Minutes of the Governing Board Meeting  
Held on 7 Sept. 2013  
At the Grand Hyatt, San Antonio, Texas

Chief Commander John T. Alter, SN, convened the meeting at 0900.

The invocation was delivered by USPS Chaplain Lou Reitz, followed by the pledge of allegiance led by N/F/Lt Joseph R. Mesenburg, SN, and the singing of the national anthem.

**Introduction of Past Chief Commanders**

P/C/C Frank A. Dvorak, SN, introduced the other past chief commanders who were present in order of their terms:

- P/C/C L.M. Barnes III, SN, 1996-1997 (Rocky Mount/27)
- P/C/C Lance J. Jensen, SN, 2000-2001 (Bellevue/16)
- P/C/C G. Leslie Johnson, SN, 2004-2005 (Diablo/25)
- P/C/C Creighton C. Maynard Jr., SN, 2008-2009 (Fort Worth/21)


R/C Mary Ann Jensen, SN, introduced honored guests:
Introduction of Guests

- Jeff Hoedt, chief, Boating Safety Division, Office of Boating Safety, United States Coast Guard
- Ken Forster, chief, Marine and Chart Division, National Oceanic and Atmospheric Administration
- Thomas Mallison, national commodore, U.S. Coast Guard Auxiliary
- Mary Larsen, coordinator, USCG America’s Waterway Watch Program
- Ev Tucker, treasurer, National Boating Federation
- Keith Christopher, national director, Boy Scouts of America
- Richard Bee, chief commander, Canadian Power & Sail Squadrons
- Chris Edmonston, president, BoatU.S. Foundation
- Virgil Chambers, executive director, National Safe Boating Council
- Carolyn Belmore, president, National Boating Federation
- Larry Bowling, National Transportation Safety Board
- Steve Prime, vice president, Gowrie Group
- Jake Hill, executive underwriter manager, McGriff, Seibels & Williams
- Kirsten Schuchardt, marketing manager, Brunswick Dealer Advantage
- Randy White, president and chief executive officer, SailAngle.com

C/C Alter presented a USPS Flame Award to Virgil Chambers.

Report of the National Safe Boating Council

P/R/C Shaw reported that NSBC offers awards and grants recognizing individuals and organizational partners in the boating community who create innovative programs designed to
improve boating education and raise awareness of recreational boating safety issues. For details on NSBC, the awards and grant programs, visit safeboatingcouncil.org.

P/R/C Shaw reported that the NSBC offers several opportunities to boating instructors and boating-related industries. The Instructor Training Course is designed to prepare instructor candidates to teach effective NASBLA-approved basic boating safety courses to recreational boaters nationwide. The Recreational Boating Safety Instructor Network connects instructors to course providers and credentialing opportunities in recreational boating safety professional programs. The Marina Pro Program develops a cadre of trained and certified professionals across the country who can teach on-the-water boating skills to the boating community. The Boat Pro Point of Sale Program teaches sales personnel how to more effectively sell and promote boating safety equipment.

P/R/C Shaw reported that NSBC Executive Director Virgil Chambers would retire on 30 Sept. 2013. She announced that the NSBC Board of Directors selected Rachel Johnson, NSBC Outreach Manager and Director of the Wear It! Campaign, as the NSBC Executive Director effective 1 Oct. 2013. She thanked Mr. Chambers for his service to USPS and the recreational boating community.

The national secretary declared a quorum present.

C/C Alter reported an attendance of 414.

Report of the Committee on Rules

R/C Art Pickard, SN, chairman, Committee on Rules, announced that with the concurrence of the USPS Board of Directors, the Committee on Rules recommended the following housekeeping revision to the USPS Bylaws to be effective as of the adjournment of the 2013 Fall Meeting of the USPS Governing Board.

Existing bylaw:

*Section 6.14 Each district may make annual assessments on a per capita membership basis against the squadrons assigned to it in amounts necessary to meet expenses of the district, which assessments must be authorized and approved by the district conference.*

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Proposed amendment:

Section 6.14 Each district may annually assess squadrons assigned to it, based on the number of their single active members and family units, in amounts necessary to meet expenses of the district. These assessments must first be authorized and approved by the district conference.

