

USPS Board of Directors
Raleigh, N.C.
1-3 December 2016

1 December 2016
Called to order at 0830

Attendees:

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

Guests present:

R/C Paul Mermelstein, SN
P/R/C Lee Popham, JN
P/R/C Howard Yoas, SN
Stf/C Susan Darcy, JN
Mary Catherine Berube
Wendy Casey
Tammy Brown
Yvonne Hill

Ratification of electronic votes:

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

- 1) To dissolve Worcester County/12.
- 2) To dissolve Mid Coast/19.

- 3) To hold the 2018 Governing Board Meeting at the Minneapolis Marriott City Center from 12 to 19 August 2018 at a room rate of \$159 per night with a \$40,000 food and beverage minimum.
- 4) To amend the USPS Reimbursement of Travel and Related Expenses Policy effective with the 2017 Annual Meeting
- 5) To upgrade the security system at headquarters at a cost of \$10,652.04.
- 6) To sign a contract with R+M Agency to develop and provide marketing support for the Year-Round Safe Boating Campaign Grant.
- 7) To allocate \$6,000 of the OMC Foundation Grant Fund to assist squadrons in increasing visibility of the national Youth Poster Contest by creating promotional materials, and to award annual prize monies to the top three national winners in each of three age categories for the next five years.
- 8) To move the date of the 2019 Annual Meeting from the week of February 11, 2019 to the week of February 18, 2019, per the request of the Rosen Centre.
- 9) A request to allocate \$60,000 of 2016 Endowment Fund earnings to develop a new public website interface in keeping with the new marketing direction.

Action items approved:

Motions:

- 1) To approve the following Honorary Members for 2016:

Captain F. Thomas Boross
 Huw Bower
 Larry Bowling
 Keith Christopher
 Brett Conley
 Sam Debow
 Pam Dillon

Cecilia Duer
 Chris Edmonston
 David Fuller
 Nan Ellen Fuller
 William Griswold
 Tom Hayward
 Jake Hill

Jeff Hoedt
Rachel Johnson
Kirk La
Mary Larsen
Robert Pepin
Steve Prime

Bert Rogers
Kirsten Schuchardt
Christopher Stec
Michael Wesolowski
Stephanie Weatherington
Charles D. Wurster

- 2) To award the USPS Website contract to R+M Agency.
- 3) To spend up to \$10,000 to purchase and distribute 100 promotional banners to selected squadrons with funding from an Educational Fund grant.
- 4) To recommend that the Governing Board consolidate the Leadership Development and Squadron Development committees to be named the Squadron Development Committee assigned to the Administrative Department.
- 5) To assign two staff commanders to the newly formed Squadron Development Committee pending Governing Board approval of the consolidation with the Leadership Development Committee assigned to the Administrative Department.
- 6) To recommend that the Governing Board consolidate the Squadron Activities and Member Benefits committees into the Membership Committee assigned to the Administrative Department.
- 7) To assign six staff commanders to the Membership Committee pending Governing Board approval of the consolidation of the Squadron Activities, Member Benefits and Membership committees.
- 8) To recommend that the Governing Board consolidate the Program Partner, Government & Partner Relations and Public Relations committees into the Public Affairs Committee to be assigned to the Executive Department.
- 9) To assign three staff commanders to the Public Affairs Committee pending approval by the Governing Board to create the new consolidated committee.

- 10) To reduce the number of rear commanders and staff commanders assigned to the Budget Committee to two each.
- 11) To dissolve Aroostook Valley/19; Portland Head/19; Merrimac River/19; Monterey Bay/25, and St. Croix/33.
- 12) To eliminate six months trial memberships effective 1 Dec. 2017.
- 13) A motion to approve the following USCG grant proposals for 2017:
 - 1) To develop a national database to collect data on Hispanic boaters.
 - 2) To produce a Navigation Rules of the Road booklet in Spanish.
 - 3) To develop a national youth-oriented boating safety program in Spanish.
 - 4) To develop a Year Round Safe Boating Campaign 2.0 incorporating the findings of the test market events from phase 1, create additional events and marketing plans, test market the events using volunteer squadrons, and develop a website to download materials.
 - 5) To develop a Boating Skills Virtual Trainer V program. The project will build on an original simulator model funded by the USCG grants in 2013 through 2016, bringing the total units to 22.
 - 6) To develop USPS DML 3.0, which will leverage the DML footprint in social media and expand squadron collaborative efforts with other boating organizations.
 - 7) To establish a set of schools at locations across the United States and provide on-the-water training directly to the public. The schools would have classroom facilities, access to water, and boats appropriate for on-water training. The schools would be staffed by professional instructors that are compensated for their time. On-water skills training such as POTW would be offered to the public on regular schedules throughout the boating season.

