paratransit

a consolidated transportation service agency inc.

BYLAWS OF PARATRANSIT, INCORPORATED

A CALIFORNIA **NONPROFIT PUBLIC BENEFIT** CORPORATION

Adopted March 27, 1985
Amended July 31, 1985
Amended June 18, 1996
Amended April 25,2002
Amended June 18, 2018
Amended July 1, 2020

ARTICLE I

NAME

The name of this corporation is Paratransit, Incorporated.

ARTICLE II

OFFICES

The principal office for the transaction of the activities and affairs of the corporation ("principal office") is located at 2501 Florin Road, Sacramento County, California. The Board of Directors ("the Board") may change the principal office from one location to another.

ARTICLE III

PURPOSES AND LIMITATIONS

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for public or charitable purposes within the meaning of

Section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Notwithstanding any other provision of these Bylaws, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under section 170(c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE IV

MEMBERSHIP

This corporation shall have no members.

ARTICLE V

DIRECTORS

SECTION 5.01. NUMBER AND SELECTION OF DIRECTORS

(a) Authorized number. The Board shall consist of at least five (5), but no more than nine (9) directors, unless changed by amendment to these bylaws. There shall initially be five (5) directors consisting of individuals who were directors serving at the beginning of the 2019/2020 fiscal year. ~~authorized number of directors shall be nine (9).~~

(b) Selection and qualifications. At the time of appointment of each director, July 1, 2020, each director shall serve staggered terms as specified herein (the "Initial Term"). Following the Initial Term all Directors shall serve in accordance with Section 5.02. All appointments shall be made by a majority vote of the Board of Directors. The composition of the Board and the qualifications of directors shall be as follows:

~~(i) Two (2) members shall be appointed by the Sacramento City Council to represent the general public.~~

~~(ii) Two (2) members shall be appointed by the Sacramento County Board of Supervisors to represent the general public.~~

~~(iii)~~(i) ~~Two~~ One (~~2~~1) member~~s~~ shall be appointed to serve a one-year Initial Term.

(ii) ~~One~~ Two (~~1~~2) members shall be appointed to serve a two-year Initial Term.

(iii) Two (2) members shall be appointed to serve a three-year Initial Term.

(iv) The Board in its discretion may appoint Ex Officio members who are elected officials to serve a three (3) year term. Ex Officio members may participate in all Board discussions, but shall not have any voting rights and shall not be included in the count when determining the quorum of the Board.

~~(v) The Sacramento City Council and the Sacramento County Board of Supervisors shall each appoint one (1) member to represent persons eligible to use the services of the corporation.~~

SECTION 5.02 TERM OF OFFICE OF DIRECTORS

Following the completion of the Initial Term, Directors shall be appointed to serve ~~the remaining term of a former director or~~ for a term of three (3) years. Any Director replacing another Director who has not completed their term shall be appointed for the remaining term of a former director. No Director may serve more than two (2) consecutive three (3) year terms unless unanimously approved by the Board of Directors. Any director appointed shall hold office until a successor has been elected and qualified or until any director submits a letter of resignation to the Board. The term of office of any director shall expire and there shall be a vacancy on the Board in the event the Board declares the term of a director to have expired following a failure by that director to attend three (3) consecutive meetings of the Board whether excused or unexcused or who have a total of four (4) unexcused absences in a 12-month period. Board members are required to call the Assistant Secretary to the Board of Directors in advance when they are unable to attend a scheduled meeting of the Board. Members who fail to notify the Assistant Secretary to the Board of Directors prior to the scheduled meeting will be considered unexcused. A letter will be sent to the appointing body with a notification of the member's status. The Board of Directors has the sole discretion to determine membership.

SECTION 5.03 INDEPENDENCE OF OFFICERS

(a) Appointing authorities may not remove directors during their term of office except for cause.

(b) Officers shall conduct the affairs of the corporation in an independent manner and shall not be subject to directions from their appointing authorities.

