

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: OCT 6 - 2005

JUAN DE FUCA SCENIC BYWAY
ASSOCIATION
PO BOX 188
JOYCE, WA 98343

Employer Identification Number:
75-3183044
DLN:
17053097007025
Contact Person: MICHAEL A LUDWIG ID# 31470
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
November 29, 2004
Contribution Deductibility:
Yes
Advance Ruling Ending Date:
December 31, 2008

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

JUAN DE FUCA SCENIC BYWAY

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lois G. Lerner".

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)
Statute Extension

JUAN DE FUCA SCENIC BYWAY

INFORMATION FOR ORGANIZATIONS EXEMPT UNDER SECTION 501(c)(3)

WHERE TO GET FORMS AND HELP

Forms and instructions may be obtained by calling toll free 1-800-829-3676, through the Internet Web Site at www.irs.gov, and also at local tax assistance centers.

Additional information about any topic discussed below may be obtained through our customer service function by calling toll free 1-877-829-5500 between 8:30 a.m. - 5:30 p.m. Eastern time.

NOTIFY US ON THESE MATTERS

If you change your name, address, purposes, operations or sources of financial support, please inform our TE/GE Customer Account Services Office at the following address: Internal Revenue Service, P.O. Box 2508, Cincinnati, Ohio 45201. If you amend your organizational document or by-laws, or dissolve your organization, provide the Customer Account Services Office with a copy of the amended documents. Please use your employer identification number on all returns you file and in all correspondence with the Internal Revenue Service.

FILING REQUIREMENTS

In your exemption letter we indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. Form 990 (or Form 990-EZ) is filed with the Ogden Submission Processing Center, Ogden UT 84201-0027.

You are required to file a Form 990 only if your gross receipts are normally more than \$25,000.

If your gross receipts are normally between \$25,000 and \$100,000, and your total assets are less than \$250,000, you may file Form 990-EZ. If your gross receipts are over \$100,000, or your total assets are over \$250,000, you must file the complete Form 990. The Form 990 instructions show how to compute your "normal" receipts.

Form 990 Schedule A is required for both Form 990 and Form 990-EZ.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. There are penalties for failing to timely file a complete return. For additional information on penalties, see Form 990 instructions or call our toll free number.

If your receipts are below \$25,000, and we send you a Form 990 Package, follow the instructions in the package on how to complete the limited return to advise us that you are not required to file.

If your exemption letter states that you are not required to file Form 990, you

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are exempt from these requirements.

UNRELATED BUSINESS INCOME TAX RETURN

If you receive more than \$1,000 annually in gross receipts from a regular trade or business you may be subject to Unrelated Business Income Tax and required to file Form 990-T, Exempt Organization Business Income Tax Return. There are several exceptions to this tax.

1. Income you receive from the performance of your exempt activity is not unrelated business income.
2. Income from fundraisers conducted by volunteer workers, or where donated merchandise is sold, is not unrelated business income.
3. Income from routine investments such as certificates of deposit, savings accounts, or stock dividends is usually not unrelated business income.

There are special rules for income derived from real estate or other investments purchased with borrowed funds. This income is called "debt financed" income. For additional information regarding unrelated business income tax see Publication 598, Tax on Unrelated Business Income of Exempt Organizations, or call our toll free number shown above.

PUBLIC INSPECTION OF APPLICATION AND INFORMATION RETURN

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return, or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

FUNDRAISING

Contributions to you are deductible only to the extent that they are gifts and no consideration is received in return. Depending on the circumstances, ticket purchases and similar payments in conjunction with fundraising events may not qualify as fully deductible contributions.

CONTRIBUTIONS OF \$250 OR MORE

Donors must have written substantiation from the charity for any charitable contribution of \$250 or more. Although it is the donor's responsibility to obtain written substantiation from the charity, you can assist donors by

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providing a written statement listing any cash contribution or describing any donated property.

This written statement must be provided at the time of the contribution. There is no prescribed format for the written statement. Letters, postcards and electronic (e-mail) or computer-generated forms are acceptable.

The donor is responsible for the valuation of donated property. However, your written statement must provide a sufficient description to support the donor's contribution. For additional information regarding donor substantiation, see Publication 1771, Charitable Contributions - Substantiation and Disclosure Requirements. For information about the valuation of donated property, see Publication 561, Determining the Value of Donated Property.

CONTRIBUTIONS OF MORE THAN \$75 AND CHARITY PROVIDES GOODS OR SERVICES

You must provide a written disclosure statement to donors who receive goods or services from you in exchange for contributions in excess of \$75.

Contribution deductions are allowable to donors only to the extent their contributions exceed the value of the goods or services received in exchange. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as fully deductible contributions, depending on the circumstances. If your organization conducts fundraising events such as benefit dinners, shows, membership drives, etc., where something of value is received, you are required to provide a written statement informing donors of the fair market value of the specific items or services you provided in exchange for contributions of more than \$75.

You should provide the written disclosure statement in advance of any event, determine the fair market value of any benefit received, determine the amount of the contribution that is deductible, and state this information in your fundraising materials such as solicitations, tickets, and receipts. The amount of the contribution that is deductible is limited to the excess of any money (and the value of any property other than money) contributed by the donor less the value of goods or services provided by the charity. Your disclosure statement should be made, no later than, at the time payment is received. Subject to certain exceptions, your disclosure responsibility applies to any fundraising circumstances where each complete payment, including the contribution portion, exceeds \$75. For additional information, see Publication 1771 and Publication 526, Charitable Contributions.

