

1 ADDITIONAL INFORMATION

2 DATE OF OFFENSE:

3 Obtained from the First Amended Felony Information filed with the
4 Court on January 19, 2006

5 Counts One through Eight: September 1, 2000, through December 31,
6 2001.

7 Counts Nine and Ten: November 6, 2001, through December 20, 2001.

8 Count Eleven: June 29, 2001, through September 27, 2001.

9 Count Twelve: April 15, 2001, to present.

10 Count Thirteen: December 12, 2002.

11 The defendant was interviewed by your officer at the Fresno County
12 Annex Jail on July 12, 2006.

13 In addition to being known as Khadijah Abdul Ghafur, she is known by
14 the following names; Deanna Moton, which is her birth name, Deanna
15 Jennings, Khadijah Baqi, Khadijah Chaful, and Khadijah Moton. She
16 also uses the name Diane Jennings on her email and when asked about
17 that name she said that Diane is a "nickname" that she uses. In
18 regards to Abdul being used as a middle name she said she does not use
19 it. The "Abdul" came from her ex-husband who used Abdul-Baqi as his
20 last name. Her driver's license is under Khadijah A. Ghafur.

21 The defendant reports that she was born in Selma, Alabama to Ella Mae
22 Moton. Her biological father is unknown. On her marriage license
23 from Fresno County dated October 13, 2000, her father's name is listed
24 as John Turner. Her mother, who raised her, currently lives in
25 Hartford, Connecticut. She has five brothers, one who is deceased,
and nine sisters. She reports having a close relationship with her
family. In regards to any family criminality, her baby brother,
"Joe," spent time in jail for an unknown misdemeanor offense years
ago.

21 The defendant reports the following history of her entire education.
22 She graduated from high school in 1968. She obtained her Bachelors of
23 Science degree in Social Work from Talladega College in Talladega,
24 Alabama in 1972. In 1973, she obtained a masters degree in Social Work
25 from Atlanta University. She attended Hunters Post Graduate Center in
New York City and studied Family Therapy in a certified program that
could be applied towards a PhD. In the 1980s, possible 1980, she
attended Quranic Open University. She took correspondence courses
working towards a doctoral degree in Religious Science. According

1 to the defendant's statements, this school is based out of Washington
D.C. and is an Internet school in Islamic Religious Studies. She is
2 currently a student at Argosy University and is working towards her
doctorial degree in Education. The school is in Atlanta, Georgia.

3 The defendant denies any gang affiliation. She denies having any
4 tattoos.

5 The defendant did not serve in the military.

6 The defendant reports being in good physical and mental health and is
not taking any medication. She denies any suicide attempts.

7 The defendant states that she does not own any real property.

8 The defendant stays at two different places when she is in Atlanta for
9 her schooling. She reports she stays in a mobile home that she rents
located at 11 Madinah Road in Commerce, Georgia 30530. She will also
10 stay with a young couple at 786 Fox Valley Stone Mountain, Georgia
30088-2283.

11 Currently the defendant is a student and receives \$18,000 in grants to
12 go to school and this is how she has been supporting herself. She
previously worked as the Superintendent of Gateway Academy Charter
13 School and her last yearly earnings were \$130,000. She said she was
on the job for four years as a paid employee, but had worked on the
14 project for five years total.

15 The defendant has been married twice. Her first husband was known as
James Jennings when they married, but later changed his name to
16 Abdullah Abdul-Baqi. Her first husband is the father of her son,
Faruq Baqi who is 31 years old. Her son works in telecommunication
17 with Avaya which used to be Lucid Technologies. She reports he lives
in the state of Tennessee. Fresno County Jail Records Management
18 System indicates that a Faruq Baqi visited her on June 30, 2006, July
3, 2006, July 6, 2006, July 7, 2006, and July 8, 2006. On June 7,
19 2006, it was noted that he was an out of town visitor from 720
Islamville Way, York, South Carolina.

