

**MINUTES, of the Faculty Council, Faculty of Law, held Wednesday, November 24, 2021, 12.30 p.m.  
via Zoom Webinar and in-person (J250)**

Present: Dean Jutta Brunnée; Associate Deans Essert, Thorburn; Professors Alarie, Chapman, Cossman, Dawood, Green, Fadel, Fernandez, Iacobucci, Knop, Langille, Lemmens, MacIntosh, Niblett, Ripstein, Rittich, Sanderson, Stern, Valcke, Waddams, Yoon; Chief Law Librarian Gian Medves. Students: Julia Campbell, Branden Cave, Dhriti Chakravarty, Jamie Corbett, Willem Crispin-Frei, Meaza Damte, Vanshika Dhawan, Eloise Hirst, Ema Ibrakovic, Justin Kim, Ben Kitching, Amy Kwong, Ishaan Kamal Muthalakulangara (GLSA), John Metzger, Sara Maadanisani (GLSA), Paul Mohan, Noa Rapaport.

Observers: Assistant Deans Lancaster, Orchard, Twiss; John Bolan, Sarah Elizabeth Colgrove (GLSA), Jessica Cook, Tomas Flecker, Nina Haikara, Fadil Haniff, Annette Henry, Sooin Kim, Nicole Landa, Alexia Loumankis, Bernadette Mount, Harrison Myles, Bobby Nguyen, Karlie Nordstrom, Iulia Pop.

**1. Chair's Welcome (Jutta Brunnée)**

Dean Brunnée welcomed everyone to faculty council and noted that today's meeting will focus on a budget update. Dean Brunnée noted that for several years faculty council has devoted a session to the faculty and university budget. It provides members with a sense of the complexities of the budget and the role of tuition in the budget. Dean Brunnée commented on the 10% cut and the tuition freeze that the province implemented in 2019-2020, and the implications for the Faculty's budget. She acknowledged the concern expressed by students over tuition.

Dean Brunnée welcomed Scott Mabury, Vice-President, Operations and Real Estate Partnerships & Vice-Provost, Academic Operations and Jeff Lennon, Acting Assistant Vice-President, Planning & Budget to the meeting, indicating that they would provide a presentation designed to provide an overview on the budgeting process, budget challenges and the interactions between the faculty and university budgets. She noted that this presentation would also provide a foundation for a further conversation with the Student Law Society in the next term.

**2. Approval of Minutes of October 27, 2021 (Jutta Brunnée)**

A motion was put forward to approve the Minutes of the October 27, 2021, meeting, and was seconded. All were in favour. The motion was carried.

**3. SLS President's Remarks (Willem Crispin-Frei)**

Willem Crispin-Frei thanked everyone and commented on the SLS Virtual Trivia Event scheduled for every second Wednesday at 12:30 pm. Willem will be providing a statement at the end of the meeting.

**4. GLSA President's Remarks (Sara Maadanisani)**

Dean Brunnée introduced Sara Maadanisani to provide a GLSA update. Sara Maadanisani updated council members that the GLSA have completed elections and have filled all positions. The GLSA has been planning events at the same time taking into consideration the current COVID policies and hoping to have an event at the beginning of January 2022. Sara thanked Assistant Dean Orchard and the SLS for all their assistance with activities and noted they will be much more integrated.

## **5. University Budget Presentation (Scott Mabury & Jeff Lennon)**

Vice-President Mabury thanked Dean Brunnée and commented that he appreciated being at the Faculty of Law again. Vice-President Mabury noted Mr. Trevor Rogers, who is now the new CFO, first came over 10 years ago to present the budget at the Faculty of Law and they looked forward to coming back each year.

