



CAIR's Funding

- **CAIR was founded in part with donations from the Holy Land Foundation for Relief and Development (HLF), later tagged as a Specially Designated Global Terrorist organization that has been indicted for providing material support to Hamas.**

In October 1994, barely a year after the 1993 Philadelphia meeting and less than two months after CAIR filed its articles of incorporation; the organization received a \$5,000 check from HLF.¹

Unwilling to admit a direct financial link to Hamas' main U.S. financier, CAIR's leadership has been quick to deny the existence of this transfer. During a 2003 civil deposition, CAIR incorporator Ahmad was asked, "Did they [HLF] give you any money to help start CAIR?" He responded unequivocally, "No."²

In written testimony submitted to the Senate Subcommittee on Terrorism, Technology and Homeland Security's September 10, 2003 hearing, "Terrorism: Two Years After 9/11, Connecting the Dots," CAIR Executive Director Awad also denied that CAIR had ever received money from HLF, declaring, "Our organization did not receive any seed money from HLF."³

When The Investigative Project's Matthew Epstein produced a copy of the check at the Senate hearing, however, Awad had no choice but to admit, in supplemental testimony submitted to the Senate, that CAIR had, indeed, received money from HLF: "CAIR is a nonprofit, grassroots organization. Our only source of income is through donations and the amount in question was a donation like any other."⁴

**HOLY LAND FOUNDATION
FOR RELIEF AND DEVELOPMENT**
EXPENSE ACCOUNT
P.O. BOX 832390
RICHARDSON, TX 75083

BANK ONE, TEXAS, N.A.
1505 E. BELTLINE RD.
RICHARDSON, TEXAS 75081
32 61 1110

1881

10/5/1994

PAY TO THE ORDER OF **Council on American-Islamic Relations** \$ ****5,000.00

Five Thousand and 00/100***** DOLLARS

1511 K Street N.W.
Suite 807
Washington, D.C. 20005

MEMO **CBS**

Justin Baker

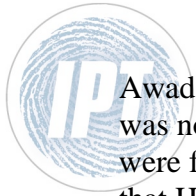
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¹ NationsBank Wire Transfer, 941031011157000, federal reference number 9410310014920824, October 31, 1994.

² *Boim v. Quranic Literacy Institute*, 00C-2905, "Deposition of Omar Ahmad," 133-134 (E.D. CA May 27, 2003).

³ Testimony of Nihad Awad Before the Senate Subcommittee on Terrorism, Technology and Homeland Security, *Terrorism: Two Years After 9/11, Connecting the Dots*, September 10, 2003, 19.

⁴ Supplemental Testimony of Nihad Awad Before the Senate Subcommittee on Terrorism, Technology and Homeland Security, *Terrorism: Two Years After 9/11, Connecting the Dots*, September 17, 2003, 6.



Awad then attempted to minimize the significance of the CAIR/HLF money trail: “HLF was not indicted for any criminal activity at the time of its donation in 1994 and its assets were frozen by the Justice Department seven years later in December 2001.”⁵ He added that HLF’s “relatively small donation” came “seven years before any wrongdoing was attributed to Holy Land Foundation.”⁶

Given their attendance at the Philadelphia meeting and prior leadership roles with AMELP and IAP, Awad and Ahmad were intimately familiar with HLF’s role on the Palestine Committee and the goals of its members. In fact, Ahmad testified in the 2003 deposition that IAP advertised for and encouraged people to donate to HLF.⁷

Moreover, Rafeeq Jaber, one of CAIR’s three incorporators and a member of CAIR’s board in 1994, worked with IAP to sponsor the annual *Intifada* celebrations in the late 1980s and early 1990s mentioned in “CAIR’s Origins.”⁸ Jaber testified in the same civil case that, as noted previously, all of the funds raised at these events went to HLF.⁹

While trying to downplay HLF’s donation to CAIR, Awad also has sought to cloud his admission by narrowly defining the term “seed money.” When presented with the check while being deposed in October 2003, he commented “If this is a true document, it would [have] been months after that organization started...the word ‘seed’ does not apply.”¹⁰ Indeed, Awad even attempted to distance himself from the supplemental testimony, stating, “I had other people prepare it for me...it was in a rush.”¹¹

