The arts and the humanities belong to all the people of the United States.”

–National Foundation on the Arts and Humanities Act of 1965
Dear Colleague,

As a board member of a state humanities council, you are a part of a small cadre of individuals who serve a multifaceted organization that is both local and national in scope. This is a position of great privilege and responsibility. Each board member contributes to the council’s mission to support and advance the humanities. The variety of rich and meaningful council-conducted programs will make your tenure on the board an experience like no other, regardless of your background and training.

The National Endowment for the Humanities (NEH) provides general operating support grants to the councils in all 50 states and the jurisdictional territories; this support is managed by NEH’s Office of Federal/State Partnership. By congressional mandate, approximately 40 percent of NEH’s annual appropriation is sent directly to the state councils. The councils tailor their grantmaking and programs to the needs, resources, and interests of their state or jurisdiction.

As a member of the board, you provide leadership and vision to an organization with an established record of success and exciting plans for the future. Councils work with a wide array of partners and constituents; it is useful, therefore, for board members to be knowledgeable about the state’s cultural and institutional contexts. As an ambassador of the council, you will attend council-funded programs, oversee or help plan the council’s work, ensure solid financial and fiduciary stewardship, and represent the council at public events and state and national meetings.

NEH’s Office of Federal/State Partnership thanks you for your dedication, commitment, and service to the humanities, and we hope this handbook helps orient or reacquaint you with NEH and your role as a board member of a state humanities council.

We encourage you to visit our website (neh.gov), subscribe to our newsletter, and attend Federal/State Partnership webinars to learn more about the work of this office and other state councils. We would like to hear from you. Please feel free to call or email with any questions or to share your ideas.

We look forward to working with you and extend a warm and sincere welcome!

Office of Federal/State Partnership
The National Endowment for the Humanities is an independent grantmaking agency established by Congress in 1965 to support research, education, and public projects in the humanities. The Endowment supports humanities work through programs administered by seven divisions and offices: Challenge Grants, Digital Humanities, Education, Federal/State Partnership, Preservation and Access, Public Programs, and Research.

As part of this national effort, the state humanities councils, first established in the early 1970s, support the humanities through programs designed to draw on local resources and meet the needs of their respective states. NEH’s broad mandate to all councils is as follows:

- strengthen teaching and learning in schools and colleges
- facilitate research and original scholarship
- provide opportunities for lifelong learning
- preserve and provide access to cultural and educational resources, and
- strengthen the institutional base of the humanities

However, each council, as an independent nonprofit organization, sets its own programming priorities and directions, and defines the best ways to fulfill this general mandate, through a careful analysis of the interests, needs, and resources in its state. Councils make public humanities programs available to all citizens, including those who might not have had access previously. Depending on the state’s demography, this might include small rural communities, urban neighborhoods, or certain segments of the state’s population, such as older adults or various ethnic groups.

When the councils were first established, their focus was exclusively on public policy issues, and their primary audience was the adult, out-of-school public. Since 1976, when they were expressly incorporated in the federal legislation that authorizes NEH, the state councils have expanded their audiences to include teachers and students, newly literate adults, prison inmates, senior citizens, veterans, and other groups.
A nonprofit governing board is expected to be responsible and accountable as it represents the public trust, ensuring that the organization carries out the purposes for which it was established and as expressed in its mission statement. Each council oversees the expenditure of taxpayer dollars, yet they operate as independent entities and rely on citizen volunteers to provide governance and leadership. Councils develop comprehensive plans for meeting the needs of their state, maintaining and promoting strong programs, and acting as a bridge between scholars and the public.

We encourage you to acquaint yourselves with the rules concerning council functions set by NEH and the council itself. Council programs should be reflective of and respond to the needs of state citizens. Councils should conduct regular operational and programmatic evaluations, and incorporate fresh visions and strategies. Strong working relationships with the staff, effective committees, and well-managed board meetings are important for the council’s success. Your adherence to best practices will ensure the health of the organization, which is essential as the council continues to strengthen the intellectual and cultural life of the state, support public and informal education, and engage the public in rich, meaningful humanities ideas.

