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March 24, 2023

Mary Sheffield, Detroit City Council President
Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Avenue – Suite 1340
Detroit, Michigan 48226

Dear Council President Sheffield:

In response to your email dated March 17, 2023, please see attached Detroit Employment Solutions Corporation's responses to Council President Sheffield's questions. Please feel free to reach out to me if you have any questions.

Sincerely,

Terri A. Weems
President

Enclosure

cc: Nicole Sherard-Freeman, Group Executive, Jobs and Economy (City of Detroit)
Dana Williams, Chief Strategy Officer (Detroit at Work)
Donnie Johnson (City of Detroit)
Lisa Scarbor (City of Detroit)
Eunice Williams (City of Detroit)

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Detroit Employment Solutions/Workforce Development Board

FY 2023-2024 Budget Questions from Council President Mary Sheffield

1. According to the Mayor's proposed budget, DESC is set to receive \$665,000 for Workforce Development whereas the current adopted budget shows no such subsidy for FY 22-23. What does this proposed expenditure represent and how will these funds be used?

We are not clear on this reference to the subsidy you refer to in the adopted budget.

However, DESC's budget includes a grant from the Housing & Revitalization Department (HRD) in the amount of \$665,000 to support the staff of the Mayor's Workforce Development Board who are responsible for developing, growing, scaling, and marketing programs that connect Detroit residents to Detroit employers.

These funds are used to provide the strategic staffing services required to participate in economic development activities securing priority for Detroiters whenever possible, build and maintain relationships with Detroit's largest and most influential employers, actively engage in and at times coordinate industry committees, councils and convenings, and market Detroit at Work jobs and services via job fairs, social media, mass media, and community engagement.

2. In my interactions with those who have used the services at DESC and some employers and training programs who rely on DESC, I have consistently heard that the process is convoluted, lacks the ability to process applicants quickly and discouraging for the end user. Within DESC's budget and operations, what funding is set aside to monitor the efficacy of the programs and processes and to receive feedback from end users of the services offered? What ways, if any, does DESC work to attain feedback and how is the information communicated back to the City of Detroit?

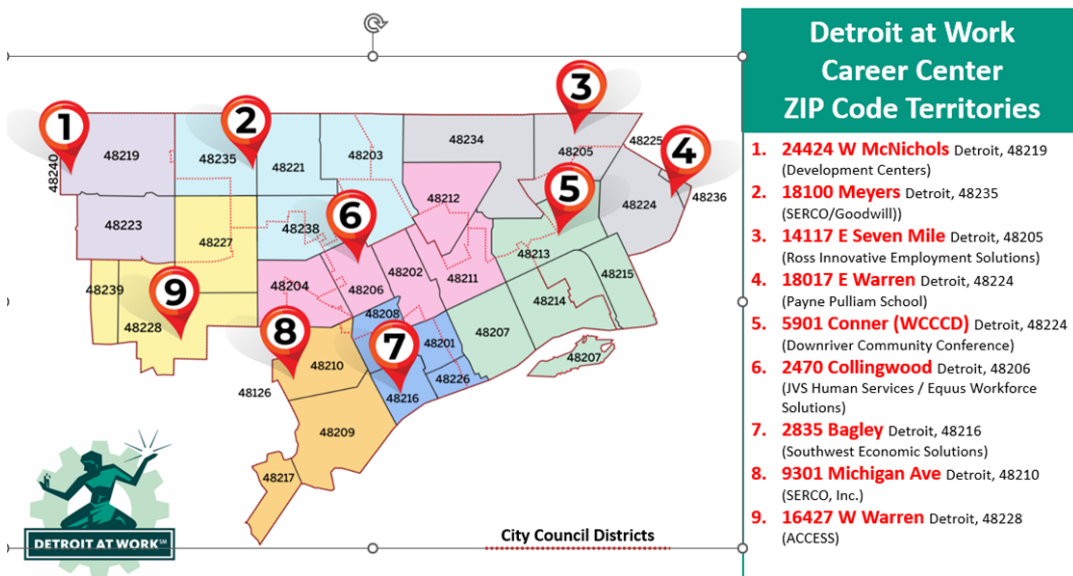
DESC underwent a massive redesign process beginning in 2018. As a result of customer and partner organization feedback, DESC selected qualified vendors (through a competitive procurement process) to implement the new one-stop system redesigned from three (3) to nine (9) Detroit Michigan Works! One-Stop Service Centers branded nationally as the American Job Centers and locally as the Detroit at Work Career Centers. This allowed us to place centers closer to residents' homes. Currently, nearly all Detroiters are within 3 miles of a career center and on a major bus route. During the redesign, DESC committed to a human centered design and with the help of a consultant developed processes and procedures with customers and staff at the center of the development process.

