SJ HEALTH
San Joaquin Health Centers

SAN JOAQUIN COUNTY CLINICS PUBLIC BENEFIT CORPORATION
GOVERNANCE MEETING AGENDA
10100 Trinity Parkway, Suite 100, Stockton, CA 95219
November 12, 2026, 12:00 – 1:00 PM

Committee Members: Jodie Moreno (Chair), Nora Hana, Rick Ledo

Our Mission: *To optimize individual and population health outcomes by delivering high-quality, compassionate care that is equitable, accessible, and responsive to the diverse needs of our community.*
Our Vision: *A healthy San Joaquin County where every person has equitable access to exceptional care and the opportunity to achieve their best health.*

Watch the Meeting Live via Microsoft Teams: **Join the meeting now** *
*Note: Livestreaming for the public is for listening and monitoring only. Remote presenters will be granted access only during their scheduled presentation time before the Board. *Full meeting link is available with the agenda posted at www.sjhealth.org.*
Persons requiring disability-related accommodations to participate in this meeting should contact San Joaquin Health Centers at (209) 953-3711 prior to the scheduled meeting time.

1. **COMMENCEMENT OF MEETING/ROLL CALL**

2 **PUBLIC COMMENT**
The public is welcome to address the Board on matters within the Board's jurisdiction. Members of the public are encouraged to complete a Public Comment form available near the entrance to the Board Room. **Speakers are limited to three (3) minutes** and are expected to be civil and courteous.

Members of the public will also be provided with an opportunity to comment on agenda items before or during the Board's consideration of each item.

Except as otherwise permitted by the Ralph M. Brown Act (California Government Code Section 54950 et seq.), no deliberation, discussion, or action may be taken on any item not appearing on the posted agenda. Members of the Board may: (1) briefly respond to statements or questions; (2) ask a question for clarification; or (3) refer the matter to staff for further information.

3. **CONSENT CALENDAR**
3.1 Approve Minutes of Board Meeting – June 26, 2026 and October 14, 2026

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4. **DISCUSSION ITEMS**
   - 4.1 Review New Bylaws
   - 4.2 Website Review and Updates: https://www.sjhealth.org/materials/
   - 4.3 Review Current Demographics of Committee Members

5. **COMMENTS**
   - 5.1 Open Discussion / Comments

6. **CALENDAR**
   - 6.1 Next Meeting – TBD

7. **ADJOURMENT**

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San Joaquin Health Centers

Minutes of June 26, 2026
San Joaquin Health Centers Board of Directors –Governance Committee

Board Members Present: Jodie Moreno (Chair), Nora Hana, Rick Ledo
Board Members Excused Absent: None
Board Members Unexcused Absent: None
SJHC Staff: Ahad Yousuf (CEO), Vanessa Garibay (Clerk of the Board)
Guests: None

AGENDA ITEM	ATTACHMENTS	ACTION
I. Commencement/Call to Order (Jodie Moreno) The meeting was called to order at 11:17 AM. A quorum was established.	No attachment	No action required
II. Public Comment No public comments were made.	No attachment	No action required
III. Consent Calendar (Jodie Moreno) **1.** No Consent Calendar was presented, as no prior Governance Committee meetings had been held during the year.	No attachment	No action required
IV. Action Items (Jodie Moreno) **1. Consider and Approve Selection of Applicants for Interview for Board of Directors' positions** The Governance committee reviewed the applications and resumes submitted by the two applicants for the Board of Directors positions. The Committee discussed the applicants' qualifications and the current patient membership composition. Based on the discussion, the Committee agreed to move forward with Applicant #1, Cymone Reyes, for presentation to the Board. Interview questions will be prepared by Jodie and shared with the Governance committee for their input once the board approves to move forward with the applicant. The Committee discussed upcoming Board leadership positions. A Board Interest Survey will be distributed to Board members in September to determine which leadership positions members are interested in serving. The Governance Committee plans to meet in late September, following the Board meeting, to review the survey results and discuss leadership interests.		1. Nora motioned to accept; Rick seconded; motion passed 3-0.
1. Adjournment (Jodie Moreno) There being no further topics for discussion, Brian adjourned the meeting at 11:45 PM.	No attachment	No action required

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SJ HEALTH
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Minutes of October 14, 2026
San Joaquin Health Centers Board of Directors –Governance Committee

Board Members Present: Jodie Moreno (Chair), Nora Hana, Rick Ledo
Board Members Excused Absent: None
Board Members Unexcused Absent: None
SJHC Staff: Ahad Yousuf (CEO), Vanessa Garibay (Clerk of the Board)
Guests: None

AGENDA ITEM	ATTACHMENTS	ACTION
I. Commencement/Call to Order (Jodie Moreno) The meeting was called to order at 3:30 PM. A quorum was established.	No attachment	No action required
II. Agenda Items (Jodie Moreno) **1. Review existing Website Content** The Governance Committee discussed reviewing the existing SJ Health Centers website content. Committee members agreed to individually review the website and bring their feedback and recommendations to the next meeting scheduled for November 12, 2026. **2. Review the status of the Bylaw revisions** The Committee received an update on the status of the Bylaw revisions. Brandi Hopkins and Lisa Ribeiro are currently reviewing the proposed revisions. Once the draft is finalized, it will be presented to the Governance Committee for review and consideration. Following Committee approval, the proposed revisions will be brought before the full Board for consideration. 3. **Review survey results for the Chair, Vice Chair, and Treasurer positions** The Governance Committee reviewed the survey results received regarding the Board Chair, Vice Chair, and Treasurer positions.The Committee discussed extending Brian Heck's term as Board Chair through January 2027, following completion of the anticipated HRSA Operational Site Visit (OSV).		
III. Action Items The Governance Committee considered recommendations for the following Board officer positions: 1. Vice Chair: Rick Ledo 2. Treasurer: Samantha Monks 3. Board Chair: Brian Heck to continue serving through January 2027, following completion of the anticipated HRSA Operational Site Visit (OSV).		1. Rick motioned to accept; Nora seconded; motion passed 3-0. 2. Nora motioned to accept; Jodie seconded; motion passed 3-0.

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The Committee agreed to forward these recommendations to the full Board of Directors for consideration and approval.		3. Rick motioned to accept; Nora seconded; motion passed 3-0
1. **Adjournment (Jodie Moreno)** There being no further topics for discussion, Brian adjourned the meeting at 4:30 PM.	No attachment	No action required

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BYLAWS

SAN JOAQUIN COUNTY CLINICS
(a California nonprofit public benefit corporation)

ARTICLE I

OFFICES

The San Joaquin County Clinics (SJCC) principal office for the transaction of the corporation's business ~~of the corporation~~ is fixed and located in French Camp, County of San Joaquin, State of California. The Board of Directors may at any time or from time-to-time change the location of the principal office from one location to another in San Joaquin County.

ARTICLE II

MISSION

To optimize individual and population health outcomes by delivering care and attention to our diverse community in the pursuit of well-being, reductions in inequities and elimination of suffering.

ARTICLE III

PURPOSE

Section 1. General Purpose: This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the ~~California~~ Nonprofit Public Benefit Corporation Law for public and charitable purposes.

