The Operating Committee of United States Power Squadrons met on 26 January 2000 at the Omni Rosen Hotel, Orlando, Florida.

Members present:

C/C Arthur H. Farr, N  R/C Robert A. Keller, N
V/C Lance J. Jensen, N  R/C Doug Kerr, N
V/C Rodney M. Allen, N  R/C C.A. Miller Jr., JN
V/C Theodore H. Smith, N  R/C Warren W. Stevens, N
V/C G. Leslie Johnson, N  R/C John P. Wilson, AP
R/C E. Steven Jensen, JN  P/C/C L.M. Barnes III, N

Guests present:

P/C/C Walter R. Cosdon, JN  P/C/C Robert L. Woods, N
P/C/C Gillette E. Gordon, N  R/C James E. Roeber, N
P/C/C Joseph L. Kennedy, N  Stf/C Elmer F. Dreier, AP
P/C/C Richard W. Miner, N  Stf/C Frank Golle, N
P/C/C William D. Selden, N  Stf/C Dan Stein, N
P/C/C Harold E. Spoelstra, N

Report of the Chief Commander

C/C Arthur H. Farr, N, convened the meeting at 0900 and P/C/C L.M. Barnes III, N, delivered the invocation.

C/C Farr said that Boat/U.S. reported that losses due to hurricanes in 1999 totaled $195 million. He reported that he had signed a grant request to the USCG requesting funding for the USPS 2000 National Safe Boating Quiz.

C/C Farr led a discussion on the Bowsprit Program and the value of the information produced by this program. He said that the information should be used to help revitalize ailing squadrons.
Report of the National Executive Officer

V/C Lance J. Jensen, N, requested that the Committee on Rules prepare a Bylaws amendment relaxing the USPS Bylaws requirement of at least 25 active members in order to charter a new squadron.

V/C Jensen reported that he would assign two district resolutions to the Educational Department at the Governing Board Meeting on Saturday. The resolution from D/23 reinstates course and exam prerequisites. The resolution from D/18 requests that USPS change our terminology for an Educational Achievement Award from “full certificate” to “senior navigator.”

The NXO presented the OCom with a final draft of the Vessel Safety Check Program (VSCP) Memorandum of Agreement (MOA). He said that the MOA keeps control of VSCP in the hands of the USCG Auxiliary, gives USPS our own training program and the authority to do VSCs without an auxiliary member present. V/C Jensen recommended and the OCom ADOPTED a motion favoring the signing of the MOA on behalf of USPS at the Governing Board Meeting on Saturday. (00-OC-1)

V/C Jensen reported on recent discussions of how to best recognize new life members at annual meetings. Consideration is being given to providing a separate reception, attended by the national bridge, for all new life members. This would provide time for photo opportunities and time to present life member certificates and pins prior to the Annual Meeting.

Report of the National Educational Officer

V/C Rodney M. Allen, N, in his final OCom report as NEO, commended the headquarters educational department for their work during his term of office.

V/C Allen reported an increase in Seamanship course completions during 1999. He also said that Piloting and Advanced Piloting course completions showed an improvement for the first time in two years.

He reported that computer-generated random exam software testing is now being completed at headquarters.

The NEO said that there will be three manuals associated with the VSC project: 1) a basic training manual for use by both USPS and the USCGAux, 2) a VSC project manual unique to USPS, which includes forms to fill out and information on reporting statistics, and 3) a pocket guide for inspectors’ use.

V/C Allen gave the OCom an update on projected introductions of modular courses: Cruise Planning, first

He reported that the new Junior Navigation course should be on the shelf at headquarters sometime during the first six months of 2000.

The NEO reported that high priority will be given to improving the content of our learning guides in order to increase sales at retail outlets. The OCom ADOPTED a motion to spend $500 to update and enhance one Learning Guide. (00-OC-2)

The Operating Committee established a selling price to squadrons for 1210TR charts at its December meeting. Subsequent to that meeting, a new printing source was located, and the NEO authorized printing 10,000 1210TR charts at a cost of $4,500. The OCom ratified the NEO’s authorization to print the charts. (00-OC-3)

The OCom ADOPTED a motion to establish a selling price, including packaging, shipping and handling for 1210TR charts in lots of 10 for $20.00. (00-OC-4)

Report of the National Administrative Officer

V/C Theodore H. Smith, N, reported that there are 1,775 auxiliary members in 47 squadron auxiliaries.

He said that the Boating Activities Committee is nearing completion of the Cruise and Rendezvous Guide and that it should be published soon after the Annual Meeting.

The Exhibits Committee will follow the awards procedure established at the December 1999 OCom meeting when presenting the Teaching Aids awards at the Annual Meeting. This procedure will give better recognition to the winners without impacting time constraints at the Annual Meeting.