EXCESS BENEFIT TRANSACTIONS

Excess benefit transactions are governed by section 4958 of the Code. Excess benefit transactions involve situations where a section 501(c)(3) organization provides an unreasonable benefit to a person who is in a position to exercise substantial influence over the organization's affairs. If you believe there may be an excess benefit transaction involving your organization, you should report the transaction on Form 990 or 990-EZ. Additional information can be

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found in the instructions for Form 990 and Form 990-EZ, or you may call our toll free number to obtain additional information on how to correct and report this transaction.

EMPLOYMENT TAXES

If you have employees, you are subject to income tax withholding and the social security taxes imposed under the Federal Insurance Contribution Act (FICA). You are required to withhold Federal income tax from your employee's wages and you are required to pay FICA on each employee who is paid more than \$100 in wages during a calendar year. To know how much income tax to withhold, you should have a Form W-4, Employee's Withholding Allowance Certificate, on file for each employee. Organizations described in section 501(c)(3) of the Code are not required to pay Federal Unemployment Tax (FUTA).

Employment taxes are reported on Form 941, Employer's Quarterly Federal Tax Return. The requirements for withholding, depositing, reporting and paying employment taxes are explained in Circular E, Employer's Tax Guide, (Publication 15), and Employer's Supplemental Tax Guide, (Publication 15-A). These publications explain your tax responsibilities as an employer.

CHURCHES

Churches may employ both ministers and church workers. Employees of churches or church-controlled organizations are subject to income tax withholding, but may be exempt from FICA taxes. Churches are not required to pay FUTA tax. In addition, although ministers are generally common law employees, they are not treated as employees for employment tax purposes. These special employment tax rules for members of the clergy and religious workers are explained in Publication 517, Social Security and Other Information for Members of the Clergy and Religious Workers. Churches should also consult Publications 15 and 15-A. Publication 1828, Tax Guide for Churches and Religious Organizations, also discusses the various benefits and responsibilities of these organizations under Federal tax law.

PUBLIC CHARITY STATUS

Every organization that qualifies for tax-exemption as an organization described in section 501(c)(3) is a private foundation unless it falls into one of the categories specifically excluded from the definition of that term [referred to in section 509(a)(1), (2), (3), or (4)]. In effect, the definition divides these organizations into two classes, namely private foundations and public charities.

Public charities are generally those that either have broad public support or actively function in a supporting relationship to those organizations.

Public charities enjoy several advantages over private foundations. There are certain excise taxes that apply to private foundations but not to public charities. A private foundation must also annually file Form 990-PF, Return of Private Foundation, even if it had no revenue or expenses.

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The Code section under which you are classified as a public charity is shown in the heading of your exemption letter. This determination is based on the information you provided and the request you made on your Form 1023 application. Please refer to Publication 557 for additional information about public charity status.

GRANTS TO INDIVIDUALS

The following information is provided for organizations that make grants to individuals. If you begin an individual grant program that was not described in your exemption application, please inform us about the program.

Funds you distribute to an individual as a grant must be made on a true charitable basis in furtherance of the purposes for which you are organized. Therefore, you should keep adequate records and case histories that demonstrate that grants to individuals serve your charitable purposes. For example, you should be in a position to substantiate the basis for grants awarded to individuals to relieve poverty or under a scholarship or education loan program. Case histories regarding grants to individuals should show names, addresses, purposes of grants, manner of selection, and relationship (if any) to members, officers, trustees, or donors of funds to you.

For more information on the exclusion of scholarships from income by an individual recipient, see Publication 520, Scholarships and Fellowships.

Part X Public Charity Status (Continued)

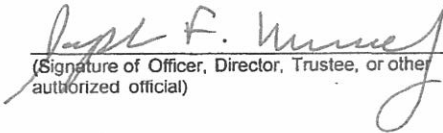
- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety.
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status.

6 If you checked box g, h, or i in question 5 above, you must request either an **advance** or a **definitive ruling** by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

- a **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling.

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization


 (Signature of Officer, Director, Trustee, or other authorized official)

Joseph Murray
 (Type or print name of signer)
 President
 (Type or print title or authority of signer)

September 14, 2005
 (Date)

For Director, Exempt Organizations

By 

Date SEP 28 2005

- b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii).

- (i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses. _____
- (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box.
- (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person**. If the answer is "None," check this box.
- (b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box.

- 7 Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. Yes No

Form 1023 Checklist

(Revised October 2004)

Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code

Note. Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

Check each box to finish your application (Form 1023). Send this completed Checklist with your filled-in application. If you have not answered all the items below, your application may be returned to you as incomplete.

- Assemble the application and materials in this order:
- Form 1023 Checklist
 - Form 2848, *Power of Attorney and Declaration of Representative* (if filing)
 - Form 8821, *Tax Information Authorization* (if filing)
 - Expedite request (if requesting)
 - Application (Form 1023 and Schedules A through H, as required)
 - Articles of organization
 - Amendments to articles of organization in chronological order
 - Bylaws or other rules of operation and amendments
 - Documentation of nondiscriminatory policy for schools, as required by Schedule B
 - Form 5768, *Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation* (if filing)
 - All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.
- User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.
- Employer Identification Number (EIN)
- Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
- You must provide specific details about your past, present, and planned activities.
 - Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
 - Describe your purposes and proposed activities in specific easily understood terms.
 - Financial information should correspond with proposed activities.
- Schedules. Submit only those schedules that apply to you and check either "Yes" or "No" below.
- | | | | | | |
|------------|---------|-------------|------------|---------|-------------|
| Schedule A | Yes ___ | No <u>X</u> | Schedule E | Yes ___ | No <u>X</u> |
| Schedule B | Yes ___ | No <u>X</u> | Schedule F | Yes ___ | No <u>X</u> |
| Schedule C | Yes ___ | No <u>X</u> | Schedule G | Yes ___ | No <u>X</u> |
| Schedule D | Yes ___ | No <u>X</u> | Schedule H | Yes ___ | No <u>X</u> |

- An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.
 - Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number) Page 1, Article V, Par. 5.1
 - Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law Page 5, Article X
- Signature of an officer, director, trustee, or other official who is authorized to sign the application.
 - Signature at Part XI of Form 1023.
- Your name on the application must be the same as your legal name as it appears in your articles of organization.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service
 P.O. Box 192
 Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service
 201 West Rivercenter Blvd.
 Attn: Extracting Stop 312
 Covington, KY 41011

User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check to money order to your application. Instead, just place it in the envelope.

