Minutes of the Governing Board Meeting  
Held on 13 Sept. 2014  
At the Hyatt Regency Crystal City  
Arlington, Va.

Chief Commander Robert A. Baldridge, SN, convened the meeting at 0900.

USPS Chaplain Lois Nehmer-Schiff delivered the invocation, which was followed by the pledge of allegiance led by N/F/Lt Richard E. Gercak, AP, and the singing of the national anthem.

Introduction of Past Chief Commanders

P/C/C John T. Alter, SN, introduced the other past chief commanders who were present in order of their terms:

P/C/C Creighton C. Maynard Jr., SN, (Fort Worth/21) 2008–2009
P/C/C Frank A. Dvorak, SN, (Bellevue/16) 2010–2011

R/C Mary Ann Jensen, SN, introduced the honored guests:

- Capt. F. Thomas Boross, United States Coast Guard
- Jeff Hoedt, chief, Boating Safety Division, USCG
- Ken Forster, chief, Marine Charts Division, National Oceanic and Atmospheric Administration
- Sam DeBow, Navigation Services Division, NOAA
- Joe Gatfield, chief commander, Canadian Power & Sail Squadrons
- Thomas Mallison, commodore, United States Coast Guard Auxiliary
- Mary Larsen, America’s Waterway Watch, USCG Auxiliary
- Carolyn Belmore, president, National Boating Federation
- Keith Christopher, national events manager, Boy Scouts of America
- Jim Muldoon, chairman, National Boating Safety Advisory Council
- Gail Kulp, executive director, Sea Tow and Sea Tow Foundation
- Jake Hill, executive underwriter and manager, McGriff, Siebels & Williams
- Denny Lewis, American Modern Insurance
- William Griswold, United Safe Boating Institute
- Stuart Gilfillen, training director, US Sailing

**Report of the Committee on Rules**

R/C Robert A. Keller, SN, chairman, Committee on Rules, announced that Stf/C Robert Canfield, JN, would serve as parliamentarian for the 2014 Governing Board Meeting. He explained the voting rules for this meeting.

R/C Keller reported that in 2014 the Committee on Rules had reviewed, approved, and certified bylaw revisions for 16 districts and 61 squadrons.

R/C Keller announced that there were no proposed revisions to the *USPS Bylaws*.

**Approval of the Minutes**

C/C Baldridge announced that, with no objections, the minutes of the 2014 Annual Meeting of the Governing Board held on 1 Feb. 2014 were approved as distributed.
Report of the Headquarters Executive Director

Mary Catherine Berube reported that in March 2014 the headquarters legacy accounting system was converted to the NetSuite financial management system. She noted the new system provides efficiencies in the order fulfillment process and inventory management.

An emergency generator installed at headquarters in June to provide backup power for USPS servers was funded by grants from the USPS Educational Fund and the USPS Endowment Fund.

On 30 June, headquarters began accepting reservations for the Boating Skills Virtual Trainers. The first grant from the US Coast Guard funded five units. Supporting partners include Brunswick Corporation, BoatUS Foundation, Mercury Marine, Boston Whaler and the National Safe Boating Council.

Berube noted that headquarters had received more than 60 reservations to date and was shipping units across the country. Squadrons reported using the virtual trainers to complement on-water training activities, in ABC and advanced courses, and at boat shows. In August, two units were demonstrated during the 2014 Tall Ships Los Angeles event, where more than 250,000 visitors had an opportunity to test their boating skills and witness USPS at its best. Reservations can be placed at usps.org/php/bsvt.

In June, USPS also received a USCG grant for $200,000 to support the second phase of the USPS Boating Skills Virtual Trainer Program. Funding will be used to purchase additional training units, develop enhanced functionality and features, and offset marketing and administrative costs.

Berube reported that the new Ship’s Store website was launched on 11 Aug. The site features a clean, uncluttered design and enhanced search functionality. She encouraged members to visit shopusps.org to purchase USPS-branded items, educational materials and much more.

