

UNIVERSITY of WASHINGTON
FY2022 Annual Review Narrative Survey

Unit: School of Law

Section 1: Programmatic & Academic Vitality Narratives

- 1)** Have you made any changes to your unit's strategic plan and/or budget process in the past year? If yes, what are 3-5 key elements of your unit's new/revised strategic plan and/or budget process? If no, please comment on the progress you've made in 3-5 key areas of your strategic plan.

For the last year, a committee comprised of the dean, key members of his administrative team, several faculty and alumni have continued an extended process of strategic planning designed to produce a comprehensive review of the law school, set a vision for institutional growth and development for the next 3-5 years, and develop specific recommendations for executing programs/initiatives in support of that vision.

Even as this planning process continues, we have started to undertake a number of initiatives:

Program Reassessment – Based on assessments of programs that are either minimally enrolled or underperforming fiscally in light of outsized commitments of faculty and staff resources, we have presented recommendations to the faculty requesting program/concentration pauses and realignments. For the identified programs, we are in the process of working through a series of faculty discussions and votes that are required prior to submitting requests for programmatic changes to the Graduate Division.

Budget and Workload Alignment – Last year for the first time in several years the law school executed a neutral budget and is poised to execute a positive budget for this fiscal year. A key to our improved financial posture is that we have shifted our budgeting/accounting model to one centered on student credit hours. We are now in the process of reconciling that model—which provides greater efficiency and transparency—with existing faculty workload policies and methods for measuring program success.

Establishing an Updated Institutional Vision and Priority Setting – Based on quantitative and qualitative data collected by the planning committee and outside consultants, we have initiated a visioning process with the faculty designed to clearly identify the pillars of excellence, which will guide law school initiative development and resource allocation for the next 3-5 years.

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Section 7: Tuition Based Program Rate Recommendations - Narrative Section

Responses to the questions below are required for each tuition category that your unit/campus recommends adjusting. If you are recommending changes for multiple tuition categories, please differentiate your responses within each question.

- 1) Please explain why each proposed change is needed and how your unit/campus will use new incremental tuition revenue increases or absorb incremental tuition revenue losses.

We believe tuition increases this year are unavoidable given the Central Budget Policies and Assumptions. In a year where merit is unlikely for professional staff and faculty, we still must plan for this possibility and be ready to fund merit increases for classified staff. The cost of merit alone, exceeds the schools projected carry over on a yearly basis. To maintain our hard-earned fiscal neutrality a tuition increase is necessary to offset merit costs, navigate large unknown costs such as UWFT and further looming cuts. While the law school would like to join peer schools who are able to offer little to no tuition increases next year, without additional support from the state or the UW, we cannot responsibly recommend this. We aim to implement the most modest increase possible. We are recommending across all tuition categories (JD, LL.M. and PhD) a 3% increase to Resident and a 2.5% increase to Non-resident tuition rates. The rationale for the difference in rates is that the dollar value of the increase would be equitable, and prevent out of state tuition levels from rapidly outpacing that of the instate tuition.

Program insights at a glance:

JD

We understand some of our regional peers will be increasing their tuition beyond the average of 4% this year—and the law school has historically followed this trend. We believe our tuition recommendation will be competitive and signal that we are empathic to the economic struggle of so many in our nation right now. Our recommendations reflect the lowest tuition increase implemented over the last five years. For the purposes of this report, we are projecting our JD and graduate program enrollments will remain flat, though as of January we are seeing a 44% increase in applicants from this time last year. Based on our analysis, these recommendations are competitive, fiscally sound and will help alleviate the student debt load.

LL.M.

In addition to the justification noted above for the JD program, peer data we have maintained annually over the last ten years, continues to show that our tuition rates for our LL.M. programs remain below our competitors, which are increasing at a rate commensurate with 4%-6% per year. These recommendations are both supported by the market demand and national tuition rates. We are recommending a slightly higher increase to the fee based LL.M.'s, which will help us manage budget requirements, as well as the increased needs/costs for many of our fee based programs.

PhD

After faculty deliberation and a vote, we have requested that the Graduate School place the PhD program on hold during this upcoming academic year. This pause in admissions will allow us to assess the future of the program. The revenue from this tuition category is so minimal; it will not interfere with our overall fiscal vitality. The law school is prepared to absorb the loss of higher potential tuition revenue from this tuition category by other tuition revenue streams.

