

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU), effective as of the last date of signature below, is by and between the Board of Trustees of the California State University (CSU) and Lorraine B. Hoffman (Hoffman), hereinafter jointly referred to as the "Parties".

Hoffman currently serves as the Vice President and Chief Financial Officer at California State University Chico (Chico State) and has held that position since April 2008.

Chico State now desires to transition Hoffman to other duties. The Parties wish to avoid any disputes related to Hoffman's transition and to avoid the expense, inconvenience and uncertainty of future proceedings.

Accordingly, the parties agree to the following:

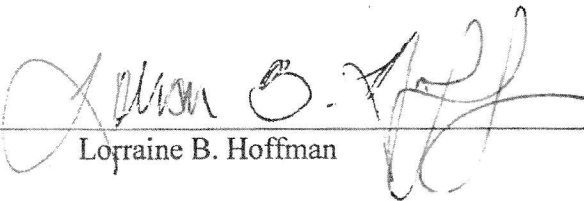
1. An announcement of Hoffman's departure will be communicated to the campus community no earlier than July 5, 2016. The announcement is attached hereto as Exhibit A, and has been agreed to by both parties to this MOU.
2. Hoffman's last physical day on campus will be June 30, 2016. Beginning July 1, 2016 and ending September 30, 2016, Hoffman will be on vacation and shall use vacation balances she has accrued. During this period, her pay and benefits will remain unchanged from those of her current position. During this period, Hoffman is eligible to use any accumulated sick leave for qualifying sick leave events that may occur and Hoffman remains eligible for benefits and other terms and conditions of employment as outlined in the Management Personnel Plan. During this period Hoffman's title will be Special Assistant.
3. Beginning October 1, 2016, Hoffman shall be on administrative leave, to continue for four months, through January 31, 2017. Should Hoffman obtain employment outside the CSU during this period, Hoffman shall be paid a lump sum payment equal to the amount she would earn during the remainder of her administrative leave.
4. Beginning February 1, 2017, Hoffman will immediately transition from her current position as VP and CFO of Chico State to become the Special Assistant to the Executive Vice Chancellor and Chief Financial Officer, in the CSU's Chancellor's Office. Subject to the provisions of this paragraph, her duties are anticipated to include providing financial and/or capital planning services to campuses throughout the CSU system, and other special projects consistent with her background and experience, as assigned by the Executive Vice Chancellor and Chief Financial Officer. In this role, Hoffman shall report directly to Brad Wells, Associate Vice Chancellor for Administration and Finance. Notwithstanding the foregoing, Hoffman will not be required to be resident at any specific location. Hoffman's assignment as Special Assistant shall last for eight months and shall end on September 30, 2017; in the event that Hoffman secures alternative employment before or during her position as Special Assistant, her retirement will be advanced to the last date Hoffman remains employed by CSU, with no additional obligation owed to Hoffman by the CSU, excepting for accrued vacation time.

5. Any business related travel during this period must be pre-approved by Brad Wells, if Hoffman intends to seek reimbursement for the same.
6. During the entire period from July 1, 2016 through September 30, 2017, Hoffman will remain eligible for benefits and other terms and conditions of employment as outlined in the Management Personnel Plan.
7. Costs associated with pay and benefits during the entire period October 1, 2016 through September 30, 2017, shall be the responsibility of Chico State.
8. Hoffman will voluntarily resign or retire from all employment with the CSU effective September 30, 2017. Hoffman hereby delivers to the Chancellor's Office a signed letter of resignation or retirement, effective September 30, 2017, a copy of which is attached hereto as Exhibit B, and as of September 30, 2017, CSU will accept Hoffman's voluntary resignation. Hoffman acknowledges and agrees that, once accepted by CSU, her resignation is not appealable and, provided CSU complies with all of its obligations herein, she hereby waives any right she may have under law or regulation to seek reconsideration of her resignation, as provided in Title 5, section 42728, of the California Code of Regulations.
9. The terms of this MOU may be modified by mutual written agreement of the Parties should Hoffman, during the periods outlined above, obtain other full time employment at the CSU.
10. In consideration of the above, Hoffman waives any and all rights to object under Title 5, Section 42723(d) of the California Code of Regulations to the transition of her responsibilities set forth herein, and she agrees that she has no entitlement to any monies under that regulation due to this transition other than those set forth herein. Hoffman understands and acknowledges that the consideration provided for in this MOU is in full and complete settlement of all claims of any kind, whether known or unknown, actual or potential, which Hoffman may have against the CSU.
11. In further consideration of the above, Hoffman releases and forever discharges CSU, and each of its agents, attorneys, current and former employees, officers, trustees, auxiliary organizations, insurers, and all persons acting by, through, under or in concert with any of them (collectively referred to as "CSU Released Parties"), from all complaints, actions, causes of actions, in law or equity, suits, administrative claims, including any claims under the Age Discrimination in Employment Act and the Older Worker Benefit Protection Act, attorneys' fees, debts, liens, demands, damages, injunctive relief, costs, expenses, agreements, promises, obligations or liabilities of any kind whatsoever, whether known or unknown, all other than those obligations of CSU set forth herein (individually and collectively "Actions"), which Hoffman may have or claim against CSU Released Parties.
12. Hoffman acknowledges the provisions of California Civil Code section 1542, and she waives and relinquishes all rights and benefits she may have under that statute. That statute states:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

