

Ohio



QUICK FACTS ON GÜLEN CHARTER SCHOOLS

OHIO



NUMBER OF SCHOOLS

17                 

KNOWN AS

— HORIZON SCIENCE ACADEMY
— NOBLE ACADEMY

TOTAL ENROLLMENT

6,334

CHARTER VENDOR

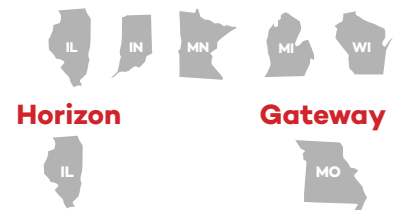
CONCEPT SCHOOLS, INC.

TOTAL REVENUES

\$50,226,432

RELATED INSTITUTIONS

Math and Science



KEY PEOPLE



Taner Ertekin

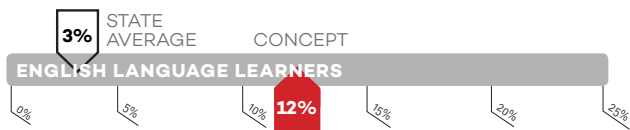
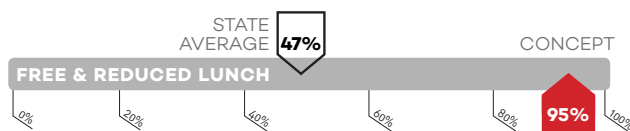


Vedat Akgun



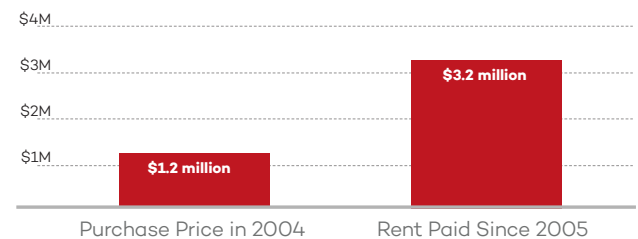
Sedat Duman

VULNERABLE STUDENT POPULATIONS



REAL ESTATE COSTS

Rent paid by HSA Cincinnati to Breeze since 2005, **three times the original purchase price** of the school.



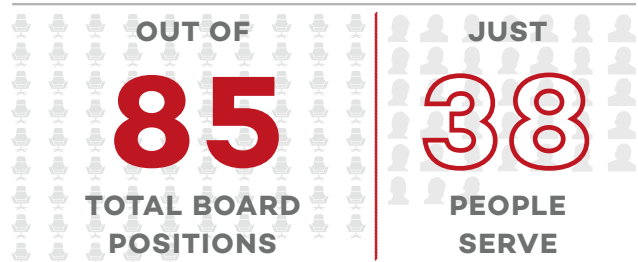
ADDITIONAL FIGURES

833
H-1B VISA APPLICATIONS
2001-2016

\$27.3
MILLION
MISPENT BY OHIO CHARTER SCHOOLS
SINCE 2001

Source: Akron Beacon Journal

BOARD MEMBER POSITIONS



with some sitting on up to 4 Concept school boards at once

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

Quick Facts

- ▶ Region: Midwestern
- ▶ School Names (known as):
 - ▷ Horizon Science Academy
 - ▷ Noble Academy
- ▶ Total # of Schools in State: 17
- ▶ Total Student Enrollment 2015-16: 6,334¹
- ▶ Charter Holder/Governing Board(s): Each Concept-managed charter school in Ohio has its own non-profit governing board of directors. These governing boards are organized as 501(c)(3) non-profit organizations, with many of the board members serving on multiple Concept-controlled charter schools within OH.
- ▶ Charter Management Services Vendor: Concept Schools, Inc.
- ▶ Regional Gülen Organization Oversight Entity: Concept Schools, Inc.
- ▶ Regional Sister Networks: Math and Science (IL); Horizon (IL); Math and Science (IN); Math and Science (MN); Math and Science (MI); Gateway (MO); Math and Science (WI).
- ▶ Total Revenues for the 2015-16 school year: \$50,226,432²
- ▶ 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
 - ▷ Vedat Akgun: Co-founder of first Horizon Science Academies;⁸ Co-Founder of Attempted Indiana Life Sciences Academy;⁹ Founder of Concept Schools;¹⁰ Co-founder of Breeze, Inc. and New Plan Learning, alongside Ertekin;¹¹ Fulton Science (GA) board member;¹² CEO of Charter Housing Corporation (GA);¹³ CFO of

¹ Student enrollment and demographic information available at: <http://tinyurl.com/m6yjq9s> (last checked 4/19/2017).

² Figure includes revenues from OH HSA and Noble audits, available at: <http://tinyurl.com/lw7mjph> and for those schools without 2015-16 audits, the state revenues only, available at: <http://tinyurl.com/jvlf7n7> (last checked 4/19/2017).

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 New Plan Learning, Inc. 2011A Bond Official Statement pg A-32, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁹ Corporation registration information available at: <http://tinyurl.com/kjr6lu4> (last checked 4/19/2017).

¹⁰ New Plan Learning, Inc. 2011A Bond Official Statement pg A-32, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

¹¹ 2007 Breeze Inc. 990 form, available at: <http://tinyurl.com/zj9xbzx> (last checked 9/8/2016).

¹² 2012 990 tax return, showing Akgun as a board member, available at: <http://tinyurl.com/lv8ssnk> (last checked 4/19/2017).

¹³ Georgia Secretary of State business search for Officer Vedat Akgun, available at: <http://tinyurl.com/pa73vluw> (last checked 4/19/2017).

Global Spectrum Foundation, Inc, D.B.A. Istanbul Center (GA);¹⁴ Board member of Fulton Science Private School (GA);¹⁵ President of the Turkic American Federation of Southeast (GA).¹⁶

- ▷ Sedat Duman: Founder of Horizon Science Academies;¹⁷ Co-Founder of Concept Schools, Inc.;¹⁸ CEO of Concept Schools, Inc;¹⁹ Currently being investigated by the FBI for his role in certifying suspect forms to procure E-Rate funding.²⁰
- ▷ Salim Ucan: Teacher HSA Cleveland;²¹ Principal Science Academy of Chicago, private Gülenist school run by the Niagara Foundation;²² Founding Principal Chicago Math and Science;²³ Co-Founder of

Concept Schools, Inc.;²⁴ Founding board member for Breeze Inc., for-profit Gülenist landlord for Concept Schools;²⁵ Vice President of Concept Schools, Inc.;²⁶ currently Professional Development coach for Concept.²⁷

- ▷ Ozgur Balsoy: Horizon Science Academy Superintendent;²⁸ Incorporator of Concept Schools, Ohio;²⁹ Owner of Advanced Solutions for Education - Gülenist vendor;³⁰ member of the Scioto Foundation - Gülenist cultural association; Currently being investigated by FBI due to suspect use of E-Rate funds and engaging in purportedly illegal kickbacks;³¹ Owner of Euclid Properties (OH) - Noble Academy landlord.³²

Overview

As of the 2016-2017 school year, Ohio has 17 Gülen Organization charter schools in operation. Each of these schools is overseen by its own non-profit governing board, and all 17 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

¹⁴ Id.

