

D. for Dissembler

Martha D. Saunders Dissembles about USM Plane at USM Town Meeting

On 12-Feb-09, USM students, faculty and staff, along with other concerned citizens gathered on USM's Hattiesburg campus (USM-GC joined via webcast) for a Town Meeting to hear USM president Martha D. Saunders (shown below) speak about the budget crisis facing USM. Saunders opened her presentation by stating that "[t]his is a time for candor and for realistically facing conditions in our University budget. It's not a time for hand-wringing or retreat."



As early as Nov-08 USM suffered a **\$1.9 million** cut in State of MS appropriations. Then again, in Jan-09, the State of MS cut its appropriations to USM by another **\$2.85 million**, bringing the total cut in State of MS appropriations (for the 2008-09 academic year only) to **\$3.75 million**. Added to these are other shortfalls discussed by Saunders, including a shortfall in the Education Enhancement Fund of **\$1.5 million**.

A photograph of a presentation slide titled "Reductions thus far for FY09". The slide lists four categories of reductions with their corresponding amounts in millions of dollars. The total reduction is listed as \$8.25 million.

Reductions thus far for FY09	
• November reduction from State of MS appropriations	\$1.90 million
• January reduction from State of MS appropriations	\$2.85 million
• Educational Enhancement Funding shortfall (estimated)	\$1.50 million
• Fixed cost increases (estimated)	\$2.00 million
TOTAL	\$8.25 million

Also included in this portion of Saunders' presentation was mention of fixed costs increases totaling **\$2.0 million**. Thus, the total reduction for 2009 currently stands at **\$8.25 million**. It was at this dark point in the presentation that Saunders first mentioned the recent lease (from the USM Foundation) of the Beechcraft King Air twin engine airplane.

"Now the only thing worse than a budget cut is a mid-year budget cut, because we have either spent or committed our money. Faculty contracts have been signed. Travel funds have been encumbered. Lease agreements, from services ranging from copy machines to airplanes, have been made, and we can't break these agreements.

It is here (above) that Saunders also dissembled, for the first time, regarding USM's leasing of the airplane. By early fall semester 2008, USM knew, like everyone, that the U.S. and Mississippi economies were in rough shape. In Nov-08 that reality hit USM like a ton of bricks, with the **\$1.9 million** cut in State of MS appropriations mentioned above. When did USM sign the lease agreement? Well, USMNEWS.net broke the airplane lease story in mid-to-late Nov-08. By the end of the month (28-Nov-08), just after the lease had received IHL approval, the statewide media, ranging from *The Clarion Ledger* (Jackson) and *The Hattiesburg American* to *WLOX-TV*, the ABC affiliate in Biloxi-Gulfport, were reporting and editorializing on the ill-advised action (by USM/Saunders). In its [28-Nov-08 report](#), *WLOX-TV* indicated, as did other media outlets at the time, that no lease agreement had actually been signed (various reports attributed this information to Jana Bryant, the USM spokesperson). These reports and additional information obtained by USMNEWS.net all indicate that the lease agreement was effected well after the **\$1.9 million** budget cut that the State of MS presented USM with in Nov-08.¹ Thus, when Saunders equated the signing of faculty contracts and copy machine lease agreements -- signatures that are effected weeks and months (sometimes years) *before the beginning of each academic year* -- to her (USM's) airplane lease agreement with the USM Foundation, she was using the authority of her office/position, and the USM institutional seal on the rostrum she stood behind (see photo above), to dissemble.



Perhaps some in the audience detected what Saunders was doing. One of the first questions from those members of "the USM family" in attendance (see photo above) concerned the new USM turbo prop airplane. That question, and Saunders' response, are inserted below:

¹ USMNEWS.net has learned that the USM Foundation set up a holding corporation to purchase the Beechcraft plane that it is now leasing to USM. That company is called Foundation Aviation Holdings, LLC. The deal is believed to have been finalized on 5-Feb-09, or about one week prior to the USM Town Meeting on 12-Feb-09.

Q: "How does this plane affect the budget?"

A: "It's an expense. It's a travel expense that is centrally funded . . . the lease of it -- the plane itself does not belong to the institution -- but it's centrally funded, and came from the cabinet reductions that I effected when I came here. That's where the funding came from."

How *does* the plane lease affect the budget? According to Saunders, it's an expense. Aside from that obvious conclusion, Saunders went on to state that the funding for the plane came from the cabinet reductions that she effected upon assuming the USM presidency. What this means is that, while USM department heads and directors are being asked by Saunders to find millions of dollars in budget cuts that can be contributed to USM's budget shortfall, cuts that Saunders effects can be used to fund extravagances like the Beechcraft twin engine aircraft. Yes, the **\$1.9 million** Saunders claims to have saved through cabinet reductions back in 2007 were available to cover *the entire Nov-08 State of MS appropriations reduction*, yet she chose to use these monies to centrally fund a school airplane instead. This certainly gives new meaning to "we're all in this together." It also suggests, like the other aspects of this episode, that the **D.** in Saunders' name stands for **Dissembler**.