



NATIONAL ENDOWMENT FOR THE
Humanities

OFFICE OF INSPECTOR GENERAL

INSPECTION REPORT

NEH GRANT AWARD

TO

UTAH HUMANITIES COUNCIL

(BC-50562-10)

OIG-15-02 (I)

Laura Davis

Laura Davis, Inspector General

February 9, 2015

Date

NATIONAL ENDOWMENT FOR THE HUMANITIES (NEH)

GRANT AWARD TO

UTAH HUMANITIES COUNCIL

I. Introduction

The Office of Inspector General (OIG) has performed an inspection of the Utah Humanities Council's (the "Council") records as they relate to NEH grant award BC-50562-10.

Award Amount: \$94,200

Date of Award: August 30, 2010

Grant Period: September 1, 2010 - February 28, 2013

According to the final Performance Report submitted by the Council on May 31, 2013, the grant award supported a diverse array of activities in Utah during 2011 and 2012. Activities included locally-generated projects exploring significant themes and events in American history (which encouraged grass roots involvement in the *We the People* initiative). The Council submitted a final Federal Financial Report (SF-425) for the award on September 4, 2013 and reported total Federal expenditures of \$94,200. The Council also received and expended non-Federal contributions for this project totaling \$26,081.

II. Inspection Objective, Scope, and Methodology

The principal objective of the inspection was to verify the propriety of financial reporting related to NEH grant BC-50562-10. OMB Circular A-110 requires grantees to maintain a financial management system that provides for the accurate, current, and complete disclosure of the financial results of each federally-sponsored project or program. The Circular also requires the maintenance of records that identify adequately the source and application of funds for federally-sponsored activities¹.

To accomplish this objective, we reconciled the final Federal Financial Report (SF-425), as submitted by the Council on September 4, 2013, to the organization's General Ledger (G/L). We further selected fourteen (14) expenditure transactions associated with the *We the People* project during fiscal years 2011 and 2012 totaling \$43,940 for detail testing, (which represents approximately 36 percent of the total project expenditures). For these transactions, we reviewed supporting documentation to determine whether the expenditures (1) conformed with OMB Circular A-122, *Cost Principles for Non-Profit Organizations* (2 CFR Part 230); and (2) were consistent with activities identified in Performance Reports submitted by the Council.

¹ OMB Circular A-110; Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations; Subpart C; Paragraph .21 -- Standards for financial management systems

Our inspection was conducted in accordance with the *Quality Standards for Inspection and Evaluation*, as issued by the Council of the Inspectors General on Integrity and Efficiency. Our inspection was conducted during the months of December 2013 and January 2014.

III. Results

We have concluded that the financial reporting related to NEH grant BC-50562-10 is supported by the Council's financial management system, as required by OMB Circular A-110 (2 CFR Part 215) and is materially consistent with related performance reporting. Total financial activity, (Federal and non-Federal) associated with the *We the People* project is distinctively coded within the Council's financial management system and sufficient documentation exists to substantiate transactions charged to the project.

IV. Exit Conference

Preliminary results of our review were shared with [REDACTED] (Executive Director of Utah Humanities Council) on January 17, 2014.