The Operating Committee of United States Power Squadrons met on 20 Feb. 2008 at the Hyatt Regency Dallas.

Members present:

C/C Ernest G. Marshburn, SN  
V/C Creighton C. Maynard Jr., SN  
V/C Dick Kyle, SN  
V/C Frank A. Dvorak, SN  
V/C Robert A. Baldridge, SN  
V/C Joseph R. Mesenburg, SN  
P/C/C G. Leslie Johnson, SN  
R/C Anthony J. Aquilato, SN  
R/C Noel K. McKeown, SN  
R/C Michael J. Horowitz, JN  
R/C William M. Bellinger, SN  
R/C Robert A. Green, N  
R/C Allan W. Lakin, SN

Guests present:

P/C/C Dick Miner, SN  
P/C/C L.M. Barnes III, SN  
P/C/C Theodore H. Smith, SN  
R/C Dave Hinders, SN  
P/V/C John T. Alter, SN  
P/C/C Gillette E. Gordon, SN  
P/C/C Lance J. Jensen, SN  
Stf/C L.D. Brown, SN  
Mary Catherine Berube

**Report of the Chief Commander**

C/C Ernie G. Marshburn, SN, called the meeting to order at 0820, and P/C/C G. Leslie Johnson, SN, gave the invocation.
Report of the National Executive Officer

V/C Creighton C. Maynard Jr., SN, reported that he would ask the Governing Board to dissolve the following squadrons: Everglades/8, Miami Beach/8 and Irish Hills/9.

V/C Maynard reported receiving a request to grant District 24 a waiver and variance to hold its district change of watch at a time other than between 1 March and 1 May of each year. Following discussion the OCom ADOPTED a motion to grant District 24 a waiver and variance that would allow it to hold its 2009 change of watch at a time other than between 1 March and 1 May 2009. (2008-OC-1)

V/C Maynard reported that the National Meetings Committee negotiated a two-year agreement with Disney’s Coronado Springs Resort for the 2010 and 2011 annual meetings. He encouraged members to attend and combine the meetings with family vacations.

The Government and Partner Relations Committee reported that in 2007 it assisted in negotiating memorandums of understanding with the USCG Office of Boating Safety supporting its National Recreational Boating Safety Program strategic plan for 2007 to 2011; the Marine Retailers Association of America; Weems & Plath; and the Recreational Boating & Fishing Foundation. The committee is exploring options to encourage proactive legislative involvement and making the USPS lobbying policy more “user friendly.”

The Squadron Development Committee reported that five provisional squadrons are working toward receiving their charter: Colonial/5, Dubuque/10, The Valley/13, Kankakee Valley/20 and South Bay/28.

The Recreational Boating Safety Committee reported that as of 31 Dec. 2007, 19 districts had submitted 2007 District Safety Reports. During 2007 the committee nominated five Sea Scouts to receive USPS Life Saving Awards and four USPS members to receive USPS Safety Awards, which were subsequently approved by the Operating Committee.

The Cooperative Charting Committee reported that in 2007 several thousand online reports were submitted to the National Oceanic and Atmospheric Administration, which helps to ensure the accuracy of nautical charts. The committee reported that more than 100 squadrons

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have indicated an interest in participating in the Adopt-A-Chart Program. The Boating Guide to America can be accessed at www.boatingguidetoamerica.com. This guide is an online encyclopedia where members provide information about their favorite boating destinations.

The Vessel Safety Check Committee reported that in 2007 2,353 vessel examiners performed 33,904 vessel safety checks, which was approximately 3,500 more than in 2006. The committee reported that USPS vessel examiners had inspected more than 200,000 vessels since partnering with the USCG Auxiliary in 2001. At the 2008 Annual Meeting, 38 vessel examiners will become members of the Century Club, which requires performing 100 or more inspections in a calendar year, and three will become members of the Millennium Club, which requires performing more than 1,000 inspections in a calendar year.

V/C Maynard asked the Marketing and Public Relations Committee to prepare a marketing package for vessel examiners to distribute when inspecting vessels.

During the 2008 Annual Meeting, the Environmental Committee will recognize squadrons that participated in environmental cleanups. Awards will be presented to the squadron that recovers the largest piece of debris, the most unusual debris, the most disgusting debris and the funniest debris as well as the squadron that reported the most participants. The committee presented a Global Warming - Climate Change Seminar during the Norfolk Governing Board Meeting and at several district and squadron functions in 2007.

