TWDB Guidance: Benefit-Cost Analysis Reporting for FIF Applications

NOTE: This analysis constitutes a minimum eligibility standard that must be met by all projects seeking funding consideration.
BCA Requirements for Categories 2 and 3
(Reiterating Flood IUP requirements)

- BCR should be above 1 and expressed to at least one decimal place (e.g. "1.1")
  - If BCR is below 1, applicant must provide additional documentation on why this project is justified, including a discussion on primary benefits that could not be quantified and therefore are not included in the BCR.
- Specific BCA tool not required but prefer a documented method (e.g. FEMA BCA toolkit or HEC-FDA)
  - If non-standard method used, applicant should provide the raw documentation of calculations and assumptions.
- Applicant must provide a list of Key Assumptions/Parameters used to generate the BCR provided
- Applicant must be able to provide a detailed BCR calculation upon request from TWDB
Other Best Practices for BCA Documentation

- Provide contact information of the individual responsible for the calculation (Does not have to be certified individual, e.g. PE, CFM, etc.)

- Some documentation (e.g. table, list, report) of assumptions for each parameter in the BCA calculation (See template for example)

- Describe sources or citations for parameter assumptions (See template for example)
Example Template for BCA Documentation

• 1-2 pages in length

• Description of tool used for calculations

• Overview of assumptions made for each input

• Description of sources for those assumptions (Red = examples)

Template source: Excerpt from FEMA Application Review Summary FY 2019
Resources for the FEMA BCA toolkit

• FEMA site with BCA Calculator download and Additional Resources: https://www.fema.gov/grants/guidance-tools/benefit-cost-analysis

• FEMA BCA Training Materials: https://www.fema.gov/grants/guidance-tools/benefit-cost-analysis/training