The Large Loss Report 2016 summarizes major damage awards and settlements of $250,000 or more that affected schools, colleges, and universities in 2015.

They include $20.5 million in a wrongful death lawsuit centered on an illegal bus stop, $4.85 million to a former university instructor in a discrimination lawsuit, $1.03 million to an athlete injured at an independent school, and $850,000 in a wrongful termination case against a community college.

These descriptions are drawn from published accounts, and most do not involve United Educators (UE) members. However, they do reflect trends UE has seen among its claims. Complaints involved bullying, hazing, harassment, employment, negligence, sexual abuse and assaults, and wrongful deaths. Most of these claims affected public institutions, but similar incidents could lead to financial losses and reputational damage for independent schools and private colleges and universities.

Since the release of this report, some of the outcomes may have changed as a result of subsequent legal proceedings. However, regardless of the outcome, the defense expense can be significant.
Education Awards and Settlements

Abuse of Special Education Students

○ Separate settlements totaling $5.3 million have been reached with five of the six families that filed suit against the Rocklin Unified School District in California claiming a special education teacher abused students. Allegations against her include taping a child’s hands to a desk, forcefully picking up and locking a child out of a classroom, and pushing her body into a student. According to the lawsuit, administrators at the school knew about the incidents through reports from classroom aides but did nothing to stop them. An anonymous caller contacted the police, who notified the parents.

○ A jury awarded $2.2 million in damages to the mother of a severely disabled student who was repeatedly placed in a secure-restraint desk in a Pueblo City Schools (D60) kindergarten class in Colorado. Jurors concluded D60 intentionally discriminated against the 5-year-old who had developmental disabilities and sometimes had tantrums and kicked people.

Athletics Injuries

○ A jury awarded $1.03 million to a former high school baseball player who sued Davenport Assumption High School in Iowa after a foul ball shattered his skull while he was in a dugout playing for the visiting team. He suffered brain swelling that required hospitalization, had to learn to walk and talk again, and must take anti-seizure medication, his attorney said.

○ A jury awarded nearly $1 million to a former Bedford (Iowa) High School football player for a head injury that left him in a wheelchair. The injury exacerbated a pre-existing condition, cavernous malformation, and the student later underwent surgery to remove a blood clot near the brain stem. Jurors said the school district and school nurse failed to notify the coaches about his potential concussion or brain injury, and he was allowed to continue practicing and playing. Also, there was no follow-up with his guardian to ensure he saw a physician.

Civil Rights

○ Valdosta State University in Georgia reached a $900,000 settlement with a former student who was expelled without a hearing. The student, an environmental activist, protested the university’s plan to build two parking garages on his Facebook page. He also wrote a critical letter to the editor of the school newspaper and distributed flyers around campus. He claims he was “administratively withdrawn” by the university’s president in response to his activism.

Discrimination

○ A jury awarded $4.85 million to a former Harris-Stowe State University instructor in a discrimination lawsuit. The plaintiff claimed she did not get promoted throughout her nine years at the historically black university, while a black co-worker was promoted three times in three years in the same department. That colleague dismissed the plaintiff in 2010 due to budget cuts, skipping over several black faculty members, according to the lawsuit. The jury awarded her $3.5 million in punitive damages and $1.35 million for lost wages and emotional distress.

Employment

○ The Catholic Church in Sacramento has agreed to pay $4 million to settle a former high school football coach’s wrongful termination lawsuit. That settlement is in addition to $900,000 a jury ordered the church to pay the coach, who was fired after reporting that older players were sexually hazing younger teammates at St. Patrick-St. Vincent High School in Sacramento.
School. The church offered the settlement while the jury deliberated whether to award punitive damages. A diocese press release said the coach was “ultimately responsible” for the behavior of the players, five of whom were expelled.

A former Pasadena City College president will keep a $400,000 payoff previously voided by a judge, according to a new settlement agreement. The California college’s board reaffirmed the 18 months of severance it paid him to leave early. A judge voided the settlement in April after Californians Aware sued the school for failing to follow open government laws. The judge determined the board violated the Brown Act by meeting in closed session to discuss the president’s resignation, without disclosing it on their agenda.

