Large Loss Report 2023

The Large Loss Report 2023 summarizes 69 publicly reported major damage awards and settlements of at least $1 million that affected K-12 schools, colleges, and universities in 2022. That’s compared to 38 publicly reported awards and settlements of at least $1 million the prior year.

When United Educators (UE) started issuing a report on publicly reported sizable settlements and court awards 28 years ago, we considered any six-figure settlement as “large” — outsized compared to typical settlements and verdicts at that time.

Over the report’s first 25 years, we increased the large loss threshold from $100,000 to $250,000. In the past three years, however, we’ve seen a dramatic escalation in both the number and magnitude of large losses. In 2021 we raised our threshold to $500,000, and in 2023, for this report, we increased it to $1 million based on a sea change in the volume of losses at higher ed and K-12 schools.
While most of the losses this report details do not involve UE members and not all topics are subject to UE coverage, the losses reflect trends UE has seen among education claims. The cases in this report demonstrate that losses, in terms of financial and reputational impact, can be exorbitant. The trends indicate that social inflation — the increase in insurer costs above what's expected from general economic inflation — has had a significant impact on educational institutions.

These summaries are drawn solely from published accounts. Most public K-12 schools and public colleges and universities are subject to sunshine laws and, therefore, their settlements routinely appear in the public domain. However private or independent schools don’t typically have the same public reporting requirements and, as a result, their unreported claims don’t appear in this report.

For the second year, we’re also including costs related to ransomware attacks. While these costs aren’t a result of settlements or awards in court, ransomware losses are an emerging trend for schools.

Losses in this report occurred between Jan. 1, 2022, and Dec. 9, 2022.

**UE Insights**

From 2015 to 2020, the average cost doubled for UE primary general liability (CGL) and educators legal liability (ELL) claims. Defense costs are contributing significantly to increasing claims costs along with larger awards and settlements.

K-12 and higher education members experience the types of losses described in this report. Both higher education institutions and K-12 schools continue to experience losses related to sexual misconduct, accounting for roughly 20% of all claim costs over the past few years. Other top causes of loss for UE claims include discrimination and wrongful termination for educators legal liability coverage and slips, trips, and falls; accidents; civil assaults; and athletic activity for general liability coverage.

Disclaimer: The summaries herein are provided for the purpose of informing institutions of trends in publicly available data. While some of the losses reported in this report reflect trends UE has seen among our members’ education claims, the topics included aren’t an indication of the scope of UE coverage, nor should the inclusion of a settlement or award in this report be interpreted as reflecting an opinion by UE or our membership of its reasonableness.

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Trends From 2015-22

An analysis of the eight most recent Large Loss Reports — which include published reports of settlements, awards, or ransomware payouts — shows troubling trends for K-12 schools and higher education institutions.

Of the damage awards, settlements, or ransomware payouts this report includes, 69 exceeded $1 million. This is significantly more than the number of such awards or settlements in the past two years (31 in the 2021 report and 38 in the 2022 report, respectively). The trend offers a grim reminder of the ways social inflation impacts education claims, with high escalation of settlements and defense costs.

The number of publicly reported awards or settlements of at least $500,000 also has drastically risen each year — from 50 in last year’s report to 90 in 2022.

Meanwhile, the number of publicly reported awards or settlements of at least $250,000 increased from 19 in 2015, to 46 in 2020, and then to 72 in 2021. There have been 107 such settlements or awards in 2022.
Losses Rising at K-12 and Higher Ed Schools

K-12 schools, colleges, and universities are suffering an increasing number of publicly reported large losses of at least $1 million, and those losses are becoming increasingly costly.

Of the publicly reported settlements or awards of at least $1 million, the following categories had the highest number of losses:

- **23 involved Sexual Misconduct**
  - Losses ranged from $1 million to $615.6 million

- **7 involved COVID-19**
  - Losses ranged from $1.5 million to $5 million

- **6 involved Accidents and Crimes Resulting in Death**
  - Losses ranged from $2.5 million to $18 million

- **5 involved Discrimination**
  - Losses ranged from more than $1 million to $3 million

- **3 involved Injuries Not Resulting in Death**
  - Losses ranged from $2 million to $45 million

This demonstrates high liability losses are becoming increasingly common.

Note: Some of the loss outcomes may have changed due to the progress of legal proceedings since they were reported.

* UE first began tracking ransomware losses in 2021.

Source: 2021-23 Large Loss Reports

Warning: This report contains references to graphic content related to harm of adults and minors.
Accidents and Crimes Resulting in Death

Hacienda La Puente Unified School District in City of Industry, Calif., reached an $18 million settlement with the parents of an 8-year-old boy with Down syndrome who died after falling backward while he was strapped to a chair in class. The boy wasn't supervised when he struck his head on the floor, broke his neck, and went into cardiac arrest, according to a lawsuit. Staff had taken the boy out of his special adaptive stroller and strapped him to a school chair, the lawsuit stated.

The lawsuit contended the district didn't provide the boy with safe surroundings and allowed him to be unsupervised and unrestrained during class. The district also didn't have a policy to adequately supervise students with special needs like the one the boy had, according to the lawsuit.

The Yucaipa-Calimesa Joint Unified School District in Yucaipa, Calif., reached a $15.75 million settlement with the family of a middle school student who died after suffering an asthma attack on campus. Her family contended the district was negligent in assessing and addressing her asthma, not training staff on best practices to handle medical conditions, and trying to deflect blame by claiming the girl could have died from an allergic reaction. The 13-year-old student, who had a documented history of asthma attacks, had difficulty breathing while walking with her science class to the school's athletic field for a class project in 2019. She asked her teacher if she could go return to her classroom to get her inhaler, and the teacher — rather than asking if she felt well enough to walk over 360 yards to her classroom — asked another student to accompany her to class, according to the lawsuit. She got to the classroom and used the inhaler but didn't feel better; she returned to the teacher and asked if she could see the nurse, the lawsuit stated. The teacher — instead of sending an adult to accompany her to the nurse, which is what district protocol stated — sent another student with her, according to the lawsuit. The friend said the condition worsened; a campus monitor saw the condition and drove her in a golf cart to the nurse's office. The nurse saw the girl had begun exhibiting symptoms of a seizure and started administering CPR; paramedics took the girl to the hospital, and she ultimately was declared brain dead. As part of the settlement, the district agreed to adopt best practices on asthma management, work with asthma medical experts to provide asthma management training to teachers and staff, and to change its safety protocols for students with medical conditions.

