

President Saunders Continues to Squander Student and Taxpayer Money on Her Airplane

PART 2

www.usmnews.net recently received another set of documents related to President Saunders' airplane, N777AQ, through Mississippi Open Records Act (MORA) requests. MORA documents, USM's own records, provide verification of misrepresentations made by President Saunders and Provost Lyman about N777AQ.

We now have two years of **actual** costs of N777AQ. Although the airplane is owned by the University of Southern Mississippi Foundation, all costs are paid by University of Southern Mississippi. That is, taxpayers and USM students pay all costs of President Saunders' airplane.

See [PART 1](#) to access documents acquired through MORA requests. With these records, you can verify **actual** costs of N777AQ. As reported in PART 1, **actual** cost per flight hour is **\$5,971.11**.

The second report in this series follows:

September 17, 2010

Pilots Allen and Price flew N777AQ round trip to Memphis, TN. According to USM's "Interdepartmental Invoice" the passenger was IHL Board Member Doug Rouse. According to USM's pilots' "King Air N777AQ Trip Log" the passengers were IHL Board Member Doug Rouse and his wife, "Mrs. D. Rouse", and "Jim Brosig". No information was available as to the identity of "Jim Brosig", what he does, or why he was aboard this flight. No records indicate he reimbursed USM for the flight. (Is he another free rider at the expense of USM students and Mississippi taxpayers?)

Actual flight hours were 2.3. Applying Saunders' inaccurate **estimate** of \$800 per flight hour, USM charged \$1,840 to the President's Office. As shown in her own actual detailed cost records, President Saunders is either incompetent or disingenuous to represent that cost per flight hour is \$800 and this flight as costing \$1,840. The **actual cost** to fly N777AQ was 2.3 **actual** flight hours times **\$5,971.11 actual cost** per flight hour, **\$13,733.55**. (Please note that when the **\$907,053.85 balloon payment**, which is due at the end of the five year lease, is amortized over the five years of the purchase/lease, the cost per flight hour is **\$8,910.28**.)

The purpose of the flight as reported in USM's "Interdepartmental Invoice" was "IHL Board Retreat return to Accelerator Grand Opening."

Review of <http://www.usm.edu/news/article/southern-miss-holds-grand-opening-business-accelerator> shows the Grand Opening to be in Hattiesburg, not Memphis. USM's "King Air N777AQ Trip Log" shows the flight path as Hattiesburg to Memphis and back to Hattiesburg. Why the trip was made is unclear.

A unanswered question that should be answered: USM officials represented that their estimated cost of \$800 per flight hour might be slightly more expensive than commercial rates. They have not corrected this material misinformation. The difference between the minimum actual cost per flight hour of **\$5,971.11** and the estimated cost per flight hour of \$800 is material by any measure. A question to consider is, when does incompetence become fraud?

The question is well worth asking again: When does incompetence become fraud?