

# Lansing school audit wasn't fair

Michael Borges 4:54 p.m. EST January 28, 2016



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Lansing Central School District's audit was so off base about the financial realities facing school districts and Lansing in particular.

First, school district budget conservatively to ensure there are no disruptions to educational programs during the school year due to unexpected expenses, like a power plant potentially shutting down. If school districts do not have sufficient reserves or financial cushion to cover these expenses or revenue reductions, they would have to seek cuts elsewhere.

Second, audits of school districts suffer from the "Goldilocks Syndrome." Schools around the state are chastised for either not having enough in reserves or for having too much. The right amount depends on the district and its unique circumstances, and ultimately, it's the responsibility of school boards to determine and not someone in Albany. And unlike school districts, which have a cap on how much they can put in reserves or a rainy-day fund, municipal governments do not.

And lastly, this year's tax cap is now at zero, leaving school districts with no ability to raise additional revenues locally unless they seek a cap override. Lansing should be commended for having the foresight to set aside funds that will in part deal with this year's cap and the potential loss of power plant revenue.

MICHAEL BORGES

NEW YORK STATE ASSOCIATION OF SCHOOL BUSINESS OFFICIALS, ALBANY

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