



# PARATRANSIT, INC. MEETING OF THE BOARD OF DIRECTORS

## **Meeting Date and Time:**

February 15, 2024 at 6:00 p.m.

## **Meeting Location:**

Ron Brown Conference Center  
2501 Florin Road  
Sacramento, CA 95822

If you need a disability-related modification or accommodation to participate in this meeting, please contact by Voice: (916) 429-2009. Requests must be made as early as possible.

Members of the public may submit public comments via eComment by email at [publiccomment@paratransit.org](mailto:publiccomment@paratransit.org).

**Paratransit's Mission:** To expand mobility and accessibility by providing innovative programs and services to the Community.

## **AGENDA**

### **1. Call to Order & Roll Call: (2 minutes)**

Directors: Alves, Burrows, Dawson, Hume, Mulvaney, Tucker, White

### **2. Pledge of Allegiance (3 minutes)**

### **3. Public Comment: (5 minutes)**

Each person will be allowed three minutes, or less if a large number of requests are received on a particular subject. After ten minutes

of testimony, the Chair may choose to hear any additional testimony following the Discussion Items.

Please note, under the provisions of the California Government Code, the Board is prohibited from discussing or taking action on any item that is not on the agenda. The Board cannot take action on non-agendized items raised under “Public Comment” until the matter has been specifically included on the agenda. Those audience members who wish to address a specific agendized item are encouraged to offer their public comments during consideration of that item.

- 4. Introduction of New Board Members** (10 minutes)
- 5. Staff Reports** (30minutes)
  - A. CEO Report
    - a. Update on Activities and Contracts
  - B. CFO Report
    - a. Monthly Financial Report
    - b. Presentation on FY 23 Financial Audit
- 6. Consent Calendar** (5 minutes)
  - A. Approve the Minutes of the December 18, 2023 Meeting of the Board of Directors
  - B. Receive and File the Fiscal Year 2023 Financial Audit
  - C. Approve Resolution 01-24 Authorizing the President and CEO to prepare, submit and execute Agreements for various upcoming grant programs from the Sacramento Area Council of Governments, the State of California, the Federal Transit Administration, and assorted local programs
  - D. Adopt Resolution 02-24 Adopting Update #3 to the Paratransit, Inc. Public Transit Agency Safety Plan
- 7. Action Items** (25 minutes)
  - A. Nomination and Election of Officers of the Board of Directors for Calendar Year 2024

- B. Discussion of Date Change for the April 2024 Meeting of the Board of Directors Due to a Conflict with Cap-to-Cap
  - C. Adopt Resolution 03-24 Authorizing the President and Chief Executive Officer, as well as, the Chief Financial Officer to negotiate and execute a final funding agreement for housing which allows for the Project to be completed in two phases, with the initial phase to construct in Spring 2024 and authorizing reinvestment of exit revenues upon perm loan securement into Phase 2 construction costs
  - D. Adopt Resolution 04-24 Approving the Paratransit, Inc Title VI Plan
- 8. Presentation (30 minutes)**
- A. Presentation of Results for Paratransit's Employer of Choice Employee Survey
- 9. Board Comments/Reports/Future Agenda Items (5 minutes)**
- 10. Adjourn (1 minute)**

The next meeting of the Paratransit Board of Directors will be held on

**TBD  
6:00 p.m.**

**Paratransit, Inc.  
Ron Brown Conference Center  
2501 Florin Road  
Sacramento, CA 95822**

\*Staff Reports are subject to change without prior notice.

#### **ADA COMPLIANCE**

If requested, this agenda can be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Chief Administrative Officer at (916) 429-2009 for further information.



**Paratransit, Inc.**  
**Board of Directors Staff Report**  
**Agenda Item 4A**

**AGENDA TITLE:** Chief Executive Officer's Report

**MEETING DATE:** February 15, 2024

**PREPARED BY:** Tiffani M. Scott, President and CEO

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**PARTNERSHIPS AND OPPORTUNITIES:**

I will provide an overview of our on-going partnerships, grants, contracts and new programs and upcoming opportunities during my oral report and PowerPoint presentation at the Board meeting.

As always, I remain available for any questions.



**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 5B(a)**

**AGENDA TITLE:** CHIEF FINANCIAL OFFICER'S REPORT

**MEETING DATE:** FEBRUARY 15, 2024

**PREPARED BY:** LISA M .CAPPELLARI, CHIEF FINANCIAL OFFICER

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**RECOMMENDED ACTION:**

Receive and file the Chief Financial Officer's Report.

**BACKGROUND AND DISCUSSION:**

All operating data are through January 2024 unless otherwise noted.

- CTSA partner agency trips continue to grow, and are now at 145,368 from July 2023 to January 2024. While CTSA trips completely stopped during the pandemic, they have come back rapidly. Most programs are now open 5 days per week. CTSA agency trips are approximately 74% of ADA trips, and we expect them to keep increasing over the next few months.
- Contracted transportation trips are growing steadily; average monthly billable hours are higher than pre-pandemic levels. There were on average 2,140 billable hours pre-pandemic whereas the average for July 2023 through January 2024 was over 2,800 billable hours. This is about 20% higher than our highest pre-pandemic month.
- Meals delivered from July 2023 through January 2024 include 74,900 meals delivered on behalf of the Sacramento Food Bank and Family Services; 32,900 meals served to disabled persons through a new pilot program; and 2,250 meals to families from the Sacramento City Unified School District.
- Between July 2023 and January 2024, the Sacramento Mobility Management program successfully travel trained 22 elderly/disabled passengers and 59 youth.
- The CTSA program, where Paratransit, Inc. partners with local social service agencies, continues providing support with insurance expense, maintenance and fleet management, fuel reimbursement, buses, facility and parking space, and

driver support. Between July 2023 and January 2024 Paratransit's maintenance department completed 1,748 work orders, 80 of them for CTSA partners.

- Between July 2023 and January 2024, Paratransit, Inc. has received \$25,000 in income from renting out accessible minivans.

If you have any questions or comments about this Performance Report please contact me at 916-429-2009 ext.7234 or [LisaC@paratransit.org](mailto:LisaC@paratransit.org).

**FISCAL IMPACT:**

None

**ATTACHMENTS:**

February 2024 CFO Report  
December 2023 Income Statement  
December 2023 Balance Sheet

PARATRANSIT, INC.

# FINANCIAL REPORT

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February 2024

# Consolidated Transportation Services Agency (CTSA) Trips Provided July 2023 – January 2024

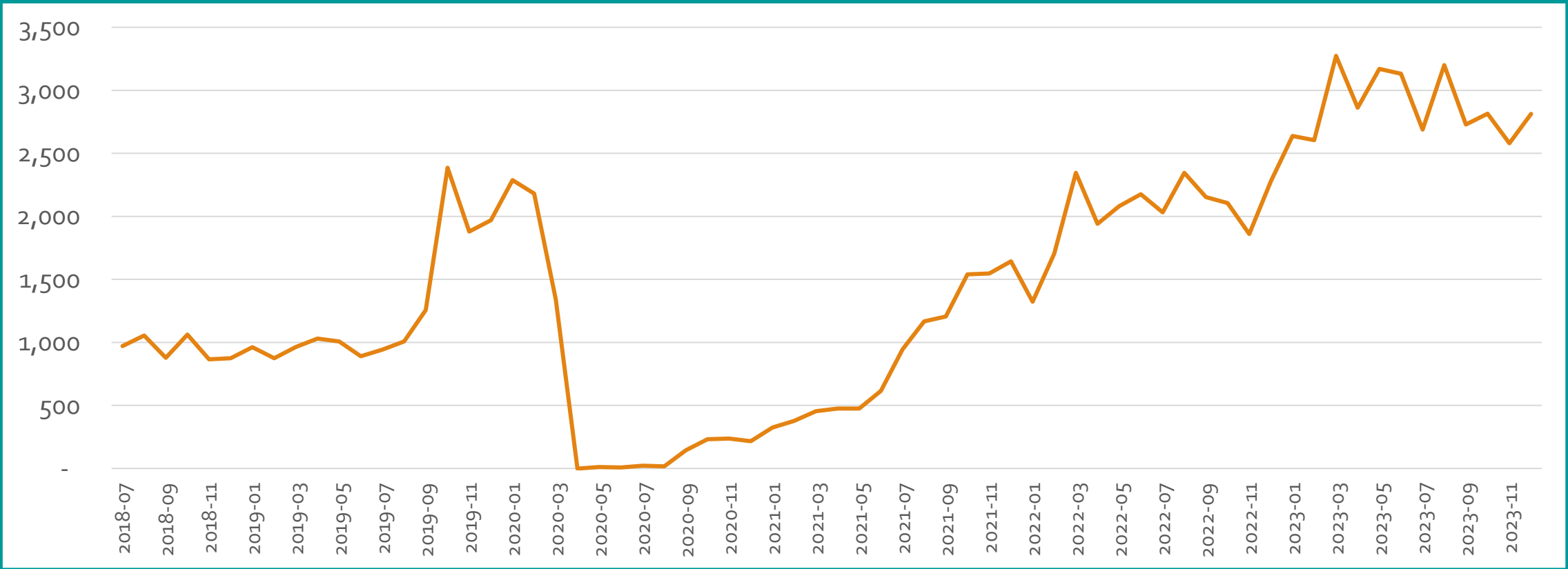
Agency	Trips	% of Trips
ACC	13,437	9%
Elk Grove Adult Community Training	31,794	22%
Easter Seals Society	3,844	3%
St. John's Program for Real Change	3,848	3%
Sutter Senior Care	27,442	19%
UCP of Sacramento & Northern CA	65,003	44%
<b>Total CTSA Trips</b>	<b>145,368</b>	<b>100%</b>





# Contracted Transportation Billable Hours

## July 2018 through Dec 2023



# Social Service Transportation

## July 2023 to Jan 2024

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- Sacramento Food Bank: 74,936 meals
- Pilot Program: 32,927 meals
- Sac City Unified School District: 2,250 meals



# Sacramento Mobility Management

## July 2023 – January 2024

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- Travel Training for Seniors & People with Disabilities
  - Successful trainees: 22 trainees
- Travel Training for Youth
  - Successful trainees: 59 trainees



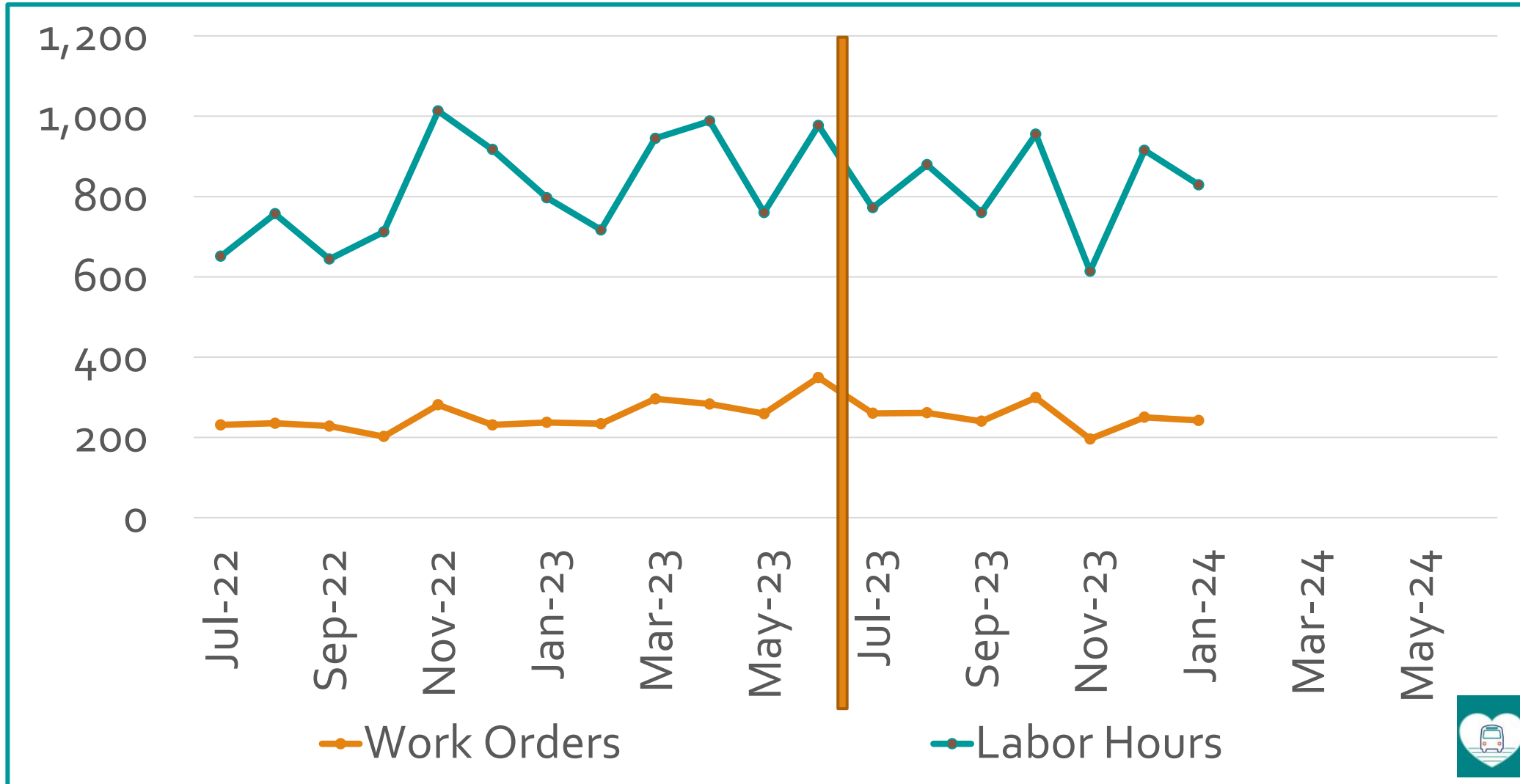
# Maintenance

## July 2023 to January 2024

<b>FY24 Maintenance Operations</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Jan 2024</b>	<b>Total</b>
Work Orders	761	745	242	1,748
Labor Hours	2,411	2484	829	5,724
Parts Cost	\$104,163	\$95,728	\$31,409	\$231,300
Total Cost	\$488,002	\$492,896	\$160,769	\$1,141,667



# FY24 Work Orders and Labor Hours



# Work Orders: July 2023 – January 2024

Vehicle Type	Work Orders
Paratransit	567
SacRT Go Paratransit Services	578
Outside Agencies	489
CTSA Partners	80
Rental Fleet	34
<b>Total Work Orders</b>	<b>1,748</b>



# Accessible Vehicle Rental Income

- 7 accessible vehicles with ramps
- \$25,000 in rental income in July 2023 – January 2024



# FY24 YTD Revenue: Budget versus Actuals

## July 2023 - December 2023 (thousands of dollars)

FY24 Revenue	Budget	Actual	\$ Difference	% Difference	Percent of Target
Measure A	\$1,360	\$1,373	\$12	1%	55%
TDA	\$769	\$666	(\$103)	-13%	44%
Grants	\$1,051	\$1,051	\$0	0%	100%
Contract Transp.	\$2,471	\$1,527	(\$944)	(38%)	31%
RT Contract	\$525	\$614	\$89	17%	59%
Maintenance/Fuel	\$588	\$637	49	8%	55%
Other Revenue	\$316	\$292	(\$24)	(8%)	47%
Capital Revenue	\$0	\$0	(\$0)	(0%)	0%
<b>Total Revenue</b>	<b>\$7,081</b>	<b>\$6,160</b>	<b>(\$920)</b>	<b>(13%)</b>	<b>44%</b>





# FY24 YTD Expense: Budget versus Actuals

## July 2023 - December 2023 (thousands of dollars)

FY24 Expense	Budget	Actual	\$ Difference	% Difference	Percent of Target
Personnel	\$3,799	\$3,445	(\$354)	(9%)	46%
Fleet Operations	\$1,296	\$1,460	\$164	13%	57%
Non Personnel	\$1,059	\$1,012	(\$48)	(4%)	49%
Capital Projects	\$289	\$203	(\$86)	(30)%	12%
<b>Total Expense</b>	<b>\$6,443</b>	<b>\$6,120</b>	<b>(\$323)</b>	<b>(5%)</b>	<b>44%</b>
Net Income		\$40			



*Thank you!*  
*Questions?*



PARATRANSIT, INC. - CONSOLIDATED  
STATEMENT OF OPERATING REVENUE AND EXPENSE AS AT 12/31/2023

	MONTHLY BUDGET	MONTHLY ACTUAL	MONTHLY VARIANCE	YEARLY BUDGET	Y-T-D BUDGET	Y-T-D ACTUAL	Y-T-D \$ VARIANCE	Y-T-D % VARIANCE
<b>REVENUE</b>								
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<b>OPERATING REVENUE:</b>								
Measure A Elderly & Disabled Transportation	198,038	253,312	55,274	2,331,743	1,175,452	1,187,718	12,266	1.04
Measure A Neighborhood Shuttle	15,417	15,417	-	185,000	185,000	185,000	-	-
TDA 4.5	129,637	99,158	(30,479)	1,526,369	769,458	666,161	(103,297)	(13.42)
SacRT Go Facility & Parking	5,775	10,815	5,040	68,000	34,278	37,852	3,574	10.43
SacRT Go Maintenance	32,857	32,258	(599)	386,868	195,022	193,550	(1,472)	(0.75)
SacRT Go Fueling	49,832	41,604	(8,228)	586,726	295,776	383,001	87,225	29.49
SACOG ARPA Mode Shift	12,740	12,740	-	150,000	150,000	150,000	-	-
SACOG ARPA Shuttles	21,233	21,233	-	250,000	250,000	250,000	-	-
Section 5307 - Regional Mobility Management	21,233	21,233	-	250,000	250,000	250,000	-	-
Section 5310 - Regional Mobility Management	21,233	21,233	-	250,000	250,000	250,000	-	-
SACOG - AoPP	10,616	10,616	-	125,000	125,000	125,000	-	-
Farmers' Market Shuttle	2,232	2,232	-	26,279	26,279	26,279	-	-
Contracted Services	416,344	255,321	(161,023)	4,902,121	2,471,204	1,527,058	(944,146)	(38.21)
Maintenance Fees	57,526	44,305	(13,221)	677,323	341,444	322,524	(18,920)	(5.54)
Destinations Mobility Rental Vans	10,192	4,384	(5,808)	120,000	60,494	21,209	(39,285)	(64.94)
Fuel Sales	41,466	42,002	536	488,227	246,120	314,435	68,315	27.76
East Bay Paratransit	19,110	25,416	6,306	225,000	113,426	119,166	5,740	5.06
Solano Transportation Authority Eligibility	16,192	13,631	(2,561)	190,652	96,108	85,468	(10,640)	(11.07)
Travel Training Revenue	1,443	1,181	(262)	16,990	8,566	11,584	3,018	35.24
Diversified Services	6,249	1,750	(4,499)	73,565	37,090	54,494	17,404	46.92
Applied to Capital Projects	(56,310)	(32,909)	23,401	(662,994)	(334,226)	(203,052)	131,174	(39.25)
<b>TOTAL OPERATING REVENUE</b>	<b>1,033,055</b>	<b>896,932</b>	<b>(136,123)</b>	<b>12,166,869</b>	<b>6,746,491</b>	<b>5,957,446</b>	<b>(789,045)</b>	<b>(11.70)</b>
<b>CAPITAL REVENUE:</b>								
10 New Vehicles	93,425	-	(93,425)	1,100,000	554,522	-	(554,522)	(100)
Applied Operating Revenue	56,310	32,909	(23,401)	662,994	334,226	203,052	(131,174)	(39.25)
Gain/(Loss) on Sale of Assets	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL REVENUE</b>	<b>149,735</b>	<b>32,909</b>	<b>(116,826)</b>	<b>1,762,994</b>	<b>888,748</b>	<b>203,052</b>	<b>(685,696)</b>	<b>(77.15)</b>
<b>TOTAL REVENUE</b>	<b>1,182,790</b>	<b>929,841</b>	<b>(252,949)</b>	<b>13,929,863</b>	<b>7,635,239</b>	<b>6,160,499</b>	<b>(1,474,740)</b>	<b>(19.31)</b>
<b>OPERATING EXPENSES</b>								
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<b>PERSONNEL:</b>								
Transportation Operations:								
Vehicle Operators	118,509	92,659	(25,850)	1,395,350	703,408	559,124	(144,284)	(20.51)
Training Center	14,004	11,544	(2,460)	164,894	83,122	80,267	(2,855)	(3.43)
Operations Administration	45,160	30,969	(14,191)	531,717	268,046	182,036	(86,010)	(32.09)
Dispatch Center	25,325	34,041	8,716	298,181	150,316	218,944	68,628	45.66
Maintenance Operations	96,027	89,905	(6,122)	1,130,642	569,966	549,036	(20,930)	(3.67)
Administration	79,534	74,853	(4,681)	936,451	472,072	459,699	(12,373)	(2.62)
Information Technology	17,894	17,150	(744)	210,682	106,208	101,171	(5,037)	(4.74)
Mobility Management	35,729	25,803	(9,926)	420,677	212,068	184,810	(27,258)	(12.85)
Fringe Benefits	186,388	164,040	(22,348)	2,194,555	1,106,302	997,799	(108,503)	(9.81)
Workers' Compensation	21,438	17,501	(3,937)	252,396	127,244	112,247	(14,997)	(11.79)
<b>TOTAL PERSONNEL</b>	<b>640,008</b>	<b>558,466</b>	<b>(81,542)</b>	<b>7,535,545</b>	<b>3,798,752</b>	<b>3,445,135</b>	<b>(353,617)</b>	<b>(9.31)</b>
<b>FLEET OPERATIONS:</b>								
Fuel	132,027	141,404	9,377	1,554,516	783,642	935,233	151,591	19.34
Insurance	47,294	50,689	3,395	556,857	280,716	338,450	57,734	20.57
Cost of Parts & Sublet Service	39,011	34,833	(4,178)	459,345	231,554	186,606	(44,948)	(19.41)
<b>TOTAL FLEET OPERATIONS</b>	<b>218,332</b>	<b>226,926</b>	<b>8,594</b>	<b>2,570,718</b>	<b>1,295,912</b>	<b>1,460,289</b>	<b>164,377</b>	<b>12.68</b>
<b>NONPERSONNEL:</b>								
Professional Services	58,152	41,031	(17,121)	684,689	345,158	284,349	(60,809)	(17.62)
Contracted Staffing	23,628	12,360	(11,268)	278,201	140,242	95,149	(45,093)	(32.15)
Outside Services	17,951	24,828	6,877	211,365	106,546	140,696	34,150	32.05
Rent/Repair	14,619	6,523	(8,096)	172,124	86,768	38,249	(48,519)	(55.92)
Office Expense	13,144	16,452	3,308	195,930	119,194	151,325	32,131	26.96
Interest Expense	6,684	13,118	6,434	78,703	39,674	40,630	956	2.41
Telephone/Utilities	22,979	22,949	(30)	270,549	136,392	158,528	22,136	16.23
Tax/License/Dues/Permits	8,256	7,977	(279)	97,204	49,004	54,040	5,036	10.28
Travel	1,717	155	(1,562)	20,216	10,194	17,748	7,554	74.10
Professional Development	4,384	1,313	(3,071)	51,625	26,022	30,821	4,799	18.44
Brokered Trans. Services	-	-	-	-	-	-	-	-
<b>TOTAL NONPERSONNEL</b>	<b>171,514</b>	<b>146,706</b>	<b>(24,808)</b>	<b>2,060,606</b>	<b>1,059,194</b>	<b>1,011,535</b>	<b>(47,659)</b>	<b>(4.50)</b>
<b>TOTAL OPERATIONS EXPENSE</b>	<b>1,029,854</b>	<b>932,097</b>	<b>(97,757)</b>	<b>12,166,869</b>	<b>6,153,858</b>	<b>5,916,959</b>	<b>(236,899)</b>	<b>(3.85)</b>
<b>CAPITAL PROJECTS:</b>								
Florin Road Facility	9,004	8,918	(86)	106,022	53,444	52,518	(926)	(1.73)
Vehicle Acquisition Project	22,564	22,119	(445)	265,669	133,928	131,479	(2,449)	(1.83)
10 New Vehicles	-	-	-	1,183,027	-	-	-	-
Tablets & Software for Vehicles	7,474	-	(7,474)	88,000	44,362	-	(44,362)	(100.00)
Facility Reserve	7,667	-	(7,667)	90,276	45,508	-	(45,508)	(100.00)
Office Furniture & Equipment	-	-	-	10,000	-	-	-	-
Network & Telecommunications	-	-	-	10,000	10,000	17,183	7,183	71.83
Maintenance Equipment	1,872	1,872	-	10,000	1,872	1,872	-	-
Miscellaneous Capital Projects	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL PROJECTS</b>	<b>48,581</b>	<b>32,909</b>	<b>(15,672)</b>	<b>1,762,994</b>	<b>289,114</b>	<b>203,052</b>	<b>(86,061)</b>	<b>(29.77)</b>
<b>TOTAL OPERATING AND CAPITAL EXPENSE</b>	<b>1,078,435</b>	<b>965,006</b>	<b>(113,428)</b>	<b>13,929,863</b>	<b>6,442,972</b>	<b>6,120,011</b>	<b>(322,961)</b>	<b>(5.01)</b>
<b>NET INCOME (LOSS)</b>	<b>104,355</b>	<b>(35,166)</b>	<b>(139,521)</b>	<b>-</b>	<b>1,192,267</b>	<b>40,488</b>	<b>(1,151,779)</b>	<b>(96.60)</b>

PARATRANSIT, INC.  
 COMBINED BALANCE SHEET  
 12/31/2023  
 UNAUDITED

ASSETS  
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CURRENT ASSETS:	
Cash	1,446,825
Medical Annuity	225,060
Accounts Receivable	1,036,617
Grants Receivable	787,466
Inventory	39,825
Deposits and Prepaid Expenses	<u>642,773</u>
TOTAL CURRENT ASSETS	4,178,565
CAPITAL ASSETS:	
Land Assets	924,736
Grant Equipment	10,191,968
Non-Grant Equipment	<u>7,113,201</u>
TOTAL COST	18,229,905
Less Accumulated Depreciation	<u>(13,292,482)</u>
Net Capital Assets	<u>4,937,423</u>
TOTAL ASSETS	<u><u>9,115,988</u></u>

LIABILITIES AND FUND BALANCE  
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CURRENT LIABILITIES	
Accounts Payable	269,188
Accrued Payroll & Benefits	188,371
Sales Tax Payable	1,460
Lease/Notes Payable	322,381
Other Payables	<u>5,327</u>
TOTAL CURRENT LIABILITIES	786,726
LONG-TERM LIABILITIES:	
Long Term Liabilities	<u>2,437,007</u>
TOTAL LONG TERM LIABILITIES	2,437,007
TOTAL LIABILITIES	3,223,733
FUND EQUITY	
Contributed Capital	296,585
Restricted for grant administration	13,001
Retained Earnings (Loss)	<u>5,582,668</u>
TOTAL FUND EQUITY	5,892,255
TOTAL LIABILITIES AND FUND BALANCE	<u><u>9,115,988</u></u>



**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 6A**

**AGENDA TITLE:** Approve the Minutes of the December 18, 2023 Meeting of the Board of Directors

**MEETING DATE:** February 15, 2024

**PREPARED BY:** Chris M. Brown, SHRM-SCP, SPHR, Assistant Secretary of the Board of Directors

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**Recommended Action:**

Approve the Minutes of the December 18, 2023, Meeting of the Board of Directors.

