



National  
Endowment  
for the  
Humanities

Office of  
Challenge  
Grants

---

**Guidelines and  
Application Materials**

**Application Deadline:  
May 1, 1986**

# Challenge Grants Program

---

TABLE OF CONTENTS

Program Staff

Application Check-List

Timetable

Introduction

The National Endowment for the Humanities.....	1
The Humanities.....	1
The Challenge Grants Program and its Goals.....	2

Eligibility And Regulations

Institutions and Organizations Eligible to Apply.....	2
Concurrent NEH-NEA Challenge Grants.....	3
Applying While in Receipt of Other Endowment or Federal Awards.....	3
Second-Time Challenge Grants.....	3
Expenditures Permitted under a Challenge Grant.....	4
The Grant Period and Schedule of Payment.....	5
Grant Amounts.....	7
Examples of Gifts Eligible for Meeting a Challenge Grant.....	7
New and Increased Contributions.....	9

The Application and Review Process

What Help Is Available?.....	10
Notice of Intent to Apply.....	10
Description of the Review Process.....	10
Criteria for Evaluating Applications.....	11
The Application and its Preparation.....	12
The Application Cover Sheet.....	12
Table of Contents.....	17
Institutional Fact Summary.....	17
Financial Summary.....	19
Challenge Grant Budget.....	23
The Proposal Narrative.....	23
Current Operating Budget.....	26
Lists of Trustees and Staff.....	26
Two Sets of the Most Recent Audited Financial Statements.....	26
The IRS Determination Letter.....	26
Letter from the State Historic Preservation Office.....	26
Supplementary Materials.....	27
What Are the Chances?.....	27
Common Pitfalls.....	27
Examples of Challenge Grants.....	29

Administering the Challenge Grant.....32

Endowment Initiatives.....32

Bicentennial Initiatives.....33  
Equal Opportunity.....33  
Handicapped Accessibility.....34  
Davis-Bacon Act.....34

Office of Challenge Grants Staff

Telephone: 202/786-0361

Director: James H. Blessing  
Deputy Director: George F. Farr, Jr.  
Program Officer: Abbie Cutter  
Program Officer: Bonnie S. Gould  
Program Officer: Edythe R. Manza  
Program Specialist: Charlotte W. Morford

Address Inquiries to:

Office of Challenge Grants  
Room 429  
National Endowment for the Humanities  
1100 Pennsylvania Avenue, N.W.  
Washington, D.C. 20506

Application Check-List

A complete challenge grant application submission contains the following items:

1. Ten copies of the application package, each copy including in this order
  - a) the official application cover sheet;
  - b) a table of contents;
  - c) the one-page institutional fact summary;
  - d) the financial summary;
  - e) a one-page summary budget for the proposed use of all federal challenge funds and matching gifts;
  - f) the proposal narrative (double-spaced);
  - g) a copy of the current operating budget (this document may be condensed or summarized if unusually long);
  - h) lists of trustees and staff.
2. Two sets of audited financial statements, including opinion and notes, for the two most recently completed fiscal years.
3. One copy of the IRS determination letter establishing the institution's or organization's nonprofit status.
4. Two additional copies of the official application cover sheet, one of which should be the original signed by the authorizing official.
5. For applications proposing renovation or construction, one copy of the opinion letter from the state historic preservation officer together with supporting documentation if needed. See page 26 for details.

NATIONAL ENDOWMENT  
for the  
Humanities Library

CHALLENGE GRANTS PROGRAM

TIMETABLE

December 1, 1985

Date from which advance  
fund raising may occur

March 17, 1986

Date by which draft application  
should be sent to program staff for  
prior comment and counsel

April 1, 1986

Date by which applicants should notify  
the Endowment by card of their intent to apply

May 1, 1986

Postmark deadline for sending formal  
application packets to the Endowment

Summer and Fall 1986

Review of applications

November 1986

National Council on the Humanities  
meets to review applications

December 1, 1986

Notification of awards; upon receipt of certification,  
beginning of release of federal funds

July 31, 1987

Date by which grant recipients  
must complete certification for the first year's offer and file  
the first annual report

## INTRODUCTION

### The National Endowment for the Humanities

The National Endowment for the Humanities is an independent federal agency created in 1965 to support research, education, and public activity in the humanities. The agency's establishment resulted from congressional determination that it is appropriate and necessary for the federal government to complement the support for the humanities provided by state and local governments and private sources.

The Endowment's grant-making activities are carried out through its five divisions--Education Programs, Fellowships and Seminars, General Programs, Research Programs, State Programs--and its two offices--the Office of Challenge Grants and the Office of Preservation.

For further information about other Endowment programs, write:

Public Affairs Office  
Room 409  
National Endowment for the Humanities  
1100 Pennsylvania Avenue, N.W.  
Washington, D.C. 20506  
202/786-0438

### The Humanities

In the act that established the National Endowment for the Humanities, the term humanities includes, but is not limited to, the study of the following disciplines: history; philosophy; languages; linguistics; literature; archaeology; jurisprudence; the history, theory, and criticism of the arts; ethics; comparative religion; and those aspects of the social sciences that employ historical or philosophical approaches.

Institutions or organizations sponsoring programs and activities in the social and natural sciences that are historical or philosophical, or that attempt to cast light on questions of interpretation or criticism traditionally in the humanities, are eligible to apply. Institutions that emphasize the practice or performance of the arts should apply to the National Endowment for the Arts.

In all instances, the burden of proving that funds will support work in the humanities lies with the applicant.

## The Challenge Grants Program and its Goals

In the preamble to the National Foundation on the Arts and Humanities Act of 1965, Congress declared "that the encouragement and support of national progress and scholarship in the humanities and the arts, while primarily a matter for private and local initiative, is also an appropriate matter of concern to the Federal Government. . . ." In the legislation re-authorizing the National Endowment for the Humanities in 1976, Congress directed the agency to provide means for "cultural organizations and institutions to increase their levels and kinds of continuing financial support; to improve their administration and management through long-range financial planning; to encourage greater audience participation in, and appreciation of, their programs; to stimulate greater cooperation among such institutions; and to foster greater citizen involvement in institutional planning." The Endowment developed the Challenge Grants Program to join federal and major nonfederal support for the humanities and to improve financial stability and program quality within those institutions and organizations in which teaching, learning, and research in the humanities occur.

As a consequence of the long-range financial and program planning that must precede application for an Endowment challenge grant, institutions can attain more efficient administration, greater program coherence, and less dependence on single funding sources--federal or otherwise. The recipient of a challenge grant must raise from nonfederal donors three times the amount of federal funds offered. The nonfederal funds must come either from new sources of giving or from increased contributions by existing donors.

Endowment challenge grants offer support for a variety of purposes so that institutions or organizations performing meritorious work within the context of their missions and resources may improve the quality of their work and achieve greater financial stability and an appropriate growth of their resources. Challenge grant applicants must demonstrate that the federal funds and private gifts will sustain or develop a high quality of work which will contribute significantly to the promotion of the humanities. The grants are not general operating funds; rather, challenge grants are intended to assist an institution or organization to develop long-term capital resources for the humanities. Furthermore, no proposed grant activities should result in an increased financial burden to the institution. If activities supported by a challenge grant increase demands on operating resources, the challenge grant application should also explain how sustained funding will be obtained to support those demands.

## ELIGIBILITY AND REGULATIONS

### Institutions and Organizations Eligible to Apply

With the exception of public and private elementary and secondary schools, any nonprofit institution or organization working wholly or in part within the humanities may apply for a challenge grant. Such institutions and organizations include

- junior and community colleges,
- four-year colleges,
- universities,

- museums,
- historical societies,
- research libraries,
- public libraries,
- advanced study centers,
- media organizations,
- university presses,
- professional societies,
- and educational, cultural, or community groups.

Any representative of an institution or organization interested in developing a challenge grant application but uncertain about the organization's eligibility should write or call the Office of Challenge Grants.

#### Concurrent NEH-NEA Challenge Grants

An applicant may submit simultaneous proposals for challenge grants to the National Endowment for the Humanities and the National Endowment for the Arts. However, no institution or organization may receive challenge grants from both agencies concurrently. Should both NEH and NEA offer a challenge grant to an institution or organization, the applicant may accept only one offer. Any eligible institution may submit a challenge grant application to one agency if it has already completed a challenge grant at the other. To be eligible to apply to NEH, such an institution must have submitted an acceptable final report to NEA prior to the NEH application deadline.

