



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
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MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR, COST ANALYSIS AND PROGRAM EVALUATION
DIRECTOR, NET ASSESSMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Revision to Cost Thresholds for Accident Severity Classification

The following is guidance for revising the mishap severity classification cost thresholds in DoD Instruction (DoDI) 6055.07, "Accident Investigation, Reporting, and Record Keeping," October 3, 2000.

The cost threshold for defining Class A mishaps was previously adjusted from \$500,000 to \$1 million in the 1989 revision to DoDI 6055.07 to account for inflationary growth in the cost of military systems and the resulting cost for mishaps of similar severity. At the request of the Military Services, we are now making another adjustment in the cost threshold in the revision to DoDI 6055.07 – currently in coordination.

To provide for consistent record keeping of mishaps by fiscal year, DoD Components shall begin applying the following cost threshold changes effective October 1. The cost threshold for Class A mishaps will change to \$2 million, Class B mishaps to \$500,000, and Class C mishaps to \$50,000. All other conditions for categorizing mishap severity remain unchanged (e.g., Class A still includes any fatality, permanent total disability, or destroyed aircraft).

It is important to ensure this cost threshold shift does not adversely affect consistency in measuring performance in meeting the ongoing SecDef goal to reduce FY 2002 baseline mishap rates by 75 percent by the end of FY 2012. To retain trending consistency, each DoD Component's FY 2002 baseline year mishap rates will be recalculated using the revised cost thresholds.

Ashton B. Carter