

MINUTES

Detroit Employment Solutions Corporation (DESC)
Board Meeting
Wednesday, April 20, 2016

Time: 11:00 a.m. – 12:30 p.m.
Location: 9301 Michigan Avenue, Main Conference Room, Detroit
Facilitating: Laura Hughes, Chair

Directors Present: Cal Sharp, Mark Gaffney, Ric Preuss, David Carroll (via phone), Mike Aaron, Toney Stewart, Don O'Connell, Alice Thompson, Jeff Donofrio, Lena Barkley
Staff Present: Jose Reyes, Pamela Moore, L'Tanya Clegg, Kristin Bailey, Alessia Baker-Giles, Robin Johnston, Chauncey Samuel

PROCEEDINGS

The Meeting of the Detroit Employment Solutions Corporation (DESC) Board was called to order at 9:35 a.m. by Chair Laura Hughes. A motion was made by Director Mark Gaffney to approve the Draft Agenda and Draft Minutes of February 11, 2016, supported by Director Toney Stewart. Motion Carried Unanimously.

INTRODUCTION TO SER METRO (ONE-STOP SERVICE CENTER)

Mr. Justin Kimpson, SER Metro One-Stop Center Manager, welcomed all and provided an overview of the center and its activities. He also invited attendees to a tour the One-Stop Center after the meeting.

DESC BOARD CHAIR REPORT

Chair Hughes stated that the national search process for DESC's next President/CEO is underway. She also noted that it is time to also conduct a deep dive into Board governance and operations and make changes as needed over time.

DESC INTERIM PRESIDENT/CEO REPORT

Mr. Jose Reyes, Interim President/CEO, DESC, provided the following updates:

Grow Detroit's Young Talent Program (GDYT) – Last year, the Mayor's summer youth employment program's goal was employing 5,000 youth in the city of Detroit. This year, the goal is to employ 8,000 youth. To date, over 11,000 youth have been registered. DESC is fortunate to benefit from the expertise of Strategic Staffing Solutions and its finance team with managing the program's payroll system.

Re-Entry Demonstration Grant – Seventy participants have been enrolled in this program so far and seven individuals to date are now employed.

Single Audit Finding – The Workforce Development Agency (WDA) reviewed DESC's audit and found that in the years of 2012, 2013 and 2014, cost expenditures were adjusted for Employment Services and TAA. Mr. Reyes reviewed the current situation and explained that the process changed a year ago. He also noted that DESC was aware of the problem before it was recognized by the State of Michigan.

2016 Request for Proposals and Quotes – Proposals have come in for DESC's Hub and Spoke service agency RFP for the GDYT program.

WIOA In-School Youth – Funds have decreased by 45%, which will leave approximately 450 youth without opportunities. The agency is currently looking at replicating the JAG (Jobs for America's Graduates) program for in-school youth given its success.

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WIOA Out-of-School model – Given DESC's tools, the agency will try to focus more on the approximately 200,000 youth that are out of the workforce.

Wagner Peyser/Employment Services – An RFP for these services, which must be conducted by a merit-based institution, will be released soon.

Printer Maintenance – Mr. Reyes provided an update about the RFP for printer maintenance. He also noted that DESC entered into a copier lease agreement three years ago and purchased the copiers, which saved DESC a lot of money.

Fund Development – Three years ago, Chase awarded DESC \$800,000 to place individuals into high-level skilled trades. Chase and DESC are putting together a concept paper with broader implementation with the goal of moving people into high-growth industries.

USDOL Summer Jobs and Career Pathways Grant – This initiative will provide employment-related services to 1,000 in-school youth and out-of-school youth (ages 16 – 24). Total funding requested is \$2,000,000.

Grow Detroit's Young Talent (GDYT) – As of the week of April 4th, funding request grants were submitted to the Kresge Foundation and Ford Motor Company and are currently awaiting responses.

Deficit Elimination – The deficit at the moment to be eliminated is \$155,000 (of the initial \$3.2M deficit from the Workforce Innovation and Opportunity Act (WIOA) administration funding stream). Part of the initial deficit reduction plan included funds that were not yet received by DESC. However, measures are being taken to secure the funds, which would completely eliminate the issues in WIOA Admin. DESC will also realize an additional \$5,000.00 due to Ms. Pamela Moore's resignation.

Culture and Organization Improvement – Since March 24th, Mr. Reyes has engaged in one-on-one meetings with DESC directors and managers and conducted a town hall meeting on April 15th with the entire DESC staff in order to align the agency mission, vision and core values as well as highlight the MWDB's "One Detroit" vision.

DESC and DCC – DESC is in the process of drafting a letter briefly summarizing a record of events since DESC received DCC's grievance February 1, 2016 as well as DESC's decision regarding this matter. The letter will also present an opportunity for the WDASOM review and adjudicate this grievance.

MAYOR'S WORKFORCE DEVELOPMENT BOARD UPDATE

Director Jeff Donofrio provided a brief update on the activities of the Mayor's Workforce Development Board (MWDB). The most recent MWDB meeting took place on March 28, 2016. He discussed several efforts that have taken place over the last few months in order to move the needle on getting more Detroiters employed.

Director Thompson inquired as to whether he is mapping unemployment in the city by zip code. Director Donofrio noted that collecting such data is a good idea and would look further into it. Brief discussion ensued about the fact that certain population metrics are available through DTE hookup data.

DESC FINANCE REPORT

Director David Carroll, Chair, Audit and Finance Committee, reviewed the most recent budget and monthly grant report with the Board. He also stated that the Audit and Finance Committee reviewed the GDYT funding recommendations and decided to refer them to the full DESC Board for further review/approval. Ms. Alessia Baker Giles, Director of Finance, DESC, and Ms. Stephanie Nixon, Director of Program Service and Innovation, DESC, provided an overview of the funding recommendations for the following RFPs:

- (1) Hub and Spoke Model Service Agencies: Midnight Golf, Franklin Wright Settlements, Inc., Payne-Pulliam School, Neighborhood Services Organization, Wayne State University, and Youth Development Commission
- (2) Hub and Spoke Community-Based Development Organization: Focus: Hope and NXT LVL, Inc.
- (3) Summer Youth Employment Coordinator: SER Metro-Detroit

After discussion, a motion was made by Director Thompson to approve the GDYT funding recommendations, supported by Director Mark Gaffney. Motion Carried Unanimously.

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PROGRAM SERVICES COMMITTEE UPDATE

Director Mark Gaffney shared that the Program Services Committee met yesterday and information that was shared at the meeting is included in the packets today for Board member review. He provided an overview of the data reports and shared that the committee is getting a better understanding of the agency's programs and partnership structure.

PUBLIC COMMENT

No public comment was presented before the DESC Board.

ADJOURNMENT

With no further business to come before the DESC Board, Director Gaffney made a motion to adjourn the meeting at 12:35 p.m., supported by Director Cal Sharp. Motion Carried Unanimously

Prepared by: L'Tanya Clegg