



REQUIREMENTS FOR GRANT RECIPIENTS THAT SERVE AS SPONSORS OF PROJECTS

The National Endowment for the Humanities (NEH) defines a sponsor as an organization that applies for a grant on behalf of an individual or organization that may not be eligible to apply directly to NEH for a grant. Such an organization may also be called a pass-through or umbrella organization. The "sponsored" individual or organization, also called the subrecipient, will carry out the work of the project under the oversight of the sponsoring organization.

The sponsor will be the recipient of the NEH award and will be responsible for complying with the terms and conditions contained therein. It is not acceptable to NEH for the sponsor to function solely as a "fiscal agent." In accordance with OMB Circular A-133, the sponsor for any project that entails work being done by a subrecipient is still responsible for the following:

1. The sponsor must provide to the subrecipient identifying information on the federal award, such as the award name and number, NEH's name, and the relevant CFDA number (found at the bottom of the "Official Notice of Action").
2. The sponsor must advise the subrecipient of the requirements of the NEH award, such as the applicable federal laws and regulations, as well as the terms and conditions and general grant provisions of the grant agreement.
3. The sponsor must collect the certifications that flow down to subrecipients, as outlined in the application guidelines for the particular NEH grant program.
4. The sponsor must maintain an organizational prior approval system to manage the subrecipient's activities.
5. The sponsor shall review financial and performance reports submitted by the subrecipient.
6. The sponsor shall conduct site visits to review financial and programmatic records and observe operations.
7. The sponsor shall ensure that the scope of the project as approved by NEH is not changed without prior approval from NEH.
8. In addition to the sponsor's own audit, it must ensure that the subrecipient has a single audit, if one is required by the standards outlined in OMB Circular A-133. It must require the subrecipient to give both the sponsor and auditors access to its records and financial statements as necessary.
9. The sponsor is responsible for issuing management decisions on subrecipient audit findings; and must see that the subrecipient takes timely and appropriate corrective action in response to the audit.

10. In the case of media production grants, the sponsor must ensure that distribution agreements are submitted to NEH for review before being finalized. Distribution agreements must contain the following NEH requirements: 1) acknowledgment of NEH support; 2) the NEH's royalty-free nonexclusive license to use and reproduce and allow others to use and reproduce materials produced under a grant; and 3) the disposition of NEH's share of program income earned by the project.
11. The sponsor must monitor the activities of and maintain contact with the subrecipient as necessary to ensure compliance with the requirements mentioned above, and to ensure achievement of performance goals.

All of the above requirements should be detailed in a formal written agreement between the grant recipient and the subrecipient, which is subject to NEH review.

In addition, the sponsor itself must also comply with all terms and conditions of the award, including the maintenance of financial records, the submission of the required financial, performance, and program income reports to NEH, and the maintenance of an organizational prior approval system.

A sample written sponsorship agreement is available on the NEH website (<http://www.neh.gov>) or by contacting the NEH Office of Grant Management at GrantManagement@neh.gov or (202) 606-8494.