

## HOSPITALS RATE AGREEMENT

EIN: 951690977

DATE:08/30/2022

ORGANIZATION:

FILING REF.: The preceding  
agreement was dated  
06/24/2021

Children's Hospital of Los Angeles  
4650 Sunset Boulevard  
Los Angeles, CA 90027

The rates approved in this agreement are for use on grants, contracts and other agreements with the Federal Government, subject to the conditions in Section III.

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### SECTION I: INDIRECT COST RATES

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RATE TYPES:      FIXED                  FINAL                  PROV. (PROVISIONAL)      PRED. (PREDETERMINED)

#### EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FINAL	07/01/2020	06/30/2022	69.50	On-Site	Research
FINAL	07/01/2020	06/30/2022	35.00	Off-Site	Research
FINAL	07/01/2020	06/30/2022	40.00	All	Other Sponsored Activities
PRED.	07/01/2022	06/30/2026	71.00	On-Site	Research
PRED.	07/01/2022	06/30/2026	35.00	Off-Site	Research
PRED.	07/01/2022	06/30/2026	40.00	All	Other Sponsored Activities
PROV.	07/01/2026	Until Amended			Use same rates and conditions as those cited for fiscal year ending June 30, 2026.

#### \*BASE

Total direct cost less items of equipment and other capital expenditures, hospitalization and other fees related to patient care, fellowships, and that portion over \$25,000 of each subgrant or subcontract.

The Hospital's direct cost base includes salaries and benefits of University of Southern California (USC) personnel who are paid by

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USC and for which USC is reimbursed by the hospital. No fringe benefits of the Hospital are applicable to USC; however, the indirect cost rate cited herein is applicable to the total amount reimbursed.

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**SECTION I: FRINGE BENEFIT RATES\*\***

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<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2022	6/30/2023	21.00	All	All Employees
PROV.	7/1/2023	6/30/2025	21.00	All	All Employees

\*\* DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages of faculty and staff including vacation, holiday and sick leave pay and other paid absences of only the faculty and staff. Rate does not apply to student employees, research or teaching assistants.

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**SECTION II: SPECIAL REMARKS**

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TREATMENT OF FRINGE BENEFITS:

The fringe benefits are charged using the rate(s) listed in the Fringe Benefits Section of this Agreement. The fringe benefits included in the rate(s) are listed below.

TREATMENT OF PAID ABSENCES

Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the cost of these paid absences.

OFF-SITE DEFINITION

For all activities performed in facilities not owned by the organization and to which rent is directly allocated to project(s), the off-site rate will apply. If more than 50% of the project salaries and wages is performed off-site, the off-site rate will apply to the entire project.

DEFINITION OF EQUIPMENT

Equipment is defined as tangible nonexpendable personal property (including information technology systems) having a useful life of more than one year and an acquisition cost of \$1,000 or more per unit.

The following fringe benefits are included in the fringe benefit rate: FICA, UNEMPLOYMENT INSURANCE (SELF INSURED), WORKERS COMPENSATION, GROUP LIFE AND HEALTH INSURANCE, PENSION PLAN, GROUP DISABILITY, AND DENTAL INSURANCE.

This Rate Agreement reflects new rates for both Fringe Benefits Rates and Facilities and Administrative Rates.

The next Fringe Benefit proposal, based on actual cost for the fiscal year ending 6/30/2022, is due in our office by 12/31/2022. The next Facilities and Administrative Cost proposal, based on actual costs for the fiscal year ending 6/30/2025, is due in our office by 12/31/2025.

**SECTION III: GENERAL**

**A. LIMITATIONS:**

The rates in this Agreement are subject to any statutory or administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the organization were included in its indirect cost pool as finally accepted: such costs are legal obligations of the organization and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the organization which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

**B. ACCOUNTING CHANGES:**

This Agreement is based on the accounting system purported by the organization to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval of the authorized representative of the cognizant agency. Such changes include, but are not limited to, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.

**C. FIXED RATES:**

If a fixed rate is in this Agreement, it is based on an estimate of the costs for the period covered by the rate. When the actual costs for this period are determined, an adjustment will be made to a rate of a future year(s) to compensate for the difference between the costs used to establish the fixed rate and actual costs.

**D. USE BY OTHER FEDERAL AGENCIES:**

The rates in this Agreement were approved in accordance with the cost principles promulgated by the Department of Health and Human Services, and should be applied to the grants, contracts and other agreements covered by these regulations subject to any limitations in A above. The hospital may provide copies of the Agreement to other Federal Agencies to give them early notification of the Agreement.

**E. OTHER:**

If any Federal contract, grant or other agreement is reimbursing indirect costs by a means other than the approved rate(s) in this Agreement, the organization should (1) credit such costs to the affected programs, and (2) apply the approved rate(s) to the appropriate base to identify the proper amount of indirect costs allocable to these programs.

BY THE INSTITUTION:

Children's Hospital of Los Angeles

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(INSTITUTION)

\_\_\_\_\_  
(SIGNATURE)

**Karen S Niemeier**

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(NAME)

**Assoc. VP, Research Operations**

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(TITLE)

**9/1/2022**

\_\_\_\_\_  
(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

\_\_\_\_\_  
(AGENCY)

\_\_\_\_\_  
(SIGNATURE)

**Arif Karim**

\_\_\_\_\_  
(NAME)

**Director, Cost Allocation Services**

\_\_\_\_\_  
(TITLE)

**8/30/2022**

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(DATE) 2126

HHS REPRESENTATIVE: **Olulola Oluborode**

Telephone: **(214) 767-3261**