

BUILDING AND OPERATING A VOLUNTEER 501c3 NONPROFIT LIGHTHOUSE PRESERVATION ORGANIZATION

By

Jeri Baron Feltner, Secretary
DeTour Reef Light Preservation Society

Presented at

SAVE OUR LIGHTS! Strategies for Saving Michigan's Lighthouses
May 31, 2001 at Mackinaw City

Special Note: This text version of the above presentation is followed by a PowerPoint version on page 11.

The AGENDA includes:

- 1) Historical Background
- 2) The Situation Today
- 3) DRLPS Purpose
- 4) Accomplishments
- 5) Goals
- 6) The Challenge for the Future
- 7) Closing Remarks

1) HISTORICAL BACKGROUND

The DeTour Reef Light is located in northern Lake Huron off the eastern tip of Michigan's Upper Peninsula. Standing a mile offshore, it marks the entrance to the DeTour Passage and St. Mary's River between DeTour Village and Drummond Island. The original lighthouse that is no longer in

existence was the DeTour Point Light established onshore in 1847 and rebuilt in 1861. This Light was replaced by the DeTour Reef Light in 1931. The 64-foot square tower of three distinct levels is of Art-deco architecture with a white exterior and a red dome, is framed in steel and sits on a 20-foot high, 60-foot square concrete and steel platform crib in 24 feet of water. The three-and-a-half order 1908 Fresnel lens is now on display at the DeTour Passage Historical Museum. The Light was automated in 1974. The focal plane is 74 feet above the water and can be seen from 17 miles.

2) THE SITUATION TODAY

As is with most of the lights in the nation, due to modern satellite navigational aids, and little funds for maintenance of the building, the DeTour Reef Light was declared excess property by the Coast Guard in 1997. Bob Jones, our President, Dick Moehl, and the Sault Ste Marie Coast Guard visited the lighthouse in August of 1997 and found the building to be structurally sound but in need of thorough maintenance and refurbishing. Dick then rallied local troops at DeTour Village and Drummond Island and with his characteristic enthusiasm and a wealth of information, the DeTour Reef Light Preservation Society was officially formed on January 4, 1998.

3) DRLPS PURPOSE

Next, let me read for you the official purpose of the DRLPS. "The purpose of the Society is to establish, support and promote efforts in the preservation and restoration of the DeTour Reef Light; to achieve the safe keeping of the building, artifacts and records; to educate and inform the public on its history; and to raise awareness about the importance of volunteers in maintaining and protecting the DeTour Reef Light for all present and future generations."

4) ACCOMPLISHMENTS

I now want to describe what we have accomplished in the last ten months.

A) Formation, Organizational Structure and Administration

We developed a dedicated team of volunteers willing to work long hours to be the Directors, Officers and Committee Chairpersons of the society. We then worked to complete reams of paperwork required to become a nonprofit tax-exempt 501C3 organization. The first step was to write a set of Bylaws, which are, rules governing the internal affairs of the organization. I have samples of all of our paperwork in a binder here, which you can take a look at - we will share copies of this material. Then we did the Articles of Incorporation for the State of Michigan, which stated our intended purpose. We then obtained an EIN - an Employer Identification Number from the IRS required for all corporations. Last, but not least, we submitted our application for nonprofit, tax-exempt status from the IRS -- better known as getting approval as a 501C3 organization. We included copies of our Bylaws, Articles of Incorporation, and our promotional material as attachments. We filed with the IRS on January 17 and received a response giving a file number and contact person on January 30. We periodically followed up on the status. On April 1 we received our determination letter granting us our 501C3 status. The IRS usually requires 90 days to review the application.

The government agencies want to be assured that you are an well-organized, serious, viable organization. Develop as much promotional material as possible and send copies to them.

A very important part of the society is to define the programs you want to fund, and then develop a budget for each program and do income/expense reports on a regular basis.

Most of our expenses for the first ten months were for promotion and membership development.

We also obtained a Sales Tax License, Raffle License, Solicitation of Donations License, and a Nonprofit Mail Permit.

Also, monthly board meetings are held and detailed minutes taken and distributed.

A very helpful publication for nonprofit groups is the Michigan Nonprofit Management Manual from the Accounting Aid Society in Detroit.