Employer Identification Number (EIN)

Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.

- You must provide specific details about your past, present, and planned activities.
- Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
- Describe your purposes and ongoing activities in specific, easily understood terms.
- Financial information should correspond with proposed activities.

Schedules: Submit only those schedules that apply to you and check either "Yes" or "No" below.

Schedule A	Yes ___ No <input checked="" type="checkbox"/>
Schedule B	Yes ___ No <input checked="" type="checkbox"/>
Schedule C	Yes ___ No <input checked="" type="checkbox"/>
Schedule D	Yes ___ No <input checked="" type="checkbox"/>
Schedule E	Yes ___ No <input checked="" type="checkbox"/>
Schedule F	Yes ___ No <input checked="" type="checkbox"/>
Schedule G	Yes ___ No <input checked="" type="checkbox"/>
Schedule H	Yes ___ No <input checked="" type="checkbox"/>

Power of Attorney and Declaration of Representative

OMB No. 1545-0150

For IRS Use Only

Received by: _____
 Name _____
 Telephone _____
 Function _____
 Date _____

▶ Type or print. ▶ See the separate instructions.

Part I Power of Attorney
Caution: Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address JUAN DE FUCA SCENIC BYWAY ASSOCIATION 16795 HWY 112, UNIT #2 CLALLAM BAY WA 98326	Social security number(s) _____ Daytime telephone number 360-963-2346	Employer identification number 75-3183044 Plan number (if applicable)
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hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address Jeanette M. Lodwig 1501 Fourth Ave., Suite 2600 Seattle, WA 98101-1688	CAF No. _____ Telephone No. 206-628-7667 Fax No. 206-628-7699 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address Todd C. Smith 1501 Fourth Ave., Suite 2600 Seattle, WA 98101-1688	CAF No. 0200-66339R Telephone No. 206-628-7757 Fax No. 206-628-7699 Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address _____	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax matters

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
Exemption Application	1023	2004-2005

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. Specific uses not recorded on CAF.

5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: _____

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ▶ _____

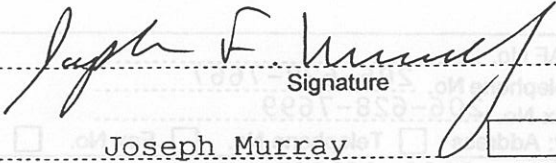
- 7 Notices and communications.** Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2.
- a** If you also want the second representative listed to receive a copy of notices and communications, check this box
- b** If you do not want any notices or communications sent to your representative(s), check this box

8 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here

YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

9 Signature of taxpayer(s). If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.

	March 14, 2005 Date	President Title (if applicable)
Joseph Murray Print Name	<input style="width: 100px; height: 20px;" type="text"/> PIN Number	Juan de Fuca Scenic Byway Association Print name of taxpayer from line 1 if other than individual
_____ Signature	_____ Date	_____ Title (if applicable)
_____ Print Name	<input style="width: 100px; height: 20px;" type="text"/> PIN Number	_____ Title (if applicable)

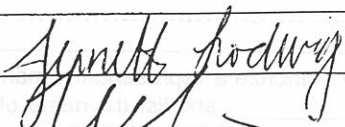
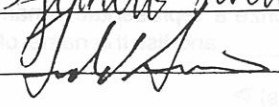
Part II Declaration of Representative

Caution: Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the instructions for Part II.

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
 - a** Attorney — a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b** Certified Public Accountant — duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c** Enrolled Agent — enrolled as an agent under the requirements of Treasury Department Circular No. 230.
 - d** Officer — a bona fide officer of the taxpayer's organization.
 - e** Full-Time Employee — a full-time employee of the taxpayer.
 - f** Family Member — a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
 - g** Enrolled Actuary — enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d) of Treasury Department Circular No. 230).
 - h** Unenrolled Return Preparer — the authority to practice before the Internal Revenue Service is limited by Treasury Department Circular No. 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See **Unenrolled Return Preparer** on page 2 of the instructions.

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED. See the Part II instructions.

Designation — Insert above letter (a–h)	Jurisdiction (state) or identification	Signature	Date
a	Washington		4/4/05
a	Washington		4/4/05

Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

Use the instructions to complete this application and for a definition of all **bold** items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at www.irs.gov for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

Part I Identification of Applicant

1 Full name of organization (exactly as it appears in your organizing document)		2 c/o Name (if applicable)	
JUAN DE FUCA SCENIC BYWAY ASSOCIATION			
3 Mailing address (Number and street) (see instructions)	Room/Suite	4 Employer Identification Number (EIN)	
P.O. Box 188		75-3183044	
City or town, state or country, and ZIP + 4		5 Month the annual accounting period ends (01 - 12)	
Joyce, WA 98343		12	
6 Primary contact (officer, director, trustee, or authorized representative)		b Phone: (206) 628-7667	
a Name: Jeanette Lodwig, authorized representative		c Fax: (optional) (206) 628-7699	
7 Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
8 Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
9a Organization's website: N/A			
b Organization's email: (optional)			
10 Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY) 11/29/2004			
12 Were you formed under the laws of a foreign country? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the country.			

