

LARGE LOSSES AT SCHOOLS

2016

This report compiled by Education Insurance Services (EIS) provides examples of recent claims faced by independent and public K-12 schools. These claims illustrate the importance of obtaining adequate general liability and educators legal liability D&O, E&O, EPLI limits and relying on trusted claims professionals who understand the independent school environment. EIS provides liability coverage through its sister company, United Educators, the only carrier owned and governed by the educational institutions it insures.

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 Millburn, N.J., music teacher was awarded **\$1.8 million** after a judge ruled her asthma and other chronic lung problems were caused by a mold issue in her classroom. The teacher alleged that the school did not do enough to remove the mold and discriminated against her by cutting her hours once she raised concerns after the supposed clean-up.

Bishop McCort High School in Johnstown, Pa., has agreed to an **\$8 million** settlement with 88 former students who were reportedly sexually molested by a Franciscan friar who worked as an athletic trainer from 1992 to 2001. He committed suicide in January 2013, shortly after the Youngstown, Ohio, diocese disclosed abuse settlements with 11 former students who said he abused them at John F. Kennedy High School in Warren, Ohio, from 1986 to 1990.

The Los Angeles school district reached an **\$88 million** settlement in sexual misconduct cases at two elementary school campuses. The settlement, which included 30 children and their families, is the second largest in district history. The cases included several teachers, and allege parents' complaints had surfaced years before the perpetrators were arrested without appropriate action by the school district.



St. John's Military School in Salina, Kan., settled a lawsuit filed by 11 former cadets who claimed higher-ranking students at the school abused them—even when faculty members were present. Charges included physical and emotional abuse and hazing. The four cadets in the case who were minors received settlements of **\$55,000, \$75,000, \$100,000, and \$1.8 million**. Terms were not disclosed for the adult cadets.

The Ramsey (N.J.) Board of Education will pay **\$4.2 million** to settle a lawsuit by a former middle school student who was paralyzed when another student punched him in the abdomen. The blow caused a clot in a major artery that supplies blood to the spine. The 12-year-old had complained about his attacker and sought help, but the school failed to comply with a state anti-bullying law, the family's lawsuit said. The school board denied any wrongdoing and defended its harassment, intimidation, and bullying initiatives, saying the district's insurance carriers agreed on the settlement and will pay it out.

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. 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.

Peters Township School District in Pennsylvania paid **\$2 million** to settle a gender and age discrimination lawsuit filed by 17 female teachers and guidance

counselors. The women claimed the school did not provide pay commensurate with their experience and that male and younger co-workers were credited for their experience and received higher salaries.

The Washington Academy agreed to pay **\$375,000** to settle a claim brought by the Cedar Grove Board of Education in New Jersey over unpaid rent. Washington Academy, a private K-12 school for special needs students, occupied a former public school building leased by Cedar Grove. The public school board sued the academy and removed it from the building, claiming that it stopped paying its rent.

A federal jury awarded a **\$41.75 million** verdict to a former student of The Hotchkiss School who contracted a tick-borne illness while on a study abroad trip to China. The former student alleged that the school failed to require that she take precautions against ticks, which she alleges could have prevented her from suffering insect bites. According to the Centers for Disease Control and Prevention, the plaintiff was the first American visitor to China to contract tick-borne encephalitis, leaving her with speech problems and facial paralysis.

The Christian Brothers Institute of New Rochelle, N.Y., an order of the Catholic Church, will pay **\$16.5 million** to settle more than 400 claims of sex abuse at its schools and orphanages. The settlements were part of the institute's bankruptcy proceeding.

The Horace Mann School paid more than **\$1 million** to settle claims by a number of former students who alleged that they were sexually abused by teachers during their tenure there. The students said the abuse took place from the 1970s to the 1990s. Another alleged victim has filed a separate lawsuit against the school.