

Exhibit 3

HCC Guidelines for Outside Counsel

The attached includes the 5 page proposed HCC Guideline for Outside Counsel.

HOUSTON COMMUNITY COLLEGE
OFFICE OF GENERAL COUNSEL
GUIDELINES FOR OUTSIDE COUNSEL

The Office General Counsel (“OGC”) is responsible for providing legal advice to Houston Community College (“HCC”) and all outside counsel engagements. When we retain outside counsel, we do so because we respect that counsel’s professionalism and expertise. The relationship we envision with outside counsel is that of partners, who work closely together to provide the best possible legal services to HCC.

The OGC has established the following Guidelines for Outside Counsel which shall be effective immediately, and apply to any and all HCC legal matters.

These Guidelines are not intended to substitute for or obviate the need for your firm to comply with attorney guidelines that may be sent to you by any of the HCC’s insurers. Your firm is expected to comply with any applicable insurer’s guidelines. To the extent there is a conflict between a provision of these Guidelines and any applicable insurer’s guidelines, or an additional requirement is set forth in an insurer’s guidelines, the insurer’s guidelines shall apply with respect to that provision or requirement.

A. ATTORNEYS ASSIGNED TO OGC MATTERS

When a matter is assigned to your firm, we will discuss with you who will be the responsible partner(s) on the assignment, as well as any associate(s) and paralegal(s) who you propose will work on the matter. Your firm should use its best efforts to use the same professionals during the course of the matter. We understand that, from time to time, other individuals may assist with the matter. However, if you expect a new individual to take on a significant responsibility, or you intend to shift a major responsibility among your professionals, we request that you consult with us before doing so.

All matters shall be staffed with the minimum number of attorneys consistent with high quality legal services. Only one person from a firm should attend meetings, status conferences, depositions, mediations, and arguments, etc., unless attendance of more is required to accomplish the purpose of the event. It is expected that the necessity of attendance by more than one person from the firm will be a rare exception and, in those instances, prior approval from the OGC is required.

Correspondence between your firm and the courts, including pleadings and briefs, shall be signed by a partner of the firm, unless we otherwise agree in a particular instance. Further, court appearances for trials, evidentiary hearings or dispositive motions, and depositions of key witnesses, shall be handled by a partner of the firm, unless we otherwise agree.

No person from the firm shall make any statement to the press concerning HCC matters prior to approval from the OGC.

B. DIVERSITY/AFFIRMATIVE ACTION

The HCC Board of Trustees has adopted a policy which requires professional service providers, among others, performing work at or rendering services to HCC to observe a policy of nondiscrimination and affirmative action in all personnel matters. This policy applies to law firms engaged by HCC.

HCC' commitment to diversity extends beyond the basic requirements of state law. HCC is committed to an inclusive environment in which access and opportunity are provided to individuals of all backgrounds. As a reflection and extension of that commitment, OGC seeks to ensure that all legal work conducted on behalf of HCC is handled by firms and individuals that share this commitment. Accordingly, we ask that your firm provide a brief description of the following:

- 1) The diversity of the team which would be assigned to work on HCC matters; and
- 2) The diversity of the firm as a whole and its ongoing efforts to promote diversity and equal opportunity within the firm and profession.

C. BUDGETING, FEES, EXPENSES AND BILLING

1. Budgeting Projects and Lawsuits

Unless otherwise agreed, estimated budgets *must* be provided for *all litigation matters* and for all other projects expected to exceed \$5,000 or six months' duration. The budget must be received by the OGC no later than **30 days** of your firm's engagement on a matter.

The budget should estimate the nature and scope of proposed work and identify major phases (*i.e.*, pleadings, discovery, motions, and trial). The budget should be sent to the OGC attorney who is your primary contact for the engagement. We do not expect "surprises." You should immediately advise the OGC attorney of any developments that may significantly impact the projected budget. Periodically, and at least every six months, you should revise the budget, if necessary. Each revision should note the total original projected budget, so that the revisions are clear.

2. Fees and Expenses

Rates: At the time your firm is retained, an agreement must be reached with the OGC regarding the specific hourly rates charged for each professional. The hourly fees will apply to all reasonable and necessary work performed by your firm on HCC' behalf and will remain in effect until new rates or a different fee arrangement is agreed to by the OGC. As you may be

aware, the OGC does not have a practice of engaging firms which expect to charge “standard” hourly rate.

Electronic Research: HCC may reimburse your firm for reasonable costs associated with computer-based legal research (Westlaw, LEXIS, etc.). However, electronic research exceeding \$1,000.00 on a matter needs prior approval from the OGC. All charges for electronic research are to be billed at their actual cost to the firm.

Getting Up To Speed: If attorneys are replaced during the engagement, HCC should not be charged for time spent by the new attorney getting “up to speed.”

Other Professionals/Experts: Use and selection of outside professional services and expert witnesses must be approved *in advance* by the OGC.

Travel: HCC will reimburse you for reasonable and necessary out-of-pocket expenses including meal and travel expenses (without markup) which are incurred as a direct result of your representation of HCC. All travel expenses must be for the lowest available fare on the most efficient mode of transportation. Travel time will not be billed unless legal services are provided during this time. Travel receipts for which reimbursement is sought shall be provided with the bills. Reimbursement for meals and travels expenses shall be subject to HCC’ travel and business expense policies and procedures.

