USPS Board of Directors
Pittsburgh, Pennsylvania
23 and 24 August 2016

23 August 2016
Called to order at 0815

Attendees:

C/C Louie Ojeda, SN
V/C Gary Cheney, SN
V/C Craig D. Fraser, SN
V/C Mary Paige Abbott, SN
V/C Peter W. Mitchelson, SN
V/C Robert C. Miller, SN
P/C/C Robert A. Baldridge, SN

Guests present:
R/C Paul Mermelstein, SN
Mary Catherine Berube
Tammy Brown
Wendy Casey

**Action items approved:**

**Ratification of electronic votes:**

Upon a motion to approve, which was seconded, discussed and voted upon by the Board of Directors, United States Power Squadrons, the following was approved:

1) To hire a professional fundraiser, at a cost not to exceed $5,000, for the purpose of meeting with the Board of Directors on creating a USPS strategic fundraising plan.

2) To dissolve Beaver Lake Power Squadron/30.
Motion:

1) To approve the 2017 Budget.

Discussions:

1) Mary Catherine Berube updated the Board on grants. The balance in the Practical On-the-Water Training Grant Phase III was $48,772.08 as of 31 July 2016. A request to extend the grant through 31 March 2017 will be submitted to the USCG. Berube reported that 20 on-the-water events, 95 individual student and instructor training sessions, 85 student trainings, and 10 advanced, on-water instructor-level trainings were held from 1 April to 30 June 2016.

2) Berube reported the balance in the Boating Safety Virtual Trainer III Grant was $69,847.88 as of 31 July 2016. A request to extend the grant through 31 Dec. 2016 will be submitted to the USCG. Of the 18 units, four will be distributed to regions to increase usage and save shipping costs. Units have been displayed at 11 NMMA/Discover Boating Shows to date in 2016.

3) Berube reported that the balance in the Digital Media Library 1.0 Grant was $37,929.26 as of 31 July 2016. The first drafts of 20 video scripts in Spanish and audio recordings of all 20 video English-language narration tracks have been completed.

4) The balance in the Spanish ABC Classroom was $35,778.08 as of 31 July 2016. Translation into Spanish and editing were complete, and the manual was being formatted for printing.

5) The balance in the Spanish ABC Online Grant was $92,815.43 as of 31 July 2016. A contract was signed with the vendor in June 2016 to upgrade the platform and convert the course into Spanish.

6) Berube reported receiving three USCG grants in 2016 totaling $565,000. The first is a 4th generation Boating Skills Virtual Trainer Grant for $190,000; the second is a 2nd generation Digital Medial Library Grant for $175,000, and the third is a Year-Round Safe Boating Campaign Grant for $200,000.
7) Berube presented a proposal to update the security system at headquarters, which was installed in the 1990’s. She will follow-up with the vendor on questions raised and report back to the Board.

8) Tammy Brown, USPS Marketing Director, and R/C Paul Mermelstein, chairman, Marketing Committee, updated the Board on the R+M contracts. R/C Mermelstein reported that Phase I was completed, which determined the key boating population segments, messaging, branding, graphics, color palettes, and imagery to demonstrate the USPS brand, and the brand promise. He stated that Phase II focuses on current offerings, including educational, volunteerism, and fellowship, and how to package and deliver current and future offerings. Phase III will focus on communications, both internally and externally, and promoting USPS and its offerings.

9) Brown reported that in July 2016 a photo shoot for the Welcome to the Neighborhood ad campaign was held on Smith Mountain Lake, Virginia. She presented an ad concept that was currently under development, noting that the ad should convey excitement, anticipation, be welcoming and inviting, raise interest, and increase USPS’ name recognition.

10) R/C Mermelstein reported that the Marketing Committee and Tammy Brown were working on an ABC3 ad campaign to increase sales and recruit new members. The campaign will focus on both online and classroom delivery in collaboration with districts and squadrons. R/C Mermelstein also reported that tools to promote squadrons, recruit members, and market squadron educational programs can be found on the Marketing Committee website at www.usps.org/index.php/departments/12000/12400.

