

## Chapter 12

### FORMATION AND/OR CHANGE OF STATUS OF SQUADRONS AND DISTRICTS

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**12.1 Introduction.** The formation, merger, consolidation or dissolution of a squadron or district involves a number of details that must be coordinated or approved by squadrons, the district commander, district education officer and/or national executive officer. The primary source of assistance in the formation of a new squadron is the Squadron Development committee. This committee bears the primary responsibility to assist a new squadron in preparing the proper documentation, coordinating the approvals of various national committees and evaluating the potential success of the new squadron. Squadrons may be organized by either the provisional squadron or the squadron division method. Of the two, the provisional squadron is less complex. In either case it is important that at least a few people with some knowledge of USPS be available as a guiding hand throughout the process. If the proposed squadron is remotely located or if there is doubt as to which district has jurisdiction, an inquiry is addressed to the national executive officer for clarification.

**12.2 Formation of a provisional squadron.** USPS members should make a dedicated effort to form provisional squadrons in areas where USPS is not represented by an existing squadron. Squadrons, districts or a combination of these may work to build provisional squadrons.

Communication of intent is important. The Chairman of the Squadron Development Committee as well as the District Commander of the local district must be contacted to inform them of the intent to form a provisional squadron and to request their help and support in the effort.

Endeavor to find a “key” leader, one who is known in the community and one who has had some experience in clubs and organizations.

Members of a provisional squadron consist of current members of another squadron who intend to transfer into the squadron when it is chartered, unattached members and unattached (new) members who join after attending public safe boating courses conducted by the provisional squadron.

Only six active members are required in order to organize a provisional squadron. Public safe boating courses may be offered to reach the minimum of six members required. The provisional squadron functions with a commander, educational officer, secretary/treasurer and three executive committee members.

After provisional squadron status has been approved, the squadron has three years to build its membership to a minimum of 25 active members in order to submit its request for a squadron charter.

**12.3 Selecting a location.** Any community that has boaters not now served by a squadron is a potential location. While the first priority may be locations with boating activities, there are other possibilities. If there is a metropolitan area with 100,000 or more population, and there is a good boating area within 50 to 100 miles, many boaters from the metropolitan area travel to that boating area. USPS has strong squadrons located in areas that are not themselves boating areas.

Availability of a facility for teaching courses and for meetings is another consideration; yacht clubs, marine stores, marinas or a United States Coast Guard facility are potential locations.

Contact local Chambers of Commerce, Lake Associations, organizations that promote tourism et cetera. They can provide useful information about the area and valuable contacts. They also are very useful in publicizing the organizational efforts to form the provisional squadron.

**12.4 Approval of provisional squadron status.** The Operating Committee has the authority to grant provisional squadron status. The procedure to be followed is not complicated, difficult or time consuming. It is included in the *“How To Develop A New Chartered Squadron Using the Provisional Squadron Approach”* manual available from district commanders or USPS headquarters.

The first step is to find the six active members required to operate a provisional squadron. Current members of other squadrons who reside in the area and unattached members is a start. USPS headquarters will conduct a zip code search to find current or prior members. Conducting public safe boating courses in the area to obtain new members is another source to recruit the minimum of six. Other procedural steps that must be followed and ideas to be considered are:

A) Have at least two USPS members who will work together closely to promote provisional status and file the necessary request for provisional squadron status with the national executive officer. The NXO will present all properly prepared requests to the Operating Committee which has the authority to grant provisional status. The request is to be in letter form to the national executive officer and must include the following:

- 1) The geographical area that the proposed provisional squadron is to include;
- 2) The need for a new squadron in that area;
- 3) The potential for growth. How will membership grow without seriously detracting from other squadrons in the area?;
- 4) In a few words, describe the plan for creating the squadron including the squadron proposed name and the length of time it may take to charter the new squadron. The name may

apply only to the provisional squadron and another name can be selected when the provisional squadron requests its charter.

