

**May 2007**

**Approved Interim Salary Item**

**SLOTING OF POSITION AND APPOINTMENT SALARY FOR SUSIE LU AS ASSOCIATE DIRECTOR,  
OPERATIONS – OUTPATIENT/ANCILLARY SERVICES, UCLA HOSPITAL SYSTEM**

Action under interim authority was requested for the appointment of Susie Lu. This request was in response to an immediate need to fill this position following a national recruitment effort.

**Compensation:**

- (1) Slotting of position Associate Director, Operations-Outpatient/Ancillary Services for the UCLA Hospital System at SLCG grade 108 (minimum \$187,100 midpoint \$238,200 maximum \$289,300).
- (2) Appointment of Susie Lu as Associate Director, Operations-Outpatient/Ancillary Services at an annual base salary of \$215,000, 100 percent time.
- (3) Per policy, eligibility to participate in the Clinical Enterprise Management Recognition Plan (CEMRP) with an incentive target of 15 percent with a maximum of up to 20 percent of base salary.
- (4) Exception to policy, two house-hunting trips, not to exceed four days, for Ms. Lu and her spouse. Coach airfare, meals, and lodging to be reimbursed up to \$2,500. This is an exception as travel to seek housing applies only to members of the Senior Management Group, and this position is a member of the Management and Senior Professional (MSP) classification.
- (5) Exception to policy, temporary housing allowance for a period not to exceed six months to a maximum of \$24,000. This is an exception to the one-month allowance provided in policy based on the anticipated difficulty in finding suitable housing in the Los Angeles area.
- (6) Exception to policy, reimbursement to 100 percent of reasonable and actual moving expenses. This is an exception as policy provides for reimbursement of 50 percent of moving expenses for new MSP UC employees currently residing outside of the commuting distance of the campus.
- (7) Exception to policy, a Relocation Allowance of 25% of base salary (\$53,750) to be paid over a period of four years as follows: \$21,500 (40 percent, year 1), \$16,125 (30 percent, year 2), \$10,750 (20 percent, year 3), and \$5,375 (10 percent, year four). If candidate terminates employment prior to the completion of four years, any remaining payments will be forfeited. This allowance is to assist with offsetting additional expenses associated with the sale and purchase of housing. This is an exception as policy applies to candidates moving from outside of California and candidate currently resides within the state.
- (8) Effective April 23, 2007.

Additional items of compensation include:

- Per policy, Standard Pension and Health and Welfare Benefits.

The compensation described above shall constitute the University's total commitment until modified by The Regents and shall supersede all previous oral or written commitments.

## **BACKGROUND**

Ms. Susie Lu has been selected as the best-qualified candidate to fulfill the responsibilities of the Associate Director, Operations – Outpatient/Ancillary Services for the UCLA Hospital System based on her background and experience as Vice President, Department of Pathology and Laboratory Medicine at a university medical center. With 15 years of experience in administration working at large academic medical centers, Ms. Lu has demonstrated success in launching initiatives and achieving results in the area of product line integration and efficiencies.

Ms. Lu will be responsible for developing and managing key diagnostic and treatment areas to support the mission, strategy and goals across the entire span of UCLA Medical Sciences. In this role, Ms. Lu will oversee the ambulatory clinics and participate in providing continuity of services during the transition into the new replacement hospitals. This position has oversight responsibility for 765 FTE and an expense budget of \$102.3 million, with gross revenue in excess of \$775 million.

The base salary offer does represent a decrease from Ms. Lu's present salary. However, the proposed base salary is slightly below the midpoint for the position at UCLA.

**APPOINTMENT SALARY FOR SUSIE LU AS ASSOCIATE DIRECTOR, OPERATIONS-OUTPATIENT/  
 ANCILLARY SERVICES, UCLA HOSPITAL SYSTEM, LOS ANGELES CAMPUS  
 SLCG Grade 108 - Minimum \$187,100, Midpoint \$238,200, Maximum \$289,300**

ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
<b>SALARY AND OTHER CASH PAYMENTS</b>					
· Annual Base Salary	YES		\$215,000	NO	REGENTS
· Health Sciences Compensation Plan		NO			
· Additional Salary (Stipend, add-ons, etc.)		NO			
· Clinical Enterprise Management Recognition Plan - up to 20%	YES		\$43,000	NO	REGENTS
*example payout calculated at maximum of 20%					
· Any other bonuses/Incentives		NO			
· Annual Incentive Plan (Treasurer's Office only)		NO			
· Senior Management Supplemental Benefit Program - eligible to receive 5% as contribution to retirement plan for total annual amount at current base salary		NO			
<b>BENEFITS AND PERQUISITES</b>					
· Standard Benefits Package (Health, UCRP, Vision, Dental, etc.)	YES			NO	REGENTS
· Automobile Allowance		NO			
· Leased Automobile		NO			
· Senior Manager Life Insurance		NO			
· Executive Business Travel Insurance		NO			
· Exec. Salary Continuation for Disability		NO			
· Mortgage Origination Program (MOP) Loan		NO			
· Supplemental Home Loan Program (SHLP)		NO			
· University-provided Housing (President/Chancellors)		NO			
· Educational Expenses		NO			
· Other Perqs - please list below		NO			
<b>ONE-TIME PAYMENTS/REIMBURSEMENTS</b>					
· Payment in Lieu of Sabbatical Pay		NO			
· Relocation Allowance – 25% to be paid over a period of four years	YES		\$53,750	YES	REGENTS
· Temporary Housing Allowance – 1 month per policy, requesting 6 months up to a maximum of \$24,000	YES		\$24,000	YES	REGENTS
· Payment in lieu of Vacation Pay		NO			
· Moving Expenses/Movement of Household Goods	YES		Actual Expenses	YES	REGENTS
· Other: Two house-hunting trips not to exceed 4 days for Ms. Lu and her spouse, up to \$2,500. Coach airfare, meals and lodging will be reimbursed.	YES		Up to \$2,500	YES	REGENTS

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ITEM	RECEIVING		AMOUNT	EXCEPTION TO POLICY	APPROVAL REQUIRED
	YES	NO			
<b>FUTURE BENEFITS</b>					
· Post-retirement Employment Agreements		NO			
· Consultant/Independent Contractor Compensation Agreement		NO			
· Severance/Separation Agreement		NO			
· Sabbatical/Administrative Leave		NO			
· Special Health Benefits or Other Benefits		NO			
<b>OTHER</b>					
· Administrative Fund Allocation		NO			
· Corporate Board Service		NO			
· Other (Specify)		NO			
<b>TOTAL ANNUAL EMPLOYEE COMPENSATION</b> (Including, if applicable, Salary, Perquisites, One-time Payments, Future Benefits, and Other)			\$258,000		

[Please note that all payments, reimbursements, special benefits, etc. should be listed on this form in order to be authorized by the President and The Regents. This information will be released to the Public.]

The only compensation permitted is what is listed on the summary page that accompanied the item.