

MEETING:	DESC Corporate Board Meeting	DATE:	June 26, 2018
IN-PERSON ATTENDEES:	<p>DESC Board/Committee Members: Laura Hughes, Cal Sharp, Alice Thompson, Jeff Donofrio, Don O'Connell, Ric Preuss</p> <p>DESC Staff: Nicole Sherard-Freeman, Michelle Rafferty, Stephanie Nixon, Robert Shimkoski, Jason Lee, Alessia Baker-Giles, Nicholas Piper, Sherold Riddles, Rashid Barkaji, Joycelyn Malcolmcar, Lisa Roberts, Cheryl Hildreth</p> <p>Guests/Presenters: Youth Policy Lab: Brian Jacob, Andrea Plevak, Kelly Lovett DPSCD: Marsha Cheeks Ser Metro: Veronica Peavey, Eva Dewaelsche</p>	LOCATION:	Northwest Activities Center, 18100 Meyers, Detroit, MI 48235
VIA TELEPHONE:	<p>DESC Board: Maria Woodruff-Wright</p> <p>DESC Staff: Terri Weems</p>	CALLED TO ORDER:	9:45 am
ABSENT:	<p>Excused: Chris Uhl, Lena Barkley, Michael Aaron, Toney Stewart</p> <p>Unexcused: N/A</p>	ADJOURNED:	11:18 am
FACILITATOR:	Laura Hughes, DESC Board Chair & Cal Sharp, DESC Board Vice-Chair	DATE MINUTES APPROVED/ADOPTED:	08/28/2018

ITEM	DISCUSSION	OUTCOME/ACTION ITEM(S)
<p>I. Welcome and Introductions</p> <ul style="list-style-type: none"> Consent Agenda 06/26/2018 Meeting Minutes 04/24/2018 	<p>Laura Hughes, DESC Board Chair, called the meeting to order at 9:45 am. Board members, DESC staff and Guests were introduced and were welcomed and thanked for attending.</p> <p>Laura Hughes, DESC Board Chair, asked for the Consent Agenda to be amended to move the WIOA Plans Modification item to precede the Program Services Update and for the Meeting Minutes of 04/24/2018 to be approved.</p> <p style="text-align: center;"> Motioned: Don O'Connell Seconded: Alice Thompson Motion Carried - Approved/Passed Unanimously </p> <p>Laura Hughes, DESC Board Chair, will turn the meeting over to Cal Sharp, DESC Board Vice-Chair, when she must leave for a previous commitment.</p>	<p>Consent Agenda 06/26/2018 amended to move WIOA Plans Modification to Item IV and Meeting Minutes of 04/24/2018 approved.</p> <p>Motion Carried/Passed Unanimously</p>
<p>II. CEO Board Report Highlights</p>	<p>Nicole Sherard-Freeman, DESC CEO, gave her report:</p> <p><u>National Updates</u></p> <ul style="list-style-type: none"> Medicaid Recipients must work or do community services at least 20 hours a week. More people will be looking for work. F&T recipients of able body, without dependents, waiver will be terminated, so now there will be work requirements associated with food stamps distribution. We expect 30,000 more Detroiters to enter the workforce system. 	