20 The defendant reports that she married her second husband, Salih
21 Ghafur, in 1990 or 1991. In Court documents, there is a marriage
license from the County of Fresno that was issued to the couple on
22 October 13, 2000. According to the marriage license she used the name
Deanna Moton, she had 16 years of education, she was a social worker,
23 and she had no prior marriages. The defendant said that according to
Islamic law she is divorced from Salih Ghafur and has been for four
24 years. She stated that according to State law she is not divorced and
that is because she does not have the money to obtain a divorce. She
25 said that she has not had contact with Salih Ghafur for four years.

1 The defendant grew up in Selma, Alabama. From 1968 to 1972 she was in
2 the Atlanta, Georgia area going to college. In 1974 she went to live
3 in New York. Around 1982 she moved to Trenton, New Jersey then that
4 same year she moved to Hesperia, California. Around 1990 or 1991, she
5 moved to Fresno County and initially lived near of Hwy 180.

6 The defendant worked for San Bernardino County Department of Social
7 Services as a Social Worker. Prior to 1990, she worked at Watts
8 Health Foundation. Prior to being employed at Gateway Academy Charter
9 School she said that she had not worked for ten years. She did some
10 religious counseling with children for free. She was married at the
11 time and did not need to work. She did help raise some money for
12 social work and did utilize some of that money for support.

13
14 USE OF ALCOHOL/CONTROLLED SUBSTANCES

15 The defendant said that when she was in college she tasted some
16 alcohol, it was "nasty" and she "couldn't get it." She denies the use
17 or experimentation with any drugs/narcotics.

18
19 CO-DEFENDANTS

20 Kehinde Solwazi was found guilty of a misdemeanor violation of R&TC
21 19705(a) and is scheduled to be sentenced on August 10, 2006 in
22 Department 53.

23 Naazim Abdul Hamed was found guilty of Count Eleven a violation of PC
24 487 and he is scheduled to be sentenced on August 10, 2006 in
25 Department 53.

BRIEF SUMMARY OF FACTS

26 Counts One through Eight: From September 1, 2000, through December
27 31, 2001, Khadijah Ghafur took money from the Getaway Academy Charter
28 School that was funded by public money, for her own personal gain.
29 She used that money in the following counts:

30 Counts One and Two: Approximately \$75,000 was paid to Suraiya Razzak
31 for debt that Ghafur owed on the purchase a 300 acre property located
32 in Miramonte, California.

33 Counts Three and Four: \$12,000 was paid to Italo Stanziale for a
34 duplex that Ghafur purchased from him.

1 **Counts Five and Six:** Three \$10,000 payments (\$30,000) were paid to
2 Heritage Development Corporation. Ghafur deposited the money into an
3 account entitled Heritage Homes and she paid her husband \$10,000 from
4 that account after the deposit. She took out \$9,995 in cash at that
5 time also. One of the \$10,000 checks was never found as to where it
6 was deposited.

7 **Counts Seven and Eight:** A \$1000 payment was made to Cosmopolitan
8 Finance regarding the repossession of Ghafur's car.

9 **Counts Nine and Ten:** From November 6, 2001, through December 20,
10 2001, Khadijah Ghafur took money from the Getaway Charter Academy
11 School that was funded by public money, for her own personal gain.
12 These counts involve the defendant paying back money she borrowed from
13 Fresno Business Services in which she used to pay her property taxes
14 on the Miramonte property. The amount was \$12,500.

15 **Count Eleven:** Khadijah Ghafur and Naazim Hamed submitted falsified
16 lists indicating there were more students attending Gateway Charter
17 Academy School than in fact there were. The falsified list was
18 submitted to Delta Financial and Wedbush-Morgan Securities in order to
19 secure a bridge loan for the operations of the charter school. A
20 total of \$630,000 was paid out from bonds sold to various victims
21 under these false pretenses of Ghafur and Hamed.

