

Engagement Letter Policy

BRG's standard operating procedure requires an executed letter of engagement ("engagement letter") before starting work on a new engagement. Adherence to this procedure is important for contractual risk management and accounting/audit considerations.

Procedures for Obtaining Engagement Letters

1. Engagement letters should not be prepared, obtained, circulated, negotiated, or finalized prior to clearing conflicts.
2. A BRG employee seeking an engagement letter (the "requester") may obtain a letter in one of two approved ways:
 - a. Basic engagement letter templates are posted on ThinkTank (via Departments -> Legal). The substance of these forms may not be altered. If substantive changes are required, the requester must seek assistance from the [Legal team](#).

Once prepared, the engagement letter should be approved and executed either by Community leadership (or its delegate) or Legal. Requesters may not save copies of templates locally or use prior engagement letters as a template for new engagement letters.
 - b. The requester may have the Legal team prepare the engagement letter on their behalf by sending the conflict clearance email to engagementletters@thinkbrg.com. Typically, engagementletters@thinkbrg.com is copied on the conflicts clearance emails to facilitate this process.
3. Once signed by BRG, the engagement letter may be provided to the client. The Legal team must receive a copy of the letter when it is transmitted to the client. The billing code for the matter will not be activated until the requester provides an electronic copy of the fully executed engagement letter to the Legal team, specifically including the Conflicts team.
4. If a client requests substantive changes to the engagement letter, the changes must be reviewed and approved by the Legal team.
5. Community leaders have authority to:
 - a. reduce or waive the 5 percent fee. The expectation is that there will be a good-faith effort to keep the fee in place at the current level or a slightly reduced level.
 - b. change payment terms from 30 days up to 60 days. The expectation is that payment terms will not be altered and that a good-faith effort will be made to limit any adjustment of payment terms to 45 days.
 - c. discount standard staff billing rates on specific engagements by no more than 5 percent from standard rates. Because most experts have billing rates expressed as a range, all discounts below the low end of the billing rate range will require approval from the Chief Financial Officer.
 - d. make upward adjustments to standard billing rates.
 - e. provide that late fees will not be imposed until invoiced amounts are outstanding more than 60 days from the date of the invoice. For all other changes to financial and accounting terms, requesters must obtain approval from the Chief Financial Officer.

6. If the client has a client-originated engagement letter, it must be sent to the Legal team for review and approval.

Timing

Legal is committed to the following turnaround times:

- a. 1 business day: standard engagement letters
- b. 2 business days: nonstandard engagement letters
- c. 1 week: master service agreements and requests for proposal

If you have an emergency request that requires expedited turnaround, please copy the Deputy General Counsel or General Counsel on your request.

Please route all requests for or questions regarding engagement letters through engagementletters@thinkbrg.com for proper internal routing and distribution.