Statement of Qualifications to Perform
Independent Financial Audit Services
RFQ #2026-007

for

WEBB COUNTY

Laredo, Texas

Contact Person: Eleazar "Eli" Mendoza, CPA
Partner

Due Date: June 25, 2026, at 4:00 p.m.

GARZA GONZALEZ & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

TABLE OF CONTENTS

THIS FORM MUST BE INCLUDED WITH RFQ PACKAGE; PLEASE CHECK OFF EACH ITEM INCLUDED WITH RFQ PACKAGE AND SIGN BELOW TO COMPLETE SUBMITTAL OF EACH REQUIRED ITEM.

"Independent Financial Audit Services"

X Statement of Qualifications

X References Form

X Conflict of Interest Form (CIQ)

X Purchasing Code of Ethics Affidavit

X House Bill 89 Form

X Senate Bill 252 Form

X Proof of No Delinquent Tax Owed to Webb County

The undersigned certifies that the firm is not currently suspended or debarred from doing business with the federal government and has not been declared ineligible by any local or state governmental entity.

______________________________ 06/24/2026

Signature of Authorized Representative **Date**

June 24, 2026

Mr. Juan Guerrero
Contract Administrator
Webb County Purchasing Agent's Office
1110 Washington St., Suite 101
Laredo, Texas 78045

Dear Mr. Guerrero:

Garza Gonzalez & Associates, LLC is pleased to submit our statement of qualifications to perform independent financial audit services for Webb County (County) for a three-year (3 yr.) term beginning with the year ending September 30, 2026 through September 30, 2029, with the option for two (2) one-year (1 yr.) extensions through September 30, 2031, at the discretion of the County's Commissioner's Court.

We understand that the County is requesting the performance of three separate audits: The financial audit of Webb County, the financial audit of Texas Juvenile Justice Department funds administered by the Webb County Juvenile Probation Department related to the TJJD State Aid; and the financial audit for Texas Criminal Justice Assistance Division funds administered by the Community Supervision and Corrections Department (CSCD).

We believe this proposal will demonstrate that Garza Gonzalez & Associates is best qualified to serve as your independent external auditors.

We have performed financial and compliance audits for governmental entities for fifty (50) years in South Texas and over twenty (20) years in Laredo, Texas. We can assure you that we have the capability to perform these audit engagements and issue the required reports within the agreed upon time due dates.

Our Audit Approach. The fieldwork is planned and coordinated with your supervisory personnel. The audit fieldwork is conducted on a continuous manner led by **CPA experienced auditors** utilizing the latest audit technology. Audit status communication is provided to management at least weekly. We inform management of new audit and accounting standards and requirements as they develop throughout the year. Our objective is to perform the audit in an efficient and effective manner.

Our Continuous Service. We are a phone call away and we are present in Laredo throughout the year. As such, we are available throughout the year to answer questions and provide feed-back and/or technical assistance as needed. This additional service is often provided at no additional cost to the County.

Our Governmental Expertise. All of our staff continually receive training and education in governmental accounting and auditing. Our firm subscribes to Thompson Reuters *Checkpoint*, a comprehensive electronic library which will be at the County's disposal, if we are selected as your auditors. Our Firm is able to provide several audit teams lead by extremely experienced staff members. Our Firm will be more than capable of providing assistance in the implementation of new and developing accounting standards.

Our Specific Governmental Experience. We are qualified to serve you because of our extensive experience in financial and compliance audits with counties, cities, school districts, federally funded organizations, utilities, and many other public entities. We are also qualified to serve you because of our specific experience with Webb County, Bexar County, and Travis County. In addition, we are currently the auditors for Real County and also for the San Patricio County Juvenile Department. We also audit nine (9) Texas cities, eight (8) Texas School Districts and several other governmental entities. In addition, we function as internal auditors for eleven (11) Texas state agencies.

Federal and State Programs Specific Knowledge. We are very familiar with the federal and state programs related to programs administered by the County, including the performance of audits of the Juvenile and Adult probation programs. Our firm has also functioned as the internal auditor for Texas Juvenile Probation Commission. In this capacity our firm has been instrumental in assisting in the development of internal control for the Commission.

Our Quality Standards. Our firm is a member of the AICPA Quality Review Program which reported that our quality control system meets the profession's highest standards. Our latest report letter dated January 20, 2025 is enclosed under separate cover. We have attained a designation of "PASS" and received no comments.

Based on the above, we are certain that we would be able to comply with your performance requirements and schedule, should we be appointed as your auditors.

We welcome the opportunity to respond to any questions in regards to our proposal. You may me at (210) 227-1389, by fax at (210) 227-0716, or by e-mail at emendoza@gga-cpa.biz for additional information or oral presentations.

The undersigned has the authority to represent our firm and is prepared to negotiate an agreement with you at your earliest convenience.

Respectfully submitted,

Eli Mendoza, CPA
Partner

EM:vla
Enclosures

FIRM OVERVIEW

Garza/Gonzalez & Associates, LLC (GGA) is a Certified Public Accounting firm. Our office is located in San Antonio, Texas at the Mercantile Building (40 Northeast Interstate Loop 410, Suite 305). We are licensed for the practice of public accountancy and are members of the American Institute of Certified Public Accountants (AICPA), the Texas Society of Certified Public Accountants (TSCPA), and the San Antonio Chapter of the TSCPA. We have served our community in San Antonio and the State of Texas for fifty (50) years.

We have served our community in San Antonio and the State of Texas for fifty (50) years. The firm has a present staff of eighteen (18); four (4) partners, four (4) audit seniors, seven (7) audit staff, two (2) support staff and one (1) in-house accountant. Six (6) are Certified Public Accountants.

GGA have achieved its present status by developing a reputation for rendering professional and quality work. As a result of our professional and quality work, we have developed a diversified clientele, both in the public and private sectors. Our commitment from inception has been to recommend to our client's improvements in their accounting and financial systems and practices.

We take extreme pride in knowing that we have contributed in making several businesses and many community-based and governmental organizations viable institutions for our community and for the State of Texas.

AVAILABLE SERVICES

Our firm has experience in accounting, auditing, federal and state tax return preparation and consulting services. Our clients include: cities, counties, school districts, housing authorities, transit authorities, utility districts, private foundations, housing related entities, investment corporations, nonprofit organizations, professional services corporations, private and commercial businesses, pension plans, and employee benefit plans.

The multi-services that our firm provides may be categorized into the following general areas:

Attestation Services - The audit of financial statements for the purpose of expressing an opinion as independent CPAs on the fairness of the presentation of the financial statements. This area includes financial and compliance audits, as well as audits prepared to meet the requirements of the Single Audit Act and Texas State Single Audit.

In addition, we provide review services, agreed-upon procedure engagement, comfort letters, etc. Agreed-upon services we normally provide to our municipal clients include:

- Landfill financial assurance
- Housing REAC Submissions
- Debt Coverage calculations and comfort letter.

Consulting Services – We offer our clients a wide range of non-attest services. Our primary objective in our consulting engagements is to assist our clients solve their problems. In every type of engagement, we attempt, whenever possible, to utilize the client's personnel to keep our chargeable time to a minimum. Examples of consulting services includes: Financial Statement preparation, staff training, monitoring of financial operations, Enterprise Resource Project (ERP) implementation, performance reviews, and personnel and feasibility studies.

Internal Audit Services – GGA currently performs internal audits for eleven (11) Texas state agencies. We provide internal audit services for Texas state agencies to encompass audit areas we identify in the risk assessment plan. These audits comply with the requirements of the **Texas Internal Auditing Act**, as well as the Standards for the Professional Practice of Internal Auditing, Certified Internal Auditor Code of Professional Ethics, and Statement of Responsibilities of Internal Auditing.