Clayton County Public Schools in Jonesboro, Ga., reached a $10 million settlement with the parents of a Georgia high school basketball player who collapsed while participating in workout drills outdoors in sweltering heat and later died. The child, a 16-year-old junior, was at her first conditioning practice of the year for the Elite Scholars Academy girls basketball team when she collapsed while running the stairs outside the school. The child's death occurred from heat-related cardiac arrest and kidney failure, according to the lawsuit. The school reportedly didn't have equipment — such as cold tubs, iced towels, and spray bottles — for reducing the risk of heat-related injuries on a day when temperatures reached into the high 90s, the lawsuit stated. Rules of Georgia's high school association state that schools must monitor and mitigate risks of playing sports in the heat, and the lawsuit contended the school didn't follow those rules. The school didn't acknowledge fault as part of the settlement. Two coaches were indicted in July 2021 on charges including murder and child cruelty in the student's death, and that criminal case is ongoing.
Los Angeles Unified School District will pay a $9.5 million settlement to the parents of a 12-year-old boy who died after running laps at middle school, according to the family’s attorneys. The family argued that district employees neglected to follow procedures that may have saved the child’s life. According to a trial brief, two gym teachers saw the child unconscious but breathing — but the teachers didn’t call 911 and even though they were trained in CPR and how to apply an automated external defibrillator, they didn’t do so. In 2018, school district officials said in a statement that the child received immediate care from the school nurse and paramedics before being rushed to a hospital. But an attorney representing the child’s family said the school had a policy of requiring staff to ask the front office to call 911, rather than calling themselves. That policy led to a 6- to 8-minute delay before 911 was called, and it prevented operators from instructing the gym teachers on how to treat the boy while waiting for help, according to the attorneys. Also, according to the attorneys, the nurse didn’t know the middle school had a defibrillator — even though she had been designated to inspect it daily.

Federal Way Public Schools in Federal Way, Wash., will pay a $5.25 million settlement to the family of a high school student who died from cardiac arrest after a summer football practice in 2018. The 16-year-old sophomore was participating in a conditioning practice when, after completing several sets of wind sprints, he collapsed and suffered a seizure. Coaches didn’t recognize the sudden cardiac arrest symptoms and didn’t resuscitate him, according to a lawsuit the boy’s family filed. Also, according to the attorneys, the nurse didn’t know the middle school had a defibrillator — even though she had been designated to inspect it daily.

The Anne Arundel County Board of Education in Annapolis, Md., will pay a $2.5 million settlement to the family of a student who died in 2019 after choking on a thin rubber glove. The student’s family said the school system knew he was autistic and had pica, a disorder that causes a propensity to eat or chew nonfood items, but that the system failed to keep nonedible items out of his reach and failed to provide proper staffing for his classroom. Among other things, the settlement agreement requires the school system to implement a pica safety protocol — providing staff training and requiring students with pica to have individual supervision.

Bullying

The Washoe County School District in Reno, Nev., paid a $4.4 million settlement related to the alleged abuse of a child with disabilities. The abuse allegedly occurred repeatedly over six months, on a school bus to and from school. According to the settlement, “multiple acts of severe physical abuse and bullying” by another student occurred between December 2020 and May 2021. The district said it had determined that an employee negligently supervised the children. The employee no longer works for the district. The settlement was approved in late 2021 and reported in early 2022.

El Segundo Unified School District in El Segundo, Calif., was ordered to pay $1 million to a former student after a jury found the district liable for bullying that the teenager endured for eight months in 2018. The student and her parents sued the district in 2019. The district contended the Principal did her due diligence and wasn’t responsible for protecting the girl. According to the lawsuit, the student received mean texts and was verbally harassed, and rumors were spread about her — with these incidents occurring on school property and on school-supervised field trips. In addition, a group of students circulated a petition with a call to kill her by name. Teachers knew of the petition but failed to notify the student’s parents, according to the lawsuit. The student and her parents asked for help from administrators and counselors, but the school dismissed those concerns, believing the concerns were drama over a teenage love triangle, according to the plaintiff’s attorney. The girl suffered post-traumatic stress that led her to intentionally harm herself. Of the $1 million, $700,000 were for pain, suffering, mental anguish, and distress, while $300,000 were designated for damages associated with future costs to treat post-traumatic stress disorder that might arise.
COVID-19

Seven colleges or universities will pay settlements ranging from $1.5 million to $5 million related to charges during 2020, when classes were disrupted by the COVID pandemic. In the settlements, the colleges or universities (Rutgers, The State University of New Jersey; the University of Pennsylvania; the University of Tampa; Quinnipiac University; Emerson College; Lindenwood University; and Brown University) were accused of overcharging students. Many of the settlements will result in individual students receiving a small amount of money. For example, in a settlement formally approved in January 2022, Rutgers agreed to pay $5 million to resolve a class action lawsuit; individual students will receive between $50 and $70. Lindenwood, meanwhile, will pay $1.65 million after a group of students contended the university's switch to online learning during the pandemic was "subpar." The students' attorneys will receive $550,000, while nearly 6,000 Lindenwood students will receive about $185 each.

Defamation

The College of DuPage Board of Trustees voted to approve a $4 million settlement with its former President in exchange for him dropping his lawsuit against the college. In 2015 the board fired the President; he'd allegedly spent taxpayer money extravagantly during his tenure. The former President sued the college and its board members for breach of contract, defamation, and civil conspiracy. Some of the defendants countersued. Because of the settlement, both parties agreed to drop their lawsuits. About $9 million was spent in litigation, according to reports.