SJCC was established by the San Joaquin County Board of Supervisors, to engage as the Co-Applicant, community board required by the Federal Health Resources and Services Administration (HRSA). This is required for the County to hold HRSA's Federally Qualified Health Center (FQHC) status.

Section 2. Specific FQHC Purposes: The specific and primary purposes of the corporation are:

(a) To provide outpatient primary health service in underserved areas for medically underserved populations as a community health center through a system of freestanding health centers;

(b) To develop, promote, and manage health care facilities, services and programs with emphasis on comprehensive and integrated health care, preventative medicine, and health maintenance;

(c) To educate the public in the principles of health care protection and promote projects in the interest of public health, equity, and wellbeing;

~~(d) To provide training and career opportunities for the community's residents as well as continuing education and training for employees and contracted staff;~~

~~(e)~~(d) To promote mutually acceptable and satisfying relationships between the health center and other providers of health care and other programs in the service area to provide access to services not available through the health center in order to develop an efficient and effective delivery of health care for the underserved;

~~(f)~~(e) To participate in and cooperate with government-funded agencies, academic, or other community-based organizations engaged in similar or like activities; and

~~(g) To engage in such other charitable activities as may be directed by the Board of Directors.~~

ARTICLE IV

DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to public educational, research, and charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual or any director of this corporation. On the dissolution or winding up of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Section 501 (c)
(3) of the Internal Revenue Code.

ARTICLE V

MEMBERSHIP

Section 1. No Membership: The corporation shall have no members. Any action for which there is no specific provision in the California Nonprofit Public Benefit Corporation Law applicable to a corporation which has no members, and which would otherwise require only approval by a simple majority (greater than 50%) of all members or approval by the members shall require only the approval of the Board. All rights which would otherwise vest in the members shall vest in the directors.

Section 2. Associates: Nothing in these Bylaws shall be construed as limiting the right of the corporation to refer to persons or organizations associated with it as "members" even though such persons are not members, and no such reference shall constitute anyone

a "member" within the meaning of California Corporations Code Section 5056. The corporation may confer, by amendment of its Articles or of these Bylaws, some or all of the rights of a member, as set forth in the California Nonprofit Public Benefit Corporation Law, upon any person, persons, or organizations, but no such person or organization shall be a "member" within the meaning of such Section 5056.

ARTICLE VI

BOARD OF DIRECTORS

Section 1. General Powers: Subject to the limitations of the Articles of Incorporation and these Bylaws, the activities and affairs of the corporation shall be conducted, and all the corporate powers shall be exercised by, or under, the direction of the Board of Directors. The Board of Directors may delegate the management of the activities of the corporation to any person, persons, or committee, provided that the activities and affairs of the corporation shall be managed, and all corporate powers shall be exercised, under the ultimate direction of the Board.
Without prejudice to such general powers but subject to the same limitations, the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

(a) To select, evaluate, and remove, prescribe powers and duties for, to the extent as may not be inconsistent with the law, the Articles or these Bylaws;

(b) To conduct, manage, and control the affairs and activities of the corporation. ~~,~~

~~(b)~~(c) ~~including establishing~~ Establish the priorities of the ~~corporation's~~ health centers, and to make such rules and regulations not inconsistent with the Co-applicant Agreement, County policies, the law, the Articles or these Bylaws, as it deems best;

~~(c)~~(d) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidence of debt and securities; and

~~(d)~~(e) To change the location of its principal office or the principal business office of the corporation ~~in California from one location to another and cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or county and conduct its activities within or outside California~~.

Section 2. Specific Co-Applicant Duties: In addition to General Powers and responsibilities, the Board of Directors shall have the specific responsibility for:

(a) Approval for the selection, annual evaluation, and dismissal of ~~the Chief Executive~~

~~Officer~~ the Health Center's Project Director/CEO ~~of the corporation~~;

(b) Evaluating health centers ~~corporate~~ activities, including services utilization patterns, productivity, and achievement of objectives;

(c) Adopt health center policies that ~~establishes~~establish a QI/QA program which, at a minimum, addresses the quality and utilization of health center services, patient satisfaction and patient grievance processes; and patient safety, including adverse events.

(d) Adopt health center policies for eligibility for services, setting fee schedules and criteria for

partial payment schedules. Adopting health care policies, including scope and availability of services, location and hours of services, and quality-of-care audit procedures.

(e) Approve Health Center Program budget which outlines the proposed uses of ~~both~~ the Health Center Program award ~~and non-federal resources and revenue~~. Direct the Project Director/CEO to present the budget to the Board of Supervisors for final approval.

(f) Approve grant applications and/or the annual recertification related to the Health Center Program, including the decision to subaward. The Board of Directors may delegate submissions of grant applications to the Project Director/CEO; however, all grants must be ratified by the board at the next available meeting. Note: some grants may also require San Joaquin County Board of Supervisor's approval.

~~(g) Review and align with San Joaquin County personnel policies and procedures, including selection and dismissal procedures, employee grievance procedures, and equal opportunity practices;~~

~~(i) Review and align with San Joaquin County policies for financial management practices. Arrange for an annual independent audit, a system to assure accountability for corporate resources, approval of the annual corporate budget, corporate priorities, and long-range financial planning;~~

~~(j)~~(i) Provide direction for/engage in long-range planning, including but not limited to identifying health center priorities and adopting a strategic plan that includes a plan for financial management and capital expenditures at least once every three years; and

~~(k)~~(j) Assuring that the corporation is operated in compliance with applicable Federal, State and local laws and regulations.

Section 3. Number: The Board of Directors shall consist of at least nine (9) but no more than twenty-five (25) directors.

Section 4. Classes of Board Members: Subject to the limits set forth in Section 5 below,

Board members shall be categorized into one of the following two categories:

(a) Patient (Patient) members: At least 51% of board members are patients served by the health center. For the purposes of board composition, a patient is an individual who has received at least one service in the past 24 months that generated a health center visit, where both the service and the site where the service was received are within the HRSA-approved scope of project. A legal guardian of a patient who is a dependent child or adult, a person who has legal authority to make health care decisions on behalf of a patient, or a legal sponsor of an immigrant patient may also be considered a patient of the health center for purposes of board representation. Students who are health center patients may participate as board members subject to state laws applicable to such non-profit board members.

(b) Non-Patient members: Non-patient board members shall be all members of the Board, except those designated as patient members, who are representatives of the community and shall be selected for their expertise in relevant subject areas, such as community affairs, local government, finance and banking, legal affairs, trade unions, and other commercial and industrial concerns or social services within the community. Non-patient members are representative of the community served by the health center or the health center's service area, either by living or working in the community, or by having a demonstrable connection to the community.

Section 5. Composition of Board of Directors: A majority of the Board shall be Patient members. No more than one-half of the non-Patient members may derive more than ten percent (10%) of his or her annual income from the health care industry. The health center shall develop a policy which defines "health care industry." The Board shall endeavor to include representatives from diverse geographic locations within the service area.

Section 6. Project Director/ CEO: The ~~project director [Chief Executive Officer~~Project Director/CEO ~~(CEO)]~~ shall be a non-voting, ex-officio member of the board.

