

**State Water Implementation
Fund for Texas**

**Investment Policy Compliance
Attestation Report**

From Inception through August 31, 2014



Padgett Stratemann

Independent Auditor's Report

To the Honorable Susan Combs
Comptroller of Public Accounts of the State of Texas
Austin, Texas

We have examined management's assertion that the State Water Implementation Fund for Texas (the Fund), complied with its investment policy during the period from inception through August 31, 2014. Management of the Texas Treasury Safekeeping Trust Company is responsible for the Fund's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Fund's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Fund's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Fund's compliance with specified requirements.

In our opinion, management's assertion that the Fund complied with the aforementioned requirements during the period from inception through August 31, 2014 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Comptroller of Public Accounts of the State of Texas, management of the Fund, the Texas Water Development Board, and the State Auditor of Texas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Padgett, Stratemann + Co., L.L.P.

Austin, Texas
November 19, 2014

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