

## UNIVERSITY of WASHINGTON

FY2020 Annual Review Narrative Response for: **268 - School of Law**Programmatic & Academic Vitality Narrative

- 1) Please briefly describe your unit's annual internal budget development process. *Question Type: Free Text, Word Limit: 500, Required For: All Units*

Our approach to budget development is a holistic and inclusive process that involves our faculty, staff, and students. As a non-departmentalized school, we have operated under a model where we require all sources of revenue to pay for all of our expenses. What this means is that no one program or unit maintains their funding separately from the Dean's office. The way in which we think about and prepare different sections of our overall budget varies.

For example, we have several LLM program budgets under ABB and the self-sustaining financial model. While on the surface the programs are virtually the same administratively, the different fee structures require us to differentiate how we think about future revenue and shared expenses. For grant budgets, we use information from our principal investigators during our regular meetings about the likelihood of continuation for funds or new funding to include in our projections. For our gift and discretionary resources, we collaborate with our chief advancement officer and their team to examine trends, planned requests that are underway, and any internal changes such as the new policy pertaining to combined endowment fund returns.

Our approach to budgeting and unit allocations has changed significantly over the last few years during a time of deficit management. Prior to FY15 the School was not accustomed to providing unit allocations and regular budget projections. Over the last several years, we have provided more fiscal transparency and shifted some budget authority down to the unit leadership as way to help close our spending gap. In FY18, we engaged program leadership from each of our 22 units, the elected faculty council, and a newly created "Strategy Task Force" under Interim Dean Krug to assess the best way to approach our deficit. Through this process, we developed budget projections for each unit, and charged program leadership to identify areas of efficiency, cost reductions at levels of 10%, 15% and 20%, and areas of future revenue growth.

FY19 is the first year we have been able to implement many of the reductions identified in FY18, though we are still in the process of identifying areas where savings have changed due to unforeseen circumstances. To prepare for this budget cycle, specifically the GOF/ DOF and Self-Sustaining budget sections, the Assistant Dean for Finance & Operations, Finance Manager, and Graduate Program Administrator reviewed the current fiscal year's budget allocation across the 22 units. This includes special attention to burn rates, and any substantial changes in spending upwards or downwards and many conversations with program leadership.

To further guide our projections for years beyond FY20, we consider the prior two year's revenue and expenses, new or upcoming changes related to programs or the institution, internal assumptions as handed down by the provost office (merit, supplemental funding, etc.), enrollment trends and tuition increases. This process involves close partnership with our fiscal team, program leadership, the elected faculty council, OPB and the Dean for final review and approval.

- 2) What are 3-5 key elements of your unit's current strategic plan? *Question Type: Free Text, Word Limit: 500, Required For: All Units*

The law school is on the precipice of engaging in an all-school strategic planning process designed to set out our institutional goals and work plan for the next 5 years. As a part of that planning, we intend to solicit input from among faculty, staff, students and alumni constituencies, in a process assisted by outside consultants. The overarching goal is for the process to yield a vision and set of outcome measures that will assist key stakeholders in directing the course of the school. That process will need to address the following key needs:

- 1) a strategy for maintaining academic excellence and financial stability;
- 2) an evaluation of all school programs to ensure viability into the future;
- 3) an plan for continuing to produce graduates who are practice-ready and will serve clients across diverse practice areas; and
- 4) a way forward built upon our institutional values and commitments to excellence, access, inclusion, public service and creating an impact globally.



UNIVERSITY of WASHINGTON

FY2020 Annual Review Narrative Response for: 268 - School of Law

Programmatic & Academic Vitality Narrative

- 3) What major obstacles or institutional barriers currently do, or likely will, hinder execution of your strategic plan? What are you doing to address these challenges? *Question Type: Free Text, Word Limit: 500, Required For: All Units*

Due to dynamic shifts in law school admissions patterns, for the last several years, the law school has incurred costs greater than its yearly revenues. As such, reaching financial stability is our most pressing challenge. To address this challenge, the law school has already engaged in an intensive round of budget cutting and revenue forecasting designed to reduce, and then eliminate, future deficits. Importantly, we continue to maintain tight controls on hiring to ensure we are right sizing our faculty and staff in a manner that will allow us to cover our institutional needs while reducing costs.

We have also entered into an agreement with the central campus to create further savings by reducing funds for faculty summer grants, standardizing pay for administrative duties, and cutting our spending on affiliate instruction. We will further enhance our financial condition through larger tuition revenues, as we have seen increases in the numbers of enrolled Juris Doctor and Master of Jurisprudence students over the last two years. We will identify additional revenue generating programs, efficiencies and savings during our upcoming strategic planning process.

