

Appendix B

DETERMINING COST of PROPERTY DAMAGE

Key question: Will the part be scrapped, overhauled, or replaced?

The property damage cost of a mishap is the **total** cost of Coast Guard and non-Coast Guard property damage resulting from Coast Guard operations.

The cost of environmental cleanup, resulting from a Coast Guard mishap shall also be included in the cost of the mishap.

Multiple resources may be damaged or destroyed by a single event, and shall be reported as a single mishap.

Only direct costs are to be used in determining mishap damage costs. This includes cost of materials, parts and direct repair labor costs directly resulting from the mishap.

Direct costs are those costs directly attributed to the loss or damage of the aircraft. Cost associated with personnel injury or death are figured by **e-AVIATRS** based on data entered on the **MEDICAL INFO** page

Do not include indirect costs in determining the mishap cost. Indirect costs are those costs incurred during the investigation process and include salvage/wreckage recovery, transportation (personnel or property), salvage, shipping, temporary additional duty, specialize technical assistance, setting up equipment to facilitate repair, etc.

The following guidelines are provided:

- **CG Property Damage** includes the actual cost of materials, parts (use ALMIS cost data when available, see page 3) and direct repair work hours. Parts cost includes the cost to **repair damaged** parts (if repairable) or the **replacement** cost of **damaged or destroyed** parts.
- **Cost of work-hours** is computed by the mishap database using the standard rate of \$46* per work-hour.

** Figure is current as of this version of the User Guide. CG-113 may adjust this rate periodically to reflect estimations of USCG workforce distribution and reimbursable rates contained in COMDTINST 7310.1 (series).*

- **Contract Labor:** If contactor repairs are used, this cost may be used. Note this in the parts field.
- **Direct work-hours** include the work hours:
 - Required to remove, repair, and replace damaged equipment.
 - Required to restore the damaged equipment to serviceable condition, if economically repairable.
 - Required to remove and replace undamaged components to gain access to damaged assemblies and/or components.
 - Required to remove and replace a part if the part is not economically repairable.

- **Work-hour costs:** DO NOT include time used to set up equipment for the actual repair work or to remove, replace, and inspect undamaged parts and components solely to satisfy technical manual inspection requirements.
- **Overhaul/Rework Costs:** If a repairable item can be economically overhauled, use the overhaul cost vice replacement cost for that particular item. Most large items (e.g., transmissions, engines) have fixed overhaul costs. When possible use ALMIS Avg Repair Costs. If there is no established overhaul cost, estimate the repair cost as **20%** of the item's replacement cost (ALMIS Unit Cost). Work-hour costs for removal, installation, etc. must be included in the total cost estimate.
- **Parts damaged beyond economical repair:** Use the replacement cost (ALMIS Unit Cost).
- **Replacement of Damaged Components:** Removing a damaged component and replacing it with a new or used component to decrease cost and the work-hours required for purposes of mishap classification is prohibited. If a like component is installed so a facility is available for operations, use the best-estimated work-hour costs to remove, repair, and replace the damaged component for mishap classification.
- **Contractor Repairs:** When repairs are made under a repair contract (i.e. power by hour or other maintenance contracts) use the actual charge to the Coast Guard for repairs performed by a contractor.
- **Warranty Repairs:** Costs to repair damage must be reported even if performed under warranty. Figure these cost as if no warranty was in place.
- **Destroyed, Missing, or Abandoned Coast Guard Aircraft:** Although the acquisition cost is fixed at time of purchase, subsequent modifications may change the resource cost. Structural & engine overhaul costs also change due to the prevailing market cost of labor/parts. CG-113 will coordinate w/CG-711 & CG-41 to determine the acquisition & overhaul costs of an airframe.
- **Not Economically Repairable:** An aircraft that is damaged, but will not be repaired, is not automatically considered destroyed. If the aircraft could be repaired and put back into service (but is considered "not economically repairable") the cost of those repairs or an estimate should be determined. Use the lesser of the replacement cost and the repair cost. (CG-41 and CG-1131 will determine this).
- **Environmental Cleanup Costs:** Environmental cleanup costs resulting from a CG mishap should be included in the cost of the mishap. These cost should be included as part of the mishap damage and should include the cost of clean-up, decontamination, disposal and restoration of property, both private and public. Civil engineering can help determine these costs.
- **Cost of Non-Coast Guard Property:** Non-Coast Guard property damage and non-government property damage resulting from Coast Guard operations are reportable. All costs are in current dollars as of the date of the mishap. Use the best estimate of repair or best estimate of replacement cost whichever is lower.
- **Auxiliary Aviation Property.** Use cost or estimates provided by the owner of the Auxiliary asset. Estimates provided by the owner's insurance company are acceptable.
- Replacement or acquisition cost is seldom used, most parts are repaired or overhauled, and this cost should be used.

