The Large Loss Report 2018 summarizes major damage awards and settlements of $250,000 or more that affected schools, colleges, and universities in 2017.

The cases include a $10 million jury award to a student who was raped in her on-campus apartment, and a $6.5 million settlement in a gender and sexual orientation lawsuit filed by two university athletic department employees.

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, discrimination, negligence, sexual abuse and assaults, and wrongful death.

Most of these claims affected public education 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. Regardless of the outcome, the defense expense can be significant.

Institutions and brokers can use this report to assess risk management programs and coverage needs.
Abuse

The St. Vrain Valley School District in Longmont, Colo., agreed to pay a $3.85 million settlement to an autistic student who was repeatedly assaulted by a bus driver. The driver, who was convicted and jailed for assault, kicked, hit, and sprayed the 20-year-old student in the face with disinfectant over several days in 2016. The settlement ended a U.S. Department of Education Office for Civil Rights investigation into whether the driver harassed the student, who is Nepali-American, on the basis of race, national origin, and disability and whether the district failed to respond properly.

The Santa Clara County Office of Education and the family of a special needs student in California reached a $2 million settlement in a lawsuit that claimed a teacher had abused the child repeatedly. The teacher allegedly enclosed the nonverbal 11-year-old student in a “cell block” of bookshelves, tied him to a chair, and forced him to vomit, and when classroom aides complained to the principal, no action was taken. The settlement also requires that the teacher and principal attend child-abuse prevention and reporting classes.

A jury ordered the San Diego Unified School District to pay $1.25 million to a former high school student who was denied a bathroom break and told to urinate in a bucket in a supply room. The student sued the district and the teacher involved, who district lawyers said mistakenly thought she was following the school’s no-bathroom-breaks policy. The girl’s lawyer said the student was taunted, traumatized, and attempted suicide because of the media attention the case received. The district’s lawyer said administrators were considering an appeal.

The Clark County School District must pay $900,000 to a Nevada family whose severely disabled son was restrained several times by a teacher’s aide. The lawsuit was settled in arbitration. The 2011 to 2012 school year incidents were recorded on video cameras that school district police installed in the classroom after the student’s parents and another student’s parents complained that their children were coming home with rug burns and bruises. The teacher’s aide pleaded guilty to misdemeanor child abuse.

Accidents

An 11-year-old girl in California who was hit by a car while crossing the street mid-block to board her school bus received a $36.1 million award from a San Bernardino Superior Court jury. The girl suffered brain damage in the 2012 accident and requires 24-hour care. The lawsuit alleged that the bus company failed to enforce its disciplinary procedures designed to prevent unsafe behavior, including failing to use crosswalks.

Bullying

A student who was blinded in one eye in an assault received a $700,000 settlement from New York City
sfailed to supervise the lunchroom where the 2012 attack by two other students occurred. During the trial, the student testified that he had told the school dean he was being bullied and had suffered previous physical attacks.

A student of Egyptian descent who was assaulted on the way home from school in 2013 received a $375,000 settlement from the Bayonne Board of Education in New Jersey. The student’s lawsuit said district administrators were aware of “tensions, fights, harassment, bullying, and injuries” involving Egyptian students at the plaintiff’s high school but failed to act. The student suffered a fractured skull and other permanent injuries.

The Sioux City Community School District in Iowa paid $262,500 to settle a bullying lawsuit involving a kindergarten student who was punched in the eye in 2011 by another student during outdoor recess. The boy, who was recovering from a cornea transplant in that eye, required a second transplant and suffered vision loss. In the lawsuit, the mother said she had asked school administrators several times to protect her son from his attacker, who had been bullying him, and to keep him indoors during recess while he recovered from the initial transplant.

**Defamation**
A former student who alleged she was improperly subjected to a strip search and a body cavity search reached a $375,000 settlement with the Harrisville Central School District in New York. The lawsuit said the student was ordered to undress and subjected to the searches on suspicion of drug possession, but no drugs were found. The school district had argued that administrators had reason to suspect the student of possessing drugs.