Part II Organizational Structure

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) **DO NOT file this form unless you can check "Yes" on lines 1, 2, 3, or 4.**

- 1 Are you a corporation? If "Yes," attach a copy of your articles of incorporation showing certification of filing with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. Yes No
- 2 Are you a limited liability company (LLC)? If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application. Yes No
- 3 Are you an unincorporated association? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments. Yes No
- 4a Are you a trust? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments. Yes No
- b Have you been funded? If "No," explain how you are formed without anything of value placed in trust. Yes No
- 5 Have you adopted bylaws? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected. Yes No

Part III Required Provisions in Your Organizing Document

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. **DO NOT file this application until you have amended your organizing document.** Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): Page 1, Article V, Par. 5.1
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c.
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. Page 5, Article X
- 2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state: _____

Part IV Narrative Description of Your Activities

Using an attachment, describe your *past*, *present*, and *planned* activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors

- 1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual compensation, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
See attached			none

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

b List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
None			

c List the names, names of businesses, and mailing addresses of your five highest compensated independent contractors that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
None			

The following "Yes" or "No" questions relate to *past, present, or planned* relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

2a Are any of your officers, directors, or trustees **related** to each other through **family** or **business relationships**? If "Yes," identify the individuals and explain the relationship. Yes No

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees. Yes No

c Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship. Yes No

3a For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.

b Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through **common control**? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement. Yes No

4 In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.

- a** Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy? Yes No
- b** Do you or will you approve compensation arrangements in advance of paying compensation? Yes No
- c** Do you or will you document in writing the date and terms of approved compensation arrangements? Yes No

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- d Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? Yes No
- e Do you or will you approve compensation arrangements based on information about compensation paid by **similarly situated** taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. Yes No
- f Do you or will you record in writing both the information on which you relied to base your decision and its source? Yes No
- g If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is **reasonable** for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.

- 5a Have you adopted a **conflict of interest policy** consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c. Yes No
- b What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?
- c What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?

Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.

- 6a Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through **non-fixed payments**, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. Yes No
- b Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. Yes No

- 7a Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at **arm's length**, and explain how you determine or will determine that you pay no more than **fair market value**. Attach copies of any written contracts or other agreements relating to such purchases. Yes No
- b Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales. Yes No

- 8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f. Yes No
- b Describe any written or oral arrangements that you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine you pay no more than fair market value or you are paid at least fair market value.
- f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.

- 9a Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f. Yes No

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- b Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals. Yes No
- b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations. Yes No
- 2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. Yes No
- 3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds. Yes No

Part VII Your History

The following "Yes" or "No" questions relate to your history. (See instructions.)

- 1 Are you a **successor** to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G. Yes No
- 2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E. Yes No

Part VIII Your Specific Activities

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1 Do you support or oppose candidates in **political campaigns** in any way? If "Yes," explain. Yes No
- 2a Do you attempt to **influence legislation**? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a. Yes No
- b Have you made or are you making an **election** to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities. Yes No
- 3a Do you or will you operate bingo or **gaming** activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. **Revenue and expenses** should be provided for the time periods specified in Part IX, Financial Data. Yes No
- b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements. Yes No
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

Part VIII Your Specific Activities (Continued)

4a Do you or will you undertake **fundraising**? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.) **Yes** **No**

- mail solicitations
- email solicitations
- personal solicitations
- vehicle, boat, plane, or similar donations
- foundation grant solicitations
- phone solicitations
- accept donations on your website
- receive donations from another organization's website
- government grant solicitations
- Other

Attach a description of each fundraising program.

b Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements. **Yes** **No**

c Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements. **Yes** **No**

d List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

e Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors. **Yes** **No**

5 Are you **affiliated** with a governmental unit? If "Yes," explain. **Yes** **No**

6a Do you or will you engage in **economic development**? If "Yes," describe your program. **Yes** **No**

b Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

7a Do or will persons other than your employees or volunteers **develop** your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees. **Yes** **No**

b Do or will persons other than your employees or volunteers **manage** your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees. **Yes** **No**

c If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.

8 Do you or will you enter into **joint ventures**, including partnerships or **limited liability companies** treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate. **Yes** **No**

9a Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10. **Yes** **No**

b Do you provide child care so that parents or caretakers of children you care for can be **gainfully employed** (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). **Yes** **No**

c Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). **Yes** **No**

d Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k). **Yes** **No**

10 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other **intellectual property**? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. **Yes** **No**

Part VIII Your Specific Activities (Continued)

- 11** Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution. Yes No
- 12a** Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a. Yes No
- b** Name the foreign countries and regions within the countries in which you operate.
- c** Describe your operations in each country and region in which you operate.
- d** Describe how your operations in each country and region further your exempt purposes.
- 13a** Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a. Yes No
- b** Describe how your grants, loans, or other distributions to organizations further your exempt purposes.
- c** Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract. Yes No
- d** Identify each recipient organization and any **relationship** between you and the recipient organization.
- e** Describe the records you keep with respect to the grants, loans, or other distributions you make.
- f** Describe your selection process, including whether you do any of the following:
- (i)** Do you require an application form? If "Yes," attach a copy of the form. Yes No
- (ii)** Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused. Yes No
- g** Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.
- 14a** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15. Yes No
- b** Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.
- c** Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries. Yes No
- d** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. Yes No
- e** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. Yes No
- f** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately. Yes No

Part VIII Your Specific Activities (Continued)

- 15 Do you have a close connection with any organizations? If "Yes," explain. Yes No
- 16 Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If "Yes," explain. Yes No
- 17 Are you applying for exemption as a cooperative service organization of operating educational organizations under section 501(f)? If "Yes," explain. Yes No
- 18 Are you applying for exemption as a charitable risk pool under section 501(n)? If "Yes," explain. Yes No
- 19 Do you or will you operate a school? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity. Yes No
- 20 Is your main function to provide hospital or medical care? If "Yes," complete Schedule C. Yes No
- 21 Do you or will you provide low-income housing or housing for the elderly or handicapped? If "Yes," complete Schedule F. Yes No
- 22 Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. Yes No

Note: Private foundations may use Schedule H to request advance approval of individual grant procedures.