#### Applying While in Receipt of Other Endowment or Federal Awards

Any applicant applying for or currently receiving support from other Endowment divisions or offices may also apply for a challenge grant. Applicants should list in an appropriate section of the proposal narrative current projects or projects within the past two years supported by the Endowment. They should also report pending requests for Endowment project support. Such a listing need include only those funded projects and pending applications which, in the applicant's judgment, are relevant to the challenge grant proposal.

Applicants receiving or applying for an endowment grant from the Department of Education's Title III Developing Institutions Program should explain in the NEH proposal narrative how that grant would differ from the NEH challenge grant and why the institution ought to receive funding from both sources.

#### Second-Time Challenge Grants

An institution or organization that has received an NEH challenge grant may apply for a second NEH challenge grant when two calendar years have elapsed since the formal conclusion of the first one. The date of formal conclusion is the date an acceptable final report is submitted to the Endowment. Applications for second awards are given lower priority than applications for first awards when their merits are otherwise approximately equal. Applicants for second awards are asked to report about their first awards in their proposal narratives (see paragraph on requests for second-time awards, page 25), and they are judged by the success of the first award (see Criterion #7, page 12) in addition to the standard criteria.



## Expenditures Permitted under a Challenge Grant

Unlike other Endowment grants, which support focused projects in defined program areas, a challenge grant may support a variety of institutional activities, which an applicant demonstrates as serving both the humanities and an institution's long-term objectives. Applicants should bear in mind that because a challenge grant's major purpose is to assist in building long-term capital resources, proposals emphasizing expenditures that clearly support capital growth and financial stability receive priority within the program. Nonfederal funds raised in connection with a challenge grant are subject to the same conditions as federal funds. The timing of expenditures is a matter for the recipient of a grant to determine, and the Endowment regards the deposit of grant funds into interest- or dividend-bearing accounts during the formal grant period as a legitimate expenditure. The following types of expenditures are all legally eligible within the program (this list is, of course, suggestive rather than conclusive, and applicants should discuss proposed expenditures with Endowment program staff):

- Endowments or cash reserves, provided that funds are restricted to support programs, personnel, or activities within the humanities.
- Renovation or repair of facilities, additions to existing facilities, and construction of new facilities which will improve significantly an institution's activities in the humanities. Up to \$250,000 of federal funds and all gift funds may be expended for renovation and construction. If an applicant requests amounts higher than \$250,000 in federal funds for renovations, additions or construction, special approval by the Endowment's National Council on the Humanities is necessary.
- Reduction or defrayal of continuing or cumulative debts, notes, or mortgages, to the extent that such reductions bear upon expenses within the humanities.
- Purchase of equipment, to the extent such purchases support the humanities.
- Acquisitions, collections, or other materials pertinent to the humanities.
- Fund-raising costs for personnel, administration, and materials to the extent that such costs are attributable to the humanities and exceed existing development capability. Although the proportion of fund-raising costs to total grant expenditures is flexible, fund-raising and development costs may not exceed 20 percent of the total challenge funds (federal and nonfederal).
- Costs for cataloguing, restoring, or conserving humanities texts and materials.

Other expenditures not eligible within the program are direct subsidies for general operations; funds for undergraduate scholarships and prizes, even if supported by means of an endowment; and support for projects eligible for grants from other Endowment programs.

## The Grant Period and Schedule of Payment

For all 1986 challenge grant applicants subsequently receiving an award, the official beginning date of the grant will be the date fund raising begins to solicit nonfederal funds--any time between December 1, 1985, and January 1, 1987. The earlier date allows those who so wish to conduct advance fund-raising campaigns. An applicant may solicit gifts in anticipation of or on condition of a challenge grant, and such gifts are eligible for matching any eventual award as long as the institution holds proper documentation and donors have appropriately restricted the gifts to match the grant. Any applicant planning to engage in advance fund raising should review the program's Administrative Regulations to ensure the eligibility of gifts. Applicants may request a copy of this document from the Office of Challenge Grants. All eligible monies raised before receipt of a grant may be spent at any time as long as the institution can later document that the expenditures were for the purposes outlined in the proposal.

The advance fund-raising date of December 1, 1985, applies to all challenge grant applicants submitting a proposal by May 1, 1986. Even if an applicant submitted an application for an earlier review cycle but did not receive a challenge offer, it may count as eligible only those funds raised on or after December 1, 1985.

Challenge grant applicants may request that the federal portion of the grant be paid in one, two, or three years. All awards in this round of grants will include offers of payment in federal fiscal year 1987 (October 1, 1986 through September 30, 1987). Because the challenge grant provides funds for developing long-term capital support, most applicants request a division of payments over three fiscal years.

Applicants may propose any schedule for payment appropriate to their needs and consistent with their fund-raising plans and the Endowment's funding pattern described in the following paragraph. The total request need not be divided equally; however, the proposal should explain why an applicant has selected the installments requested. In issuing a challenge offer, the Endowment may modify the installment amounts.

On a one-to-one basis, the Endowment pays out all or part of the first year's funds as soon as a grant recipient certifies to the Endowment it has received eligible gifts. Thus, if a recipient has an offer from the Endowment for \$100,000 in fiscal year 1987 and notifies the Endowment in January 1987 that it has raised \$50,000, the Endowment pays the first \$50,000 of the offer. If in March the grant recipient certifies that another \$50,000 has been raised, the Endowment pays the remainder of the first year's offer. For multi-year grants, before a recipient can receive any of the funds offered in the second year, it must raise the second- and third-dollar portions of gift funds for the first year's offer. Thus, the Endowment releases federal funds on a one-to-one dollar basis each year; but grant recipients must complete the full three-to-one gift requirement for one year before the Endowment releases a subsequent year's installment.

This tiered method of releasing funds acknowledges the time necessary for a fund-raising campaign to acquire momentum. It also allows federal funds to work for institutions as soon as is feasible. The method of payment means

that there is a final year for the grant--a year beyond the federal offer period--during which grant recipients complete the second and third portions of the gifts for the final federal installment.

To allow sufficient time for the Endowment to accept certification and notify the Treasury to pay, grant recipients must certify gifts by July 31 of each year during the grant in order to receive funds for that federal fiscal year.

Example: Funding pattern for a \$300,000, three-year challenge grant:

Fund-Raising Period	Federal Offer	Amount Required To Receive Federal Offer	Cumulative Total
Starting date to July 31, 1987	\$100,000	\$100,000	\$200,000
August 1, 1987 to July 31, 1988	\$100,000	\$200,000 \$100,000	\$600,000
August 1, 1988 to July 31, 1989	\$100,000	\$200,000 \$100,000	\$1,000,000
August 1, 1989 to July 31, 1990	--	\$200,000	\$1,200,000
	<u>\$300,000</u>	<u>\$900,000</u>	

## Grant Amounts

Endowment challenge grants in the last three years have ranged from \$17,500 to \$1 million. These amounts are the federal portion of the total challenge grant. Because each challenge grant recipient must raise three times the amount of the offer in nonfederal funds from new or increased contributions, the federal portion is 25 percent of the total proposed fund-raising campaign goal. Thus, applicants' campaign goals during the past three years have ranged from \$70,000 to \$4 million. The amount requested for a challenge grant should be reasonable and yet sufficient to accomplish the applicant's proposed aims.

Any Endowment challenge offer exceeding \$1 million is rare (less than one percent of all grants offered). Although there have been a few such offers in the history of the program, there has been none in recent years. Anyone intending to request funding in excess of \$1 million should discuss the proposal with the staff of the Office of Challenge Grants.

In the process of reviewing an application, the Endowment may determine that an applicant merits support but only in part or at a reduced level. The Endowment may in such instances offer an applicant less than the amount requested. Of course, any applicant may decline an offer and choose to revise and resubmit the application. In the most recent round of challenge grant awards, 20 percent of the recipients received offers less than their original request; and the original amounts were reduced an average of 9 percent.

## Examples of Gifts Eligible for Meeting a Challenge Grant

Applicants who plan to engage in advance fund raising should write to the Office of Challenge Grants to request a copy of the program's Administrative Regulations to ensure that gifts are eligible.

A variety of gifts may be eligible. However, gifts may not emanate from within the recipient institution itself; nor may an institution shift internal budgets for matching purposes. Interest earned on gifts made for challenge grant purposes is not eligible for matching. Fulfillment of earlier pledges and income from existing endowments are not new funds and these are not eligible.

