

**MEMORANDUM OF UNDERSTANDING AND AGREEMENT TO SUB-CONTRACT
BETWEEN
YELLOWSTONE COUNTY SHERIFF OFFICE AND
ALTERNATIVES, INC.**

Whereas: Yellowstone County Sheriff's Office has been awarded funding to pilot programs addressing substance use disorder, mental health, and criminal transition programs in Yellowstone County from the Montana DPHHS, HEART Grant;

Whereas: Stonerock Business Solutions coordinated with members of Yellowstone County and community partners to apply for funding for the agreement, and in turn, the County was named Contractor under the agreement. In order to implement these programs, a case manager/care coordinator is needed to support clients of the project per funding guidelines;

Whereas: A Substance Use Disorder, Mental Health Disorder, and Co-Occurring Disorder diagnosis is required for all inmates to receive services under the grant;

Whereas: Alternatives, Inc. is a licensed, insured, and professional agency with over 45 years of criminal justice case management experience and can provide services necessary to implement this project;

Whereas: Yellowstone County Sheriff's Office and the Board of County Commissioners (BOCC) are committed to providing programs that reduce the re-entry of offenders into the facility and reduce crime; however, no current detention center or Sheriff Office staff have duties or responsibilities that could be assumed to facilitate implementation of this pilot project and requires outside assistance from skilled case managers to meet required goals and objectives of the project;

Whereas: Yellowstone County released an RFQ for a provider to provide services related directly to the grant services and Alternatives, Inc. was the only entity to apply and was deemed qualified to perform the duties outlined in the grant requirements;

Whereas: Yellowstone County Sheriff's Office is committed to providing evidence-based treatment and supervision programs to meet the requirements of these funding sources;

Whereas: Alternatives, Inc. currently contracts with Stonerock Business Solutions to provide grant compliance, reporting, quality assurance and control, and other grant related duties for other programs and services;

AND

Whereas: The goals and objectives identified in the projects are identified by the Substance Abuse and Mental Health Services Administration (SAMHSA) and Bureau of Justice Affairs (BJA) as best practices standards.

Therefore: This Memorandum of Understanding and Agreement to Sub-Contract (hereinafter referred to as "MOU") is made and entered into by and between Yellowstone County Sheriff's Office (YCSO) whose address is 217 N 27th Street, Billings, MT 59101, and Alternatives, Inc. whose address is 2120 3rd Ave. North, Billings MT 59101.

Therefore: It is the intent of the parties to this MOU that the County shall, as contractor under the agreement, contract with Alternatives, Inc. and that Alternatives, Inc. shall perform all work and services as sub-contractor under the agreement and collaborate with Stonerock Business Solutions for all grant reporting, quality assurance and control, and liaison services with the State of Montana on behalf of Yellowstone County to fulfill the requirements of the grant.

1. **Purpose.** The purpose of this MOU is to establish the terms and conditions under which YCSO, Alternatives, Inc., and Stonerock Business Solutions will collaborate to fulfill the services and requirements approved by the funding source to the best of their abilities.

2. **Term of MOU.** This MOU shall be in effect for a period the award date of the funding sources beginning July 1, 2026 through June 30, 2027. The parties may mutually agree, in writing, to terminate this Agreement at any time. Further, either party may terminate this Agreement unilaterally with written notice not less than 30 days prior to the automatic renewal date. If unilateral written notice is given, the Agreement shall terminate on the annual renewal date.

The term of this MOU shall not exceed the term of the Professional Services Agreement between the County of Yellowstone, Montana, by its Board of County Commissioners, and Alternatives. Termination, by either party, of the Professional Services Agreement, shall terminate this MOU.

3. **Payment** In consideration for the services to be performed by the Contractor, the County agrees to reimburse Alternatives, Inc. from pre-approved grant funds for up to the following amount based on availability of funds: HEART funds beginning July 1, 2026 – June 30, 2027:

- Monthly payments in the amount of \$19,596.39 for 11 months and \$19,596.34 for final month for a total of \$235,156.63 for the contract year.

