

SETTLEMENT AGREEMENT
between
WASHINGTON STATE UNIVERSITY
and
MITZI M. MONTOYA

I. PARTIES AND PURPOSE

This agreement (AGREEMENT) is between Washington State University (WSU) and Mitzi M. Montoya (EMPLOYEE). EMPLOYEE is employed as Provost and Executive Vice President but will transition to a faculty position effective October 28, 2019. This AGREEMENT provides the terms and conditions of that transition. It also provides for a complete release of any and all claims that EMPLOYEE has or may have relating to EMPLOYEE's employment relationship with WSU.

II. CONSIDERATION AND COVENANT

This AGREEMENT is made in consideration of the mutual covenants set forth in this AGREEMENT. EMPLOYEE and WSU agree to the following terms, conditions, and mutual considerations:

A. **Obligations of WSU.** In consideration for the promises and obligations of EMPLOYEE, WSU agrees as follows:

1. **Transition Year (October 28, 2019, until October 28, 2020)**

- a. **Appointment.** Effective October 28, 2019, EMPLOYEE's appointment as Provost and Executive Vice President will end, having been terminated without cause, and she will assume her faculty appointment as full Professor with tenure in the Carson College of Business, Department of Management, Information Systems, and Entrepreneurship. The general terms and conditions of this appointment are governed by the *WSU Faculty Manual*. During the Transition Year, EMPLOYEE also will have the title of Special Assistant to the Dean of the Carson College of Business.
- b. **Salary and duties.** During the Transition Year, EMPLOYEE will be on an academic year appointment at her current annual salary rate of four hundred sixty thousand dollars (\$460,000). EMPLOYEE will have a one hundred percent (100%) research assignment with no teaching, service, or other responsibilities, except that the Dean of the Carson College of Business may assign EMPLOYEE to special projects and, if applicable, assign her to prepare for assuming designated teaching and/or other responsibilities in spring semester 2021.

- c. **Work location.** During the Transition Year, EMPLOYEE's work location will be WSU Seattle. WSU will provide EMPLOYEE with office space at the WSU Seattle location. EMPLOYEE also will be permitted to work remotely as desired and will retain the use of her current WSU computer.
2. **Appointment, salary, and duties after Transition Year.** Beginning October 28, 2020, EMPLOYEE's annual salary rate will be two hundred fifty thousand dollars (\$250,000). The Dean of the Carson College of Business, in consultation with EMPLOYEE, will determine EMPLOYEE's location and work assignment, and whether she will retain her title of Special Assistant to the Dean.
3. **Resignation during Transition Year.** If EMPLOYEE obtains other employment during the Transition Year, she will provide prompt written notice to the WSU President and to the Dean of the Carson College of Business of her resignation from WSU employment and relinquishment of her tenure, with an effective date of no later than fourteen (14) calendar days after EMPLOYEE's acceptance of such other employment. Regardless of whether EMPLOYEE has obtained other employment, if she resigns from her WSU employment and relinquishes her tenure, and the effective date of her resignation is prior to the end of the Transition Year, WSU will pay EMPLOYEE, within fourteen (14) calendar days of her last day of employment, a lump sum, minus standard withholdings, in the amount of the salary she would have been paid from the effective date of resignation to the end of the Transition Year. The WSU benefits package will end as of the last day of the month of EMPLOYEE's resignation. The lump sum payment will not reflect any deduction for any benefit or retirement contributions. In no event shall EMPLOYEE continue on the WSU payroll after starting other employment. Upon resignation, EMPLOYEE shall promptly return all WSU property in her possession to WSU's Vice President for Finance and Administration.
4. **Moving and relocation expenses**
 - a. WSU will pay EMPLOYEE a lump sum of fifteen thousand dollars (\$15,000), minus standard withholdings, for reasonable moving expenses from Pullman, in accordance with WSU policy (BPPM 55.62). WSU will make this payment to EMPLOYEE on or around January 24, 2020, but not later than January 31, 2020.
 - b. On or around January 24, 2020, but not later than January 31, 2020, WSU will pay EMPLOYEE forty-two thousand four hundred and five dollars and fifty cents (\$42,405.50), which represents the second half of her relocation expenses pursuant to Paragraph V.E. of her May 1, 2019, Contract of Employment and WSU Policy (BPPM 55.62), minus standard withholdings. In the event EMPLOYEE resigns prior to January 10, 2020, WSU will pay EMPLOYEE forty-two thousand

four hundred and five dollars and fifty cents (\$42,405.50) within fourteen (14) calendar days of her last day of employment.

