Veterans Well-Being Grant 2027 – Questions and Answers

Inquiry 1

I'm reviewing the 2027 Veterans Well-Being Grant opportunity and have a question about the contractual services category.

Alabama Honor Bridge, LLC is a veteran-owned, for-profit business that helps connect transitioning service members, veterans and military families with career opportunities. I understand that AHB is not eligible to apply as the lead applicant.

Would an eligible nonprofit applicant be permitted to include a paid contract with a for-profit business like AHB to provide services such as career support, employer outreach and employment connections as part of its proposed program?

If so, are there specific requirements for selecting the contractor, documenting the proposed costs or structuring the agreement?

Answer: Yes. Eligible nonprofit applicants may include contractual arrangements with for-profit businesses to provide specialized or supporting services that directly contribute to the objectives of the Veterans Well-Being Grant Program.

However, the intent of the program is for eligible nonprofit organizations and public institutions of higher learning to administer and substantively deliver the funded services.

Contractual arrangements may not transfer primary responsibility for operating the grant-funded program to a for-profit business.

Applicants must identify proposed contractual services, describe the scope of work and anticipated deliverables, and provide sufficient budget justification to demonstrate that the costs are reasonable, necessary, and directly related to the approved project.

ADVA will evaluate proposed contractual arrangements to ensure they support the program's objectives and that the eligible applicant retains primary responsibility for program implementation, financial accountability, and measurable outcomes.

Inquiry 2

1. We need clarity on the audit requirements. We have inquired about audits in the past and most grants below 1 million do not require them. An audit like this for non profits can be from 10-40k for one, and that is not what we have found to be a

justifiable expense on a gamble to receive a grant. Majority of non-profits will not have this audit if it is what it sounds like, it will rule out 98% of the applicants for this grant if this is a hard stop.

Answer: No. An independent financial audit is not a mandatory prerequisite for submitting an application under the 2027 Veterans Well-Being Grant Program.

Although ADVA prefers an independent financial audit, it recognizes that nonprofit organizations vary considerably in size, financial resources, and operational capacity. The grant requirements allow organizations that have not previously undergone an independent financial audit to demonstrate financial responsibility through alternative documentation.

Applicants who have completed an independent financial audit should submit their most recent audit and accompanying management letter, if issued.

Applicants who have not undergone an independent financial audit must instead provide:

A written statement indicating that no independent financial audit has been conducted.

Their most recent financial statements, including a balance sheet, statement of activities (income and expenses), and cash flow statement.

A brief description of their internal financial controls, including who authorizes expenditures, maintains financial records, and reconciles bank accounts.

ADVA will review the financial information submitted to evaluate each applicant's financial stability, internal controls, and ability to administer a reimbursement-based grant.

The absence of an independent financial audit will not, by itself, disqualify an otherwise eligible applicant. However, applicants must provide sufficient financial documentation to demonstrate their ability to responsibly manage grant funds.

ADVA reserves the right to request additional financial documentation when necessary.

Our objective is to encourage participation from qualified organizations of varying sizes while maintaining appropriate accountability and responsible stewardship of public funds.

2. If we partnered to help a smaller non profit, what are the suggested ways to do that because making them a subgrantee could add a cost to our grant writers reporting the needed information for reporting. I am just trying to understand all aspects before we consider a partnership if we are able to apply. In the past we have just contracted some for the services they provided.

   Answer: ADVA encourages collaboration among nonprofit organizations, community partners, and other service providers when those partnerships strengthen services and improve outcomes for Alabama's veterans and their families.

   An eligible applicant may propose to engage another organization through a contractual services arrangement when that organization provides clearly defined services supporting the approved project.

   A contractual arrangement may be appropriate when the partnering organization provides specific services, activities, or deliverables at an established cost.

   Applicants should describe the proposed partnership, identify the responsibilities of each organization, and explain how the arrangement supports the project's goals and measurable outcomes. Contractual costs must be included in the proposed budget and supported by an appropriate budget narrative.

   Applicants should understand that a contractual service provider and a subrecipient are not necessarily interchangeable. The appropriate classification depends on the nature of the relationship, the responsibilities assigned, and applicable grant requirements, rather than simply the terminology used in an agreement.

   The primary grantee remains responsible for ensuring that grant funds are properly expended, services are delivered as approved, and all required financial and performance reports are submitted.

   ADVA encourages applicants to select a partnership structure that supports effective service delivery, clearly establishes accountability, and complies with applicable grant requirements.

3. When using funds to hire staff, how set in stone do the titles need to be before putting those roles in the budget? Reason i ask is we may have to have some roles that carry many hats to do all the jobs we need done to keep things moving.

Answer: ADVA recognizes that nonprofit organizations, particularly smaller organizations, may rely on personnel who perform multiple responsibilities to effectively deliver services.

Applicants are not required to have every proposed position filled at the time of application. However, each position included in the proposed budget must be identified by a title, with a description of the duties and responsibilities associated with the grant-funded project.

Position titles should reasonably reflect the work to be performed but do not need to be overly restrictive. Applicants may propose positions with multiple responsibilities when those duties are clearly described and directly support the project's objectives.

The NOFO expressly prohibits reimbursement of administrative costs on pages 5 and 8. Consequently, a position performing multiple duties is allowable only to the extent its charged time represents direct, project-specific work rather than general organizational administration.

For example, a Program Coordinator providing veteran outreach, managing participant referrals, and delivering project services may have allowable direct personnel expenses. General organizational accounting or executive management costs would require separate review and should not automatically be treated as allowable.