

# E-Bulletin Newsletter



To provide affordable financial assistance to communities within Wisconsin for water infrastructure projects that protect and improve public health and water quality for current and future generations.



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## Market Rate Unchanged

There is no change in the market rate for financial assistance agreements approved by a municipality's governing body on or after January 1, 2024. The market rate for loans that have a final maturity of:

- 20 years or less will remain at 3.900%
- 21-30 years will remain at 4.100%

The Clean Water Fund and Safe Drinking Water Loan Programs provide subsidy to buy down the market rate on loans. View current loan interest rates at [dnr.wi.gov/Aid/Documents/EIF/Guide/Interest.html](http://dnr.wi.gov/Aid/Documents/EIF/Guide/Interest.html).

## SFY 2024 Final IUPs and Responses to Public Comments Available

After we reviewed the public comments we received on the draft Intended Use Plans (IUPs), we published our responses to those comments and the final IUPs to our [Project Lists & IUPs webpage](#). Changes from the draft to final versions of the State Fiscal Year 2024 IUPs include:

### Clean Water Fund Program

- Updated available General Principal Forgiveness (PF) to include rollover PF from last year.
- Clarified what PFAS sampling data can be used for emerging contaminants treatment projects at publicly owned treatment works (POTWs).

### Safe Drinking Water Loan Program

- Revised the sources and uses table according to EPA recommendations.
- Added a federal equivalency exemption in certain cases for municipalities between 15,000–20,000 in population with a correlative CWF project.
- Changed the lead service line (LSL) scoring system and added clarifications in the LSL section.
- Clarified requirements for point of use filtration devices in LSL program.
- Updated requirements regarding the maximum time allowed between replacement of the public and private portions of LSLs.
- Updated available General PF to include rollover PF from last year.
- Added an exception to the Emerging Contaminants PF allocation so that any water systems that qualify for more than 50% of General PF, the General PF percentage will be used.
- Updated State Program Management set-aside plans.

**Time Frame for Funding Lists & Project Priority Lists**

**December 13, 2023**  
SFY 24 CWF Fund List was published.

**December 15, 2023**  
SFY 24 SDWLP Final Funding List was published.

**Early Spring 2024**  
We intend to publish:

- SFY 25 CWF & SDWLP Project Priority Lists (PPLs)



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[dnr.wi.gov/aid/eif.html](http://dnr.wi.gov/aid/eif.html) | CWF phone: 608-358-3330 | SDWLP phone: 608-720-0802 | [staff directory webpage](#)



Program implementation details are outlined in chs. [NR 162](#) and [NR 166](#), Wis. Adm. Code. [Legal notice](#): This document is intended solely as guidance and does not contain any mandatory requirements except where requirements found in federal regulations or state statutes or administrative rules are referenced. Any regulatory decisions made by the Department of Natural Resources in any matter addressed by this guidance will be made by applying the governing federal regulations and state statutes and administrative rules to the relevant facts. The Wisconsin Department of Natural Resources provides equal opportunity in its employment, programs, services, and functions under an Affirmative Action Plan. If you have any questions, please write to Equal Opportunity Office, Department of Interior, Washington, D.C. 20240. This publication is available in alternative format upon request, call 608-267-9481 for more information.

# Federal Single Audit Act Requirements for Federal Equivalency Projects

If you are required to provide an audit, do not wait until the last minute to set it up. The U.S. EPA is indicating that it's important to not have late reports or violations when complying with the Federal Single Audit Act.

## What is the Federal Single Audit?

The Federal Single Audit helps make sure that a local government used funds from any type of federal award, including Clean Water and Drinking Water State Revolving Funds, for the fund's intended purposes.

The Single Audit of a municipality assesses their financial statements, federal awards, internal control, and compliance as described in [2 CFR 200.514 Scope of Audit](#).

## Are you required to provide a Federal Single Audit?

If a local unit of government expends \$750,000 or more of federal funds during one calendar year **and** its project is designated as federal equivalency by the Wisconsin DNR, then it must complete a Single Audit *in addition to* any audits required by the Wisconsin Department of Administration (DOA).

## Has my project been designated as federal equivalency?

The DNR will indicate on the corresponding Project Priority List which projects meet the criteria to be automatically designated as [federal equivalency](#). For State Fiscal Year 2024, a municipality's project(s) will be designated as federal equivalency if one of the following criteria is met:

- Safe Drinking Water Loan Program (SDWLP) projects if the municipality's population is  $\geq 15,000$ .
- Clean Water Fund Program (CWFP) projects if the municipality's population is  $\geq 20,000$ .
- Lead service line projects that receive [Bipartisan Infrastructure Law \(BIL\)](#) funding, regardless of population size.
- Emerging contaminants (PFAS) projects that receive BIL funding, regardless of population size.

[Section Adm 35.07\(3\), Wis. Adm. Code](#), requires a recipient of CWFP and/or SDWLP financial assistance with a project(s) designated as federal equivalency by the DNR to comply with the Single Audit Act ([31 USC 7501 to 7506](#)) and the Office of Management and Budget's Uniform Guidance ([2 CFR Part 200](#)).

## How much federal funding has my community received?

It is the municipality's responsibility to track the federal funds they expend during the calendar year to know whether they hit the \$750,000 minimum and need to comply with the Single Audit Act.

- At the end of the calendar year, the DOA will notify recipients who have federal equivalency projects as to how much federal funding they received through the CWFP and/or SDWLP during that year, regardless of the state fiscal year funding cycle(s) of the recipient's project(s).
- If your municipality will receive federal funding through a different agency, contact that program for that amount.