**Minutes**

December 18, 2023  
6:00 p.m.  
Ron Brown Conference Center  
2501 Florin Road  
Sacramento, CA 95822

**Board Members Present**

Jim Alves  
Julia Burrows  
Pat Hume  
Alice Kimble  
Kim Tucker  
Leigh White

**Board Members Absent**

**Public Present**

None

## **Staff Present**

Tiffani Scott, President and Chief Executive Officer  
Lisa Cappellari, PhD, Chief Financial Officer  
Chris Brown, SHRM-SCP, SPHR, Chief Administrative Officer  
Gary Vickers, Chief Operating Officer  
Amy Parkin, Director of Operations  
Jesse Isaacson, Director of Information Technology  
Jamila Lee, SHRM-CP, PHR, Director of Human Resources  
Alicia Brown, Director of Strategic Initiatives and Mobility  
Julio Diaz, Maintenance Manager  
Kevin Rickman, Operations and Training Manager  
Jessica Lewis, Operations and Training Manager

**Call to Order/Roll Call** Director Hume called the meeting to order at 6:06 p.m.

Directors: Alves, Burrows, Hume, Kimble, Tucker, White

## **Pledge of Allegiance**

Director Hume opened the meeting by leading the Pledge of Allegiance.

## **Public Comment**

No public comment.

## **Staff Reports**

### A. CEO Report

#### a. Update on Activities and Contracts

Chief Executive Officer Tiffani Scott provided an a year in review presentation for 2023. Activities in 2023 included continuation of rebranding the building, new and improved recruitment materials, an update on grants submissions and awards, Paratransit's participation in the community, including the 45<sup>th</sup> anniversary activities, over 3000 boxes distributed for Winter Wish List, CEO Scott's selection as Entrepreneur of the Year by the Sacramento Metro Chamber and her presentation on mobility at the CTA Conference.

b. Recognition of Board Member Alice Kimble

CEO Scott thanked Director Kimble for her service to the Board. Director Hume stated Director Kimble always brought genuine concern for riders and operations and stood up to make sure people were not left behind. Director Kimble shared she started riding the service at 19 years old and reminded us to be kind to the passengers and they will be kind to us.

B. CFO Report

a. Monthly Financial Report

Chief Financial Officer Lisa Cappellari thanked the Board for judging holiday decorations in the staff areas and Director Kimble for her service. CFO Cappellari reviewed her written staff report of financial measures through October 2023 and operating data through November 2023. CFO Cappellari shared the 2023 Fiscal Year Financial Audit and mid-year budget adjustment will be presented at the February 2024 Board Meeting.

**Consent Calendar**

The Consent Calendar was approved upon motion by Director Burrows, seconded by Director White. The motion passed.

A. Approve the Minutes of the August 21, 2023 Special Meeting of the Board of Directors

**The Minutes of the Meeting of the Board of Directors held August 21, 2023 were approved as presented.**

B. Adopt Resolution 11-23 Approving the 2024 Board Meeting Calendar

**Resolution 11-23 was approved as presented.**

**AYES:** Alves, Burrows, Hume, Kimble, Tucker, White

**NOES:** None

**ABSTENTIONS:** None

**ABSENT:** None

## **Action Items**

### A. Discussion and Appointment of Two New Board Members for a 3 year term, beginning January 1, 2024

CEO Scott shared there are two Board member terms expiring on December 31, 2023. She spoke with several people in the community and presented two recommendations, April Dawson and Patrick Mulvaney, to the Nominating Committee. Ms. Dawson was in attendance and shared she is a disability advocate and is passionate about Paratransit's mission. CEO Scott shared Mr. Mulvaney's community involvement in the food industry and downtown Sacramento activities. The board agreed Ms. Dawson and Mr. Mulvaney would be assets to Paratransit.

Director Tucker moved to approve appointment of April Dawson and Patrick Mulvaney to the Paratransit, Inc. Board of Directors for three year terms beginning January 1, 2024. The motion was seconded by Director Burrows, and it was unanimously approved by the Board.

**AYES:** Alves, Burrows, Hume, Kimble, Tucker, White

**NOES:** None

**ABSTENTIONS:** None

**ABSENT:** None

### B. Adopt Resolution 12-23 Authorizing the President and Chief Executive Officer, as well as, the Chief Financial Officer to negotiate and execute a revised unit size for the Woodbine property development project and confirming that Resolutions 18-22 through 23-22 apply to the revised unit size

CEO Scott stated that due to increased interest rates and the resulting funding gap, staff is requesting permission to move forward with a reduced number of units on the housing project and phase in the remainder of the units if it makes sense. Director Burrows asked if the decisions go to the PI Housing Solutions Board first. CEO Scott said since the project is not funded the Paratransit Board makes the decision. Directors Burrows and Kimble asked about the infrastructure, use of parcel and amenities. CEO Scott said the infrastructure and amenities will be in place for the full project while only using the Woodbine Avenue side of the parcel.



Director White moved to adopt Resolution 12-23 as presented. The motion was seconded by Director Hume, and it was unanimously approved by the Board.

**AYES:** Alves, Burrows, Hume, Kimble, Tucker, White

**NOES:** None

**ABSTENTIONS:** None

**ABSENT:** None

### **Closed Session**

The Board adjourned to closed session at 7:08 p.m.

### **Reconvene to Open Session**

The Board reconvened to open session at 7:39 p.m. Director Hume reported the Board is happy with the self-directed evaluation CEO Scott submitted. Director Hume provided CEO Scott with a document adding an additional goal of conducting an employee morale survey in the first quarter of 2024 as part of the employer of choice metric and analyzing the data to provide recommendations to the Board. Additionally, Director Hume informed CEO Scott the Board approved a 3% rate increase for her effective January 1, 2024.

### **Board Comments/Reports/Future Agenda Items**

None

### **Adjournment**

Director Hume announced the meeting adjourned at 7:40 p.m.

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Chris M. Brown, SHRM-SCP, SPHR  
Chief Administrative Officer/Secretary

2/15/24  
Date



**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 5B(b)**

**AGENDA TITLE:** RECEIVE AND FILE THE FISCAL YEAR 2022-2023  
FINANCIAL AUDIT

**MEETING DATE:** FEBRUARY 15, 2024

**PREPARED BY:** LISA M. CAPPELLARI, CHIEF FINANCIAL OFFICER

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**RECOMMENDED ACTION:**

Receive and file the Fiscal Year 2022-2023 Financial Audit.

**BACKGROUND AND DISCUSSION:**

In November of 2023, Richardson and Company, a regional CPA firm, audited Paratransit, Inc.'s financial records. As of June 30, 2023, Paratransit, Inc. had a total of \$11 million in assets, \$3.5 million in liabilities, and a net position of \$7.4 million.

Paratransit, Inc. has two long-term liabilities with Five Star Bank: a facility loan and a vehicle loan. The balance of the facility loan as of June 2023 is \$2 million, and the balance of the vehicle loan is \$613,000.

Paratransit, Inc. is required to maintain a fare revenue to operating expense ratio of 5% in order to be eligible for Transportation Development Act (TDA) funding. As of June 30, 2023, Paratransit, Inc.'s fare revenue ratio is 37%.

During fiscal year 2022-2023, Paratransit, Inc. spent \$2.3 million in federal grants: \$1.75 million in American Rescue Plan stimulus funds, \$580,000 in mobility management funds, and \$12,000 in US Department of Agriculture (USDA) funds. This automatically triggered a Single Audit which identified 2 issues. The first was that the Assistance Listing number of one of the mobility management grants was mislabeled. Each Assistance Listing number may have different audit requirements. The second issue was the inclusion of funds for internally-created software, which inadvertently included unallowable historical costs used to create the software. In conjunction with accounting staff I created Corrective Actions Plans, in order to avoid these issues in the future.

**FISCAL IMPACT:**

None

**ATTACHMENTS:**

1. Fiscal Year 2022-2023 Financial Audit

**PARATRANSIT, INC.**

Audited Financial Statements, Other Supplementary  
Information and Compliance Report

June 30, 2023

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PARATRANSIT, INC.

Audited Financial Statements, Other Supplementary  
Information and Compliance Report

June 30, 2023 and 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Paratransit, Inc.  
Sacramento, California

### *Opinions*

We have audited the accompanying statutory-basis financial statements of Paratransit, Inc. (a nonprofit organization) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, because Paratransit, Inc. is required to prepare its financial statements on the basis of accounting discussed in the "Basis for Qualified Opinion" paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted for nonprofit organizations, the financial position of Paratransit, Inc. as of June 30, 2023 and 2022, or the results of its operations or its cash flows for the fiscal years then ended.

However, in our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Paratransit, Inc. as of June 30, 2023 and 2022, and the results of its operations and cash flows for the fiscal years then ended, on the basis of accounting described in Note A.

### *Basis for Qualified Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Paratransit and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions.

As described in Note A, these financial statements were prepared in conformity with the accounting principles prescribed by the Transportation Development Act, which requires Paratransit, Inc. to prepare its financial statements in the same manner as an enterprise fund in a governmental agency. This method follows accounting principles generally accepted for governmental agencies, but is a comprehensive basis of accounting other than accounting principles generally accepted for nonprofit organizations.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



To the Board of Directors  
Paratransit, Inc.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Paratransit, Inc.'s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Paratransit Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Paratransit Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Paratransit, Inc. has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

To the Board of Directors  
Paratransit, Inc.

Accounting principles generally accepted in the United States of America require that the schedule of changes in the total OPEB liability and related ratios and schedule of contributions to the OPEB plan, as described in the table of contents, be presented to supplement the basic financial statements. The schedule of changes in the total OPEB liability and related ratios and schedule of contributions to the OPEB plan are not a part of the basic financial statements, but are required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2023 on our consideration of the Paratransit Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, including the Transportation Development Act and other state program guidelines. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paratransit's internal control over financial reporting and compliance.

*Richardson & Company, LLP*

December 29, 2023

PARATRANSIT, INC.

BALANCE SHEETS – STATUTORY BASIS

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents - Note B	\$ 1,116,838	\$ 3,669,930
Accounts and grants receivable - Note C	3,612,420	1,872,045
Inventory	114,148	104,424
Deposits and prepaid expenses	331,453	424,118
TOTAL CURRENT ASSETS	<u>5,174,859</u>	<u>6,070,517</u>
RESTRICTED ASSETS		
Restricted cash and cash equivalents - Note D	13,001	13,001
Restricted investments - Note D	225,060	240,590
TOTAL RESTRICTED ASSETS	<u>238,061</u>	<u>253,591</u>
CAPITAL ASSETS, NET - Notes E	<u>5,519,109</u>	<u>6,754,780</u>
TOTAL ASSETS	<u>\$ 10,932,029</u>	<u>\$ 13,078,888</u>
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable	\$ 534,445	\$ 1,014,572
Accrued payroll and related benefits	157,513	158,671
Other current liabilities	12,032	11,355
Current portion of long-term liabilities	645,232	691,667
TOTAL CURRENT LIABILITIES	<u>1,349,222</u>	<u>1,876,265</u>
Long term liabilities – Note I	1,940,915	2,312,606
Other postemployment benefits liability - Note M	224,861	234,371
TOTAL LIABILITIES	<u>3,514,998</u>	<u>4,423,242</u>
NET POSITION		
Net investment in capital assets	3,237,114	4,082,496
Restricted for grant administration	13,001	13,001
Restricted for OPEB		15,730
Unrestricted	4,166,916	4,544,419
TOTAL NET POSITION	<u>7,417,031</u>	<u>8,655,646</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 10,932,029</u>	<u>\$ 13,078,888</u>

The accompanying notes are an integral part of these financial statements.

PARATRANSIT, INC.

STATEMENTS OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION – STATUTORY BASIS

For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>OPERATING REVENUES</b>		
Fares – Note J	\$ 2,765,643	\$ 1,776,817
Diversified transportation services	1,174,774	2,901,223
Mobility training	75,456	70,965
Maintenance fees	1,110,661	605,640
Destinations Mobility	89,585	54,201
Advertising	3,200	3,364
Other	25,679	18,281
TOTAL OPERATING REVENUES	<u>5,244,998</u>	<u>5,430,491</u>
<b>OPERATING EXPENSES</b>		
Elderly and disabled transportation	8,774,218	8,516,422
Diversified services and outside maintenance	3,333,346	4,538,401
Mobility training services	518,631	458,843
PI Housing Solutions	68,710	-
Destinations Mobility	31,807	58,431
TOTAL OPERATING EXPENSES	<u>12,726,712</u>	<u>13,572,097</u>
NET LOSS FROM OPERATIONS	(7,481,714)	(8,141,606)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Measure A Funds	2,312,585	3,047,595
American Rescue Plan grant	1,750,000	
Local Transportation Funds - Sacramento Area COG	1,400,156	1,189,515
Federal grants	729,664	2,330,501
Gain on disposal of capital assets	42,164	9,090
Interest income	8,530	8,853
Paycheck Protection Program		1,990,000
TOTAL NONOPERATING REVENUES	<u>6,243,099</u>	<u>8,575,554</u>
NET (LOSS) INCOME BEFORE CAPITAL CONTRIBUTIONS	(1,238,615)	433,948
<b>CAPITAL CONTRIBUTIONS</b>		
CalEMA (Proposition 1B)		55,774
SACOG PTMISEA (Proposition 1B)		78,382
TOTAL CAPITAL CONTRIBUTIONS		<u>134,156</u>
CHANGE IN NET POSITION	(1,238,615)	568,104
Net position at beginning of year	<u>8,655,646</u>	<u>8,087,542</u>
NET POSITION AT END OF YEAR	<u>\$ 7,417,031</u>	<u>\$ 8,655,646</u>

The accompanying notes are an integral part of these financial statements.

PARATRANSIT, INC.

STATEMENTS OF CASH FLOWS – STATUTORY BASIS

For the Years Ended June 30, 2023 and 2022

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	\$ 5,756,996	\$ 5,620,123
Cash paid to suppliers for goods and services	(5,423,076)	(3,606,793)
Cash paid to employees for services	(6,443,095)	(7,889,698)
NET CASH FLOWS USED FOR OPERATING ACTIVITIES	(6,109,175)	(5,876,368)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Nonoperating grants and subsidies	3,940,032	6,089,034
NET CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	3,940,032	6,089,034
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Grants received for capital acquisitions	-	134,156
Acquisition of capital assets	(72,064)	(254,389)
Payments on long-term debt	(390,125)	(318,161)
Proceeds from disposal of capital assets	54,180	9,428
NET CASH FLOWS USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(408,009)	(428,966)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from restricted investments	15,530	
Purchase of restricted investments		(8,113)
Interest earnings	8,530	8,853
NET CASH FLOWS PROVIDED BY BY INVESTING ACTIVITIES	24,060	740
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,553,092)	(215,560)
Cash and cash equivalents at beginning of year	3,682,931	3,898,491
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 1,129,839	\$ 3,682,931
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEETS</b>		
Cash and cash equivalents	\$ 1,116,838	\$ 3,669,930
Restricted cash and cash equivalents	13,001	13,001
	\$ 1,129,839	\$ 3,682,931

(Continued)

PARATRANSIT, INC.

STATEMENTS OF CASH FLOWS – STATUTORY BASIS (Continued)

For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
RECONCILIATION OF NET LOSS FROM OPERATIONS TO NET CASH USED FOR OPERATING ACTIVITIES		
Net loss from operations	\$ (7,481,714)	\$ (8,141,606)
Adjustments to reconcile net loss from operations to net cash used for operating activities:		
Depreciation	1,295,719	1,380,639
Change in operating assets and liabilities:		
Accounts receivable	511,998	189,632
Inventory	(9,724)	(9,500)
Deposits and prepaid expenses	92,665	72,271
Accounts payable	(480,127)	717,312
Accrued payroll and related benefits	(1,158)	10,519
Other current liabilities	677	7,500
Deferred compensation plan	(9,510)	(26,850)
Compensated absences	(28,001)	(76,285)
NET CASH FLOWS USED FOR OPERATING ACTIVITIES	<u>\$ (6,109,175)</u>	<u>\$ (5,876,368)</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for interest expense	\$ 97,803	\$ 106,163
Noncash transactions		
Loan forgiveness		1,990,000

The accompanying notes are an integral part of these financial statements.

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS

June 30, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: Paratransit, Inc. (Paratransit) is a nonprofit organization that provides transportation services for numerous organizations. Paratransit fulfills two major transportation functions in the Sacramento area: 1) that of the provider of specialized transportation service to the elderly and disabled, and 2) that of the designated Consolidated Transportation Service Agency (CTSA). As a CTSA, Paratransit is responsible for the coordination and consolidation of social-service agency transportation programs in order to maximize the use of their transportation dollars. Paratransit has expanded its services to include specialized transportation and maintenance services for nontraditional markets such as suburban, residential, business and industrial parks, transportation management associations, business district associations and public agencies. Paratransit also expanded their services in 2022 to partner with Meals on Wheels and Sacramento Food Bank to provide food delivery services.

The financial statements include the financial activities of PI Housing Solutions, Inc. (PI), a nonprofit public benefit corporation. PI was formed May 23, 2023 to engage in charitable activities within the meaning of section 501(c)(2) of the Internal Revenue Code related to holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to Paratransit. PI is reported as a blended component unit of Paratransit because Paratransit's Board of Directors is also the governing body of PI. Paratransit has a residual interest in any property held by PI upon its dissolution.

Basis of Presentation: The financial statements of Paratransit have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. To comply with the Transportation Development Act (TDA) and the Uniform System of Accounts for Public Transit Operators, Paratransit must report its operations in the form of an enterprise fund of a governmental agency. Therefore, Paratransit follows GAAP as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In addition, Paratransit follows Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting: Enterprise funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Net position is segregated into amounts invested in capital assets, net of related debt, restricted and amounts unrestricted. Enterprise fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position.

Paratransit uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. When such funds are received they are recorded as unearned revenues until earned. TDA funds are recorded when all eligibility requirements have been met.

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of Paratransit are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is Paratransit's policy to use restricted resources first, then unrestricted resources as they are needed.

Paratransit is funded through various grant and other funding agreements with local and federal governmental agencies that provide for returning of excess funds, which are standard in the public transit industry in California. Eligibility for funding is generally restricted to qualifying expenditures, which means that the funds have to be spent in order to be earned. Any excess funding received would be recorded as unearned revenue due to the grant terms or restrictions.

Cash and Cash Equivalents: For the purposes of reporting cash flows, cash and cash equivalents are defined as those amounts included in the balance sheets captions "Cash and cash equivalents" and "Restricted cash and cash equivalents" and consist of amounts held in checking accounts.

Inventories: Inventories are valued at cost, which approximates market, determined by the moving average method. Inventories consist of tires, fuel and repair parts.

Capital Assets: Capital assets are stated at cost. Donated capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Capital assets are defined as assets with an initial cost of \$500 or more and an estimated useful life in excess of one year. Provision is made for depreciation by the straight-line method over the estimated useful lives of the individual assets, which generally is five to thirty years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Compensated Absences: Paratransit's personnel policy allows employees to accumulate earned but unused vacation. Unused accrued vacation time will be paid to employees upon separation from Paratransit's service, subject to a vesting policy. The cost of vacation is recorded in the period accrued.

Income Tax Status: Paratransit is a tax exempt organization under Section 501(c)(3) of the United States Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code and, accordingly, is not subject to federal or state income taxes except on unrelated business income. Paratransit receives unrelated business income from providing advertising. However, such income is offset with net operating losses carried forward from the prior year. As a result, no income tax expenses were recorded for the years ended June 30, 2023 and 2022. Paratransit is not classified as a private foundation.

PI Housing Solutions, Inc. is a tax exempt organization under Section 501(c)(2) of the United States Internal Revenue Code and Section 23701(h) of the California Revenue and Taxation Code and, accordingly, is not subject to federal or state income taxes.



PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents and restricted cash and cash equivalents consist of balances held in financial institutions. Paratransit maintains cash balances at two banks, which are federally insured up to \$250,000 each. At June 30, 2023 and 2022, respectively, Paratransit had uninsured bank balances of \$1,005,922 and \$3,226,910 respectively.

NOTE C – ACCOUNTS AND GRANTS RECEIVABLE

Receivable balances consist of the following at June 30:

	<u>2023</u>	<u>2022</u>
Trade receivables	\$ 681,844	\$ 1,193,848
Grants and other intergovernmental receivables	2,960,570	708,197
Allowance for doubtful accounts	<u>(30,000)</u>	<u>(30,000)</u>
	<u>\$ 3,612,414</u>	<u>\$ 1,872,045</u>

NOTE D – RESTRICTED CASH AND INVESTMENTS

Restricted Cash and Cash Equivalents: Paratransit has bank deposits that are restricted for the following at June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Caltrans local match funds	\$ 13,001	\$ 13,001
	<u>\$ 13,001</u>	<u>\$ 13,001</u>

Restricted Investments: Paratransit also held a single premium deferred annuity from an insurance company in the amount of \$225,060 and \$240,590 at June 30, 2023 and 2022, respectively, that is restricted to fund postemployment healthcare benefits (OPEB), as described in Note M. Although the owner of the contract is a retired employee whose OPEB benefits the contract is restricted to pay, Paratransit is the beneficiary of the contract so it is considered to be a Paratransit investment. The investment is reported as an unallocated insurance contract, which is reported at the contract value under paragraph 4 of GASB Statement No. 59. The contract value is defined as the initial premium, less withdrawals and surrender charges, plus interest earned. The annuity's contract period ends in ten years and has a fixed guaranteed interest rate of 3.82% for five years from the date the initial premium was paid on July 26, 2018. The interest resets at a new guaranteed rate after the five-year guarantee period, which will not decline below 1%. The contract is subject to yearly withdrawal limits of 10% to avoid surrender charges and a market value adjustment, except within 30 days before the end of the guarantee period when no surrender charge or market value adjustment would apply. Surrender charges begin at 8% in the initial year and decline 1% per year until the end of the contract period. The minimum cash surrender value of the contract is 87.5% of the initial premium, less withdrawals plus interest credited. If the assets were returned to Paratransit under contract provisions, the amount would no longer be considered restricted for OPEB benefits.

The investment is not subject to ratings by a nationally recognized investment rating organization and is not subject to categorization under GASB Statement No. 72.

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE E – CAPITAL ASSETS

Capital asset activity was as follows for the years ended June 30:

	Balance at July 1, 2022	Additions	Retirements	Balance at June 30, 2023
Capital assets, not being depreciated				
Land	\$ 924,736			\$ 924,736
Total capital assets, not being depreciated	<u>924,736</u>			<u>924,736</u>
Capital assets, being depreciated:				
Building	5,748,586	\$ 10,299		5,758,885
Motor vehicles and related equipment	10,471,143		\$ (1,382,376)	9,088,767
Office furniture and equipment	2,015,369	61,765	(72,734)	2,004,400
Maintenance equipment	454,273		(20,211)	434,062
Total capital assets being depreciated	<u>18,689,371</u>	<u>72,064</u>	<u>(1,475,321)</u>	<u>17,286,114</u>
Less accumulated depreciation for:				
Building	(4,151,214)	(342,034)		(4,493,248)
Motor vehicles and related equipment	(6,453,652)	(851,745)	1,382,930	(5,922,467)
Office furniture and equipment	(1,815,833)	(93,530)	61,769	(1,847,594)
Maintenance equipment	(438,628)	(8,410)	18,606	(428,432)
Total accumulated depreciation	<u>(12,859,327)</u>	<u>(1,295,719)</u>	<u>1,463,305</u>	<u>(12,691,741)</u>
Total capital assets being depreciated, net	<u>5,830,044</u>	<u>(1,223,655)</u>	<u>(12,016)</u>	<u>4,594,373</u>
Capital assets, net	<u>\$ 6,754,780</u>	<u>\$ (1,223,655)</u>	<u>\$ (12,016)</u>	<u>\$ 5,519,109</u>
	Balance at July 1, 2021	Additions	Retirements	Balance at June 30, 2022
Capital assets, not being depreciated				
Land	\$ 924,736			\$ 924,736
Total capital assets, not being depreciated	<u>924,736</u>			<u>924,736</u>
Capital assets, being depreciated:				
Building	6,020,002	\$ 68,055	\$ (339,471)	5,748,586
Motor vehicles and related equipment	11,775,061	85,441	(1,389,359)	10,471,143
Office furniture and equipment	3,259,311	100,893	(1,344,835)	2,015,369
Maintenance equipment	857,031		(402,758)	454,273
Total capital assets being depreciated	<u>21,911,405</u>	<u>254,389</u>	<u>(3,476,423)</u>	<u>18,689,371</u>
Less accumulated depreciation for:				
Building	(4,142,436)	(348,249)	339,471	(4,151,214)
Motor vehicles and related equipment	(6,934,371)	(908,640)	1,389,359	(6,453,652)
Office furniture and equipment	(3,045,963)	(114,367)	1,344,497	(1,815,833)
Maintenance equipment	(832,003)	(9,383)	402,758	(438,628)
Total accumulated depreciation	<u>(14,954,773)</u>	<u>(1,380,639)</u>	<u>3,476,085</u>	<u>(12,859,327)</u>
Total capital assets being depreciated, net	<u>6,956,632</u>	<u>(1,126,250)</u>	<u>(338)</u>	<u>5,830,044</u>
Capital assets, net	<u>\$ 7,881,368</u>	<u>\$ (1,126,250)</u>	<u>\$ (338)</u>	<u>\$ 6,754,780</u>

NOTE F – LEASING ARRANGEMENTS

Paratransit leases certain equipment and a parking lot adjacent to its main facility at 2401 Florin Road under month-to-month agreements. Rent expense for the years ended June 30, 2023 and 2022 for all leases amounted to \$81,145 and \$84,783, respectively.

