



Oregon

Tina Kotek, Governor

Board of Accountancy

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October 17, 2025

Senator Kate Lieber, Co-Chair
Representative Tawna Sanchez, Co-Chair Interim
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairpersons:

The budget for the Board of Accountancy (BOA) is a single program unit, Other Funds only, budget. Our Legislatively Approved Budget for the 25-27 biennium is \$4,448,690. This includes funding for a one-time \$1,000,000 grant to the Oregon Society of CPA's to use for financial needs-based CPA scholarships. This funding is intended to improve the workforce pipeline.

The mission of the Board of Accountancy is to protect Oregon consumers by ensuring only qualified licensees practice public accountancy in accordance with established professional standards and promulgated rules.

Our agency's reduction options include line items where projections show there may be an excess of funds. A portion of the budget for Professional Services and In State Travel was already reduced in package 90.

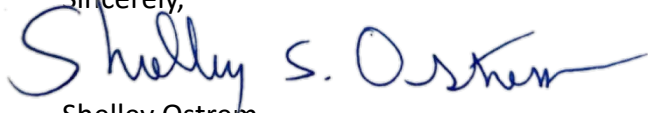
The program areas are ranked in order of 1 through 7 with number 1 being the highest priority and the first place a reduction should take place to cause the least disruption to services.

Our 5% reduction option total is \$222,435 and is broken out in 2.5% increments of \$111,217 and \$111,218 respectively.

A budget reduction would have the greatest impact in two areas. The first would be a reduction to the Attorney General funds. LAB budget projections show there is over \$186,000 excess for this expenditure, however, one lawsuit could cost this much or even more. For this reason, a budget reduction in this area is considered high risk.

The second area where a budget reduction is unfavorable is with respect to the CPA Scholarship Grant. Our overall budget reduction included the one-time \$1,000,000 approved grant. This increased our budget reduction by \$50,000 just for this one program area. If the agency were pushed to a 5% overall reduction, there would be little choice but to reduce the scholarship amount by \$85,000 which would negatively affect the CPA workforce pipeline and need-based eligible scholarship recipients.

Sincerely,

A handwritten signature in blue ink that reads "Shelley S. Ostrem". The signature is fluid and cursive, with a long horizontal stroke at the end.

Shelley Ostrem

Acting Executive Director

C: Martin Pittioni, BOA Executive Director
Lyubov Salov, DAS
Courtney Rogers, CFO
Michael Graham, LFO

Oregon Board of Accountancy (BOA)																
2025-27 Biennium																
				2025-27 LAB	-	-	4,448,690	-	-	-	4,448,690					
Detail of Reductions to 2025-27 Legislatively Adopted Budget																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Priority (ranked most to least preferred)		Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Gov. Reduction Target Yes / No	One-Time Yes / No	Describe the reduction and associated impact on services and outcomes. Please identify the source of Other Funds reductions.
Priority (ranked)	Prgm/ Div															
1	Professional Services	BOA	12000-01	Used primarily for exam services provided by National Association of State Boards of Accountancy, (NASBA) our security alarm system and for temporary help.			36,217				\$ 36,217			N/A	Yes	Careful management of costs charged to this line item should minimize impact on agency services. A portion of these funds were already reduced in package 90. BOA has taken over CPE audits from NASBA which will curb some projected costs.
2	Office Expenses	BOA	12000-01	Supplies not provided by DAS such as keyboards, mouse, etc.			10,000				\$ 10,000			N/A	Yes	This may lead to inferior products needed for work efforts, non-ergonomic, etc.
3	In State Travel	BOA	12000-01	Better technology helps to connect with stakeholders and curb expenses in this area.			10,000				\$ 10,000			N/A	Yes	Connecting the board with the community it serves is a priority. This cut will reduce the outreach the agency had planned. A portion of these funds were already reduced in package 90.
4	Dues and Subscriptions	BOA	12000-01	Membership in professional organizations and for subscriptions to materials used to stay abreast of emerging issues regarding CPA's.			5,000				\$ 5,000			N/A	Yes	This reduction could impact BOA's ability to collaborate with National and/or other State Boards of Accountancy.
5	AG Services	BOA	12000-01	Legal Services from Department of Justice.			50,000				\$ 50,000			N/A	Yes	This cut carries significant risk and thus is assigned the lowest priority. If the agency has a significant increase in complex and litigious cases in 2025-27 this cut is highly unlikely to provide enough spending authority to cover AG expenses in such an event. This which could negatively impact the agency's consumer protection mission.
					1st 2.5%	Total \$111,217										
6	AG Services	BOA	12000-01	Legal Services from Department of Justice.			26,218				\$ 26,218			N/A	Yes	This cut carries significant risk and thus is assigned the lowest priority. If the agency has a significant increase in complex and litigious cases in 2025-27 this cut is highly unlikely to provide enough spending authority to cover AG expenses in such an event. This which could negatively impact the agency's consumer protection mission.
7	Scholarship Grant Funds	BOA	12000-01	SB 796 provided authority for the Board to award grants for CPA scholarship programs of up to \$1,000,000.			85,000				\$ 85,000			N/A	Yes	This cutwould inhibit the Agency's ability to promote the workforce pipeline by offering financial help to students who are pursuing an accounting degree at an accredited institution.
					2nd 2.5%	Total \$111,218					\$ -					
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				TOTAL	-	-	222,435	-	-	-	\$ 222,435	0	0.00			

Target (5%)	-	-	222,435	
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Target for 2.5% increments	111,217
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2025-27 Biennium

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
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Agency	SCR	Program Establishment / Expansion			Program Description	GF	LF	OF	NL-OF	agency reduction options	NL-FF	TOTAL FUNDS	Pos.	FTE	Implementation Status
		Biennium	Effective Date	Authorization											
BOA		25-27	7/1/2025	Legislative Approval	SB 796 provided authority for the Board to award grants for CPA scholarship programs of up to \$1,000,000. Grant to be administered by the Oregon State Society of CPA's.			1,000,000				\$ 1,000,000			Not yet implemented, planned for implementation by end of October 2025. This is a one-time funded program.
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				TOTAL		-	-	1,000,000	-	-	-	\$ 1,000,000	0	0.00	

Instructions

Column (5) - Authorization should identify the source of the new program or program expansion, which could include enabling legislation, approved policy option package, or administrative establishment.

Column (6) - Program description should include a summary of the program and the expansion (if applicable), including any partner state agencies.

Column (16) - Current status of program implementation should be summarized, including any future budget requests anticipated upon full program implementation.