

# Proposition 2½: Lessons from Massachusetts

When budget cuts come, and they will, the best defense is a well-managed school system.

Massachusetts teachers protest Proposition 2½ on Boston Common.

*(Photo courtesy of Massachusetts Teachers Association)*



Prepare. If the tax reform movement hasn't reached your state, chances are it's not far away. To date, some 17 states have enacted laws to ease the tax burden of their citizens. For public education, this new wave of legislation means less money.

Such is the case in Massachusetts where educational decision makers responded to the controversial bill, Proposition 2½, by arriving at and implementing budget cuts affecting services, programs, and staff.

Simply stated, Proposition 2½ limits the levy on property taxes to 2½ percent of fair market value of a city or town's property base. Further, the Massachusetts law directs those

communities above 2½ percent to reduce their budgets annually until the limit is reached. In some Massachusetts municipalities, this means substantial budget reductions. For public education, this piece of legislation, approved by a 2 to 1 voter margin, also signaled the end of "fiscal autonomy," or the ability of school committees to unilaterally develop their annual budgets. In essence, the budgetary process has been reversed. Instead of developing a final budget figure based on a review of district needs, superintendents, other administrators, and school committees now begin with a final figure and work backwards to determine, on a priority basis, how the allotted money should be spent.

Although union officials, administrators, school committee members, and parents disagreed on how to re-

spond to Proposition 2½, there is general consensus that the full impact of Proposition 2½ will not be realized for some time to come. Nonetheless, it is important to examine the actions taken thus far. For in these actions, there are lessons to be learned for those of you who may be called upon to orchestrate similar budgetary restrictions.

In trying to understand how individual school districts established priorities and created their budget cutting processes, we employed a number of sources: newspaper accounts and informal interviews with superintendents, administrators, union officials, teachers and other school personnel, parents, students, and people we happened to engage in our professional capacities. Clearly, our process was not scientific. It did, however, produce enough repeated themes to allow us to put together a general list of priorities. Additionally, we describe how one typical school might be affected by budget cuts. The priorities list should hold no surprises for those familiar with public education.

#### A Prioritized List of Budget Cuts

- *Non-personnel items.* This category includes office supplies, new textbooks and other curriculum materials, field trips, tuition reimbursements, staff development, inservice, athletic equipment, building maintenance, summer curriculum work, out-of-state travel, and so on. Perhaps the largest dollar amount and the most controversial item in this category is transportation expenses.

- *Special nonacademic programs and services.* Budget items under this title might include preschool programs, adult education, summer school, after-school day care, interscholastic and intramural sports, driver training, and all other extracurricular activities requiring paid staff. Within this category, athletic budgets generated great emotional debate.

- *Nonprofessional staff.* In this area we find teacher and clerical aides, cafeteria workers, custodial



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staff, and school-crossing guards. This category tends to be controversial because the staff, for the most part, consists of local citizens with a long history of employment in the public schools.

- *Special academic programs and professional support staff.* The programs usually lumped into this category include art, music, industrial arts, home economics, foreign language programs, career education, and programs for the gifted. Professional support staff include administrators, guidance and adjustment counselors, school psychologists, reading and other curriculum specialists or coordinators, and teachers of special education students. The most dramatic reductions occurred in the middle management area. Particularly hard hit were assistant principals at all levels and curriculum coordinators.

- *Academic programs and teachers.* This part of the budget invariably was the last to be cut. As you are well aware, however, academic programs and staff represent the greatest percentage of total district budgets. Beyond a narrow threshold, they cannot avoid being affected. Having decided which program areas to cut, most districts eliminated individual positions on the basis of seniority. Obviously, this category drew much attention owing to the concern, participation, and strength of teacher unions.

### A Typical School

In reviewing the above list, it is important to remember that bottom line budget figures reflect cuts from all categories. To better appreciate this point, let us consider the case of Bay State Middle School, a hypothetical and typical school.

Bay State Middle School, with a 1981 enrollment of 750 students, is the only middle school in a 4,700 student school district. Under Proposition 2½, the school district was mandated to trim 15 percent from its annual budget. Figure 1 shows the school's budget reductions by comparing allocations for 1980 and 1981.

