



440 E. CONGRESS Suite 400
 DETROIT, MICHIGAN 48226
 PHONE (313) 876-0674
 FAX (313) 664-5505
 TYY: 711

A Michigan Works! Agency

MEETING:	DESC Corporation Board Meeting	DATE:	January 21, 2020
IN-PERSON ATTENDEES:	DESC Board Members: Cal Sharp, Lena Barkley, Ric Preuss, Alice Thompson DESC Staff: Terri Weems, Stephanie Nixon, Michelle Rafferty, Elizabeth Hennessey, Freyja Harris, Nicole Stallings-Bates	LOCATION:	440 E. Congress Corporate Board Room Detroit, MI 48226
VIA TELEPHONE:	DESC Board/Committee: Don O'Connell, Nicole Sherard-Freeman, Maria Woodruff-Wright DESC Staff: Michelle Rafferty	CALLED TO ORDER:	9:47 am
ABSENT:	Excused: Dannis Mitchell, Toney Stewart, Mike Aaron, Chris Uhl Unexcused: None	ADJOURNED:	11:14 am
FACILITATOR:	Cal Sharp, Interim Board Chair	DATE MINUTES APPROVED/ADOPTED:	April 28, 2020

ITEM	DISCUSSION	OUTCOME/ACTION ITEM(S)
I. Welcome, Roll Call, and Introductions	Cal Sharp, DESC Interim Board Chair, called the meeting to order.	
II. Agenda and Minutes Approval	Cal Sharp called for a motion to approve the agenda for today's meeting: Motion: Alice Thompson Seconded: Don O'Connell Motioned Carried – Approved Unanimously Cal Sharp called for a motion to approve the meeting minutes for October 29, 2019: Motion: Alice Thompson Seconded: Lena Barkley Motioned Carried – Approved Unanimously	
III. Interim Board Chair Report	Cal Sharp reported: <ul style="list-style-type: none"> Mr. Sharp shared information on an article with the board related to the manufacturing jobs and the impact of artificial intelligence. A Wall Street Journal article from mid-December on "Factories Seek White Collar Degrees for Blue Collar Work" Highlighted 25% fewer 	



	<p>manufacturing jobs, Within 2 – 3 years, the number of people in the manufacturing segment of the workforce will have an advanced degree or a college degree. It is showing how manufacturing jobs are shifting. Companies pay more for labor but less for output. It validates what we are trying to do (tying in the CTE's, the relationship with WCCC3, focus on associate degrees in these advanced skills).</p>	
<p>IV. Interim CEO Report</p>	<p>Terri Weems, DESC Interim President & CEO reported:</p> <ul style="list-style-type: none"> • We have opened 8 Career Centers, with the 9th being opened at WC3D shortly, it being a smaller facility. • We have launched several media campaigns to get the word out and are planning several grand openings at the centers for the neighbors & neighborhoods. • We are starting on the new application window of FCA in April, with 3,500 applicants being called in for interviews from the first wave. • Over 400 readiness events are being planned with most of them being held in our Career Centers. • Our new Launchpad platform was launched last year and facilitates better tracking of participant data. We are now focusing on financial data, on our service providers invoicing us directly through Launchpad, reducing the amount of paper and inefficiencies. It will also protect DESC from a fraud perspective. We also are focusing on financial data in Launchpad, grant data as well as contract information to provide more actionable reporting. • GDYT is off to a great start. • Regarding contracts, we are suggesting putting in place a practice by which we present contracts for approval to the board once (as DESC moves into contract negotiation) and set an amount by which DESC will not exceed. To the extent amounts or fact patterns do not materially change after negotiations, no additional Board reviews will be required. To the extent there are changes after negotiation, DESC will come back to the board for additional approval. This will allow us to be more efficient and to serve customers quickly. • We did have some discussion following the last meeting around using Detroit workers and Detroit contractors as part of our contract requirements. We are looking into where we can legitimately make a requirement as we move forward and will report on that as we have information. <p>Board discussion ensued.</p>	
<p>V. MWDB Update</p>	<p>Nicole Sherard-Freeman, Executive Director, MWDB reported:</p> <ul style="list-style-type: none"> • The Wall Street Journal article mentioned in Executive Committee earlier, was similar to a Cranes article “Artificial Intelligence, is Detroit Ready?” We want Detroit job seekers to see themselves as flexible and able to see themselves in the new roles of the future. FCA has been forthcoming about what they know about what’s coming in an off the record way. As our team is planning strategy for 3 – 5 years out, we are working to get Detroiters ready and stay ready for the positions of tomorrow. • The Director explained that she was away from the meeting today because she was attending the US Conference of Mayors Workforce Development Council. It is a chance for Detroit at Work to check in on where we are in relation to other Boards over the country. Are we still ahead of the curve in the way we think about labor? What can we learn from other cities? 	

