Dear Bob and Sam,

Thank you for taking the time to speak with us. We're concerned with improving legal education and sincerely value how carefully your team analyzes methodological changes. We believe that the changes we discuss below would not only improve the usefulness of the *U.S. News* rankings, but would be well received by the entire legal community.

Presently, faculty resources count for 15% of the rankings. We understand the breakdown as follows:

- 1. **Expenditures per Student (9.75%)**: The amount spent on instruction, library and supporting services divided into total J.D. student enrollment.
- 2. **Modified Expenditures per Student (1.5%)**: The amount spent on instruction, library and supporting services, *plus financial aid*, divided into total J.D. student enrollment.
- 3. **Student-Faculty Ratio (3%):** The ratio of students to faculty members, according to the ABA definition.
- 4. **Library Resources (0.75%):** The total number of volumes and titles in the school's law library.

Together, these metrics aim to indicate educational quality. At minimum, we believe that the first and second metrics ought to be replaced by an alternative metric that can produce a higher quality ranking. Such a change would also reduce the incentive law schools have to spend money. However, the public may also be best served by replacing the third and fourth metrics too. The library resources component does not relate to a 21st century legal education. Additionally, the ABA Section of Legal Education determined that the student-faculty ratio is an outdated proxy for quality and no longer uses it in assessing accreditation.

### **Alternative Components**

#### 1. Expenditures per High-Quality Job

Numerator: The same numerator as the component, "Expenditures per Student."

<u>Denominator</u>: The mix of jobs should come from the job type matrix from the ABA-mandated disclosures. (*Appendix A*.) There are several plausible options:

- Only long-term, full-time jobs that require bar passage
- The above plus long-term, full-time jobs where the J.D. is an advantage
- The above, minus jobs funded by the law schools
- The numerator from *U.S. News'* unpublished, weighted job rate

Ultimately, the high-quality job denominator aims to make sense of what students choose to attend law school to do.

<u>Relative Ordering</u>: On this metric, a school that spent less money is relatively better than a school that spent more money to achieve the same number of high-quality jobs. In other words, the metric values efficiency by attaching total expenses to desirable outcomes.

## 2. Tuition Revenue per High-Quality Job

<u>Numerator</u>: The total revenue from tuition and fees that the school collects from a defined student cohort over a defined period of time. The cohort could be all students or all graduates. The period could be the most recent year, or all time in law school.

<u>Denominator</u>: The same as the previous alternative.

<u>Relative Ordering</u>: On this metric, a school that charged students less money is relatively better than a school that charged students more money to achieve the same number of high-quality jobs. In other words, the metric values efficiency by attaching total money spent by students to produce desirable outcomes.

The incentive here is for schools to take in as little money as possible from students while still providing access to high-quality job opportunities. A school with a large endowment would not be hurt under this metric because the expenditures that come from endowment returns would not be relevant. Likewise, schools that receive money from alternative sources such as grants, state support, or other ventures would not find that their wealth hurts them. Schools could spend non-tuition revenue however they choose without a rankings penalty.

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We are committed to working with you in any capacity. Thank you again for taking the time to listen.

Sincerely,

William D. Henderson Professor, Indiana University Maurer School of Law Center on the Global Legal Profession

Kyle McEntee Executive Director, Law School Transparency

Hon. Randall T. Shepard Former Chief Justice of the Indiana Supreme Court Chair, ABA Task Force on the Future of Legal Education

# Appendix A



# **EMPLOYMENT SUMMARY FOR 2013 GRADUATES**

EMPLOYMENT STATUS	FULL TIME LONG TERM	FULL TIME SHORT TERM	PART TIME LONG TERM	PART TIME SHORT TERM	NUMBER
Employed - Bar Passage Required	119	0	1	0	120
Employed - J.D. Advantage	25	0	1	1	27
Employed - Professional Position	2	0	0	0	2
Employed - Non-Professional Position	4	0	1	0	5
Employed - Undeterminable	0	0	0	0	0
Pursuing Graduate Degree Full Time					4
Unemployed - Start Date Deferred					0
Unemployed - Not Seeking					3
Unemployed - Seeking					2
Employment Status Unknown					3
Total Graduates					166
LAW SCHOOL/UNIVERSITY FUNDED POSITIONS	FULL TIME LONG TERM	FULL TIME SHORT TERM	PART TIME LONG TERM	PART TIME SHORT TERM	NUMBER
Employed - Bar Passage Required	0	0	0	0	0
Employed - J.D. Advantage	1	0	1	0	2
Employed - Professional Position	0	0	0	0	0
Employed - Non-Professional Position	0	0	0	0	0
Total Employed by Law School/University	1	0	1	0	2