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

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

¹⁷ See Concept Schools, Our Story narrative, available at: <http://tinyurl.com/z6s23yh> (last checked 9/6/2016).

¹⁸ See Concept Schools, Our Story narrative, available at: <http://tinyurl.com/z6s23yh> (last checked 9/6/2016).

¹⁹ CEO's welcome, available at: <http://tinyurl.com/k2ybgnm> (last checked 4/20/2017).

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

²¹ Resume pg 78, available at: <http://tinyurl.com/mej56l8> (last checked 4/23/2017).

²² Id.

²³ LinkedIn profile, available at: <http://tinyurl.com/lt6se6n> (last checked 4/19/2017).

²⁴ See Concept Schools, Our Story narrative, available at: <http://tinyurl.com/z6s23yh> (last checked 9/6/2016).

²⁵ Breeze Articles of Incorporation, available at: <http://tinyurl.com/mlc5jc4> (last checked 4/20/2017).

²⁶ LinkedIn profile, available at: <http://tinyurl.com/lt6se6n> (last checked 4/19/2017).

²⁷ LinkedIn profile, available at: <http://tinyurl.com/lt6se6n> (last checked 4/19/2017).

²⁸ Listing of superintendents, available at: <http://tinyurl.com/kggtysh> (last checked 4/19/2017).

²⁹ Business Search Ohio Secretary of State for Ozgur Balsoy, available at: <http://tinyurl.com/lphhlyp> (last checked 4/19/2017).

³⁰ Business Search Ohio Secretary of State for Ozgur Balsoy, available at: <http://tinyurl.com/lphhlyp> (last checked 4/19/2017).

³¹ See Mihalopoulos, Dan. *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times <http://tinyurl.com/jzmzevh> (last checked 9/8/2016).

³² Business Search Ohio Secretary of State for Ozgur Balsoy, available at: <http://tinyurl.com/lphhlyp> (last checked 4/19/2017).

school revenues. On average, the Concept OH schools serve 11.7% English Language Learners vs. 2.9% state average; 95.4% free and reduced lunch population vs. 46.9% state average; 10.1% students with disabilities vs. 14.3% state average; 84.7% minority students vs. 26% state

average; and 15.9% Caucasian students vs. 74% state average. As these numbers indicate, the Concept OH schools serve large percentages of vulnerable student populations in predominantly urban areas.

School	Operation	Student Demographic Information*	Authorizer	Governing Board
HSA Cincinnati 1055 Laidlaw Ave., Cincinnati, OH 45237	K-8 2005-Present	4.1% ELL 99.3% FRL 10.6% SWD 97.4% Minority 2.6% Caucasian	ESC of Lake Erie West	Horizon Science Academy Cincinnati
HSA Cleveland HS 6000 S Marginal Rd. Cleveland, OH, 44103	Grades 9-12 2000-Present	2.8% ELL 85.9% FRL 9.2% SWD 94.6% Minority 5.4% Caucasian	ESC of Lake Erie West	Horizon Educational Services, Inc.
HSA Cleveland MS 6100 S Marginal Rd. Cleveland, OH, 44103	K-8 2005-Present	5.1% ELL 80% FRL 9.4% SWD 97.7% Minority 2.3% Caucasian	ESC of Lake Erie West	Horizon Science Academy Cleveland Middle School
HSA Columbus HS 1070 Morse Rd., Columbus, OH 43229	Grades 9-12 2000-Present	14.3% ELL 99.8% FRL 7.5% SWD 93.6% Minority 6.4% Caucasian	ESC of Lake Erie West	Horizon Science Academy Inc.
HSA Columbus MS 2350 Morse Rd. Columbus, OH 43229	Grades 6-8 2008-Present	10% ELL 99.8% FRL 7.4% SWD 94.5% Minority 5.5% Caucasian	Buckeye Community Hope Foundation	Horizon Educational Services of Columbus, Inc.
HSA Columbus ES 2835 Morse Rd. Columbus, OH 43231	K-5 2009-Present	40.3% ELL 100% FRL 7.8% SWD 97.8% Minority 2.3% Caucasian	Buckeye Community Hope Foundation	Horizon Science Academy Elementary School
HSA Dayton HS 250 Shoup Mill Rd. Dayton, OH 45415	Grades 6-12 2010-Present	14.3% ELL 99.7% FRL 14.4% SWD 82.8% Minority 17.2% Caucasian	Buckeye Community Hope Foundation	Horizon Science Academy Dayton High School
HSA Dayton ES 4751 Sue Ann Blvd. Dayton, OH 45415	K-5 2005-Present	9% ELL 100% FRL 16% SWD 88.7% Minority 11.3% Caucasian	ESC of Lake Erie West	Horizon Science Academy Dayton

