

**DRAFT MINUTES**  
Detroit Employment Solutions Corporation (DESC)  
Board Meeting  
Wednesday, April 16, 2014

Time: 8:30 a.m. – 10:30 a.m.  
Location: 440 East Congress, Suite 400, Detroit  
Facilitating: Cal Sharp, Chairman

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Directors Present: Cal Sharp, George Swan III, Art Dudley, Larry Steward (via phone), Veronica Madrigal, Al Nelson, Saunteel Jenkins, David Carroll  
Directors Absent: Kenyetta Bridges, Alice Thompson (Excused)  
Staff Present: Pamela Moore, Jose Reyes, Stephanie Nixon, Kristin Bailey, L'Tanya Clegg, Ciara Ginyard, Robin Johnston, Lynne Scully, Cassandra Ricks, Alessia Baker-Giles  
Guests Present: Doug Cotter, Emma Velasco, Stefen Welch, Jim Donohue, Grant Associates; Alan Panter, Abraham & Gaffney

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**PROCEEDINGS**

The Meeting of the Detroit Employment Solutions Corporation (DESC) Board was called to order at 8:30 a.m. by Mr. Cal Sharp, Chair. Chair Sharp welcomed all and asked for introductions around the room. A motion was made by Director George Swan to approve the Draft Agenda of April 16, 2014, supported by Director Larry Steward. Motion Carried Unanimously. A motion was made by Director Swan to approve Draft Minutes of the Special March 24, 2014 Meeting and Draft Minutes of February 20, 2014, supported by Director Veronica Madrigal. Motion Carried Unanimously.

**DETROIT EMPLOYMENT SOLUTIONS CORPORATION PRESIDENT/CEO REPORT**

Ms. Pamela Moore, President/CEO at DESC, shared the following updates:

**Audit and Finance Committee** – Members will hear from Abraham and Gaffney later this morning regarding DESC's Annual Audit.

**2013 – 2014 Budget** – DESC's budget is on track at 61% in expenditures, which is a little low, but since DESC is allowed to carry in unexpended dollars, staff does not foresee any issues. As mentioned at the last meeting, DESC was overspent due to moving expenses in the moves from 707 Milwaukee and Fort Street but is on track in other categories.

**IRS 990 Filings** – The Form 990 for 2012 was filed by Abraham and Gaffney. Butzel Long is preparing a petition to change DESC's 501(c)(3) status from a private foundation to public charity. DESC will complete necessary documentation by Friday, April 18<sup>th</sup>. Also, the filing of the Form 990 allowed DESC to obtain Fraud and Cyber Insurance, which means all insurance requirements have been met.

**DESC Reorganization** – Mr. Jose Reyes, Chief Operating Officer at DESC, will go over DESC's re-organization which will begin July 1<sup>st</sup>. Staff will be consolidated in some areas and streamlined in others.

**Planning Activities** – Ms. Moore provided a brief overview of a number of grants that DESC is currently pursuing.

**Strategic Planning Committee** – Ms. Moore met recently with Mr. Bryan Barnhill and Mr. Tom Lewand of the Mayor's office about Board vacancies. She will keep the Board updated on the appointments.

**Performance** – Ms. Moore asked Ms. Stephanie Nixon, Director of Contract Administration at DESC, to speak on the failed performance measure and how DESC plans to address it. Ms. Nixon explained that the failed performance measure was the Dislocated Worker Average Wage. DESC plans to petition the State of Michigan to lower the wage benchmark for the measure as wages have decreased for dislocated workers re-entering the workforce in comparable industries. Ms.

Nixon shared that although jobs are returning, they are not paying the same wages as they did previously. Ms. Nixon is preparing documentation for Ms. Moore to review and sign that will be sent to the State of Michigan requesting a lower wage benchmark.

Director Al Nelson requested that Board members be made aware of ways in which they can provide assistance to the agency. Ms. Nixon agreed that staff will inform members where help is needed. Ms. Moore asked Mr. Robin Johnston, Communications Manager at DESC, to provide information and success stories to Board members to enable them to have information when they are speaking to others about DESC. Director Nelson reiterated the need for DESC and the Board to invest in getting the word out on the great things being done.

