

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: General Administration

NUMBER: 01.D.02

AREA: Legal Affairs

SUBJECT: Employment of Outside Legal Counsel

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 Number [55.01](#) and Administrative Memorandum Number [03.A.05](#).
- 2.5. An annual 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 forwarded to the Office of the General Counsel.
 - 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 matter of litigation as to appropriate services for review. The official(s) will return the bill to the General Counsel, with a certification that they have reviewed the bill and that the time and/or related expenses billed is correct.
 - c. The Office of the General Counsel will review the bill and authorize payment for appropriate services.
 - d. The Office of the General Counsel will forward the bill and payment authorization 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: General Counsel

Review: Every two years, on or before March 1

4. APPROVAL

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

 Renu Khator
Chancellor

Date: June 9, 2009