

MINUTES

Detroit Employment Solutions Corporation (DESC) Board
Audit & Finance Committee Meeting
Tuesday, June 13, 2017

Time: 9:00 a.m. – 10:30 a.m.
Location: 440 East Congress St., 3R Conference Room, Detroit, Michigan 48226
Facilitator: Chris Uhl, Chairman

Committee Members Present: Chris Uhl, Ric Preuss (phone), Mark Redman and Alice Thompson

Committee Members Absent: Paul Trulik

DESC Staff Present: Nicole Sherard-Freeman, Alessia Baker-Giles, Jade Bursey, Lynnette Robinson and Cristal Perry

Others Present: Reginald Davis Public

Welcome and Introductions

The Meeting of the Detroit Employment Solutions Corporation (DESC) Board Audit and Finance Committee was called to order at 9:11 a.m. by Chair Chris Uhl. A motion was made by Member Mark Redman to approve the Draft Agenda of June 13, 2017, supported by Director Alice Thompson. Motion Carried Unanimously.

A motion was made by Director Thompson to approve the minutes of the April 17, 2017 meeting, supported by Member Redman. Motion Carried Unanimously.

Finance Report Update **2018 DESC Budget**

Nicole Sherard-Freeman, President/CEO, DESC thanked everyone for taking the time to be present at the meeting and the Finance Team for their work on putting the proposed budget together and Apparatus Solutions for helping reformat the budget this year.

Alessia Baker-Giles, Director of Finance, DESC introduced Lynnette Robinson, Accounting Manager, DESC and Jade Bursey, Senior Accountant, DESC.

Ms. Baker-Giles began by stating that minor changes were made to accommodate the Mayor's Workforce Development Board. She also stated that some formatting changes were made to the Budget Comparison sheet to include the approved 2017 Budget. Ms. Baker-Giles explained that the 2018 Budget reflects a \$4 million increase over what was proposed for 2017 with the major additions to the 2018 budget being the \$4.9 million carried in from the current year and a 20% PATH decrease also had to be figured in as well. She explained that the \$4.9 million carry-in reflects WIOA Adult, Dislocated Worker, Wagner Peyser ES and Summer Youth and Beyond. Also, a no-cost extension was granted to DESC for the DOL Demonstration Grant through December 2017. After discussion, a motion to approve the 2018 budget was made by Member Mark Redman, supported by Director Alice Thompson. Motion Carried Unanimously.

Chair Chris Uhl inquired about the CFO search. Ms. Sherard-Freeman stated that services were rendered by UHY and four candidates were screened and three of them were a good match and will be scheduled for an interview.

Chair Uhl also inquired about the year-end audits. Ms. Baker-Giles responded by saying that the fiscal year ends June 30th and the Audit firm, Abraham and Gaffney usually comes the second week in July and will be here in approximately two weeks and pull documents and then they will leave and return in September. She explained that the books should be closed by September and they will finalize the audit in September. Mr. Uhl asked the other committee members if there is anything that he should be aware of with the audit process. Director Thompson responded not that she can recall and Member Redman responded that one thing that didn't make sense to him was that the audit was not presented to the Audit and Finance Committee for recommendation before going to the full Board. Chair Uhl questioned if that was typical and Ms. Baker-Giles responded that it was just past practice and going forward it can be brought to Audit and Finance first.

Chair Uhl requested that over the next twelve months the team start thinking of an action plan. He also asked for an update on the next level with Non-Profit Financing Funding Consultants (NFF). Ms. Sherard-Freeman responded that there is funding for phase two of NFF's work with DESC and gave a few ideas on how NFF's services may be used. She also stated that she would like to bring to the committee a series of options for their input on how to best utilize NFF before finalizing the next step.

Public Comment

Reginald Davis, customer was present and expressed the following:

1. The person on the van (Mobile One Stop) is not trained and the only thing that he can do is register customers for Detroit at Work and no one really know what Detroit at Work is.
2. Coordination of who you are and what you do needs to be better.
3. One-stops need to address the needs of the customers and one of those needs is on-line training.
4. Love what was done with the youth at Cobo because it presented the kids front line what it's like to acquire a job, having to go through the process of convincing them to give you the job.
5. As far as supportive services, there will be more requests for DOT medical cards because that is a requirement for those who have a CDL. There will also be more requests for certification for IT and special programs.
6. What population will be able to participate in the Randolph program and will the participants receive certificates.

Adjournment

With no further business to come before the Audit and Finance Committee, a motion to adjourn the June 13, 2017 meeting was made by Director Thompson, supported by Member Redman. Motion Carried Unanimously.

The meeting adjourned at 9:49 a.m.

Prepared by: Cristal Perry

APPROVED: August 21, 2017