Appeal Strategies for NEA Terminated Grants:

Note: This is not intended as legal advice and none of this information should overrule the advice of your own organization, legal advisors, or other official sources.

Important links:

- FY21-24 Terms & Agreements: See page 17 for reference to termination.
- FY25 Terms & Agreements: See page 36-37 for reference to termination.

Some key points for NEA active grantees and applicants with withdrawn offers (please read the relevant T&C):

- You can appeal the termination within 7 calendar days from the notice
- Email grants@arts.gov with documentation showing your project meets the new priorities. In addition to sending the email, submit the appeal and any additional documentation to eGMS REACH for matters of record-keeping.
- The NEA staff process for reviewing the received appeals is unknown, and the probability of NEA overturning terminations based on appeals is also unknown.
- We believe it is important to appeal anyway because a) appeal signals disagreement
 with the actions and, b) appeal highlights that the grantee is respectfully following the
 procedures and responding with language that is clear, respectful, and grounded in
 procedural fairness, while citing compliance and fairness principles.

Sample Letter with Language for Modification:

[Organization Letterhead or Name]

[Street Address]
[City, State, ZIP Code]
[Email Address]
[Phone Number]

[Date]

Office of Grants Management
National Endowment for the Arts
400 7th Street SW
Washington, DC 20506
grants@arts.gov

Last updated: Sunday, May 4, 11:30am ET

Subject: [select the one that applies: Appeal Regarding Termination/Withdrawal of NEA Award Recommendation]

Dear NEA Office of Grants Management,

We are writing to formally appeal the recent termination [or: withdrawal of funding recommendation] related to our project titled [Project Title] (Application ID: [insert application number]).

We understand that the NEA has recently aligned its funding priorities to support projects that elevate the Nation's HBCUs and Hispanic Serving Institutions, celebrate the 250th anniversary of American independence, foster Al competency¹, empower houses of worship to serve communities, assist with disaster recovery, foster skilled trade jobs², make America healthy again³, support the military and veterans, support Tribal communities, make the District of Columbia safe and beautiful, and support the economic development of Asian American communities.

Option 1: Appeal for reconsideration based on alignment with NEA Priorities:

- [Use this option if your organization's project aligns with one or more of the NEA's current funding priorities. You can combine Option 1 with Option 2 below. Note: Even if filing an appeal, you should still submit payment requests for any costs incurred (or about to incur) through May 31, 2025.]
- [Provide a brief summary—1–3 paragraphs—explaining how your project aligns with one
 or more of the NEA's current funding priorities. Use clear examples and, if applicable,
 data or community partnerships.]
- Request for Reconsideration:

In light of this alignment, we respectfully request that the NEA reconsider the termination [or: reinstate consideration of our application] and allow our organization to continue project development in accordance with NEA guidelines and within the revised period of performance, if applicable.

Option 2: Concerns Regarding Termination Process:

• [Use this option if your organization's project <u>does not align</u> with one or more of the NEA's current funding priorities. If you plan to provide evidence of alignment with the new NEA funding priorities, this section could be combined with Option 1. Note: Even if

https://www.whitehouse.gov/presidential-actions/2025/02/establishing-the-presidents-make-america-healt hy-again-commission/

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https://www.whitehouse.gov/presidential-actions/2025/04/advancing-artificial-intelligence-education-for-a merican-youth/

https://www.whitehouse.gov/presidential-actions/2025/04/preparing-americans-for-high-paying-skilled-trad e-jobs-of-the-future/