The Governing Board ADOPTED the motion to amend USPS Bylaws, Section 6.14 (2013-GB-1).

Approval of the Minutes

C/C Alter announced that, with no objections, the minutes of the 2013 Annual Meeting of the Governing Board held on 19 Jan. 2013 were approved as distributed.

Report of USPS Executive Director

Mary Catherine Berube, executive director, introduced the headquarters staff present. Lena Padro, manager of membership services, and Tammy Brown, marketing director.

Mrs. Berube reported that Tammy Brown joined the headquarters staff on 28 May 2013. She noted that Mrs. Brown is focusing on branding and delivering a consistent message at all levels of USPS. During the 2013 Governing Board Meeting, Tammy facilitated a marketing panel on successful ways to grow a squadron and using social media to increase membership, fill classes, and build the USPS brand.

In July 2013, Mrs. Brown requested photos and videos of USPS families and friends having a great time while practicing safe boating. These images could potentially be used on the new website, USPS social media platforms, and in USPS electronic and written publications. Members were asked to continue to share their photos by emailing them to brownt@hq.usps.org.

Mrs. Berube reported that the upgrade of the server at headquarters was complete, providing much needed storage and enhancements to headquarters’ email service. Headquarters is upgrading its accounting, inventory and e-commerce systems to NetSuite in FY2014.
The Publications Staff is working on the 100th anniversary issue to coincide with the organization’s centennial in 2014. The special anniversary issue will take the place of the magazine’s usual winter issue and will showcase many stories and features to honor the organization’s history and mission.

The staff is encouraging members to submit stories that relate to their personal experience with USPS or to the organization’s history, such as the expansion of membership, the creation of courses and seminars, or members who played an integral part in establishing USPS. Members are also encouraged to send information and pictures of anniversary-related events held by their squadrons and districts. Share your thoughts and stories by emailing ensign@hq.usps.org or via The Ensign Facebook or Twitter pages: facebook.com/uspsensign and twitter.com/uspseditor.

In June USPS received three USCG grants totaling $454,900. The first is the Practical On-the-Water Training Rollout Grant Phase III for $220,000. Funding will be used for advanced training, integration of courses with on-water components, training additional instructors and students, marketing, and data analysis. The second is a USPS Partnering Grant for $19,900 to fund travel to facilitate partnering objectives. The third is a USPS Boat Handling Simulator Program for $215,000. Funding will be used to purchase portable boat handling simulators and for marketing and administrative costs.

Mrs. Berube concluded by reporting that the Practical On-the-Water Training Rollout Grant Phase II will expire in March 2014. To date, nearly 100 training events have been held; more than 700 students have been trained, and 50 instructor-level courses have been taught. She thanked the USCG for its continued support.

**Report of the Committee on Nominations**

R/C Jamie McCurry, AP, chairman, stated in accordance with the *USPS Bylaws, Section 5.6.1*, the Committee on Nominations recommends the election of the below listed members.

For General Members of the Governing Board:

D/Lt/C John R. Rowland, SN  
Fox Valley/20

R/C James J. Runge, SN  
Racine Sail/20
For Staff Commanders:

**Government & Partner Relations**
P/D/C John T. Doyle, SN  Pompano Beach Sail/8
P/R/C Greg E. Korstad, AP  Minnetonka/10

**Boat Handling Committee**
P/C John Kern, AP  Hilton Head Sail/26

**Environmental Committee**
Stf/C Samuel A. Woodruff Jr., AP  Columbus Sail/29

**Electro-Mechanical Systems Committee**
Stf/C Gene A. Danko, SN  Rockville Sail/5

**Publishing Committee**
Stf/C S. Patricia Greer, SN  Raritan Bay/4

**Marine Environment Committee**
John R. Gill, AP  Delaware River/5

The Governing Board ADOPTED the motion.  (2013-GB-2)

C/C Alter administered the pledge to the newly elected general members of the Governing Board and staff commanders.

**Report of the National Law Officer**

R/C David Allen Jr., SN, reported that since the 2013 Annual Meeting the Law Committee continued to manage and protect USPS’ intellectual properties. He noted that educational materials and trademarks are some of USPS’ greatest assets, which require constant attention and monitoring.