School	Operation	Student Demographic Information*	Authorizer	Governing Board
HSA Dayton Downtown 121 S Monmouth St Dayton, OH 45403	K-8 2011-Present	25.3% ELL 100% FRL 13.1% SWD 30.2% Minority 69.8% Caucasian	Buckeye Community Hope Foundation	Horizon Science Academy Dayton Downtown Inc.
HSA Denison MS 1700 Denison Ave. Cleveland, OH 44109	K-8 2005-Present	14% ELL 100% FRL 9.9% SWD 85.8% Minority 14.2% Caucasian	ESC of Lake Erie West	Horizon Science Academy Denison
HSA Denison ES 2261 Columbus Road. Cleveland, OH 44113	K-5 2009-Present	16.2% ELL 100% FRL 14.9% SWD 86.1% Minority 13.9% Caucasian	Buckeye Community Hope Foundation	Horizon Science Academy Denison Elementary
HSA Lorain 760 Tower Blvd. Lorain, OH 44052	K-12 2010-present	9.5% ELL 89.1% FRL 11.7% SWD 71.6% Minority 28.4% Caucasian	Buckeye Community Hope Foundation	Horizon Science Academy Lorain
HSA Springfield 630 S. Reynolds Rd. Toledo OH, 43615	K-8 2005-Present	0.8% ELL 99.9% FRL 12.6% SWD 84.8% Minority 15.2% Caucasian	ESC of Lake Erie West	Horizon Science Academy Springfield
HSA Toledo 2600 W. Sylvania Ave. Toledo, OH 43613	K-12 2005-Present	4.6% ELL 99.9% FRL 14.6% SWD 81.6% Minority 18.4% Caucasian	ESC of Lake Erie West	Horizon Science Academy Toledo
HSA Youngstown 3403 Southern Blvd Youngstown, OH 44507	K-8 2011-Present	5.2% ELL 100% FRL 10.7% SWD 92.8% Minority 17.2% Caucasian	Buckeye Community Hope Foundation	Horizon Science Academy Youngstown Inc.
Noble Academy Cleveland 1200 E 200 St. Euclid, OH 44117	K-8 2007-present	0.21% ELL 80.1% FRL 6.8% SWD 97.3% Minority 2.7% Caucasian	Buckeye Community Hope Foundation	Noble Academy Cleveland Inc.
Noble Academy Columbus 1329 Bethel Road Columbus, OH 43220 PN: 010-251649-00	K-8 2007-present	22.5% ELL 87.8% FRL 5.3% SWD 62.4% Minority 37.6% Caucasian	Buckeye Community Hope Foundation	Noble Academy Columbus Inc.

*Student demographic information was taken from the 2015-2016 school year. "ELL" indicates English Language Learners, "FRL" indicates students receiving free/reduced lunch, and "SWD" indicates students with disabilities.³³

³³ Student enrollment and demographic information available at: <http://tinyurl.com/m6yjq9s> (last checked 4/19/2017).

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 Ohio orchestrated by a tight-knit group of Turkish businessmen, led predominantly by Taner Ertekin and Vedat Akgun. In 2000, these Gülenists opened the first of the Horizon Science Academies in Ohio, HSA Columbus HS and HSA Cleveland HS. In 2002, Ertekin and Akgun formed Concept Schools to serve as an external charter management organization that would oversee the charter schools they opened in Ohio and throughout the Midwestern region.³⁴ Then, in 2003, Ertekin and Akgun followed up by forming Breeze Inc., a for-profit corporation to serve as the Concept OH schools' landlord.³⁵ Within four years, Ertekin and 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.

A prime demonstration of the overlapping leadership and decisionmaking between Concept, its schools, and Breeze took place in 2005 with regards to HSA Cincinnati. Akgun signed the school's lease with Breeze on the school's behalf as the school's founder, a clear conflict of interest as Akgun also founded Breeze.³⁶ Since 2005, the school has incurred over \$3.6 million in rental fees, three times Breeze's original purchase price of \$1.25 million. Furthermore, the \$3.6 million constitutes the rent for only one of the three parcels bought for the \$1.25 million purchase price. Despite this objectively poor business deal for HSA Cincinnati,

Concept and Breeze (now known as New Plan Learning) claim that the schools benefit from the overlap in leadership by securing better deals in leasing. As discussed in the Real Estate section below, this is not the case.

Concept continued to open Horizon Science Academies and Noble Academies throughout Ohio, stacking the schools' supposedly independent governing boards with the same group of Gülenists again and again. 84% of Concept OH charter school governing board members are of Turkish descent.³⁷ With 17 Concept OH schools and five board member slots per school, a total of 85 board member positions are available. These 85 spots are filled by the same 38 individuals however, with some board members sitting on up to four Concept school boards at once.³⁸ While there is nothing inherently illegal in Ohio about an individual sitting on less than five charter school governing boards at the same time (the legal limit), this overlap increases the risk of a fiduciary duty violation (as well as self-dealing, conflicts of interest, and illegal behavior) when the governing board member has to make a decision that impacts more than one of the entities which that member represents. This risk is compounded when the overlap is not just one member, but the entire board, virtually putting the same set of people on both sides of a transaction with fiduciary obligations to the entities on both sides. This is a common occurrence in the Concept OH schools due to the inter-school borrowing and transfer of public funds, as discussed further below.

Some governing boards are duplicated for all of the Concept schools in that specific geographic area. For example, the five individuals who serve

³⁴ Concept Schools NFP corporate information, available at: <http://tinyurl.com/zallyt7> (last checked 4/20/2017).

³⁵ Corporate information available at: <http://tinyurl.com/kn9xuzr> (last checked 4/20/2017).

³⁶ See HSA Cincinnati 2007 audit, available at: <http://tinyurl.com/haos4qu> (last checked 9/8/2016).

³⁷ Of 38 governing board members identified for the 2014-2015 school year, an estimated 32 of the 38, or 84%, are of Turkish national origin. These names were taken from school websites and/or 990 tax documents for each school.

³⁸ These numbers were based on names identified from the official 990 tax documents filed for the 2014-2015 year.

on the governing board of HSA Columbus ES also serve as the governing board for three other schools: HSA Columbus MS, HSA Columbus HS, and NA Columbus (Zafer Alpay, Veysi Malkoc, Enver Ozer, Jane Smirniotopoulos, and Adem Cakmak). In other cases, however, there is no local representation whatsoever on the governing board, with the members living almost three hours away from the school they serve. For example, the same five members comprise the governing boards of both HSA Toledo and HSA Springfield, even though these schools are located approximately 150 miles apart (Ziya Baghmanli, Jackie Blueitt, Mustafa Ilgin, Nazim Ozbakier, and Yunus Zeytuncu).

In addition to the majority of these governing board members sharing the same national origin as the leadership of Concept and their schools, several of the Turkish school board members also belong to the Scioto Foundation, now d.b.a. as the Turkish American Society of Ohio, which is a cultural association affiliated with Fethullah Gülen.³⁹ Other notable members of the Scioto Foundation include Concept leadership; Concept's preferred Turkish vendors; Concept school employees; school landlords; lenders (private and institutional); and members of the Niagara Foundation,⁴⁰ a Turkish cultural association based in Chicago which made Gülen its honorary president.⁴¹ From a review of the Scioto Foundation's membership and their connections to the Concept OH schools, a picture emerges of an extremely tight-knit community drawn along cultural, religious, and national origin lines. This community is represented on all sides of every

transaction for the Concept OH schools, from the governing boards to Concept, the landlords, and the vendors chosen to serve those schools. These connections are not accidental and have led to actions that in our view illegally benefit private actors within the Gülen Organization at the public's expense.