**Discrimination**
A former high school cafeteria worker won a $340,000 judgment against the Independence School District
in Missouri for discrimination and retaliation. She had worked as a cook in the cafeteria at William Chrisman High School, where her daughter attended school, until she was fired in May 2015. In her lawsuit, the woman said students had sexually harassed her daughter and the district didn’t do enough to protect her, and that the district disciplined and fired the worker for complaining to district officials. The school district said the woman was fired for posting comments on social media about a security issue at a school building, but did not respond to questions about those comments or the security issue.

Two University of Iowa employees settled lawsuits they filed over gender and sexual orientation discrimination for $6.5 million. One of the employees, a former field hockey coach, received $300,000 in wages and more than $2 million in damages for emotional distress and attorney fees. The other employee, the coach’s partner and a former athletic administrator, received $874,000 in wages and $3 million for emotional distress and attorney fees. The university’s athletic department will pay the settlement.

Harassment

A jury awarded two maintenance workers for Portland Public Schools $1 million in a racial harassment lawsuit. The two workers said officials in the Oregon district minimized their complaints about the harassment, which included being called racial epithets and finding a noose hung in their workplace. The plaintiffs alleged that the district called the incidents “micro-aggressions” rather than discrimination.

Four women who brought federal civil rights claims against an elementary school principal and the Albany City School District settled a sexual harassment lawsuit for $400,000. The women alleged that the principal sexually harassed and intimidated them but the district failed to stop the behavior. The New York State Division of Human Rights investigators found that a “severe and pervasive sexually hostile work environment” existed at the school.

Evergreen State College in Washington settled a lawsuit filed by two professors who claimed the school had created a hostile work environment and failed to protect them from “repeated provocative and corrosive verbal and written hostility based on race, as well as threats of physical violence.” The biology professor and anthropology professor, who are married, received $500,000. They had sought $3.8 million. Both resigned from the school following the settlement.

Hazing

The parents of a Clemson University fraternity pledge whose body was found in a lake several hours after he went on a run with other pledges were granted a $250,000 settlement in their wrongful death lawsuit. The parents contended that their 19-year-old son died in 2014 as a result of hazing. Clemson was also required to establish a $50,000 scholarship in the student’s name and upgrade its Greek system education programs on hazing and other issues.
Sexual Molestation and Assault
A jury ordered a Connecticut rabbi and his boarding school, Yeshiva of New Haven, to pay $20 million to a former student who accused the rabbi of sexually abusing him. The student’s lawsuit alleges that the abuse began when the student was a sophomore and continued through his senior year. The former student, now 29 years old, received $15 million plus another $5 million in punitive damages.

Savannah State University must pay $10 million in damages to a woman who was raped on campus in 2013, a jury decided. The victim had sought $4 million. The lawsuit alleged that the Georgia school did not provide “any real or meaningful security” to protect students. It also claimed that campus security cameras recorded footage of the rapist climbing a fence to access the campus and loitering in the parking lot of the victim’s apartment building shortly before the attack.

The Palm Beach County School Board approved a $3.58 million settlement of a sexual abuse lawsuit filed by four female students that claimed they were abused by an elementary school teacher in Boca Raton, Fla. The alleged abuse took place in 2005 when the girls were 9 and 10 years old. The teacher pleaded guilty to abusing two of the girls. The district had pursued a “comparative negligence” defense, claiming the girls shared some responsibility for the abuse. In announcing the settlement, board members apologized for using that defense.

A former cadet at a California military school received a $1.9 million jury award in a sexual abuse lawsuit. The jury found that the Army and Navy Academy in Carlsbad was negligent in failing to supervise one of its employees. The lawsuit claimed that the employee gave him alcohol and then molested him in 2006. The employee resigned in 2007, following complaints from students about his conduct.
A former student at the University of California Santa Cruz settled a Title IX lawsuit for $1.15 million. The lawsuit alleged that a professor raped the student and that university officials knew that the professor had sexually harassed other undergraduate students. The professor, who was not named in the lawsuit, was placed on leave and eventually resigned.