	<ul style="list-style-type: none"> • Trump Administration Streamline Recommendation: Merger of Department of Labor and Department of Education into a new Federal agency that will be called the Department of Labor and Workforce. A proposal at this point. We are being mindful of this proposal in our planning. <p><u>CEO Update</u></p> <ul style="list-style-type: none"> • We are less reliant of federal funding in this fiscal year, and we will never leave any federal dollars unspent. In 2017 – 97% of our budget were Federal dollars, in 2018/19 – we are less than 80% of restrictive formulaic Federal funds in our budget. • Dramatic increase in Detroit at Work activity, in part of Driver Responsibility Fees Program, over 4,000 registrants have signed up, and 800 have completed program. We have the only 10-hour program online. We will use this as a platform for other programs. • Detroit at Work Quarterly Report – residential employment has increased. On second page, Worker Trainee Enrollees have increased over time due to the Mayor relaunching of Detroit at Work, the Driver’s Responsibility Fee Program and more access to call center. • Project Clean Slate/Expungement – the Mayor’s office took over a grant from the Art for Justice, which helps reduce and alleviate barriers for returning citizens. Michigan has very strict guidelines around expungement so not many returning citizens will be eligible. If they are not eligible for expungement, at least they will get wraparound services and employment services, and to provide a case for changing policy. The Mayor’s office is active in holding expungement fairs, working with Bloomberg and Associates, and a Prosecutor from New York City to help understand the big policy issues and work to understand how to help our returning citizens. 9,000 Detroiters could be eligible for expungement, having only 1 felony or 2 misdemeanors. And there is also a time barrier, 5 years from the actual crime, and must have support from the courts. <p>Board Question: Can we have a future report on expungement and how it may tie in with our returning citizens program at a future board meeting? Answer: Yes.</p> <p>Jeff Donofrio reported that the Barriers committee of the Workforce Board is looking at prevention, in-prison work, 3 years post-release and beyond and what we need for that population.</p> <p>Laura Hughes, DESC Board Chair, added that 2 reports were included in the Board packet: 1) Skills for Good Jobs Agenda 2018 by the National Skills Coalition, and 2) Lumina Foundation Focus Spring 2018, featuring DESC Board Member Lena Barley’s work in the Rx for CVS workers’ success apprenticeship program.</p>	
<p>III. System Redesign Update</p>	<p>Michelle Rafferty, DESC COO, gave the System Redesign Update Report:</p> <ul style="list-style-type: none"> • Worked with Mayor’s Office of Workforce Development, Corporation of Skilled Workforce and looked at a lot of data last August. Develop preliminary design ideas to test. • This year, a Request for Information was delivered to 100 service organizations that receive our funding and support to get their ideas on system re-design ideas and their capacity. • Accenture helped to plan an Intensive stakeholder Engagement process to get their feedback on how to improve the system. 	

	<ul style="list-style-type: none"> • A 2-day Design lab was created with a customer-centered focus, with leadership teams. A vision statement and ideas about how to prioritize request for proposals came out of the Design Lab. <ol style="list-style-type: none"> 1. Making things easier for Detroiters. 2. Providing services Detroiters need. 3. Focusing on outcomes. 4. Better leveraging technology. 5. Pursue the current Detroit investments energy. 6. Providers focusing on what they do best. • Future State Recommendations <ol style="list-style-type: none"> 1. Improve Access, easy to access services. 2. Consistent High-Quality Services 3. Technology enabled 4. Clear pathway model 5. Financial Stability to move out of poverty • Looking at accountability and system flexibility approach to set up success. • RFP for career centers will be released after the IT upgrades are in place, by the end of this year. 	
<p>IV. WIOA Plans Modification</p>	<p>Robert Shimkoski, Director of Planning and Resource Development gave his report:</p> <ul style="list-style-type: none"> • WIOA Plan is a four-year regional & local plan of workforce strategies, policies and information. • State has 10 Regions, and DESC is in Region 10: Detroit Oakland County, Macomb County (includes St. Clair County) and SEMCA (includes Monroe County) also in Region 10. • This year, we must include St. Clair and Monroe Counties, so the plan was larger than last year. • Local plan had no major revisions. It focused on Mayor's initiative of employing 40,000 Detroiters. • Posted online for public comments. No public comments were received. The Mayor's Workforce Board will approve tonight. • Due to the System Redesign, this plan will probably be resubmitted next year, due to a major change in our agency. <p>Board Question: Where would the construction industry be ranked since they are not in the top 15 career rankings? Answer: Several construction positions are listed in the next 30 rankings.</p>	
<p>V. Program Services Committee Update</p>	<p>Alice Thompson, DESC Secretary, gave her report:</p> <ul style="list-style-type: none"> • GDYT update, which Jason Lee, DESC GDYT Executive Director, will present later in this meeting. • Goals of getting 40,000 Detroit hired. • One Stop Committee – exceeding goals in develop individual career path, enrolled in training. The only goal not exceeding is obtaining employment. • JAG has exceeded goals in enrollment. Detroit JAG has excelled in all metrics in every category that the National Standard has established. Graduate Students count – Could not 	

