

Members, Bridge Officers, Past Chief Commanders, and Chief Commander Fraser.

The first thing you will notice is that I have reversed the normal introduction, Why? ... because we are all members first and foremost, membership is what will keep this organization alive and national leadership evolves through members involvement in the local squadron, participation in District and volunteerism to take on roles at every level, without volunteers the boat sinks.

Earlier this year, I was asked by the National Treasurer to speak about the Educational Fund, how it was set up, how they get funds and what projects qualify for grants.

To answer those questions, I had to do a little historical research. I have updated the terminology a little to account for archaic language, so to my forebears, I apologize. The Educational Fund was established back in 1974 so this year, 2024, is the Funds 50<sup>th</sup> Anniversary.

Six members who served the organization at the national level held the vast sum of one hundred dollars and to quote the verbiage used in the original Trust document “They were able to accept, take, hold, deal with, disburse, and dispose of all additional property given, transferred, conveyed, devised, or bequeathed to the Trustees, only in the manner authorized and only for the educational purposes and for other designated uses. All property so accepted, taken, and held shall constitute and would be known as the USPS EDUCATIONAL FUND”

The Educational Fund is comprised of six Trustees, who can serve up to a maximum of six years, effectively this means that normally one Trustee rolls off and is replaced each year. Per the original Trust Declaration, the Trustees can only distribute the interest received on donations in the form of grants so long as it doesn't mean paying taxes!!! To this end the Educational Fund is an independent 501(c)3 with no links to United States Power Squadrons or governance from the Chief Commander or BOD (formerly known as the Operating Committee).

The Trustees receive no remuneration for their role, the only expenses incurred are limited to an outside Accountant, North Carolina state fees, an Administrative Assistant and postage.

The financial growth of the Educational Fund has been derived from various sources, the most frequently recognized source being the one dollar per member contribution which, if met, results in being recognized as an Honor Roll squadron or District. Of course, back in the 70's and 80's we had a substantial membership, so those “one dollar” donations grew the coffers, regrettably with declining membership that source of funding has diminished but is still a

valuable source of donation to the Fund. Additionally, the Fund receives donations in memory of members who have crossed over the bar. With declining membership regrettably comes squadrons folding and turning in their charter. As squadrons know, remaining funds must be given to a not for profit 501(c)(3) organization. Unfortunately, in 2023 USPS saw several squadrons disband but I would like to recognize a couple of those squadrons whose members chose to donate their closing bank balance to the Educational Fund, Hampton Roads, and Homestead squadron who, when totaled together, donated over \$105,000, Thank you. We have also received donations from members who continue to provide donations to the Fund who shall remain anonymous.

Since those humble financial beginnings back in 1974, The Educational Fund has grown to approximately \$5.2million after successive Trustees have provided around \$3.5 million in grants. The Educational Fund is conservatively invested in various stocks, bonds, and equities which over the last 5 years has given us an average growth of 6.93%. The year ending 31 December 2023 produced a 12.4% return, of course as with any investment we are subject to market fluctuations, however, we are however delighted with our financial advisors, Johnson Investment Counsel, who have served us well for numerous years.

Now that I have covered how the Trust works and how we receive our funding let me give you some examples of where the grant monies go. A summary of the past six years that have been approved shows that, at the National level, grants were issued for:

- USPS Marketing of Education courses
- Communications and Advertising
- Translating the America's Boating Course into Spanish
- Online Seminar Development
- Chapman Awards
- Boat Operator Certification Training
- Communication Compass Videos
- Boat Handling Licenses
- Distributing America's Boating Course manuals

Those grants total more than \$460,000.

In this past six months the Trustees have approved two large grants one for the IMIS software and implementation that will replace the aging software this will allow local squadrons to update, records, order educational material, accept credit cards, PayPal etc. and many more possibilities currently under development, this first stage grant approved was for over \$100,000.

The latest grant approved in the sum of \$42,000 is for the America's Boating Course Website and upgrade, with funding now approved, the project will be commencing shortly, and I'm told will be available by the Fall of 2024.

At Squadron and District levels

During Covid we provided every squadron with 20 America's Boating Course manuals, shipped free, to allow the squadrons to sell their courses at no cost and to retain the fees from the students to help keep each squadron afloat. This program was not requested by the Education Department or BOD but came from the Trustees brainstorming ideas to assist squadrons directly with materials to encourage student home study, squadron monetary stability and membership growth. That exercise required \$212,000 of Educational Fund monies.

Requests for grants which were approved from numerous squadrons were also received. These cover various projects like Outreach for Boaters, Simulator shipping costs, road and boat slip signage, boat show expenses to name but a few.

Regrettably, our Trust declaration does not allow us to cover grants for laptops, projectors etc.

At the start of this report, I put members first, the Educational Fund welcomes any grant request from Districts and Squadrons and will give each request its due and careful consideration. I suspect when you are planning projects, education or boating safety, a good idea may be dropped because of lack of funding, remember we are here to help. We have a webpage accessed through the Site Index where, apart from a lot of useful information, you will find a link to a Grant Submittal Form.

Finally, I mentioned earlier that Trustees roll off after six years, at this meeting two stalwarts retire and I would like to thank them for their devoted service, those trustees are P/C/C Les Johnson, SN and R/C Susan Darcy, SN. The other Trustees continuing are R/C Norm Pennington, SN, P/V/C Lee Popham, JN and P/D/C Jane Brandenstein, SN.

Please stand and to be recognized by the membership.

And Chief, to put you back on your pinnacle, that completes my report.