Discussions:

- 1) V/C Peter W. Mitchelson, SN, reported that the nonrenewal rate for six months trial members remains at approximately 50 percent. He noted that suspending new member packets sent to trial members joining from October through December 2015 had negligible effect on renewal rates. He reported that the 354 members who joined under the 18 months membership for the price of 12 month's dues, which began in January 2015, all renewed their membership.
- 2) V/C Mitchelson reported that Cyber members who do not transfer to a squadron renew at rate of 67 percent, while those who transfer to a squadron renew at a rate of 60 percent.
- 3) V/C Mitchelson discussed the USPS Website proposal and the merits of using WordPress Content Management System. The proposal is to develop the public website, create content management templates, and provide training to maintain the site.
- 4) V/C Mitchelson reported that the Communications Committee is reviewing district and squadron websites and publications to determine the recipients of the 2016 Distinctive Communicator Awards.
- 5) The Membership Services Committee will publish procedures on dissolving squadron to ensure that remaining members are transferred to another squadron.
- 6) V/C Mitchelson reported that the Information Technology Committee had helped approximately 50 squadrons set up squadron websites that conform to USPS brand standards.
- 7) V/C Mitchelson reported \$80,841 in Ship's Store sales through 31 Oct. 2016, at a gross profit of 32 percent.
- 8) V/C Robert C. Miller, SN, was unable to attend due to a family illness. P/R/C Lee Popham, JN, presented the report from the National Treasurer. He reported that declining educational sales and dues revenue would result in approximately a \$53,000 underrun in budgeted operating revenue. He reported that operating expenses were estimated to be approximately \$145,000 under budget at year-end resulting in an estimated \$75,000 surplus.

- 9) P/R/C Popham reported that he is working with headquarters staff to re-format monthly financial statements with the goal of providing clear, concise statements. He also stated that he planned to develop monthly budgets for comparisons and variance analysis.
- 10) P/R/C Popham reported that the Budget Committee would begin working on the 2018 Budget during the 2017 Annual Meeting.
- 11) Wendy Casey updated the Board on current USCG grants. The balance in the POTWT III Grant was \$45,114.51 as of 31 Oct. 2016. The grant was extended through 31 March 2017.
- 12) The balance in the BSVT III and BSVT IV grants was \$36,021.68 and \$171,870.69, respectively, as of 31 Oct. 2016. BSVT III was extended through 31 March 2017. A new model with a 34-inch curve monitor will replace the current models. The Spanish translation had been completed.
- 13) The balance in the DML 1.0 and DML 2.0 grants was \$28,705.68 and \$128,301.40, respectively. DML 1.0 was extended through 31 March 2017. All animations for DML 1.0 were complete, and the Spanish landing page was developed. Twenty video scripts had been completed for DML 2.0.
- 14) The balance in the Spanish ABC Classroom grant was \$33,997.76, as of 31 Oct. 2016. The grant was extended through 31 March 2017. Proofreading the formatted materials was near completion in preparation for sending to the USCG for review and obtaining print bids.
- 15) The balance in the Spanish ABC Online grant was \$65,154.50, as of 31 Oct. 2016. The grant was extended through 31 March 2017.
- 16) The balance in the Year Round Safe Boating Campaign grant was \$191,233.52, as of 31 Oct. 2016.
- 17) V/C Craig D. Fraser, SN, reported that R/C Dick Carson, JN, and the Basic Public Education Committee are developing a Boating Primer to promote USPS, its offerings and provide an introduction to basic knowledge for new boat owners.
- 18) V/C Fraser reported that America's Boating Course online sales continue to increase, with projected sales of 1,340 units at year-end. He stated that effective 1 Jan. 2017 the selling

price will increase to \$34.95. He noted that sales will be monitored very closely to determine if the price increase has a negative effect.

