

The Regents of the University of California

**HEALTH SERVICES COMMITTEE**

March 16, 2022

The Health Services Committee met on the above date at the UCSF-Mission Bay Conference Center, 1675 Owens Street, San Francisco and by teleconference meeting conducted in accordance with California Government Code §§ 11133.

Members present: Regents Guber, Park, Pérez, Sherman, and Sures; Ex officio members Drake and Leib; Executive Vice President Byington; Chancellors Block, Hawgood, and Khosla

In attendance: Regents Cohen, Elliott, Kounalakis, Ortiz Oakley, Reilly, Torres, and Zaragoza, Regent-designate Pouchot, Faculty Representative Horwitz, Secretary and Chief of Staff Shaw, Chief of Staff and Special Counsel Drumm, Executive Vice President and Chief Operating Officer Nava, Vice President Lloyd, Chancellors Christ, Gillman, May, and Wilcox, and Recording Secretary Johns

The meeting convened at 1:40 p.m. with Committee Chair Pérez presiding.

**1. APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of January 18, 2022 were approved, Regents Drake, Guber, Leib, Park, Pérez, Sherman, and Sures voting “aye.”<sup>1</sup>

**2. APPROVAL OF APPOINTMENT OF AND COMPENSATION FOR CHERYL SADRO AS CHIEF FINANCIAL OFFICER, UC DAVIS HEALTH, DAVIS CAMPUS AS DISCUSSED IN CLOSED SESSION**

The Committee recommended to the Regents approval of the following items in connection with the appointment of and compensation for Cheryl Sadro as Chief Financial Officer, UC Davis Health, Davis campus:

- A. Per policy, appointment of Cheryl Sadro as Chief Financial Officer, UC Davis Health, Davis campus, at 100 percent time.
- B. Per policy, an annual base salary of \$802,000.
- C. Per policy and starting in the 2022–23 plan year, eligibility to participate in the Clinical Enterprise Management Recognition Plan’s (CEMRP) Short Term Incentive (STI) component, with a target award of 15 percent of base salary

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<sup>1</sup> Roll call vote required by the Bagley-Keene Open Meeting Act [Government Code § 11123(b)(1)(D)] for all meetings held by teleconference.

(\$120,300) and maximum potential award of 25 percent of base salary (\$200,500), subject to all applicable plan requirements and Administrative Oversight Committee approval. The 2022–23 plan year starts on July 1, 2022 and ends on June 30, 2023, and the first possible short term incentive award will be determined following the close of the 2022–23 plan year. Any actual award will be determined based on performance against pre-established objectives and may be prorated in Ms. Sadro’s first year of participation.

- D. Per policy, standard pension and health and welfare benefits and standard senior management benefits, including eligibility for senior management life insurance upon start date and eligibility for executive salary continuation for disability after five consecutive years of Senior Management Group service.
- E. Per policy, reimbursement of actual and reasonable moving and relocation expenses associated with relocating her primary residence, subject to the limitations under Regents Policy 7710: Senior Management Group Moving Reimbursement.
- F. Per policy, eligibility to participate in the UC Employee Housing Assistance Program, subject to all applicable program requirements.
- G. Ms. Sadro will comply with the Senior Management Group Outside Professional Activities (OPA) policy and reporting requirements.
- H. This action will be effective on Ms. Sadro’s start date of April 1, 2022.

The compensation described above shall constitute the University’s total commitment until modified by the Regents, President, or Chancellor, as applicable under Regents policy, and shall supersede all previous oral and written commitments. Compensation recommendations and final actions will be released to the public as required in accordance with the standard procedures of the Board of Regents.

[Background material was provided to the Committee in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Vice President Lloyd introduced this item for the appointment of and compensation for Cheryl Sadro as Chief Financial Officer, UC Davis Health, Davis campus, at 100 percent time, effective on a potential start date of April 1, 2022. The previous career incumbent, Tim Maurice, was stepping down effective April 1, 2022 after 11 years in the position. The campus concluded a national competitive recruitment for the Chief Financial Officer position and Ms. Sadro was identified as the top candidate from a broad and diverse applicant pool. The Chief Financial Officer, UC Davis Health, position was classified as a Level Two position in the Senior Management Group (SMG). Because the proposed base salary of \$802,000 was above the 75th percentile of the Market Reference Zone (MRZ) for the position, approval by the Regents was required. The position serves UC Health, and the compensation would be paid solely from sources other than State General Fund support to the University.

Committee Chair Pérez stated that he could not and would not support this item. The University had MRZs and upper limits. The proposed salary was higher than salaries for similar positions at other UC medical centers. He was not convinced that the proposed salary was a correction for a deficiency on the campus that would require this level of compensation. Committee Chair Pérez was concerned about the pressures this compensation action would cause with respect to other chief financial officers on other campuses and that this item might lead to increases in compensation for other executives.

Upon motion duly made and seconded, the Committee approved the recommendation and voted to present it to the Board, Regents Drake, Guber, Leib, Sherman, and Sures voting “aye,” Regent Park abstaining, and Regent Pérez voting “no.”

The meeting adjourned at 1:45 p.m.

Attest:

Secretary and Chief of Staff