

MEMORANDUM

TO: John Carnaghi
FROM: Karen Gibson
DATE: May 20, 2010
SUBJECT: On Demand Executive Air Charter Service

Attached for your review is the list of recommended Priority One users of the contracted on-demand executive air charter service. Once approved, this is the list that I will forward to CSG Aviation along with the name(s) of the designated staff person(s) authorized to schedule flights for these individuals.

All other employees eligible to travel on business for the University will be designated as Priority Two users and will need to have the appropriate authorization from their division head.

Our charter flight policy and procedures manual mimics the State of Florida language defining the purpose and appropriate use of this service as follows:

(1) Purpose:

The Charter Flight Service is established within The Florida State University to provide a means of travel which can enable designated officials and employees to maximize the productivity of their offices by limiting non-productive travel time. The aircraft assigned shall be of a type capable of safe and reliable flight during night or instrument conditions. They shall be available on request either to meet pre-planned trip requirements, or those of an unforeseen or emergency nature.

(2) Appropriate Use:

It shall be the responsibility of the University entity requesting the use of this service to ensure that all such use or travel is in compliance with state law governing employee travel as outlined in the University Policy and Procedure Manual.

The Florida State University
On Demand Executive Air Charter Service
Priority One Officials

Eric J. Barron, PhD	President
Garnett Stokes, PhD	Provost and Executive Vice President for Academic Affairs
Tom Jennings	Vice-President for University Advancement
John Carnaghi	Senior Vice-President Finance and Administration
Robert B. Bradley, PhD	Vice-President for Planning and Programs
Mary B. Coburn , PhD	Vice-President Student Affairs
Liz Maryanski	Vice-President of University Relations
Kirby Kemper, PhD	Vice-President for Research
Randy Spetman	Director of Athletics
Jimbo Fisher	Head Football Coach
Leonard Hamilton	Head Men's Basketball Coach
Sue Semrau	Head Women's Basketball Coach
Andy Miller	President and CEO of Seminole Boosters

Florida State University
On Demand Executive Air Charter Flight Guidelines
Contract #ITB 5390-1

CSG Aviation LLC
3250 W. Britt David Road
Columbus Metropolitan Airport
Columbus, GA 31909

Phone: 706-324-5959 or 706-681-8748

Fax: 866-784-1544

Web Address: www.csgaviation.com

Contact: Launa Desportes

Email: ldesportes@csgaviation.com

Introduction

On occasion the educational mission of The Florida State University requires the use of chartered flights to meet critical goals and objectives of the institution. The need for mobility, an entrepreneurial spirit, and face-to-face relationships is critical to our research efforts, fund raising, recruiting of special talent, and service excellence initiatives. With an ever-changing state funding formula, organizational agility in attracting the resources both financial and non-financial to accomplish the educational mission of the University is a major priority.

The major benefits of chartered flights as delineated by the University are:

- Maximize the schedule/time efficiency of key personnel.
- Foundation capital campaigns/Direct Support Organization fund raising/Lobbying for research contracts and grants.
- Special talent recruiting.
- Provide regional travel to/from areas underserved by commercial aviation.
- Support mandated educational programs (i.e. medical School).
- Passenger Safety and Security.

(It should be noted that the use of chartered flights by university personnel and direct support organizations is not new, but the scheduling of and costs of such service has been done on a decentralized basis which has not allowed for the economy of scale in both cost of service and availability/reliability of scheduling).

In order to establish better management control over cost and scheduling the University has established a contract for On Demand Executive Air Charter Flight Services to maximize the cost efficiency of this service and to standardize the policies and procedures that govern the use for such service.

Note: Employees (faculty and staff) traveling on University business are expected to choose the least costly method of transportation that meets the traveler's scheduling and business needs. Checking the cost of commercial flights vs. using the University's air charter plane is the responsibility of the department initiating the trip.

Overview of On Demand Executive Air Chartered Services

The University has a contract with CSG Aviation to provide On-Demand Executive air chartered flight services for authorized University personnel.

Basic Features of the plan are:

Dedicated use of a King Air 200 with crew of Pilot and Co-Pilot and 8 passenger seats.

- Range : USA – The 48 contiguous United States and the District of Columbia

Guaranteed Availability with 12 hours scheduling notice (possibly available with less notice).

Flexibility to up-grade service to jet if needed by University.

Availability of multiple planes if needed.

Passenger Eligibility

All travel of the University is governed by Section 112.061 of Florida Statutes and Chapter 3A-42 of the Florida Administrative Code. The current guidelines as outlined in the University Policy & Procedures manual covering authorized university travel would be in effect with the use of this service.

Essentially the use of this service would be available to:

- Members of the Board of Trustees
- All part-time and full-time employees of the University and all University Direct Support Organizations (DSO).
- A person who is called upon by the University to contribute time and services as consultant or advisor.
- A person who is a candidate for an executive or professional position.
- Students who are acting in an official capacity for the University as authorized by the President or President's designee.
- All passengers must be on officially authorized University or State of Florida business and all travel must be authorized in advance as outlined in Florida Administrative Code 6C2-4.061.

