



Q&A from Innovation Grant Lunch & Learn (September 29, 2026)

1. Could you provide examples of qualifying grants for small towns?

On our [Innovation Grants](#) landing page, you can view submitted applications by selecting 'Submissions' under the 'Apply' section. For each application, you can view the submitted information by selecting the PDF shown on the left side of the screen. On the right side of the screen, select the PDF to view approval or denial notices for the application.

2. If a village transfers a service to a school district, is the school district considered a government entity to share the grant award?

The school district is considered a nonprofit organization for Innovation Grant purposes, and DOR cannot directly pay any grant funds to the school district. Only municipalities, counties, or tribes can receive grant funds directly from DOR. However, grant proceeds are unrestricted, and the governing body of the grant recipients can decide whether they share the proceeds.

3. We have an existing ambulance agreement with a private (not-for-profit) business to provide services to our area, so we are contracting that service. If we hosted our own EMS in-house and contracted with some of our close neighbors, would that be an allowable innovation?

Yes, that's possible if you decide to end your current EMS contract with the non-profit and decide to start providing the services to your entity and to other municipalities. You would be considered the transferee, and the neighboring municipalities the transferors.

4. If our ambulance district is expecting to include two or more new members as of January 1, 2027, would we qualify for any grant monies? Or just the municipalities transferring into our district?

Only municipalities transferring into your district would be considered transferors eligible to receive grant money from DOR.

5. Are the total costs for the prior year the actual costs spent in the prior year?

Total costs for the prior year for an entity are the actual costs incurred by the entity to perform the service, or what the entity paid another entity to perform the service for them.

6. If a city has an existing budget of money for capital equipment for emergency services and we transfer the services, do we have to transfer the existing funding as well?

You are not required to transfer existing funding related to the service being transferred, to the new transferee entity performing the service.

7. Can the amount a transferor will pay to a transferee be an agreed to and approved levy transfer, or does that amount have to be another form of payment?

The contract or agreement must specify the amount the transferor will pay to the transferee for performing the transferred service or duty. State law requires that an amount be specified, but it does not exclude a levy transfer.

8. Do the costs of providing the service have to be tax dollars only in the calculations for transferors? Or as an example, if a health department utilizes grant dollars to fund operations in the year prior, are those calculated in any Innovation Grant award as well as property tax revenue?

State law and DOR guidance define "total cost" by the nature of the expenditure, not by its funding source. If your health department used grant dollars (federal, state, or other grants) to fund operations in the prior calendar year, those operationally-incurred costs are part of the total cost calculation. This includes staff wages, fringe benefits, training, and equipment. The funding source does not change the fact that the cost was incurred to provide the service. DOR's [fair market compensation guidance](#) similarly focuses on [the total cost of providing the service prior to the transfer](#) without distinguishing it by funding source.

9. Could public child welfare be an allowed program to transfer to another local government?

A duty or transfer of service related to public child welfare may be eligible, dependent on it meeting all the contract requirements.

10. Would a contracted service qualify for the transfer of services?

If you end the contract with your current service provider and contract with another entity to provide the service to you, it is considered a transfer of service.

11. Can a municipality submit more than one application for different services?

Yes, a municipality can submit more than one application for different services (ex: fire, emergency services, administration, etc.).

12. Are municipalities only eligible if they have a signed contract for the full four years remaining? Or could they apply with a two-year contract?

Contracts with a signature date of Nov. 13, 2024 or later, with a minimum three-year contract length or more are eligible to apply. There are four payments remaining for a contract that will be in effect for at least four years.

13. If a municipality currently contracts for police services from the county, but would like to partner with a neighboring community for a joint police department, would this qualify for the Innovation Grant?

Yes. A change in the entity providing the service for your municipality to another municipality or to a newly created district with its own, unique FEIN, is eligible for the Innovation Grant.

14. What if we have a contract that is missing some of the necessary wording and an addendum is needed, but the service provider is unwilling to create an addendum unless we agree to give them 50% of the grant funds above the already agreed-upon contract amount?

We cannot approve an Innovation Grant application if all required details are not provided in a contract/addendum, or if the contract is not signed by all participating entities for the transfer.

15. If a transfer is scheduled to occur in Q1 of 2027, do we need to wait to file an application until after January 1, 2027?

Yes, a signed contract with an effective date of Jan. 1, 2027, is eligible to apply during phase two, which is January 1 – March 31, 2027.

16. Will second round grant payments always be paid in the month they were initially distributed?

This is yet to be determined. Subsequent year grant distributions will occur by June 30 each year.

17. Does the Wisconsin Department of Revenue have to give priority to projects involving public safety, fire protection, and EMS, even if they do not realize savings but fall below the 115% cost limit?

Yes, priority for the Innovation Grant program must be given to projects involving public safety, fire protection, and EMS. Subsequent year distributions for approved applications are dependent on the 115% cost limitation requirement being met.

18. Is there any adjustment for inflation provided for in the 115% limitation?

There is no adjustment for inflation for the 115% cost limitation requirement amount.

19. Who gets the grant money? Is it the one transferring the service out or the one receiving the service?

Grant money is awarded depending on the grant allocation language provided in the contract. Both the transferor and transferee can receive grant funds if they are a county, municipality, or tribe. Private or non-profit transferees cannot receive grant money from DOR.

20. If the effective date of the contract is January 1, 2027, I'd want to sign a contract during 2026. How will we know the total costs for 2026 if the year has not been completed yet?

The second-round phase two application period is open January 1 – March 31, 2027. You may submit your application during that period with your best estimates and can adjust the application before March 31, 2027, if needed.

21. What happens if the ability to implement the cooperative service to transfer cannot occur without the grant funds? Can the signed contract have an "out clause" if the grant does not get awarded?

Yes, contracts can have an "out clause," meaning the contract will be effective only if the grant is awarded.