Accounting & Tax Services – We offer write-up services and the preparation of individual, partnership LLC and corporate income tax returns for state and federal filing. We also prepare the state and federal payroll reports required for small businesses. The small businesses we have provided services to include:

- Professional services (i.e., physicians, dentists, & attorneys)
- Restaurants
- Grocery Stores
- Import/Export Companies
- Manufacturing Companies
- Housing and Real Estate Projects
- Construction Companies

QUALIFICATIONS & EXPERIENCE

GGA is qualified and has specific experience auditing Webb County. Our firm, and six (6) of its members, are licensed by the Texas State Board of Public Accountancy. We have provided assistance and audit services to numerous governmental entities and other entities in the state of Texas over the past fifty (50) years.

GGA has achieved its present status by developing a reputation for rendering professional, quality and timely work. As a result of our professional and quality work, we have developed a diversified clientele, both in the public and private sectors. Our commitment from inception has been to recommend improvements in accounting, financial methods and procedures to all of our clients. We continuously encourage our clients to upgrade their accounting systems with the ultimate goal of having the necessary financial tools for decision-making and proper reporting. We take extreme pride in knowing that we have assisted several businesses and many community-based and governmental organizations become viable institutions for our community and for the State of Texas.

Governmental Audit Experience - We are qualified to serve the County because of our extensive experience in financial and compliance audits with counties, cities, school districts, federally funded organizations, utilities, and many other public entities. These entities are subject to generally accepted accounting principles for state and local governments. We currently serve as the auditors for Real County, nine (9) Texas cities, eight (8) Texas School Districts and several other governmental entities.

Texas County Audit Experience - We are also qualified to serve you because of our specific experience auditing Texas Counties, including Webb County. We have previously served as the auditors for Webb County, and Bexar County, Real County, and San Patrico County. Lastly, and have also audited Travis County as a joint venture with a national accounting firm.

Federal & State Program Audits - We are very familiar with the federal and state programs related to programs administered by the County, including the performance of audits of the Juvenile (TJJD) and Adult (CJAD) probation programs. Our firm has also functioned as the internal auditor for Texas Juvenile Probation Commission. In this capacity our firm has been instrumental in assisting in the development of internal control for the Commission.

Throughout our years in public accounting, we have developed significant expertise in auditing many federal and state programs. We have extensive experience in testing compliance with administrative principles and cost principles and related internal control over specific laws and regulations. Specific programs we have experience with include programs funded by the following agencies:

FEDERAL	STATE
• U.S. Department of Education	• Texas Education Agency
• U.S. Department of Health and Human Services	• Texas Department of Housing and Community Affairs
• U.S. Department of Labor	• Texas Department of Human Services
• Community Services Administration	• Texas Department of Health
• U.S. Department of Housing and Urban Development	• Texas Department of Economic Development
• U.S. Department of Transportation	• Texas Department of Transportation
• U.S Department of Justice	• Texas Commission on Environmental Quality
• FEMA	

Internal Audit Experience – GGA has extensive experience with providing internal audit services which include IT reviews. The majority of our internal audit services are provided to agencies of the State of Texas. We currently function as internal auditors for eleven (11) Texas state agencies. Such services include the development of an internal audit plan, performing risk assessment of major systems and controls, and preparing reports to management and agency board members.

School District & Education Experience – GGA has provided audit and consulting services to education related entities for 50 years. These include Texas school districts, colleges & universities, and charter schools. These organizations are governed by the Texas Education Agency or the Texas Higher Education Coordinating Board, which set strict rules on entities who receive funding. Our firm has the expertise and experience to provide quality services. We also have audited numerous school district non-profit foundations.

Non-Profit Organization Experience – GGA has served numerous non-profit organizations of varying purposes and sizes. From small non-profit organizations to multi-million-dollar entities, each audit is tailored to meet the non-profit's needs. In addition to providing audit services, we have typically performed additional consulting services to our non-profit clients, audits of their pension plans, and filing any required IRS forms.

Single Audit Experience – The majority of our clients require the performance of a Single Audit. Because of this, our audit team members are well versed in OMB *Uniform Guidance*. Our audit team will determine direct and material compliance requirements related to the programs under audit. We will obtain an understanding of the control environment surrounding direct and material compliance requirements and test key controls to ensure they are operating effectively. Compliance procedures will be performed to ensure the County is adhering to federal regulations. Experienced and dedicated team members will be assigned to the Single Audit compliance testing.

INDEPENDENCE & CONFLICTS OF INTEREST

GGA affirms it is independent of the Webb County and all of its component units, as defined by generally accepted auditing standards and the U.S. General Accounting Office's (GAO's) Government Auditing Standards. The proposed audit team members have no direct or indirect financial interest with any employee or any elected or appointed official of Real County or any of its related components. We will maintain professional objectivity and independence throughout the engagement. If we encounter a professional issue with the County, we will provide written notice during our agreement period.

As such, we do not have any conflicts of interest with the County.

QUALITY MANAGEMENT

As required by standards prescribed by the American Institute of Certified Public Accountants (AICPA) we have an appropriate internal quality control system in place and have participated in an external quality control review program for the last 23 years. We are enrolled in the AICPA Quality Review Program and have received a peer review rating of "PASS" regarding our system of quality control used in our audit practice. We have complied with our professional standards by having an external quality control review performed every three (3) years.

Our latest report letter (attached as an Exhibit) is dated January 20, 2025. Our peer review was performed by Faris & Faris, CPA's. The review included all of our governmental and nonprofit audit engagements including audits of employee benefit plans.

In addition, over the years we have been reviewed by many federal and state agencies. We are happy to report that these external reviews have found our systems of quality control to be suitably designed and compliant with applicable professional standards.

AICPA Governmental Audit Quality Center

We are also members of the AICPA Governmental Audit Quality Center. This is a voluntary membership designed to help member firms achieve the highest standards in performing quality governmental audits by providing comprehensive resources, raising the awareness of the importance of governmental audits and creating a community of firms that demonstrates a commitment to achieving audit quality for governments.

Continuing Professional Education (CPE)

To ensure that our professionals maintain the highest level of technical proficiency, we provide our staff with continuous specialized training in the governmental area. Through this and other staff training, we are able to develop and provide professional development programs especially for our governmental clients. Our CPE in the last four years has consisted of governmental accounting and auditing courses. All our staff have trained and/or received training as required by the American Institute of Certified Public Accountants (AICPA) and *Governmental Auditing Standards*.

Governmental Audit CPE – All of our staff continually receive training and education in governmental accounting and auditing. GGA subscribes to Thompson Reuters *Checkpoint*, a comprehensive electronic library which will be at the County's disposal, if we are selected as your auditors. Our Firm is able to provide several audit teams led by extremely experienced staff members. GGA is more than capable of providing assistance in the implementation of new and developing accounting standards.

KEY PERSONNEL

PROPOSED AUDIT TEAM

GGA's performance on this audit engagement will be largely dependent on the specific individuals assigned to the engagement. We will select the auditors which will provide you with a depth of experience combined with specific expertise in governmental accounting and auditing.

Each engagement will progress through states of fact-gathering, analysis, testing for compliance, providing recommendations, and report writing. Our professional staff is trained in the technique of gathering information and data relevant to the purposes of a particular task. Each specific situation will be analyzed in light of its special factors by professionals who have dealt with many similar situations.

The **engagement partner** will have the overall responsibility for all services performed for the County. They will be available to the County for consultation and advice on engagement issues, and any accounting or evaluation matters requested. They will also determine the content of the auditor's report and is responsible for ascertaining that firm's quality control policies and professional standards are complied with throughout the engagement. Specifically, they will direct the activities of the audit teams, review the audit results and conclusions, maintain contact with the County management.

The **audit supervisor** will be primarily responsible for the achievement of our engagement objectives. They will coordinate and direct the day-to-day activities of the professional staff and will review all phases of the engagement. They will be responsible for conducting the engagement's fieldwork, and will be extensively involved in planning the audit work, supervising the audit staff, and preparing the audit working papers. The staff auditors assist in the performance of the specific audit tasks.

All **staff auditors** who will serve the County in this particular engagement will have governmental training and proficiency. All of our assigned staff members will have continuing professional education which will meet or exceed the hours required by the *Governmental Auditing Standards*. All auditors assigned will have a Bachelor of Business Administration from an accredited four-year university.