Vice-President Mabury provided members with comments on the following:

### **University Budget Context**

Overall, tuition and fees make up 67% of the university budget for the 2021-22 academic year. Vice-President Mabury noted that 67% of the university's revenue is from tuition and fees and only 21% is from operating grants and 12% from other sources. Vice-President Mabury commented that other comparable universities will have a much larger budget and a much greater portion of other revenue. He noted that US universities have very significant revenue for research, e.g., Chapel Hill, Univ. of Carolina, receives \$500 million from research, with U of T only receiving \$50 million. Vice-President Mabury then turned to the expense side of the budget: 57% go to faculty and staff compensation, 14% to other expenses, 9 % to student aid, and 8% each to capital & equipment and occupancy costs. Currently, 4% (\$122 million) are going to a special payment to University of Toronto Pension Plan, which will eventually fade away.

### **Provincial Tuition Fee Framework**

Vice-President Mabury noted that, in 2019 – 2020, the government announced a decrease in tuition for all publicly funded programs by 10%, followed by a freeze. In May 2021, the government announced an extension of the tuition freeze for 2021 – 2022. The total impact of the resultant tuition constraints equals \$139 million, with a significant impact on the operating budget.

### **Projected Revenue Growth Rates**

Vice-President Mabury turned to the question whether revenue growth is covering costs. The average revenue increase looks to be 4.4 %, keeping in mind that the university's annual planning always looks at a five-year rolling budget (2021 – 2026). Even though the average growth rate is 4.4%, there is a wide range in budget changes by division.

### **Changes in Sources of Revenue**

Vice-President Mabury showed the trajectory from 2006 and looking ahead to 2026 and noted the following: 1. The proportion of government funding has decreased significantly. In 2006, 45% of the operating budget came from government funding. In 2021, the university only received 21% in government funding; 2. There has been a decrease in domestic tuition revenue. In 2006 domestic tuition made up 26% of revenue, whereas in 2021 it only makes up 19%; 3. There has been, however, an increase in international tuition revenue. In 2006 it provided 7% of revenue, whereas in 2021 it accounts for 41% (and is projected to go up to 44% of revenue by 2026).

Vice-President Mabury commented that the university is projecting in the current year a 4.4 % revenue growth, with 4.7% in 2022-23, but then declining to 2.9% by 2026. If by 2026 the projected revenue increase is only 2.9%, this will mean that the university is taking in less than the cost of goods and services – primarily salaries.

He observed that, looking back to 2006 and 2010, the world was much more stable, and the sources of funding were much more dynamic. Now the budget is much more susceptible to significant changes in revenue.

Branden Cave asked about the university’s priorities for securing and addressing these issues?

Vice-President Mabury advised that the university is always advocating for matching federal government investment in research, but such matching is now subject to a big question mark. The university also has been advocating around tuition frameworks and thinks that U of T could self-manage its bursary and tuition systems.

Dhriti Chakravarty asked about real estate and plans for U of T to take advantage of companies wanting to build in Canada, perhaps to deliver housing for faculty, staff, students, hospitals etc. and to address the needs of faculty and staff from around the world. This was a major issue when recruiting.

Vice-President Mabury outlined the University’s current initiatives. He went on to reiterate that a significant portion of revenue is supported by international tuition. Vice-President Mabury noted other forms of revenue include intellectual property, research funds, endowments and student aid, investment returns, cash in short term investments.

Mr. Lennon then presented the university’s budget model and the Faculty of Law’s budget.

**Budget Model**

The university’s budget model allocates 14% of gross revenue to the University Fund, based on academic priorities identified by the provost; provides merit and needs based financial aid for undergraduate and graduate students, which is administered by central administration; budgets for shared services and institution wide general expenses (so that each unit is not running their own HR services, and so on); and allocates the remaining net revenue to academic divisions. Academic net revenue and share tuition fees, which is allocated to Faculty of Law and academic divisional budgets, fees and operating grants and receive a share of university funds and goes back out to divisions.

**Law 2021 – 2022 Revenue Resources**

Under this model, Law receives 18% from the University Fund and transfer resources, 12% from operating grants, 9% from recoveries (e.g., if a faculty member is seconded), 8% from endowments, and 51% from tuition.

**Law 2021 – 2022 Expense Plan**

The Faculty’s expenses break down as follows: 56% in compensation, 21% in university-wide costs / shared services (libraries, facilities, student supports, occupancy), 13% in financial aid, and 10% in other expenses (e.g., travel, photocopiers, supplies, events, services). The Faculty of Law contributes \$9.7 million to university-wide costs.