Report of the National Educational Officer

V/C Dick Kyle, SN, reported that the Squadron Boating Course 2004 edition, which includes the 2007 update, will be offered until the current inventory is depleted in late spring 2008. He reported that America’s Boating Course, - Third Edition, will replace the Squadron Boating Course, Boat Smart and America’s Boating Course. Squadrons can adapt the new course to teach the short boating safety course or the longer course, which includes introductory piloting. The Educational Department is also updating the online ABC courseware to align with the updated manual and reflect that USPS is now the sole owner of America’s Boating Course.

V/C Kyle reported that more than 8,000 USPS University seminars have been sold to
squadrons since the series was introduced in 2006. He reported that 12 seminars are currently available and that six additional titles are scheduled for release in 2008. He noted that these short, topical seminars target experienced boaters and provide an opportunity to recruit members. He reported that seminars were presented during the January 2008 Trawler Fest in Stuart, Fla.

The national educational officer reported that in 2008 the Marine Electronics Course will be reformatted into three courses including Boat Electrical Systems, Marine Communications Systems and Marine Electronic Navigation Systems. Students must pass any two of these courses to receive credit for Marine Electronics.

V/C Kyle reported that a team of USPS on-the-water skill certifiers were trained at U.S. Sailing in preparation for the Boat Operator Certification Program. V/C Kyle stated that educational programs will help reverse declining membership and strengthen the USPS financial position.

V/C Kyle reported that 2007 gross educational course sales were $1,054,457, with a net of $437,178, which exceeded the budget by 26.9 percent.

The national educational officer reported that USPS would begin issuing Maritime Mobile Maritime Mobile Service Identity numbers in March 2008.

Report of the National Administrative Officer

V/C Frank A. Dvorak, SN, stated that during the November 2007 OCom meeting he had reported receiving a request from the Auxiliary Advisory Committee to disband. He reported that the committee had subsequently decided not to request Governing Board approval to disband.

V/C Dvorak reported that the USPS cookbook By Land or by Sea would be offered at a $15 promotional rate during the 2008 Annual Meeting.

The Leadership Development Committee reported that the newest in the series of leadership seminars, “The Young Generation...Generation whY” will be introduced to district commanders during the 2008 Annual Meeting. This seminar addresses the challenges of working with the new generation of members who will be the future leaders of USPS.
The Member Benefits Committee reported that USPS will sign a memorandum of understanding with MariTech during the 2008 Annual Meeting. Information on member benefits is available at www.usps.org/national/admin_dept/membenefits.htm.

The Membership Committee reported that a copy of the Adventures in Boating with Bill Nye the Science Guy DVD will be included with the Boating Safety for Kids Manual. The committee is seeking ways to attract the GenY boating public to join USPS. The committee is studying a proposal to allow potential members to complete an online application and interview, pay by credit card and join USPS as an unattached member. Squadrons can opt to participate in the online process and recruit these applicants as local squadron members. V/C Dvorak reported that this proposal will be discussed during the 2008 Annual Meeting at the district commander’s and squadron officer’s meetings.

The Membership Committee, in conjunction with the Educational Department, will contact the squadrons that did not report teaching a boating course in 2007.

The Squadron Activities Committee reported that an electronic mailing list for amateur radio club members is located at www.usps.org/national/Ham/hamform.html. The USPS Amateur Radio Club will operate two special event stations in 2008. One will be in affiliation with the American Radio Relay League in June at its memorial station in Newington, Conn., and the other will be on the RMS Queen Mary in Long Beach, Calif., on 17 and 18 May. The USPS Port Captain’s database contains 480 USPS members and 17 CPS members.

V/C Dvorak reported a balance of more than $1,180,000 in the Century Fund as of 31 Jan. 2008.

Report of the National Secretary

V/C Robert A. Baldridge, SN, reported that 79 percent of members were billed under headquarters anniversary billing for the 2008 dues year.

V/C Baldridge reported that the electronic merit mark submission program is now available for all national committees, districts and squadrons. He reported that in 2007 405 electronic submissions were received, which resulted in processing 12,072 merit marks.
electronically.

He reported that the new online data entry program for submitting new member data is available at www.usps.org/php/membership/memberprocess.php.

V/C Baldridge reported that headquarters and The Ensign were $108,542 under budget in 2007, which was $90,053 less than budgeted in 2006.

