clara, see annual report submitted by Saka, available at: <http://tinyurl.com/mruej3s> (last checked 3/23/2017).

the Turkish Cultural Center in Syracuse, NY leading junkets to Turkey for local

politicians.⁹²

Notable Press Coverage and Research Regarding the California Gülenist Network

- ▶ Gazzar, Brenda. *3 Magnolia charter schools facing closure 'vindicated' after winning appeal*. (The county's Board of Education authorized three Magnolia schools that were non-renewed by LAUSD, acting against the recommendation of the L.A. County Superintendent of Schools and her staff as well as LAUSD). Los Angeles Daily News. 22 December 2016.⁹³
- ▶ Blume, Howard. *County board overrules LAUSD to keep the embattled Magnolia charter schools open*. Los Angeles Times. 22 December 2016.⁹⁴
- ▶ McGahan, Jason. *Did a California Charter School Group Fund an Effort to Overthrow the Turkish Government?* (Containing interview with Yunus Avcu, Accord whistle blower). LA Weekly. 1 December 2016.⁹⁵
- ▶ Gazzar, Brenda. *Magnolia charter schools fight to stay open after LAUSD 'death sentence'*. (Reviewing Magnolia's ongoing refusal to provide or respond to document requests from the LAUSD Office of Inspector General regarding its finances). Los Angeles Daily News. 20 October 2016.⁹⁶
- ▶ Blume, Howard. *Three L.A. charter schools could be shut down, largely because of their practice of bringing in teachers from Turkey*. (Reviewing H-1B issues at Magnolia schools). Los Angeles Times. 10 October 2016.⁹⁷
- ▶ Blume, Howard. *Charter school leader draws inspiration from a Turkish cleric embroiled in controversy*: (Interviewing Magnolia Board President Umit Yapanel who admitted he is a follower of Gülen's teachings, stating 'He inspired me to serve'). Los Angeles Times. 31 August 2016.⁹⁸
- ▶ *Magnolia charter school to close*. (Discussing MSA Santa Clara's property issues and closure due to low enrollment). Mercury News. 30 June 2016.⁹⁹
- ▶ Blume, Howard. *Charter schools say L.A. Unified is unfairly scrutinizing their campuses*. (Covering Magnolia's decision to drop eight charter petition attempts throughout CA allegedly due to lack of required teacher signatures and low student enrollment/community support rather than connections to Gülen). Los Angeles Times. 9 February 2016.¹⁰⁰
- ▶ Parr, Rebecca. *Fremont school district denies Magnolia charter application*. (Discussing District's reasons for denying the application because Magnolia failed

⁹² For discussion of Saka, see Ed Griffin-Nolan, *Exerting Influence*, The Syracuse New Times (June 25, 2014), available at: <http://tinyurl.com/zp264kc> (last checked 2/9/2017).

⁹³ Available at: <https://tinyurl.com/gsn44gs> (3 March 2017).

⁹⁴ Available at: <https://tinyurl.com/grmhc2n> (3 March 2017).

⁹⁵ Available at: <http://tinyurl.com/jxceqp7> (3 March 2017).

⁹⁶ Available at: <https://tinyurl.com/hn8wz6j> (3 March 2017).

⁹⁷ Available at: <https://tinyurl.com/zv7lpz3> (3 March 2017).

⁹⁸ Available at: <https://tinyurl.com/z5yw94z> (3 March 2017).

⁹⁹ Available at: <https://tinyurl.com/hdr95ks> (3 March 2017).

¹⁰⁰ Available at: <https://tinyurl.com/hbc387t> (3 March 2017).

to submit valid signatures). The Mercury News. 27 January 2016.¹⁰¹

- ▶ Parr, Rebecca. *Turkey wants Fremont school board to reject charter school.* (Discussing possible ties to Gülen) Mercury News. 25 January 2016.¹⁰²
- ▶ Kwong, Jessica. *Santa Ana has become a nucleus for county charter schools.* (Discussing MSA Santa Ana's rejection at the district level). The Orange County Register. 26 August 2015.¹⁰³
- ▶ Romo, Vanessa. *State audit criticizes Magnolia charters and also LA Unified.* (Discussing findings of State Audit and Magnolia's financial issues). LA School Report. 7 May 2015.¹⁰⁴
- ▶ Richman, Josh. *Mike Honda took Trip to Turkey on Iffy Group's Dime,* San Jose Mercury News, 30 October 2015 (Discussing Honda's trips to Turkey funded by Pacifica).¹⁰⁵
- ▶ Blume, Howard. *Former L.A. board member to head embattled Magnolia*

schools. (Discussing Magnolia's move to hire Caprice Young to serve as CEO). The Los Angeles Times. 8 January 2015.¹⁰⁶

- ▶ Romo, Vanessa. *Magnolia schools remain open but relationship with Accord changes.* (Discussing judge's requirement for Magnolia's LAUSD schools to sever relationship with Accord due to issues found in audits). LA School Report. 31 July 2014.¹⁰⁷
- ▶ Romo, Vanessa. *LAUSD expands probe into Magnolia charter schools.* LA School Report. 17 July 2014.¹⁰⁸
- ▶ James, Elysse and Jessica Terrell. *County board denies charter school appeal.* (Discussing \$18M facility loan/grant and MSA Santa Ana's need to get approved by the state to keep it). The Orange County Register. 12 February 2014.¹⁰⁹

Stewart, Kristen. *Utah charter school's ties to Turkey draw scrutiny.* (Noting ties between Utah's Beehive network and Magnolia). The Salt Lake Tribune. 17 July 2009.¹¹⁰

¹⁰¹ Available at: <https://tinyurl.com/jf75okt> (3 March 2017).

¹⁰² Available at: <https://tinyurl.com/hv5gub9> (3 March 2017).

¹⁰³ Available at: <https://tinyurl.com/hqnoba8> (3 March 2017).

¹⁰⁴ Available at: <https://tinyurl.com/h3xm86v> (3 March 2017).

¹⁰⁵ Available at: <http://tinyurl.com/z94od74> (14 March 2017).

¹⁰⁶ Available at: <https://tinyurl.com/gorvvca> (3 March 2017).

¹⁰⁷ Available at: <https://tinyurl.com/j6z4kyj> (3 March 2017).

¹⁰⁸ Available at: <https://tinyurl.com/jlcwadc> (3 March 2017).

¹⁰⁹ Available at: <https://tinyurl.com/hveq9j3> (3 March 2017).

¹¹⁰ Available at: <https://tinyurl.com/hknxz36> (3 March 2017).