An essential function of the board is building a solid working relationship with the executive director. The board and the executive director must know the responsibilities of each office and how they are distinct and complementary. The executive director is the person who maintains the daily operations and programs of the council, manages the staff, and is the main point of contact with NEH.

All members of the board should have a solid, professional relationship with the executive director. Such relationships, forged through frequent, ongoing communications, are essential to the council’s success.
State humanities council boards are expected to support and work together with the council’s executive director to:

- set goals and conduct long-range planning (strategic planning)
- conduct overall program evaluation
- evaluate the executive director’s work on a regular basis
- create and sign board ethics and conflict-of-interest policies
- participate in board development and evaluation programs
- broaden constituencies for the council’s work
- fundraise
- respond to questions or suggestions raised in public meetings
- actively participate in the NEH self-assessment process, and
- ensure compliance with NEH regulations

Each member of the board is also responsible for fulfilling three legal duties: the duty of care, the duty of loyalty, and the duty of obedience.¹

**The Duty of Care** requires that board members “be reasonably informed about the organization’s activities, participate in decisions, and do so in good faith and with the care of an ordinarily prudent person in similar circumstances.”

**The Duty of Loyalty** requires that board members “exercise their power in the interest of the organization and not in their own interest or in the interest of another entity, particularly one in which they have a formal relationship.”

**The Duty of Obedience** requires that board members “comply with applicable federal, state, and local laws; adhere to the organization’s bylaws; and remain guardians of the organization’s mission.”

In addition to the general operating support grants, NEH provides, at no cost, a BoardSource membership to all council staff and board members. BoardSource is a 501(c)(3) organization

that provides an extensive range of tools, resources, and research data to increase board effectiveness and strengthen organizational impact. We encourage you to take advantage of the many resources available through this membership. Learn more at boardsource.org.

**Information the Office of Federal/State Partnership needs from councils:**

- Name and full contact information for the board chair, who serves as the legal representative of the council
- Names along with postal and email addresses for each board member
- Approved minutes of each board meeting, submitted on a biannual basis
- Electronic and print newsletters and other council-generated materials
- Assistance in distributing NEH materials, including grant opportunities, award nominations, and announcement of public events and projects

**Key Dates:**

- **May 1**: General operating support grant applications and annual compliance plans are due to NEH.
- **June 1** and **December 31**: Biannual submission of board minutes.
- **January 31**: Federal financial report submissions are due.
- Within 30 days after receipt of the auditor’s report, or nine months after the end of the audit period, annual audits (program specific or single audit) are due for those councils that receive more than $500,000 in NEH funding.
• Self-assessment reports and site visits take place every five years on a rotating schedule across the councils.

• Two interim narrative reports, due **one year** following the receipt of the self-assessment closeout letter and again on **June 1** in the third year after the site visit.

Interim narrative reports outline council activity and progress in the years since the site visit. It also provides opportunity for reaction to the observations and recommendations made by the site visitors in their report.

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**The Office of Federal/State Partnership and the Federation of State Humanities Councils**

**What’s the difference between Federal/State Partnership and the Federation of State Humanities Councils?**

• The **Office of Federal/State Partnership** is a grantmaking division of the **National Endowment for the Humanities**, an independent federal agency of the United States Government that is located within the Executive Branch.

• The **Federation of State Humanities Councils** is the membership organization of the state and jurisdictional humanities councils. Like the councils, it is a 501(c)(3) non-profit. Two of the Federation’s major annual activities are holding the annual National Humanities Conference and assembling the councils for Humanities on the Hill, a focused congressional advocacy effort.