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE G – LINE OF CREDIT

Paratransit has a line of credit for \$1,000,000 that expires December 1, 2024. The interest rate is variable and equal to the bank’s index rate plus 0.75%, with a floor of 4%. The interest rates at June 30, 2023 and 2022 were 8.5% and 5.5%, respectively. Interest only payments are due monthly and all outstanding principal and unpaid accrued interest is due in full at maturity. The loan is secured by inventory, equipment, real property and buses. No amounts were due on the line of credit at June 30, 2023 and 2022.

NOTE H – PAYCHECK PROTECTION PROGRAM LOAN

In April 2020, Paratransit received loan proceeds in the amount of \$1,990,000 under the Paycheck Protection Program (PPP). Established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), the PPP provides for loans to qualifying entities in amounts up to 2.5 times the entity’s average monthly payroll expenses. PPP loans and accrued interest are forgivable after a “covered period” elected by the borrower as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities. The loan was forgiven in December 2021. Forgiveness income of \$1,990,000 has been recorded for the year ended June 30, 2022, representing principal the PPP loan as of the date of forgiveness.

NOTE I – LONG-TERM LIABILITIES

Long-term debt consists of the following direct borrowings at June 30:

	<u>Original Debt</u>	<u>Balance at June 30, 2023</u>	<u>Balance at June 30, 2022</u>
<b>FIVE STAR BANK FACILITY LOAN</b>			
Entered into in December 2020 to refinance an earlier loan used to purchase the Paratransit building, and perform repairs on the facility. The interest rate is a fixed, tax exempt rate of 3.66%. Monthly principal and interest payments of \$14,731 are due through September 1, 2037. The loan is secured by Paratransit’s facility, located at 2501 Florin Road, Sacramento, CA.	\$ 2,250,000	\$ 1,947,646	\$ 2,058,783
<b>FIVE STAR BANK EQUIPMENT LOAN</b>			
Entered into in December 2020 to refinance the purchase of fifteen vehicles. The interest rate is 3.22% through October 1, 2024. Monthly principal and interest payments of \$22,251 are due through October 1, 2024. The loan is secured by fifteen Paratransit vehicles.	<u>1,633,301</u>	<u>334,349</u>	<u>613,337</u>
	<u>\$ 3,883,301</u>	<u>\$ 2,281,995</u>	<u>\$ 2,672,120</u>

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE I – LONG-TERM LIABILITIES (Continued)

Both loans have default provisions that allow Five Star Bank to take possession of property held as security.

Long-term debt activity for the years ended June 30, 2023 and 2022 was as follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Within One Year
Long-term debt:					
Mortgage Loan	\$ 2,058,783		\$ (111,137)	\$ 1,947,646	\$ 97,236
Vehicle Loan	613,337		(278,988)	334,349	243,844
Long-term debt	<u>2,672,120</u>		<u>(390,125)</u>	<u>2,281,995</u>	<u>341,080</u>
Other long-term liabilities:					
Compensated absences	332,153	\$ 373,511	(401,512)	304,152	304,152
Other long-term liabilities	<u>332,153</u>	<u>373,511</u>	<u>(401,512)</u>	<u>304,152</u>	<u>304,152</u>
	<u>\$ 3,004,273</u>	<u>\$ 373,511</u>	<u>\$ (791,637)</u>	<u>\$ 2,586,147</u>	<u>\$ 645,232</u>
	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Within One Year
Long-term debt:					
Mortgage Loan	\$ 2,148,093		\$ (89,310)	\$ 2,058,783	\$ 102,352
Vehicle Loan	842,188		(228,851)	613,337	257,162
Long-term debt	<u>2,990,281</u>		<u>(318,161)</u>	<u>2,672,120</u>	<u>359,514</u>
Other long-term liabilities:					
Compensated absences	408,438	\$ 451,870	(528,155)	332,153	332,153
	<u>\$ 3,398,719</u>	<u>\$ 451,870</u>	<u>\$ (846,316)</u>	<u>\$ 3,004,273</u>	<u>\$ 691,667</u>

The maturities of long-term debt consist of the following:

	Principal	Interest	Total
2024	\$ 341,081	\$ 71,781	\$ 412,862
2025	200,722	67,427	268,149
2026	114,377	62,649	177,026
2027	118,694	58,331	177,025
2028	123,028	53,997	177,025
2029-2037	<u>1,384,094</u>	<u>253,394</u>	<u>1,637,488</u>
Total	<u>\$ 2,281,996</u>	<u>\$ 567,579</u>	<u>\$ 2,849,575</u>

NOTE J – FARE REVENUE RATIO

Paratransit is required to maintain a fare revenue to operating expense ratio of 5% in order to be eligible for TDA funding. The fare revenue to operating expense ratio for Paratransit is calculated as follows for the years ended June 30:

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE J – FARE REVENUE RATIO (Continued)

	<u>2023</u>	<u>2022</u>
Fare revenues	\$ 2,765,643	\$ 1,776,817
Local funds - interest income	8,530	8,853
Total fare revenues and local funds	<u>\$ 2,774,173</u>	<u>\$ 1,785,670</u>
Total operating expenses	\$ 12,726,712	\$ 13,572,097
Less:		
Mobility training	(518,631)	(458,843)
Depreciation, included in elderly and disabled transportation	(1,295,169)	(1,350,432)
Diversified services and outside maintenance	(3,333,346)	(4,538,401)
PI Housing Solutions	(68,710)	
Destinations Mobility, including depreciation	<u>(31,807)</u>	<u>(58,431)</u>
Net operating expenses	<u>\$ 7,479,049</u>	<u>\$ 7,165,990</u>
Fare revenue ratio	<u>37.09%</u>	<u>24.92%</u>
Required ratio	<u>5.00%</u>	<u>5.00%</u>

NOTE K - CALIFORNIA OFFICE OF EMERGENCY SERVICES (CalOES)

California Office of Emergency Services (CalOES): As approved by the voters in the November 2006 general elections, Proposition 1B enacts the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to authorize \$19.925 billion of state general obligation bonds for specified purposes, including grants for transit system safety, security and disaster response projects. CalOES has been charged with administering the following Prop 1B California Transit Security Grant Program (CTSGBP).

Paratransit applied for and received proceeds of \$275,000 for an enhanced facility security project during the year ended June 30, 2018. As of June 30, 2023 and 2022, there were no remaining unspent proceeds. Qualifying expenses must be encumbered within three years from the date of the allocation and expended within three years from the date of the encumbrance. As of June 30, 2023 and 2022, funds received and expended were as follows:

	<u>2023</u>	<u>2022</u>
Balance at beginning of year	\$ -	\$ 55,752
Interest earnings		22
Expenses incurred:		
On-board cameras		<u>(55,774)</u>
Unexpended proceeds	<u>\$ -</u>	<u>\$ -</u>

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE L – PTMISEA ACTIVITY

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Regulation, Air Quality, and Port Security Bond Act of 2006. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State as instructed by statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements or for rolling stock procurement, rehabilitation or replacement.

In accordance with the Budget Act of 2018 the remaining balances of PTMISEA appropriations were to be encumbered and liquidated by June 30, 2023. During the year ended June 30, 2023 Paratransit did not receive or expend any funds. During the year ended June 30, 2022, Paratransit received and expended \$78,382 through a SACOG PTMISEA contract for ranger vehicle upgrades.

NOTE M – POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description: Paratransit has a single-employer defined benefit other postemployment benefits (OPEB) plan under which one retired employee and her spouse (participants) are currently eligible for postemployment healthcare benefits. No other employees or former employees are eligible for the OPEB Plan. The benefit provisions are established in the form of a binding contract with the employee, which was approved by the Board of Directors. The Board of Directors has the authority to establish and amend the benefit terms under its bylaws. No assets were accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, although an annuity has been established that could be used to pay the benefit payments, as described below. The OPEB Plan currently does not issue stand-alone financial statements.

Benefits Provided: A benefit amount is required to be paid in cash to the participant by Paratransit in the amount of the Kaiser Traditional Plan premium for “employee plus one”, plus an additional \$2,500 for non-premium costs. The benefit amount is subject to a 5% maximum contractually required adjustment each year for inflation.

Contributions: The contributions in the form of the required cash payment discussed above amounted to \$11,158 during each of the years ended June 30, 2023 and 2022. No additional contributions are made to the plan.

Total OPEB Liability: Paratransit has computed the post-employment benefits using the alternative measurement method. Paratransit’s total OPEB liability of \$224,861 and \$234,371 at June 30, 2023 and 2022 was measured using the Alternative Measurement Method as of January 1, 2020 and 2019, respectively.

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE M – POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Changes in the total OPEB liability were as follows:

	2023	2022
Total OPEB liability, July 1	\$ 234,371	\$ 261,221
Changes for the year:		
Interest on net OPEB obligation	4,192	3,395
Changes in assumptions	(2,544)	(19,087)
Benefit payments	(11,158)	(11,158)
Decrease in OPEB liability	(9,510)	(26,850)
Total OPEB liability, June 30	\$ 224,861	\$ 234,371

OPEB expense recognized during the year ended June 30, 2023 and 2022 totaled \$9,510 and \$26,850, respectively.

Actuarial Assumptions and Other Inputs: The total OPEB liability was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	2023	2022
Valuation date	January 1, 2021	January 1, 2020
Measurement date	January 1, 2021	January 1, 2020
Discount rate	1.90%	1.47%
Healthcare trend rate	5 percent per year	5 percent per year
Remaining life expectancy	14 years	15 years

Because the OPEB Plan has no plan assets, the discount rate used was an index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The Market Yield on U.S. Treasury Securities at 20-Year Constant Maturity was used as of June 30, 2023, and the Standard & Poor's Municipal Bond 20 Year High Grade Rate Index was used as of June 30, 2022. The discount rate at June 30, 2023 represents a change in assumptions from the 1.47% discount rate used at June 30, 2022. The healthcare trend rate used of 5% is the limit on healthcare premium increases specified in the agreement with the participants. The mortality assumption was based on the Social Security Administration's actuarial life tables prepared by the Office of the Chief Actuary.

Sensitivity to Changes in the Discount Rate: The following table presents the total OPEB liability as well as what the OPEB liability would be if it were calculated using a discount rate that is 1% lower or higher than the current discount rate:

	2023		
	1% Decrease	Discount Rate	1% Increase
	0.90%	1.90%	2.90%
Total OPEB liability	\$ 237,932	\$ 224,861	\$ 212,338

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE M – POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

	2022		
	1% Decrease 0.47%	Discount Rate 1.47%	1% Increase 2.47%
Total OPEB liability	\$ 224,277	\$ 234,371	\$ 244,784

Related Section 457(f) Plan and Insurance Annuity: Paratransit held a single premium deferred annuity from an insurance company with a contract amount of \$225,060 and \$240,590 at June 30, 2023 and 2022, respectively, that is held for OPEB benefits. The contract amount is held in a nonelective deferred compensation plan (the Plan) organized under IRC Code section 457(f) to assist in funding of the postretirement healthcare benefits discussed above for the retired employee and her spouse. Paratransit paid \$230,000 to Sentinel Security Life Insurance Company in July 2018 and is allowed to withdraw up to 10% of the contract amount without penalty to help fund OPEB benefits. See Note D for more information about the provisions of the insurance contract. Under terms of the agreement, Paratransit retains the rights to the contract amount and any income generated over the contract period. Once any contract amount is returned to Paratransit, it will not be restricted for OPEB benefits, so the amount is not considered to be OPEB Plan assets. The assets are available to creditors of Paratransit under the Plan document.

NOTE N – RISK MANAGEMENT

Paratransit is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and unemployment. Paratransit obtains its automobile liability insurance through a charitable risk pool, NonProfits' United Vehicle Insurance Pool (NonProfits), which provides insurance to over 200 nonprofits in California. Paratransit pays an annual premium for its automobile insurance coverage and has a coverage limit of \$2 million with a \$10,000 deductible. NonProfits is nonassessable, such that Paratransit is not liable should the NonProfits liabilities exceed its assets.

Paratransit is a member of the NonProfits United Workers' Compensation Group, Inc. (NPU-WCG), a self-insurance pool providing California nonprofits with workers compensation insurance and risk management services. NPU-WCG is governed by a Board of Directors elected by, and from, the membership. Paratransit pays an annual deposit and monthly premiums to NPU-WCA for its workers' compensation insurance coverage. NonProfit's coverage limit is \$750,000 for each event. The NPU-WCG is expected to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts. Financial statements for NonProfits may be obtained at 610 Fulton Avenue, Suite 200, Sacramento, CA 95825 or [www.niac.org](http://www.niac.org).

Paratransit is self-insured for unemployment benefits. Paratransit pays amounts into a trust, and the trust handles the payment of claims. Paratransit is responsible for paying claims if the amounts in the trust are not sufficient to cover the claims.

Paratransit continues to carry commercial insurance for all other risks of loss, including general, umbrella, employee dishonesty, and professional liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.



PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE O – TAX DEFERRED ANNUITY PLAN

Paratransit maintains a Tax Deferred Annuity Plan administered by American United Life Insurance Company (OneAmerica) under section 403(b) of the Internal Revenue Service. Plan provisions and contribution requirements are established and may be amended by the Board of Directors. Regular full time non-bargaining unit employees become eligible to participate after two years of service. Employees are permitted to make contributions to the Plan up to applicable Internal Revenue Code limits. Under the Plan, Paratransit contributes 9% to 15% of wages of eligible employees depending on years of service. Employees vest immediately in both employee and employer contributions, so there are no forfeitures. Paratransit's contributions were \$412,625 and \$508,924 for June 30, 2023 and 2022, respectively.

NOTE P – CONCENTRATIONS

Paratransit currently receives a substantial amount of its support from a county-wide sales tax approved under Measure A, statewide retail sales tax from the Local Transportation Fund created by the Transportation Development Act, and an agreement with ALTA Regional Center to carry out ALTA's specialized transportation services for developmentally disabled clientele. A significant reduction in the level of this support, if this were to occur, may have a significant effect on Paratransit's activities. Paratransit's ability to operate and provide services is dependent on its continued ability to obtain government grants and funds and to maintain operating costs at a level consistent with the amount of support obtained.

NOTE Q – CONTINGENCIES

Paratransit receives grants and funds for specific purposes that are subject to review and audit by the funding source. Such audits could result in a request for reimbursement for expenditures disallowed under the terms and conditions of the contracts. Management is of the opinion that no material liabilities will result from such potential audits.

Paratransit is party to claims arising in the ordinary course of business. After taking into consideration information furnished by legal counsel to Paratransit as to the current status of the claims to which Paratransit is a party, management is of the opinion that the ultimate aggregate liability represented thereby, if any, will not have a material adverse effect on the financial position or results of operations of Paratransit.

NOTE R – COMMITMENTS

A \$2,589,245 real estate line of credit (non-revolving) was approved but not yet disbursed, to provide future borrowing capacity for Paratransit as it relates to potential real estate development or improvement projects. The interest rate is a fixed, tax exempt interest rate of 3.66%. The payment obligation will be agreed to by Paratransit and the Bank in the future, depending upon the timing, advance amount(s), and purpose(s) of the funding request(s). Any and all draws will be structured to ensure full payoff of the principal obligation by no later than September 1, 2037.

All advances under the credit facilities will be collateralized by the capital assets funded by the related credit facility, including vehicles and buildings.

PARATRANSIT, INC.

NOTES TO STATUTORY BASIS FINANCIAL STATEMENTS (Continued)

June 30, 2023 and 2022

NOTE R – COMMITMENTS (Continued)

In September 2022, ALTA California Regional Center (ALTA) identified overpayments made to Paratransit for alternative services that were later determined to be unauthorized. Overpayments totaled \$708,901 for the months of July 2021 to July 2022. Included in accounts payable at June 30, 2023 and 2022 is \$155,790 and \$664,691, respectively, of the total due to ALTA.

NOTE S – RECLASSIFICATION OF PRIOR YEAR PRESENTATION

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations. An adjustment has been made to the Balance Sheet for fiscal year ended June 30, 2022, to reclassify amounts between Net Position – Unrestricted and Net Position – Restricted for OPEB.

NOTE T – SUBSEQUENT EVENT

In February 2023, Paratransit signed a contract with Creative Bus Sales to purchase ten Starcraft Class B-CNG buses for a total of \$1,231,218. Paratransit took delivery of these buses in December 2023.

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REQUIRED SUPPLEMENTARY INFORMATION

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PARATRANSIT, INC

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2023

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)  
Last 10 Years

	2023	2022	2021	2020	2019
<u>Total OPEB liability</u>					
Service cost					\$ 283,949
Interest	\$ 4,192	\$ 3,395	\$ 7,854	\$ 9,470	8,474
Changes in assumptions	(2,544)	(19,087)	(7,993)	3,110	
Benefit payments	(11,158)	(11,158)	(11,158)	(17,565)	(14,920)
Net change in total OPEB liability	(9,510)	(26,850)	(11,297)	(4,985)	277,503
Total OPEB liability - beginning	234,371	261,221	272,518	277,503	
Total OPEB liability - ending (a)	\$ 224,861	\$ 234,371	\$ 261,221	\$ 272,518	\$ 277,503

Notes to schedule:

Valuation date	January 1, 2022	January 1, 2021	January 1, 2020	January 1, 2019	January 1, 2018
Measurement period - fiscal year ended	January 1, 2022	January 1, 2021	January 1, 2020	January 1, 2019	January 1, 2018

Changes in assumptions:

Discount rate	1.90%	1.47%	3.10%	3.60%	3.15%
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Note: Participants of the plan consist of only one retired employee and her spouse, so the Plan has no covered payroll.

Omitted years: The Plan was established during the year ended June 30, 2019. Information will be added prospectively as it becomes available until 10 years are reported.

SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN (UNAUDITED)  
Last 10 Years

	2023	2022	2021	2020	2019
Contractually determined contribution - employer fiscal year	\$ 11,158	\$ 11,158	\$ 11,158	\$ 17,565	\$ 14,920
Contributions in relation to the contractually determined contribution	(11,158)	(11,158)	(11,158)	(17,565)	(14,920)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll - employer fiscal year	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Note: Participants of the plan consist of only one retired employee and her spouse, so the Plan is not based on payroll.

Valuation date	January 1, 2022	January 1, 2021	January 1, 2020	January 1, 2019	January 1, 2018
Measurement period - fiscal year ended	January 1, 2022	January 1, 2021	January 1, 2020	January 1, 2019	January 1, 2018

Methods and assumptions used to determine contribution rates:

			Alternative measurement method		
Actuarial Cost Method					
Amortization period in years	14	14	15	16	17
Healthcare cost trend rates	5.00%	5.00%	5.00%	5.00%	5.00%
Discount rate	1.90%	1.47%	3.10%	3.60%	3.15%

Omitted years: The Plan was established during the year ended June 30, 2019. Information will be added prospectively as it becomes available until 10 years are reported.

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OTHER SUPPLEMENTARY INFORMATION



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INDEPENDENT AUDITOR'S REPORT  
ON OTHER SUPPLEMENTARY INFORMATION

To the Board of Directors  
Paratransit, Inc.  
Sacramento, California

We have audited the financial statements of Paratransit, Inc. as of and for the years ended June 30, 2023 and 2022 and our report thereon dated December 29, 2023, which expressed a modified opinion on those financial statements, appears on pages 1 to 3. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Expenses by Function is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Richardson & Company, LLP*

December 29, 2023

PARATRANSIT, INC.

SCHEDULES OF EXPENSES BY FUNCTION

For the Years Ended June 30, 2023 and 2022

	2023	2022
Elderly and Disabled Transportation		
Salaries and wages	\$ 3,272,959	\$ 2,951,869
Employee benefits	1,494,635	1,512,776
Services	933,409	725,250
Fuel	509,479	564,148
Materials and supplies	239,813	197,632
Utilities	224,105	167,912
Insurance	521,604	799,030
Miscellaneous	147,772	120,842
Interest expense	74,070	74,754
Leases and rentals	61,203	51,777
Depreciation	1,295,169	1,350,432
Total Elderly and Disabled Transportation	<u>8,774,218</u>	<u>8,516,422</u>
Mobility Training Services		
Salaries and wages	234,228	230,799
Employee benefits	121,064	111,098
Services	83,669	46,819
Materials and supplies	21,217	12,454
Utilities	20,354	17,434
Insurance	5,245	6,742
Miscellaneous	17,101	22,161
Interest expense	8,665	5,530
Leases and rentals	7,088	5,806
Total Mobility Training Services	<u>518,631</u>	<u>458,843</u>
Diversified Services and Outside Maintenance		
Salaries and wages	1,019,738	1,877,514
Employee benefits	608,788	1,027,654
Services	221,104	425,298
Fuel	1,075,523	676,136
Materials and supplies	280,001	200,209
Utilities	34,507	112,011
Insurance	26,836	97,074
Miscellaneous	38,927	69,426
Interest expense	15,068	25,879
Leases and rentals	12,854	27,200
Total Diversified Services and Outside Maintenance	<u>3,333,346</u>	<u>4,538,401</u>
Destinations Mobility		
Services	15,991	7,289
Materials and supplies	-	4,425
Insurance	14,403	14,751
Miscellaneous	863	1,759
Depreciation	550	30,207
Total Destinations Mobility	<u>31,807</u>	<u>58,431</u>
PI Housing Solutions		
Salaries and wages	25,575	
Services	43,135	
Total PI Housing Solutions	<u>68,710</u>	
Total Operating Expenses	<u>\$ 12,726,712</u>	<u>\$ 13,572,097</u>

## COMPLIANCE REPORT

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*, THE TRANSPORTATION DEVELOPMENT ACT AND  
OTHER STATE PROGRAM GUIDELINES

Board of Directors  
Paratransit, Inc.  
Sacramento, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Paratransit, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Paratransit's basic financial statements, and have issued our report thereon dated December 29, 2023. Our report disclosed that, as described in Note A to the financial statements, Paratransit, Inc. prepares its financial statements in conformity with the accounting principles prescribed by the Transportation Development Act, which requires Paratransit, Inc. to prepare its financial statements in the same manner as an enterprise fund in a governmental agency. This method follows accounting principles generally accepted in the United States of America for governmental agencies, but is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America for nonprofit organizations.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Paratransit's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Paratransit's internal control. Accordingly, we do not express an opinion on the effectiveness of Paratransit's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

To the Board of Directors  
Paratransit, Inc.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Paratransit's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our audit was further made to determine that Transportation Development Act (TDA) Funds allocated and received by Paratransit were expended in conformance with the applicable statutes, rules and regulations of the TDA and Section 6667 of the California Code of Regulations. We also tested the receipt and appropriate expenditures of bond funds, as presented in Note L to the financial statements, in accordance with other state program statutes and guidelines. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, the TDA or other state program guidelines.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Paratransit's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paratransit's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Richardson & Company, LLP*

December 29, 2023



550 Howe Avenue, Suite 210  
Sacramento, California 95825  
Telephone: (916) 564-8727  
FAX: (916) 564-8728

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND ON INTERNAL CONTROLS OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors  
Paratransit, Inc.  
Sacramento, California

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Program***

We have audited Paratransit, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023. Paratransit, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Paratransit Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Paratransit and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Paratransit's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Paratransit's federal programs.



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Paratransit's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Paratransit's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Paratransit's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Paratransit's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Paratransit's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on Paratransit's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Paratransit's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### ***Report on Internal Control Over Compliance***

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance and therefore, material weaknesses or significant

Board of Directors  
Paratransit, Inc.

deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 and 2023-002 to be a material weaknesses.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on Paratransit's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Paratransit's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of Paratransit as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Paratransit's basic financial statements. We issued our report thereon dated December 29, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Paratransit's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Richardson & Company, LLP*

December 29, 2023

PARATRANSIT, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2023

**A. SUMMARY OF AUDITOR’S RESULTS**

Financial Statements

- |    |   |               |
|----|---|---------------|
| 1. | Type of auditor’s report issued:  | Unmodified    |
| 2. | Internal controls over financial reporting:                                   |               |
| a. | Material weaknesses identified  | No            |
| b. | Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 3. | Noncompliance material to financial statements noted?                         | No            |

Federal Awards

- |    |  |               |
|----|--|---------------|
| 4. | Internal control over major programs:  |               |
| a. | Material weaknesses identified?  | Yes           |
| b. | Significant deficiencies identified not considered to be material weaknesses?                              | None Reported |
| 5. | Type of auditor’s report issued on compliance for major programs:  | Unmodified    |
| 6. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? | Yes           |

- |    |                                       |                                |
|----|---------------------------------------|--------------------------------|
| 7. | Identification of major programs:     |                                |
|    | <u>Assistance Listing (AL) Number</u> | <u>Name of Federal Program</u> |
|    | 20.507                                | American Rescue Plan Act       |
|    | 20.507                                | Mobility Management            |

- |    |  |            |
|----|--|------------|
| 8. | Dollar Threshold used to distinguish between Type A and Type B programs? | \$ 750,000 |
| 9. | Auditee qualified as a low-risk auditee under 2 CFR Section 200.516(a)?  | No         |

PARATRANSIT, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Year Ended June 30, 2023

**B. CURRENT YEAR FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**C. PRIOR YEAR FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**D. CURRENT YEAR FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS**

Finding 2023-001: SEFA – Material Weakness

Criteria: U.S. Code § 200.508(b) states that an auditee must prepare appropriate financial statements, including the Schedule of Expenditures of Federal Awards (SEFA) in accordance with § 200.510. U.S. Code § 200.510(b)(3) states that at a minimum the SEFA provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the Assistance Listings information is not available. For a cluster of programs also provide the total for the cluster.

The inclusion of correct Assistance Listing numbers on the SEFA is a critical factor in determining major and non-major programs and designing appropriate audit procedures for individual grants.

Condition: The SEFA prepared by management included an incorrect Assistance Listing (AL) number for one grant. Federal grant AL No. 20.513 Enhanced Mobility of Seniors and Individuals with Disabilities was incorrectly identified as AL No. 20.507 Mobility Management. While both grants are from the Federal Transit Agency, they fall under different clusters in the Office of Management and Budget's Compliance Supplement and thus have different audit requirements.

Cause: Paratransit's internal controls over the completeness of the SEFA were not operating effectively.

Effect: The grant in question was initially identified as a major grant and certain audit procedures were applied. The revision of the AL number resulted in this grant being considered non-major, thus not required to be tested.

Recommendation: We recommend management verify with the grantor the AL number of the grant. This can be done by obtaining this information from grant documents, or direct communication with the grantor. We further recommend the SEFA be reviewed for accuracy by an individual not included in the SEFA preparation process. Review should be notated with initials and date.

