

THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)
Act 94 of 1979

388.1841h Administrative spending restrictions.

Sec. 241h.

It is the intent of the legislature that taxpayer funds appropriated under this article are to be used to educate public university students and continue maintenance of public university buildings and other assets. The goal of the legislature is that taxpayer funds not be used excessively for administration. Therefore, a public university that receives an appropriation under this article shall not spend more than 10% of that appropriation on administration. A sum of money spent in excess of the 10% cap described in this section by a public university results in a forfeiture of an amount equal to 50% of that sum from funds appropriated to that public university, not to exceed the total amount appropriated to that public university under this article. The auditor general may investigate allegations of violations of this section. Funds forfeited under this section must revert, to the extent permitted by law, to the general fund or the state school aid fund. For the purpose of calculations under this section, the amount spent by a public university on administrative costs does not include costs associated with staff working in the following roles: teachers, facilities, public safety, technology, research, instruction, academic support, student services, auxiliary services, or public service.

History: Add. 2025, Act 15, Imd. Eff. Oct. 7, 2025