

DRAFT MINUTES
Detroit Employment Solutions Corporation (DESC)
Board Meeting
Tuesday, December 10, 2013

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, George Swan III, Art Dudley, Al Nelson, Kenyetta Bridges, David Carroll, Larry Steward, Veronica Madrigal, Alice Thompson
Directors Absent: Saunteel Jenkins, John Harris
Staff Present: Pamela Moore, Jose Reyes, Robert Shimkoski, Alessia Baker-Giles, Kristin Bailey, L'Tanya Clegg, Lynne Scully
Guests Present: David Jones (Allen Brothers, PLLC); Doug Cotter, Richard Acosta, Emma Velasco (Grant Associates); Reginald Davis (Constituent)

PROCEEDINGS

The Meeting of the Detroit Employment Solutions Corporation (DESC) Board was called to order at 8:40 a.m. by Mr. Cal Sharp, Chair. A motion was made by Director Swan to approve the modified Draft Agenda of December 10, 2013, supported by Director Alice Thompson. Motion Carried Unanimously. A motion was made by Director Thompson to approve the Draft Minutes of Friday, September 27, 2013 and Tuesday, August 20, 2013, supported by Director David Carroll. Motion Carried Unanimously.

ONE-STOP REPORT

Mr. Richard Acosta, Director of Grant Associates, explained that for the month of November, DESC passed the 2,000-placement mark with 2,041 placements to date. Traditionally, December is a tough month for employer commitment, but staff expects to land around 2,500 placements for the year. Mr. Acosta explained that through the month of November, DESC has engaged 635 unique employers, which puts the agency on pace to exceed the number of employers last year. In terms of business development, a lot of focus has been placed on increasing business partnerships. Staff is reviewing ways to align some of the services offered with those offered by other agencies at the state and federal level.

Mr. Acosta shared information about the new customer service training and call center training. In addition, a Returning Citizens curriculum is being launched about how to properly structure experience on a resume, learn how to answer questions properly during an interview and also learn about questions that people are permitted to ask during an interview. Staff has also incorporated text messaging into customer engagement. Director Swan asked if there would be an opportunity to recognize employers who have hired Detroiters. Mr. Acosta answered in the affirmative, noting that DESC is in the process of re-launching its website. The website will highlight at least five employers across all sectors that have strong relationships with DESC and understand DESC's vision.

Discussion ensued regarding apprenticeship programs. At an upcoming meeting, Chair Sharp would like to see a list of the top five or six alternative apprenticeship occupations outside the ones that DESC generally focuses on.

CEO REPORT

Ms. Pamela Moore, President/CEO at DESC, provided an overview of her CEO Report to the Board.

AUDIT AND FINANCE

Staffing and Benefits – DESC will continue its contractual relationship with ASE through the end of June 2014.

Leases – The Northwest Activities Center has many challenges including a lack of proper housekeeping services, poorly maintained HVAC systems, inadequate maintenance and management and electrical outages. Mr. Jose Reyes, Chief Operating Officer at DESC, continues to meet with the management team to communicate concerns. The move-in date for Detroit Public Schools (DPS) satellite centers is now projected to be in February due to delays with lease finalization.

Audit and Finance Committee – The Audit and Finance Committee discussed and agreed that the 2014-15 budget, once approved, will not require subsequent approvals for expenditures. Also, it was discussed and approved to increase the signing authority for DESC's President/CEO based on common practices for comparable non-profit agencies. The recommendation will be presented to the Board for approval.

STRATEGIC PLANNING

Strategic Planning Committee – Met on December 5th and discussed final revisions of the DESC Board By-Laws, reviewed 2013 priorities and the outcomes and recommendations from the strategic planning session that took place on November 12, 2012. Mayor Bing and Emergency Manager Kevyn Orr will need to approve modifications to the By-Laws.

501(c)(3) – On November 27th, DESC received a call and email from Butzel Long regarding newly posted information on the IRS website regarding the agencies status. The "501c3 revoked" message is new, but does not note reinstatement. A follow-up call with IRS revealed that notice was sent to DESC reinstating the 501(c)(3) status, however nothing has been received (which may be due to the change of address). Also, the name change from Detroit Workforce Development Board to Detroit Employment Solutions Corporation must be reflected on the 990 forms scheduled for submission next week.

PROGRAM SERVICES

Workforce Investment Act Performance – The State's first quarter report revealed that DESC failed 3 of 17 performance measures (2 youth and 1 adult). After careful investigation and discussions with the State, it has been determined that the outcomes are correct and are due to service provider errors and missing data in the OSMIS system. Corrective action plans are being completed. Mr. Reyes explained that there was one adult measure, Adult Learning, and noted that the State of Michigan draws that report. When DESC looked at the report, it believed it was passing but there were certain populations that should have been excluded, so on the state's official report, DESC was in the deficit status. In addition, a simple data entry error for credential attainment caused the Youth finding. Providers are required to check the credential attainment box. This action did not take place, resulting in the finding. Mr. Reyes noted that DESC wants to meet all measures and added that this was a performance and not a compliance measure. He also noted that this is a quarterly report that does not go out as a published report until the end of the year. Staff is vigilant and the contractor will receive a plan of action which will be monitored by DESC staff.

