

## DRAFT MINUTES

Detroit Employment Solutions Corporation (DESC) Board  
Audit & Finance Committee Meeting  
Tuesday, September 25, 2013

Time: 8:30 a.m. – 10:30 a.m.  
Location: 707 W. Milwaukee Street, 5<sup>th</sup> Floor Conference Room  
Facilitator: David Carroll, Chairman

---

Directors Present: Gwen McNeal, Alice Thompson (via phone), David Carroll (via phone)  
Directors Absent: Jerry Kaminski  
DESC Staff Present: Pamela Moore, Robert Shimkoski, Alessia Baker-Giles, Kristin Bailey, L'Tanya Clegg

---

### Proceedings

The meeting of the Detroit Employment Solutions Corporation (DESC) Board's Audit and Finance Committee was called to order at 8:41 a.m. by Ms. Gwen McNeal, Acting Chair. Due to the initial lack of a quorum, the committee began the meeting with the discussion agenda items.

#### **Discussion: RFP Procurement Approval Process Modification**

Mr. Robert Shimkoski, Director of Planning at DESC, stated that the RFP Approval Process was approved by the DESC Board where contracts would go before the Detroit Workforce Development Board (Policy Board) for final approval. This process was presented to the Policy Board during the September 2013 meeting and the Board agreed that once the Audit and Finance Committee approves the funding recommendations, contracts do not need to come back to this body for approval. Mr. Shimkoski shared that since the Policy Board determination is different than what was originally proposed, staff believed that it was appropriate to bring the update before this body.

Director Alice Thompson requested that staff should prepare a flow chart that explains the Board/committee approval process. Ms. Pamela Moore, President/CEO at DESC, agreed and stated that Ms. Lynne Scully, Quality Assurance Manager at DESC, is creating flow charts on these processes.

#### **Discussion: In-House Approval Threshold**

Ms. Moore explained that staff is asking for committee input on possibly extending the check approval limit for the President/CEO. Currently there is a \$25,000.00 sign-off on checks and any amount beyond that requires a second signature. Director Thompson stated that \$25,000.00 is very low and routine situations for daily operations that have already been approved at some level should not require two signatures. Ms. Moore stated that 99% of the checks that come through are for vendors or contractors that have already been approved. Ms. Moore stated that staff will bring a recommendation back to the committee for its consideration.

#### **Approval of Draft Agenda 9/25/2013**

After a quorum was established, a motion was made by Director Thompson to approve the draft agenda of September 25, 2013, supported by Director McNeal. Motion Carried Unanimously. A motion was made by Director Thompson to approve the Minutes of June 17, 2013, supported by Director McNeal. Motion Carried Unanimously. A motion was made by Director Thompson to approve the Minutes of July 19, 2013, supported by Director McNeal. Motion Carried Unanimously.

### Review/Approvals

RFP for PATH Program – Mr. Shimkoski explained that this RFP was released for nine months because the State had agreed to allow DESC to extend the previous contract for three months in an attempt to reduce the number of providers in order to save money. Currently there are nine providers and the RFP was set for five that will service the various DHS offices. Five providers were selected and they will serve each of the sectors.

Ms. Moore shared that staff was pleased because three of the groups partnered with other providers. Ms. Moore stated the hope is that cost will be lowered, allowing for more services to customers. The only new contractor to the group is Southwest Housing, which has a great reputation. It has teamed up with Development Centers on the far west side of Detroit.

Mr. Shimkoski reviewed funding recommendations for the PATH Program in detail. A motion was made by Director McNeal to approve PATH funding recommendations, supported by Director Thompson. Motion Carried Unanimously.

#### RFP for Demand-Driven Training

Mr. Shimkoski explained that this proposal was re-issued because items that DESC requested from the training providers were not provided in the submitted proposals. As a result, the RFP was re-issued with clearer definitions on what was to be included in the budget. Two submissions were received, one from Focus HOPE and the other from Computer Networking Systems Inc. The providers were asked to do two specific things in this RFP:

- (1) Provide work readiness training which helps the participants complete their GED, increases their literacy skills and provides soft skills training.
- (2) Provide hard skills training in high demand, high-growth occupations.

Focus HOPE proposed to train in the IT and advanced manufacturing sectors. Another reason Focus HOPE was recommended was due to the fact that it will provide soft skills training. Computer Networking Systems, Inc. proposed training but did not offer a developed case management piece with its proposal. A motion was made by Director Thompson to approve Focus HOPE as the provider for Demand-Driven Training, supported by Chair Carroll. Motion Carried Unanimously.

#### RFP for Food Assistance and Employment Training

Mr. Shimkoski stated that this program for adults without dependents is a voluntary program that has been cut significantly by the State. After a thorough review of proposals received, the review team agreed to recommend the two incumbent providers: (1) Providence Community Services (d/b/a Ross Innovative Employment Solutions) and (2) The Resource Network. Ross Innovative Employment Solutions covers the east side of Detroit and The Resource Network covers the west side. A motion was made by Director McNeal to accept the staff recommendation of the two incumbent providers for the Food Assistance Program. The motion was supported by Director Thompson. Motion Carried Unanimously.

#### PATH Program Extensions

Ms. Moore explained that DESC received approval for a three-month extension to current PATH contracts through December 31, 2013. A motion was made by Director McNeal to approve the PATH program extension, supported by Director Thompson. Motion Carried Unanimously.

Audit and Finance Committee Meeting  
Tuesday, September 25, 2013

Second Six-Month One-Stop Contract

Ms. Moore reminded members that staff recommended that Grant Associates receive the first six months of its contract based on corrective action issues that needed to be addressed. Ms. Moore stated that these issues have been resolved and staff is asking permission to begin negotiating the second six-month contract. A motion was made by Director Thompson to approve moving forward with negotiations of the second six-month contract to Grant Associates, supported by Director McNeal. Motion Carried Unanimously.

**Adjournment**

With no further business to come before the committee, the meeting was adjourned at 9:40 a.m.

Prepared by: L'Tanya Clegg