	<ul style="list-style-type: none"> We are double checking on what we are measuring, is it the right metric? Terri's comments about her focus on metrics and process and technology, fit well into that. <p>Board discussion ensued.</p>	
VI. 2019 Detroit at Work Highlights	<p>Michelle Rafferty reported:</p> <ul style="list-style-type: none"> 2019 was a big year for Detroit at Work and DESC, the two biggest things that happened were changing our service delivery system and the FCA program. At our last meeting we shared the dashboard that showed our progress through 2019. We are currently a little behind in our numbers this year, that is due to the changeover, and we will be playing a bit of catchup over the coming months. We are at 40% of our goal for placements. <p>Nicole Stallings-Bates Reported:</p> <ul style="list-style-type: none"> We are really focusing on leveraging our FCA events to recruit for other availability, communicate hot jobs and training available. We will make sure we are executing on normal daily operations well as well as on the big FCA events. <p>Michelle Rafferty continued:</p> <ul style="list-style-type: none"> We have upcoming events to promote our new Career Centers. We had 3 new centers open in November. The 3 legacy centers are open and see the same traffic we saw before. Our marketing team had a targeted campaign letting neighborhoods know there are new centers in their area with addresses. We will be having community-based events with food and fun activities, with members of City Council and the Mayor to get people out to attend the events. 	
VII. FCA Phase Two	<p>Nicole Stallings-Bates Reported:</p> <ul style="list-style-type: none"> There are 4,950 permanent jobs available, of them 4,200 are production operators. While we are focused on all the jobs, the production operators are the focus of our efforts. Currently Detroit residents are the only people that have been able to apply for these jobs, and we will have another round of applications for Detroiters only before anyone else can apply. In Phase 1 we had 37,000 people register with Detroit at Work, of those, about 12,000 came to an event. We are hopeful that the remaining folks can apply in round 2. 3,700 people have been selected for an interview, although the interview schedule has slightly shifted at FCA. There have been a very small number of interviews already, but they are adding a dexterity test, for which equipment had to be ordered, which has pushed their interview schedule out a little. During Phase 2, if interested people came to an event but didn't apply, they will be rolled onto the next application list. We will have at least 2 events at the Career Centers each day. We will have capacity for 22,000 Detroiters to go through the new process. We have made modifications to our pre-screen sessions and have printed them in people's packets so they can take the information home with them, to reinforce the right approach to the process. 	

