



PRAIRIE VIEW A&M UNIVERSITY

A Member of the Texas A&M University System

December 15, 2005

OFFICE OF BUSINESS AFFAIRS MEMORANDUM No. FY06-02
Distributed via Campus Email

MEMO TO: All Employees
FROM: Mary Lee Hodge, Vice President for Business Affairs
RE: State Contracted Airfare

State contracted rates for airfare have been extended only through 12/31/05. Through discussions with the Texas Building and Procurement Commission and other State agencies, it appears highly unlikely that any contracted rates will be in effect after 12/31.

What are we losing by not having state contracted airfare?

1. Lower Rates for last minute bookings;
2. Lower Rates for refundable tickets, and
3. No change fees for trip changes/cancellations.

What can we do to save money and diminish the impact of not having state contracted airfare? Book well in advance. Typically, the further in advance airfare is booked the lower the price. Keep in mind with non-refundable tickets there is no refund if the trip is cancelled and any changes incur a change fee typically \$50-\$100. Even given this extra fee though, non-refundable tickets can still be cheaper if booked far enough in advance. So if the travel arrangements are not likely to change and can be booked well in advance purchasing a non-refundable ticket is often the best value. Most standard searches will only display discounted fares, or web fares, which are non-refundable.

What if there is a high probability that the travel plans will be subject to change? Then the traveler may want to look at booking a refundable (more expensive, but more flexible) ticket. Refundable tickets do provide certain travelers the flexibility they need in order to conduct their business. Refundable tickets allow you to change your itinerary up to the time of departure with no additional fees incurred. They are also fully refundable if a trip has to be cancelled. Refundable fares can be found by viewing additional search options on the online booking websites such as Orbitz, Travelocity, Expedia, National Travel Systems, etc. Traditional brick and mortar travel agencies will also be able to book refundable tickets.

If you have any questions about this matter, please feel free to contact Ms. Yadira Perez at x-4852.

cc: Ms. Yadira Perez