Concept's most serious controversy to date is the ongoing FBI investigation concerning the apparent collusion of Concept employees and their vendors allegedly to defraud the federal E-Rate grant program of millions of dollars.⁴² According to the released FBI's search warrant application, Concept executives may have 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, Concept's Chief Information Officer purportedly directed that vendor to divert hefty "subcontracts" to affiliated Turkish individuals and companies in exchange for a cut of the proceeds. The actual work appears to have been 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.⁴³ Former Concept executive and Ohio Founder Ozgur Balsoy was one of the fraudulently enriched Turkish vendors.⁴⁴ While Balsoy's business is under suspicion in the FBI investigation and has already been raided, Concept continues to give him and the other Turkish-owned vendors named in the search warrant application substantial business.⁴⁵ This investigation

³⁹ This information was taken from a review of the 990 tax documents filed for the Scioto Foundation, available at: <http://tinyurl.com/zgjb8dm> (last checked 9/6/2016).

⁴⁰ *Id.* For example, Scioto's membership includes Ben (Bunyamin) Koz, Concept's CFO; Ozgur Balsoy, former Concept employee and current Concept vendor and landlord; Oguz Kurt, Veysi Malkoc, Enver Ozer, Huseyin Coskun all Concept school board members; Cebraail Altindag, a Concept school employee; and Serkan Aykan, the president of the Niagara Foundation.

⁴¹ 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).

⁴² 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> (last checked 9/8/2016).

⁴³ Search Warrant application available at: <http://tinyurl.com/jt9j4ed> (last checked 9/8/2016).

⁴⁴ See *id.*; see also 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> (last checked 9/8/2016).

⁴⁵ See Mihalopoulos, Dan, *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times <http://tinyurl.com/jzmzevh> (last checked 9/8/2016).

is ongoing and includes schools, vendors, and Concept offices located in both Ohio and Illinois, as well.

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.⁴⁶ 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.⁴⁷ Emanet also produced a copy of the tuzuk agreement itself, which is attached to this report as Appendix I.

Financial Abuse

Ohio requires its charter schools to undergo annual audits, which are made public. These audits showcase a series of ongoing financial issues at the Concept OH charter schools that are endemic to all Gülen Organization charter networks. On the whole, these issues demonstrate a lack of financial controls, documentation, and transparency that are critical to obscuring the true use of state and federal funds by Gülen Organization charter networks.

Numerous examples of Concept and its schools misusing school funds to benefit private persons can be found from a review of the Ohio Concept school audits and investigations, including:

- ▶ Illegal payments of school funds to charter school governing board members;⁴⁸
- ▶ Illegal “reimbursements” paid by principals to themselves with school funds;⁴⁹

- ▶ Use of public funds to pay for employee personal expenses;⁵⁰
- ▶ Use of public funds to pay for the immigration expenses of Turkish individuals that weren’t employed at the schools, including the spouses of Taner Ertekin, Concept co-founder, and Sedat Duman, the current CEO of Concept;⁵¹
- ▶ Failure to document “bonuses” to select employees, which were not approved by the school governing board according to policy, or earned according to school policy;⁵²
- ▶ Improper enrichment of a Turkish board member for both HSA Springfield and HSA Toledo, who received over \$79,000 in business paid for by school funds for his restaurant from those schools since he became a board member—despite the

⁴⁶ Search Warrant application, pg 44, available at: <http://tinyurl.com/jt9j4ed> (last checked 9/8/2016).

⁴⁷ 2015 Letter from Mary Addi and Mustafa Emanet to OH legislature, available at: <http://tinyurl.com/mezzupx> (last checked 4/20/2017).

⁴⁸ Board member Unal from HSA Denison ES received a \$500 stipend as noted in the 2015 audit available at <http://tinyurl.com/zcyug6w>; HSA Denison MS board members Malloy and Duzgun received money as noted in the 2015 audit available at <http://tinyurl.com/znm1rx4>; HSA Lorain board member Bonilla received money as noted in the 2015 audit available at <http://tinyurl.com/z7347ok>; and Noble Academy Cleveland board members Malloy and Duzgun again received money as noted in the 2015 audit available at <http://tinyurl.com/jdyo9rm>.

⁴⁹ Audit available at: <http://tinyurl.com/je428za> (last checked 9/8/2016).

⁵⁰ Id.

⁵¹ 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. Numerous Concept-operated schools received findings for the illegal payment of immigration fees for non-employees. Audit available at: <http://tinyurl.com/zlpzg45> (last checked 9/8/2016).

⁵² See, e.g., HSA Cincinnati 2007 audit, pg 32, available at: <http://tinyurl.com/haos4qu> (last checked 9/8/2016).

fact that his restaurants are both located in Toledo, almost three hours away from HSA Springfield.⁵³

- Misuse of ESEA federal Title I funding.⁵⁴

These examples demonstrate the pattern and practice of using school funds for private benefit and self-dealing from Concept's beginnings through the present. In addition to these flagrant examples of using public funds to benefit cronies of Concept, the audits also detail the broken, incomplete, and disregarded financial controls and procedures in the Ohio Concept schools which allow these kinds of abuses to occur unchecked.⁵⁵

In addition to findings from public audits, Concept and the Ohio Concept schools have also made the news due to reports of illegal behavior from whistle blowers and former employees. These allegations have resulted in

lawsuits, a State Board of Education investigation and hearing, and special audits conducted by the state auditor's office to verify attendance records and testing procedures. In each of these cases, Concept and its schools were found to be out of compliance, either in whole or in part. These allegations include:

- Testing fraud to inflate student performance;⁵⁶
- Manipulating attendance records to gain more funding;⁵⁷
- Discrimination against non-Turkish and/or female employees;⁵⁸
- Discrimination against students;⁵⁹ and
- Abuse of the federal immigration H-1B program to hire unqualified, uncertified Turkish nationals.⁶⁰

Inter-Entity Lending Practices

Concept, its preferred Gülenist vendors, and its schools engage in frequent inter-entity lending practices, ranging from school to school, from

employees to the school, from vendors to the school, and even from school employees to the vendors.⁶¹ Many of these loans seem to have no

⁵³ While the name is not disclosed in the audits, the board member appears to be Mustafa Ilgin. <http://tinyurl.com/hcky5d7> The audits for these schools from 2010-2015 have noted over \$79,000 in business to a board member's restaurant from 2011-2015, with the number jumping significantly in 2015.