CAIR’s ties to HLF continued after the 1994 HLF check, even after the Israeli government raided HLF’s Jerusalem office on May 7, 1995¹² and New York Congressman Charles Schumer held a March 13, 1996 press conference to highlight HLF’s role in support of Hamas.¹³

In September 1996, CAIR distributed an “Action Alert” soliciting money for HLF after Israel opened a tunnel below the Temple Mount and Dome of the Rock in Jerusalem. In that emailed “Action Alert,” CAIR urged recipients to “SEND DONATIONS to help those who are suffering under occupation. Every mosque should ask each person for at

⁵ Supplemental Testimony of Nihad Awad Before the Senate Subcommittee on Terrorism, Technology and Homeland Security, *Terrorism: Two Years After 9/11, Connecting the Dots*, September 17, 2003, 6.

⁶ Supplemental Testimony of Nihad Awad Before the Senate Subcommittee on Terrorism, Technology and Homeland Security, *Terrorism: Two Years After 9/11, Connecting the Dots*, September 17, 2003, 6.

⁷ *Boim v. Quranic Literacy Institute*, 00C-2905, “Deposition of Omar Ahmad,” 98-100 (E.D. CA May 27, 2003).

⁸ *Boim v. Quranic Literacy Institute*, 00-CV-2905, “Deposition of Rafeeq Jaber,” 70-76 and 80-81 (N.D. Ill April 9, 2003).

⁹ *Boim v. Quranic Literacy Institute*, 00-CV-2905, “Deposition of Rafeeq Jaber,” 77-78 (N.D. Ill July 28, 2003).

¹⁰ *Boim v. Quranic Literacy Institute*, 00C-2905, “Deposition of Nihad Awad,” 175 (E.D. CA October 22, 2003).

¹¹ *Boim v. Quranic Literacy Institute*, 00C-2905, “Deposition of Nihad Awad,” 178 (E.D. CA October 22, 2003).

¹² Watson Action Memo, 19.

¹³ Ian Christopher McCaleb, “Schumer: Hamas Raising Funds in US,” *United Press International*, March 13, 1996.



least one dollar. Donations may be sent to the Holy Land Foundation for Relief and Development...”¹⁴

Less than a year later, HLF’s offices in Israel were closed by Israeli authorities.¹⁵ Three months later, the chairman of HLF’s Jerusalem office, Mohammad Anati, was arrested for aiding and abetting a terrorist organization.¹⁶

Nonetheless, CAIR refused to sever its connections with HLF.

In May 1999, CAIR co-sponsored an HLF fundraiser, held in Virginia and attended by HLF Executive Director Haitham Maghawri, who also had attended the 1993 Philadelphia meeting.¹⁷ At the event, titled “Holy Land Foundation Kosovar Solidarity Night,” Maghawri solicited donations that he claimed would help the 800,000 refugees forced to flee Kosovo.¹⁸ CAIR also solicited donations for HLF’s Kosovo relief efforts via the Internet.¹⁹

Then, on June 1, 2000, CAIR Chairman Ahmad wrote a letter to HLF in which he said, “It is truly an honor to congratulate the Holy Land Foundation for Relief and Development on ten years of outstanding achievement...On behalf of the Council on American Islamic Relations, please accept our best wishes for many years of continued excellence in your field.”²⁰

Three months later, in September 2000, the United States Agency for International Development (USAID) notified HLF that, at the State Department’s urging, it planned to terminate HLF’s USAID registration. The State Department determined that “HLF’s registration with USAID is contrary to the national defense and foreign policy interests of the United States.”²¹

That same month, Charles Schumer, by then a U.S. senator, wrote Secretary of State Madeline Albright and Attorney General Janet Reno to demand that the government shut down HLF.²² A press release on Schumer’s website stated, “The Holy Land Foundation...has clear links to the terrorist organization Hamas.”²³

¹⁴ CAIR Action Alert, “American Muslims Asked to Pray for Palestinians,” September 9, 1996.

¹⁵ Watson Action Memo, 22-23.

¹⁶ Interrogation of Muhammad Anati, Identification Number 029089172 by Amnon Michaeli, Petach-Tikva Police Station, Petach Tikva, Israel, December 17, 1997 and FBI HLF Action Memo, 23.

¹⁷ Holy Land Foundation Kosovar Solidarity Night, Alexandria, Virginia, May 23, 1999.