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- 2) Explain whether and how each proposed change will affect peer comparisons and/or whether a market analysis was conducted.**

We believe our recommended tuition increases are competitive relative to both our regional and national peers. Based on our market analysis from data provided by the ABA annually, the average JD tuition increased in AY20 by 5% for regional peers and 3.5% to 4% for national peers. We believe this data is reliable as the ABA collects information directly from member law schools each year. As stated in the past, the limitation to this data is the inconsistency in how school's report out on tuition and fees, and it does not include detailed information regarding the discount rate provided by each school. To further inform our analysis we examine national and regional competitor schools to see if there is any variance to the market average. We also monitor California in-state tuition, relative to our out-of-state tuition as we receive many students from the State of California.

For graduate programs the market analysis data is collected internally each year. Like the JD program, we are limited to what is visible on a School's website, and there is not total transparency in tuition and fees for many schools. We are seeing a consistent a 4%-6% increase across programs. Further, the majority of our fee based programs are well under the average tuition rates of our national and peer competitors.

- 3) Tuition and fee increases have a disproportionate impact on low-income students. Please comment on how each fee change will affect student debt loads, and specifically how the program will offset this impact.**

As a professional school we do not track "low-income" students in the same manner as the undergraduate programs. The information we receive from FAFSA only demonstrates financial need based on the students' individual need and does not include parental information. The majority of our students have some financial need when they start law school.

The good news is that our average debt load has decreased by \$3,000 in the last year for our students. The overall debt load is now \$108,000, whereas it was \$111,000 last year. We attribute this reduction to the continuation of the tuition waiver program, the small but steady increase in our overall scholarship funds, and the recent ability to deploy additional MacDonald scholarship funds, which has been restricted due to a prior deficit.

Reviewing the debt load for the Pacific Northwest schools, UW law students have the lowest debt load upon graduation. However, when comparing our student's debt load to students at national peer competitors such as University of California, Davis or Colorado, we are not as competitive. It is also the case that Seattle has a higher cost of living than many of our competitor schools, which is a significant driving factor for our student's debt load. Based on the data available, schools with similar rankings are graduating their students with an average of \$20,000 less in overall debt. Schools that offer more competitive scholarships are likely receiving greater university, state, or donor support. Our ability to compete in this space remains limited, particularly for low-income and diverse candidates. We remain committed to our fundraising efforts to lessen our average debt load, making law school more accessible.

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In short, our recommended tuition rates, should continue to reduce the overall debt load for our students, and help us to remain competitive with peer schools.

- 4) Describe whether you expect the proposed tuition rate(s) to result in any substantial changes to enrollment (including a change in the resident/nonresident composition) or to the volume of waivers awarded.**

We do not expect the proposed tuition rates to change the standard composition of our resident and non-resident enrollment. With the exception of FY20 where our composition was inversed, FY21 has followed the standard ratio of 60% in state and 40% out of state for the JD program. We have been intentional about our recommended increases, keeping the dollar amount equitable between residents and non-residents, so not to disrupt our target composition of enrollment. Finally, the school has greatly benefited from the use of tuition waivers. Tuition waivers have proven critical in helping us enroll the quantity and quality of students we desire, especially students from underrepresented backgrounds. The waivers together with our awards of merit aid help us to compete with peer schools with far greater scholarship funds. While we are pleased that we are reducing our reliance on tuition waivers, if they were discontinued, we do not have alternative scholarship funds to offset this loss. This change would most certainly have an impact on the composition and quality of students we are able to admit.

- 5) For each proposed change, please explain what would happen if the change were not implemented (e.g. deficit, loss of staff positions, etc.). If a proposed change is part of a plan to eliminate a current deficit, please indicate that.**

As discussed above, the school has recommended the lowest possible increase this year given all of the known and unknown budget assumptions. If the tuition recommendations are not approved, it would likely introduce a situation where the school would incur deficit without some kind of action to scale our spending. There are two key take-away points: scaling our spending down takes time; and, there is very little to no room in our budget to “cut” without impeding on our academic mission. There is no “low hanging fruit” for the school, and we have already taken significant steps to reduce our budget expenses, right size our budget through a 2019 staff reorganization, and allowing our faculty/ librarian positions to attrite until we achieved cost neutrality. While we have options to avoid a short-term deficit situation such as the use of temporary carryforward and discretionary philanthropy, if we do not increase the tuition as recommended it would have long-term consequences in future fiscal years.