5. **Discretionary funds.** WSU will allow EMPLOYEE the use of discretionary funds in the amount of fifteen thousand dollars (\$15,000) to be used solely for expenses incurred while employed by WSU during the Transition Year as allowed by WSU policy (BPPM 70.33). To access these funds, EMPLOYEE will submit invoices for reimbursement of expenses incurred, as directed by the Vice President for Finance and Administration.
 6. **Letter of reference.** Upon receipt of a written request to the WSU President from EMPLOYEE or a prospective employer of EMPLOYEE, the President shall provide the letter of reference attached as **Exhibit A**. Any request for additional information shall be referred to Human Resource Services, and no other information will be provided, except as required by law.
 7. **Joint statement.** Within seven (7) days of execution of this AGREEMENT, WSU agrees to publish in the *WSU Insider* the joint statement attached as **Exhibit B** and to provide a copy of this statement to the firm of Isaacson, Miller. In addition, WSU Marketing and Communications will provide the joint statement in response to any media inquiries regarding EMPLOYEE through December 31, 2019.
- B. **EMPLOYEE's obligations.** In consideration for the promises and obligations of WSU, EMPLOYEE agrees:
1. To accept the terms and conditions specified in Section A of this AGREEMENT.
 2. That except for EMPLOYEE's specific contractual rights under this AGREEMENT, EMPLOYEE, EMPLOYEE's heirs, assigns, or other successors in interest waive and release each and every claim and right which EMPLOYEE has or may have as of the date of this AGREEMENT against WSU, the State of Washington, and/or any officer, employee, student, regent, contractor, consultant, or agent of any of them, including, but not limited to, any claim based upon wrongful discharge, breach of contract, defamation, invasion of privacy, payment of wages, retaliation, discrimination, or harassment of any kind, and any other claims arising in tort or in contract; this waiver and release specifically includes, but is not limited to, any claim or right that may be supported by mistakes of fact discovered after the date of this AGREEMENT; and
 3. Specific release of age discrimination claims—EMPLOYEE hereby **WAIVES AND RELEASES** any and all rights and claims which EMPLOYEE has or may have as of this date under the Age Discrimination in Employment Act (ADEA), pursuant to 29 U.S.C. § 626

and other applicable law, as well as the Washington Law Against Discrimination (WLAD), RCW 49.60.

- C. **Denial of wrongdoing.** By entering into this AGREEMENT, neither party admits any violation of any duty, contract, order, rule, or law. The negotiation of this AGREEMENT shall not be admissible in any proceeding as to any kind of acknowledgment or admission of such a violation, wrongdoing, or negligence.
- D. **No representation by WSU.** EMPLOYEE has been advised to consult a personal attorney, financial adviser(s), and/or other adviser(s) for advice as to retirement benefits, taxes, and other consequences of this AGREEMENT. EMPLOYEE has done so to EMPLOYEE's satisfaction. WSU makes no representations and has provided no advice in regard to any consequences of this AGREEMENT and EMPLOYEE confirms this by signature on this document.
- E. **EMPLOYEE's request and negotiations.** EMPLOYEE has asked to take advantage of this AGREEMENT, with the understanding that it is made available and negotiated on an individual, case-by-case basis.
- F. **Payments and consequences—including tax and retirement.** Both parties recognize that any payment made under this AGREEMENT is, according to Internal Revenue Service (IRS) rulings, subject to standard withholdings. EMPLOYEE is solely responsible for any tax consequences of this AGREEMENT. Therefore, WSU will withhold applicable withholding and contributions when making payments to EMPLOYEE and also will contribute the appropriate amount itself for its shares as applicable. EMPLOYEE specifically agrees to waive any and all future payments or obligations that WSU has or may have to make in EMPLOYEE's retirement program or benefits package beyond the effective date of separation from employment at WSU, if applicable. EMPLOYEE is solely responsible for any attorney fees, costs, or other expenses incurred by EMPLOYEE.
- G. **Changes/modifications.** No modification or waiver of this AGREEMENT shall be valid or binding unless executed in writing and signed by EMPLOYEE and the WSU President or his designee.
- H. **Construction.** This AGREEMENT shall be construed as written by both of the parties; should any provision or clause of this AGREEMENT be deemed not in accordance with law, the remaining provisions shall survive.
- I. **Voluntary agreement.** EMPLOYEE acknowledges and agrees that EMPLOYEE's signing of this AGREEMENT is a knowing and voluntary act, after careful reading and consideration of all of its terms and after being encouraged to consult an attorney, and that such execution signifies full understanding and acceptance of all of the AGREEMENT's terms and conditions. **EMPLOYEE understands that THIS IS A FINAL RELEASE OF ALL CLAIMS.** This AGREEMENT shall be binding on each of the parties and their heirs, successors, assigns, and legal representatives.

