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MEETING:	Detroit Employment Solutions Corporation (DESC) AUDIT AND FINANCE COMMITTEE MEETING	DATE:	April 16, 2020
ATTENDEES:	DESC Board/Committee Members: Chris Uhl, Alice Thompson, Maria Woodruff-Wright, Calvin Sharp, Paul Trulik, Ric Preuss, Nicole Sherard-Freeman DESC Staff: Terri Weems, Alessia Baker-Giles, Lynnette Robinson, Robert Shimkoski, David Jackson, Elizabeth Hennessey, S. Rene Fowler Guests: Mercedes Patino	LOCATION:	Zoom Conference Meeting
BY WAY OF TELEPHONE:		CALLED TO ORDER:	10:02 a.m.
ABSENT:	Excused: Mark Redman Unexcused:	ADJOURNED:	10:44 a.m.
FACILITATOR:	Chris Uhl, DESC Treasurer, Audit and Finance Committee Chair	<u>PREVIOUS MINUTES APPROVED/ADOPTED:</u>	January 30, 2020

ITEM	DISCUSSION	OUTCOME/ACTION ITEM(S)
I. Welcome, Roll Call and Introductions	<p>Chris Uhl, DESC Treasurer, Audit and Finance Committee Chair, called the meeting to order at 10:02 a.m., April 16, 2020 by way of the Open Meetings Act, In response to the COVID 19 virus pandemic and consistent with the provisions of Governor Whitmer’s Executive Orders #2020-15 (“Temporary Authorization of Remote Participation In Public Meetings”) and #2020-21 (“Temporary Requirement To Suspend Activities That Are Not Necessary To Sustain or Protect Life”), this Meeting will be conducted entirely by remote access.</p> <p style="text-align: center;">Chris Uhl, requested a Motion to approve the Meeting’s Draft Agenda: Motioned: Calvin Sharp Seconded: Ric Preuss Motion Carried-Passed/Approved Unanimously</p> <p>Chris Uhl, requested a Motion to approve, January 30, 2020, Draft Meeting Minutes with the necessary corrections (see Action Item column): Motioned: Alice Thompson Seconded: Paul Trulik Motion Carried-Passed/Approved Unanimously</p>	Meeting Minutes Correction word minor edits.

<p>II. Old Business</p>	<p>There was no old business to discuss</p>	
<p>III. Finance Report</p>	<p>COVID -19 update</p> <p>Terri Weems reported DESC has moved to a virtual platform to provide services online by way of Launchpad, participant assistance is also available through our Detroit at Work phone number for those without internet access.</p> <p>DESC created a Job Seeker Portal within launchpad which automatically matches job seekers to available jobs that are in high demand areas, such as grocery stores and the medical field. There are about 2200 positions initially currently available which are featured on our Detroit at work website.</p> <p>Unemployment Insurance remains an area of focus. The State’s Unemployment Insurance Agency have asked to borrow staff from MWAs across the state to help with capacity. We are in close communication with the State and look forward to helping them address their current needs.</p> <p>The plan for Grow Detroit’s Youth Talent (GDYT) is ongoing. Our team is gearing up for both potential realities this summer: on-site work experiences for employers who have re-started once the Stay at Home order is lifted, and/or on-line experiences where young people work and learn online. We have identified platforms to support delivering content that reinforces learning objectives.</p> <p>DESC has raised approximately \$7.3M of our targeted goal, we are also working on securing funding in partnership with Connect Detroit. In the coming weeks we expect to have a better sense to which degree we need to increase our funding to cover the cost of assuring all of our participants have a paid on-line summer experience, that includes technology.</p> <p>DESC has assessed our cash needs and have determined we are not at risk of running out of funding through the end of the fiscal year (June 30), however, funding beyond that is extremely uncertain given the States financial position. We have engaged with the state in conversations about the availability of cash and been advised we should not be concerned. The state does not currently expect any delays, despite working remotely</p> <p>DESC has accelerated our payment terms, from net 30 to net 15 to support providers and their cash needs.</p>	



