Policies and Procedures

This portion of the manual specifies the Foundations policies and procedures. The organization of this portion is by major function within the Foundation; currently there are twelve and each has its own chapter.

The chapters are divided into sections by sub-function. Within each of those sections there is generally some background material and a procedure which the Foundation follows. The background and procedure is then followed by the specific policy which is given a unique number.
Chapter I, Safety and Access to the Ship

A. General

The fact that safety is the first chapter of this manual is not by random selection. It was purposely chosen because the Foundation recognizes that, with an historic ship and a waterfront location, there are inherent risks to individuals. A primary concern of the Foundation is to operate in such a manner as to eliminate, or at least minimize, those risks. The basic approach is that safety is no accident.

From the standpoint of the Lightship Overfalls, the ship was designed to ride out heavy weather while remaining on station serving her purpose. This dictated such features as watertight doors with high thresholds, equipment in places where they are tripping hazards, steep ladders and a variety of others that could injure a person who was not paying attention to his/her surroundings. As the steward of an historic ship, the Foundation is dedicated (and legally obligated) to maintaining integrity of the original design.

The design of the ship limits access to many individuals who lack full mobility. While this is unfortunate, it can not be helped. The cost to provide access in compliance with ADA standards is far out of the financial reach of the Foundation as well as out of keeping with integrity of design. The Foundation does make a practice of helping individuals aboard to the extent that they are comfortable with the hazards and their safety is assured.

Later chapters of this manual may address this issue in more detail with specific policies to ensure public safety. These policies are carefully designed to both ensure public safety and integrity of design. The policies are also consistent with the steps that similar organizations take with historic ships in waterfront settings. The Foundation’s policies are designed to maintain the safety of:

- The general public touring or visiting the ship,
- Foundation members visiting or working on the ship,
- All other individuals, either paid or unpaid, working on the ship,
- All individuals on the grounds, and
- Any individuals who happen to be aboard the ship under any other circumstances.

When this manual was being drafted, the Foundation had been in operation for over ten years. During this time thousands of individuals had been aboard and over 12,000 hours of volunteer labor had worked on the restoration of the ship with no accidents or injuries. It is impossible to say there will never be an accident, but the Foundation’s policy of putting safety first is clear.

Policy I-1 The Foundation will take all reasonable steps to ensure the safety of all individuals on the ship or on the grounds.
B. General Public and Guests

As the general public and guests come aboard the ship or on the grounds, officials from the Foundation (if they are present) have no way of assessing the competence of the visiting individual. Therefore, the Foundation assumes that the competence is limited and has instituted the following policies to protect these individuals.

Policy I-2 To the extent possible and practical the grounds will be kept free of hazards and “attractive nuisances”. If an on-going project would create such a situation, it will be marked with appropriate signage or barricades consistent with practices used by similar organizations.

Policy I-3 When there are no representatives from the Foundation aboard, the ship will be locked to restrict access to unauthorized individuals.

Policy I-4 When the ship is open for tours, ship guides will caution visitors about safety hazards in accordance with the instructions in the Ship Guide Manual.

C. Foundation Members and Volunteers

The Foundation’s volunteer work crew, also known as the Dirty Hands Gang, regularly engages in dangerous activity with tools that compound the hazard. The members of this group are aware of the hazard and are continually warned to use care and follow all safety precautions with tools and in other dangerous situations.

Policy I-5 In the tool locker there are signs warning of hazards and instructing users of the tools to observe safety procedures such as wearing eye protection.

Policy I-6 Whenever workers are in dusty conditions they are furnished masks and encouraged to use them.

D. Paid Contractors

By the nature of the relationship, the Foundation has little control over the work practices of paid contractors.

Policy I-7 Paid contractors will be required to have insurance to cover their workers in the event of an accident.
Chapter II, Financial

A. Accounting Practices and Records

The Foundation's financial situation has become increasingly complex with the need to answer to federal, state and local officials as well as a diverse group of donors and a growing membership. The need to answer to governmental organizations is both in accounting for grant funds received and filing tax reporting documents. This need is balanced with the need to keep the financial overhead from becoming unnecessarily complex and burdening the Foundation with records and reporting that are neither required for outside reporting nor useful for internal management. The policies listed below are to ensure that the Foundation’s financial records are adequate and accurate. Equally important is that the practices are understandable and that the records are timely and secure.

Policy II-1 The Foundation will maintain its financial records on a computer based system that is in conformance with GAAP standards.

Policy II-2 The Foundation will take care that its tax reporting documents are both accurate and timely.

Policy II-3 The records will be updated at least monthly and financial statements will be made available to the Board of Directors no less than quarterly.

Policy II-4 The automated financial files will be backed up no less than monthly and the back up copy of the information will be stored in a site remote to the computer where the records are kept.

B. Outgoing Funds

The Foundation enjoys a good credit history and is anxious to maintain it as well as avoiding the need to pay penalties or late charges on monies owed.

Policy II-5 In the absence of extenuating circumstances, the Foundation will discharge legitimate debts within the accepted grace period. When members expend personal funds on behalf of Foundation business, they will provide the Treasurer adequate written documentation to support the legitimacy of the expenditure and proper entry in the accounting records.

C. Incoming Funds

Incoming funds may arrive at the Foundation through any one of several portals and may be in the form of cash, check, credit card or securities. The portals are:
Policy II-6  No matter how or in what form they come, the funds should be accounted for and deposited in the Foundation’s accounts as soon as possible.