Yes No

Yes No

Yes No

Yes No

Yes No

Yes No

Form 1023 (Rev. 10-2004)

Part IX Financial Data

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

A. Statement of Revenues and Expenses

	Type of revenue or expense	3 prior tax years or 2 succeeding tax years				(e) Provide Total for (a) through (d)
		Current tax year	(a) From 11/29/04 To 12/31/04	(b) From 1/1/05 To 12/31/05	(c) From 1/1/06 To 12/31/06	
Revenues	1 Gifts, grants, and contributions received (do not include unusual grants)	1,740.00	28,209.00	28,000.00		57,949.00
	2 Membership fees received	0	350.00	500.00		850.00
	3 Gross investment income	0	0	0		0.00
	4 Net unrelated business income	0	0	0		0.00
	5 Taxes levied for your benefit	0	0	0		0.00
	6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	0	0	0		0.00
	7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)	0	0	0		0.00
	8 Total of lines 1 through 7	1,740.00	28,559.00	28,500.00		58,799.00
	9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)	0	0	0		0.00
	10 Total of lines 8 and 9	1,740.00	28,559.00	28,500.00		58,799.00
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)	0	0	0		0.00	
12 Unusual grants	0	0	0		0.00	
13 Total Revenue Add lines 10 through 12	1,740.00	28,559.00	28,500.00		58,799.00	
Expenses	14 Fundraising expenses	0	100.00	100.00		
	15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	0	0	0		
	16 Disbursements to or for the benefit of members (attach an itemized list)					
	17 Compensation of officers, directors, and trustees	0	0	0		
	18 Other salaries and wages	1,500.00	18,840.00	16,260.00		
	19 Interest expense	0	0	0		
	20 Occupancy (rent, utilities, etc.)	45.00	450.00	540.00		
	21 Depreciation and depletion	0	0	0		
	22 Professional fees					
	23 Any expense not otherwise classified, such as program services (attach itemized list)	195.00	8,819.00	11,100.00		
	24 Total Expenses Add lines 14 through 23	1,740.00	28,209.00	28,000.00		

Part IX Financial Data (Continued)

B. Balance Sheet (for your most recently completed tax year)

Year End: 12/04

Table with columns for line numbers (1-18), descriptions of assets and liabilities, and dollar amounts. Assets include Cash, Accounts receivable, Inventories, Bonds and notes receivable, Corporate stocks, Loans receivable, Other investments, Depreciable and depletable assets, Land, and Other assets. Liabilities include Accounts payable, Contributions, gifts, grants, etc. payable, Mortgages and notes payable, and Other liabilities. Fund Balances or Net Assets include Total fund balances or net assets and Total Liabilities and Fund Balances or Net Assets.

19 Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain. [] Yes [X] No

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a private foundation or a public charity. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a private operating foundation. (See instructions.)

1a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. If you are unsure, see the instructions. [] Yes [X] No

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2.

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI. [] Yes [] No

3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4. [] Yes [] No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation? [] Yes [] No

5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.

The organization is not a private foundation because it is:

- a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A. []
b 509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B. []
c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C. []
d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D. []

Part X Public Charity Status (Continued)

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety.
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status.

6 If you checked box g, h, or i in question 5 above, you must request either an advance or a definitive ruling by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

- a Request for Advance Ruling: By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, Extending the Tax Assessment Period, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling.

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization

Signature of Officer, Director, Trustee, or other authorized official

Joseph Murray
(Type or print name of signer)
President
(Type or print title or authority of signer)

MARCH 14, 2005
(Date)

For Director, Exempt Organizations

By _____ Date _____

- b Request for Definitive Ruling: Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii).
- (i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses. _____
- (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box.
- (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each disqualified person. If the answer is "None," check this box.
- (b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box.

7 Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. Yes No

Part XI User Fee Information

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$500. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$150. See instructions for Part XI, for a definition of gross receipts over a 4-year period. Your check or money order must be made payable to the United States Treasury. User fees are subject to change. Check our website at www.irs.gov and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000? [] Yes [X] No
2 Check the box if you have enclosed the reduced user fee payment of \$150 (Subject to change). []
3 Check the box if you have enclosed the user fee payment of \$500 (Subject to change). [X]

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here

Handwritten signature of Joseph F. Murray

(Signature of Officer, Director, Trustee, or other authorized official)

Joseph Murray
(Type or print name of signer)
President
(Type or print title or authority of signer)

MARCH 4, 2008
(Date)

Reminder: Send the completed Form 1023 Checklist with your filled-in-application. Form 1023 (Rev. 10-2004)

ATTACHMENT TO IRS FORM 1023

Application for Recognition of Exemption

under Section 501(c)(3) of the Internal Revenue Code

JUAN DE FUCA SCENIC BYWAY ASSOCIATION

Employer Identification Number: 75-3183044

PART IV.

