



year to the State for grants to fund these projects. Applications are scored based primarily on the extent to which proposed projects address critical public health needs, as well as the communities' capacity to operate and maintain the facilities. High-ranking projects are placed on a multi-year priority list which identifies projects to receive funding over the next several years. The majority of project awards made under this program are eligible for grant funds made available to the State through the federal government. A portion of the federal grant monies available requires the State to appropriate matching funds.

Each year communities propose more projects than the State has in available funding. When projects are proposed, total costs are estimated based on the best information available but are subject to change. Balances in these projects may be shifted to augment other projects that were underestimated or applied to other approved projects on the waiting list based on a first-ready, first-served basis.

Statutory designated program receipts (SDPR) are required due to the nature of large construction projects where there is a common occurrence of program income. This happens when project resources (often heavy equipment, but sometimes excess material such as gravel) are needed to provide a benefit to the community outside the scope of the project. Federal grant funding agencies do not allow project resources to be used for such purposes. The SDPR funds are generally used to augment project funding but can be used for any scope that is eligible for the federal funding that was used for the project.

A portion of federal and State match funds may be used for the planning and development of alternative safe drinking water and sanitation technologies.