Section 7. Additional Qualifications: All Board members shall meet the following additional qualifications:

(a) Board members shall be at least eighteen (18) years old;

(b) No Board member shall be an employee of the corporation, or the spouse or child, parent, brother, or sister by blood, adoption or marriage of an employee of the corporation or San Joaquin County;

(c) Board members shall participate in appropriate orientation and ongoing training and educational programs necessary to properly fulfill their responsibilities as members of the Board; and

(d) Board members shall, within 30 days of election, acknowledge their acceptance of their position as a member of the Board either in writing or by attendance at a meeting of the Board.

Section 8. Selection: The Governance Committee comprised of the officers of the corporation shall meet and present nominees for directorship at a regularly scheduled meeting of the Board of Directors, or a special meeting, ~~at the annual meeting~~ as needed to fill vacancies on the Board. To assure public access to Board positions, the Governance Committee shall identify appropriate community users at each clinic location for recommendations. Where appropriate and practical, the committee may interview prospects to ensure compliance with membership requirements. Nominations may be made from the floor. New directors shall be elected by the full Board of Directors. The Board shall have sole discretion and authority to appoint new members.

Section 9. Term: The term of office for members of the Board shall be, except as provided below, up to three (3) years and until a successor has been designated and qualified. Terms shall end on October 31. The Board may extend an offer to renew after the initial and each subsequent term.

a) To ensure continuity of governance, the Board Chair may elect to extend and/or stagger the terms of specific Board members. This action can only be invoked by the Chair to ensure that no more than a third of the Board rotates off within a six (6) month period of time.

Section 10. Term Limits: After serving three (3) consecutive terms, a Director shall leave the Board of Directors for at least twelve (12) months. During that time, the former Director(s) may be invited to serve on either a standing or ad hoc Committee which permits members of the ~~general public~~public to serve. No Director shall serve a total cumulative term of greater than fifteen (15) years.

Section 11. Resignations: Subject to the provisions of California Corporations Code Section 5226, any director may resign effective upon giving written notice to the corporation, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be appointed by the Board before such time, to take office when the resignation becomes effective.

Section 12. Removal of Director: The Board of Directors shall have sole discretion and authority to remove any Director as set forth in these bylaws. No other entity or agency shall have discretion to remove a Director. A determination that any of the violations which warrant removal occurred must be at a meeting of the Board of Directors with such item reflected on the agenda, with a quorum present and by a simple majority vote of disinterested Directors present at the meeting.

The Board of Directors may declare vacant the office of a director for any of the following causes:

(a) The director has been declared of unsound mind by a final order of a court of competent jurisdiction; or

(b) The director has been declared by the Department of Health and Human Services, Office of Inspector General (OIG) List of Excluded Individuals/Entities (LEIE) and

the General Services Administration, System for Award Management (SAM) as an individual who is currently excluded, debarred, suspended, proposed for debarment, or otherwise ineligible to participate in Federal or state health care programs or in either a Federal procurement or in non-procurement programs, or has been convicted of a criminal offense related to the provision of health care items or services, but has not yet been excluded or otherwise declared ineligible, or has been convicted of a felony, excepting motor vehicle offenses. An individual who is declared as debarred, excluded, or otherwise ineligible for participation in federal health care programs shall be ineligible to serve as a Board member and has a duty to inform the Board and resign immediately; or

(c) The director has been found by a final order of any court to have breached any duty arising under Article 3 of the California Nonprofit Public Benefit Corporation Law; or the Board finds that the director has breached their fiduciary duty, by acting against the financial or operational best interests of the FQHC, misusing funds, or leaking confidential information; or

(d) The director has violated the conflict-of-interest provisions with these bylaws or any provision of the San Joaquin County conflict-of-interest policy; or the Director has failed to disclose financial ties or improper dealings with federal funds.

~~(e)~~(e) The director has engaged in behavioral misconduct or detrimental conduct, including but not limited to: engaging in disruptive behavior, harassment, or actions that actively harm the health center's reputation or mission; or

(f) The director has, without excuse, been absent from regular Board meetings for either two (2) consecutive meetings or three (3) meetings in any twelve (12) consecutive month period; or

(e) The Director has engaged in illegal activities, has acted in any manner that is violation of or inconsistent with these Bylaws, or has engaged in activities that reflect negatively on SJ Health or SJCC.

Section 13. Removal of Director – Without Cause: The Board may remove any director, without cause, by approval of two-thirds (2/3) of the directors then in office at a properly noticed meeting with a quorum.

Section 14. Conflicts of Interest:

(a) No voting member of the Board of Directors shall be an employee of the corporation or San Joaquin County, a spouse or child, parent, brother or sister by blood, adoption or marriage of such an employee.

No more than ten percent (10%) of the persons serving on the Board of Directors at any time may be interested persons. An "interested person" is

(i) any person currently being compensated by the SJ Health or the corporation for services rendered to it within the previous twelve (12)

months, as an independent contractor, or otherwise, or

(ii) any brother, sister, ancestor, descendant, spouse, brother–in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any such person. No Board member shall be an immediate family member of an employee of either SJCC or San Joaquin County.

However, any violation of the provisions of this Section shall not affect the validity or enforceability of any transaction entered into by the corporation.

(b) The corporation will make no loan of money or other property or guarantee the obligation of any director or officer of the corporation, except as authorized by Corporations Code Section 5236.

Section 15. Transfer of Membership: No director may transfer a seat on the Board or any right arising from it. All rights of a director cease on the director's death.

Section 16. Property Rights: No director shall have any rights or interest in any of the property or assets of this corporation.

Section 17. Liability: No director of this corporation shall be individually or personally liable for the debts, liabilities, or obligations of the corporation.

Section 18. Compensation: Directors shall serve without compensation from this corporation, but may be reimbursed by SJ Health for actual expenditures such as transportation or childcare on a per diem or other basis as determined from time to time by the Board of Directors, not to exceed applicable U.S. Treasury regulations. Wages lost by reason of participation in the activities of such board members if the member is from a family with an annual family income less than $10,000 or if the member is a single person with an annual income less than $7,000. For section 330(g)-only awarded/designated health centers- , 42 CFR 56.108 permits the use of grant funds for certain limited reimbursement of board members as follows: 1) for reasonable expenses actually incurred by reason of their participation in board activities (e.g., transportation to board meetings, childcare during board meetings); 2) for wages lost by reason of participation in the activities of such board members.

Section 19. Nondiscrimination: No person otherwise qualified shall be denied a seat on the Board or be discriminated against in any manner on account of the race, color, religion, ancestry, national origin, gender, sexual orientation or as otherwise mandated by law.

ARTICLE VII

MEETINGS OF BOARD OF DIRECTORS

Section 1. Place of Meeting: All meetings of the directors shall be held at such a place as may be designated by the Board of Directors.

Section 2. Open Meetings: All meetings of the directors will be open to the public subject to the provisions of the Brown Act, except that the Board may hold closed sessions to consider matters concerning real property negotiations, an individual's private medical information, pending or potential litigation, threats to the security of the corporation's facilities or its personnel or clientele, and personnel matters.

