Memorandum of Understanding

By and Between

Universal Companies

And

Keystone Mercy Health Plan

June 16, 2010
1. MEMORANDUM OF UNDERSTANDING

The purpose of this Memorandum of Understanding (referred hereafter as "MOU") is to outline the agreement by and between Keystone Mercy Health Plan (referred hereafter as "Keystone Mercy") having its principal place of business at 200 Stevens Drive, Philadelphia, PA 19113 and Universal Companies (referred hereafter as "Universal") having its principal place of business at 800 South 15th Street, Philadelphia, Pennsylvania, 19146 for the express purpose of making an application to the U.S. Department of Education for the Promise Neighborhoods Program and to implement all aspects of the planning process (referred hereafter as "Project").

2. ORGANIZATION BACKGROUND

Keystone Mercy - Keystone Mercy Health Plan is Pennsylvania's largest Medical Assistance (Medicaid) managed care health plan serving more than 300,000 Medical Assistance recipients in Southeastern Pennsylvania including Bucks, Chester, Delaware, Montgomery, and Philadelphia counties. Headquartered in Philadelphia, Keystone Mercy Health Plan is a mission driven, health care ministry of the Sisters of Mercy with more than 25 years of experience. Its corporate parent partners are Mercy Health System and Keystone First, a subsidiary of Independence Blue Cross. Keystone Mercy offers members an extensive provider network of physicians, specialists, pharmacies and hospitals. In addition, members receive many benefits and services including vision care; dental care; prescription medications; vitamins for children under the age of 21; special needs case management; programs for expectant mothers; and Medical Assistance transportation, to name a few. Members have access to care 24 hours a day, seven days a week through our network of primary care physicians.

Its sole focus on Medicaid gives Keystone Mercy the advantage of being able to customize its systems and processes to best serve a unique population of ethnically diverse adults and children. Its health education and wellness programs empower its members to maintain, control and improve their health. Keystone Mercy is accredited by the National Committee for Quality Assurance (NCQA) having achieved NCQA's highest accreditation status of "Excellent." Keystone Mercy earned this accreditation for its service and clinical quality that meets or exceeds NCQA's rigorous requirements for consumer protection and quality improvement. NCQA accreditation confirms that Keystone Mercy provides the highest quality care and service to its members.

In living its mission and values, Keystone Mercy goes beyond providing access to quality health care for its members. Keystone Mercy advocates for the underserved and partners with its communities. Throughout the year, Keystone Mercy employees volunteer their time and resources to share Keystone Mercy's mission and make a difference in the lives of its members and communities. For example, since 1988, employees have contributed nearly $1 million through the annual Mission Partnership Program. Together with its affiliates within the AmeriHealth Mercy Family of Companies, Keystone Mercy Health Plan employs more than 1,400 employees and comprises the largest multi-state Medical
Universal Companies - Universal is a not-for-profit "Community Development and Management Corporation" formed under the direction of one of Philadelphia's greatest talents, world-renowned lyricist, composer, producer Mr. Kenneth Gamble - who continues to serves as its Chairman. Since its inception in 1993, Universal has built the capacity to challenge and reverse the effects of urban decline and has become one of the largest and most successful community revitalization movements in the history of the city of Philadelphia by implementing a comprehensive plan to support revitalization of blighted neighborhoods, known as the Universal Plan.

A basic tenet of the Universal Plan is that educational reform must go hand-in-hand with the revitalization of the physical infrastructure of the community. This is why, in addition to being one of the largest developers of "affordable" housing, Universal also manages five public schools. Implementing the Universal Plan with a strong early childhood intervention approach; performance measurement and evaluation system; and incorporating the many lessons learned in managing a holistic development model, Universal has now developed the Universal Promise Neighborhood Initiative.

3. THEORY OF ACTION AND CHANGE

Both Universal and Keystone Mercy fundamentally believe that their respective existing company vision, theory of action, theory of change, and current activities align perfectly with those of the proposed Promise Neighborhood.

4. PROJECT DESCRIPTION

The Universal Promise Neighborhood Initiative (referred hereafter as "Promise Initiative") is an effort initiated by Universal to fast-forward the complete and comprehensive transformation of two devastated neighborhoods in South Philadelphia (Point Breeze and Grays Ferry) by creating a critical mass (laser beam) strategy of resources. The Promise Initiative systematically coordinates and manages three (3) related areas of work: 1) programs focused on addressing the critical needs of children and families; 2) efforts that will physically rebuild community infrastructure (i.e. housing, economic, retail, safe and open space corridors, etc.); and 3) complete the full transformation of all the neighborhood public schools.

