INTERAGENCY AGREEMENT
between
WASHINGTON STATE UNIVERSITY
and
SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE
Sirti Agreement #Y200902
WSU Contract #14051

THIS AGREEMENT is made and entered into by and between Washington State University, an agency of the state of Washington, hereinafter referred to as “WSU”, and the Spokane Intercollegiate Research and Technology Institute, hereinafter referred to as “Sirti”, also an agency of the State of Washington; both hereinafter referred to as “Parties” and independently as a “Party”.

IT IS THE PURPOSE of this Agreement to set forth the terms and conditions for WSU to provide to Sirti certain accounting, purchasing, human resource, clerical and general administrative support services. In furtherance of this Purpose, it is mutually agreed that:

1. Scope of Work - WSU will perform certain accounting, purchasing, human resource, clerical and general administrative support services for Sirti as set forth herein, in a manner consistent with the performance of such services for WSU departments and units. Activities are described more fully in Attachment I attached hereto and incorporated into this Agreement by reference.

Except as expressly provided herein, WSU’s Business Policies and Procedures Manual (“BPPM”), as it may be amended from time to time, shall govern the manner in which all services under this Agreement shall be performed.

Sirti may from time to time request that WSU undertake new services or cease performing any service set forth in this Agreement or any amendment hereto, in which case the Parties shall negotiate in good faith regarding adjustments to workloads and fees due.

2. Term and Effective Date of Agreement — This Agreement shall be effective on January 1, 2008. Subject to its other provisions, the mutual obligations under this Agreement are during the defined period of performance of this Agreement which is January 1, 2008 through June 30, 2013, unless terminated sooner as provided herein.

3. Payment - Compensation for the work provided in accordance with this Agreement has been established under the terms of RCW 39.34.130. The Parties have determined that the cost of accomplishing the work herein will be the quarterly sum of $20,000 (or $80,000 annually). This amount shall be billed by WSU quarterly, and shall be due and payable by Sirti on the 10th business day of the month following the end of each quarter this Agreement is in effect. This rate shall stay in effect at the current level through June 30, 2010, after which, the then-current state Cost of Living Adjustment (COLA) shall be applied to calculate the annual payment due for each of the remaining three (3) years under the Agreement.
9. Termination

9.1. This Agreement may terminate at any time before its stated expiration date as set forth above by mutual written agreement of the Parties. Either Party may terminate this Agreement for its convenience upon sixty (60) days' written notice to the other.

9.2. In the event of any material breach of the terms of this Agreement by either Party, the other may give thirty (30) days' written notice to the breaching Party of termination, specifying the nature of the breached obligation. If the Party so notified cures or corrects the specified issue(s) within the said thirty day period, the Agreement shall remain in full force and effect. If not, the Agreement shall terminate upon expiration of that period.

9.3. In the event of any termination prior to the stated expiration date of this Agreement, the Parties shall negotiate full payment for all work actually performed during the period of the Agreement and reimbursement of costs actually incurred.

10. Modifications, Assignment - This Agreement may be modified only by written amendment, signed by both Parties hereto and attached to or maintained together with this Agreement. Neither Party hereto may assign any of its duties under this Agreement to any other person or entity without first obtaining the other’s written consent thereto.

11. Severability, Changes to Authorizing Legislation - In the event that any court of competent jurisdiction declares or rules that any portion of this Agreement is invalid, illegal or unenforceable, the remainder of the Agreement shall remain in full force and effect. If any provision of this Agreement is in violation of any provision of applicable law, the Agreement shall be deemed amended in such a fashion as to conform to that applicable law. If the remainder of the Agreement is impossible or impracticable to maintain in operation in light of such a declaration or deemed amendment, the Parties shall negotiate an amended agreement to replace this Agreement, or may elect to terminate the Agreement in accordance with Section 9 hereof.

This Agreement is negotiated and entered in response to the enactment of Chapter 344 of the Laws of 1998 by the Legislature of the State of Washington. Both Parties intend this Agreement to be and remain in compliance with all applicable laws and regulations, including specifically that statute. In the event of a change to that or other applicable statutes, the Parties may amend this Agreement as necessary to conform with such changes, or may elect to terminate the Agreement as provided in Section 9 hereof.

12. Notices - All notices and correspondence regarding this Agreement shall be directed to the following persons:

WSU: Vice Chancellor, Finance & Operations
Washington State University at Spokane
P.O. Box 1495
Spokane, WA 99210-1495

With Copy To:
1. **Terms Defining Scope of Work.** This Agreement sets forth three levels of administrative and clerical support activities and allocates responsibility for those levels of support between the parties. These support activities are defined below.

   **A. Transaction Processing.** This is the physical task of account and other data entry and maintenance. WSU shall assume responsibility for Transaction Processing for records as set forth herein regarding Sirti’s commercial and employment activities. Transaction Processing shall be based entirely upon data provided to WSU by Sirti. WSU shall have no right or duty to question the accuracy of the data provided by Sirti, nor shall it be responsible for such accuracy. WSU shall faithfully record and maintain such data in accordance with generally accepted accounting principles, provisions of applicable law and WSU regulations (including but not limited to the BPPM).

