The Operating Committee of United States Power Squadrons met on 3-6 Sept. 2008 at the Marriott Renaissance Center, Detroit.

Members present:

C/C Creighton C. Maynard Jr., SN, R/C L.D. Brown, SN
V/C Frank A. Dvorak, SN, R/C Noel K. McKeown, SN
V/C Dick Kyle, SN, R/C Michael J. Horowitz, JN
V/C John T. Alter, SN, R/C William M. Bellinger, SN
V/C David L. Hinders, SN, R/C Robert A. Green, N
V/C Joseph R. Mesenburg, SN, R/C Allan W. Lakin, SN
P/C/C Ernest G. Marshburn, SN

Guests present:

P/C/C Dick Miner, SN, P/C/C Gillette E. Gordon, SN
P/C/C L.M. Barnes III, SN, P/C/C G. Leslie Johnson, SN
R/C Robert A. Sweet, SN, R/C Richard Peoples, SN
Mary Catherine Berube

Report of the Chief Commander

C/C Creighton C. Maynard Jr., SN, called the meeting to order at 0830, and P/C/C Ernie Marshburn, SN, gave the invocation.

C/C Maynard reported that he would sign memorandums of understanding with
OceanGrafix and the National Youth Marine Alliance during the Governing Board Meeting.

He reported that he will sign a marketing agreement with MariTech Industries, subsequent to LawCom approval.

C/C Maynard asked V/C Richard E. Kyle, SN, to update the OCom on the status of America’s Boating Course 3rd edition. He reported that he is awaiting final approval from the National Association of State Boating Law Administrators. V/C Kyle reported that ABC 3rd edition will provide a single course to meet the needs of basic boating students. The course includes a 240-page full-color manual plus two CD-ROMs. The first CD animated and narrated home-study courseware similar to the present ABC course, and the second CD includes digital charting software and sample charts. The manual includes five chapters, with the fifth chapter allowing instructors to extend the course from an 8-hour basic boating safety course to a 12-hour course with introductory navigation. The manual will be used for both classroom and Web-based instruction. He anticipated that manuals will be available for shipping to squadrons on 1 Nov. 2008. The online course will be updated by 31 Dec. 2008.

V/C Kyle reported receiving a request from BoatEd for an ABC licensing agreement. He said that the original BoatEd contracts separated the manual and the online course materials. LawCom is reviewing the proposed licensing agreement.

C/C Maynard reported that the Board of Directors approved the following procedure at its 5 June 2008 meeting:

“That the Operating Committee of the United States Power Squadrons adopt the following procedure for membership applications which do not specify a squadron:

1. Applications for membership in USPS which do not specify a squadron will be accepted as unattached members after paying national dues.

2. The unattached member will be notified of squadrons within a 75-mile radius of the member’s Zip code, provided with contact information, and provided with an application for transfer.
3. Additionally, the squadrons would be notified of a new unattached member in their area and invited to make contact.

4. When the unattached member finds a squadron which meets their needs they apply for transfer to the squadron.”

The OCom ADOPTED a motion to ratify the above action by the Board of Directors meeting to approve a procedure for accepting membership applications that do not specify a squadron. (2008-OC-2)

**Report of the National Executive Officer**

V/C Frank A. Dvorak, SN, reported that he would ask the Governing Board to dissolve Tappan Zee/2; Painesville/11; Salt Lake City/13; Salt Creek/24, San Francisco/25; Oakland/25, and Willamette River/32. He reported that Lancaster/5 and Schuylkill River/5 will dissolve at the 2009 Annual Meeting.

The Cooperative Charting Committee reported that the number of Cooperative Charting submissions is down compared with previous years, most likely due to high fuel costs. The committee reported that the project with the U.S. Army Corps of Engineers is on hold due to government funds being diverted to other areas. It was reported that Maptech sold its paper chart business to Richardson’s Charts and it is unclear how that may affect the Boating Guide to America.

The Marine Environment Committee encouraged members to participate in the Ocean Conservancy International Coastal Clean-up Program. Information is available at http://www.oceanconservancy.org.