Management's Response: See Corrective Action Plan

PARATRANSIT, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Year Ended June 30, 2023

Finding 2023-002: Questioned Cost – Material Weakness

Criteria: A non-federal entity may charge only allowable costs incurred during the approved budget period of a federal award's period of performance and any costs incurred before the federal awarding agency or pass-through entity made the federal award that were authorized by the federal awarding agency or pass-through entity (2 CFR sections 200.308 200.309 and 200.403(h)). Also, costs should not be included as a cost of any other federally financed programs in either the current or prior period.

Costs charged to federal grants should be reviewed by an individual familiar with the Cost Principles for Nonprofit Organizations contained in 2 CFR, Section 200 as part of the SEFA review process.

Condition: Costs for US Department of Transportation, Mobility Management Grant 20.507 Section 5307 included a \$30,000 charge for use of the Data Management System (DMS). The charge is based on a contract rate charged to outside entities that varies depending on the number of users. Management stated the charge was to recoup costs for use of the DMS.

Costs for the DMS consist of historical costs to get the system functioning, along with current personnel costs to operate the system and provide the contracted training. The historical costs occurred outside the period of performance and are thus unallowable. Personnel costs are already being charged to the grant through the allocated payroll and benefits of trainers and other personnel, and thus should not also be charged through the contract rate. In addition, if the contract rate includes a profit component this would also be unallowable to charge to the grant.

We also noted the same \$30,000 charge was included in US Department of Transportation, Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5310.

Cause: Paratransit's internal controls over the determination of allowable costs were not operating effectively.

Effect: The DMS costs were removed and replaced with an allowable 10% de minimus overhead charge.

Recommendation: We recommend that costs charged to federal grants be reviewed by an individual familiar with the Cost Principles for Nonprofit Organizations contained in 2 CFR, Section 200 as part of the SEFA review process.

Management's Response: See corrective action plan.

**E. PRIOR YEAR FINDINGS – FEDERAL AWARDS**

None

PARATRANSIT, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title/Pass-Through Number	Federal AL Number	Program or Award Amount	Expenditures
<b>I. <u>U.S. Department of Transportation</u></b>			
<b>A. <u>Federal Transit Cluster</u></b>			
Passed through Sacramento Regional Transit District			
Federal Transit — Formula Grants			
COVID-19 - American Rescue Plan Act			
CA-2022-156-00	20.507	* \$ 1,750,000	\$1,750,000
Mobility Management	20.507	* 500,000	280,000
Total Federal Transit Cluster			2,250,000 2,030,000
<b>B. <u>Transit Services Programs Cluster</u></b>			
Passed through Sacramento Area Council of Governments			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	600,000	300,000
Total Transit Services Programs Cluster			600,000 300,000
Total U.S. Department of Transportation			2,850,000 2,330,000
<b>II. <u>United States Department of Agriculture</u></b>			
Direct Award			
Farmers Market and Local Food Promotion Program			
Framer's Market Accessibility Program			
AM22LFPPCA 1092	10.175	172,737	11,922
TOTAL FEDERAL AWARDS			\$ 3,022,737 \$ 2,341,922

\* Denotes major program

The accompanying notes to the schedule of expenditures of federal awards are an integral part of this schedule.

PARATRANSIT, INC.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Paratransit, Inc. under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of Paratransit's operations, it is not intended to be and does not present the financial position, changes in net position, or cash flows of Paratransit.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenses reported on the Schedule are reported on the accrual basis of accounting. Such expenses are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenses are not allowable or are limited as to reimbursement.

NOTE C – PROGRAM COSTS/MATCHING CONTRIBUTIONS

The amounts shown as current year expenses represent only the (federal/state/local) grant portion of the program costs. Entire program costs may be more than shown.

NOTE D – NONCASH AWARDS

No noncash awards existed in the current year.

NOTE E – MISSING PASS-THROUGH IDENTIFYING NUMBER

Department of Transportation

Federal Transit Cluster

20.507 Federal Transit - Formula Grants (Urbanized Area Formula Program)

Mobility Management

Transit Services Programs Cluster

20.513 - Enhanced Mobility of Seniors and Individuals With Disabilities

NOTE F – INDIRECT COSTS

Paratransit did not charge indirect costs to its federal programs.

NOTE G – SUBRECIPIENTS

There were no subrecipients of the Paratransit's programs during the year ended June 30, 2023.

NOTE H – LOAN PROGRAMS

None

December 29, 2023

**TO: Richardson & Company LLP**  
**FROM: Lisa Cappellari, Chief Financial Officer**  
**SUBJECT: Paratransit, Inc. FY23 Single Audit Management Response and Corrective Action Plan**

**Finding: 2023-002: Questioned Cost – Material Weakness**

Costs for US Department of Transportation, Mobility Management Grant 20.507 Section 5307 included a \$30,000 charge for use of the Data Management System (DMS). The charge is based on a contract rate charged to outside entities that varies depending on the number of users. Management stated the charge was to recoup costs for use of the DMS.

Costs for the DMS consist of historical costs to get the system functioning, along with current personnel costs to operate the system and provide the contracted training. The historical costs occurred outside the period of performance and are thus unallowable. Personnel costs are already being charged to the grant through the allocated payroll and benefits of trainers and other personnel, and thus should not also be charged through the contract rate. In addition, if the contract rate includes a profit component this would also be unallowable to charge to the grant.

**Auditor Recommendation:** We recommend that costs charged to federal grants be reviewed by an individual familiar with the Cost Principles for Nonprofit Organizations contained in 2 CFR, Section 200 as part of the SEFA review process.

**Contact Person Responsible for the Corrective Action:** Lisa Cappellari, Chief Financial Officer, LisaC@paratransit.org

**Management Response and Corrective Action Plan:** After the end of Fiscal Year 23-24 on 6/30/2024, Jody Wadley, Finance and Grants Manager, and Lisa Cappellari, Chief Financial Officer, will compile all expense to be charged to any federal grants. Tiffani Scott, Chief Executive Officer, will review the expense against the Cost Principles for Nonprofit Organizations contained in 2 CFR, Section 200 to make sure all expense is eligible.

Sincerely,



Lisa Cappellari  
Chief Financial Officer

**Sacramento Operations  
and Mobility Management  
Headquarters**

2501 Florin Road  
Sacramento, CA 95822  
916-429-2009



December 29, 2023

**TO: Richardson & Company LLP**  
**FROM: Lisa Cappellari, Chief Financial Officer**  
**SUBJECT: Paratransit, Inc. FY23 Single Audit Management Response and Corrective Action Plan**

**Finding: 2023-001: SEFA – Material Weakness**

The SEFA prepared by management included an incorrect Assistance Listing (AL) number for one grant. Federal grant AL NO. 20.513 Enhanced Mobility of Seniors and Individuals with Disabilities was incorrectly identified as AL No 20.507 Mobility Management. While both grants are from the Federal Transit Agency, they fall under different clusters in the Office of Management and Budget's Compliance Supplement and thus have different audit requirements.

**Auditor Recommendation:** We recommend management verify with the grantor the AL number of the grant. This can be done by obtaining the information from grant documents, or direct communication with the grantor. We further recommend the SEFA be reviewed for accuracy by an individual not included in the SEFA preparation process. Review should be notate with initials and date.

**Contact Person Responsible for the Corrective Action:** Lisa Cappellari, Chief Financial Officer, LisaC@paratransit.org

**Management Response and Corrective Action Plan:** After the end of Fiscal Year 23-24 on 6/30/2024, Jody Wadley, Finance and Grants Manager, will start the preparation of the FY24 SEFA and make sure all components are correct. Lisa Cappellari, Chief Financial Officer, will review the SEFA for accuracy, checking grant documents and directly contacting the granting agency if necessary. Once each component of the SEFA is thoroughly reviewed, Lisa Cappellari will initial and date.

Sincerely,



Lisa Cappellari  
Chief Financial Officer

**Sacramento Operations  
and Mobility Management  
Headquarters**

2501 Florin Road  
Sacramento, CA 95822  
916-429-2009



**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 6C**

**AGENDA TITLE:** Approve Resolution 01-24 Authorizing the President and CEO to prepare, submit and execute Agreements for various upcoming grant programs from the Sacramento Area Council of Governments, the State of California, the Federal Transit Administration, and assorted local programs

**MEETING DATE:** February 15, 2024

**PREPARED BY:** Tiffani M. Fink, President and CEO  
Lisa M. Cappellari, Chief Financial Officer

---

**RECOMMENDED ACTION:**

Adopt Resolution 01-24 authorizing the President and CEO to Submit Proposals and Funding Applications, as opportunities arise, to pursue funding from the Federal Transit Administration, SACOG, the State of California or other funding sources and to execute any contracts and/or agreements, if awarded.

**BACKGROUND AND DISCUSSION:**

Paratransit, Inc. routinely applies for numerous calls for project funding applications for funding to operate our services. Many of the programs are on two-year cycles which are soon going to open. In addition, with the passage of the Bi-Partisan Infrastructure Bill and the Build Back Better bills, staff is requesting authority to pursue funding advantageous to continuation and expanding our programs.

**FISCAL IMPACT:**

The current year fiscal budget is built upon already awarded funds. Any funding awarded would be included in future budgets.

**ATTACHMENTS:**

1. Resolution 01-24



**RESOLUTION NO. 01-24**

**AUTHORIZING THE PRESIDENT AND CEO TO PREPARE, SUBMIT AND EXECUTE AGREEMENTS FOR VARIOUS UPCOMING GRANT PROGRAMS FROM THE SACRAMENTO AREA COUNCIL OF GOVERNMENTS, STATE OF CALIFORNIA, FEDERAL TRANSIT ADMINISTRATION AND ASSORTED LOCAL PROGRAMS**

**WHEREAS**, Congress recently passed the Bi-Partisan Infrastructure Bill and SACOG is entering into their upcoming funding cycles; and

**WHEREAS**, as a transit and social service provider, Paratransit, Inc. is considered an essential business delivering critical infrastructure and needs to continue providing essential public services; and

**WHEREAS**, many of the programs and services Paratransit provides are eligible for these funding programs.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors of Paratransit, Inc. hereby authorizes the President and CEO to prepare, submit and execute Agreements for various upcoming grant programs from the Sacramento Area Council of Governments, State of California, Federal Transit Administration, and assorted local programs.

---

Patrick Hume, Chair of the Board  
Paratransit, Inc. Board of Directors  
Dated: February 15, 2024



**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 6D**

**AGENDA TITLE:** Adopt Resolution 02-24 Adopting Update #3 to the Paratransit, Inc. Public Transit Agency Safety Plan

**MEETING DATE:** February 15, 2024

**PREPARED BY:** Tiffani M. Fink, President and CEO

---

**RECOMMENDED ACTION:**

Adopt Resolution 02-24 adopting Update #3 to the Paratransit, Inc. Public Transit Agency Safety Plan.

**BACKGROUND AND DISCUSSION:**

The Federal Transit Administration Regulations (49 C.F.R. Part 637) required public transit agencies like Paratransit, Inc. to adopt a Public Transportation Agency Safety Plan (PTASP) no later than December 31, 2020. The regulations also require the PTASP to be approved by the Board of Directors. Agencies are also required to update the PTASP annually. The Paratransit Board adopted the original PTASP in November 2020. This update to the plan revises annual reporting data and the posting dates of the plan.

The Federal Transit Administration (FTA) published the PTASP Regulation, 49 C.F.R. Part 673, on July 19, 2018. The regulation implements a risk-based Safety Management System (SMS) approach. The PTASP is one element of the FTA's comprehensive Public Transportation Safety Program. The PTASP explains our safety processes. The plan is a data driven approach to manage hazards and includes performance measures and targets. A plan is coordinated with internal stakeholders and the stakeholders will be provided with training. The PTASP must be based on Safety

Management System (SMS) Principles. The four components to SMS are: safety management policy, safety risk management, safety assurance and safety promotion. The safety management policy assigns authorities, accountabilities and responsibilities for all Paratransit, Inc. staff. There must also be integration with Emergency Management and SMS documentation and records. Safety risk management is the safety hazard identification process. This process also includes safety risk assessment and safety risk mitigation. Safety assurance is the safety performance monitoring and measurements process. This includes management of change and continuous improvement. Examples of performance measurements are reportable injuries, reportable safety events and system reliability. Safety promotion is the safety training program and safety communication. Once the plan is in effect, staff will regularly audit the plan to verify the processes and programs are being followed and based on trends, implement strategies for continuous safety improvement. In addition to internal audits, the PTASP will also be audited by the FTA triennially. Staff recommends that the Board adopt Update #3 to the PTASP for Paratransit, Inc.

#### **FISCAL IMPACT:**

There is no fiscal impact with approving the Plan, however the future safety needs will have a financial impact and will be incorporate into the budget process. Adoption of a PTASP is required to comply with federal requirements for funding.

#### **ATTACHMENTS:**

1. Resolution 02-24
2. Public Transportation Agency Safety Plan



**RESOLUTION NO. 02-24**

**ADOPTING UPDATE #3 TO THE PARATRANSIT, INC. PUBLIC TRANSIT AGENCY  
SAFETY PLAN**

**WHEREAS**, Paratransit, Inc. puts the safety and security of our passengers and employees as our highest priority; and

**WHEREAS**, in accordance with Federal Transit Administration requirements, staff has developed a Public Transit Agency Safety Plan; and

**WHEREAS**, FTA requires the Board of Directors to formally adopt the Update to the PTASP.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors of Paratransit, Inc. adopts Resolution 02-24 adopting the Public Transit Agency Safety Plan.

---

Patrick Hume, Chair of the Board  
Paratransit, Inc. Board of Directors  
Dated: February 15, 2024



# Paratransit, Inc. (PI)

## Public Transit Agency Safety Plan







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## Transit Agency Information

Transit Agency:	Paratransit, Inc.
Transit Agency Address	
Administrative Office:	2501 Florin Road Sacramento, CA 95822
Accountable Executive:	Tiffani M. Scott, President and CEO
Chief Safety Officer:	Gary Vickers, Chief Operating Officer
Modes of Service:	Demand Response and Social Service Transportation (Directly Operated), Fixed Route
FTA Funding Received:	5307, 5310, and 5339



## Plan Development, Approval, and Updates

### Development

Paratransit, Inc. drafted this plan. By signature below, the Accountable Executive confirms the development this plan.

\_\_\_\_\_  
Tiffani M. Scott, Accountable Executive

12/31/2023  
Date Signed

### Approval

The Paratransit, Inc. Board of Directors approved this plan as so indicated by the signature of the Board of Directors' President on the date noted below, and as specified in Resolution Number 02-21 and the Board of Directors Meeting Minutes from February 15, 2024. The meeting minutes can be reviewed on the Paratransit, Inc. website.

\_\_\_\_\_  
Patrick Hume, Chair of the Board  
Paratransit, Inc. Board of Directors

\_\_\_\_\_  
Date Signed

### Certification

Paratransit, Inc.'s Public Transit Agency Safety Plan (PTASP) addresses all applicable requirements. Paratransit, Inc.'s Agency Plan was certified by Gary Vickers, Chief Operating Officer, on December 31, 2023.



## **Annual Review and Revisions of the Public Transportation Agency Safety Plan**

Each year, the PTASP will be reviewed by the Chief Safety Officer and updated, if needed. All substantive revisions will be presented to the Accountable Executive and Paratransit, Inc. Board of Directors for annual approval. A table that records the history of revisions made to the Agency's PTASP is contained in Appendix A of this document.

## **Glossary and Acronyms**

A glossary of terms and acronyms can be found in Appendix B.

## **Safety Performance Targets**

Paratransit, Inc.'s safety performance targets are reviewed and updated during the annual review. The specific performance targets are based on the safety performance measures established under the National Public Transportation Safety Plan and any additional performance goals set by PI. These targets are specific numerical targets set by PI, and must be based on the safety performance measures established by FTA in the National Public Transportation Safety Plan referenced in the Safety and Security Quick Reference Guide in Appendix C.

PI fleet vehicles are interchanged between modes. PI uses the Predominant Use Rule when an event affects more than one mode. If two or more transit modes are affected by an event, PI will report the event in only one mode.

**Fatalities:** Total number of reportable fatalities and rate per total vehicle revenue miles by mode in a calendar year.

**Injuries:** Total number of reportable injuries<sup>1</sup> (defined in the NTD Safety and Security Reporting Manual) and rate per total vehicle revenue miles by mode in a calendar year.



<sup>1</sup>NTD: *An injury (employee or passenger) requiring immediate medical attention away from the scene for one or more persons.*

**Safety Events:** Total number of reportable events<sup>2</sup> and rate per total vehicle revenue miles by mode in a calendar year.

<sup>2</sup>NTD: *Preventable events that occur at transit revenue facilities, on transit infrastructure, or during a transit maintenance activity.*

Total injuries and safety events are calculated by averaging previous year totals and the rates are indicated as a fraction with the total over the estimated ridership per mode.

**System Reliability:** Mean distance, in miles, between major mechanical failures by mode in a calendar year.

System reliability is calculated using the Predominant Use Rule. The miles between road calls are averaged for previous years and the total is divided by the percentage assigned to each mode.

Mode of Transit Service	Fatalities (Total)	Fatalities (Rate)	Injuries (Total)	Injuries (Rate)	Safety Events (Total)	Safety Events (Rate)
Demand Response (DR)	0	0	1	1/293,035	0	0/293,035

### **Safety Management System (SMS)**

A Safety Management System (SMS) is a comprehensive approach to managing safety within the transit system. Management and staff work together to control risk, identify and correct hazards, measure and analyze safety performance metrics, and disseminate safety information. The SMS helps transit agencies apply resources to risk and ensure they have an organizational infrastructure to support decision-making at all levels regarding the assignment of resources.



Key components include:

- Effective policies and procedures
- Strong executive leadership focused on safety
- Clearly defined safety roles and responsibilities
- Safety accountabilities and communication
- Active employee involvement

## **Safety Management Policy**

### **Safety Management Policy Statement**

PI is committed to the management of safety. PI will develop, implement, maintain, and constantly improve processes to ensure that all the transit service delivery activities take place under a balanced allocation of organizational resources. As a core business function, PI is aimed at achieving the highest level of safety performance and meeting established standards.

All levels of management and all employees are accountable for the delivery of this highest level of safety performance, starting with the Chief Executive Officer.

Paratransit, Inc. is committed to:

- Support safety management through the provision of appropriate resources. This will result in a culture that fosters safe practices, encourages effective employee reporting and communication;
- Integrate the management of safety among the primary responsibilities of all managers and employees;
- Clearly define for all staff and managers alike their accountabilities and responsibilities for the delivery of the Agency's safety performance and the performance of the safety management system;



- Establish and operate hazard identification and analysis, and safety risk evaluation activities, including an employee safety reporting program in order to eliminate or mitigate the safety risks resulting from operations or activities consistent with acceptable level of safety performance;
- Ensure that no action will be taken against any employee who discloses a safety concern through the employee safety reporting program, unless disclosure indicates, beyond any reasonable doubt, an illegal act, gross negligence, or a deliberate or willful disregard of the collective bargaining agreement, regulations, policies, or procedures;
- Comply with, and wherever possible exceed, legislative and regulatory requirements and standards;
- Ensure that sufficient skilled and trained staff are available to implement safety management processes;
- Ensure that all staff are provided with adequate and appropriate safety-related information and training, are competent in safety management matters, and are allocated only tasks commensurate with their skills;
- Establish and measure safety performance against realistic and data-driven safety performance indicators and safety performance targets;
- Continually improve safety performance through management processes that ensure appropriate safety management action is taken and is effective; and
- Ensure externally supplied systems and services to support operations are delivered meeting safety performance standards.

### **Safety Management Policy Communication**

The Safety Management Policy is posted at Paratransit, Inc.'s Administrative Office and in the employee breakroom. The Safety Management Policy will be first shared





with employees after the completion of the PTASP through a series of employee meetings. PI disseminated the Safety Management Policy to the public in the following manner:

- Paratransit, Inc. Board of Directors meeting (Date of Publication: February 12, 2024)
- PI website (Date of Publication: February 12, 2024)
- Staff intranet (Date of Publication: February 12, 2024)
- New hire orientation-ongoing
- PI email blasts (Date of Publication: scheduled for February 16, 2024)

In addition to the Safety Management Policy, PI has numerous standard operating procedures (SOPs) and operational policies to supplement, detail, and support the overall the SMS. Examples of Paratransit, Inc.'s policies include Smoking, Cash Variance, Appearance, Vehicle Backing/Spotters, Lost and Found, and Reasonable Modification. Each policy includes safety components to ensure the wellbeing of PI staff, passengers, and the greater community. Similarly, there are various SOPs (e.g. Boarding and Securement, Post Collision) for maintenance and operations to safeguard everyone. Staff sign acknowledgments for all policies and procedures after they receive training and have an opportunity to ask questions. Staff participation in all safety trainings and the safety committee meetings is recorded through a sign-in sheet. PI will maintain documentation related to the implementation of the SMS; the programs, policies, and procedures used to carry out the PTASP; and the results from its SMS processes and activities for three years after creation. This documentation will be available to the FTA or other Federal or oversight entity upon request.

### **Authorities, Accountabilities, and Responsibilities**

Safety is everyone's responsibility at PI. Anyone may observe a hazard that could result in an event. All employees must remain alert and observant to ensure hazards are mitigated to the greatest extent possible. Below are the authorities,



accountabilities, and responsibilities of the following individuals in the development and management of Paratransit, Inc.'s SMS.

### **Accountable Executive**

The Accountable Executive may delegate specific responsibilities, but not their accountability for the transit agency's safety performance and PTASP in accordance with 49 U.S.C. 5329(d) and 49 U.S.C. 5326.

Paratransit, Inc.'s Accountable Executive reviewed the draft policy after it had been developed by staff. Comments and recommended changes were taken into account when the final document was developed. The Accountable Executive then submitted the policy to the Paratransit, Inc. Board of Directors for approval. Once approved, the Accountable Executive signed the policy. Additional responsibilities include, but are not limited to:

- Decision-making regarding resources (e.g. staff and funds) to support asset management, SMS activities, and capital investments;
- Signing SMS implementation planning documents; and
- Endorsing SMS implementation team membership.

### **Chief Safety Officer**

The Chief Safety Officer oversaw the development of the Safety Management Policy. The Chief Safety Officer worked with Chief Financial Officer, Human Resources/Risk Manager, Maintenance Manager, Chief Operating Officer, and management staff to develop the plan. Paratransit, Inc.'s Chief Safety Officer is the team's liaison with the Accountable Executive. The Chief Safety Officer's duties include, but are not limited to:

- Developing and maintaining SMS documentation;
- Directing hazard identification and safety risk assessment;
- Monitoring safety risk mitigation activities;
- Providing periodic reports on safety performance;



- Briefing the Accountable Executive and Board of Directors on SMS implementation progress; and
- Planning safety management training.

### **Key Staff**

Below are Paratransit, Inc.'s managers and supervisors who play leadership roles in providing important data or resources to accomplish the agency's safety goals and ensure the day to day safe operation of Paratransit, Inc.'s modes of transportation.