Policy II-7  Credit card receipts, regardless of how they are received, will be taken to the Ship’s Store for processing through the machine and the information given to the Treasurer for recording as quickly as possible. Extreme care will be taken with the credit card information to protect the card holder.

Policy II-8  The Treasurer will alert the appropriate committee of the receipt of and the purpose of the funds.

Policy II-9  When the Foundation receives gifts of securities they will be deposited in appropriate accounts and converted into cash unless there are extenuating circumstances to the contrary. The amount required to keep the brokerage account open would be retained in the account.

D.  Cost/Accounting Centers

Within the Foundation there are functions that act as their own Cost/Accounting Centers for handling of funds. While they operate somewhat independently, they do report their financial information, in accordance with accounting procedures established by the Treasurer, to the Treasurer for incorporation into the Foundation’s financial records. The functions that operate in this manner are:

- The Ship’s Store
- The Opening Party
- The Delaware Maritime Hall of Fame

Policy II-10  The Ship’s Store, Opening Party and Delaware Maritime Hall of Fame keep independent financial records, which they report to the Treasurer in a timely manner.
E. Financial Philosophy

As is the case in many non-profit organizations, the Foundation is generally short of the funds needed to accomplish its mission. Also the funds that it holds have generally come from people or organizations where funds are in short supply. Therefore, until the funds that it holds are applied to the mission, the Foundation will manage the funds in a manner to achieve maximum possible return consistent with an extremely conservative investment philosophy.

Policy II-11 The Foundation will manage its cash funds through as many accounts as is appropriate and act in an aggressive manner to ensure maximum, safe return on its investment.

F. Check Signing Authority

To disburse funds through the Foundation’s checking account requires two signatures. As Foundation officials are often not available to sign when checks are needed, additional individuals will have the authority to sign checks.

Policy II-12 The President, Vice President, Corporate Secretary, Treasurer and one other Board member assigned by the Board have the authority to sign Foundation checks.

G. Operating Budget

At the end of each fiscal year (January to December) the Treasurer will prepare a draft budget for the following year and submit this draft to the Board of Directors for approval. This draft will have input from all committees and functional areas in the Foundation affected by finances. After approval, the budget will serve as the financial operating plan for its year. Budgeted funds may then be spent without additional approval from the Board unless the Board has directed otherwise.

Policy II-13 The Treasurer will prepare the next year’s budget for the Board of Director’s approval prior to the end of the previous operating year with the objective of having it approved before it goes in to effect. Unbudgeted expenditures greater than $250.00 require specific Board approval.

H. Auditing

Regular audits will support the Foundation in its need to answer to many diverse entities and ensure that it is following a prudent financial course.

Policy II-14 On an annual basis the Foundation’s financial records will be audited by a certified public accounting firm.
I. Bonding

The requirement for bonding of individuals with financial responsibility in the Foundation is spelled out in the Bylaws, Article VI, Section 8. Such bonding will take place as soon as possible after an individual assumes a position where bonding is required.
Chapter III, Records

This chapter addresses all of the Foundation’s records with the exception of those related to finance which are addressed in the previous chapter. While the Secretary is charged with maintenance of all records other than those kept by the Treasurer, the Secretary may also choose to keep a copy of the financial records so as to have a complete set of the Foundation’s records. If the Secretary so chooses, the Treasurer will make the financial records available as needed.

A. Secretary’s Files

The Secretary, or a designee, will maintain a copy of all documents pertinent to the operation of the Foundation. These will include but are not limited to:

- Minutes of Board meetings
- Important correspondence
- Documents related to the formation and operation of the Foundation
- Documents that legally bind or restrict the Foundation’s operation
- Documents significant to the Foundation’s history

Policy III-1 The Secretary, or a designee, will be the keeper of the Foundation’s critical information with the exception of financial information.

B. Backup Procedures

As the Secretary’s files are the Foundation’s memory they should be protected against loss from any cause. This would include provisions for back up and off-site storage of critical information.

Policy III-2 The Secretary will take whatever steps are necessary to safe guard the Foundation’s records.

C. Controlling Documents

The Foundation has three controlling documents all of which are included in this manual:

- The mission statement
- The bylaws
- The Policy and Procedures Manual

Policy III-3 The Secretary will maintain the Foundation’s controlling documents, keeping them up to date with changing conditions and Board decisions.
D. Safe Deposit Box

The Foundation has a safe deposit box at Wilmington Trust Bank on Second Street in Lewes. The box number is XXX. This should be used only for documents and other small items that are extremely critical to the Foundation. The contents of the box should be checked at least on an annual basis to ensure that all of the items warrant that level of security. Access to the safe deposit box is limited to members of the Executive Committee and two members together are required to open the box.

Policy III-4 The safe deposit box is only for the Foundation’s most critical items, and its contents should be reviewed annually for appropriateness by the Executive Committee, the only ones with access to the box.

E. Data Base

The Foundation maintains a data base of its members and other key individuals. As this manual was being drafted, the data base was being maintained by a private contractor. The data is used for correspondence with members and others as well as for such purposes as member renewals, distributing newsletters, soliciting contributions, etc. Similar information exists in the financial records and, at some time, it may be appropriate to combine the functions into one. All of the Foundation’s records containing personal information (name, address, phone number, e-mail address, financial contribution, etc.) are private to the Foundation and will not be disclosed for use outside of the Foundation without an order from a court with jurisdiction. It is important that all prudent steps be taken to safeguard this data from theft or inadvertent loss.

Policy III-5 Only individuals having an official need will have access to the Foundation’s data base information. This information will not be disclosed to others, either inside or outside of the Foundation without an order from a court with jurisdiction.