V/C Smith reported that the Flag and Etiquette Committee has received 103 squadron responses from the USPS Uniform Survey. These responses represent approximately 25 percent of USPS membership. The committee will post the general survey results at its EXPO booth.

The NAO said that FECom will recommend approval to the Governing Board for a change in the Lakeland Power Squadron burgee, approval for a District 3 flag and approval for a burgee for the provisional Pamlico Power Squadron, contingent upon approval of the squadron charter.

R/C Jensen asked if the Committee on Rules could consider a Bylaws change allowing the National Administrative Officer, through FECom, the authority to approve changes to or approve new squadron burgees and
district flags. The OCom concurred with this request, and the Committee on Rules will research the *USPS Bylaws* to propose changes to allow for this authority.

V/C Smith reported that Dr. Lynn Appleton will present a seminar on generational diversity at the joint Membership-Member Involvement committees open meeting. This workshop will be videotaped and a free copy will be distributed to all districts. The Green Foundation is providing funding for all costs related to this workshop including speaker’s fees, videotaping, processing and distribution.

The Membership Committee reports that the number of new active members increased by 6.7 percent and the number of new family members increased by 10 percent during 1999 as compared to 1998.

V/C Smith recommended and the OCom ADOPTED a motion to print 75,000 copies of the brochure “USPS - What’s in it for you?” at a cost of 8 cents per copy to be sold in packages of 50 for $3.50. (00-OC-5)

The Membership Committee has drafted award criteria for the proposed award to recognize districts and squadrons that have gained in overall membership, specifically in new member acquisition and member retention.

V/C Smith reported that it is time to replenish our new member certificates. Headquarters identified a better quality paper and a certificate redesign that includes the revitalized USPS logo and rope border, as requested by a D/1 resolution. The OCom ADOPTED a motion to confirm an authorization by the NAO to print 60,000 new member certificates at a cost of $5,500. (00-OC-6)

The National Meetings Committee continues to negotiate with hotels appropriate for hosting a Governing Board. The OCom ADOPTED a motion to ask the Governing Board to approve a Governing Board Meeting in Reno, Nevada on 3-7 September 2003 at a room rate not to exceed $89 with complimentary shuttle to and from the airport and free vehicle parking. (00-OC-7)

The NAO reported that the FirstUSA Affinity credit card contract has been signed by the chief commander and FUSA. The OCom ADOPTED a motion to formally approve the agreement as negotiated and described in the negotiating team’s report dated 5 January 2000 to be entered into retroactive as of 1 January 2000. (00-OC-8)

V/C Smith said that total sales for the fine art print project are now $83,000, with a net revenue of approximately $53,000.

The NAO reported that a USPS grant request had been finalized and submitted to the USCG for approximately $250,000 to produce a televised USPS 2000 National Safe Boating Quiz to be produced by Production One/Entertainment Group. This quiz would be aired during prime time which is a requirement for favorable consideration by the USCG. This request is similar to the request submitted last year which was turned down by the USCG.
Report of the National Secretary

An unexpected winter ice storm that left more than 22 inches of ice and snow in North Carolina grounded all forms of transportation in the Raleigh/Greenville corridor just before the Annual Meeting. As a result, Dianne Marshburn, Mary Catherine Berube, Lena Padro and V/C Marshburn were delayed in transit arriving in Orlando after OCom adjourned. V/C Marshburn was able to provide his report to V/C Jensen by E-mail enabling this report to be given in his absence.

V/C Marshburn continues to work on the United Safe Boating Institute (USBI) grant to build and maintain a national database of boating course graduates. The equipment necessary to implement the program has been purchased and software programs are being written.

There has been discussion on merging the Computer Systems and Graphic Arts committees into a single Information Technology Committee. Pending any unforeseen concerns, the Secretary’s Department will recommend the merger of these committees.

The Operations Manual Committee is working on a full update of the Operations Manual based on the current style and format. The committee is also giving high priority to upgrading the OpMan index focusing on ease of navigation.

The initial redesigns are now complete for the USPS Web site project. The next phase of the project will utilize the new design concepts for national committee, district and squadron Web sites to create a consistent look and feel across the organization.

The increasing availability of USPS information both in printed and electronic formats has raised concerns about information privacy and questions about the protection of USPS copyrights and trademarks. The Secretary’s Department has formed an electronic information policies task force to begin working on a written document outlining USPS policies in this area that can be distributed to members and vendors.

Report of the National Treasurer

V/C G. Leslie Johnson, N, reported that end-of-year revenues exceeded expenses by approximately $47,000 exclusive of permanently restricted donations. V/C Johnson said the chairman of the Finance Committee would give a detailed report of the unaudited numbers to the Governing Board and that he agreed with the numbers.