**Faculty of Law Structural Deficit Challenge (Tuition at 3%) –**

**Revenue & Expense Share by Category:**

		Av. increase
Tuition Fees (domestic)	45 %	3 %
Other Revenue & Recoveries	19 %	1.1 %
University Fund Allocation	18 %	0 %
Operating Grants	12 %	0 %
Tuition Fees (International)	6 %	5 %
<b>Weighted Av. Rev. Increase</b>		<b>1.8 %</b>

Compensation Division	56 %	4 %
Other Expenses	20 %	2 %
Student Aid	13 %	3.8 %
Compensation, UWC	11 %	4 %
<b>Weighted Av. Exp. Increase</b>		<b>3.6 %</b>
<b>Structural Deficit</b>		<b>-1.7 %</b>

Revenues: Mr. Lennon noted an average increase of 5% for international fees, with respect to which the university has more flexibility compared to the government-imposed constraints on domestic tuition increases. He noted further that student aid has been prioritized and is growing faster than in most other universities.

Compensation: Mr. Lennon commented that the biggest expense is compensation, which accounts for 56% of the budget. Salary costs are bound to grow over time, as a result of annual increases to faculty and staff.

It was noted that the “other expenses” category encompasses a range of items, like books, utilities, student experience, fellowships, and so on. In turn, the “other revenue” category is made up from donations/endowments.

Mr Lennon noted that the Faculty of Law has put a lot of money into financial aid to address tuition costs, beginning with the fundraising efforts of former Dean Ron Daniels.

**The Undergraduate Enrolment Plan (JD)** envisages steady enrolment through to 2025-26. JD enrolment has remained at about the same size, and there is no growth in the operating grant from government for increasing enrolment.

**The Graduate Enrolment Plan** envisages further growth in the GPLLM program, but also no government funding available for growth at the graduate level, looking across all 19 divisions of the university.

**Budget Metrics:** JD application rates and the demand for the JD Program demands are very strong. Mr. Lennon noted that Law is doing very, very well, seeing as there is a lot of depth in the applicant pool and the Faculty is not at risk of losing JD students. There continues to be a lot of interest in the program.

**Fundraising & Endowed Student Aid:**

Mr. Lennon noted that the Faculty has been highly successful in fundraising. About \$66 million has been raised over the last ten years (new building, student aid etc.), as a result of this success, the Faculty has one of the highest levels of endowed aid per student (on \$66,000 at Law compared to an average of \$16,000 across the university), which pays out about 4% per year for student support.

**Teaching Space and Space Costs:**

The Faculty uses around the average amount of teaching space with lower-than-average operating costs. *NASM* = *Net Assignable Square Metre*, its teaching space nasm being mid pack, i.e., 2 nasms per student. The Faculty’s average cost of space is in the lower third among divisions.

**Divisional Admin Spending by Function**

Mr. Lennon surveyed the Faculty’s administrative spending by function: External and Student engagement, recruitment, marketing, fundraising, communications etc. and noted that the Faculty’s spending on student support is very high at 16% (ranking second among divisions).

Dean Brunnée commented that the Faculty has made a commitment, as part of endowment growth now and going forward, to put significant resources into student support. Dean Brunnée further noted that Dean Iacobucci's work on this front has had a tangible impact on our capacity to enhance the financial aid program, noting that the revenue that comes from the endowments will have increased by 42% between 2014-2021 (once pledges are paid). Dean Brunnée commented that she did not want to diminish the important concerns around tuition cost, but that tuition increases since have been relatively modest. Due to the tuition cut and freeze, the cumulative annual growth rate between 2014/15 and 2020/21 had been 1.49%. Notwithstanding the structural deficit challenge, the financial aid budget (from operating) had continued to grow, at three times that rate (4.53%). Furthermore, the financial aid budget from endowment income had grown at ten times the tuition growth rate (at 14.25%). These trends meant that the average net tuition paid by students in 2020/21 was now considerably lower than it had been in 2014/15. Dean Brunnée noted that enhancement of the financial aid endowment will continue to be a priority for the Faculty.

