MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, is entered into this __/__/2006, by and between the State of Illinois, acting through the Department of Human Services and hereinafter called the "State" and Health Alternative Systems.

WITNESSETH

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

WHEREAS, the Department of Human Services helps Illinois families achieve self-sufficiency, independence and health to the maximum extent possible and improves the quality of life of thousands of Illinois families by providing an array of comprehensive, coordinated services; and

WHEREAS, Health Alternative Systems is committed to provide the highest quality of treatment available to people suffering from alcohol and drug dependency.

WHEREAS, the parties shall enter into a grant or award agreement, to be effective for fiscal year 2007 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 $200,000 in State funding for Health Alternative Systems which is designed to fund alcohol and substance abuse programs.

The Department will agree:

2. To meet all duties and obligations imposed by state law respecting nonfederal-aid projects; and

3. To promptly pay all contractors engaged on projects undertaken pursuant to this Memorandum of Understanding.

The parties will mutually agree:

4. That, with respect to the State funding, project initiation will be the responsibility of Health Alternative Systems and to be coordinated with the State.
IN WITNESS WHEREOF, State and Health Alternative Systems have caused this Memorandum of Understanding to be executed by their authorized representatives on the 11th day of May, 2006.

FOR HEALTH ALTERNATIVE SYSTEMS

[Signature]
Marcos Jacome
Health Alternative Systems

FOR THE STATE:

[Signature]
Carol L. Adams
Secretary
Department of Human Services