Universal with its community partners: Diversified Community Services and the Point Breeze Performing Arts Center; Free Library of Philadelphia, The Reinvestment Fund, Keystone Mercy, and a number of public and private organizations have forged a unique partnership with School District of Philadelphia to seek the "Promise Neighborhood" designation under the US Department of Education's Promise Neighborhoods Program grant opportunity. This designation will provide critical funds needed to gather data to
develop a Comprehensive Plan of Action (Plan) that will ultimately provide a blueprint for transforming the entire community and significantly improve educational and developmental outcomes for the children and families that reside there. In addition the purposes of the grant are to:

- Support efforts to improve child outcomes and ensure that data on those outcomes are communicated and analyzed on an ongoing basis by leaders and members of the community;
- Increase organizational capacity to build a college-going culture in the neighborhood;
- Build a complete continuum of cradle-through-college-to-career solutions (continuum of solutions) which has both academic programs and family and community supports with a strong school or schools at the center;
- Integrate programs and break down agency "silos" so that solutions are implemented effectively and efficiently across agencies;
- Work with local governments, to build the infrastructure of policies, practices, systems, and resources needed to sustain and "scale up" proven, effective solutions across the broader region beyond the initial neighborhood; and
- Participate in a rigorous evaluation of all aspects of the program.

As the lead agency, Universal will make application on/or before the application deadline (June 25, 2010) and anticipate a $500,000 grant to be leveraged with approximately an additional $250,000 of a local match -awards are expected in September 2010.

5. PURPOSE

This Memorandum is intended to set forth the mutual intent of the parties to work together to prepare the application and, assuming award of a grant to Universal, to develop the Project. nature of the relationship between the parties; and, therefore, it is understood that the primary objective here is for both parties to work closely to develop the Project.

This Memorandum does not limit the independence of either party in developing and implementing its own goals and objectives; however, the Memorandum requires both parties to work cooperatively and collaboratively on all aspects of submitting the application to the U.S. Department of Education and to implement all aspects of the Project to achieve the Plan.
6. ROLES AND RESPONSIBILITIES.

Universal and Keystone Mercy acknowledge that until such time as the grant is awarded, and the
detailed specifications and requirements of the Project are known, it is impracticable for them to
specify their respective responsibilities in implementing the Project. This notwithstanding, the parties
anticipate that each shall assume the following roles and responsibilities throughout the Project.
Universal and Keystone Mercy will enter into a definitive agreement setting forth their respective
roles and responsibilities upon award of a Promise Neighborhoods grant to Universal ("Definitive
Agreement").

Universal -Universal will act as the Lead and Executive Project Manager of the Project and
will assume all responsibilities in the developing the Project, which include, but not limited
to, the following:

• Finalize Grant Writing;
• Day-to-Day Management of the Project;
• Public Representation of the Project;
• Project Partner and Resource Solicitation;
• Project Coordination and Reporting to all Stakeholder Groups; and
• Project Planning (i.e. program, financial, plan development. etc.).

Keystone Mercy -Keystone Mercy will support Universal in all areas describe above and
specifically will undertake and commit to the following:

• Support Universal in writing and submitting the application to the U.S. Department of
  Education for Promise Neighborhood Initiative;
• Commit the staffing time over the 12-month planning process.
• Participate in the rollout of the entire 12-month planning process as a member of both the
  Project Management Team and the Advisory Committee Steering Committee; and
• Actively support the implementation of the Plan, specifically, to help implement school-
  based medical clinics at selected schools.
7. TERM OF THE COLLABORATION

The term of this Memorandum will begin upon the execution of the Memorandum and terminate upon the completion of the Project. This MOU is intended to be an expression of the mutual intent of the parties hereto and of their willingness to jointly pursue the Project and to negotiate in good faith toward a Definitive Agreement as specified herein. This Memorandum is not legally binding on either of the parties hereto. Either party can terminate this Memorandum with a three months' written notice.

Abdur-im Islam, Maria Pajil Battle President/CEO, Universal Senior Vice President, Keystone Mercy

Witness
Preliminary Memorandum of Understanding

By and Between

Universal Companies

And

School District of Philadelphia

June 20, 2010
1. MEMORANDUM OF UNDERSTANDING

The purpose of this Memorandum of Understanding (referred hereafter as "MOU") is to outline the agreement by and between Philadelphia School District (referred hereafter as "District") having its principal place of business at 440 North Broad Street, Philadelphia, PA 19130 and Universal Companies (referred hereafter as "Universal") having its principal place of business at 800 South 15th Street, Philadelphia, Pennsylvania, 19146 for the express purpose of making an application to the U.S. Department of Education for Promise Neighborhood and to implement all aspects of the planning process (referred hereafter as "Project")

2. ORGANIZATION BACKGROUND

School District of Philadelphia-The mission of the School District of Philadelphia (District) is to provide a high-quality education that prepares, ensures, and empowers all students to achieve their full intellectual and social potential in order to become lifelong learners and productive members of society. The District's vision is that all children can reach their learning potential and that the achievement gap can be eliminated. The District is the eighth largest school district in the nation with more than 160,000 students, 25,000 employees, annual budget of $3.2 Billion, and is governed by a five-member School Reform Commission (Commission), which was established December 2001 by the Commonwealth of Pennsylvania to undertake massive academic and education reforms of its failing schools. The Commission is responsible for those reforms and is obligated to support the District's mission.