R/C Allen stated that LawCom monitors USPS insurance to ensure that the coverage is appropriate to protect members, leadership, and the USPS mission. The committee also reviews partner agreements to ensure that the agreements are balanced and fair to all parties.
R/C Allen encouraged all members to contact their squadron or district law officer or the Law Committee when faced with challenges that may require legal assistance.

**Report of the Planning Committee**

R/C Kay Simkins, AP, reported that the Planning Committee was working on several projects. She noted that the committee receives ideas and suggestions from the Board of Directors and individual members.

R/C Simkins reported that the project on recruiting members to join national committees was complete. The committee worked closely with the Committee on Nominations and received feedback from rear and staff commanders and districts. The final report will be posted on the committee website at usps.org/national/plancom. R/C Simkins encouraged members to file a resume at usps.org/national/comnom.

The Planning Committee submitted its report to the Board of Directors on alternative sources of revenue that would be in addition to dues and sales of educational materials. The committee is working on squadron simplification and is working with the Board of Directors to develop a new Strategic Plan that will contain goals that are meaningful, achievable, and measurable.

R/C Simkins reported that the Planning Committee presented a seminar on electronic meetings. The presentation can be downloaded at usps.org/national/plancom/resource.

**Report of the Finance Committee**

R/C Lee Popham, AP, reported on USPS investments, USPS’ overall financial status, grant revenues and expenditures, and the 2013 and 2014 budgets.

R/C Popham reported that USPS investments under the oversight of the Finance Committee are managed by Riazzi Asset Management. As of 31 July 2013, USPS investments totaled $2,458,207. These dollars are broken up into two major portfolios.

The first portfolio is the Century Endowment Fund, totaling $1,668,780 as of 31 July 2013. Seventy-three percent of these funds are invested in common and preferred stock equities,
with the balance invested in other fixed income securities and money market funds. Year-to-date earnings and unrealized gains of $64,982 produced a return of 4.2 percent.

The second portfolio is the USPS Investment Portfolio, totaling $807,355 as of 31 July 2013. Seventy-seven percent of these funds are invested in common and preferred stock equities, with the balance invested in other fixed income securities and money market funds. Year-to-date earnings and unrealized gains of $43,175 produced a return of 5.5 percent.

R/C Popham reported that the target allocation mix of common and preferred equity securities to fixed return investments remained 70 percent equity and 30 percent fixed. In 2013 $19,130 of fixed income funds were transferred to USPS operating accounts.

R/C Popham reported an operating surplus of $66,711 as of 31 July 2013, compared to an operating deficit of $42,268 one year ago. He noted the surplus was due primarily to reducing expenditures.

He reported that as of 31 July 2013, USPS had a total of $1,314,786 in open awarded grants, of which $604,284 had been collected. Of that total, $577,355 in grant expenses had been paid, leaving an obligation of $728,505. He stated that with only $570,828 additional grant revenue remaining it would be necessary to spend approximately $160,000 from USPS operating accounts. He noted that $178,000 had been set aside in a separate money market account for this purpose.

R/C Popham reported that the 2013 Budget contemplated an operating deficit of $100,540, which was to be offset by taking the shortfall out of the USPS Investment Fund. As a result, the Finance Committee could not determine that the necessary funds to finance the 2013 Budget could reasonably be anticipated.

He noted that the necessary actions had been taken to reduce the operating deficit, and that the Finance Committee believed that USPS should achieve break-even operating results in 2013. He reported that the 2014 Budget contemplates a break-even operating result and that the Finance Committee determined that the funds necessary to finance the 2014 Budget could reasonably be anticipated.

R/C Popham announced that the Finance Committee Report was not recommending a dues increase in 2014.
R/C Popham reported that the Board of Directors recommended reinstating an administrative fee for new primary members. He explained that in the past new members paid a $25 initiation fee to cover administrative costs. The Governing Board voted to eliminate that fee beginning in December 2010 with the hope that it would help attract new members. Eliminating the fee has cost USPS approximately $200,000 and has not had a positive effect on recruiting new members. He explained that the proposed administrative fee will be billed when a primary active member joins or, in the case of a free trial membership, on the first dues invoice.

R/C Popham offered the following motion: That the Governing Board implement a one-time $20 new primary administrative fee to be effective 1 Dec. 2013.