The Medical University of South Carolina (MUSC) must pay $1.5 million in damages to identical twins who were accused of cheating on a medical school exam in 2016. The twins, Kayla and Kellie Bingham, won a defamation case against the university and each received $750,000. They were in their second year at MUSC when they were taking a test several feet apart when a faculty member who was remotely monitoring the test-taking observed that the Binghams "were progressing similarly through their examinations and had many of the same incorrect answers," the twins alleged in court documents. The Binghams contended that a proctor had been told to watch them and documented their behavior during the test, including how they nodded their heads, occasionally pushed back from their computers, looked around the classroom, or shuffled their scratch paper. After being accused of cheating, the Binghams were found guilty by the school's Honor Council. Though the decision was reversed on appeal, gossip spread about the alleged cheating and the Binghams left medical school and abandoned their plans for careers in medicine. During their trial, a behavioral genetics expert testified that twins are genetically predisposed to similar behavior and noted that cheating complaints against twins commonly occur.

Discrimination

The University of Texas will pay an assistant professor about $3 million in a case involving gender and pregnancy discrimination. A federal jury determined the university denied her tenure but would have promoted her in 2019 if she hadn't been a woman, and pregnant. She was awarded $1 million related to pain and suffering and $2 million in future damages, plus $50,000 in back pay and benefits. Her attorney declined to comment about whether the assistant professor is continuing to seek tenure; he referred to the university's right to appeal the jury's verdict.
Evergreen School District in San Jose, Calif., must pay more than $2 million to a former Superintendent who won a gender discrimination lawsuit against it. The former Superintendent was awarded the money in U.S. District Court after arguing she was paid thousands less than a male colleague who had the role before her. The compensation is based on lost pension and back pay. The former Superintendent worked 32 years for the district and became the first female Superintendent in its history. But through a compensation study, she learned in 2015 that she was being paid about $42,000 less than the man with the job before her, according to the lawsuit. She said the school board agreed to renegotiate her contract but by 2017, nothing had happened. She left the district two years later and ultimately filed the discrimination lawsuit. A court brief contended other districts paid more, she was retaliated against in a job performance review, and a school board member was biased against women.

The University of Missouri System reached a $1.57 million settlement with a former Associate Dean at its School of Medicine. She is white and was 60 when she was removed from her position and replaced by a younger Black woman. She initially sued the system for age- and race-related discrimination but later withdrew the racial discrimination claim. The settlement only involved accusations of age discrimination and retaliation. The University of Missouri System didn't admit wrongdoing or liability.

Trustees at the Contra Costa Community College District in Martinez, Calif., approved settlement agreements worth more than $1.5 million combined with two top administrators who had filed claims and a joint lawsuit alleging discrimination and other wrongdoing. The agreements involved a $570,000 agreement with Executive Vice Chancellor Administrative Services and former Interim Chancellor Eugene “Gene” Huff in exchange for Huff waiving claims against the district and agreeing to drop the discrimination lawsuit. The board also voted for a $950,000 payout to Associate Vice Chancellor and Chief Human Resources Officer Diogenes “Dio” Shipp. The settlements included no admission of liability or wrongdoing on the district’s part.

Brown University reached a settlement of more than $1 million in a class-action lawsuit involving gender equity. A federal judge approved the agreement, which provided legal fees to the women who initially had brought a gender equity case against Brown when it cut several women’s teams in the 1990s. A settlement in 1998 required Brown to comply with Title IX by ensuring the share of women's varsity sports opportunities remain within a fixed percentage of the women's on-campus undergraduate presence. In 2020, the women contended Brown violated the agreement by eliminating four women's teams. The ACLU and a legal advocacy group, Public Justice, asked a federal court to enforce the 1998 agreement — reinstating the teams and finding Brown in contempt. A new agreement called for reinstating women’s equestrian and fencing teams and establishing August 2024 as the end date to the 1998 agreement. The new agreement barred Brown from reducing or eliminating any women’s varsity team for at least the next four years, and it stated that if Brown upgrades a men’s team to varsity status, it must restore an equal number of women's teams — plus two — to varsity status.

Due Process

Grand Ledge Public Schools in Grand Ledge, Mich., must pay a former Superintendent nearly $1.1 million in compensation. In comments about George Floyd's killing, the former Superintendent placed blame on Floyd — at least partly. The district's Board of Education fired him that same year. His attorney contended the comments were made off duty and were protected by the First Amendment. While a former Michigan Supreme Court Justice said the comments weren't eligible for First Amendment protection because the former Superintendent was fired for statements made in his capacity as Superintendent and not as a private citizen, the former Justice wrote that the Board of Education didn't give the Superintendent due process before firing him and didn't provide him an impartial decision-maker at his due process hearing. The settlement agreement doesn't constitute “an admission of liability,” the document stated.

The University of Cincinnati reached a $2.75 million settlement with former basketball coach John Brannen, who sued the university a week after he was fired “for cause” after the university opened an investigation against him after many players decided to transfer. In a lawsuit, Brannen claimed he'd been deprived “his constitutionally protected procedural and substantive due process rights.” Brannen had sought more than $5 million in buyout money, in addition to compensatory and punitive damages.
False Advertising and Unfair Competition

Ashford University and its parent company, Zovio, were ordered by San Diego Superior Court to pay more than $22.37 million in penalties for encouraging students to enroll by providing misleading information about cost and financial aid, the pace of degree programs, transfer credits, and job market outcomes. Ashford, which once had 80,000 students who were mostly online, no longer exists. The University of Arizona Global Campus — a nonprofit organization affiliated with the University of Arizona to provide online higher education programs — acquired it in late 2020. Zovio is responsible for paying the judgment, court documents show.