In each instance, contributors must understand--and institutions must be able to document--that donations are given in response to a challenge grant and will be used for the purposes stated in the application. The following list gives some examples of acceptable gifts:

- gifts of cash;
- pledges, to be paid in cash within the grant period; such pledges must be in writing and constitute a legally binding promise to pay;
- nonfederal grants;
- gifts of marketable securities (valued as of the date of transfer from the donors to the grant recipient);
- special legislated appropriations, other than federal;

- income from special fund-raising benefits, events, sales, auctions (the costs of such events must be deducted to establish the net real value of all income);
- gifts of real property (a) if converted into cash by means of sale (the value of the gift is then equivalent to the sale value); or (b) if income-producing and such income is restricted to the purposes of the grant (the value of the gift is equivalent to the value of the income received during the grant period);
- bequests only in certain restricted circumstances in which executors have sufficient authority to designate gifts of an estate for purposes of the grant;
- donations resulting from irrevocable trusts to the extent that their value can be determined in accordance with generally accepted accounting principles;
- pooled life income funds, charitable gift annuity trusts, and other forms of deferred giving valued according to Internal Revenue Service practices and principles;
- to a limited extent, some types of in-kind gifts such as collections of books or artifacts, or contributions of services such as pro bono construction work or architectural planning for a renovation project, provided these are clearly related to the purposes of the grant and expand capital resources (the value of such material gifts is determined by an independent appraisal paid for by the grant recipient and submitted with certification, and the Endowment at its discretion may require a second independent appraisal; the value of contributions of services must be at standard rates or fees for the services provided); no more than one-third of all matching funds for the grant may be in the form of in-kind contributions;
- membership contributions, gifts from alumni, donations from friends groups or other group gifts, provided that costs for services rendered to members (such as magazines, newsletters, yearbooks) are deducted to establish the net real value of such pooled gifts;
- increased earned income (for example, from gift shop proceeds), as long as the grantee has indicated that such increased income will be used to meet the challenge grant.

Because of the legal complexities regarding pooled life annuity trusts, irrevocable and revocable trusts, bequests, and gifts of property, grant recipients wishing to certify such actual or potential gifts are encouraged to discuss them with Endowment staff before submitting them for certification. At any time, applicants may feel free to discuss doubts or ambiguities concerning gift eligibility with program staff in the Office of Challenge Grants.

To increase the likelihood of continuing support beyond the grant period, the Endowment encourages recipients of challenge grants to seek contributions from local sources and from individuals who use the services of the institution or organization rather than from single, nonrepeating contributors (for example, major foundations).

## New and Increased Contributions

All gifts meeting a challenge grant must be from new sources of giving or must be increases in contributions from existing donors. Whether contributions are new or increased depends upon sources and amounts of giving during the base year. The base year is the twelve-month period immediately preceding the start of the grant period. The Endowment's formal award letter will identify the base year by using the beginning date of the grant period given on the official application cover sheet on page 15.

New contributions represent gifts from a donor or donors who have never given to an institution or organization or who did not contribute during the base year. Increased contributions represent gifts in excess of what donors gave during the base year. The amount of the increase--not the full gift--is the amount that is eligible.

Challenge grant recipients may choose to pool the donations of some donor groups and submit the increases in pooled giving. In such instances, all pooled donors must have had knowledge--through solicitation literature, letters, or other means--that their increased gifts would be used in response to the challenge grant. For example, an alumni group might have given a university \$100,000 during the base year. During four fund-raising years of the challenge grant, the group gives \$120,000, \$125,000, \$130,000, and \$150,000 respectively. Altogether, the university can count the amount of increase each year for matching:  $\$20,000 + \$25,000 + \$30,000 + \$50,000 =$  a total of \$125,000 over the grant period.

## THE APPLICATION AND REVIEW PROCESS

### What Help Is Available?

The Office of Challenge Grants encourages potential applicants to discuss an institution's or organization's proposal plans with the staff before submitting the formal application and also to submit a draft application for staff review. Draft applications should be sent to the Endowment at least six weeks prior to the formal application deadline, that is, by March 17, 1986. Only one copy of a draft needs to be provided.

The Challenge Grants Office maintains a "lending library" of successful applications that were considered exemplary by panelists and staff. These are available on request.

Applicants need not incur the expense of a trip to Washington to receive staff counsel. The staff provides most of its review and counsel by telephone or letter. After reading a draft proposal, the staff is available to discuss it by telephone. An applicant who wishes to meet with staff in person should call in advance to schedule an appointment.

Once the Endowment has received a formal application, staff will not comment about the status of an application, except to settle questions about completeness or eligibility, until after letters announcing funding decisions have been mailed.

Whether or not an applicant receives a grant offer, after the formal review process has been completed, an applicant may request a summary about the review of the proposal. Many successful recipients of a challenge grant were not offered a grant in response to the first proposal submitted to the program; after reviewing panelists' comments, however, and rethinking and rewriting an application in light of criticism, they received offers in a subsequent application round.

### Notice of Intent to Apply

At the back of this booklet is a postcard addressed to the Endowment entitled "Notice of Intent." The card should be sent to the Endowment before April 1, 1986, if an applicant plans to submit an application. The notice allows Endowment staff to make reasonable plans for assembling review panels. Furthermore, it helps ensure that all applications sent to the Endowment are indeed received and recorded. The mailing of the card is not a prerequisite to filing an application, but it is helpful in planning.

Please note that the formal application deadline of May 1, 1986, is firm. In fairness to all applicants, there are no extensions or exceptions.

### Description of the Review Process

When an application is received by the Office of Challenge Grants, it is assigned to an appropriate program officer accustomed to working with the kind of institution or organization represented by the applicant. If an applicant has discussed plans with a particular member of the Office of Challenge Grants staff, that staff member usually assumes responsibility for reading the application and presenting it during the review process.

The program officer reads the application to ensure that it is complete and that both the institution and the proposal are technically eligible within the program. Should there be any question about completeness or technical eligibility, the program officer will call the applicant.

The Endowment sends all technically eligible applications to a panel of reviewers who later meet in Washington. During the most recent round of applications, the Office of Challenge Grants convened eleven panels to review applications. Prior to meeting in Washington, panelists read all applications to be reviewed by that panel. At the panel meeting each application is discussed in light of the program's guidelines and the evaluation criteria described in the next section.

The peer review panel is central to the evaluation of all Endowment applications. A panelist's primary responsibility is to identify for staff, the National Council on the Humanities, and the chairman of the Endowment the merits and weaknesses of each application. Each challenge grants panel includes reviewers whose collective backgrounds represent a variety of experience and knowledge not only about the humanities but also about managing and financing nonprofit institutions and organizations. Usually, a panel consists of seven members including senior executive officers from the kinds of institutions or organizations under review, scholars in the humanities, a development officer or an individual responsible for institutional fund raising, a citizen who is serving or has served as a trustee for similar nonprofit organizations, and a representative from a corporate or private philanthropic foundation.

Subsequent to the meetings of all panels and their discussions, the staff prepares recommendations for each application and presents both these recommendations and the comments of the panelists to a special committee of the National Council on the Humanities. That committee in turn reviews the recommendations and prepares a motion for submission to the full council. If approved by the National Council, the motion becomes a set of formal recommendations to the chairman of the Endowment. Basing his actions upon the comments of panelists and staff and upon the formal motion from the National Council, the chairman makes all final decisions about funding. The Endowment then notifies each applicant about the disposition of the application.

### Criteria for Evaluating Applications

Reviewers of challenge grant applications must judge the existing and potential quality of the applicant's programs, needs, management, and fund raising. In light of the goals of the Challenge Grants Program described in these guidelines, and the questions like those on pages 24-25, reviewers assess each application in accordance with the following questions:

1. Within the context of the organization's or institution's mission, audience, and interpretative philosophy, what is the ability to sustain or attain a high level of quality for programs and activities within the humanities?
2. What is the likely long-term impact of the proposed challenge grant on the quality of the applicant's programs, resources, and services within the humanities?