During the pandemic in 2020, we pivoted our services quickly to offer more opportunities for customer engagement in a virtual setting which are still utilized today. Our intention is to meet customers where they are whether in person or virtually.

DESC procures service providers to operate each of the 9 career centers. They are listed below and in the map provided:

- Development Centers
- Serco/Goodwill
- Ross Innovation Employment Solutions
- Payne Pulliam School
- Downriver Community Conference
- JVS Human Services/Equus Workforce Solutions
- Southwest Economic Solutions
- Serco, Inc.
- ACCESS

Each provider is reviewed regularly (bi-weekly, monthly, quarterly) to ensure proper service delivery for customers, and that mandated federal, state and local requirements are being met. The following are the DESC – Detroit at Work Career Center Locations and providers.



DESC has dedicated annual funding (\$200K) directed towards gathering customer feedback and insights through surveys and secret shoppers. We engage with a third party called a one stop operator to conduct this work. The one stop operator has also been contracted to align our subrecipients across the DAW centers. In 2020, DESC began developing a document outlining our commitments to customers, similar to a customer “bill of rights” utilizing a human-centered approach to service delivery. Every customer who visits a career center or interacts with a staff member is sent a short satisfaction survey via email, which asks questions related to our commitments to customers. We have received nearly 2,000 responses since November 2021, and the vast majority of respondents indicate they were treated with respect and clear on their next steps. The results of these surveys are a part of each career center operator’s contract metrics. DESC also conducts a range of more targeted surveys and focus groups to measure program effectiveness, gather customer feedback, and gain insights on our customers’ preferences.

Additionally, “secret shoppers” have been deployed to evaluate customer service and monitor various customer access points to DAW services such as looking for work, registering for work and seeking training. Training providers are monitored as well, and customer survey data is used to assist in determining satisfaction, effectiveness and whether future contracts will be awarded.

We know there is still room for improvement, and we monitor these data points regularly, and adjust when necessary, to refine the customer experience. For example, checklists and to-do lists have been created for customers to assist them with their next steps. Improvements to the customer-facing online portal where they can communicate with their career coaches and upload documents were made with end-user input. Regular technical assistance is offered for front line staff in-person and virtually through office hours.

Because the career center staff are not DESC employees, in the upcoming year, DESC is working with providers to determine whether and how to offer incentives to career coaches for good service to customers, and business service representatives for quality employer outcomes.

3. Most development agreements, especially with respect to workforce development and the hiring of Detroiters, cite the intent to work with DESC to ensure the jobs they intend to create go to residents of the City.

What has been DESC’s experience in dealing with developers and job creators receiving tax abatements with respect to seeking your help with hiring Detroiters? Is DESC’s budget and current staffing level sufficient enough to support the influx of developers and businesses utilizing your services to attract and hire Detroiters?

From large employers like Stellantis and Amazon, to mid-size companies including the Westin Book Cadillac and Dakota, to small businesses like MyLocker and Endless West, the Detroit at Work experience in connecting Detroiters to the opportunities is decidedly positive. By now, over 9,000 Detroiters have been employed as a result of these partnerships. And because of our regular and fruitful partnerships and communications with the City of Detroit Jobs & Economy team, Civil Rights, Inclusion & Opportunity (CRIO) team, Detroit Economic Growth Corporation (DEGC), the Detroit Regional Partnership (DRP), the Michigan Economic Development Corporation (MEDC), and others, there will be more opportunities to come.

