



DEPARTMENT OF JUSTICE

Justice Building
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Salem, Oregon 97301-4096
Telephone: (503) 378-6002

October 11, 2023

Governor Tina Kotek
Office of the Governor
900 Court Street, Suite 254
Salem, OR 97301-4047

Dear Governor Kotek:

On April 28, 2023, you asked the Department of Justice to examine the Secretary of State's (SOS) April 2023 performance audit entitled "*Oregon Liquor and Cannabis Commission: Oregon Needs to Modernize Cannabis Laws to Help Grow the State's Economy and Ensure Equitable Opportunities and Benefits for all Communities.*" To conduct the examination, our office hired Sjoberg Evashenk Consulting (Sjoberg), an expert in the field of performance audits.

In particular, to conduct the examination, we asked Sjoberg to determine whether the SOS's audit fully complied with Generally Accepted Government Accounting Standards (GAGAS), and if not, to indicate in what ways the audit had fallen short of those standards. We also asked Sjoberg to make appropriate recommendations based on their conclusions. Sjoberg has now completed their report and a copy is attached.

In short, Sjoberg has concluded that, once a potential threat to the independence of the audit arose (due to the actions of the former Secretary of State), the SOS and its Audit Division should have taken steps to mitigate that threat – including pausing to determine whether additional work needed to be done to ensure the audit was supported by sufficient high-quality evidence.

Sjoberg's recommendation is that the Secretary of State take down the audit from their website and conduct additional work to ensure the public can have full trust in the independence of the audit. We concur in that recommendation.

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With the completion of this project, we'd like to note our appreciation for the cooperation and professionalism of Secretary of State Griffin-Valade and her office, as well as staff at the Oregon Liquor and Cannabis Commission, and the Oregon Business Development Department.

Sincerely,



ELLEN F. ROSENBLUM
Attorney General

enclosure

cc: Secretary of State Griffin-Valade