11) V/C Peter W. Mitchelson, SN, presented a proposal to develop a new public USPS website. He discussed the need for all USPS-related websites to have a common look and feel. He will discuss the proposal with ITCom and report back to the Board.

12) V/C Craig D. Fraser, SN, reported on the Beta program in Districts 15 and 22 to increase the number of Seamanship classes and students in fall 2016. He reported that the first email was sent on 20 August via iContact to approximately 4,500 students who had taken either ABC3 or an online seminar. The goal is to increase the number of students taking classes and ultimately recruit new members.
13) V/C Fraser reported that the Boating Handling Committee is dividing Seamanship into eight seminars. Students will have the option to take all eight seminars to complete Seamanship or choose to take individual seminars.

14) V/C Fraser reported that sales of the online ABC3 course are increasing significantly due to Google AdWord optimization and offering un-proctored exams currently in 25 states.

15) V/C Fraser reported that beginning in April 2016 members can take the POTW course at no charge. Since that time more than 20 POTW events had been held, 10 new certifiers were trained, and seven squadrons had taught classes resulting in 52 new members joining.

16) V/C Fraser reported on a new on-the-water program for members designed to provide hands-on experience tailored for the specific needs of a new boater. The program is designed to take approximately two hours, with the boat and equipment provided by the student and instruction provided by a USPS member who does not have to be a certified trainer.

17) V/C Fraser reported that the Seamanship E-book would be available in fall 2016. Squadrons will place orders through the Educational Department online ordering system. A link and key to download the course will be provided to the squadron educational officer.

18) V/C Fraser reported that there were seven BoatUS/USPS online courses available and that 450 online seminars had been purchased through 31 July 2016. He noted that a grant from the Educational Fund provided funding to contract with Logical Position, a Google AdWord optimizer, to drive online marketing and increase sales.

19) V/C Fraser reported that the Educational Department approved a youth seminar that had been taught for several years by squadrons in Washington.

20) V/C Fraser reported that the Program Partner Relations Committee met with the owner of Freedom Boat Club to discuss forming a national partnership.

21) V/C Fraser reported that the Educational Department is featuring educational content at least four times per week via Facebook. He noted that some squadrons are reposting national Facebook postings to promote their own educational offerings on squadron Facebook accounts.
22) V/C Bob Miller, SN, reported that through 31 July 2016 operating expenses were $8,506 less than operating income. He noted that total net operating income for the same time period was $1,219,370, which was slightly better than one year ago. Operating expenses were $1,210,864 for the same time period, a decrease of $48,000 from one year ago.

23) V/C Miller reported that the proposed 2017 Budget was $203,000 less than the 2016 budget.

24) V/C Mitchelson reported that a GuideBook App for the Pittsburgh Governing Board Meeting, developed by the Information Technology and Communications committees, was provided to all meeting registrants.

25) V/C Mitchelson stated that less than 30 members used the meetings form printed in The Ensign to register for 2016 Annual Meeting events. For future national meetings the event registration form will be available online only. Members and nonmembers will also have the option to register by contacting headquarters if they prefer not to register online.

26) V/C Mitchelson reported that 18,344 18-month trial members joined from June 2010 through January 2016 and that 1,722 remain active members. He noted that 3,473 internet members joined since Sept. 2009 and that 61 percent had not renewed. 53 percent of internet members have transferred to a local squadron.

27) The Communications Committee had reviewed 907 newsletters to date. The committee is sending an electronic publication, News from National, to newsletter editors.

28) The Membership Services Committee reported that they are contacting nonrenewals and establishing procedures for squadrons to communicate with nonrenewals.

29) V/C Mitchelson reported that Ship’s Store sales as of 31 July 2016 were $65,218, with a 32 percent gross profit.

30) V/C Gary P. Cheney, SN, reported that the 2017 Governing Board would be held in Dallas on 10 – 17 September 2017. He reported that Minneapolis, Atlanta, and Boston were being considered for the 2018 Governing Board Meeting.

