Procedures for Calculating Significant Disproportionality-Educational Environments

Michigan Department of Education Office of Special Education
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Reflecting the assumptions used in the analysis based on regulation 34 CFR §300.647

Citation:

Regulation 34 CFR §300.646 of the *Individuals with Disabilities Education Act* (IDEA) requires each state that receives assistance under Part B of the IDEA must provide for the collection and examination of data to determine if disproportionality based on race and ethnicity is occurring in the state with respect to: placement of children with disabilities in particular educational settings.

Calculations:

1. Calculations are completed at both the member-district level and aggregated at the ISD level. Identification for Significant Disproportionality is at the ISD-level.
2. Calculations use data from the Fall 2024 and Fall 2025 Michigan Student Data System (MSDS)[1] general collections, including the Special Education Count files. Only students with an Individualized Education Plan (IEPs), ages 5 in kindergarten through 21, per the *Individuals with Disabilities Education Act* (IDEA) Part B definition, are counted.[2] (The residency codes of students are drawn from the data in MSDS, and the education environment is based on the information submitted in the MSDS special education child count.) Resident data refers to the students that live within a member district's boundaries, with the following exceptions: students attending public school academies, schools of choice, non-public schools, registered home-schools, and entities serving adjudicated students are only reflected in their operating ISD/member district.

[1] Michigan Student Data System (MSDS) is the statewide data system for all schools/students.
[2] Students who *have been placed in facilities for adjudicated youth* (as indicated by the student residency code in MSDS) are excluded. Also excluded are students enrolled in the Operating District Number 84020.

3. Calculations are performed for each given racial/ethnic subgroup (American Indian, Asian, Black, Hispanic, Native Hawaiian or Other Pacific Islander, White, or Two or More Races) with
    - more than 10 students in a given setting (separate facilities and in the general classroom setting less than 40% of the school day). The educational environments, "public or private special education school building at public expense" and "public or private residential facility at public expense," are considered "separate facilities" and
    - more than 30 students with IEPs in the ISD/member district.
4. A Risk Ratio (RR) is used for a particular racial/ethnic subgroup when there are more than 10 students in a given setting in all other racial/ethnic subgroups (setting comparison group) and more than 30 students with IEPs in the ISD/member district comparison group.
5. An Alternate Risk Ratio (ARR) is used for a particular racial/ethnic subgroup when there are
    - 10 or fewer students in a given setting in all other racial/ethnic subgroups (settings comparison group)[3].
    - 30 or fewer students with IEPs in the ISD/member district comparison group.[4]
6. Two sets of risk ratios (ARR and/or RR) are calculated, using the operating and resident data, for each racial/ethnic group in a given setting (separate facilities and in the general education classroom setting less than 40% of the school day). Operating data refers to where the students attend school. All students are included in operating counts including non-public students being served by the ISD/member district.
    - If there is an operating ratio but no resident ratio (due to a small number of resident students), the operating ratio is used to determine significant disproportionality.

[3] No calculation is performed if there are 10 or fewer students in the statewide setting comparison group.

[4] No calculation is performed if there are 30 or fewer students with IEPs in the statewide comparison group.

- If there is no operating ratio, but there is a resident district ratio, the resident ratio is not considered for significant disproportionality.
- Public School Academies have only one set of ratios as they are only operating.
- Students participating in intermediate school district center programs are reflected in resident member district counts, as well as the operating ISD program number.

7. The lower of the ISD/member district's operating ratio or resident ratio is used to determine significant disproportionality. ISDs may be considered to have significant disproportionality when the appropriate ratio (ARR or RR) is greater than 3.0 for two consecutive years for any racial/ethnic group within a setting category (see #9 below).
8. The OSE requires that ISDs identified as having significant disproportionality must:

    - Review/Revise Policies, Procedures and Practices. The OSE will assist the ISD in the review of all policies, procedures and practices regarding the identification of children as children with an IEP, including the placement of children with disabilities in particular educational settings; and
    - Publicly Report Revisions of Policies, Procedures and Practices: The ISD must report to the public on the revision of the policies, procedures and practices regarding the identification of children as children with an IEP, including the placement of children with disabilities in particular educational settings.
    - Allocate 15% of IDEA Special Education (Part B, Section 611 & 619) Grants:
        - For ISDs receiving IDEA funds, 15% of the grant for the identified school year, must be reallocated for comprehensive coordinated early intervening services. These services may be designed to serve children who have not been identified as children with an IEP or students with an IEP, particularly but not exclusively, children in the groups that were significantly over-identified. These early intervening services may support activities for students ages 3 through grade 12 with an emphasis on kindergarten through grade 3.

9. Refer to the *Significant Disproportionality Methodology* document pages 7-10 for details on the Tiered-Level of Response for Intervention and Identification.

Resident District Definition for Analyzing Disproportionate Representation and Significant Disproportionality Data:

- The purpose of the resident district definition is to include only those students that districts have an opportunity to influence/educate. The "resident" definition excludes students enrolled in schools of choice, non-public, registered home-schools, and entities serving adjudicated students. Resident district is calculated in the following way:
  - Begin with the MSDS Fall Collection resident count.
  - Subtract students with the following Student Residency codes:
    - Schools of Choice (Codes 02 and 03)
    - Non-Public School (Codes 04 and 08)
    - Registered Home-Schools (Codes 07 and 15)
    - Juvenile Detention (Codes 09 and 12)
    - New Public School Academies (Code 10)
    - All other non-resident students (Code 06) that have a "no" in the "IEP placed by another district" field
  - Filter out all Public School Academies as identified by the Educational Entity Master.
  - The MSDS resident count will include the following Student Residency codes:
    - Non K-12 (Code 01)
    - No cooperative agreement, no release, not exempted (Code 05)
    - All other non-resident students (Code 06)
    - Operating ISDs/member districts do the MSDS submission – hence these are non-residents of the operating member district. This will include those students who are residents but through an IEP have been placed in another ISD/member district.
    - School for the Deaf (Code 11)
    - Assigned to the students Resident ISDs.

- Students with an IEP who are served by a Department of Community Health facility (Code 13)
- All other resident students (Code 14)

- The same parameters set for determining resident count for the special education population must be applied to the general education population for comparison.
- The calculation for operating counts includes:
  - Public School Academies
  - School of choice students
  - Non-public school students
  - Registered home-school students who receive special education ancillary services