<p>For Motion:</p> <ul style="list-style-type: none"> • Detroit Training Center Contract • One Stop Service Provider 	<p>contact category, the National Standard was less than 5%. Detroit JAG had 0. Kudos to Stephanie Nixon, DESC CPO, and her staff.</p> <ul style="list-style-type: none"> • Approved Detroit Training Center contract and One Stop Service Provider contract. Neither of these 2 contracts exceed budget tolerance. • Is Equity and Inclusion conspicuous in our work? <p>Nicholas Piper, DESC Director of Strategic Initiatives, elaborated on the Detroit Training Center, currently at Randolph.</p> <p>Board Question: Are outcomes being measured? Answer: Yes, we are receiving reports from Detroit Training Center. This action is adding funding to 2 new programs, so this funding is not tied to previous outcomes.</p> <p>Cal Sharp, DESC Board Vice-Chair, called for a Motion to approve additional funding in the amount of \$174,900 for the Detroit Training Center contract, which brings the total of their contract to \$549,525.</p> <p style="text-align: center;">Motioned: Jeff Donofrio Secoded: Alice Thompson Motion Carried - Approved/5 Ayes, 1 Nay,</p> <p>Stephanie Nixon, DESC CPO, reported that the One Stop Service Provider contract is a 9-month contract with a 3-month extension for Ser Metro, related to the Redesign Strategy.</p> <p>Cal Sharp, DESC Board Vice-Chair, called for a Motion to approve the 4th year renewal of the One Stop Service Provider.</p> <p style="text-align: center;">Motioned: Jeff Donofrio Secoded: Don O'Connell Motion Carried - Approved/Passed Unanimously</p> <p>Board Question: How is the Community Outreach going? Answer: We set a goal of 200 new job seekers in hard to reach areas. The outcomes were lower than expected. Since this was a pilot, we were not sure that 200 was the right metric to set. We are evaluating whether we should renew like methods or try different methods.</p>	<p>Approval of additional funding of \$174,900 for the Detroit Training Center contract.</p> <p>Motion Carried – Approved/Passed with 5 ayes and 1 nay</p> <p>Approval of 4th year renewal of the One Stop Service Provider.</p> <p>Motion Carried – Approved/Passed Unanimously</p>
<p>VI. GDYT Update</p>	<p>Jason Lee, GDYT Executive Director, gave his report:</p> <ul style="list-style-type: none"> • Met fundraising goal, thanks to the Board, Mayor's office and others. • Dealing with a lot of barriers that Detroit teenagers face. • Will achieve goal of 8,000 teens working this summer. <p>Board Question: Are we going to integrate with DPSCD CAP program? Answer: DPSCE CAP and DESC CAP program are different. Brenda Belcher and Nicole Sherard-Freeman will meet to discuss how we can work together for the benefit of Detroit students.</p> <p>Board Question: Is DPSCD precluding students from pursuing a bachelor's degree? Answer: No, DPSCD is using 3 major pathways: college, apprenticeship or going directly to work.</p>	

