

QUESTION: WHAT SHOULD A ROUND TRIP TO ST. PAUL, MN COST?

**\$43,313.69**

**AS TROUBLING AS THE EXTRAVAGANT COST, THE FLIGHT RECORDS DO NOT REPORT A PURPOSE FOR THE TRIP, AND IT APPEARS DR. SAUNDERS TRIED TO CONCEAL THE IDENTITY OF ADDITIONAL PASSENGERS, INCLUDING HER RELATIVES**

If you are a new reader of this series, catch up by reviewing [A Brief History of Saunders' "Lease" of airplane N777AQ During a Recession, Part 1](#). That report provides background information concerning the actual costs for the first 17 months of an airplane N777AQ leased by President Saunders for a 60-month period. For example, USM documents report total actual cost of **\$591,231.71** during the first 17 months of airplane N777AQ operations.

Interdepartmental Invoices for 30 flights were contained in an initial response from USM to a Mississippi Open Records Act (MORA) request concerning the airplane President Saunders leases and pays for with Mississippi taxpayer and student dollars. Although the MORA request was for all records related to the plane, USM's response was incomplete. When legal counsel followed up concerning the inadequate response, the University produced more documents. (usmnews.net reporters are currently reviewing the additional documents to determine if there is any reason to believe the response was again incomplete. In short, usmnews.net may not have all the documentation, yet.) In usmnews.net's experience, USM administrators seem inclined to conceal what they decide the rest of us do not need to know. This report may identify facts that help explain why.

### **To St. Paul, MN With A Stop at Oxford, MS to Pick Up Relatives**

On November 22-23, 2009, a USM [Interdepartmental Invoice](#) represents that airplane N777AQ flew "to Minneapolis, MN with a stop in Oxford, MS for Dr. Martha Saunders and Bob Pierce." Curiously, the Interdepartmental Invoice offers no explanation for the trip to Minneapolis or the stopover in Oxford.

We now have the pilot's log. The [pilot's log for the flight to St. Paul, MN](#) provides a more revealing passenger list. The passengers leaving Hattiesburg included Martha [**Dunagin**] Saunders, Joe Saunders [presumably Dr. Saunders' spouse, Joe Bailey], Eric Lowery, a Hattiesburg attorney, and Bob Pierce, USM Vice President for Advancement. Neither

Mr. Bailey nor Mr. Lowery are mentioned in the Interdepartmental Invoice. No purpose is stated for the trip, let alone the reason for the additional passengers identified in the Pilots' Trip Log.

The Pilot's Trip Log and the Interdepartmental Invoice report that N777AQ stopped at Oxford, MS. The Interdepartmental Invoice provides no reason for the stop. However, the Pilot's Trip Log reports that Joel **Dunagin** and Jennifer **Dunagin** joined the flight. The flight continued to St. Paul, MN and returned with all passengers to Hattiesburg, MS the next day, November 23, 2009.

Who are Joel **Dunagin** and Jennifer **Dunagin**?

Sources advise usmnews.net that Joel Dunagin is the owner of Dunagin Pest Control, Inc. and Dr. Saunders' cousin. Sources further report that Jennifer Dunagin is Joel Dunagin's daughter. Mr. Dunagin is reported to be Congressman Gene Taylor's campaign spokesman. Jennifer Dunagin is a recent graduate of Ol' Miss and currently serves as scheduler for Congressman Taylor.

**Among the questions usmnews.net is unable to answer based on information provided by USM are the following:**

- 1) Why did Dr. Saunders and Bob Pierce travel to Minneapolis?**
- 2) Why did Eric Lowery travel to Minneapolis with them?**
- 3) Why did Joe Saunders (Bailey) travel to Minneapolis with them?**
- 4) And, why are Dr. Saunders' two cousins' flying to Minneapolis in a University plane at your (taxpayer and student) expense.**

The Interdepartmental Invoice shows the flight was charged to the "President's Office"—that is, it was paid for by taxpayers and students. The flight time totaled 7 hours. The actual cost per flight hour is \$6,187.67. Therefore, the actual cost of the flight (excluding other costs like hotel rooms, land transportation, etc.) was **\$43,313.69**.

Dr. Saunders claims the flight cost \$5,600.00 – hardly cheap but a fraction of the actual cost. How did USM arrive at \$5,600.00 for the flight reported on the Interdepartmental Invoice? They used an estimated \$800 cost per flight hour based on a wildly inaccurate usage rate of estimated total cost per year of \$200,000 and estimated 250 flight hours per year. (See, A History of Saunders' "Lease" of Airplane N777AQ During a Recession.) So, \$800 x 7 flight hours = \$5,600.00. usmnews.net's numbers, on the other hand, use actual total costs reported by USM as incurred over an

extended period of 17 months (\$591,231.71) and actual flight hours (95.55) for the 17 months as reported in USM's records. **(Remember, usmnews.net's computation of cost does not include or amortize the \$907,053.85 balloon payment due on the 60th month. If that amount is included, the cost per flight hour is substantially higher than \$6,187.67.)** The truth is, USM should have corrected their estimates to reflect the true usage and costs of the airplane long ago.

If we completely ignore the nearly \$1,000,000 balloon payment as Drs. Saunders and Lyman have, the ACTUAL cost per flight hour =  $\$591,231.71 \text{ total actual cost} / 95.55 \text{ actual flight hours} = \$6,187.67$ . The trip to St. Paul, MN and back took 7 flight hours x \$6,187.67 cost per flight hour = **\$43,313.69 cost of the round trip flight.**

### **WHO'S MONITORING THESE "PUBLIC SERVANTS"?**

We all know that costs of higher education are skyrocketing. Is anyone in authority holding USM and IHL administrators accountable? IHL members blessed the lease/purchase of the plane. IHL members are enjoying the use of the plane (see the list of passengers in past and future reports in this series.) So, do not expect the IHL to do its oversight responsibility and hold President Saunders accountable for this extravagant expenditure of taxpayer and student money. A corollary is to expect costs of higher education to continue to unnecessarily increase.

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