NARRATIVE DESCRIPTION OF ACTIVITIES

I. Organization of the Juan de Fuca Scenic Byway Association.

The Juan de Fuca Scenic Byway Association (the "Association") is applying for recognition of exemption from federal income tax under Section 501(c)(3).¹ The Association is a recently-formed nonprofit corporation, duly organized under the laws of the State of Washington. Its Certificate of Incorporation was issued on November 29, 2004. The Association's Articles of Incorporation and Bylaws are attached as Exhibit A and Exhibit B, respectively. The Association has been formed for charitable, scientific, literary or educational purposes within the meaning of Section 501(c)(3) and specifically to serve the community along the Strait of Juan de Fuca Highway, Washington State Route 112 ("SR 112") by promoting safety, environmental stewardship, education, and cultural and historical development.

II. Activities of the Juan de Fuca Scenic Byway Association.

A. Background on the Juan de Fuca Scenic Byway Association.

Prior to the formation of the Association, a group of interested byway citizens worked to bring attention to SR 112 as a recently designated National Scenic Byway. A corridor management plan (the "Plan") was drafted, based on public meeting discussions with the corridor community. *See* The Strait of Juan de Fuca Highway, A Management Plan for the State Route 112 Corridor, attached hereto as Exhibit C.

Different groups have been organizing projects designed to educate the public and increase traffic safety. These projects include:

- (i) Roadside interpretive projects, completed by the local Clallam Bay-Seki Chamber of Commerce (the "Chamber") with grant funds;
- (ii) A local recreational brochure, developed by the Washington State Department of Transportation (the "DOT") for distribution at roadside interpretive centers;

¹ All references to Sections, unless otherwise indicated, are to the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder.

- (iii) Cooperative projects designed to build awareness of SR 112, accomplished with assistance from area tourism agencies; and
- (iv) A group of interested citizens came together to form the Corridor Action Team ("CAT"), to help coordinate community efforts. CAT provided outdoor signage for the Clallam Bay visitor center and held meetings in 2004 with the SR 112 community and local and state agencies.

CAT determined that it would be beneficial to form a tax-exempt organization to carry out its educational, community and public service goals. In February of 2004, CAT was awarded a Federal Highway Administration ("FHWA") seed grant. This grant provided the means to work through the process of forming a non-profit corporation and seeking tax-exempt status to facilitate and strengthen the community network along the SR 112 byway.

B. Purpose and Planned Activities of the Juan de Fuca Scenic Byway Association.

The Association is a volunteer organization formed for the purpose of sharing and promoting awareness of the history, culture and recreational opportunities along SR 112. The Association will focus on the facilitation and implementation of the Plan. The Association will strive to provide a safe, educational and enjoyable experience for residents and visitors; as well as a safe and economically stable community environment, with access to recreation along SR 112 for travelers and residents alike. The Association's activities will primarily be educational in nature, as further described below. While economic development is not a major focus of the Association, educational and community building efforts may result in the beneficial side effect of enhancing economic development.

Activities will be planned and conducted by the all-volunteer board of directors and other volunteers. Meetings will be held in public meeting areas or other donated space as needed, but at least quarterly. The planning process, including providing for a paid coordinator, will be funded by FHWA seed grants. Specific projects will be funded by grants and cooperative efforts of local agencies. The Association plans to engage in the following specific activities.

1. "Natural and Cultural Resource Awareness" (35%)

To enhance the traveling experience and to educate visitors to the area, the Association will engage in activities designed to raise awareness of byway history, culture, and recreation opportunities. Education through brochures, the Internet and roadside projects will effectively make information available to the public. *See, e.g.*, Brochure for State Route 112, Washington, A National Scenic Byway, attached hereto as Exhibit D.

The Association has revised, updated and reprinted the recreation brochure, which, as mentioned above, was originally produced by the DOT. The Association plans to provide an Internet information site, additional printed materials, scenic byway signage and additional interpretive kiosk/pullout projects.

The Association will focus on educating the traveling public about the local cultures that formed the history of the area. It will also provide opportunities to visit recreational and cultural sites, essential to a valuable and memorable travel experience.

2. "Community Education and Participation" (30%)

The Association will promote communication and a sense of community along the highway and with connecting highways. It will increase awareness of the Association's activities as well as events and recreational opportunities along the byway for residents and travelers.

To accomplish this, CAT created a quarterly newsletter for distribution, beginning in May of 2004. See "The Milepost", a newsletter for the Strait of Juan de Fuca Hwy, volumes 1-4, attached hereto as Exhibit E. The Association will continue to produce this newsletter as part of its ongoing efforts to foster a strong sense of community along SR 112. Printed copies of the newsletter will be available free of charge at public libraries and local businesses. It will also be emailed to interested parties, such as county officials and neighboring chambers and visitor centers. By networking with and making presentations to business, tourism, and service organizations, and by providing information to the local media, the Association will keep the community informed of its activities and help to connect the community. Educational materials on important local events, highway information and available travel experiences will also be provided to businesses in an effort to keep workers who meet the traveling public informed and prepared to share information. A community "Greet 'n Meet" event was held by CAT in May of 2004, and more will be scheduled in the future to introduce the Association's directors, its purpose and goals, and to enhance community involvement in issues related to the SR 112 community, such as traffic safety and environmental stewardship.

Through its activities, the Association will strive to educate the byway community regarding its past history, present neighbors, current issues and future planning.

3. "Highway Safety" (15%)

The Association will coordinate efforts to discuss and raise awareness of highway maintenance and construction, safety, laws and enforcement issues. Community meetings will be held with local law enforcement, the DOT and Clallam County Road Department regarding concerns about a high incidence of traffic fatalities, speed control, school ingress/egress, safety pullouts, traffic rules and enforcement education, and minimizing the impact of construction projects.