Copying/Misc.: HCC will reimburse you for reasonable and necessary photocopying, delivery charges and related expenses (without markup) incurred by your firm in the performance of services on behalf of HCC. HCC will **not** reimburse you for secretarial services, word processing, invoice preparation, or other nonprofessional services (such as proofreading, office filing, etc.).

Ordering of any transcripts shall be discussed and approved by the OGC.

Out-of-pocket expenses shall be clearly identified on the legal bills as to the nature of the expenses, the date of the expenses and the cost.

Summaries: From time to time you may be required to prepare summaries of matters (typically in litigated cases) for auditors or insurance carriers and the like. You are authorized to bill for the time incurred in preparing these summaries.

3. Billing

Please submit a monthly invoice for fees and costs incurred during the preceding month, unless such fees and costs are less than \$500.00, in which case billing of such fees and costs may be deferred to the following month if the firm desires. ***A separate bill should be submitted for each separate matter handled by your firm.*** Time must be billed in increments of tenths of an hour (6 minutes).

Each invoice should be in a logical format and include at least the following information:

- The name of the matter (each matter should be billed separately)
- The identification of the individual who worked on the matter (including a reference to the whether the individual is a partner, counsel, associate, or paralegal) and a description of the activity performed.
- Total hours worked by each timekeeper;
- Itemized expenses and disbursements;
- Total fees and disbursements for the billing period;
- Total fees and disbursements billed and paid to date from the inception of the matter.
- A separate statement of all outstanding (i.e. unpaid, but previously billed) fees and costs.
- All invoices must include a cover page entitled, “Invoice Summary” which includes the invoice date, invoice number, description of the matter, and total fees billed for the invoice, and separate total billed for expenses.

Invoices must be submitted electronically to susan.gram@hccs.edu. Please do not send duplicate emails or hard copy to individual attorneys.

(Please advise us when your firm’s fiscal year is coming to a close so we may expedite the payment of any outstanding bills.)

Each invoice for each matter shall also separately itemize all electronic research, specifically identifying the time spent researching, and the specific topic researched.

D. WORK PRODUCT/LEGAL RESEARCH

Legal analysis undertaken by outside counsel and reflected in memoranda, including internal memos to the file, have potential long-term value to the OGC. You should expect that during or at the end of your engagement you will be requested to provide the OGC with a list of such memoranda, and to provide copies of such memoranda. We invite you to offer such memoranda to us during the course of your firm’s engagement. We do not expect that you will revise them at HCC’s expense to make them “look great” for the internal or departmental client, or more polished than necessary for the purpose intended.

If we become concerned with the quality of the work or the level of service being provided we will bring our concerns to your attention and will expect that you will be responsive to our concerns.

E. COMMUNICATING/REPORTING TO OGC

Unless otherwise advised, your work plan should presume you will provide the OGC attorney with *drafts* of documents, agreements, pleadings, briefs, motions, etc., in time to permit meaningful review and comment. All legal work performed by your firm should be coordinated with the OGC. There may be times when you are authorized by OGC to coordinate or communicate directly with a unit or individual of HCC in addition to the OGC. In these instances, you are authorized to communicate with such persons; however, you must copy your contact attorney at the OGC on written exchanges with such people, and otherwise keep your contact attorney apprised of significant issues if you discussed them orally with other HCC personnel. Please make sure that the OGC is aware of all direct communications to the extent practicable. The OGC must always be aware of all plans, strategies, or legal documents you are preparing or you expect to prepare for a representative of HCC.

When representing HCC in litigation, you should provide the OGC attorney with copies of all pleadings, motions, including affidavits, certifications, briefs, and correspondence by you or opposing counsel. Discovery materials should be provided to the OGC attorney at your discretion, being mindful of the cost of copying such materials, or when directed to do so by the OGC. All final documents containing legal arguments, such as formal and informal briefs and letter briefs that are filed with a tribunal on behalf of HCC, shall also be provided electronically to the OGC. If hard copies are filed with the tribunal, they should also be forwarded to the OGC.

You should identify and review with the OGC attorney at an early stage the possible need for expert witnesses or consultants and the timing for retaining them.

In litigated matters, the use of alternative dispute resolution such as mediation and should be actively considered and reviewed with the OGC. No settlement offers in litigated or non-litigated matters may be made without prior authorization of the OGC.

The OGC never provides prospective waivers of conflicts or potential conflicts of interest. Requests for waivers of any conflicts of interest will be considered by the OGC only on a case by case basis. All such waivers must be in writing (email is acceptable). In no case will a waiver be granted for a firm to be in an adversarial position to HCC in any litigated or contested matter before any court, administrative agency or ADR body. Where a waiver is given, we expect that the firm will, unless we expressly agree to the contrary in writing, maintain an ethical wall so that lawyers involved with HCC matters are not involved in the representation constituting a conflict or potential conflict of interest and the lawyers involved with HCC maintain the confidence of HCC.