¹⁸ Holy Land Foundation Kosovar Solidarity Night, Alexandria, Virginia, May 23, 1999.

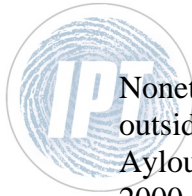
¹⁹ “Southern California Muslims Hold an Emergency Fund-Raiser for Kosovar Refugees,” CAIR Direct Submission to MSA News, April 20, 1999.

²⁰ Letter from Omar Ahmad to the Holy Land Foundation, June 1, 2000, *Ten Years of Achievement*, The Holy Land Foundation.

²¹ Letter from Lenora F. Watlington (USAID) to Shukri Abu Baker (President, Holy Land Foundation), September 14, 2000.

²² “Schumer Calls for State and Justice Department Crackdowns on Charity Organizations with Terrorist Ties,” September 6, 2000, http://schumer.senate.gov/SchumerWebsite/pressroom/press_releases/PR00275.html (accessed November 13, 2007).

²³ “Schumer Calls for State and Justice Department Crackdowns on Charity Organizations with Terrorist Ties,” September 6, 2000, http://schumer.senate.gov/SchumerWebsite/pressroom/press_releases/PR00275.html (accessed November 13, 2007).



Nonetheless, CAIR continued to solicit donations for HLF. At an October 22, 2000 rally outside the Israeli Consulate in Los Angeles, CAIR Southern California's Hussam Ayloush told the crowd, "We need to make sure to send our donations" to HLF.²⁴ Also in 2000, a CAIR Action Alert asked people to "sponsor a Palestinian child orphaned in the recent massacres" by contacting HLF, and provided a direct link to HLF's donation page (www.hlf.org/donate.shtml).²⁵

But the most glaring CAIR solicitation for HLF came after the 9/11 atrocities. The appeal, titled "what you can do for the victims of the WTC and Pentagon attacks," appeared on CAIR's website for over a month²⁶ and urged people to donate to HLF among other charities.²⁷

Foreign Financial Support

CAIR denies receiving funding from Saudi Arabia and other foreign sources. In a November 2001 press release, CAIR stated, "We do not support directly or indirectly, or receive support from, any overseas group or government."²⁸

However, financial records tell a different story as detailed below.

Islamic Development Bank: In August 1999, the Islamic Development Bank (IDB), a Saudi-based entity, donated "\$250,000 as a contribution to the purchase of land in Washington DC to be the headquarters for an education and research center under the aegis of the Council for American Islamic Relations."²⁹

Dr. Ahmad Mohamed Ali, who has served as IDB President for more than 20 years, was Secretary General of the Muslim World League (MWL) from 1993-1995.³⁰ Founded in 1962 to "promote Islamic unity," MWL is one of the largest of the Saudi Islamic evangelical charities.³¹ According to a government trial proffer in 2003, Osama bin Laden identified MWL as one of three Muslim charities that provided the primary sources of Al Qaeda's funds during conversations a decade earlier with former senior Al

²⁴ Rally outside the Israeli Consulate, Los Angeles, California, October 22, 2000.

²⁵ CAIR Action Alert, "Support the Victims of Palestinian Aggression," October 1, 2000.

²⁶ CAIR website, September 17, 2001, <http://web.archive.org/web/20010917013636/http://cair-net.org/> and CAIR website, October 31, 2001, <http://web.archive.org/web/20011031190542/http://www.cair-net.org/>.

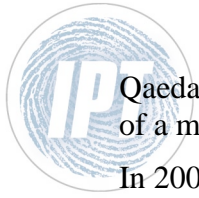
²⁷ CAIR website, September 25, 2001. <http://web.archive.org/web/20010925192044/http://www.cair-net.org/> (accessed September 3, 2004).

²⁸ "Islamaphobe Smear Campaign Goes Public," CAIR Press Release, November 8, 2001, <http://web.archive.org/web/20011108194447/www.cair-net.org/nr/11-08.asp> (accessed November 13, 2007).

²⁹ "IDB Approves Projects Worldwide," Saudi Embassy Press Release, August 15, 1999, http://web.archive.org/web/20000417093241/http://saudiembassy.net/press_release/99_spa/08_15_aid.html (accessed November 13, 2007).