After completing the 100th anniversary issue of The Ensign, the publications staff redesigned the USPS Compass and USPS New Blast email newsletters to make them viewable on mobile devices. The staff is currently redesigning The Ensign website to make it mobile-friendly also and hopes to launch the redesigned site soon.
Members were reminded to enter The Ensign’s photo contest. The contest sponsor, Star Clippers, is offering a 7-day European or Caribbean luxury tall ship cruise as the grand prize. Photos can be submitted online at theensign.org/contest or on The Ensign’s Facebook page.

Berube reported that USPS Marketing Director Tammy Brown was working with the Marketing Committee to develop a plan to increase online sales through Google Ads, paid search engine marketing and a variety of other targeted online strategies.

USPS Marketing is developing a survey for members to gather data on what courses members would be interested in purchasing online. A new corporate membership campaign is underway to reflect new benefits and to attract new corporate members.

Berube reported that when members renew their dues in 2015, they will receive a permanent membership card. Headquarters is also designing a new member packet that will include details about USPS, membership, member benefits, and educational opportunities.

**Report of the Committee on Nominations**

R/C William I. Neef, SN, chairman of the Committee on Nominations, reported that in accordance with the USPS Bylaws, Section 5.6.1, the Committee on Nominations recommended election of the below listed members.

For member of the Committee on Rules:
P/R/C Wayne Spraggins, SN

For rear commander of the Basic Public Education Committee:
P/R/C Richard L.R. Carson, JN

For staff commander of the Program Partner Relations Committee:
P/D/C John D. Miller Jr., JN

For general members of the Governing Board:

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<thead>
<tr>
<th>Name</th>
<th>Post</th>
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<tbody>
<tr>
<td>Pat Antoni, SN</td>
<td>Skokie Valley Sail/20</td>
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<tr>
<td>Ann E. Frenz, SN</td>
<td>Patchogue Bay/3</td>
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<tr>
<td>Louis R. Loth, AP</td>
<td>Balboa Sail/28</td>
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The Governing Board ADOPTED the motion to accept the nomination for the noted positions and general members of the Governing Board. (2014-GB-1)

R/C Neef stated that the Committee on Nominations recommended the election of P/R/C William McManimen, SN, to fill a vacancy as rear commander for the Educational Outreach Committee and P/D/C John R. Rowland, SN, to fill a vacancy as staff commander for the Member Benefits Committee.

The Governing Board ADOPTED the motion. (20014-GB-2)

Report of the Law Officer

R/C David Allen Jr., SN, reported that the Law Committee assisted in updating the USPS Operations Manual and Educational Department materials to reflect current insurance coverage. The committee also reviewed several contracts.

R/C Allen reported that there had been reported incidents of copyright infringement by a squadron. In response, LawCom developed a seminar on best practices and noted that it is critical to ask permission to ask permission when using materials that you do not own.

Report of the Planning Committee

R/C Kay Simkins, AP, reported that the Planning Committee was asked to study the merits of producing a Spanish-language version of America’s Boating Course and Seamanship. She noted that the committee supports the idea and suggested that the Educational Department move forward.

R/C Simkins reported that the committee is studying the structure of other 501(c)(3) organizations related to dues, membership, financial stability and growth.

She noted that the committee recommended adding a link on the USPS website where members and nonmembers could pay dues or make contributions to USPS.
R/C Simkins reported that the Planning Committee continues to work with the Board of Directors on revising the USPS Strategic Plan and simplifying squadron requirements.

**Report of the Finance Committee**

R/C Lee Popham, AP, reported that investments under the oversight of the Finance Committee are managed by investment advisers at Riazzi Asset Management. He noted that as of 31 Aug. 2014 these investments totaled $2,599,865 and were broken up into two major portfolios.

