



Oregon

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MEMORANDUM

To: Representative David Gomberg
Joint Committee on Ways & Means:
Subcommittee on General Government
Oregon State Legislature

From: Paul D. Johnson (CFO Analyst)

Date: February 8, 2023

Subject: Board of Accountancy Attorney General costs

Regarding your question on the Board of Accountancy's Attorney General (AG) costs. Services and Supplies for this line item is \$589,693, out of a total Services and Supplies of \$1.6 million.

For context, the agency was part of a Department of Justice (DOJ) model - now discontinued - that was intended to stabilize prices for DOJ services especially for smaller agencies that could not easily manage large swings in DOJ costs within their budget. The model provided flat pricing based on prior three biennia actual use of DOJ services.

With respect to the Board of Accountancy, this model resulted in large increases in the Attorney General line item, due to a period of exceptionally high use of DOJ triggered by an outlier case. Effectively, the impact of that outlier case increased the AG costs significantly beyond prior biennia.