The Governing Board ADOPTED the motion. (2013-GB-3)

R/C Popham reported receiving proposals from three accounting firms and moved the following motion:

The Finance Committee moved that the Governing Board approve the appointment of Williams Overman Pierce, LLP, as independent auditors for the fiscal year ended 30 Nov. 2013.

The Governing Board ADOPTED the motion. (2013-GB-4)

Report of the National Treasurer

V/C Gary P. Cheney, SN, reported on the results of the 2012 audit submitted by Dixon, Hughes, Goodman, LLP, on 25 Feb. 2013. The report concluded that all financial statements of the organization fairly represent the condition of USPS and that no financial misstatements were found. He noted that three recommendations to improve internal controls and safeguards had been implemented by the headquarters staff.

V/C Cheney reported that the 2012 audit showed a loss of $43,471 on an operating basis and a gain of $82,034 overall. He noted that these figures were both considerably better than reported at the 2013 Annual Meeting. The main difference was the Board of Director’s decision to recognize 5 percent of the USPS Investment Fund balance as operating income annually. This resulted in a growth in operating revenues from roughly $1.6 million in 2011 to $1.7 million in 2012. Operating expenses were approximately $44,000 less in 2012 than in 2011. Non-operating revenues exceeded expenses by approximately $125,000, also a significant improvement over
2011. V/C Cheney noted that a significant portion of these funds are restricted to grant projects and other designated funds approved by the Board of Directors.

V/C Cheney reported that as of 31 July 2013 operating revenues were up slightly from the prior year and expenses were down approximately $105,000, with a net gain of $67,000. He anticipated that 2013 finances would end on a breakeven point.

As of 31 July 2013, non-operating revenues over expenses were $317,000, also an improvement over the previous year, resulting in total operating revenues over expenses of $384,000.

V/C Cheney reported that the Board of Directors approved a break-even budget for FY 2014.

The national treasurer reminded all that inter-city transportation reimbursement had been limited to a maximum of $200 for Annual and Governing Board meetings. That change, along with changes to reimbursements to chief commander’s representatives attending the 2013 fall district conferences and funding from the Partnering Grant resulted in a significant reduction in travel expenses in 2013. As of 31 May 2013, travel expenses were down $33,000, or 39 percent compared to the same period one year ago.

V/C Cheney reminded districts and squadrons to file the TR-1 with headquarters. These forms are used to compile information for annual reports submitted to the Internal Revenue Service.

The national treasurer stated that he had been contacted several times during the year asking if an event would be covered by USPS insurance, and he encouraged squadrons to contact him if they are unsure if an activity or event will be covered.

V/C Cheney concluded by saying that the overall financial condition of USPS had improved a great deal over the previous year and thanked all who had contributed.

Report of the National Secretary

V/C Jean L. Hamilton, SN, reported on the USPS website redesign project. She reported that the site has been divided into two sub-sites: an external site, which includes much of the
current website content; and an internal site, which includes member tools and pages used by members and officers. She noted that the sub-sites will appear as one site in the final product.

The Website Content Team had submitted all material for the external site following a significant outline revision in June. The outline for the internal site was completed, and discussions are still in progress as to logistics of scripts, tables, and programming language for content. The Planning Team met in San Antonio to discuss the logistics of implementation, testing, and webmaster training.

The website project management role transferred to Marketing Director Tammy Brown in June 2013. Publications Director Yvonne Hill continues directing content creation and editing.

V/C Hamilton reported that four designs were presented to the decision team, Headquarters staff, and chairs of the Content and Planning teams on 27 Aug. 2013. She noted that the designs were reviewed by a non-scientific marketing group consisting of boaters and non-boaters who expressed an interest in boating.

The national secretary stated that the design selected included all significant elements needed, with the most appropriate page placement, the most complete layout, and energy level. The homepage provides the flexibility for future marketing and endorsements. She noted that some cosmetic changes were still being made, which require major technical design work for the developer. The site provides several fun elements such as a word game, an interactive map for squadron locations, and slideshows.

V/C Hamilton gave a demonstration of the selected site model. She stated that the external website will go live in conjunction with the 100th anniversary celebration in Jacksonville, Fla., on 1 Feb. 2014.

