

**HOSPITALS RATE AGREEMENT**

EIN: 1741536936A1

DATE:11/13/2017

ORGANIZATION:

FILING REF.: The preceding agreement was dated 11/06/2013

Harris County Hospital District  
 Medical Support Services  
 2525 Holly Hall, Rm 143  
 Houston, TX 77054-

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>
PRED.	03/01/2017	02/28/2022	32.00	On Site	Organized Research
PRED.	03/01/2014	02/28/2018	24.00	On Site	Res.-Affiliated (1)
PRED.	03/01/2018	02/28/2022	28.00	On Site	Res.-Affiliated (1)
PROV.	03/01/2022	02/28/2025			Use same rates and conditions as those cited for fiscal year ending February 28, 2022.

(1) This rate is applicable to awards performed and administered by Baylor College of Medicine employees. The research effort is performed on-site at Harris County Hospital District.

\*BASE

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Total direct costs excluding capital expenditures (buildings, individual items of equipment; alterations and renovations); subawards; hospitalization and other fees associated with patient care whether the services are obtained from an owned, related or third party hospital or other medical facility; rental/maintenance of off-site activities; student tuition remission and student support costs (e.g., student aid, stipends, dependency allowances, scholarships, fellowships).

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**SECTION II: SPECIAL REMARKS**

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TREATMENT OF FRINGE BENEFITS:

The fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits 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.

Equipment Definition -

Equipment means an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

FRINGE BENEFITS:

FICA  
Retirement  
Disability Insurance  
Life Insurance  
Unemployment Insurance  
Health Insurance  
Dental Insurance  
Transportation Subsidy  
Termination Vacation Pay

Your next indirect cost proposal, based on actual costs for the fiscal year ending 02/28/21, is due in our office by 08/31/21.

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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:

Harris County Hospital District

(INSTITUTION)

*Michael Norby*

(SIGNATURE)

*Michael Norby*

(NAME)

*Executive VP & CFO*

(TITLE)

*11/21/2017*

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

*Arif M. Karim -A*

Digitally signed by Arif M. Karim -A  
DN: c=US, o=U.S. Government, ou=HHS, ou=PSC,  
ou=People, cn=Arif M. Karim -A,  
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Date: 2017.11.20 11:03:18 -06'00'

(SIGNATURE)

*Arif Karim*

(NAME)

Director, Cost Allocation Services

(TITLE)

11/13/2017

(DATE) 3301

HHS REPRESENTATIVE:

*Theodore Foster*

Telephone:

*(214) 767-3261*