



NATIONAL
ENDOWMENT
FOR THE
HUMANITIES


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MEMORANDUM

TO: James A. Leach, Chairman
Carole Watson, Deputy Chairman
Jeff Thomas, Assistant Chairman for Planning and Operations
Adam Wolfson, Assistant Chairman for Programs
Steve Ross, Director ~ Office of Challenge Grants
Susan Daisey, Director ~ Office of Grant Management

FROM: Sheldon Bernstein, Inspector General 

SUBJECT: Results of Follow-up to Limited Audit Report on Gifts Certified under Challenge Grant to the National Yiddish Book Center [OIG-09-03 (EA)]

The Office of Inspector General has completed the follow-up review of the response submitted by the National Yiddish Book Center (NYBC) to the limited audit report on gifts certified under challenge grant [REDACTED], [OIG-09-02 (EA) dated June 26, 2009].

The objectives of our limited audit were to determine that 1) the gifts included in the first certification report submitted under the challenge grant were eligible to release federal matching funds; and 2) endowment expenditures are made in accordance with the terms of the budget approved by NEH and any amendments. We questioned the eligibility of the total certified in the amount of \$ [REDACTED].

Furthermore, the documentation provided by the NYBC to support the gifts included in the original Certification Report No. 1 did not completely satisfy the internal recordkeeping requirements for matching gifts. Also, the NYBC did not have accounting procedures to specifically identify NEH challenge grant funds, matching gifts, and related expenditures in the general ledger.

In response to the limited audit findings, NYBC revised and resubmitted Certification Report No. 1 to include a single gift in the amount of [REDACTED]. We have concluded, based on the results of our follow-up review, that the gift certified meets the criteria for eligibility as established by NEH to match the challenge grant. Also, accounting procedures developed by NYBC in response to the limited audit are adequate and have

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been implemented to effect the tracking of revenue and expenditures associated with the NEH challenge grant.

We are closing our file, OIG-09-02 (EA). We would like to acknowledge Steve Ross and Steve Veneziani, Deputy Director ~ Office of Grant Management for taking the time to answer our questions.

If you have any questions, please call Laura Davis at (202) 606-8574.