

MINUTES

Detroit Employment Solutions Corporation (DESC)
Board Meeting
Monday, June 20, 2016

Time: 9:30 a.m. – 11:00 a.m.
Location: Northwest Activities One-Stop Center, 18100 Meyers, Detroit, Michigan
Facilitating: Laura Hughes, Chairperson

Directors Present: Ric Preuss, David Carroll, Alice Thompson, Jeff Donofrio, Lena Barkley
Directors Absent: Cal Sharp (Excused), Mark Gaffney (Excused), Don O'Connell (Excused), Mike Aaron, Toney Stewart
Staff Present: Jose Reyes, L'Tanya Clegg, Kristin Bailey, Alessia Baker-Giles, Chauncey Samuel, Cherre Morgan, Stephanie Nixon, Robert Shimkoski, Joycelyn Malcolmcarr, Rose Wilson
Guests Present: John Allen, Tanisha Henson, Veronica S. Peavey, Sister Janice Brown, Twanna Tidwell, Justin Kimpson, Andrew Cartwright, Thomas Diehl, CPA

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 Lena Barkley to approve the agenda for today's meeting and draft minutes of April 20, 2016, supported by Director David Carroll. Motion Carried Unanimously.

DESC BOARD CHAIR REPORT

Due to the amount of information to cover in today's meeting, Chair Hughes noted that the meeting may need to be extended in order to permit enough time for all items to be addressed.

DESC INTERIM PRESIDENT/CEO REPORT

Mr. Jose Reyes, DESC Interim President/CEO, shared the following highlights from his report:

Region 10, 4-Year Regional and DESC Local WIOA Plans (out for comment) - As it relates to planning and funding development, all local workforce development boards are required to develop four-year regional and local plans for WIOA workforce services. Drafts of the plans are available on DESC's website and the public is invited to review and comment on the plans. Comments may be submitted via electronic mail or U.S. postal mail and are due no later than July 8, 2016.

New Awards

USDOL Summer Jobs and Career Pathways Grant - DESC was awarded \$2,000,000.00 over two years for this project. This initiative will provide employment-related services to 1,000 in-school youth (ISY) and Out-of-School Youth (OSY) ages 16 – 24 with a total cost per participant \$2,000.00. The initiative would allow DESC to now have a youth engagement center.

LEAP

DESC received a \$139,000.00 competitive grant which was awarded by Kinexus to implement an Annie E. Casey LEAP (Learn and Earn to Achieve Potential) Program. Funds will be used to hire two youth specialists who will provide the Jobs for America's Graduates (JAG) model for foster youth in Detroit.

New Opportunities

United Way Regional Workforce Fund – Regarding the organizational assessment, DESC has submitted a request for a \$150,000.00 grant and hopes to receive an update on this grant by the end of June. This assessment would review DESC's finances, strategy, key functions and structure and internal operations.

J.P. Morgan Chase – DESC applied for a \$330,000.00 grant to continue its work with training in the high-growth /high-demand areas, particularly in the IT, healthcare, construction and advanced manufacturing. Training strategies will include boot camps, apprenticeships and a bridge program.

USDOL Tech Hire – DESC is still vigilant about this grant. This grant program is designed to equip individuals with the skills they need through innovative approaches that can rapidly train workers for and connect them to well-paid, middle- and high-skilled, high-growth jobs across a diversity of H-1B industries. DESC is expecting to hear by the end of June. This is \$4M over four years, which would offer a pipeline into the IT arena.

Youth Build – DESC is considering a \$1.1M grant opportunity. This is a community-based alternative education program for youth between the ages of 16 – 24 who are high school dropouts, adjudicated youth, youth aging out of foster care, youth with disabilities, homeless youth and other disconnected youth populations. This program simultaneously addresses several core issues important to low-income communities: Affordable housing, education, employment, leadership development and energy efficiency. DESC is partnering with SEMCA, Southwest Solutions, Operating Engineers, HRDI and other partners. This grant is due by July 6th.

America's Promise – USDOL expects to make forty awards with an award ceiling of \$6M. The grant is due by the end of August. This grant program is designed to strengthen the pipeline of skilled workers to expand an economic region's middle- to high-skilled workforce within one or more prioritized industry sector(s), thereby creating economic opportunities for America's workforce to gain the necessary skills to fill in-demand jobs and increasing the long-term competitiveness of an economic region.

SNAP 50/50 – DESC issued a Food Assistance Employment and Training Third Party Partner Provider RFP, June 16, 2016, seeking qualified organizations currently providing employment and training services to individuals who are participants in the Supplemental Nutrition Assistance Program (SNAP).

Program Highlights

Grow Detroit's Young Talent (GDYT) – DESC has enlisted 8,000 youth and is in the process of matching the youth with employers. Approximately 4,300 have been processed and DESC is on target to hit 5,000 by the end of June.

Demonstration Grant – To date, 146 participants have been enrolled and thirteen have been placed into employment. The predominant industries are transportation, environment and manufacturing. Thirteen have been enrolled in industry recognized training and six of those have completed training with credentials. Transformational Programming will be introduced in year two to increase motivation and create more positive outcomes for participants.

DTE and S3 Call Center Initiative – Strategic Staffing Solutions (S3) and DESC are working in coordination to fill call center positions for DTE. S3 will be the employer of record initially as candidates demonstrate the ability to meet the demands required for permanent employment with DTE. As an innovation to standard practices, DTE has set aside a number of positions for returning citizens to offer life-changing opportunities to this population.

