

May 10, 2018

The Honorable Rick W. West and
Members of the City Council
City of Chesapeake
City Hall – 6th Floor
Chesapeake, Virginia 23328

Dear Mayor West and Members of the City Council:

We have completed our review of Departmental and Citywide Succession Planning for July 1, 2017 to December 31, 2017. Our review was conducted for the purpose of evaluating the status of City departments and the City as a whole related to succession planning prior to the City's prospective development of a formal succession plan.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

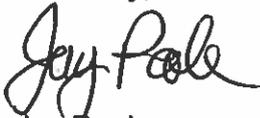
According to the federal Veterans Health Administration Strategic Succession Plan 2013 (Overview page 1): "Succession planning focuses on building the organization's bench strength and succession pipeline to ensure continuity in key positions and encourage individual advancement. Its goal is to match the organization's existing talent to its future needs and to ensure that the lessons of organizational experience will be preserved to achieve continuous improvement in work results."

To conduct this audit, we identified staff potentially eligible for retirement under Virginia Retirement System (VRS) guidelines on both a departmental and citywide basis, practices and procedures related to those prospective retirees, and operations documents and reports, both internal and external. We reviewed succession planning audits conducted for other federal, state, and local government entities. We also interviewed every department head who had City employees, collected data from the City's MUNIS and Kronos payroll systems, and collected and reviewed job descriptions for comparison to actual work tasks indicated therein. We also obtained and analyzed data from Human Resources concerning the eligibility of City employees for reduced and unreduced retirement benefits as of July 1, 2017, and extended that information to December 31, 2017.

Based on our review, we determined the City departments and City management were well aware of potential staff losses and the need to develop staff for future City operations. However, we identified several areas of concern which, if not addressed could result in disruption of service and loss of continuity. They included succession preparation, City-based leadership training, staffing in key positions, and training reimbursement.

This report, in draft, was provided to City Management officials for review and response. Their comments have been considered in the preparation of this report. These comments have been included in the Managerial Summary, the Audit Report, and Appendix A. Also, departmental summaries are included in Appendix B, and positions eligible for unreduced retirement are included in Appendix C. All the departments and management staff were very helpful throughout the course of this audit. We appreciated their courtesy and cooperation on this assignment.

Sincerely,



Jay Poole
City Auditor
City of Chesapeake, Virginia

C: James Baker, City Manager
Dr. Wanda Barnard Bailey, Deputy City Manager
Robert Geis, Deputy City Manager