



NATIONAL ENDOWMENT FOR THE

Humanities

OFFICE OF INSPECTOR GENERAL

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November 19, 2010

**RETURN RECEIPT REQUESTED**

Board of Directors  
Vermont Humanities Council  
11 Loomis Street  
Montpelier, Vermont 05602

Audit Report: OIG-11-02 (DR)

Dear Board Members:

We have completed our desk review of the single audit report prepared by Mudgett, Jennett & Krogh-Wisner, P.C., which includes the Federal assistance programs administered by the Vermont Humanities Council (the "Council"), for the year ended December 31, 2009. The independent auditors (IPA) previously furnished a copy of their audit report to the Council and submitted the related reporting package to the Federal Audit Clearinghouse. The IPA issued an unqualified opinion (both GAAP and single audit) with three reportable current year findings.

Our review was limited to an examination of the IPA's audit report. We did not examine the underlying audit documentation to evaluate the adequacy of the audit work performed; rather, the single audit desk review guide, issued by the Council of Inspectors General on Integrity and Efficiency (CIGIE), was used to determine whether the audit report meets the core reporting requirements stipulated by OMB Circular A-133. Audit reports determined to be *technically deficient* or *substandard* will require corrective action.

We determined that the audit report generally met Federal reporting requirements, with the following exceptions:

- OMB Circular A-133.310(b) requires the Schedule of Expenditures of Federal Awards (SEFA) to be factually correct and free of mistakes. We noted that the grant number related to the prior year's NEH "We The People" project was improperly rolled forward on the current year schedule. Fortunately, the other key data elements linked to this grant, to include the Catalog of Federal Domestic Assistance (CFDA) number and Federal expenditures, were properly reported therefore the actual single audit testing was not impacted.

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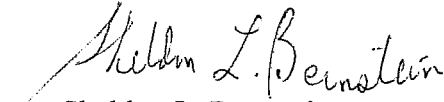
- OMB Circular A-133.315(c) stipulates that the auditee develop a written corrective action plan to respond to each audit finding reported by the IPA. This corrective action plan shall provide the name(s) of the contact person(s) responsible for corrective action, the corrective action planned, and the anticipated completion date. We noted that the current year findings (09-01 through 09-03) lacked both the name of the key contact and the estimated completion date.

We will accept this single audit report on the condition that the above deficiencies are addressed and corrected in the Council's next audit (i.e. December 31, 2010). Future audit reports that include improperly prepared single audit schedules will be deemed an unacceptable submission by the NEH Office of Inspector General.

Please note that we are sending this letter to the auditors to inform them of the results of our review.

If you have any questions concerning this letter or need accounting assistance, please contact Mr. Steve Elsberg at (202) 606-8353 or via email at [selsberg@neh.gov](mailto:selsberg@neh.gov).

Sincerely,



Sheldon L. Bernstein  
Sheldon L. Bernstein  
Inspector General

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