³⁰ Dr. Ahmad Mohamed Ali The IDB Group President, http://web.archive.org/web/20040603062042/www.isdb.org/english_docs/idb_home/Pres_CV.htm (accessed November 13, 2007).

³¹ "Saudi Arabian Information Resources: Muslim World League," <http://www.saudinf.com/main/k312.htm> (accessed October 6, 2004).



Qaeda lieutenant Jamal Ahmed Al-Fadl.³² MWL's U.S. office was raided in 2002 as part of a massive terrorism financing probe.³³

In 2002, MWL Secretary General Dr. Abdullah Ibn Abdul Mohsin Al Turki toured CAIR's Washington D.C. headquarters and received a briefing from Nihad Awad. According to a report in the official Saudi publication *Ain-Al-Yaqeen*, Al Turki "stressed the necessity of promoting effective coordination among Islamic organisations in the United States of America...Dr. Al Turki expressed the League's readiness to offer assistance in the promotion and coordination of Islamic works, and noted that it will establish a Commission for this purpose."³⁴

Also in 2002, CAIR received \$500,000 from Saudi Prince Alwaleed bin Talal.³⁵

World Assembly of Muslim Youth: Additionally, CAIR has received significant financial support from WAMY, a Saudi-supported group³⁶ that publishes materials that promote religious hatred. WAMY's Washington, D.C. office, raided in May 2004 by federal agents,³⁷ had once been headed by Osama bin Laden's nephew, Abdullah bin Laden.³⁸ When Ahmad Ajaj was arrested in 1992 while trying to enter the United States with Ramzi Yousef, investigators found among Ajaj's belongings a WAMY envelope with the organization's Saudi Arabia address.³⁹ The envelope contained a manual entitled, "Military Lessons in the Jihad against the Tyrants." Both Yousef and Ajaj were later convicted for their roles in the 1993 World Trade Center bombing.

WAMY publishes materials that promote religious hatred through such books as *Islamic Views*, printed in Arabic by the Armed Forces Printing Press of the Saudi government. *Islamic Views* teaches that Islam "is a religion of *Jihad*" and that *Jihad* "was an answer for the Jews, the liars."⁴⁰ *Islamic Views* also advises Muslims to

Teach our children to love taking revenge on the Jews and
the oppressors, and teach them that our youngsters will

³² *US v. Arnaout*, 02 CR 892, "Government's Evidentiary Proffer Supporting the Admissibility of Co-Conspirator Statements," 25 (N.D. Ill. January 31, 2003).

³³ *In the Matter of Searches Involving 555 Grove Street, Herndon, Virginia, and Related Locations*, 02-114-MG, "Redacted Affidavit In Support of Application," (USDC ED VA).

³⁴ *Ain-Al-Yaqeen*, July 12, 2002, <http://www.ain-al-yaqeen.com/issues/20020712/feat10en.htm>, (accessed October 18, 2004).

³⁵ "US Muslims Split Over Saudi Donations," *Associated Press*, December 1, 2002.

³⁶ "WAMY team in Afghanistan risks life to deliver aid," *Saudi Gazette*, Interview with Dr Abdul Wahab A. Noorwali, Assistant Secretary General of the World Assembly of Muslim Youth (WAMY), in Jeddah, November 20, 2001:

"Saudi Arabia's support has been enormous since the establishment of WAMY in 1963. The Kingdom provides us with a supportive environment that allows us to work openly within the society to collect funds and spread activities. It also provides us with protection abroad through Saudi embassies and consulates, in addition to financial support."

³⁷ "Controversial Muslim Charity Says Volunteer Wrongly Charged," *Associated Press*, June 2, 2004.

³⁸ "Islamic Charity Committee Moves to New Premises," *Arab News*, May 1994; see also IRS "1993-1999 World Assembly of Muslim Youth (WAMY) Form 990," Internal Revenue Service (IRS).

³⁹ The 48-page manual was Government Exhibit No. GX 2800-A S5 93 CR 180 in *United States v. Salameh*, 93-cr-180 (S5).