The first portfolio is the Century Endowment Fund. As of 31 Aug. 2014, the total value increased to $1,737,822 up from $1,550,794 at the beginning of FY2014. R/C Popham noted that 62 percent of these funds were invested in common stock equities, with 15 percent invested in preferred stocks and the balance invested in other fixed income securities and money market funds. Year-to-date earnings and unrealized gains totaled $155,083 at a 10 percent rate of return.

The second portfolio is the USPS Investment Portfolio. As of 31 Aug. 2014, the total value increased to $862,044 up from $820,113 at the beginning of FY2014. He noted that 67 percent of these funds were invested in common stock equities, with 14 percent invested in preferred stocks and the balance invested in other fixed income securities and money market funds. Year-to-date earnings and unrealized gains totaled $71,937 at a rate of return of 8.8 percent. R/C Popham noted that 5 percent of these funds are used to support ongoing USPS operations.

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. He noted that when common and preferred stock holdings were added together, the mix of equities exceeds the target allocation. He stated that the Finance Committee was reluctant to rebalance the portfolio due to rising interest rates.

R/C Popham reported that the unaudited 31 July 2014 financial statement showed an operating surplus of $17,700, compared to an operating surplus of $66,711 one year ago. He noted that revenue from dues, educational and Ship’s Store sales had held their own and that the surplus was due primarily to reducing expenditures.
R/C Popham reported that as of 31 July 2014 there was $1,602,821 in open awarded grants, of which $1,024,144 had been collected. He noted that $938,642 of the grant expenses had been paid as of 31 July, leaving an obligation to pay out an additional $664,179. He noted that adequate funds had been set aside in a separate money market account for this purpose.

R/C Popham noted that the Finance Committee had determined that the necessary funds to finance the 2015 budget can be reasonably anticipated. He noted that with flat sales figures and the unavailability of contributions received from fundraising activities for essential operations, the only immediately available alternative was to ask members to spread increasing costs over a lower number of dues paying members, and recommended the following motion to increase annual dues:

R/C Popham offered a motion for a $2 dues increase for single active members and a $3 increase for family units effective in spring 2015 for the 2016 dues year.

The Governing Board ADOPTED a motion approving a $2 dues increase for single active members effective in spring 2015 for the 2016 dues year. (2014-GB-3)

R/C Popham stated that the 2016 dues rate for a regular active member will be $47, the dues rate for family units headed by a regular active member will be $70.50, and the dues rate for family units headed by a life member or a sustaining member will be $23.50.

Report of the National Treasurer

V/C Robert C. Miller, SN, reported on 2014 budget performance. He stated that as of 31 July 2014 revenue exceeded expenses by $17,700. He noted that non-operating revenue was $131,900 due primarily to market investment gains in the Endowment Fund.

V/C Miller reported that as of 31 July 2014 total operating income was down by $43,000 compared to the same time in 2013, including a $7,000 reduction in dues income. Total operating expenses increased by $74,000 from one year ago.

Report of the National Secretary

V/C Peter W. Mitchelson, SN, reported that the new Ship’s Store website had launched in Aug. 2014 and that features will be enhanced during the next few months. He noted that recent
updates to NetSuite will enable a more professional approach to member pricing, customer center profiles, improved shipping options, and enhanced credit card processing.

V/C Mitchelson reported that the Heritage and Protocol Committee had approved the following anniversary burgees and district flag:

- Potomac River/5 – 100 years
- Mohawk Hudson/2 – 75 years
- New London/1 – 75 years
- Catawba Sail/27 – 50 years
- Nansemond River/5 – 50 years
- Wavenock Sail/20 – 50 years
- District 29 – 50 years

The national secretary reported that the USPS Website Project was delayed in Jan. 2014 due to problems caused by moving the USPS Web server to headquarters. In April, the website developer agreed to deliver the completed site on 20 June 2014. Subsequently, the developer reported a problem with a portion of the cording, and the deadline was missed. V/C Mitchelson reported that subsequent deadlines were also missed, a breakdown in communication occurred, and that R/C David Allen, SN, national law officer, was investigating options. He stated that a plan had been formulated to move forward and that changes to the USPS Website would occur over the next several months.