The District's current superintendent and District leader, Dr. Arlene C. Ackerman, has more than 30 years of experience in leading large, diverse urban public school systems. Dr. Ackerman, who assumed her duties in Philadelphia in June 2008, came to the District from the Teachers College of Columbia University, where she served as Director of the Urban Education Leaders Program and Chairperson of the Superintendents and Scholars Symposium. The Urban Leaders Education Program is the College's largest doctoral program for public-school leaders. She joined Teachers College's Education Leadership faculty as the Christian A. Johnson Professor of Outstanding Educational Practice in 2006.

School District of Philadelphia Theory of Change -Since taking over the leadership of the District, Dr. Ackerman initiated two signature reforms measures: 1) Imagine 2014 is an aggressive attempt to change the culture of institutional academic failure by all of its key stakeholder groups (i.e. administration, schools, teachers, and students) by rebuilding the infrastructure to support real transformation; and 2) Renaissance Schools Initiative, a major reform program designed to transform the District's lowest-performing schools into highly effective schools. These schools are intended to provide exceptional opportunities for student's academic achievement and preparedness for success in college and the workforce. This is accomplished by recruiting and selecting individuals and organizations that have proven track records of operating and supporting high-achieving schools.
School District of Philadelphia Theory of Action - The current initiatives most recently instituted by the District (i.e., Imagine 2014, Renaissance Schools, Empowerment Schools) demonstrate the capacity of the District to take necessary steps and measures to accomplish the desired results of the Promise Neighborhood, specifically improving the developmental and education outcomes for our children. The administration, commission, parents, staff and students have demonstrated their commitment to innovation and comprehensive approaches that have the potential to make a significant difference for students and communities.

The School District’s vision, theory of change, theory of action and existing activities are in direct alignment with those of our Promise Neighborhood.

Universal Companies - Universal is a not-for-profit "Community Development and Management Corporation" formed under the direction of one of Philadelphia's greatest talents, world-renowned lyricist composer, producer Mr. Kenneth Gamble - who continues to serve as its Chairman. Since its inception in 1993, Universal has built the capacity to challenge and reverse the effects of urban decline and has become one of the largest and most successful community revitalization movements in the history of the city of Philadelphia by implementing a comprehensive plan to support revitalization of blighted neighborhoods, known as the Universal Plan.

A basic tenet of the Universal Plan is that educational reform must go hand-in-hand with the revitalization of the physical infrastructure of the community. This is why, in addition to being one of the largest developers of "affordable" housing, Universal also manages five public schools. Implementing the Universal Plan with a strong early childhood intervention approach; performance measurement and evaluation system; and incorporating the many lessons learned in managing a holistic development model, Universal is expanding its community development and school improvement through the development of the Universal Promise Neighborhood Initiative.

3. PROJECT DESCRIPTION

The Universal Promise Neighborhood Initiative (referred hereafter as "Promise Initiative") is an effort initiated by Universal to fast-forward the complete and comprehensive transformation of two devastated neighborhoods in south Philadelphia (Point Breeze and Grays Ferry) by creating a critical mass (laser beam) strategy of resources. The Promise Initiative systematically coordinates and manages three (3) related areas of work: 1) programs focused on addressing the critical needs of children and families; 2) efforts that will physically rebuild community infrastructure (i.e. housing, economic, retail, safe and open space corridors, etc.); and 3) complete the full transformation of all neighborhood public schools.

Universal with its community partners - Diversified Community Services, the Point Breeze Performing Arts Center, Free Library of Philadelphia, The Reinvestment Fund, and a number of public and private organizations - have forged a unique partnership with
the District to seek the "Promise Neighborhood" designation under the US Department of Education's Promise Neighborhoods grant opportunity. This designation will provide critical funds needed to gather data to develop a Comprehensive Plan of Action (Plan) that will ultimately provide a blueprint for transforming the entire community and significantly improve educational and developmental outcomes for the children and families that reside there. In addition the purpose of the grant is to:

• Support efforts to improve child outcomes and ensure that data on those outcomes

• Integrate programs and break down agency "silos" so that solutions are implemented effectively and efficiently across agencies;

• Work with local governments, to build the infrastructure of policies, practices, systems, and resources needed to sustain and "scale up" proven, effective solutions across the broader region beyond the initial neighborhood; and

• Participate in a rigorous evaluation of all aspects of the program.
As the lead agency, Universal will make application on/or before the application deadline (June 25, 2010) and anticipate a $500,000 grant to be leveraged with approximately an additional $250,000 of a local match - awards are expected in September 2010.

4. PURPOSE

This Memorandum is intended to set forth the nature of the relationship between the parties; and, therefore, it is understood that the primary objective is for both parties to work closely to develop the Project.

This Memorandum does not limit the independence of either party in developing and implementing its own goals and objectives; however, the Memorandum requires both parties to work cooperatively and collaboratively on all aspects of submitting this application to the U.S. Department of Education and to implement all aspects of the planning process to achieve the Plan. Other terms and conditions may be agreed upon by the parties hereto, to wit they will be attached hereto and made a part hereof.