3. Is there a demonstration of financial and programmatic need for the challenge grant given the applicant's experience, objectives, and priorities?
4. To what extent does the proposal reflect effective long-range planning about programs, finances, and management?
5. What is the likely impact of the proposed challenge grant on the applicant's financial stability and capability to use resources more efficiently?
6. What is the probability that the fund-raising plan will prove successful and will develop sources likely to continue contributing beyond the grant period?
7. (APPLICATIONS FOR A SECOND-TIME AWARD ONLY)--What were the results of the first award, the degree to which it fulfilled the purposes of the grant and the program, and the extent to which it helped the organization or institution develop real capital growth? Is there reasonable need for a second award in light of these factors?

#### The Application and its Preparation

The application should be typewritten, and the narrative should conform to standard manuscript presentation--double-spaced text on one side of a page only, with each page sequentially numbered. The single-page information summary, financial summary, and summary budget for challenge funds may be single-spaced. Because applications are mailed to panelists soon after their receipt at the Endowment, we request that applicants not use heavy covers, laminated notebooks, or other methods of binding that add unnecessary weight to the documents.

#### The Application Cover Sheet

Instructions for completing the official cover sheet are on page 14. The cover sheet identifies personnel responsible for administering the potential challenge grant, the amounts requested, the summary of proposed uses, and the kind of institution or organization applying. The two extra copies of the cover sheet are for the Endowment's internal purposes. One of these extra sheets should be the original bearing the authorizing official's original signature. The first date of the "requested grant period" should be the starting fund-raising date.

# National Endowment for the Humanities

Washington, D.C.

---

The next three pages include:

- Instructions for Completing the Application Cover Sheet
- The Application Cover Sheet
- Field of Project Categories and Codes

Please read the instructions before completing applicable questions. Please print or type.

---

**Purpose:** The National Endowment for the Humanities uses a single cover sheet for all of its programs. This cover sheet gathers information that is necessary in one of two ways:

- (1) The information is necessary for efficient consideration of the application during the review process and in the administration of the grant if an award is made.
- (2) The information is *required of the Endowment* in various reports to Congress, other federal agencies, and the public. The Endowment must provide reports which involve statistical information or descriptions that can be obtained quickly from the cover sheet. Information is recorded in a computer which stores the data for subsequent compilation and reporting.

Please read the instructions for each question carefully. Answer each question by typing or printing your reply. Please verify your answers to be certain that they are correct and complete.

*You will find it helpful to complete the cover sheet last, after all other parts of the application have been prepared.*

---

**Privacy Act:** The following notice is furnished in compliance with the Privacy Act of 1974:

The information is solicited under the authority of the National Foundation on the Arts and the Humanities Act of 1965, as amended, 20 U.S.C. 956. This information is needed to process the grant application and for statistical research and analysis of trends. The routine uses which may be made of this information are: general administration of the grant review process; statistical summaries; Congressional oversight; and analysis of trends.

## Instructions for Completing the Application Cover Sheet

### Block 1—Individual Applicant or Project Director

Item a. If the application is submitted through an institution or organization, enter the name and mailing address of the person who will carry out the project or be chiefly responsible for directing it. Information about an institution is also requested in blocks 2 and 11. When an application is submitted by an individual, the name and address of the individual applying should be indicated.

Item b. Indicate number corresponding to preferred form of address:

1—Mr.	3—Miss	5—Professor
2—Mrs.	4—Ms.	6—Dr.

Item c. Whenever possible, one of the telephone numbers listed should be a number at which a message can be left.

Item d. If possible, please indicate the code for the appropriate field from the "Field of Project" list found on the reverse side of the Application Cover Sheet.

### Block 2—Type of Applicant

Square B has been already checked.

Identify *Type* such as: Business, Religious, Museum, Historical Society, Government (state, local, etc.), Public Media (TV, radio, newspaper, etc.), Educational (2 yr. college, 4 yr. college, etc.), Library (public, research, etc.), Center (advanced study, research, etc.).

Identify Status as either Private Nonprofit or Unit of State or Local Government.

E.g., *Type*: Historical Society. *Status*: Private Nonprofit.

### Block 3—Type of Application

Check appropriate type:

a. New—application for this project submitted to NEH for the first time.

b. Revision and Resubmission—a version of the application for this project submitted to NEH previously but not funded.

The categories "renewal" and "Supplement" do not apply to Challenge Grants.

### Block 4—Program to Which Application is Being Made

This information is pre-printed on your form. Pre-printed forms insure that the applicant has the correct instructions for the specific program (Challenge Grants).

### Block 5—Requested Grant Period

The grant period begins on the date funds are first raised to match the challenge grant (no earlier than

December 1, 1985; no later than January 1, 1987). The grant period closes on July 31 the year *after* the last fiscal year in which you request federal funds.

### Block 6—Requested Amount NEH Funds

Enter on lines a, b, c the *federal* funds requested in fiscal years 1987, 1988, and 1989 respectively. If requesting funds for less than three years, enter -0- on the appropriate lines. Line e should be three times the amount of total federal funds requested.

### Block 7—Field of Project

Not applicable.

### Block 8—Descriptive Title of Project

This block has been preprinted; no further information required.

### Block 9—Description of Project

Provide a brief description of the proposed project. Do not exceed the space provided.

### Block 10—Will This Proposal Be Submitted to Another Government Agency or Private Entity for Funding?

This information is sought without prejudice to the application. The Endowment frequently co-sponsors projects with other funding sources. If not applicable, indicate "N/A."

### Block 11—Institutional Data

Item a. Indicate the name of the institution and the city and state of its official mailing address.

Item b. Indicate the name and title of the person who is authorized to submit applications on behalf of the institution or organization. That person must sign and date the application.

Item c. Indicate here the name, mailing address, form of address (see instructions for 1b), and telephone number of the person who will be responsible for the financial administration of the grant if the award is made. For example, at many universities the Provost, Vice President, President, or Chancellor is the person "authorized" to submit an application (see item b), but the actual administration of the project—e.g., negotiating the project budget, ensuring compliance with the terms and conditions of the award—is the responsibility of a Grants or Research Officer. It is the latter person who should be listed here.

NEH Application Cover Sheet

OMB No. 3136-0062 Expires 2/29/89

1. Individual Applicant or Project Director

a. Name and Mailing Address

(Last) (First) (Initial)

(City) (State) (Zip)

b. Form of Address

c. Telephone

Office Ext.

Home

d. Major Field of Applicant or Project Director

e. Citizenship U.S. Other (Specify)

2. Type of Applicant

a. By an Individual b. Through an Org./Inst. If a., indicate an institutional affiliation, if applicable, on line 11a. If b., complete block 11 below and indicate here: c. Type d. Status

3. Type of Application

a. New b. Revision and Resubmission

4. Program to Which Application is Being Made

Challenge Grants

5. Requested Grant Period

From: (Mo./Yr.) To (Mo./Yr.) 07/31/

6. Requested Amount NEH Funds

a. FY \$ b. FY \$ c. FY \$ d. Total \$ e. Nonfederal Match \$ f. Total \$

7. Field of Project

n/a

8. Descriptive Title of Project

Challenge Grant

9. Description of Project (do not exceed space provided)

10. Will This Proposal Be Submitted to Another Government Agency or Private Entity for Funding?

If Yes, indicate where and when:

11. Institutional Data

a. Institution or Organization: (Name) (City) (State)

b. Authorizing Official: Name (Last) (First) (Initial)

Title: Signature: (Date)

c. Institutional Grant Administrator—Name and Mailing Address:

(Last) (First) (Initial)

Form of Address

(City) (State) (Zip)

Telephone:

(For NEH Use Only)

Date Received Application # Initials

## Field of Project Categories and Codes

The following categories and codes should be used to complete blocks 1d and 7 of the NEH Application Cover Sheet. If the specific field of your project is not included in this listing, select the appropriate major field. (This listing is strictly for use by NEH staff to help

retrieve information requested on grants and applications in specific disciplines of the humanities. The listing is not intended to be comprehensive, nor does it represent preferred funding categories. The "hierarchical" arrangement is for convenience.)