We proposed to utilize a combination of the professional individuals noted below in the performance of this audit engagement. Also, we have noted the years of experience and number of continuing education hours earned in the last two years:

AUDIT TEAM	YEARS OF EXPERIENCE
* Eleazar Mendoza, CPA – Partner	46
* Richard Galindo, CPA – Partner	34
Jason Hyde CPA – Partner	28
Ruben Martinez, CPA – Partner	28
* Mario Laque, CPA – Audit Supervisor	23
* Chika Cherry, CPA – Audit Supervisor	11

* Audit Team Members to be assigned to this engagement. Other members listed are available to be rotated to work on this engagement if needed. Additionally, we will add staff auditors as needed

RELEVANT CREDENTIALS

Individual resumes for each of the above audit team members follows:

* **Eleazar (Eli) Mendoza, CPA & Partner** - Eli has forty-six (46) years of experience in providing audit and consulting services to governmental entities. He has performed, supervised, and managed the following types of engagements: counties, school districts, municipalities, public utilities, for profit corporations and non-profit organizations. He currently is the partner in-charge of Laredo College, City of Laredo Housing Authority, Middle Rio Grande Development Council, Workforce Solutions Middle Rio Grande, Cotulla Independent School District, Carrizo Springs ISD, Uvalde CISD, Jubilee Academic Center, Inc., and NeighborWorks Laredo. Municipalities he has audited in the past include: Webb County, Bexar County, Real County, San Patricio Juvenile Department, City of San Antonio, San Antonio Water System, City of Uvalde, City of Eagle Pass, City of Leon Valley, Eagle Pass Waterworks System.

Eli has served in the Texas Society of Certified Public Accountants (TSCPA) committee on auditing standards. He is also responsible for the firm's quality control program, staff training, and the development of the firm's school district audit programs. He has provided extensive training on governmental accounting, school district auditing, and compliance auditing to many clients. He has conducted seminars on accounting and audit issues including fraud auditing for Superintendents and Business Officials, TASBO, Region XX, UTSA, superintendent school, etc.

Eli has a Bachelor of Business Administration degree from the University of Texas in San Antonio. He was admitted as a Certified Public Accountant (Certificate No. 46238) by the Texas State Board of Public Accountancy on March 9, 1988 and is a member in good standing with the American Institute of CPAs, Texas Society of CPAs, San Antonio Chapter of CPAs, and the Government Finance Officers Association (GFOA).

***Richard Galindo, CPA & Partner –** Richard has thirty-four (34) years' experience in public auditing and accounting, primarily in the governmental and not for profit sectors. He has served on numerous governmental and non-profit audit engagements. Additionally, he has prior accounting experience in the manufacturing industry in general ledger accounting, manufacturing cost, inventory control and controllership functions.

He has performed audits of various governmental and non-profit entities such as, Bexar County, San Antonio Independent School District, Laredo Independent School District, Laredo College, City of Del Rio, City of Fort Stockton, Brooks Development Authority, Port San Antonio, Alamo Community College District, Austin Colleges, and the Texas School for the Deaf. He has served as a presenter and participant in seminars for federal and state compliance requirements and on various updates of new accounting and auditing pronouncements as related to governmental and nonprofit organizations.

Richard was admitted as a Certified Public Accountant (Certificate No. 071828) by the Texas State Board of Public Accountancy on May 28, 1997 and is a member in good standing with the Texas Society of CPAs; the San Antonio Chapter of CPAs and the American Institute of CPAs. He has a Bachelor of Business Administration degree with a concentration in accounting from the University of Texas in San Antonio.

Jason Hyde, CPA & Partner - Jason has been with our firm for twenty-eight years (28) and currently serves as audit manager on the following audits: Laredo College, Laredo Housing Authority, Harlandale ISD, University Health System Grant funds, the Center for Health Care Services, etc. He is also the Firm Manager for the audit of the San Antonio Housing Authority currently being audited with a national accounting firm.

Some of the governmental and nonprofit entities which he has audited in the past include: Webb County, Laredo College, Laredo Housing Authority, Edgewood ISD, Northside ISD, San Antonio Independent School District, Harlandale Independent School District, North East Independent School District, Charlotte Independent School District, San Felipe Del Rio Consolidated Independent School District, School of Excellence in Education, Cotulla Independent School District, Eagle Pass Independent School District, Huston-Tillotson University, Alamo Colleges, Austin Community College District, Bexar Metropolitan Water District, SER Jobs for Progress, Inc., Parent/Child, Incorporated and the Mexican American Unity Council, Inc.

Jason was admitted as a Certified Public Accountant (Certificate No. 112753) by the Texas State Board of Public Accountancy in August 1, 2018. He has a Bachelor of Business Administration degree from the University of Texas in San Antonio.

Ruben Martinez, CPA & Partner – Ruben has been with our firm for twenty-eight (28) years. Ruben currently functions as the Partner in the following audits: Uvalde Consolidated Independent School District, Cotulla Independent School District, City of Carrizo Springs and Carrizo Springs ISD, Uvalde Moving Forward Foundation (a non-profit organization), and others. He has extensive experience in governmental and non-profit accounting and federal and state compliance audits including Webb County and Bexar Conty.

He has attended and presented various seminars on governmental and non-profit accounting and auditing standards including GASB statements, auditing standards and internal control.

Ruben was admitted as a Certified Public Accountant (Certificate No. 85334) by the Texas State Board of Public Accountancy on November 12, 2004 and is a member in good standing with the Texas Society of CPAs and the American Institute of CPAs. He has a Bachelor of Business Administration degree in Accounting from the University of Texas at San Antonio.

* **Mario Laque, CPA & Audit Supervisor -** Mario has been with our firm for twenty-three years and has participated in governmental and nonprofit audit engagements. He has functioned as an Audit Senior many governmental entities including the following: Webb County, Bexar County, Laredo College, the City of San Antonio, Travis County, Harlandale Independent School District, Harlandale Education Foundation, Inc., Parent/Child, Incorporated – Pension Plan, Community Services Agency of South Texas, Inc. – Profit Sharing Plan, University Health System, the Center for Health Care Services, Vida Y Salud – Health Systems, Inc., SER Jobs for Progress, Inc. of San Antonio, American Sunrise, and Texas Department of Housing and Community Affairs.

Mario also has extensive training in preparing various types of tax returns which include: U.S. Individual Income Tax Returns, U.S. Corporation Income Tax Returns, Return of Organization Exempt from Income Tax Returns, Employer's Quarterly Federal Tax Returns, Employer's Annual Federal Unemployment (FUTA) Tax Returns, Texas Workforce Commission – Employer's Quarterly Reports, Texas Sales and use Tax Returns, Texas Corporation Franchise Tax Reports, and Annual Return/Report of Employee Benefit Plans. He also has extensive training in preparing compilation reports for various types of for-profit and not-for-profit clients.

Mario was admitted as a Certified Public Accountant (Certificate No. 89183) by the Texas State Board of Public Accountancy in August, 2007. He has a Bachelor of Business Administration degree from the University of Texas at San Antonio.

* **Chikako (Chika) Cherry, CPA, CFE & Audit Supervisor -** Chika has been with our firm for eleven (11) years and is an auditor that participates in Texas State Agencies internal audits including IT reviews, governmental and not-for-profit audit engagements. She participated as an audit Senior for Bexar County, NeighborWorks Laredo, San Antonio Independent School District, Pearsall Independent School District, School of Excellence in Education, and Henry Ford Academy.

She also participated as an internal audit Senior for the Texas State Library and Archives Commission, Office of Consumer Credit Commissioner, State Office of Administrative Hearings, State Office of Risk Management, Texas Medical Board, and the Texas Department of Licensing and Regulation. Her past experience includes check fraud detection and debit card fraud analysis at a large bank in San Antonio.