B) Publicity and Advertising

Relative to our publicity and advertising --- our identity was established with a logo, letterhead, business cards, and membership cards. We wrote a newsrelease stating who we are and asking for support and sent it along with a photo of the lighthouse to newspapers, magazines, TV and radio stations, local businesses, nationwide maritime organizations, government agencies, and regional politicians. We put notices up in the local communities. We placed ads in local papers. We attended local and state events

with our literature and memorabilia. Slide presentations were given to local groups. And we asked for resolutions from local communities in support of our project.

A letter was sent (with all of our promotional material) to the Coast Guard, the General Services Administration, and the Department of Environmental Quality stating our interest in acquiring a lease of the lighthouse. It is important to periodically check with them on status.

As you know, the National Trust for Historic Preservation put all of Michigan's historic lighthouses on its 1998 list of America's Most Endangered Places -- exemplified by the DeTour Reef Light - we are very proud to be the example.

C) Membership Development

To garner members, sign up sheets and membership brochures were placed in all local businesses. Brochures were sent to targeted mailing lists. We set up several membership categories. Not only do we have Individual for \$15, Family for \$25, Patron for \$50 - as normal low-cost memberships, we also offer Keeper for \$100, Lifetime for \$500, and Grand Keeper for \$1,000 for those who wish to make a larger contribution. We offered special charter-year incentives for each category as described in our brochure. In a short 10 months, we now have 356 members coast-to-coast and have generated approximately \$23,000 in dues. Our first quarterly newsletter *Passages* was sent to members with

information, progress and plans. Our membership list is on a computer database with 12 fields of information. We plan to keep our on-line members regularly informed via e-mail.

D) Activities and Fund-Raising Events

Our first fund-raiser was a benefit dinner in April, then a boat cruise to the lighthouse in June, and an Auction with dinner in August. Along with a good time, our three fund-raisers generated approximately \$6,000. These events also contributed greatly to the building of our membership. Society memorabilia was developed, sold at events, from our office at the Fogcutter Restaurant in DeTour, and by mail order.

Since we did not own the lighthouse, grant money opportunity was scarce. We are now prepared to pursue that arena.

A Wish List was developed for items needed to restore the lighthouse, including equipment and furniture, along with items needed to run an office. Many people and businesses have made donations.

Local school children - our future keepers of the light - have joined in by collecting pop cans and placing their drawings of the lighthouse in the local businesses.

E) Historical Research

We did historical research. Architectural drawings of the lighthouse were acquired from the Coast Guard in Sault Ste. Marie. Old photos and information regarding the lighthouse were obtained from local citizens, members, the National Archives, the Coast Guard in Washington and Cleveland, and other maritime societies.

Photos were taken of the lighthouse – both inside and out – and used for promotion.

Additionally, the following material was obtained which have been very helpful: Inventory of Historic Light Stations, and the Historic American Engineering Record (HAER) Inventory of Light Station. We are in the process of preparing a booklet on the history of the DeTour Reef Light.

F) Restoration

Now on to the restoration. The Coast Guard has recently agreed to give the Society a long-term lease of the lighthouse, which is currently being reviewed by their legal system. Next spring they plan to repair the interior walls, encapsulate the plaster, which contains asbestos, remove damaged lead paint, seal and paint all interior surfaces. Once they are finished, the Society will present them with our Asbestos Management Plan and then our restoration volunteers will do any interior work required and begin the exterior restoration.

Application for lease of the bottomlands was made to the State's Department of Environmental Quality, Land and Water Management Division. It is in process and the feedback we have is that the bottomlands lease will be granted to the Society.

Our plan is to completely restore the lighthouse cosmetically and with original period furnishings and equipment, along with providing docking and boarding accessibility.

The original foghorn from the lighthouse was recently given to us by the Great Lakes Historical Society in Ohio. Jeff Laser of Ohio (who discovered it at the society's storage

area), has completely restored it to full tooting order. He has put his heart and soul into this effort at his cost. He has made audio recordings of it in operation, taken photos and a video. He will return the foghorn (all 475 pounds of her) to DeTour in the near future and it will eventually be placed back on the lighthouse.

A solid oak dining room table and six chairs were beautifully handcrafted and donated to the Society and will be moved to the lighthouse as part of the furnish-to-original-appearance restoration project.

We acquired an extremely helpful manual, which is a must for all preservation groups - the Historic Lighthouses Preservation Handbook. Another good source of information is the National Trust for Historic Preservation Information Series Booklets.

5) GOALS

Now I want to tell you about our near-term goals.

