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.

Inquiry 3

1. As a 501C19 - are we consider a corporation when completing the organization's Profile. Nonprofit is not an option.

   Answer: Selection should be made based on the filing of your organization's Form W-9 Request for Taxpayer Identification Number and Certification (Section 3a of Form W-9). Your IRS Form 990 and IRS Determination Letter are required to support evidence of tax exemption as a 501 (c) (19) nonprofit organization.

2. The page does not like our email addresses. We use gmail.com addresses. Is this an issue?

   Answer: Using Gmail should not cause any issues in the system.

Inquiry 4

1. Are short-term rental assistance payments (up to three months), security deposits, and utility deposits, paid directly to landlords or utility providers on behalf of eligible participants, allowable as Direct Program Expenses?

   Answer: Yes. Short-term rental assistance, security deposits, utility deposits, and similar participant assistance may be considered allowable Direct Program Expenses when the assistance is a necessary and integral component of an approved program and directly supports the program's stated objectives and measurable outcomes.

2. If allowable, are there any caps, required documentation (e.g., leases, W-9s from landlords), or restrictions on these payments?

   Answer: The NOFO does not establish a specific dollar cap for these expenses. However, all costs must be reasonable, necessary, directly related to the approved project, and consistent with the approved budget.

   Applicants proposing short-term housing or utility assistance should establish written eligibility and assistance procedures that are applied consistently to participants. At a minimum, documentation should support:

- Participant eligibility for the grant-funded program;
- The participants' demonstrated need for assistance;
- The amount and purpose of the payment;
- Verification of the rental or utility obligation;
- Payment directly to the landlord, property management company, utility provider, or other approved service provider; and
- Documentation sufficient to verify that payment was made and received for the intended purpose.

  For rental assistance, ADVA may require documentation such as a current lease or other evidence of rental obligation. For security or utility deposits, documentation should identify the required deposit and the entity receiving payment. Maintain appropriate vendor documentation, including a W-9 when required for payment or reporting purposes.

  Applicants should describe any proposed limits on assistance, including the maximum amount or duration of assistance, in their application. ADVA reserves the

right to establish additional documentation or payment requirements in the Grant Agreement.

Grant funds may not be used for costs incurred outside the approved grant period or for assistance that duplicates payment from another federal, state, local, or private funding source.

3. Sweetpea Homes currently receives VA Grant and Per Diem funding. What documentation would ADVA like to see to demonstrate that Well-Being Grant funds will add to, not replace, our existing GPD funding when serving a separate population (e.g., National Guard members not eligible for VA homeless programs)?

   Answer: Applicants currently receiving VA Grant and Per Diem (GPD) or other federal, state, local, or private funding are not prohibited from applying for the Veterans Well-Being Grant. However, Well-Being Grant funds must supplement, and may not supplant, existing program resources or duplicate reimbursement for services funded through another source.

   An applicant proposing to serve a population or provide services that are not eligible for, or are outside the approved scope of, an existing funding source should clearly explain that distinction in its application.

   Documentation may include, as applicable:

- A description of the existing GPD-funded program, including the population and services it supports;
- Documentation identifying relevant GPD eligibility requirements or funding restrictions;
- Identification of the population and services proposed for Well-Being Grant funding;
- A budget or cost-allocation methodology demonstrating that the same expenses will not be charged to both funding sources; and
- An explanation of how the proposed Well-Being Grant activities expand or enhance existing services rather than replace existing funding.

   For example, if an organization's existing GPD award serves a defined VA-eligible population and the proposed Well-Being Grant would provide services to otherwise eligible Alabama National Guard members who cannot receive those services through the GPD-funded program, the applicant should document that distinction.

ADVA may request additional documentation during application review, pre-award risk assessment, or grant monitoring to verify that Well-Being Grant funds supplement rather than supplant existing resources and that no cost is reimbursed by more than one funding source.