⁵⁴ See Melissa Randolph testimony to the Ohio State Board of Education, available at <http://bit.ly/1TaqRXP>.

⁵⁵ Schools that received findings in their audits for improper and/or unobserved financial controls and deficiencies include: HSA Cleveland (2002, 2006), HSA Columbus (2001, 2005, 2006), HSA Cincinnati (2006, 2007, 2008), HSA Dayton (2006), and HSA Dayton Downtown (2011).

⁵⁶ Livingston, Doug. *Former Teachers at Turkish-run charter school allege test-cheating, discrimination, sexual activity*, Akron Beacon Journal (July 15, 2014) <http://tinyurl.com/zsddk35>; see also Livingston, Doug, *Auditor Joins Investigation of 19 Charter Schools*, Akron Beacon Journal (July 17, 2014) <http://tinyurl.com/hevz2h8>

⁵⁷ Livingston, Doug. *Former Teachers at Turkish-run charter school allege test-cheating, discrimination, sexual activity*, Akron Beacon Journal (July 15, 2014) <http://tinyurl.com/zsddk35>

⁵⁸ Livingston, Doug. *Former Teachers at Turkish-run charter school allege test-cheating, discrimination, sexual activity*, Akron Beacon Journal (July 15, 2014) <http://tinyurl.com/zsddk35>; see also Torres, Louie, *Teacher Accuses Chicago Charter School of Sexual Harassment*, Cook County Record (May 9, 2016) <http://tinyurl.com/hvo72py>

⁵⁹ Livingston, Doug. *Former Teachers at Turkish-run charter school allege test-cheating, discrimination, sexual activity*, Akron Beacon Journal (July 15, 2014) <http://tinyurl.com/zsddk35>

⁶⁰ Ravitch, Diane. *Concept Schools in Ohio Import Large Numbers of Turkish Teachers for Gülen Schools*, (October 14, 2014) <http://tinyurl.com/hcy34t9>

⁶¹ Onder Secen, a school principal, gave almost \$60,000 in loans to the school's landlord Breeze, Inc. (\$9,500) and to the school itself (\$47,000), which also demonstrates the suspect flow of money between Concept employees, the schools, and their vendors. Audit, pg 20, available at: <http://tinyurl.com/je428za> (last checked 9/8/2016); see also 2007 Breeze Inc., 990 tax form, available at: <http://tinyurl.com/zj9xbzx> (last checked 9/8/2016).

solid basis or purpose, which is a known warning sign for money laundering.⁶² Additionally, these loans appear to be a violation of the governing boards' fiduciary duties of loyalty and due care to their respective charter schools.

For example, the five member board of Zafer Alpay, Adem Cakmak, Veysi Malkoc, Enver Ozer, and Jane Smirniotopoulos together constitute the governing boards for HSA Columbus ES, HSA Columbus MS, HSA Columbus HS, and Noble Academy (NA) Columbus.⁶³ In 2015, this governing board loaned over \$1 million dollars from HSA Columbus ES to the three other schools it served. NA Columbus even had an outstanding debt to HSA Columbus ES of \$85,000 from the prior year that remained unpaid when HSA Columbus ES loaned it another \$290,000. Being that these loans do not carry interest or even defined repayment terms, it is highly questionable whether having \$1 million less in school revenues for the 2014-2015 school year could have possibly been in HSA Columbus ES's best interests. Being that HSA Columbus ES ended up with a net position of negative \$1.9 million that year, the decision to loan out a total of \$1.2 million to other Concept-managed schools was decidedly not in HSA Columbus ES's best interests. Instead, these inter-school loans placed the interests of Concept

first, allowing the Concept-employed treasurer to precariously balance these schools' funds to mitigate the insolvencies that resulted, at least in part, from gross over-spending on rent to affiliated Gülenist entities.

Another example of inter-school lending appears to have no logical basis occurred in 2015.⁶⁴ That year, HSA Cleveland HS loaned HSA Cleveland MS \$50,000. In the same year, the MS loaned the HS \$20,000. This was not a repayment of the \$50,000, but a separate loan for \$20,000. The same year, the HS also received a loan from HSA Denison ES for \$30,000. This runaround scenario begs the question—how could making a \$50,000 loan to one entity be in the best interests of the HS when the HS itself had to take out two separate loans for the total amount of \$50,000 to do so? Compounding this strange scenario is the fact that the MS, who received the \$50,000 loan, was one of the two lenders that provided the HS with the funds that enabled it to make the \$50,000 loan. Considering that three out of the five board members on the HS and MS boards overlap with each other, this scenario calls into question the necessity of these loans, what their true purpose was, and whether any of these loans were made because they were in the best interests of the participating schools.

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,⁶⁵ 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.⁶⁶ Gülenists throughout the country attended and presented, including Alp Aslandogan, former Harmony Public Schools landlord, CEO of one Harmony's largest vendors,

⁶² 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).

⁶³ The information in this section is taken from 990 tax filings for these schools and the 2015 audits available on www.ohioauditor.gov.

⁶⁴ 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).

⁶⁵ See Concept Schools 990 tax form, available at: <http://tinyurl.com/h5yvjlt>.

⁶⁶ 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).

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.⁶⁷ Early on, the founders of the region established Breeze Inc, as a for-profit corporation to acquire properties for Concept Schools throughout the Concept network.⁶⁸ 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).⁶⁹ Murat Arabaci, a former Concept employee,⁷⁰ has managed New Plan Learning and each of its subsidiaries since 2005.⁷¹ 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.

Of the 17 Concept OH schools, ten currently pay rent to New Plan Learning, Inc., or one of its subsidiaries.⁷² Of the remaining seven schools, two schools bought their buildings from New Plan Learning subsidiaries, one bought its building from a non-affiliated entity, one rents its building from Ozgur Balsoy's company, and three rent their buildings from entities believed to be unaffiliated with Concept. Notably, the three schools that rent from unaffiliated landlords pay far lower rents than those schools in lease arrangements with Gülenist landlords.

