

**UNIVERSITY OF HOUSTON SYSTEM  
ADMINISTRATIVE MEMORANDUM**

**SECTION: General Administration**

**NUMBER: 01.D.02**

**AREA: Legal Affairs**

**SUBJECT: Employment of Outside Legal Counsel**

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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.



## REVISION LOG

Revision Number	Approval Date	Description of Changes
1	08/22/1991	Initial edition
2	07/09/1998	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
3	07/27/2001	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 1 <sup>st</sup> to every two years on or before May 1 <sup>st</sup> . Added Vice Chancellor for Administration and Finance to approval process
4	06/09/2009	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 1 <sup>st</sup> to every two years on or before March 1 <sup>st</sup> . 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
5	11/28/2016	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 1 <sup>st</sup> to every five years on or before March 1 <sup>st</sup>