The Government and Partner Relations Committee reported that USPS joined forces with dozens of other major recreational boating organizations to support the Clean Boating Act of 2008, which was approved by Congress and signed by President Bush. If the legislation had not passed, all boaters would have been faced with unprecedented federal and state environmental impact fees. The committee reported that USPS plans to sign a memorandum of understanding with the Citizen Corps at the 2009 Annual Meeting in Anaheim, Calif. The Citizen Corps is the
largest volunteer group created to protect America following 9/11.

V/C Dvorak will ask the Governing Board to approve the dates for the 2012 and 2013 annual meetings at the Disney Coronado Springs Resort, Lake Buena Vista, Fla., on 1-4 Feb. 2012 at a room rate of $155 and on 30 Jan.-2 Feb. 2013 at a room rate of $160.

The Squadron Development Committee reported that The Valley Provisional Squadron and Colonial Provisional Squadron will request their squadron charters at the 2009 Annual Meeting. The committee is investigating potential squadrons in northern New Mexico and Mountain Home, Ark.

The national executive officer reported that 2,224 vessel examiners performed 21,082 vessel safety checks as of 31 July. He reported that the inflatable life jackets provided by the USCG will be shipped to squadron commanders during the first week of September. The distribution costs were covered by an Educational Fund grant.

V/C Dvorak reported the balance in the Century Fund was $1,231,856 as of 31 July 2008. V/C Dvorak reported that members contributed $56,369 during the recent dues cycle.

**Report of the National Educational Officer**

V/C Dick Kyle, SN, reported that USPS University continues to expand. He reported that more than a dozen seminars have been released with more on the way. The Educational Department released Navigation 08 Beta and shipped more than 300 to date. Marine Electrical Systems is now available as the first of three new courses. Weather 08 will be available later this year, and ABC 3rd edition will be available in Nov. 2008. He reported that the first part of the Boat Operator Certification Program, the Inland Navigation Certification kit, will be available soon. V/C Kyle reported that by the end of 2009, the Educational Department will have rewritten and modernized all USPS courses.

The national educational officer stated that the new insurance program provides both classroom and on-the-water instruction coverage for USPS instructors. He said that Inland Navigator Certification involves an on-the-water skill demonstration. This program is based on the U.S. Sailing *Start Powerboating Right* program. He reported that thanks to an Educational
Fund grant, 16 members have been trained at U.S. Sailing, and eight additional members are being processed for training. These trainers will train additional advanced certifiers who will administer the on-the-water skill demonstrations.

V/C Kyle reported that the USPS University Seminar Program continues to grow. New titles recently added include Trailering Your Boat; Paddle Smart; Marine Radar; Anchoring; Knots, Bends, and Hitches for Mariners, and Hurricanes and Boats.

The national educational officer reported that the Advanced Powerboat Handling seminar will be available soon. This three-part seminar can be taught in 6-8 hours and can be coupled with on-the-water training. It uses extensive graphics and animations to illustrate a wide range of maneuvers and helps participants visualize how a boat will respond to their actions. The Partner in Command seminar, anticipated in early 2009, replaces Skipper Saver and teaches participants how to take over for the skipper.

V/C Kyle noted that USPS courses continue to be recognized as the best by the boating safety community. He encouraged squadrons to more aggressively promote and teach USPS courses. He noted that Boating Course completions are declining at a higher rate than membership, so it is essential that squadrons reverse the downward trend.

V/C Kyle reported on a New Jersey public boating law that requires mandatory boating education. In May 2008, New Jersey officials stated that USPS instructors must be certified and must complete a background check. V/C Kyle said that the certification is extensive and costly. Educational Department representatives will meet with the New Jersey attorney general to try to reach a compromise.

R/C Robert A. Sweet, SN, assistant national educational officer, reported that the Educational Department has rewritten eight out of the current 11 courses, developed a new advanced grades course and developed 12 seminars. He noted that educational sales are down. He said that the Educational Department is focusing on encouraging instructors to teach more courses and seminars. He encouraged opening up member courses to the public.
Report of the National Administrative Officer

V/C John T. Alter, SN, reported a membership of 41,792 as of 31 July 2008 compared with 44,143 one year ago. He noted that there were 7,347 nonrenewals compared with 8,326 last year indicating that some retention strategies may be working. He said that new member acquisitions are less than one year ago, most likely due to fewer boating classes being offered to the public.