Section 3. Meeting Schedule: Regular meetings of the directors shall be held monthly at such time as the Board may fix by resolution from time to time.

Section 4. Special Meetings: Special meetings of the Board of Directors for any purpose or purposes may be called ~~by the Clerk of the Board~~ upon the request of the Chair of the Board, ~~the Chief Executive Officer~~Project Director/CEO, ~~,~~ or any three (3) or more directors.

Section 5. Notice of Meetings, Agenda and Supportive Materials: Except in the case of an emergency, notice of each regular monthly ~~special~~ meeting shall be given to each director and the public at least seventy-two hours (72) hours prior to the day of the meeting. The notice shall specify the place, the day, the hour of the meeting and the agenda on which shall be listed those matters which the Board of Directors, at the time of giving notice, intends to present for action by the directors. Except in the case of an emergency, notice of any special meeting shall be given to each director and the public at least twenty-four hours (24) hours prior to the day of the meeting.

Supportive materials for policy decisions to be voted upon shall be sent with the meeting notice. When supporting materials are not available to be sent, such materials shall be available at the meeting. If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice also shall state the general nature of the proposal. Any directors' action on such items is invalid unless the notice or written waiver of the notice states the general nature of the proposals:

(a) Removing a director;
(b) Filling vacancies on the Board of Directors;

(c) Amending the Articles of Incorporation or Bylaws; or

(d) Voluntary dissolution of the corporation.

Notice requirements for any emergency meeting shall follow the current legally mandated procedures and timing requirements under the Ralph M. Brown Act.

Section 6. Manner of Giving Notice: Notice to the public shall include the posting of the complete meeting agenda in a location freely accessible to the public at the principal place of business for SJ Health, and on the organization's website at least seventy-two (72) hours in advance of a scheduled regular meeting, or at least twenty-four (24) hours in advance of a special meeting.

Notice to the directors of regular ~~any~~ meetings of the Board of D~~d~~irectors shall be given by prepaid First Class mail~~;~~, documented telephone conversation~~;, or~~ e-mail

addressed to each director, either at the address of that director appearing in the files of the corporation or the address given by the director to the corporation for the purpose of notice; or through the secure Board portal. ~~If no address appears in the corporation's file and no other has been given, notice shall be deemed to have been given if either (i) notice is sent to that director by First Class mail to the corporation's principal office, or (ii) notice is published at least once in a newspaper of general circulation in the county where the principal office is located.~~ Notice to the directors of a special meeting shall be given by personally delivered written notice sent by electronic mail, through the secure Board portal, facsimile, or U.S. mail, to each director, unless written notice is previously waived in writing. Telephone notice may only be given if written notice is waived in writing.
~~Election of the method of the notice is at the discretion of the Clerk of the Board of the corporation. Notice shall be deemed to have been given at the time when delivered personally or deposited in the U.S. mail, documented telephone conversation, or transmitted electronically by e-mail.~~

Section 7. Quorum: A quorum shall consist of a simple majority (greater than 50%) of the seated directors. Once a quorum is established, official business may be conducted by majority vote of the directors present. A quorum must be maintained at all times in order to take action or continue conducting official business. ~~Directors present may continue to conduct business by majority vote after a quorum has been established, even if the withdrawal of some members leaves less than a quorum.~~ The names of members attending and absent shall be recorded in the official minutes by the Clerk of the Board or designee.

In the absence of a quorum at any scheduled or properly noticed meeting of the Board of Directors, the directors present may not transact any substantive business, vote, or take official board actions, except as otherwise provided by law. The directors present at such meeting may, however, take the following procedural actions:

A. Adjourn the Meeting: Call the meeting to order, take roll, officially determine a quorum is lacking, Motion to officially end the meeting, and record the adjournment in the minutes.

B. Recess the Meeting: Take a brief recess in an effort to contact absent board members and attempt to obtain a quorum through in person or remote attendance, within a reasonable time period.

C. Informal Discussions: If no quorum can be achieved, the directors in attendance may receive informational officer or committee reports and hear presentations. However, no other official discussions, votes, or business may be transacted.

Section 8. Voting: Persons entitled to vote at any meeting of the directors shall be directors as of the record date. Voting may be voice or ballot (written or electronic), provided that any election of directors must be by written ballot if demanded by any director before the voting begins. If a quorum is present, the affirmative vote of a majority of the directors represented at the meeting entitled to vote and voting on any matter except as specifically noted in the Bylaws shall be the act of the directors. Directors may

not take action by unanimous written consent without a meeting and without prior notice.

Section 9: Meetings by Telephone or Similar Technology: Monthly ~~Any~~ meetings may be held by conference telephone, videoconference or similar communication technology to allow for electronic participation, as long as all directors participating in the meeting and the public can hear and speak to one another. All such directors shall be deemed to be present in person at such a meeting.

Section 10. Presiding Officer: Meetings of the Board of Directors shall be presided over by the Chair. In the absence of the Chair, the Vice Chair shall preside over the meeting. The Clerk of the Board or designee shall assist the ~~act as S~~secretary-Treasurer with any needed administrative support tasks such as note taking at ~~of~~ all meetings of the directors, including committee meetings, and thereafter assist with the typing of draft minutes. The Secretary-Treasurer shall review draft minutes, sign off on, and present the meeting minutes for Board approval at a future meeting.

Section 11. Rules of the Meetings: Meetings of the directors shall be governed by Robert's Rules of Order (newly revised), as such rules may be revised from time to time, insofar as any rule is not inconsistent or in conflict with these Bylaws, the Articles of Incorporation, or California law.

Section 12. Prohibition Against Voting by Proxy: Directors may not vote by proxy.

Section 13. Policies: The Board shall update these Bylaws and key policies as defined by HRSA. Key policies, as defined by HRSA, shall be reviewed and updated, as needed, at least once every 3 years.

Section 14. General Co-Applicant Responsibilities:

(a) The Board shall evaluate ~~the corporation's~~ SJ Health's achievements and performance of its Project Director/CEO and its compliance with the Health Center Program (HRSA) Compliance Manual at least annually.

(b) The Board is responsible for identifying and ensuring that it meets its educational and training needs, including orientation and training of new and existing Board members.

(c) Financial oversight requires control of major resource decisions, monitoring financial viability, and an annual audit of its financial reports and ensuring appropriate follow-up actions are taken, including informing the Board of Supervisors.

(d) The Board shall prohibit conflicts of interest or the appearance of conflicts of interest by Board members, employees, consultants, and agents who provide services or goods to SJ Health ~~the clinics~~.

ARTICLE VIII

SJCC OFFICERS

Section 1. Responsibility: All officers are subordinate and responsible to the Board of Directors.

Section 2. Number and Selection: The Board of Directors shall have sole authority and discretion to appoint officers of the corporation. The officers of the corporation who shall be members of the Board shall be the Chair, Vice Chair, and Secretary-Treasurer. Officers of the corporation who are not members of the Board shall be the ~~Chief Executive Officer~~Project Director/CEO, Chief Financial Officer, and Chief Medical Officer. The corporation may have such other officers as may be appointed in accordance with the provisions of this section. One person may hold two or more offices, except those of Chair and Vice Chair. For purposes of Corporations Code Section 5213(a), the Chair of the Board shall be the Chair. The ~~Chief Executive Officer~~Project Director/CEO is a County employee and therefore may not serve in that capacity for the ~~shall be the Chief Executive Officer~~Project Director/CEO ~~of the~~ corporation.