V/C Johnson said that headquarters will continue to work with the new national treasurer on the feasibility of anniversary dues renewals.

He reported that although insurance coverage for the value of assets and inventory at headquarters is
currently adequate, the coverage should be reevaluated at the next policy renewal period.

The national treasurer thanked the Finance Committee, the Fine Art Print Project Committee and the FUSA Affinity credit card program manager for their fine work, which contributed significantly to USPS income during the past year.

**Report of the Committee on Rules**

R/C C.A. Miller Jr., JN, chairman, reported that the 2000 Model Bylaws for Districts, 2000 Model Bylaws for Squadrons and 2000 Model Bylaws for Provisional Squadrons have been printed and are available from headquarters and on the Committee on Rules Web site.

R/C Miller said that he would request that the Governing Board approve a charter for Grand Lake Sail and Power Squadron, D/31. With the addition of this new squadron, 52 squadrons will now have “Sail” as part of their name.

During 1999, the Committee on Rules reviewed 12 district bylaws and 117 squadron bylaws.

R/C Miller reported that he would present amendments to the *USPS Bylaws* pertaining to provisional squadrons at the Annual Meeting on Saturday.

R/C Miller said that *USPS Bylaws* Section 9.2 provides that “All questions of interpretation of Robert’s *Rules of Order* or of these bylaws shall be answered by the chairman of the Committee on Rules or the chairman’s designee.” He reported that at future Governing Board meetings, the chairman of the Committee on Rules would announce the name of the person serving as the parliamentarian for that meeting.

**Report of the Finance Committee**

R/C Doug Kerr, N, chairman, said that he would report to the Governing Board on Saturday the unaudited fiscal year end statement, a review of the status of the Member’s Fund and Endowment Fund, and the 1999 performance of USPS investments.

He reported that although income from dues and net educational sales was lower than anticipated during 1999, net revenues from our investments were higher than expected. The overall rate of return was 21.9 percent, and the investment portfolio contributed $464,000 to USPS funds during 1999.

R/C Kerr reported that the balance in the Member’s Fund is $123,000 and the balance in the Endowment Fund is $54,000.
R/C Kerr said that after studying the costs associated with anniversary billing, he asked headquarters to study the costs and procedures of anniversary billing with and without direct dues collection by headquarters. He said that he would seek additional input from districts and squadrons.

**Report of the Committee on Nominations**

R/C Robert A. Keller, N, reported that the Committee on Nominations has completed all work necessary for election of the year 2000 slate of candidates.

R/C Keller said that the position of the Graphic Arts Committee assistant chairman would remain unfilled due to the potential reorganization of the Graphic Arts and Computer Systems committees.

The Committee on Nominations will conduct interviews with eleven district commanders whose districts were recipients of the 1999 Bowsprit Award.

**Report of the National Law Officer**

R/C John P. Wilson, AP, reported that during the period 1 January 1999 through 31 December 1999, a total of 189 items had been received or initiated by the LawCom for review, advice or assistance.

R/C Wilson said that LawCom has prepared and filed “Intent to Use” applications for the terms “Water Smart” and “Chart Smart” in an appropriate classification, as the first step in seeking USPS trademark registrations of those terms for future use in connection with our boating safety educational services.

He reported that LawCom had drafted “boilerplate” terms and conditions for USPS purchase orders. These terms and conditions have been adopted by the national secretary and headquarters and will be added to the reverse side of all USPS preprinted purchase orders or as a separate addendum thereto.

R/C Wilson reported that LawCom has finalized a recommended “Standard Hotel Contract for Districts and Squadrons” which can be used as either a negotiating guide or a contract document. This document will be available on the LawCom Web site.

In 1994, Image Watches produced and sold a quantity of watches to an individual member containing our USPS ship’s wheel with ensign trademark, and subsequently the remainder of the stock was purchased by USPS for resale in 1998. LawCom contacted Image Watches and apprized them of our legal rights and their past trademark violation. The OCom ADOPTED a motion to accept the proposed corrective actions taken by Image Watches as a satisfactory and final resolution of any potential USPS claim arising out of the company’s 1994 production and sales. (00-OC-9)
The national law officer recommended that USPS adopt a national policy prohibiting any subordinate unit (district, squadron or auxiliary) from making application for individual federal tax exemption status under Section 501(c)(3) or any other section of the Internal Revenue Code, and requiring that all such subordinate units seek federal tax exemption ONLY by way of inclusion under USPS’ Group Exemption. The Law Committee was requested to provide appropriate language therefor to the Committee on Rules.

At the request of the national law officer, the November 1999 Operating Committee minutes were amended to reflect that a motion offered by the national law officer pertaining to postponing and deferring actions related to the proposed FUSA Affinity credit card agreement was defeated by the OCom.