Inappropriate Fees

Yale University agreed to a $1.29 million settlement associated with a lawsuit alleging its Health Expectations Program violated multiple federal laws by requiring employees and their spouses to participate in the wellness program or pay a weekly opt-out fee. The lawsuit contended that some unionized nonfaculty employees were charged $1,300 annually if they didn’t participate in the program, which required colonoscopies and mammograms. The lawsuit also contended the university’s health care providers received access to those test results. According to the AARP Foundation, which represented the plaintiffs, Yale will stop collecting opt-out fees for four years and will increase patient privacy associated with data transfer.

Injuries Not Resulting in Death

Santa Monica-Malibu Unified School District in Santa Monica, Calif., must pay $45 million to the family of autistic seven-year-old twins after a behavioral aid was found to have physically abused them. The lawsuit alleged a district employee used corporal punishment including physical restraint, physical abuse, and intentional battery against the children. A Los Angeles Superior Court jury found in favor of the children. The abuse described in 2017-18 initially was reported by a bus driver who said she witnessed the aid physically restraining and punishing the children for putting hand sanitizer on their cuts. An attorney representing the children’s family said district administrators allowed the abuse to continue for months despite clear warnings that the children were being harmed. The district’s Superintendent said the Board of Education feels that the amount awarded is excessive given the facts of the case and that an independent review of the court decision will be sought.

The Kanawha County Board of Education in Charleston, W.Va., agreed to pay $5 million to the families of four children who allegedly were injured by middle school staff. The settlement followed the arrests of four special needs educators who were suspected of abusing the children. Two of the educators pled guilty and were sentenced to jail, according to media reports. In September 2021, an attorney for one of the alleged victims said security footage documented 110 instances of abuse over a three-month period. Officials at the school district said its insurer will pay the settlement.

The Chesterfield County School District in Chesterfield, S.C., reached a $2 million settlement with the family of a child with autism who was attacked on a school bus. The family reportedly will receive an additional $187,500 from the South Carolina Department of Education. The 2018 attack involved a 4-year-old girl, who is nonverbal, who was strapped to her seat in a harness in the bus on the way to school. A boy on the bus punched and hit her for about an hour. The incident was recorded on video. In 2019, the substitute bus driver was charged with criminal neglect of a child.
Late Fees

Regents of the University of California reached a $1.525 million settlement in a class action lawsuit regarding claims it unlawfully charged late fees on student accounts. The settlement affects former and current students of the system, who were charged late fees between Oct. 10, 2015, and Sept. 26, 2022. Under the settlement, class members can receive partial refunds for late fees paid on student housing, late registration, late enrollment, or delinquent student accounts. The regents didn't admit wrongdoing.

Other Major Losses

Denver Public Schools agreed to pay the government more than $2.1 million to settle a lawsuit alleging the district had misused AmeriCorps funds. The district also agreed to pay $614,000 in outstanding AmeriCorps education awards in the future. The government alleged Denver Public Schools falsely certified AmeriCorps members performed the service hours needed to qualify for an education award in 2015 and 2016. But according to a lawsuit, the district recruited employees for six programs that weren't eligible to receive more than $550,000 in AmeriCorps funding — and as a result, many education awards were granted on false certifications. The district, which didn't admit liability, said the settlement will prevent a lengthy court process.

Overtime and Bonuses

University of Iowa hospitals and clinics reached a $15 million settlement with employees who contended that overtime and other payments were improperly paid. The health care system and about 11,000 workers argued that managers didn't pay overtime, bonuses, or accrued leave as quickly as Iowa and federal laws required.

Ransomware

The University of California, San Francisco, paid $1.14 million to gain access to a decryption key following a June 2020 ransomware attack, according to reports in 2022. The hacker had demanded $3 million and threatened to post student "records/data."

Retaliation

Bassett Unified School District in La Puente, Calif., must pay $24.8 million to a former teacher who claimed he was fired in 2019 because the district was retaliating against him for bringing a discrimination suit against it and because he alerted it about a district custodian's sexual misconduct. A Los Angeles Superior Court panel determined he was a retaliation victim. The district said he was fired for legitimate reasons — that on the last day of summer school, he left early without permission and without concern about his students' whereabouts. In his discrimination suit, which was filed in 2016 and settled in 2017, the former teacher said that despite his complaints the district didn't discipline students who called him racial epithets. He also claimed he was reprimanded for calling the sheriff’s office instead of district security to report a student’s threat of violence against him. In July 2017, a district custodian was arrested and charged with several acts of sexual misconduct involving students. One alleged victim was a female student who told the teacher that the custodian had made her feel uncomfortable, according to the more recent lawsuit, which was filed in June 2019. The teacher alerted school leadership about what the student had said, and, according to the lawsuit, leadership retaliated by placing the teacher on leave and sending him a notice of charges and proposed recommendation of termination 15 months later.

Regents of the University of California must pay a former UC Irvine (UCI) doctor $17 million. A jury awarded him the money after he filed a lawsuit alleging he was harassed and wrongly fired. UCI officials declined to comment, but in prior court filings attorneys representing the Regents denied that Dr. Gareth K. Forde was harassed or wrongly fired. According to his lawsuit, Forde was concerned about his fellowship program's expected workflow and how he was supposed to cover as many as five hospitals in a day. He also was concerned about billing practices involving Medicaid and Medicare, and he wouldn't sign some patient billing forms. He said he filed an internal whistleblower complaint about his concerns. His attorneys also contended other doctors harassed him, “making comments that were of a sexual nature or that would degrade a person's sex.” The Regents' lawyers had alleged that Forde was unable to “take responsibility for his lack of professionalism and his inadequate academic and clinical performance.” The Regents' lawyers had contended in filings that at times people couldn't reach Forde when he was on call, and that he “failed to improve” after being placed on a remediation plan.
Retirement Plans

Washington University in St. Louis will pay a $7.5 million settlement related to a lawsuit contending the university's retirement plan pays excessive administrative fees and offers duplicative and poorly performing investment options. A judge had dismissed the case in 2018, but the U.S. Court of Appeals for the Eighth Circuit revived portions of the lawsuit in 2020. Several similar lawsuits against other universities already have been settled.