Ms. Moore also shared the following goal updates:

Placement Goal – 9,500 (5,926 to date – PATH outcomes may not meet 6/30/14 goal) because fewer people are getting into the program due to changes in the rules, which means fewer people are getting placed into jobs.

Training Goal – 3,371 (1,886 to date – expected to meet 6/30/14 goal).

Discussion ensued among the members about the importance of keeping accurate data at the agency.

In addition, Ms. Rose Wilson is DESC's new Business Services Representative and has also been placed in charge of the Hire Detroit! initiative.

**Youth Program Innovation** - The agency is working with Grand Circus, which is a Dan Gilbert IT training agency. It began on February 24, 2014 with a cohort of twenty-six Osborn students, which will receive sixty hours of training in computer application coding along with paid work experience. **Quicken Loans** - DESC to date has referred fifty-six year-round program youth to apply for Quicken's summer employment program. The goal is to refer one-hundred young people. **City of Detroit's General Services Department Partnership** - DESC has supplied thirty-nine older youth for outdoor summer jobs making \$9.25/hour. These youth will earn a credential in pesticide application and a hi-lo operator's license.

**Governor's Economic Summit** – Region 10 won the Best Collaboration Award. In addition, Region 10 presented a "Career Awareness Incubator" collaborative which highlights the fully integrated talent system that connects industry needs to raise awareness and readiness at the K-12 level.

Ms. Moore also shared that she and Ms. Janet Howard, Deputy Director from the State of Michigan's Workforce Development Agency, went to Washington D.C. and offered a presentation on the D-RAP program, which was well-received.

**DESC Re-Organization** – Mr. Jose Reyes presented an updated organizational chart, explaining that DESC is now reorganizing so it can streamline operations and fall in line with DESC's mission and vision. Mr. Reyes provided a brief overview of the organizational chart. Brief discussion ensued regarding the current staffing level at DESC and projected changes.

### **ONE-STOP REPORT**

Mr. Richard Acosta, Director of One-Stop Services, Grant Associates, provided an analytical report of current data and how this information informs strategic decision-making. He reviewed services that were provided last year and strategic initiatives for the centers going forward. Mr. Acosta also provided a report on current job openings as well as the following update on special populations:

**Disabilities:** Staff visited Bureau of Services for Blind Persons in Kalamazoo for a three-day training seminar to learn how individuals who are blind/visually-impaired acquire the skills, strategies and attitudes necessary for overcoming the many challenges presented by blindness.

Returning Citizens Initiative: The first workshop was held the week of March 17, 2014. Nineteen participants completed the workshop, and three job placements took place. A trainer, account manager and career advisor have been designated to support workshop participants with job readiness and employment.

Recruiting for the Vets to AG training program: There is a collaboration with the WDA/Veteran Services Division, and training is scheduled to begin April 28<sup>th</sup> at Michigan State University.

### **REVIEW/APPROVAL OF CONTRACTS**

**Youth Development Commission Contract Modification** – Ms. Stephanie Nixon reviewed the Youth Development Commission (YDC) contract modification for the contract period of July 1, 2013 to June 30, 2014. Staff is asking the Board for approval of an additional \$324,000.00 to provide the resources to offer expanded workforce development services to WIA-eligible in and out of school youth. These services will include the STEM Genius Program that offers students training in Underwater Robotics, Amusement Park Physics and Biomedical Engineering. This modification increases the Year-Round Services Coordination budget from \$1,905,279.00 to \$2,229,279.00.

**Midnight Golf Program Contract Modifications** – Ms. Nixon reviewed the contract modification for Midnight Golf. She explained that for the contract period of July 1, 2013 to June 30, 2014, staff is asking the Board for approval of an additional \$92,000.00 to provide the resources to offer expanded workforce development services to WIA-eligible in and out of school youth. This modification increases the Year-Round Services budget from \$450,000.00 to \$542,000.00.