Chika was admitted as a Certified Public Accountant (Certificate No. 107288) by the Texas State Board of Public Accountancy in March 30, 2016. She is also a Certified Fraud Examiner. Chika has a Bachelor of Business Administration degree and a Master of Accountancy from the University of Texas at San Antonio.

REFERENCES

The following attachment provides a list of clients for whom we have performed an audit with a similar scope of service. Each of these individuals has direct knowledge of the overall success of the projects and is independent of our firm. Letters from these individuals are included in the "Exhibits" section of this proposal.

References Form

Please list at minimum five (5) local governmental entities where similar scope of services were provided.

THIS FORM MUST BE RETURNED WITH YOUR OFFER.

REFERENCE ONE

Government/Company Name: Bexar County

Address: 101 W. Nueva, Suite 800, San Antonio, TX 78205

Contact Person and Title: Juan Arteaga, Director of Accounting

Phone: (210) 335-2918 Fax: N/A

Email Address: jarteaga@bexar.org Contract Period: 2004 - 2024

Description of Goods / Services Provided: Annual Financial & Compliance Audit;
Preparation of Annual Comprehensive Financial Report; TJJD Audit; CJAD Audit;
Health Facilities Development Corporation; Housing Finance
Corporation; County Clerk Audit; and District Clerk Audit;

REFERENCE TWO

Government/Company Name: Real County

Address: 146 S US HWY 83, PO Box 69, Leaky, TX 78873

Contact Person and Title: Jennifer Manchester, Treasurer

Phone: (830) 232-6627 Fax: (830) 232-6681

Email Address: cotreasurer@co.real.tx.us Contract Period: 2025-Present Day

Description of Goods / Services Provided: Annual Financial & Compliance Audit;

REFERENCE THREE

Government/Company Name: Laredo College

Address: West End Washington Street, Laredo, TX 78040

Contact Person and Title: Cesar Vela, Vice President of Finance & Administration

Phone: (956) 273-1070 Fax: (956) 721-5218

Email Address: cvela@laredo.edu Contract Period: 2016 to Present Day

Description of Goods / Services Provided: Annual Financial & Compliance Audit;

REFERENCE FOUR

Government/Company Name: Laredo Housing Authority

Address: 2000 San Francisco Ave, Laredo, TX 78040

Contact Person and Title: Jennifer Barrientos, Executive Director

Phone: (956) 722-4521 Fax: (956) 729-0020

Email Address: jbarrientos@larha.org Contract Period: 2017 to Present Day

Description of Goods / Services Provided: Annual Financial & Compliance Audit

REFERENCE Five

Government/Company Name: San Antonio ISD

Address: 514 W. Quincy St., San Antonio, Texas 78212

Contact Person and Title: Margaret Ornelas, Senior Executive Director of Finance

Phone: (210) 554-8605 Fax: (210) 228-4602

Email Address: mornelas2@saisd.net Contract Period: 2004 to Present Day

Description of Goods / Services Provided: Annual Financial & Compliance Audit; and Preparation of Annual Comprehensive Financial Report

In addition to the above-mentioned references, GGA has also previously performed the financial and compliance audit for Webb County (2011-2015), including the audit for Webb County's Juvenile Probation Department (2011-2015; and 2021-2026) and Community Supervision & Correction Department (2011-2015; and 2021-2026); as well as Travis County (in a joint venture with a national firm), San Patricio County Juvenile Probation Department, and Zavala County.

Space intentionally left Blank

AUDIT APPROACH

GGA will perform a financial audit of the County's financial statements annually in accordance in accordance with generally accepted auditing standards and generally accepted government auditing standards.

We at GGA are concerned with a quality product above all else. Our audit approach and procedures require that each workpaper prepared by the staff be reviewed by a higher-level person, with all workpapers reviewed by the engagement partner. The engagement partner is responsible for ensuring consistency in the procedures, and adherence to normal quality control. The engagement partner will review the audit plan and audit programs before the fieldwork begins. Also, to ensure that the examination proceeds efficiently and effectively, the engagement partner will meet with the County's officials to discuss problems, share information, and review the progress of the audit.

Our audit will include tests of the accounting records and other such auditing procedures we may consider necessary in the circumstances.

The objective of our examination will be to express an opinion on the fairness of the financial statements. The financial statement audit is to determine whether:

(1) the financial statements present fairly the financial position, results of operations, and cash flows or changes in financial positions in accordance with generally accepted accounting principles, and
(2) whether the County has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.

The financial related audit will also include determining whether:

(1) financial reports and related items are fairly presented,
(2) financial information is presented in accordance with established or stated criteria, and
(3) the County has adhered to specific financial compliance requirements for each major program.

Our audit will include obtaining an understanding of the County and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards.*

As required by OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards,* and the Uniform Guidance.

It is understood that the audit is not primarily designed and cannot be relied upon to disclose fraud and other similar irregularities, if they exist. Obviously, if irregularities are discovered, we will report this to you.

No additional services, other than those specifically stated herein, will be performed without authorization.

PROPOSED METHODOLOGY

Our planned approach to the audit of the financial statements will assure the County of:

- Maximum use of your accounting and internal audit staff (where applicable);
- A comprehensive audit program specifically tailored to meet the County's Accounting and Internal Control Systems;
- Access to a seasoned audit team with experience and extensive knowledge of audits of governmental entities;
- Periodic meetings with the County's management to assure that any significant issues are discussed and dealt with promptly; and
- Performance of the audit tasks and completion of the audit and related reports on a professional and timely basis.

The results of our examination and evaluation will be expressed in the form of a report addressed to the County's Commissioners Court.

Our proposed plan for audit implementation for each entity follows:

County Annual Financial Audit

<u>Preliminary Activities</u> - Shortly after our appointment the Partner and Audit Supervisor will meet with the County Auditor's personnel to mutually agree on an outline of responsibilities and timeframes. The agenda will include but not be limited to the following:

- Audit approach and timing schedule.
- Assistance from the County's personnel.
- Discuss application of generally accepted accounting principles.
- Identify/discuss concerns of the County's management.
- Finalize project management plan.

<u>Planning</u> – The engagement planning will be conducted by the Partner and Audit Supervisor and will be reviewed by the Partner.

Understanding of the County - Prior to any evaluation or testing, our engagement will begin by updating our understanding of the operational, financial, and compliance systems. An important part of this planning work is to determine the nature and usefulness of data (such as accounting and computer manuals, flow charts, budgets, etc.), which the County may have already prepared, so that our documentation of accounting procedures and internal controls can be performed on an efficient basis. Our goal is not to require the County to create additional documents that were not previously prepared for operations and for previous audits.

We will also be obtaining an understanding of the County's information systems as well as testing controls within those systems. Our Information Technology professionals have performed IT audits and security assessments for numerous governmental entities similar to the County.

We will identify areas which may have a significant impact on timing and completion of the audit or that may be of special concern to management. We will review such areas in-depth to obtain an early understanding and resolution of any potential problems that may impede our progress. We will then develop our approach so the County will have sufficient time to compile the data necessary for completion of the audit with a minimum amount of disruption.

Preliminary Analytical Reviews - This feature of our audit approach involves the review of current and historical financial and statistical data, as well as budgeted data, to identify trends, fluctuations, and relationships requiring further investigation. This guides us in the development of our scope and relative emphasis of the audit work.

Risk Assessment - Risk assessment is an ongoing process performed throughout the audit to identify risks related to financial reporting and to analyze these risks for the purposes of developing an overall response to financial statement level risks. It also assists us to design further audit procedures in response to assertion-level risks. In addition to the other planning procedures described above, we will perform specific risk assessment procedures during this phase of the audit to identify those areas of the audit which may be more susceptible to error or fraud. This risk assessment will directly impact the level of effort of the audit processes described below.

Internal Control Testing – We will document the significant accounting systems of the County. Once we understand your system of controls, we will prepare documentation of accounting cycles and confirm our understanding with the aid of County personnel. We then identify strengths and weaknesses that have an impact on audit objectives, which enables the audit team to determine the emphasis to be placed on internal controls during the test work. Finally, we perform "walkthroughs" of key controls to verify the controls have been placed in operation.