A question was raised about tuition: with continuing increases, can a student now look at donating in the future?

In response it was suggested that those extra tuition dollars have increased the school's caliber and that the Faculty of Law has been and will continue to be recognized as an exceptional law school. This has a knock-on effect. The university is starting a new campaign and law is a big part of that and a lot is going into financial aid which is a key part of that campaign.

Professor Fadel commented that it is crucial to bear in mind salaries of graduates. Looking at previous years' salaries is important to do a much better job of studying what our grads and post grads make in their first couple of years of practice. He would like to see concrete data on the income side and reiterated the need for a study.

Dhriti Chakravarty commented that we should look at the other side of the real estate strategy, taking a long-term look into how land is developed by the university.

Vice-President Mabury noted that is an issue. U of T has to take its own resources to build its own. Housing is an issue – we have 95,000 students and only residences for 6,000 students and 1,100 grads. We must very carefully calibrate where we can do these projects. Other monies will have to deliver innovation or deliver value in the way of amenities (places to sleep and where to take your research and invention). With respect to capital projects, Vice-President Mabury noted that the university is very aware of the need to build more spaces, and that the university needs to own them – we are here forever and want them to last 100s of years, but currently things are very challenging with inflation, etc. The university needs to have a lower cost option for hiring and for graduates. The university is focusing on creating 3000 units of housing over the next couple of years.

Dean Brunnée thanked Vice-President Mabury and Mr. Lennon and advised that the SLS President, Willem, would like to make a statement to council members.

Willem thanked Dean Brunnée, and Vice-President Mabury and Mr. Lennon for their presentation. Willem wanted to provide a few thoughts from the SLS and broader student body on tuition levels. Willem commented that for far too long tuition has been harmful and unsustainable to students and that students are looking forward to a robust discussion. Willem noted that recently Dean Brunnée provided SLS with her plan to hold conversations about tuition levels with SLS early in the new year. Willem noted that the Dean has committed to ensuring that there is information sharing about the structural constraints and policy processes. This will ensure that students, faculty, and staff can proceed in an informed way to come up with strategies to address high tuition levels. Willem noted that these discussions will be a major step forward with respect to tuition. Willem's predecessors, Robert, Morgan, Solomon, Katie, Sarah, Andrew, and many more have stood before this Faculty

Council and spoken about the impacts of high tuition. They most recently articulated these impacts again eight months ago, working with last year's SLS, to draft a comprehensive letter about tuition to Dean Brunnée, in hopes that her new administration would be more open to collaborating with us than her predecessors'. Eight months ago, over 300 students, alumni, and faculty signed onto that letter, acknowledging that consistently increasing tuition levels are a problem that becomes more pressing with every passing year, even with the most recent freezes. We provided the Dean with the history of the tuition problem, recognizing that there are structural challenges and institutional actors beyond the control of any one person or office at this Faculty. Willem invited everyone to read the letter which can be found on their website at [studentslawsociety.com/news](https://studentslawsociety.com/news). The letter asks Dean Brunnée the following: 1. Advocate to Simcoe Hall for a tuition freeze at the Faculty for one year to facilitate a conversation about tuition; or, in the alternative, advocate for tuition increases to match inflation. 2. Advocate to Queen's Park for provincial funding that both properly reflects the higher cost of law school tuition relative to other post-secondary programs and preserves the Faculty's long-term financial outlook. 3. Strike a Dean's Advisory Committee on Tuition, composed of students, faculty, and recent alumni to investigate possible solutions to the tuition issue; and 4. Collect and release more detailed information about the socioeconomic profiles of our students and Faculty.