22 **Count Twelve:** Ghafur failed to file an income tax return for the year
23 2000 in the State of California. She was paid \$80,000 from Gateway
24 Charter School Academy in the year 2000. Tax deductions were taken
25 out of her salary, but they were not sufficient and she has a tax
liability of \$3,398.29.

Count Thirteen: In 2001 Ghafur claimed on her State of California tax
return for the year 2001 that her income from Gateway Charter School
Academy was \$118,270; however, after reviewing her bank records for
that year she had in fact received \$269,680 in payments for her
benefit. Deductions were taken from her income but she still has a
tax liability of \$14,385.78.

CIRCUMSTANCES OF THE OFFENSE

The following information was obtained from the Department of Justice
report #SA20044014283 and the Preliminary hearing transcripts dated
April 7, 2005, April 18-20, 2005, and April 29, 2005:

On January 16, 2002, the Fresno Police Department requested the
assistance of the Department of Justice regarding an investigation
pertaining to the Gateway Academy Charter School (Gateway).

1 Information had been received that Gateway was involved in the
unlawful taking of state funds.

2 Khadijah Ghafur was the President of the Heritage Development
3 Corporation (HDC), a nonprofit corporation that had been incorporated
on July 1, 1996, with the State of California. On behalf of Gateway,
4 Ghafur had petitioned Fresno Unified School District (FUSD) in 1998 to
become a charter school. The petition stated Gateway was operating
5 under auspices of HDC and included Ghafur and Solwazi as Gateway's
board members. On October 28, 1998, FUSD approved Gateway's charter
6 petition to operate as a public school. In May of 1999, the California
Board of Education granted Gateway its charter number.

7 Gateway began operating in September of 2000, and had six school sites
8 some in Fresno and some in other communities with a total of 198
students enrolled. By June of 2001, Gateway had grown to a total of
9 eleven school sites that included local Fresno sites as well as in
Alameda, Los Angeles, Riverside, Tulare, Kern, and San Bernardino
10 Counties. In September of 2001, Gateway reported to FUSD that it had
13 school sites located throughout California with 701 students
11 enrolled. All of these school sites were under the charter school
petition with FUSD. Gateway remained in operation until January 16,
12 2002, when FUSD Board of Trustees revoked Gateway's charter for
violating its charter, engaging in an ineffective educational program
13 and for fiscal mismanagement. FUSD had maintained the oversight of
Gateway; however, Gateway operated as an independent entity.

14 Gateway was a public charter school, therefore received funds from the
15 State of California based on its Average Daily Attendance (ADA) for its
funding. In order to get funding from the California Department of
16 Education, Gateway had to report its student enrollment numbers i.e.
ADA. From November of 2000 through January of 2002, FUSD and the
17 Fresno County Superintendent of Schools paid Gateway over \$2.2 million
to operate the charter school based on the student participation under
18 a formula known as "Average Daily Attendance" (ADA). FUSD initiated a
financial audit into the financial management of Gateway and believed
19 that the administrators had falsified monthly student attendance
reports that would directly impact their ADA funding. This audit was
20 done by Hosaka-Nagel & Co. FUSD also suspected other violations, that
were not related counts One through Thirteen.

21 Ghafur was the Superintendent and the President of Gateway's board.
22 Kehinde Solwazi was the Director of Academic Affairs and Vice
President of Gateway's board. Both Ghafur and Solwazi were involved
23 in and part of the entire operation of Gateway. Ghafur and Solwazi
shared signatory authority over GACS's main operating account, which
24 was the account that school funds were misappropriated/stolen from.
Naazim Hamed was the Gateways Chief Administrative Officer. He was
25 responsible for keeping track of the finances, student enrollment and

1 attendance records and submitting payment claims for student
attendance to (FUSD).