Our current goal is to get membership renewals of our regular members and donations from those who signed up as lifetime members. Additionally we are working on incorporating matching funds from employers. We plan to actively pursue the Grants and Financial Assistance programs available to fund our future lighthouse projects, which include restoration and maintenance both cosmetically and functionally to make the DeTour Reef Light the best offshore lighthouse museum in the Nation. We want to do a scale model of the lighthouse to take to educational presentations and alternate the display of it at the DeTour Museum and the Drummond Island

Museum. Additionally, we want to develop an interpretive traveling educational display of the lighthouse and the maritime history of the area.

Other important goals include, strategic planning and budgeting, volunteer management and membership development.

6) CHALLENGE FOR THE FUTURE

Our challenge for the future is two-fold. First, that our Society will continue to persevere and maintain the momentum that it has created and stay the course as a successful society.

Our second challenge for the future is to use what we've learned to help others. I would hope for all of the societies to work together as a team sharing information to be sure that each unique lighthouse has their own special keepers.

7) CLOSING REMARKS

In closing, I'd like to add -- As a byproduct of the local people's efforts to save the DeTour Reef Light, both communities across the St. Mary's River from each other - DeTour Village and Drummond Island - have been brought together in a spirit of cooperation as a larger integrated community to save the lighthouse.

It's been a fun journey - a great learning experience for me personally and a wonderful opportunity to meet some terrific people dedicated to preserving our history.

I would be happy to answer any questions and share any of our material on this subject to help you with your journey to establishing a successful lighthouse preservation society.

As George Putnam, the first Commissioner of Lighthouses at the turn of the century, once said --
"the building and the keeping of the lights is a picturesque and humanitarian work of the nation." I
believe that the preservation of these historic lighthouses is a humanitarian duty of the nation.

We welcome your support of the DeTour Reef Light Preservation Society. Please join today to
help us preserve this monument to our maritime heritage -- and remember our motto -- "we'll
keep the light on for you!" Thank you.

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Building & Operating a
Volunteer Nonprofit (501c3)
Lighthouse Preservation Organization
A Case History:
DETOUR REEF LIGHT
PRESERVATION SOCIETY