31) V/C Cheney reported that the Public Relations Committee continues to work on new ideas to attract students and fill classrooms.
32) The National Government and Partner Relations Committee is working on updated memorandums of understanding with the National Safe Boating Council and the U.S. Coast Guard Auxiliary.

33) The Environmental Committee is developing handouts and a PowerPoint presentation for the Dock Walker Program.

34) The Safety Committee reported that approximately 2,250 VSC decals for 2016 are available at headquarters.

35) V/C Cheney reported that the Public Relations, National Government and Partner Relations and Program Partner Relations committees would merge into a new committee, the Public Affairs Committee, during the 2017 Annual Meeting.

36) V/C Mary Paige Abbott, SN, reported that the Leadership Development Committee had conducted three Leadership Development classes in 2016 with a total of 57 students participating. Two of the classes were held during the 2016 Annual Meeting and one was held in District 16 during their Spring Conference. LD 101 and LD 102 classes are scheduled in Beaufort, S.C. on 9 and 10 September 2016, and an LD103 class is scheduled in Bellingham, Washington, on 28 October. She stated that the Board approved funding LD classes in 2017 at $50 per student.

37) V/C Abbott reported that VSP Vision Care and Wyndham Resorts were added to the list of member benefits.

38) The Membership Committee is revitalizing the Each One Reach One Program, a member retention and recruiting program. The program runs from 1 July 2016 to 1 January 2017 with the goal of increasing membership during that time period.

39) V/C Abbott reported that applications for the BoatUS Distinguished Civic Service Award are due 15 Oct. 2016. Details are available at www.usps.org/national/membership/memcom/awards_index.html

40) V/C Abbott reported that the new member kit will be revised to conform to new branding standards and to incorporate the Welcome to the Neighborhood theme.
41) The Squadron Development Committee reported assisting five squadrons with revitalization efforts. The committee is also working to identify squadrons that may need assistance by reviewing squadron websites and newsletters as well as other resources.

42) P/C/C Robert A. Baldridge, SN, updated the Board on the Year Round Safe Boating Campaign Grant. Under this grant, USPS will develop a year round national safe boating campaign, and will evaluate existing resources, create and package USCG-approved educational content for multi-channel delivery, determine six pilot test sites, and develop a marketing communications plan.

43) P/C/C Baldridge reported on the ad-hoc District Restructuring Committee. He noted that the committee is charged with determining the purpose of a district, the appropriate size of a district to remain solvent, and the costs for national to maintain districts. He reported that the committee had discussed the idea of a regional concept. Plans are to make a recommendation for Board consideration during the 2017 Annual Meeting.

44) P/C/C Baldridge reported on the ad hoc Endowment Fund Trust Committee. He reported that approximately $1,356,013 had been donated to the Endowment Fund since its inception. A total of $403,332 of earned income had been used to support projects including the 100th Anniversary Celebration for $31,000; Finley Awards for $1,425; Fund expenses for $19,707; headquarters capital expenses for $109,700; Leadership Development courses for $116,500; marketing research for $50,000, and the USPS Website for $75,000. P/C/C Baldridge reported that funds could potentially be at risk in the event of a lawsuit or bankruptcy if they are not protected through a trust or through a separate nonprofit organization. He stated that he would meet again with the committee during the Pittsburgh Governing Board Meeting.

Adjourned 1455.
24 August 2016

Called to order at 0830

BOD Advisors Meeting

Attendees:
C/C Louie Ojeda, SN
V/C Gary Cheney, SN
V/C Craig Fraser, SN
V/C Mary Paige Abbott, SN
V/C Peter W. Mitchelson, SN
V/C Robert C. Miller, SN
P/C/C Robert A. Baldridge, SN

