

NATIONAL ENDOWMENT FOR THE HUMANITIES

ASSISTANCE LISTING 45.129 PROMOTION OF THE HUMANITIES – FEDERAL/STATE PARTNERSHIP

I. PROGRAM OBJECTIVES

The Federal/State Partnership program provides funding through general operating support grants to humanities councils in each state (including the District of Columbia, the Commonwealth of Puerto Rico, the US Virgin Islands, Guam, American Samoa, and the Commonwealth of Northern Mariana Islands). The 56 state humanities councils support, on a competitive basis, locally initiated humanities programs. The state humanities councils also design and conduct humanities projects.

II. PROGRAM PROCEDURES

The National Endowment for the Humanities (NEH) awards general operating support grants to each of the 56 state humanities councils upon submission and approval of the *Federal/State Partnership Compliance Plan and Federal/State Partnership Compliance Plan Cover Sheet*. Generally, each grant is for a five-year period with annual awards in the first three years. The grants provide administrative and program support. After receipt of the grant, each state humanities council is required to submit a *Summary Budget for the Funding Period*, wherein the Council must list the total anticipated expenditure of NEH Outright funds, NEH Federal Matching funds, and cash cost sharing (including the gifts that will be certified to NEH for matching). The state humanities councils may subgrant funds, referred to as “regrants” in this program, to local nonprofit organizations, institutions, groups, and individuals.

Source of Governing Requirements

The authorizing statute for this program is 20 USC 956(f).

Availability of Other Program Information

NEH maintains a website (<http://www.neh.gov>) that provides general information about NEH programs. Four publications titled a) “[General Terms and Conditions for General Support Grants to State Humanities Councils | The National Endowment for the Humanities \(neh.gov\)](#),” b) “[Addendum to: General Terms and Conditions for Awards and General Terms and Conditions for General Support Grants for State Humanities Councils | The National Endowment for the Humanities \(neh.gov\)](#),” c) “[Matching Guidelines for General Support Grants to State Humanities Councils | The National Endowment for the Humanities \(neh.gov\)](#),” and d) “[General Terms and Conditions for American Rescue Plan State Humanities Councils Awards | The National Endowment for the Humanities \(neh.gov\)](#)” are specifically applicable to this program.

III. COMPLIANCE REQUIREMENTS

In developing the audit procedures to test compliance with the requirements for this federal program, the auditor must determine, from the following summary (also included

in Part 2, “Matrix of Compliance Requirements”), which of the 12 types of compliance requirements have been identified as subject to the audit (noted with a “Y” in the summary matrix below), and then determine which of the compliance requirements that are subject to the audit are likely to have a direct and material effect on the federal program at the auditee. For each such compliance requirement subject to the audit, the auditor must use Part 3 (which includes generic details about each compliance requirement other than Special Tests and Provisions) and this program supplement (which includes any program-specific requirements) to perform the audit. **When a compliance requirement is shown in the summary below as “N,” it has been identified as not being subject to the audit. Auditors are not expected to test requirements that have been noted with an “N.” See the Safe Harbor Status discussion in Part 1 for additional information.**

A	B	C	E	F	G	H	I	J	L	M	N
Activities Allowed or Unallowed	Allowable Costs/Cost Principles	Cash Management	Eligibility	Equipment/Real Property Management	Matching, Level of Effort, Earmarking	Period Of Performance	Procurement Suspension & Debarment	Program Income	Reporting	Subrecipient Monitoring	Special Tests and Provisions
Y	Y	N	N	N	Y	N	Y	N	Y	Y	N

A. Activities Allowed or Unallowed

1. Funds may be used to initiate and support programs and research which have substantial scholarly and cultural significance; to ensure that the benefit of programs will also be available to citizens where such programs would otherwise be unavailable due to geographic or economic reasons; and to foster education in and public understanding and appreciation of the humanities (20 USC 956(c)(4), 956(c)(9), and 956(c)(10)).
2. The state humanities councils may regrant funds to organizations (including institutions of higher education and units of state and local governments), groups, or persons that form an association to carry out a project, not-for-profit groups (do not have to be incorporated), or individuals. Regrants may not be made to for-profit organizations (20 USC 956(c)(2), 956(h)(1), and 956(l)).
3. Federal regrant funds must be expended according to the *Summary Budget for the Funding Period* and any amendments as approved by NEH. Transfers can be made from other categories to regrants, but written permission from the NEH is required to transfer funds from the regrant category.

G. Matching, Level of Effort, Earmarking

1. Matching

Under this program, state humanities councils receive two types of funding from the NEH: Outright Funds and offers to provide Federal Matching Funds. The amount of each type of funding is identified in the grant award documents.

Councils must cost share the Outright Funds on a dollar-for-dollar basis. Cost sharing for Outright Funds may take the form of cash contributions to the councils from any source (including funds from other federal agencies), program income the councils have earned, unreimbursed allowable costs that a subrecipient (regrantee) incurs in carrying out a council-funded project, and the value of in-kind contributions made by third parties. In-kind contributions may be in the form of charges for real property and equipment or the value of goods and services directly benefiting and specifically identifiable to the project (20 USC 956(f)(1)).

Federal Matching Funds must also be matched dollar for dollar. The NEH releases Federal Matching Funds to a council only upon certification that the council or its regrantee have raised the required amount of eligible third-party cash gifts to support grant activities per the *Matching Funds Certification Letter* and accompanying instructions (20 USC 960(a)(2)(B)).

For those councils covered by the Economic Development of the Territories Act (the US Virgin Islands, Guam, American Samoa, and the Commonwealth of Northern Mariana Islands), the matching requirements do not apply to the first \$200,000 in Outright Funds (48 USC 1469a(d)).

2. Level of Effort

Not Applicable

3. Earmarking

Not Applicable

L. Reporting

1. Financial Reporting

- a. *SF-270, Request for Advance or Reimbursement* – Applicable
- b. *SF-271, Outlay Report and Request for Reimbursement for Construction Programs* – Not Applicable
- c. *SF-425, Federal Financial Report* – Applicable

2. Performance Reporting

Not Applicable

3. Special Reporting

Matching Funds Certification Letter (OMB No. 3136-0134) – This letter is used to describe and certify the qualification of third-party gifts for the release of Federal Matching Funds.

4. Special Reporting for Federal Funding Accountability and Transparency Act

See Part 3.L for audit guidance.