The Operating Committee of United States Power Squadrons met on 19 Feb. 2005 at the national headquarters in Raleigh, N.C.

Members present:

- C/C G. Leslie Johnson, SN
- R/C Gerald Grofman, SN
- V/C Ernest G. Marshburn, SN
- R/C James C. Acheson, SN
- V/C Spencer P. Anderson, SN
- R/C James D. Richlak, SN
- V/C Creighton C. Maynard Jr., SN
- R/C Joseph R. Mesenburg, SN
- V/C Robert A. Bakridge, SN
- R/C Alan F. Wentworth, SN
- V/C John T. Alter, SN
- R/C Darrell G. Allison, AP
- P/C/C Theodore H. Smith, SN

Guests present:

- Mary Catherine Berube
- Lena Padro

Report of the Chief Commander

C/C G. Leslie Johnson, SN, called the meeting to order at 0825, and P/C/C Theodore H. Smith, SN, gave the invocation.

C/C Johnson reported that he is considering changing the structure of the 2005 Spring Governing Board Meeting in Charlotte, N.C., for a presentation on public boating classes.

The chief announced that he will appoint a blue-ribbon committee to evaluate USPS’ organizational structure.
C/C Johnson will represent USPS at the Boy Scouts of America’s National Jamboree on 30-31 July 2005 in Fredericksburg, Va.

Report of the National Executive Officer

V/C Ernest G. Marshburn, SN, thanked the members of the Executive Department for their committee reports, which contributed significantly to this OCom report.

The Cooperative Charting Committee reported that committee members met with a U.S. Army Corps of Engineers representative at the 2005 Annual Meeting. They discussed a possible partnership with the USACE similar to one with the National Oceanic and Atmospheric Administration. This could create Cooperative Charting opportunities on rivers and lakes as well as benefit inland squadrons.

V/C Marshburn reported that the National Meetings Committee is continuing to explore a possible joint USPS-Canadian Power and Sail Squadrons meeting in the Detroit area in 2008. The committee also reported that reservations for the national cruise following the 2005 Spring Governing Board in Portland, Ore., are almost full due to limited dockage at some overnight sites.

The Recreational Boating Safety Committee reported that the water safety demonstration at the 2005 Annual Meeting, in Orlando, Fla., was successful. The committee has requested that the U.S. Coast Guard present a program on Rescue 21 during the 2005 Spring Governing Board Meeting in Charlotte.

V/C Marshburn reported that USPS has received donations from members to develop new squadrons. These donations will provide funds to reimburse appropriately appointed individuals for authorized travel and expenses, including room and board, telephone, advertising and any other related expenses, to develop squadrons in the contiguous United States, particularly in remote areas. The OCom ADOPTED a motion to approve these donations, which will collectively exceed $10,000. These funds will be set aside in a special cost code so that they can be specifically used for that purpose. (2005-OC-6)

The Vessel Safety Check Committee reported that the 2005 VSC decals were distributed to district and squadron vessel examiners in Dec. 2004. No distribution problems have been
The national executive officer reported on the status of the grant contract. He reported that members of the USPS internal grant team and representatives from J. O’Connell & Associates submitted a grant request in February 2005 to the director of the Mississippi Office of Homeland Security. He said that USPS is seeking funds to develop *Harbor-Watch: A Citizen-based Homeland Security Program in the State of Mississippi*. This program may serve as a model for similar pilot projects in other states with high-priority ports and waterways and could become an extension of the U.S. Coast Guard’s America’s Waterway Watch program.

V/C Marshburn also reported that J. O’Connell & Associates submitted a Smart Boating 21 Implementation Project grant proposal to the USCG in January 2005. This project is designed to enhance the technology used by safe-boating educators and to ensure more efficient and effective safe-boating training seminars.

