1. PURPOSE

1.1. All legal services for the University of Houston System and its component universities are provided exclusively by the Office of the General Counsel, which is also responsible for coordinating the litigation activities of the System and its component universities with the Attorney General of Texas. See SAM 01.D.01 for policies relating to requests for legal services from the Office of the General Counsel.

1.2. Employment of outside legal counsel on behalf of the System or its component universities shall be conducted exclusively through the Office of the General Counsel. To comply with Board policies and requirements imposed by the Texas Attorney General’s Office on agreements for services rendered by outside counsel, the following procedures for contracting with and paying for the services of outside legal counsel through the Office of the General Counsel is provided for members of the System.

2. POLICY

2.1. Outside legal counsel shall be employed exclusively through the Office of the General Counsel on behalf of the System and its component universities. Members of the System or any of its component universities requesting employment of outside legal counsel should send a written request for such representation to the Office of the General Counsel.

2.2. When the Office of the General Counsel determines that the services of outside legal counsel are necessary, negotiation for any agreement with outside legal counsel for representation will be conducted by the Office of General Counsel.

2.3. The System and its component universities are prohibited by Texas statute from retaining outside legal services until written approval is received from the Attorney General’s Office. No payment for legal services rendered by outside counsel may be made without such written approval. Any agreement with outside legal counsel purportedly made or entered into on behalf of the System or a component university by a member of the System or component university without the approval of the Office of the General Counsel is not binding on the System or its component universities. Any charges incurred under such an
unapproved agreement may become a personal financial obligation of the member
of the System or component university improperly negotiating or approving such
an agreement.

2.4. Agreements with outside legal counsel are subject to approval by the Board of
Regents as any other contract, according to their value, under Board of Regents
Policy 55.01 and System Administrative Memorandum 03.A.05.

2.5. An annual or biennial agreement between the System and any outside legal
counsel must be approved in accordance with requirements of the Texas Attorney
General’s Office.

2.6. Payment to an outside legal counsel may not be made prior to the Texas Attorney
General’s approval of an annual agreement for that counsel, and the amount paid
may not exceed the maximum amount set forth in such agreement.

2.7. Payment for services of outside legal counsel must be authorized by the Office of
the General Counsel before checks are issued. Unauthorized billing items may
not be paid. The following procedures apply:

a. Bills for services should be sent directly to the Office of the General
   Counsel by outside counsel. In the event that outside counsel sends a bill
to another department or office, they should be forwarded to the Office of
   the General Counsel immediately.

b. The Office of the General Counsel will forward the bill to the appropriate
   System or component university officials that have worked with outside
counsel with respect to the legal matter to review for accuracy. The
   official(s) will return the bill to the General Counsel, with a certification
   that they have reviewed the bill and 1) that the time and/or related
   expenses billed are correct; or 2) with an explanation of how the bill is in
   error.

c. The Office of the General Counsel requests approval from the Texas
   Attorney General to pay the bill.

d. Upon approval by the Texas Attorney General, the Office of the General
   Counsel will forward the bill and outside counsel voucher approval to the
   appropriate System, university, or state authority who is responsible for
   payment. A copy of the voucher should be sent to the Office of the
   General Counsel as verification of payment.

e. Errors or inappropriate charges discovered by the paying authority should
   be reported immediately to the Office of the General Counsel.
2.8. Appropriated funds may not be used to contract with an attorney who is representing clients adverse to the System or component university or who has represented clients adverse to the System or component university during a six-month period preceding the initiation of the contract. Outside counsel must agree not to represent any client in any matter adverse to the component university within a six-month period following termination of the representation.

2.9. Contracts for services of outside counsel shall be in such form and meet such requirements as are established by the Texas Attorney General.

3. REVIEW AND RESPONSIBILITY

Responsible Party: Vice Chancellor for Legal Affairs and General Counsel

Review: Every five years on or before March 1

4. APPROVAL

Approved: Dona Cornell
Vice Chancellor for Legal Affairs and General Counsel

Renu Khator
Chancellor

Date: November 28, 2016
## REVISION LOG

<table>
<thead>
<tr>
<th>Revision Number</th>
<th>Approval Date</th>
<th>Description of Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>08/22/1991</td>
<td>Initial edition</td>
</tr>
<tr>
<td>2</td>
<td>07/09/1998</td>
<td>Applied revised SAM template to meet current documentation standards. Extensively revised document to meet current operating requirements, including deletion of definitions. Added Sections 2.8 and 2.9</td>
</tr>
<tr>
<td>3</td>
<td>07/27/2001</td>
<td>Applied revised SAM template to meet current documentation standards. Moved SAM 01.D.01 to document purpose from Section 1.2 to Section 1.1. Changed review period from annually on or before May 1st to every two years on or before May 1st. Added Vice Chancellor for Administration and Finance to approval process</td>
</tr>
<tr>
<td>4</td>
<td>06/09/2009</td>
<td>Applied revised SAM template to meet current documentation standards. Added links to add documentation as applicable. Removed requirement for all agreements to be approved by Chancellor in Section 2.2. Revised document numbers in Section 2.4. Added related expenses to payment of services in Section 2.7. Reference changed to Texas Attorney General in Section 2.9. Changed review period from every two years on or before May 1st to every two years on or before March 1st. Added Vice Chancellor for Legal Affairs and General Counsel to approval process and removed Vice Chancellor for Administration and Finance. Removed Section 5, Indexing Terms</td>
</tr>
<tr>
<td>5</td>
<td>11/28/2016</td>
<td>Applied revised SAM template and added new Revision Log. Updated links and titles as needed. Added biannual agreement to Section 2.5. Revised Section 2.7 process for payment of services of outside legal counsel to reflect current operating requirements. Changed review period from every two years on or before March 1st to every five years on or before March 1st</td>
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