	<p>DESC has set aside an emergency budget for COVID-19, those funds come from our contingency line item the board approved as part of our budget in June 2019.</p> <p>Part of the COVID-19 budget was used for technology allowing DESC and Career Center staff the ability to work from home. We have technology in place to ensure that our Career Center staff can answer calls and support customers from home.</p> <p>Chris Uhl, expressed his concern in regards to DESC pursuing funding from the stimulus packages particularly the Paycheck Protection Program. he stated it would be a source of cash which should be applied for.</p> <p>There was much discussion regarding the matter and the group concluded that due to uncertainty, the board urged DESC to rethink the decision and take a closer look into taking advantage of the Paycheck Protection Program.</p> <p>BUDGET</p> <p>As it relates to DESC’s Budget, we are going to approach it the same way as in the past, with the focus on the work we want to accomplish.</p> <p>DESC expects to focus primarily on training, to get citizens back to work. There will be a need for paid experience associated with training to ensure people continue to have a revenue source. We are also focusing on blending and braiding where appropriate.</p> <p>Nicole Sherard Freeman shared with the board that Mayor Duggan asked that his Workforce Development Board staff talk with experts across the nation and what other economic development systems are doing and how workforce is responding and get some global intel from watching what’s happening in Wuhan, Italy, and other places that were hit harder first.</p> <p>A couple of things are emerging across the country, many are using this as an opportunity to retool the relationship between adult training, education, community college systems, and any providers that may exist in the Ecosystem. We are looking at that as well.</p>	
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	<p>AUDIT SERVICES RFP</p> <p>Alessia Baker Giles provided an update on the Audit Services RFP to engage DESC’s Annual Audit 990 tax return. Five (5) proposals were received. Met last week with a team of five including two board members, Chris Uhl and Mark Redman. A recommendation was presented to Terri Weems for Plante Moran to continue as the Auditor of Record for the Detroit Employment Solutions Corporation. We are required to reissue the RFP for auditing services every three years.</p> <p>We must recommend formally that <u>the Audit and Finance Committee consider Plante Moran for the next three year audits.</u></p> <p>Chris Uhl: Requested a Motion to approve Motion by Paul Trulik Seconded by Alice Thompson</p> <p>Chris Uhl suggested adding the scoring sheet for the RFP’s in the next process to make it a little easier.</p> <p>POLICY- Capital Advances</p> <p>Terri Weems stated DESC has an existing policy which outlines how we disburse funds to vendors with a goal to minimize time. Generally, we operate under Net 30 we have decreased our payment terms under the current environment to Net 15 to ensure vendors are being paid timely.</p> <p>We are also considering whether some vendors might qualify for cash advances for the upcoming Fiscal Year. We plan to outline the same considerations we brought to the committee previously on our Evaluation of Training Providers, where we evaluate their financial statements and their cash positions to determine if and when cash advances can be done. As our partners and providers emerge from this situation, they may not be able to continue under the traditional cash reimbursement process that we currently operate under.</p>	
<p>IV. New Business</p>	<p>Ric Preuss stated regarding COVID-19 listed a few things we should think related to employers wanting employees to return to work, and reviewing safety protocols?</p> <p>The city of Detroit is preparing a playbook to support employers in this area.</p>	



	Nicole Sherard Freeman informed the committee that the questions Ric Preuss raised, DESC is already considering. The 1900 jobs we have posted as Ready to hire all have indicated that PPE is provided and whether the job requires direct customer contact.	
V. Public Comments	No emails from the public	
VI. Adjournment	<p>Chris Uhl, DESC Committee Treasurer, Audit and Finance Committee Chair requested a motion to adjourn the meeting:</p> <p style="text-align: center;">Motioned: Alice Thompson Seconded: Paul Trulik Motion Carried-Passed/Approved Unanimously</p>	

DRAFT SUBMITTED BY:

Printed Name: S. Rene Fowler

Title: Executive Administrative Assistant

Signature: *S. Rene Fowler*

Date: April 27, 2020

DATE MINUTES APPROVED/ADOPTED: 6/18/2020 Initials: srf

NEXT MEETING: June 18, 2020, 10:00 a.m. – 11:30 a.m., Detroit Employment Solutions Corporation, 440 E. Congress, Suite 400, Detroit, MI 48226 or via Zoom.