2
3 In January of 1997, HDC purchased a 300 acres eastern part of Tulare
4 County in Miramonte, California. In 1995 Ghafur solicited Suraiya
5 Razzak to barrow the money to purchase this property, telling Razzak
6 the property was going to be used to house battered women and homeless
7 children. Razzak loaned her a total of \$132,000. She even promised
8 her a 50 acre parcel, which never came to fruition. The property
9 housed Muslim family members in a communal setting where Ghafur
10 operated the Fatimah Girls Academy, a boarding school for Muslim
11 girls. Documents for HDC that are on file with the Secretary of State
12 name three corporate officers: Ghafur, Patricia Armstrong and Sharon
13 M. Brooks. Brooks testified that she was unaware that Ghafur had
14 named her as a HDC corporate officer. Armstrong did not know that
15 Heritage Development(HD) had been incorporated. She had been the
16 secretary of the HD board and involved in the beginning stages of HD.
17 Additionally she was a receptionist for the charter school that was
18 based on the Miramonte property.

19
20 On January 24, 2002, search warrants were served on four local school
21 sites, Gateway's administrative offices and Ghafur's residence and
22 three banks.

23 Counts One and Two:

24 Suraiya Razzak loaned Ghafur \$132,000 in nine separate transactions to
25 purchase a 300 acre parcel located in Miramonte, California. During
the investigation by the Department of Justice(DOJ), Razzak told
Special Agent, Win, that in 1995 when her father died, and Ghafur
came to visit her in Elberton, Georgia. At that time, Ghafur
solicited her about purchasing the Miramonte property for a housing
project to help battered women and homeless children within the Muslim
community. The nine loans were made between November 1995 and March
2000. Ghafur requested Razzak make out the checks or wire transfers
to various payees. These payees were Ghafur herself (Khadijah
Ghafur), Salih Ghafur who is Ghafur's husband, "Fatimah Girls
Academy," and "Amresco Residential Services," an agent for a
residential loan taken out by Ghafur that was in default. After
making the first two loans, Razzak asked Ghafur for a written
agreement memorializing the loans, which she received form Ghafur.

26
27 There was an audit that was initiated by FUSD and was completed by
28 Hosaka-Nagel. During the audit, Ghafur submitted a written statement
29 claiming Razzak agreed to loan HDC funds for the research and
30 development of the Gateway project start-up costs. Razzak when
31 interviewed by Special Agent Win, denied ever being told this.
32 Ghafur had instructed her Compliance Officer, Islah Abdul-Hafeez, to

1 classify the payments from the Gateway account to Razzak as part of
2 the compensation owed her by Gateway for past services. Also in
3 regards to these same payments to Razzak, Ghafur also offered a
4 Gateway School Board resolution No. 20, which the Board agreed to pay
5 what were labeled as "historical debts" of \$110,000 to Razzak. The
6 resolution, dated September 8, 1998, had a signature of Mark
7 Armstrong, but he denied signing Resolution No. 20. He was not a
8 board member at that time as well. In addition, Gateway did not
9 become a charter school until a little over a month late on October
10 28, 1998 and did not operate out of 949 F Street in Fresno, California
11 in 1998. There was nothing showing that the vote or agreement had
12 been mentioned in any board minutes.

13 DOJ conducted an investigative audit that reconstructed all known
14 operating accounts used by the defendants during the operation of
15 Gateway. Gateway's main operating bank account was with the
16 California Bank & Trust. The investigation into that account showed
17 that a total of \$66,000 was paid to Razzak in nine separate
18 payments/transactions. These payments were made immediately after
19 public money had been deposited in the account. There was another
20 account at California Bank & Trust, entitled "Khadijah and
21 Associates" (a fictitious business names statement filed with the
22 Fresno County Clerk, listed Ghafur as the registrant for "Khadijah and
23 Associates." Ghafur had signed the statement and listed Gateway's
24 business address as the business address for "Khadijah and
25 Associates.") that showed a transfer of \$21,000 from the Gateway
26 account, with an immediate payment made to Razzak for \$10,000.

