



PepsiCo Foundation Steps Up Commitment to Diplomas Now

***Grant to accelerate consortium of leading non-profits' efforts
to increase the nation's high school graduation rate***

***Early program success spurs expansion in Philadelphia, Chicago, Los Angeles, New Orleans
and San Antonio; Detroit and other cities to be added to program***

PURCHASE, N.Y. and LOS ANGELES – May 19, 2010 – The PepsiCo Foundation today announced an increased commitment to Diplomas Now, a collaborative effort that combines the respective strengths, expertise and resources of three non-profit organizations – City Year, Communities In Schools and Johns Hopkins Talent Development – to address the staggering high school dropout rate in select cities across the U.S.

Announced at City Year's National Leadership Summit in Los Angeles, the PepsiCo Foundation will invest \$6 million in the program over the next three years, building on a \$5 million grant to Diplomas Now in 2008. The new investment will support expansion within the program's current locations of Philadelphia, Chicago, Los Angeles, New Orleans and San Antonio, as well as provide for the addition of new cities, including Detroit.

"With nearly 7,000 students dropping out of school every single day, we're facing a critical issue that has broad implications for the future of the U.S. economy," said Larry Thompson, senior vice president of government affairs, general counsel and secretary for PepsiCo. "We believe in the promise of Diplomas Now, and are excited to step up our commitment to help grow a program with a successful track record of improving student achievement and decreasing dropout rates."

Diplomas Now is an innovative school turnaround model, funded by the PepsiCo Foundation, that works with the nation's most challenged middle and high schools to help students at risk of dropping out of school get back on track to high school graduation and be ready for college and a career. Its collaborative design blends whole-school reform with student support and an early-warning system working in partnership with school districts, administrators, teachers and students. In partnership with schools, the model also provides health and physical activity activities across the whole school and for targeted students before, during and after school.

Piloted in 2008 in Philadelphia and expanded to Chicago, Los Angeles, New Orleans and San Antonio last year, the Diplomas Now turnaround model hinges on ground-breaking research developed by Johns Hopkins University's Center for Social Organization of Schools and the Philadelphia Education Fund. Their findings indicate that 75 percent of America's high school dropouts can be identified between sixth and ninth grades by monitoring "off-track indicators" including poor attendance, poor behavior and course failure in English or math. Diplomas Now monitors these indicators and responds at the first warning sign with interventions tailored to students' needs.

In year one (2008 – 2009), Diplomas Now exceeded its goal of achieving a 25 percent reduction in off-track indicators among students in schools where the program was implemented.

“Examining early-warning indicators and working closely with school administrators and teachers, we identify off-track students and develop customized strategies to get them back on track and keep them there,” said Robert Balfanz, director of the Talent Development programs at Johns Hopkins University. “PepsiCo Foundation’s contribution will help expand our efforts in key cities and ensure effective school reform, consistent hands-on student engagement and tailored interventions for high-risk students.”

About Diplomas Now

Diplomas Now is an innovative school turnaround model that unites three experienced non-profit organizations – City Year, Communities In Schools, and Talent Development – to work with the nation’s most challenged middle and high schools to deliver the right interventions to the right students at the right time.

The partnership combines evidence-based, comprehensive school improvement with an early warning system, national service and integrated student services that are dedicated to helping students at risk of dropping out get back on track and stay on track to high school graduation and be ready for college and career.

The partner organizations bring resources and expertise to low-performing schools in the following ways:

- City Year brings diverse and young “near peers” to low-performing schools for full-time service focusing on improving students’ attendance, behavior and coursework.
- Communities In Schools is the country’s largest dropout prevention organization that acts as a community resource for students to address their unmet social needs.
- Talent Development is a Johns Hopkins University program that specializes in research and development and provides comprehensive whole school reform models designed to transform low-performing middle and high schools, and in so doing raise student achievement.

Additional information can be found online at www.DiplomasNow.org.

About the Diplomas Now Partners

City Year is an AmeriCorps program that unites diverse young leaders for a year of full-time service. City Year corps members are trained to work in underserved schools to provide targeted academic and school-wide interventions to help students get on track and stay on track to graduate. As tutors, mentors and role models, City Year corps members have an impact on the lives of children and transform neighborhoods across the United States and South Africa.

www.cityyear.org

Communities In Schools surrounds students with a community of support, empowering them to stay in school and achieve in life. Through a school-based coordinator, Communities In Schools connects students and their families to critical community resources, tailored to local needs. Working in more than 3,200 schools, in the most challenged communities, in 26 states, and the District of Columbia, Communities In Schools serves nearly 1.4 million young people and their families every year. Communities In Schools has become the nation’s leading dropout prevention

organization, and the only one proven to both decrease dropout rates *and* increase graduation rates.

Talent Development is a program at Johns Hopkins University that specializes in research and comprehensive school reform models to address the needs of low-performing schools and their students. Talent Development middle and high school programs specialize in organizational, curricular and environmental reforms to make the whole school a better place to learn.

www.every1graduates.org/tdworks

PepsiCo Foundation, established in 1962, is the philanthropic anchor of PepsiCo, providing charitable contributions to eligible non-profit organizations in the health, environment and education fields. In 2009 alone, PepsiCo Foundation contributed \$27.9 million towards programs to help achieve the vision of creating a better tomorrow for the global community. Since the 1950s, PepsiCo has been dedicated to funding educational programs for the underserved, and PepsiCo Foundation currently has more than \$12.5 million committed to this cause. Diplomas Now is one of PepsiCo Foundation's signature programs. www.pepsico.com/Purpose/PepsiCo-Foundation.aspx.

PepsiCo offers the world's largest portfolio of billion-dollar food and beverage brands, including 19 different product lines that each generates more than \$1 billion in annual retail sales. Our main businesses - Frito-Lay, Quaker, Pepsi-Cola, Tropicana and Gatorade - also make hundreds of other nourishing, tasty foods and drinks that bring joy to our consumers in more than 200 countries. With annualized revenues of nearly \$60 billion, PepsiCo's people are united by our unique commitment to sustainable growth, called Performance with Purpose. By dedicating ourselves to offering a broad array of choices for healthy, convenient and fun nourishment, reducing our environmental impact, and fostering a diverse and inclusive workplace culture, PepsiCo balances strong financial returns with giving back to our communities worldwide. For more information, please visit www.pepsico.com.

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