Rush University Medical Center will pay $2.95 million to settle an Employee Retirement Income Security Act of 1974 (ERISA) lawsuit that four former 403(b) plan participants brought. The former employees alleged mismanagement of their retirement plan. Among other things, they said there were “excessive” recordkeeping and administrative fees. The defendants denied liability or wrongdoing; they said the settlement eliminated the burden and expense of litigation.

Sexual Discrimination

Southwestern Oregon Community College must pay a former adult film star $1.7 million in damages after a jury determined she'd been forced out of the college's competitive nursing program as a result of her prior work in pornographic films. The woman sued the college, claiming she'd suffered emotional distress and sex discrimination. The jury determined the college breached its contract with a tuition-paying student by violating its non-discrimination policy, education records policy, and its policy on unlawful harassment.

The Jefferson City School District in Jefferson City, Mo., reached a $1.225 million settlement related to a lawsuit filed by a former employee who claimed to have faced age and sex discrimination. The same former employee had been involved in a separate, high-profile case when she challenged her firing from the district because she loaded school data onto her computer. She said the district had fired her in retaliation for the discrimination lawsuit. The state’s Supreme Court upheld that firing earlier.

Sexual Harassment

The Boulder Valley School District in Boulder, Colo., will pay $1.26 million to settle a federal sexual harassment lawsuit two former high school students brought. The case involved a former high school lacrosse player who was convicted of sexually assaulting three young women while he was a student. The two former students who brought the lawsuit alleged school officials knew the former player was accused of raping at least two other students but failed to investigate and didn’t protect students from a hostile environment. One student will receive $735,000; the other will receive $525,000. As part of the settlement, the district must ensure all district staff complete Title IX training and that high school teachers get extra training.
Sexual Misconduct

The University of California system reached two settlements totaling $615.6 million this year with hundreds of patients who said they were sexually abused by former UCLA gynecologist-oncologist Dr. James Heaps. The settlements — for $374.4 million and $241.2 million, respectively — don’t include the separate $73 million settlement the university system reached in 2020 with seven women who alleged Heaps abused them. Attorneys for plaintiffs in the cases described the University of California system’s combined payout of about $700 million as the largest sexual abuse settlement for a public university. The $374.4 million settlement resolved lawsuits that 312 women filed in state court; the separate $243.6 million settlement included more than 200 people alleging sexual misconduct. In October, a jury found Heaps guilty of three counts of sexual battery by fraud and two counts of sexual penetration of an unconscious person. Those assaults occurred from 2013 to 2017 — the portion of his tenure falling within the statute of limitations for which criminal charges could be brought. Heaps was found not guilty of seven additional counts, and a judge declared a mistrial on nine other counts, saying the jury was deadlocked on them. Heaps could face up to 28 years in prison. He worked part-time as a gynecologist at the UCLA student health center from about 1983 to 2010, and UCLA Health hired him in 2014. UCLA reportedly began investigating the gynecologist in December 2017, but officials didn’t alert the campus community about allegations against Heaps until 2019. He retired when UCLA didn’t renew his contract in 2018. UCLA previously announced it would change its process for investigating allegations of sexual misconduct, assault, and harassment, and that it planned to have a formal chaperone policy.

The University of Michigan agreed to a $490 million settlement with 1,050 people who contended they were sexually assaulted by a former sports doctor at the school. The settlement was finalized in September 2022. The university resolved several lawsuits — primarily filed by men — who said they were sexually abused by Robert Anderson during routine medical examinations. Anderson, who died in 2008, worked at the university from 1966 until retiring in 2003. He was Director of the university’s Health Service and a physician for multiple athletic teams. A report by a firm the university hired determined staff missed several opportunities to stop Anderson from committing abuse. In a separate settlement in March 2022, the university agreed to create and pay for a multidisciplinary standing committee to protect the university community from sexual abuse. That committee — the Coordinated Community Response Team — will include about 30 members including Title IX and campus sexual misconduct experts, community members, and administration and faculty members.

Columbia University agreed to a $165 million settlement with 147 women who said a former gynecologist committed sexual abuse and misconduct against them when he was their doctor. The agreement followed a separate $71.5 million settlement reached in 2021 by 79 former patients of the doctor, Robert Hadden, who had been affiliated with the university hospital for nearly 20 years. In a statement, the Columbia University Irving Medical Center said it adopted policies to protect and empower patients in the medical center’s care. Claims by many of the former gynecologist’s other patients have not been settled. In 2016, Hadden agreed to plead guilty to two state charges of a criminal sex act in the third degree and forcible touching. He’s also awaiting trial on separate federal charges. In 2020, prosecutors alleged that he’d assaulted “dozens of female patients, including multiple minors” between 1993 and 2012, and that he’d “induced” victims to travel across state lines for appointments with him “for the purpose of subjecting them to unlawful sexual abuse.” The former gynecologist denied all the allegations — other than the two for which he pled guilty. Allegations against him received greater attention in 2020 when Evelyn Yang — whose husband Andrew Yang sought to become President — told CNN that Hadden had assaulted her.
Union School District in San Jose, Calif., will pay $102.5 million to two women who accused administrators of failing to stop a middle school music teacher from sexually exploiting them when they were minors. The award of damages was reached in Santa Clara County Superior Court. The plaintiffs said district administrators failed to investigate the man's behavior, which allowed him to continue abusing children. The former teacher pleaded no contest in 2019 to a dozen criminal charges related to sexual abuse; he is serving a 56-year prison sentence. One plaintiff was awarded $65 million; the other was awarded $37.5 million. The same district also had an unrelated settlement of $7.5 million to five men who alleged the district let a predatory teacher sexually abuse them in the late 1970s and early 1980s; most of those victims were in the fourth or fifth grade. The men said the district failed to intervene despite evidence of the wrongdoing. The alleged abuse occurred at an elementary school, the teacher's home, motels, and on overnight and multi-day getaways, many of which school administrators knew about.

