The Large Loss Report 2019 summarizes major damage awards and settlements of more than $250,000 that affected schools, colleges, and universities in 2018.

The most frequent and costliest cases involved sexual abuse claims, many of which had multimillion-dollar settlements, such as the record $500 million settlement with the survivors of sexual abuse committed by former USA Gymnastics trainer Larry Nassar.

Settlement and verdict costs of sexual assault claims have been increasing, in part because of rising media attention in the wake of the #MeToo movement and cases against educational institutions that have received extensive media coverage. In addition, plaintiff trial lawyers have developed techniques to make juries angry and protective of their communities, instead of just sympathetic, and they’ve painted defendants as irresponsible and uncaring. On the other hand, defendants often use outdated techniques, such as attacking the victims or denying all responsibility.
The summaries in this report 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. In addition to sex abuse and harassment, complaints involved retaliation, free speech, bullying, and age, racial, and gender discrimination.

Some of the outcomes outlined here may have changed because of subsequent legal proceedings since they were reported; however, all the cases demonstrate that losses, in terms of both financial and reputational impact, can be significant. This report can help educational institutions assess their risk management practices and insurance coverage.

**Athletics Injury**
A former high school basketball player who received two sports-related concussions while competing for First Baptist School of Charleston, S.C., was awarded $5.87 million even though First Baptist put him through the state’s concussion protocol. The athlete accused his former school of rushing him back onto the court, where he suffered a second concussion less than five weeks after an initial concussion, which led to permanent brain damage. The school had placed the student in the South Carolina Independent School Association’s “return to play protocol,” which should have kept him out of any on-court activities that would have put him at risk of concussion recurrence until he recovered from his initial brain injury.

**Breach of Contract**
Brookdale Community College in New Jersey and a former athletic director fired over his handling of finances reached a $425,000 settlement in a breach of contract lawsuit. The dispute arose over how the athletic director handled cash proceeds from a basketball tournament, including his decision to pay himself $200. An administrative law judge had recommended a one-year suspension, but college officials voted to fire the athletic director.
Bullying
The parents of a middle school student who was allegedly “bullied to death” received a $700,000 settlement from the Clark County School District in Nevada. A U.S. District Court ruled in favor of the girl’s parents in 2017. They had sued, claiming their daughter committed suicide in 2013 because she was bullied and that school officials failed to inform law enforcement about the bullying incidents. After the court ruling, the district required all employees to participate in a program detailing the connection between bullying and suicide.

Disabilities
Because of a lawsuit filed by a student with cerebral palsy, Queens College in N.Y. will spend at least $1 million to improve accessibility on its campus. The student sued the college in 2015 in federal court, claiming the school had violated the Americans with Disabilities Act and the Rehabilitation Act. The lawsuit said the student had difficulty accessing buildings and services because of barriers such as lack of proper handrails and shuttle buses without lifts. Queens College also agreed to pay the student $23,000 in damages and attorneys’ fees and costs.

The Douglas County School District in Colorado paid a $1.3 million settlement to the family of a student with autism. The payment was the last step in a landmark case, Endrew F. v. Douglas County School District, which resulted in a U.S. Supreme Court decision that raised standards for schools in educating students with disabilities. The family sued the district for failing to provide the boy with the “free appropriate public education” guaranteed under the Disabilities Education Act. The settlement will cover the family’s legal fees and $7,000 annual tuition at a private school for students with autism.

Discrimination
Jefferson County Public Schools in Missouri settled an age and sexual discrimination lawsuit with a former high school teacher for $400,000. The teacher alleged that she faced retaliation and discrimination for supporting another teacher who had filed a similar lawsuit earlier, saying she was threatened and bullied out of her job. That teacher was awarded $225,000 in punitive damages. A third teacher’s lawsuit was pending.

The University of Texas at Austin agreed to a $600,000 settlement with a former women’s track coach in a racial and gender discrimination lawsuit. The coach was fired in 2013 after university officials learned she had a relationship with an athlete in 2003. The lawsuit said the coach, who is black, received different treatment than a white former assistant football coach who also had a relationship with a student but kept his job and received a promotion.
A jury awarded a former Temple University employee $850,000 in damages in an age discrimination lawsuit. The lawsuit said that the 63-year-old former executive assistant was subject to frequent and disproportionate discipline after she complained that her supervisor told her, “In China, they put women out to pasture at your age.” The employee, who worked at Temple for 13 years, resigned after the university threatened to fire her. Temple attorneys countered that the plaintiff was disciplined appropriately for poor job performance.

