

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, is entered into this 28th day of July, 2004, by and between the State of Illinois, acting through the Department of Corrections and hereinafter called the "State" and the Ashunti Residential Management Systems Inc. and hereinafter called "Ashunti."

WITNESSETH

WHEREAS, the State has the duty to provide for the health, safety, and welfare of its residents; and

WHEREAS, the Department of Corrections is a State agency that has an interest in reducing violence in the State of Illinois; and

WHEREAS, Ashunti provides 2nd stage housing for ex-offenders, and many supportive services for its residents; and

WHEREAS, the parties shall enter into a grant or award agreement, to be effective for fiscal year, 2005 and subject to compliance with all applicable State law and necessary certifications, on the basis of the following terms, among others:

The State will agree:

1. To provide \$25,000 in State funding for Ashunti's initiatives to support ex-offenders and reduce recidivism;

Ashunti will agree:


2. To meet all duties and obligations imposed by state law respecting nonfederal-aid projects;
3. To promptly pay all contractors engaged on projects undertaken pursuant to this Memorandum of Understanding;
4. To assume the responsibility for Ashunti's initiatives;

The parties will mutually agree:

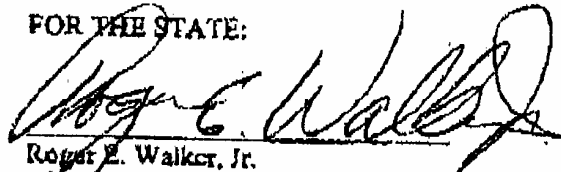
5. That, with respect to the State funding, project initiation will be the responsibility of Ashunti and is to be coordinated with Roseland community leaders and the State.

IN WITNESS WHEREOF, the State and Ashunti Chicago have caused this Memorandum of Understanding to be executed by their authorized representatives on the 28th Day of July, 2004.

FOR ASHUNTI


Regina D. Lewis
CEO

FOR THE STATE:


Roger E. Walker, Jr.
Director
Illinois Department of Corrections