The Los Angeles Unified School District reached a $52 million settlement with multiple plaintiffs who said they'd been sexually abused by a former high school wrestling coach. The settlement involved 14 victims of abuse from 2014-17. In 2019, a jury found the former coach guilty of 47 felony and misdemeanor counts involving seven boys and two girls he met through wrestling teams at Poly High School and the Boys & Girls Club of San Fernando Valley between 1991 and 2017. He was sentenced to 71 years in prison. The lawsuits alleged the district and the Boys & Girls Club of San Fernando Valley previously knew of the man's misconduct and should have removed him from having contact with children. The plaintiffs' attorneys alleged district administrators had forbidden the district's Student Safety Investigation Team from fully investigating claims of misconduct and precluded them from providing their opinions on credibility or conclusions as to alleged abusers they investigated. The plaintiffs' attorneys alleged that a district investigator believed the former coach lied about denying sexual misconduct in 2016 — but that the investigator wasn't allowed to provide the information to the administrators deciding whether to permit the former coach to return to Poly High. Administrators let the former coach return to campus, and he continued sexually abusing students, according to the plaintiffs' lawyers.

The Pasadena Unified School District in Pasadena, Calif., was ordered to pay $26 million to a special-needs student who, according to her lawyers, was sexually assaulted by three classmates. The jury ruled against the district in a negligence lawsuit. The student was 11 when she was attacked in 2016 while attending a special education program for emotionally disturbed children in unincorporated Altadena, Calif., according to the lawsuit. The district partially funded and supervised the school. According to the student's attorneys, a teacher's aide left her unsupervised when three male classmates dragged her behind a building and groped and molested her. The classmates — identified in the lawsuit as "Subject Rapists," — were criminally charged with committing lewd conduct and forcible sex acts on a minor. The student suffered serious, permanent injuries and eventually was institutionalized due to the attack, according to the lawsuit. The lawsuit accused the district of failing to properly train or supervise employees who were supposed to oversee and teach students. The district denied an attack had occurred and said the student didn't suffer damages from the district's conduct. The jury awarded her $12.5 million for pain and suffering and $13.5 million for future pain and suffering.

The Kenmore-Town of Tonawanda Union Free School District in Buffalo, N.Y., will pay $17.5 million to settle 35 lawsuits filed against it due to alleged sexual abuse by a former teacher who last worked for the district about 30 years ago. Dozens of former students alleged the former teacher sexually assaulted, abused, or groped them while he taught at an elementary school in the 1960s through the 1990s. The former teacher is now in his 80s. The district investigated its past insurance policies — including an investigation by an insurance archaeologist — and couldn't identify any insurance policies that would cover liabilities from the lawsuits.

The Los Angeles Unified School District agreed to a $14.7 million settlement with seven students who a former elementary school teacher molested. The Los Angeles Board of Education approved the settlement, according to an attorney representing five of the victims. According to the victims' law firm, the victims were 9 and 10 when they were abused; the abuse occurred from August 2016 to January 2017. The teacher was convicted in October 2018 of committing lewd acts with minors and was sentenced to five years in state prison, according to the law firm. The attorney said a separate lawsuit is pending for an eighth victim.
The Riverside Unified School District in Riverside, Calif., will pay a $13.7 million settlement to 10 former elementary school students who allegedly were sexually assaulted by a former school technology aide. The children ranged in age from 7 to 11 when the incidents occurred. As part of a plea agreement, the former aide admitted he “committed lewd and lascivious acts upon 11 different victims” from 2014 until early 2017. In 2019, that former aide was sentenced to 20 years to life in prison. According to the victims’ attorneys, as early as the 2014-15 school year, several employees became aware of complaints by one victim about the man’s inappropriate touching. A child’s mother also contacted the school Principal, but nothing was done, according to the complaint. The victims also alleged the district failed to conduct an adequate background check on the man, who had been accused of sexual misconduct with a family member prior to the district hiring him.

Lucia Mar Unified School District in Arroyo Grande, Calif., agreed to pay a $10 million settlement involving a 9-year-old special needs student who repeatedly was molested in 2017 by a school bus driver. A detective testified that the driver showed the child pornography, exposed himself to her, and touched her inappropriately. He pled guilty to two counts of sexual abuse and was sentenced to 16 years in prison in 2019. Court filings indicate the man previously was convicted on a “peeping Tom” charge and failed to disclose the conviction on an initial employment application to the district. The student’s attorneys contended district officials learned of the man’s conviction and told him he was automatically disqualified from ever working for the district. Three months later, he was hired as a bus driver, according to court filings. Court documents indicate the driver would park in a secluded area and sexually abuse the girl. According to the lawsuit, the district’s transportation supervisor had a bus surveillance video that captured an incident of the driver molesting the girl. But the supervisor never watched the entire tape, claiming she “saw nothing unusual” on it.

The state of Hawaii and its Department of Education will pay about $10 million to a former high school student who repeatedly was sexually assaulted by several students. A judge ordered the payout after hearing from more than 30 witnesses in a 66-day nonjury trial. When the mother of the former student sued the state’s Department of Education and school officials, she alleged her mentally disabled daughter was repeatedly sexually assaulted on campus. Names of any alleged assailants were redacted in court filings, but according to media reports they included two men who are now in prison for unrelated sexual assault cases. According to the lawsuit, teachers knew about the problem but didn’t do anything about it. While the Department of Education declined to comment to the media, court documents showed the department’s attorneys said the sex was consensual. The student reportedly has the cognitive abilities of a five-year-old.

Members of the Clark County School Board in Las Vegas approved a $9 million lawsuit settlement connected to a sexual assault case involving a school bus driver. The driver was arrested in 2015 after being caught on a camera abusing students on a bus. He is currently serving 35 years to life in prison.