Guests present:
P/C/C John T. Alter, SN
P/C/C Les Johnson, SN
P/C/C Theodore H. Smith, SN
P/C/C Ernie Marshburn, SN
P/C/C Frank A. Dvorak, SN
R/C David L. Allen Jr., SN
R/C Robert A. Keller, SN
R/C Bill Johnson, SN
R/C Ben Coons, JN
R/C Paul Mermelstein, SN
D/C Elaine Pfaff, JN
Mary Catherine Berube, Executive Director
Tammy Brown, Headquarters Marketing Director
Wendy Casey, Headquarters Outreach Coordinator/Accounting Manager
Robert Pepin, PA, chief commander, Canadian Power and Sail Squadrons
Chris Edmonston, president, BoatUS Foundation

1) C/C Robert Pepin, PA, Canadian Sail and Power Squadrons, reported on a CPS district and squadron survey. He reported that a majority of the responses indicated that they were in favor of continuing districts. He also reported that about one-third of CPS squadrons were
having problems filling leadership roles, and eight squadrons reported that did not have a commander. Twenty squadrons reported having less than 15 members. On educational issues, 22 squadrons reported teaching only 20 students in the previous 24 months. Nine squadrons reported teaching no students during the previous 24 months. C/C Pepin reported on a recommendation to centralize functions among districts.

2) R/C David Allen, SN, national law officer, reported that he is serving on the ad hoc Endowment Trust Fund Committee. He noted that LawCom continues to respond to inquiries from districts and squadrons. LawCom assisted in developing a vendor/partner non-solicitation agreement, reviewed grant proposals and potential agreements and contracts, and reviewed memorandums of understanding.

3) R/C Robert Keller, SN, chairman, Committee on Rules, reported that the committee approved bylaws revisions for six districts and eight squadrons since the 2016 Annual Meeting. He reported that the committee was working with the Board to stabilize the dissolution of small squadrons and to improve the process of transferring members from dissolved squadrons.

4) R/C Bill Johnson, SN, chairman, Planning Committee, reported that the committee was working on realigning USPS’ operations to facilitate increased efficiencies, finding ways to increase income, attracting new members, and working with other boating organizations to benefit USPS. R/C Johnson reported that the committee was asked to provide input on the pros and cons of consolidating districts, consolidating national committees, reinstating the requirement of passing a boating course as a membership requirement, reviewing the survey on a digital-only format of The Ensign, and reviewing services at headquarters. He also reported that the Planning Committee is working on a revised Strategic Plan with streamlined goals and action items.

5) R/C Ben Coons, SN, chairman, Finance Committee, reported that as of 29 July 2016 the balance in the Endowment Fund was $1,832,000, with a return of 3.91 percent for the year. The Investment Fund balance was $779,971, with a return of 1.45 percent for the year. He expressed concern about the continued drop in membership and the effect on revenues. R/C Coons reported that he would ask the Governing Board to approve a $2 dues increase for single members and a $3 increase for family units effective 1 Dec. 2016.
6) D/C Elaine Pfaff, JN, reported on results from a questionnaire sent to district commanders that included input from squadrons. The full report will be emailed to district commanders. Participants were asked about consolidating districts, consolidating national committees, revising the travel reimbursement policy for national meetings, the reason why district and squadron commanders attend or do not attend national meetings, the $35 national meeting registration fee, if preliminary national meeting agendas provide enough information on meeting events, E-books, top problems that should be addressed by national or district, if national and districts are fulfilling their roles; how national and district can help squadrons; how to reduce spending at the national level, and the value of national representatives attending district conferences versus video web conferencing.

7) Chris Edmonston reported that many boating-related organizations are experiencing some of the same revenue, identity and marketing issues as USPS and that he was seeing more collaboration among the boating industry. He said that the majority of boat sales are small, aluminum outboards, wakeboards, and pontoons. He noted a shift toward boaters joining membership organizations such as Freedom Boat Club. He stated that there are about 20 million paddle craft owners and discussed the need to reach this boating segment. He said that the majority of BoatUS members who do not renew their membership have been members for only one year. He noted that BoatUS members who take advantage of both towing and insurance benefits renew at a rate of 90 percent. He reported that their current membership was approximately 535,000 and that membership had been flat for the past five years. Mr. Edmonston stated that BoatUS is evaluating all processes against their organizational goals and measuring results of all activities and programs.

Adjourned 1530.