The University of North Carolina will pay a $335,000 settlement to its former athletics literacy counselor who claimed she was demoted after she reported that many of the university’s athletes were reading at elementary school levels. Her concerns led to an investigation that found student athletes were being steered into enrolling in fake classes and were earning high grades for papers regardless of their quality.

Houston Community College (HCC) settled a lawsuit with its fired acting chancellor for $850,000, with $350,000 of that going to her attorney. HCC officials said they fired her, in part, for “insubordination.” She claimed she was fired for talking to the FBI about HCC trustees trying to steer contracts to friends and family members. Under the settlement, HCC must provide a recommendation letter and note in her personnel file that she is “rehire eligible,” but she had to promise not to reapply.

Free Speech

The University of Illinois at Urbana-Champaign agreed to pay a professor $600,000 after his job offer was revoked for anti-Israel statements made on social media. Free-speech activists and those in academia saw the move as encroachment of partisan politics. The plaintiff will also receive $275,000 for legal fees.

The Elk River School District in Minnesota will pay $325,000 to settle a lawsuit by a former Rogers High School student related to his suspension over a tweet about making out with a teacher, which was meant to be sarcastic. The police department, also named in the suit, will pay $100,000. The chief had been quoted in news reports saying the student “could face felony charges” for committing a “crime.”

Hazing

Florida A&M University reached a $1.1 million settlement with the estate of the student drum major killed in a marching band hazing ritual. The 26-year-old student died of soft-tissue bleeding after being punched, kicked, and clubbed by other band members on a parked bus. The university will pay $300,000—the maximum allowed without legislative action—through the Florida Department of Financial Services. An insurance company for the hotel at which the bus was parked will pay $800,000.

Medical Care and Research

The Medical College of Wisconsin paid $840,000 to settle claims that it billed Medicare for neurosurgeries at which teaching physicians didn’t oversee the residents as required by law. The whistleblower who first brought attention to the issue—a surgeon in residency at the college—will receive a percentage of the settlement.

Misuse of Grant Funding

Wheeling Jesuit University in West Virginia paid the United States $2.3 million to settle claims that it misused grant funding awarded by the National Aeronautics and Space Administration, the United States Department of Labor, and the National Science Foundation. The university is alleged to have improperly miscalculated costs, incurred impermissible costs, and misused federal funds and property acquired with federal funds from 2003 to 2010.
Sexual Molestation and Assault

- A federal jury awarded $4.5 million to a former student of the South San Antonio Independent School District. The student, who is now an adult, claimed he was sexually molested by his elementary school principal as a child. In 2011, the principal was sentenced to 20 years in state prison. The suit claims the district violated Title IX, but the parties stipulated that no one other than the bad actor knew of the abuse until it was discovered in 2008. The case is currently on appeal to the Fifth Circuit and raises important questions about the scope of liability under Title IX.

Wrongful Death

- A jury awarded $20.5 million to the mother of a 15-year-old boy killed while crossing five lanes of highway traffic to an illegal school bus stop. The court found Chaffey Joint Union High School District in California liable during a pretrial sanctions hearing after evidence revealed that the school district concealed emails and other documents pertaining to the illegal bus stop for nearly five years. The jury exonerated the deceased student and the driver who struck him.

- A jury awarded $10 million to the family of a 9-year-old boy who was killed in a school bus crash. The child was sitting in the back of a St. Lucie School District bus when it was hit by a sod truck. The lawsuit claims the bus driver, who admitted to pulling out in front of the truck, was negligent. The Florida school district was found to be 87 percent responsible for the crash. The family settled with the trucking company, which the jury found liable for 13 percent of the damages.

- A judge approved Ohio University’s $1 million settlement in the wrongful death lawsuit filed by the father of a student who died of bacterial meningitis. The lawsuit claimed six students on campus were diagnosed with bacterial meningitis in the year prior to the case, including one only a week earlier. When the student became ill, she contacted the university’s health center, described her symptoms, and was told to drink water, take Tylenol, and rest. Her symptoms became worse, and she died two days later in a local hospital. The lawsuit charged the university with negligence, wrongful death, and breach of standard of care.