

# Kansas Infrastructure Hub Peer to Peer Webinar

Demystifying Benefit-Cost Analysis (BCAs)

April 1, 2026

Matthew Hanson





# 2026 Kansas Infrastructure Hub Summit



**Register  
by April  
15th!**

Join infrastructure sector colleagues from across Kansas for a **free**, full day of conference activities including educational sessions, real life case tests and networking opportunities. Agenda topics include: **Retrospections, Small Town, Big Results: How Caney Leverages the Hub to Proceed, What We're Seeing Across Kansas: Trends & Opportunities, The Case for Regional Partnerships, Regional Collaboration Labs, The Case for Regional Partnerships, How Oklahoma Accelerates Water Infrastructure Projects, Pre-Award: When is an Application Prepped for Success? and Post Award: Managing Infrastructure Grants Successfully**





# About Witt O'Brien's

## WHO WE ARE

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Witt O'Brien's Government Advisory Services helps state, local, tribal, and territorial governments secure, manage, and maximize federal funding—while strengthening compliance, reducing risk, and building lasting capacity.

## OUR PURPOSE

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Demystify federal-funding complexity into lasting capacity—protecting public trust, reducing risk, and accelerating results for the people governments serve.

## OUR FOUR INTEGRATED SERVICE LINES

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- 01 Pre-Award Grants Management**  
Build a grant research and pursuance environment that results in winning, compliant applications — funding scans, go/no-go criteria, budget narratives, and readiness reviews.
- 02 Post-Award Grants Management**  
Stand up, operate, and close out programs with confidence — internal controls, subrecipient monitoring, audit readiness, drawdowns, and closeout aligned to 2 CFR Part 200.
- 03 Government Technology Enablement**  
Modernize the tech that powers grants and operations — system selection, implementation support, workflow automation, and change management to make compliance native.
- 04 Policy & Government Transformation**  
Align policy, operating model, and people to deliver results — governance design, organization capacity building, SOPs, and interagency collaboration structures.



# About the Presenter – Matt Hanson

Matt is a Certified Grants Management Specialist with over 25 years of progressive experience in government programs/grants management, finance, and agency operations at the federal, state, and local levels. Matt supports clients nationwide by providing strategic planning, development, and implementation of federally funded grants and assistance programs through grants management best practices and subject matter expertise.

Before joining Witt O'Brien's, he served as the Statewide Grants Administrator for the State of Arizona, centralizing grants management operations for 200 departments, agencies, boards, and commissions. As part of this work, he helped deploy one of the first statewide grants management solutions, resulting in a cost savings of \$3.5m annually while also securing an additional \$100m a year in net new funding.

Matt also previously served in several roles for the U.S. Department of Justice (DOJ) Office of Justice Programs (OJP), including Director of the Grants Policy Office, which involved conducting grants program assessments and compliance reviews, improving and establishing grants policy, and providing training and tools including the establishment and implementation of IT solutions to maximize efficiency and compliance.



## Learning Objectives

- Understand how implementing enterprise-wide data management practices creates stronger BCAs and supports long-term grant planning
- Demystify Benefit-Cost Analysis for Federal Infrastructure Grants
- Use Benefit-Cost Analysis to Strengthen Grant Competitiveness and Scoring
- Improve the Credibility and Defensibility of Project Benefits



# What is a Benefit-Cost Analysis (BCA)

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A Benefit–Cost Analysis (BCA) is a structured, quantitative method for comparing a project’s total benefits to its total costs

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In federal grants, BCAs are used to:

- Demonstrate economic justification
- Compare competing projects objectively
- Support merit-based funding decisions

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Positions Kansas with a strong, unified voice

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# Core Components of a Strong BCA

- Clear project definition and baseline (“no-build”) scenario
- Comprehensive cost identification
  - Capital, O&M, lifecycle, residual value
- Monetized benefit categories, where feasible (need to be able to justify methodology, especially if it’s not an agency-provided category)
- Time horizon and discount rate consistent with guidance
- Benefit–Cost Ratio (BCR) and/or Net Present Value (NPV)
- Transparent assumptions and documentation



# How BCAs May Differ by Funder

**There is no single federal BCA format**

Differences arise in:

- ✓ Required benefit categories
- ✓ Accepted valuation methods
- ✓ Level of methodological rigor
- ✓ Availability of agency-provided tools

## **Key Takeaway:**

👉 Understanding agency-specific expectations is critical



# Key Differences by Agency

## USDOT

Highly structured,  
monetized BCAs

Safety, Travel time.  
Reliability,  
Emissions

Formal Guidance

## EPA

Public Health &  
Environmental  
Benefits

Prioritization of  
Qualitative Benefits

## FEMA

Prioritize loss  
mitigation

Probabilistic Risk  
Modeling

## USDOJ

Narrative Driven

Outcomes >  
Monetization



# What a “Good” BCA Actually Includes

- 1 **Correct methodology for the specific program**
- 2 **Benefits tied directly to program goals**
- 3 **Conservative, defensible assumptions**
- 4 **Clear explanation of what is monetized vs. not**

**Internal Consistency with:**





# Common BCA Pitfalls and Mistakes

- ✓ Using the wrong discount rate or time horizon
- ✓ Double-counting benefits
- ✓ Overstating benefits without evidence
- ✓ Failing to document assumptions
- ✓ Misalignment with the project narrative
- ✓ Treating the BCA as an afterthought



# How Communities Can Get Started (and Learn for Free)

## 01 Start Early

BCA inputs don't just support the application—they often shape **project design, scope, and phasing**, so waiting until the end limits your options.