Policy III-6 All information in the data base is for official use within the Foundation only and appropriate steps for security and back up will be taken including provision for off-site storage of back up copies.

Policy III-7 Unless a more reliable approach is found, the Foundation’s data base for membership records will be maintained by a private contractor who is compensated by the Foundation.

F. Destruction of Records

The Foundation’s records must be constantly culled to weed out ones that are no longer pertinent. In this process, care must be taken to safeguard any data which would cause harm to the Foundation or an individual if it were disclosed. The Secretary will
periodically (at least annually) go through the records to make sure those that are kept are those that are needed.

Policy III-8 All of the Secretary’s records should be reviewed annually to ensure that only what is needed is kept, disposal of any sensitive information should be through a shredder or other means to ensure that the information is not compromised.
Chapter IV, Administration

A. Meetings

Articles II and VII of the bylaws specify what meetings of the general membership and the Board of Directors are required. Over the years the Foundation has developed practices of how the articles would be implemented which have become policies.

1. General Membership
The Foundation’s membership meets monthly, generally on the second Friday of the month. The meetings in June, July, August and September are held on the ship (weather permitting) with the September meeting being the Closing Party. The October through March meetings (except December) are held at St. Peter’s Parish Hall. The October meeting is the annual membership meeting with the election of the Foundation’s Directors. The December meeting is the Holiday Party. The April meeting is the Spring Breakfast and is held on the second Saturday (unless there is a conflict with the Easter weekend). The May meeting is the Opening Party which is the Friday of the Memorial Day weekend.

Policy IV-1 The Foundation will follow the meeting schedule outlined in the paragraph above unless the membership is given information to the contrary in a timely manner.

2. Board of Directors
Despite the fact that the bylaws only require quarterly meetings, the Board of Directors has seen fit to meet on a monthly basis if a quorum is available. These meetings are held on the second Friday of each month at SDALL, except that in October the meeting is the third Friday.

Policy IV-2 The Board of Directors will follow the meeting schedule outlined in the paragraph above unless the members are given information to the contrary with at least one week’s notice.

B. Elections

Article IV, Section 5 of the bylaws dictate nominating procedures and terms for the Board of Directors and officers. This passage adds clarity to that section.

1. Nominating Committee
The Foundation’s Vice President will chair the Nominating Committee which will begin its deliberations several months prior to the annual membership meeting if there are openings on the Board of Directors. After the Nominating Committee has selected its nominee(s), the President will contact the nominee(s) to determine willingness to serve. In the event that a nominee is unwilling to serve, the
Nominating Committee will reconvene and repeat the process until a full slate of willing nominees is selected.

Policy IV-3 The Foundation’s Vice President will chair the Nominating Committee convening sufficient meetings to ensure a full slate of Board of Director nominees.

2. Timing
Elections within the Foundation are held as follows:
- Directors (if there are vacancies), at the annual meeting in October
- President (if needed), at the Board meeting prior to the meeting in which the office is to be assumed
- Other officers, at the Board meeting at which the office is to be assumed.

Policy IV-4 The timing of the elections within the Foundation is as stated above.

3. Assumption of Office
Other than special elections to fill vacancies, those elected (as defined above) will take office during the New Business portion at the Board of Directors meeting in October. The meeting will follow its normal agenda with the outgoing officials (directors and officers) in command until New Business. As the first item in New Business, the following will take place:
- The outgoing President (unless the President is in mid-term) will surrender the gavel to the incoming President
- The President will relieve the outgoing Board members of their duties
- The President will seat the new Board members
- The President will conduct the election for Vice President
- The President will conduct the election for Secretary
- The President will conduct the election for Treasurer

Policy IV-5 The assumption of office for new directors and officers (other than those filled by special elections) within the Foundation is as stated above.

C. Committee Structure and Interaction

As the Foundation has grown into a more and more complex organization, its work is increasingly done in committees that operate as independently as possible. The committee chairs are appointed by and may be replaced by the President. There are times that a committee’s responsibilities may overlap with those of other committees or a committee may require support from another committee. These cases require careful interaction to ensure that each committee’s work is accomplished as efficiently as possible and all committees know what is expected from them.

Policy IV-6 The committee chairs are selected by the President.
Policy IV-7 Prior to either operating in another committee’s area of responsibility or expecting support from another committee, the initiating committee will coordinate with the affected committee(s).

D. Volunteer Hours

As an organization run largely on volunteer labor, the number of hours expended by volunteers is the life blood of the Foundation. The volunteer hours are also important to the Foundation for external reporting purposes to show community commitment to the cause, a great asset in raising funds from granting organizations. Further, the Foundation did have one grant that reimbursed, in cash, volunteer hours expended on the ship restoration.

Policy IV-8 Volunteer hours are reported by the committee chairs to a central person who records and keeps the hours in three categories:

- Ship restoration
- Ship guide
- All others

E. Corporate Seal

The Foundation is incorporated in the State of Delaware and has a corporate seal which is in the possession of the Secretary or a designee.

Policy IV-9 The corporate seal is kept by the Secretary for use by the appropriate officials.

F. Planning

In 2006, the Foundation developed a strategic plan to guide its activities for the next five years. The plan (available on the Foundation’s web site under “About Us” and “Our Documents” identified four major initiatives:

- Restore the Lightship Overfalls
- Establish a Delaware Maritime Hall of Fame
- Establish a Lewes Area Museum Without Walls
- Maintain the Vision for a New Maritime Museum in Lewes

Policy IV-10 The Foundation remains committed to accomplishing the four major initiatives identified in its strategic plan.
Chapter V, Membership

Members are critical to the Foundation as they are the source of the volunteer labor needed to operate the Foundation. Further, the membership dues are a major source of the income that the Foundation uses to meet its current expenses.