---

### *Anthropology L1*

Archaeology U6

---

### *Archival Management/Conservation I1*

---

### *Arts, History and Criticism MA*

Architecture: History & Criticism U3  
 Art: History and Criticism M1  
 Dance: History & Criticism M3  
 Film: History & Criticism M4  
 Music: History & Criticism M5  
 Theater: History & Criticism M2

---

### *Communications P2*

Composition & Rhetoric P1  
 Journalism P4  
 Media P3

---

### *Education H1*

---

### *Ethnic Studies K1*

Asian American K5  
 Black/Afro-American K4  
 Hispanic American K3  
 Jewish K6  
 Native American K2

---

### *History A1*

African A2  
 American A3  
 Ancient AC  
 British A4  
 Classical A5  
 European A6  
 Far Eastern A7  
 Latin American A8  
 Near Eastern A9  
 Russian AA  
 South Asian AB

---

### *Humanities U8*

---

### *Interdisciplinary U1*

African Studies GI  
 American Studies G3  
 Area Studies GH  
 Asian Studies G5  
 Classics G7  
 Folklore/Folklife R1  
 History/Philosophy of Science,  
 Technology or Medicine GA  
 International Studies GG  
 Labor Studies G4  
 Latin American Studies GJ  
 Medieval Studies G8  
 Regional Studies GF  
 Renaissance Studies G9  
 Rural Studies GC  
 Urban Studies G2  
 Western Civilization GB  
 Women's Studies G1

---

### *Languages C1*

Ancient CC  
 Asian CA  
 Classical C2  
 Comparative C9  
 English CE  
 French C3  
 German C4  
 Italian C5  
 Latin American C6  
 Near Eastern CB  
 Slavic C7  
 Spanish C8

---

### *Law/Jurisprudence Q1*

---

### *Library Science H3*

---

### *Linguistics J1*

---

### *Literature D1*

African DK  
 American DE  
 Ancient DC  
 Asian DA  
 British DD  
 Classical D2  
 Comparative D9  
 French D3  
 German D4  
 Latin American D6  
 Literary Criticism DI  
 Near Eastern DB  
 Slavic D7  
 Spanish D8

---

### *Museum Studies/Historic Preservation I2*

---

### *Philosophy B1*

Aesthetics B2  
 Epistemology B3  
 Ethics B4  
 History of Philosophy B5  
 Logic B6  
 Metaphysics B7  
 Non-Western Philosophy B8

---

### *Religion E1*

Comparative Religion E5  
 History of Religion E2  
 Non-Western Religion E4  
 Philosophy of Religion E3

---

### *Social Science U2*

American Government F2  
 Economics N1  
 Geography U7  
 International Relations F3  
 Political Science F1  
 Psychology U5  
 Public Administration F4  
 Sociology S1

## Table of Contents

Following the cover sheet should be a table of contents providing page numbers for the required summaries, for all sub-sections of the proposal narrative, and for the appendices. Any enclosed supplementary materials should also be listed.

## Institutional Fact Summary

Following the table of contents should be a summary of relevant facts about the institution or organization. This summary may be single-spaced but should not exceed one page in length. In addition to a statement identifying

the institution or organization,  
year established or founded,  
and institutional type,

the following kinds of information should be summarized:

### For Museums and Historical Organizations

- Total attendance in 1983, 1984, and 1985
- Number of artifacts and documents in permanent collections
  - Percentage exhibited or accessible to general public
  - Percentage of collections in the humanities
- Number of temporary or special exhibits annually organized by applicant
- Number of education programs in 1985
  - Attendance: in museum, in outreach
  - Audience served
  - Percentage of programs in the humanities
- Publications program, if applicable
- Size of staff
  - Full-time professionals
  - Part-time professionals
  - Support staff
  - Regularly scheduled volunteers
- Size of governing board, executive committee
  - Length of term and manner of appointment
- Current paid membership
- Friends groups
- Admission fees
- Physical plant
  - Square feet of exhibit space, storage space, office space
  - Status of climate control, security, and fireproofing
- Accreditation or MAP program, if applicable

### For Colleges and Universities

- Enrollment: Head count (full-time equivalents in parentheses)
  - Number of undergraduate students
  - Number of graduate students
  - Number of continuing education students
  - Number of residential students
  - Number of commuting students

- 1985-86 tuition and fees
- Number of applicants for admission in 1983, 1984, and 1985
- Percentage of applicants offered admission in 1983, 1984, 1985
- Percentage of accepted applicants who matriculated in 1983, 1984, and 1985
- Faculty
  - Full-time
  - Part-time
  - Percentage holding terminal degrees
  - Percentage teaching within the humanities
  - Percentage of humanities faculty holding terminal degrees
- Types of degrees granted and numbers awarded in 1984 and 1985
- Accreditation
- Library
  - Number of volumes
  - Percentage of holdings in the humanities
- Faculty salary range and mean salary by faculty rank
- Humanities courses and enrollments
  - Percentage of undergraduate courses in the humanities
  - Percentage of undergraduates enrolled in humanities courses
  - Percentage of students with humanities majors

#### For Public Libraries

- Population and geographic size of the area served
- Collections
  - Number of volumes
  - Number of periodicals, newspapers, etc.
  - Number of nonprint items
  - Special strengths or unique collections in the humanities
  - Percentage of all collections in the humanities
- Hours open per week
- Annual circulation figures for each of the last three years
- Annual usership figures for each of the last three years
- Number of new card holders in each of the last three years
- Staff
  - Full-time professionals
  - Part-time professionals
  - Support staff
  - Regularly scheduled volunteers
- Size of friends group, if any
- Governing board
  - Number
  - How selected
- Physical facility
  - Amount of stack space
  - Amount of reading and study space
  - Size of community or public meeting room, if any
- Percentage of annual operating income expended for library materials

#### Nonprofit Media Stations and Organizations

- Year station went on air
- Hours on air weekly
- Hours of humanities programming

- Status of organization: independent or university-affiliated
- Staff
  - Full-time professional
  - Part-time professional
  - Support staff
  - Students
  - Volunteers
- Description of humanities programming
- Listing of recent humanities programs
- Audience profile
- Number of members for each of the past three years
- Friends group, if applicable
- Studio and production facilities

#### Professional Organizations and Societies

- Number of members for each of the past three years
- Membership profile
- Full-time staff
- Major journals and publications
  - Percentage of content within the humanities
  - Number of subscribers
  - Subscription charges
- Annual meetings, symposia, and events sponsored
- Annual dues or membership fees for each of the past three years
- Membership or affiliation in other societies
- Governing board
  - Number of trustees
  - Length of term and manner of appointment
  - Number of executive committee members
- Editorial board, if applicable
- Relationship to any host institution or organization

#### Other Organizations and Institutions

Using the kinds of information asked for above, other organizations and institutions should summarize relevant information about the organization's programs, management, and governance. Applicants are always welcome to discuss with Endowment program staff the kinds of information that ought to be included in this summary.

#### Financial Summary

Following the institutional fact summary sheet should be a one or two page summary about the institution's or organization's finances. The summary of income and expenditures should present data covering the last two completed fiscal years and estimated data for the current year. This information should pertain to annual operating budgets, exclusive of capital campaign or other special income and exclusive of capital project expenditures. Figures should be compatible with figures cited in the text of the proposal and with the accompanying audits. Discrepancies between current fund balance figures given in this table and corresponding figures in the audit reports should be



explained in a footnote or reference should be given to an explanation in the narrative. On the following page is a suggested form of presentation. Please feel free to adapt it to your circumstances.

If applicable, please also list sources and amounts of contributions for capital projects and endowments, broken down by types of donors, during the same three fiscal years.

FINANCIAL SUMMARY SHEET

Institution/Organization: \_\_\_\_\_

Current Operating Income                      FY 1984    FY 1985    FY 1986(Est.)

Contributed Income:  
     Trustees or Governors  
     Other Individuals  
     Groups (Alumni, Friends)  
     Corporations  
     Private Foundations  
     Local Government  
     State Government  
     Federal (Other than NEH)  
     NEH Program Support  
     Other (Explain)  
     Subtotal:

Investment Income:  
     Interest  
     Dividends  
     Endowment  
     Other (Explain)  
     Subtotal:

Earned Income:  
     Admissions  
     Tuition and Fees  
     Sales and Subscriptions  
     Memberships  
     Sales of Capital Assets  
     Other (Explain)  
     Subtotal:  
     Other Sources (Explain)

TOTAL OPERATING INCOME:

Current Operating Expenditures

    Administration  
     Programs  
     Maintenance and Operations  
     Other (Explain)

TOTAL OPERATING EXPENDITURES:

EXCESS (DEFICIT) FOR YEAR:

CURRENT FUND BALANCES

Estimate of Percentage of Current Operating  
     Expenditures Attributable to the  
     Humanities: 1/

1/ Explain basis of estimate in a footnote or provide a page reference to an explanation in the narrative.