The national secretary reported that R/C Dave Hinders, SN, tested components of the Communications Plan. These tests included broadcasts to national, district, and squadron officers and posting articles in the USPS Bulletin. He reported that the ad hoc Communications Committee would meet during the 2008 Annual Meeting to discuss the Communications Plan.

V/C Baldridge reported that search engine visibility had greatly improved since opening up the USPS site to indexing. He noted that a new Google search utility has improved the search capability on the USPS site.

The Ensign staff reported that a new Flash page flip archive of past issues will be available on the Web, the Compass design is being updated, and a redesign of The Ensign website and a new reader survey are in the works.

The Information Technology Committee announced the creation of USPS Information Center, which is available at www.usps.org/national/tools. After passing security, members can access contact information for almost any member by office, district or squadron.

The Operations Manual Committee reported that online revisions are up to date.

The Ship’s Store Committee reported that the 5 percent rebate to districts and squadrons continues. The committee announced free shipping on Internet orders of $50 or more through February 2008.

The Historian Committee emphasized the importance of squadrons and districts submitting their histories in a timely manner. The committee also encouraged squadrons to submit their histories electronically.
The Flag and Etiquette Committee reported that they are evaluating new and 50-year anniversary burgees.

The Publications Committee reported that winners of the 2007 Distinction in Journalism Award can be viewed at www.usps.org/national/pubcom/DIJ2007.pdf.

**Report of the National Treasurer**

V/C Joe Mesenburg, SN, reported that 2007 revenues exceeded expenses by $173,161. He reported that operating revenue was $54,457 higher than budgeted. He also reported that unbudgeted revenue totaling $43,778 was received from the Shultz-Cardoza Trust and the Robert Colteryahm Estate. Total operating expenses were $118,704 less than budgeted.

The national treasurer reported that USPS’ financial status was the best it had been since 1999, bringing it closer to the $3 million financial alarm test. He attributed the improved financial status to operating in the black, non-restricted contributions, ABC revenue, not using investment returns to balance the budget, and not using available undesignated Endowment Fund returns to balance the budget.

V/C Mesenburg invited R/C Dave Hinders, SN, to report on the SeaChest e-commerce initiative. R/C Hinders reported that the site is ready for testing. V/C Mesenburg reported that officers should be elected for the USPS-EC Holdings Inc., Co.

V/C Mesenburg reported that the National Meetings Committee developed procedures to manage national meetings funds. V/C Mesenburg presented a draft National Meetings Committee Financial Management Procedures, which was endorsed by the OCom.

V/C Mesenburg reported that a $40,000 distribution from America’s Boating Course income was budgeted in 2007, but no distribution was made.

**Report of the Finance Committee**

R/C Michael J. Horowitz, JN, reported that funds under the management of the Finance Committee totaled $3,179,571 as of 30 Nov. 2007. These dollars are broken up into three major
portfolios: investments valued at $1,023,918.31, the Endowment Fund valued at $1,142,804.72, and district and squadron funds valued at $1,012,847.97.

R/C Horowitz reported an operating surplus of $173,161 as of 30 Nov. 2007 compared to an operating surplus of $58,355 one year ago. He noted that cost-cutting programs and improved educational sales continue to be major reasons for this surplus.

R/C Horowitz reported that at the end of FY2006, assets determining the financial alarm test totaled $2,619,821, which was $380,179 below the $3 million control limit. He reported that as of 30 Nov. 2007 the unaudited total was $2,768,746, which was $231,254 below the control limit. He noted that the financial health of USPS, as measured by the level of undesignated, unrestricted funds continues to be of concern, and that USPS must continue to improve its financial health by increasing membership, expanding educational programs and reducing expenses.

R/C Horowitz reported that he would ask the Governing Board to approve the external auditor for 2008.

Report of the Committee on Rules

R/C Allan W. Lakin, SN, reported that he would recommend that the Governing Board approve a housekeeping amendment to USPS Bylaws, Section 5.4. He noted that in the former Bylaws, Section 5.4, named each Operating Committee member by title, and the revised Bylaws simplified the language by referring to the officers on the Board of Directors as a group. R/C Lakin stated that a reference to the chairman of the Committee on Nominations was mistakenly deleted during the editing of this section.

Report of the National Law Officer

R/C Noel K. McKeown, SN, reported that the Law Committee had completed its review of the USPS insurance policy and submitted a report to the Operating Committee.
R/C McKeown reported that LawCom did not have an opportunity to review the USCG grant application prior to submitting a request to fund a Small Boat Safety DVD. He noted that he did review the application subsequent to filing and no obvious compliance issues were noted.