**Free Speech**

The Albany Unified School District in California reached settlements totaling $550,000 with 10 students who sued the district after they were suspended for not reporting another student’s Instagram account that contained racist images. The lawsuits argued that the suspensions violated the students’ First Amendment rights because their engagement with the private account occurred outside of school. The account targeted black students, most of them women. They were pictured next to photos of apes and at least one student was shown with a noose around her neck. The account’s creator was expelled but has challenged the action.

**Gender Issues**

A transgender employee and a transgender graduate student at University of Wisconsin-Madison were awarded a total of $780,500 in damages by a jury. A lawsuit filed on their behalf by the American Civil Liberties Union claimed that a state ban on insurance coverage for transgender health care, including gender-reassignment surgery, violated the federal Civil Rights Act. The jury made the award after a federal court judge ruled that the ban amounted to sexual discrimination. The employee, a cancer researcher, will receive $479,500; the student will get $301,000.

The Kenosha Unified School District in Wisconsin settled a lawsuit filed by a transgender high school student for $800,000. The student, who graduated in 2017, said in the lawsuit that he was barred from using
boys’ bathrooms and felt “scrutinized and degraded” by administrators who tried to keep him out of the boys’ bathrooms and addressed him with female pronouns. He said he suffered anxiety, depression, and health problems as a result. Both federal district court and appeals court judges had sided with the student, and the district had filed a petition to appeal to the U.S. Supreme Court. The settlement ended that appeal.

**Negligence/Wrongful Death**

*Springfield Public Schools* in Missouri settled a lawsuit for **$423,106**. The lawsuit was filed by a former high school student who suffered permanent brain damage and other critical injuries at a back-to-school event. The girl was participating in an annual event in which students piled into a mud pit on campus. She was stomped and lost consciousness. The lawsuit said school officials failed to monitor the event and did not supply emergency aid quickly enough. The school denied wrongdoing.

A former high school student who suffered a traumatic injury during a cross-country practice settled a lawsuit against his coach for **$4.5 million**. The boy was participating in a pre-dawn practice with his *Chelsea High School* team in Ann Arbor, Mich., in 2011 when he and a teammate were struck by a vehicle as they ran across a road in the dark. The plaintiff, now 20, is permanently disabled. The settlement will be covered by the Chelsea district’s insurance carrier.

The family of a *Northern Illinois University* freshman who died after a fraternity hazing settled a wrongful death lawsuit for **$14 million**. The family sued members of the *Pi Kappa Alpha* fraternity and others present at a 2012 fraternity party. Authorities said the fraternity members and their guests made 19-year-old David Bogenberger and other pledges drink excessive amounts of alcohol but did nothing to help them when they became unconscious. Bogenberger was found dead in the fraternity house the next morning. Nearly two dozen fraternity members pleaded guilty to criminal charges in the death.

**Sexual Abuse and Assault**

A former *Utah State University* student who was raped at a fraternity house agreed to a **$250,000** settlement with the school. The university also agreed to increase its oversight of fraternities and sororities. The student claimed that before she was attacked, five other women had told university officials that the same fraternity member had sexually assaulted them. The school denied receiving those reports.

The *Montville School District* in New Jersey must pay a **$600,000** settlement to a private school student who was sexually assaulted by a teacher the district employed. That teacher is serving prison time for sexually assaulting six students at Montville and later at *Cedar Hill Prep*. A federal judge said the school district’s insurance company does not have to reimburse the district for the Cedar Hill student’s settlement because administrators were aware of complaints about the teacher.
The Army and Navy Academy in Carlsbad, Calif., agreed to pay $1.75 million to a former cadet who said he was sexually abused by a headmaster in 1999. The civil suit alleged Jeffrey Barton drugged the ninth-grader and sodomized him in a campus bathroom. Last year, Barton, now 60, was sentenced to 49 years in prison for repeatedly molesting a different cadet between 1999 and 2001, both on campus and during out-of-town trips. In addition, a jury awarded nearly $1.9 million to another former cadet who alleged he was sexually abused by a school employee, Juan Munoz, in 2006. The jury found Munoz liable for sexual battery and sexual harassment.

A jury awarded $2.1 million to a former San Diego Unified School District student who was sexually abused by a teacher. The jury found the district negligent for ignoring warnings about the teacher’s behavior. Toni Sutton, a former high school Spanish teacher, was sentenced to two years in prison for abusing the then 15-year-old student.

The Catholic Archdiocese of Seattle and the Franklin Pierce School District settled a sexual abuse lawsuit for $2.45 million. The archdiocese will pay $1.5 million and the district $950,000 to a man who claimed he was abused as a child by a teacher who worked in the two organizations’ schools in the 1980s. The victim’s lawsuit alleged the archdiocese knew the teacher had abused students at its schools but did not inform authorities and helped him find work in the district. He continued abusing students, including the victim, at a public elementary school and the district failed to act, the lawsuit said.