A. Levels and Cost

Excluding life members, who are addressed in a later paragraph, there are six levels of memberships all with a different annual cost. The Business members, in addition to other benefits of membership, will be offered a link from the Foundation’s website to their own. Other than that, regardless of the level and cost of the membership, the benefits are identical. Memberships are extended only to those making payment exclusively for membership except that a membership will be proffered to any individual making a donation of $25.00 or more or to any family making a donation of $35.00 or more. A “donation” does not include payments for naming opportunities, merchandise, event tickets or any other item of value other than a membership or general unremunerated support of the Foundation’s goals. The number of adults enumerated on the application is used to determine the number of individual members in the Foundation. The levels and annual costs are:

- Able Seaman (Individual) $25.00
- Ship Crew (Family) 35.00
- Ensign 100.00
- Captain 250.00
- Commodore 500.00
- Business 50.00

Policy V-1 The levels and cost of membership in the Foundation is as stated above.

Policy V-2 For accounting purposes, funds collected for memberships will be split between “memberships” and “donations” as follows:

- Able Seaman (Individual) $25.00, “membership” $0.00, “donation”
- Ship Crew (Family) 35.00, “membership” 0.00, “donation”
- Ensign 35.00, “membership” 65.00, “donation”
- Captain 35.00, “membership” 215 00, “donation”
- Commodore 35.00, “membership” 465.00, “donation”
- Business 50.00, “membership” 0.00, “donation”
- Admiral (Life) 1000.00, “membership” 0.00, “donation”
B. **Term**

Excluding life members, who are addressed in a later paragraph, membership in the Foundation is on an annual basis for the calendar year. Members joining the Foundation prior to August 31st of any given year are members for the remainder of the year (until December 31st). Members joining on September 1st or after are considered paid up members for the remainder of that year and the following year.

**Policy V-3**  The membership term is for a calendar year with individuals joining on or after September 1st being granted membership in the next calendar year also.

C. **Life Members**

There are two avenues for becoming a life member of the Foundation: paid and honorary. The recipients of each type of life membership will receive a certificate, suitable for framing, indicating the membership.

1. **Paid**
   The cost for a life membership (Admiral) in the Foundation is $1000.00 that is given for that purpose only and not for acquisition of other items such as a naming opportunity. The payment grants full membership privileges for life with no further contributions required. If an individual makes an unspecified donation of $1000.00 or more that is not tied to any other acquisition, the Membership Chair will contact that person and offer a life membership.

**Policy V-4**  The cost for a life membership (Admiral) is $1000.00.

2. **Honorary**
   The Foundation’s Board of Directors, when ever it deems appropriate may award a life membership. Such a membership carries all of the benefits of a paid life membership.

**Policy V-5**  The Board of Directors may award a life membership with no cost to the recipient.

D. **Records**

An automated data base of membership records are maintained by a private contractor. These are used to correspond with members and are separate from records that are in the financial data base. At some point, the Foundation may find it appropriate to merge these two data bases. The Membership Chair may maintain other records to facilitate handling the duties of that committee. The policies and procedures for the membership records are defined in Chapter III, Paragraph E and will not be repeated here.
E. **Renewal Procedures**

As the members are a valuable asset to the Foundation, every reasonable effort will be made to keep the members in good standing. Steps to entice members to renew are not limited to but include:

- Announcements at monthly meetings
- Announcements in the newsletter
- Formal appeals by mail
- Individual contact (by phone and in person)

**Policy V-6** Every reasonable effort will be made to retain existing members by having them renew their membership.

F. **Removal from the Rolls**

**Policy V-7** When all reasonable efforts to retain a member fail, that member will be removed from the Foundation’s active membership rolls as of July 1st of the year for which the dues are not paid.
Chapter VI, Flow of Financial and Membership Information

The chart at heading B shows how different types of financial and membership information flow through various organizational elements of the Foundation. Heading A defines the terms used and describes the process verbally. The procedure defined in this Chapter is the Foundation’s policy.

A. Flow Chart Narrative

This chapter will help the reader interpret the flow chart at Heading B.

1. Definition of terms
   To show a large amount of information in a condensed space, many short names are used on the chart. These terms fall in four basic groups:
   a) The source from which the information came:
      - **Web Site**, any funds through the Foundation’s web site will be by credit card
      - **Mail**, any type of funds or information may come through the Foundation’s post office box
      - **Phone**, like the web site, funds by phone are associated with a credit card
      - **Fish Tank** in the pilot house, like through the mail, any type of funds or information may come through this source
      - **Incidental Contact**, in a conversation with an individual, a member of the Foundation may be given any type of funds or information just as it may have come through the mail
      - **Accounting Centers**, as defined in Chapter I of this manual, these include the Ship’s Store, the Opening Party and the Delaware Maritime Hall of Fame any of which may, as they do their business, collect any type of funds or information for any one of a number of purposes or committees
   b) The purpose for which funds could come in include:
      - **Membership dues**
      - **Accounting Center** activities
      - **Donations**
      - **Naming Opportunity** purchase
      - **Others**
   c) The type of funds that come in may include:
      - **Cash**
      - **Check or Money Order**
      - **Credit or Debit Card**
      - **Securities**
   d) The organizational element within the Foundation to which the funds may be allocated to include:
• **Accounting Centers** are complicated as they may collect funds and information that are to be allocated to other organizational elements or funds and information that is to be allocated directly to them may come through other sources.