The national executive officer reported that the grant contract signed with J. O’Connell & Associates on 1 March 2004 is due for renewal. The OCom ADOPTED a motion to renew the grant contract with J. O’Connell & Associates, effective 1 March 2005. The contract calls for quarterly payments of $5,000 and contains a clause that allows USPS to terminate the contract at the end of any quarter. (2005-OC-7)

V/C Marshburn reported that he received a request from two Executive Department committees to add a staff commander because of additional committee responsibilities. The OCom ADOPTED a motion to add a third staff commander to the National Meetings Committee and a second staff commander to the Vessel Safety Check Committee. (2005-OC-8)

The national executive officer reported that the Squadron Development Committee and the Committee on Rules are collaborating on plans to better support assist at-risk squadrons. He noted that no one solution would fit all circumstances; therefore, each request for support would be handled on a case-by-case basis. Some solutions could involve relaxing certain squadron bylaw requirements, such as authorizing squadrons to function with less than a full bridge, and possibly excusing at-risk squadrons from selected national and district requirements during a specific
recovery period. The national executive officer indicated a desire to form a project team that would include members of the Executive Department, ComRules, and PlanCom. This team would be tasked with studying options and making recommendations designed to expedite the return of at-risk squadrons to a normal operating status. He indicated that he would collaborate with ComRules and PlanCom on this effort.

V/C Marshburn updated the OCom on the experienced-boater examination program. He said the objective of this initiative is to facilitate admission to USPS membership for experienced boaters who do not require instruction from any of the standard boating safety courses to pass a qualifying exam. The program essentially formalizes the existing procedure that lets experienced boaters challenge a USPS safe-boating course exam to qualify for membership. V/C Marshburn reported that EBE team members were ready to begin the test phase of this project. The OCom ADOPTED a motion to test the experienced-boater examination program for one year. (2005-OC-9)

V/C Marshburn reported that the Bowsprit Program team has requested approval to create a financial incentive award. Qualifying districts now receive recognition in THE ENSIGN, a certificate and a trophy. Bowsprit districts would also receive a credit in their headquarters receivables account to help defray the costs of officer flags, plaques and educational materials. The OCom ADOPTED a motion to create a financial incentive award for the Bowsprit Program. (2005-OC-10)

The OCom ADOPTED a motion to assign the District 4 and District 21 resolutions to the Planning Committee. (2005-OC-11)

**Report of the National Educational Officer**

V/C Spencer P. Anderson, SN, reported that the new front-end pages created by BoatEd for the America’s Boating Course website are online and that the site is receiving favorable results. He said that the links to the BoatEd test site were also established.

V/C Anderson reported that ABC recertification from the National Association of State Boating Law Administrators was due on 1 Jan. 2005. He reported receipt of a Form A exam from
NASBLA. He also reported that the consortium prepared a new four-page addendum that will be provided to ABC students. He said that including the addendum and the Form A exam from NASBLA will allow ABC to continue selling its remaining inventory.

The national educational officer reported that ABC online testing is now available. He noted that passing the ABC online exam does not qualify the student for USPS membership. He reported that the Educational Department received a detailed analysis from BoatEd substantiating that the student taking the online exam is the same student who signed up for the online course.

V/C Anderson said he believed USPS should begin accepting all NASBLA-approved boating courses as meeting the requirements for USPS membership. Following discussion, the chief entertained a motion to approve acceptance of all NASBLA-approved boating courses as meeting the educational requirements for USPS membership. The OCom ADOPTED the motion. (2005-OC-12)

V/C Anderson reported that a new Knots, Bends and Hitches learning guide is being written and that USPS intends to sign a contract with McGraw-Hill/International Marine to produce the guide.

The national educational officer reported that West Marine conducts an annual week long course for its store managers. V/C Anderson and Stf/C Bob Sweet, SN, have been invited to participate in the vendor show during this event which is an outstanding USPS public relations and marketing opportunity.

He reported that Maptech will provide USPS with brochures offering Maptech discounts to boating course students.

V/C Anderson stated that squadrons reported holding 18 more public boating course classes than they reported one year ago, but they taught 429 fewer students. He said that this indicates that USPS needs to better assist squadrons in promoting public safe-boating courses.
Report of the National Administrative Officer

V/C Creighton C. Maynard Jr., SN, reported that the Member Benefits Committee is studying potential new member benefits. One idea is to provide a copy of THE ENSIGN to all boating course students. The committee is also studying ways to offer advertising incentives in THE ENSIGN to vendors, friends and partners of USPS.