#### **Chief Executive Officer (Accountable Executive)**

- Provides guiding direction to staff on Paratransit, Inc.'s mission, vision, and goals. Leads the organization's safety culture
- Makes decisions regarding resources (e.g. staff and funds) to support asset management, SMS activities, and capital investments
- Signs SMS implementation planning documents and endorses SMS implementation and team participation
- Distributes information to external partners and passengers
  - Rider alerts posted on social media
  - Rider alerts on the PI website
  - Transit app alerts

#### **Chief Operating Officer (Chief Safety Officer)**

- Leads all transit efforts
- Allocates funds to transit safety programs (capital and operating)
- Participates in root cause investigations
- Reviews route development for safety consideration
- Ensures compliance to include monitoring the industry for best practices, new regulations, and even trainings
- Inspects buildings, equipment, utility systems and facilities to determine needed repairs and maintenance and ensure they are kept in a State of Good Repair, consistent with FTA guidance and PI adopted standards



### **Chief Financial Officer**

- Reports to funding agencies on revenue mileage, insurance costs, and experience modification
- Reports expenditures on safety and security
- Oversees insurance claims
- Ensures financial securities including:
  - Separation of financial duties
  - Limited access and privileges to accounting software and cash account
  - Bank verification of expenses
  - Annual financial audits

### **Chief Administrative Officer/Human Resources/Risk Officer**

- Records the employee retention rates
- Recordkeeping and reporting OSHA injury and illness
- Coordinates and tracks worker's compensation cases
- Participates on the safety committee
- Coordinates safety meeting facilitators for staff
- Reviews standard operating procedures with staff
- Directs the risk management program, including insurance and liability
- Sets up and monitors records and program functions for risk management activities relating to proper appraisal and insuring of District properties, fixed assets and other items
- Recommends and implements policy/procedure updates as they relate to legal, legislative and other developments concerning risk management matters and related impacts on operations

### **Maintenance Manager**

- Supervisory and administrative responsibility for the maintenance and safety of all revenue and non-revenue vehicles, equipment, and facilities
- Administers the Transit Management Plan



- Inspects buildings, equipment, utility systems and facilities to determine needed repairs and maintenance and ensure they are kept in a State of Good Repair, consistent with FTA guidance and PI adopted standards
- Maintains the collection and provision of maintenance data, such as frequency, cost of materials, and cost of labor for repairs
- Provides training to maintenance staff, assists in safety meeting deliverables, contributes to the safety committee, and participates in root cause investigations
- Establishes and monitors work policies, procedures and safety standards; trains assigned staff accordingly; executes corrective disciplinary actions, as required
- Prepares and maintains records, logs, and reports related to activities, inventory, MSDS (materials data safety sheet) documentation, work requests, accident and safety issues

### **Director of Operations**

- Monitors and supervises operator performance and policy adherence to assure a safe, high quality, fixed-route and paratransit service is provided to the public
- Assesses, develops, and provides appropriate training as necessary
- Visits the field to interact and develop positive rapport with operators, road supervisors and the public to assure safe, courteous and reliable service
- Conducts investigations and interviews, levies discipline for operators concerning performance issues, up to and including termination
- Updates the PTASP
- Responds to employee incident reports and safety concerns in the Operations Department
- Participates in root cause investigations, manages safety related data collection
- Assists with the development of routes, including timing and safety considerations



- Assists in safety meeting deliverables, coordinates facilitators for safety meetings, contributes to the safety committee, and participates in root cause investigations
- Leads customer complaint investigation
- Leads the develop of SOPs; trains and reviews with staff

### **Transportation Supervisors**

- Leads root cause investigations, tracks safety events, identifies trends or patterns, and oversees training and retraining of all operations staff
- Leads in route development, including timing and safety considerations
- Schedules road supervisors, operators, and dispatchers; monitors hours per DOT regulations
- Inspects and verifies work in progress and completed work of assigned employees and contractors for accuracy, proper safe work methods, techniques, and compliance with applicable safety standards and specifications
- Participates in the Safety Committee
- Assists in the customer complaint investigation
- Assists in the development of SOPs
- Assists with distribution of external information
- Responsible for self-inspections and reporting unsafe work practices/conditions to one or more of the above parties, ensures operators properly complete pre/post-trip inspections
- Observes driving skills and work habits of operators in the field; evaluates and trains operators; responds to problems in the field, such as equipment failures and incidents
- Makes work practice observations to all areas under their supervision
- Completes accident investigation forms and participates in determining the root cause of an accident/incident; assists in investigating and resolving customer complaints



- Oversees and provides input to route changes/emergency needs due to inclement weather or other situations that demand attention
- Ensures all PI policies and procedures are followed by staff; models safe practices
- Routinely utilizes video management system (VMS) software to document incidents and submit reports and statements as necessary

### **Trainers**

- Observations of unsafe trends or patterns
- Provisions training needs
- Ensures acceptable pass rates for new operators
- Performs evaluations of new operators

### **Analyst(s)**

- Reports to the National Transit Database (NTD)
- Participates in route development, including timing and safety considerations
- Leads Short Range Transit Plan (S RTP) development

### **Safety Sensitive Staff (Operators, Mechanics, and Utility Workers)**

- Responsible for self-inspections and reporting safety concerns immediately, either to a supervisor, Human Resources/Risk Manager, one or more of the above parties, or anonymously by way(s) per the agency's policy
- Responsible for participating in mandatory safety meetings; voluntary participation in safety committee
- Responsible for all aspects related to fitness for duty
- Abides by all Department of Transportation (DOT) regulations
- Obeys all traffic laws
- Monitors passengers' behavior to ensure their safety and the safety of other passengers



## **Employee Safety Reporting Program**

Paratransit, Inc.'s system of communication (management, supervisors, and employees), is designed to facilitate a continuous flow of two-way safety information in a form that is readily understandable to, and between, all affected personnel. This two-way communication may include language interpreters, when appropriate. Safety information is entered, aggregated, and queried through an information management system, The Reporting Solution. Below are the current methods of information sharing:

- All PI staff participate in a new staff orientation, including a discussion of site-specific safety and health policies and procedures; the policies and procedures are referenced throughout training to ensure understanding, implementation, and retention
- Transit staff attend safety training meetings which encourage employee participation and dialog, including topic suggestions
- Routine completion of the Daily Vehicle Inspection Reports (DVIRs) of operators to alert maintenance of any mechanical defect
- Staff may anonymously report safety concerns and inform management of work place hazards
- Dispatchers, Road Supervisors and management make safety announcements over the two-way radio
- Staff may review safety promotional materials on the communication board, agency e-mails, and memorandums
- Safety Meetings
  - New policies/procedures are discussed to help determine implementation
  - Workplace hazards are discussed in detail on how to prevent events from re-occurring
  - Root cause investigation outcomes are discussed
  - Internal Controls and Personal Protective Equipment (PPE) are evaluated to assist in reducing injuries/illnesses





- All employees are invited and attendees are urged to suggest ways to maintain a safe working environment and serve as role models for the entire team

Depending on the method in which the safety concern was communicated will dictate how the manager responds, including how the employee will receive updates, and how the resolution will be communicated. The manager will follow-up directly with the employee with status updates and the resolution. If the report was made anonymously, the receipt of the concern is documented in the safety committee meeting minutes, as well as the outcome.

The Collective Bargaining Agreement (CBA) outlines the disciplinary process for all representative staff. Management encourages honest accountability when safety events occur.

### **Safety Risk Management Process**

Safety Risk Management is an essential process within Paratransit, Inc.'s SMS for identifying hazards, assessing, and reducing safety risk.

### **Safety Hazard Identification**

Routine inspections are an important source of information about safety concerns. Results from inspections may also help identify areas where mitigations were designed and adopted to manage safety risk, but have not been carried out as required. Inspections include personnel, vehicles, facilities, and data that identify potential safety concerns:

Personnel:

- Operations personnel fitness-for-duty checks, which may identify:
  - Impairment
  - Fatigue
  - Absence of corrective lenses
  - Missing credentials (e.g. medical certification, driver's license)



- Apparent injuries, and
- Uniform or equipment issues
- Operator gate/field checks; operator evaluations
- Customer complaints
- Radio or digital communication checks

#### Vehicles:

- Routine Preventive Maintenance Inspections (PMIs)
- Pre/Post trip vehicle inspections
- Fleet and Facility Requests and Service Incidents
  - Facilities inspections
  - Employee observations
- Federal Transit Administration (FTA) notices and announcements
- Transit industry publications

#### Facilities:

- Targeted inspections to identify and evaluate workplace hazards are performed by management when the following situations occur:
  - New substances, processes, procedures, or equipment that presents the potential for new safety concerns are introduced into the workplace
  - New or previously unidentified hazards are recognized
  - New job duties are introduced or assigned
  - Facility conditions warrant an inspection
  - Transit Asset Management (TAM) assess condition assessments

#### Administrative:

- Rules compliance checks, which may identify:
  - Non-compliance with safety rules
  - Challenges in complying with safety rules
  - Emerging practices
- Incident reports, including near misses
  - Trend and pattern identification



- Electronic Pull Notice (EPN) program
- Third Party Administrators for Worker's Compensation and for Liability Claims
  - Cal-OSHA lost and restricted days reported on the Cal-OSHA 300
  - Occupational illnesses/ injuries occurrence (i.e. workers compensation claims)

### **Safety Risk Assessment**

Methods and processes used to assess the safety risks associated with identified safety concerns and prioritizing the hazards are based on the level of safety risk. Safety risk must be assessed in terms of likelihood or the probability of a consequence occurring and the severity or seriousness of the consequence, if it occurs. On the safety risk matrix, the Y axis is the likelihood/probability and the X axis is the severity/seriousness. Events are analyzed by using the relevant number on the X and Y axis. The square where the relevant X and Y axis score meet is used. The corresponding numbers on the X and Y axis are multiplied and this number is used to identify the score on the risk score legend.

For example, an event that is both definite (5) and catastrophic (5) it will result in a score of 25 and rank the highest on the matrix. Conversely, if the event was rare (1) and insignificant (1), it will result in a score of one and rank lowest on the matrix. Most events will rank somewhere in the middle and as the matrix is utilized, the tool may be refined to better suit the application at PI. Paratransit, Inc.'s Safety Risk Matrix and Risk Score Legend is located in Appendices D and E, respectively. When a safety concern is identified, the affected supervisors and/or managers use the matrix and legend to understand when actions are necessary to reduce or mitigate the safety risk and the urgency of the mitigation.

PI assesses safety risk by evaluating unsafe work conditions, practices or procedures at the facility. Safety risks shall be corrected in a timely manner, based on the severity of the hazards and according to the following procedures:



- When observed, or discovered
- When an imminent hazard exists, which cannot be immediately abated without endangering employees(s) and or property, PI will remove all exposed employees from the area except those necessary to correct the existing condition. Employees required to remain available to correct the hazardous condition shall be provided with the necessary PPE.
- All such actions taken and dates of the completed corrections will be documented

Investigation of workplace events, hazards, and near misses are completed by the affected employee's supervisor, and include:

- Visiting the scene as soon as possible
- Interviewing affected worker and any witnesses
- Examining the workplace for factors associated with the event/hazard/near miss
- Determine the root cause and any associated causes of event/hazard/near miss
- Near misses are be treated with the same urgency as an actual event
- Take corrective actions to prevent the event from reoccurring
- Document findings and actions taken
- Management is notified immediately of a fatality or serious injury or illness and notifies the nearest office of the Division of Occupational Safety and Health by phone or fax within eight (8) hours (CCR Title 8, Section 342)

### **Safety Risk Mitigation**

The goal of risk mitigation is to reduce the risk to an acceptable level; however, mitigations do not typically eliminate the risk entirely. The methods or processes to identify mitigations or strategies necessary will depend on the event and who in the agency is qualified to select appropriate safety risk mitigations. PI may survey



other transit agencies to ensure any proposed safety mitigation is appropriate and there are no unintended effects (i.e. new hazards).

The team who evaluates the risk and the mitigation will be determined based on the risk. If an event occurs at the facility, it is likely the Fleet and Facility Manager will be involved in the mitigation assessment to offer insights about the building or property. Facility risks may be mitigated by improved snow removal or upgrades to the building and property.

As PI identifies operational risks, the operations manager and other operations staff will assess mitigation strategies. New trainings may be implemented or existing training curriculum may be revised to address operational risks. If risks emerge on an existing route, PI may opt to engage a planner to gather perspective on changes to the path of travel. Each mitigation will depend on the circumstances of the risk and practical, yet creative, options available. PI will monitor the effectiveness of the approach and make adjustments as needed.

## **Safety Assurance**

### **Safety Performance Monitoring and Measurement**

Safety hazards are identified in a number of ways as outlined in the previous sections. Paratransit, Inc.'s activities to monitor compliance with operations and maintenance procedures are described below.

Direct observation is the most valuable method of monitoring the safety of the system. All PI employees are responsible for this observation as they navigate through the facilities and greater service area. Environmental challenges such as icy roads, inadequate snow removal, traffic, malfunctioning traffic signals, road construction, and road closures are all common when operating in a mountainous environment with high visitation. To stay current on all conditions, road supervisors continuously check the service area with heightened attention to the more dangerous regions. Two-way radio communication is the most immediate method



to alert operators of potential hazards, move to a detour or snow route, or suspend service.

Operators and road supervisors have the most first-hand opportunities to recognize hazards in the field. Employees are encouraged to complete employee incident reports any time something out of the ordinary occurs, including near misses. After review of the employee incident report, at least two supervisor(s) or manager(s) will review the video of the incident, depending on the seriousness and probability using the Safety Risk Matrix. If the initial review of the event creates concern around the employee's performance, the deficiency is addressed with retraining and coaching. Depending on the situation, this may include video review of the unsafe behavior with the employee, review of training materials, and hands-on behind the wheel training. All training is documented on a coaching form and, if necessary, disciplinary action is included in the file. All training, coaching, and disciplinary records are retained for at least three years.

Every collision, regardless of how minor, is evaluated using a notice of collision determination form. At least two supervisor(s) or manager(s) review all of the information related to the event and make a determination if it was preventable, non-preventable, or undeterminable. A root cause investigation may be conducted for preventable and undeterminable safety events.

A root cause investigation is an in-depth analysis of all possible causal factors. A root cause investigation is usually conducted by a team, which may include supervisors, operators, risk management, and union representatives. The following factors are evaluated to determine causation or contribution:

- PI and other vehicle(s)
- Environment (weather, time of day, road conditions)
- Passengers
- Policies & Procedures
- Mobility device, if applicable



- Pedestrians
- Operator's training, previous coaching, and active discipline

All members of the team share their perspectives and a final root cause report is drafted. Root cause reports are shared at the safety committee meetings to reduce the likelihood of the event reoccurring and this information is saved at least three years.

Per PI standard operating procedure, and in alignment with DOT regulations, operators complete pre-trip and post-trip inspections on the vehicles driven over the course of the day using a DVIR. The completed DVIRs are turned into the maintenance department and reviewed for safety defects. Work orders are generated through The Reporting Solution for each defect noted on the DVIR. Each vehicle has a designated clipboard with all open work orders attached, the clipboards are accessible to all staff. This allows operators to see the progress on the defect they reported.

Paratransit, Inc.'s maintenance department monitors road calls, fleet and facility requests, DVIRs, service incidents, and routinely visually inspects the vehicles. Preventive maintenance inspections are regulated based on a calculation of miles (i.e. annual miles each subfleet traveled divided by the inspection interval miles for that subfleet) and the results of oil analyses. The PMI schedule is tracked in our Enterprise Asset Management (EAM) software (which links to our PASS Operating system) and the PMI includes a multi-item checklist, followed by a road test to verify serviceability of the vehicle. PMIs assess the conditions of Paratransit, Inc.'s assets on a routine basis. Paratransit, Inc.'s inspections include a multi-item check list that touches on every wearing item/system on the bus and is followed by a road test to verify the serviceability of the bus. Inspection of all electrical equipment including video cameras, Zonar, and radios are also performed at this time.

Operational Safety Inspections are also tracked through EAM and are performed every 90 days in compliance with the California Highway Patrol, California Vehicle



Code. The maintenance department monitors technical bulletins, manufacturing notifications, and recall notifications. Defects identified will be handled in-house within Paratransit, Inc.'s resources and its personnel's scope of training. All other defects are contracted with professionals who specialize in the area of expertise.

All maintenance work, regardless of the source, is entered into EAM. Data can be aggregated in various ways to query different reports depending on the need. Updates are entered for ongoing repairs, providing electronic documentation of the full evolution of the repair.

EAM allows management to search key words and create reports on any fleet and facility requests, service incidents, employee incidents, or customer comments entered into the software. Custom reports may also be made when a unique situation arises. Key performance indicator reports are available to outline the number of work orders created and closed, labor hours, road calls, bus availability, and part requests. This level of monitoring allows management to identify safety risk mitigations that are ineffective or inappropriate. EAM maintains an indefinite retention of data, entries, and reports at this time.

All safety concerns and suggestions, anonymous or not, are reviewed. The concerns/suggestions are documented for all staff to review. If the suggestion has a limited likelihood of occurring and the severity is negligible, the appropriate person will investigate the issue and report back at the next management meeting. Depending on the complexity of the matter, the issue might be mitigated or it might require more group input at the next meeting.

The Cal-OSHA 300 Log is a record of work-related injuries and illnesses. The log classifies work-related injuries and illnesses and notes the extent and severity of each case. When an incident occurs, the log is used to record specific details about what happened and how it occurred. PI has logs for each physical location. An annual summary shows the totals for the year in each category. The annual summary is posted for employees to be aware of the injuries and illnesses occurring





at their workplace. After the Cal-OSHA 300 Log is posted for two months, the Human Resources/Risk Manager retains the log for at least three years.

## **Safety Promotion**

### **Competencies and Training**

PI requires employees including the Accountable Executive, Chief Safety Officer, and contractors, to complete training to be able to fulfill their safety-related roles and responsibilities. Initial training will be completed at hire/assignment, refresher training will be provided when behaviors indicate a need, and/or there are changes to the PTASP, operations, procedures, organizational structure, or when new safety concerns are identified and mitigation measures are developed. Each new Director on the PI Board of Director's receives an orientation packet and the plan will be included.

All transit staff are required to participate in Harassment, Distracted Driving, Injury and Illness Prevention Program, Hazardous Communication, Stress Management, Workplace Violence, Active Shooter, and Ethics. All safety sensitive staff are required to complete the Substance Abuse Awareness Training Program.

Paratransit, Inc.'s training program is constantly updated to reflect the changing regulations and best practices in the industry. Several specialized trainings for Paratransit, Inc.'s environment, policies/procedures, PASS: Passenger Assistance Safety and Sensitivity, and technologies. The road supervisor and dispatcher training includes more emphasis on the office technologies such as Computer Aided Dispatch and Automatic Vehicle Locator software (CAD-AVL), paratransit scheduling software, and The Reporting Solution software. The road supervisors also receive training on farebox troubleshooting, video review, and supervisor-specific reasonable suspicion and harassment trainings. All of the training is also available in an open format for retraining to ensure all staff feel confident in their skills.



All CDL holders have a minimum of 20 hours of classroom training and 30 hours of behind the wheel training. The exact number of training hours varies depending on the operator's license and endorsements. New employees training with PI to obtain their CDL average over 100 hours of training.

Maintenance staff (Mechanics and Service Assistants) must complete the following trainings:

- Preventive Maintenance checklist training
- Personal Protective Equipment (PPE) selection and use
- Shop daily safety inspection and cleaning procedures
- Lockout Tagout equipment procedure
- Proper hydration during summer months
- Tire training
- Eye wash and eye safety procedures
- Proper use of a fire extinguisher
- Spill Management prevention
- Proper air conditioning refrigerant recovery , recycling and service procedures
- Blood borne Pathogen safety training.
- Safety Data Sheet (SDS) location and understanding
- Walking safely in shop
- Proper lifting, bending, carrying
- Moving and road test driving vehicles
- Use of hydraulic lift
- Use of powered hand tools
- Use of compressed air tools
- General use of electric machinery
- Battery jump starting



Paratransit, Inc.'s insurance companies all provide various in-person and online safety training opportunities. PI also prioritizes training for staff through the Transit Safety Institute (TSI) and National Transit Institute (NTI).

Safety meetings are held for all maintenance and also for operations staff. The topics of the safety trainings are often suggested by staff, as a result of a pattern identified within PI, or something that is a current transit trend or update.

## **Safety Communication**

### **Passengers and Community Communication**

External communication occurs through email distribution lists, social media, PI website, and mobile application alerts. Additionally, informational flyers and public notices are posted in the buses.

### **Internal Communication**

The following is Paratransit, Inc.'s system of communication, designed to facilitate a continuous flow of two-way (management, supervisors & employees) safety and health information in a form that is readily understandable to and between all affected personnel:

- New worker orientation, including a discussion of site-specific safety and health policies and procedures
- Follow through by supervision to ensure effectiveness
- Monthly safety training meetings that encourages employee input
- Posted and distributed safety information
- Paper and electronic systems for employees to anonymously inform management about workplace hazards or safety concerns
- Safety Communication Board
- Agency e-mails, and memorandums
- Posters, notices, memos, white board announcements



- Safety messages over the MDT's
- Regular updates to the Board of Directors

Following adoption of this plan, and any subsequent revisions, copies will be provided to Caltrans and SACOG in accordance with Federal Transit Administration guidelines.



## Appendices

### **Appendix A: Record of Revisions**

A table that records the history of revisions made to the agency's PTASP is contained in the table that follows. The history of the changes was placed in this appendix to help preserve the page numbering to the extent possible.

<b>Plan Version Number and Updates</b>			
<b>Version Number</b>	<b>Section/Pages Affected</b>	<b>Reason for Change</b>	<b>Date Issued</b>
1	various	Updated dates and annual numbers	12/17/21
2	Various	Updates dates, numbers and roles	11/20/22
3	Various	Updates dates, numbers and roles	12/31/23



## Appendix B: Glossary of Terms and Acronyms

Term	Definition
Accident	<p>Accident means an Event that involves any of the following: a loss of life; a report of a serious injury to a person; a collision of public transportation vehicles; a runaway train; an evacuation for life safety reasons; or any derailment of a rail transit vehicle, at any location, at any time, whatever the cause. (per § 673.5)</p>
Accountable Executive	<p><b>§ 673.5 Definitions</b> – Accountable Executive means a single, identifiable person who has ultimate responsibility for carrying out the Public Transportation Agency Safety Plan of a public transportation agency; responsibility for carrying out the agency’s Transit Asset Management Plan; and control or direction over the human and capital resources needed to develop and maintain both the agency’s Public Transportation Agency Safety Plan, in accordance with 49 U.S.C. § 5329(d), and the agency’s Transit Asset Management Plan in accordance with 49 U.S.C. § 5326.</p> <p><b>§ 673.23(d)(1)</b> – The transit agency must identify an Accountable Executive. The Accountable Executive is accountable for ensuring that the agency’s SMS is effectively implemented throughout the agency’s public transportation system. The Accountable Executive is accountable for ensuring action is taken, as necessary, to address substandard performance in the agency’s SMS. The Accountable Executive may delegate specific responsibilities, but the ultimate accountability for the transit agency’s safety performance cannot be delegated and always rests with the Accountable Executive.</p> <p><i>Each transit agency must identify an Accountable Executive within its organization who ultimately is responsible for carrying</i></p>

Term	Definition
	<p><i>out and implementing its Safety Plan. A State that drafts a plan on behalf of another recipient or sub-recipient is not the Accountable Executive.</i></p>
<p>Chief Safety Officer/SMS Executive</p>	<p><b>§ 673.31 Definitions</b> – Chief Safety Officer means an adequately trained individual who has responsibility for safety and reports directly to a transit agency’s chief executive officer, general manager, president, or equivalent officer. A Chief Safety Officer may not serve in other operational or maintenance capacities, unless the Chief Safety Officer is employed by a transit agency that is a small public transportation provider as defined in this part, or a public transportation provider that does not operate a rail fixed guideway public transportation system.</p> <p>Safety Management System (SMS) Executive means a Chief Safety Officer or an equivalent.</p> <p><b>§ 673.23(d)(2)</b> – The Accountable Executive must designate a Chief Safety Officer or SMS Executive who has the authority and responsibility for day-to-day implementation and operation of an agency’s SMS. The Chief Safety Officer hold a direct line of reporting to the Accountable Executive. A transit agency may allow the Accountable Executive to also serve as the Chief Safety Officer or SMS Executive.</p> <p><i>Each transit agency must identify a Chief Safety Officer within its organization who has the authority and responsibility for day-to-day implementation and operation of the agency’s SMS. The Chief Safety Officer must meet the requirements specified in § 673.31 and § 673.23(d)(2). For SMS to be successful and effective, this person should have a strong working relationship with the operations and asset management functions at the transit agency.</i></p> <p><i>Small public transportation providers may designate a Chief Safety Officer or SMS Executive who also manages other</i></p>

Term	Definition
	<p><i>functions, such as operations, maintenance, and grant administration. For these transit agencies, the Chief Safety Officer may be a full-time employee of the transit system who has responsibility for duties other than safety, a part-time employee of the transit system, or a contracted employee.</i></p> <p><i>Bus transit systems that operate more than 100 vehicles in peak revenue service should have a dedicated Chief Safety Officer, given the increased safety risk of those systems. However, this is not a requirement.</i></p>
Consequence	<p>Consequences are outcomes or what those conditions can cause. Transit agencies should assess the likelihood and severity of the <i>consequences</i> of a hazard, not of the hazard itself (per § 673.5)</p>
Event	<p>Event means any Accident, Incident, or Occurrence. (per § 673.5)</p>
Hazard	<p>Hazard means any real or potential condition that can cause injury, illness, or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure of a public transportation system; or damage to the environment. Hazard are conditions. (per § 673.5)</p>
Incident	<p>Incident means an Event that involves any of the following: A personal injury that is not a serious injury; one or more injuries requiring medical transport; or damage to facilities, equipment, rolling stock, or infrastructure that disrupts the operations of a transit agency. (per § 673.5)</p>
Occurrence	<p>Occurrence means an Event without any personal injury in which any damage to facilities, equipment, rolling stock, or infrastructure does not disrupt the operations of a transit agency. (per § 673.5)</p>





Term	Definition
Performance Target	Performance target means a quantifiable level of performance or condition, expressed as a value for the measure, to be achieved within a time period required by the Federal Transit Administration (FTA). (per § 673.5)
Safety Performance Target	Safety performance target means a Performance Target related to safety management activities. (per § 673.5)
Serious Injury	Serious injury means any injury which: (1) Requires hospitalization for more than 48 hours, commencing within 7 days from the date the injury was received; (2) Results in a fracture of any bone (except simple fractures of fingers, toes, or noses); (3) Causes severe hemorrhages, nerve, muscle, or tendon damage; (4) Involves any internal organ; or (5) Involves second- or third-degree burns, or any burns affecting more than 5 percent of the body surface. (per § 673.5)

**Acronyms:**

Caltrans: California Department of Transportation

Cal-OSHA: California Department of Occupational Safety and Health

CSO: Chief Safety Officer

DR: Demand Response

FTA: Federal Transit Administration

MB: Motor Bus

NTD: National Transit Database

NDOT: Nevada Department of Transportation



PI: Paratransit, Inc.

PPE: Personal Protective Equipment

PTASP: Public Transit Agency Safety Plan

SMS: Safety Management System

SOP: Standard Operating Procedure

TrAMS: Transit Award Management System



## Appendix C: 2018 NTD Safety & Security Quick Reference Guide – Non-Rail Mode Reporting

Reportable Event: A safety or security event occurring: on transit right-of-way or infrastructure, at a transit revenue facility, at a maintenance facility or rail yard, during a transit-related maintenance activity, or involving a transit revenue vehicle. Excluded from this event reporting requirement are events that occur off transit property where affected persons, vehicles, or objects come to rest on transit property after the event, OSHA events in administrative buildings, deaths that are a result of illness or other natural causes, other events (assault, robbery, non-transit vehicle collisions, etc.) occurring at bus stops or shelters that are not on transit-controlled property, collisions that occur while travelling to or from a transit-related maintenance activity, collisions involving a supervisor car, or other transit service vehicle operating on public roads.