C/C Baldridge reported an attendance of 451.

**Report of the National Administrative Officer**

V/C Gary P. Cheney, SN, reported that the new Member Benefits brochure was available at headquarters. Year-to-date royalties from the Affinity Marketing Group totaled $2,600.

V/C Cheney stated that the Leadership Seminars were cancelled for this meeting and that the program was being reviewed to determine best management and administrative practices.
The Squadron Development Committee announced that the North Star Sail & Power Squadron in Alaska was chartered on 5 May 2014. The committee anticipated that Mississippi Gulf Coast Provisional Squadron would be chartered in the near future.

The Squadron Activities Committee reported updating the Port Captains Roster, which now includes 430 port captains.

V/C Cheney reported that the Board of Directors approved offering trial members 18 months of membership for the price of 12 months. The effective date has not been set pending a review of development details.

The Membership Committee is developing a new Doing It Right Program to help squadrons become more effective and vibrant.

V/C Cheney reported that an updated new member packet is being developed that will include a permanent membership card and informative materials for new members.

C/C Baldridge; R/C Mary Paige Abbott, SN, chairman of the Membership Committee; P/C Bruce Rodgers, SN; and Keith Christopher, Boy Scouts of America presented the 2014 Finley Sea Scout Service Awards to R/C Kay Simkins, AP, and P/D/C Drex Bradshaw, AP. The USPS Finley Sea Scout Service Award recognizes those members and honorees of United States Power Squadrons who are also youth or adult Sea Scout leaders and have provided outstanding civic, educational and fraternal leadership to both the Sea Scouts and the United States Power Squadrons through civic involvement, educational achievement and active participation in both programs.

C/C Robert Baldridge, SN; R/C Mary Paige Abbott, SN; and R/C Priscilla Clarke, AP presented the 2014 P/C/C William D. Selden IV Member Involvement Retention Awards. The awards are given to districts and squadrons that develop initiatives to increase membership retention. The 2014 winners are

**Squadron Awards**

3\(^{rd}\) place – Sarasota Sail/22  
3\(^{rd}\) place – Oyster Bay/3  
2\(^{nd}\) place – Great Blue Hill/12  
1\(^{st}\) place – Akron/7

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District Award

1st place – District 8

R/C Mary Paige Abbott, SN, discussed the Each One Reach One–100 Day Membership Drive Initiative. Beginning 1 June and running through 9 Sept. 2014, squadrons were challenged to increase their 2013 growth or retention rate numbers. R/C Abbott reported that Penfield/2, Erie/11, Hawaii Sail/13 and Ponce/33 increased their membership by a total of 132 members.

Report of the National Educational Officer

V/C Bob Brandenstein, SN, reported that the number of online courses sold has increased with the introduction of new courses. He stated that USPS online courses will become more visible with assistance from the Rinck Agency. He noted that a link directing students to additional information on other USPS courses will be added at the completion of online courses.

V/C Brandenstein reminded members of the MOU agreement between USPS and Tall Ships America. He encouraged members to become more involved with Tall Ships America and to develop educational programs with its captains. He noted that the Tall Ships tour is a great public relations opportunity for USPS.

Report of the National Safe Boating Council

P/R/C Joyce Shaw, AP, past chairman, National Safe Boating Council, reported that the NSBC “Wear It” Campaign received eight prestigious national awards for integrated communication efforts on behalf of the North American Safe Boating Campaign. This yearlong campaign promotes safe and responsible boating through voluntary life jacket wear by recreational boaters.

P/R/C Shaw reported that the 2015 National Safe Boating Week will be held from 17–23 May 2015. The 2015 International Boating and Water Safety Summit will be held in Sandestin, Fla., from 29 March–1 April 2015. For complete details, visit www.ibwss.org.