B) The national executive officer will review the letter request and, although not a requirement, will normally discuss it with the district commander whose district this provisional squadron would be assigned for administrative purposes. If all is in order, the national executive officer will seek the Operating Committee's approval for provisional squadron status;

C) Operating Committee approval is subject to the approval of the proposed provisional squadron bylaws by the chair of the Committee on Rules. The Operating Committee will also assign this proposed provisional squadron to a district for administrative purposes. The district to which the provisional squadron is assigned has the responsibility to help the provisional squadron with its efforts to become a chartered squadron. Normally OCom will encourage the group by approving conditional provisional squadron status with the understanding that formal provisional squadron status will only be granted upon the approval of the provisional squadron bylaws by the Chairman of the Committee on Rules;

D) Upon conditional or formal provisional squadron approval, the national executive officer will then request that Headquarters send a new squadron kit to help the provisional squadron toward chartering. Upon that request, Headquarters will send up to 100 free copies of the public safe boating course texts (does not include the plotting kits) to facilitate the teaching of public safe boating courses in their area;

E) The conditional or formally approved provisional squadron should have an initial meeting with all those interested in participating in a provisional squadron in the area;

F) Secure a copy of the model by-laws for provisional squadrons and elect members to the six leadership positions as required. Adopt the provisional squadron bylaws in the exact format as the model and send the adopted copy to the chair of the Committee on Rules for approval. This is a requirement for formal provisional squadron status.

**12.5 Provisional Squadron Operations.** The provisional squadron should begin to function as a

regular squadron. Its primary activity is to conduct public safe boating courses to recruit new members in order to reach the required minimum of 25 active members for squadron chartering. Consider the following to attract individuals to public safe boating courses and to find other potential new members.

A) If the state has a safe boating exam that has been approved by USPS as meeting USPS membership requirements, try to get the names of those who have taken and passed the state exam from the state officials. They qualify directly for USPS membership. Contact these boaters and advise them of the benefits of USPS membership. A list of all courses that meet the membership requirements is listed on the membership committee's page on the USPS website;

B) Make plans to offer public safe boating courses in order to recruit new members for the provisional squadron. Find a location, school, library, marina or marine supply center in which to hold a course. Hold the classes as often as practical, day, night or weekends and be "up front" with the students. Tell them a new squadron is being formed and stress the value of USPS membership and its boating educational opportunities. Also inform the students that when they join a new squadron they are charter members and the first commander is a charter commander, a distinction that is important to some;

C) Marinas might well provide a listing of boaters. The state licensing authorities and/or state boating law administrators are also good sources of information. Try contacting yacht clubs seeking names of boaters. Inform them that a squadron is being formed and tell them of the advantages of USPS membership. Ask them to publicize the dates and locations of the public safe boating courses and include the name and phone number or email address of a local contact from the provisional squadron;

D) Develop a list of all area media, newspapers, radio, TV, community web sites, et cetera. Distribute releases with dates and locations of public safe boating courses. Area radio and TV stations frequently have various "community bulletin board" type features offering "no charge" announcements for non-profit organizations. Local news programs and interview programs also may be used to publicize the courses;

E) Posters and other material for publicizing the courses are also available from the USPS marketing and public relations committee at no charge;

F) Students who pass the course join USPS as unattached members that are assigned to the provisional squadron and will become charter members of the new squadron when chartered. Also encourage them to help with subsequent courses. Urge the members to enroll in the *Seamanship* course immediately;

G) Continue teaching public safe boating courses and squadron advanced and elective courses. When active membership reaches 25, complete the requirements for squadron chartering as stated below.

**12.6 Name and Burgee.** Squadron names must have geographical significance and not conflict with other squadrons. Guidelines for squadron burgees and squadron names are included in other sections of this *Operations Manual*. The provisional squadron may petition the Committee on Rules to approve or reserve the proposed squadron name and the flag and etiquette committee to approve the burgee design it desires at any time after provisional squadron status has been granted by the Operating Committee.

**12.7 Procedure for Chartering.** The forms and procedures for requesting a charter for a provisional squadron are included in the new squadron kit that was sent upon approval of provisional squadron status. The Committee on Rules requires that the forms be used and that the following procedure be adhered to on all applications. Any deficiency is likely to delay charter approval.

It is the responsibility of the Committee on Rules to review and approve the bylaws of the new squadron and is the committee through which the new charter application is formally presented to the Governing Board.

**Procedure:**

A) Notice of the organizational meeting must be sent out at least 10 days in advance to all prospective charter members. Forms for this notice are in the new squadron kit; additional copies may be reproduced locally;

B) Squadron bylaws must be drafted to conform in format to the model bylaws for squadrons, a copy of which is in the new squadron kit. Deviations will be allowed in case of conflict with local laws or other compelling circumstances provided, however, that there is no deviation from the policy and authority of USPS. A copy of the proposed bylaws should be submitted for preliminary approval to the chair of the Committee on Rules before being voted on by the membership. Any deviation from the model must be underlined in red or highlighted and explained. It is recommended that the proposed bylaws be included with the notice of the organizational meeting or that multiple copies be made available for examination by members attending the meeting;