⁴⁰ *Islamic Views*, Saudi Armed Forces Printing Press, 13th Edition, Circa 1991.



liberate Palestine and Al Quds when they go back to Islam and make *Jihad* for the sake of Allah.⁴¹

According to a Dec. 23, 1999 *Arab News* article, WAMY announced at a Riyadh press conference that it “was extending both moral and financial support to CAIR in its effort to construct a \$3.5 million headquarters in Washington, D.C.”⁴² The article noted that WAMY would “introduce CAIR to Saudi philanthropists and recommend their financial support for the headquarters project.”⁴³ Nihad Awad attended the press conference.⁴⁴

On November 9, 2002, *The Muslim World*, MWL’s weekly newspaper, reported that CAIR and WAMY would cooperate on a million dollar public relations campaign and that Awad was scheduled to meet with Prince Walled Ibn Talal.⁴⁵

International Relief Organization: Additionally, CAIR received a \$5,000 check on June 13, 1994 from the International Relief Organization (IRO), the American branch of the Saudi-funded International Islamic Relief Organization (IIRO).⁴⁶ CAIR also received \$2,172 from IRO in 1995⁴⁷ and \$10,000 in 1997.⁴⁸

IRO’s Virginia office was raided by the FBI in 1997 as part of a money laundering and terrorism investigation. In an affidavit, FBI Agent Valerie Donohue stated, “IRO holds itself out to the public as a charitable organization, but has disbursed significant sums of money in ways that do not appear consistent with a charitable mission.”⁴⁹

In 2002, IRO was again raided by Operation Green Quest, a federal task force targeting the financiers of Al Qaeda and other international terrorist groups.⁵⁰ CAIR also received over \$15,000 from IIRO, which was raided by federal law enforcement in 1997 and 2002.

CAIR founder and chairman Omar Ahmad testified on behalf of Mohamed Jamal Khalifah,⁵¹ Osama bin Laden’s brother-in law⁵² and the one-time head of IIRO’s office in the Philippines.⁵³

⁴¹ *Islamic Views*, Saudi Armed Forces Printing Press, 13th Edition, Circa 1991.

⁴² “WAMY Spends SR12m on New Mosques,” *Arab News*, December 23, 1999.

⁴³ “WAMY Spends SR12m on New Mosques,” *Arab News*, December 23, 1999.

⁴⁴ “WAMY Spends SR12m on New Mosques,” *Arab News*, December 23, 1999.

⁴⁵ “WAMY Supports CAIR Campaign Against US Anti-Islamic Sentiment,” *The Muslim World*, November 29, 2002. Also published in the *Saudi Gazette*, November 13, 2002. Note: CAIR was planning to publish advertisements in 10 American newspapers.

⁴⁶ Check number 1958, Account 056001118, First Virginia Bank, Falls Church, Virginia.

⁴⁷ “1995 International Relief Organization Form 990,” *Internal Revenue Service*. Note: IRO is also known as the International Islamic Relief Organization (IRO). See: *US v. Biheiri*, 03-365-A, “Declaration in Support of Pre-Trial Detention,” (E.D. VA August 14, 2003).

⁴⁸ “1997 International Relief Organization Form 990,” *Internal Revenue Service*.

⁴⁹ “Application and Affidavit for Search Warrant, Global Chemical Corporation, Affidavit of Special Agent Valerie Donohue FBI,” 97 M010, 15 (ND III ED January 8, 1997)

⁵⁰ “*In the Matter of Searches Involving 555 Grove Street, Herndon, Virginia, and Related Locations*, 02-114-MG, “Redacted Affidavit In Support of Application,” (USDC ED VA).

⁵¹ Testimony of Omar Ahmad, A29 457 661, “In the matter of Mohammad Jamal Khalifah,” December 20, 1994.

⁵² Congressional Joint Inquiry into the 9/11 Terrorist Attacks, 128.

⁵³ “Respondent’s opening brief regarding the Immigration judge’s denial of bail In the matter of Mohammad Jamal Khalifah,” A29 457 661.



Khalifah was arrested by the INS and the FBI in San Francisco on Dec. 16, 1994.⁵⁴ At the time of his arrest, he had been convicted in absentia in Jordan for his alleged involvement in a series of bombings in Jordan in 1993 and 1994.⁵⁵ Additionally, authorities found documents in his possession referring to the assassination of bishops and bombings of churches.⁵⁶ Moreover, Khalifah has been identified as the financier of Ramzi Yousef's plot to simultaneously blow up 12 U.S. airplanes over the Pacific.⁵⁷