R/C McKeown reported that LawCom suggested preparing a document to be signed by the USCG Auxiliary releasing any interests in the ABC mark and other intellectual property. This document would subsequently be forwarded to the U.S. Patent and Trademark Office to confirm sole ownership of the intellectual property by USPS.

The national law officer reminded squadrons that as of the 2007 tax year all nonprofit corporations – not just those with more than $25,000 revenue per year – are required to report their existence and earnings to the IRS. He reported that on 13 Feb. 2008 the IRS published updated procedures and online aids for filing. A link to the IRS website is available at www.usps.org/national/lawcom/postcard.html.

R/C McKeown reported that the USPS On-the-Water Policy will require substantial revision after the USPS insurance carrier is selected.

The national law officer recommended that in compliance with USPS Bylaws, Section 5.8.4, the Board of Directors should consider resolutions authorizing the law officer or his designee to execute all documents reasonably needed to acquire, maintain and terminate legal protection for USPS intellectual property rights and to respond directly to inquiries from USPS districts, squadrons and subordinates.

The national law officer provided a copy of the Law Committee's Log concerning all pending legal matters together with supplemental insurance materials and notations to assist the USPS Board of Directors in assuming its sole and absolute authority to decide all legal matters affecting the corporation

**Report of the Planning Committee**

R/C William M. Bellinger, SN, reported that the Planning Committee submitted a report on the Diagnosis and Treatment of Ailing Squadrons to the Squadron Development Committee,
district commanders, district planning committee chairmen and squadron commanders. The committee also submitted a report on distance learning options for OCom review.

R/C Bellinger reported receiving more than 1,600 responses from the online member satisfaction survey. Survey results will be distributed when available.

The Planning Committee contacted the nine districts that have not participated in the Leadership Development Workshop to set up workshops in their areas.

R/C Bellinger submitted a plan to create a Development Committee. The national executive officer will work with the Planning Committee on this proposal.

R/C Bellinger reported that the Planning Committee recommends that USPS develop a business model focusing on marketing efforts. The committee suggested undertaking market research to determine what products and services are desired by members and the boating public; developing programs that include scripts members can use to recruit new members during educational courses, at boat shows and when performing vessel safety checks; and to develop a line of branded products that can be sold to the public.

Report of the Marketing and Public Relations Committee

R/C Robert A. Green, N, reported that during 2007 the Marketing and Public Relations Committee distributed 12 press releases to more than 100 boating editors and participated in a segment on The Today Show. Press releases are available at www.usps.org/national/pr/media3.html.

R/C Green reported receiving USCG authorization to use the remaining National Safe Boating Test 2 grant funds to promote the 2008 National Safe Boating Week Campaign.

R/C Green reported that in January 2008 he submitted a grant request to the USCG to develop a one-hour television show on small boat safety.

The Marketing and Public Relations Committee worked with the Secretary’s Department to produce two video segments publicizing the Norfolk Governing Board Meeting in September
2007 and the 2008 Annual Meeting in Dallas. These segments were available on YouTube and the USPS website. R/C Green encouraged squadrons to promote their programs on YouTube.

R/C Green reported that an online PRO-Log is being developed. He reported that maintenance costs will be approximately $1,000 per year, which will be offset by advertising.

R/C Green reported that marketing and public relations experts would make presentations during the Marketing and Public Relations Committee meetings in Dallas. These presentations will be produced on DVD and made available to members.

The committee reported that six 30-second public service announcements on DVD are available from headquarters for $3.

R/C Green reported that he submitted a funding request to the Budget Committee to update USPS: What’s In It For You? and USPS: Who We Are brochures.

**Report of the Past Chief Commanders**

P/C/C G. Leslie Johnson, SN, reported that, with the approval of District 2, he would recommend that the Governing Board amend the District 2 resolution by removing paragraph three. If the amendment is approved, he will recommend that the Governing Board approve the District 2 resolution. P/C/C Johnson also reported that he is working with the Government and Partner Relations Committee to update USPS lobbying policies.

P/C/C Gillette E. Gordon III, SN, chairman of the area monitors, reported that the electronic merit mark system shortened the process and reduced costs.

C/C Marshburn adjourned the meeting at 1455.

V/C Robert A. Baldrige, SN
National Secretary
1. A motion to grant District 24 a waiver and variance that would allow it to hold its 2009 change of watch at a time other than between 1 March and 1 May 2009. (2008-OC-1)