S&S-40 Major Event Report	S&S-50 Non-Major Monthly Summary
<b>MAJOR THRESHOLDS</b>	<b>NON-MAJOR THRESHOLDS</b>
<p>An event meeting the reportable event definition AND meeting <i>one or more</i> of the following reporting thresholds:</p> <ul style="list-style-type: none"> <li>• A fatality confirmed within 30 days (including suicide)</li> <li>• An injury requiring transport away from the scene for medical attention for one or more persons (partial exception in the case of Other Safety Events)</li> </ul>	<p>Less severe Other Safety Occurrence Not Otherwise Classified (OSONOC) injuries meeting the reportable event definition that is NOT a result of a collision, derailment, evacuation, security event, hazmat spill, or Act of God and non-major fires.</p> <p>OSONOC:</p> <ul style="list-style-type: none"> <li>• Single injury event requiring transport away from the scene for</li> </ul>

S&S-40 Major Event Report	S&S-50 Non-Major Monthly Summary
MAJOR THRESHOLDS	NON-MAJOR THRESHOLDS
<ul style="list-style-type: none"> <li>• Estimated property damage equal to or exceeding \$25,000</li> <li>• An evacuation for life safety reasons</li> <li>• Collisions involving transit roadway revenue vehicles that require towing away of a transit roadway vehicle or other non-transit roadway vehicle</li> </ul> <p><b>Reports are due within 30 days of the date of the event.</b></p>	<p>medical attention (do not report “minor” collisions on S&amp;S-50)</p> <p><b>Fires:</b></p> <ul style="list-style-type: none"> <li>• Requires suppression that does not meet a major incident reporting threshold <i>injury, fatality, evacuation, or property damage of \$25,000 or more</i></li> </ul> <p><b>Reports due by the end of the following month (e.g., January data due by end of February)</b></p>

S&S-40 Major Event Report	S&S-50 Non-Major Monthly Summary
EVENT TYPES	EVENT TYPES
<ul style="list-style-type: none"> <li>• A collision (including suicide/attempted suicide)</li> <li>• A fire</li> <li>• A hazardous material spill (requires <i>specialized</i> clean-up)</li> <li>• Acts of God (nature)</li> <li>• System security:               <ul style="list-style-type: none"> <li>○ Arson</li> <li>○ Bomb threat/bombing</li> <li>○ Burglary/vandalism</li> <li>○ Chemical/biological/radiological/nuclear release</li> <li>○ Cyber security event</li> <li>○ Hijacking</li> <li>○ Sabotage</li> <li>○ Suspicious package</li> <li>○ Other security event (shots fired, projectiles, etc.)</li> </ul> </li> <li>• Personal Security:               <ul style="list-style-type: none"> <li>○ Assault</li> <li>○ Homicide</li> <li>○ Robbery</li> <li>○ Larceny/theft</li> <li>○ Motor vehicle theft</li> <li>○ Rape</li> </ul> </li> </ul>	<p>OSONOC:</p> <p><b>Injury due to:</b></p> <ul style="list-style-type: none"> <li>• Slip/trip</li> <li>• Fall               <ul style="list-style-type: none"> <li>○ Including person making contact with a non-moving transit vehicle</li> </ul> </li> <li>• Injury to maintenance workers</li> <li>• Boarding/alighting</li> <li>• Electric shock/burns</li> <li>• Abrupt or evasive transit vehicle maneuvers</li> <li>• Mobility device (e.g. wheelchair) securement issues</li> <li>• Injury sustained on a mobility device lift</li> <li>• Stairs/elevator/escalator injury</li> </ul> <p><b>Fire:</b></p> <ul style="list-style-type: none"> <li>• Requires suppression but no major threshold is met               <ul style="list-style-type: none"> <li>○ Small fire in transit station</li> <li>○ Small engine fire on transit vehicle</li> </ul> </li> </ul>



S&S-40 Major Event Report	S&S-50 Non-Major Monthly Summary
EVENT TYPES	EVENT TYPES
<ul style="list-style-type: none"> <li>○ Other personal security events (non-collision suicide/attempted suicide, etc.)</li> <li>● OSONOC (two injuries and/or another threshold)</li> <li>○ Miscellaneous events that meet a threshold</li> </ul>	

## Appendix D: Safety Risk Matrix

**Safety Risk Matrix**

<b>Likelihood/Probability</b>	<b>Rare (1)</b>					<b>Flood</b>
	<b>Unlikely (2)</b>					
	<b>Possible (3)</b>				<b>Fire</b>	<b>Gas leak</b>
	<b>Likely (4)</b>	<b>Power Outage</b>		<b>Traffic</b>	<b>Passenger Threat</b>	<b>Serious Injury</b>
	<b>Definite (5)</b>	<b>Cold/Hot Temperatures</b>	<b>FOG</b>	<b>FOG with Heavy Traffic</b>	<b>Serious Injury</b>	
		<b>Insignificant (1)</b>	<b>Marginal (2)</b>	<b>Moderate (3)</b>	<b>Critical (4)</b>	<b>Catastrophic (5)</b>
	<b>Severity/Seriousness</b>					



## Appendix E: Risk Score Legend

### Risk Score Legend

Risk Score	Risk Level Category	Description
1-4 (green)	Low Risk	Manage by routine procedures and operations; should not require much attention.
5-9 (yellow)	Moderate Risk	Manage by specific monitoring or response procedures.
10-14 (orange)	High Risk	Requires escalation to management.
15-25 (red)	Critical Risk	Requires escalation to Accountable Executive.





**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 7A**

**AGENDA TITLE:** Nominations and Election of Officers of the Board of Directors for Calendar Year 2024

**MEETING DATE:** February 15, 2024

**PREPARED BY:** Tiffani M. Scott, President and CEO

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**RECOMMENDED ACTION:**

Open nominations for each of the three offices: President, Vice-President, Secretary/Treasurer and conduct elections. Upon appointment, the officers shall become effective the day following the meeting (February 16, 2024). This will allow for all actions taken by the Board at the February meeting to be signed consistently for audit records.

**BACKGROUND AND DISCUSSION:**

The officers of the corporation shall be a Chair of the Board, a Vice Chair of the Board, Secretary/Treasurer of the Board. The Chair of the Board shall report their nomination for officers of the corporation for consideration. Officers shall serve at the pleasure of the Board.

A definition of the duties of each officer position is listed below:

**Chair of the Board:** The Chair of the Board 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.

**Vice Chair of the Board:** The Vice Chair of the Board shall preside at

meetings in the absence of the Chair and assist the Chair as needed. The Vice Chair shall assume the duties of the Chair if the position is vacated.

**Secretary/Treasurer of the Board:** The Secretary/Treasurer of the Board shall maintain a record of the proceedings of all meetings of the Board. The Secretary/Treasurer shall maintain a complete up-to-date, and accurate record of the Articles of Incorporation, Bylaws, and any amendments to the Bylaws and file with the Secretary of State any amendments to the Articles of Incorporation. Additionally, the Secretary/ Treasurer 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/ Treasurer shall be open to inspection at all times to the directors. There shall be an annual audit by a certified public accountant.

**FISCAL IMPACT:**

None

**ATTACHMENTS:**

None



**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 5B**

**AGENDA TITLE:** Discussion of Date Change for the April 2024 Meeting of the Board of Directors Due to a Conflict with Cap-to-Cap

**MEETING DATE:** February 15, 2024

**PREPARED BY:** Chris M. Brown, SHRM-SCP, SPHR, Assistant Secretary of the Board of Directors

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**RECOMMENDED ACTION:**

Discussion of Date Change for the April 2024 Meeting of the Board of Directors Due to a Conflict with Cap-to-Cap.

**BACKGROUND AND DISCUSSION:**

Annually, executive staff prepares the meeting calendar for the Board of Directors. All meetings are on the on the third Monday of the month except February and the meetings are scheduled for 6:00 p.m. Due to the holiday in February, the meeting is scheduled for Thursday, February 15, 2024 at 6:00 p.m.

After the Board Calendar was adopted, the conflict date for the April meeting was identified. Due to the number of Board Members and staff who participate in this annual event, the meeting date will need to change.

**FISCAL IMPACT:**

None

**ATTACHMENTS:**

1. Current Board of Directors Meeting Calendar



## **PARATRANSIT, INC.**

### **BOARD OF DIRECTORS' 2024 MEETING DATES**

**Paratransit, Inc.**

**2501 Florin Road**

**Sacramento, CA 95822**

**6:00 p.m.**

February 15, 2024 (Thursday)

April 15, 2024

June 17, 2024

August 19, 2024

October 21, 2024

December 16, 2024

### ***Paratransit, Inc. Welcomes Public Attendance***

**Please call 429-2009 if you would like to request an agenda.  
Agendas are prepared and ready for public distribution three (3) days  
before meeting dates.**



**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 7C**

**AGENDA TITLE:** Adopt Resolution 03-24 Authorizing the President and Chief Executive Officer, as well as, the Chief Financial Officer to negotiate and execute a final funding agreement for housing which allows for the Project to be completed in two phases, with the initial phase to construct in Spring 2024 and authorizing reinvestment of exit revenues upon perm loan securement into Phase 2 construction costs

**MEETING DATE:** February 15, 2024

**PREPARED BY:** Tiffani M. Scott, President and CEO

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**RECOMMENDED ACTION:**

Adopt Resolution 03-24 Authorizing the President and Chief Executive Officer, as well as, the Chief Financial Officer to negotiate and execute a final funding agreement for housing which allows for the Project to be completed in two phases, with the initial phase to construct in Spring 2024 and authorizing reinvestment of exit revenues upon perm loan securement into Phase 2 construction costs.

**BACKGROUND AND DISCUSSION:**

In September of 2020, the Board of Directors adopted the first Strategic Development Plan. In April 2022, the Board of Directors engaged in an in-depth review of the agency Strategic Development Plan and in June 2022, the Board adopted the second update.

Included in the Business Development Plan was an item to develop the 2.5 acre vacant parcels owned by Paratransit on Woodbine Avenue, adjacent to the main administrative offices. Staff discussed this item with the Board in

December 2022 and was given approval to negotiate and execute project details required to develop housing on the parcels. The CEO and CFO have been engaged in active discussions with the City of Sacramento and the development team of Urban Elements and Fulcrum Properties. Initially, a project was proposed to construct 216 units of attainable, supportive housing that would rent within the Housing Choice Voucher limits. Due to changes in the financial market, and to address a funding gap for construction, the project is being phased with the initial Phase 1 to construct 108 units.

On October 25, 2022, the Sacramento City Council adopted a new strategic approach to the housing crisis in Sacramento with a focus on development of permanent housing solutions. Included in that approach was a commitment of a 55 year, receipts only loan (with opportunity for debt forgiveness) of \$8.4 million. It passed the City Council unanimously. The City has signed on as a partner and would be able to directly refer 10 individuals from their programs into the on-site housing. This funding remains in place and would be applied to the revised project. Staff has already been in discussions with Senior Management and the Mayor's office to move this item forward to allow construction to continue.

This action, if approved, would allow Paratransit to develop the project in two phases instead of one, to better size to existing market conditions. The project as anticipated would still utilize the full City funding in phase 1 and would begin construction in Spring/Summer 2024. Upon full occupancy, and securement of the permanent loan, the net proceeds would be paid out to the partners per the agreement. To cover existing costs incurred by that time, Paratransit would expect to cash out approximately \$450,000. The remaining balance (between \$2.5 million to \$3 million depending on market conditions at the time) would be reinvested towards the funding for Phase 2 as originally intended.

### **FISCAL IMPACT:**

All current activities are included within the existing budget. Cost for future expanded services such as providing services and maintenance would be offset by secured revenues for the development of the project and by on-going operating revenues. The new housing c(2) will adopt the annual operating budget for the c(2) and new proceeds will go to Paratransit, Inc. after all debts are paid.

**ATTACHMENTS:**

1. Resolution 03-24



**RESOLUTION NO. 03-24**

**AUTHORIZING THE PRESIDENT AND CHIEF EXECUTIVE OFFICER, AS WELL AS, THE CHIEF FINANCIAL OFFICER TO NEGOTIATE AND EXECUTE A FINAL FUNDING AGREEMENT FOR HOUSING WHICH ALLOWS FOR THE PROJECT TO BE COMPLETED IN TWO PHASES, WITH THE INITIAL PHASE TO CONSTRUCT IN SPRING 2024 AND AUTHORIZING REINVESTMENT OF EXIT REVENUES UPON PERM LOAN SECUREMENT INTO PHASE 2 CONSTRUCTION COSTS**

**WHEREAS**, Paratransit, Inc. owns the property at 7141 Woodbine Avenue and is interested in utilizing the property to further the needs of Seniors, Persons with Disabilities and other individuals at risk of housing insecurity; and

**WHEREAS**, Paratransit has received funding from the City of Sacramento to assist with the development of this parcel for supportive housing; and

**WHEREAS**, development of this property will revitalize this corridor and provide socio-economic benefits to South Sacramento; and

**WHEREAS**, a project phasing approach allow the project to proceed.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors of Paratransit, Inc. adopts Resolution 03-24 Authorizing the President and Chief Executive Officer, as well as, the Chief Financial Officer to negotiate and execute a final funding agreement for housing which allows for the project to be completed in two phases, with the initial phase to construct in spring 2024 and authorizing reinvestment of exit revenues upon perm loan securement into phase 2 construction costs

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Patrick Hume, Chair of the Board  
Paratransit, Inc. Board of Directors  
Dated: February 15, 2024





**Paratransit, Inc.  
Board of Directors Staff Report  
Agenda Item 7D**

**AGENDA TITLE:** Adopt Resolution 04-24 Approving the 2022-2025 Title VI Plan Update #1 and Authorizing the President and CEO to make administrative adjustments to the program, as needed.

**MEETING DATE:** February 15, 2024

**PREPARED BY:** Tiffani M. Fink, President and CAEO

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**RECOMMENDED ACTION:**

Adopt Resolution 04-24 Approving the 2022-2025 Title VI Plan Update #1 and authorizing the President and CEO to make administrative adjustments to the program, as needed.

**BACKGROUND AND DISCUSSION:**

In Federal Circular 4702.1B, the Federal Transit Administration (FTA) requires all recipients and sub-recipients to develop a Title VI Program to ensure that equal access is provided to passengers and that the proper language assistance materials are made available. Paratransit, Inc. has had a Title VI policy for several years and this adoption covers the newest planning period extending the plan until 2025.

The Title VI Program presented is a revision of Paratransit's existing Board-adopted Program. This policy and program have been updated to include the required documentation and language to meet the FTA program guidelines. The program outlines the process utilized to monitor equal access to passengers and describes the different ways that Paratransit, Inc. reaches out to the community and in particular, passengers with Limited

English Proficiency (LEP). Update #1 adds language on our specific outreach measures and meetings, and updates Census data to reflect data that was released after the plans adoption.

Each agency receiving federal funds is required to update and re-adopt their program every three years by the Board, and staff is recommending that the Board of Directors authorize the President and CEO to make any administrative adjustments in the interim. These would include updating the exhibits to show revised outreach materials or updated procedures.

**FISCAL IMPACT:**

The Title VI plan is required to be adopted by the Board to remain eligible to utilize federal funds. Failure to adopt the plan, could jeopardize the use of federal capital and operating funds.

**Attachments:**

1. Resolution 04-24
2. Title VI plan for years 2022-2025



**RESOLUTION NO. 04-24  
APPROVING THE PARATRANSIT, INC 2022-2025 TITLE VI PLAN  
UPDATE #1 AND AUTHORIZING THE PRESIDENT AND CEO TO MAKE  
ADMINISTRATIVE ADJUSTMENTS, AS NEEDED**

**WHEREAS**, every three (3) years the Paratransit, Inc. Board of Directors is required to adopt an updated Title VI plan in accordance with federal requirements; and

**WHEREAS**, Paratransit, Inc. is a recipient of federal funds for operating and capital purposes; and

**WHEREAS**, upon adoption this plan will be transmitted to our funding partners for compliance.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors of Paratransit, Inc. adopts Resolution 04-24 approving the Paratransit, Inc. Title VI Plan.

**NOW, THEREFORE BE IT FURTHER RESOLVED**, that the Board of Directors of Paratransit, Inc. authorizes the President and CEO to make administrative adjustments as needed.

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Patrick Hume, Chair of the Board  
Paratransit, Inc. Board of Directors  
Dated: February 15, 2024

Paratransit, Inc.

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Title VI Program  
Update  
2022-2025

## 1.0 Introduction

### 1.1 *Paratransit, Inc. Profile*

Founded in 1978, Paratransit, Inc. is a private nonprofit corporation dedicated to providing transportation services to individuals with disabilities, the elderly, and related agencies throughout the Sacramento County area.

In 1979, using Paratransit, Inc. as a model, Assemblyman Walter Ingalls authored Assembly Bill (AB) 120, the Social Service Transportation Improvement Act. This landmark legislation included a provision calling for the designation of a Consolidated Transportation Services Agency (CTSA) in each California County. Paratransit, Inc. was the first such agency designated in California.

Since 1981, Paratransit, Inc. has served as the CTSA for the Sacramento urbanized area and is recognized as a national leader in coordinated transportation programs. As the designated CTSA, Paratransit, Inc. works with social service agencies such as the United Cerebral Palsy Association of Northern California, ACC Senior Services (formerly Asian Community Center), and the Elk Grove Adult Community Training program, to increase transportation options for seniors, individuals with disabilities and people with low incomes. For over 30 years, Paratransit has worked with a variety of local nonprofit agencies to provide transportation services, accessible vehicles, low-cost vehicle maintenance, and travel training programs.

### 1.2 *Requirements and Guidance*

As a condition of Paratransit, Inc.'s funding from the Federal Transit Administration (FTA) and Subrecipient Agreements with Sacramento Regional Transit District (RT), Paratransit, Inc. is required annually to submit Certifications and Assurances. In addition, on a triennial basis, Paratransit, Inc. is required to submit to RT evidence documenting compliance with FTA Circular 4702.1B on Title VI of the Civil Rights Act of 1964, which states in Section 601:

*No person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.*

There are two Presidential Executive Orders that place further emphasis upon Title VI protections of race and national origin.

- Executive Order #12898 directs federal agencies to develop strategies to address disproportionately high and adverse human health or environmental effects of their programs on minority and low-income populations.
- Executive Order #13166 directs federal agencies to evaluate services provided and implement a system that ensures that persons with Limited English Proficiency are able to meaningfully access the services provided consistent with and without unduly burdening the fundamental mission of each federal agency. Additionally, each federal agency shall ensure that recipients of federal financial assistance provide meaningful access to their Limited English Proficiency applicants and beneficiaries.
- Circular 4703.1 went into effect on August 15, 2012 to provide recipients of FTA financial assistance with guidance to incorporate environmental justice principles into plans, projects and activities that receive funding from FTA.
- Circular 4702.1B went into effect on October 1, 2012 to assist grantees in complying with Title VI of the Civil Rights Act of 1964. The purpose of this Circular is to provide recipients of FTA financial assistance with instructions and guidance necessary to carry out the US Department of Transportation's Title VI regulations (49 CFR part 21).

## 2.0 General Requirements

### 2.1 Notice to the Public

Requirement: All recipients must provide a copy of the recipient's Title VI notice to the public that indicates that the recipient complies with Title VI, and informing members of the public of the protections against discrimination afforded to them by Title VI, as well as a list of locations where the notice is posted.

Policy: Paratransit, Inc. posts its Title VI notice in English and Spanish in the public portions of our Administration building located at 2501 Florin Road and online at [www.pاراتransit.org](http://www.paratransit.org). The Notice to Public can be found in Appendix 5.

### 2.1 Complaint Procedures and Form

Requirement: All recipients must provide a copy of instructions to the public regarding how to file a Title VI discrimination complaint, including a copy of the complaint form.

Policy: The procedure for filing a Title VI complaint can be found online at [www.pاراتransit.org](http://www.pاراتransit.org) and may also be obtained from Paratransit, Inc.'s Administration Department. Paratransit, Inc. staff is available to assist complainants with filing a Title VI complaint.

Paratransit, Inc. has developed procedures for filing, tracking and investigating Title VI complaints. The procedures, including a complaint form provided by Paratransit, Inc. are included in Appendix 2.

### 2.2 Investigations, Complaints and Lawsuits

Requirement: All recipients must provide a list of any public transportation related Title VI investigations, complaints and lawsuits filed with the recipient since the time of the last submission.

Policy: Paratransit, Inc. has developed procedures for tracking and monitoring Title VI complaints and lawsuits and has procedures for investigation of complaints.

Paratransit, Inc. has not received any complaints of discrimination pursuant to Title VI. A statement noting that no complaints have been received is included as Appendix 3.

### *2.3 Inclusive Public Involvement*

Requirement: Pursuant to 49 CFR 21.5(b)(7), and to engage in community outreach consistent with the DOT Order on Environmental Justice, recipients and sub-recipients shall seek out and consider the viewpoints of minority and low income populations in the course of conducting public outreach and involvement activities. An agency's public participation plan shall offer early and continuous opportunities for the public to be involved in the identification of social, economic and environmental impacts of proposed transportation decisions.

Policy: Paratransit, Inc. staff actively reaches out to organized community groups (i.e., ACC Senior Services, Hmong Heritage Center, senior facilities, public transportation providers, etc.) to conduct travel training classes. During these classes, informational packets are disseminated and interpreters are available to assist with patrons who have limited English proficiency. The dates that Paratransit, Inc. reached out to various communities over the past 3 years are:

January 2021, March 2021, April 2021, May 2021, June 2021, August 2021, September 2021, October 2021, November 2021, March 2022, July 2022, August 2022, October 2022, November 2022, December 2022, January 2023, March 2023, April 2023, May 2023, June 2023, July 2023, August 2023, September 2023, and October 2023.

Also, Paratransit, Inc. staff participates in several advisory committees, including the Transit Coordinating Committee of the Sacramento Area Council of Governments, and the Mobility Advisory Council of the Sacramento Regional Transit District. Through these advisory councils, Paratransit, Inc. staff participates in public outreach efforts on community and regional transportation and transit service planning efforts.



## 2.4 Language Assistance Plan

Requirement: All recipients are required to provide a Language Assistance Plan (LAP), which specifies policies and procedures for providing language assistance to LEP populations, in accordance with U.S. Department of Transportation LEP Guidance.

### 2.4.1 Four Factor Analysis

The U.S. Department of Transportation (DOT) issued its *Policy Guidance Concerning Recipient's Responsibilities to Limited English Proficiency (LEP) Persons*. This policy states that DOT recipients are required to take reasonable steps to ensure meaningful access to programs by LEP persons. This coverage extends to the recipient's entire program. There are four factors for agencies to consider when assessing language needs and determining what steps they should take to ensure access for LEP persons, regardless of whether or not the agency chooses not to prepare a written LEP plan:

- 1) The number or proportion of LEP persons eligible to be served or likely to be encountered by a program, activity or service of the recipient;
- 2) The frequency with which LEP individuals come in contact with } the program;
- 3) The nature and importance of the program, activity or service provided by the recipient to people's lives; and
- 4) The resources available to the recipient and costs. A brief description of the self-assessment undertaken in each of the areas follows.

#### *2.4.1a The number or proportion of LEP persons eligible to be served or likely to be encountered by a program, activity or service of the recipient.*

People of Spanish or Asian decent are the primary LEP persons likely to be encountered by Paratransit, Inc. programs and transit services. For the Sacramento Urbanized Area, the American Community Survey of the U.S. Census Bureau shows that

among the area's population, 86.2% spoke English as a first language or spoke it "very well" as a second language. For groups who spoke English "less than very well", 35% are Hispanic, 11% are of Chinese descent, and 25% are of other Asian descent, including Hmong, Vietnamese, Korean and Filipino. Appendix 4 contains a table that lists the languages spoken at home by the ability to speak English for the population within the Sacramento Urbanized Area five years and older.

#### *2.4.1b The frequency with which LEP individuals come in contact with the program.*

Paratransit, Inc. has assessed the frequency at which staff has or could possibly have contact with LEP persons. This includes examining census data, phone inquiries, requests for translated documents and staff feedback. As discussed above, census data indicate that there is a fairly large percentage of the general population, who are Spanish speaking persons or those of Asian descent. As a demand-response transportation provider, it is necessary to recognize these segments of the general population. Phone inquiries and staff feedback also indicate that Spanish-speaking and Asian language LEP persons have regular contact with the service or program.

#### *2.4.1c The nature and importance of the program, activity or service provided by the recipient to people's lives.*

Public transportation and regional transportation planning is vital to many people's lives. According to the Department of Transportation's *Policy Guidance Concerning Recipient's Responsibilities to Limited English Proficient (LEP) Persons*, "Providing public transportation access to LEP persons is crucial. An LEP person's ability to utilize effective public transportation may affect his or her ability to obtain health care, or education, or access to employment."

The American Community Survey data from 2022 indicate that, of those who take public transportation to work in the Sacramento

Urbanized Area, 17.1 percent are of Hispanic or Latino origin, and 9.4 percent are of Asian descent. In addition, of those within the urbanized area, who take public transportation 12.3 percent speak English “less than very well.” Although these figures are generalized to “public transportation” and are not segregated into fixed-route vs. demand-responsive services, it is reasonable to assume that the data would indicate that Paratransit’s services are important to these populations as a primary means to get to work and other destinations.

#### *2.4.1d The resources available to the recipient and costs*

Paratransit, Inc. assessed its available resources that are currently being used, and those that could be used, to provide language assistance. Notwithstanding the significant cuts in funding for public transportation service in the Sacramento urbanized area, and the resulting cuts in ADA-related transportation services, Paratransit, Inc. provides a reasonable degree of services for limited English speaking persons.

### *2.5 Interactions with the Limited English Proficiency Population*

Paratransit, Inc. employs the following to ensure meaningful input is received:

- Paratransit’s automated telephone answering system provides information in both English and Spanish, and calls are routed as appropriate to English or Spanish speaking call representatives.
- Paratransit ensures that staff or contract interpreters are available to work with customers who speak Spanish, Vietnamese, Russian, Hmong and Chinese.
- Paratransit, Inc. works with organizations such as the ACC Senior Services and the Hmong Heritage Center to recruit translators as needed for public presentations and mobility training sessions.

When Paratransit, Inc. staff makes community presentations to groups whom they know in advance are limited English speakers, Paratransit staff will hire an interpreter to translate information from the presentation to meeting attendees.

- When customers communicate with Paratransit, Inc. and state a language preference, requested materials are provided in the requested language.
- Notices that are posted on the Paratransit, Inc. vehicles are provided in English and Spanish, as drivers most frequently interact with Spanish-speaking individuals. Paratransit, Inc. provides these notices to other limited-English speaking customers upon request.
- Paratransit, Inc. relies on council members and community leaders who have close ties to their respective LEP constituents. The council member or community leader can act as a trusted messenger to help facilitate conversations between Paratransit, Inc. and the LEP community.

## *2.6 LEP Training and Implementation by Paratransit, Inc. staff*

Paratransit, Inc. employs the following to ensure meaningful input is received:

- When new hires start employment, Paratransit, Inc. management distributes an Administrative Handbook that contains all Paratransit, Inc. policies and procedures. The Administrative Handbook will be updated to include Paratransit, Inc.'s policy on outreach to and communication with limited-English speaking persons.
- As new policies/procedures are developed, or existing policies/procedures are amended, these new documents are distributed to affected employees through various methods, including but not limited to paper distribution, electronic documents, postings in employee break rooms, and scheduled group or individual training sessions.

- Vehicle operators, who are the most direct point of contact for LEP persons, have several methods to respond to an LEP individual. In many instances, LEP individuals are accompanied by a companion who speaks English and can translate for the customer. In addition, many vehicle operators are bilingual. If vehicle operators are not bilingual, they are instructed to ask for assistance from a bilingual passenger. In the few cases where there is no one on the bus who can offer language assistance when needed, the vehicle operator contacts dispatch, and a supervisor is sent to the bus to assist.

## *2.7 Safe Harbor Provisions*

The Safe Harbor requirements state, “if a recipient provides written translation of vital documents for each eligible LEP language group that constitutes five percent (5%) or 1,000 persons, whichever is less, of the total population of persons eligible to be served or likely to be affected or encountered, then such action will be considered strong evidence of compliance with the recipient’s written translation obligations. Translation of non-vital documents, if needed, can be provided orally.”