New Plan Learning asserts that it supports Concept OH schools by providing valuable real estate services, however, it is clear from the property arrangements themselves that these arrangements benefit Concept and New Plan Learning exclusively at the expense of these schools and their public funds. In fact, the Ohio Supreme Court issued an opinion in January of 2016 that New Plan Learning and its subsidiaries operate with a "view to profit" off their leases to the Concept OH schools, and thus, could not be eligible for a property tax exception based on their lessees' use of the property as schools.⁷³ New Plan Learning argued that its leases were set at their minimum amounts, but the Court disagreed, finding that "substantial" rent was charged above the minimum amounts required and that New Plan Learning profited. Furthermore, the profits were used to acquire more property for New Plan Learning rather than to enhance or improve the rental property for the students who attend the schools or some other legit non-profit purpose.

From the early 2000s to the present, New Plan Learning acquired numerous school properties to rent to Concept-managed schools. In some cases, the school was already renting the building from an unaffiliated third party. After New Plan Learning acquired the building, the rents paid by the schools would double, triple, and for some schools, quadruple.⁷⁴ Here are a few of the more egregious examples:

⁶⁷ See Texas profile for more information about Alp Aslandogan.

⁶⁸ New Plan Learning, Inc. 2011A Bond Official Statement pg A-4, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁶⁹ New Plan Learning, Inc. 2011A Bond Official Statement pg A-4, A-5, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016)

⁷⁰ See 2007 Concept 990 with Arabaci listed as employee, available at: <http://tinyurl.com/z9y36lh> (last checked 9/8/2016).

⁷¹ 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).

⁷² New Plan Learning, Inc. 2011A Bond Official Statement pg A-5, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁷³ See 250 Shoup Mill, L.L.C. v. Testa, Slip Opinion No. 2016-Ohio-5012 (2016).

⁷⁴ See Whistle Blower pg 640 for Property information, including landlords, rent, and transfer history for the facilities of the Ohio Concept Schools, specifically HSA Lorain whose rent has quadrupled under New Plan Learning's ownership.

HSA Cincinnati:

- ▶ In 2005, Breeze bought the property and two other parcels of land for \$1.25 million.
- ▶ In 2005, founder of Concept and Breeze, Vedat Akgun, signed the lease with Breeze on the school's behalf as the school's founder, a clear conflict of interest.
- ▶ Since 2005, the school has incurred over \$3.6 million in rental fees. Note that that is three times the original purchase price of \$1.25 million and constitutes the rent for only one of the three parcels bought for that original purchase price.
- ▶ New Plan Learning board member Savas Kaya was also on the HSA Cincinnati school board during both of the two lease renegotiations, with each raising the rent above and beyond the already included escalation clauses.

HSA Columbus HS:

- ▶ In 2004, Breeze bought the property for \$1.5 million.
- ▶ From 2005-2015, the school incurred approximately \$4.8 million in rental fees.
- ▶ In 2015, Breeze sold the building to the school for \$3.6 million, even though the tax value was listed as \$1.9 million at the time.
- ▶ Breeze, a non-profit by that time, made over \$6 million in profits off of the rent and sale of this building to a school it was supposed to be supporting.
- ▶ New Plan Learning board member Nuh Aydin was on both the selling board (New Plan Learning) and the buying board (HSA Columbus HS) at the time of the transaction.

HSA Youngstown:

- ▶ In 2010, NOG-Ohio (New Plan Learning subsidiary) purchased the building for \$550,000.
- ▶ From 2010-2013, the school paid \$577,000 in rental fees.
- ▶ In 2013, NOG-Ohio sold the building to the school for \$980,000, even though the tax value remained at \$550,000 due to no improvements being made on the building.
- ▶ NOG-Ohio made over a million dollars in profit in just three years on a school it was supposed to be supporting.

Noble Academy Cleveland:

- ▶ From 2010-2013, the school rented the building from a non-affiliated party, paying on average \$155,000 per year in rent.
- ▶ In 2013, Euclid Properties LLC, owned by former Concept employee and current Concept vendor Ozgur Balsoy, bought the property from the non-affiliated party for \$560,000.
- ▶ In the two years since Balsoy took over ownership, the school has already paid \$551,610 in rental fees, almost the full purchase price.
- ▶ With the new lease agreement charging upwards of \$360,000 per year, the rent has more than doubled.

HSA Denison MS:

- ▶ In 2006, Breeze bought the property for \$2.2 million.
- ▶ From 2006-2015, the school incurred \$4 million in rental fees. Note that the school

is also responsible for all maintenance, renovation costs, and upkeep of the facilities.

- ▶ As a comparator, HSA Denison ES has paid less than a third of the rent HSA Denison MS has paid over the same time period to its unaffiliated third party landlord. The schools are roughly the same size in terms of square footage and student enrollment.

HSA Lorain:

- ▶ In 2011, NOG-Ohio bought the building for \$1.4 million.
- ▶ From 2010-2011, the school paid approximately \$100,000 per year in rent to an unaffiliated third party. After NOG-Ohio took control, the rent jumped to:
 - ▶ 2012 - \$264,000
 - ▶ 2013 - \$271,000
 - ▶ 2014 - \$461,000
 - ▶ 2015 - \$470,000
- ▶ The rent has more than quadrupled under New Plan Learning's management.

HSA Toledo:

- ▶ In 2011, OG-Ohio bought the building for \$1.4 million.
- ▶ From 2013-2015, the school has already paid \$1.9 million dollars, more than the purchase price alone.
- ▶ Note that this school is part of the New Plan Learning bond deal, meaning its non-cancelable lease will extend for the next thirty years at increasingly higher rents. In FY 2012, the last year that it paid rent to an outside party, HSA Toledo paid approximately \$290,000 in rent. In 2013 under New Plan Learning, the rent jumped to \$503,000, in 2014 to \$662,000, and in 2015, HSA Toledo paid over \$716,000 in rent.

New Plan Learning and its subsidiaries have made an **estimated total net profit of \$18.75 million** in profit from its rental arrangements and property deals with the Ohio Concept schools. If the annual rental fees for 2015 stayed the same for 2016, which they would not due to rental escalation clauses, New Plan Learning will receive an additional \$4.5M in rent for FY 2016. In our view, New Plan Learning perpetuates this highly suspect arrangement and apparent exploitation by installing one of its own three board members, Adem Cakmak, Savas Kaya, or Nuh Aydin, on the governing board of every school it leases to.