5. ROLES AND RESPONSIBILITIES
Universal is the Lead Applicant and will serve as Executive Project Manager. In collaboration with the Project Partners and Stakeholders, Universal will assume many of the leadership responsibilities associated with the Project, including, but not limited to, the following:

- Day-to-Day Management of the Project;
- Public Representation of the Project;
- Project Partner and Resource Solicitation, including responsibility for meeting federal matching requirements;
- Project Coordination and Reporting to all Stakeholder Groups; and
- Project Planning (i.e., program, financial, plan development, etc.).

The District's Programmatic Commitment - The School District will support Universal in all areas described above and specifically will undertake and commit to the following:

- Commit sufficient staffing time over the 12-month planning process to ensure success of the effort and contribute to covering the match required for this project
- Participate in the rollout of the entire 12-month planning process as a member of both the Project Management Team and the Advisory Committee Steering Committee;
- Assist the partners in raising the private matching funds for the project by identifying potential sources;
- Actively support the implementation of the Plan, especially in the areas of public education delivery, specifically by:

  Targeting nine (9) public schools to be in this initiative. The District is currently committing considerable resources to the development of a Facilities Master Plan for all schools. This will involve making fundamental decisions about schools, including those that will be consolidated or closed. This
process, in addition to other transformative initiatives, will be brought to bear in working with Universal. The District will continue to work with Universal and its Universal Institute Charter School (UICS) to improve the academic, physical, and community aspects of the proposed Promise Neighborhood. The students in this cohort are enrolled in the eight (8) schools that are likely to attend the Audenreid High School. The full cohort includes:

1. Audenreid High School
2. Alcorn K-8 School
3. Yare Middle
4. McDaniel Elementary
5. Girard Elementary (K-4) School
6. Smith K-8 School
7. Childs K-8 School and Barrett (8th Grade Only) School
8. Stanton K-8 School
9. Arthur K-8 School

Working with Universal in the creation of the Promise Neighborhood Board of Directors that will be comprised of professionals, community stakeholders, and Universal. Universal will work with the District on all aspects of the schools, budgets and operations. In addition, an Advisory Board with representatives of the target areas of Point Breeze and Grays Ferry in South Philadelphia will be created.

6. INFRASTRUCTURE OF POLICIES, PRACTICES, SYSTEMS, AND RESOURCES.

Universal Companies and the School District of Philadelphia both agree to establish a plan to secure the commitment from local, State and Federal government leaders in the development of an infrastructure of policies, practices, systems, and resources that with support the continuum of solutions in our proposed Promise Neighborhood. This infrastructure will afford optimal opportunities to "scale up" those elements contained within our continuum that prove effective.

7. TERM OF THE COLLABORATION

The term of this Memorandum will begin June 16, 2010 and terminate at the completion of the Project. Either party can terminate this with a three month written notice.

Abdur-Rahim Islam,
President/CEO, Universal
Preliminary Memorandum of Understanding

By and Between

Universal Companies

And

Temple University

June 16, 2010
MEMORANDUM OF UNDERSTANDING

The purpose of this Memorandum of Understanding is to outline the agreement between two sub-units of Temple University, whose principal place of business is at Broad and Cecil B. Moore Avenues, Philadelphia, PA 19122, and Universal Companies, having its principal place of business at 800 South 15th Street, Philadelphia, PA 19146, for the express purpose of making an application to the U. S. Department of Education for the Promise Neighborhoods program.

Organization Background

Temple University is an urban research university with campuses in North Philadelphia, downtown Philadelphia, the suburb of Ambler, PA, as well as several international campuses. Its teaching and research missions are integrated into the economic, cultural, and civic life of the city of Philadelphia. The university is dedicated to, and its future is inextricably linked to, the well-being and prosperity of Philadelphia, the region, and Pennsylvania. Temple is therefore committed to working with community partners to improve the lives of residents in the city.

Two sub-units of Temple with special responsibility for applying research expertise to solving urban problems are the Institute for Survey Research and the Metropolitan Philadelphia Indicators Project. Temple's Institute for Survey Research (www.temple.edulisr) has provided research services to the public and private sectors since its founding in 1967. The Institute has conducted hundreds of studies across a broad spectrum of health, population, and environmental issues working under grants, contracts, and cooperative agreements. ISR has substantial experience conducting field research in Philadelphia communities. Temple's Metropolitan Philadelphia Indicators Project (www.temple.edulmpip) gathers social indicators that include economic and health conditions, education, crime, housing, and many others, and then organizes, cleans and presents the data for use by community organizations, regional nonprofits, and local governmental agencies. With a multidisciplinary research team, MPIP analyzes and maps available data to accurately describe communities throughout this region, as well as track changes and trends.