27 Counts Three and Four:

28 On February 2, 2001, Italo Stanziale sold Ghafur a duplex in Clovis,
29 California for \$139,000. Ghafur took title to the property in her
30 name, as a single woman. However, a marriage license from Fresno
31 County dated October 13, 2000, shows that she married her husband,
32 Salih Ghafur at that time. She had used one of her AKAs, Diane Moton
33 on the marriage license. Stanziale agreed to carry the loan. Escrow
34 instructions were filed with the First American Title Company, which
35 stated Ghafur was to make monthly payments of \$1,119 with a principal
36 of \$10,000 due in six months from the close of escrow, which was
37 September 7, 2001.

38 Ghafur paid Stanziale, according to the escrow instructions, with four
39 Gateway checks from the account at California Bank & Trust. These
40 four checks that Ghafur issued totaled over \$12,000. Two of those
41 checks were each for \$1,119, and were issued in June and July of 2001,
42 and the other two checks were for \$5,000 each and were issued in
43 September and October of 2001. The DOJ audit investigation showed the
44 above monies were paid from public funds.

1 It was found during the investigation that in the bookkeeping records
2 that the payments were classified as "capital outlay," but on the memo
3 section of the checks it was noted as "mortgage." When Gateway's
4 compliance officer, Islah Abdul-Hafeez, questioned Ghafur about this
5 during the Hosaka & Nagel Co. audit, (an audit that was initiated by
6 FUSD) Ghafur provided Abdul-Hafeez with a falsified invoice. Abdul-
7 Hafeez then provided it to the auditors with Hosaka-Nagle & Co.
8 The falsified invoice showed that it was from "Italo Sotojicle" for
9 "Consultation Services" rendered to Gateway, charging a \$1,119
10 "professional fee." Stanziale was interviewed by Special Agent Win
11 and he denied providing any consultation services to Gateway and he
12 denied that the invoice was his.

13 Counts Five and Six:

14 On January 30, 2001, two bank counter checks were drawn from Gateway's
15 account at California Bank & Trust. Ghafur then purchased two
16 cashier's checks each for \$10,000 and made them payable to Heritage
17 Development Corporation (HDC). There was an account under "Heritage
18 Homes" that these two counter checks were deposited into. Patricia
19 Armstrong and Ghafur's son Faruq Baqi were the signatories on this
20 account. The investigation revealed that Ghafur paid \$10,000 to her
21 husband, Salih, from the Heritage Home account funds from which the
22 Gateway funds had been deposited into that account. It was also found
23 that then Ghafur withdrew \$9,995 in cash from the Heritage Homes
24 account.

25 On April 6, 2001, Ghafur purchased another \$10,000 cashier's check
with funds from Gateway's account with California Bank & Trust and
that check was made payable to HDC. That cashier's check was never
found to have been deposited into any known account, but it was found
that it had been negotiated. At that time, \$5,000 in cash was found
in the account under Khadijah and Associates and money had been
transferred to her husband, Salih.

The DOJ audit investigation found that when withdraws from Gateway's
bank account occurred immediately after significant deposits of public
funds were made into it.

20 Counts Seven and Eight:

21 According to Joseph Lynch, a partner at Lyndow Financial, Cosmopolitan
22 Finance extended a personal loan to Ghafur for the purpose of
23 financing a car. Ghafur purchased a 1990 Chevy Geo on September 22,
24 199. Ghafur defaulted on the loan, and the car was reposed on or
25 about October 20, 2000. A document from the Fresno County Superior
that was stamp dated "received on April 2, 2001" from Cosmopolitan
Finance regarding a \$2,565 default judgment against Ghafur under
Fresno Count Superior Court, Cae#S00905378-6. Cosmopolitan Finance

1 served Gateway with the Earnings and Withholding Order for garnishment
2 off Ghafur's wages on or about May 3 2001.

3 Ghafur's personal obligation regarding this debt was paid back using
4 Gateway funds that were withdrawn from Gateway's account at California
5 Bank & Trust.

