

# Dismissed Calgary auditor Tracy McTaggar will cost taxpayers up to \$100,000

BY KIM GUTTORMSON, CALGARY HERALD JUNE 23, 2010 7:00 AM



City auditor Tracy McTaggart said Thursday she never alleged there was fraud in how the city awards contracts, in her first chance to respond to a criticism of her procurement audit made at council last week.

**Photograph by:** Archive, Calgary Herald

A day after city council put the performance of its audit department under a microscope, focus Tuesday shifted to the role elected officials played in allowing it to reach a point where the office failed to meet numerous industry standards, leading to the dismissal of the auditor.

"Yes, they acted, but where were they prior to this?" Mount Royal University political scientist Duane Bratt said. "Ultimately they're the ones who will take the hit for this, and they should."

Scott Hennig, Alberta director of the Canadian Taxpayers Federation, said events this week either mean Calgary had an auditor who "did not do her job properly" for six years or that there were other reasons behind council ending her contract. "It's bad either way," Hennig said.

Monday, council received a quality assessment review of the audit office conducted by an external auditor, which found the department didn't comply with five of 11 industry standards.

Council then voted to revoke auditor Tracy McTaggart's contract, which was halfway through a one-

year extension.

It was indicated her remaining six months would be paid out, costing the city between \$70,000 and \$100,000.

McTaggart made between \$136,500 and \$200,000 a year. The city only provides a salary range because it's a personnel issue.

As part of her contract -- McTaggart was initially hired in 2005 for five years -- she also received automatic raises based on what senior city staff were awarded, so that it wasn't tied to a judgment of the audit committee and was therefore more independent.

McTaggart's dismissal came on the heels of a contentious procurement audit that led to a public disagreement between her and the city manager over some of the conclusions drawn. However, the quality assessment review done by PricewaterhouseCoopers was initiated before that audit was finished, and should have been started last year.

There had been concerns about the number of audits being conducted by the office, the length of time some were taking and staff turnover.

Mayor Dave Bronconnier said he would have liked to have seen the review conducted earlier, but that it was up to the audit committee, which is made up of five aldermen and two members of the public.

"I think, as with any management decision, we have to make sure we have all the facts," he said. "There were issues raised in the past, but not confirmed.

"In my view, the review could have been done much sooner, before the contract was extended."

Ald. Brian Pincott, chairman of the audit committee since October, said he made it a priority to get the review done. The audit committee will now put in place a plan to search for a new auditor, which Ald. Diane Colley-Urquhart, who sits on the committee, thinks should be left until after the October election.

"We need to let it rest, settle down for now and delve into this much more with a new council," she said.

Bratt agreed the hiring of a new auditor has to be done after the election.

Pincott said the process will take at least six or seven months.

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