Universal Companies is a not-for-profit Community Development and Management Corporation formed under the direction of one of Philadelphia's greatest talents, world renowned lyricist, composer, producer Mr. Kenneth Gamble - who continues to serve as its Chairman. Since its inception in 1993, Universal has built the capacity to challenge and reverse the effects of urban decline and has become one of the largest and most successful community revitalization movements in the city of Philadelphia by implementing a comprehensive plan to support revitalization of blighted neighborhoods, known as the Universal Plan. A basic tenet of the Universal Plan is that educational reform must go hand-in-hand with the revitalization of the physical infrastructure of the community. This is why, in addition to being one of the largest developers of affordable housing, Universal also manages five public schools. Implementing the Universal Plan with a strong early childhood intervention approach; performance measurement and evaluation system; and incorporating the many lessons learned in managing a holistic development model, Universal has now developed the Universal Promise Neighborhood Initiative.
Project Description

The Universal Promise Neighborhood Initiative (referred to hereafter as "Promise Initiative") is an effort initiated by Universal to fast-forward the complete and comprehensive transformation of two devastated neighborhoods in South Philadelphia (Point Breeze and Grays Ferry) by creating a critical mass (laser beam) strategy of resources. The Promise Initiative systematically coordinates and manages three related areas of work: (1) programs focused on addressing the critical needs of children and families; (2) efforts that will physically rebuild community infrastructure (i.e., housing, economic, retail, safe and open space corridors, etc.); and (3) complete the full transformation of all the neighborhood public schools.

Universal with its community partners -Diversified Community Services and the Point Breeze Performing Arts Center; Free Library of Philadelphia; The Reinvestment Fund; and a number of public and private organizations -have forged a unique partnership with the School District of Philadelphia to seek the "Promise Neighborhood" designation under the U.S. Department of Education's Promise Neighborhoods grant opportunity. This designation will provide critical funds needed to gather data to develop a Comprehensive Plan of Action that will ultimately provide a blueprint for transforming the entire community and significantly improve educational and developmental outcomes for the children and families that reside there. In addition the purpose of the grant is to:

- Support efforts to improve child outcomes and ensure that data on those outcomes are communicated and analyzed on an ongoing basis by leaders and members of the community;
- Increase organizational capacity to build a college-going culture in the neighborhood;
- Build a complete continuum of cradle-through-college-to-career solutions (continuum of solutions) which has both academic programs and family and community supports with a strong school or schools at the center;
- Integrate programs and break down agency "silos" so that solutions are implemented effectively and efficiently across agencies;
- Work with local governments, to build the infrastructure of policies, practices, system, and resources needed to sustain and "scale up" proven, effective solutions across the broader region beyond the initial neighborhood; and
- Participate in a rigorous evaluation of all aspects of the program.
**Purpose of this Memorandum**

This Memorandum is intended to set forth the nature of the relationship between the parties; and, therefore, it is understood that the primary objective here is for both parties to work closely to develop the project.

This Memorandum does not limit the independence of either part in developing and implementing its own goals and objectives; however, the Memorandum affirms their joint commitment to enhance the data collection, planning, reporting, and evaluation features of the Promise Initiative. This agreement is not intended to serve as a legally binding document, but rather as a statement of the Parties’ commitment to work cooperatively and collaboratively to submit an application to the U.S. Department of Education and to implement the Promise Initiative. Other more specific terms and conditions may be agreed upon by the parties at a subsequent date.

**Roles and Responsibilities**

**Universal** will act as the Lead and Executive Project Manager of the Project and will assume all responsibilities in developing the Project, which include, but are not limited to the following:

- Day-to-day management of the project;
- Public representation of the project;
- Project partner and resource solicitation;
- Project coordination and reporting to all stakeholder groups;
- Project planning (i.e., program, financial, plan development, etc.) ; and
- Finalize grant writing

If Temple University is engaged as the data partner to provide technical assistance and professional services for the Promise Neighborhood Project, the Institute for Survey Research and the Metropolitan Philadelphia Indicators Project are prepared to undertake the following supporting activities (with final determination based on the allocation of responsibilities and resources to these activities):

- Review baseline data needed by the Work Groups and determine sources and gaps;
- Document neighborhood conditions and patterns using charts, maps, and other graphic presentations to inform the planning process in the Work Groups. To
accomplish this, Temple would put at the project's disposal the complete storehouse of data assembled in its Metropolitan Philadelphia Indicators Project, a massive collection of community-level indicators built with over $2 million in investments by the William Penn Foundation and Temple University (www.temple.edu/mpip). In addition to presenting already-collected information, MPIP can incorporate new types of community information collected specifically for this project.

- Collaborate with the project's Work Groups and other stakeholders to design a system for collecting the data required to manage program implementation, inform decision-making, and measure success
- Identify a scientifically-valid sample of households with children under 18 for a survey to gather information needed for the Academic, Family and Community Support Indicators
- Create a valid survey instrument, assuring that the survey observes federal, state and other privacy laws and requirements
- Conduct a household survey in the neighborhood with adult household members
- Analyze results and present results to Work Groups and other stakeholders
- Work with national evaluators of Promise Neighborhoods to make sure this Philadelphia project participates fully and constructively in national-level evaluations

**Term of the Collaboration**

**Implementation** of this Memorandum will begin upon the execution of the Memorandum and terminate with the completion of the Project. Either party may terminate this with three months' written notice.