Passenger Priority

The following guidelines have been prepared to assist in determining who has first priority in scheduling charter flights.

Priority One is reserved for senior officers and select designated individuals. These personnel are the highest priority users and may schedule aircraft at their discretion.

- Board of Trustee Members and designated staff
- President of the University and designated staff
- Vice-Presidents of the University and designated staff
- Athletic Director and designated Coaches/staff
- President of University Foundation and designated staff
- Executive head of Seminole Boosters and designated staff

Priority Two would be all other University personnel, as approved by priority one official, eligible to travel under the policies and procedures governing University travel whose use of charter service would be beneficial to the University.

Scheduling

Actual scheduling of a flight will be done through CSG Aviation utilizing their aircraft tracking and scheduling service. This scheduling service is to be available to the University 24 hours a day, 7 days a week, 360 days of the year. Service is guaranteed with 12 hours advance notice. (CSG Aviation may be able to respond with less notice but there is no guarantee).

To request a quote for a pending trip or to schedule a flight contact CSG Aviation at 1-706-681-8748 or email: ldesportes@csgaviation.com

CSG Aviation's IT department is currently working on developing a website which will show all the aircraft that is available with performance specifications, in addition to pictures.

Charter Aircraft Service Policy

Note: Eligible travelers are required to have proper authorization from their division head. The "Contract Air Carrier Use Worksheet", available at <http://control.vpfa.fsu.edu/Controller-Forms#TravelForm>, must list the justification for use, contain the division head signature, and be submitted to the Travel Office prior to departure. The following officials, due to the nature and time sensitivity of their respective positions, will need to complete only sections 1 and 2 of the "Contract Air Carrier Use Worksheet".

- University President
- Provost and Executive Vice President for Academic Affairs
- President of FSU Foundation
- Senior Vice-President Finance and Administration
- Vice-President for Planning and Programs
- Vice-President Student Affairs
- Vice-President University Relations
- Vice-President for Research
- Director of Athletics
- Head Football Coach
- Head Men's Basketball Coach
- Head Women's Basketball Coach
- President and CEO of Seminole Boosters

Passengers who are traveling in the company of any of the above listed officials, or sanctioned by one of these officials, are required to be listed in Section 2 of the "Contract Air Carrier Use Worksheet." Further justification is not required for their flight.

If a passenger's flight is not payable by the University, the responsible department should obtain appropriate billing information at the time the flight arrangements are made. This information is submitted to Accounts Receivable using FSU form number SF1 (Accounts Receivable Charge Document) once the charter service invoice has been received by the department and the individual's flight charge has been determined. Refer to the Calculation of Airfare section below for further details. It is the department's responsibility to make the traveler aware of the estimated charge prior to flight departure as provided by the contracted charter carrier. Individual departments allowing travel of non-University persons are responsible for submitting the appropriate information to ensure collection of funds by Accounts Receivable.

Calculation of Airfare: Calculation of airfare for individuals is based on the following formulas in compliance with FAC 60B-4.004.

1. **Airfare Payable by University or Public Funds:** If all charges are lawfully payable from University or public funds, each passenger's flight charge will be a sum equal to the direct costs of aircraft operation including any allowable flight crew expenses divided by the actual number of passengers that traveled.

Example: Five (5) University employees travel and the cost of charter is \$3,000.00; the amount chargeable to the budget number listed for each employee is \$600.00.

2. **Airfare Not Payable by University or Public Funds:** If a portion of the aircraft charge is due from a person for whom travel will not be reimbursed by University or public funds, each such private traveler shall be charged the sum equal to the direct costs of aircraft operation including any allowable flight crew expenses divided by the number of passenger seats in the aircraft. The number of passenger seats per plane as designated by the aircraft number listed on the charter carrier's invoice can be determined by the charts on the next page.

The remaining direct operational costs and allowable flight crew expenses shall be prorated among the actual number of travelers paid from University or public funds.

Example: A traveler's flight is not to be reimbursed by the University or public funds. The aircraft has a total of eight (8) passenger seats and five (5) passengers travel. The remaining four (4) passengers' flights are paid from University or public funds. Direct aircraft operating costs and allowable crew expenses are \$3,200.00.

$\$3,200.00$ divided by 8 seats = $\$400.00$ (amount due from traveler for flight not paid by University or public funds).

$\$3,200.00$ less 400.00 - $\$2,800.00$ (Total to be paid from University or public funds).

$\$2,800.00$ divided by 4 University passengers - $\$700.00$ per University or public funds passenger.

3. **Travel Expenses:** Meals and other travel expenses for individual travelers are only reimbursed in accordance with State of Florida Statutes and University Policy and Procedures regarding travel. Payment is the responsibility of the individual traveler not the charter service provider or its employees. Appropriate reimbursements will be processed using current travel reimbursement methods upon return of traveler by the responsible department.