6 The DOJ's audit investigation of the Gateways bank account with
7 California Bank & Trust showed that a \$1,000 counter check was paid to
8 Cosmopolitan Finance on June 15, 2001, after a significant deposit of
9 public finds had been transferred into the account. The counter check
10 was purchased and signed by Ghafur. Ghafur listed the payment as an
11 "advance" on her salary; however, it was never found where the \$1,000
12 had ever been deducted from her salary.

13 Counts Nine and Ten:

14 Accountant, Naguib "Nick" Abdullah, operated Fresno Business Services,
15 a bookkeeping, payroll, and tax business. Sometime in 2001, Gateway
16 hired Abdullah to perform payroll and later other accounting services.
17 In late 2001, Ghafur asked Abdullah for a loan because Gateway did not
18 have the funds to cover the payroll. Abdullah testified that Ghafur
19 stated, "When I get the grant back I will pay you back." On November
20 6, 2001, Abdullah loaned Ghafur \$12,500 with check drawn from Fresno
21 Business services bank account and it was made payable to Ghafur. An
22 agreement was made that the check would not be cashed for a month.
23 According to testimony when Abdullah was on the witness stand, the
24 check had been cashed on December 20, 2001.

25 The investigation showed that Ghafur deposited the check given to her
by Abdullah and that it was deposited into an account entitled
"Khadijah and Associates" on November 6, 2001. On November 16, 2001,
Ghafur tendered a \$12,400 check to the Tulare County Tax Collector for
the Miramonte property from the "Khadijah and Associates" account. In
December 2001, Ghafur drew a \$25,000 counter check from Gateway's
account with California Bank & Trust. She used \$12,500 to repay the
loan to Abdullah. The DOJ audit investigation revealed that Gateway's
account demonstrated a \$12,500 bank or counter check was paid to
Fresno Business Services on December 20, 2001, the day after a
significant deposit of public funds had been transferred into the
account.

Count Eleven:

There are 16 investors through the sales of bonds by Wedbush-Morgan
Securities, namely Karyl R. Atherton (5 bonds), Bobbie J. Behrens (20
bonds), Margaret Lombard Heimer (125 bonds), Robert W. Kahn (15 bonds),
Wallace E. Martens (92 bonds), Brigitte S. McBride (20 bonds), Kenneth
L. Moffett (28 bonds), Robert T. Musgrove (15 bonds), William D.

1 Phifer(100 bonds), Georgia L. Rogers(25 bonds), Trustee ; Gene Ross(25
2 bonds), Barry M. Scher(10 bonds), Gene W. Senger(25 bonds), Diane,
3 Shattuck(10 bonds), William J. Thomas(15 bonds), James A Verhaeghe(50
4 bonds) and Charles Jordan(50 bonds). The total 630 bonds were.

5 The total amount of the loss to the victims who purchased the bonds is
6 \$630,000. Ghafur and Naazim Hamed falsely represented their student
7 enrollments for Gateway to secure "bridge loans" to maintain the
8 operation of Gateway. The loans were secured by Karl Yoder, a broker
9 with Delta Financial in September of 2001, in an effort to fund
10 Gateway's operations while waiting for payments from FUSD. The
11 discussions about this loan began in June of 2001, both Ghafur and
12 Hamed met at various times with the representatives from Delta
13 Financial and the loan underwriter, Wedbush-Morgan Securities. They
14 said that Gateway's student enrollment for September of 2001 was going
15 to be 1,400 students. Wedbush-Morgan Securities told them a student list
16 was needed and received from Gateway a preliminary student list that
17 indicated in June 2001, the number of enrolled students for the fall
18 of 2001 was at least 1,112 students. Wedbush-Morgan Securities relied
19 upon their representation of the number of student enrolled and agreed
20 to underwrite and sell the bonds, representing to the selling brokers
21 and ultimately, the bond holders, that the actual student enrollment
22 number for Gateway secured the repayment.