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, three of which are located in Ohio--HSA Dayton HS, HSA Toledo HS, and HSA Springfield.⁷⁵ Due to their inclusion in the bond, these schools are

now subject to extremely high annual rents in non-cancelable leases set to expire in 2041.⁷⁶ 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 networks.⁷⁷

⁷⁵ New Plan Learning, Inc. 2011A Bond Official Statement, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁷⁶ *Id.*

⁷⁷ Pima County bond issuances, available at: <http://tinyurl.com/kards94> (last checked 3/30/2017).

Excessive Use of the H-1B Visa Program

Like all Gülen Organization charter networks, Concept and their OH 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 (OH) network filed 657 H-1B applications from 2001-2016, while Concept itself filed 176 H-1B applications during the same time period.⁷⁸ While Concept Schools leadership states that these H-1Bs are only to fill shortage areas for math and science teachers,⁷⁹ these applications were filed for such positions as: business operations managers, assistant principals, P.E. teachers, accountants, treasurers, art directors, director of compensation, human resources directors, education administrators, financial managers, instructional coordinators, elementary teachers, English teachers, Turkish teachers, and IT network administrators.

Concept (OH) 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:

- ▶ Remzi Kulen. Concept (OH) 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)⁸⁰

- ▶ David Nachman: Concept (OH) used Nachman, a New Jersey-based attorney, to file H-1B applications.⁸¹ Nachman also filed H-1B applications for:

- ▷ MilkyWay Education Center (NJ)
- ▷ Paterson Charter School for Science and Technology (NJ)

- ▶ Nuzhat Hafeez: Concept (OH) schools used Hafeez, an Illinois-based attorney, to file numerous H-1B applications.⁸² Hafeez also filed H-1B applications for:

- ▷ Concept Schools, Inc.
- ▷ Niagara Educational Services, Inc. (IL)

⁷⁸ 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 (OH) schools from 2001-2016 is 657, and the numbers supporting that total are located at the following links: 1) HSA Toledo 79 H-1Bs <http://tinyurl.com/h2wzgxnm> and <http://tinyurl.com/hvm6c3g> 2) HSA Columbus MS 88 H-1Bs <http://tinyurl.com/hm2huqp> and <http://tinyurl.com/zwh2dm3> 3) HSA Lorain 40 H-1Bs <http://tinyurl.com/jftczdy> 4) HSA Cincinnati 119 H-1Bs <http://tinyurl.com/z8rh67o> 5) HSA Springfield 24 H-1Bs <http://tinyurl.com/zcy5wbs> 6) HSA Dayton HS 44 H-1Bs <http://tinyurl.com/jk8v67g> 7) HSA Dayton Downtown 14 H-1Bs <http://tinyurl.com/h958de9> 8) HSA Denison MS 10 H-1Bs <http://tinyurl.com/ztxhlca> 9) HSA Toledo Downtown (now closed) 12 H-1Bs <http://tinyurl.com/hbfvk85> 10) HSA Denison ES 16 <http://tinyurl.com/hh6ph6j> 11) HSA Cleveland MS 15 H-1Bs <http://tinyurl.com/grttwzk> 12) HSA Columbus 11 H-1Bs <http://tinyurl.com/zjkpnhh> 13) HSA Cleveland ES 1 H-1B <http://tinyurl.com/hzaj227> 14) Noble Cleveland 35 H-1Bs <http://tinyurl.com/zvs68d3> and <http://tinyurl.com/j76pnvs> 15) Noble Columbus 25 H-1Bs <http://tinyurl.com/zslwyng> 16) Noble Academy (general, no other info) 11 H-1Bs <http://tinyurl.com/hegbswl> 17) HSA Cleveland HS 74 H-1Bs <http://tinyurl.com/za497gb>; <http://tinyurl.com/jgkq4tp> and <http://tinyurl.com/jpye349> 18) HSA Columbus HS 39 H-1Bs <http://tinyurl.com/z5oyngk>. Concept filed 176 H-1B applications 2001-2016. See <http://tinyurl.com/j3whatt> for Concept Schools, Inc.; <http://tinyurl.com/zhgx3xl> for Concept Schools Nfp.

⁷⁹ Article quoting Concept regarding H-1B use, available at: <http://tinyurl.com/l7bw4zt> (last checked 4/23/2017).

⁸⁰ List of entities represented by Remzi Kulen, available at <http://tinyurl.com/gptwx5x> (last checked 3/21/2017).

⁸¹ Nachman profile listing entities represented for H-1B visa work, available at <http://tinyurl.com/ny5h3ty> (last checked 4/13/2017).

⁸² Hafeez profile listing entities represented for H-1B visa work, available at: <http://tinyurl.com/mvnttav> (last checked 4/13/2017).

► Niagara Foundation (IL)

► The Core Group (IL)

Scandals, Investigations & Notable Activities

The Ohio network of the Gülen Organization has been investigated multiple times, as discussed previously in this profile. One such investigation occurred when four former HSA employees testified to the Ohio State Board of Education regarding Concept's misuse of Title I funding by forging federal paperwork; bribing students to help change standardized assessment responses; discrimination against both female teachers, female students, and non-Turkish individuals at large; and improper discipline and lack of response to student sexual activity on campus.⁸³

Furthermore, the U.S. Department of Labor has an ongoing investigation into Concept and its Illinois charter school, Chicago Math and Science Academy ("CMSA"). CMSA non-Gülenist employees complained to the American Federation of Teachers ("AFT") regarding CMSA and Concept's abuse 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.⁸⁴ 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.⁸⁵

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 journalism at the time and asked for a thorough investigation.⁸⁶

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.⁸⁷ The founders of the first OH charter schools in the Gülen Organization

⁸³ Livingston, Doug. *Former Teachers at Turkish-run charter school allege test-cheating, discrimination, sexual activity*, Akron Beacon Journal (July 15, 2014) <http://tinyurl.com/zsddk35>; see also Livingston, Doug, *Auditor Joins Investigation of 19 Charter Schools*, Akron Beacon Journal (July 17, 2014) <http://tinyurl.com/hevz2h8>; Melissa Randolph testimony to the Ohio State Board of Education, available at <http://bit.ly/1TaqRXP>.

⁸⁴ 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).

⁸⁵ *Feds Question Schools' Visa Use*, The Columbus Dispatch (May 20, 2011), available at: <http://tinyurl.com/m2ssl9h> (last checked 4/23/2017).

⁸⁶ 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).