by

Jeri Baron Feltner

Secretary, DeTour Reef Light Preservation Society

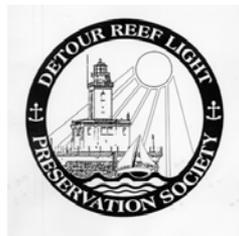
Presented at

SAVE OUR LIGHTS! Strategies for Saving Michigan's Lighthouses

May 31, 2001 in Mackinaw City, Michigan

Sponsored by

The State Historic Preservation Office and The Michigan Lighthouse Project



GATEWAY TO SUPERIOR: *THE LIGHTHOUSES OF DETOUR PASSAGE*



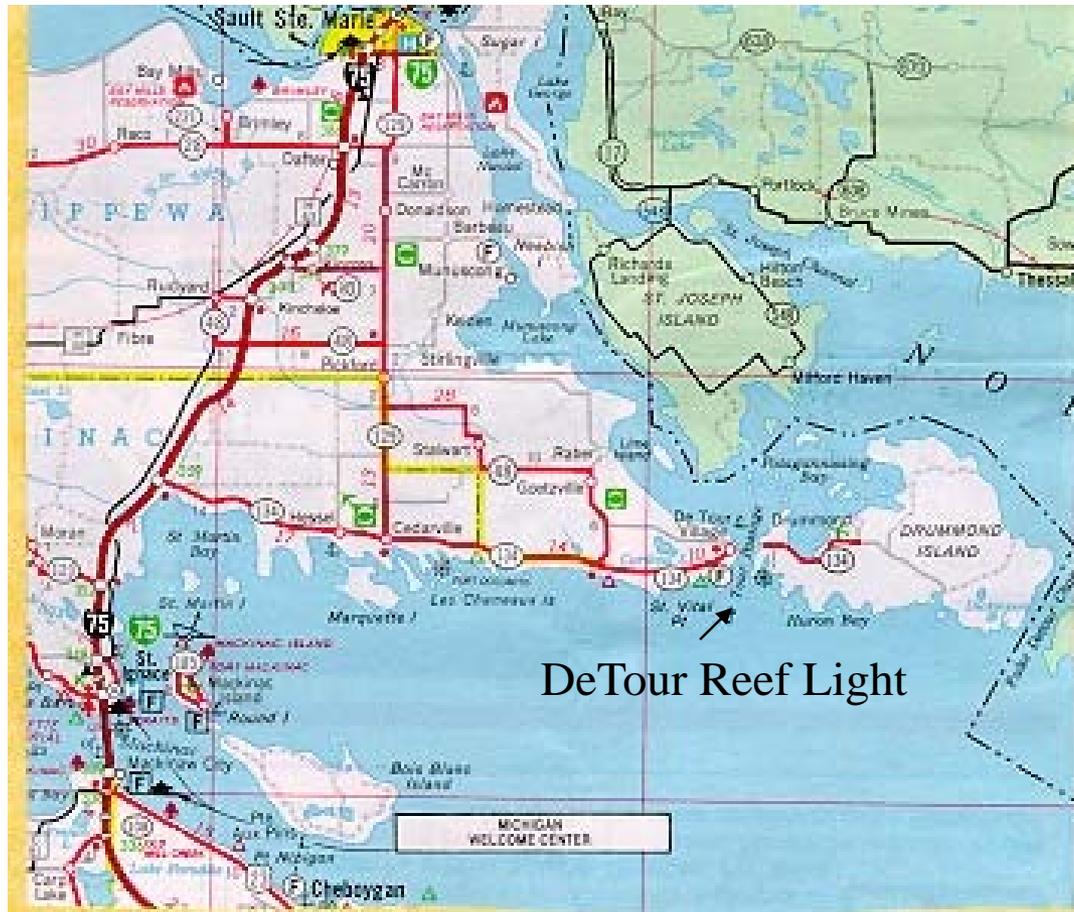
DeTour Point Light
Built in 1847 onshore
at DeTour Point
Rebuilt in 1861
(Same as Whitefish Point Light)



DeTour Reef Light
Built in 1931 a mile offshore
from the old Light
Automated in 1974

Location of the DeTour Reef Light

Northern Lake Huron at the eastern tip of Michigan's Upper Peninsula



ESTABLISHING THE ORGANIZATION

- Dick Moehl (of GLLKA) was made aware of the excessing of the lighthouse by the Coast Guard in 1997.
- He contacted local DeTour residents about saving the lighthouse.
- In January 1998, the DeTour Reef Light Preservation Society was formed.

MISSION STATEMENT

- To restore and preserve the DeTour Reef Lighthouse.
- To be a premier tourist attraction as an offshore lighthouse museum and an onshore visitor's center.
- To educate the public on lighthouse history and Michigan's maritime history.

Creating the Legal & Operational Entity

BOARD FORMATION

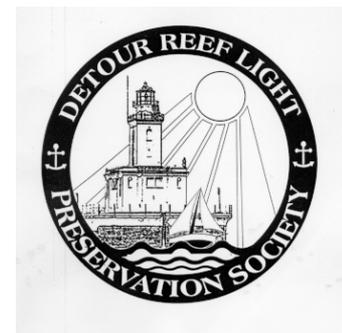
- Board formed by core group of dedicated people.
- Directors and officers elected with expertise in operations, accounting, public relations, administration.
- Board meetings monthly for first 2 years, we now do 5 per year.

GOALS & STRATEGIC PLANNING

- The strategic planning process helps you express a vision of the organization's potential.
- Outline the steps necessary to work toward that potential and determine what's needed to implement the plan.
- Prepare a 2-year and 5-year project plan

SOCIETY BRANDING

- Develop a logo to identify your organization.
- Prepare a logo crest and photo or drawing of the lighthouse and put it on everything:
 - Stationary
 - Membership cards
 - Memorabilia
 - Everything!



PRELIMINARY PUBLIC RELATIONS

- Prepare a preliminary press release (send with lighthouse photo) on the news of the establishment of your organization.
- Send to local papers and nationwide publications.
- You'll need the press release & news articles as attachments to the 501c3 application, and other applications.

NONPROFIT INCORPORATION & TAX-EXEMPT STATUS

- Prepare Bylaws - they govern the internal affairs of the organization.
- Prepare Articles of Incorporation for the State stating the intended purpose of the organization.
- Obtain an EIN (employer identification number) from the IRS.
- File a 1023 application with the IRS to obtain a 501c3 tax-exempt status - attach your corporation papers and your promotional material - be very thorough - do your homework.
- The DRLPS filed application in January 1998 and received approval in April 1998. It can take up to 90 days.