J. **Entire agreement.** This AGREEMENT constitutes the entire agreement between the parties as to its subject matter and supersedes any and all other agreements, understandings, negotiations, and discussions, oral or written, express or implied, specifically including, but not limited to, the Contract of Employment between WSU and EMPLOYEE executed May 1, 2019, the First Amendment to the Contract of Employment executed May 22, 2019, the accompanying offer letter of the same date, and the September 27, 2019, letter of termination without cause. The parties agree that no other representations, inducements, promises, agreements, or warranties relating to this AGREEMENT, oral or otherwise, have been made to or by them.

III. SIGNATURES

I agree to the above AGREEMENT with all of its terms and conditions.

EMPLOYEE

Mitzi M.
Mitzi M. Montoya
Date: 10/24/19

State of Idaho)
~~Washington~~)
County of Latah) ss.

Signed and sworn to (or affirmed) before me on 10/24/19, by Mitzi M. Montoya.



[Signature]
Notary Public -- State of ~~Washington~~ Idaho
My commission expires: 07/23/2024

WSU

Accepted By:

[Signature]
Kirk H. Schulz
President
Date: 10/25/19

Approved as to form by:

[Signature]
Danielle Hess, Sr. Asst. Attorney General
Attorney for WSU
Date: 10/25/2019

Exhibit A
Letter of Reference

Dear [Prospective Employer]

Dr. Mitzi Montoya was Provost and Executive Vice President of Washington State University during fall 2019. During that time, Dr. Montoya was engaged in several important initiatives in the areas of student success, enrollment management, budget modeling, academic operations planning, and corporate engagement while providing additional services and resources to help faculty and students succeed. I greatly appreciated the energy and insight she brought to the table during her time as Provost and Executive Vice President.

Dr. Montoya evidenced a high degree of initiative during her time as Provost and Executive Vice President for Washington State University. Her innovative and entrepreneurial background and experiences were evident in her approach to developing strategies and solving problems. She is greatly supportive of faculty and student success, while also promoting a culture of excellence at the institutional level. Dr. Montoya is an experienced and accomplished leader, and I am confident that the skills she brings to the table can greatly benefit another institution. I wish her great success in her future endeavors.

Sincerely,

Kirk H. Schulz, President
Washington State University

Exhibit B
Joint Statement

Montoya Named Special Assistant to the Dean of the Carson College

Dr. Mitzi Montoya will assume the title and duties of Special Assistant to the Dean of the Carson College of Business, along with her faculty appointment in the Carson College, at the end of October.

Dr. Montoya served as Provost and Executive Vice President during fall 2019. She was engaged in several important initiatives in the areas of student success, enrollment management, budget modeling, academic operations planning, and corporate engagement while providing additional services and resources to help faculty and students succeed.

Dr. Montoya will serve as a full professor with tenure in the Department of Management, Information Systems, and Entrepreneurship. "As Professor and Special Assistant to the Dean, I will continue my research on the drivers of success and failure in organizational innovation. I will support the Carson College of Business's corporate engagement efforts and continue my Advancing Women in Leadership initiative," she said.

"The University looks forward to having Dr. Montoya work in this new role," said WSU President Kirk Schulz.

Dr. Montoya's appointment begins October 28, 2019.