

MINUTES

Detroit Employment Solutions Corporation (DESC) Board Audit & Finance Committee Meeting Wednesday, September 28, 2016

Time: 1:00 p.m. – 2:30 p.m.
Location: 440 East Congress St., 3R Conference Room, Detroit, Michigan 48226
Facilitator: Director Alice Thompson

Committee Members Present: Alice Thompson, Ric Preuss (via phone), Mark Redman and Paul Trulik (via phone)

Committee Members Absent: Laura Hughes

DESC Staff Present: Jose Reyes, Alessia Baker-Giles, Lynnette Robinson, Chauncey Samuel,
Robert Shimkoski, Cassandra Ricks, Jade Bursey, Deondra Parks, Brandon
Jessup, Joycelyn Malcolm carr, Kristin Bailey and Cristal Perry

Welcome and Introductions

The Meeting of the Detroit Employment Solutions Corporation (DESC) Board Audit and Finance Committee was called to order at 1:14 p.m. by Director Alice Thompson. A motion was made by Member Mark Redman to approve the Draft Agenda of September 28, 2016, supported by Member Paul Trulik. Motion Carried Unanimously. A motion was made by Member Redman to approve the minutes of the August 31, 2016 meeting, supported by Member Trulik. Motion Carried Unanimously.

Funding Recommendation

Construction Basic Skills Training Providers

Member Mark Redman recused himself from the discussion and vote due to a conflict of interest. Mr. Redman left the room.

Mr. Robert Shimkoski, Policy Planning & Resource Development Director, DESC, gave an overview of the proposal and stated that the contract is being awarded to Reading Works who is a co-applicant with Southwest Economic Solutions and Dominican Literacy, with Reading Works being the lead agency. Director Thompson inquired about co-grantee arrangements. Mr. Shimkoski replied that according to the state procurement policy, the co-grantees are equally responsible for the outcomes and all of the work that is done. Ms. Alessia Baker-Giles, Director of Finance, DESC, explained that according to the funding recommendation, checks would be issued to Reading Works. Director Thompson asked if the contract name would be in Reading Works or all of them. Mr. Shimkoski replied that is something that needs to be worked out during contract negotiations. Member Trulik made a motion to approve the funding recommendation as presented by staff, supported by Director Ric Preuss. Motion Carried Unanimously.

Member Redman re-entered the room.

Finance Report Update

Monthly Grant Analysis Update

Alessia Baker-Giles, Director of Finance, DESC introduced the newly hired Senior Accountant, Ms. Jada Bursey and gave a brief overview of some of the duties she will be taking on. Ms. Baker-Giles reported that she has been working with a mentor that has been assigned to her from DTE, and she will be redesigning the reports that are provided to the audit and finance committee which will give more detailed valuable information and the newly designed report should be available by the November committee meeting. She also explained that there are no grants highlighted in yellow which means for the most part DESC is on target to expend the funds and is not in danger of sending funds back to the State of Michigan.

Balance Sheet Review

Ms. Baker-Giles stated that the balance sheet hasn't changed much. She reported that non-restricted assets did go down and \$133 had to be used at close out for one of the grants that was over expended by that amount. Ms. Baker-Giles also reported that Abraham and Gaffney finalized their field work for the annual single audit and verbally they said they didn't find any issues so there should not be any findings, the only item they questioned were some packing slips that were not signed when the person unpacked the boxes and they are going to push that up to their senior partner to see if he wants that to be a finding but they do not believe it will be a finding. She also stated that the issues from last year have been resolved and it is believed that there will not be any issues this year. A motion was made by Member Redman to accept the finance report, supported by Director Ric Pruess. Motion Carried Unanimously.

Discussion

Committee Chair/Board Treasurer

Ms. Kristin Bailey, Compliance Manager, DESC, stated that Director David Carroll is retiring from Quicken Loans and therefore is also retiring from the DESC Board. She noted that since Director Carroll served as the chair of this committee as well as the DESC Board Treasurer, it would be a good idea to add this item to today's agenda for committee discussion. Director Thompson recommended further discussion on this topic at an upcoming Board meeting.

Public Comment

There were no members of the public present.

Adjournment

With no further business to come before the Audit and Finance Committee, a motion to adjourn the September 28, 2016 meeting was made by Member Mark Redman, supported by Director Ric Pruess. Motion Carried Unanimously.

The meeting adjourned at 1:31 p.m.

Prepared by: Cristal Perry