V/C Maynard reported that the Law Committee is reviewing a proposed book sales contract from Wimmer Cookbooks for the By Land or By Sea cookbook.

The Membership Committee report on squadrons that experience significant declines in new-member acquisition will focus on finding hot spots and alerting the districts to become more proactive with these squadrons.

The Power of One team has developed a CD-ROM that includes programs designed to assist district ambassadors. District ambassadors will be responsible for working with squadrons to build or retain membership.

V/C Maynard reported that the youth activities team received a grant from the USPS Educational Fund to cover shipping and handling of the brochure Sidekicks, the Power of Safe Boating. The current selling price of the brochure is $.50 each, in packets of 10 for $5. He reported that the National Safe Boating Council is selling the brochure for $.40 each. The OCom ADOPTED a motion to reduce the selling price of the brochure Sidekicks, Power of Safe Boating to $.40 each, in packets of 10 for $4. (2005-OC-13)

The Squadron Activities Committee is planning a USPS Ham Radio Net special event station for mid-June 2005 in Acadia National Park in Maine.

Report of the National Secretary

V/C Baldridge reported that the 2006 dues invoices will include a voluntary contribution line for support of the Century Fund.

THE ENSIGN staff is developing a business plan with input from THE ENSIGN Committee and is studying a publication review by the Society of National Association Publications. The staff is also working on a redesign, which will be launched in the September 2005 issue, to improve advertising and reader enjoyment.

THE ENSIGN Committee is focusing on advertising and has begun a campaign to exchange ads with other nautical publications. They are also offering USPS partners an opportunity to submit their initial ad in THE ENSIGN at a special rate in the Mariner’s Mart. USPS partners will be encouraged to continuing advertising at a higher but discounted rate.

The Information Technology Committee is working on a USPS website Knowledge Base. They are also creating a three-tiered password system to handle separate passwords to download rosters and to upload biographical data changes.

V/C Baldridge reported that some members received an unsolicited e-mail from WeatherWave. It has been determined that the e-mail addresses were acquired from a national directory purchased at a garage sale.

The Operations Manual Committee is working on a website to allow access to individual chapters with cross-links.

The Ship’s Store Committee reported that 138 copies of the By Land or By Sea cookbook were sold during the 2005 Annual Meeting.

The Historian’s Committee reported that its goals for 2005 are to publish an online historian’s handbook, update the district annual history form, audit district and squadron files at headquarters, and track history forms submitted via DB2000.

The national secretary reported that the Operations Manual states that contributions of more than $10,000 require OCom approval before receipt. He stated that the OCom should also approve any new designated funds. The chief entertained a motion that requires OCom approval
of a new cost code for monies donated to a fund that is not yet approved by the Governing Board. This cost code would allow for proper accounting for the separate donations prior to approval of a separate fund. The OCom ADOPTED the motion. (2005-OC-14)

V/C Baldridge reported that the version of MQSeries software installed on the AS/400 at headquarters needs to be upgraded to continue IBM software support. This product is the tool used to support DB2000 and HQAB. The OCom ADOPTED a motion to spend up to $3,000 to upgrade MQSeries software on the AS/400. (2005-OC-15)

Report of the National Treasurer

V/C John T. Alter, SN, reported that expenses exceeded revenues by $67,805 as of 31 Dec. 2005. This compares to a deficit of $1,496 one year ago. He reported that 2005 Annual Meeting expenses of approximately $88,000 were booked in December 2004; 2004 Annual Meeting expenses were booked in January 2004.

V/C Alter reported that the 2004 audit is complete. He said that audited assets increased by $24,469, and audited expenses over revenues from operations improved by $12,168, thereby reducing the net deficit from operations to $157,437. He reported that there were no areas of concern or negative comments in the management report. The 2004 audited figures will be posted on the national treasurer’s website.