## Federal Single Audit process

Municipalities must first complete their annual financial audit for DOA and then, immediately after submitting it to DOA, municipalities are required to conduct their Single Audit in accordance with [2 CFR Part 200 Subpart F—Audit Requirements](#).

If a municipality expends \$750,000 or more of federal funds during a calendar year, it must *promptly* conduct a financial audit and a Single Audit for that calendar year and submit the Single Audit report to the Federal Audit Clearinghouse (FAC) ([submission instructions](#)) and both audit reports to the Wisconsin DOA ([submit to doaeif@wisconsin.gov](#)) in a timely manner during the following year.

## Steps to follow:

1. Procure/arrange for financial audit and Single Audit.
2. Submit financial audit to DOA, no later than June 30 of following year.
3. Submit Single Audit results, data collection form, and reporting package to FAC within the earlier of 30 calendar days after receipt of Single Audit report, or no later than September 30 of following year.
  - a. If any findings exist in Single Audit report, prepare a summary schedule of prior audit findings and a corrective action plan for current year audit findings to submit as part of reporting package to FAC.
4. Submit copy of Single Audit report to DOA within 30 calendar days of receiving it.
5. If there are Single Audit findings, submit copy of corrective action plan to DOA within the earlier of six months after receipt of report, or no later than March 31 of next upcoming year.

## Amended BABA Adjustment Period Waiver

On November 13, 2023, EPA released the Amended Public Interest Waiver of Section 70914(q) of P.L. 117-58, Build America, Buy America (BABA) Act, 2021 for State Revolving Fund and Water Infrastructure Projects that Initiated Design Planning prior to May 14, 2022, which amends and **sunsets** the original BABA Adjustment Period Waiver.

### Attention SFY 2025 applicants

As a result, State Fiscal Year (SFY) 2025 Clean Water Fund Program and Safe Drinking Water Loan Program projects designated as [federal equivalency](#) (including emerging contaminants (EC) and lead service line (LSL) projects that receive Bipartisan Infrastructure Law (BIL) funding) **cannot use** the Adjustment Period Waiver and must comply with [BABA requirements](#) regardless of when design planning for the project was initiated, unless the project is exempted under a different waiver.

### SFY 2023 & 2024 applicants

In short, only SFY 2023 and 2024 CWF and SDWLP projects designated as federal equivalency (including SFY 23 & 24 EC and LSL projects that receive BIL funding) that meet the requirements of the original BABA Adjustment Period Waiver are eligible for the waiver. "Initiated project design planning" is defined in the waiver.

If you believe that your project meets the conditions of both the [original Adjustment Period Waiver](#) and the [amended Adjustment Period Waiver](#), email the appropriate Program Coordinator and attach a memo indicating the reasons why you feel that your project meets the waiver requirements, along with any relevant supporting documentation. If the coordinator agrees that the conditions are met, they will concur via email.

### CWF SFY 2023 & 2024 projects

If a wastewater project that is funded in SFY 2023 or 2024 can provide evidence that a facilities plan was submitted prior to May 14, 2022, the project would qualify under the first condition of the original Adjustment Period Waiver regarding preliminary engineering report submittals. If the facilities plan was amended after May 14, 2022, it will be reviewed on a case-by-case basis by the CWF Coordinator to determine if the condition of the waiver is still met.

### Program coordinators

- **Lisa Bushby**, CWF Coordinator  
608-358-3330, [Lisa.Bushby@Wisconsin.gov](mailto:Lisa.Bushby@Wisconsin.gov)
- **Noah Balgooyen**, SDWLP Coordinator  
608-720-0802, [Noah.Balgooyen@Wisconsin.gov](mailto:Noah.Balgooyen@Wisconsin.gov)

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## YouthBuild Grant Opportunities

Note: This grant program is offered directly through the U.S. Department of Labor (DOL). It is NOT a Wisconsin DNR grant program.

The [DOL announced](#) the availability of \$98 million in funding for approximately 75 YouthBuild grants across the country. The deadline to apply is **February 1, 2024**.

[YouthBuild](#) is a pre-apprenticeship program that provides educational guidance, job training, and employment services for young people (ages 16-24) without a high school diploma that face added [barriers](#) to employment.

[Eligible applicants](#) for these grants are public or private non-profit agencies or organizations and any other entities eligible to provide education or employment training under a federal program (other than the YouthBuild program).

All DOL-funded YouthBuild programs must train participants in construction and may include occupational skills training in other high-demand industry sectors such as infrastructure, healthcare, information technology, advanced manufacturing, and hospitality.

In this competition, DOL is encouraging applicants to customize training to prepare participants for jobs on at least one specific infrastructure project funded by the Biden-Harris administration's [Investing in America agenda](#) to create good jobs.

YouthBuild participants also receive educational services that may lead to either a high school diploma or its state-recognized equivalent. The YouthBuild program model includes noteworthy support services for participants to enable their success including, but not limited to, help with transportation, childcare, housing, supplies, and/or testing; needs-related payments; reasonable accommodations for youth with disabilities; and personal counseling services.

### Resources

- [YouthBuild Fact Sheet](#)
- View YouthBuild grant opportunity at [Grants.gov/search-results-detail/350828](https://www.grants.gov/search-results-detail/350828)
- More information about how to apply is available at [www.dol.gov/agencies/eta/grants](https://www.dol.gov/agencies/eta/grants)