- 19) V/C Fraser reported that he had not received final results of the Seamanship Beta test in districts 15 and 22. He noted that districts 12, 14, 16 and 26 expressed an interest in conducting a Seamanship Best test in spring 2017.
- 20) V/C Fraser reported on a request from a squadron to produce locally-based seminars. He noted that the Educational Department will support the concept after Educational Department leadership review and approval for content and presentation, then will develop a system to monitor squadron-produced seminars and to provide an online tool to retrieve the seminars.
- 21) V/C Fraser reported that the Educational Department provided talking points for district educational officers to discuss with squadron educational officers at the 2016 Fall District Conferences.
- 22) V/C Fraser reported that the 2016 Chapman Award winners had been selected. He noted that the number of awards was reduced from five to three due to receiving nominations from only 16 districts. He encouraged all districts to submit Chapman Award nominations.
- 23) V/C Fraser reported that P/V/C Robert David, SN, represented USPS at the United Nations Economic Commission for Europe Conference in Geneva, Switzerland. He gave a presentation on the USPS on-the-water program and efforts to recognize USPS courses in Europe.
- 24) V/C Mary Paige Abbott, SN, reported that she was working with headquarters to purchase pop-up banners for use at national meetings and to purchase 100 pop-up banners for squadrons to use at local events.
- 25) V/C Abbott is working with headquarters to incorporate a new message and look for the new member packet. All new members will continue to receive a hard copy, and an online version will also be available.
- 26) V/C Abbott discussed a request from Affinity Marketing to send a LifeLine Screening mailing to members noting that some negative issues had been reported by members who had received prior mailings.

- 27) The Member Benefits Committee announced a new member benefit with HotelStorm that will provide hotel discounts up to 55 percent.
- 28) V/C Abbott reported that the Squadron Development Committee is working with two potential new squadrons in Washington and Ohio. Approximately 19 percent of squadrons had submitted their self-assessment form.
- 29) V/C Abbott reported that the Membership and Marketing committees will present a joint seminar on recruiting and retention during the 2017 Annual Meeting in Orlando, Florida.
- 30) The Membership Committee reported that the 2016 BoatUS Civic Service Award would be presented during the 2017 Annual Meeting. Results from the Each One Reach Program showed that 20 squadrons had increased their membership since September 2016. The committee will continue to communicate with districts on improving member retention.
- 31) V/C Abbott reported that she is working with Administrative Department committees to simplify and streamline processes.
- 32) V/C Abbott updated the Board on the fundraising initiative. She discussed the next steps and noted the requirement to acquire a Charitable Solicitation License in North Carolina. She will continue to work on other details while the license is procured. The Board agreed to create a Development Committee.
- 33) V/C Gary P. Cheney, SN, reported that Raleigh, N.C., Richmond, Virginia and Las Vegas are being considered as host cities for the 2019 Governing Board Meeting.
- 34) V/C Cheney reported that the National Government and Partner Relations Committee is seeking members to represent USPS as state legislative officers. The goal is to have a representative in each state.
- 35) R/C Paul Mermelstein, SN, chairman, reported that he was working with P/D/C Marty Lafferty, AP, to promote the Digital Media Library and to increase awareness of MMSI registrations.
- 36) Mary Catherine Berube reported that following a comment from a district commander's questionnaire concerning two life members residing at the same address and both receiving

The Ensign, these members will now receive only one copy of The Ensign. If one of the couple is deceased or changes address, they will be automatically added to the list to receive The Ensign.

37) C/C Louie Ojeda, SN, reported that P/C/C Lance J. Jensen, SN, will serve as chairman of the Merit Mark Area Monitors in 2017.