West Valley-Mission Community College District in Santa Clara, Calif., reached a $7.6 million settlement with a developmentally disabled woman who allegedly was sexually assaulted by a staff member. Lawyers said that the woman was born legally blind, has cerebral palsy, and has an intellectual disability. A staff member is accused of giving her alcohol in a classroom and raping her in a bathroom, and sexually assaulting her the next day. The man worked as a licensed caretaker in the school’s disability program; he was “immediately fired” after the allegations occurred, according to the school. The man faces multiple criminal charges including kidnapping to commit a sexual offense and rape by force, violence, duress, menace, or fear.
The **Marysville School District** in Marysville, Wash., agreed to pay a **$3.5 million** settlement to two former students who said they were sexually abused by a longtime teacher. The teacher allegedly touched the students inappropriately in the school’s film darkroom. One of the victims said he abused her when she was in the eighth and ninth grade, sometimes two to three times a week. According to the victims’ attorney, another teacher said she didn’t remember a policy that prohibited a teacher from taking a student into the darkroom alone. While the incidents allegedly occurred in the 1980s, the district employed the teacher until 2021. The district said its insurers are covering all the settlement costs and that it wasn’t aware of the allegations until the lawsuit was filed in 2021.

The **Los Gatos-Saratoga Union High School District** in Los Gatos, Calif., agreed to pay a former student track athlete **$3.4 million** after she filed a lawsuit alleging an assistant coach sexually abused her when she was a high school student. The former student said the abuse occurred for more than three years and that the coach began grooming her when she was a 14-year-old freshman and first had sex with her when she was 15. The student contended the district enabled the abuse; she said her mother told school administrators about a love letter from the coach and a pregnancy test in the trash can — but that the coach wasn’t disciplined for years. A different student said she told the then-head coach that the assistant coach made her uncomfortable, but there was no action taken at that time. Several years ago, the assistant coach was arrested on suspicion of sexually assaulting four girls while working at two high schools over the course of 12 years; he faces 19 charges relating to sexual assault against numerous minors. The former student and others were able to pursue legal action against the district — despite the abuse occurring in the late 1990s — because of a bill that let older sexual abuse cases be reviewed until December 2022.

**Seattle Public Schools** will pay a **$3 million** settlement to a student who said she was sexually abused by a former high school coach and instructional assistant. The student said she was sexually abused by the coach beginning in 2016, when she was a 15-year-old sophomore. She was abused weekly until 2018, when abuse allegations were uncovered, according to a lawsuit. The lawsuit contended Seattle Public Schools was liable because it didn’t protect her despite knowing the coach posed a danger to her and other students. The coach, first hired by the district in 2007, demonstrated what a direct supervisor described as “a pattern of predatory behavior” and repeated boundary violations with students that led to her 2009 termination, according to attorneys who represented the student. Despite this, Seattle Public Schools rehired her in 2010 as an assistant girls’ soccer coach and expanded her responsibilities in 2015 to include work as an instructional assistant. Ultimately the coach was arrested and charged with one count of third-degree child molestation and two counts of first-degree sexual misconduct with a minor. The coach later was convicted and is now a registered sex offender, according to the student’s attorneys.

**Modesto City Schools** in Modesto, Calif., will pay a **$2.15 million** settlement following an allegation that elementary school staff failed to protect a first-grader from being punched, kicked, and sexually assaulted over several months in a bathroom by two older boys. The district denies liability. The district said its legal costs were over $850,000 and its other costs were over $200,000 in defending itself in the litigation. The total cost, including the settlement, was **$3.2 million**.

The **San Jose Unified School District** in San Jose, Calif., agreed to pay a **$2 million** settlement to a woman who was sexually abused by her Spanish teacher when she attended high school. The former teacher was arrested in 2019 after a staff member from the school reported him for allegedly sexually assaulting a then-17-year-old student. He later was convicted on six counts of sexually assaulting a minor. Although the district placed the man on unpaid leave after his arrest, a lawsuit contended school officials ignored red flags that could have prevented the sexual abuse.

The **Archdiocese of Chicago and the Carmelites**, a Catholic religious order, reached a **$1.75 million** settlement with a woman who said she repeatedly was abused as a child in the 1980s by a priest who taught at St. Cyril Catholic School in Chicago, which has since closed. The priest sexually assaulted the child while telling her she was bad and God was angry with her, according to a statement from the law firm representing her. Before working at the Catholic school, the priest worked with children in the Archdiocese of Los Angeles — where he has been accused of molesting at least two children, according to the law firm. The church transferred him to Chicago without a documented explanation, the firm says. The settlement occurred through mediation before a lawsuit was filed.
The Ohio State University (OSU) reached two settlement agreements in April 2022 totaling $1.995 million with an anticipated 57 survivors in cases connected to sexual abuse by Dr. Richard Strauss. And in July 2022 it reached an additional seven settlements with survivors, totaling $247,000. As of July 2022, the university had reached settlement agreements with 296 survivors for more than $60 million. Dr. Strauss served as a university-employed physician from 1978 to 1998. The university launched an independent investigation after one survivor came forward in 2018. The investigator released a 180-page report in 2020, which detailed acts of sexual abuse against at least 177 former students. The report also concluded university personnel at the time had “failed to respond adequately to respond to or prevent” the doctor’s abuse. In September 2022, a federal appeals court revived many of the unsettled lawsuits against the university over decades-old sexual abuse by Strauss. When a district judge previously dismissed many cases, the judge still acknowledged hundreds of young men had been abused but agreed with the university’s argument that the legal time limit for claims had passed. The alleged victims contended the clock didn’t start until 2018, when the allegations first came to light. Two of the three judges on the panel concluded that the alleged victims “plausibly allege a decades-long cover up” and “adequately allege that they did not know and could not reasonably have known that Ohio State injured them until 2018.”

Chicago Public Schools officials plan to pay nearly $1.6 million to settle two lawsuits by former special education students who said they were sexually assaulted by a high school classmate. Those agreements occurred after the Board of Education approved a $1 million settlement earlier in 2022 in a similar complaint by a different special education student.

