

BEFORE THE
OFFICE OF ADMINISTRATIVE HEARINGS
STATE OF CALIFORNIA

IN THE MATTER OF:
PARENTS ON BEHALF OF STUDENT,

v.

SADDLEBACK VALLEY UNIFIED SCHOOL DISTRICT.

OAH CASE NUMBER 2024090491

ORDER PARTIALLY GRANTING MOTION TO DISMISS
BASED UPON SETTLEMENT AGREEMENT AND DISMISSING
ISSUE 2

SEPTEMBER 24, 2024

On September 9, 2024, Student filed a request for due process hearing with the Office of Administrative Hearings, naming Saddleback Valley Unified School District. The request for due process hearing is called a complaint. The Office of Administrative Hearings is called OAH.

On September 17, 2024, Saddleback Valley Unified filed a motion to dismiss alleging Student's complaint was barred by a settlement agreement. On September 19, 2024, Student filed a response. On September 20, 2024, Saddleback Valley Unified filed a reply to Student's response.

Parents have the right to present a complaint “with respect to any matter relating to the identification, evaluation, or educational placement of the child, or the provision of a free appropriate public education to such child,” called FAPE. (20 U.S.C. § 1415(b)(6); Ed. Code, § 56501, subd. (a).) OAH has jurisdiction to hear due process claims arising under the Individuals with Disabilities Education Act. (*Wyner v. Manhattan Beach Unified Sch. Dist.* (9th Cir. 2000) 223 F.3d 1026, 1028-1029.)

When a party files a due process hearing request based on claims that were waived as part of a settlement agreement or outside OAH's jurisdiction, OAH will sometimes dismiss the case. OAH has the authority to interpret a settlement agreement to determine preliminary jurisdictional issues and to enable it to dismiss issues, the complaint, or parties, if it lacks jurisdiction.

OAH's limited jurisdiction does not include claims alleging a school district's failure to comply with a settlement agreement. (*Id.* at p. 1030.) In the *Wyner* case, the parties reached a settlement agreement in which the district agreed to provide certain services during the course of a due process hearing. The hearing officer ordered the parties to abide by the terms of the agreement. Two years later, the student filed another due process hearing alleging the district did not comply with the settlement agreement in the first case. A hearing officer determined that the issues alleging the failure to comply with the settlement agreement in the first case were beyond its jurisdiction. This ruling was upheld on appeal. The decision in *Wyner* held that “the proper avenue to enforce Special Education Hearing Office orders” was the California Department of Education's compliance complaint procedure (Cal. Code Regs., tit. 5, § 4600, et. seq.), and that “a subsequent due process hearing was not available to address . . . alleged noncompliance with the settlement agreement and Special

Education Hearing Office order in a prior due process hearing." (*Wyner, supra*, 223 F.3d at p. 1030.)

In *Pedraza v. Alameda Unified School Dist.* (N.D.Cal. 2007, No. C 05-04977 VRW) 2007 WL 949603), the district court held that OAH has jurisdiction to adjudicate claims that allege a student was denied a FAPE because of the violation of a mediated settlement agreement where the parties acknowledged in the agreement that the services the school district agreed to constitute a FAPE. However, according to the Court in *Pedraza*, issues involving merely a breach of the settlement agreement should be addressed by the California Department of Education's compliance. Thus, OAH has the authority to interpret a settlement agreement to determine if the parties to the settlement agreement explicitly agreed that its terms constitute FAPE. And if the parties did explicitly state that in the agreement, OAH would have jurisdiction to hear claims related to a failure to implement a settlement agreement as to the settlement terms that were designated as FAPE only.

Settlement agreements are interpreted using the same rules that apply to interpretation of contracts. (*Vaillette v. Fireman's Fund Ins. Co.* (1993) 18 Cal.App.4th 680, 686, citing *Adams v. Johns-Manville Corp.* (9th Cir. 1989) 876 F.2d 702, 704.) "Ordinarily, the words of the document are to be given their plain meaning and understood in their common sense; the parties' expressed objective intent, not their unexpressed subjective intent, governs." (*Id.* at p. 686.) If a contract is ambiguous, for example when it is susceptible to more than one interpretation, then extrinsic evidence may be used to interpret it. (*Pacific Gas & Electric Co. v. G. W. Thomas Drayage & Rigging Co.* (1968) 69 Cal.2d 33, 37-40.) Even if a contract appears to be unambiguous on its face, a party may offer relevant extrinsic evidence to demonstrate that the contract contains a latent ambiguity; however, to demonstrate an ambiguity, the

contract must be “reasonably susceptible” to the interpretation offered by the party introducing extrinsic evidence. (*Dore v. Arnold Worldwide, Inc.* (2006) 39 Cal.4th 384, 391, 393.)

Student raises two claims against Saddleback Valley Unified in the complaint concerning denials of FAPE and failing to offer an individualized education program, called an IEP. Student’s second issue raises several sub-issues.