The Squadron Activities Committee reports that the USPS Port Captain’s database contains 487 USPS members and 17 CPS members. The committee reported that all 33 districts participated in cruise and rendezvous events in 2007. The Amateur Radio Club participated in the 2008 Dayton Hamvention and a special events station at the American Radio Relay League headquarters station W1AW.

The Leadership Development Committee is revising the Operations Training Manual and PowerPoint and the Job Description Guide.

V/C Alter reported that there are currently 26 auxiliaries, and only 12 responded to the 2007 annual report. He reported that with the concurrence of the Auxiliary Advisory Committee, he would recommend that the Governing Board dissolve the Auxiliary Advisory Committee effective at the 2009 Annual Meeting. The OCom ADOPTED a motion that the Governing Board approve the dissolution of the Auxiliary Advisory Committee, and that its associated duties outlined in Section 3.37 of the Operations Manual be transferred to the Squadron Activities Committee effective at the 2009 Annual Meeting. (2008-OC-3)

V/C Alter reported receiving a request from the Squadron Activities Committee for a second staff commander position to fulfill the Auxiliary Advisory Committee functions. The OCom ADOPTED a motion that the Governing Board approve a second staff commander position for the Squadron Activities Committee, which will be filled by the Committee on Nominations at the 2009 Annual Meeting. (2008-OC-4)

The Membership Committee reported that “Tools for Squadrons,” which is designed to assist in recruiting and member retention, and a generic brochure, “What We Do,” are available at http://www.usps.org/national/membership/tools.html. The committee collaborated with the
national secretary and the Information Technology Committee to implement the “Become a Member” program on the USPS website. The site is receiving 10 to 20 hits per week from potential new members.

The Member Benefits Committee is strengthening relationships with existing benefit providers and is exploring new opportunities including discounts on boating products, cellular telephones and prescription drugs.

**Report of the National Secretary**

V/C David L. Hinders, SN, asked Mary Catherine Berube, headquarters director, to report on content appraisals in the USPS Memorial Library. She reported receiving appraisals on the 85th and 90th anniversary art prints of $35,000 and $40,000 respectively. She also reported hiring an artifacts and book appraiser to appraise the Memorial Library contents. The appraiser spent approximately four hours in the library determining what items to appraise, including the Chapman collection and various Presidential collections. The appraisals will be provided to the USPS insurance carrier to ensure appropriate fine arts coverage.

V/C Hinders reported that Tom Kemp, headquarters manager of marketing and development services, contracted with Strategic Guru Inc., to assist in the development of the USPS Marketing Plan. He reported that the Board of Directors is reviewing the plan.

The national secretary reported providing contact information for district and squadron commanders to the National Association of State Boating Law Administrators for the purpose of distributing a copy of the Cold Water Survival DVD produced by the Alaska Department of Natural Resources, with the understanding that this information would not be retained, reproduced or brokered for any other purposes.

V/C Hinders reported on the status of the *Power Savvy* initiative. He noted that all USPS articles would pass through one interface to ensure the quality and content of USPS materials. He said that the logical interface would be The Ensign staff, and that he asked for input from Yvonne Hill, editor. Several concerns were raised including:

1. USPS already publishes *The Ensign* and *Compass* to our membership and many of our
boating course students. Since *Power Savvy* would have the same distribution, it is imperative that the content be fresh and new.

2. The Ensign staff does not currently have the staff to generate or solicit, edit, and fact-check six additional articles every other month.

3. To meet the commitments would require hiring staff or employing freelance editors. The cost estimate for six articles per issue is $15,000 per year.

4. The agreement calls for USPS to promote advertising in *Power Savvy*. Given the fact that we sell advertising in *The Ensign* and solicit sponsors for *Compass*, it is not clear that an advertiser would be interested in hitting the same readership with multiple ads.

5. If we ask our ad reps to promote advertising in *Power Savvy*, they must receive a commission. Who would pay the commission?

6. The agreement spells out the allocation of revenue but does not make any projection. It is imperative that we have a revenue projection accompanied by the rationale upon which it is based.

7. A recent survey of our readership indicates concern with the perception that USPS is for power boaters. The name *Power Savvy* does nothing to alleviate that concern. Serious consideration should be given to a name that conveys both sail and powerboating. Maybe, *Boat Savvy*?