Willem commented that the Dean's proposed conversations will include relevant background information for students about the University's budgeting process and liaisons with the provincial government. Providing that context will help us make suggestions and brainstorm ideas to address our first two calls to action. These discussions will provide information about past data collection of socioeconomic data, so that we can assess what data should be collected going forward, per call-to-action number four. These discussions are meant to be meaningful beginnings to addressing the tuition problem at our school, reflecting our calls to action. For the students in the room and with us via Zoom, the SLS will be engaging with you every step of the way and seeking your input to guide our participation in these discussions. With your assistance, we will strive to ensure that the open dialogue the Dean has promised this year will be the first step to recognizing and tackling the tuition issue. Willem reminded everyone why tuition levels have consistently been the top priority for students, year over year. The SLS shares Dean Brunnée's vision for inclusive excellence at the Faculty of Law and is encouraged that she recognizes realizing that vision requires thinking purposively. Tuition this year stands at \$33,040 plus incidentals. This is fifty-seven weeks of full-time work at today's minimum wage, or forty-nine weeks of employment in the Faculty's summer employment programs. That's a six-figure commitment for a three-year degree. That's four times the cost for a JD and civil law degree at McGill. That's the outcome of a policy decision by the Faculty over two decades ago to pursue a JD-program with American-style tuition levels. Willem questioned what does high tuition mean to students, here, now, today? Current UofT Law students are advising prospective applicants to apply and go elsewhere because the tuition burden is not worth it. It means students from underrepresented and marginalized communities do not even consider our school. Even if the minimum credit score or guarantor requirement for loans is not a barrier, the crushing debt loads are a powerful deterrent. It means a school culture where the nexus of financial planning, career path selection, and recruit pressure not only eviscerate students' mental health and self-worth but preclude substantive academic engagement and growth.

Willem commented that with many of his peers, he participated in two job recruits in the span of six months. He wished he could adequately explain the toll these recruits take on students, how the prospective and accrued debt hangs over their heads as they attend interviews, how it keeps them up at night and factors into every facet of decision-making, how so many forgo being the kinds of lawyers they want to be because the need to pay off loans dictates the kinds of lawyers they must be. Willem stressed that students are suffering mentally, physically, and emotionally because of the cost of tuition and the debt levels. High tuition permeates every

aspect of students' lives, but often glaze over the sacrifices so many students make to be here. If you've been to law school, you know it is akin to a full-time job, and yet students continue to work part-time to fund their education, or to support their families, which inevitably curtails academic potential and limits *de facto* mandatory co-curricular participation, which in and of itself is necessary for securing jobs. This creates a harmful cycle of stress. Students also rely on family to make similar sacrifices, including, in some cases, putting up family homes as collateral to secure student lines of credit, meaning that they must navigate the immense stress of law school with that additional cloud over their heads. These are some of the many ways that high tuition pushes students to their financial and emotional limits. It shouldn't require students reaching that limit and toppling over the edge for us to acknowledge that the cost is too high. As we look to having an honest, collaborative, and productive conversation about solving the tuition issue, Willem wanted to conclude his remarks on a hopeful note. He is hopeful that the efforts of students, alumni, staff, and faculty have underscored the importance of addressing high tuition levels as a barrier to achieving Dean Brunnée's vision of inclusive excellence at this Faculty. We are pleased that the Dean understands that the high cost of tuition is a barrier to achieving that vision. We in turn recognize that the issue is complex and are very happy that you have taken up students on our offer of assistance to bring together the brainpower we are privileged to have in this building. If we want a truly inclusive and excellent Faculty, we need to make sure that we can include all exceptional students, not only those with sufficient financial or credit resources to bear the tuition burden. Willem thanked the many current and former students whose collective actions have gotten us to this point, building on their dedication and momentum as they turn the tide on tuition. Willem thanked Dean Brunnée for responding to their calls to action and for taking sincerity and urgency on the impacts of tuition seriously. Finally, thank you members of Faculty Council for the opportunity to speak today. The SLS looks forward to putting our heads together early next semester as we look for ways to ease the tuition burden for future generations of UofT Law students.

Dean Brunnée thanked Willem for his statement and is looking forward to having that conversation in the new year. Thank you as well to Vice-President Mabury and Mr. Lennon. Best of luck to students with the last push and exam season.

## **5. Adjournment**

There being no further business, the meeting was adjourned at 1:50PM.