The Vineland Board of Education in New Jersey agreed to pay $275,000 to settle a lawsuit involving a former teacher’s sexual relationship with a 16-year-old student. The settlement was the result of mediation. The lawsuit alleged that the student suffered lasting mental and physical injuries. The former teacher, who worked for the district’s alternative program for students with disciplinary or mental health issues, later pleaded guilty to endangering the welfare of a child.

Social Media
RePublic Schools Nashville reached a $2.2 million settlement in a class-action lawsuit filed by parents who claimed the Tennessee charter school network sent them spam text messages without their consent. The series of four mass text-message blasts went out to more than 5,000 parents and prompted them to call about enrolling their children in the network’s schools. The lawsuit accused RePublic of violating the Telephone Consumer Protection Act by sending messages without prior permission. RePublic said it would no longer send text messages to parents without their consent.

Sports Injuries
A grade school softball player was awarded $1.1 million by a Dutchess County jury for brain-injury symptoms she suffered after she was hit in the head with a bat during an indoor practice. The players were not wearing helmets. The lawsuit argued that the Spackenkill School District in New York failed to provide training for coaches and to implement policies for coach-to-student ratios for indoor practices.

Whistleblower
A former vice principal received a $275,000 settlement from Brick Township School District in New Jersey over claims she was fired for refusing to alter the principal’s stepson’s grade. The former vice principal’s whistleblower lawsuit alleged that as a result of her refusal, she was denied tenure despite “uniformly positive” performance evaluations and was unable to find another job in district schools. The school district denied wrongdoing.

Wrongful Death
A jury deliberated for two days before awarding $1.26 million to the husband of a Mentor, Ohio, woman killed when her car collided with a school bus. The wrongful death lawsuit against the bus driver and the Mentor School District had sought $3 million for the woman’s pain and suffering preceding her death, as well as the husband’s suffering and the loss of his wife.
Wrongful Termination
Lee County District Court in Iowa entered a default judgment against a now-closed boarding school and ordered the owner to pay a former employee $750,000 for wrongful termination. The employee’s lawsuit said that she was fired in 2015 for reporting an alleged case of abuse involving a former teacher and a student. The school, Midwest Academy in Keokuk, closed in 2016.

A former Washington University in St. Louis researcher was awarded a $769,000 judgment by a jury that found the school failed to accommodate her back problems and fired her as a result. The woman, who worked as a researcher at the Missouri medical school from 1996 to 2012, claimed in the lawsuit that she was discriminated against and fired in retaliation for her request that she not be required to sit or bend for excessive periods of time. The St. Louis Circuit Court award included $269,000 in actual damages and $500,000 in punitive damages.

A former Kentucky high school teacher and coach settled a retaliation lawsuit with the Montgomery County Schools for $500,000. The teacher’s lawsuit claimed she was targeted by the Board of Education and the former superintendent because they believed she had filed an anonymous Title IX complaint against the district for failing to provide equal facilities to male and female athletes. She was eventually fired. An administrator in the same district received a $250,000 settlement when the Education Professional Standards Board found that the same superintendent, who was fired in 2016, had demeaned and badgered her.

United Educators (UE), a reciprocal risk retention group, is a licensed insurance company owned and governed by nearly 1,600 members representing thousands of schools, colleges, and universities throughout the United States. Our members range from small independent schools to multicampus public universities. UE was created in 1987 on the recommendation of a national task force organized by the National Association of College and University Business Officers. Our mandate is to provide schools, colleges, and universities with a long-term, stable alternative to commercial liability insurance.

EduRisk® from United Educators provides members with risk management resources to help prevent incidents that put people and institutions at risk. And, when claims do occur, UE protects our schools, colleges, and universities with education-specific coverage and an experienced claims management team. This prevention and protection philosophy enables UE to reduce the overall cost of risk for our policyholders.

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