1. PURPOSE

This document sets forth the University of Houston System’s policy on nepotism, and requires compliance with State of Texas statutes, Board of Regents Policy 57.07, and regulations regarding unfair employment practices due to nepotism. This administrative memorandum applies to all positions, full and part-time, regular and temporary, in all component university programs, regardless of funding source.

2. POLICY

2.1. Relatives of members of the Board of Regents shall not be employed by the System unless the employment took place at least one year prior to the appointment of the Board member.

2.2. Relatives of other System employees shall not be employed by the System in positions where the employee has the official authority to hire or recommend or approve the hiring, salary or promotions of the relative. Relatives shall not be employed in the supervisory-subordinate relationship even if it results from marriage after the employment relationship was formed.

2.3 The provisions of this policy apply to all system programs, regardless of funding source.

3. DEFINITIONS

3.1. Nepotism: Nepotism is defined as favoritism shown to a relative by employment on the basis of relationship.

3.2. Relative: For this administrative memorandum, the term “relative” is defined as anyone related to the employee within the second degree of affinity or the third degree of consanguinity and includes the following relations:

- The employee’s spouse.
The employee or the spouse’s natural and adopted children, parents, grandparents, great-grandparents, brothers, sisters, half brothers and sisters, grand-children, great-grandchildren, aunts, uncles, nieces, nephews, first cousins, second cousins and persons married to them.

4. PENALTIES

Violation of the nepotism statutes is a misdemeanor involving official misconduct; employees violating the statute are subject to a fine and to dismissal from employment. An employee who violates this administrative memorandum - as an employee knowingly approving the hiring of a relative, as the currently employed relative, or as the relative being hired - is subject to reassignment and/or to disciplinary action, up to and including dismissal.

5. REVIEW AND RESPONSIBILITY

Responsible Party: Executive Vice Chancellor for Administration and Finance

Review: Every five years on or before December 1

6. APPROVAL

Approved: Carl P. Carlucci
Executive Vice Chancellor for Administration and Finance

Renu Khator
Chancellor

Date: April 9, 2013

REVISION LOG

<table>
<thead>
<tr>
<th>Revision Number</th>
<th>Approval Date</th>
<th>Description of Changes</th>
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<tbody>
<tr>
<td>1</td>
<td>08/21/1995</td>
<td>Initial version</td>
</tr>
<tr>
<td>2</td>
<td>03/08/2001</td>
<td>Applied revised SAM template to meet current documentation standards. Revised Section 1.1, including an update to the Board of Regents Policy 49.07. Responsible party changed from VC for Administration and Finance to the AVC for Human Resources. Added the VC for Administration and Finance to Section 6 approval cycle. Added Section 7, Indexing Terms</td>
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<td>3</td>
<td>08/31/2006</td>
<td>Applied revised SAM template. SAM 02.A.21 was reviewed by the component university HR Directors as part of their normal review cycle. Changed review cycle from even numbered years on or before December 31st to every three years on or before December 31st.</td>
</tr>
<tr>
<td>4</td>
<td>04/07/2008</td>
<td>Applied revised SAM template. SAM 02.A.21 was updated to reflect changes to Board Policy 57.07, allowing the employment of the spouse of the Chancellor/President at the University of Houston System/University of Houston. The responsible party changed from the AVC for Human Resources to the AVC for Finance.</td>
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<tr>
<td>5</td>
<td>04/09/2013</td>
<td>Applied revised SAM template and added new Revision Log. Provided redlines to Sections 2.2 and 3.2 per the BOR Policy. Added Section 2.3 per the BOR Policy. Changed the responsible party to the EVC for Administration and Finance. Changed the review period from every three years on or before December 31st to every five years on or before December 1st. Corrected title for EVC for Administration and Finance in Section 6. Removed Section 7, Indexing Terms.</td>
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