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TO: Terri Weems, Group Executive
of Workforce and Detroit at Work

FROM: David Whitaker, Director 
Legislative Policy Division Staff

DATE: March 21, 2024

RE: 2024-2025 Budget Analysis

Attached is our budget analysis regarding your agency's budget for the 2024-2025 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Friday, March 22, 2024, at 11:00 a.m.** We would then appreciate a written response to the issues/questions at your earliest convenience before or after your budget hearing. Please forward a copy of your responses to the Council members, the City Clerk's Office, and the Legislative Policy Division.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

DW:dh:ss

Attachments:
Issues and Questions

cc: Councilmembers
Auditor General's Office
Brad Dick, Group Executive/COO
Jay Rising, Chief Financial Officer
Tanya Stoudemire, Chief Deputy CFO
Steve Watson, Budget Director
Eunice Williams, Agency CFO
Anita Hoskins, Budget Analyst
Malik Washington, Mayor's Office

Detroit Employment Solutions/Workforce Development Board

FY 2024-2025 Budget Analysis by the Legislative Policy Division

Detroit Employment Solutions Corporation (DESC), which was spun off from the City of Detroit in June 2012, was established as a non-profit on July 1, 2012. Detroit Employment Solutions Corporation is the fiscal and administrative agent of the Mayor’s Workforce Development Board (MWDB), a body appointed by the Mayor. The MWDB is accountable to the Mayor’s office for the successful delivery of workforce programs across the City of Detroit.¹ DESC is a part of the Michigan Works! Association, and is one of 25 Michigan Works! Agencies located around the state. Each agency:

- Is locally responsive and demand driven.
- Is governed by a **Workforce Development Board**
- Provides services to assist employers in finding the skilled talent they need
- Provides a competitive advantage for jobseekers

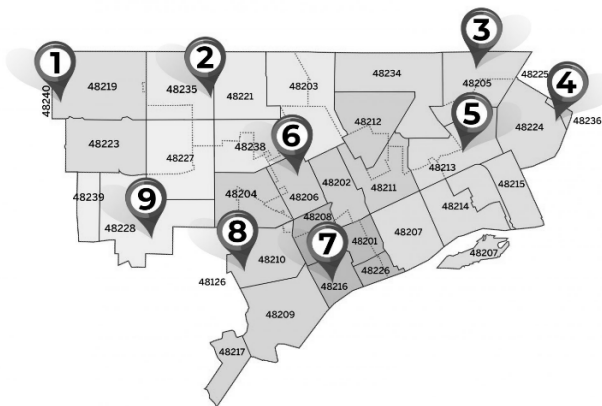
Like other Michigan Works! agencies, DESC receives the majority of its funding from the federal government. These funds can only be spent on programs and initiatives for which they are intended, and that are consistent with Office of Management and Budget guidelines.

DESC’s Federal funds are mandated by the Workforce Innovation and Opportunity Act (WIOA).² The purpose of WIOA is:

- Increase opportunities for individuals, particularly those with barriers to employment
- Support alignment of workforce investment, education, and economic development systems
- Provide workers with the skills and credentials to secure and advance employment
- Promote improvement in the structure and delivery of services
- Increase the prosperity of workers and employers
- Increase the employment retention, earnings of participants and the attainment of recognized post-secondary credentials

Issues and Questions:

1. In 2021 Detroit at Work expanded its career center system to nine centers that cover each of Detroit’s City Council districts. These career centers are managed by community organizations with deep roots in the neighborhoods surrounding the centers. With this expansion, no Detroiter is more than 3 miles away from accessing the career support they are looking for. Has this been successful?



1. 24424 W. McNichols, Detroit, MI 48219
2. 18100 Meyers, Detroit, MI 48235 (Northwest Activities Center)
3. 14117 E. Seven Mile, Detroit, MI 48205
4. 18017 E. Warren, Detroit, MI 48224
5. 5901 Connor, Detroit, MI 48213 (WCCCD)
6. 2470 Collingwood, Detroit, MI 48206 (Durfee Innovation Center)
7. 2835 Bagley, Detroit, MI 48216 (Michigan Welcome Center)
8. 9301 Michigan Avenue, Detroit, MI 48210
9. 16427 W. Warren, Detroit, MI 48228

¹ [Governance | Detroit Employment Solutions Corporation \(descmiworks.com\)](https://www.descmiworks.com)

² On July 22, 2014, the Workforce Innovation and Opportunity Act (WIOA) was signed as Public Law 113-128.

2. Detroit at Work has more than 50 training programs³ available to Detroit jobseekers that help them develop technical and essential skills towards careers in the MWDB's priority industries:
 - Construction & Skilled Trades
 - Healthcare
 - Information Technology
 - Manufacturing
 - Transportation

Currently, there is a shortage of Detroiters in the construction trades.⁴ How has this program impacted curtaining this shortage? On an annual basis, how many Detroiters complete these technical skills training programs? Given this level of training available, why are there still shortages? Is there a lack of individuals enrolled in these training courses, or is there not enough training to keep track with the need for available Detroiters?

3. In the Fall of 2017, Randolph Career and Technical Center was re-launched to provide industry standard training in high-wage, high-need building and construction trades for youth and adults. Breithaupt Career and Technical Center followed in Summer 2019 to link career pathways in automotive, manufacturing, hospitality, customer service, and welding.⁵

Program enhancements include:

- Enhanced high school CTE courses
- Adult training programs in the evening, on weekends and during the summer
- Building and classroom improvements
- Learning lab for contextualized basic skills
- New employer and union partnerships for mentors, training, classroom sponsorships and career exposure
- Wrap-around and support services
- Apprenticeship and community college partnerships

Have the program enhancements listed above led to improved outcomes? If so, how much so?

4. Detroit at Work and Detroit Public School Community District (DPSCD) have partnered to move adult education programs into neighborhood Career Centers.
 - DPSCD adult education programs are 100% tuition free and include in class and online options.
 - 3 programs offered:
 - GED Preparation
 - High School Completion (upon transcript review)
 - Reading and math enrichment

How successful has this collaboration been? Does this program have any direct connection to future employment for its graduates? What is the annual level of enrollment?

5. Detroit at Work has the **Skills for Life**⁶ program, and its appeal to its enrollees are as follows:
 - If hired by the City of Detroit, you'll work three days per week on projects that are important to the city, making a positive impact in neighborhoods across Detroit. You'll also be paid to attend education or training two days per week to earn a credential that leads to a career.

³ [Training | Detroit at Work](#)

⁴ It is commonly considered that most major developments in the city that receive City of Detroit incentives to develop that are held to the standard of providing 51% of the construction jobs to Detroiters, will fall short of that goal and face fines, due primarily to an overall shortage of available Detroiters in the skills trades industries.

⁵ [Career & Technical Education - Detroit Mayor's Workforce Development Board \(workforcedetroit.com\)](#)

⁶ [SkillsforLife | Detroit at Work](#)

- You'll get valuable experience and skills that you can put on your resume and have a reference for future employment
- You'll be able to get your GED if you don't already have it or earn a credential needed for in-demand jobs.
- After you complete the education or training program, you will graduate from Skills for Life and transition into a job that pays around \$17 an hour.
- You'll be on a career path that gives you the opportunity to increase your pay to \$20/hr., \$25/hr., or even more.
- We will help you with a transportation and childcare plan and provide career coaching and other support that increase your long-term success in the program and beyond.

Is this program at full enrollment? How long is the training under the program? What percentage of its enrollees complete the program and advance to full-time employment?

6. What are the top three challenges Detroiters face that inhibit their employability?