As mentioned above, CAT held several meetings with the byway community and local/state agencies in 2004. These meetings resulted in increased understanding and cooperation between the agencies and local residents and businesses. The Association will continue to sponsor these types of public meetings as a way to strengthen the network of citizens and address safety issues. The safety of travelers and residents is of primary concern to the Association. Public meetings allow for a constructive and educational way to address and resolve these concerns.

4. Environmental Stewardship (10%)

The Association's purposes include promoting environmental stewardship along the SR 112 corridor. The Association will provide a venue for citizens to discuss concerns about highway maintenance procedures for right of way, re-vegetation of construction cuts and a means for volunteer involvement in DOT projects. The Association will provide information to visitors concerning the environment, location of public recreational areas and private property rights.

The Association realizes the importance of good environmental stewardship. The Association will attempt to bind the community in efforts to understand and seek resolutions to environmental concerns and to further educate the traveling public.

5. Funding Opportunities (10%)

The Association will explore funding opportunities to support its community projects and activities. This task requires coordinating efforts to work with government agencies and with foundations to form a financial base for projects (such as interpretive, road signage, safety projects and recreation access) and to build an organizational structure to cover minimal operating costs.

Networking with other byways and agencies will allow the Association's activities to move forward effectively. Prior to the formation of the Association, grants were secured and implemented to write the Plan in 1999-2000, to build an interpretive project in 2000-2001 and to fund the organization's building year in 2004. An application for a grant to form a business plan has been approved for 2005-2006 by the National Scenic Byway Program, part of the FHWA.

III. Basis for Exemption.

A. The Association is organized and will operate exclusively for charitable purposes and should be recognized as an organization described in Section 501(c)(3) and the regulations thereunder.

C. In General.

Section 501(c)(3) describes organizations that are "organized and operated" exclusively for charitable purposes. Treasury Regulation Section 1.501(c)(3)-1(d) provides that an organization that meets both the "organizational" and "operational" tests specified by the Code and Regulations will be exempt under that section.

D. Organizational Test.

The Association meets the organizational test of the Code and Regulations. Its Articles of Incorporation provide that the Association is organized and operated exclusively for charitable, scientific, literary, or educational purposes, within the meaning of Section 501(c)(3). Although the Association is empowered to perform various acts in furtherance of its stated exempt purposes, those powers are expressly limited to those permitted to organizations qualified for exemption under

Section 501(c)(3). In the event the Association is liquidated or dissolved, its assets must be distributed for similar or identical uses and exclusively for charitable purposes within the meaning of Section 501(c)(3).

E. Operational Test.

An organization will be regarded as “operated exclusively” for one or more exempt purposes if it engages primarily in activities that accomplish a purpose or purposes defined in Section 501(c)(3). Treas. Reg. Section 1.501(c)(3)-1(c). The Association will be operated exclusively for exempt purposes because its planned activities are “charitable,” as that term has been defined for purposes of the operational test. Treasury Regulation Section 1.501(c)(3)-1(d)(2) states that the term “charitable,” as used in Section 501(c)(3) includes, among other things, the “erection or maintenance of public buildings, monuments, or works” and the “lessening of the burdens of Government.”

The Association will lessen the burdens of Government and provide a general public benefit to the citizens and visitors of the SR 112 community. The general public will benefit from the Association’s activities along SR 112 through the various recreational, safety, educational and environmental programs that the Association will provide. The Internal Revenue Service (the “IRS”) has previously held that an organization formed to preserve and improve an area that is used by the public for recreational purposes qualifies for tax exemption. Rev. Rul. 70-186, 1970-1 CB 129. The IRS has also found that an organization formed to improve traffic safety qualifies for exemption from Federal income tax because its activities lessen the burdens of Government and are educational. Rev. Rul. 76-418, 1976-2 CB 145. While that organization’s activities were limited exclusively to traffic safety, which is one aspect of the Association’s activities, it is similar in that it offered educational programs for community groups and distributed pamphlets and brochures free of charge. *Id.*

To determine whether an organization lessens the burden of Government, the IRS has previously considered whether: (1) the governmental unit considers the activities to be lessening its burden, and (2) such activities actually lessen the governmental burden. Rev. Rul. 85-2, 1985-1 CB 179. The Association has been awarded government grants designed specifically to support the work of scenic byway associations and it works closely with governmental agencies. The Association will complete projects that were previously undertaken by the government, for example, the recreation brochure that was previously produced by the DOT. By providing educational materials on highway safety and environmental stewardship, signage along the highway and recreational information, the Association will lessen the burdens of Government.

The Association is also organized for educational purposes. It is not uncommon for the IRS to treat organizations as both educational and charitable. *See, e.g.*, Rev. Rul. 60-143, 1960-1 CB 192. The Regulations define the term “educational” as relating to “[t]he instruction of the public on subjects useful to the individual and beneficial to the community.” Treas. Reg. Section 1.501(c)(3)-1(d)(3)(i)(b). An organization need not necessarily offer formal classroom instruction to qualify for exemption as an educational organization. *See, e.g.*, Treas. Reg. Section 1.501(c)(3)-

1(d)(3)(ii), (providing as an example of an educational organization, “(2) An organization whose activities consist of presenting public discussion groups, forums, panels, lectures, or other similar programs.”)

F. Conclusion.

The Association should be recognized under Section 501(c)(3) because it is organized and operated exclusively for charitable purposes.

PART V.

**COMPENSATION AND OTHER FINANCIAL ARRANGEMENTS
 WITH YOUR OFFICERS, DIRECTORS, TRUSTEES, EMPLOYEES,
 AND INDEPENDENT CONTRACTORS**

Question 1a.