To provide additional compliance with reporting and tracking requirement, Alternatives, Inc. Inc. must submit a monthly invoice and proper reporting documentation to Stonerock Business Solutions, grant management and project director contractor for review and approval prior payment by the 5th of each month. Funds will be reimbursed through grant funds pre-allocated and approved by Montana Department of Public Health and Human Services.

4. Responsibilities of Yellowstone County Sheriff's Office. Yellowstone County Detention Center is responsible for the following:

4.1 Act as Fiscal Agent as required and all financial responsibilities associated. YCSO agrees to cooperate with Alternatives, Inc. and Stonerock Business Solutions as the pass through between the State of Montana and Alternatives, Inc. to deliver, in a timely fashion, and pursuant to page 3 of the services funding agreement, all funding that flow to the County from the agreement, directly to Alternatives, Inc. in order so that Alternatives, Inc. can deliver services required under the agreement and required by the funding.

4.2 YCSO agrees to provide access to staff, equipment, and data to complete the necessary tracking and reporting of grant and project outcomes to funding sources. Alternatives, Inc. is responsible for reporting data of services delivered by submitting monthly reports of actual services rendered during the month to Stonerock Business Solutions for verification, auditing, tracking, and outcome reporting to the State and BOCC.

4.3 YCSO agrees to participate in meetings, development, and evaluation as necessary to complete the project goals.

4.4 YCSO acknowledges that it has the sole decision-making authority on the project and that Alternatives, Inc. in coordination with Stonerock Business Solutions, is the contracted service provider's role is to manage, report, and assist YCSO in all aspects of implementation, evaluation, and reporting.

4.5 YCSO agrees that it will review and approve all invoices, reporting, and evaluation in a timely manner for purposes of completing project goals, reporting to funding sources, and approving payments from County Finance to sub-contractors.

4.6 The County agrees to pay this contractor upon receipt of invoice for services within a reasonable time period from receipt of invoice. All Invoices shall be emailed to Stonerock Business Solutions at Amanda@stonerockmt.com on a monthly basis no later than the 5th of the month for routing to Yellowstone County Finance (due by the 10th of each month).

5. Responsibilities of Alternatives, Inc. Alternatives, Inc. agrees to participate in the implementation of the grant activities as listed below.

5.1 Alternatives, Inc. acknowledges that it is familiar with the agreement and that furthermore, Alternatives, Inc. represents that it can perform and deliver the services required under the agreement.

5.2 Alternatives, Inc. agrees to provide information on outcome measures to Stonerock Business Solutions for the purposes of coordinating, implementing, and reporting project activities to Yellowstone County Sheriff's Office, BOCC, and the State of Montana, Alternatives, Inc. agrees to submit monthly progress reports on services to Stonerock Business Solutions by the 5th of each month. Payments for services will not be approved without submission of reporting data. All invoices will be reviewed by Stonerock Business Solutions prior to submission to YC Finance to ensure it complies with project goals, outcomes, and budget restrictions. Alternatives, Inc. agrees to compensate Stonerock Business Solutions for these duties as part of the monthly fee paid to Alternatives, Inc. for completion of grant services and requirements.

5.3 Alternatives, Inc. acknowledges that it will coordinate with all entities contracted for services within the scope of the project including, but not limited to, Stonerock Business Solutions, Ivy Correctional Medicine, YCSO, and others as necessary to implement the project.

5.4 Alternatives, Inc. agrees to staff at least 1 FTE Case Manager/Care Coordinator for purposes of providing services directly to inmates of YCDF. Intake services will be provided within 7 days of referral from referral source or identification of inmate for program. Case Managers/Care Coordinators are responsible for ensuring all assessment, Releases of Information, Transition Plans, and Release planning is completed within a timely manner. Service may continue for up to 30 days of release of inmate status from YCDF. Housing, treatment, medication referrals, and other identified services are all required components of Case Management/Care Coordination.