   **B. Advisory Compliance Review.** This review is the examination of data provided by Sirti to WSU, and recorded via Transaction Processing, for compliance with provisions of applicable law and WSU and OFM regulations. WSU shall perform this function except as indicated herein. If some potential issue of noncompliance is identified as a result of this Review, WSU shall advise Sirti of this issue. WSU’s responsibility shall be limited to providing this information; Sirti shall be and remain solely responsible for making Policy Decisions (as defined below) with regard to any such issues to ensure actual compliance and otherwise.

   **C. Policy Decisions.** These are discretionary business judgment decisions by which an agency is managed. Sirti is and shall remain solely responsible for making Policy Decisions regarding the conduct of its affairs. This shall apply equally to Policy Decisions arising from information provided to Sirti from WSU as a result of WSU’s performance of its Advisory Compliance Review function.

2. **Scope of Services Provided.** The specific services to be provided by WSU (all of which shall be regarded as Transaction Processing services unless specifically otherwise identified) under this Agreement are as follows:

   **A. Benefits and Payroll Services**

   i. WSU agrees to provide payroll processing services for Sirti employees.

   ii. WSU agrees to deduct deposit, report and remit federal taxes in accordance with federal laws, rules and regulations.
ii. Sirti shall periodically review AFRS data and submit adjusting entries documentation to WSU for input by WSU.

iii. Sirti shall prepare the annual state financial disclosures.

F. Sponsored Programs

i. Sirti shall be responsible for the administrative and fiscal compliance requirements for federal and non-federal agreements negotiated with external sponsors, including sub-grants and multiparty agreements.

ii. Sirti shall be responsible for compliance with award terms and conditions, including federal and state regulations. This includes obtaining prior agency approval when required for pre-award costs, no cost extensions, re-budgeting, and approval of carry-forward balances.

iii. Sirti shall be responsible for assigning account numbers from a block of numbers provided by the WSU General Accounting Office. Sponsored Programs Services (SPS) shall be responsible for entering the account number(s) and line item budgets approved by Sirti into the WSU database, and for calculating the Facilities and Administrative costs (F&A).

iv. Sirti shall provide SPS with a copy of the federally approved F&A costs rate agreement. A copy shall be provided whenever there is a change or a new rate(s) negotiation.

v. Sirti, when submitting a request to establish a new account, shall provide supporting documentation that it considers appropriate. This attachment shall be filed by SPS in support of account number assignment.

vi. Sirti shall be responsible for initiating all transaction documents for accounts established, except journal vouchers prepared by SPS for budget allocations/re-allocations, cost transfers, F&A cost adjustments, revenue transfers, and account closure.

vii. Sirti shall be responsible for the submission of financial reports; property reports; patent reports; technical reports; deposit of funds; accounts receivable; subcontracting plans; electronic funds requests; cost sharing/matching; property/equipment reports and other reports and/or data requested by a non-federal sponsor or federal agency in support of award activity.

viii. Sirti shall be responsible to provide copies of detailed transaction documents if required by a sponsor in support of invoices submitted.
xxii. Sponsored Programs Services shall provide assistance to Sirti in an advisory capacity (as an Advisory Compliance Review function under this Agreement) and maintain an operational relationship with Sirti for daily activity.

G. Contract and Interagency Agreement Services

i. Sirti shall provide all of its own personal services contract and interagency agreement services, with the exception of the following:

ii. Sirti shall submit all personal services contracts and interagency agreement invoices to the WSU Business Services/Controller's Office Administrative Contracts Section for processing.

iii. Sirti shall submit all sub-grant reimbursements to the WSU Business Services/Controller's Office Administrative Contracts Section for processing.

iv. Sirti shall be responsible for Sirti property contracts and leases.

H. Travel Services

i. Sirti shall adopt WSU's Travel and Meal and Light Refreshment Policies which are in compliance with State of Washington regulations. When WSU policies are updated, Sirti shall update with the WSU changes.

ii. Sirti shall use WSU Travel and Meal and Light Refreshment Forms. The Sirti name shall be on these forms and not WSU's name.

iii. WSU Travel Division shall provide Advisory Compliance Review and audit of all travel documents including, but not limited to, the Travel Authority, Travel Expense Voucher, Business Travel Account, Rental Car Statements, and registration forms. In addition, said Advisory Compliance Review shall be provided for all paperwork pertaining to Meal and Light Refreshment policy.

I. Fixed Assets and Disposal of Sirti Property

i. Sirti shall not use the regular WSU fixed assets inventory system. Sirti shall be responsible for tracking and reporting all equipment.

ii. Sirti shall be responsible for tagging all Sirti inventoried fixed assets.

iii. Sirti shall be responsible for performing the annual fixed assets inventory.

iv. WSU may dispose of any inventoried or non-inventoried fixed assets, equipment or goods at the request of Sirti. WSU shall remit any proceeds of
N. WSU Computer Access

WSU shall give Sirti on-line computer service to access WSU systems that are relevant to Sirti.

O. Cash Receipts and Accounts Receivable

i. WSU shall input cash receipts from Sirti’s cash receipts document.

ii. Sirti shall maintain a separate accounts receivable system. The accounts receivable balances shall be entered into the WSU system as of June 30 of each fiscal year. WSU will reverse the accounts receivable balances as of July 1 of each fiscal year.