The national treasurer reported that contributions received in prior years that totaled $10,000 were designated for squadron development. These funds were deposited into the Endowment Fund. To date, $1,444.80 of these funds have been spent in support of squadron development, leaving a balance of $8,555.20. He said additional donations to this fund will be treated as a squadron development grant and transferring the balance from the previous contributions to the grant account would be appropriate. The OCom ADOPTED a motion to move $8,555.20 from the restricted Endowment Fund to the restricted squadron development grant account. (2005-OC-16)

V/C Alter reported that he and the national law officer are reviewing the proposed contract from Chase Manhattan to extend the affinity credit card program.
The national treasurer reported that the Travel and Reimbursement Policy should be updated to accommodate the schedule of two national meetings per year. One day will be added to the annual meeting and the governing board meeting schedules. He said the current policy provides $65 lodging per day for an annual meeting for four days and the same rate for governing board meetings for three days. He recommended amending the policy to accommodate these changes. The chief entertained a motion to recommend that the Governing Board amend the Travel and Reimbursement Policy to allow for a maximum of four days at a governing board meeting and a maximum of five days at an annual meeting, effective at the 2006 Annual Meeting. The OCom ADOPTED the motion. (2005-OC-17)

Report of the Finance Committee

R/C Joseph R. Mesenburg, SN, reported that although USPS’ investments are doing well, the overall financial situation is deteriorating. He said he was concerned about the cash position and USPS’ financial health.

R/C Mesenburg reported that $80,000 was transferred on 21 Jan. 2005 from the investment portfolio to headquarters’ checking and that he anticipated the need to transfer additional dollars in the coming weeks. He reported that there is approximately $10,000 in money market funds available and that the Finance Committee may have to liquidate some equity mutual funds to meet financial obligations.

He reported that the Finance Committee uses an asset allocation investment-management style. He said that this investment philosophy has consistently outperformed other market indexes during the past eight years and has provided some protection in falling markets. He said that this investment management style has also given USPS easy access to needed dollars from liquid money market funds, but that a high percentage of these investments has been depleted, which affects the committee’s investment management philosophy. He said that liquidating a sizeable portion of the mutual fund investments will result in reduced equity position and will adversely affect the projected budgeted investment returns. He stated that an increase in the revenue side of the operating budget has never been more urgent.

The chief entertained a motion to recommend that the 2005 Spring Governing Board approve a $1.80 dues increase for active members, a $.90 dues increase for additional active
members and a $.45 dues increase for adult family members, effective with the 2007 dues year that begins on 1 June 2006, with the intention of asking for the same increase for each of the next four years.

**Report of the Committee on Nominations**

R/C Gerald Grofman, SN, reported that the Committee on Nominations is preparing its recommendations for the slate of national officers for 2006.

R/C Grofman requested that OCom members representing the chief at the spring 2005 district conferences discuss the need for members to serve at the national level. He noted that members may hold positions at the squadron, district and national levels concurrently.

**Report of the Committee on Rules**

R/C James C. Acheson, SN, reported that the Committee on Rules is updating the *Model Bylaws for Squadrons* and the *Model Bylaws for Districts*. He reported that hard copies of these documents will no longer be available at headquarters. Both documents can be downloaded from the committee’s website.

R/C Acheson reported that the committee is also working on a new product, the Rules Tool, which can be used to create squadron model bylaws. The committee is considering creating a set of standing rules that would be available to all members.

**Report of the National Law Officer**

R/C James D. Richlak, SN, reported that the New York Power Squadron lawsuit trial has been rescheduled to 7 April 2005, due to the unavailability of a trial court judge to hear the case.

R/C Richlak reported that LawCom reviewed the memorandum of understanding with the American Radio Relay League and provided suggested changes to the Marketing and Public Relations Committee.
The national law officer reported on a request from the Maryland Youth Maritime Academy Inc., a purported 501©)(3) nonprofit organization, which is involved with a project to teach inner-city, at-risk and disadvantaged children in the Annapolis, Md., area. The academy requested permission to copy USPS educational material to distribute to the children at no charge. R/C Richlak reported that the chief responded with a letter indicating that USPS does not ordinarily license its educational materials to local organizations; and USPS does not ordinarily license its educational materials to other organizations unless it is for a purpose in which USPS is directly involved to further its primary mission. It was also suggested that the academy consider partnering with the Venturing Division of the Boy Scouts or have a boating event under the guidance of other private boat owners. It was recommended that the USPS On-the-Water Guidelines and Policies be followed if the event involved squadron members. He reported that the academy requested USPS to reconsider the academy’s original request. The response was that the academy should seek grant funding to purchase these educational materials from USPS.

