

DRAFT MINUTES

Detroit Employment Solutions Corporation (DESC)
Board Meeting
Wednesday, June 25, 2014

Time: 8:30 a.m. – 10:30 a.m.
Location: 440 East Congress, 4th Floor Conference Room, Detroit, MI
Facilitating: Cal Sharp, Chairman

Directors Present: Cal Sharp, Dr. George Swan III, Art Dudley, Al Nelson, David Carroll, Kenyetta Bridges
Directors Absent: Alice Thompson, Saunteel Jenkins, Larry Steward, Dr. Veronica Madrigal (All Excused)
Staff Present: Pamela Moore, Jose Reyes, Stephanie Nixon, Kristin Bailey, L'Tanya Clegg, Robin Johnston, Lynne Scully, Cassandra Ricks, Alessia Baker-Giles, Robert Shimkoski, Joyce Barnes, Rashid Barkaji
Guests Present: Richard Acosta, Emma Velasco/Grant Associates

PROCEEDINGS

The Meeting of the Detroit Employment Solutions Corporation (DESC) Board was called to order at 8:30 a.m. by Mr. Cal Sharp, Chairman. A motion was made by Director Art Dudley to approve the Draft Agenda of June 25, 2014 and Draft Minutes of April 16, 2014, supported by Director George Swan. Motion Carried Unanimously.

DETROIT EMPLOYMENT SOLUTIONS CORPORATION CEO REPORT

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

Audit and Finance Committee – Ms. Alessia Baker-Giles, Director of Finance, has estimated that DESC will have about \$40M as DESC starts the new program year, \$4M in rollover and about \$36M in new funding so far this year. DESC has completed all audits and all findings have been resolved. With the 2013-14 budget through April, DESC has expended about 71% but is on target to have expenditures through the end of June.

Strategic Planning Committee – The Board Strategic Planning Session will be scheduled once new Board members have been appointed by the Mayor's office.

Program Services – All third quarter Workforce Investment Act (WIA) measures were met. Placement and training numbers are currently at about 7,500. Staff had projected 9,500 through June, but the numbers are still coming in. This number is across all programs.

A brief discussion ensued among the Board members regarding changes and issues with the PATH Program. Currently, DESC is at 1,100 in training with a goal of 3,300 for the calendar year.

Detroit Registered Apprentice Program (DRAP) – Ms. Moore stated that the DRAP program is doing really well and staff is getting great feedback. There are currently 102 apprentices. Also, many agencies are interested in replicating the model that is being used here.

Youth Program Initiatives

Aspen Institute Opportunity Youth Grant – This is a collaborative led by DESC and Excellent Schools Detroit. The agency successfully completed the planning phase and applied for implementation funding for the cross-sector collaboration focused on opportunity youth defined as Americans ages 16-24, who are disconnected from public systems. DESC’s target population includes youth with substantial barriers within targeted neighborhoods.

Grand Circus Detroit (A Gilbert IT training agency) - The program graduated 22 out of 26 Osborn students who received sixty hours of training in computer application coding, along with paid work experiences. DESC has committed to continue sponsoring Osborn students through graduation.

City of Detroit’s General Services Department Partnership – DESC supplied sixty older youth for outdoor summer jobs making \$9.25/hour. They will earn credentials in pesticide application and hi-lo operator’s license. Additionally, twenty older youth will work with landscaping contractors as apprentices through DRAP. DESC will have a meeting soon regarding the placement of forty older youth in the General Services Department.

Mackinac Policy Conference – Ms. Moore stated she, Jose Reyes, Richard Acosta and Doug Cotter attended the conference and connected with businesses seeking recruitment services. Southeastern Michigan was awarded the Investing in Manufacturing Communities Partnership designation, which was announced during the conference. Ms. Moore also noted that Director David Carroll and Director Al Nelson were in attendance.

Major Projects

Blight Authority – DESC is working with City and Detroit Building Authority contractors on the blight projects. These mostly non-union jobs are great opportunities for Detroiters to get experience for skilled trades training and career opportunities.

Olympia Development - The General Contractor is working with the city and is committed to hiring local talent. Talent Demand numbers are being gathered and discussions are taking place regarding how ordinances and policies will be implemented to track and monitor hired Detroiters.

M1-Rail – The General Contractor, Stacey and Witbeck, is currently selecting sub-contractors.

City of Detroit’s Human Rights Department – Ms. Moore was named to the Human Rights Commission. The department will be responsible for oversight and compliance of workforce ordinances. Ms. Moore recommended that a “First Source” policy be created to ensure local hiring.

ONE-STOP REPORT

Mr. Richard Acosta, Director of One-Stop Services, provided the following updates:

Mr. Acosta shared that as of Tuesday, June 24, 2014, the organization is at 5,136 placements for the year. He stated that his team is trying to get as close as possible to their placement goal of 6,000. Ms. Moore noted that Mr. Acosta is reporting strictly on One Stop placements, which does not represent other programs.

A brief discussion ensued regarding transportation issues among Detroit residents as well as available opportunities in the IT field.