Endowment

Market Value  
Total Current Yield (Percentage)  
Yield Reinvested (Percentage)  
Yield Expended (Percentage)

Other Assets

Replacement Value of  
Plant and Equipment  
Other (Explain)

## Challenge Grant Budget

Following the financial summary, please provide a clearly itemized one-page summary budget describing how all challenge grant funds--federal and nonfederal--would be expended.

## The Proposal Narrative

The narrative is both head and heart of an application. It should be a coherent argument for funding in terms of the mission, needs, and potential of the applicant, should present a financial picture of the organization, and lay forth plans for raising matching funds.

Applicants should regard the proposal narrative as an opportunity to describe to readers what their institution or organization is, what its primary mission is, and what it does in the humanities. Are all programs and activities within the humanities? If not, what proportion are and by what criteria? What are the strengths and weaknesses of the humanities programs and resources? How will the planned use of a challenge grant strengthen and improve the quality of the work the institution or organization is doing in the humanities? What financial needs and resources does the institution have? How will the grant contribute to the long-range financial stability of the institution's work in the humanities? What plan will be followed to raise gifts? What is the institution's fund-raising history?

Because a challenge grant supports institutional priorities, the applying institution or organization must present evidence of long-range financial and program planning completed prior to the drafting of the proposal itself. In some measure, a challenge grant application is a long-range planning document. The authors of the proposal should avail themselves of counsel from the financial, managerial, and program personnel of the institution. Certainly, boards of governors or trustees ought to be involved to the degree possible, and their support of the proposal should be assured.

Before starting to write the narrative, applicants should review the evaluation criteria listed on pages 11-12. Reviewers are asked to apply these criteria as they evaluate challenge grant applications. Also read the section entitled "Common Pitfalls" on pages 27-28.

The Endowment does not stipulate a specific length for the narrative, but applicants should keep in mind that panelists usually must read about thirty challenge grant applications before meeting in Washington to discuss the merits and weaknesses of each application. Thus, the document should be organized clearly but, for the sake of brevity, should not neglect to present a coherent and complete case. It is often possible to provide more detailed information in an appendix while making a concise, informative statement of an important point in the narrative itself. Many an excellent application has been able to present its case in twenty or so double-spaced typewritten pages. A narrative of thirty double-spaced pages is probably longer than necessary.

While the following questions are not all-inclusive, nor all necessarily germane to your proposal, they are questions Endowment staff and panelists consistently ask of challenge grant applications. Certainly, no

coherent application would merely answer each question in turn; however, we would hope that the answers to many of these questions would inform the text of an applicant's narrative ("organization" and "institution" are interchangeable in the questions):

- What is the organization's mission? What does it propose to be as an organization in five years? How significant for the humanities are its work and its goals?
- What does the organization mean by "the humanities"? Are its programs and activities really within the boundaries of the humanities? If some are and some are not, what proportion are and what is the basis of this calculation? What is the content of the humanities programs? To what extent has the content of programs been informed by humanities scholarship?
- What specific examples of curricula, programming, research, interpretation, or publication demonstrate commitments to sustaining or improving the quality of learning, teaching, or research within the humanities?
- What are the strengths and weaknesses of the current collections, holdings, programs, publications? Will the proposed challenge grant expenditures be the best means of strengthening or improving the quality of programs and activities at this time? Why? Are the uses of the funds clearly defined in the proposal?
- Who is responsible for developing humanities programs? How will they be involved in the challenge grant goals? What has been their training and experience?
- Who are the students, members, visitors, audience who attend, view or participate in the organization's programs? What is the size and nature of the community served by the organization?
- What is the institution's relationship to other institutions of similar type or other institutions geographically nearby?
- How well documented and compelling is the need for this grant, these programs, and this institution?
- What is the evidence of institutional long-range planning? What are the short- and long-term priorities? Is it clear in the application how the challenge grant proposal fits into these priorities?
- In what ways are the institution's administrators and trustees committed to the proposal? Who was involved in the genesis of the proposal? What is the evidence that faculty or program personnel are committed to the proposal's goals?
- What is the organization's financial history? Is it in financial difficulty? Does it have a real and documented need for financial growth? Is the amount requested too much or too little to accomplish the purposes proposed?

- What have been the traditional sources of income? How successful have fund-raising efforts been in the past? What is the history of fund raising specifically for the humanities? How adequately has the institution assessed its potential for raising funds? Has there been a feasibility study? Who will manage the fund-raising campaign? What are their backgrounds? If the challenge grant is part of a larger campaign, how does it fit into the overall purpose, timing, and strategy?
- What is the fund-raising plan? Is the timing reasonable? Do the annual goals seem feasible given the potential donors? Are trustees or board members actively involved in fund raising for the challenge grant? Who are principally involved and what are their backgrounds?
- (For requests to support repairs, renovations, additions, or new construction) How will the renovation or construction plans support specific program goals in the humanities? Are the architectural plans completed, and are anticipated costs reasonable? What is the timetable? Are there plans for barrier-free access to the handicapped? Do the plans meet historic preservation requirements? Will the operation of a larger facility result in higher operating costs; if so, how will they be sustained? (See sections on "Handicapped Accessibility," page 34; "Letter from the Historic Preservation Officer," page 26; and "Davis-Bacon Act," page 34).
- (For requests involving acquisitions or equipment) How will these acquisitions enhance teaching or learning in the humanities? Will the plans really contribute to long-range financial growth? How will additional costs to manage or operate the acquisitions or new equipment be supported within future operating budgets? Will they be solely for humanities purposes during and after the grant, or what percentage will support the humanities?
- (For requests to support endowment or cash reserves) What is the present management policy for endowed funds? Is there a reinvestment policy? What has been the annual return? What is it likely to be?
- (For endowed chairs) Are funds merely a form of salary supplement, or does the chair fit programmatically within the institution? What are the criteria for selecting candidates?
- (For fund-raising costs) Do challenge grant fund-raising costs exceed the institution's existing fund-raising capability? Are the costs reasonable in proportion to the size of the campaign? Will the increased capability continue after the challenge grant period?

Applicants for second challenge grant awards are judged in part by the success of their first awards (see Criterion #7, page 12) and therefore are requested to include a discussion of the outcome of their first awards. This should report the federal, nonfederal, and combined amounts of the first grant, indicate the purposes for which the grant was awarded and the amounts budgeted for those purposes, describe the actual grant accomplishments and expenditures, and evaluate the results of the grant.

The proposal must include, in an appendix if desired, a paragraph describing pertinent NEH grants to the institution in the past two years and any pertinent pending NEH applications. If the applicant has held an NEA challenge grant, there should be a brief description of work accomplished with the grant. If the applicant has applied for or has received a Department of Education Title III grant for Developing Institutions, the differences between the Title III grant and the NEH challenge request must be explained.

#### Current Operating Budget

Attached to each copy of the proposal narrative should be a copy of the current operating budget as approved by the trustees and governors. If this document is unusually long or cumbersome, a suitable abstract is appropriate.

#### Lists of Trustees and Staff

A list of the institution's board of governors or trustees with their professional affiliations and a list of staff and faculty members principally involved with the challenge grant, indicating their professional qualifications, should be attached to each copy of the proposal.

#### Two Sets of the Most Recent Audited Financial Statements

Endowment staff review the official audits for the two most recently completed fiscal years. Furthermore, these audits are available for panelists to review when they meet in Washington to discuss applications. The audits should be submitted in the application package but should not be attached to any of the other documents.

#### The IRS Determination Letter

If nonprofit organizations or institutions hold letters from the U.S. Internal Revenue Service declaring the institution or organization exempt from certain types of taxes, a copy of that letter should be included with the application package.

#### Letter from the State Historic Preservation Office

If requesting Federal support for the construction of a free-standing structure, for building renovations, or for additions to buildings regardless of their age, applicants are required to consult with their state historic preservation officer to determine if a property or site is listed (or is eligible for listing) on the National Register of Historic Places. This register, maintained by the Secretary of the Interior, is a list of districts, sites, buildings, structures, and objects of national, state, or local significance in American history, architecture, archaeology, and culture. The preservation officer bears responsibility for evaluating the significance of buildings and sites in each state.