**Jackets for Jobs Contract Modification**- Ms. Nixon explained that for the contract period of January 1, 2014 to September 30, 2014, staff is asking the Board for approval of an additional \$95,500.00 to provide work readiness etiquette services to WIA-eligible customers utilizing DESC's One-Stop Service centers. This modification increases the Work Readiness Etiquette budget from \$150,000.00 to \$245,500.00.

**Detroit Public Schools Adult Basic Education and GED Prep Program** - Ms. Nixon explained that Detroit Public Schools (DPS) was offered a six-month contract to complete the 2013-2014 contract year and offer Adult Basic Education (ABE) services in DESC's One-Stop satellite offices. Because they are in DPS buildings, Grant Associates cannot offer instruction in the satellites as they do in the full service centers. This system design will allow for customers who need more intensive basic skill instruction to receive it in a self-paced environment with the support and resources offered by DPS. The maximum amount payable by DESC to the contractor shall not exceed Three Hundred Twenty-Five Thousand Dollars and 00/100 (\$325,000.00).

**RNA Janitorial Contract Renewal** – Ms. Alessia Baker-Giles, Director of Finance at DESC, reviewed the renewal of the janitorial contract with RNA of Ann Arbor, Inc. Ms. Baker-Giles shared that the provider's proposed budget for janitorial and labor services is \$56,400.00 and the amount approved is \$56,400.00. RNA will provide daily janitorial services at the 18100 Meyers Road location and perform general maintenance duties at all locations on an as-needed basis.

A motion was made by Director Swan to approve the contracts as presented, supported by Director Al Nelson. Motion Carried Unanimously.

### **AUDIT FINDINGS REVIEW**

Mr. Alan Panter, a partner at Abraham & Gaffney, provided a presentation on DESC's annual audit. Mr. Panter informed members that they have received a copy of the annual audit as well as a handout of his presentation. Mr. Panter explained that the audit overall went well. The process did take a while due to the amount of information that was reviewed. The audit was completed on January 14, 2014. Mr. Panter shared that this information was also provided to the City of Detroit and their audit team. Mr. Panter thanked Ms. Baker-Giles and her staff for all of their hard work and assistance.

A motion was made by Director Swan to approve the Audit Findings review, supported by Director Madrigal. Motion Carried Unanimously.

**DESC COMMUNICATIONS REVIEW**

Mr. Robin Johnston presented an update on DESC's communications efforts, sharing that DESC now has a new website with a designated employee page, information regarding job search facilities, and that the agency also has Facebook, LinkedIn, Twitter, and YouTube pages.

Mr. Johnston circulated around the room some informational handouts about the agency. In the area of community engagement, Mr. Johnston explained that eleven events have been scheduled for the month of April where DESC goes out into the community to engage job seekers and well as Workforce One mobile unit. Mr. Johnston explained that there are a number of community events going on each month throughout the community at the community's request. DESC is also continuing to establish partnerships throughout the community. Director Nelson asked if there is a packet with agency information that could be forwarded to someone interested in DESC's programs. Mr. Johnson shared there is a lot of information available and a packet of this nature could easily be customized depending on the need.

**PUBLIC COMMENT**

Chair Sharp asked if there were members of the public that would like to address the Board. No questions were presented to the Board.

**GOOD AND WELFARE**

Director Swan asked for an update on the status of the Board survey and strategic planning session. Ms. Moore shared it is the Board's decision regarding how DESC should move forward for the strategic planning session and recommended that the Board should set a date for the planning session. A brief discussion also ensued regarding the filing of the Form 990 and the process for DESC to act as a public charity.

Members also discussed the idea of having an annual fundraiser. Director Madrigal shared her vision of DESC achieving unrestricted funding in order to assist in its mission.

**ADJOURNMENT**

With no further business to come before the DESC Board, the meeting was adjourned at 10:35 a.m.

Prepared by: L'Tanya Clegg