OTHER LEGAL DOCUMENTS

- Michigan Sales Tax Exemption
- Michigan Raffle License
- Michigan Solicitation License
- Great Lakes Bottomland Conveyance/DEQ
- Tax exempt cards from businesses

PROPERTY ACQUISITION

Obtaining a Lease

- Demonstrate to the Coast Guard you are a viable caretaker
- Enlist the support of local and state politicians
- Get resolutions and letters of support from others
- Send Coast Guard a letter requesting lease - attach all your corporation documents and promotional material
- Obtain an *Existing Conditions Report* (Cullen Chambers June 2000)
- Work with Coast Guard on lead paint and asbestos abatement
- Conduct a joint conditions report on lighthouse prior to lease submission
- Obtain lighthouse liability and property insurance (\$925/year)
- DRLPS received a 20-year lease in September 2000

General Operating & Management Practices

- Start with the development of a team of dedicated volunteers, reams of paperwork and persistent promotion.
- Develop structure and operating procedures.
- Meet often and communicate regularly.

LEADERSHIP

- Strong
- Committed
- Confident
- Passionate about the Mission

DIRECTORS & OFFICERS

- Professional
- Disciplined
- Strong commitment to the Mission
- Integrity
- Have one of the three “W’s”
 - Wealth, Wisdom, or Work!

BOARD MEETINGS

- Have regular Board meetings to stay on top of business.
- Agenda should be well organized and submitted to Directors for review one to two weeks prior to meeting.
- Minutes should be detailed and show accountability - send for review within one week after meeting.
- Work plans established to break down larger program tasks.
- To-do lists and open issues list for accountability.
- Establish Committees and get regular reports.

FINANCIAL MANAGEMENT

- Set up an organization bank account
- Use professional accounting system
- Prepare monthly financial statements
- Prepare annual budget
- Board approve disbursements
- Accept charge cards

ANNUAL MEETING

- A Fun and informative event for fellow members and prospective members
- Present year-end financial report and proposed budget
- Discuss progress and plans
- Elect Officers
- Elect new Directors

RECRUITING VOLUNTEERS

- Put up notices asking people to Join the Team to Save the Light!
- Ask active friends and retired people
- Give each person a small piece of a big project
- Give special recognition/Certificate of Appreciation

BUSINESS PLAN

- An important management tool
- Give to prospective Directors and Donors
- Include the organization's
 - Mission
 - Management
 - Marketing Plan
 - Operational Plan
 - Financial Plan
 - Major Milestones

OFFICE EQUIPMENT

- The DRLPS is in a remote location
- No Office Max or Kinko's nearby
- Need a personal computer, printer, scanner and copy machine

MEMORABILIA DEVELOPMENT

- Use your logo crest or photo on items to sell.
- Decals, bumper stickers, cups, t-shirts, sweatshirts, prints of lighthouse painting, charms, note pads, note cards, etc.
- Sell these items to make some money, but most importantly for public awareness of the organization.
- Send a memorabilia order form to your database
- Take digital photos and put on website

FUNDRAISING

Having Fun Raising Funds!

- Make money, have fun with a gathering of the members and garner new members.
- Do nametags to create a team-spirit atmosphere
- Have a benefit dinner, boat cruise to the lighthouse, freighter ride raffle, special events (Elegant Evening Under the Stars - with artists and music)
- Special presentations (slide show, etc.)
- Prepare a notice and a flyer with ticket application to send to your database

More Fundraising

- Wish list (office equipment & supplies, lighthouse supplies, and other items)
- Direct mail requesting donations
- Solicit foundations
- Sell memorabilia to members and at special events
- Write to local businesses for their financial or material support
- Membership dues and donations (& Employer matches)
- Always send a thank you note!

ADMINISTRATION

- Prepare Lists
 - Contact list of Directors, Chairmen, and other key people
 - Equipment List - who has what and where and worth
 - List of bank account numbers, PO Box number, sales tax license number, etc.
- Calendar of organization's activities
- Obtain Society phone number and answering machine
- Establish a detailed record keeping system for the origination's official records. Make a copy and put original in a safe deposit box.
- Use lots of binders, file folders and save for the archives!

