

From: Andrew Kovalcin <[REDACTED]>
Sent: Thursday, February 23, 2017 5:34 PM
To: Ashley Montenegro ([REDACTED])
Cc: [REDACTED]
Subject: backgrounder for tomorrow's meeting with AG Schuette and Bob Amsterdam

Ashley,

First, thanks so much for arranging the meeting tomorrow with AG Schuette and Bob Amsterdam.

As you know, we're interested in discussing some troubling trends we're seeing across the country related to charter schools. While we are pro-charter school, there is a network of charter schools which have been charged with, or are highly suspected of, tampering with admissions, grades, attendance and testing; misuse of funds and embezzlement; engaging in nepotism and conflicts of interest; engaging in complicated and shady real estate deals; and/or have been engaging in other questionable, unethical, borderline-legal, or illegal activities. This is also a record of charter school instability and other unsavory tidbits.

Meeting Objective

Educate Schuette on issue and have follow up opportunity with his staff to investigate areas of concern.

Related Recent Articles

Recent Investigative Articles on specific charter school network (Gulen Schools) in states citing fraud, abuse and misuse of taxpayer dollars.

- **The Record**
<http://www.northjersey.com/story/news/watchdog/2017/02/15/fethullah-gulen-charter-schools-islamic-charter-news-jersey/94574618/>
- **Fort Worth Weekly**
<https://www.fweekly.com/2017/02/09/cross-currents/>

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Areas of Concern

Transparency

- Loose, vague, and improper financial reporting and accounting;
- Closed loop decision-making by a Board, high-ranking administrative leadership, principals, Finance Committee, and bid review committees
- Violations of open, fair, competitive bidding requirements;
- Sole usage of controlled businesses operated by affiliated individuals;

Misuse of Taxpayer Dollars

- Misuse of state and federal funds
- Periodic insolvency
- Systematic overcharging of leases
- Misuse of program federal program funding for low socioeconomic students and students with special needs.

Non-discrimination:

- Discrimination against English Language Learners and students with disabilities.
- Discrimination in hiring, pay, and promotion of teachers
- Abuse of H-1B visa program to bring in unqualified teachers

Gulen-linked charter schools in 2016-2017 (Updated 12/9/2016)

- 167 schools in 26 states plus DC

Charter School in Michigan

- Management organization: Concept Schools <http://www.conceptschools.org>
 - Michigan Math and Science Academy <http://www.mmisaonline.org/>
 - City: Center Line, MI
 - NCES School ID: 2600967-08048

Background on Charter School interest by Amsterdam & Partners

Amsterdam & Partners LLP was retained by the Republic of Turkey to pursue a global investigation into the unlawful activities of Fethullah Gülen, a secretive multi-billionaire cleric who has been accused of seeking to destabilize Turkey and overthrow an elected government. The law firm has initiated a multi-jurisdictional investigation into Gülen's charter school network, which operates some 150 schools in the United States. These schools serve several purposes to Gülen, providing a source of taxpayer funds to misappropriate and launder to finance anti-government activities, while also serving as the ideal grounds for proselytizing and incubating new members of his international sect.

About Amsterdam & Partners

<http://www.amsterdamandpartners.com/about-amsterdam-partners-llp/>

Amsterdam & Partners LLP provides international counsel to individual and corporate clients operating in challenging international environments.

The firm offers a unique and multi-disciplinary approach in cases featuring political and extra-legal aspects, relying on decades of experience working with high-profile clients. With a reputation as tenacious counsel with a creative tactical approach and a keen strategic eye, Amsterdam & Partners LLP provides its clients with a full spectrum of dispute resolution services with the aim of tackling complex issues in some of the most difficult jurisdictions around the world.

Amsterdam & Partners LLP has a team of specialists in international white-collar defence and international arbitration with vast experience of complex multi-jurisdictional disputes. With our experience in managing, litigating and arbitrating disputes, and through our team and its extensive network, we are able to put together "virtual firms" of the top minds in their fields to handle disputes and crises under the best possible representation within local and international law.

In addition to multi-jurisdictional legal services, Amsterdam & Partners LLP also has a team dedicated to political advocacy and media relations, complementing the legal strategy with an expanded capacity to move the case before the court of public opinion. This two-pronged approach to cases allows us to offer our clients strategic advice that is tailored to the unique legal and political contexts in which they operate.