V/C Hamilton reported that the Heritage & Protocol Committee reviews new and updated burgees and flags. She reported that the committee recommended, and she approved, a new burgee for Nanticoke River Sail/5, a 100th anniversary burgee for New Haven/1, a 75th anniversary burgees for Wilmington Sail/5, Dayton Sail/24, Toledo Sail/29, and 50th anniversary burgees for Delsea/5, Northeast River/5, Rockford Sail/20, Dallas Sail/21, Crystal River Sail 22, Lakeland Sail/22, Titusville Sail/23.
Report of the National Administrative Officer

V/C Louie Ojeda, SN, reported that the 2013 National Scout Jamboree was held at the Summit in West Virginia. He reported that 21 USPS members volunteered for the event, including C/C Alter and Judy Alter.

The Membership Department is updating the Membership Manual. Membership recruitment and retention tools are available on the committee’s website at usps.org/national/membership.

The Member Benefits Committee developed a new Member Benefit District Table Kit containing PowerPoint files, fliers, handouts and display tips and ideas, which is available on the committee’s website at usps.org/national/admin_dept/membenefits.htm.

V/C Ojeda reported that the Squadron Development Committee is working on developing squadrons in six new locations.

The national administrative officer reported that the Leadership Development Committee was successful in obtaining Continuing Professional Education (CPE) certification for LD 101, LD 102, LD 103 and all future classes. Students who complete one or more classes are eligible for CPEs.

The Squadron Activities Committee updated the Port Captains Directory to include 456 locations around the U.S. The directory can be downloaded at usps.org/national/boatact.

V/C Ojeda reported that on 1-2 June 2013, the USPS Amateur Radio Club operated the special event radio station W1AW, in Newington, Conn., in honor of the 100th anniversary of the American Radio Relay League and the 100th anniversary of USPS.

C/C Alter, P/R/C Priscilla Clarke, AP, and R/C Mary Paige Abbott, SN, presented the 2013 P/C/C William D. Selden IV Member Involvement Retention awards. The award is given to districts and squadrons that develop initiatives to increase membership retention. The 2013 winners are

Squadron Awards

1st place Vero Beach/8

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2nd place  Oyster Bay/3
3rd place tie  Pamlico Sail/27
            Manatee Sail/22

**District Award**

1st place  District 5
2nd place  District 22

**Report of the National Educational Officer**

V/C Bob Brandenstein, SN, reported that the Educational Department is making progress on implementing online seminars in partnership with the BoatU.S. Foundation. The Partner in Command online seminar is live and has already been taken by a number of non-members. The goal is to make all seminars available to non-members. Boating on Rivers, Locks and Lakes will go online by the end of October 2013.

V/C Brandenstein reported that the Boat Handling Simulator project is moving along thanks to a grant from the USCG. The demo simulator unit should be ready in November 2013.

V/C Brandenstein introduced Kirsten Schuchardt, marketing manager, Brunswick Dealer Advantage Program. She reported on the Brunswick Dealer Advantage/USPS Program that was launched in January 2013. She stated that the program gives squadrons and dealers the opportunity to offer USPS courses at their dealerships and to bring in additional consumers. She reported 122 squadrons participating in the partnership and encouraged all squadrons to participate and grow the program.

**Report of the National Executive Officer**

V/C Robert A. Baldridge, SN, reported that 2013 was the Year of the Ensign and that the 2013 Annual Meeting in Jacksonville, Fla., closed with 33 100th anniversary district ensigns going out in the field. The 2014 Annual Meeting will open with the returning of those ensigns to mark USPS’ 100th Anniversary. After the meeting, the ensigns will be returned to the districts.

V/C Baldridge encouraged members to visit the Ship’s Store at shopusps.org and check out the special 100th anniversary items.

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Members can e-mail their 100th anniversary photos to steve-erickson@msn.com. To view the photos, visit usps.org/100 and click on “Informational Links” at the top of the page. Members can also visit usps.smugmug.com/Anniversary/100.

The Cooperative Charting Committee reported that 12 districts, 43 squadrons, and 194 members submitted Cooperative Charting reports from 1 April through 15 Aug. 2013. Forty-three squadrons and 70 members achieved Honor Roll status.

