

**QUESTION: WHAT DOES A TRIP FROM HATTIESBURG, MS,
TO GULFPORT, MS, COST?**

The following information was obtained from the University of Southern Mississippi by way of a Mississippi Open Records request. The University provided data about flights (dates, destinations and passengers) and actual cash outflows related to an airplane (N777AQ) leased by President Saunders with taxpayer and student dollars.

To date, the plane has been in service at USM for 17 months. Total cash outflows reported by USM during the 17 months are \$591,231.71. Please bear in mind that the costs we compute do not include any portion of a 60th payment, to include a final balloon payment of \$907,053.85. If this \$900,000 plus payment were amortized over the life of the lease, the amounts computed here would be substantially greater.

USM identified 30 round trips during the 17 months which results in an actual cost of \$19,707.72 per round trip flight of N777AQ (\$591,231.71 total actual cost/30 trips). Another way to calculate the actual cost is to note that USM identified 114 passengers (some the same people on different flights, like President Saunders) over the 17 month period. The cost per passenger round trip flight would be \$5,186.24, i.e., (\$591,231.71 total actual cost/114 actual number of passengers).

Let's see what this means for a particular round trip flight. We'll do this for each of the 30 flights, but will start with a .6 hour flight from Hattiesburg, MS, to Gulfport, MS, on September 29, 2009. The passengers were President Saunders, IHL Commissioner Hank Bounds, and Chad Driskell. No purpose for the trip was stated on the Interdepartmental Invoice. Given the actual costs provided for N777AQ, take your pick of how to calculate the cost of this flight.

At an average cost per flight, the trip cost **\$19,707.72**, i.e., \$591,231.71 actual total cost/30 actual trips over the 17 month period.

At a cost per passenger round trip flight, the trip was **\$15,558.72**, i.e., \$591,231.71 actual total cost/114 passengers = \$5,186.24 per passenger x 3 passengers

USM allocated a cost for this trip of \$480. How does USM arrive at that number? We are provided no guidance. However, if a cost of \$480 is allocated to the Gulfport trip, that means that the other twenty nine trips for which the plane was used were substantially more costly. We challenge USM to explain in detail why its cost allocation is accurate and our calculation is inaccurate. Dr. Saunders will need to begin with the actual costs contained in University records.

No doubt, students and parents ask why costs of higher education continue to skyrocket. The administrative mismanagement in higher education is in the details and

usmnews.net has reported many instances. One reasonable answer is that no one in authority is holding administrators accountable, not the IHL (they are participating in the extravagance—see the list of passengers above), not the Governor, not the state legislators. So, expect costs of higher education to continue to unnecessarily increase.

Stay tuned to usmnews.net for cost analyses of the other 29 flights aboard President Saunders' plane.