1. Saddleback Valley Unified denied FAPE when it refused to allow Student to attend an in-district school with services comparable to those in the previously held IEP in consultation with his parents at the parents’ request during the 2024-2025 school year.
2. Saddleback Valley Unified denied Student a FAPE when it impermissibly relied upon the November 29, 2022, settlement agreement to deny Student a placement in a district school or to fund a private placement during the 2024-2025 school year.
 - a. On its face, the agreement did not require petitioner to notify district of his desire to enroll in a district school by March 1, 2024, to be enrolled at the beginning of the 2024-2025 school year.
 - b. To the extent the agreement could preclude Student’s future right to FAPE, it is void under California law which prohibits agreements that enable a party to violate a law established for a public purpose.
 - i. Under California law, a contract may not waive compliance with legal obligations.
 - ii. Under California law, a law established for a public purpose cannot be waived by private agreement.

- c. The agreement violates federal law because it was not entered into knowingly and voluntarily.

Saddleback Valley Unified argues Issue 1 is barred by the November 29, 2022, settlement agreement. Saddleback Valley Unified argues OAH does not have jurisdiction over Issue 2 because it pertains to contract interpretation. Saddleback Valley Unified included with its motion a declaration from its special education director and a redacted copy of the November 29, 2022, settlement agreement. Student acknowledges that the parties entered a final settlement agreement on November 29, 2022. However, Student argues the allegations in the complaint were not resolved as part of the settlement agreement.

The November 29, 2022, settlement agreement waived all claims through August 10, 2024. In addition to the waiver, Saddleback Valley Unified attempted to circumvent not only its legal obligations to Student for the 2024-2025 school year, but also Student's ability to reenroll in Saddleback Valley Unified. Saddleback Valley Unified required Parents to follow a convoluted set of steps if Parents wanted Student to return to Saddleback Valley Unified for the 2024-2025 school year. The November 29, 2022, settlement agreement states in relevant part:

- Paragraph 2 A: "Other than those obligations set forth herein as the District's obligations, the Parents agree that they are solely and exclusively responsible for all educational needs of Student through August 10, 2024, during which time Student will be a parentally placed private school student."
- Paragraph 2 B: "If the Parents desire a public school placement for Student for the time period following this agreement (post-settlement period starting with the 2024-2025 school year), the Parents agree to follow the

procedures and notification requirements in section 2 C. The Parents agree that unless and until this notification is provided and a post-settlement offer of FAPE has been offered, Student shall be a parentally placed private school student and the District shall have no further educational and legal obligations to Student to assess, provide a FAPE, and to hold IEP [team] meetings, other than those obligations set forth herein as District obligations.”

- Paragraph 2 C i: “In the event that the Parents desire a public school placement for Student for the 2024-2025 school year, Parents will provide written notification ("Notice") to the District's Director of Special Education. This Notice may be provided between February 1, 2024, through March 1, 2024, or any time after August 10, 2024,. . . Within 15 school days of receipt of Notice, the District will provide Parents with an assessment plan . . . The Parents agree to make Student available at a District location for testing, facilitate observations of Student as part of the assessment, and agrees to execute any additional release of information necessary for the District to communicate with Student's then private school staff and/or providers.”
- Paragraph 2 C ii: “Upon the District's receipt of written consent to the assessment plan and authorizations for release of information, the District will conduct the assessment of Student in accordance with applicable State and federal timelines except that in the event of the Parents' failure to make Student available for the assessment process or to confirm a timely IEP meeting, the assessment and IEP timeline shall be extended for each day of delay. The Parties agree that unless and until the Parties have mutually scheduled and held an IEP meeting to offer a post-settlement

offer of FAPE, Student shall remain a parentally placed private school student and the District shall have no further educational or legal obligations to Student to assess, provide a free and appropriate public education, and to hold IEP meetings.”

Paragraph two of the November 29, 2022, settlement agreement was Parents’ obligations. Although referenced in paragraph two, Saddleback Valley Unified’s obligations are not listed in the agreement. However, Saddleback Valley Unified redacted the entire third paragraph of the November 29, 2022, settlement agreement. Without the entire agreement it is impossible to determine what Saddleback Valley Unified’s obligations were. Additionally, Student filed his complaint after the waiver period and only alleged a denial of FAPE for the 2024-2025 school year, which was not part of the waiver.

Saddleback Valley Unified’s motion to dismiss is more accurately a motion for summary judgement. Student alleges he provided notice to Saddleback Valley Unified that he wanted to return for the 2024-2025 school year and that Saddleback Valley Unified prohibited him from enrolling in a Saddleback Valley Unified public school. Saddleback Valley Unified argues Student did not provide timely notice, therefore it is not obligated to provide Student with FAPE or offer any other educational services, supports, or funding during the 2024-2025 school year until Saddleback Valley Unified’s assessments are complete. Special education law does not provide for a summary judgment procedure. Here, the motion to dismiss is not limited to matters that are facially outside of OAH’s jurisdiction, but instead seeks a ruling on the merits. Accordingly, the motion to dismiss Issue 1 is denied.

Student’s Issue 2, however, alleges issues that are facially outside OAH’s jurisdiction. Although Student raises several issues in Issue 2 that are concerning, OAH

does not have jurisdiction over the validity of settlement agreements. Accordingly, Issue 2 is dismissed.

ORDER

1. Saddleback Valley Unified's motion to dismiss is denied as to Issues 1 in the complaint. The due process hearing will proceed as scheduled on Issue 1.
2. Saddleback Valley Unified's motion to dismiss is granted as to Issue 2 in the complaint.

Linda Dowd

Linda Dowd

Administrative Law Judge

Office of Administrative Hearings