The Board of Directors may appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period and have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may determine.

No Director shall serve in the role as a Board officer, until the individual has served for a minimum of twelve (12) months as a Director, and has been present at a minimum of nine (9) Board of Director meetings within twelve (12) months.

Section 3. Duties of the Chair: The Chair is the chief Board officer and subject to approval of Board of Directors;~~,~~ shall exercise general supervision and direction of the affairs of the corporation; shall preside at all meetings of the Board of Directors; and shall have the general powers and duties usually vested in the Chair of the Board of Directors of a corporation as may be prescribed by the Board of Directors or by these Bylaws. The day-to-day management of the corporation invested in a full-time Chief Executive Officer who shall report to the Board of Directors. The Chair shall be responsible for selecting standing and ad hoc committee appointments, within the guidelines of Article IX of these bylaws, including any chairs or vice-chairs of such committees.

Section 4. Duties of the Vice Chair: The Vice Chair is a voting member, and an officer of the Board of Directors will preside over meetings of Board of Directors in the absence of the Board Chair.

Section 5. Secretary-Treasurer: The Secretary-Treasurer is a voting member and an officer of the Board of Directors and shall chair the Finance Committee. The Secretary-Treasurer shall oversee the financial affairs of the corporation, and with administrative support from the Clerk of the Board, oversee recording meeting documentation, proper record custodianship, notices and agendas, membership and term tracking, and shall perform such other and further duties as may be required by law or as may be ~~prescribed or~~ required from time to time by the Board of Directors.

Section 6. Removal of Board Officers: The Board shall have sole discretion to remove

Officers, including but not limited to the Chair in accordance with the stated grounds for removal of a Director, as stated in Article VI, Section 12, of these bylaws. In addition, any Board Officer who has, without excuse, been absent from either two (2) consecutive Committee meetings, or four (4) Committee meetings in any twelve (12) consecutive month period, may be removed. Board officers may be removed with or without cause at any meeting of the Board of Directors with a quorum present by the affirmative vote of a majority of all the directors.

Section 76. Duties of the Clerk of the Board: The Clerk of the Board, as a County employee shall report directly to and be subject to the control of the ~~Chief Executive Officer~~Project Director/CEO and shall provide administrative support to the Board and the Secretary-Treasurer. The administrative support tasks include, but are not limited to, the following: To keep or cause to be kept at the principal office of the corporation, or such other place as the Board of Directors may order, a file of minutes of all meeting of the directors. T~~he Clerk of the Board also shall~~ keep or cause to be kept at the principal office of the corporation a directors' list containing the names and addresses of each director and, in any case where directorship has been terminated, such fact shall be recorded in the minutes together with the date upon which the directorship ceased. The files also shall include the Articles of Incorporation and Bylaws of the corporation and the notices of meetings of the Board of Directors. The Clerk of the Board may ~~shall~~ perform such other administrative support duties as may be ~~required by law or as may be prescribed or required~~ requested from time to time by the Chairperson of Board of Directors, or the Secretary-Treasurer ~~or the Bylaws~~.

Section 87. ~~Chief Executive Officer~~Project Director/CEO: The SJ Health Project Director/CEO is a County employee, who is hired, evaluated, subject to the control of, and terminated should the need arise, by the Board of Directors. However, as a County employee, the Project Director/CEO shall report to the Director of the Health Care Services Agency for management and day-to-day oversight. ~~of the corporation shall report directly to and be subject to the control of the Board of Directors~~ The Project Director/CEO shall~~,~~ have general supervision, direction and control of the business of SJ Health ~~the corporation and shall be held responsible for the proper functioning of the corporation~~. The CEO shall organize the administrative functions of the corporation, delegate duties and establish formal means of accountability on the part of his or her subordinate officers. The CEO shall be an ex-officio non-voting member of all committees unless otherwise determined by the Board of Directors. The CEO shall have the general powers and duties of management usually vested in a ~~chief executive officer~~Project Director/CEO and shall have other powers and duties as may be prescribed by these Bylaws. The ~~Chief Executive Officer~~Project Director/CEO shall be directly employed by the Health Center or by demonstrating direct employment of the Project Director/CEO by demonstrating that the public agency, as the Health Center Program awardee/designee of record, directly employs the Project Director/CEO.

Section 98. Duties of the Chief Financial Officer: The Chief Financial Officer ("CFO") shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and the business transactions of the corporation, including but not limited to the accounts of its assets, liabilities, receipts, disbursements, gain and losses. The financial records shall at all times be open to inspection by any director of the

corporation. The Chief Financial Officer, as a County employee shall be selected by the ~~Chief Executive Officer~~Project Director/CEO. The CFO shall report directly to the ~~Chief Executive Officer~~Project Director/CEO. The Board of Directors recognizes CFO is a key personnel identified by HRSA, the County may use its classification system to identify the role.

Section 10~~9~~. Chief Medical Officer: The Chief Medical Officer ("CMO") ~~of the corporation~~, a County employee, shall oversee all medical aspects of SJ Health the corporation's clinics. The CMO shall have such general powers and duties usually vested in the chief medical officer of a clinic healthcare system corporation engaged in the delivery of health care services and shall have such other powers and duties as may be assigned by the ~~Chief Executive Officer~~Project Director/CEO. The Chief Medical Officer shall be selected by the ~~Chief Executive Officer~~Project Director/CEO. The CMO shall report directly to the ~~Chief Executive Officer~~Project Director/CEO.

~~**Section 10.** Removal of Board Officers: The Board shall have sole discretion to remove Officers, including but not limited to the Chair in accordance with these bylaws. Any Board Officer who has, without excuse, been absent from either two (2) consecutive Committee meetings or four (4) Committee meetings in any twelve (12) consecutive month period. Board officers may be removed with or without cause at any meeting of the Board of Directors by the affirmative vote of a majority of all the directors.~~

ARTICLE IX

COMMITTEES

Section 1. Committees: The Board Chair may appoint one or more committees, each consisting of two or more directors and such other persons as the Board Chair may deem appropriate. Such committees shall be advisory only and subject to the approval of the Board of Directors. The Quality and Finance ~~c~~Committees may include ad hoc committee members or members of the community with relevant expertise.

Section 2. Standing Committees: Standing committees shall consist of an Executive Committee, Finance Committee, Audit Committee, Quality Committee, and a Governance Committee. These committees are subject to the notice and open public meeting requirements of the Ralph M. Brown Act, for all matters normally heard in open session.

Section 3. Special or ad hoc Committees: Special committees may be appointed by the Chair of the Board with the approval of the Board of Directors for such special tasks as circumstances may warrant. A special committee shall limit its activities to the accomplishment of the task for which it is appointed and shall have no power to act except such as is specifically conferred by action of the Board of Directors. Upon completion of the task for which appointed, such special committee shall stand discharged.