Youth Programs – Skillman is convening partner meetings to discuss a collaborative to apply for the USDOL 4-year Youth Career Connect grant due January 27th. Excellent Schools Detroit will be the applicant with

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potential partners to include DESC, United Way, Linked Learning Detroit, WSU, WC3D, University of Michigan Dearborn and HFCC.

The core team for the Aspen Institute Opportunity Youth Grant was scheduled to meet next week but was rescheduled to meet at a later date due to inclement weather.

Communications – DESC’s new website is scheduled to launch by December 9th.

BOARD MATTERS

Hire Detroit! – The announcement that Secretaries Perez and Duncan will attend is scheduled for December 5th. The USDOL-sponsored contractor is assisting with reservations, scheduling, and event logistics. Mr. Don Graves and Mr. Gene Sperling (White House staff assigned to Detroit) are assisting with contacting invited employers. Detroit Workforce Development Board Chairman David Baker Lewis and DESC Board Chairman Cal Sharp will each moderate panel discussion focusing on economic and workforce development. Secretary Perez will tour DMS following the event.

This is a two-hour event beginning at 1:00 p.m. Thursday. Staff would like all Board Members to attend if at all possible. This event is really focused on (1) letting employers know who we are and what we do and (2) raising employer awareness of incentives available for hiring Detroiters.

Ms. Moore met with Mayor-Elect Duggan today and noted that it was a good meeting. Ms. Moore explained Mayor-Elect Duggan is very interested in the Detroit Workforce Development Board and the smaller DESC Board.

Mayor-Elect Duggan’s Economic Development Transition Team – Led by Mr. Tom Lewand Sr., members of the Transition Team reached out to DESC to discuss the transition from a city department, accomplishments and current initiatives. Mr. Terrence Thompson, a member of the transition team, gave an overview of the new administration’s vision to connect all economic development entities (DEGC, Detroit Future City, Planning and Development and DESC) and plans to meet in January. Ms. Moore will meet one-on-one with Mr. Lewand mid-December.

Ms. Moore stated that she is also now a member of the steering committee for Detroit Future Cities and advised there will be an economic development team meeting in January. She noted that she is glad to be a part of that group.

REVIEW/APPROVAL

Ms. Alessia Baker-Giles, Director of Finance at DESC, reviewed the contracts scheduled for review/approval at today’s meeting: (1) Three-Month PATH Contract Extension; (2) Nine-Month PATH contracts; (3) the Employment Etiquette Services Contract; (4) Marygrove Contract Modification; (5) the Second Six-Month Grant Associates Contract; and (6) the Transportation System Connector Contract.

Ms. Moore explained that the PATH contracts are financed with TANF (Temporary Assistance for Needy Families) funds. Due to the reduction in contractors, DESC staff needed time to prepare for changes once approval was received from the State. Mr. Reyes noted certain modifications for the second six-month Grant Associates contract, noting that Grant Associates will assume responsibility of the GED construction and the ITAs with the Focus HOPE training programs. Director Madrigal suggested that when programs and/or contractors are substituted for other programs or contractors, staff should ensure that the product is either equal or better. A brief discussion ensued regarding the flexibility of utilizing training dollars. A motion was

made by Director George Swan to approve the contracts as presented, supported by Director Nelson. Motion Carried Unanimously.

REVISED DESC BOARD BY-LAWS/CONFLICT OF INTEREST POLICY

Mr. David Jones, Attorney from Allen Brothers, PLLC, provided a review of the By-Law revisions. Ms. Kristin Bailey, Administrative Manager at DESC, shared an additional change recommended by the Strategic Planning Committee to modify language in Article 4.8 for clarification purposes. The members also discussed the insurance coverage portion of the By-Laws. Staff noted that it will review this area and provide additional information to the Board regarding insurance coverage when it is available. A motion was made by Chair Sharp to adopt the revised DESC Board By-Laws and conflict of interest policy, supported by Director Art Dudley. Motion Carried Unanimously.¹

PUBLIC COMMENT

Mr. Reginald Davis, Constituent, noted that DESC is doing a very good job thus far in providing services the City of Detroit truly needs. Mr. Davis stated that he has been observing operations since he tries to visit a One-Stop Center at least once a week. Mr. Davis is not certain what is happening to ITA funding as it appears to be at a standstill. He also questioned whether customers are receiving all of the workforce-related services which are available through the One-Stop Centers.

Chair Sharp asked Mr. Davis for two changes that he would like to see regarding training initiatives. Mr. Davis stated that he would like to see more in-house training regarding resumes and believes the training provided must be directed towards an ultimate goal. He also stated that the process needs to go deeper into the community and making sure constituents (especially youth) understand what is being offered. Chair Sharp thanked Mr. Davis for his comments and noted that the comments were very well-made. Director Nelson added that there must be a system in place for feedback and stated that DESC must continue to get better.

GOOD AND WELFARE

Ms. Moore thanked all for their support and wished everyone a Happy Holiday. Director Madrigal stated that Board members must continue to advocate the role of DESC and the importance of what the agency is doing as well.

ADJOURNMENT

With no further business to come before the DESC Board, a motion was made by Director Dudley to adjourn the meeting at 10:20 a.m., supported by Director Nelson. Motion Carried Unanimously.

Prepared by: L'Tanya Clegg

¹ Correction: Article 3.3 of the DESC Board By-Laws stated "Six (6) Directors shall be appointed by the Mayor from among the member of the LWDB" and has been corrected to state "Six (6) Directors shall be appointed by the Mayor from among the members of the LWDB".