

March 5, 2020

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 audit of Selected City Hiring and Competitiveness Issues for the period July 1, 2019 to December 31, 2019. This audit has several purposes: Evaluate the City's employee application process and methodology; Review of the time required to hire new employees; and Compare requirements, salaries, and benefits for selected key positions in Virginia's largest cities. While we did compare positions that appeared to be similar, we did not attempt to evaluate the value of positions based upon job descriptions on a case by case basis.

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.

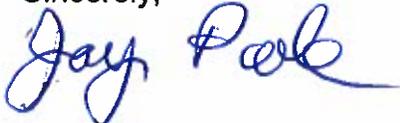
The City of Chesapeake (City) had budgeted 3,926.50 full-time equivalent (FTE) employees for fiscal year (FY) 2020. Police, Fire, and Sheriff's Office had 1,487.90 FTEs. As of FY 2020 there were 54 pay grades with 587 positions.

To conduct this audit, we interviewed large City departments and analyzed the time they indicated was utilized for a normal hiring process, and also time utilized during a more complicated process. We also compared the mean salary for selected City positions against salaries for comparable positions in Virginia largest cities. Finally, we reviewed how far employees had advanced in their pay ranges relative to the full range.

We generally found that the City's application and hiring process was reasonable under most normal circumstances, although we did identify some limited challenges. However, We did note that City employee salaries tended to be clustered at the lower ends of the City's pay ranges. As a result, their salaries were less competitive than their pay ranges suggested. Also, while the City was generally competitive with its peer cities in Virginia relative to pay ranges taken as a whole, it was less competitive on minimum salaries for certain positions than some of those. Finally, City departments identified a number of other hiring and competitiveness issues during our audit. These issues included delays in getting classifications updated, screening challenges, and hiring for some seasonal employees.

This report, in draft, was provided to management 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. Management, Department Heads, Fiscal Administrators, Payroll Clerks, Information Technology (IT), and Finance were very helpful throughout the course of this audit. We appreciated their courtesy and cooperation on this assignment.

Sincerely,

A handwritten signature in blue ink that reads "Jay Poole". The signature is written in a cursive, flowing style.

Jay Poole
City Auditor
City of Chesapeake, Virginia

C: Christopher Price, City Manager
Dr. Wanda Barnard Bailey, Deputy City Manager
Allison Myers, Acting Director of Human Resources