- 4) Over the next year, could any of your planned strategic activities result in material changes to revenues or expenditures, faculty or staff workload, or the student experience within your unit and/or another unit/campus? *Question Type: Free Text, Word Limit: 500, Required For: All Units*

The law school will certainly see cost savings over the next year from cuts to affiliate spending, standardization of administrative pay and reducing faculty summer grants, which we fund from philanthropy. Even as we are engaged in a process of strategic planning, we will also be making other decisions regarding any underperforming.

For example, we have committed to identifying and addressing any programs - whether funded by state funds or not - which are currently operating at a deficit. These cuts, however, should not affect the student experience within school, have not affected our curricular offerings or funding of co-curricular activities. Though the reduction to the affiliate-teaching budget will affect the full-time professors and lecturers, the faculty recently adopted a teaching plan, which set new minimum standards for teaching loads and should result in any unmet teaching needs being spread equitably across the entire faculty.

- 5) What is your unit doing to effectively use resources in a way that benefits your unit and/or other units/campuses? *Question Type: Free Text, Word Limit: 500, Required For: UWB, UWT, UWS Administrative Units*

Not Applicable

- 6) What are you doing to improve the experience and outcomes of students in your unit? What could the University do to support your efforts? *Question Type: Free Text, Word Limit: 500, Required For: UWB, UWT, UWS Academic Units, UAA, Graduate School*

Our goals for improving the students experience have focused on improvements to our physical plant and enhancing their abilities to acquire skills training and opportunities for direct client representation during law school. We have now built out an expansive set of clinical offerings across a wide variety of legal settings, to include: immigration, children and youth services, legislative advocacy, tech policy, service to Indian tribes, tax preparation and advising, international human rights work and the work with the Northwest Innocent Project. These clinical teaching settings not only provide a vital service to at-risk and in-need communities, they provide our students amazing opportunities to develop practice skills that will be vital to them when they enter the profession.

In recent years, we have committed to our clinics by growing the number of students lots and hiring a Dean for Experiential learning to coordinate our clinical efforts. This year we solicited funds from a donor to completely refurbish our clinic spaces. In addition to our live-client clinics, we also offer students extensive opportunities to receive academic credit for externships in government legal offices. We have also improved the student experience by enhancing curricular offerings and bolstering our program of services in the area of career planning and placement. Finally, at the request of



UNIVERSITY *of* WASHINGTON

FY2020 Annual Review Narrative Response for: **268 - School of Law**

Programmatic & Academic Vitality Narrative

student leaders, we recently repurposed two under utilized rooms into community spaces for law students and graduate students, respectively.



UNIVERSITY of WASHINGTON

FY2020 Annual Review Narrative Response for: **268 - School of Law**

**Faculty/Librarian Trends**

- 1) Please discuss your unit's Faculty/Librarian hiring trends and strategies from the last 2-3 years. *Question Type: Free Text, Word Limit: 500, Required For: UWB, UWT, UWS Academic Units, UWS Library*

Due to budget constraints, the School of Law and Gallagher Law Library have significantly slowed in hiring new faculty and librarians. Over the last three years, we have filled vacant positions at a 3:1 ratio of retirements to new hires. When we have to fill a vacant position at 1:1, we aim to refill the vacant position at a rank that is junior to the outgoing individual. The overall faculty FTE in 2015-16 was 66, and today it is 57. The overall librarian FTE in 2015-16 was 12.5 FTE and it is now 9.6 FTE.

2018-19

- Initially, no recruitment's were planned for Academic Year 2018-19. However, as of January 2019, we have learned another faculty member will be departing at the end of the academic year, which will be our fifth faculty departure in the last three years. Such a substantial loss will prompt a review for the necessity to rehire one faculty line.

2017-18

- One full-time lecturer was hired during the 2017-18 recruitment cycle
- One tenured associate professor resigned, one WOT associate professor retired, and one tenured associate professor retired in the fall of 2018
- One tenured professor resigned 50% of her appointment/tenure
- One librarian retirement in the fall of 2017 and one part-time librarian retired in the summer of 2018

2016-17

- One tenured professor retired, one part-time WOT associate professor resigned, and one full-time senior lecturer resigned.
- Three librarian retirement/ separations
- Hired one new assistant professor and one lecturer
- Hired two assistant librarians

2015-16

- Seven faculty (six tenured professors and one principal lecturer) retired or resigned and three new faculty, one professor and two assistant professors, were hired to start in the fall of 2016.

