



Message to the UT Southwestern Faculty

February 13, 2013

To the UT Southwestern Faculty:

I wrote last April to inform you that the UT System had commissioned Paul Hastings, LLP to conduct an investigation of travel and entertainment expenses incurred by Dr. Kern Wildenthal during his years as President of UT Southwestern and more recently as Assistant to the President, prior to his retirement from our faculty. As follow-up to the Hastings report, which focused on a selective set of reimbursed expenses, thorough reviews of all of Dr. Wildenthal's travel and entertainment reimbursements between 2002 and 2012 have been conducted by Grant Thornton, LLP and in addition, by the UT System Internal Audit Office to determine what past reimbursement might warrant repayment to UT Southwestern Medical Center.

Those reviews have now been completed and submitted to the UT System Chancellor, who has informed Dr. Wildenthal of the results. This comprehensive review of expenses associated with 577 days of travel led to the finding that among the total expenses during that ten-year period of \$379,669.05, there were \$21,156.81 in reimbursed expenses for which the business purpose was not fully substantiated or there had been errors in reimbursements.

It was also found that Dr. Wildenthal had in the past provided a total of \$14,980.77 in repayments following the travel, which in retrospect were incorrectly processed and acknowledged as donations. These are being recharacterized; the gift letters are being rescinded; our gift records are being corrected; and Dr. Wildenthal will be making restitution of the remaining \$6,176.04 to resolve this matter. (These changes alter only by approximately 1.5 percent Dr. and Mrs. Wildenthal's total contributions to UT Southwestern over the years.)

It should also be noted that this comprehensive review found that Dr. Wildenthal had incurred \$17,139.48 in expenses for which the business purpose was fully substantiated, but for which he had not requested reimbursement. (Because of the time elapsed, it is not possible to submit these for reimbursement, and accordingly, this amount cannot be used to offset the outstanding balance of \$6,176.04.)

Exclusive of the amounts noted above, all of Dr. Wildenthal's other business travel was fully substantiated.

This investigation has taken considerably longer and consumed more resources than was expected at the outset, but it was considered essential that the concerns of all stakeholders be thoroughly addressed so that this matter can be considered completely closed.

I want to take this opportunity to express, once again, my gratitude to Dr. Wildenthal for his dedication and effectiveness in advancing UT Southwestern's mission and excellence during his 42 years of service as a faculty member, Dean of the School of Medicine, and President.

Daniel K. Podolsky, M.D.
President, UT Southwestern Medical Center