While the Office of Federal/State Partnership and NEH work closely with the Federation, they are not connected except through shared interests and goals.
Core Work

FEDERAL/STATE PARTNERSHIP

The Office of Federal/State Partnership oversees the councils’ congressionally appropriated general operating support grants, carries out on-site consultations and reviews, and maintains network-wide communication. Staff members read council board minutes, newsletters, and other publications; keep up with councils’ activities on the web and social media; and track trends and ideas in the broad nonprofit and grantmaking worlds. Federal/State Partnership encourages councils to produce and support splendid humanities programming; to serve as models of excellent nonprofit management; to maintain open communication, mutual support, and shared goals with NEH and other councils; and to exercise responsible and impeccable stewardship of all funds, public or otherwise, entrusted to them.

In addition to representing the interests of the state humanities councils within NEH, Federal/State Partnership staff works with each council to ensure compliance with legislative requirements by collecting data regarding the reach and impact of programs and grants, board composition, and governance.

The Office of Federal/State Partnership also assists councils in conducting regular evaluations of their programming and operations. This self-assessment process fulfills the legislative requirement that councils have a plan of work approved by NEH.

The Office of Federal/State Partnership also seeks opportunities to build collaborative partnerships for NEH and the councils by cultivating contacts with business, independent, educational, and governmental sectors.

Contact: Karen Kenton or Meg Ferris McReynolds, fedstate@neh.gov, 202/606.8254
OFFICE OF THE INSPECTOR GENERAL (OIG)

The Office of the Inspector General provides independent oversight of all NEH programs and operations. The office is responsible for (1) conducting audits and investigations; (2) reviewing legislation; (3) recommending policies to promote efficiency and effectiveness; and (4) preventing and detecting fraud, waste, abuse, and mismanagement concerning Federal funds.

The OIG is responsible for ensuring that audits of NEH awards, as conducted by non-federal auditors, conform to federal requirements. Subpart F of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) establishes audit requirements for state and local governments, colleges and universities, and nonprofit organizations receiving federal awards.

All state councils that expend $750,000 or more a year in federal awards must undergo an annual organization-wide audit that includes the council’s financial statement and compliance with federal award requirements, (i.e., Single Audit requirement). State councils that expend less than $750,000 in federal awards during the organization’s fiscal year are not subject to Single Audit requirements; however, if the organization expends between $500,000 and $750,000 in funds awarded through NEH general support grants, the organization must undergo a compliance audit of the Federal/State Partnership program for that fiscal year, (i.e., NEH program audit requirement). OIG staff routinely complete desk reviews of single audit reports and on-site quality control reviews of work papers prepared by non-federal auditors during performance of single audit engagements.

Lastly, OIG staff provide audit and accounting guidance to the state council community. The OIG has also published materials to assist the accountability efforts of the community, which include an Accounting System Manual for State Humanities Councils (revised January 2009) and a Program-Specific Audit Guide: Federal/State Partnership Program [CFDA No. 45.129].

Contact: lDavis@neh.gov, 202/606-8350
OFFICE OF GRANT MANAGEMENT (OGM)

The NEH Office of Grant Management is responsible for overseeing compliance with the administrative requirements, cost principles, audit requirements, and other non-programmatic aspects of the award. Activities include, but are not limited to, evaluating applications for administrative content and compliance with statutes, regulations, and guidelines; negotiating awards; providing consultation and technical assistance to applicants and recipients, including interpretation of federal award administration policies and provisions; and post-award monitoring and compliance, including reviewing financial reports and closing out awards. The NEH Office of Grant Management is the focal point for receiving and acting on requests for prior approval or for changes in the terms and conditions of award. The NEH Office of Grant Management is the only office authorized to issue the notice of award that obligates the NEH to the expenditure of federal funds or to change the funding, duration, or other terms and conditions of an award.

Contact: Chris Sciotto for Alabama through Missouri; Lindsay Simmons for Montana through Wyoming grantmanagement@neh.gov, 202/606-8494

NEH.gov

Visit the NEH website to:

- Read HUMANITIES magazine, with Statements and Around the Nation devoted to projects supported by state humanities councils
- Learn about the Office of Federal/State Partnership
- Access information for all state humanities councils
- Apply for grants through NEH
- Find inspiration in NEH programs and projects