<p>VII. Audit & Finance Committee Update; Budget Update.</p> <p>For Motion:</p> <ul style="list-style-type: none"> • 2018-2019 Budget • Updated Financial Policy FIN 2018-004 	<p>Terri Weems, DESC CFO, gave the Audit & Finance Committee report:</p> <ul style="list-style-type: none"> • Projected revenues for 2019 totals \$59.5 million, which includes a \$2 million decrease in executive fees. • Focus of budget is on outcomes. • Increase in training dollars – from \$10 million to \$11.9 million. • Re-design of One Stop System, \$500,000 allocated for centralizing job development and job matching. • \$200,000 for communication and outreach: Detroit at Work marketing • \$500,000 for career technical education. We expect an increase in 2019 due to summer fundraising and prior funding commitments from funders. • Staff - \$600,000, including several temporary workers who will help in project outcomes. • IT Assessment - \$500,000 for technology, to design a system that will collect data in a timelier and accurately manner and with GDYT payroll and HR system. • All risks have a mitigation strategy. <p>Alessia Baker-Giles, DESC Finance Director, presented the Risks and the Mitigating Factors.</p> <ul style="list-style-type: none"> • Risk: Not having enough funding to support all desired projects Mitigating Factor: Prioritizing within the confines of budget. • Risk: Increase in traffic to One Stop may create service issues since One Stop Case Management fees will remain flat. Mitigating Factor: 1. Will request additional federal funding where available, aggressively pursue competitive grants or request funding from philanthropic investors. 2. Renegotiate training costs. 3. Reduce other costs. • Risk: cost association with redesign efforts may exceed our estimates. Mitigating Factor: Will manage redesign efforts within the parameters of our budget including developing a phased approach. • Risk: There may be a need for additional positions to improve our ability to implement new programs. Mitigating Factor: Will manage incremental staffing needs within our budget or raise funds where necessary. Also hire temporary contract workers who will work through the end of the program for which they will be hired. <p>Laura Hughes, DESC Board Chair, requested a Motion from the Board to ratify the decision of Audit & Finance Committee amendment of allocating \$59,5 million to projected revenues. Thanks to the Audit & Finance team and staff who did an outstanding job on presenting a conservative budget with a focus on outcomes.</p> <p style="text-align: center;"> Motedioned: Alice Thompson Secoded: Don O'Connell Motion Carried - Approved/Passed Unanimously </p> <p>Alessia Baker-Giles, DESC Finance Director, presented the DESC Revised Fiscal Monitoring Policy, which includes each contract would be monitored a minimum of at least once per contract</p>	<p>Approval of ratifying the decision of Audit & Finance Committee amendment of allocating \$59,5 million to projected revenues. Motion Carried – Approved/Passed Unanimously</p>
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	<p>year. Additional visits may be warranted based on a risk analysis (new sub-recipient, previous findings, award amount, etc.).</p> <p>Laura Hughes, DESC Board Chair, requested a Motion to approve the DESC Fiscal Monitoring Policy.</p> <p style="text-align: center;">Motioned: Alice Thompson Seconded: Don O'Connell Motion Carried – Approved/Passed Unanimously</p>	<p>Approval of DESC Fiscal Monitoring Policy FIN 2018-004.</p> <p>Motion Carried – Approved/Passed Unanimously</p>
VIII. Youth Policy Lab University of Michigan: GDYT.	<p>University of Michigan Youth Policy Lab – Brian Jacob, Andrea Plevak, Kelly Lovett. Interested in working with the DESC and the Board, especially dealing with statistics. Kelly Lovett gave her report, which was part of the Board packet.</p> <ul style="list-style-type: none"> • Policy brief is available on Youth Policy Lab's website. • GDYT students have better outcomes than comparison and match groups. • The lower achieving youth achieve the most growth. They don't match the higher achievers, though. <p>Board Question: What was the hypothesis? Did it mean it improved their emotional and social functioning? Answer: It may improve their emotional and social functioning, and their focus. After the summer, we will use a survey to determine the other factors that affect the students.</p> <p>Board Question: Why are we not offering this to more students? Answer: We held at 8,000 this year to offer a better work experience for students.</p> <p>Board Question: What criteria did you use to select students? Answer: The Companies set criteria and it varied. We or DESC and Connect Detroit asked that they apply, attend orientation, show they are committed. No company set any academic goal.</p>	
IX. 2019 Proposed Dates	DESC staff will send out a Doodle Poll to Board Members to firm up dates.	
X. Public Comment	Two Public Comments were received.	
XI. Adjournment	<p>Cal Sharp, DESC Board Vice Chair, requested a Motion to adjourn the meeting.</p> <p style="text-align: center;">Motion: Don O'Connell Seconded: Alice Thompson Motion Carried – Approved/Passed Unanimously</p>	<p>Meeting was adjourned at 11:18 am.</p> <p>Motion Carried – Approved/Passed Unanimously</p>

DRAFT SUBMITTED BY:

Printed Name: Cheryl Hildreth

Title: Administrative Assistant

Signature: *Cheryl Hildreth*

Date: June 26, 2018

DATE MINUTES APPROVED/ADOPTED: 08/28/2018 Initials: LJR

NEXT MEETING: August 28, 2018.

