WISCONSIN DEPARTMENT OF
Public Instruction

Jill K. Underly, PhD, State Superintendent

June 5, 2025

SENT VIA EMAIL

Dr. Brenda Cassellius, Superintendent
Milwaukee Public Schools
PO Box 2181
Milwaukee, WI 53201-2181

Missy Zombor, Board President
Milwaukee Public Schools
PO Box 2181
Milwaukee, WI 53201-2181

Dear MPS Leadership,

I want to thank you and recognize the progress the district made in recent weeks working through the submission of financial information. Our partnership through this challenge is beginning to demonstrate positive momentum, which we hope to continue into the fall.

As communicated in a letter I sent on May 5, 2025, the DPI warned it would withhold state aid from MPS if MPS did not complete certain priority actions outlined in CAP 2 by May 30, 2025. The information the DPI gathers from these reports is critical for several reasons, none greater than the DPI's ability to calculate general aid for MPS and school districts across Wisconsin. Given the ongoing liability of having incomplete data, the DPI is withholding aid under its authority described by Wis. Stat. s. 121.006. Specifically, the DPI is withholding 25 percent of the Special Education and School Age Parents aid funding under Wis. Stats. s. 115.88 (**$17,415,673**) and 34 percent of Achieve Gap Reduction aid under Wis. Stats. s. 115.44(6) (**$8,020,306**), both of which are scheduled to be distributed on June 9, 2025.

We want to make sure this funding is released as soon as possible, and as such have created a schedule of release for withheld dollars. I have attached the schedule to this letter. Please contact me if you have any questions.

Sincerely,

Thomas McCarthy
Deputy State Superintendent
Wisconsin Department of Public Instruction

c: Chanell Crawford, Asst. State Superintendent, Division for Finance and Management
Jennifer Buros, Director, School Financial Services Team, Benjamin Jones, Legal Counsel, DPI

DPI Withholding Schedule for MPS

Aid Withheld	Scheduled Payment Date	Estimated Amount	MPS Deliverable to Release Aid Hold (Requires DPI Validation)
Fiscal Year 2022-2023 Special Education and School Age Parents Aids - 25% of amount due (Wis. Stats. s. 115.88)	06/10/2024	$16,623,612	FY24 Auditor Aid Certification and Auditor Fund Balance (CAP 2, WBS #2.1), FY24 Annual Report (CAP 2, WBS #2.2)
Achievement Gap Reduction Aid - 34% of amount due (Wis. Stats. s. 118.44(6))	06/09/2025	$8,020,306	FY24 District Audited Financials (CAP 2, WBS #2.3), FY24 Single Audit (CAP 2, WBS #2.4)
Fiscal Year 2023-2024 Special Education and School Age Parents Aids – 25% of amount due (Wis. Stats. § 115.88)	06/09/2025	$17,415,673	Submission of a locally constructed plan to address the upcoming fiscal year deadlines and that addresses CAP 2 WBS #4.4, 4.6, #4.7, and #4.8