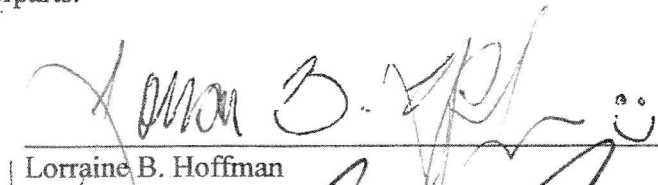
13. Hoffman acknowledges that she has read and understands the content of this MOU and has voluntarily entered into it.
14. This MOU shall be interpreted under the laws of the State of California.
15. Other than as set forth herein, the Parties shall bear their own costs, expenses, and attorney fees, if any, associated with this MOU.
16. This MOU constitutes the entire understanding of the Parties with respect to its subject matter and supersedes all prior or contemporaneous agreements or understandings related to such subject matter. The Parties acknowledge that there have been no other promises made between them on the subject matter of this MOU and the settlement reached herein which are not embodied in this MOU. Modifications and/or amendments to this MOU must be in writing signed by both Parties.
17. Hoffman acknowledges that she has been advised to consult an attorney prior to executing this MOU and represents that she has been given a period of at least twenty-one (21) days within which to consider this MOU. To the extent she has executed the MOU prior to the expiration of that period, Hoffman has knowingly and voluntarily waived her right to consider the MOU for that 21-day period.

I hereby acknowledge that, after consulting with an attorney, I am voluntarily waiving my right to a twenty-one day period to consider this MOU, and that I have received separate and distinct consideration for making this voluntary waiver:


Lorraine B. Hoffman

18. Hoffman may revoke this MOU at any time during the period of seven (7) days immediately following the date on which she executes this MOU. This MOU shall not become effective or enforceable until the expiration of this 7 day revocation period.
19. This MOU may be signed in counterparts.

Dated: 7/1/16


Lorraine B. Hoffman

Dated: _____

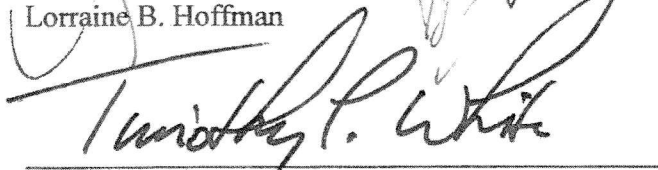

Timothy P. White
Chancellor

EXHIBIT A

Announcement from Gayle Hutchinson, President:

I am writing to inform the campus that Lori Hoffman, Vice-President for Business and Finance, will be departing from her position and transitioning during the summer.

Lori has served the Chico campus for over eight years with extraordinary dedication, energy and ability. There are a great number of projects and accomplishments that underscore her career on our campus, but let me highlight just three.

First, she translated the outline of the 2004 Master Plan, which she and I inherited, into a reality that reflected both vision and focus on the “sense of place” so critical to Chico State’s identity. In addition to numerous infrastructure and interior improvements, she oversaw the completion of six major capital projects, the re-imagining of First Street, the protection of our urban forest and creek environments, and the re-design of the four primary entrance points of the campus. The latter, in particular, strengthened the interface between the campus and the downtown and surrounding neighborhoods, yet also signaled a sense of arrival on our campus. All of the capital projects were completed on-time, on-budget, and earned at least silver level LEED certification for their “green” elements.

Second, as the LEED certifications above indicate, she championed the University’s record as a national leader in sustainability. When the University received the highest award for our sustainability record and commitments from Second Nature in 2014, this recognized the exceptional campus leadership and advocacy that Lori provided. Chico State’s annual high ranking as a “cool” and “green” place by several prestigious organizations in these matters further affirmed Lori’s effective stewardship of the sustainability priority in our Strategic Plan and set a clear course for the University’s future.

Third, she provided sound fiscal management and consistent advocacy for the campus workforce that enabled us to weather the “great recession” from 2007-2014, when the University lost almost \$40 million in state support, without any lay-offs of campus personnel. Her firm commitment to fiscal transparency led to the implementation and launch of OpenGov, a web-based comprehensive financial tool that dynamically presents the University’s revenues and expenses, in Fall 2015.

Lori will leave the campus well prepared its future. President-designate Gayle Hutchinson will be announcing plans for interim leadership of Lori’s division when she starts her tenure in early July.

We express deep gratitude to Lori for her service to Chico State and wish her every success in her new endeavors.

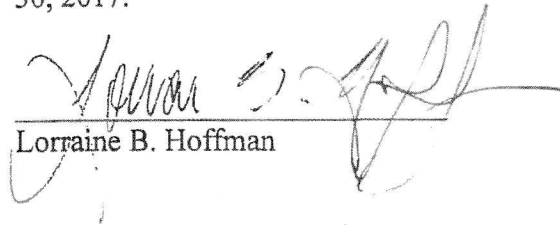
EXHIBIT B

September 30, 2017

Gayle Hutchinson, President
California State University Chico
400 W. 1st Street
Chico, CA 95929

Dear President Hutchinson:

I hereby resign from my employment from the California State University, Chico, effective September 30, 2017.



Lorraine B. Hoffman