Based on the Four Factor analysis, as described above, Paratransit, Inc. has identified the following documents to be made available:

1. Paratransit, Inc. Policy Statement of Non-Discrimination and Title VI Civil Rights Protections
2. Title VI Facility and Vehicle Notifications
3. Paratransit, Inc. Implementation Procedure for Policy on Nondiscrimination and Title VI Civil Rights Protection
4. Paratransit, Inc. Title VI Complaint Procedure

## *2.8 Monitoring, Evaluation and Updates to the plan*

The Paratransit, Inc. Title VI program and Language Assistance Plan are designed to be living documents that are updated accordingly. Paratransit, Inc. monitors our services and service area statistics:

1. Through contact with our passengers both on-board and in the call

center

2. Through updated American Community Survey data
3. Through formal comments obtained by the public and local officials
4. Through active engagement in the regulatory process and monitoring of updates to regulations and best practices
5. Through outreach in our travel training program with partner agencies on their changing customer demographics.

Based on the information received, Paratransit, Inc. reviews all comments and updates the plan and outreach documents accordingly. All data is reviewed as needed and at a minimum, a new plan is updated and adopted by the Board every three years.

### *2.9 Committee and Board Composition*

Committee and Board Composition Requirement: Recipients that have transit-related, non-elected planning boards, advisory councils or committees or similar bodies, the membership of which is selected by the recipient, must provide a table depicting the racial breakdown of the membership of those committees and a description of efforts made to encourage the participation of minorities on such committees or councils.

Policy: Paratransit, Inc. does not have any non-elected planning boards, advisory councils or committees, or similar bodies.

### *2.10 Construction Projects*

Requirement: If the recipient has constructed a facility, such as a vehicle storage facility, maintenance facility, operation center, etc., the recipient shall include a copy of the Title VI equity analysis conducted during the planning stage with regard to the location of the facility.

Title 49 CFR Section 21.9 (b)(3) states, "In determining the site or location of facilities, a recipient or applicant may not make selections with the purpose or effect of excluding persons from, denying them the benefits of, or subjecting them to discrimination under any program to which this regulation applies, on the ground of race, color or national origin."

Title 49 CFR part 21, Appendix C, Section (3) (iv) provides, "The location of

projects requiring land acquisition and the displacement of persons from their residences and businesses may not be determined on the basis of race, color or national origin.”

For the purposes of this requirement, “facilities” does not include bus shelters, as these are transit amenities and are covered in Chapter IV of Circular 4702.1B, nor does it include transit stations, power substations, etc., as those are evaluated during project development and the CEQA and NEPA processes. Facilities included in this provision include, but are not limited to, storage facilities, maintenance facilities, operations centers, etc.

Policy: Paratransit, Inc. has a process in place to identify and monitor these projects in the planning and project development phases to ensure that the proper analysis is conducted. Paratransit, Inc. did not have any construction projects, as defined by this regulation, during the time since the last program submittal.

### *2.11 Subrecipient Monitoring*

Recipients shall include a narrative or description of efforts used to ensure subrecipients are complying with Title VI, as well as a schedule of subrecipient Title VI program submissions.

Policy: Paratransit, Inc. does not have any pass-through agreements with subrecipients and no such agreements are expected during the term of this Title VI plan.

### *2.12 Board Approval*

Requirement: A copy of board meeting minutes, resolution, or other appropriate documentation showing the Board of Directors reviewed and approved the Title VI program must be included.

Policy: This Title VI update will be posted to the Paratransit, Inc. website once approved by Paratransit, Inc. and is scheduled to go to the Board of Directors at its June 2022 meeting.

### *2.13 Required Submission of the Title VI Program*

To ensure compliance with 49 CFR Section 21.9 (b), FTA requires that all

recipients document their compliance by submitting a Title VI program to FTA's regional civil rights officer once every three years.

### **3 Description of Service**

Paratransit, Inc. funds and provides demand-responsive services to individuals for the General Public . Paratransit, Inc. uses its revenues to provide service to the public. The following is a description of the current services offered:

#### *Mobility Training*

Paratransit, Inc. offers training on how to ride the local fixed route and light rail service at no cost to the individual. Training includes help planning how to get to and from favorite destinations and one-on-one training riding with passengers on the bus until they can navigate independently on their own. Because there may be non-ADA denials, Paratransit, Inc. encourages anyone who wants to learn how to ride to take this free training. Companions are also eligible to receive training along with Paratransit passengers.

### **4 General Reporting Requirements**

Chapter IV of FTA Circular 4702.1B speaks to the general reporting requirements required of recipients of FTA funding and its subrecipients to ensure that their activities comply with the DOT Title VI regulations and/or the DOT Order on Environmental Justice and the DOT Guidance on Limited English Proficiency (LEP). Reporting requirements covering nine general areas are identified in this chapter. Summaries of these requirements and Paratransit Inc.'s efforts in meeting them are outlined below.

#### *4.1 Annual Title VI Assurance*

Applicants shall submit their annual Title VI assurance as part of their annual Certification and Assurances submission to FTA. Recipients shall collect Title VI assurances from subrecipients prior to passing through FTA funds (these Title VI assurances can be submitted as part of a standard list of



assurances provided by subrecipients to their direct recipient).

Paratransit, Inc. annually submits its Certifications and Assurances to both the California Department of Transportation (Caltrans), Division of Mass Transportation, as a subrecipient of Section 5310 funds and to the Sacramento Regional Transit District as a subrecipient of Section 5307, 5309 and 5339 funds. The Executive Director and Chief Legal Counsel sign the annual Certifications and Assurances document and submit it with Paratransit, Inc.'s Section 5310 applications to Caltrans. Paratransit, Inc.'s latest signed copy of the Certifications and Assurances is included in this document as Appendix 1.

#### *4.2 Notifying Beneficiaries of Protection*

In order to comply with 49 CFR Section 21.9 (d), recipients and subrecipients shall provide information to beneficiaries regarding their Title VI obligations and appraising beneficiaries of the protections against discrimination afforded to them by Title VI.

Paratransit, Inc. has established a Policy Statement, per Title VI, for those who are benefiting from services, and/or contracts, funded with federal assistance and has made that Policy Statement available to the public. This Policy Statement addresses Paratransit, Inc.'s commitment to avoiding discrimination on the basis of race, color or national origin. In addition, Paratransit, Inc. has developed an Implementation Procedure and Complaint Process that provides the following additional information:

- A description of Title VI and the civil rights protections it affords
- Instructions on how to file a Title VI complaint
- A description of the process for handling complaints and notifying the complainant
- A description of who can file complaints and where to file them.

Paratransit's "Policy Statement on Non-Discrimination and Title VI Civil Rights Protections," which includes a public notification of rights, is shown in Appendix 2. All of these documents can be translated into various languages upon request. In addition, Paratransit's Title VI Policy Statement and Implementation Procedure are included on Paratransit's web site at

[www.paratransit.org](http://www.paratransit.org)

## **Appendix 1**

# **FY 2022 Certifications and Assurances Executed by Paratransit, Inc.**

*Not every provision of every certification will apply to every applicant or award. If a provision of a certification does not apply to the applicant or its award, FTA will not enforce that provision. Refer to FTA's accompanying Instructions document for more information.*

*Text in italics is guidance to the public. It does not have the force and effect of law, and is not meant to bind the public in any way. It is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.*

## **CATEGORY 1. CERTIFICATIONS AND ASSURANCES REQUIRED OF EVERY APPLICANT.**

*All applicants must make the certifications in this category.*

### **1.1. Standard Assurances.**

*The certifications in this subcategory appear as part of the applicant's registration or annual registration renewal in the System for Award Management (SAM.gov) and on the Office of Management and Budget's standard form 424B "Assurances—Non-Construction Programs". This certification has been modified in places to include analogous certifications required by U.S. DOT statutes or regulations.*

As the duly authorized representative of the applicant, you certify that the applicant:

- (a) Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
- (b) Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
- (c) Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
- (d) Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
- (e) Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§ 4728–4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 CFR 900, Subpart F).

- (f) Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to:
- (1) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin, as effectuated by U.S. DOT regulation 49 CFR Part 21;
  - (2) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681–1683, and 1685–1686), which prohibits discrimination on the basis of sex, as effectuated by U.S. DOT regulation 49 CFR Part 25;
  - (3) Section 5332 of the Federal Transit Law (49 U.S.C. § 5332), which prohibits any person being excluded from participating in, denied a benefit of, or discriminated against under, a project, program, or activity receiving financial assistance from FTA because of race, color, religion, national origin, sex, disability, or age.
  - (4) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps, as effectuated by U.S. DOT regulation 49 CFR Part 27;
  - (5) The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101–6107), which prohibits discrimination on the basis of age;
  - (6) The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;
  - (7) The comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91–616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
  - (8) Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;
  - (9) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental, or financing of housing;
  - (10) Any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and,
  - (11) the requirements of any other nondiscrimination statute(s) which may apply to the application.
- (g) Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (“Uniform Act”) (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases. The requirements of the Uniform Act are effectuated by U.S. DOT regulation 49 CFR Part 24.

- (h) Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§ 1501–1508 and 7324–7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
- (i) Will comply, as applicable, with the provisions of the Davis–Bacon Act (40 U.S.C. §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. § 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327–333), regarding labor standards for federally assisted construction subagreements.
- (j) Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
- (k) Will comply with environmental standards which may be prescribed pursuant to the following:
  - (1) Institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514;
  - (2) Notification of violating facilities pursuant to EO 11738;
  - (3) Protection of wetlands pursuant to EO 11990;
  - (4) Evaluation of flood hazards in floodplains in accordance with EO 11988;
  - (5) Assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.);
  - (6) Conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.);
  - (7) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and
  - (8) Protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93–205).
- (l) Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
- (m) Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§ 469a-1 et seq.).
- (n) Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
- (o) Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§ 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded

- animals held for research, teaching, or other activities supported by this award of assistance.
- (p) Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
  - (q) Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and 2 CFR Part 200, Subpart F, “Audit Requirements”, as adopted and implemented by U.S. DOT at 2 CFR Part 1201.
  - (r) Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing the program under which it is applying for assistance.
  - (s) Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. § 7104) which prohibits grant award recipients or a subrecipient from:
    - (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect;
    - (2) Procuring a commercial sex act during the period of time that the award is in effect; or
    - (3) Using forced labor in the performance of the award or subawards under the award.

## **1.2. Standard Assurances: Additional Assurances for Construction Projects.**

*This certification appears on the Office of Management and Budget’s standard form 424D “Assurances—Construction Programs” and applies specifically to federally assisted projects for construction. This certification has been modified in places to include analogous certifications required by U.S. DOT statutes or regulations.*

As the duly authorized representative of the applicant, you certify that the applicant:

- (a) Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency; will record the Federal awarding agency directives; and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure nondiscrimination during the useful life of the project.
- (b) Will comply with the requirements of the assistance awarding agency with regard to the drafting, review, and approval of construction plans and specifications.
- (c) Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work confirms with the approved plans and specifications, and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

**1.3. Procurement.**

*The Uniform Administrative Requirements, 2 CFR § 200.324, allow a recipient to self-certify that its procurement system complies with Federal requirements, in lieu of submitting to certain pre-procurement reviews.*

The applicant certifies that its procurement system complies with:

- (a) U.S. DOT regulations, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” 2 CFR Part 1201, which incorporates by reference U.S. OMB regulatory guidance, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” 2 CFR Part 200, particularly 2 CFR §§ 200.317–200.326 “Procurement Standards;
- (b) Federal laws, regulations, and requirements applicable to FTA procurements; and
- (c) The latest edition of FTA Circular 4220.1 and other applicable Federal guidance.

**1.4. Suspension and Debarment.**

*Pursuant to Executive Order 12549, as implemented at 2 CFR Parts 180 and 1200, prior to entering into a covered transaction with an applicant, FTA must determine whether the applicant is excluded from participating in covered non-procurement transactions. For this purpose, FTA is authorized to collect a certification from each applicant regarding the applicant’s exclusion status. 2 CFR § 180.300. Additionally, each applicant must disclose any information required by 2 CFR § 180.335 about the applicant and the applicant’s principals prior to entering into an award agreement with FTA. This certification serves both purposes.*

The applicant certifies, to the best of its knowledge and belief, that the applicant and each of its principals:

- (a) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily or involuntarily excluded from covered transactions by any Federal department or agency;
- (b) Has not, within the preceding three years, been convicted of or had a civil judgment rendered against him or her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement or transaction; violation of Federal or State antitrust statutes, including those proscribing price fixing between competitors, allocation of customers between competitors, and bid rigging; commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice; or commission of any other offense indicating a lack of business integrity or business honesty;



- (c) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any offense described in paragraph (b) of this certification;
- (d) Has not, within the preceding three years, had one or more public transactions (Federal, State, or local) terminated for cause or default.

**1.5. Coronavirus Response and Relief Supplemental Appropriations Act, 2021, and CARES Act Funding.**

The applicant certifies:

- (a) To the maximum extent possible, funds made available under title IV of division M of the Consolidated Appropriations Act, 2021 (Public Law 116–260), and in title XII of division B of the CARES Act (Public Law 116–136; 134 Stat. 599) shall be directed to payroll and operations of public transit (including payroll and expenses of private providers of public transportation); or
- (a) The applicant certifies that the applicant has not furloughed any employees.

**1.6. American Rescue Plan Act Funding.**

The applicant certifies:

- (a) Funds made available by Section 3401(a)(2)(A) of the American Rescue Plan Act of 2021 (Public Law 117-2) shall be directed to payroll and operations of public transportation (including payroll and expenses of private providers of public transportation); or
- (b) The applicant certifies that the applicant has not furloughed any employees.

**CATEGORY 2. PUBLIC TRANSPORTATION AGENCY SAFETY PLANS**

*This certification is required of each applicant under the Urbanized Area Formula Grants Program (49 U.S.C. § 5307), each rail operator that is subject to FTA’s state safety oversight programs, and each State that is required to draft and certify a public transportation agency safety plan on behalf of a small public transportation provider pursuant to 49 CFR § 673.11(d). This certification is required by 49 U.S.C. § 5329(d)(1) and 49 CFR § 673.13.*

*This certification does not apply to any applicant that receives financial assistance from FTA exclusively under the Formula Grants for the Enhanced Mobility of Seniors Program (49 U.S.C. § 5310), the Formula Grants for Rural Areas Program (49 U.S.C. § 5311), or combination of these two programs.*

If the applicant is an operator, the applicant certifies that it has established a public transportation agency safety plan meeting the requirements of 49 U.S.C. § 5329(d)(1) and 49 CFR Part 673.

If the applicant is a State, the applicant certifies that:

- (a) It has drafted a public transportation agency safety plan for each small public transportation provider within the State, unless the small public transportation provider provided notification to the State that it was opting out of the State-drafted plan and drafting its own public transportation agency safety plan; and
- (b) Each small public transportation provider within the State has a public transportation agency safety plan that has been approved by the provider's Accountable Executive (as that term is defined at 49 CFR § 673.5) and Board of Directors or Equivalent Authority (as that term is defined at 49 CFR § 673.5).

### **CATEGORY 3. TAX LIABILITY AND FELONY CONVICTIONS.**

*If the applicant is a business association (regardless of for-profit, not for-profit, or tax exempt status), it must make this certification. Federal appropriations acts since at least 2014 have prohibited FTA from using funds to enter into an agreement with any corporation that has unpaid Federal tax liabilities or recent felony convictions without first considering the corporation for debarment. E.g., Consolidated Appropriations Act, 2021, Pub. L. 116-260, div. E, title VII, §§ 744–745. U.S. DOT Order 4200.6 defines a “corporation” as “any private corporation, partnership, trust, joint-stock company, sole proprietorship, or other business association”, and applies the restriction to all tiers of subawards. As prescribed by U.S. DOT Order 4200.6, FTA requires each business association applicant to certify as to its tax and felony status.*

If the applicant is a private corporation, partnership, trust, joint-stock company, sole proprietorship, or other business association, the applicant certifies that:

- (a) It has no unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and
- (b) It has not been convicted of a felony criminal violation under any Federal law within the preceding 24 months.

### **CATEGORY 4. LOBBYING.**

*If the applicant will apply for a grant or cooperative agreement exceeding \$100,000, or a loan, line of credit, loan guarantee, or loan insurance exceeding \$150,000, it must make the following certification and, if applicable, make a disclosure regarding the applicant's lobbying activities. This certification is required by 49 CFR § 20.110 and app. A to that part.*

*This certification does not apply to an applicant that is an Indian Tribe, Indian organization, or an Indian tribal organization exempt from the requirements of 49 CFR Part 20.*

#### **4.1. Certification for Contracts, Grants, Loans, and Cooperative Agreements.**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### **4.2. Statement for Loan Guarantees and Loan Insurance.**

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### **CATEGORY 5. PRIVATE SECTOR PROTECTIONS.**

*If the applicant will apply for funds that it will use to acquire or operate public transportation facilities or equipment, the applicant must make the following certification regarding protections for the private sector.*

#### **5.1. Charter Service Agreement.**

*To enforce the provisions of 49 U.S.C. § 5323(d), FTA's charter service regulation requires each applicant seeking assistance from FTA for the purpose of acquiring or operating any public transportation equipment or facilities to make the following Charter Service Agreement. 49 CFR § 604.4.*

The applicant agrees that it, and each of its subrecipients, and third party contractors at any level who use FTA-funded vehicles, may provide charter service using equipment or facilities acquired with Federal assistance authorized under the Federal Transit Laws only in compliance with the regulations set out in 49 CFR Part 604, the terms and conditions of which are incorporated herein by reference.

#### **5.2. School Bus Agreement.**

*To enforce the provisions of 49 U.S.C. § 5323(f), FTA's school bus regulation requires each applicant seeking assistance from FTA for the purpose of acquiring or operating any public transportation equipment or facilities to make the following agreement regarding the provision of school bus services. 49 CFR § 605.15.*

- (a) If the applicant is not authorized by the FTA Administrator under 49 CFR § 605.11 to engage in school bus operations, the applicant agrees and certifies as follows:
  - (1) The applicant and any operator of project equipment agrees that it will not engage in school bus operations in competition with private school bus operators.
  - (2) The applicant agrees that it will not engage in any practice which constitutes a means of avoiding the requirements of this agreement, part 605 of the Federal Mass Transit Regulations, or section 164(b) of the Federal-Aid Highway Act of 1973 (49 U.S.C. 1602a(b)).
- (b) If the applicant is authorized or obtains authorization from the FTA Administrator to engage in school bus operations under 49 CFR § 605.11, the applicant agrees as follows:

- (1) The applicant agrees that neither it nor any operator of project equipment will engage in school bus operations in competition with private school bus operators except as provided herein.
- (2) The applicant, or any operator of project equipment, agrees to promptly notify the FTA Administrator of any changes in its operations which might jeopardize the continuation of an exemption under § 605.11.
- (3) The applicant agrees that it will not engage in any practice which constitutes a means of avoiding the requirements of this agreement, part 605 of the Federal Transit Administration regulations or section 164(b) of the Federal-Aid Highway Act of 1973 (49 U.S.C. 1602a(b)).
- (4) The applicant agrees that the project facilities and equipment shall be used for the provision of mass transportation services within its urban area and that any other use of project facilities and equipment will be incidental to and shall not interfere with the use of such facilities and equipment in mass transportation service to the public.

#### **CATEGORY 6. TRANSIT ASSET MANAGEMENT PLAN.**

*If the applicant owns, operates, or manages capital assets used to provide public transportation, the following certification is required by 49 U.S.C. § 5326(a).*

The applicant certifies that it is in compliance with 49 CFR Part 625.

#### **CATEGORY 7. ROLLING STOCK BUY AMERICA REVIEWS AND BUS TESTING.**

##### **7.1. Rolling Stock Buy America Reviews.**

*If the applicant will apply for an award to acquire rolling stock for use in revenue service, it must make this certification. This certification is required by 49 CFR § 663.7.*

The applicant certifies that it will conduct or cause to be conducted the pre-award and post-delivery audits prescribed by 49 CFR Part 663 and will maintain on file the certifications required by Subparts B, C, and D of 49 CFR Part 663.

##### **7.2. Bus Testing.**

*If the applicant will apply for funds for the purchase or lease of any new bus model, or any bus model with a major change in configuration or components, the applicant must make this certification. This certification is required by 49 CFR § 665.7.*

The applicant certifies that the bus was tested at the Bus Testing Facility and that the bus received a passing test score as required by 49 CFR Part 665. The applicant has received or will

receive the appropriate full Bus Testing Report and any applicable partial testing reports before final acceptance of the first vehicle.

### **CATEGORY 8. URBANIZED AREA FORMULA GRANTS PROGRAM.**

*If the applicant will apply for an award under the Urbanized Area Formula Grants Program (49 U.S.C. § 5307), or any other program or award that is subject to the requirements of 49 U.S.C. § 5307, including the Formula Grants for the Enhanced Mobility of Seniors Program (49 U.S.C. § 5310); “flex funds” from infrastructure programs administered by the Federal Highways Administration (see 49 U.S.C. § 5334(i)); projects that will receive an award authorized by the Transportation Infrastructure Finance and Innovation Act (“TIFIA”) (23 U.S.C. §§ 601–609) or State Infrastructure Bank Program (23 U.S.C. § 610) (see 49 U.S.C. § 5323(o)); formula awards or competitive awards to urbanized areas under the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339(a) and (b)); or low or no emission awards to any area under the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339(c)), the applicant must make the following certification. This certification is required by 49 U.S.C. § 5307(c)(1).*

The applicant certifies that it:

- (a) Has or will have the legal, financial, and technical capacity to carry out the program of projects (developed pursuant 49 U.S.C. § 5307(b)), including safety and security aspects of the program;
- (b) Has or will have satisfactory continuing control over the use of equipment and facilities;
- (c) Will maintain equipment and facilities in accordance with the applicant’s transit asset management plan;
- (d) Will ensure that, during non-peak hours for transportation using or involving a facility or equipment of a project financed under this section, a fare that is not more than 50 percent of the peak hour fare will be charged for any—
  - (1) Senior;
  - (2) Individual who, because of illness, injury, age, congenital malfunction, or any other incapacity or temporary or permanent disability (including an individual who is a wheelchair user or has semi-ambulatory capability), cannot use a public transportation service or a public transportation facility effectively without special facilities, planning, or design; and
  - (3) Individual presenting a Medicare card issued to that individual under title II or XVIII of the Social Security Act (42 U.S.C. §§ 401 et seq., and 1395 et seq.);
- (e) In carrying out a procurement under 49 U.S.C. § 5307, will comply with 49 U.S.C. §§ 5323 (general provisions) and 5325 (contract requirements);
- (f) Has complied with 49 U.S.C. § 5307(b) (program of projects requirements);

- (g) Has available and will provide the required amounts as provided by 49 U.S.C. § 5307(d) (cost sharing);
- (h) Will comply with 49 U.S.C. §§ 5303 (metropolitan transportation planning) and 5304 (statewide and nonmetropolitan transportation planning);
- (i) Has a locally developed process to solicit and consider public comment before raising a fare or carrying out a major reduction of transportation;
- (j) Either—
  - (1) Will expend for each fiscal year for public transportation security projects, including increased lighting in or adjacent to a public transportation system (including bus stops, subway stations, parking lots, and garages), increased camera surveillance of an area in or adjacent to that system, providing an emergency telephone line to contact law enforcement or security personnel in an area in or adjacent to that system, and any other project intended to increase the security and safety of an existing or planned public transportation system, at least 1 percent of the amount the recipient receives for each fiscal year under 49 U.S.C. § 5336; or
  - (2) Has decided that the expenditure for security projects is not necessary;
- (k) In the case of an applicant for an urbanized area with a population of not fewer than 200,000 individuals, as determined by the Bureau of the Census, will submit an annual report listing projects carried out in the preceding fiscal year under 49 U.S.C. § 5307 for associated transit improvements as defined in 49 U.S.C. § 5302; and
- (l) Will comply with 49 U.S.C. § 5329(d) (public transportation agency safety plan).

#### **CATEGORY 9. FORMULA GRANTS FOR RURAL AREAS.**

*If the applicant will apply for funds made available to it under the Formula Grants for Rural Areas Program (49 U.S.C. § 5311), it must make this certification. Paragraph (a) of this certification helps FTA make the determinations required by 49 U.S.C. § 5310(b)(2)(C). Paragraph (b) of this certification is required by 49 U.S.C. § 5311(f)(2). Paragraph (c) of this certification, which applies to funds apportioned for the Appalachian Development Public Transportation Assistance Program, is necessary to enforce the conditions of 49 U.S.C. § 5311(c)(2)(D).*

- (a) The applicant certifies that its State program for public transportation service projects, including agreements with private providers for public transportation service—
  - (1) Provides a fair distribution of amounts in the State, including Indian reservations; and
  - (2) Provides the maximum feasible coordination of public transportation service assisted under 49 U.S.C. § 5311 with transportation service assisted by other Federal sources; and

- (b) If the applicant will in any fiscal year expend less than 15% of the total amount made available to it under 49 U.S.C. § 5311 to carry out a program to develop and support intercity bus transportation, the applicant certifies that it has consulted with affected intercity bus service providers, and the intercity bus service needs of the State are being met adequately.
- (c) If the applicant will use for a highway project amounts that cannot be used for operating expenses authorized under 49 U.S.C. § 5311(c)(2) (Appalachian Development Public Transportation Assistance Program), the applicant certifies that—
  - (1) It has approved the use in writing only after providing appropriate notice and an opportunity for comment and appeal to affected public transportation providers; and
  - (2) It has determined that otherwise eligible local transit needs are being addressed.

**CATEGORY 10. FIXED GUIDEWAY CAPITAL INVESTMENT GRANTS AND THE EXPEDITED PROJECT DELIVERY FOR CAPITAL INVESTMENT GRANTS PILOT PROGRAM.**

*If the applicant will apply for an award under any subsection of the Fixed Guideway Capital Investment Program (49 U.S.C. § 5309), including an award made pursuant to the FAST Act’s Expedited Project Delivery for Capital Investment Grants Pilot Program (Pub. L. 114-94, div. A, title III, § 3005(b)), the applicant must make the following certification. This certification is required by 49 U.S.C. § 5309(c)(2) and Pub. L. 114-94, div. A, title III, § 3005(b)(3)(B).*

The applicant certifies that it:

- (a) Has or will have the legal, financial, and technical capacity to carry out its Award, including the safety and security aspects of that Award,
- (b) Has or will have satisfactory continuing control over the use of equipment and facilities acquired or improved under its Award.
- (c) Will maintain equipment and facilities acquired or improved under its Award in accordance with its transit asset management plan; and
- (d) Will comply with 49 U.S.C. §§ 5303 (metropolitan transportation planning) and 5304 (statewide and nonmetropolitan transportation planning).