Section 4. Quorum: ~~Where not otherwise prescribed by the Chair, a simple majority of~~

~~the members of a committee shall constitute a quorum at any meeting of that committee.~~ Each committee shall meet as often as is necessary to perform its duties. Meetings of any committee shall be held on the call of the Chair of the Board, the committee chairperson, or any two or more committee members. At all committee meetings, a simple majority of the members of the committee shall be necessary and sufficient to constitute a quorum for the transaction of business. A majority of the committee members present, whether or not a quorum, may adjourn any committee meeting to another time and place.

Section 5. Vacancies: Vacancies in any committee shall be filled for the unexpired portion of the term in the same manner as provided in the case of original appointment.

Section 6. Executive Committee:

(a) There shall be an Executive Committee consisting of officers of the Board and the ~~Chief Executive Officer~~Project Director/CEO as a non-voting member.

(b) The designation of such Executive Committee and the delegation of authority to it shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed by law, by the Articles of Incorporation of this corporation or these Bylaws.

(c) The Executive Committee may take action between regularly scheduled meetings with ratification at next Board meeting.

Section 7. Finance Committee: The Finance Committee shall be composed of not less than three (3) members, the majority of whom shall be members of the Board of Directors, one of whom shall be the Treasurer, and others appointed by the Board of Directors. The Treasurer shall chair the Finance Committee. All committee members shall have the right to vote in Committee meetings. The duties and responsibilities of the Finance Committee shall be:

(a) To develop and recommend financial policy to the Board of Directors;

(b) To review the health centers and/or the corporation's annual budgets, as appropriate and to make recommendations thereon to the Board of Directors. The health centers budget will need final approval by the Board of Supervisors;

(c) To review ~~the~~ SJ Health's monthly financial statements ~~of this corporation~~, evaluate the ~~corporation's~~ operating performance, and make recommendations to the Board of Directors on both current and long-term fiscal affairs;

(d) To advise the Board of Directors on methods and procedures which will assure that the financial policies and budgets adopted by the Board of Directors are carried out;

(e) To review the long-term financial management plan and capital expenditure needs necessary to implementing the strategic plan, subject to final approval by the Board of Supervisors; and

(f) To advise the Board of Directors on the fundraising activities of the corporation. Fundraising activities for SJ Health fall under San Joaquin County's policies and procedures.

Section 8. Audit Committee: ~~The corporation~~ SJCC shall have an Audit Committee consisting of at least three (3) directors and may include nonvoting advisors. Directors who are officers of the corporation or who receive, directly or indirectly, any consulting, advisory, or other compensatory fees from the corporation (other than for service as director) may not serve on the audit committee. The Audit Committee shall perform the duties and adhere to the guidelines set forth in ~~the corporation's~~ SJ Health's audit policy guidelines as amended from time to time by the board. Such duties include, but are not limited to:

(a) Assisting the Board in choosing an independent auditor and recommending termination of the auditor, if necessary;

(b) Conferring with the independent auditor regarding the corporation's financial affairs;

(c) Reviewing and make a recommendation to the Board of the Directors to accept or reject the independent auditor's report (final BOS?); and

(d) Recommending an action plan to remedy any findings identified in the audit (final BOS?).

If ~~the corporation~~ SJCC has a Finance Committee, a majority of members of the Audit Committee may not concurrently serve as member of Finance Committee, and the chair of the Audit Committee may not serve on the Finance Committee.

Section 9. Governance Committee: The Governance Committee shall be composed of not less than three (3) members, all of whom shall be members of the Board of Directors. All committee members shall have the right to vote. The duties and responsibilities of the Governance Committee shall be:

(a) To recruit, orient, and train new board members;

(b) To develop, implement and evaluate an annual board of directors training plan;

(c) To solicit and present candidates for Board members, as needed;

(d) To solicit and present candidates for Board Officers each year;

(e) Review and make recommendations related to the Bylaws, Articles of Incorporation; and

(f) Evaluate the Board's performance and accomplishments each year.

Section 10. Quality Committee is responsible for the quality policy, routine and annual evaluation of quality measures, credentialing & privileging of staff. The Quality Committee shall be composed of not less than three (3) members, the majority of whom shall be members of the Board of Directors. All committee members shall have the right to vote. The duties and responsibilities of the Quality Committee shall be:

(a) To establish/review quality improvement/quality assurance (QI/QA) policies at least once every three years and present them to the entire Board for review and approval;

(b) To prepare an annual quality improvement program (QIP). At a minimum the QIP must address the quality and utilization of health center services, patient satisfaction and patient grievances as well as patient safety, including adverse events; and

~~(c) To evaluate the QIP.~~

Section 11. Term of Office: The Chair and each member of a standing committee shall serve until the next election of directors and until his or her successor is appointed; ~~, or~~ until such committee is sooner terminated; or until he or she is removed, resigns, or otherwise ceases to qualify as a member ~~if~~of the committee.

The chair and each member of a special committee shall serve for the life of the committee unless they are removed, resign, or cease to qualify as members of such committee.

Section 12: Removal of Committee Members: The Board shall have sole discretion to remove Committee members, including but not limited to the Chair in accordance with these bylaws. Any ~~–~~Committee Member who has, without excuse, been absent from either two (2) consecutive Committee meetings or four (4) Committee meetings in any twelve (12) consecutive month period. Board officers may be removed with or without cause at any meeting of the Board of Directors by the affirmative vote of a majority of all the directors.

Section 13. Vacancies: Vacancies on any committee may be filled for the unexpired portion of the term in the same manner as provide in the case of original appointments.

~~**Section 14.** Quorum: At all committee meetings, a simple majority of the members of the committee shall be necessary and sufficient to constitute a quorum for the transaction of business, except that a majority of the committee members present, whether or not a quorum, may adjourn any committee meeting to another time and place. The act of a simple majority of the members present at a meeting at which there is a quorum shall be the act of the committee. Notwithstanding the previous provisions of the Section, the members present at a meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of committee members, so long as any action taken is approved by at least a simple majority of the required quorum for such meeting.~~

ARTICLE X

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section 1. Definitions: For the purpose of this ARTICLE,

"Agent" means any person who is or was a director, officer, employee, or agent of this corporation or is or was serving at the request of this corporation as a director, officer, employee, or agent of another foreign or domestic corporation partnership, joint venture, trust, or other enterprise;

(a) "Proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

(b) "Expenses" includes, without limitation, all attorney fees, costs and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of the agent's position or relationship as agent and all attorney fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

Section 2. Successful Defense by Agent: To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against the agent, then the provisions of Sections 3 through 5 shall determine whether the agent is entitled to indemnification.

Section 3. Actions Brought by Persons Other Than the Corporation: Subject to the required findings to be made pursuant to Section 5 below, this corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding, other than an action brought by, or on behalf of this corporation, or by an officer director or person granted related status by the Attorney General, or by the Attorney General on the ground that the defendant director was or is engaging in self-dealing within the meaning of California Corporations Code Section 5233, or by the Attorney General or a person granted related status by the Attorney General for any breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of this corporation, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

Section 4. Actions Bought by or on Behalf of the Corporation:

(a) Claims Settled out of the Court: If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this corporation without Board approval, the agent shall receive no indemnification for either amounts paid

pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding.