The national law officer reported that he sent a letter to provisional squadrons and auxiliaries requesting that they complete the subordinate unit information request form and return the completed document to the national law officer for further processing.

The OCom ADOPTED a motion approving an unspecified, unrestricted monetary gift to Port Clinton Power Squadron/29. (2005-OC-18)

R/C Richlak updated the OCom on a proposed initiative between USPS and Maptech. The initiative involves a database of up-to-date harbor information that would be linked to the USPS website. LawCom previously expressed concerns regarding possible claims for publishing incorrect information and nonfeasance resulting in boating accidents consisting of bodily injury and property claims. R/C Richlak and Educational Department representatives subsequently discussed the initiative with the vice president of Maptech, who agreed to rework the proposal.

The national law officer reported that LawCom reviewed a potential MOU with the United States Sailing Association and suggested removing the language related to making USPS courses available to the public through the USSA’s website repository. He also reported that LawCom could not determine if the USSA carries liability insurance.

R/C Richlak reported that a potential problem could arise in the administration of the
headquarters employees’ tax-sheltered annuity plan. The current practice of making company contributions on a monthly basis is contrary to the terms of the plan document implemented in 2004. The plan document states that eligible employees are entitled to a discretionary company allocation only if the employee is either employed on the last day of the plan year or is credited with at least 1,000 hours of service for that year. Following discussion, the OCom agreed that the company should make annual contributions in compliance with the plan document. The chief entertained a motion that the company’s discretionary contribution for eligible employees for the year ending 31 Dec. 2005 will be made in January 2006. The discretionary contribution for the year ending 31 Dec. 2005 will be at the rate of 5.3 percent based on 2005 gross earnings. The OCom ADOPTED the motion. (2005-OC-19)

R/C Richlak reported that LawCom drafted a suppliers agreement for Infinite Graphics Technologies to produce boat show displays that districts and squadrons can purchase.

**Report of the Marketing and Public Relations Committee**

R/C Darrell G. Allison, AP, reported that the Marketing and Public Relations Committee received a USPS Educational Fund grant to fund a portion of the printing costs for the new boating course posters and ancillary documents that feature Popeye characters. The posters will be printed in both 8½-by-11 inch and 11-by-17 inch format. District and squadron commanders will receive a poster in each size.

R/C Allison reported that some public service announcement graphics have been distributed to boating magazines.

R/C Allison reported that the American Radio Relay League MOU has been amended with the changes outlined by LawCom. The OCom ADOPTED a motion to recommend that the 2005 Spring Governing Board approve the ARRL MOU. (2005-OC-20)

He reported that the committee taped short interviews of special exhibitors including the National Safe Boating Council, the Personal Watercraft Industry, BoatU.S., Boaters World, McGraw-Hill International Publishing, Maptech, C-Map and THE ENSIGN during the 2005 Expo. A copy of these interviews in DVD format will be provided to squadrons.
R/C Allison reported that USPS was represented at the Miami International Boat Show and the Fred Hall Fishing and Boating Show, and that representatives will attend the International Boating and Water Safety Summit in Newport Beach, Calif., in March 2005.

R/C Allison reported that he had contacted iboats.com about potential marketing ideas and discounts for members. He has also spoken with Budweiser representatives about the company’s support of boating, safety and educational programs.

**Report of the Planning Committee**

R/C Alan F. Wentworth, SN, reported that the Planning Committee is studying the District 4 resolution requesting authorization for a national award pin recognizing 25 years of service for women’s certificate holders. They are also studying the District 21 resolution that requests a bylaws change to allow districts to hold only one or more district conferences a year.