**CATEGORY 11. GRANTS FOR BUSES AND BUS FACILITIES AND LOW OR NO EMISSION VEHICLE DEPLOYMENT GRANT PROGRAMS.**

*If the applicant is in an urbanized area and will apply for an award under subsection (a) (formula grants), subsection (b) (buses and bus facilities competitive grants), or subsection (c) (low or no emissions grants) of the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339), the applicant must make the certification in Category 8 for Urbanized Area Formula*



*Grants (49 U.S.C. § 5307). This certification is required by 49 U.S.C. § 5339(a)(3), (b)(6), and (c)(3), respectively.*

*If the applicant is in a rural area and will apply for an award under subsection (a) (formula grants), subsection (b) (bus and bus facilities competitive grants), or subsection (c) (low or no emissions grants) of the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339), the applicant must make the certification in Category 9 for Formula Grants for Rural Areas (49 U.S.C. § 5311). This certification is required by 49 U.S.C. § 5339(a)(3), (b)(6), and (c)(3), respectively.*

*Making this certification will incorporate by reference the applicable certifications in Category 8 or Category 9.*

*If the applicant will receive a competitive award under subsection (b) (buses and bus facilities competitive grants), or subsection (c) (low or no emissions grants) of the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339) related to zero emissions vehicles or related infrastructure, it must make the following certification. This certification is required by 49 U.S.C. § 5339(d).*

The applicant will use 5 percent of grants related to zero emissions vehicles (as defined in subsection (c)(1)) or related infrastructure under subsection (b) or (c) to fund workforce development training as described in section 49 U.S.C. § 5314(b)(2) (including registered apprenticeships and other labor-management training programs) under the recipient's plan to address the impact of the transition to zero emission vehicles on the applicant's current workforce; or the applicant certifies a smaller percentage is necessary to carry out that plan.

#### **CATEGORY 12. ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES PROGRAMS.**

*If the applicant will apply for an award under the Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities Program (49 U.S.C. § 5310), it must make the certification in Category 8 for Urbanized Area Formula Grants (49 U.S.C. § 5307). This certification is required by 49 U.S.C. § 5310(e)(1). Making this certification will incorporate by reference the certification in Category 8, except that FTA has determined that (d), (f), (i), (j), and (k) of Category 8 do not apply to awards made under 49 U.S.C. § 5310 and will not be enforced.*

*In addition to the certification in Category 8, the applicant must make the following certification that is specific to the Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities Program. This certification is required by 49 U.S.C. § 5310(e)(2).*

The applicant certifies that:

- (a) The projects selected by the applicant are included in a locally developed, coordinated public transit-human services transportation plan;
- (b) The plan described in clause (a) was developed and approved through a process that included participation by seniors, individuals with disabilities, representatives of public, private, and nonprofit transportation and human services providers, and other members of the public;
- (c) To the maximum extent feasible, the services funded under 49 U.S.C. § 5310 will be coordinated with transportation services assisted by other Federal departments and agencies, including any transportation activities carried out by a recipient of a grant from the Department of Health and Human Services; and
- (d) If the applicant will allocate funds received under 49 U.S.C. § 5310 to subrecipients, it will do so on a fair and equitable basis.

### **CATEGORY 13. STATE OF GOOD REPAIR GRANTS.**

*If the applicant will apply for an award under FTA's State of Good Repair Grants Program (49 U.S.C. § 5337), it must make the following certification. Because FTA generally does not review the transit asset management plans of public transportation providers, the asset management certification is necessary to enforce the provisions of 49 U.S.C. § 5337(a)(4). The certification with regard to acquiring restricted rail rolling stock is required by 49 U.S.C. § 5323(u)(4). Note that this certification is not limited to the use of Federal funds.*

The applicant certifies that the projects it will carry out using assistance authorized by the State of Good Repair Grants Program, 49 U.S.C. § 5337, are aligned with the applicant's most recent transit asset management plan and are identified in the investment and prioritization section of such plan, consistent with the requirements of 49 CFR Part 625.

If the applicant operates a rail fixed guideway service, the applicant certifies that, in the fiscal year for which an award is available to the applicant under the State of Good Repair Grants Program, 49 U.S.C. § 5337, the applicant will not award any contract or subcontract for the procurement of rail rolling stock for use in public transportation with a rail rolling stock manufacturer described in 49 U.S.C. § 5323(u)(1).

### **CATEGORY 14. INFRASTRUCTURE FINANCE PROGRAMS.**

*If the applicant will apply for an award for a project that will include assistance under the Transportation Infrastructure Finance and Innovation Act ("TIFIA") Program (23 U.S.C. §§ 601–609) or the State Infrastructure Banks ("SIB") Program (23 U.S.C. § 610), it must make the certifications in Category 8 for the Urbanized Area Formula Grants Program, Category 10 for the Fixed Guideway Capital Investment Grants program, and Category 13 for the State of Good Repair Grants program. These certifications are required by 49 U.S.C. § 5323(o).*

*Making this certification will incorporate the certifications in Categories 8, 10, and 13 by reference.*

**CATEGORY 15. ALCOHOL AND CONTROLLED SUBSTANCES TESTING.**

*If the applicant will apply for an award under FTA’s Urbanized Area Formula Grants Program (49 U.S.C. § 5307), Fixed Guideway Capital Investment Program (49 U.S.C. § 5309), Formula Grants for Rural Areas Program (49 U.S.C. § 5311), or Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339) programs, the applicant must make the following certification. The applicant must make this certification on its own behalf and on behalf of its subrecipients and contractors. This certification is required by 49 CFR § 655.83.*

The applicant certifies that it, its subrecipients, and its contractors are compliant with FTA’s regulation for the Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations, 49 CFR Part 655.

**CATEGORY 16. RAIL SAFETY TRAINING AND OVERSIGHT.**

*If the applicant is a State with at least one rail fixed guideway system, or is a State Safety Oversight Agency, or operates a rail fixed guideway system, it must make the following certification. The elements of this certification are required by 49 CFR §§ 672.31 and 674.39.*

The applicant certifies that the rail fixed guideway public transportation system and the State Safety Oversight Agency for the State are:

- (a) Compliant with the requirements of 49 CFR Part 672, “Public Transportation Safety Certification Training Program”; and
- (b) Compliant with the requirements of 49 CFR Part 674, “State Safety Oversight”.

**CATEGORY 17. DEMAND RESPONSIVE SERVICE.**

*If the applicant operates demand responsive service and will apply for an award to purchase a non-rail vehicle that is not accessible within the meaning of 49 CFR Part 37, it must make the following certification. This certification is required by 49 CFR § 37.77.*

The applicant certifies that the service it provides to individuals with disabilities is equivalent to that provided to other persons. A demand responsive system, when viewed in its entirety, is deemed to provide equivalent service if the service available to individuals with disabilities, including individuals who use wheelchairs, is provided in the most integrated setting appropriate to the needs of the individual and is equivalent to the service provided other individuals with respect to the following service characteristics:

- (a) Response time;

- (b) Fares;
- (c) Geographic area of service;
- (d) Hours and days of service;
- (e) Restrictions or priorities based on trip purpose;
- (f) Availability of information and reservation capability; and
- (g) Any constraints on capacity or service availability.

#### **CATEGORY 18. INTEREST AND FINANCING COSTS.**

*If the applicant will pay for interest or other financing costs of a project using assistance awarded under the Urbanized Area Formula Grants Program (49 U.S.C. § 5307), the Fixed Guideway Capital Investment Grants Program (49 U.S.C. § 5309), or any program that must comply with the requirements of 49 U.S.C. § 5307, including the Formula Grants for the Enhanced Mobility of Seniors Program (49 U.S.C. § 5310), “flex funds” from infrastructure programs administered by the Federal Highways Administration (see 49 U.S.C. § 5334(i)), or awards to urbanized areas under the Grants for Buses and Bus Facilities Program (49 U.S.C. § 5339), the applicant must make the following certification. This certification is required by 49 U.S.C. §§ 5307(e)(3) and 5309(k)(2)(D).*

The applicant certifies that:

- (a) Its application includes the cost of interest earned and payable on bonds issued by the applicant only to the extent proceeds of the bonds were or will be expended in carrying out the project identified in its application; and
- (b) The applicant has shown or will show reasonable diligence in seeking the most favorable financing terms available to the project at the time of borrowing.

#### **CATEGORY 19. CYBERSECURITY CERTIFICATION FOR RAIL ROLLING STOCK AND OPERATIONS.**

*If the applicant operates a rail fixed guideway public transportation system, it must make this certification. This certification is required by 49 U.S.C. § 5323(v), a new subsection added by the National Defense Authorization Act for Fiscal Year 2020, Pub. L. 116-92, § 7613 (Dec. 20, 2019). For information about standards or practices that may apply to a rail fixed guideway public transportation system, visit <https://www.nist.gov/cyberframework> and <https://www.cisa.gov/>.*

The applicant certifies that it has established a process to develop, maintain, and execute a written plan for identifying and reducing cybersecurity risks that complies with the requirements of 49 U.S.C. § 5323(v)(2).

**CATEGORY 20. PUBLIC TRANSPORTATION ON INDIAN RESERVATIONS  
FORMULA AND DISCRETIONARY PROGRAM (TRIBAL TRANSIT  
PROGRAMS).**

*Before FTA may provide Federal assistance for an Award financed under either the Public Transportation on Indian Reservations Formula or Discretionary Program authorized under 49 U.S.C. § 5311(c)(1), as amended by the FAST Act, (Tribal Transit Programs), the applicant must select the Certifications in Category 21, except as FTA determines otherwise in writing. Tribal Transit Program applicants may certify to this Category and Category 1 (Certifications and Assurances Required of Every Applicant) and need not make any other certification, to meet Tribal Transit Program certification requirements. If an applicant will apply for any program in addition to the Tribal Transit Program, additional certifications may be required.*

FTA has established terms and conditions for Tribal Transit Program grants financed with Federal assistance appropriated or made available under 49 U.S.C. § 5311(c)(1). The applicant certifies that:

- (a) It has or will have the legal, financial, and technical capacity to carry out its Award, including the safety and security aspects of that Award.
- (b) It has or will have satisfactory continuing control over the use of its equipment and facilities acquired or improved under its Award.
- (c) It will maintain its equipment and facilities acquired or improved under its Award, in accordance with its transit asset management plan and consistent with FTA regulations, “Transit Asset Management,” 49 CFR Part 625. Its Award will achieve maximum feasible coordination with transportation service financed by other federal sources.
- (d) With respect to its procurement system:
  - (1) It will have a procurement system that complies with U.S. DOT regulations, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” 2 CFR Part 1201, which incorporates by reference U.S. OMB regulatory guidance, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” 2 CFR Part 200, for Awards made on or after December 26, 2014,
  - (2) It will have a procurement system that complies with U.S. DOT regulations, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” 49 CFR Part 18, specifically former 49 CFR § 18.36, for Awards made before December 26, 2014, or
  - (3) It will inform FTA promptly if its procurement system does not comply with either of those U.S. DOT regulations.
- (e) It will comply with the Certifications, Assurances, and Agreements in:
  - (1) Category 05.1 and 05.2 (Charter Service Agreement and School Bus Agreement),
  - (2) Category 06 (Transit Asset Management Plan),

- (3) Category 07.1 and 07.2 (Rolling Stock Buy America Reviews and Bus Testing),
- (4) Category 09 (Formula Grants for Rural Areas),
- (5) Category 15 (Alcohol and Controlled Substances Testing), and
- (6) Category 17 (Demand Responsive Service).

**CATEGORY 21. EMERGENCY RELIEF PROGRAM.**

*An applicant to the Public Transportation Emergency Relief Program, 49 U.S.C. § 5324, must make the following certification. The certification is required by 49 U.S.C. § 5324(f) and must be made before the applicant can receive a grant under the Emergency Relief program.*

The applicant certifies that the applicant has insurance required under State law for all structures related to the emergency relief program grant application.

**FEDERAL FISCAL YEAR 2022 CERTIFICATIONS AND ASSURANCES FOR FTA ASSISTANCE PROGRAMS**

(Signature pages alternate to providing Certifications and Assurances in TrAMS.)

Name of Applicant: \_\_\_\_\_

The Applicant certifies to the applicable provisions of all categories: (*check here*)\_\_\_\_\_.

*Or,*

The Applicant certifies to the applicable provisions of the categories it has selected:

<b>Category</b>	<b>Certification</b>
01	Certifications and Assurances Required of Every Applicant
02	Public Transportation Agency Safety Plans
03	Tax Liability and Felony Convictions
04	Lobbying
05	Private Sector Protections
06	Transit Asset Management Plan
07	Rolling Stock Buy America Reviews and Bus Testing
08	Urbanized Area Formula Grants Program
09	Formula Grants for Rural Areas
10	Fixed Guideway Capital Investment Grants and the Expedited Project Delivery for Capital Investment Grants Pilot Program
11	Grants for Buses and Bus Facilities and Low or No Emission Vehicle Deployment Grant Programs

- 12 Enhanced Mobility of Seniors and Individuals with Disabilities Programs
- 13 State of Good Repair Grants
- 14 Infrastructure Finance Programs
- 15 Alcohol and Controlled Substances Testing
- 16 Rail Safety Training and Oversight
- 17 Demand Responsive Service
- 18 Interest and Financing Costs
- 19 Cybersecurity Certification for Rail Rolling Stock and Operations
- 20 Tribal Transit Programs
- 21 Emergency Relief Program

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**CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE**

**AFFIRMATION OF APPLICANT**

Name of the Applicant: \_\_\_\_\_

BY SIGNING BELOW, on behalf of the Applicant, I declare that it has duly authorized me to make these Certifications and Assurances and bind its compliance. Thus, it agrees to comply with all federal laws, regulations, and requirements, follow applicable federal guidance, and comply with the Certifications and Assurances as indicated on the foregoing page applicable to each application its Authorized Representative makes to the Federal Transit Administration (FTA) in the federal fiscal year, irrespective of whether the individual that acted on his or her Applicant’s behalf continues to represent it.

The Certifications and Assurances the Applicant selects apply to each Award for which it now seeks, or may later seek federal assistance to be awarded by FTA during the federal fiscal year.

The Applicant affirms the truthfulness and accuracy of the Certifications and Assurances it has selected in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 *et seq.*, and implementing U.S. DOT regulations, “Program Fraud Civil Remedies,” 49 CFR part 31, apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. § 1001 apply to any certification, assurance, or submission made in connection with a federal public transportation program authorized by 49 U.S.C. chapter 53 or any other statute



In signing this document, I declare under penalties of perjury that the foregoing Certifications and Assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Name \_\_\_\_\_ Authorized Representative of Applicant

**AFFIRMATION OF APPLICANT’S ATTORNEY**

For (Name of Applicant): \_\_\_\_\_

As the undersigned Attorney for the above-named Applicant, I hereby affirm to the Applicant that it has authority under state, local, or tribal government law, as applicable, to make and comply with the Certifications and Assurances as indicated on the foregoing pages. I further affirm that, in my opinion, the Certifications and Assurances have been legally made and constitute legal and binding obligations on it.

I further affirm that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the validity of these Certifications and Assurances, or of the performance of its FTA assisted Award.

Signature \_\_\_\_\_ Date: \_\_\_\_\_

Name \_\_\_\_\_ Attorney for Applicant

*Each Applicant for federal assistance to be awarded by FTA must provide an Affirmation of Applicant’s Attorney pertaining to the Applicant’s legal capacity. The Applicant may enter its electronic signature in lieu of the Attorney’s signature within TrAMS, provided the Applicant has on file and uploaded to TrAMS this hard-copy Affirmation, signed by the attorney and dated this federal fiscal year.*

## **Appendix 2**

# **Paratransit, Inc. Policy Statement of Non-Discrimination and Title VI Civil Rights Protections**

## **Paratransit, Inc. Policy Statement on Non-Discrimination**

**Paratransit, Inc. treats its customers with respect, integrity and loyalty.**

The Board of Directors of Paratransit, Inc. takes this opportunity to express one of its highest priorities in the area of operating federally-funded programs (i.e., employment and training, community services, etc.) This priority is assuring that administration of Paratransit, Inc., and federally-funded programs administered by Paratransit, Inc. operate with the common goal of providing equal opportunity to federally-funded staff and participants.

Paratransit, Inc. operates its programs without regard to race, color, creed, national origin, religion, sex, sexual preference, marital status, age, medical condition, or disability in accordance with Title VI of the Civil Rights Act, California Civil Code Section 51(b), or other applicable law. For more information, contact Paratransit, Inc.'s Administrative Office at (916) 429-2009 or email [paratransit@paratransit.org](mailto:paratransit@paratransit.org).

Paratransit, Inc. will take positive measures toward eliminating architectural barriers, artificial barriers and achieving equal opportunity through its continued implementation of its Affirmative Action Program. Paratransit, Inc. will also take positive measures to accomplish its objectives of the program and to ensure that no person is discriminated against because of sex, age, race, creed, handicap, religion, national origin, political affiliation or belief, or heritage.

The Board of Directors specifically prohibits any form of sexual harassment within Paratransit, Inc. or any federally-funded program. Any federally-funded staff member, participant, or applicant to a federally funded program who feels he or she has been discriminated against, should contact Paratransit, Inc.'s Equal Opportunity Officer/ADA Coordinator by telephone at (916) 429-2009 (TDD 429-2568; FAX 429-2409) or in writing at 2501 Florin Road, Sacramento, CA 95822.

## **Policy Statement on Title VI Civil Rights Protections**

The Civil Rights Act of 1964, Title VI, states that, *"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."*

Paratransit, Inc. is committed to complying with the requirements of Title VI in all of its federally funded programs and activities.

### **Filing a Title VI Complaint**

Persons who believe that they have been aggrieved by an unlawful discriminatory practice under Title VI may file a complaint with Paratransit, Inc. For more information on filing a complaint, contact Paratransit, Inc.'s Administrative Office. Complaints must be in writing and must be filed within 180 days following the date of the alleged discriminatory occurrence.

Email: [paratransit@paratransit.org](mailto:paratransit@paratransit.org)

Phone: (916) 429-2009

Fax: (916) 429-2409

Mail: Paratransit, Inc.

Attn: Civil Rights Coordinator

2501 Florin Road

Sacramento, CA 95822

## **Appendix 3**

# **Paratransit, Inc. Implementation Procedure for Policy on Nondiscrimination and Title VI Civil Rights Protection**

# **Paratransit, Inc. Implementation Procedure for Policy on Nondiscrimination and Title VI Civil Rights Protection**

## **1.0 Policy**

The Board of Directors of Paratransit, Inc., takes this opportunity to express one of its highest priorities in the area of operating federally-funded programs (i.e., employment and training, community services, etc.). This priority is assuring that administration of Paratransit, Inc., and federally-funded programs administered by Paratransit, Inc., operate with the common goal of providing equal opportunity to federally-funded staff and participants.

Paratransit, Inc., will take positive measures toward eliminating architectural barriers and achieving equal opportunity through its continued implementation of its Affirmative Action Program. Paratransit, Inc., will also take positive measures to accomplish its objectives of the program and to ensure that no person is discriminated against because of sex, age, race, creed, color, handicap, religion, national origin, sexual orientation, political affiliation or belief, or heritage, per the Civil Rights Act of 1964 (as outlined in Title VI of the Act). The Board of Directors also specifically prohibits any form of sexual harassment within Paratransit, Inc., or any federally-funded program.

## **2.0 Applicability**

This policy applies to any staff member of, participant in, or applicant to any federally-funded program operated or administered by Paratransit, Inc.

**2.1** The Paratransit, Inc., Civil Rights Coordinator is designated to coordinate and investigate allegations of noncompliance with the Policy on Nondiscrimination and Title VI Civil Rights Protections.

**2.2** Information regarding this policy may be obtained from the Civil Rights Coordinator *Via* telephone: Voice: (916) 429-2009 Ext. 302; TDD: 429-2568; FAX: 429-2409.

**Paratransit, Inc.  
Implementation Procedure for Policy on Nondiscrimination  
and Title VI Civil Rights Protection**

**3.0 Grievance Procedure**

3.1 Allegations of noncompliance with this policy shall be signed by the applicable person and mailed to the address below within 180 days of the date of the alleged discrimination. The written allegation must contain the following information:

- Your name, address, and how to contact you (i.e. phone number, email address, etc)
- How, when, where, and why you believe you were discriminated against. Include the location, names, and contact information of any witnesses.

This information should provide sufficient detail to help the designated investigator find a prompt and equitable resolution, and, if applicable, the specific remedy sought by the grievant.

The complaint may be filed through several methods:

In writing: Paratransit, Inc.  
Civil Rights Coordinator  
P.O. Box 231100  
Sacramento, California 95823-0401

Download and Complete a Printable Form: Online at [www.paratransit.org](http://www.paratransit.org) as a PDF document.

Email: [paratransit@paratransit.org](mailto:paratransit@paratransit.org)  
By Phone: (916) 429-2009  
By Fax: (916)429-2409  
By TTD: (916) 429-2568

Complaint Assistance: Paratransit staff will assist in writing a complaint if the complainant is unable to do so.

Complainants may also file a Title VI complaint with an external entity such as the FTA, other federal or state agency, or a federal or state court. However, should a complaint be filed with the City and an external entity simultaneously, the external complaint will supersede the City's complaint

**Paratransit, Inc.  
Implementation Procedure for Policy on Nondiscrimination  
and Title VI Civil Rights Protection**

and the City's complaint procedures will be suspended pending the external entity's findings.

The complainant also will be advised of his/her right to appeal the response to federal and state authorities as appropriate. The City will use its best efforts to respond to a Title VI complaint within sixty (60) working days of its receipt of such a complaint, unless a complaint is filed with the City and an external entity simultaneously as noted previously.

In addition to the complaint process at the City, a complainant may file a Title VI complaint with the:

U.S. Department of Transportation  
Federal Transit Administration  
Office of Civil Rights, Region IX  
201 Mission Street, Suite 1650  
San Francisco, California 94105-1839.

3.2 The following definitions control the timelines of this grievance procedure:

3.2.1 The day of receipt by Paratransit, Inc., of the allegation shall be the File Date of the allegation.

3.2.2 A business day is a day when the Paratransit, Inc., administrative office is open, which is between 8:00 a.m. and 5:00 p.m. Monday through Friday, excluding holidays.

3.3 If the allegation details are sufficient, the allegation shall be immediately investigated and a response shall be mailed to the grievant within thirty (30) business days after the File Date.

3.4 If the allegation details are insufficient, the grievant shall be notified in writing within fifteen (15) business days after the File Date of the specific additional information needed to make it complete.

3.4.1 If the grievant fails to provide the additional needed information within thirty (30) business days after the File Date, the grievance shall be closed.



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3.4.2 If the grievant provides the additional information needed to complete the allegation, it shall be immediately investigated and a response shall be mailed to the grievant no later than sixty (60) business days after the File Date.

3.5 All written responses to allegations of discrimination shall undergo review by Paratransit, Inc., legal staff before being mailed to any grievant. Disciplinary actions administered to employees of Paratransit, Inc., resulting from this grievance procedure will not be divulged.

**4.0 Notice**

The Paratransit, Inc., Policy on Nondiscrimination and Title VI Civil Rights Protections shall be published in the Paratransit, Inc., ***Policies Related to Individual Users of Paratransit's Service*** as it may be amended from time to time. The Collective Bargaining Agreement Between Paratransit, Inc., and the Drivers' union contain a similar nondiscrimination policy applicable to both parties. This implementation procedure shall be provided upon request, in accessible formats as necessary, to applicable persons and other interested persons.

Attachment: Title VI Complaint Form

## **Appendix 4**

### **Paratransit, Inc. languages Spoken at Home by Ability to Speak English for Population 5+ Years**

C16001 | Language Spoken at Home for the Population 5 Years and Over

American Community Survey | Universe: Population 5 years and over | 2022: ACS 1-Year Estimates Detai...

Notes | Geos | Topics | Codes | Dataset | Year | Hide | Transpose | Margin

Sacramento County, California	
Label	Estimate
▼ Total:	1,491,474
Speak only English	982,360
▼ Spanish:	208,812
Speak English "very well"	136,998
Speak English less than "very well"	71,814
▼ French, Haitian, or Cajun:	2,885
Speak English "very well"	2,360
Speak English less than "very well"	525
▼ German or other West Germanic languages:	3,537
Speak English "very well"	2,983
Speak English less than "very well"	554
▼ Russian, Polish, or other Slavic languages:	47,735
Speak English "very well"	21,761
Speak English less than "very well"	25,974
▼ Other Indo-European languages:	73,722
Speak English "very well"	42,843
Speak English less than "very well"	30,879
▼ Korean:	4,493
Speak English "very well"	2,340
Speak English less than "very well"	2,153
▼ Chinese (incl. Mandarin, Cantonese):	39,520
Speak English "very well"	16,855
Speak English less than "very well"	22,665
▼ Vietnamese:	28,257
Speak English "very well"	10,417
Speak English less than "very well"	17,840
▼ Tagalog (incl. Filipino):	28,629
Speak English "very well"	18,675
Speak English less than "very well"	9,954
▼ Other Asian and Pacific Island languages:	54,892
Speak English "very well"	33,646
Speak English less than "very well"	21,246
▼ Arabic:	6,772
Speak English "very well"	5,337
Speak English less than "very well"	1,435
▼ Other and unspecified languages:	9,860
Speak English "very well"	8,383
Speak English less than "very well"	1,477

Search

- ✓ 2022
- 2021
- 2020
- 2019
- 2018
- 2017
- 2016
- 2015
- 2014
- 2013
- 2012
- 2011
- 2010

# Appendix 5

## Notice to Public

### *Title VI*

Title VI is a section of the Civil Rights Act of 1964 requiring that “No person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.”

If you believe that you have received discriminatory treatment by Paratransit, Inc., on the basis of your race, color or national origin, you have the right to file a complaint with the Paratransit, Inc., Title VI Coordinator. For more information, call (916) 429-2009.

### *Título VI*

Título VI es una sección de la ley de derechos civiles de 1964 que requieren que “ninguna persona en los Estados Unidos será por motivos de raza, color u origen nacional, excluida de la participación en, negarán los beneficios de o someterse a discriminar bajo cualquier programa o actividad que reciba asistencia financiera federal.”

Si usted cree que ha recibido un trato discriminatorio por Paratransit, Inc., en base a su raza, color u origen nacional, usted tiene el derecho de presentar una queja con el Coordinador de Paratransit, Inc. , título VI. Para obtener más información, llame al (916) 429-2009.