Tailored Audit Programs - Utilizing our electronic audit programs and our understanding of the systems, we prepare tailored programs for conducting an audit that is responsive to the audit concerns and that reflects the evaluation of the internal control system. These programs assist our personnel in developing tailored audit programs that focus on the primary audit concerns of the County. More specifically, the audit programs:

- Identify the unique transaction cycles and audit areas.
- Define related objectives.
- Suggest internal control features for each transaction cycle.

With this guidance, our auditors are able to use audit procedures best suited for each audit objective and situation, considering existing controls and assessed risks.

Review Data Processing Controls and Audit Software - GGA will review the information technology controls at the County as part of the regular audit. Key application information technology controls for which we anticipate being particularly interested in reviewing and testing include those application controls over financial reporting (general ledger), payroll and human resources, procurement, and grants compliance management. Additional application controls may be identified during our risk assessment procedures.

Substantive Testing - The nature and extent of the substantive procedures to be employed is dependent on a number of different factors, including the nature of the amount under audit, the volume and relative size of the transactions underlying the amount being audited, and the effectiveness of the internal controls surrounding the processing stream. Sampling is not the only substantive procedure available and, in fact, is not the most efficient or appropriate approach to be used to achieve substantive audit satisfaction in a number of different audit areas. In the appropriate circumstances, the application and evaluation of effective analytical procedures or confirmation techniques can be equally valuable. Analytical techniques include historical trend analysis of revenues and expenditures/expenses, relationships between asset balances and related income amounts, and other non-transaction specific procedures. We also rely on direct confirmations with third parties to test areas such as cash, accounts receivable, investments and debt. Analytical techniques and confirmations will be used in a number of audit areas where reliable, independent data can be used to verify recorded balances in order to limit detailed testing in these areas.

Reporting and Follow-up – Our independent auditor reports will be issued promptly after the completion of our fieldwork. We plan to meet with representatives from the County to review the highlights of the audit and any findings and recommendations contained in our communications before they are finalized. There should be no “surprises” in these reports based upon the weekly status meetings held with management.

Proposed Segmentation of the Audit

Below we have identified and summarized the scope and objectives of each segment we have selected for audit emphasis. We understand this assessment is preliminary and tentative. Through our comprehensive planning and risk assessment processes described above, it is likely we will identify additional critical segments of the engagement for review and further analysis.

Revenue and Receivable Cycle Segment - This segment includes all revenues and related receivables, other than those specifically covered in the federally funded programs segment. Some of the major revenues of the County are property taxes, sales and other taxes, and charges for services. Our audit objectives will be to determine the:

- Propriety and accuracy of the recording of receipts
- Accuracy of receivables and related deferred balances
- Collectability of receivables

Expenditure Cycle – This segment includes all expenditures, other than those related to federally funded activities. This segment has been organized into two sections:

1) *Personnel Services* expenditures are comprised of three major components:

    - Payroll costs
    - Employee benefits, including pension costs
    - Compensated absences

    Payroll costs are particularly significant because of the volume of transactions and the significant dollar value of total payroll costs. Our audit objectives for personnel services will be to determine that:

    - Payroll and related costs have been properly recorded and distributed.
    - Only authorized personnel, who have been properly hired, are on the payroll.
    - Payments are made only in return for services rendered.
    - Liabilities applicable to the period are properly recorded.

    In addition to these audit objectives, we will place further emphasis on the controls surrounding overtime, vacation, and sick leave privileges.

2) *Non-personnel Services* relate to all other County expenditures. The audit efforts of the federally funded programs, capital assets, debt, and capital projects segment all build upon the work performed in this section. Although the focus of these other segments is substantially different, they all rely on the accuracy of invoice coding and processing. Our audit objectives will be to determine that:

    - Purchases are authorized, within budget, and in accordance with the County's purchasing procedures.
    - Each fund, department, and object code are charged with its proper expenditures.
    - All goods and services are received and examined for acceptability and are for lawful purposes.
    - Cash disbursements are valid, supported by proper documentation, and properly recorded.
    - Year-end liabilities are recorded and expenditures are recognized in the proper year.

Cash and Investments – This section includes all audit efforts relative to the County's cash and investment accounts. The audit objectives relative to cash and investments include determination of the existence and amounts, determination of any restrictions on the use of such amounts, and the reliability of such amounts. Because of the size and complexity of the County, we will also verify that all such accounts are recorded. Additional sensitivities include the adherence to statutory requirements regarding collateralization of County funds on deposits with financial institutions, and the degree of control over interfund cash transfers.

In addition, we will perform tests to determine compliance with the Texas Public Funds Investment Act. Our firm performs many similar audits for municipalities and state agencies.

Capital Assets – General procedures that would be applied to capital assets, regardless of the configuration of the accounting system, include the following:

- Select specific additions to capital assets and examine vouchers, invoices, and other documentation in support of the amounts recorded.
- Review the controls in effect to safeguard and control the movable capital assets used in all aspects of the County's operations.
- Verify the mathematical accuracy of capital asset records and related schedules of current year activity for inclusion in the County's CAFR.

We will review depreciation expense analytically and will recompute depreciation expense for selected assets to ascertain the propriety of accumulated depreciation allocated to assets and the overall basic financial statement presentation.

Self-Insurance **–** The audit objective of this section includes determining if such accruals as of year-end are fairly presented and current year expenses are properly recorded. Our audit efforts will include:

- Gaining an understanding of the County's controls over recording such accrual activity.
- Obtaining current actuarial reports, if any.
- Obtaining legal opinions on current claims.
- Analyzing historical trend details of medical claims activity.

Our objectives include the determination that:

- Controls are established to ensure compliance with trust and agency agreements.
- Proper approvals are required for fund activity.
- Adequate physical safeguards exist, including control over access to trust assets.

Debt **–** The audit objectives to be satisfied will be directed toward determining that:

- Long term liabilities are properly authorized.
- All such liabilities are recognized in the proper period.
- Expenditures of the debt service fund are restricted to debt service and other authorized purposes.
- Debt covenant restrictions (including bond reserve requirements) have been met.
- Capital leases are accurately recorded.
- Compensated absences and pension obligations are recorded properly and in accordance with the County's policies.

Federal and State Single Audit – The following is our planned general audit approach to performing the County's federal and state Single Audit:

- Obtain and verify the County's listing of federal and state programs and the amount expended
- during the audit period. Identify the major federal and state programs.
- Identify and list the major compliance requirements.
- Review the compliance control systems established to ensure compliance.
- Execute the sampling plan (i.e., select the sample to be tested).
- Perform audit procedures for selected transactions

All selected transactions charged to each major federal and state programs will also be tested to determine whether the charges:

- Are necessary and reasonable for the proper administration of the program.
- Conform to any limitations or exclusions in the award.
- Were given consistent accounting treatment and applied uniformly to both federally assisted and other activities of the recipient, if applicable.
- Were net of applicable credits.
- Did not include costs properly chargeable to other federally or state funded programs.
- Were properly recorded (i.e., correct amount, date) and supported by source documentation.
- Were allocated equitably to benefiting activities, including non-federal or state activities.
- Test compliance with other material compliance requirements.

Some of the material compliance requirements are not transaction-oriented; i.e., they cannot be tested simply by extending the audit procedures for the transactions selected in the sample. Various compliance requirements require separate testing by performing audit procedures designed specifically for the requirements.

IT Audit Segment – The overall audit approach will incorporate an IT general control assessment over the County's Financial Systems. The primary objective of the assessment is to review the existing general controls and to identify areas where controls could be strengthened. We will focus our assessment on identifying the related and relevant IT internal controls that effect the reporting of financial statements.

We will evaluate the design of the IT control through gathering and documenting sufficient, reliable, relevant, and useful evidence. We then will determine whether the controls were designed effectively and implemented as designed. In those cases where a control may not be implemented or effectively designed, we will identify mitigating controls that the County may have to mitigate the weaknesses of the control.

