

AMENDMENT
TO THE
AGREEMENT BETWEEN
WASHINGTON STATE UNIVERSITY
AND
WASHINGTON STATE AUDITOR'S OFFICE

THIS AMENDMENT (the "Amendment") is made and entered into by and between Washington State University ("University"), and the Washington State Auditor's Office ("Agency").

RECITALS

WHEREAS, University and Agency have previously entered into that certain Agreement dated November 7, 2013 (the "Agreement") regarding audit services to be provided to University by Agency; and

WHEREAS, the parties desire to extend the Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. Term Extended. Pursuant to Sections 8 and 9 of the Agreement, the term of the Agreement is hereby extended and the Agreement shall now terminate on March 31, 2014.
2. Other Terms and Conditions Unchanged. Apart from the previous modification, the Agreement remains unchanged and in full force and effect. This Amendment shall be effective on the last date signed below and shall be attached to the Agreement.

WASHINGTON STATE UNIVERSITY

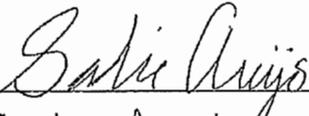
WASHINGTON STATE AUDITOR'S OFFICE

Signature:  _____

Name: Amanda Owen

Title: Contracts Manager

Date: 1/30/14 _____

Signature:  _____

Name: Sadie Armijo _____

Title: Deputy Director of Local Audit

Date: 2/7/2014 _____

INTERAGENCY AGREEMENT
BETWEEN

Washington State University

AND

Washington State Auditor's Office

THIS AGREEMENT is made and entered into by and between Washington State University, hereinafter referred to as "University", and the Washington State Auditor's Office P.O. Box 40031, Olympia, Washington 98504-0031 hereinafter referred to as the "The Agency."

IT IS THE PURPOSE OF THIS AGREEMENT to provide Financial Statement Audit Services for the University.

THEREFORE, IT IS MUTUALLY AGREED THAT:

1. STATEMENT OF WORK

The Agency shall perform all the work required by the Agreement as follows:

(a) The University requires an audit of its financial statements as of the fiscal year ending June 30, 2013, for purposes of receiving an opinion on the statements and a letter of reportable conditions in the form of a management letter or finding, if applicable, no later than December 20, 2013.

(b) Entities within the University are audited separately by independent auditing firms. These programs are the Housing and Dining System, Parking Services, University Recreation Center, Compton Union, ASWSU, Intercollegiate Athletics and Northwest Public Radio & TV. In the course of this audit, Agency will be provided access to all working papers, including final reports, of the independent auditors deemed appropriate by Agency to assist in conducting this audit work by November 26, 2013.

(c) University staff will assist in the preparation of schedules, retrieve source documents, and provide data and other assistance as needed by Agency in conducting University financial statement audit. This assistance shall include but not be limited to the University providing working trial balances for all funds. The University will provide working paper schedules to support all balances. The University will provide financial statements and footnotes in accordance with Governmental Accounting Standards. The University will provide the complete financial statements including all required disclosures to the Agency no later than November 20, 2013.

(d) The University has in place an on-line, modified accrual general ledger accounting system. The system encompasses purchasing, accounts payable, SCBAIMS, accounts receivable, student loans and payroll. All primary modules are integrated to the financial accounting system.

(e) The scope of the audit will include such tests of the accounting records and such other auditing procedures as the Agency deems necessary to express an opinion on the University financial statements consisting of:

Statements, schedules, and footnotes required by GASB statements 34 and 35 for institutions reporting as BTA entities for the fiscal year ending June 30, 2013.

(f) The Financial Statement audit cannot be relied upon to disclose all errors, irregularities, or illegal acts, including fraud or defalcations that may exist.

(g) Following issuance of final reports noted in paragraph 1. (a). of this Agreement, the Agency's supporting work papers will be made available to the University's independent auditors for use in assisting them in their evaluation of the financial statements of individual University programs.

2. CONTRACT MANAGEMENT AND RESPONSIBILITY:

(a) For the University:

Overall responsibility for the audit will be: Barry E. Johnston, Associate Vice President for Finance, PO Box 641045, Pullman, WA 99164-1045. Phone number 509-335-2600.

Primary and Daily Contact person will be: Terry L. Ely, Executive Director, Business Services/Controller, PO Box 641025, Pullman, WA 99164-1025. Phone number 509-335-2008.

(b) For the Agency:

Overall responsibility for the audit will be: Deborah Pennick, Audit Manager, WSU Research Park Bldg. 2, 1610 NE Eastgate Blvd., Ste 200, Pullman, WA 99163. Campus mail stop 1802. Phone number 509-335-5868

Primary and Daily Contact person will be: Karen Wilson, Auditor in Charge, WSU Research Park Bldg. 2, 1610 NE Eastgate Blvd., Ste 200, Pullman, WA 99163, Campus Mail Stop 1802. Phone number 509-335-2007

3. PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this Agreement shall commence upon execution and be completed no later than January 3, 2014, unless extended or terminated as provided herein.

4. PAYMENT

The parties have determined that the cost of accomplishing the work herein will not exceed \$44,500 plus any related travel costs not to exceed \$2,000. Payment for satisfactory performance of the work shall not exceed this amount unless the parties mutually agree to a higher amount.

5. BILLING PROCEDURE

The Agency shall submit invoices to: Terry L. Ely, Business Services/Controller's Office, PO Box 641025, Washington State University, Pullman, WA 99164-1025. Payment to the Agency for approved and completed work will be made by check by the University within 30 days of acceptance of the invoice. Upon expiration of the Agreement, any claim for payment not already made shall be submitted within 30 days after the expiration date or the end of the fiscal year, whichever is earlier.

6. RECORDS MAINTENANCE

The parties to this Agreement shall each maintain books, records, documents and other evidence which sufficiently and properly reflect all direct and indirect costs expended by either party in the performance of the service(s) described herein. These records shall be subject to inspection, review or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor and federal officials so authorized by law. All books, records, documents and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, federal auditors, and any persons duly authorized by the parties shall have full access and the right to examine any of these materials during this period.

7. INDEPENDENT CAPACITY

The employees or agents of each party who are engaged in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

8. AGREEMENT ALTERATIONS AND AMENDMENTS

This Agreement may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

9. TERMINATION/EXTENSION

Either party may terminate or extend this Agreement upon 30 days' prior written notification to the other party. If this Agreement is so terminated or extended, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination or extension.

10. TERMINATION FOR CAUSE

If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within 15 working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other.

11. DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint an additional member to the Dispute Board. The Dispute Board shall review the facts, agreement terms and applicable statutes and rules and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

12. GOVERNANCE

This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. The provisions of this Agreement shall be construed to conform to those laws.

In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

- a. Applicable state and federal statutes and rules;
- b. Statement of work; and
- c. Any other provisions of the agreement, including materials incorporated by reference.

13. ASSIGNMENT

The work to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent shall not be unreasonably withheld.

14. WAIVER

A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the party and attached to the original Agreement.