The opinion of the preservation officer about whether the property is eligible for the National Register should be forwarded to the Endowment as an appendix to the application. If it is determined that a property is eligible for listing, the applicant should also forward the written comments of the

preservation officer as to the proposed project's effect on the building or site according to the guidelines set forth in the Secretary of Interior's "Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings." A description and/or map of the property, architectural plans, and any other such documents suggested by the preservation officer should be included in the supporting materials. A letter of support for the project from the state historic preservation officer does not meet the requirement for a letter commenting on the effect of the renovation, addition, or new construction.

If an award is made, the Endowment will provide this information for review to the Advisory Council for Historic Preservation to satisfy the agency's responsibility under Section 106 of the National Historic Preservation Act of 1966 (16 USC 470f) as amended. The Advisory Council on Historic Preservation is an independent agency of the United States which advises the President and the Congress on historic preservation matters and seeks to protect properties of historical, architectural, archaeological, and cultural significance by reviewing and commenting on Federal (or Federally supported) actions affecting National Register and eligible properties.

### Supplementary Materials

The application narrative and other required sections ought to make the case for funding and provide all information sufficient for panelists to make recommendations. However, should an applicant wish to append supplementary materials such as brochures, program descriptions, or planning abstracts, they may, of course, be attached. We ask that you keep such additional appended materials to a minimum. Often panelists appreciate an opportunity to examine bulkier items such as an institution's catalogue, a copy of the most recent annual report, the standard public information brochure, the most recent organizational newsletter, the current issue of a publication, or other examples of what the organization represents. Applicants may submit under separate cover a set of such materials, which the Office of Challenge Grants will hold available for panelists to see when they meet in Washington to discuss applications.

### What Are the Chances?

In the most recent review of challenge grants, the Endowment offered 41 awards from among 248 applications (17 percent). The average offer was \$363,000. The smallest offer was \$25,000; the largest, \$1 million.

Since the beginning of the Challenge Grants Program in 1977, institutions and organizations that did not receive an offer in response to a first application nonetheless have competed very well with revised proposals. Typically about 33 percent of the applicants in a grant cycle are submitting revised proposals, and their success rate has been twice the overall average.

### Common Pitfalls

Following are paraphrases of panelists' comments describing reasons an application might not be recommended for funding:

- The application fails to explain how grant expenditures for the new wing (new staff, expanded programs) will be sustained after the grant period; the enterprise will likely strain an already overburdened operating budget.



- There is no evidence that grant funds will do more than support a project; there is no real capital growth as a consequence of the grant.

- After reading the application, we have no idea what the real content and quality of the humanities offerings are at this institution, what kind of books the students read, if the curriculum is reasonable and informed, how the interpretation of the collections (historic house, site) increases understanding of a humanities discipline.

- The proposed expenditures plan is not described in sufficient detail to assess the effects of such expenditures on either the quality of humanities activities or long-term financial and programmatic development of the institution.

- The applicant has requested support for different programs and purposes within the humanities which, together, do not present a coherent argument. There are too many bits and pieces with no overall rationale for the importance of individual components within the long-term priorities of the institution.

- It looks as if the request for endowed chairs is merely a means to supplement faculty salaries; there are no criteria presented for the selection of candidates, no arguments for the relationships among the chairs, faculty development, and programs, and no rationale why these disciplines should be elevated at this institution in this manner.

- The applicant cites its public affairs programming as humanities programming; there is no reason to presume such programs are humanities-oriented without a clearer understanding of their content.

- There is no evidence in the application that either the staff of the institution or its educational or interpretive program consultants have backgrounds in the humanities disciplines.

- While all the proposed grant activities are reasonable, there is nothing compelling about the application. Why does the institution need this amount of money for these programs at this time? Even though funds may improve financial stability, the uses have little or no impact on the quality of humanities resources or activities.

- The fund-raising plan is almost nonexistent; there is no indication that the organization has actually surveyed its potential for raising funds or identified prospective donors; there is no indication of much experience in fund raising; there is no evidence that the board has endorsed the plan let alone become involved in it. The fund-raising plan for the challenge grant has yet to be developed.

- The request seems to be a short-term stopgap for other lost revenues; we have no sense of any long-range planning or establishment of priorities of need; nor is there any evidence of institutional commitment to the humanities.

- The applicant for a second-time award devotes only two lines to the first grant; there is no compelling case, therefore, for a second-time award based upon the experience of the first.

- The application is tedious in its length and overburdens a reader with extraneous detail, which has little bearing upon the actual proposed uses; in consequence, the plan for expenditures and for raising funds is difficult to uncover and causes one to wonder if all plans are truly carefully thought through.

### Examples of Challenge Grants

The following examples of challenge grants are syntheses and abstracts of activities, programs, and plans funded through the program. No single example represents a specific institution or organization but collectively they suggest the range of plans that may merit challenge grant support.

#### Example:

A small historical society on the West Coast boasts a valuable collection of artifacts from the period of the American westward movement. Although the regular membership and annual attendance of the society have remained stable, the society has not been able to provide school education programs because the budget would not support a museum educator. Furthermore, the society owns a rare set of migrant journals and diaries which have begun to suffer deterioration. Through a challenge grant, the society proposes to mount a fund-raising campaign to solicit support of area residents and businesses, increase its membership, and through greater visibility and better programs attract more visitors. Some of the funds raised will be spent as soon as they are received to restore and preserve the most damaged manuscripts; the rest of the money will establish an endowment out of which the society will support a new staff position for a museum educator and undertake a continuing program of document conservation.

#### Example:

A small, Midwestern liberal arts college enjoys a reputation for a rigorous undergraduate program. Forty percent of its distribution requirements are within the humanities, and the college offers an invitational junior honors program that provides study of a historical period, a literary tradition, a major philosopher, or a classic text in accord with a rotating curriculum developed by the faculty. The college maintains historic Original Hall, the first college building. Eighty percent of the classes taught in this building are in the humanities. Costs of maintaining the one-hundred-year-old building have soared, and the college has determined that the renovation of the building into a comfortable and energy-efficient plant is a major institutional priority. Included in the plans are the development of greater space for the humanities honors seminars and the provision of an attractive environment for the study of the humanities. The college proposes to undertake renovation with funds gathered by means of an Endowment challenge grant. In addition, the college will establish both a maintenance endowment for long-term upkeep of the building and an endowment to support the honors seminars. Of course, no more than 80 percent of the expenses for renovation will be supported by means of the challenge grant funds.

#### Example:

A large metropolitan art, history, and natural science museum estimates that fully 30 percent of its collections and programs are solidly within the humanities according to criteria developed by the program staff. To support

growing interest in its collections, the museum proposes to add a wing to its facility; 25 percent of the new wing will be used for programs and exhibits clearly within the humanities. Furthermore, the museum intends to hire a new curator who will spend 25 percent of his or her time maintaining the museum's humanities collections. The institution requests a challenge grant to raise funds for 25 percent of the cost of the new wing and for 25 percent of a permanent fund to support the new curatorial position. The challenge campaign will be part of a major fund-raising effort, and some of the general campaign funds will increase the building fund so that maintenance of the new wing will not burden existing budgets.

Example:

During the winter, a modest but heavily used public library in the mid-Atlantic region regularly sponsors a lecture series on a variety of topics. Those who attend prepare by reading sets of materials, which the library has on reserve. Because of a leveling of state and local tax support, the library has not been able to purchase books to the extent the librarians have deemed appropriate for an institution its size. Through an Endowment challenge grant, the library board proposes to raise sufficient funds to endow that portion of the lecture series devoted to topics within the humanities. Furthermore, the library will add to an existing acquisitions endowment so that a portion of the endowment will become restricted to humanities texts and materials.

Example:

A professional society headquartered in the Northeast and devoted to the advancement of a humanities discipline has incurred a modest operating deficit because of increased publication costs and has lost income on its most recent issue of its professional journal. The society applies for a Endowment challenge grant in order to raise sufficient funds to eliminate the accumulated deficit; to establish for the journal, a modest endowment that will provide a yearly subvention and contingency; and to employ for three years a professional fund-raising officer. At the end of three years, the society will retain the fund-raising officer at its own expense if warranted.

Example:

A regional public radio station in the Southwest has built a reputation for its imaginative general programming but particularly for its special programs on a variety of humanities topics and texts. To continue supporting original local programming, the station applies for an Endowment challenge grant to establish a programming fund, which will provide annual support for efforts to broadcast humanities issues. Fund-raising efforts are to focus upon local listeners and increased pledges although the station director has also received a promise of a special state appropriation should the station receive the grant.