R/C Robert A. Green, N, reported that Bill Prince, the proposed editor of *Power Savvy*, recently told him that he would not be able to generate advertising and proposed that USPS pay a flat fee for designing the publication and laying out each issue. R/C Green suggested that the project be postponed due to these proposed changes. C/C Maynard reported that the Board would discuss the proposal with the CPS Bridge and report back to the OCom.

V/C Hinders reported that Tom Kemp met with Sen. Richard Burr (NC) to discuss USPS’ contributions to recreational boating. Senator Burr expressed interest in holding a press conference at USPS Headquarters around the time of the 2009 presidential inauguration. North
Carolina boat manufacturers would be invited to discuss the benefits of recreational boating, economic impact on trade and jobs, and why education and safety are so important.

The national secretary reported that headquarters has not been painted since 1995, and the Board approved moving funds from the temporarily restricted library alcove fund to help cover the costs.

V/C Hinders reported an 83 percent renewal rate for the 17 percent of members who were billed under traditional billing and an 85 percent renewal rate for the 72 percent of members who were billed under headquarters anniversary billing. Seventeen percent of those who renewed through headquarters anniversary billing paid with a credit card. Ten percent of members were billed during the rest of the year under headquarters anniversary billing.

Under headquarters marketing, Tom Kemp reported on the Ship’s Store performance. Highlights include a reduction in average inventory value from $125,000 to $117,000, an increase in sales from $116,000 to $121,000, and an increase in units sold from 6,700 to 11,600.

R/C Jean Hamilton, SN, compiled the Detroit meetings CD-ROM with input from the ITCom, Marine Environment, Government and Partner Relations, Vessel Safety Check, Membership, Leadership Development, Operations Manual, Ship’s Store, Rules, and Planning committees, and an overview from the Educational Department. Members may order a copy from headquarters for $5 as long as inventory remains.

V/C Hinders reported that the USPS homepage had its annual facelift, which features the new tag line, “Boating is fun…we’ll show you how.” Drop-down menus have facilitated more links on the homepage including the Ship’s Store, the Maritime Mobile Service Identity (MMSI) page, member benefits, and a link on “How to Become a Member.”

The Ensign staff reported that in August 2008, the 10th edition of USPS Compass was sent to more than 33,000 subscribers compared with 21,000 for the first edition in Jan. 2007, which represents a 57 percent increase. While the number of The Ensign subscriptions is decreasing, USPS Compass subscriptions are increasing. Boating course and ABC students with e-mail addresses are automatically subscribed. The production cost of publishing and distributing
an issue of USPS Compass is less than $100 compared with more than $20,000 for an issue of The Ensign. Articles for The Ensign or USPS Compass can be submitted to ensign@hq.usps.org.

R/C Hamilton reported that the ad hoc Communications Committee is preparing a draft preliminary plan for USPS communications and plans to submit a recommendation at the 2009 Annual Meeting in Anaheim.

The Information Technology Committee reported that MQ Series software was installed on the USPS Web server. The committee is assisting in the development of the Internet membership facility. DB2000 has been upgraded to add additional fields and download job assignments.

The Operations Manual has been updated to reflect the change in governance that went into effect at the 2008 Annual Meeting in Dallas. The Membership Committee completely revised the Membership Manual, which is now Chapter 13 of the Operations Manual.

The Ship’s Store Committee continues to move toward operating as a business unit. The committee has reduced inventory, introduced new items, increased sales, and is working as a team with headquarters staff. The committee reported that approximately two-thirds of its sales are generated by the website.

The Historians Committee will give a presentation on how districts and squadrons can celebrate USPS Founders Day.

The Flag & Etiquette Committee is reorganizing committee work around electronic communications with the objective of improved response time.

Report of the National Treasurer

V/C Joseph R. Mesenburg, SN, reported that as of 31 July 2008, revenue was $45,268 over expenses even though revenue from dues and educational sales are less than projected. He reported that dues and fees revenue is $826,858 versus $853,700, and educational sales revenue is $204,486 versus $303,704 one year ago. He noted that expenses totaled $408,027 versus $376,300 one year ago.
V/C Mesenburg reported that the 2009 budget can be found at http://www.usps.org/national/treasurer/member/2009FinalBudget.pdf.