⁸⁷ See Concept Schools network, available at: <http://tinyurl.com/z3d8qsb> (last checked 8/26/2016).

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.⁸⁸ 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).⁸⁹ 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.
- **The Core Group:** The Core Group, owned

by Ertugrul Gurbuz, is currently under federal investigation as one of the vendors Concept used to defraud the E-Rate program.⁹⁰ The company and its subsidiaries have received over \$3.2 million dollars from Concept schools.⁹¹ 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.⁹²

- **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 defrauding of the E-Rate program.⁹³ The company served as an E-Rate funding consultant to the schools.

Gülenist Cultural Foundations

- **Scioto Foundation/Turkish American Society of Ohio:** Several of the Turkish charter school governing board members also belong to the Scioto Foundation, now d.b.a. as the Turkish American Society of Ohio, which is a cultural association affiliated with Fethullah Gülen.⁹⁴ Other notable members of the Scioto Foundation include Concept leadership; Concept's preferred Turkish vendors;

Concept school employees; school landlords; lenders (private and institutional) that have provided capital to New Plan Learning and the Concept schools themselves; and members of the Niagara Foundation.⁹⁵ The Scioto Foundation organized dinners for legislators and Gülenists, including one such event whereby Alp Aslandogan of the Harmony (TX) network spoke to Ohio

⁸⁸ New Plan Learning, Inc. 2011A Bond Official Statement pg A-4, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁸⁹ New Plan Learning, Inc. 2011A Bond Official Statement pg A-4, A-5, available at: <http://tinyurl.com/zxoauxp> (last checked 9/6/2016).

⁹⁰ See Mihalopoulos, Dan. *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times <http://tinyurl.com/jzmzevh> (last checked 9/8/2016).

⁹¹ Id.

⁹² 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>.

⁹³ See Mihalopoulos, Dan. *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times <http://tinyurl.com/jzmzevh> (last checked 9/8/2016).

⁹⁴ This information was taken from a review of the 990 tax documents filed for the Scioto Foundation, available at: <http://tinyurl.com/zgjb8dm> (last checked 9/6/2016).

⁹⁵ Id. For example, Scioto's membership includes Ben (Bunjamin) Koz, Concept's CFO; Ozgur Balsoy, former Concept employee and current Concept vendor and landlord; Oguz Kurt, Veysi Malkoc, Enver Ozer, Huseyin Coskun all Concept school board members; Cebraill Altindag, a Concept school employee; and Serkan Aykan, the president of the Niagara Foundation.

state lawmakers, quoting Gülen's own teachings, and members of the Niagara Foundation attended as well.⁹⁶

- **Niagara Foundation:** The Niagara Foundation is a major Turkish Gülenist cultural association based in Chicago. Gülen is its honorary president.⁹⁷ 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. to purchase new properties for Concept charter schools.⁹⁸ 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.⁹⁹

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.

- **Tolga Hayali:** HSA Dean of Academics;¹⁰⁰ HSA founder and director of HSA Denison;¹⁰¹ Vice President Apple Education Services – Gülenist CMO Northeastern region;¹⁰² School director, Syracuse Academy of Science (NY);¹⁰³ Superintendent of Utica and Syracuse

Academies of Science (NY);¹⁰⁴ Principal of Pioneer Academy of Science (NJ).¹⁰⁵

- **Gultekin "John" Aytekin:** Teacher Wisconsin Career Academy (WI);¹⁰⁶ Teacher/Director HSA Columbus;¹⁰⁷ Principal Indiana Math and Science Academy (IN);¹⁰⁸ Superintendent for Concept (IN);¹⁰⁹ Implicated in alleged de-frauding of the E-Rate program and currently under investigation by the FBI;¹¹⁰ Director of Accountability for Concept.¹¹¹
- **Emrah Ayhan:** Math teacher, HSA Toledo;¹¹² Board member for HSA Toledo; Board member for HSA Denison; Co-Founder of Breeze, Inc.;¹¹³ Incorporator

⁹⁶ Event summary, available at: <http://tinyurl.com/ny8zr3f> (last checked 4/20/2017).

⁹⁷ 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).

⁹⁸ Audit available at: <http://tinyurl.com/haos4qu> (last checked 9/8/2016).

⁹⁹ For a description of a legislator's trip to Turkey with the Niagara Foundation, see: <http://tinyurl.com/mkfando> (last checked 4/20/2017).

¹⁰⁰ LinkedIn profile, available at: <http://tinyurl.com/n57ygsf> (last checked 4/19/2017).

¹⁰¹ Id.

¹⁰² Id.

¹⁰³ Id.

¹⁰⁴ Id.

¹⁰⁵ Article interviewing Hayali, available at: <http://tinyurl.com/kxoqryt> (last checked 4/19/2017).

¹⁰⁶ Resume available pg 99 at: <http://tinyurl.com/mytqkaj> (last checked 4/19/2017).

¹⁰⁷ LinkedIn Profile available at: <http://tinyurl.com/my9p3y2> (last checked 4/19/2017).

¹⁰⁸ Id.

¹⁰⁹ Id.

¹¹⁰ Search Warrant application, pg 40, available at: <http://tinyurl.com/jt9j4ed> (last checked 9/8/2016).

¹¹¹ Id.

¹¹² Bio available at: <http://tinyurl.com/k8zj2p3> (last checked 4/20/2017).

¹¹³ Corporate information available at: <http://tinyurl.com/kn9xuzr> (last checked 4/20/2017).

- of HSA Springfield;¹¹⁴ Teacher at HSA Cleveland;¹¹⁵ Principal of Paterson Charter School for Science (NJ).¹¹⁶
- ▶ Aydin Kara: Teacher, Director at HSA Columbus;¹¹⁷ Director for HSA Cleveland MS;¹¹⁸ Principal for Chicago Math and Science Academy (IL);¹¹⁹ Director for HSA Toledo;¹²⁰ Author for The Fountain, a Gülenist magazine.¹²¹
 - ▶ *Notable Articles regarding the Ohio Network*
 - ▶ Mihalopoulos, Dan. *Targeted Firms Still Get Tax Money After Charter Raids*, Chicago Sun-Times, available at: <http://tinyurl.com/jzmzevh> (last checked 9/8/2016).
 - ▶ Torres, Louie, *Teacher Accuses Chicago Charter School of Sexual Harassment*, Cook County Record (May 9, 2016) available at: <http://tinyurl.com/hvo72py>
 - ▶ 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> (last checked 9/8/2016).
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