Founding partner Robert Amsterdam, who has practiced international law for 35 years, has represented a broad range of clients. Past clients include Mikhail Khodorkovsky, once Russia's most wealthy businessman who became a leading opposition figure after serving more than 10 years as an Amnesty International recognized Prisoner of Conscience. The firm was also formerly involved in a high-stakes dispute with the Venezuelan government, and successfully freed their client from a political motivated incarceration. Robert has represented numerous mining and extractive industry companies when facing expropriation, intervention, and harassment actions by governments, and has also represented major corporations such as the Four Seasons Resort and Hotels Group and the accounting firm PricewaterhouseCoopers.

In 2010, Robert was appointed by the former Prime Minister of Thailand, Thaksin Shinawatra, to defend members of the Red Shirt pro-democracy movement, which entailed an appeal to the International Criminal Court concerning crimes against humanity committed by the Thai Army. He has also served as counsel to prominent political leaders and activists such as Dr. Chee Soon Juan in Singapore and the former President of Zambia Rupiah Banda. Amsterdam & Partners LLP is presently engaged on matters in Nigeria, Zambia, Guinea, South Africa, Brazil, Russia, and other several emerging markets.

Amsterdam & Partners LLP was awarded the 2013 Global Pro Bono Dispute of the Year Award from American Lawyer after winning a case on behalf of Dr. Georges Tadonki, who was wrongfully dismissed from the United Nations after blowing the whistle on United Nations' complicity in atrocities in Zimbabwe. Other prominent pro bono causes include the case of Stephan Templ, a Jewish historian who has been jailed by the Austrian government under widely disputed circumstances.

From: Andrew Kovalcin <[REDACTED]>
Sent: Thursday, March 30, 2017 5:07 PM
To: Adam Piper; Ashley Montenegro ([REDACTED])
Subject: CBS Story on Charter Schools

Adam/Ashley,

I wanted to flag this story as it relates to some bad charter school apples – putting the entire system at risk.

Also, in the coming weeks, there will be a state-by-state study that outlines this and other Gulen network charter schools.

CBS NATIONAL NEWS STORY ON CASH KICKBACKS MADE TO GULEN SCHOOLS in U.S.

State and national investigations continue into the schools in Texas and 25 other states that have been founded by followers of the Turkish cleric, Fethullah Gulen.

Here's the most recent news story from CBS this morning that includes testimony from a former math teacher at Harmony Public Schools in Texas.

CBS reports that the FBI is investigating whether Gulen's followers skimmed money from US schools and charities to fund the movement in Turkey.

The former teachers who have come forward, both of Turkish national origin, testified about a scheme at schools to take advantage of the American charter school network to fund Gulen's movement. They were forced to give money back to the Gulen movement from their taxpayer-funded salaries, up to 40 percent of their salary in one case, and usually paid in cash. One teacher paid over \$20,000 or more in this scheme.

Some of the money ended up back in a Turkish bank linked Gulen's followers.

In addition, James Jeffries, former US Ambassador to Turkey, stated that the Gulen movement "is a threat to the U.S. relationship with Turkey and thus to the stability of the Middle East." He stated that Gulen's followers are a powerful force in Turkey, with "public good works, but more private political aims." He called for an investigation to determine what Gulen is attempting to do in Turkey and the United States and "what laws it may be breaking."

**Are some U.S. charter schools helping fund controversial Turkish cleric's movement?
CBS Morning News**

CBS News has learned the FBI is investigating whether Fethullah Gulen has skimmed money from taxpayer-funded charter schools in the U.S.

March 29, 2017

<http://www.cbsnews.com/news/is-turkish-religious-scholar-fethullah-gulen-funding-movement-abroad-through-us-charter-schools/>

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Andrew Kovalcin
[REDACTED]
[REDACTED]

This material is distributed by Amsterdam & Partners LLP / the Republic of Turkey. Additional information is available at the Department of Justice, Washington, DC.

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[REDACTED]

[REDACTED]

From: Andrew Kovalcin <[REDACTED]>
Sent: Thursday, March 30, 2017 5:01 PM
To: Inez Feltscher
Cc: Bill Meierling ([REDACTED])
Subject: CBS Story on Charter School Bad Apple

Inez,

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