

Travel Bulletin: #16-04 Effective Date:July 1, 2016 Expiration Date: June 30 2017 SUBJECT: Discount Airfare for Official State Business PURPOSE: New Contracted Airfare Discounts for Official State Business REFERENCE: Travel Bulletin 14-04

Purpose

The purpose of this Travel Bulletin is to announce the extension of discount airfare contracts between the State of California and the following airlines:

- Alaska Airlines
- Delta
- JetBlue
- Southwest Airlines
- United Airlines
- Virgin America

These discount airfares are authorized for use by employees of state departments, universities, local governments, and K-12 public school districts for travel on official government or school business. Contracts are available for two discount categories: Preferred Carriers and individual City-Pairs. Contracted airfares will be used by all state departments in accordance with the guidelines listed in the **Usage Requirements** section of this Travel Bulletin. Departments may impose more restrictive travel rules as determined by their operational need. Reference your individual departmental travel policy for specific limitations and guidelines.

Contract Term

The contracts are extended effective July 1, 2016 – June 30, 2017.

Discount Airfares

Preferred Carriers

Preferred Carrier groups are available for both Domestic and International airfare markets. Preferred Carrier contracts are awarded to one airline in each of these markets. The Domestic market is defined as all flights with both the origination and destination airports located within the 50 United States. The International market is defined as all flights that have one, or both of the origination and destination airports located outside of the 50 United States.

- Domestic Preferred Carrier: Southwest Airlines
 - o 6% discount on all fully refundable domestic fares.
 - o 3% discount on all non-refundable domestic fares.

- Discounts do not apply to limited time promotional fares.
- International Preferred Carrier: **Delta Airlines**
 - 8% discount on all fully refundable International fares.
 - o 2% discount on all non-refundable International fares.
 - Discounts are available as part of a Joint Venture agreement.
 - Joint Venture participants (Delta, Alitalia, Virgin Atlantic, KLM, Air France)
 - Tickets issued through Delta but carried on one of the Joint Venture airlines will qualify for the contracted discount.

City-Pairs

The contracted City-Pair rates include airfare for origination and destination points for intra-California, out-of-state, and international destinations and are listed at <u>on the DGS</u> <u>Statewide Travel Program website</u>.

The State of California has two types of discount City-Pair airfares – Unrestricted (YCAL) and Restricted (Capacity-Controlled/VCAL).

- YCAL fares are fully-refundable unrestricted airfares that offer last seat availability and are for travel in either direction of the city pair.
- Capacity Controlled fares are restricted meaning that airlines set aside a limited number of seats on each flight for the State of California. These airfares are also fully refundable and are for travel in either direction of the city pair. These fares are less expensive than the unrestricted YCAL fares. Capacity Controlled fares are typically available when a traveler is able to make travel arrangements early.

Usage Requirements

The State of California, for individual trips of authorized State travelers, will require the use of contracted services in the following hierarchical order.

- a) Preferred Carriers Authorized State travelers will be required to use the State's Preferred Carriers, unless one of the following exceptions exists:
 - Space or flight schedules are not available to accomplish the purpose of the travel, or use of available contract service would require the traveler to incur unnecessary costs which would increase the total cost of the trip.
 - II) A non-contract carrier or City-Pair contracted carrier offers a fare that is \$30.00 lower than the Preferred Carrier's published State discounted rate.
- b) City-Pair Carriers: Authorized State travelers who meet one of the Preferred Carrier exemptions above will be required to book one of the State's City-Pair fares, unless one of the following exceptions exists:
 - Space or flight schedules are not available to accomplish the purpose of the travel, or use of available contract service would require the traveler to incur unnecessary costs which would increase the total cost of the trip.

- II) A non-contract carrier offers a fare that is \$30.00 lower than the City-Pair's published State fare.
- c) Non-Contracted Carriers: Authorized State travelers who meet exemptions in each of the two categories above will be authorized to book the lowest available fare, which meets their business needs, with a non-contracted carrier.

Accessing the Discounts

Preferred Carrier discounts are available through Southwest Airlines and Delta Airlines. Discount YCAL and Capacity Controlled fares are available through Alaska Airlines, Delta Airlines, JetBlue, United Airlines, and Virgin America Airlines. To receive discount fares (Preferred or City-Pair), travel must be booked through the State's authorized travel agency, CALTRAVELSTORE, or online booking tool, Concur Travel. Links are located <u>on the Cal Travelstore website</u>. Per terms of the contract, all discounted airfares must be paid for using an account through the State's contracted travel payment provider.

DGS Contact

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