## 02 Inventory Existing Data

Understanding the information you already have such as asset condition, service levels, and historical cost save time and money on research and evaluation of need

## 03 Use Existing Resources

There are many authoritative resources available to support BCA development such as Agency guidance documents, toolkits and calculators, and academic and policy references and resources.

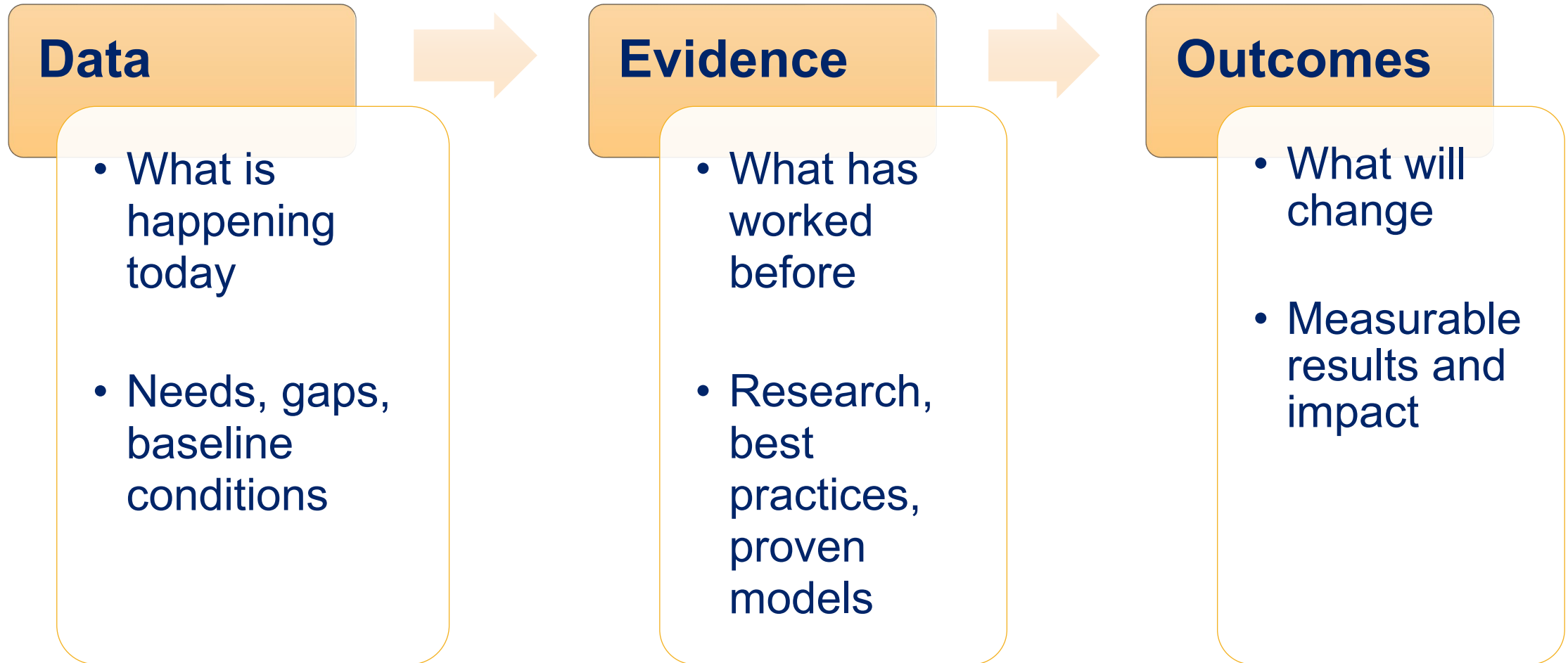
## 04 Track Federal Priorities

Understanding the standards and priorities of the federal government, better positions you to be in alignment with programmatic expectations and objectives



# BCAs and Evidence-Based Policymaking

## *What is Evidence-Based Policymaking?*



### Key Takeaway

👉 It's not about proposing a good idea—it's about **proving it will work**



# BCAs and Evidence-Based Policymaking

## *Why it Matters in Federal Grants?*

### 01 Funding is Tied to Outcomes

Projects must demonstrate measurable impact—not just need

### 02 Stronger Scoring & Competitiveness

Applications are evaluated on evidence, evaluation plans, and expected results

### 03 Reduces Risk

Data-backed proposals are more defensible, comparable, and reduces Federal Agency risk