- filing an appeal, you should still submit payment requests for any costs incurred (or about to incur) through May 31, 2025.]
- [Modify as needed] We respectfully raise concern that the termination of our award may constitute an "arbitrary and capricious" action under federal regulations, specifically 2 CFR §200.340(a) and §200.341. These provisions require that any termination or enforcement action be based on documented noncompliance or failure to meet programmatic goals as outlined in the original award agreement. Our project, as proposed and approved, has not deviated in scope or compliance and was progressing in good faith according to NEA's original terms. We request a review of this decision to ensure adherence to federal guidance and equitable treatment across similarly situated grantees.
 - If you signed the <u>FY21-24 Terms & Agreements</u>: See page 17 for reference.
 18.2 Termination (§200.340). A termination occurs during the award period of performance. The Federal award may be terminated in whole or in part as follows,
 - **18.2.a** By us, if you fail to comply with the terms and conditions of a Federal award:
 - Mention how your organization has complied with the terms and conditions of the award outlined in the Terms & Agreements.
 - 18.2.b By us, to the greatest extent authorized by law, if the award no longer meets the program goals or addresses agency priorities; (85 FR 49529 August 13, 2020)
 - Mention how your organization's project currently meets one or more of the program goals (can repeat or refer to above section), and also demonstrate how the project addresses agencies priorities (pull from NEA mission, the grant program overview of which you applied (or were awarded) under at the time you were awarded or offered a funding recommendation (include dates).
 - 18.2.f By us, when the recipient or a subrecipient is determined to be in violation of the requirement in paragraph (g) of Section 106 of the Trafficking Victims Protection Act of 2000 (TVPA) as amended (22 U.S.C. §7104(g)). Termination may occur as described in 2 CFR Part 175, Award Term for Trafficking in Persons.
 - Mention how your organization or project is not in violation of this section.
 - If you signed the <u>FY25 Terms & Agreements</u>: See page 36-37 for reference.
 - Termination (§ 200.340 (a)). A termination occurs during the award's period of performance. The NEA award may be terminated in part or in its entirety as follows:
 - 1. By the NEA, if you fail to comply with the terms and conditions of the federal award.

- Mention how your organization has complied with the terms and conditions of the award outlined in the Terms & Agreements.
- **4.** By the NEA, pursuant to the terms and conditions of the federal award, including, to the extent authorized by law, if an award no longer meets the program goals or agency priorities.
 - Mention how your organization's project currently meets one or more of the program goals (can repeat or refer to above section), and also demonstrate how the project addresses agencies priorities (pull from NEA mission, the grant program overview of which you applied (or were awarded) at the time you were awarded or offered a funding recommendation (and include date of application/application cycle, date of award or offer received.
- 5. By the NEA, when the recipient is determined to be in violation of the requirement in paragraph (g) of Section 106 of the Trafficking Victims Protection Act of 2000 (TVPA) as amended (22 U.S.C. § 7104(g)). Termination may occur as described in Appendix C: 2 CFR Part 175, Award Term for Trafficking in Persons.
 - Mention how your organization or project is not in violation of this section.

Option #3: Funding Recommendation (Offer) Withdrawn

[sample language]

I am writing to formally appeal the termination of my recommended FY25 award. I received notification of recommended funding and submitted all requested materials to the Grants Office by the deadline stated in my offer letter. I have documentation to confirm this timely and complete submission.

As per 2 CFR §200.344 ("Closeout"), recipients are entitled to a reasonable and timely process for finalizing awards, including submission of all required documentation and the opportunity to complete administrative requirements. My submission met these obligations in full.

Furthermore, under Section 20 of the FY25 NEA General Terms and Conditions ("Remedies for Noncompliance and Termination"), termination should be reserved for circumstances involving material failure to comply with award terms. In this case, the delay appears to have been caused by internal staffing limitations during a period of federal Executive Order review (January–April 2025), rather than any action or inaction on my part.

In alignment with NEA's commitment to fairness and transparency, I respectfully request that my recommended funding be honored and processed as an FY25 award. I further request that I be allowed to proceed through the appropriate closeout

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procedures, as outlined in the FY25 General Terms and Conditions, consistent with other awardees in the same funding cycle.

Thank you for your attention to this matter and your commitment to equitable treatment of applicants who acted in good faith and within established guidelines.

Sample closing statement (to include with any option used above):

Please let us know if additional documentation is needed. We are committed to fulfilling all grant requirements and believe this project can contribute meaningfully to the NEA's vision of public service through the arts.

Thank you for your consideration.

Sincerely,

[Authorized Official's Name]

[Title]

[Organization Name]