



U N I V E R S I T Y *of* H O U S T O N

DEPARTMENT OF PHYSICS

DR. ARTHUR B. WEGLEIN
Professor
Hugh Roy and Lillie Cranz Cullen Distinguished Professor in Physics
Director, Mission-Oriented Seismic Research Program

To: Dr. Paula Short, Sr. VC/VP, Acad. Affairs/Provost
Dr. Rathindra Bose, VC/VP Research and Technology Transfer

Cc: Dr. Carl Carlucci, Exec. VC/VP, Admin & Finance
Dona Cornell, VC/VP, Legal Aff/Gen Counsel
Dr. Dan Wells, Interim Dean, NS&M

From: Dr. Arthur Weglein, Professor *aw*

Re: Internal Audit Reports

Date: July 29, 2013

As you know, in February and March of 2013, the UH System Internal Auditing Department submitted two internal audit reports to you regarding TLC² payroll expenditures as well as allegations about my travel expenditures. Additionally, Channel 11 presented two news reports on the allegations, which in my opinion, provided a distorted and one-sided representation of the facts surrounding these allegations. As you know, I am the Director of the Mission-Oriented Seismic Research Program (M-OSRP) and the trips in question were funded by M-OSRP and were approved by the Physics Department as well as at all appropriate higher levels as required by UH policy.

The purpose of this memo is to respectfully request that these matters be brought to closure and finalization internally. On my part, I remain committed to transparency and full compliance with internal and external policies, rules, and laws. Although the internal audit reports dated February 25, 2013 and March 26, 2013 did not indicate any policy violations, I can personally represent that M-OSRP and I will continue to follow all UHS and UH policies and guidelines and will review internal practices to ensure we are in compliance with those policies.

Additionally, there were certain expenditures which would not have been questioned had UHS and UH policies provided the necessary guidance. In particular, I am not aware of any UHS or UH policies that specifically address the use of unrestricted research funds, which is the category of funds that our sponsors provide to M-OSRP. Without these specific policies, there is no consistency in the application of whether unrestricted funds are used in an appropriate manner. A new MAPP or SAM that addresses and recognizes the differences between federal funding, restricted corporate funding, and unrestricted funding in terms of proper expenditures would be beneficial to ensure consistent compliance with appropriate guidelines.

I appreciate your time and I look forward to hearing from you shortly. Please let me know if you have any questions or if I can provide any additional information to you.