23 A list of student names representing enrollment at 1,352 students was
24 faxed to Karl Yoder after the beginning of the school year on
25 September 18, 2001, which was nine days before the funding of the
bridge loan. That list, was reviewed, signed and faxed by Hamed. It
had the names of the students, and the school sites. Two of the
school sites that were named were no longer associated with Gateway,
and were Patricia Young and the Romero Learning Center.

Gateway reported to FUSD they had 680 students attending in June of
2001, and later reported they had 801 attending as of September 14,
2001.

Wedbush-Morgan Securities underwrote and sold a \$630,000 bridge loan
as a result of the misrepresented student enrollment. If Wedbush-
Morgan had known the true numbers of students enrolled they would have
not underwrote and sold the loan.

Count Twelve:

In the year of 2000, Ghafur failed to file a tax return with the
California Franchise Tax Board. Gateway directly paid Ghafur or made
payments to her benefit totaling over \$80,141.99 in 2000. Tax
deductions in the amount of \$5,347.29 were withheld. The Tax
Franchise Board Senior Special Agent, Phil Frailey, who investigated

1 this matter, found that Ghafur has a tax liability of \$3,398.29,
2 allowing for standard deductions, exclusive of interest and penalties.

3 Count Thirteen:

4 Ghafur did file a tax return with the California Franchise Tax Board
5 in the year 2001, but she claimed that her gross income from Gateway
6 was \$118,270. A review of all bank accounts records and internal
7 Gateway accounting records showed that in the year 2001, Ghafur
8 received over \$269,680 in payments to her benefit. Tax Franchise
9 Board Senior Agent, Phil Frailey, who investigated this matter,
10 determined that Ghafur owed a total of \$23,232.78 in tax liability and
11 \$8,847 had been deducted from her income leaving a balance owed of an
12 additional estimated tax liability of \$14,385.78, exclusive interest
13 and penalties.

14 DEFENDANT'S STATEMENT

15 The written statement submitted by the defendant is attached hereto
16 for the Court's consideration.

17 On July 12, 2006, your officer interviewed the defendant at the Fresno
18 County Jail and she provided your officer with the following
19 statement in addition to the written statement your officer received
20 after the Probation interview.

21 The defendant said that your officer was the first person to ask her
22 about this case. She said that she had one full interview with her
23 public defender the entire time.

24 The defendant said that the case represents corruption and bias
25 because "I am a Muslim targeted by an organization called the ADL,
Anti Defamation League who ordered and lobbied that the school be
closed down because they suspected I had terrorist connections." She
said that the counts against her are all untrue because of the
"pathetically paranoid," and because "I am an African American Muslim
woman." She said most of her earnings went back into the school. She
said, she could legally say 65-75% of the purchase of supplies, etc.
She said, "I used my money for this school." She said the trial was
totally void of the utilization of an authentic audit as an exhibit
(Hosaka Common Nagel & Co of San Diego), her accrual account of one
year back pay, the charter school petition, and other documents. She
said that the Court was not informed that the California Department of
Justice raided five Fresno School sites, her home and her car, and
confiscated both school and personal documents of all kinds, which
included income tax papers, board meetings, personal documents and
writings. She sated, "So I firmly believe that I am a political

1 target." She said that ~~that~~ it must be known that the Fresno Unified
2 School District, employee, Marylyn Shepherd, submitted an "incomplete"
3 report to the State of California Board of Education meeting on
4 January 9, 2002, as a complete official document after promising her
5 she would not, which lead to the false allegations that the school had
6 charter school violations.