Abdur-Rahim Islam, President, CEO, Universal

Heidi Grunwald, Interim Director, Institute for Survey Research, Temple University
Preliminary Memorandum of Understanding

By and Between

Universal Companies

And

The Reinvestment Fund

June 16, 2010
1. MEMORANDUM OF UNDERSTANDING

The purpose of this Memorandum of Understanding (referred hereafter as "MOU") is to outline the agreement by and between The Reinvestment Fund (referred hereafter as "TRF") having its principal place of business at 718 Arch Street -Suite 300 North, Philadelphia, PA 19106 and Universal Companies (referred hereafter as "Universal") having its principal place of business at 800 South 15th Street, Philadelphia, Pennsylvania, 19146 for the express purpose of making an application to the U.S. Department of Education for Promise Neighborhood and to implement all aspects of the planning process (referred hereafter as "Project").

2. ORGANIZATION BACKGROUND

The Reinvestment Fund (TRF) is a leading innovator in the financing of neighborhood and economic revitalization. Central to our mission is a commitment to put capital and private initiatives to work for the public good. TRF is a community development financial institution (CDFI) that builds wealth for low-and moderate-income people and places through the strategic use of capital, knowledge and innovation. TRF's data analysis focuses both on helping TRF identify opportunities to invest its own resources and on providing services to public sector and private clients seeking assistance with their own strategies to preserve and rebuild vulnerable communities. Currently (April, 2010), TRF manages $673.4 million in assets from over 800 individual and institutional investors. It uses these assets to finance affordable housing, community facilities, supermarkets, commercial real estate and public policy research. TRF investments have created or preserved 18,726 housing units, 9,935 childcare seats and more than 28,997 charter school seats. Since its inception in 1985, in June of 2010 TRF surpassed the $1 billion mark in capital invested. Policy Solutions ("Policy") is an office within TRF that designs and conducts research that evaluates TRF's progress toward meeting its goals with regard to the social impact of its investments. Policy also conducts research that relates to public policy issues that impact upon our core market constituency. This research supports the development of new policy to be introduced into the public forum for debate and implementation. Policy Solutions is also responsible for obtaining and administering grant-funded and contract research that relates to the Fund's core mission. A sampling of Policy's past and present government clients includes, but is not limited to: Pennsylvania Department of Banking, Pennsylvania Housing Finance Agency, City of Philadelphia, New Jersey Housing and Mortgage Finance Agency, New Jersey Department of Community Affairs, Federal Reserve Bank of Philadelphia, City of Baltimore, Delaware Department of Banking, US Attorney for the Eastern District of Pennsylvania.

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of Philadelphia by implementing a comprehensive plan to support revitalization of blighted neighborhoods, known as the Universal Plan.

A basic tenet of the Universal Plan is that educational reform must go hand-in-hand with the revitalization of the physical infrastructure of the community. This is why, in addition to being one of the largest developers of "affordable" housing, Universal also manages five public schools. Implementing the Universal Plan with a strong early childhood intervention approach; performance measurement and evaluation system; and incorporating the many lessons learned in managing a holistic development model, Universal has now developed the Universal Promise Neighborhood Initiative.

3. THEORY OF ACTION AND CHANGE

TRF's investments and analysis are founded in the belief that the public sector has scarce and limited resources and ability to change market conditions and distressed communities. Therefore, strategic use of resources, both capital and knowledge is critical to demonstrating impact. Date driven solutions on not only what works but under what conditions and at what scale the solutions must be determined and assessed at the outset. This is the approach we intend to bring to the Promise Neighborhoods Project.

Universal fundamentally believe that its existing: company vision; theory of action; theory of change; and current activities align perfectly with those of the proposed Promise Neighborhood.

4. PROJECT DESCRIPTION

The Universal Promise Neighborhood Initiative (referred hereafter as "Promise Initiative") is an effort initiated by Universal to fast-forward the complete and comprehensive transformation of two devastated neighborhoods in south Philadelphia (Point Breeze and Grays Ferry) by creating a critical mass (laser beam) strategy of resources. The Promise Initiative systematically coordinates and manages three (3) related areas of work: 1) programs focused on addressing the critical needs of children and families; 2) efforts that will physically rebuild community infrastructure (i.e. housing, economic, retail, safe and open space corridors, etc.); and 3) complete the full transformation of all the neighborhood public schools.

Universal with its community partners: Diversified Community Services and the Point Breeze Performing Arts Center; Free Library of Philadelphia, The Reinvestment Fund, Temple University, and a number of public and private organizations have forged a unique partnership with School District of Philadelphia to seek the "Promise Neighborhood" designation under the US Department of Education's Promise Neighborhoods grant opportunity. This designation will provide critical funds needed to gather data to develop a Comprehensive Plan of Action (Plan) that will ultimately provide a blueprint for transforming the entire community and significantly improve educational and developmental outcomes for the children and families that reside there.
In addition the purpose of the grant is to:

- Support efforts to improve child outcomes and ensure that data on those outcomes are communicated and analyzed on an ongoing basis by leaders and members of the community;
- Increase organizational capacity to build a college-going culture in the neighborhood;
- Build a complete continuum of cradle-through-college-to-career solutions (continuum of solutions) which has both academic programs and family and community supports with a strong school or schools at the center;
- Integrate programs and break down agency "silos" so that solutions are implemented effectively and efficiently across agencies;
- Work with local governments, to build the infrastructure of policies, practices, systems, and resources needed to sustain and "scale up" proven, effective solutions across the broader region beyond the initial neighborhood; and
- Participate in a rigorous evaluation of all aspects of the program.