5.5 Alternatives, Inc agrees to have available appropriate licensed clinicians (Licensed Addition Counselor, Licensed Clinical Professional Counselors, Licensed Clinical Social Worker, candidates of professional licensure under the supervision of an appropriate clinician, or other professional licensures consistent with the roles and compliance of the State of MT to provide SUD, MH, and Co-Occurring assessments for purposes of identifying eligible inmates for programs and services, placement in appropriate treatment facilities, and coordination of care for inmates upon release of YCDF. Assessments are to be completed within a reasonable time of referral but no longer than 10 business days after referral is received. Alternatives, Inc. acknowledges that up to 15

assessments may be requested within a week and it is their responsibility to coordinate assessments in person or telehealth with appropriate YCDF staff.

5.6 As a sub-contractor to the agreement and for the purpose of this MOU, Alternatives, Inc. agrees to protect, defend, and save the County, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense, injuries, death or damages to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of Alternatives, Inc. and/or its agents, representatives, assigns, subcontractors, except the sole negligence of the County.

5.7 As sub-contractor to the agreement, and for the purpose of this MOU, Alternatives, Inc. must maintain, at its cost, primary standard general liability insurance coverage in the amount of \$1,000,000.00 claims made and listing Yellowstone County as an additional insured. The general liability coverage must include claims arising out of contractual liability, the delivery of services, omissions in the delivery of service, injuries to persons, damages to property, the provision of goods or rights to intellectual property or any other liabilities which may arise in the provision of services under the agreement.

5.8 As sub-contractor to the agreement and for the purpose of this MOU, Alternatives, Inc. must maintain at its cost, professional liability insurance coverage against claims for harm to persons which may arise from the professional services provided through the agreement. The insurance must cover claims as may be caused by any act, omission, or negligence of Alternatives, Inc. and/or its officers, agents, representatives, assigns or subcontractors, or assigns. Alternatives, Inc. must provide professional liability insurance coverage on a claims made basis with combined single limits of \$1,000,000.00 per claim and \$2,000,000.00 aggregate per the life of the agreement.

5.9 As sub-contractor to the agreement, and for the purpose of this MOU, Alternatives, Inc. must comply with the applicable provisions of the Montana Human Rights Act, Governmental Code of Fair Practices, all federal civil rights acts and the federal American with Disabilities Act. In addition, Alternatives, Inc. may not discriminate in any manner against any person on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability or national origin.

5.10 As sub-contractor to the agreement, Alternatives, Inc. shall be responsible for its business-related expenses concerning the Services under this Agreement.

6. Responsibilities of Both Parties Together, YCSO and Alternatives, Inc. agree to the following:

6.1 Any specific activity developed under this MOU shall be detailed in the grant application, signed by each organization's authorized signatory, which will describe the scope of the proposed activity, intended outcomes, budget, and responsible Offices or individuals. Unless a subsequent agreement is signed, there will not be any enforceable obligations or duties between the parties.

6.2 All activities shall be subject to the availability of funds and the approval of each Alternatives, Inc. authorized representatives. The parties to this MOU acknowledge that the County is not responsible for any direct funding of the agreement and that funding under the agreement may terminate prior to the June 30, 2027 end date of the agreement with appropriate notice of at least 90 days.

6.3 The parties agree to indemnify and to hold harmless for, from, and against claims, suits, reasonable attorney's fees, damages, injuries to persons or property or other liabilities arising out of any negligence of the other party pursuant to this agreement.

7. General Provisions

A. Duration and Evaluation. A joint evaluation of the MOU will be initiated by the designated representatives three (3) months prior to the expiration date. Amendments to this MOU may be requested, in writing, by either party and approved by the authorized signatories.

B. Compliance with Law. The parties specifically intend to comply with all applicable laws, rules and regulations as they may be amended from time to time. If any part of this Agreement is determined to violate federal, state, or local laws, rules, or regulations, the parties agree to negotiate in good faith revisions to any such provisions. If the parties fail to agree within a reasonable time to revisions required to bring the entire Agreement into compliance, either party may terminate this Agreement upon thirty (30) days prior written notice to the other party.