P/R/C Shaw stated that among the many benefits and opportunities offered by the NSBC are the annual awards and grant programs. These opportunities recognize individuals and organizational partners in the boating community that create innovative programs designed to improve boating education and raise awareness of recreational boating safety-related issues. For
details on NSBC, the awards and grant programs, visit safeboatingcouncil.org.

P/R/C Shaw reported that the Recreational Boating Safety Instructor Network database can be found at www.BoatingInstructorNetwork.com. This online database provides boating safety instructional support and an online forum to exchange information regarding effective teaching techniques, products, audiovisual tools, and other resources used in both formal and informal boating safety programs.

P/C/C John T. Alter, SN, presented the USPS Flame Award to P/R/C Shaw in recognition of her 13 years of service on behalf of USPS on the National Safe Boating Council.

Report of the National Executive Officer

V/C Louie Ojeda, SN, reported that the Marketing Committee developed a new tag line “Come for the Boating Education…Stay for the Friends.”

V/C Ojeda reported that the Educational Department and the Marketing Committee were working with the Rinck Agency to promote USPS online courses. He noted that this project was funded by the Educational Fund and BoatUS Foundation.

The national executive officer reported that the Public Relations Committee continues to update the online PRO-Log.

V/C Ojeda reported that the Government & Partner Relations Committee was working on an experimental cooperative program between USPS members in District 3 and the United States Coast Guard Auxiliary. District 3 members will have the opportunity to sail join USCG Auxiliary members on their vessels during USCG Auxiliary patrol missions. Participating members were required to attend a one-hour Maritime Domain Awareness orientation workshop.

The Safety Committee reported that USPS has 1,732 active vessel safety examiners and that additional 2014 vessel safety check decals are available at headquarters. V/C Ojeda reported that 172 members had completed the required training for the Recreational Boating Safety Partner Visitation Program to date. The Safety Committee developed a First Responder program for districts and squadrons.
The Cooperative Charting Committee announced that Cooperative Charting activity numbers are close to last year’s numbers with districts 21, 22, 26, and 27 at the top. The committee noted increased interest in reviving the Geodetic Marker Recovery Program. The National Geodetic Survey is beta testing a new database that could satisfy proper reporting procedures.

V/C Ojeda reported that a contract was signed with the Rosen Centre in Orlando, Fla., for the 2016 Annual Meeting to be held from 14–21 Feb. 2016 at a room rate of $159 per night. He noted that if the Governing Board approved signing contracts with the Rosen Centre for 2017 and 2018, the room rate for 2016 would decrease to $139.

V/C Ojeda made a motion that the Governing Board authorize signing contracts with the Rosen Centre for the 2017 and 2018 annual meetings. If approved, the room rate for 2016 will be $139, the rate for 2017 will be $149, and the rate for 2018 will be $155.


V/C Ojeda reported that the National Meetings Committee was considering other potential national meeting sites including Baltimore, New Orleans, Reno and Seattle.

V/C Ojeda reported that the District 18 Council advised the Board of Directors that the four remaining squadrons in District 18 requested reassignment to two nearby districts. He stated that USPS Bylaws, Section 5.2.5, states, The Governing Board can take action to form or reform district groups.

The Governing Board ADOPTED a motion to reassign Beverly, Broad Sound and Marblehead squadrons to District 12, and Merrimac River Sail to District 19. (2014-GB-5)

V/C Ojeda stated that District 18 will now begin the process of disbanding with plans to relieve all elected officers of District 18 at the 2016 Annual Meeting in Jacksonville, Fla.