Payment Processing: Payments will be processed with unencumbered funds using the “Contract Air Carrier Use Worksheet”, the contracted air carrier’s invoice, and copies of FSU form number SF1 as documentation. Payments are to be processed by the central travel office.

The contract carrier invoice shall list aircraft type, itemized expenses, flight hours, flight date, destination(s) and all passenger names. Flight crew expenses will be reimbursable only in accordance with the current State of Florida travel reimbursement laws, Section 112.061, Florida Statutes. Note: Reimbursement for crew expenses, if any, must be approved by the University at the time of booking.

Flight amounts due from non-University sources will be processed from the designated budget number on the “Contract Air Carrier Use Worksheet” for that passenger. The payment from the non-University source will be applied to the budget from which payment to the contracted charter carrier was made as listed on the “Contract Air Carrier Use Worksheet”.

Inappropriate Use: The aircraft shall not be routed for any traveler’s personnel convenience. Any improper use of charter aircraft will be reported to the agency head. He/she shall take just and proper action as dictated by the circumstances in compliance with existing personnel rules and regulations regarding disciplinary actions.

The University’s charter aircraft service policy can be located at:
<http://control.vpfa.fsu.edu/Travel/Charter-Aircraft-Service-Policy>

For a detailed description of the policies related to the use of charter aircraft please see University policy [O-D-2-D18](#).

The Contract Air Carrier Use Worksheet can be located at:
<http://control.vpfa.fsu.edu/Controller-Forms#TravelForm>

FSU Proposal
12-Month contract

The initial contract period shall be for a period of one (1) year with up to five (5) additional one (1) year renewal options. Price increases required due to market conditions, if necessary, shall be made at the time of contract renewal, and shall not exceed the increase in the Consumer Price Index for the preceding the 12 month period.

The following provides details (in addition to the “bidder’s response” pages) of the On-Demand Charter Flight Services program requested by Florida State University. This contract is designed to provide Florida State University (including affiliated organizations and foundations) the safety, flexibility and reliability of a professionally managed aircraft charter program. The specified aircraft is a two engine King Air 200 propjet, configured to accommodate 8 passengers with a crew of 2 (Pilot and Co-Pilot). The aircraft will cruise up to 300 mph at a maximum altitude of 25,000 feet in pressurized, air-conditioned comfort. The airplane will be equipped with all appropriate avionics including digital, color weather radar and traffic collision avoidance.

Flight crew will have standard uniform attire consisting of black pants, white pilot shirts with gold bars on shoulders, name tags and FSU logo ties.

CSG Aviation LLC currently operates 3 total airplanes – all of which can be available within the required 12 hour scheduling notice:

<u>Aircraft</u>	<u>Type</u>	<u>Seats</u>	<u>Range</u>	<u>Speed</u>	<u>Cruise Altitude</u>
BE200	King Air 200	8	750 miles	300MPH	25,000
PC12	Pilatus	6	750 miles	300MPH	25,000
PC12	Pilatus	6	750 miles	300MPH	25,000

Unless otherwise specified, all flight time calculations will begin and end in Tallahassee, Florida.

Hourly rate per flight hour for King Air 200, as if it is based in Tallahassee, FL	<u>\$1350.00</u>
Daily Crew Fee (Pilot and Co-Pilot)	<u>\$300.00</u>
Overnight Fee per flight	<u>\$600.00</u>

Hourly Rate: is based on the aircraft flight hours as recorded on the aircraft’s flight hour meter (which does not run during ground operations) plus 6 minutes for each takeoff and 6 minutes for each landing. Reported and billed to the nearest 1/10th of an hour.

Note: No repositioning charge applies when an alternate airplane is utilized by CSG Aviation LLC, to maintain service reliability.

Note: There is no brokerage fee if a sub-charter is required due to the University requesting an aircraft not operated by CSG Aviation.

Note: Facility and landing fees are billed at actual cost. Actual receipts for cost reimbursements by crew must be submitted with invoices, if requested by the University. Crew travel-related expenses to be reimbursed, if any, must be approved by the University at the time of booking, and shall be made in accordance with the State of Florida travel reimbursement laws, s. 112.061 F.S.

FSU may utilize other airplanes or more than one airplane at a time. Other aircraft that CSG can broker for FSU if one of the three planes above is not available:

AIRCRAFT	RANGE	SPEED	PASSENGER SEATS	CRUISE ALTITUDE	HOURLY PRICING
Pilatus PC12	750 miles	300MPH	6	25,000	\$1125.00
King Air 200	750 miles	300MPH	8	25,000	\$1350.00
Beech 1900	750 miles	300MPH	19	25,000	\$2200.00
Citation II	1000 miles	400MPH	9	35,000	\$2400.00
Lear 35	1000 miles	500MPH	7	35,000	\$2200.00
Beechcraft Baron	500 miles	200MPH	4	10,000	\$550.00
Piper Navajo	500 miles	200MPH	5-6	10,000	\$750.00