7 In regards ^{to} the counts against her she further ^fsated that the school
8 had been developed to do "something great for the community." She
9 knew that "we couldn't run the school, but we had skills to teach
10 kids. I am an excellent teacher/counselor." She said Gateway was
11 looking for an EMO, (Educational Management Organization) to come in
12 and run the school. She said that the Fresno Unified School District
13 or Gateway did not like the ones they found because they were
14 "crooked," or "looking for money they could take." She said that
15 there were three to four EMOs who went up to the Miramonte site and
16 said the place was too remote for the main campus of a charter school
17 and recommended they move it to Fresno. It was agreed that was as
18 sensible move. A five year plan was set up to meet the goals and
19 expectations of the full operation of the charter school in order to
20 meet their goals. They lost two years looking for a trustworthy EMO.
21 So it was decided by the board that the defendant would be the
22 superintendent. She said that Terry White said she would be paid one
23 year back pay. She said that all the counts against her were paid out
24 of that one year back pay. She said the Heritage Development
25 Corporation (HDC) is a 501c3 and Gateway is under the umbrella of HDC.
The defendant said they were all in one and the same board. She
talked of the \$1,000 for her car and said that it was advancement.
She said that "Each and every count is documented by the audit
report." She said that when her first advancement was made, she was
told to take the advancement. In regards to the car she said it was
used by the school and it was an old car.

18 VICTIM STATEMENT AND ASSESSMENT

19 On July 5, 2006, Deputy Attorney General, Brian Alvarez sent the
20 victims letters regarding this offense. Some of the victims have
21 responded and their letters are attached to this report for the
22 Court's consideration and some of the victims have failed to respond
23 to date. If any further statements from the victims are received
24 prior to the date of sentencing, they will be reviewed and submitted
25 for the Court's consideration.

24 RESTITUTION

25 Restitution is an issue in this matter.

1 The dollar amount stated in the First Amended Information for Counts
2 One through Ten totaled to \$130,500.

3 The amount of restitution regards to Count Eleven is \$630,000

4 The California State Franchise Tax Board submitted documents and is
5 requesting restitution in the amount of \$45,964.43. The documentation
6 regarding the restitution amount is attached to this report. This
7 restitution amount is in regards to Counts Twelve and Thirteen.

8 JUVENILE RECORD

9 The defendant has no known juvenile record.

10 PRIOR CRIMINAL RECORD

11 Information received from the Federal Bureau of Investigation, the
12 California Identification and Investigation Bureau, the California
13 Department of Motor Vehicles and from a local record check, indicates
14 that this defendant, under the name(s) and date(s) of birth submitted,
15 has no known prior criminal record.

16 DISCUSSION AND EVALUATION

17 FACTORS AFFECTING PROBATION

18 RULE 4.413: Probation eligibility when probation is limited.

19 (b) Probation in unusual cases:

20 Pursuant to PC 1203.045, the defendant is not eligible for
21 probation for the instant offense(s), except in unusual cases
22 where the interest of justice would best be served if the person
23 is granted probation.

24 (c) Facts showing unusual cases:

25 The following facts may indicate the existence of an unusual case
in which probation may be granted if otherwise appropriate:

(2) Facts limiting defendant's culpability:

1 (iii) The defendant is youthful or aged, and has no
2 significant record of prior criminal offenses.

3 (The recommended application of the following factors and
4 circumstances is set forth in the Conclusion section of this report.)

5 RULE 4.421: CIRCUMSTANCES IN AGGRAVATION

6 (a) Facts relating to the crime:

7 The defendant induced others to participate in the commission of
8 the crime or occupied a position of leadership or dominance of
9 other participants in its commission.

10 The manner in which the crime was carried out indicates planning,
11 sophistication or professionalism.

12 (b) Facts relating to the defendant:

13 This officer finds no factors in aggravation relating to the
14 defendant.

15 RULE 4.423: CIRCUMSTANCES IN MITIGATION

16 (a) Facts relating to the crime:

17 This officer finds no factors in mitigation relating to the
18 crime.

19 (b) Facts relating to the defendant:

20 The defendant has no prior record, or an insignificant record of
21 criminal conduct, considering the recency and frequency of prior
22 crimes.

23 RULE 4.425: CRITERIA AFFECTING CONCURRENT OR CONSECUTIVE SENTENCES

24 (a) Facts relating to the crime:

25 The crimes and their objectives were predominantly independent of
each other.