### 04 Drives Tools like BCAs

Benefit-Cost Analysis quantifies impact and “value for money”

#### Key Takeaway:

👉 Projects don't compete on need alone—they compete on **quantified, credible impact**



# BCA Quality Reflects Organizational Readiness

## ✓ High Performing Organizations

- Standardized, reliable data across departments
- Coordinated inputs across finance, operations, and leadership
- Defined ownership of assumptions and methodology
- Ongoing performance measurement and tracking

## ⚠ At-Risk Organizations

- Fragmented or inconsistent data
- Siloed departments and limited coordination
- Unclear ownership of inputs and assumptions
- Reactive, last-minute project development

### Key Takeaway:

👉 A weak BCA is rarely a modeling issue—it's a signal of deeper organizational gaps



# Systems and Tools Enable Scalable, Defensible BCAs

## ✓ High Performing Organizations

- Conservative, aligned, and transparent BCAs
- Clear documentation of assumptions and inputs
- Repeatable processes across projects

## ⚠ At-Risk Organizations

- Inflated or overly optimistic assumptions
- Inconsistent or conflicting data inputs
- Limited documentation and defensibility

### Key Takeaway:

👉 The goal is not perfection—it's **credibility, consistency, and defensibility at scale**



# Systems and Tools Enable Scalable, Defensible BCAs

Winning organizations don't just respond to funding—they are prepared for it



## Evidence-Based Approach

Projects grounded in data and proven outcomes

Clear, measurable impact



## Organizational Readiness

Coordinated teams, defined ownership, strong data practices

Alignment across departments and leadership



## Systems & Tools

Standardized, repeatable processes

Scalable and defensible BCA development

### Key Takeaway:

👉 Federal funding is no longer about who has the greatest need—it's about who can demonstrate the greatest, most credible impact



# Thank You!

To Learn More: [kshub.gov](https://kshub.gov)

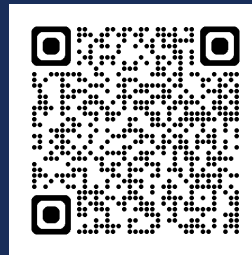
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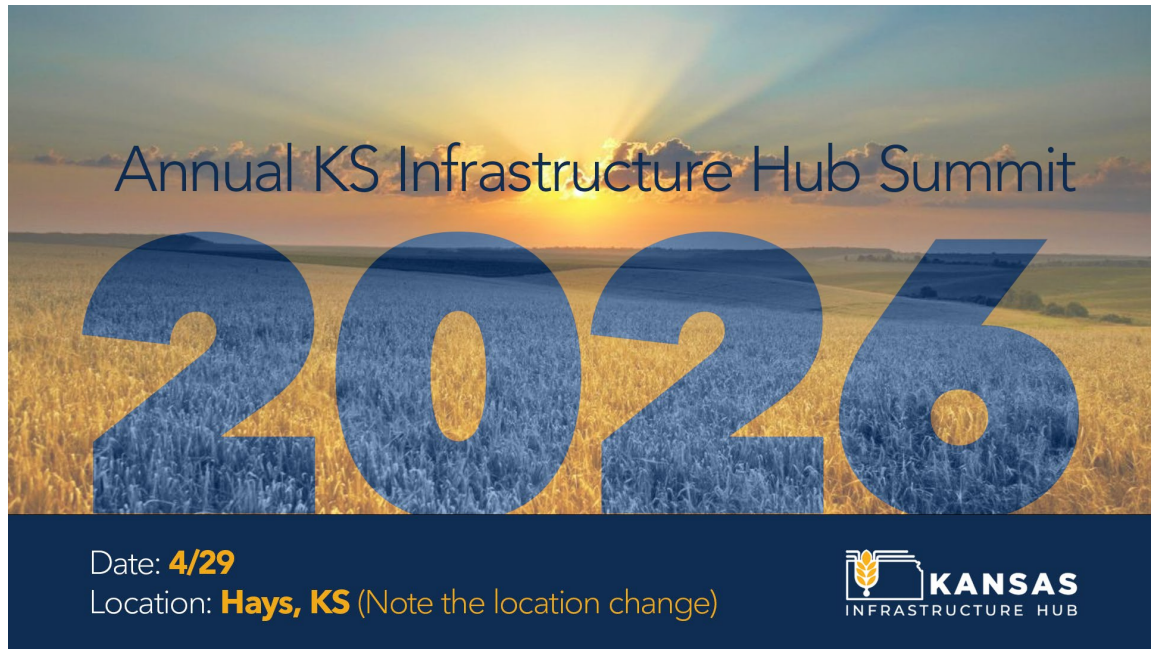


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