As the lead agency, Universal will make application on/or before the application deadline (June 25, 2010) and anticipate a $500,000 grant to be leveraged with approximately an additional $250,000 of a local match -awards are expected in September 2010.

5. PURPOSE

This Memorandum is intended to set forth the nature of the relationship between the parties; and, therefore, it is understood that the primary objective here is for both parties to work closely to develop the Project.

This Memorandum does not limit the independence of either party in developing and implementing its own goals and objectives; however, the Memorandum requires both parties to work cooperatively and collaboratively on all aspects of submitting this application to the U.S. Department of Education and to implement all aspects of the planning process to achieve the Plan. Other terms and conditions may be agreed upon by the parties hereto, to wit they will be attached hereto and made a part hereof.

6. ROLES AND RESPONSIBILITIES

Universal -Universal will act as the Lead and Executive Project Manager of the Project and will assume all responsibilities in the developing the Project, which include, but not limited to, the following:
• Day-to-Day Management of the Project;

• Public Representation of the Project;

• Project Partner and Resource Solicitation;

• Project Coordination and Reporting to all Stakeholder Groups; and

• Project Planning (i.e., program, financial, plan development, etc.).

The Reinvestment Fund - TRF will support Universal in all areas described above and specifically will undertake and commit to the following:

• Participate in the rollout of the entire 12-month planning process as a member of both the Project Management Team and the Advisory Committee Steering Committee; and

• Actively support the implementation of the Plan, especially in the areas of data management, data collection and analysis.

• Respond to the needs of educators, school administrators, consumers (parents and families within the community), researchers, policy-makers, public health officials, key stakeholders and others needing to understand the data, issues and impacts of programs;

• Develop clear logic models that link inputs, activities, measurable outcomes, and goals;

• Use the best available data and analysis techniques to establish a baseline and measure progress that are valid and relevant and can be updated regularly and supplemented as new data are identified; and

• Effectively communicate evaluation findings to awardees, funders, national evaluator and other project stakeholders so that lessons learned may be used to make mid-course corrections and improvements.
7. TERM OF THE COLLABORATION

The term of this Memorandum will begin upon the execution of the Memorandum and terminate until the completion of the Project. Either party can terminate this Memorandum with a three months' written notice.

Abdur-Rahim Islam, President/CEO, Universal

Witness
Preliminary Memorandum of Understanding

By and Between

Universal Companies

And

Foundations, Inc

June 16, 2010
1. MEMORANDUM OF UNDERSTANDING

The purpose of this Memorandum of Understanding (referred hereafter as "MOU") is to outline the agreement by and between Foundations, Inc. (referred hereafter as "Foundations") having its principal place of business at 2 Executive Drive -Suite 1, Moorestown, NJ 08057 and Universal Companies (referred hereafter as "Universal") having its principal place of business at 800 South 15th Street, Philadelphia, Pennsylvania, 19146 for the express purpose of making an application to the U.S. Department of Education for Promise Neighborhood and to implement all aspects of the planning process (referred hereafter as "Project").

2. ORGANIZATION BACKGROUND

Foundations -Founded in 1992, Foundations, Inc. is a non-profit organization committed to improving the quality of education and educational opportunities in school, out of school, in families, and in communities, across the day and across the year, transforming the best in research and theory into the best in practice and partnerships for children's success. We have partnered with local and national education and community leaders to create a network of support to the nation's most underserved neighborhoods. Relying on our experience as a capacity-building organization, we share our expertise and services with others while remaining focused on creating and promoting meaningful learning experiences in all settings for children and youth.

We provide technical assistance and services to charter schools, having worked with over 100 schools in more than 20 states. We have a strong history of collaborative programming in Northwest Philadelphia where we have launched community initiatives including the Philadelphia Center for Arts and Technology (PCAT). Foundations has served at the invitation of the School District of Philadelphia as a management and supporting organization for several under-performing district schools. Our work has resulted in significant improvements in all aspects of school performance, including school climate and safety, parent and community engagement, instructional delivery, and student achievement. Our Beyond School Hours national conference (now in its 14th year) draws over 1,500 educators and community leaders annually from across the country to discover the latest research and best practices in the field.

Grounded in research, our work is also informed by hands-on experience. Our team of staff and consultants brings both academic qualifications and school-and district-based know-how when making assessments and recommendations for school improvement. This combination of scholarship and practical application is a feature that distinguishes us and our approach.
Universal Companies - Universal is a not-for-profit "Community Development and Management Corporation" formed under the direction of one of Philadelphia's greatest talents, world-renowned lyricist, composer, producer Mr. Kenneth Gamble - who continues to serve as its Chairman. Since its inception in 1993, Universal has built the capacity to challenge and reverse the effects of urban decline and has become one of the largest and most successful community revitalization movements in the history of the city of Philadelphia by implementing a comprehensive plan to support revitalization of blighted neighborhoods, known as the Universal Plan.