(b) Claims and Suits Awarded against Agent: This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this corporation by the reason of the fact that the person is or was an agent of this corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:

(c) The determination of good faith conduct required by Section 5 below, must be

made in the manner provided for in that section; and

(d) Upon application, the court in which the action has been brought has determined that the circumstances of the case warrant that the agent be entitled to indemnification for expenses incurred. Once the court has determined the agent's right to indemnification, the corporation shall determine the amount of indemnification.

Section 5. Determination of Agent's Good Faith Conduct: The indemnification granted to an agent in Sections 3 and 4 above is conditioned on the following:

(a) Required Standard of Conduct: The agent seeking reimbursement must be found, in the manner provided in (b) below, to have acted in good faith, in a manner the agent believed to be in the best interest of this corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, by itself, create a presumption that the person did not act in good faith or in a manner which the person reasonably believed to be in the best interest of this corporation ~~orthat~~or that the person had reasonable cause to believe that the agent's conduct was lawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that the person's conduct was unlawful.

(b) Manner of Determination of Good Faith Conduct: The determination that the agent did act in a manner complying with paragraph (a) above shall be made by:

(i) The Board of Directors by a majority vote of a quorum consisting of directors other than the director whose good faith is being determined; or

(ii) The affirmative vote (or written ballot in accordance with Article VI, Section 8) of a majority of the votes required under Article VI, Section 7.

Section 6. Limitations: No indemnification or advance shall be made under this Article IX, except as provided in Sections 2 or 4 (b)(ii), in any circumstance when it appears:

(a) That the indemnification or advance would be inconsistent with a provision of the Articles, a resolution of the directors, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred, or other amount was paid which prohibits or otherwise limits indemnification; or

(b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 7. Advance of Expenses: Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance, unless it

is determined ultimately that the agent is entitled to be indemnified as authorized in this Article IX.

Section 8. Contractual Rights of Non-directors and Non-officers: Nothing contained in this Article shall affect any right to indemnification to which persons other than directors and officers of the corporation may be entitled by contract or otherwise.

Section 9. Insurance: The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity of arising out of the agent's status as such, whether or not this corporation would have the power to indemnify the agent against that liability under the provisions of this Section.

Section 10. Fiduciaries of Corporate Employee Benefit Plan: This Article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the corporation as defined in Section 1 of this Article. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager, or other fiduciary may be entitled by contract of otherwise, which shall be enforceable to the extent permitted by applicable law.

ARTICLE XI

AMENDMENTS TO BYLAWS

These Bylaws may only be amended by a simple majority of the directors at a duly noticed meeting of the Board of Directors.

ARTICLE XII

FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of July and end on the last day of June of each year.

ARTICLE XIII

CORPORATE RECORDS, REPORTS, ETC.

Section 1. Minutes of Meeting: ~~The corporation~~ SJ Health, on behalf of SJCC shall keep at its principal office or at such other place as the Board may order, a written record of the minutes of all meetings of the directors, with the time and place of holding, whether regular or special, and if special, how authorized, the names of those present and absent directors at meetings and the proceedings thereof. Minutes of each Board and committee meeting shall, at a minimum, contain, the date of the meeting, which members were present, which were absent, the names of all staff and guests attending the meetings, the

agenda, motions, seconds, the results of such motions and other public comments. Minutes shall document which, if any, Board members participated by conference call or videoconference.

Section 2. Directors: The corporation shall keep a record of its directors, listing their names and addresses, which shall be a public record.

Section 3. Books of Account: The corporation shall keep and maintain adequate and correct accounts of SJCC ~~its~~ properties and business transactions including assets, liabilities, receipts, disbursements, gains and losses.

Section 4. Annual Report: The Board shall cause an annual report to be sent to the directors not later than sixty (60) days after the completion of the annual independent audit. This report shall contain the following information in reasonable detail:

(a) The assets and liabilities, including the trust funds of the corporation, as of the end of each fiscal year;

(b) The change in assets and liabilities, including trust fund, during the fiscal year;

(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

(d) The expenses and disbursement of the corporation for both general and restricted purposes during the fiscal year; and

(e) Any information required by California Corporations Code Section 6322.

Section 5. Checks, Drafts, Etc.: All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as determined by resolution of the Board of Directors.

Section 6. Contracts and Agreements: The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or agreement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 7. Maintenance and Inspection: The corporation shall keep at its principal executive office the original or a copy of the Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the directors at all reasonable times during office hours. The accounting books, records and minutes of proceedings of the directors and the Board of Directors shall be kept at such place or places designated by the Board of Directors, or in the absence of such designation, at the principal executive office of the corporation. The minutes and the accounting books and records

shall be open for inspection on the written demand of any director, at any reasonable time during usual business hours, for a purpose reasonably related to the directors' interest as a director. Inspection may be made in person or by an agent or attorney and shall include the right to copy and make extracts.

Section 8. Professional Liability: The Board of Directors, on behalf of the corporation and its directors, shall ensure that its directors are protected through the maintenance of insurance, insuring the corporation and its directors against liability for the negligent acts of directors in the performance of any services on behalf of the corporation. The Board of Directors also shall procure and maintain in effect such other insurance as is reasonably necessary to protect the members and the corporation against risk of casualty loss and liability for personal injury and property damage.

ARTICLE XIV
GIFTS TO THE CORPORATION

Section 1. Approval of Gifts: The Board of Directors reserves the right to approve the receipt as a gift of any real property, or of any other property which requires the corporation to assume or satisfy any underlying loan secured by the property, or any monetary gifts which are restricted by the donor in a fashion which could place a continuing obligation on the corporation.

Gifts presented to SJCC intend for the County (insert process)

Section 2. General: The corporation is authorized to accept and administer gifts made to the corporation by donors who name or otherwise identify the corporation in the instrument of gift or transfer. Gifts shall vest in the corporation upon receipt and acceptance by it (whether signified by an officer, employee or agent or the corporation). "Gifts" includes the transfer of money or other property of any kind, real, personal, or mixed, or any interest in property, and whether made by delivery, grant, conveyance, payment, devise, bequest, or any other method of transfer.

Section 3. Terms of Gifts: Each donor by making a gift to the corporation accepts and agrees to all the terms of the Articles of the Incorporation and these Bylaws and provides that the fund so created shall be subject to the provisions for presumption of donors' intent, for modification or restrictions or conditions for amendments and termination, and to all other terms of the Articles of Incorporation and Bylaws of the corporation, each as from time to time amended.

Section 4. Restricted Gifts: Any donor may, with respect to a gift made by such donor to the corporation, give directions in the instrument of gift or transfer as to (a) specific health care, charitable, educational or scientific purposes or particular charitable health name as memorial or otherwise for a fund given, or addition to a fund previously held, or anonymity for the gift.