• **Finance**, ultimately all funds are recorded here but the sequence of how they come to finance depends on the source and purpose.

• **Membership**

• **Membership Data Base**

• **Fund Raising**

• **President**, any funds that are not allocated to a category above will come to the President to determine how they should be allocated.

2. Description of Flow

   a) Funds and information come into the Foundation through any one of eight sources: one of the three accounting centers or any one of the other five defined above.

   b) If the source is one of the five, the Treasurer is first to handle it making a determination as to whether this applies to an accounting center or not. If it does, with no further processing, it is given to the appropriate accounting center. If it doesn’t apply to an accounting center, the appropriate information is recorded in the financial data base.

   c) If the source is an accounting center, a determination is made as to which of three possibilities exist: (1) it applies to this accounting center and it enters the accounting center’s normal processing, (2) it applies to another accounting center and it is sent there for processing, or (3) if neither, it is sent to the Treasurer for processing.

   d) Transactions still with the Treasurer at the completion of step b, above, may be either credit/debit card transactions or not. If not, the funds are deposited in the Foundation’s bank account. Credit/debit card transactions are taken to the Ship’s Store to run through the machine and then the customer card number information is destroyed to protect the customer, then to step e, below.

   e) The Treasurer then sends the membership information to the Membership Chair for processing and also sends it to the membership data base for inclusion.

   f) If the information relates to a donation or purchase of a naming opportunity, the information is sent to the Fund Raising Chair for processing who in turn sends it to the membership data base for inclusion.

   g) Information for transactions not related to any of the above will be sent to the President to determine how they should be handled.
B. Flow Chart

Accounting Centers

Web Site

Telephone

Fish Tank

U.S. Mail

Incidental Contact

For Acct. Center?

Yes

Another Acct Center

Applies to?

This Acct Center

Record Accounting Information

Credit Card?

Yes

To Ship's Store To Machine

Deposit Money In Bank

Security Procedure to Protect Customer

M'ship

Yes

Send to M'ship For Processing

No

Send to Data Base for Inclusion

Donation/Name Op?

Yes

Send to Fund Raising for Processing

No

Send to President for Resolution
Chapter VII, Fund Raising

With the ongoing restoration and maintenance of the ship and other projects defined in the Strategic Plan, the Foundation requires funding. The Foundation does not have a formal separation of Capital Project and Operating Funds, however, there is a clear conceptual distinction between the two in the management practices of the Foundation. At some point it may be appropriate for the Foundation to formally separate the two, each having its own budget.

A. Capital Project Funds

Funds raised are directed toward saving and restoring the ship as well as major landside improvements. This funding comes from:

- Federal grants
- State grants
- Local grants
- Private foundation grants
- Public and private organizations
- Selling naming opportunities
- Major donor gifts

Policy VII-1 Capital Project Funds are not used for Operating Funds.

B. Operating Funds

Income is used to fund ongoing operating expenses such things as routine maintenance of the ship and grounds and other expenses necessary to administer the operation of the Foundation. This funding comes from:

- Membership dues
- Ship’s Store profits
- Ship admission charges/donations
- Other donations
- Profit from events

Surplus from Operating Funds is available for Capital Projects.

Policy VII-2 In the budgeting process, the Foundation takes care that the current income is sufficient to cover current expenses.
Chapter VIII, Insurance

The Foundation operates on a basic insurance philosophy of a need to protect its members and the general public, and, past that, not insure items that wouldn’t be replaced or items that it could lose without jeopardizing its mission. An exception to that philosophy would be if there were a case in which the Foundation had a significantly greater chance of loss than others in the insurance risk group but the premium was not increased to reflect that increased risk.

A. Liability

The Foundation carries liability insurance to cover individuals on the ship. Despite never having a claim and having good safety procedure in place, the premium seems to constantly increase and the insurance companies either don’t want the business or are indifferent toward it. This problem is not unique to the Foundation but is shared by other nonprofit, tourist attractions in the state. Still, we must have the coverage so we continue as best we can.

Delaware law protects the members of the Foundation’s Board of Directors against personal liability unless there are extreme circumstances such as perpetrating fraud. The Foundation still carries a policy to protect its Board members against such suits so, if one is filed, the insurance company would handle all of the litigation.

Policy VIII-1 The Foundation will carry adequate liability insurance to protect its members and the general public consistent with the standards of other nonprofit, tourist attractions of a similar type.

Policy VIII-2 The Foundation will educate state officials whenever the opportunity permits on the need to force insurance companies to be more realistic with nonprofit, tourist attractions in the state and treat them more as a group rather than each as a separate problem.

Policy VIII-3 The Foundation will carry an insurance policy to protect the members of its Board of Directors against personal law suits.

B. Property

Policy VIII-4 Consistent with its philosophy on insurance, the Foundation will not carry property insurance unless a cost analysis shows that it is beneficial to do so.
C. **Other**
   As this manual was being drafted, the Foundation carried no other insurance policies.

   **Policy VIII-5** Consistent with its philosophy on insurance, the Foundation will not carry other insurance policies unless a cost analysis shows that it is beneficial.
Chapter IX, History

The Foundation is an organization dedicated to preserving history, a major example is the preservation of the ship. History goes past merely hardware but also includes the stories, photographs and documents that set the hardware in context. Often preserving history does not seem important until it is lost. The Foundation is committed to a proactive approach that captures it before it is lost.

