

C/AFT ATSP FG Phase 2
March 30, 1999
Seattle, WA

Purpose

- To promote airline participation in providing input to the FAA as they develop their cost accounting system. The value of the activity is through participation and not necessarily the report at the end of the activity.
- To provide a high level structure of common costing principles and measures to all ATS providers worldwide. These will include definitions of products, services, and customers.
- To ensure that data collection is coordinated between performance measures and that the cost requirements are adequate to support future ATS performance analysis and decisions (investment, best practices, etc.).
- To develop a structure to be able to identify major ATS cost drivers, to the extent possible.

Guidelines

- Develop and reach consensus on definitions.
- Focus on services (to be provided) first, customers second.
- Focus on the process, not on collecting data -- ensure that the format of the data to be collected supports the processes.
- Identify structure of data collection based on requirements.
- Focus on defining activity-based costing.
- Identify key cost items.
- Different levels:
 - Services as products – 1st level
 - Sites – 2nd level
 - Customers – 3rd level
- Costs: Activities → Products + Services → Performance Outcomes
- Costs: fixed/variable, common/direct
- Categorization of costs (chart of accounts)