Garza/Gonzalez & Associates, LLC
CERTIFIED PUBLIC ACCOUNTANTS

October 11, 2024

Mr. Robert Belt
Chair, Audit Committee
State Securities Board
208 E 10th St
Austin, Texas 78701

Dear Mr. Belt:

In accordance with the Service Contract for Internal Auditing Services ("Contract") between the State Securities Board ("SSB") and Garza/Gonzalez & Associates, LLC ("G/G&A"), G/G&A was engaged as the internal auditor for SSB for fiscal year 2022, with the option for SSB to renew and extend the Contract for up to four additional one-year periods. On September 19, 2024, the Board exercised its third renewal option to retain G/G&A for internal audit services for fiscal year 2025. This letter serves as a supplement to the existing Contract and does not modify its terms.

We are pleased to continue providing internal audit services for fiscal year 2025 and thank you for reappointing us as your independent internal auditors.

As part of our internal audit functions, we will conduct a risk assessment and prepare an Internal Audit Plan ("Plan"). The Plan will outline the scope of internal audit activities and prioritize audit responsibilities for fiscal year 2025. Since audit planning is an ongoing process, the Plan will be reviewed annually and may be revised by the Board or Audit Committee as necessary.

GG&A, an independent Certified Public Accounting firm, will prepare the Plan in accordance with Generally Accepted Government Auditing Standards, the International Standards for the Professional Practice of Internal Auditing, and the Institute of Internal Auditors' Code of Ethics contained in the Professional Practices Framework.

The Plan will specify the audits and other functions to be performed in fiscal year 2025, with preparation of the annual internal audit report. This report will include all required information to ensure compliance with the State of Texas Internal Audit Annual Report requirements and will be submitted to the SAO and other state oversight agencies by November 1, 2025.

The fee for these services, as stipulated in the Contract, will not exceed $35,000, and is inclusive of all expenses.

207 Arden Grove
San Antonio, TX 78215
210/227-1389
Fax 227-0716

We understand that the SAO has the authority to conduct an audit or investigation in connection with the Contract. We agree to fully cooperate with the SAO, including providing access to any information the SAO deems relevant. Additionally, the SAO shall at any time have the right to access, examine, audit, excerpt, and transcribe any pertinent books, documents, audit documentation, or other records related to this Contract.

If you have any questions regarding the above, please feel free to contact us.

Sincerely,

Kimberly Lopez-Gonzales, CPA
Partner

KLG:mrc

cc: Travis Iles
Securities Commissioner

RESPONSE:

This letter correctly sets forth the understanding of Texas State Securities Board.

Name: _____

Title: Audit Committe Chair

Date: 12/5/24