Example:

A modest-sized but highly regarded university press in one of the Rocky Mountain states publishes about thirty new titles, six of which each year represent work clearly within the humanities. Although the press has never before engaged in fund raising, its board has elicited the interest of one

national foundation, two local corporations, and the membership of three professional societies for supporting an endowment to provide annual subventions for titles within the humanities. The governors of the press have also received the promise of fund-raising assistance from the university's development office. The press applies for an Endowment challenge grant that promises to focus its fund-raising efforts and generate sufficient support to initiate the endowment.

Example:

A reputable and large private university has established a worldwide reputation for the study of a set of humanities disciplines. Part of the reputation emerged from the establishment seven years ago of a formal center for the advanced study of these disciplines. To serve the growing demands for its resources while providing opportunities for scholars to meet at the center, the university proposes to establish one permanently endowed chair within the center and two visiting professorships. A planning group has carefully outlined criteria for selection of the chair's holder as well as for the visiting scholars. Through a challenge grant campaign, the institution will seek support from a variety of private funding sources.

Example:

A large, urban community college district, mindful that some of its associate degree students will be continuing their undergraduate work in the state university system, has introduced a substantive general education requirement for all its students in the history of ideas. The program involves the use of major humanities works and of community resources, such as the materials and personnel of historical associations, museums, and galleries. The program will require extensive additions to the college's library. The district has reason to believe that once the community has evidence of the program's value, it will support the program both conceptually and financially. Outright grant funds from the Endowment's Division of Education Programs will support development of the general education curriculum. Through an accompanying challenge grant, the college proposes to establish over a three-year period an endowment for the program so that continued planning, hiring of additional faculty members, increased annual library purchasing, and renovation of an existing building can occur. The district will sponsor a three-year capital campaign both to raise endowment funds and to carry to its community the merits of the program. Through this comprehensive process of program planning and long-range financial development, the district believes it can make its case, assure itself a larger budget for the humanities, continue community contributions in support of the program, and establish a permanent capital resource that will obviate a need to return continually to national sources of funding.

Example:

A highly respected scholarly organization proposes to sponsor a series of three seminars in three different areas of the country to which eminent scholars in history, philosophy, and jurisprudence will be invited to lead colloquia on selected topics pertaining to the Bill of Rights. The organization proposes that in consequence of these seminars it will publish a series of *Festschriften*, dedicated to former society presidents and based upon the scholars' presentations. In time it hopes to develop a monograph series

and continue the seminars as a regular program component. Through funds from the Endowment's initiative on the bicentennial of the U.S. Constitution, the organization will inaugurate the seminar series and produce the first of the papers. In order to sustain the program beyond the direct funding period, the organization proposes to engage in a major capital campaign supported by a challenge grant; at the end of the campaign, an established cash reserve will provide support for the program and allow study of other constitutional topics of both general and scholarly interest.

#### ADMINISTERING THE CHALLENGE GRANT

Once the Endowment makes an offer to a challenge grant applicant, it sends to the applicant a copy of the program's Administrative Regulations. This document describes the process for certifying gifts, receiving federal funds, and filing reports. Any potential applicant may request a copy of this pamphlet by writing the Office of Challenge Grants.

Each challenge grant recipient may submit certifications for amounts no less than \$1,000 as often as once every six weeks during the grant period; a recipient must certify funds raised before July 31 of each grant year. The recipient must also submit to the Endowment an annual narrative report describing the effects of the grant upon programs and activities, the progress of the fund-raising campaign, and the degree to which goals outlined in the application have been met.

Within three months after the completion of the full grant period, a recipient must submit to the Endowment a final narrative report. This report describes the raising and disposition of grant funds, the impact the grant has had on both fund raising and programs, the degree to which original project goals have been met, and the consequences of the grant upon the institution's long-range planning.

Attached to the final report must be a statement of total grant income and expenditures. If all required nonfederal matching funds are received and certified prior to the formal closing date of the grant, a recipient may submit the final report early.

A grant recipient must keep all challenge grant records on file for a minimum of three years following the completion of the grant period.

#### ENDOWMENT INITIATIVES

In an effort to reinvigorate the teaching and learning of American history and culture, and to encourage the restoration of foreign language literacy in America, the Endowment has established two initiatives: Understanding America and Understanding Other Nations. Through the first initiative, the Endowment is seeking to encourage proposals that will help us recapture for ourselves and our posterity an understanding of the history and culture of this country -- the principles that fashioned it, the events that shaped it, the people who built it, and the writers, poets, and painters who have reflected on it. The emphasis of the second initiative is on foreign

languages, the traditional entry point into the study of foreign cultures. Through the study of a foreign language we can better understand the literary, philosophical, and historical traditions that distinguish one nation from another. Experience has shown, moreover, that knowledge of a foreign language usually opens the doors of many nations, not just one.

These initiatives are to be carried out in all divisions of the Endowment as part of their regular grant-making programs. Challenge grant applicants responding to the two initiatives might include as part of their application a request for support for endowed positions in American history or foreign languages, especially in strategically important but less commonly taught languages; endowments to support faculty and curriculum development in these disciplines; endowed funds for increased library acquisitions to strengthen collections in American history or in the seminal texts in foreign languages; the purchase of instructional equipment for use in history and foreign language classrooms; renovation of buildings used to house pertinent exhibitions, collections, or archives; and endowments for the development and support of educational programs based on such collections.

#### BICENTENNIAL INITIATIVE

The 200th anniversary of the United States Constitution offers a singular occasion for encouraging renewed scholarly interest in and public reflection on the principles and foundations of constitutional government. Accordingly, the Endowment continues to welcome proposals involving the whole range of philosophical and historical questions raised by the Constitution and the founding period. Challenge Grant applicants responding to the Bicentennial Initiative might request support for purposes similar to those suggested in the section above.

#### EQUAL OPPORTUNITY

The Code of Federal Regulations, Title 45, Part 1110, implements provisions of Title VI of the Civil Rights Act of 1964, and along with Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, provides that the National Endowment for the Humanities is responsible for insuring compliance with and enforcement of public laws prohibiting discrimination because of race, color, national origin, sex, handicap, and age in programs and activities receiving federal assistance from the National Endowment for the Humanities. Any person who believes he or she has been discriminated against in any program, activity, or facility receiving federal assistance from the Endowment should write immediately to the director, Office of Equal Opportunity, National Endowment for the Humanities, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506.

Note: If a proposed project relates to American Indians, Aleuts, Eskimos, or native Hawaiian people and artifacts, an applicant should obtain from the Endowment a copy of its code of ethics concerning native Americans. The code establishes certain standards of conduct in research, publication, and public programs involving native American peoples.

## HANDICAPPED ACCESSIBILITY

Institutions receiving Endowment support must conduct their operations in accordance with section 504 of the Rehabilitation Act of 1973 prohibiting discrimination against the handicapped: "No otherwise qualified handicapped individual in the United States . . . shall, solely by reason of his handicap be excluded from the participation in, denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance" (PL 93-112) (29 U.S.C. 794). At the time Challenge Grants are offered, recipient institutions which have not already done so will be required to sign an assurance of compliance with the regulations governing the administration of this provision (45 CFR 1170), including the requirement that facilities proposed for capital improvements will accommodate the handicapped.

## DAVIS-BACON ACT

Grant recipients are required by law to furnish assurances to the Secretary of Labor that all laborers and mechanics employed by contractors or subcontractors on Endowment supported construction projects shall be paid wages at rates which are not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended, 40 U.S.C. 276a-276a-5. Additional information is available by contacting the United States Department of Labor, Wage and Hour Division, Division of Contract Standards and Operations, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

C86-1



NO POSTAGE  
NECESSARY  
IF MAILED  
IN THE  
UNITED STATES

**BUSINESS REPLY CARD**

FIRST CLASS PERMIT NO. 12885 WASHINGTON, DC

*POSTAGE WILL BE PAID BY ADDRESSEE*

**National Endowment  
for the Humanities  
Washington, DC 20506**

Room 429





National Endowment for the Humanities  
Office of Challenge Grants, Room 429  
Washington, D.C. 20506

OFFICIAL BUSINESS  
Penalty for Private Use, \$300



POSTAGE AND FEES PAID  
NATIONAL ENDOWMENT FOR THE  
HUMANITIES  
NEH-636