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<b>MEETING:</b>	<b>Detroit Employment Solutions Corporation (DESC) AUDIT AND FINANCE COMMITTEE MEETING</b>	<b>DATE:</b>	June 18, 2020
<b>ATTENDEES:</b>	<b>DESC Board/Committee Members:</b> Chris Uhl, Alice Thompson, Maria Woodruff-Wright, Calvin Sharp, Paul Trulik, Ric Preuss, Mark Redman, Nicole Sherard-Freeman <b>DESC Staff:</b> Terri Weems, Alessia Baker-Giles, Lynnette Robinson, David Jackson, Elizabeth Hennessey, S. Rene Fowler <b>Guests:</b> John Allen	<b>LOCATION:</b>	Zoom Conference Meeting
<b>BY WAY OF TELEPHONE:</b>		<b>CALLED TO ORDER:</b>	10:00 a.m.
<b>ABSENT:</b>	<b>Excused:</b> <b>Unexcused:</b>	<b>ADJOURNED:</b>	10:36 a.m.
<b>FACILITATOR:</b>	<b>Chris Uhl, DESC Treasurer, Audit and Finance Committee Chair</b>	<u>PREVIOUS MINUTES APPROVED/ADOPTED:</u>	April 16, 2020

ITEM	DISCUSSION	OUTCOME/ACTION ITEM(S)
I. Welcome, Roll Call and Introductions	<p><b>Chris Uhl, DESC Treasurer, Audit and Finance Committee Chair, called the meeting to order at 10:00 a.m., June 18, 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.</b></p> <p><b>Chris Uhl, requested a Motion to approve the Meeting’s Draft Agenda:</b>  <b>Motioned:</b> Alice Thompson  <b>Seconded:</b> Paul Trulik  <b>Motion Carried-Passed/Approved Unanimously</b></p> <p><b>Chris Uhl, requested a Motion to approve, April 16, 2020, Draft Meeting Minutes:</b>  <b>Motioned:</b> Maria Woodruff-Wright  <b>Seconded:</b> Paul Trulik  <b>Motion Carried-Passed/Approved Unanimously</b></p>	

<p><b>II. Old Business</b></p>	<p>There was no old business to discuss.</p>	
<p><b>III. Finance Report</b></p>	<p><b>Policy Discussion</b></p> <p>Terri Weems provided a summary of the Department of Labor and Economic Opportunity Draft Policy Issuance “Nepotism and Potential Conflict of Interest for MWA Employees, Subrecipient Staff and Workforce Development Board members.” Will be required to be reviewed and approved by Workforce Development Board members in the future.</p> <p>John Allen, the DESC legal advisor, was present for any questions regarding the policy. There were no questions.</p> <p><b>2020 Update</b></p> <ul style="list-style-type: none"> <li>• Terri Weems stated that DESC is in good shape as it pertains to the budget; the staff has been working remotely.</li> <li>• DESC received 1.7M Payroll Protection Program (PPP).</li> <li>• 1.1M PATH funds were DE obligated to the state.</li> <li>• Ric Preuss asked whether COVID19 cost DESC more dollars?</li> <li>• Terri Weems stated yes, as it relates to personal protection equipment and janitorial supplies.</li> <li>• Nicole Sherard-Freeman thanked Marie Thompson from the Skillman Foundation for providing technology devices, to 714 youths. We still have a 3400 device gap. Partnering with DPS, Detroit at Work plan to provide 5000 Detroiters enrolled in the High School Initiative program with devices.</li> </ul> <p><b>CARES ACT</b></p> <p>Terri Weems thanked Paul Trulik for encouraging DESC to apply for the PPP, which resulted in DESC being awarded \$1.7M on May 6, 2020.</p>	



Alessia Baker-Giles provided the forgiveness requirements for the PPP, which mandates 75% used for payroll expenses and 25% to be used for mortgage, rent, and utilities.

DESC Strategy is based on the PPP Regulation changes.

- Rent and utilities for all DESC locations will be charged to PPP for the months of May, June, and July, (Congress, Northwest Activity Center, and Conner)
- Analysis of payroll cost will be performed to determine which cost will be charged to PPP and which will be charged to assigned grants ending 6/30/2020.
- Goal is to have PPPL expended by the end of July 2020 to qualify for forgiveness.

**2021 BUDGET**

Alessia Baker-Giles, Finance Director stated DESC prepared the 2021 Budget, with a focus on the strategies, as defined by the Mayors Workforce Development Board, aimed at increasing skills and employment and improving financial stability among Detroiters. Over the past several years, we have completely transformed the workforce system through our redesigning of the career centers and CTE work. Given the current environment, and especially given the impact of COVID-19 on workforce, unemployment and the future of work, we are focused on ready to Hire initiatives in the short term and greater coordination with system partners in the long term.

At the direction of the Workforce Development Board, our budget contemplates that we will continue to invest heavily in training efforts, in quality career coaching and in supporting Detroiters through barriers to employment. An emphasis will be placed on special programming, including a high school diploma program, supporting participants with stipends as they pursue training and closing the digital divide to support Detroiters who need technology to support their training and job exploration efforts. We are working on fundraising for some of this effort. Separately, we are also primed and well-positioned to support continuous improvement and innovation within DESC and across our partners.

**The following categories were walked through and discussion held as necessary:**

In preparing the 2021 budget, DESC considered the following:

- Grow Detroit’s Young Talent
- Salaries/Fringe/Benefits
- Subcontractor Expenses
- Participant Training
- Supportive Services



	<ul style="list-style-type: none"> <li>• Facilities &amp; Vehicle Expenses</li> <li>• CTE Building Improvements</li> <li>• Professional Services &amp; Insurance</li> <li>• Technology</li> <li>• Supplies, Dues &amp; Subscriptions – Budget increased \$80,000 due to COVID janitorial</li> <li>• Travel &amp; Meeting Expenses</li> </ul> <p><b>Chris Uhl, DESC Treasurer, Audit and Finance Committee Chair Requested a Motion to approve 2021 Budget:</b>  Motioned: Alice Thompson  Seconded: Mark Redman  <b>Motion Carried-Passed/Approved Unanimously</b></p> <p><b>Preview next meeting, August 13, 2020</b></p> <p>Terri Weems stated after obtaining a better handle on final allocations for federal programs; she will present any changes made to the budget to the Audit and Finance Committee. She also stated she will provide any new information obtained regarding the Payroll Protection Program and where we are with the forgiveness requirements.</p>	
<p><b>IV. FY2021 Meeting Schedule</b></p>	<p>The Board members were provided the proposed 2021 Audit and Finance Committee Meeting Calendar.</p>	
<p><b>V. New Business</b></p>	<p>There was no new business.</p>	
<p><b>VI. Public Comments</b></p>	<p>No emails from the public</p>	
<p><b>VI. Adjournment</b></p>	<p><b>Having no further business, the meeting was adjourned by Chris Uhl DESC Committee, Audit and Finance Committee Chair requested a motion to adjourn the meeting:</b></p> <p style="text-align: center;"><b>Approved Unanimously</b></p>	



**DRAFT SUBMITTED BY:**

Printed Name: S. Rene Fowler

Title: Executive Administrative Assistant

Signature: S. Rene Fowler

Date: June 30, 2020

**DATE MINUTES APPROVED/ADOPTED:** August 13, 2020 **Initials:** SRF

**NEXT MEETING: August 13, 2020, 10:00 a.m. – 11:30 a.m., Detroit Employment Solutions Corporation, 440 E. Congress, Suite 400, Detroit, MI 48226 or via Zoom.**

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