A basic tenet of the Universal Plan is that educational reform must go hand-in-hand with the revitalization of the physical infrastructure of the community. This is why, in addition to being one of the largest developers of "affordable" housing, Universal also manages five public schools. Implementing the Universal Plan with a strong early childhood intervention approach; performance measurement and evaluation system; and incorporating the many lessons learned in managing a holistic development model, Universal has now developed the Universal Promise Neighborhood Initiative.

3. THEORY OF ACTION AND CHANGE

Both Universal and Foundations fundamentally believe that its existing: company vision; theory of action; theory of change; and current activities align perfectly with those of the proposed Promise Neighborhood.

4. PROJECT DESCRIPTION

The Universal Promise Neighborhood Initiative (referred hereafter as "Promise Initiative") is an effort initiated by Universal to fast-forward the complete and comprehensive transformation of two devastated neighborhoods in South Philadelphia (Point Breeze and Grays Ferry) by creating a critical mass (laser beam) strategy of resources. The Promise Initiative systematically coordinates and manages three (3) related areas of work: 1) programs focused on addressing the critical needs of children and families; 2) efforts that will physically rebuild community infrastructure (i.e. housing, economic, retail, safe and open space corridors, etc.); and 3) complete the full transformation of all the neighborhood public schools.

Universal with its community partners: Diversified Community Services and the Point Breeze Performing Arts Center; Free Library of Philadelphia, The Reinvestment Fund, Foundations, and a number of public and private organizations have forged a unique partnership with the School District of Philadelphia to seek the "Promise Neighborhood" designation under the US Department of Education's Promise Neighborhoods grant opportunity. This designation will provide critical funds needed to gather data to develop a Comprehensive Plan of Action (Plan) that will ultimately provide a blueprint for transforming the entire community and significantly improve educational and developmental outcomes for the children and families that reside there. In addition the purpose of the grant is to:

UNIVERSAL/FOUNDATIONS MEMORANDUM Page 3
• Support efforts to improve child outcomes and ensure that data on those outcomes are communicated and analyzed on an ongoing basis by leaders and members of the community;

• Increase organizational capacity to build a college-going culture in the neighborhood;

• Build a complete continuum of cradle-through-college-to-career solutions (continuum of solutions) which has both academic programs and family and community supports with a strong school or schools at the center;

• Integrate programs and break down agency "silos" so that solutions are implemented effectively and efficiently across agencies;

• Work with local governments, to build the infrastructure of policies, practices, systems, and resources needed to sustain and "scale up" proven, effective solutions across the broader region beyond the initial neighborhood; and

• Participate in a rigorous evaluation of all aspects of the program.

As the lead agency, Universal will make application on/or before the application deadline (June 25, 2010) and anticipate a $500,000 grant to be leveraged with approximately an additional $250,000 of a local match -awards are expected in September 2010.

5. PURPOSE

This Memorandum is intended to set forth the nature of the relationship between the parties; and, therefore, it is understood that the primary objective here is for both parties to work closely to develop the Project.

This Memorandum does not limit the independence of either party in developing and implementing its own goals and objectives; however, the Memorandum requires both parties to work cooperatively and collaboratively on all aspects of submitting this application to the U.S. Department of Education and to implement all aspects of the planning process to achieve the Plan. Other terms and conditions may be agreed upon by the parties hereto, to wit they will be attached hereto and made a part hereof.

6. ROLES AND RESPONSIBILITIES

Universal -Universal will act as the Lead and Executive Project Manager of the Project and will assume all responsibilities in developing the Project, which include, but not limited to, the following:

• Finalize Grant Writing;
• Day-to-Day Management of the Project;
• Public Representation of the Project;
• Project Partner and Resource Solicitation;
• Project Coordination and Reporting to all Stakeholder Groups; and
• Project Planning (i.e. program, financial, plan development, etc.).

Foundations - Foundations will support Universal in all areas described above and specifically will undertake and commit to the following:

• Support Universal in writing and submitting the application to the U.S. Department of Education for Promise Neighborhood Initiative;

• Commit the staffing time over the 12-month planning process.

• Participate in the rollout of the entire 12-month planning process as a member of both the Project Management Team and the Advisory Committee Steering Committee; and

• Actively support the implementation of the Plan, especially in supporting Universal in the management of all the Promise Neighborhood public schools.

7. TERM OF THE COLLABORATION

The term of this Memorandum will begin upon the execution of the Memorandum and terminate until the completion of the Project. Either party can terminate this Memorandum with a three months' written notice.

Abdur-Rahim Islam, Rhonda H. Lauer President/CEO, Universal
Abdur-Rahim Islam, Rhonda H. Lauer President/CEO, Foundations

Witness