Internal Control Testing & Sampling

Based on the results of planning, risk assessment, and understanding of internal controls, we will identify internal controls, including information technology controls, in which we plan to rely upon in order to reduce substantive testing. The purpose of control tests will be to verify that significant internal control strengths noted in the systems evaluation phase are functioning as described and are effective. We will utilize sampling techniques as deemed appropriate to select transactions to be tested, to determine the characteristics of the data being examined, and to select objectively, the minimum number of transactions that will permit us to formulate reliable conclusions. Control testing includes the testing of information systems' general and application controls. Such control testing often includes, but is not limited to:

- Application Security Administration and Access Controls - to determine if access to application systems supporting business processes that impact financial statement reporting is selectively restricted and controls are appropriate to protect from unauthorized use, damage, loss, or modification. This includes evaluation of the provisioning process to ensure user access and permissions are in alignment with assigned responsibilities of the position based on the principle of least privilege. In addition, we will test to determine if adequate segregation of duties exist over the various groups of authorized users. We will also evaluate the authentication process to ensure that only authorized users gain access to network and information management system resources.

- Server Administration and Access Controls – to determine if access to servers within the County that support the application and reporting systems are selectively restricted to protect from unauthorized use, damage, loss, or modification and to ensure server administration including operating system maintenance and patches are installed in a timely manner. In addition, ensure that server activity is appropriately logged and monitored.

- Physical Environment Controls – to determine if controls exist that provide reasonable assurance that physical access to computer facilities is restricted to authorized personnel and that computer resources are protected from environmental hazards (for example, fire suppression, and moisture detection equipment is installed and operating).

- Disaster Recovery/Contingency Planning – to determine if data back-ups and recovery plans exist that provide reasonable assurance that critical applications and supporting technical infrastructure could be recovered within an acceptable time period in the event of a service interruption. Interfaces – to determine that information transferred between interfaces is done so in a complete and accurate fashion.

Texas Juvenile Probation Commission (TJPC) Grants Audit

Preliminary Activities – We will meet with the pertinent staff members of the Webb County Juvenile Probation Department to discuss the engagement reporting objectives, audit requirements and the timing. We will develop a cooperative plan of action for the performance of the audit. During this phase we will determine the level of assistance that we can expect from your staff and develop a list of items to be provided based on audit plan and the Texas Juvenile Probation Department (TJJD) Audit Requirements.

Planning – We will obtain and document an understanding of the County's accounting system, internal control, and management information system and fraud prevention policies and procedures. We will provide management with observations and suggestions for improvement based on best practices noted in performing other similar audits. Also, we will perform preliminary analytical review procedures of current and prior year's financial information to identify significant changes. Based on the understanding of these factors, we will assess the risk of financial statements misstatement and the risk of non-compliance. Subsequently, we will develop the audit approach and develop a detailed audit program identifying the specific audit procedures to be performed for each financial statement component and the applicable TJJD compliance requirements.

Financial Statement Tests **–** We will perform focused substantive procedures for the various financial statement account balances. These procedures will be determined based on our risk assessment and the results of the tests of controls of the County Internal controls and could include direct confirmation of assets and liabilities by correspondence with selected customers, creditors, legal counsel and banks.

We will also perform focused compliance testing procedures based on the applicable TJJD audit requirements for the various general assurances as listed in the General Grant Requirement, Article VIII, Section G of the TJJD Audit Requirements. In addition, TJJD Audit Requirements for assurances for specific grants will be tested for compliance.

Our audit procedures may consist of inquiry and observation, confirmation, tests of details and analytical review. Sample sizes will vary depending on the particular grant requirements and the specified TJPC assurances which require testing.

Reporting – We will review financial statements, footnotes, and schedules prepared by the County to ensure compliance with the regulatory OCBOA basis financial statements as promulgated by the TJPC audit requirements. We will also prepare all required audit reports on the financial statements, compliance with laws and regulations, and internal controls based on the TJPC compliance requirements. On or before December, we will provide a preliminary draft of the audit report.

An audit Communication Letter will be provided to you by the same dates. This report will include all communications required, including: material weaknesses; significant deficiencies and other deficiencies identified. This report will also include recommendations to improve controls or enhance efficiency of operations.

Texas Community Justice Assistance Division (CJAD) Grants

Preliminary Activities – The Engagement Partner and Audit Supervisor will meet with the pertinent staff members of the County's Adult Probation Department to discuss the engagement reporting objectives, CJAD audit requirements and the timing of the audit. We will develop a cooperative plan of action for the performance of the audit. During this phase we will determine the level of assistance that we can expect from Department staff and develop and provide a list of audit items/schedules needed to initiate the audit plan.

Planning – Our Engagement Partner and Audit Supervisor will update and document an understanding of the County's accounting system, internal controls, and management information systems and fraud prevention policies and procedures as well as perform to perform a thorough review of the Texas Department of Criminal Justice Assistant Division (CJAD) Standards for CSCDs. We will also perform preliminary analytical review procedures of current and prior year's financial information to identify significant changes. Based on the understanding of these factors, we will assess the risk of financial statement misstatements and the risk of non-compliance. Subsequently, we will develop the audit approach and develop a detailed electronic audit work programs identifying the specific audit procedures to be performed for each financial statement components and the applicable CJAD compliance checklist. An electronic program will be utilized to generate the sample selections, as applicable.

Financial Statement Tests – The Audit Supervisor will perform focused substantive procedures for the various financial statement account balances. These procedures will be determined based on our risk assessment and the results of the tests of controls of the County and could include direct confirmation of assets, liabilities and receipts by correspondence with selected customers, creditors, legal counsel, banks and funding agencies.

Our audit procedures will include a combination of inquiries and observations, confirmations, tests of details and account balances and analytical reviews. Sample sizes will vary depending on the particular application.

Test of Compliance with CJAD Audit Requirements – Staff Auditors will be assisted by the Audit Supervisor to perform focused compliance testing procedures based on the applicable CJAD audit requirements for the various items denoted in their checklist.

Our audit procedures will include a combination of inquiries and observations, confirmations, tests of details and analytical reviews. Sample sizes will vary depending on the particular compliance requirements.

Reporting – The Engagement Partner and Audit Supervisor will review financial statements, footnotes, and schedules prepared by the County to ensure compliance with the regulatory OCBOA basis financial statements as promulgated by the Texas Department of Criminal Justice - CJAD Division audit requirements. We will also prepare all required audit reports on the financial statements, compliance with laws and regulations, and internal controls based on the CJAD compliance requirements.

A conduct of audit report will also be provided to you by the same date. This report will include all communications required, including: material weaknesses; significant deficiencies and other deficiencies identified. This report will also include recommendations to improve controls or enhance efficiency of operations.

Testing Laws and Regulations

Due to our experience with the County and governmental audits in general, we are familiar with state and federal laws and regulations. We will update our knowledge of any changes in these laws prior to commencing audit work. We develop specific audit steps to test applicable laws and regulations utilizing PPC's Smart Single Audit.

Sampling

For each direct and material compliance requirement, process level controls will be identified and tested for design and operating effectiveness. The result is a risk assessment which drives the compliance sample size. The respective samples are drawn for the applicable populations such as cash drawdowns for cash management, required federal financial reports submitted for reporting, etc. Each transaction is examined for compliance with the program requirements as noted in the OMB compliance supplement or grant award documents.

TIMELINE

We anticipate being able to meet Webb County's timetable in the performance of the three audits and report due dates as noted below:

	May/June	July/Aug	Sept/Oct	Nov/Dec	Jan/Feb	March
Planning & Transition						
Preliminary planning meetings and engagement letter						
Risk assessment/engagement planning						
Develop overall audit approach						
Identify & resolve accounting issues & concerns						
Review data processing activities & controls						
Preliminary/Interim Audit Activities						
Obtain understanding of internal control environment						
Identify key controls and perform walkthroughs						
Single Audit Planning and Testing						
Conduct test of controls						
Perform analytical review procedures & preliminary substantive procedures						
Final Audit & Reporting						
Final Analytical Review						
Perform year-end substantive procedures						
Complete Single Audit Compliance Tests/Reports						
Submit Final Opinions, reports and Report on Conduct of Audit						
Present final reports to Audit Committee/Commissioner's Court						
Complete Data Collection Form Certification						

DELIVERABLES

A. GGA will present the results of the audit to the audit committee as part of the audit exit meeting.
B. GGA will provide opinions and required reports and present the Annual Comprehensive Financial Report and the Audit Communication Letter to the County's Commissioner's Court.