- 2) How do these Faculty/Librarian hiring trends and strategies relate to your previously stated strategic goals and/or priorities? *Question Type: Free Text, Word Limit: 250, Required For: UWB, UWT, UWS Academic Units, UWS Library*

The School of Law’s hiring trends reflect our goal to remain fiscally conservative by filling vacant positions at a 4:1 ratio, and hiring new faculty and librarians at junior ranks. This model will prevent us from adding new salary costs to our budget. In order to meet our financial goals, we plan to adhere to a 4:1 ration for rehiring permanent, tenured, or continuous faculty and librarians until the school is in the black in FY2020. In addition, the faculty have revised the standard teaching workload (from 14 to 16 credits) to reduce the need to hire affiliate faculty and part-time lecturers. In order to meet all our teaching needs with fewer faculty, we are in the process of a curriculum review to determine whether there are courses that can be eliminated. The library is transitioning from majority print acquisitions to a more balanced print-digital profile. These updates have provided efficiencies in our process that have helped ease the pressure of rehiring each librarian position as they become vacant. To help balance this shift, we plan to hire temporary librarians in units that are understaffed. Further, we have shifted duties performed by retired or separated libraries to staff position whenever possible. In the next several years, we anticipate multiple librarian retirements. As with faculty hires, we do not expect to hire librarians at a 1:1 ratio, some positions will remain vacant. New positions will be carefully considered, and balanced alongside use of professional and classified staff positions.



UNIVERSITY of WASHINGTON

FY2020 Annual Review Narrative Response for: **268 - School of Law**  
Faculty/Librarian Trends

- 1) Which existing tuition categories are you recommending a change to? *Question Type: Select Multiple, Required For: UWB, UWT, UWS Academic Units*

Law (JD) 1L,  
Law (JD) 2L,  
Law (JD) 3L,  
Master of Laws (LLM),  
Law PhD

- 2) Please explain why each proposed change is needed and how your unit will use new incremental tuition revenue increases or absorb incremental tuition revenue losses. *Question Type: Free Text, Required For: UWB, UWT, UWS Academic Units*

We are recommending an increase in tuition across all degree programs. These increases are necessary to help support and offset new growing costs required to self-fund merit increases and centralized costs such as VEBA and UWFT (Workday). As we have seen in FY19 this will likely not be sufficient to cover such new costs, and therefore we will need to look for additional ways to grow revenue or make reductions. If we do not increase tuition across all of our degree programs, the School would increase our deficit, as it is not possible to solely make budget cuts to cover rising cost.

- 3) Explain whether and how each proposed change will affect peer comparisons and/or whether a market analysis was conducted. *Question Type: Free Text, Required For: UWB, UWT, UWS Academic Units*

Throughout the year, we conduct peer market analyses for each of our degree programs. We compile this data and share with the program leadership, elected faculty council, and student groups all of whom we consult with before determining future tuition rates. We also work closely with program leaders, and the Assistant Dean of Admissions to understand our peer school's discount rate or scholarships as this heavily influences a student's decision. We do not anticipate our tuition recommendations for our graduate programs or JD program to be outside of the market or negatively affect our enrollment. In fact, many of our graduate LLM rates remain on the lower end of the average market, which gives us a competitive advantage. In our analysis, we show all programs have consistently raised their tuition and often at a higher rate than the UW.

- 4) Discuss the impact of each proposed change on student debt load. *Question Type: Free Text, Required For: UWB, UWT, UWS Academic Units*

Our student debt load is approximately \$108k, which is slightly higher than our national peer average of \$94k. However, many of these schools are located geographically in less populous and expensive areas. When comparing to our local peer schools, Seattle University and Gonzaga, our debt load is significantly less than Seattle University's at \$149k, and on par with Gonzaga's at \$105k. This is according to the latest data published in 2016 from US World News.

Given the market we have seen tuition continue to increase, which is why we remain focused on bringing in scholarship resources to support our students. Debt load is an important consideration for our graduates, many of whom pursue careers in public service/interest or smaller private firms where starting salaries can range from \$45,000 to \$100,000. At the same time, the continuity of public service and income-based loan repayment programs is uncertain.