C. Force Majeure. In the event parties are unable to complete the projects due to causes beyond the control of the parties, but not limited to: acts of God; war; acts of the government; fires; floods; epidemics; quarantine restrictions; strikes, labor disputes or work stoppages; transportation contingency; and freight embargoes; other catastrophes or any similar occurrences beyond the parties' reasonable control, Yellowstone County Detention Facility will provide notice to the funding sources and the project will be extended for the period of time that the Force Majeure event is applicable.

D. Governing Law. This agreement shall be governed under the laws in the State of Montana.

E. Severability. The provisions of this Agreement are severable, and if any provision of this Agreement is found to be invalid, void, or unenforceable, the remaining provisions will remain in full force and effect.

F. Non-Discrimination. The parties agree not to discriminate on the basis of religion, race, creed, national or ethnic origin, sex, age, handicap, political affiliation, sexual orientation, disability or status as a veteran.

G. Independent Contractors. Each party is separate and independent, and this Agreement shall not be deemed to create a relationship of Alternatives, employment, or partnership between or among them. Each party understands and agrees that this Agreement establishes an independent contractor relationship and that the agents or employees of each respective party are not employees or agents of any other party. Alternatives, Inc. under the code of the Internal Revenue Service (IRS) and the laws of the State of Montana, is an independent contractor, and neither the Alternative's employees or contract personnel are, or shall be deemed, the YCSO's's employees.

In its capacity as an independent contractor, Alternatives, Inc. agrees and represents: Alternatives, Inc. has the right to perform services for others during the term of this Agreement except as otherwise provided below; Alternatives, Inc. has the sole right to control and direct the means, manner, and method by which the Services required by this Agreement will be performed. Alternatives, Inc. shall select the routes taken, starting and ending times, days of work, and order the work is performed; Alternatives, Inc. has the right to hire assistant(s) as subcontractors (except as provided below) or to use employees to provide the Services required under this Agreement. Neither Alternatives, nor the Alternative's employees or personnel, shall be required to wear any uniforms provided by the YCSO; The Services required by this Agreement shall be performed by Alternatives, Alternatives' employees or personnel, and the YCSO will not hire, supervise, or pay assistants to help Alternatives; and neither Alternatives, Inc. nor Alternatives, Inc. employees or personnel shall be required by the YCSO to devote full-time to the performance of the Services required by this Agreement. YCSO shall have no right to control or direct the details, manner or means by Alternatives, Inc. performs its services. Alternatives, Inc. shall continue ongoing conversation with YCSO leadership to ensure the safety and security of the facility while implementing the services outlined in this MOU.

H. Assignment. No party may assign this Agreement or any rights or obligations under this Agreement to any person or entity without the prior written consent of the other parties. Any assignment in violation of this provision is null and void.

I. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties as to the subject matter hereof and supersedes all prior discussions, agreements and undertakings of every kind and nature between them, whether written or oral, with respect to such subject matter. This Agreement may subsequently be modified only by a written document executed by both parties.

J. Notices. Any consent, waiver, notice, demand, request or other instrument required or permitted to be given under this Agreement or any related agreements shall be in writing and shall be delivered by hand or sent prepaid telex, cable or facsimile transmission, or sent, postage prepaid, by registered, certified or express mail or reputable overnight courier service and shall be deemed given when so delivered by hand, telexed, cabled or transmitted, or if mailed, five (5) days after the notice is delivered to the courier service, addressed to the addresses set forth herein, or to such other address as may later be specified in writing by either party.

8. **Signatures.** In witness whereof, the parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU as set forth herein.

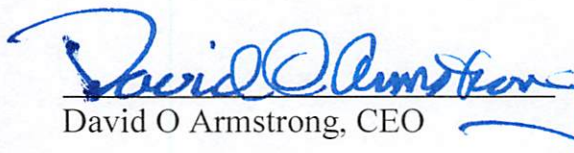
The effective date of this MOU is the date of the signature last affixed to this page.

Yellowstone County

Chairman, Mark Morse

Date

Alternatives, Inc.

 **8/11/2026**

David O Armstrong, CEO

Date