A. Foundation History

Equally important to the maritime history that it is the Foundation’s mission to preserve is the Foundation’s own history. Preserving the history of an organization is difficult because as events happen they often seem insignificant, it is only later that they become an important part of a larger picture.

Policy IX-1 The Foundation will maintain a formal historic record with a combination of text and photographs of its activities with a separate section for each operational year.

B. Lightship and General Maritime History

Collecting and preserving historic, maritime material in the Foundation’s environment is difficult as storage space is severely limited and much of the material is fragile and in deteriorating condition. Yet individuals knowing that the Foundation is dedicated to preserving maritime history keep donating material, some of which is very valuable while some is of no value. Often it is a great dilemma, given the preservation resources available, knowing what to keep and what to discard.

Policy IX-2 To the extent that resources allow, the Foundation will continue to collect, catalog and preserve all relevant maritime artifacts, documents and photographs that it can acquire.
Chapter X, Out Reach

The need for the Foundation to actively operate an out reach program is both imbedded in the mission (to teach) and a necessity to continue to remain a viable organization. Without the public being aware of the mission and related activities, all of the work of the Foundation would be irrelevant. Many of the other functions of the Foundation serve as effective out reach. The specific out reach program has four major legs and there is considerable overlap between the coverage of the individual legs.

A. Education

The education leg of the program is the one that has its roots directly in the Foundation’s mission statement, and the population to be educated is of all ages. This includes a formal program under development with the Cape Henlopen School District as well as presentations given to the general public through a variety of avenues such as civic and social organizations. While organizationally within the Foundation it falls in another area, the tours given by ship guides are clearly education.

Policy X-1 Within the resources available, the Foundation will exercise the education component of the mission wherever and whenever a receptive audience is available.

B. Publicity

Through the publicity leg of the out reach program, the Foundation reaches the general public to make them aware of the mission and accomplishments. This is vital for attracting new members and gaining community support.

1. Media
The primary conduit for telling the Foundation’s story to the general public is through the media such as newspapers, radio and television. For the most part this is initiated by the Foundation generating a press release and distributing it to the appropriate media outlets. There are, however, cases in which the media initiates the contact with a desire to do a story. The Foundation has been fortunate that all such cases to date have resulted in favorable coverage.

Policy X-2 The Foundation will aggressively press the media to give the organization favorable and timely publicity through as many outlets as possible.

2. Other
There are a variety of other outlets available for the Foundation to get its story out to the public. These include but are not limited to parades, festivals such as Coast Day and the presentations mentioned above. All of these generally generate good publicity.
Policy X-3  The Foundation will continue to use all available means within the resources available to generate good publicity for the organization.

C.  Web Site

The Foundation has an excellent web site which attracts visitors from all over the world. In addition to telling the Foundation's story to a wide audience, it periodically results in new memberships and Ship's Store sales. Further, in many cases, individuals who have found the ship through the web site make a special trip to Lewes to visit. The web site has an advantage over other out reach assets in that space is virtually unlimited and it is quickly updated so it is a very current source of information. However, contacts received through the web site have a short, valuable life if not followed up on. To achieve the benefits of the web site requires a significant expenditure of volunteer labor and a modest annual expenditure of funds.

Policy X-4  The benefits that the Foundation has received from the web site more than justify the cost and the function will be continued with possible growth in the future.

Policy X-5  The Foundation will assign an individual to follow up web site contacts using a personal, caring approach to achieve maximum benefit for the Foundation.

D.  Newsletter

One of the Foundation's earliest forms of out reach was through its newsletter, *The Beacon*. The publication, generally a four page spread, is issued quarterly and is mailed to members and others whom the Foundation feels should be aware of the activities. The newsletter complements the web site well in that it is an instrument that physically goes out to the readers. The web site, on the other hand, can contain much of the same content but in more detail because space is not limited and the material can be kept over an infinite period of time. All past issues of *The Beacon* are kept on the web site together with a topical index that is updated for each new issue. Two regular features of the newsletter are *View from the Bridge* and *View from the Stern*. The former is the President's opportunity to let the readers know what he/she sees ahead for the Foundation while the latter is the Historian's opportunity to highlight significant events from the past.

Policy X-6  The policy for the newsletter is as stated above.
Chapter XI, Events

Events are important to the Foundation as they both raise funds and provide much of the social cohesion that binds the organization together. They also promote contact with the community and serve as an important outreach mechanism.

A. Major

The Foundation holds two major events, one in the spring and the other in the fall. Each of these is an extremely labor intensive activity but both provide visibility to the Foundation that could not be purchased at any price. Further, each of the major events raises a significant amount of money that furthers the mission of the Foundation.

1. Opening Party
The Opening Party is an event that started small and has grown with the Foundation. While increased emphasis on soliciting local businesses to donate goods for the auction and to sponsor aspects of the event have made it into a significant fund raiser, it remains a fun party. It is always held on the Friday evening of the Memorial Day weekend. It is widely attended in the community and is recognized as the event that kicks off the summer season in Lewes. The Opening Party is one of the Foundation’s accounting centers and, as such, it operates with a higher degree of financial autonomy than most other Foundation functions reporting its financial information to the Treasurer at a more aggregate level.

Policy XI-1 While the Opening Party is a significant fund raiser, the Foundation will keep in mind that the good will generated through this event as a party is more important in the long run than the funds that it raises.

Policy XI-2 Because of the multitude of financial transactions that take place in a short amount of time, the Opening Party operates as an accounting center keeping its financial records internally and reporting financial information to the Treasurer at a more aggregate level.