The Cleveland Metropolitan School District was one of several parties that reached a $1 million settlement involving the parents of a 14-year-old girl who was raped, tortured, and killed after she was kidnapped on her way to school in 2017. The girl’s family filed the lawsuit in 2019 against the city of Cleveland, the Cleveland Metropolitan School District, E Prep and Village Prep Woodland Hills, and the Friends of Breakthrough Schools, accusing the parties of failing to alert them that their daughter didn’t come to school the day she was killed. The family only realized their daughter was missing about 4 p.m. that day, after she didn’t return home. Christopher Whitaker, a sex offender who assaulted and killed the girl, was sentenced to death in 2018. According to the lawsuit, the defendants claimed they sent the parents a message about the absence but the system malfunctioned. The lawsuit contends that this was a lie. The defendants maintain they’re not legally responsible for the student’s death.

The Concord School District in Concord, N.H., will pay a $1 million settlement to a former student — now 21 years old — who claimed to have been sexually assaulted by a former teacher. In 2020, the district reached a $545,000 settlement with a different former student who claimed to have been sexually assaulted by the same teacher when she was 13 and 14 years old and attending the Fessenden Summer ELL Program in Newton, Mass. The district settled a third complaint involving the same teacher — this one for $15,000 — in 2019 when a middle schooler complained about the teacher’s relationship with some of her female classmates and rather than investigating him, they suspended her for complaining. In the more recent settlement, witnesses saw the then-teacher kissing the student in a car near Concord High School in 2018. Despite an internal investigation by the district related to that incident, he was allowed to remain on the job about 14 more weeks before action was taken against him. No charges against the former teacher have been filed in New Hampshire, but in Massachusetts he is facing two charges of aggravated rape of a child with a 10-year age difference, two charges of aggravated indecent assault and battery on a child under age 14, and two counts of aggravated indecent assault and battery on a person age 14 or older. He has pleaded not guilty.
Toxic Exposure

Monroe School District in Monroe, Wash., agreed to pay $34 million to parents and students following a toxic exposure at an alternative school. The students contended they were exposed to polychlorinated biphenyls (PCBs) and suffered serious neurological injuries from chemical exposure. PCBs are a banned, human-made chemical that the Environmental Protection Agency (EPA) linked to cancer and other illnesses. More than 200 students, parents, and teachers from the school filed a series of lawsuits against chemical company Monsanto over environmental contamination. Children and staff reportedly suffered from cancer, brain damage, hormonal problems, and skin conditions after being exposed. PCBs were used in light fixtures at the school, and the fixtures started failing in 2014, leaking PCB oil into classrooms. According to reports, the district was slow to remove the fixtures from campus even after the EPA attempted to guide officials and encourage them to quickly clean up the issue. School officials certified in writing — and assured parents — that all PCB-containing material had been removed from the school, but an EPA inspection later revealed that wasn't accurate, according to reports. The district didn't accept responsibility for the hazardous conditions; it argued it acted appropriately to inform parents and remove toxicants, according to reports. In 2022, in a verdict against Bayer Pharmaceuticals — which now owns Monsanto, the manufacturer of PCBs — a jury awarded $275 million to 10 students and parents. The first three lawsuits involving Monsanto led to verdicts of $268 million distributed to 14 plaintiffs. One lawsuit is ongoing, and 16 await trial.

Wrongful Termination

The University of Connecticut must pay former men's basketball coach Kevin Ollie nearly $11.2 million after an independent arbitrator ruled the university improperly fired him. The university also announced it will pay him an additional $3.9 million to settle discrimination claims related to his firing. The coach was fired in 2018 after the university reported several NCAA violations in the program. Ultimately the team was placed on probation for two years and the coach was sanctioned individually for the violations, which occurred between 2013 and 2018. The university disagreed with the arbitrator's decision. The university said the arbitrator's ruling stated the university should have waited for the NCAA's decision before firing the coach, but the university contended it didn't believe it could wait more than a year before firing the coach for his misconduct.

The Los Angeles Community College District must pay a former English professor about $8.5 million after a jury determined she was wrongfully fired after reporting sexual harassment claims that her employer failed to investigate. The former professor claimed she had received unwanted sexual advances from a Vice President at the school who — when he worked in the Los Angeles Police Department — had been disciplined for sexual assault toward female officers. According to the former professor's complaint, the Vice President threatened her after he made unwanted and unwelcome sexual advances toward her. She complained to the Chancellor but nothing was done, and then the Vice President retaliated by cutting off her program at the college and trying to take away her authority, according to her complaint.

Whistleblowers

A federal jury ordered West Mifflin School District in West Mifflin, Pa., to pay $2.95 million to the district's former Superintendent in connection with his 2019 firing. Jurors determined the district was guilty of violating the former Superintendent's First Amendments rights of free speech and political affiliation, violating the Pennsylvania Whistleblower Law, and breaching its contract with him.
The West Chester School District in Exton, Pa., was ordered to pay about $2.8 million in damages for wrongfully terminating a building contractor working on a renovation project at an area elementary school. A common pleas judge affirmed a retired judge’s 2021 verdict that the district wrongfully terminated the company on the project. The company contended it was wrongfully terminated without cause. A judge found the district had no cause to end the contract. The district filed motions to have the judgment set aside, but the common pleas judge found the ruling was correct and that overwhelming evidence existed showing the contract was wrongfully terminated.

Unpaid Work

Forest Hills School District’s board of education in Cincinnati and its insurance company will pay a subcontractor $1.28 million to settle a lawsuit filed over unpaid work on a school construction job. The settlement was with J&D Rack Co. of Green Township, which performed site clearing and preparation for a high school’s renovation and expansion. The district also will pay Performance Construction of North Bend, which the school board fired as the project’s general contractor, $969,678 for its work.

Risk Management Resources:

UE member institutions can draw upon our deep library of education-specific risk management resources, online learning, claims studies, and webinars as well as our team of risk consultants to learn strategies to reduce risk and conduct enterprise risk management (ERM) activities. Our consultants are here to assist in providing personalized risk management guidance. Contact us at risk@ue.org if there’s anything we can do to help with your risk management concerns or ERM preparation.