The Annual Financial Report for the Family Practice Residency Program for FY 2013 discussed no discrepancies that would have a material effect on the balances reported in the Financial Report. The audit results provided a reasonable basis for the opinion stated in this report. The Financial Report was properly presented. The audit results provided a reasonable basis for the opinion stated in this report.

SUMMARY OF RESULTS

We concluded our audit in accordance with the standards for the audit of internal controls. We express an opinion on the annual financial report based on the results of our audit.

OBJECTIVE AND SCOPE

The objective of the annual financial report for the fiscal year ended August 31, 2013 is to present the financial position and results of operations for the University of Texas Health Science Center (USTHSC) as reported in the financial statements. The objective of the audit is to determine whether the financial statements present fairly, in all material respects, the financial position and results of operations of the University of Texas Health Science Center (USTHSC) as reported in the financial statements.

During FY 2013, the University of Texas Health Science Center (USTHSC) was awarded an Operational Grant for their San Antonio Family Practice Residency Program (FPRP). The FPRP provides a record of expenditures of the FPRP funds and is intended to provide transparency to the University of Texas Health Science Center (USTHSC) as reported in the financial statements. The objective of the audit is to determine whether the financial statements present fairly, in all material respects, the financial position and results of operations of the University of Texas Health Science Center (USTHSC) as reported in the financial statements.

BACKGROUND INFORMATION

SAN ANTONIO
SCIENCE CENTER

December 16, 2013
Family Practice Residency Program (1407)
INTERNAL AUDIT & CONSULTING SERVICES
UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
An internal audit raises the following issues.

- There are inconsistencies in the financial reporting of the UT System with respect to the revenues and expenditures reported to the THECB.
- The annual financial report does not accurately reflect the revenues and expenditures for the period ended August 31, 2013.

**Opinion**

The auditor believes that the financial statements of the UT System Board of Regents are fairly presented in accordance with generally accepted accounting principles. There were no material weaknesses in the internal control structure that could have a significant impact on the effectiveness of the financial reporting processes.

**Summary of Significant Findings**

- Inconsistent reporting of revenues and expenditures.
- Need for improved internal controls.
- Recommendations for improved financial reporting practices.