R/C Wentworth reported that 65 members completed a Squadron Quick Internal Review form at the Planning Committee’s 2005 Expo booth. Of that number, 57 indicated that their squadron management needed improvement; 29 indicated that their squadron meetings needed improvement; 28 indicated that education at the squadron level needed improvement; and 27 indicated that USPS programs, including VSC, CoopCharting, and Cooperative Advertising, needed improvement.

R/C Wentworth reported that the Planning Committee would focus on communication throughout USPS. He said the committee believes that the District Planning Network has the potential to solve district planning issues and to encourage and provide support for districts.

**Report of the Past Chief Commander**

P/C/C Theodore H. Smith, SN, reported that he has been asked by a past commodore of the Great Lakes Cruising Club to define ways and programs in which GLCC and USPS members can work together toward a common goal. He noted that the Great Lakes Foundation offers grant funds between $5,000 and $10,000 for special projects concerning the general betterment of safe boating.
P/C/C Smith further stated that during a recent visit to a district conference, it was suggested that the Committee on Rules consider a set of bylaws for a small squadron that cannot meet all of the personnel requirements of the present squadron bylaws. R/C Acheson, chairman, Committee on Rules, indicated that he and his committee would consider such a request.

P/C/C Smith reported that the final Operation BoatSmart partnership meeting was held during the 2005 Annual Meeting. He stated that the overall program concept will not be discontinued; however, responsibilities will move to the USCG Office of Boating Safety. He stated that the Operation BoatSmart partnership provided an infrastructure where USPS could form a better relationship with both the USCG and USCGAux. He encouraged USPS to look for other programs and alliances to build partnerships.

P/C/C Smith encouraged the Member Benefits Committee to seek member benefit packages that would include vendor discount coupons. He stated that the USPS member benefit program should promote all the advantages of being a USPS member.

C/C Johnson adjourned the meeting at 1620.

V/C Robert A. Baldridge, SN
National Secretary
1. A motion to approve donations that will collectively exceed $10,000 for the specific purpose of supporting new squadron development. (2005-OC-6)

2. A motion to renew the grant contract with J. O’Connell & Associates, effective 1 March 2005. The contract calls for quarterly payments of $5,000 and contains a clause that allows USPS to terminate the contract at the end of any quarter. (2005-OC-7)

3. A motion to add a third staff commander to the National Meetings Committee and a second staff commander to the Vessel Safety Check Committee. (2005-OC-8)

4. A motion to test the experienced-boater examination program for one year. (2005-OC-9)

5. A motion to create a financial incentive award for the Bowsprit Program. (2005-OC-10)

6. A motion to assign the District 4 and District 21 resolutions to the Planning Committee. (2005-OC-11)

7. A motion to approve acceptance of all NASBLA-approved boating courses as meeting the educational requirements for USPS membership. (2005-OC-12)

8. A motion to reduce the selling price of the brochure *Sidekicks, Power of Safe Boating* to $.40 each, in packets of 10 for $4. (2005-OC-13)

9. A motion that requires OCom approval of a new cost code for monies donated to a fund that is not yet approved by the Governing Board. (2005-OC-14)

10. A motion to spend up to $3,000 to upgrade MQSeries software on the AS/400. (2005-OC-15)

11. A motion to move $8,555.20 from the restricted Endowment Fund to the restricted Squadron Development grant account. (2005-OC-16)
11. A motion to recommend that the Governing Board amend the Travel and Reimbursement Policy to allow for a maximum of four days at a governing board meeting and a maximum of five days at an annual meeting, effective at the 2006 Annual Meeting. (2005-OC-17)


14. A motion that the company’s discretionary contribution to the USPS Tax-Sheltered Annuity Plan for the year ending 31 Dec. 2005 will be made in January 2006. The discretionary contribution for the year ending 31 Dec. 2005 will be at the rate of 5.3 percent based on 2005 gross earnings. (2005-OC-19)

15. A motion to recommend that the 2005 Spring Governing Board approve the ARRL MOU. (2005-OC-20)