



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center  
Financial Management Portfolio  
Cost Allocation Services

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San Francisco, CA 94103-6705  
PHONE: (415) 437-7820  
EMAIL: [CAS-SF@psc.hhs.gov](mailto:CAS-SF@psc.hhs.gov)

April 6, 2021

Paul Bouganim, Executive Director  
Cedars-Sinai Medical Center  
P.O. Box 48750  
Los Angeles, CA 90048

Dear Mr. Bouganim:

A copy of an indirect cost/fringe benefit rate agreement is being sent to you for signature. This agreement reflects an understanding reached between your organization and a member of my staff concerning the rate(s) that may be used to support your claim for indirect costs on grants and contracts with the Federal Government.

In addition, both parties agree to (1) an under-recovery of \$17,903 in FY'18, (2) an over-recovery \$1,432,546 in FY'19 and (3) an over-recovery of \$2,754,232 in FY'20 applicable to All Employees. This amount is included in your fixed fringe benefit rate(s) for the fiscal years ending 06/30/20, 06/30/21, and 06/30/22 which is listed in the attached rate agreement.

Please have the agreement signed by an authorized representative of your organization and return within ten business days of receipt. The signed agreement should be returned to me by email while retaining the copy for your files. Only when the signed agreement is returned, will we then reproduce and distribute the agreement to the appropriate awarding organizations of the Federal Government for their use.

An indirect cost and fringe benefit proposal, together with the supporting information, is required to substantiate your claim for these costs under grants and contracts awarded by the Federal Government. Therefore, your next fringe benefit proposal based on actual costs for the fiscal year ending 06/30/21, is due in our office by 12/31/21. Please submit your next proposal electronically via email to [CAS-SF@psc.hhs.gov](mailto:CAS-SF@psc.hhs.gov).

Sincerely,

Arif M. Karim -S Digitally signed by Arif M. Karim -  
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Date: 2021.04.20 15:41:15 -05'00'

Arif Karim, Director  
Cost Allocation Services

Enclosure

PLEASE SIGN AND RETURN THE NEGOTIATION AGREEMENT BY EMAIL

HOSPITALS RATE AGREEMENT

EIN: 951644600

DATE:04/06/2021

ORGANIZATION:

FILING REF.: The preceding agreement was dated 07/30/2019

Cedars-Sinai Medical Center  
P.O. Box 48750  
Los Angeles, CA 90048

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	07/01/2017	06/30/2018	65.00	On-Site	Research
FINAL	07/01/2018	06/30/2019	66.00	On-Site	Research
FINAL	07/01/2019	06/30/2020	67.00	On-Site	Research
PROV.	07/01/2020	06/30/2023	67.00	On-Site	Research

\*BASE

Total direct costs excluding capital expenditures (buildings, individual items of equipment; alterations and renovations), that portion of each subaward in excess of \$25,000; 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).

ORGANIZATION: Cedars-Sinai Medical Center

AGREEMENT DATE: 4/6/2021

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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	7/1/2019	6/30/2020	30.60	All	Research
FIXED	7/1/2020	6/30/2021	28.60	All	Research
FIXED	7/1/2021	6/30/2022	27.50	All	Research

\*\* DESCRIPTION OF FRINGE BENEFITS RATE BASE:

Salaries and wages including vacation, holiday, sick leave pay and other paid absences.

ORGANIZATION: Cedars-Sinai Medical Center

AGREEMENT DATE: 4/6/2021

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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

Beginning 07/01/12, charges for vacation, holiday, sick leave pay, and other paid absences are included in salaries and wages charged to grants only for time actually taken. Beginning 07/01/12, the annual change in accrued paid-time off (earned but not taken) is included in the organization's fringe benefit rate.

DEFINITION OF EQUIPMENT

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 \$5,000.

The following fringe benefits are included in the fringe benefit rate(s): FICA, HEALTH/LIFE INSURANCE, WORKERS COMPENSATION, UNEMPLOYMENT INSURANCE, RETIREMENT PLAN, TUITION REIMBURSEMENT, RTD SUBSIDY, AND THE ANNUAL CHANGE IN ACCRUED PAID-TIME OFF (PTO).

NEXT PROPOSAL DUE DATE

Your next indirect cost and fringe benefit proposal based on actual costs FYE 6/30/21, will be due no later than 12/31/21.

ORGANIZATION: Cedars-Sinai Medical Center

AGREEMENT DATE: 4/6/2021

**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:

Cedars-Sinai Medical Center

(INSTITUTION)

(SIGNATURE)

(NAME)

(TITLE)

(DATE)

ON BEHALF OF THE FEDERAL GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

(SIGNATURE)

Arif Karim

(NAME)

Director, Cost Allocation Services

(TITLE)

4/6/2021

(DATE) 1913

HHS REPRESENTATIVE: Jeanette Lu

Telephone: (415) 437-7820