MAILINGS

- Obtain a PO Box - have one person responsible to get mail
- Get mailing lists from target organizations
- Apply for Nonprofit Bulk Rate Mailing Permit from the Post Office
- Generate labels for mailings from your membership/donor/promotional databases

MARKETING & PROMOTION

- Send a PRESS RELEASE on each accomplishment of the organization. This is free advertising to Market, Market, Market your product!
- Develop a DATABASE of who to send PR to (newspapers, publications, politicians, organizations, etc.)
- Develop your own website
- Put your activities on other websites
- Advertise in newspapers & publications
- Attend lighthouse events with a booth
 - NALF in Mackinaw City (August), GLLF in Alpena (October)

More Promotion

- Give brochures to the Michigan Travel Centers
- Place notices in local communities
- Give slide presentations to local organizations, schools, and general public
- Set up mini exhibits of photos around town
- Always send a thank you note to those who offer space for your stuff

MEMBERSHIP DEVELOPMENT & ADMINISTRATION

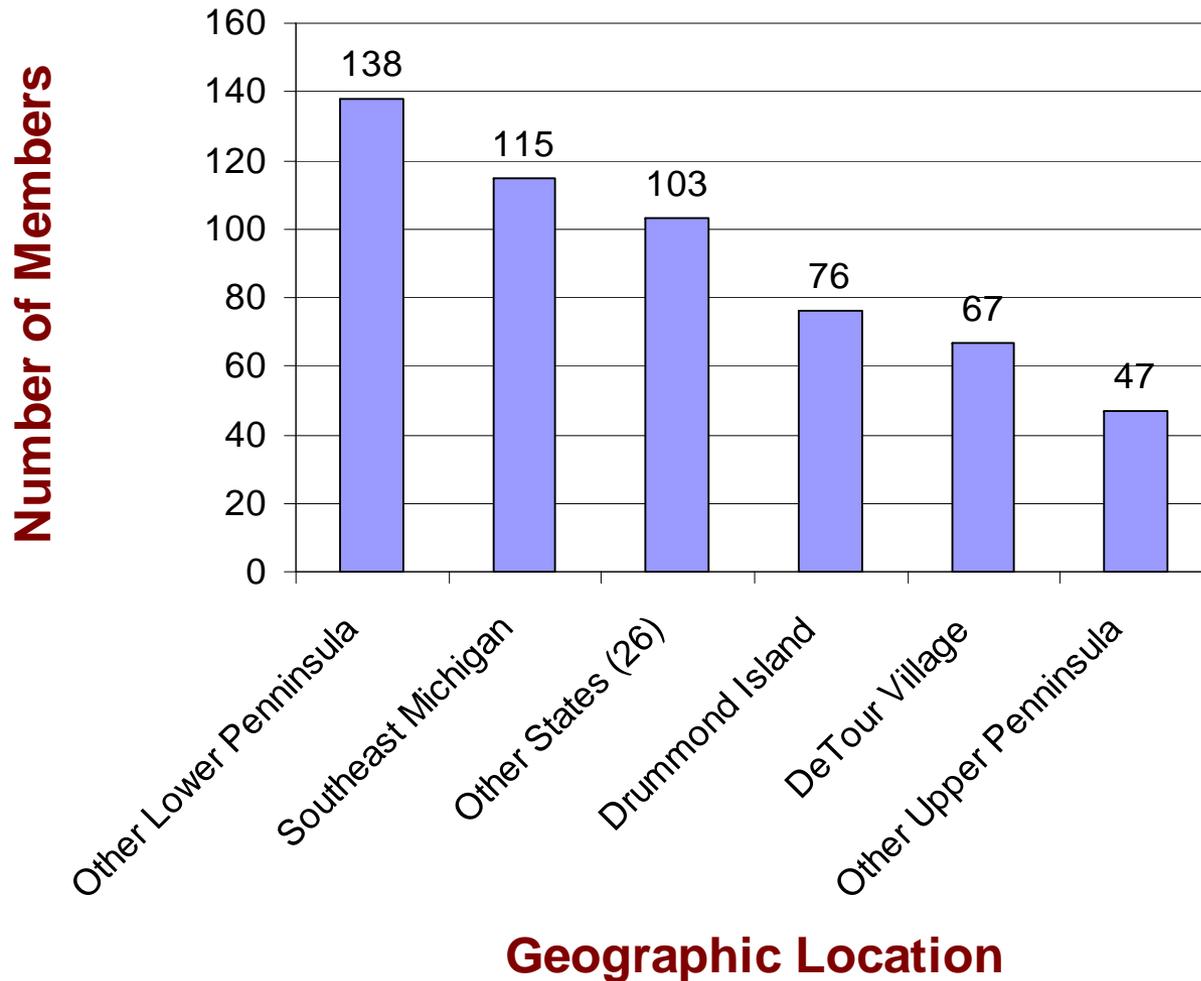
- Everybody loves a lighthouse!
- Make them aware of your organization's effort to save one.
- Put sign up sheets and notices at local community businesses and centers - people like to "sign up" for a cause
- Produce a good quality brochure with lighthouse history and photos, organization information and a membership application and give to local establishments with a plastic brochure holder
- Send a press release about your Society and how people can help by joining the team to save the lighthouse