- 6) For each tuition category that you have proposed changing, please discuss your unit/campus's overall tuition rate strategy for the next 3-5 years. In your response, please explain whether and how your long-term strategy connects to "market" rates (e.g. where do you want to be, rate wise, compared to peers?)**

Our goal is to ensure the revenue required for a high-quality, high impact, affordable legal education for our students while also minimizing their debt load. As the leading public law school in the Northwest, we want to provide lawyers for every constituency. This includes ensuring access for students from underserved communities and students seeking careers in public interest. Our proposed increase is the smallest in the last five



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years. By keeping tuition rates as affordable as possible we will remain competitive with our peer schools, and safeguard our ability to honor commitments to improving diversity, equity, and inclusion.

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Section 8: Communication with Faculty & Student Stakeholders

Communication of your unit's annual review materials, including fiscal vitality data, narrative responses and tuition rate recommendations is an important and necessary component of the University of Washington's Annual Review process. Your responses to the questions below will be documented and included as part of the annual review materials provided to Executive Leadership of the UW.

If the meeting schedules of faculty and student leadership groups present a challenge, please make accommodations to get approval within the necessary time frame. If necessary, you may submit an update to OPB at a later date, after faculty and students have had an opportunity to review.

- 1) Please select the date that FACULTY leadership within your unit/campus was consulted and provided the opportunity to provide input as part of this budget planning exercise. If, due to scheduling difficulty, you are unable to consult with faculty leadership before the February 1, 2021 submission deadline, please select the date you are scheduled to consult with FACULTY leadership and, immediately after that date, please provide an update to Jed Bradley.

Tuesday, January 26, 2021

- 2) Please list a point of contact for your FACULTY leadership (name and UW email address).

Mary Hotchkiss, Executive Council, Chair (Elected Faculty Council) (hotchma@uw.edu)

- 3) Please select the date that STUDENT leadership within your unit/campus was consulted and provided the opportunity to provide input as part of this budget planning exercise. If, due to scheduling difficulty, you are unable to consult with student leadership before the February 1, 2021 submission deadline, please select the date you are scheduled to consult with STUDENT leadership and, immediately after that date, please provide an update to Jed Bradley.

Monday, January 25, 2021

- 4) Please list a point of contact for your STUDENT leadership (name and UW email address).

The Graduate and Professional Student Senators are Chianaraekpere Ike (ccike@uw.edu) and Hannah Garland (garland3@uw.edu). The Student Bar Association representatives are Marcena Day (Ms. Day), President, (mday22@uw.edu) and Alex Arnts, Treasurer, aarnts@uw.edu.

- 5) Enrolled students affected by tuition rate increases should be consulted on proposed increases before proposals are finalized. Please describe when and how students were consulted and summarize the feedback they provided regarding EACH of your tuition recommendations.

We consulted students from our JD and graduate programs. We provided these groups with 1) data on historical

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tuition increases, 2) peer market data for three or more years, and 3) a forecast of the dollars to percent increase for each tuition category. The student leaders met with the Assistant Dean for Finance and Operations and the Associate Dean for Administration and had an opportunity to reflect on these materials, ask questions, and provide input. We had a very fruitful and collegial conversation with the students—they had a special interest in tuition increases this year given the pandemic. This meeting also yielded two ways we can better communicate and support our students, particularly during this remote environment.

General concerns and comments the student expressed included:

- What is UW law doing to enhance other revenue sources to reduce the necessity to increase student tuition?
- How is creating scholarship support being taken into account when considering tuition increases?
 - “I wanted to go the UW Law School above all other schools, however, this school gave me the least scholarship dollars, and this was a significant factor in my decision”
 - “In a year with a pandemic, we don’t see how students are going to receive the message of tuition increases positively when we are still struggling to find jobs and make ends meet.”
- What level of transparency is the school able to give about the reasons tuition is increasing?
 - Isn’t the school paying less since students aren’t physically in the building
 - What are the nuances that contribute to this increase in costs the school still carries during the pandemic
 - Recommended sharing information transparently and broadly about cost saving efforts and continued costs. Examples we discussed, process for employee merit, mitigation efforts, 2008 recession, mandated costs from the university and state support.
 - Talked about ways to engage students during this pandemic, as some of our students have never been inside the building.