Despite Khalifah's deep involvement in terrorism, Ahmad testified that, although he did not know him personally, he was familiar with IIRO's work, Ahmad said. "I'm very familiar with their work. I work very closely with their office in Washington D.C.... And also I know... a lot of people who work in their office in Jiddah, in Saudi Arabia, who are very close friends of mine."⁵⁸ During the testimony, Ahmad's attorney stated that, "[Ahmad] has known and worked with the International Islamic Relief Organization for approximately ten years."⁵⁹

U.S. officials deported Khalifah to Jordan in 1995. He was killed in January 2007 by a number of assailants at a mine he owned in Madagascar.⁶⁰

International Institute of Islamic Thought: Further, CAIR received \$19,500 between 2000 and 2003 from the International Institute of Islamic Thought (IIIT).⁶¹ Significant financial, ideological and personal connections exist between IIIT and the World and Islam Studies Enterprise (WISE), which the U.S. government has identified as a front for the Palestinian Islamic Jihad.⁶² Like IIRO, IIIT was raided by Operation Green Quest.⁶³ Independent of the foreign financial support, the depth of CAIR's support in America is difficult to gauge. During the summer of 2007, CAIR officials claimed membership was robust and growing, only to contradict themselves two months later in fighting the Justice Department's identification of CAIR as an unindicted co-conspirator in the HLF trial.

CAIR balked at a *Washington Times* report on June 12, 2007 that cited IRS returns to show membership plummeting 90 percent – from 29,000 members in 2000 to less than

⁵⁴ Fax sent by the US Consulate General in Jeddah to S/CT Wilcox at the US State Department on December 17th 1994.

⁵⁵ Affidavit of FBI Special Agent Robert Walker, In support of complaint against Benevolence International Foundation, April 29, 2002.

⁵⁶ Affidavit of FBI Special Agent Robert Walker, In support of complaint against Benevolence International Foundation, April 29, 2002.

⁵⁷ Congressional Joint Inquiry into the 9/11 Terrorist Attacks, at 128.

⁵⁸ Testimony of Omar Ahmad, *In the matter of Mohammad Jamal Khalifah*, File A29 457 661, December 20, 1994.

⁵⁹ Testimony of Omar Ahmad, *In the matter of Mohammad Jamal Khalifah*, File A29 457 661, December 20, 1994.

⁶⁰ Nick Fielding, "Gems, al-Qaida and murder. Mystery over killing of Osama Bin Laden's friend," *The Guardian*, March 2, 2007.

⁶¹ "2000, 2001, 2001, 2003 International Institute of Islamic Thought Form 990," Internal Revenue Service (IRS).

⁶² *In the Matter of Searches Involving 555 Grove Street, Herndon, Virginia, and Related Locations*, 02-114-MG, "Redacted Affidavit In Support of Application," (USDC ED VA). Note: For example, in 1991 and 1995, "IIIT contributed at least \$50,000 to PIJ front-group WISE."

¹⁵² *In the Matter of Searches Involving 555 Grove Street, Herndon, Virginia, and Related Locations*, 02-114-MG, "Redacted Affidavit In Support of Application," (USDC ED VA).



1,700 in 2006.⁶⁴ A CAIR news release issued the same day accused the *Times* of "agenda-driven reporting" and claimed that the story ignored 25,000 people who joined for \$10 each.⁶⁵

"Support for CAIR has grown as ordinary Muslims witnessed the exponential growth in attacks on their faith by Islamophobes seeking to marginalize and disenfranchise the American Islamic community," said CAIR Communications Director Ibrahim Hooper.⁶⁶

On Aug. 14, 2007, CAIR filed a court brief in which it acknowledged membership indeed was down. "This negative reaction by the American public can be seen in the decline of membership rates and donations resulting from the government's publicizing of CAIR as an unindicted co-conspirator," attorney William Moffitt wrote in a brief to the court.⁶⁷

Among the proof cited, the same *Washington Times* story CAIR originally dismissed as false and "agenda driven."

⁶⁴ Audrey Hudson, CAIR membership falls 90% since 9/11, *The Washington Times*, June 12, 2007.

⁶⁵ CAIR Accuses Washington Times of 'Agenda-Driven Reporting', June 12, 2007

⁶⁶ Ibid.

⁶⁷ Amicus Curiae Brief of the Council on American-Islamic Relations, *US v. Holy Land Foundation*, No. 3:04-CR-240 (TX ND) Aug. 14, 2007.