



The WIFIA program accelerates investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects. The WIFIA program was established by the Water Infrastructure Finance and Innovation Act of 2014.

# Sources and Uses User Guide

## Purpose

As part of the WIFIA Letter of Interest and Application, borrowers are asked to submit a Sources and Uses table. This table helps the WIFIA team identify the other sources of funding for your project, as well as how the costs are distributed. This informs both our underwriting and engineering due diligence in reviewing your loan application. To support borrowers in preparing their applications, we have created this document to answer frequent questions about the table and how to complete it.

## Goals

There are a number of goals that you should keep in mind when preparing your Sources and Uses table.

1. Maximizing your WIFIA loan  
Overall project costs (referred to as uses in the table) drive the size of your loan. The more eligible project costs that are accounted for in the table, the higher the total loan for which a borrower is eligible. If the loan ends up being for a higher amount than is required for the project, the borrower can simply not disburse the full amount of the loan and would incur no costs associated with the undisbursed amount.
2. Completeness and Timeliness  
Having a complete Sources and Uses table helps move your WIFIA application along faster. "Sources" should be the borrowers best plan for funding, it does not need to reflect the final sources, as they may not be known at the time of closing. The "uses" portion of the table should show all eligible project costs including previously incurred costs and how they will be used in the project. Using this guide will help you submit an initial Sources and Uses table that is complete.

## Additional Information

For additional information on Eligible Project Costs that should be included in the "Uses" portion of the table, please consult Section 2.6 of the WIFIA Program Handbook, available at: <https://www.epa.gov/system/files/documents/2023-09/WIFIA-Program-Handbook.pdf>

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## Sources and Uses Table

Category	Additional Instructions
Sources Category	Information on other debt that will fund the project is necessary for us to understand the total amount of debt your system will be taking on to fund the project. The WIFIA program knows that funding sources may not all be finalized at the time of application so this should be a best estimate at the time of submission.
1. WIFIA Loan (cannot exceed 49% of eligible costs)	For small borrowers (population under 25,000), the WIFIA loan cannot exceed 80% of eligible costs.
2. Revenue Bonds	Please include anticipated as well as executed bonds that will be used to fund this project.
3. SRF Loan	Please include anticipated as well as awarded loans that will be used to fund this project.
4. Borrower Cash	Please include all cash that will be used to fund the project, including cash on hand as well as anticipated revenues.
5. Previously Incurred Eligible Costs*	Please include any eligible project costs that were already incurred. These costs can be included even if it has already been paid and will not be submitted for WIFIA reimbursement. They can be applied to the 51% cost share from other sources. As noted below, this can include land acquisition, design, planning, financing, as well as construction costs related to the WIFIA Project.
6. Other (please specify)	Please include the ultimate source of the funding (Federal, State, Private, etc) as well as the program name and amount. Add lines to the table to include each “Other” source of funding. We need to understand any other federal sources of cash or in-kind contributions to accurately assess any federal assets concerns as well as evaluate the project to ensure only 80% of funds come from federal sources.
<b>TOTAL SOURCES</b>	Total Sources and Total Uses should total to the same amount.

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Uses Category	This portion of the table helps the WIFIA program understand how the funds will be used. The WIFIA program knows that project costs can change and can/may increase over time so this should be a best estimate at the time of submission.
1. Construction	Consider including previously incurred construction costs to support the sizing of your WIFIA loan. Previously incurred construction costs should only include work that is <a href="#">federally compliant</a> . Any standard construction contingencies should be included in this line item.
2. Design	Consider including previously incurred design costs to support the sizing of your WIFIA loan.
3. Planning	Consider including previously incurred planning costs to support the sizing of your WIFIA loan.
4. Land Acquisition	For land that is already owned by the borrower, land costs can be estimated using sale costs or tax assessments and can be included as a previously incurred cost.
5. Other Capital Costs (please specify)	Please include any other costs related to the capital project that are not accounted for above.
6. Contingency	This is an additional WIFIA programmatic contingency, beyond the contingency that is or will be embedded in construction contracts (and is captured in the Construction row above). Generally, we suggest 20% when projects, or most sub-projects, are in design and 10% when projects, or most sub-projects, are already under construction.
7. Total Capital Costs	This is a sum of lines 1-6.
8. Financing Costs	This should include capital issuance expenses for the project. This includes the costs of issuing your WIFIA loan as well as any other debt for this project. This can include financial advisers, bond counsel, rating letter, interest on matching debt, capitalized interest on matching debt, debt service reserve funds, and WIFIA fees. \$150K-\$250K is a reasonable assumption for total WIFIA fees.
8. Ineligible Costs (if applicable)	If there are project costs that are ineligible for WIFIA funding, you may include them here for accounting. They will not be considered in the total eligible project costs for the project.
9. Other (please specify)	Please include any eligible costs that do not fit into one of the uses above. Please list all cost types separately, adding lines as necessary. This may include outreach, security, legal fees, other fees or administrative costs.
10. Other (please specify)	This is additional space as needed to include other eligible project costs defined in in the row above.
<b>TOTAL USES</b>	This is a sum of lines 7-10. Total Sources and Total Uses should be the same

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