The national treasurer reported that USPS switched insurance carriers from Travelers St. Paul to Chubb Insurance Group to ensure that USPS has the best comprehensive insurance coverage. He noted that districts and squadrons should request certificates of insurance from Chubb’s agent: Gowrie, Barden & Brett. He also noted that this change does not affect the USPS Boat Insurance Program member benefit.

V/C Mesenburg reported that America’s Boating Course revenue was $6,506 over expenses as of 31 July 2008. He noted that ABC revenue was approximately 39 percent of what it was one year ago.

R/C Richard Peoples, SN, assistant national treasurer, announced that effective 1 Dec. 2008, members eligible for travel reimbursement will receive $75 per day for lodging and $0.35 per mile.

Report of the Finance Committee

R/C Michael J. Horowitz, JN, reported that funds under the management of the Finance Committee totaled $3,358,247.48 as of 31 July 2008. These dollars are broken up into three major portfolios: investments valued at $1,007,635.71, the Endowment Fund valued at $1,199,707.73, and district and squadron funds valued at $1,150,904.10.

R/C Horowitz discussed the district and squadron investment program. He reported that when the program began, USPS could pool district and squadron funds to purchase jumbo certificates of deposit at higher yields. He noted that is no longer the case and that districts and squadrons can purchase certificates of deposit at local banks at competitive rates. He also noted that it is increasingly difficult to find enough banks that offer high interest rates and security. The OCom ADOPTED a motion that the USPS policy of squadron and district monies managed as pooled assets by the National Finance Committee, for the purpose of obtaining higher yields through the purchasing of jumbo certificates of deposit, be suspended. The national organization will no longer accept additional monies from squadrons and districts, and this investment management program will officially end 1 Jan. 2010. (2008-OC-5)
R/C Horowitz reported that USPS Bylaws, Section 5.72b requires that annual dues increases be approved by the Governing Board. He stated that at the 2005 Fall Governing Board Meeting in Portland, Ore., the Governing Board approved a five-year nominal dues increase that would be equal to the annual Consumer Price Index. He noted that he would ask the Governing Board to approve an increase in dues of $1.80 for active members, $0.90 for additional active members, and $0.45 for adult family members.

Report of the Committee on Nominations

R/C L.D. Brown, SN, reported that the Committee on Nominations would ask the Governing Board to approve General Members of the Governing Board and staff commander positions that were filled due to vacancies that will expire at the next Governing Board Meeting.

Report of the Committee on Rules

R/C Allan W. Lakin, SN, reported that the Committee on Rules did not have any bylaws amendments to present to the Governing Board.

R/C Lakin reported that ComRules approved an application for a squadron charter from The Valley Provisional Sail & Power Squadron. He said that the committee recommended assigning the squadron to District 13 for administrative purposes. The OCom ADOPTED a motion to recommend that the Governing Board assign The Valley Provisional Sail & Power Squadron to District 13. (2008-OC-6)

He reported that since the 2008 Annual Meeting, ComRules approved amendments to bylaws for 16 squadrons and is working with 17 additional squadrons. The committee completed revisions to the Model Bylaws for Squadrons and the Rules Tool, which are available on the committee’s website at www.usps.org/national/rules/Squadron_Bylaws.html.

R/C Lakin discussed Corporate Membership and how it affects squadrons. He noted that squadrons cannot recruit corporate members under the current Bylaws, and that USPS Bylaws, Section 3.11 states that corporate members may be admitted by vote of the Operating Committee.
Report of the National Law Officer

R/C Noel K. McKeown, SN, reported that the Law Committee had received more than 30 requests from districts and squadrons for assistance in filing IRS 990 and 990n reports.

R/C McKeown reported that LawCom prepared a document releasing the United States Coast Guard Auxiliary from any interests in the America’s Boating Course trademark and other intellectual property. The document has been signed by C/C Maynard and sent to the USCGAux. When finalized, the document will be sent to the U.S. Patent and Trademark Office to confirm USPS’ sole ownership of ABC intellectual property.

The Law Committee is drafting a letter from the Board of Directors to Travelers St. Paul and to McGriff, Seibels and Williams demanding indemnification for claims against USPS resulting from its affinity sponsorship of the USPS Boat Insurance Program.