Membership...continued

- Offer membership categories with incentives
- Do a special charter year program
- Issue membership cards with a number
- Send members a regular newsletter
- Send members fundraiser flyers
- Send renewal notices at the same time annually
- Send thank you notes to new & renewed members
- Do a Demographic Chart to know where they are
- Most important is development of a computer-generated database of members, donors and their data
- The DRLPS has over 550 members nationwide

DRLPS Membership Demographics

Total Members as of December 2000 = 555



Prepared by Chuck Feltner, 4-1-01

REPORTING REQUIREMENTS

- It is very important to file required government reports, these include:
- IRS 990 (due May 15)
- Michigan Sales Tax Report (due February 28)
- Michigan Solicitation License Renewal (July 31)
- Corporation Annual Renewal (due October 1)

RESEARCH

Develop Historical Intellectual Capital

- Create a network of people who are lighthouse historical experts
- Research various individuals, organizations, publications, local newspapers and websites
- Visit the National Archives in Washington DC
- Develop a Photo Collection
- Develop a Drawing Collection
- Collect other information on lighthouse keepers, correspondence, equipment, etc.

DEVELOP RESTORATION PLANS

- Conduct and prepare an Existing Conditions Survey and Report with photos and plans (Cullen Chambers did for DRLPS June 2000)
- Prepare a Restoration Plan
- Prepare a Restoration Budget
- Prepare a Restoration Work Schedule

GRANTS WE HAVE RECEIVED

- Michigan Coastal Management Program grant of \$10,000 (matched by \$10,000 in volunteer services) awarded in 1999 to produce an educational historical display, oral history video and full color brochure (Display is at the Drummond Island Museum)
- Michigan Lighthouse Assistance Program grant of \$20,000 (matched by \$10,000 in DRLPS cash and \$10,000 in volunteer services) awarded in 2000 to restore the deck crane on the lighthouse.
- National Trust for Historic Preservation grant of \$2,200 for a restoration plan consultant in 2001

DRLPS Grants continued

- Michigan Lighthouse Assistance Program grant for \$20,000 (matched by \$10,000 in DRLPS cash) awarded in 2001 to make the lighthouse weathertight (windows/doors)
- Clean Michigan Initiative (CMI) grant of \$705,000 (25% match of cash and donated property) awarded in 2001 to restore the lighthouse and provide visitor access
- Michigan Department of Transportation (TEA-21) grant of \$241,500 (match of \$80,500) awarded in 2001 for lighthouse restoration.

PREPARING GRANTS

- In preparing grant applications, it is important to be very thorough, organized and professional.
- Display passion and commitment. Include promotional material and a cover thank you letter.
- Grant administration requires very accurate and detailed quarterly reports and material.
- Grant writing workshops are offered by the Accounting Aid Society in Detroit.

WHAT DOES THE FUTURE HOLD - THE VISION OF THE DRLPS

- Our long term plan is to completely restore the lighthouse inside and out, including furnishings and equipment
- Make the offshore lighthouse accessible to citizens with safe launching, docking and boarding facilities
- Develop an onshore viewing and educational center
- Continue strategic planning, volunteer management and membership development
- Our Vision Statement is to “*Enhance public awareness of the history of the Lighthouses of DeTour Passage and appreciation for the maritime heritage of this region; and to make the DeTour Reef Light a premier tourist attraction in the Eastern UP as the best example of an offshore lighthouse in the nation.*”
- Our dedicated volunteer team needs to continue to keep the momentum and We’ll Keep the Light on for You!

WISDOM TO BE IMPARTED

- Pursue people to volunteer who have passion for the mission, professionalism and discipline -- all critical to the success of the organization.
- Use evangelism in promotion and membership development. Preach the gospel to all of why people should support your organization.
- Be concerned with the details and be organized to the *nth* degree.