C) The organizational meeting should be held as outlined in the notice. At least 25 active members of USPS must sign the petition to the Governing Board, form NSK-4a and **Petition for Group Transfer**, form HQ-114 for the charter to be granted. Minutes of the meeting should contain the following:

- Names of members present and designation by grade
- Approval of the motion to petition the G/B for a charter
- Adoption of the proposed name of the squadron
- Adoption of the proposed bylaws
- Election of officers
- Approval of the motion authorizing USPS to include the squadron in a request for federal tax exemption

D) The following must be completed and forwarded to the chair of the Committee on Rules with a copy furnished to the district commander:

- Minutes of the organizational meeting
- Squadron Bylaws as adopted and formally approved by the Chair of the Committee on Rules
- Form HQ-114, Petition for Group Transfer for each squadron from which members are transferring
- List of unattached members transferring into the squadron approved by the national secretary
- Form NSK-4b, list of charter members with certificate numbers
- Form NSK-4a, petition to the Governing Board

- Form NSK-3, Notice of the Organizational Meeting
- Letter to USPS signed by squadron commander authorizing USPS to include the squadron in the yearly request for group federal tax exemption
- Form OD-2, Listing of Squadron Officers and Committee Chairs
- Letter from the district commander and district educational officer attesting that the provisional squadron is organized to operate a squadron with its ability to conduct a successful educational program

E) Form ED80, the Squadron Educational Officer and ASEO, is submitted to the DEO;

F) If all documents are in order, the chair of the Committee on Rules may approve the charter application. If the chair of the Committee on Rules receives the charter application 30 days or less prior to a Governing Board meeting, action on the application must be submitted to the Governing Board for approval.

**12.8 Formation of a Squadron Division.** The general purpose and function of a division, is to organize and conduct all phases of normal squadron activity - meetings, classes, social affairs - under the direct supervision of the parent or sponsoring squadron and the district commander. Formal organizational meetings are not to be initiated without prior approval of the national executive officer and the district commander. Before permission is given to hold such meetings, adjacent squadron commanders are consulted and their support requested as to the location in question, the prospects for growth and progress. It is recommended that the proposed division squadron have at least 25 potential charter members (active members of an existing squadron or currently unattached members of USPS).

**12.9 Checklist to establish a squadron division.**

A) Before formal meetings are held, the district commander must forward to the national executive officer two copies of the information requested in the following ten questions plus Form OD-2 listing the slate of prospective officers. The national executive officer obtains approval of the Operating Committee to form the division and to

send the new squadron kit. OCom determines the general boundaries of the area in which the division operates.

- 1) Is there a need for a new squadron?;
- 2) What area will be served? Enclose road map covering this area (no boundaries in USPS are fixed);
- 3) What is being done to service this area presently and what will a new squadron accomplish that is not presently being done?;
- 4) What is the growth potential for the division?;
- 5) What will be the total number of members, by educational grade, in the division and how many members with advanced grades are there to carry on a proper educational program?;
- 6) Does the division have the support and endorsement of the parent squadron?;
- 7) Does the division have the endorsement of the squadrons which now service the area?;
- 8) Does the division have the endorsement of the district commander?;
- 9) Will the new squadron have financial stability? What contribution will the parent squadron make?;
- 10) Will withdrawal of these members work a hardship on the parent squadron? Will it reduce parent squadron membership so that it cannot operate successfully?

B) After division status is granted by OCom, all members of the division must meet and:

- 1) Designate or elect acting officers and appoint committees and committee chairs. Officers chosen by the division have no rank as such, but members may, of course, retain previous rank and insignia. For this reason, installations or changes of watch are inappropriate;
- 2) Establish an educational course schedule, assign instructors and allow sufficient time to publicize;
- 3) Investigate and arrange for adequate classroom facilities;
- 4) With the assistance of the commander, educational officer and supply officer of the sponsoring squadron, order course material and necessary supplies;
- 5) Hold the normal meetings and social activities of a chartered squadron.

C) The length of time between forming the division and requesting a squadron charter depends upon progress made toward its ability to operate independently. The procedure is identical to requesting a squadron charter for a provisional squadron [Refer to 12.7 on page 12-3].