The Riverside Unified School District in California agreed to pay $6.2 million to settle a lawsuit that alleged one of its technology aides had molested three girls ages 9 through 11. The lawsuit claimed that district officials failed to conduct an adequate background check that would have revealed previous sexual abuse allegations against the aide and then failed to investigate complaints from parents and students about his inappropriate behavior. The aide has been charged with sexually abusing 11 children.

Eight former students will share a $15.7 million settlement from the Redlands Unified School District in California in a sex abuse lawsuit. All the students attended Redlands High School. Six were victims of a former special education teacher and golf coach who was convicted of molesting four female students from 2015 to 2016. One of those victims will receive more than $7 million of the settlement. The other two cases involved two other teachers.

A jury found that Westerly School, a private K-8 school in Long Beach, Calif., was negligent in failing to act on suspected sexual abuse by a former school staffer 10 years ago. The former student who filed the lawsuit was awarded $25.3 million in damages. The school
is liable for $8.9 million and the staffer $16.4 million. The plaintiff said he was abused by Scott Durzo, who oversaw the school’s after-school programs. Durzo was arrested in 2014 and charged with 20 felony counts of child molestation.

The **University of Southern California** (USC) reached a tentative settlement of **$215 million** for a potential class of thousands of female students. They claimed that, during women’s health examinations, they were mistreated by a USC gynecologist and that USC ignored repeated complaints about his behavior. The various lawsuits accused Dr. George Tyndall of violating the standards of care through inadequate treatment, inappropriate touching, and taking inappropriate photos between 1988 and 2016. The victims would receive compensation ranging from $2,500 to $250,000 each. A grand jury reportedly convened in December to investigate the allegations.

**Michigan State University** (MSU) agreed to a **$500 million** settlement for more than 300 survivors of sexual abuse by former USA Gymnastics and MSU doctor/trainer Larry Nassar. The class action lawsuit said the university failed to protect the women. MSU agreed to pay $425 million to the victims and set aside $75 million for future claims. The settlement is reportedly the largest ever for a sexual abuse case against a U.S. higher education institution—surpassing the $109 million paid so far to 33-plus victims of sex abuse at Pennsylvania State University. MSU trustees approved selling some $500 million in bonds to pay for the settlement.

A Cooper City, Fla., Islamic school and mosque have agreed to a **multimillion-dollar** legal settlement with three former students who say a teacher sexually abused them over a decade ago. A lawsuit alleged **Nur-Ul-Islam Academy** and mosque were negligent as a teacher named Tariq Ahmad, now 39, sexually abused at least three female students from about 2004 to 2008. The lawsuit claimed that, for at least one of the girls, Ahmad would write in code on the class blackboard to arrange times to meet up with her and communicated with her through social media and late-night phone calls. The women said the school knew of Ahmad’s abuse and worked to cover it up.

**Unequal Pay**

The head women’s volleyball coach at **Edinboro University** in Edinboro, Pa., agreed to a **$250,000** settlement of her federal lawsuit that alleged that her salary and pay increases lagged those of her male counterparts. She also claimed she had experienced retaliation after filing the lawsuit against the State System of Higher Education and Edinboro’s former athletic director.

The **University of Denver** reached a **$2.7 million** settlement with seven female professors who alleged they were paid less than their male colleagues. The
university will also raise the professors’ pay and take steps to eliminate the gender pay gap at its Sturm College of Law. The Equal Employment Opportunity Commission sued the university in 2015 after receiving an initial complaint in 2013 from a 30-year veteran professor. She claimed she was the lowest-paid member of the faculty, making $109,000 a year compared to the $149,000 median.

**Workplace Issues**

A Seattle Public Schools employee who claimed she had to quit her job in the athletic department because of a hostile work environment received a $500,000 settlement. The plaintiff alleged that she was “harassed, discriminated against, and subjected to a hostile work environment on the basis of her gender (female), and race (white).” According to the lawsuit, her boss made sexually and racially offensive comments about her and regularly threatened her with loss of her job. District officials failed to act on her complaints, the lawsuit said.

The Waukee Board of Education in Iowa reached a nearly $1 million settlement with a former employee who alleged he was wrongfully fired after reporting improper conduct by a high-ranking district officer. The school board eliminated the human resources director’s position amid budget cuts, but he said he was terminated after reporting the district’s chief operating officer, Eric Rose, to administrators. An investigation found that Rose mismanaged money, abused authority, and violated policies.

A jury awarded $1.25 million to a former Columbia University business school professor who accused a senior colleague of retaliating against her for filing a harassment complaint against him. The professor had asked for $16 million. The lawsuit claimed that the colleague wrote disparaging letters to industry professionals after the professor filed her complaint. The jury found that the professor had been a victim of retaliation but rejected a claim of discrimination against the colleague and the university.