2. Delaware Maritime Hall of Fame
The Foundation initiated this event in 2007 and immediately it was a great functional and financial success. It drew from a statewide audience and raised the credibility of the Foundation as a significant entity in preserving Delaware’s maritime heritage. Further, this event ties directly to the Foundation’s mission (“to honor...maritime history”) as it honors significant mariners, past and present, in the region. The Delaware Maritime Hall of Fame is one of the Foundation’s accounting centers and, as such, it operates with a higher degree of financial autonomy than most other Foundation functions reporting its financial information to the Treasurer at a more aggregate level.
Policy XI-3  The Foundation will continue to sponsor the Delaware Maritime Hall of Fame on an annual basis building on the successful event established in 2007.

Policy XI-4  Because of the multitude of financial transactions that take place in a short amount of time, the Delaware Maritime Hall of Fame operates as an accounting center keeping its financial records internally and reporting financial information to the Treasurer at a more aggregate level.

B.  Social

The Foundation enjoys the reputation of being the organization with the best parties in Lewes. While that is nice from the social point of view, it is extremely important in holding the membership together and honoring the members for their efforts. Often there are expenses involved in the social events. The strictly social events are:

- The Closing Party takes the place of the September meeting
- The Holiday Party takes the place of the December meeting
- The Mardi Gras Party is on Fat Tuesday before Ash Wednesday
- Impromptu events called on the spur of the moment for any one of a variety of reasons, e.g., the celebration in December 2005 when the Foundation learned that it was awarded $200,000 of Transportation Enhancement Funds.

Policy XI-5  The Foundation will continue to host its social events as long as resources are available and the membership will support them.

C.  Other

There may be other events that come up that do not fall in the categories above. If the Foundation wanted to participate in such an event it would be a Board decision.

Policy XI-6  The Foundation will participate in other events as the Board deems appropriate.
Chapter XII, Ship and Grounds

A major center for Foundation activity is the property with the ship and other improvements. These include most of the organization’s capital assets and generate a large amount of the current revenue. The grounds are leased from the city and were divided off of a larger plot that housed both the ship and the Lewes Historical Society’s (LHS) boat house. As it all used to be a single plot, there is a single bill from the Board of Public Works for utilities. Historically the Foundation has paid the entire electric bill and LHS has paid the entire water and sewer bill. As this manual was being drafted an agreement was being worked out that would split the bills evenly.

A. Ship’s Store Operations

The Ship’s Store is located in the building at the base of the ship’s gangway. It houses the Foundation’s stock of goods available for retail sales and serves as a visitor’s center for people touring the ship. The Ship’s Store is open and staffed whenever the ship is open for tours and, in addition to selling merchandise, visitors register in the log before going aboard the ship. To staff all of the hours that the store is open a large number of volunteers, with a complex set of procedures to follow, are employed. To facilitate store operations, a separate Ship’s Store Operating Manual was developed. Often merchandise is taken from the store for sale at other functions and events. Also merchandise from the store may be sold through the web site. To facilitate all of its sales, the store has a credit card machine and is capable of accepting either Visa or MasterCard. Goods are priced with sufficient mark up that the operation shows a profit and, at the store manager’s discretion, goods may be marked down to move stock. The Ship’s Store is one of the Foundation’s accounting centers and, as such, it operates with a higher degree of financial autonomy than most other Foundation functions reporting its financial information to the Treasurer at a more aggregate level.

Policy XII-1 The volunteers staffing the Ship’s Store will follow the procedures laid out in the Ship’s Store Operating Manual.

Policy XII-2 Because of the multitude of financial transactions, many of them small, that take place as it does business the Ship’s Store operates as an accounting center keeping its financial records internally and reporting financial information to the Treasurer at a more aggregate level.

Policy XII-3 The Ship’s Store makes its own stocking and pricing decisions with an eye toward reflecting the Foundation’s values and maximizing return on investment.

B. Ship

The Lightship Overfalls is a significant historic ship. She is one of the few survivors of the 179 U.S. lightships built and one of only seven in the country open to the public. The
ship, now listed on the National Register of Historic Places, was brought to Lewes in 1973. Scarcity of resources led to inconsistent maintenance and by 1999 the ship had reached derelict status. That was the year that a group came together with the dream of saving the ship.

1. Restoration
In 1999 the whole focus of the group that would become the Overfalls Maritime Museum Foundation was to save the ship. It remained so as the Foundation grew and became more diverse. In 2006, the goal was institutionalized in the Foundation’s Strategic Plan (for a copy, see the Foundation’s web site under “About Us” and “Our Documents”) which placed saving the ship as its highest priority of the four major initiatives identified with a pledge that no resources that could be used for the restoration would be diverted to other projects until the restoration was complete.

As soon as the group came together, a volunteer labor force, the Dirty Hands Gang, was formed and restoration work started on the ship. With an investment of over 10,000 hours of restoration labor, the ship was cosmically in good condition. As the work is often physically demanding, dangerous and dusty, the Foundation takes all reasonable steps to secure the health and safety of the workforce. The safety issues are applicable regardless of the age of the workers, but the fact that most of the Foundation’s volunteer workers are well past retirement age compounds the problem. Some of the steps the Foundation takes include providing full-face masks for eye protection, high performance dust filter respirators and bottled drinking water.

The Dirty Hands Gang works a season that begins in mid-April and runs through late October. During this season, the normal work period is a half of a day on Tuesday morning. Depending on the work, additional days have been scheduled as needed. At the end of the work period, the Foundation provides lunch for those present. This tradition was started to provide a social occasion for individuals doing dirty, often lonely work and to build an esprit de corps among the members of the group.

