

HOSPITALS RATE AGREEMENT

EIN: 1440605373A1

DATE:07/29/2019

ORGANIZATION:

FILING REF.: The preceding agreement was dated 12/08/2016

Children's Mercy Hospital
2401 Gillham Road
Kansas City, MO 64108

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.

SECTION I: INDIRECT COST RATES

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	07/01/2016	06/30/2019	50.00	On Site	Org. Research
FINAL	07/01/2016	06/30/2019	30.00	On Site	Other Spon. Projects
PRED.	07/01/2019	06/30/2021	54.00	On Site	Org. Research
PRED.	07/01/2021	06/30/2022	56.00	On Site	Org. Research
PRED.	07/01/2019	06/30/2022	33.00	On Site	Other Spon. Projects
PRED.	07/01/2019	06/30/2022	26.00	Off Site	All Programs
PROV.	07/01/2022	06/30/2025			Use same rates and conditions as those cited for fiscal year ending June 30, 2022.

*BASE

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Modified total direct costs, consisting of all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel and up to the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). Modified total direct costs shall exclude equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs, and with the approval of the cognizant agency for indirect costs.

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SECTION I: FRINGE BENEFIT RATES**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE (%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
PRED.	7/1/2019	6/30/2022	25.50	All	All Employees
PROV.	7/1/2022	6/30/2024	25.50	All	All Employees

** DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages.

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SECTION II: SPECIAL REMARKS

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.

FRINGE BENEFITS:

FICA
Retirement
Disability Insurance
Worker's Compensation
Life Insurance
Unemployment Insurance
Health Insurance
Tuition Reimbursement
Adoption Assistance
Employee Assistance Program
Termination Pay

Your next proposal, based on actual costs for the fiscal year ending 06/30/21, is due in our office by 12/31/21.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

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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 Mercy Hospital

(INSTITUTION)

Mary Tomlinson

(SIGNATURE)

MARY Tomlinson

(NAME)

Vice President - Research Admin

(TITLE)

8/1/19

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Arif M. Karim -S

Digitally signed by Arif M. Karim -S
DN: c=US, o=U.S. Government, ou=HHS,
ou=PSC, ou=People, cn=Arif M. Karim -S,
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Date: 2019.08.01 08:53:27 -05'00'

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

7/29/2019

(DATE) 2136

HHS REPRESENTATIVE:

Theodore Foster

Telephone:

(214) 767-3261