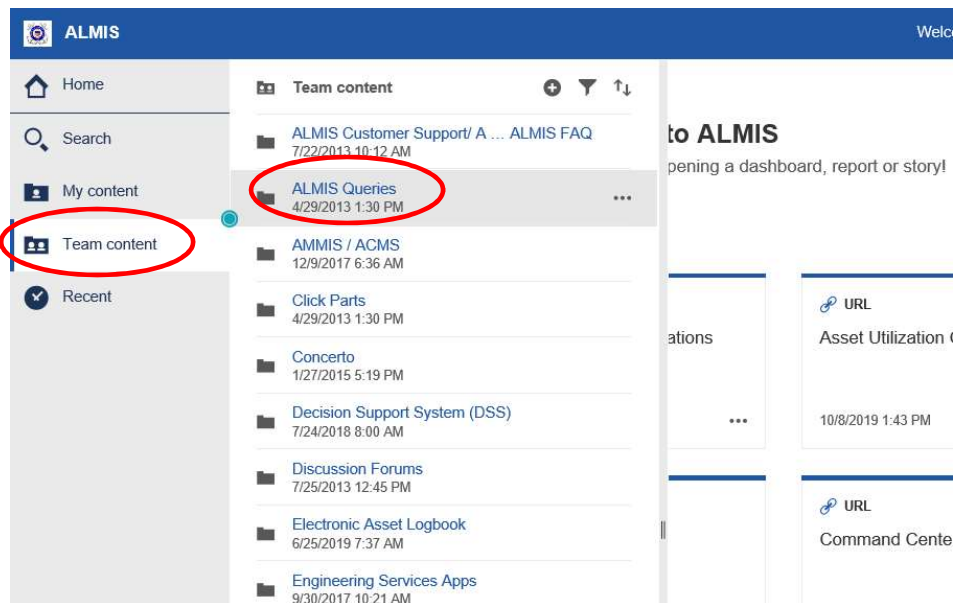
Damage NOT Included in Mishap Damage Cost Estimates:

- Damage caused by rescue, salvage operations or fire fighting. Damage resulting from rescue, salvage, fire fighting or wreckage transport, shall be reported in the Coast Guard Salvage Report and the final Mishap Analysis Report. However, DO NOT include these costs as part of the total mishap costs.
- Expected damage to CG experimental or prototype systems incurred during authorized testing.
- Authorized intentional destruction of CG equipment and property.

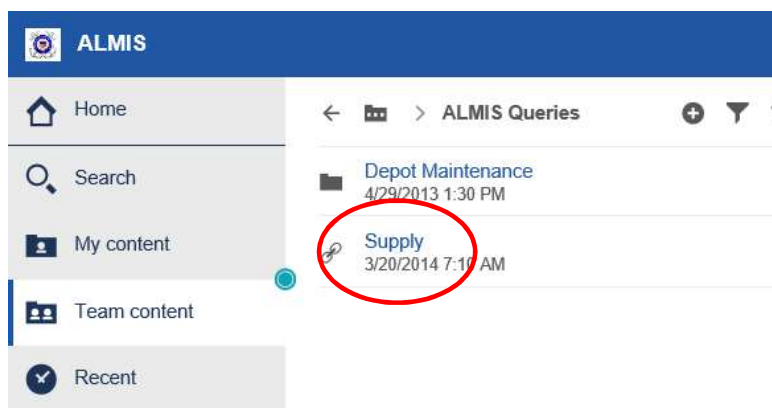
Using ALMIS for Mishap Costs

NOTE: Recommend partnering with Aviation Engineering to have them pull and review the damage cost determination.