To provide the staffing services required to partner with developers and job providers related to economic development activities and key industry councils and convenings, as described above, the City of Detroit awards a grant to DESC to pay for these critical personnel on an annual basis out of the Housing & Revitalization Department (HRD).

4. The Administration of the Grow Detroit Young Talent youth employment falls under the purview of DESC.

What funding does DESC receive, annually, to manage GDYT? What metrics does DESC use to monitor the efficacy of GDYT? Does the program attempt to track both the educational and employment success of GDYT participants?

GDYT receives both federal, state, local, and philanthropic funding to manage GDYT. This year's goal is to raise \$13.8M. The amount of funding received from each of our funding sources fluctuates from year-to-year with philanthropy usually representing approximately 60+% of the fundraising goal and funding from the city of Detroit representing 25+%. In the last year, DESC was granted \$12.275M in ARPA funding to support the program over a two-year period.

GDYT's program metrics include total youth applicants, total youth placed, and the total number of hours worked, and completion rates. DESC also tracks worksites developed, and community partner participation based on yearly targets. Our goal is to reach 100% of our 8000-youth placement goal, a minimum 80% is the benchmark set for overall program participation and completion.

As it relates to educational success, GDYT tracks youth who obtain industry-led credentials such as OSHA 30, IT Coding, Certified Nursing Assistant (CNA), LEAN Six Sigma and Drone Operations (UAV-FAA). Related to employment success, DESC tracks those who secure permanent employment resulting from their summer work experience.

5. There are several barriers for Detroiters entering the job market such as the lack of transportation, no access to childcare, housing insecurity and the lack of education and literacy.

What supportive services does DESC offer directly or refer clientele to which work to remove some of the known barriers to gainful employment for a large segment of Detroit's unemployed and under-employed population?

Supportive Services are provided on an "as needed" basis in order to remove barriers to employment and training, ultimately leading to economic self-sufficiency. Referrals for childcare assistance, housing, transportation, work clothing/equipment and health-sustenance needs are afforded. Additionally, Resource Navigators, whose jobs are to find supportive services offered through partner organizations, are located throughout the career centers. They meet regularly to discuss best practices and share new resources to help customers.

DESC has a comprehensive supportive services policy which aligns to the requirements of the program funding. The policy states that "DESC subrecipients may provide supportive services when necessary to eliminate faced by job seekers to accessing and participating in training or employment opportunities. All DESC subrecipients adhere to DESC's and the Michigan Department of Labor and Economic Opportunity-Workforce Development (LEO-WD) limitations and guidelines established for the provision of supportive services as outlined in this policy."

Supportive services have been expanded in recognition of the limited access unemployed workers have in accessing information, resources and services virtually, the availability of technology, cell phones or internet or phone service and the disproportionate impact of COVID-19 on lower income, minority and economically disadvantaged communities.

The type of supportive services allowed to be provided to participants depends on the funding source. Support is based on need and not an entitlement. Support is also subject to caps. For our primary

source of funding (WIOA) the examples of supportive services allowed for participants actively enrolled in one of our programs include:

- Public Transportation
- Auto Insurance
- Drug Tests
- Fees (Union Dues, Test Fees, Licensing, Bonding, and Background Checks)
- Housing Rental
- Fingerprinting
- Legal Services (Expungement of Criminal Record)
- Personal Grooming Supplies/Services
- Rent/Utility Assistance
- Training Materials, Textbooks, Tools, Supplies
- Work Tools & Equipment
- Clothing
- Birth Certificate
- Tests/Permits
- Driver's License
- Auto repair

In 2020, we implemented a flexible supportive services policy using a small amount of philanthropic funds. This policy allows for a range of supports not possible through public funding sources, including rent assistance and other supports while seeking training and employment.