38) C/C Ojeda reported that the Planning Committee is updating the USPS Strategic Plan to meet the current membership and capabilities of USPS.

39) Stf/C Susan Darcy, JN, reported that the Committee on Nominations will complete the slate of 2017 nominees in mid-December 2016.

Adjourned 1640.

2 December 2016

Called to order at 0830

- 1) P/R/C Robert A. Baldrige, SN, reported on the status of the Year Round Safe Boating Campaign grant. He stated that the team was identifying and evaluating existing programs and content for use in the campaign and determining the gaps in content that need to be developed.
- 2) P/C/C Baldrige updated the Board on the ad hoc Endowment Fund Trust Committee. He noted that the committee recommended creating a trust or foundation that is a nonprofit corporation. The new entity's officers would be elected by the Governing Board. Five percent of the Fund value would be distributed to USPS each year as directed by the Board of Directors for special projects, grants, or as deemed appropriate by the Board. Additional fund income could be distributed as grants by the new entity's officers. He noted that he would discuss the recommendations with the Finance and Law committees.
- 3) P/C/C Baldrige reported that he attended the BoatUS Advisory Council meeting on St. Simons Island, Georgia. The group included 11 distinguished national boating leaders who discussed key issues impacting recreational boating. P/C/C Baldrige stated that USPS should consider partnering with BoatUS to co-promote membership in both organizations.

The group also looked at the vulnerability of the GPS system, new emergency signaling devices/flares, and discussed the changes in vessel stability and capacity plates and boating education programs.

- 4) R/C Mermelstein reported on the status of the R+M engagement noting that Phases I and II were complete. These phases included a comprehensive market analysis, determined the organizational personality statement, determined USPS' position in the marketplace, identified target markets and audiences, created messaging and brand statements, created a brand promise, developed colors and images, and completed an extensive inventory and analysis of USPS' educational, volunteer and fellowship offerings. R/C Mermelstein noted that the Educational Department and Marketing Committee were currently considering course name changes and packaging courses. Phase III assessed internal and external communications, processes, assets and established business and communications goals. The goals identified are to retain current members in the fellowship; recruit new members to the movement; generate brand awareness of the organization's role in saving lives, and empower internal communications to more effectively align national, district and squadron.
- 5) R/C Mermelstein stated that the first communications goals are to increase familiarity and name recognition, determine USPS' image and to answer the challenge to create a positive, clearly recognized identity with the objective of generating a desire to know more about USPS. He stated that the "Welcome to the Neighborhood" ad campaign will serve to rebrand and update United States Power Squadrons' image with the boating public, as well as with members.
- 6) R/C Mermelstein and Tammy Brown presented a media plan. The Welcome to the Neighborhood campaign will include partners in-kind, a media spend, and pop-up banners for squadrons. They also presented a proposal from Bonnier Corp., one of the largest special-interest publishing groups in America, with more than 30 multichannel magazine brands. The proposal includes purchasing print, online and social media in Boating and Salt Water Fishman magazines based on the audiences that were identified in the brand assessment study. The total spend would be approximately \$250,000.
- 7) The Board agreed to submit a proposal to the Educational Fund Trustees to fund the costs of a communications and advertising media plan.

Adjourned 1650.

3 December 2016

Called to order at 0830

- 1) C/C Ojeda led a discussion on when an organization should consider changing its name. He noted that United States Power Squadrons should consider changing its name when the name does not reflect our true value in the marketplace, it is difficult to understand, it may confuse future members, it is tied to a legacy that is no longer aligned to our growth, our vision, and it no longer fosters a sense of pride within membership. C/C Ojeda noted that before pursuing a name change the Board should consider the impact on current and future members, the impact on marketplace positioning, the impact on our culture, and the impact on cash flow and reserves. The chief noted that some subtle changes could be implemented now including encouraging the strategic use of uniforms, using photos of leaders in alternative attire, and using a 12-hour versus 24-hour clock.

- 2) The Board opened discussion on a succession plan for the USPS Headquarters Executive Director, which was written by the Planning Committee.

Adjourned 1310.