- 5) 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. *Question Type: Free Text, Required For: UWB, UWT, UWS Academic Units*

We do not anticipate that proposed tuition increases will have a negative impact on our enrollment for resident or non-resident students within our programs. However, the increased uncertainty surrounding the use of tuition waivers may have an impact on enrollment. The School's current resource level for scholarship is far lower than our peers and historically have used tuition waivers as a way to bridge this resource gap. We have not seen the level of growth for scholarship dollars in FY19 to replace the need of tuition waivers.



UNIVERSITY of WASHINGTON

FY2020 Annual Review Narrative Response for: **268 - School of Law**  
Faculty/Librarian Trends

- 6) 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. *Question Type: Free Text, Required For: UWB, UWT, UWS Academic Units*

If any of the tuition increases are not supported it would further hinder our ability to cover rising costs, as we have discussed in several sections throughout this memo. At this point in the School's budget, tuition increases are not able to eliminate structural deficit, but rather prevent any further deficit from accruing.

- 7) For each tuition category that you have proposed changing, please discuss your unit'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?) *Question Type: Free Text, Required For: UWB, UWT, UWS Academic Units*

Our plan is to increase tuition each year to help cover the cost of annual merit increases so long as it is consistent and competitive with the market. Our data continues to indicate our peers are increasing tuition two-to-three percent each year. Because of our fiscal constraints, we have projected a steady three percent increase across all programs through FY23. We will continue to evaluate this each year and make adjustments as driven by the market. Finally, we continue to be sensitive to the student load upon graduation, and remain focused in our efforts to bring in additional philanthropy to ease that burden, so that we can continue to attract the best and brightest students.



## UNIVERSITY of WASHINGTON

### FY2020 Annual Review Narrative Response for: **268 - School of Law** Communication with Stakeholders

- 1) Please enter the date that FACULTY leadership within your unit/campus was consulted and given the opportunity to provide input as part of this budget planning exercise. If not yet shared, please enter the date you are scheduled to consult with FACULTY leadership and, immediately after that date, please send an update to Becka Johnson Poppe, [jbecka@uw.edu](mailto:jbecka@uw.edu). *Question Type: Date Select, Required For: UWB, UWT, UWS Academic Units*

Jan 09, 2019

- 2) Please list a point of contact for your FACULTY leadership (including name and email address) *Question Type: Short Answer, Required For: UWB, UWT, UWS Academic Units*

Scott Schumacher ([sschum@uw.edu](mailto:sschum@uw.edu)) Lisa Kelly, EC Chair ([lisak2@uw.edu](mailto:lisak2@uw.edu))

- 3) Please enter the date that STUDENT leadership within your unit/campus was consulted and given the opportunity to provide input as part of this budget planning exercise. If not yet shared, please enter the date you are scheduled to consult with STUDENT leadership and, immediately after that date, please send an update to Becka Johnson Poppe, [jbecka@uw.edu](mailto:jbecka@uw.edu). *Question Type: Date Select, Required For: UWB, UWT, UWS Academic Units*

Jan 17, 2019

- 4) Please list a point of contact for your STUDENT leadership (including name and email address). *Question Type: Short Answer, Required For: UWB, UWT, UWS Academic Units*

Priya Singh - [priyash@uw.edu](mailto:priyash@uw.edu) (Grad Students Rep) Viktoriya Saditdinova - [vikavs@uw.edu](mailto:vikavs@uw.edu) (Grad Students Rep), Jevan Hutson - [jevanh@uw.edu](mailto:jevanh@uw.edu) (SBA President) Malori McGill - [malorimmcgill@gmail.com](mailto:malorimmcgill@gmail.com) (SBA Treasurer)

- 5) Enrolled students affected by tuition rate increases should be consulted on proposed increases before proposals are finalized. In the space below: (1) please describe when and how students were consulted and (2) please summarize the feedback they provided regarding EACH of your tuition recommendations. *Question Type: Free Text, Required For: UWB, UWT, UWS Academic Units*

We consulted students from our JD and graduate programs. We provided these groups with

- 1) data on historical tuition increases,
- 2) peer market data for the past five years, and
- 3) a forecast of the dollars to percent increase for each tuition category. Each group had an opportunity to reflect on these materials, ask questions, and provide input.

The students shared the material at their weekly Student Bar Association meeting and provided feedback to the Assistant Dean for Finance and Operations. Both the JD and graduate student groups wanted the school to explore the possibility of admitting more non-resident students for a smaller tuition raise across all programs. Further, they noted there was no expectation of keeping tuition flat although they always want the school to keep in mind the significant debt law students carry upon graduation.