Director Kenyetta Bridges thanked Mr. Acosta for attending the recent public hearing of the Detroit City Council. Director Bridges stated that the Council was very impressed at the contact DESC is making within the neighborhoods and would like a DESC representative to be present at the next public hearing.

CONTRACTS

Ms. Stephanie Nixon, Director of Contracts Administration, reviewed the 2014 Contract Renewals and Modifications:

- SER Metro Detroit – WIA Year-Round Youth, a second-year contract renewal, July 1, 2014 through June 30, 2015 for \$400,000. The provider offers best practices for excellent file and case management.
- The Midnight Golf Program – WIA Year-Round Youth, a second-year contract renewal, July 1, 2014 through June 30, 2015 for \$450,000. The provider offers innovation, strong case management and has an excellent data management history.
- YMCA – WIA Year-Round Youth, a second-year contract renewal, July 1, 2014 through June 30, 2015 for \$315,000. The provider offers an excellent program design with strong in-kind resources.
- Neighborhood Services Organization (NSO) – WIA-Year Round Youth, a second-year contract renewal, July 1, 2014 through June 30, 2015 for \$440,000. Provider offers strong case management and performs well with hard-to-serve populations, particularly older, out-of-school youth.
- Youth Development Commission (YDC) – WIA Year-Round Youth/MDNR/Foster Care, a second-year contract renewal, July 1, 2014 through June 30, 2015 for \$1,713,880. The provider will serve as an SYEP coordinator as well as be responsible for registration, OSMIS data entry as well as payroll processing.
- D.B. Grant Associates – WIA Adult/Dislocated Worker, July 1, 2014 through June 30, 2015. This contract is currently in the negotiation phase and may be brought before the Board in the near future for approval pending the outcome of negotiations. D.B. Grant Associates provides job search, case management, vocational training, job placement and follow-up services to customers utilizing Detroit’s One-Stop Service Centers.
- Detroit Public Schools (DPS) – WIA Adult/Dislocated Worker, a second-year contract renewal, July 1, 2014 through June 30, 2015 for \$450,000. DPS provides adult basic education services to eligible One-Stop customers.
- Downriver Community Conference (DCC) – Trade Act Assistance/Employment Services, a second-year contract renewal, July 1, 2014 through June 30, 2015 for \$1,000,000. DCC provides employment services and Trade Act Assistance to dislocated workers.
- Providence IES – Food Assistance Employment and Training, a contract modification, October 1, 2013 through September 30, 2014 for \$10,000. Providence IES provides work readiness and job placement services to eligible customers on Detroit’s west side receiving food assistance benefits via the Department of Human Services (DHS).
- Resource Network – Food Assistance Employment and Training, a contract modification, October 1, 2013 through September 30, 2014 for \$20,000. Resource Network provides work readiness and job placement services to eligible customers on Detroit’s east side receiving food assistance benefits via DHS.
- Corporation for Skilled Workforce (CSW) – Workforce Development Consultants, a contract modification, October 1, 2013 through September 30, 2014 for \$25,000. CSW provides consulting services to the Board as well as DESC.

Chair Sharp asked whether any significant issues exist with any of the proposed renewals or modifications. Ms. Nixon answered in the negative. Director Al Nelson asked if the Board could receive documentation from staff regarding how contractors were performing. Ms. Nixon answered in the affirmative, explaining that this information could be provided to the Board at an upcoming meeting.

A motion was made by Director Swan to approve the Year Two Renewals, supported by Director Bridges. Motion Carried Unanimously. A motion was made by Director Sharp to approve the Contract Modifications, supported by Director Nelson. Motion Carried Unanimously.

Ms. Moore asked the Board to allow staff to continue with negotiations with D.B. Grant Associates and allow staff to renew the contract after negotiations are completed. A motion was made by Director Swan to allow DESC staff to continue negotiations with D.B. Grant Associates and to renew the contract after negotiations are completed, supported by Director Larry Steward. Motion Carried Unanimously.

POLICIES

Ms. Baker-Giles reviewed two items that were brought before the Board's Audit and Finance Committee for review/approval: the Internal Audit and Finance Policies and the 2014-2015 Draft Budget.

Internal Audit and Finance Policies - The internal Audit and Finance policies were drafted as a result of audit findings from Abraham and Gaffney which stated that DESC needed to have certain policies and procedures formally in place. The Audit and Finance Committee recommended approval of these policies pending the distribution of a letter from the agency's CPA affirming the policies. Ms. Baker-Giles explained that the letter is included in today's Board packets. A motion was made by Director Swan to approve the Internal and Finance Policies and Procedures, supported by Director Nelson. Motion Carried Unanimously.

The FY 2014-2015 Budget – Ms. Baker-Giles explained that the budget distributed to the Board begins on July 1, 2014. She stated that the Audit and Finance Committee has also reviewed and approved the FY 2014-2015 Budget and recommended approval. A motion was made by Director Swan to approve the FY 2014-2015 Budget, supported by Director Dudley. Motion Carried Unanimously.

PUBLIC COMMENT

No public comment was presented to the Board.

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