Name	Title	Mailing Address	Compensation amount (annual actual or estimated)
Joseph Murray	Director President	1551 Pysht River Road Clallam Bay, WA 98326	none
Alex Stevens	Director Vice President	PO Box 199 Joyce, WA 98343	none
Sande Balch	Director Secretary	199 Dan Kelly Road Port Angeles, WA 98363	none
William Drath	Director Treasurer	PO Box 171 Clallam Bay, WA 98326	none
Mark Mouzakis	Director	41 Harrison Beach Road Port Angeles, WA 98363	none
Margaret Owens	Director	612 Schmitt Road Port Angeles, WA 98363	none
Loren Kreutner	Director	134 Bishop Road Port Angeles, WA 98363	none

Name	Title	Mailing Address	Compensation amount (annual actual or estimated)
Greig Arnold	Director	PO Box 115 Neah Bay, WA 98357	None
James McLeod	Director	4281 East Beach Road Port Angeles, WA 98363	None

Question 5a. Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c.

The board of directors of the Association unanimously adopted a conflict of interest policy by resolution at the Organizational Meeting held on January 24, 2005. The conflict of interest policy is attached to this Application as Exhibit F.

PART VIII.

YOUR SPECIFIC ACTIVITIES

Question 4a. Do you or will you undertake fundraising? Attach a description of each fundraising program.

The Association will solicit contributions once it is recognized as exempt under Section 501(c)(3). The Association's board of directors will solicit donations on the Association's behalf from individuals. Solicitations will be made through personal contacts, rather than through mailings or other mass appeals. The Association does not anticipate that it will employ a professional fundraiser.

The Association's board of directors will solicit members of the SR 112 community to become dues paying members of the Association. The Association will also explore foundation grants and continue to seek government grants to fund its activities. FHWA grant funds are available to scenic byways for development of corridor management plans; byway facilities; pedestrian, bike and interpretive projects; marketing and business plan development; interpretive information; safety improvements, recreation access and resource protection. The Association will explore additional transportation grants outside the scenic byway program for interpretive and safety projects, government agency and private foundation funding for trails and recreation and grants from private foundations to further its educational and cultural activities.

Question 4d. List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

The Association anticipates that it will conduct fundraising in Washington State. The Association will conduct its own fundraising efforts.

Question 7b. Do or will persons other than your employees or volunteers manage your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees.

Part of the grant budget for the SR 112 seed grant, funded by the FHWA through the National Scenic Byway Program, will go towards hiring a part-time byway coordinator. The coordinator is not an employee of the Association. The position of byway coordinator was advertised by Clallam County Public Works, acting as the Certification Acceptance (administrator/overseer) for the FHWA grant project, through a public RFP process where written applications were required and interviews conducted.

The coordinator is hired by Clallam County (and is supervised by the Clallam County Public Works Department) as an independent contractor to coordinate with Clallam County in fulfilling the goals of the grant. The coordinator position was designed to provide a point person to support the corridor team in their meetings, lead the effort in developing a corridor communications/information plan, develop a newsletter, revise and print a recreational brochure for the byway and to lead the effort of establishing a non-profit corporation for the corridor.

The coordinator is responsible for implementing ideas, following through on the details when decisions are made at meetings, and for training and establishing connections to agencies and other byways as a means of researching byway projects. Although not an employee of the Association, the coordinator will assist the Association to achieve its purpose. The coordinator will have no authority over any decisions made by the Association. Funds for the grant are held by the DOT and bills are paid upon approval through Clallam County on a reimbursement basis.

The coordinator will continue the daily work of grant implementation and ease the burden of work on the volunteer membership and board of directors. Currently, Sandra Balch is serving as the coordinator. Ms. Balch is also an officer (Secretary) and director of the Association.

Question 15. Do you have a close connection with any organizations? If "Yes," explain.

The Association shares office space with the Chamber, an organization whose purpose is to promote tourism and economic development in the Clallam Bay-Seki area. The Chamber pays rent for the office space used by the Association. The Association pays its own phone and Internet costs with grant funds. Clallam Bay and Sekiu are considered part of the SR 112 highway community. Therefore, some cooperative efforts in education and community building may take place between the Chamber and the Association.

Part IX.

FINANCIAL DATA

A. Statement of Revenue and Expenses

Line 23. Any expense not otherwise classified, such as program services.

A. Statement of Revenue and Expenses						
		Current Tax Year	Proposed Budget for 2 Years			
		(a) From: 11/29/04 To 12/31/05	(b) From 1/1/06 To 12/31/06	(c) From 1/1/07 To 12/31/07	(d) _____	(e) Total
E X P E N S E S	Other Expenses					
	Filing/Application Fees	\$30.00	\$500.00			\$530.00
	Projects		\$5705.00	\$8520.00		\$14225.00
	Postage/Supplies/Copies	\$120.00	\$730.00	\$580.00		\$1430.00
	Training/Education	\$45.00	\$1884.00	\$2000.00		\$3929.00
	Total	\$195.00	\$8819.00	\$11,100.00		

EXHIBITS

- Exhibit A:** Articles of Incorporation of the Juan de Fuca Scenic Byway Association, dated November 29, 2004.
- Exhibit B:** Bylaws of the Juan de Fuca Scenic Byway Association, dated January 24, 2005.
- Exhibit C:** The Strait of Juan de Fuca Highway, A Management Plan for the State Route 112 Corridor.
- Exhibit D:** Brochure for State Route 112, Washington, A National Scenic Byway
- Exhibit E:** "The Milepost", a newsletter for the Strait of Juan de Fuca Hwy, Volumes 1-4
- Exhibit F:** Conflict of Interest Policy

Exhibit	Amount	Amount	Amount	Amount	Amount
Exhibit A					
Exhibit B					
Exhibit C					
Exhibit D					
Exhibit E					
Exhibit F					
Total					