The Environmental Committee is working on proposals for proper flare disposal. The committee has received additional information from its members in California about new restrictions on practice flare shoots in certain areas of the state. In addition, it now appears that the USCG and the USCG Auxiliary will no longer accept donated expired flares from individuals and outside organizations in parts of California.

The national executive officer reported that R/C Kenneth H. Voight, AP, chairman, Marketing & Public Relations Committee, is working with Marketing Director Tammy Brown to revise the USPS marketing strategy and restructure the committee.

V/C Baldridge called on P/R/C Greg Scotten, SN, to present the 2013 Marketing and Public Relations Committee awards.

**Charles F. Chapman Scrapbook Award winners**

1st place Peace River/22  
2nd place Sarasota/22  
3rd place Grand Lake Sail/31

**Carl C. Mahnken Commander’s Cup Award winners**

1st place Minnetonka/10

**Roger Upton Video Award winner**

1st place Crystal River/22
V/C Baldridge stated that the National Meetings Committee reported that the San Antonio Governing Board Meeting was a success and that USPS had met its obligations to the hotel on room nights and food and beverage minimums.

V/C Baldridge moved that the Governing Board approve holding the 2015 Governing Board at the Manchester Hyatt in San Diego, Calif., from 30 Aug. to 6 Sept. 2015 at a room rate of $145 per night. The Governing Board ADOPTED the motion (2013-GB-5).

V/C Baldridge announced that the 2014 Fall Governing Board will be held from 7 to 15 Sept. 2014 at the Hyatt Regency in Crystal City, Arlington, Virginia. The format will be slightly different. Attendees should schedule their return on Monday, because on Sunday, there will be a Potomac River cruise.

The Safety Committee reported that 2,107 vessel examiners completed 29,412 vessel safety checks in 2013.

V/C Baldridge reported on the Recreational Boating Safety Visitation Program with the USCG Auxiliary. A training seminar will be held during the 2014 Annual Meeting to certify program visitors.

V/C Baldridge reported that he assigned the District 5 resolution that would prevent holding national meetings on dates that conflict with religious holidays to the Board of Directors.

The national executive officer reported that the Board of Directors approved the Marinette & Menominee Provisional Power Squadron, to be assigned to District 10 for administrative purposes.

V/C Baldridge announced that the Board of Directors approved a Memorandum of Understanding Administration Policy that will be published in the Operations Manual.

Report of the Chief Commander

C/C John T. Alter, SN, reported actions of the Board of Directors at its 3-7 Sept. 2013 meetings:
1) A motion to recommend that the Governing Board create a Marketing Committee and a Public Relations Committee.

2) A motion authorizing Mary Catherine Berube to sign Affinity Agreement modifications.

3) A motion to approve the 2014 Budget.

4) A motion to allow Vincent J. Praino, who is a member of USPS, to submit quotes for printing materials.

5) A motion to hold the 2015 Governing Board at the Manchester Hyatt in San Diego, Calif., from 30 Aug. to 6 Sept. 2015 at a room rate of $145 per night.

6) A motion to approve provisional squadron status for Marinette Menominee Provisional Sail & Power Squadron and to assign the provisional squadron to District 10 for administrative purposes subsequent to approval of its bylaws.

7) A motion to allow the national educational officer to sign state memorandums of understanding.

8) A motion to approve memorandums of understanding with Sea Tow Services International and Sea Tow Foundation.

9) A motion to approve a new staff commander position for the Marine Environment Committee.

10) A motion to take ownership of the DepthWiz software.

USPS Chaplain Lou Reitz delivered the benediction, and C/C Alter adjourned the meeting at 1435.

V/C Jean L. Hamilton, SN
National Secretary

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2) A motion to elect general members of the Governing Board and to fill vacancies for staff commander of various committees. (2013-GB-2)

3) A motion to implement a one-time $20 administrative fee for new primary active members only to be effective 1 Dec. 2013. (2013-GB-3)

4) A motion approving the appointment of Williams Overman Pierce, LLP, as independent auditors for fiscal year 2013. (2013-GB-4)

5) A motion to hold the 2015 Governing Board Meeting at the Manchester Hyatt in San Diego, Calif., 30 Aug. to 6 Sept. 2015 at a room rate of $145 per night. (2013-GB-5)