Report of the Marketing Committee

R/C E. Steven Jensen, JN, reported that Marketing USPS: A Manual for Districts and Squadrons is now available from headquarters. An accompanying Power Point® presentation is available on the Marketing Committee Web site. The OCom ADOPTED a motion to provide one copy of the Marketing Manual to each squadron at no charge and to make subsequent copies available at $3. (00-OC-10)

He said that Stf/C Darrell Allison, AP, and Cdr Patricia Allison, P, will staff the USPS booth at the Water Safety Summit in Las Vegas.

R/C Jensen said that the tri-fold Planned Giving Program display is ready and will be available for use at this meeting.

R/C Jensen reported that the “boating tips” segment of Blue Water Media’s Maximum Marine television series was delayed due to inclement weather. It has been rescheduled for early spring.

The manufacturer of the lifesaving device Res-Q Disk has offered to send one free disk and video to every squadron and to make them available at a discount to our members and Boating Course students. The OCom ADOPTED a motion to provide a list of squadron executive officers for mailing a free Res-Q Disk and accompanying video to all squadrons, with the understanding that this list is provided for a one-time only use. (00-OC-11)
R/C Jensen introduced a new initiative being explored by the Marketing Committee called the USPS Partners Program. This initiative will develop a program to allow marine manufacturers to distribute USPS literature with their products and a “coupon” redeemable for the *USPS Boating Course*.

R/C Jensen recommended and the OCom ADOPTED a motion to purchase 500,000 *Boating Course* tags at a cost not to exceed $12,000. (00-OC-12)

**Report of the Planning Committee**

R/C Warren W. Stevens, N, offered the following thoughts and suggestions: 1) continue the strategic, long-range plan; 2) continue to promote the valuable member benefit — our internal educational programs; 3) seek and develop other member benefits; 4) encourage squadrons to schedule more cruising and social activities and to become involved in their communities; 5) give continued support to growth via new squadrons; 6) continue to seek financial support from endowments, grants or commercial interests to promote and subsidize our educational programs both internal and external; and 7) join the marine industry to develop more interest in our safe boating courses.

**Report of the Past Chief Commanders**

P/C/C William D. Selden, N, reported that the USCG has allocated $30,000 for grant funds for squadron Safe Boating Week campaigns and that he will have further details later.

P/C/C L.M. Barnes III, N, reported that per the request of C/C Farr, he had written one district to notify them that their submission for a Life Saving Award had been declined based on the fact that it did not meet the criteria.

The meeting was adjourned at 1530. 

V/C Ernest G. Marshburn, N
National Secretary

Operating Committee Meeting
26 January 2000
Action Summary

1. A motion favoring the signing of the USCG-USPS Vessel Safety Check MOA on behalf of USPS at the Governing Board Meeting on Saturday. (00-OC-1) (NXO)

2. A motion to spend $500 to update and enhance one learning guide. (00-OC-2) (NEO)

3. A motion to ratify the NEO’s authorization to print the 10,000 1210TR charts at a cost of $4,500. (00-OC-3) (NEO)

4. A motion to establish a selling price, including packaging, shipping and handling for 1210TR charts in lots of 10 for $20.00. (00-OC-4) (NEO)

5. A motion to print 75,000 copies of the brochure “USPS - What’s in it for you?” at a cost of 8 cents per copy to be sold in packages of 50 for $3.50. (00-OC-5) (NAO)

6. A motion to confirm an authorization by the NAO to print 60,000 new member certificates at a cost of $5,500. (00-OC-6) (NAO)

7. A motion to ask the Governing Board to approve a Governing Board Meeting in Reno, Nevada on 3-7 September 2003 at a room rate not to exceed $89 with complimentary shuttle to and from the airport and free vehicle parking. (00-OC-7) (NAO)

8. A motion to formally approve the FUSA Affinity agreement as negotiated and described in the negotiating team’s report dated 5 January 2000 to be entered into retroactive as of 1 January 2000. (00-OC-8) (NAO)

9. A motion to accept the proposed corrective actions taken by Image Watches as a satisfactory and final resolution of any potential USPS claim arising out of the company’s 1994 production and sales. (00-OC-9) (Law)

10. A motion to provide one copy of the Marketing Manual to each squadron at no charge and to make subsequent copies available at $3. (00-OC-10) (Marketing)

11. A motion to provide a list of squadron executive officers for mailing a free Res-Q Disk and accompanying video to all squadrons, with the understanding that this list is provided for a one-time only use. (00-OC-11) (Marketing)

12. A motion to purchase 500,000 Boating Course tags at a cost not to exceed $12,000. (00-OC-12) (Marketing)