Report of the Planning Committee

R/C William M. Bellinger, SN, reported that the Planning Committee had proposed an online communications network for immediate past district commanders. He reported that he would discuss the proposal during the district commanders and district executive officers meeting.

The Planning Committee reported on a initiative encouraging squadrons to include local boating knowledge when teaching Boating classes. R/C Bellinger noted that local boating knowledge would lead to greater relevance, provide more on-the-water opportunities, and increase involvement and recruitment.

R/C Bellinger reported receiving more than 1,850 responses to the member satisfaction survey. Survey results will be posted on the committee’s website.

He reported on discussions via the District Planning Network concerning the Bowsprit Award and Operations Training. He noted that districts believe that the current Bowsprit program has little or no impact. Districts are seeking a district-level program where districts would
encourage and support squadron efforts. It was also noted that the Operations Training Program needs to be updated.

The Leadership Development Committee will assume responsibility for the Leadership Development Workshop Program. R/C Bellinger noted that improved leadership training will better prepare and motivate members to accept district and squadron leadership roles.

R/C Bellinger stated that the Board of Directors and the Operating Committee must continue to support and monitor the USPS Strategic Plan. He noted that the Board of Directors approved the following Vision Statement:

*USPS will be a leading provider of recreational boating education on and off the water. Boaters will seek USPS to increase their boating knowledge, skills and enjoyment.*

R/C Bellinger reported that the Planning Committee would meet with representatives from the Member Benefits Committee to discuss how to motivate members and to emphasize the intangible benefits of membership.

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

R/C Robert A. Green, N, reported that the PRO-Log is now available on the USPS website. He noted that users can click on the index page contents and go directly to the links.

R/C Green reported that the Marketing and Public Relations Committee is designing an envelope for use by vessel examiners to distribute materials while performing vessel safety checks.

R/C Green suggested that other national committees could produce a booklet similar to PRO-Log. Layout costs would range from $1,600 to $3,000 and annual maintenance would range from $350 to $1,000. He also proposed developing a nonmember website, which would be separate from a member website. V/C Hinders reported that a deliberate decision to have one USPS website was made several years ago.
Report of the Past Chief Commanders

P/C/C G.E. Gordon III, SN, and P/C/C L.M. Barnes III, SN, discussed merit marks for district commanders. It was agreed that the national executive officer would hold merit mark recommendations for district commanders until the area monitor notified him that the district’s merit mark recommendations had been received.

The meeting adjourned at 1420.

V/C David L. Hinders, SN
National Secretary
1. A motion to ratify the following action by the Board of Directors at its 5 June 2008 meeting:

“That the Operating Committee of the United States Power Squadrons adopt the following procedure for membership applications which do not specify a squadron:

1. Applications for membership in USPS which do not specify a squadron will be accepted as unattached members after paying national dues.

2. The unattached member will be notified of squadrons within a 75-mile radius of the member’s ZIP code, provided with contact information, and provided with an application for transfer.

3. Additionally, the squadrons would be notified of a new unattached member in their area and invited to make contact.

4. When the unattached member finds a squadron which meets their needs they apply for transfer to the squadron.” (2008-OC-2)

2. A motion that the Governing Board approve the dissolution of the Auxiliary Advisory Committee, and that its associated duties outlined in the Operations Manual Section 3.37 be transferred to the Squadron Activities Committee effective at the 2009 Annual Meeting. (2008-OC-3)

3. A motion that the Governing Board approve a second staff commander position for the Squadron Activities Committee, which will be filled by the Committee on Nominations at the 2009 Annual Meeting. (2008-OC-4)

4. A motion that the USPS policy of squadron and district monies managed as pooled assets by the National Finance Committee, for the purpose of obtaining higher yields through the purchasing of jumbo certificates of deposit, be suspended. The national organization will no longer accept additional monies from squadrons and districts, and this investment
management program will officially end 1 Jan. 2010. (2008-OC-5)

5. A motion to recommend that the Governing Board assign The Valley Provisional Sail & Power Squadron to District 13. (2008-OC-6)

6. A motion that the Governing Board approve a third staff commander for the Boat Handling Committee. (2008-OC-7)