ARTICLE VI

OFFICERS

SECTION 6.01. OFFICERS

The officers of the corporation shall be a president, a vice president, a secretary and a Treasurer. A Nominating Committee appointed by the president shall report its nominations for officers of the corporation at the first Board of Directors meeting in November. Officers shall be elected from among the directors of the corporation at the first meeting in November of each year. Officers shall serve at the pleasure of the Board. The corporation may also have one or more assistant secretaries, one or more assistant treasurers.

SECTION 6.02. RESPONSIBILITIES OF OFFICERS

(a) President. The president shall direct the affairs of the corporation with other elected officers and Board members by presiding at all regular meetings of the corporation and of the Board; shall, with ratification of the Board, appoint persons to all Committees.

(b) Vice President. The Vice president shall preside at meetings in the absence of the President and assist the President as needed. The Vice president shall assume the duties of the President if the position is vacated.

(c) Secretary. The Secretary shall maintain a record of the proceedings of all meetings of the Board. The Secretary shall maintain a complete up-to-date, and accurate record of the Articles of Incorporation, Bylaws, and any amendments to the Bylaws and file v/ith the Secretary of State any amendments to the Articles of Incorporation.

(d) Treasurer. The Treasure shall receive a report quarterly on the financial statement of the corporation for the Board from the Chief Financial Officer and more frequently as requested by the Board. The books and records of the corporation in the hands of the secretary and Treasurer shall be open to inspection at all times to the directors. There shall be an annual audit by a certified public accountant.

If required by the Board, the Treasurer officer shall give the corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the corporation of all of its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Treasurer upon death, resignation, retirement or removal from office.

SECTION 6.03. COMMITTEES

The Executive Committee shall consist of the officers of the Corporation. The Executive Committee shall be empowered to act in matters affecting the corporation

between regular meetings of the Board of Directors. A minimum of three directors must vote to approve any matter binding the corporation. At the next meeting following an action taken by the Executive Committee, the Board shall adopt, modify, or reject the action taken by the Executive Committee.

SECTION 6.04. QUORUM

Not less than a majority of the Directors currently appointed and serving shall constitute a quorum of the Board of Directors.

ARTICLE VII

INDEMNIFICATION AND

INSURANCE SECTION 7.01

INDEMNIFICATION

(a) Right of Indemnity. To the full extent permitted by law, this corporation shall indemnify its directors, officers, employees and other persons described in Section 5238(9a) of the California Corporation Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any "proceeding", as that term is used in such Section and including an action by or in the right of the corporation, by reason of the fact that such person is or was a person described by such Section. "Expenses", as used in this Bylaw, shall have the same meaning as in Section 4238(a) of the California Corporation Code.

(b) Approval of Indemnity. Upon written request to the Board by any person seeking indemnification under Section 5238(a) or Section 5238 (c) of the California Corporation Code, the Board shall promptly determine in accordance with Section 5238(e) of the Code whether the applicable standard of conduct set forth in Section 5238 or Section 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevent the formation of a quorum of directors who are not parties to such proceeding, the Board or the attorney or other person rendering services in connection with the defense shall apply to the court in which such proceeding is or was pending to determine whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met.

(c) Advancement of Expenses. To the full extent permitted by law and except as is otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under this Bylaw in defending any proceeding covered by this Bylaw shall be advanced by the corporation prior to the final disposition of the proceeding upon receipt by the corporation of an undertaking by or on behalf of such person that the advance will be repaid unless it is ultimately determined that such person is entitled to be indemnified by the corporation therefor.

SECTION 7.02. INSURANCE

The corporation shall have the right to purchase and maintain insurance to the full extend permitted by law on behalf of its officers, directors, employees and other agents of the corporation, against any liability asserted against or incurred by an officer, director, employee or agent in such capacity or arising out of the officer's, director's, employee's or agent's status as such.

ARTICLE VIII

AMENDMENTS

The Bylaws may be amended at any meeting of the Board by a majority vote of the current membership of the Board, provided the proposed amendment has been sent to each director at least ten (10) days before the meeting.

ARTICLE IX

PARLIAMENTARY AUTHORITY

The rules set forth in Roberts Rules of Order Newly Revised shall govern the corporation in all cases to which they are applicable and in which they are not inconsistent with these Bylaws, applicable law or other operating procedures adopted by the Board of Directors.