Cease Fire – DESC's work with the Cease Fire project to date has resulted in five job placements, three pending placements with DMS, and one on deck to begin construction training this summer under GDYT.

JAG/JMG – Year-end performance reports indicate that Detroit’s JAG program exceeded all performance benchmarks for 2015-2016 program year. Plans for career pathway training (Aligned with individuals schools CTE focus) are currently being finalized.

WDA 2016 Cycle II Review – Dates are as follows: YMCA, June 27 – July 1, 2016; and SER Metro/SERCO, July 18 – July 22, 2016.

Community Engagement

Operation Clean Slate – DESC is assisting the City of Detroit Law Department with registering individuals for workforce services. On June 4th at Fellowship Chapel, over 100 individuals became eligible to have their records expunged.

Administrative Services/Operations – A health benefits survey was completed on May 13th, with open enrollment beginning on June 7th and ending on June 17th. In addition, the DESC salary survey assessment is ongoing and slated to be completed by the end of June 2016.

Organizational Development, Culture and Leadership

DESC is developing action plans based on CCAT findings and revising the organizational chart for better structural support and improved communication channels.

- A “Casual Friday” dress code was instituted in May 2016. DESC is also developing an employee recognition program to recognize staff efforts and contributions.
- Flextime work schedule has been offered to staff for the months of July and August 2016.
- Mr. Reyes stated that a virtual suggestion box, “Ask Jose,” has been rolled out to staff in the last DESC town hall meeting in an effort to receive more feedback.

Mr. Reyes allowed time for any questions/discussion. The members discussed the Demonstration Grant project and a video that has been developed about the project. Members also discussed the Four-Year Plan and its review/approval process.

PROCUREMENT POLICY DISCUSSION

Mr. John Allen, Esq., Allen Brothers, PLLC, briefly reviewed the revised procurement policy which has been presented before the Board for review/approval. From a legal standpoint, this policy is in compliance. He then provided an overview of the various elements of the policy. The Board members proceeded to discuss the policy. Mr. Allen then provided an overview of the procurement conflict of interest policy, which has also been presented for review/approval by the Board. Chair Hughes and Director Thompson requested a flow chart for a better understanding of the process. The Board decided to further discuss the procurement policy at an upcoming meeting.

MAYOR’S WORKFORCE DEVELOPMENT BOARD (MWDB) UPDATE

Director Jeff Donofrio provided an MWDB update for the Board. He noted that the MWDB has recently discussed United Way’s Linked Learning Project, which was announced a few weeks ago at the Mackinac Policy Conference. It is a \$9M investment which will enroll about twenty schools within the next three years. In addition, the MWDB discussed Linked Learning. The Linked Learning approach integrates rigorous academics that meet college-ready standards with sequenced, high-quality career-technical education, work-based learning, and supports to help students stay on track. For Linked Learning students, education is organized around industry-sector themes. The industry theme is woven into lessons taught by teachers who collaborate across subject areas with input from working professionals, and reinforced by work-based learning with real employers.

The MWDB also discussed the Supplemental Nutrition Assistance Program (SNAP) 50/50 Reimbursement Program which is executed with non-federal funding. If executed with private funds, we are able to request a 50% reimbursement from the federal government. This program would move Detroiters from our educational programs into the workforce. J.P. Morgan Chase, the Skillman Foundation, the Ford Foundation, Ford Motor Company, in addition to several other companies are committed to this project.

DESC FINANCE REPORT

Audit and Finance Report

Fiscal Year (FY) 2017 Budget – Director Carroll provided an overview of the Audit and Finance Committee-related approval items on today’s Board agenda. The Board members requested that the budget going forward shows the funding difference from one program year to the next. After continued discussion and questions presented regarding the budget, a motion was made by Director Lena Barkley to approve the FY 2017 budget, supported by Chair Hughes. Motion Carried Unanimously.

Contract Modification (ACCESS) – The contract budget has increased by \$25,000.00 to allow ACCESS to hire a part time Case Manager to facilitate Refugee services. For the contract year (10-1-15 – 9-30-16), the addition of funds increases ACCESS budget to \$3,645,869.00. A motion was made by Director Carroll to approve the Contract Modification to ACCESS for \$25,000.00, supported by Director Thompson. Motion Carried Unanimously.

Fiscal Policies – Mr. Thomas J. Diehl, CPA, explained that DESC is required to maintain a system of internal controls over federal programs that provides reasonable assurance that DESC is managing the federal awards in compliance with the laws, regulations and provisions of the contracts and grant agreements that could have a material effect on each of the federal programs. He reviewed and updated a set of the agency’s fiscal policies to ensure that the policies are consistent with the applicable federal and state laws, regulations, policies and grant agreements. He subsequently presented on the following seven (7) updated fiscal policies that have been approved by the Audit and Finance Committee: contractor audit, debt collection, cash analysis/deposit, on-site fiscal monitoring/desktop review, business travel/business meetings, end of the year closeout, and fraud/waste/abuse. Mr. Diehl noted that there are additional fiscal policies in process that will also be brought before the Audit and Finance Committee for its review. Director Lena Barkley made a motion to approve the policies, supported by Chair Hughes. Motion Carried Unanimously.

PUBLIC COMMENT

No public comment was presented before the Board.

ADJOURNMENT

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

Prepared by: L’Tanya Clegg