V/C Ojeda called on R/C Greg Scotten, SN, to present the 2014 Marketing and Public Relations Committee awards.
**Charles F. Chapman Scrapbook Award winners**

1\(^{st}\) place – Peace River Sail/22  
2\(^{nd}\) place – Vero Beach/8  
3\(^{rd}\) place – Grand Lake Sail/31

**Roger Upton Video Award winner**

1\(^{st}\) place – Crystal River/22

**Radio Public Service Award winner**

1\(^{st}\) place – Vero Beach/8  
2\(^{nd}\) place – Naples Sail/22

**Report of the Chief Commander**

C/C Robert A. Baldridge, SN, thanked Keith Christopher, Boy Scouts of America national events manager, and Chris Edmonston, president, BoatUS Foundation, for attending the Board of Advisors Meeting and providing their guidance on USPS issues.

C/C Baldridge announced that he requested district commanders to nominate a district commander to attend the Board of Directors Advisors Meeting during the 2015 Annual Meeting. He reported that D/C Roberto L. Rexach-Cintron, AP, D/33, was chosen by a raffle to represent the group.

P/C/C Alter reported actions of the Board of Directors at its 9 and 10 Sept. 2014 meetings:

1) To negotiate, secure and approve a contract for the 2016 Annual Meeting in Orlando from 12–21 Feb. 2016 at a room rate of $159 and with a food and beverage minimum of $50,000. If the Governing Board approves an extension of two years for 2017 and 2018, then the rate per night would be $139 with a $30,000 food and beverage minimum for 2016.

2) To provide the necessary information (bank details, contact name) to Amazon.com so that USPS may participate in the Amazon Smile program, in which where USPS will receive a donation of a percentage of purchases made via Amazon by registered shoppers.

3) To provide a supplemental grant of $5,700 from the USPS Endowment Fund to cover the additional NetSuite requirements not foreseen in the original grant requirements. Continuing
the initialization and implementation of NetSuite as the new enterprise management computing system for USPS has made it apparent that an additional seat and attendant expenses are required for successful implementation. This additional requirement was not apparent during the initial grant application.

4) To appoint D/C John R. Rowland, SN as staff commander of the Member Benefits Committee.

5) To update the USPS Corporate Resolution to allow specified individuals to act on behalf of USPS and execute financial transactions.

6) To authorize Mary Catherine Berube to sign an agreement with Rinck Advertising Agency to increase sales of America’s Boating Course, both online and in the classroom, as well as other online offerings hosted by the BoatUS Foundation.

7) To approve the 2015 budget.

8) That the Governing Board authorize the Board of Directors to sign a contract with the Rosen Centre for the 2017 and 2018 annual meetings. The room rate will be $149 for 2017 and $155 for 2018. If the Governing Board approves these contracts, the room rate for the 2016 Annual Meeting will be $139.

C/C Baldridge recognized P/D/C Drex Bradshaw, AP, who discussed adding an outside director and USPS members to the USPS Board of Directors. P/D/C Bradshaw noted that he had previously raised the discussion in 2008 and that he was told recently by C/C Baldridge the costs to add an outside director would be prohibitive. He noted that Nansemond River/5 was in the process of drafting a resolution to amend USPS Bylaws, Section 5.3 to add three USPS members who have held a squadron or district office, but not a national office, to the USPS Board of Directors.

USPS Chaplain Rodney Landsman delivered the benediction, and C/C Baldridge adjourned the meeting at 1509.

V/C Peter W. Mitchelson, SN
National Secretary
ADOPTED

1) A motion to accept nominations for designated officers and General Members of the Governing Board. (2014-GB-1)

2) A motion to accept the Committee on Nominations recommendation to elect P/R/C William McManimen, SN, to fill a vacancy as rear commander for the Educational Outreach Committee and P/D/C John R. Rowland, SN to fill a vacancy as staff commander of the Member Benefits Committee. (2014-GB-2)

3) A motion approving a $2 dues increase for single active members effective in spring 2015 for the 2016 dues year. (2014-GB-3)


5) A motion to reassign Beverly, Broad Sound and Marblehead squadrons to District 12 and Merrimac River Sail to District 19. (2014-GB-5)