June 5, 2008

FISCAL MEMORANDUM 08-05

TO: TTI Employees

SUBJECT: New Airline City-Pairs Effective June 1, 2008 and Checked Baggage Fees

The Texas Comptroller of Public Accounts (CPA) has awarded contracts to the following vendors to provide state entities discounted fares on 272 city-pairs. These fares are effective now thru March 31, 2009:

• American Airlines
• JetBlue Airways

These city-pairs provide maximum flexibility in traveling because the fares are not subject to restrictions or penalties on last-minute, refundable tickets. However, this flexibility means the rates are not always at the lowest cost to the state. When possible, travelers are encouraged to book their travel at least 14 days in advance or utilize other lower cost airline fares for planned travel requirements to obtain the lowest possible cost to the state.

Details regarding the State of Texas airline contracts can be found at:

http://www.window.state.tx.us/procurement/prog/stmp/stmp-airline-contract/

Additionally, American Airlines will begin charging fees for checked baggage. While these fees do not apply to the state contract fares, they are applicable to all published fares. Baggage charges that are related to state business are reimbursable. It is assumed that the first checked bag is necessary to complete business travel. According to section 7.07 of the State of Texas Travel Allowance Guide, excess baggage charges for personal belongings are not reimbursable. However, the fees may be reimbursable if they are incurred for checking state-owned equipment.

As a reminder, all airfare must be charged to the employee’s JPMorgan Chase Individual Corporate Card or the Business Office’s Central Billing Account (CBA). The only exception allowed is in the instance where a non-state contract airfare charged to a personal card provides the traveler with more accident insurance coverage (you will have to provide proof) than the
agency’s CBA or an employee’s JPMorgan Chase Individual Corporate Card. **State contract airfare must** be charged to the agency’s CBA or an employee’s JPMorgan Chase Corporate Card. Both the agency’s CBA and the individual’s Corporate Card provide 24-hour, $500,000 accident insurance.

If you have any questions, please call Charlene Meier at 845-9855 or Marie Ethridge at 845-9595.

Don Bugh  
Executive Associate Director