



DEPARTMENT OF HEALTH & HUMAN SERVICES

Program Support Center
Financial Management Portfolio
Cost Allocation Services

5600 Fishers Lane | Office 08N144
Rockville, MD 20857
PHONE: (301) 492-4855
FAX: (301) 492-5081
EMAIL: CAS-Bethesda@psc.hhs.gov

February 27, 2024

Mr. William Gayne
CFO and Senior Vice President
MedStar Health Research Institute
6525 Belcrest Road, Suite 700
Hyattsville, MD 20782

Dear Mr. Gayne:

A copy of the facilities and administrative (F&A) cost Rate Agreement is being sent to you for your 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 F&A and fringe benefit costs on grants and contracts with the Federal Government.

In addition, both parties agree that the differences between the fixed and actual fringe benefit costs for the following:

- For fiscal year ended June 30, 2022 there is an under-recovery of \$137,784 applicable to All Employees. This amount is included in your fixed fringe benefit rates for the fiscal year ending June 30, 2024.

Please sign below to indicate your concurrence on these amounts. Once an authorized representative of your organization has signed the letter and agreement, please send to me while retaining a copy for your files. We will reproduce and distribute the Rate Agreement to the appropriate awarding organizations of the Federal Government for their use.

Mr. Gayne
February 27, 2024
Page 2

F&A and fringe benefit cost proposals, together with the required supporting information, must be submitted to this office for each fiscal year in which your organization claims these costs under grants and contracts awarded by the Federal Government. Therefore, your next F&A cost rate proposal for the fiscal year ending June 30, 2024 will be due in our office by December 31, 2024. The next fringe benefit cost rate proposal for the fiscal year ended June 30, 2023 was due in our office by December 31, 2023. The proposals and supporting documents should be emailed to CAS-Bethesda@psc.hhs.gov.

Sincerely,

Darryl W.
Mayes -S

Digitally signed by Darryl
W. Mayes -S
Date: 2024.03.01 08:58:58
-05'00'

Darryl W. Mayes
Deputy Director
Cost Allocation Services

CONCURRENCE:

MedStar Health Research Institute
(Institution)

William Gayne

(Signature)

William Gayne

(Name)

CEO - MHRI

(Title)

3/12/2024

(Date)

NONPROFIT RATE AGREEMENT

EIN: 1526056274A1
 ORGANIZATION:
 MedStar Research Institute
 6525 Belcrest Road
 Suite 700
 Hyattsville, MD 20782

Date: 02/27/2024
 FILING REF.: The preceding
 agreement was dated
 05/18/2022

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)	
TYPE	EFFECTIVE PERIOD		RATE(%)	LOCATION	APPLICABLE TO	
	FROM	TO				
FINAL	07/01/2021	06/30/2023	59.50	On-Site	All Programs	
FINAL	07/01/2021	06/30/2023	46.00	Off-Site	All Programs	
FIXED	07/01/2023	06/30/2025	53.50	On-Site	All Programs	
FIXED	07/01/2023	06/30/2025	46.00	Off-Site	All Programs	
PROV.	07/01/2025	06/30/2028			Use same rates and conditions as those cited for fiscal year ending Jun 30, 2025	

***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 and patient care costs.

SECTION I: FRINGE BENEFIT RATES**

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE(%)</u>	<u>LOCATION</u>	<u>APPLICABLE TO</u>
FIXED	7/1/2023	6/30/2024	20.60	All	All Employees
PROV.	7/1/2024	6/30/2027			Use same rates and conditions as those cited for fiscal year ending June 30, 2024

**** DESCRIPTION OF FRINGE BENEFITS RATE BASE:**

Salaries and wages.

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:

Effective 07/01/15, 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: The off-site rate will apply for all activities: a) Performed in facilities not owned by the organization and where these facility costs are not included in the indirect cost pools; or b) Where rent is directly allocated/charged to the project(s). Grants or contracts will not be subject to more than one indirect cost rate. If more than 50% of a project is performed off-site, the off-site rate will apply to the entire project.

Fringe Benefits include FICA/Medicare, Unemployment, Workers' Compensation, Retirement, Disability Insurance, Life Insurance, Tuition Reimbursement, Flex-fund Contribution, Parking, Health Insurance, Employee Assistance, and Dental Insurance.

Equipment means an article of nonexpendable tangible personal property having a useful life of more than one year, and an acquisition cost of \$1,000 or more per unit.

The next F&A and cost rate proposal based on the fiscal year ending June 30, 2024 is due in our office by December 31, 2024.

The next fringe benefit rate proposal based on the fiscal year ending June 30, 2023 was due in our office by December 31, 2023.

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 authority in Title 2 of the Code of Federal Regulations, Part 200 (2 CFR 200), and should be applied to grants, contracts and other agreements covered by 2 CFR 200, subject to any limitations in A above. The organization 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:

MedStar Research Institute

(INSTITUTION)

William Byrne
(SIGNATURE)

William Byrne
(NAME)

CFD - MHRP
(TITLE)

3/12/2024
(DATE)

ON BEHALF OF THE GOVERNMENT:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

(AGENCY)

Darryl W. Mayes -S Digitally signed by Darryl W. Mayes -S
Date: 2024.03.01 08:58:08 -05'00'

(SIGNATURE)

Darryl W. Mayes
(NAME)

Deputy Director, Cost Allocation Services
(TITLE)

02/27/2024
(DATE)

HHS REPRESENTATIVE: Steven Zuraf
TELEPHONE: (301) 492-4855