**12.10 Squadron dissolution.** A squadron dissolution takes place when a squadron ceases to function and surrenders its charter. Following is a checklist for squadron dissolution;

- 1) Notify district commander and national executive officer of intent;
- 2) Approval by at least two-thirds of the active members present and voting on proposal for dissolution at a special meeting with at least 30 days' notice of meeting;
- 3) Approval by district council and conference.
- 4) The district commander requests the forms necessary for dissolution from USPS Headquarters. The forms are returned to the national executive officer;
- 5) Members wishing to transfer to other squadrons sign form HQ-110 or HQ-114. Members wishing to transfer to unattached status sign form HQ110 and list 'Unattached' on the form;
- 6) It is the responsibility of the commander of the squadron being dissolved to ensure that assets of his squadron can be transferred under applicable state law. He works with the squadron or district law officer on such determination, as states differ in their interpretations of transfers of assets from one 501(c)(3) corporation to another. In the interest of continued support of the USPS mission, it is recommended that a proportional distribution be made to the squadrons where members of the dissolving squadron are transferring;
- 7) District commander must do his/her best to confirm that all squadron property has been transferred to another squadron or district or similar charitable organization all in accordance with USPS Bylaws. Many states call for a written plan (a "winding-up certificate") for orderly termination of the business and final distribution of assets. The squadron board must certify under penalty of perjury that the plan has been followed. A copy

of the documents used to distribute the squadron's assets should be sent to headquarters. (Use form HQ 116 - Transfer of Assets Between Squadrons - if appropriate);

8) If the squadron is incorporated or otherwise legally associated, such association must be dissolved pursuant to local law. Work with the squadron or district law officer on such determination;

9) The national executive officer recommends approval of the dissolution to the Governing Board and the district commander returns the charter to Headquarters.

### **12.11 Squadron mergers and consolidations.**

*(There are no provisions in the USPS bylaws for mergers or consolidations.)* A squadron merger takes place when one squadron renounces its charter and its members transfer to another squadron. The procedure to be followed to effect a squadron merger is that the merging squadron transfers its property to the remaining squadron and follows the procedure for dissolution [Refer to 12.10 on page 12-5]. (Use forms HQ 112m - Request for Transfer of a Member Group to Effect a Merger and HQ 116 - Transfer of Assets Between Squadrons).

A squadron consolidation takes place when two or more squadrons are combined to form a new and distinct squadron. The procedure to be followed for squadron consolidation is the same as for a merger with the addition that the remaining squadron follows the procedure to change its name by amending its bylaws [Refer to 12.10 on page 12-5].

**12.12 Formation of a new district.** USPS, with approval of the Governing Board, may establish new districts. The desire of a district to be divided originates within the district. It may come from district officers, or it may come from squadrons within the district. In either case, the district commander verifies that the squadrons affected agree with the decision to divide the district and the district conference approves the petition. The petition is sent to the national executive officer for presentation and approval by the OCom for submittal to the Governing Board for their approval. There is no form for such petition, but

the Committee on Rules will furnish precedents, which may be adapted to the circumstances.

The national executive officer will consult with the Operating Committee inasmuch as new districts can have a far-reaching effect throughout USPS. Realignment of neighboring districts or squadrons may also be necessary.

Upon approval by Governing Board, a meeting of representatives of the squadrons in the new district is held, at which time; bylaws, election of temporary officers, and other organizational issues are considered. Bylaws for a new district must follow the "model" bylaws for districts verbatim except for considerations required by local law or special circumstances. Such exceptions require prior approval by the Chairman of the Committee on Rules. Copies of these model bylaws are available from USPS Headquarters or may be downloaded from USPS Web site. Bylaws must receive formal approval by the Committee on Rules before any new district may begin to function officially.

**12.13 Operating district division.** A proposed district may initially operate as a "division" of a district as assigned by the national executive officer. A division functions with certain autonomy, subject to direction by the parent district. Temporary officers chosen by a district division have no rank as such. For this reason installation and changes-of-watch ceremonies are inappropriate. Such officers may, of course, retain their insignia of previous rank.

Divisions must hold a conference meeting and at least two council meetings annually. The Chief Commander will assign a C/C's Representative when possible. If a division is not granted full district status within two years, the national executive officer may terminate its status in which event the division's squadrons will revert to the district to which they were assigned at the time the division was formed.

**12.14 Full district status.** When the division commander feels that the division has made sufficient progress and is financially stable, he may request full district status by formal letter to the

national executive officer. This request must be endorsed by the council and conference of the parent district.

If the national executive officer and the Chairman of the Committee on Rules agree that the

division is well prepared and is functioning satisfactorily, the national executive officer requests that the Operating Committee ask the Governing Board to grant full district status including the district number or other designation.

