STATE OF OKLAHOMA
DEPARTMENT
OF COMMERCE

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OKLAHOMA

July 19, 2006

Ms Elayne Sinon
Board President
5633 Cimarron Manor
Guthrie, OK 73044

As you are aware, we have extended our policy regarding your status within the Oklahoma Main Street Center A condition of our contract for services with your organization is the employment of a full time program manager Because of your cash flow problems outlined in my letter of May 2nd, we extended the time period for you to retain a full time program manager Contractually, you had 4 months to retain a new manager but we have gone several months past that now

I realize that you have a part-time volunteer manning the office occasionally but that will not suffice I must require that you have a full time, paid manager on staff **no later than September 30, 2006.** If you do not meet this requirement by September 30, you will be suspended

Another contractual requirement is that your organization has four working and meeting committees Currently, I am aware of only your Promotions Committee and your Organization Committee meeting on a somewhat regular basis

Please, be aware that currently you are not a fully functioning Main Street program and you are not eligible for Main Street Energy Grant funds, should any be received this year I am sure you understand that communities with fully functioning committees and paid staff would be highly critical if they were to lose energy funds to a program that was not meeting its contractual obligations

Also, upon further examination of your application and the pledge documentation you provided to us, it seems that the application itself was in error Had your application been correctly completed you would not have been accepted into the program in 2005 We would have worked with you to show you the potential cash flow problem so that you could have corrected the funding shortfall before reapplying for admission

You see, in your application at least one-third and probably more of the pledges you listed as cash donations were in actuality in-kind Thus, you have a serious cash flow problem and have not been able to retain a full-time manager In particular, $10,000 of your listed "cash" pledges was from Jeff Hirzel, owner and manager of a local law firm This was for in-kind legal services for the first year of the program If this had not been marked cash in the application, we could have told you that there was no need for $10,000 in legal services during the first year of any local program Whoever completed the contributions portion of the application incorrectly listed it (and others) under "cash donations" to the program

In the Narrative portion of your most recent contract with the Oklahoma Main Street Center, you describe the local program's greatest failure as "not having sufficient leadership from the State Office for the Board of Directors to help understand the key responsibilities of the board and understanding the importance of immediate fund raising " You added that, "There was no guidance provided in the area to a new community " I must object to this answer as we do **not** recommend that first year programs undertake major fundraising activities and would not be training you to do so You see, if you had completed the application correctly and were accepted into the program, you would not be having funding problems in the first year, a year that is busy with basic organizational training

I am sorry you must to try to raise additional funds to support the employment of a manager, but it is not because of insufficient leadership from the Oklahoma Main Street Center However in an effort to try to overcome this unfortunate situation, we will try to assist you in your efforts and will be happy to appear before your City Council at any time to explain the problems We sincerely want your program to succeed but have extended the rules for Guthrie and are being criticized for this by other communities who are working hard to abide by them

Please know that suspension of services does not mean that you are placed on the inactive list It only means that we cannot provide you with services until you come back into compliance Even if you should go inactive, you would have a year to come back into compliance before you would need to reapply to enter the program

Let me know what we can do to assist you

Sincerely,

Linda Barnett

Linda Barnett, Director
Oklahoma Main Street Center
Oklahoma Department of Commerce

cc Guthrie City Council
c/o Mayor Jon Gumerson
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