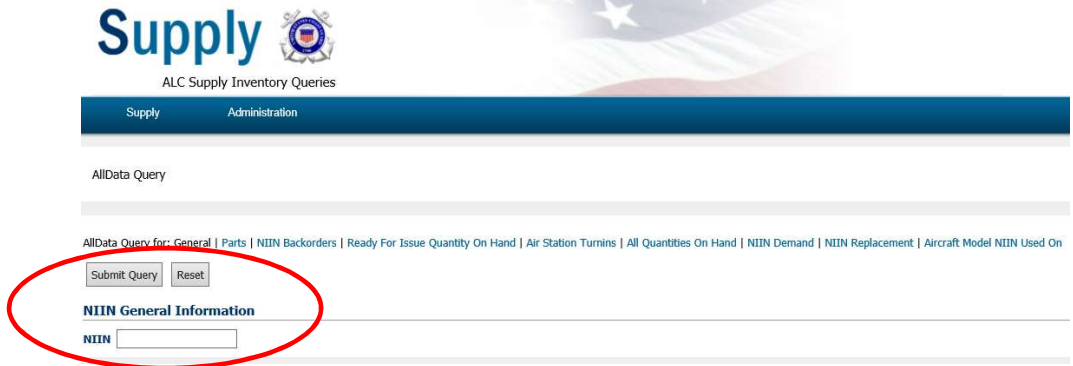
In ALMIS, Select **Team Content**, then **ALMIS Queries**.



Select Supply



Search by Part Number: To search by part number, type in part NIIN and click SUBMIT QUERY



Use **Average Repair Cost** for the mishap cost, if it is available and the part can be repaired (normally). Otherwise use 20 % of the **Unit Price**.

The **Unit Price** is the most current cost of the material and should be used if there is no **Average Repair Cost**. Use 20% of this cost.

AllData Query > NIIN General Information

NIIN General Information

FSC	NIIN	Stock Nomenclature	Last Par Number	Last Vendor	Average Repair Cost	Catalog Unit Price	Net Unit Price
2840	014817439	HOUSING,GEARBOX,TUR	23072469	63005	\$19,126.14	\$31,018.51	\$0.00

Unit Price	Weighted Average Price	Inhouse Repair Lead	Outhouse Repair Lead	Procurement Lead Time	Repairable Time	Supply Lead Time
\$83,031.64	\$31,018.51	0	0	0	0	0

Date Calculated	Date Established	Date Last Buy	Date Last Change Notice	Date Last DLSC Updated	Date of Change	Date to SIS	Date SIS Complete
--	07/17/2003	--	--	10/04/2019	02/01/2017	07/17/2003	07/17/2003

ACMS Indicator	Acquisition Advice Code	Acquisition Method Code	Acquisition Method Suffix	CG Flight Critical	Cognizant Symbol	Criticality Code	Demilitarization Code
--	C	3	C	--	--	Y	D

DLSC Status	Hazardous Material Code	IM Code	Issue Restriction	Maximum Release Quantity	Mean Time Between Failure	Mean Time Between Repair	Master Item Data Build Status	Master Item Data Material Type
--	--	HB	--	9999	0.000	0.000	A	2

Master Item Data Phrase Code	Master Item Data Reason Code	Material First Class	Material Local Type Code	Material Management Code	Material Type Cargo Code	NIMSC	NMFC
--	SR	--	--	A2	--	--	--

NMFC Description	Package Code	Packing Code	Pass thru Status	Physical Security Code	Preservation Code	Quality Assurance Inspector	Quantity Unit Pack Code	Repairability Code
--	--	--	--	--	--	--	1	R

Scrap Count	Scrap Rate	Serial Control Code	Shelf Life Action Code	Shelf Life Code	SIS User	Source, Maintenance and Recoverability Code	Source of Supply Code	Special Material Id
0	0.00	--	--	0	WILSON	PAODD	FHZ	--

Stores Account Code	Substance Code	Survey Count	Transportation Charge Percent	Uniform First Class Code	Unit Issue	Used On Asset Type	Work Order Number Component Repair	Work Order Number Relb
1	--	0	0.00	--	EA	HCL30H	--	--

NOTE: Average Repair Costs and Unit Cost are refigured annually, and may have changed since the last time it was used in a mishap message.

NEVER use the Catalog Price. The catalog unit price is the cost of the asset when it was loaded into ALMIS and should not be used.

Search by Partial Part Number. To search by a partial part number, click on **Parts** in the second row of choices. Enter the partial number in the Part field and click on Submit Query. This will display a list of all matching parts. Select the desired NIIN to view the Cost Page for that part.