Since the Bay State Middle School's enrollment dropped by 24 from a 1980 figure of 774 to a 1981 figure of 750, the average 1981 academic class size will increase by only 1-4 students depending on student

**Figure 1. Bay State Middle School: Proposition 2½ Year One Reductions.**

1980	1981
<b>Non-personnel Items:</b>	
Busing—all students	Busing—limited by distance formula
Late buses	Eliminated
Curriculum development funds	Reduced by 50 percent
Textbooks as needed	Freeze on new textbooks
Field trip funds	Eliminated
Staff Development Funds	Eliminated
<b>Special Nonacademic Programs and Services:</b>	
Interscholastic sports	Eliminated
Paid director for school play	Eliminated
Summer school	Reduced offerings, director eliminated
Intramural Program	Eliminated
<b>Nonprofessional Staff:</b>	
Teacher aides—4	Teacher aides—2
Clerical/cafeeteria aides—4	Clerical/cafeeteria aides eliminated
Custodial Staff—2 shifts	Custodial Staff—1½ shifts
Secretaries—3	Secretaries—1½
<b>Special Academic Programs and Professional Support Staff:</b>	
Art teachers—2	Art teacher—1
Home economics teachers—2	Home economics teacher—1
Music teachers—2	Music teachers—1½
Physical education teachers—4	Physical education teachers—2½
Language teachers—2	Language teacher—1
Gifted teachers—1	Eliminated
Reading specialists—2	Reading specialist—1
Guidance counselors—3	Guidance counselors—2
Activities program	Eliminated
Career education teacher—½	Eliminated
Administrators—3	Administrators—2
<b>Academic Programs and Teachers:</b>	
Academic teachers—27	Academic teachers—23
Tutors—5	Tutors—2½

grade level and placement. Some would argue that the prioritized list maintained the importance and integrity of basic academic subjects. This may be true. However, budget decisions, as all decisions, imply trade offs. When faced with shrinking budgets, school district decision makers will need to reflect on the impact that alternative decisions can have on a school and its environment. With this in mind, let us consider the following questions related to the Bay State case.

How will the budget cuts affect student achievement in basic skills? Will curriculum development be halted or severely retarded by lost incentive? How will the reduction of field trips, the activities program, a guidance counselor, a career education program, an administrator, and a gifted teacher affect student attitude and morale? Will academic teachers spend more time with students as a result of the reduction in specialist positions? What affect will the reductions have on scheduling? Will parents receive as quick a response to their requests for information and

services as they did in 1980? How will school discipline problems be handled with one less administrator? Will the school be empty at the end of the regular school day?

### Start Now

Reflecting on the prioritized list, the prospect of budget cutting, and the notion of trade offs, we offer some additional recommendations for those school decision makers who are or might be faced with their own tax limiting mandate. These recommendations, developed with benefit of hindsight, can serve as a planning tool or status check for a school or district:

- Involve as many interested groups as time allows. The lives of professionals, parents, and children will be affected by the decisions reached. To avoid surprise and shock, it is important to keep all interested parties informed and involved. But do not expect involvement to bring agreement. Cuts are painful but understanding can lessen the pain.

- Review current decision-making

processes. An easy and effective way to do this is to select staff not involved in a past decision to interview the staff who made the decision and, if possible, a sample of the staff affected by this decision. The purpose here is not to second guess a particular decision but to check the effectiveness of the current process and generate ways the decision-making process can be improved.

- Develop and/or refine a system of goals and priorities that can be used to guide decision makers. Every system wants to improve basic skills, but is the improvement of writing a true priority? If so, how will it be evaluated and how will the teachers be trained? Priorities usually cost money, if only to evaluate how well they are being achieved.

After goals and priorities are established, build a broad base of support or, like some Massachusetts school systems, be faced with a poor alternative—a type of incremental decision making: across the board budget cutting by a fixed percentage to maintain the status quo as closely as possible.

- Develop and refine the ability to obtain information from the staff who spend the money or use the resources (cafeteria personnel know best how to reduce food costs). Realize that recommendations from these sources are usually excellent in all areas except personnel. When costs are reduced as far as possible and still more needs to be trimmed, personnel reduction decisions become complex and more sophisticated strategies than simply asking for recommendations are needed.

- Identify and/or develop staff with group process, problem solving, and conflict resolution skills. Building these capacities before forced budget cutting is smart management. When Proposition 2½ took shape, some Massachusetts school systems formed informal "what-if" committees to begin contingency planning. Staff can take roles of special interest groups and practice decision-making processes and data collection efforts. These activities will not only prepare the school for the worst, but will also generate data and options that can be used to improve a school system whether or not forced budget reduction becomes a reality.

Of particular value is a group whose purpose is to question the



status quo and come up with proactive questions and cost saving alternatives. This group, functioning as futurists, can provide interesting options to test on a small scale.

- Create clear job descriptions and develop effective staff evaluation systems. From Massachusetts' experience, middle management is the area hardest hit by personnel cuts. Decision makers should be able to state exactly what tasks and activities are included in each management position and should be able to explain specifically what a system will lose when it loses a manager.

- Study "Management Time: Who's Got the Monkey?"\*—a management classic from the *Harvard Business Review*. This article de-

scribes the phenomenon of upward delegation that is almost certain to increase with the stress induced by budget cutting tensions. The article provides steps to take to avoid having all the "monkeys" in your school system end up on your back.

As you review these suggestions, you will realize that many are common sense and good management practice. This underlines our most important message: The best single defense against budget limiting initiatives is a well-managed school system. ■

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