C. GGA will provide an opinion and required reports on the County's juvenile probation financial activity, with the required audit schedules & certifications; and

D. GGA will provide and opinion and required reports on the County's adult community supervision grant funding, with the required audit schedules & certifications.

E. GGA will certify and submit the Data Collection Form required for the Single Audit.

Drafts of the above-mentioned reports will be provided to the County's Audit Committee for review prior to finalizing the reports.

2026 Reports Due Dates:	Date
Annual Comprehensive Financial Report & Government Finance Officers Association Certificate of Excellence in Financial Reporting	03/31/27
Juvenile Probation Department Audited Financial Statements	02/28/27
Community Supervision and Corrections Department Audited Financial Statements	02/28/27
Data Collection Form Certification	06/30/27

LITIGATION / REGULATORY DISCLOSURE

GGA has never received a reprimand, been cited for substandard work, disciplined, or had a license suspended by the Texas State Board of Public Accountancy, the AICPA or any other state of federal regulatory agency in 50 years of practice. We have not been party on any litigation, whether past or pending. We are not now or have ever been on the U.S. Controller General's list of ineligible contractors, thus, we are qualified and eligible to perform this audit contract, on a timely and professional basis.

ADDITIONAL FORMS

Proposer Information

Name of Company: Garza Gonzalez & Associates, LLC

Address: 40 NE Loop 410, Suite 305

City and State San Antonio, TX 78254

Phone: (210) 227-1389

Email Address: admin@gga-cpa.biz

Signature of Person Authorized to Sign:

Signature

Eleazar Mendoza, CPA

Print Name

Partner

Title

Indicate status as to “Partnership”, “Corporation”, “Land Owner”, etc.

LLC

06/24/2026

(Date)

Note:
All submissions relative to these RFQ shall become the property of Webb County and are nonreturnable.

If any further information is required, please call the Webb County Contract Administrator,
Juan Guerrero, at (956)523-4125.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

Garza Gonzalez & Associates, LLC

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

None

Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

06/24/2026

Date

WEBB COUNTY PURCHASING DEPT.
QUALIFIED PARTICIPATING VENDOR CODE OF ETHICS
AFFIDAVIT FORM

STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF WEBB *

BEFORE ME the undersigned Notary Public, appeared Garza Gonzalez & Associates LLC, the herein-named "Affiant", who is a resident of Bexar County, State of Texas, and upon his/her respective oath, either individually and/or behalf of their respective company/entity, do hereby state that I have personal knowledge of the following facts, statements, matters, and/or other matters set forth herein are true and correct to the best of my knowledge.

I personally, and/or in my respective authority/capacity on behalf of my company/entity do hereby confirm that I have reviewed and agree to fully comply with all the terms, duties, ethical policy obligations and/or conditions as required to be a qualified participating vendor with Webb County, Texas as set forth in the Webb County Purchasing Code of Ethics Policy posted at the following address: http://www.webbcountytx.gov/PurchasingAgent/PurchasingEthicsPolicy.pdf

I personally, and/or in my respective authority/capacity on behalf of my company/entity do hereby further acknowledge, agree and understand that as a participating vendor with Webb County, Texas on any active solicitation/proposal/qualification that I and/or my company/entity failure to comply with the Code of Ethics policy may result in my and/or my company/entity disqualification, debarment or make void my contract awarded to me, my company/entity by Webb County. I agree to communicate with the Purchasing Agent or his designees should I have questions or concerns regarding this policy to ensure full compliance by contacting the Webb County Purchasing Dept. via telephone at (956) 523-4125 or e-mail to the Webb County Purchasing Agent to joel@webbcountytx.gov.

Executed and dated this 19th day of June, 2026.

Signature of Affiant

Eleazar Mendoza, CPA
Printed Name of Affiant/Company/Entity

VERONICA LOPEZ-ALVAREZ
NOTARY PUBLIC
STATE OF TEXAS
ID 129547123
EXP. 06-05-2029

SWORN to and subscribed before me, this 19th day June, 2026

NOTARY PUBLIC, STATE OF TEXAS

<u>Offeror</u>: Complete & Return this Form with Response Submission.

House Bill 89 Verification

I, Eleazar Mendoza, CPA, the undersigned representative of (company or business name) Garza Gonzalez & Associates, LLC (heretofore referred to as company) being an adult over the age of eighteen (18) years of age, after being duly sworn by the undersigned notary, do hereby depose and verify under oath that the company named above, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270:

1. Does not boycott Israel currently; and

2. Will not boycott Israel during the term of the contract.

Pursuant to Section 2270.001, Texas Government Code:

1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made ordinary business purposes; and

2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or an limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business association that exist to make a profit.

____
Signature of Company Representative

06/19/2026
Date

On this 19th day of June, 20 26, personally appeared Eleazar Mendoza, the above named person, who after by me being duly sworn, did swear and confirm that the above is true and correct.

Notary Seal

____
Notary Signature

6/19/2026
Date

VERONICA LOPEZ-ALVAREZ
NOTARY PUBLIC
STATE OF TEXAS
ID 129547123
EXP. 06-05-2029

<u>Offeror</u>: Complete & Return this Form with Response Submission.

Senate Bill 252 Certification

SB 252 CHAPTER 2252 CERTIFICATION I, Eleazar Mendoza, CPA, the undersigned representative of Garza Gonzalez & Associates, LLC (Company or business name) being an adult over the age of eighteen (18) years of age, pursuant to Texas Government Code, Chapter 2252, Section 2252.152 and Section 2252.153, certify that the company named above is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.153. I further certify that should the above-named company enter into a contract that is on said listing of companies on the website of the Comptroller of the State of Texas which do business with Iran, Sudan or any Foreign Terrorist Organization, I will immediately notify Mr. Jose Angel Lopez III, Webb County Purchasing Agent at (956) 523-4125 or via email at joel@webbcountytx.gov

Eleazar Mendoza, CPA ____ Name of Company Representative (Print)

____ Signature of Company Representative

06/24/2026 ____ Date

PROOF OF NO DELINQUENT TAXES OWED TO WEBB COUNTY

Name Garza Gonzalez & Associates LLC owes no delinquent property taxes to Webb County.

Garza Gonzalez & Associates LLC owes no property taxes as a business in Webb County.
(Business Name)

Eleazar Mendoza, CPA owes no property taxes as a resident of Webb County.
(Business Owner)

Person who can attest to the above information

*** SIGNED NOTORIZED DOCUMENT AND PROOF OF NO DELINQUENT TAXES TO WEBB COUNTY.**

The State of Texas
County of Webb
Before me, a Notary Public, on this day personally appeared Eleazar Mendoza, know to me (or proved to me on the oath of ____________ to be the person whose name is subscribed to the forgoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 19th day of June 2026.

Notary Public, State of Texas

Veronica Lopez-Alvarez
(Print name of Notary Public here)

My commission expires the 5th day of June 2029

VERONICA LOPEZ-ALVAREZ
NOTARY PUBLIC
STATE OF TEXAS
ID 129547123
EXP. 06-05-2029

County of Webb

ADDENDUM No. 1 TO THE RFQ DOCUMENTS
Addendum Date: June 5, 2026

RFQ DOCUMENT NUMBER RFQ 2026-007
"Independent Financial Audit Services"

A. This Addendum shall be considered part of the RFQ documents for the above-mentioned project as though it had been issued at the same time and shall be incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original bid documents, this Addendum shall govern and take precedence. **RESPONDENTS MUST SIGN THE ADDENDUM AND SUBMIT IT WITH THEIR BIDS/PROPOSALS.**

B. Respondent are hereby notified that they shall make any necessary adjustments in their estimates as a result of this Addendum. It will be construed that each bidder's proposal is submitted with full knowledge of all modifications and supplemental data specified herein.

