



NATIONAL ENDOWMENT FOR THE  
**Humanities**

OFFICE OF **CHALLENGE GRANTS**

**CHALLENGE GRANTS**

FREQUENTLY ASKED QUESTIONS

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**May my institution apply for more than one challenge grant at a time?**

No. Only one application from any applicant may be entered in a challenge grant competition in a calendar year.

**My institution was awarded a challenge grant last year. May we apply this year?**

No. An institution may receive only one challenge grant at a time, and there is a three-year waiting period between the close of a challenge grant and an application for another.

**My institution held a prior regular NEH challenge grant. What is the matching requirement for us under a subsequent challenge grant?**

The matching requirement for subsequent challenge grants is three-to-one (that is, three nonfederal dollars for every federal dollar). NEH has suspended the requirement that holders of previous challenge grants must raise four times the federal amount. HBCUs, Tribal Colleges and Universities, and two-year colleges must raise only two nonfederal dollars for every federal dollar offered.

**The guidelines say that I should submit a letter of “intent to apply” six to eight weeks before the final submission deadline. What should the letter of intent contain?**

The letter should be one or two pages long. It should briefly describe the proposed project, especially its humanities content, and the humanities credentials of the scholars and other staff who would be involved in planning and implementing the project. We prefer that you e-mail your letter to [challenge@neh.gov](mailto:challenge@neh.gov). Applicants may also submit letters of intent by fax (202-606-8579) or commercial delivery service (Office of Challenge Grants, National Endowment for the Humanities, Room 420, 1100 Pennsylvania Avenue N.W., Washington, D.C. 20506, 202-606-8309).

### **I'd like to send a draft proposal for NEH staff comment. How do I do that?**

While it is not mandatory to submit a draft, applicants are encouraged to do so at least four to six weeks before the application deadline, if not earlier. Time constraints may prevent staff from reviewing draft proposals submitted after that date. The preferred method of submitting draft proposals is by e-mail attachment ([challenge@neh.gov](mailto:challenge@neh.gov)). Drafts may also be submitted by fax (202-606-8579) or commercial delivery service (Office of Challenge Grants, National Endowment for the Humanities, Room 420, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506, 202 606 8309).

### **Should our institution include letters of support as part of our application or should they be sent separately?**

Letters of support or commitment should be included with the application, in an appendix, as one of the PDF attachments to the Grants.gov application.

### **Are in-kind donations permitted for matching an NEH Challenge Grant?**

Yes, subject to the limitation that the total of such donations—combined with earned income and unrestricted gifts—may not exceed the federal portion of the grant (normally 25 percent of the total grant). Furthermore, in-kind gifts or donated services are eligible only if the material or service provided is convincingly related to the nature of the humanities activities being supported.

### **Are unrestricted gifts to my organization allowable for match?**

Yes, subject to two limitations: 1) the total of unrestricted donations—combined with earned income and in-kind donations—may not exceed the federal portion of the grant (normally 25 percent of the total grant); and 2) like restricted gifts, unrestricted challenge gifts must be donated during the grant period.

### **How is the grant period for a challenge grant determined, and why is it important?**

The grant period is important because all nonfederal donations must be given during the grant period in order to be counted toward the required match. The grant period begins five months before the application deadline, and in most cases it ends sixty-three months after the deadline. For example, the grant period for applications submitted by the May 2012 deadline begins December 1, 2011; the grant period ends July 31, 2017. HBCUs, Tribal Colleges, and two-year colleges have grant periods that are fifteen months longer than the regular grant period: it begins September 1 of the year before the application deadline, and such institutions also have an extra year at the end of the grant period. A challenge grant held by one of these institutions would end July 31, 2018. Another exception to the regular grant period is made for applicants who, unsuccessful at one deadline, revise and resubmit their applications one year later. Such applicants may use the same starting date in the resubmission as in the original submission. This extension enables the applicant to keep faith with donors whose gifts have been solicited in anticipation of a challenge grant. (If the resubmitted application is not successful, however, this extension is not available for subsequent submissions.)



**May I use a single challenge grant to fund more than one project, such as endowing a professorship and renovating the library?**

Yes, a single challenge grant may be used to support more than one project. Program experience, however, strongly suggests that an application requesting support for unrelated projects does not fare well in the grant competition.

**The application instructions include a financial summary form. May I submit a copy of my institution's audited financial statements instead of using the financial summary form?**

The financial summary form is a suggested format only, and you may create your own form or use an existing institutional form, so long as it provides the same kind of information, that is, a summary snapshot of income and expenditures over the last three years. Full audited accounts or reports are not useful for the program's purpose. Rather than sending the full records, applicants should extract and submit information of the kind that is requested on the NEH financial summary form.

**We are planning on submitting an application for a renovation and construction project, and we have contacted our State Historic Preservation Officer (SHPO) as instructed. But she has not yet provided the necessary letter. May the application be submitted without the SHPO letter?**

Yes. Should the application be funded, though, the SHPO letter will be required before any federal funds can be released. The SHPO must be consulted before construction or renovation begins.

**What is the status of endowment funds created with NEH Challenge Grants?**

Endowments created with NEH Challenge Grants after 2009 are permanent and restricted to the uses defined in the challenge grant application. Changes in the purpose of the endowment may be made only in consultation with NEH.

**Will receipt of an NEH challenge grant subject my institution to an A-133 audit?**

Possibly. Whether an A-133 audit is required depends on the amount of federal funds involved, and on the use to which the federal money is put. The basic rule is that receipt or possession of \$500,000 or more in federal grant funds in any year may result in an A-133 audit requirement that year. If your challenge grant supports direct expenditures (such as for a construction project), an A-133 audit would be required only in the year(s) in which the grantee expends \$500,000 or more in federal funds. If, however, the challenge grant creates an endowment fund, the government counts the federal portion of the endowment as an expenditure of federal funds that triggers an A-133 audit requirement *each year*. That is, an endowment that includes \$500,000 or more in federal funds will trigger an A-133 audit in every year of the endowment's existence.

**When will I hear whether my institution will be offered a challenge grant?**

Approximately seven months after the application deadline.