



Hello, Friends and Families of Milwaukee Public Schools,

We want to thank you for your continued support of and interest in the students, families and staff of MPS. Our students, families, staff, and community count on MPS to prepare our youth for success in higher education, post-education opportunities, work, and citizenship. This is our mission and guide as we navigate all situations.

In May, the Department of Public Instruction (DPI) notified MPS that the district's June special education aid payment would be temporarily delayed due to financial data that had not been submitted to the state. That issue elevated many concerns to the Milwaukee Board of School Directors. Since then, the Board has taken action to ensure the district is in the best possible shape for students when they return in the fall, including hiring an external financial consultant; creating and implementing a Corrective Action Plan (CAP); passing a proposed 2024-25 Budget; launching a search for a new superintendent; and prioritizing hiring new staff in the Office of Finance.

Through MPS' work with its external financial consultant, Todd Gray, the district has determined that two of the key issues in MPS' Office of Finance are related to staff vacancies and challenges with software. The Board is addressing these and other challenges as quickly as possible. Key areas and the Board's actions are summarized below.

### **Corrective Action Plan**

The MPS Office of Efficiency and Accountability submitted the draft Corrective Action Plan (CAP) to the Wisconsin Department of Public Instruction (DPI) on June 11, 2024, which sets the course for MPS to make improvements during the next year. The draft CAP provides details around steps MPS will take to address overdue financial data submission and compliance issues. The CAP is designed to facilitate the timely release of the district's general and special aid payments and identify and address the district's challenges that led to the delayed submission of audited financials. DPI approved the CAP on June 13 and the Board approved the plan the same day. The Board will continue to work with DPI to monitor and implement the CAP moving forward.

### **2024-25 Budget**

On Thursday, June 13, 2024, the Milwaukee Board of School Directors passed the proposed \$1.5B budget for the 2024-2025 school year. The Board also recognizes this budget is not final. The final budget is expected to be adopted on October 29, 2024, following the adopted budget calendar.

The passing of this budget ensures that essential programs supporting our community can continue to operate. With budget approval, our children continue to receive meals and mental health care throughout the summer; our teachers and staff continue to receive payroll checks; our school leaders continue to plan for the next school year; and much more.

DPI indicated that MPS could owe \$35- \$50 million back to the state to account for past financial errors. The Milwaukee Board of School Directors is analyzing how this may fiscally impact the district. We understand the seriousness of this situation. While this is a large sum, it represents a small percentage of our total budget. We are exploring every possible option to minimize the impact on our students and ensure that taxpayers are not affected.

### **Interim Superintendent and Staff Vacancies**

The Milwaukee Board of School Directors is currently planning the next steps and timeline for hiring an Interim Superintendent. The Board is reviewing candidates and gauging interest in the role. Interviews will be conducted in early July, with the hope of selecting a candidate by mid-July. In the meantime, Eduardo Galvan will serve as Acting Superintendent, managing day-to-day operations.

Additionally, the district is moving as swiftly as possible to hire qualified finance professionals to fill vacant positions. Todd Gray will continue to support MPS' financial team in the interim.

### **Operational Audit**

Governor Evers has announced a request for services to conduct an independent operational audit of the Milwaukee Public Schools (MPS) District.

As the board continues to focus on the students, families, staff and community of MPS, we welcome and appreciate the support of our partners in the governor's office. We are committed to identifying root causes of district challenges so they can be addressed moving forward.

### **Staying Informed**

The Board understands that there are many concerns around this issue and questions you may have. It is a key priority to keep Milwaukee families informed about our progress meeting the challenges ahead. As this is a dynamic situation, the Board is sending out regular updates, and this information is posted on the front page of the MPS website. You can access all updates here.

We are taking this as an opportunity to reflect on our communications practices and to evaluate how we can improve. We are working on ways to proactively engage our families moving forward.

Thank you again for your engagement and interest.

Sincerely,

Marva Herndon, President, Milwaukee Board of School Directors

Jilly Gokalgandhi, Vice-President, Milwaukee Board of School Directors