Except as described below, the original RFQ document remains unchanged. The RFQ documents are modified and/or clarified, as follows:

- The selected firm shall audit the financial statements of Webb County **for fiscal years ending September 30, 2026, 2027, and 2028 during the initial Contract Term, and, if renewal options are exercised, fiscal years ending September 30, 2029 and 2030**. The audits shall be conducted for the purpose of expressing an opinion on the fairness of presentation of the County's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed for governmental entities.

The audits shall be performed in accordance with:

1. Generally Accepted Auditing Standards (GAAS) promulgated by the American Institute of Certified Public Accountants (AICPA);
2. Generally Accepted Government Auditing Standards (GAGAS), also known as Government Auditing Standards (Yellow Book), issued by the U.S. Government Accountability Office (GAO), as amended and in effect during the audit period;
3. The Single Audit Act, as amended;
4. The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 2 CFR Part 200, Subpart F, when applicable;
5. Governmental Accounting Standards Board (GASB) pronouncements and interpretations in effect during the audit period;
6. Applicable provisions of Texas law, regulations, grant requirements, and other authoritative professional auditing and accounting standards applicable to Texas counties.

RESPONDENT MUST ACKNOWLEDGE THIS ADDENDUM BY SIGNING BELOW AND ATTACHING THE SIGNED ADDENDUM TO THE PROPOSAL FORM(S):

Company Name Garza Gonzalez & Associate, LLC

Contact Person Eleazar Mendoza, CPA & Partner

Signature

Date 06/24/2026

THIS CONCLUDES ADDENDUM NO. 1 IN ITS ENTIRETY.

This Addendum is being transmitted electronically via our E-Bid site @ https://webbcountyebid.ionwave.net/Login.aspx . If you have any questions, please direct them to; Juan Guerrero Jr. (956) 523-4149 or email at juguerrero@webbcountytx.gov .

EXHIBITS

FARRIS & FARRIS, CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

PAUL W. FARRIS, CPA
DEBRA E. FARRIS, CPA

13434 Leopard St., #A-29-A
Corpus Christi, TX 78410
(361) 241-0656
Fax (361) 241-0658
farriscpa@aol.com

Report on the Firm's System of Quality Control

January 20, 2025

To the Owners
Garza, Gonzalez & Associates LLC (formerly Garza, Gonzalez & Associates)
And the Peer Review Committee of the Texas Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Garza, Gonzalez & Associates LLC (formerly Garza, Gonzalez & Associates) (the firm) in effect for the year ended May 31, 2024. Our review was conducted in accordance with the standards for Performing and Reporting on Peer Reviews established by the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design and compliance with the system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under Government Auditing Standards, including a compliance audit under the Single Audit Act.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Garza, Gonzalez & Associates LLC (formerly Garza, Gonzalez & Associates) in effect for the year ended May 31, 2024 has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiencies or fail. Garza, Gonzalez & Associates LLC (formerly Garza, Gonzalez & Associates) has received a peer review rating of pass.

Farris & Farris CPA's

Texas State Board of Public Accountancy

William Treacy, Executive Director

Office - GARZA/GONZALEZ & ASSOCIATES, LLC

Search Help | Status Values | Terms of Use

Firm License ID
C11758

Firm name
GARZA/GONZALEZ & ASSOCIATES, LLC

Resident manager
Mr. MENDOZA

Location
SUITE 305
40 NE LOOP 410
SAN ANTONIO TX 78216

Date registered
03/11/2024

License expiration date
11/30/2026

Status
Issued (Current)

History of disciplinary actions

Back to Selection TSBPA Home

Texas State Board of Public Accountancy

William Treacy, Executive Director

Individual Licensee - MENDOZA,ELEAZAR G

Search Help | Status Values | Terms of Use

Certificate last name
MENDOZA

Location
SAN ANTONIO, TEXAS

Date certified/registered
03/09/1988

License expiration date
07/31/2026

Status
Issued (Current)

Employment areas most recently reported

Full time
PARTNER - IN TEXAS

Part time
NONE REPORTED

Firms in which the individual is a partner, shareholder, owner, officer, director, or resident manager
Association with the firm GARZA/GONZALEZ & ASSOCIATES, LLC (License ID = C11758) began on 01/01/2024.

History of Board actions
NO DISCIPLINARY HISTORY

Back to Selection TSBPA Home

Texas State Board of Public Accountancy
William Treacy, Executive Director

Individual Licensee – GALINDO,RICHARD D

Search Help | Status Values | Terms of Use

Certificate last name
GALINDO

Location
SAN ANTONIO, TEXAS

Date certified/registered
05/28/1997

License expiration date
12/31/2026

Status
Issued (Current)

Employment areas most recently reported

Full time
PARTNER - IN TEXAS

Part time
NONE REPORTED

Firms in which the individual is a partner, shareholder, owner, officer, director, or resident manager
Association with the firm GARZA/GONZALEZ & ASSOCIATES, LLC (License ID = C11758) began on 08/07/2024.

History of Board actions
NO DISCIPLINARY HISTORY

Back to Selection

Texas State Board of Public Accountancy

William Treacy, Executive Director

Individual Licensee – HYDE,JASON

Search Help | Status Values | Terms of Use

Certificate last name
HYDE

Location
SAN ANTONIO, TEXAS

Date certified/registered
08/01/2018

License expiration date
01/31/2027

Status
Issued (Current)

Employment areas most recently reported

Full time
PARTNER - IN TEXAS

Part time
NONE REPORTED

Firms in which the individual is a partner, shareholder, owner, officer, director, or resident manager
Association with the firm GARZA/GONZALEZ & ASSOCIATES, LLC (License ID = C11758) began on 08/07/2024.

History of Board actions
NO DISCIPLINARY HISTORY

Back to Selection

Texas State Board of Public Accountancy

William Treacy, Executive Director

Individual Licensee - LAQUE,MARIO A

Search Help | Status Values | Terms of Use

Certificate last name
LAQUE

Location
SAN ANTONIO, TEXAS

Date certified/registered
08/10/2007

License expiration date
12/31/2026

Status
Issued (Current)

Employment areas most recently reported

Full time
EMPLOYEE

Part time
EMPLOYEE

Firms in which the individual is a partner, shareholder, owner, officer, director, or resident manager
NO OWNERSHIP REPORTED

History of Board actions
NO DISCIPLINARY HISTORY

Back to Selection TSBPA Home

Texas State Board of Public Accountancy

William Treacy, Executive Director

Individual Licensee – CHERRY,CHIKAKO

Search Help | Status Values | Terms of Use

Certificate last name

CHERRY

Location

CHINA GROVE, TEXAS

Date certified/registered

03/30/2016

License expiration date

03/31/2027

Status

Issued (Current)

Employment areas most recently reported

Full time

EMPLOYEE

Part time

EMPLOYEE

Firms in which the individual is a partner, shareholder, owner, officer, director, or resident manager

NO OWNERSHIP REPORTED

History of Board actions

NO DISCIPLINARY HISTORY

Back to Selection

TSBPA TEXAS STATE BOARD of PUBLIC ACCOUNTANCY

The mission of the ACFE is to reduce the incidence of fraud and to assist the Membership in its detection and deterrence.

CONTACT MEMBER SERVICES
Global Headquarters • The Gregor Building
716 West Ave • Austin, TX 78701-2727 • USA
Tel: (800) 245-3321 / +1 (512) 478-9000
Email: memberservices@ACFE.com
Fax: +1 (512) 478-9297 • Web: ACFE.com

CERTIFIED FRAUD EXAMINER

Chikako Cherry, CFE, CPA
Member # 587487
Certified: September 8, 2010
Expiration Date: June 30, 2026