Despite the effort, what the Dirty Hands Gang could do little to save was the hull below the waterline. This area was rusting away as it had had no maintenance in well over 30 years and in the spring of 2007 had actually rusted through in places. The work crew was able to stop the leaks with temporary patches welded to the outside of the hull but the problem remained severe.

To address the problem of the hull below the waterline, the Foundation employed Duffield Associates, an engineering firm, to conduct a study of alternatives and develop a plan of action. The plan, competed in 2007, consisted of getting the ship floating, towing her to a shipyard for repairs and bringing her back to a properly built slip. Precise costs to execute the plan can’t be determined until firm bids for all of the work are secured, but, initially, estimates were in the
neighborhood of $1.5 million of which the Foundation either held or had firm commitments for about $1 million.

Policy XII-4 The Foundation has and will continue to take every reasonable step to ensure the health and safety of each individual who works on the ship.

Policy XII-5 The Foundation provides a lunch for the members of the Dirty Hands Gang at the end of their normal workday.

Policy XII-6 Until the restoration is complete and the ship’s state is considered sustainable, the Foundation’s highest priority task will be to save the ship as defined in the Strategic Plan and Duffield’s plan of action.

2. Maintenance

The ship arrived in Lewes in 1973 in good condition. It was years of inadequate maintenance that created the derelict condition. Once the restoration is complete and the ship is sustainable, she could again deteriorate if constant maintenance is allowed to slide. Maintenance is often difficult for organizations as it requires considerable resources but does not produce anything new and exciting. The Foundation is fully aware of the maintenance trap and is committed to applying the resources required to keep the ship in good condition once the restoration is complete.

The safety concerns expressed in the Restoration paragraph above apply equally to workers performing maintenance. The associated policy also applies equally.

Policy XII-7 Once the restoration is complete the Foundation will continue to apply whatever resources are necessary to maintain the ship in a sound, presentable and sustainable state.

3. Ship Tours

In the field of organizations with historic ships, the Foundation feels it stands at the head of the list with the quality of tour it gives. Rather than letting visitors wander and read a few descriptive signs (the norm), the Foundation’s ship guides escort the groups around giving a presentation tailored to the group’s interests and attention span. Questions from the group are welcomed and solicited. Not only does this give a more informative tour for the visiting public, it is far safer as the ship guide is able to point out safety hazards and ensure that safety procedures are being observed. While each presentation is tailored to the specific group, the ship guides work within the guidelines defined in the Foundation’s Ship Tour Guide Manual. Each has ready access to the manual as it is on the Foundation’s website. The guides also participate in an indoctrination session before each season and new guides are paired with more experienced ones to build a level of confidence and experience.
Policy XII-8 The Foundation will continue to give its outstanding ship tours emphasizing a safe, informative and enjoyable experience for the visiting public.

4. Telephone
Since the earliest days the Foundation has had a telephone on the ship and has published the number, 644-8050. The phone was to serve two purposes, a safety device in case a call for help was needed and a contact point for the public. For a considerable amount of time the telephone did not serve well as a contact point as answering was not consistent and many important calls were missed. In 2007, a more reliable answering machine was acquired and firm procedures for daily monitoring of the machine were instituted.

Policy XII-9 The Foundation will continue with its firm policy of monitoring the phone’s answering machine daily and quickly distributing the messages to the appropriate person for response.

C. Grounds

The grounds surrounding the ship have now been under the control of the Foundation since 2003. In this time there have been significant improvements such as:
- Resurfacing the parking area
- Installation of a historic marker enhanced by attractive plantings
- The acquisition and renovation of the Ship’s Store

1. Development
The immediate developmental enhancement of the grounds will be the construction of the slip as called for in the Duffield Associates action plan. This will be a slip where the ship currently sits, 50 feet wide by 150 feet deep which is essentially the same as the original slip. This slip, however, will have steel bulkheading to keep the banks from eroding in as the original did. As this document was being drafted, the Foundation was negotiating with DNREC to determine how much of the surrounding area, outside of the slip, could be backfilled to become level with the remainder of the grounds. The issue relates to not reducing the amount of wetlands that promote growth of the ecosystem. While the Foundation is dedicated to improving the environment, still it wishes to backfill the entire area and has support from city officials to do so because, in addition to making the space around the ship safer for visitors and more usable, it will enhance the evolving Canalfront Park. Depending on how negotiations go with DNREC, there may be a need to maintain some of the area as wetlands.

After construction of the slip, which will be destructive to the grounds because of the heavy equipment involved, the Foundation will initiate landslide improvements as resources are available. One of the improvements identified as the third major initiative in the Foundation’s Strategic Plan (Establish a Lewes Area Museum Without Walls) will entail creation of displays and other points of interest to the visiting public.
On the original plan for the Canalfront Park, a building was shown on the grounds to be used as a museum and visitor’s center for the Foundation. That theme is carried through in the Strategic Plan’s fourth initiative (Maintain the Vision for a New Maritime Museum in Lewes). A building for this purpose is also on the site plan drawn by Duffield. While farther out into the future, the Foundation remains committed to turning this vision into a reality.

Policy XII-10 Once through the construction of the slip, the Foundation will pursue the third and fourth initiatives in the Strategic Plan.

2. Maintenance
The grounds like the ship require constant maintenance to keep from becoming a public hazard and an eyesore. This includes all of the things that go with keeping a piece of property with buildings, open to the public in an urban park setting.

Policy XII-11 The Foundation is committed to maintaining the grounds so that they are a pleasant setting for the ship and an attractive addition to the Canalfront Park.