	<ul style="list-style-type: none"> We have also improved on our registration process in Launchpad. It captures the information they provide to match their skills to other positions available with other employers. <p>Board discussion ensued.</p> <p>Nicole Sherard-Freeman commented:</p> <ul style="list-style-type: none"> We spent a few hours with the FCA team last week. By FCA communicating with us, we are going to be better prepared to work with Council Members to communicate to their constituents the requirements of the new dexterity test. You must be physically fit enough to lift 30 lbs. repetitively. This is one of the ways that we are working with FCA to prepare the candidates to be in great shape for these jobs, but also for the jobs available with FCA's suppliers, and other employers' openings as well. <p>Nicole Stallings-Bates continued:</p> <ul style="list-style-type: none"> We are very clear that applicants not quit jobs they currently have until they have an offer in hand. Our focus is on the Detroit jobs currently because we know they are in front of the line. We are also working with FCA on the non-Detroit based jobs. 	
<p>VIII. GDYT Updates</p>	<p>Marie Hocker Reported:</p> <ul style="list-style-type: none"> Our fundraising target in 2020 is \$11.7 Million, which is down from \$11.9 Million last year, due to some programmatic efficiencies across the board. To date we have raised just over \$6 Million, so we have a gap of \$5.7 Million. We are working aggressively, getting out and talking to community to raise those funds. In our GDYT CAP fundraising, we have raised \$245,000 and have a gap of \$234,000. We ask for any introductions you can make for us, and help us with industry roundtables, where we can bring suppliers in small groups and talk about support, either financially or with jobs. We had 16,000 applicants last year and we are servicing only half. So, the request for jobs is also helpful. 	
<p>IX. WIOA Performance Update</p>	<p>Michelle Rafferty Reported:</p> <ul style="list-style-type: none"> Program year 2018 update for WIOA, we ended the year by meeting or exceeding all of our benchmarks for all 3 funding streams. The amount of work that went into our success is not reflected in these results. We started the year with 8,000 adult or dislocated customers registered, which resulted in high caseload for our Career Coaches at the centers. We knew that one of our goals was to reduce caseloads, so we had to set aggressive benchmarks in caseload reduction. We managed to exit close to 5,000 individuals, which took a lot of work behind the scenes. We worked with our providers to allow a load of 100 people or less per Career Coach. We have a lot of people that are not registered fully into the system but are able use the services provided in the centers, so the Coaches can focus more on the cases that need more concentrated attention. 	
<p>X. 2019 Financial Update:</p>	<p>Terri Weems Reported:</p>	

	<ul style="list-style-type: none"> • We are in the process of developing our budget for the next period. We are majority Federally funded, but we are trending down to being 75% Federally funded. • The Board is required to approve the budget by June 30 of this year, and there will be more meetings and communication to prepare the Board for that. • We are really pleased with Launchpad, and we would like to be leveraging it in other systems, so we have better coordination and better numbers to report. • We are trending upward in our funding, we expect that the Federal number will go down next year, due to the unemployment numbers and the Federal formulas. <p>Alice Thompson asked: "What is the biggest barrier that has been encountered?"</p> <p>Terri Weems answered:</p> <ul style="list-style-type: none"> • Our biggest barrier has been transportation. We have piloted utilizing Lyft and Uber, particularly with students, it's worked out well, although it is a costly alternative. <p>Nicole Sherard-Freeman commented:</p> <ul style="list-style-type: none"> • Our Marketing team have proactively reached out to all 3,522 candidates that have been contacted for interviews, asking what we can do to help them prepare for their interview. This is a result of the work we have done in the last year, and we are building a strategy to address all the barriers. 	
<p>XI. Policy Reviews</p>	<p>Terri Weems reported:</p> <ul style="list-style-type: none"> • In your packet there is a one pager that summarizes the fiscal policy regarding DESC serving as a fiscal sponsor for projects, for a reasonably negotiated administrative fee. The policy is in keeping with the regulations of the 501(c)3 requirements, as well as our by-laws. In order to move forward, we need Board approval. • This policy was developed with the input of our Chief Administrative Officer and legal counsel. <p>Board discussion ensued.</p> <ul style="list-style-type: none"> • We will serve as administrator of funds given to us to manage and collect an administrative fee. The thought is that if there are flexible funds left, we can support participants with it. • We will not be held liable if the vendor uses the funds for something not within the scope of the agreement. We will recover any amounts due to us thorough our agreement, but we will not provide funds if the funding has been depleted. <p>Cal Sharp called for a motion to approve the policy:</p> <p style="text-align: center;">Motioned: Alice Thompson Seconded: Lena Barkley Motion Carried. Passed/Approved Unanimously.</p>	

XII. Public Comments	Cal Sharp, called for public comment. <ul style="list-style-type: none"> • Sheilah Clay introduced her new team member, Greg Anderson. 	
XIII. Adjournment	Cal Sharp called for a motion to adjourn the meeting: Motioned: Alice Thompson Seconded: Lena Barkley Motion Carried. Passed/Approved Unanimously.	

DRAFT SUBMITTED BY:

Printed Name: **Elizabeth Hennessey**

Title: **Executive Assistant to the Interim President & CEO**

Signature: **/s/ E Hennessey**

Date: 1/29/2019

DATE MINUTES APPROVED/ADOPTED: 4/28/2020 Initials: __EH__

NEXT MEETING: Tuesday, April 28, 2020 @ 9:45 AM