Section 5. Power of the Board of Directors: Notwithstanding any provision of these Bylaws or in any instrument of gift or transfer creating or adding to a fund of the corporation, the Board of Directors shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified health care organizations, or on the manner of the distribution of such funds, if in the judgment and discretion of the Board of Directors, the purpose, object, restrictions of conditions specified in any donation become incapable or not reasonably susceptible of fulfillment, or not in the best interest of advancing the charitable, educational or scientific purposes of the corporation. Any unusual gifts which require continuing obligations on the part of the corporation or restrictions which, on their face, may be incapable of fulfillment must be approved by the Board of Directors prior to acceptance.

~~**ARTICLE XV**~~

~~**COMMUNITY GROUPS**~~

~~**Section 1.** Community: In recognition of the community's vital role in the corporation's existence, effectiveness and relevance, the Board may from time to time appoint persons from the community to appropriate roles as may be desirable and/or necessary in the best interest of the corporation and its clinics. The organization, bylaws and functions of all groups shall require Board review and approval.~~

~~**Section 2.** Community Advisory Board: In keeping with the conviction that the corporation is part of a broad community, there may be a Community Advisory Board which shall advise the Board of Directors on the matters of interest to the community to promote the good will of the Clinics. Selected members of such Community Advisory Board may be invited to attend all regular meetings of the Board to advise on matters concerning finance, fund raising, facilities development, long-range planning, government relations, health care, personnel relations, community needs, Patient interests and other items. The Community Advisory Board may have a written charter approved by the Board of Directors and reviewed periodically. The Community Advisory Board shall meet as often as necessary to perform its duties.~~

ARTICLE XVI

ADMINISTRATION

Medical Care and Its Evaluation: The Board of Directors, in conjunction with the Chief Medical Officer, shall provide for a continuing review and evaluation of the quality of professional care rendered in the Clinics, whether by contracting for evaluation by an independent contractor or otherwise.

ARTICLE XVII

CONFLICTS OF INTEREST AND COMPENSATION APPROVAL POLICIES

A conflict of interest arises whenever a director, officer, or immediate family member of a director has a direct or indirect financial, personal, or professional interest, or a perceived or apparent conflict, that could compromise, or reasonably appear to compromise, their independent judgment in fulfilling their duties to the FQHC.

Section 1. Purpose of Conflict of Interest Policy: The purpose of this conflict of interest policy is to protect the tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an

officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code, as amplified by 26 CFR Section 53.4958-3, and which might result in a possible "excess benefit transaction" as defined in Section 4958 (c) (1) (A) of the Internal Revenue Code, as amplified by 26 CFR Section 53.495 8. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Additionally, this Conflict of Interest Policy is also to protect the interests of the County and SJ Health (the "Health Center") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, director, or board member of the Health Center. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and federally funded health center organizations.

Section 2. Definitions:

(a) Interested Person. Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and amplified by 26 CFR Section 53.4958-3, who has a direct or indirect financial interest as defined below, is an "interested person".

(b) Financial Interest. A person has a financial interest if the person has, directly or indirectly through business, investment, or immediate family as defined in Article VI, Section 7 (b):

(i) An ownership or investment interest in any entity with which the corporation has a transaction or arrangement,

(ii) A compensation arrangement with the corporation or with any entity or individual with which or with whom the corporation has a transaction or arrangement, or

(iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which or with whom the corporation is negotiating a transaction or arrangement.

"Compensation" includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3(b) below, a person who has a financial interest may have a conflict of interest only if the Board decides that a conflict of interest exists.

Section 3. Conflict of Interest Avoidance Procedure:

(a) Duty to Disclose.

In connection any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with Board-delegated powers considering the proposed transaction to arrangement.

(b) Determining Whether a Conflict of Interest Exists.

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the person shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists by vote and record the decision in the meeting minutes.

(c) Procedures for Addressing a Conflict of Interest.

An interested person ~~may make a presentation at the Board or committee meeting, but after the presentation, the person~~ shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. The meeting minutes should reflect the director's disclosure of the conflict and that the member stepped out for that specific portion of the discussion and vote.

The chairperson of the Board or committee may, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the Board or committee shall determine whether the corporation can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

(d) Violations of the Conflict of Interest Policy.

If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflict of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response, and after making further investigation as warranted by the circumstances, the Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take

appropriate disciplinary and corrective action such as removal from the Board.

Section 4. Records of Board and Board Committee Proceeding: The minutes of meetings of the Board and all committees with board-delegated powers shall contain:

(a) The name of the persons who disclosed or otherwise were found to have a financial interest in connection with actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict was present,

and the Board's or committee's decision as to whether a conflict of interest in fact existed, and

(b) The name of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation Approval Policies:

A voting director who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that director's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting director or any committee member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers, employees, contractors, or agents and any other compensation, contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this Article as well as the preceding paragraphs of this section of this Article, the Board or designee of the Board shall also comply with the following additional requirements and procedures:

The terms of compensation shall be approved by the Board or designee prior to the first payment of compensation.

(a) All members of the Board or designee who approve compensation arrangement must not have a conflict of interest with respect to the compensation arrangements as specified in Regulation Section 53.495 8-6(c)(iii), which generally requires that each board member or designee approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 495 8(f)(I) of the Internal Revenue Code, as amplified by Regulation Section 53.4958-3):

(i) Is not the person who is the subject of compensation arrangement, or a family member of such person as defined in Article VI, Section 7 (b)

(ii) Is not in an employment relationship subject to the direction or control of the person who is the subject of compensation arrangement;

(iii) Does not receive compensation or other payments subject to approval by the person who is the subject of compensation arrangement;

(iv) Has no material financial interest affected by the compensation arrangement; and

(v) Does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or designee.

(b) The Board or designee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:

(i) Compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size and purpose and with similar resources;

(ii) The availability of similar services in the geographic area of this organization;

(iii) Current compensation surveys compiled by independent firms; and

(iv) Actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement

As allowed by Regulation Section 53.4958-6, if this corporation has average annual gross receipts (including contributions) for its three (3) prior tax years of less than $1 million, the Board or designee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three (3) comparable organizations in the same or similar communities for similar services.

(c) The terms of compensation and the basis for approving those terms shall be recorded in written minutes of the meeting of the Board or designee that approved the compensation. Such documentation shall include:

(i) The terms of the compensation arrangement and the date it was approved;

(ii) The members of the Board or designee who were present during debate on the transaction, those who voted on it, and the votes cast by each Board or designee; and

(iii) The comparability data obtained and relied upon and how the data was obtained.

(d) If the Board or designee determines that reasonable compensation for a specific position in this corporation or for providing services under any other compensation arrangement with this corporation is higher or lower than the range of

comparability data obtained, the Board or designee shall record in the minutes of the meeting the basis for its determination;

(e) If the Board or designee makes adjustments to the comparability data due to geographic area of other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the Board or designee meeting,

(f) Any actions taken with respect to determining if the Board or designee had a conflict of interest with respect to the compensation arrangement and, if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement), shall be recorded in the minutes of the Board or committee meeting.

(g) The minutes of Board or designee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next Board or designee meeting or 60 days after the final actions of the Board or designee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the Board or designee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next Board or designee meeting following final action on the arrangement by the Board or designee.

Section 6. Annual Statement:

Each director, principal officer, member of a committee with governing board-delegated powers, key management staff and any employee involved in purchasing and agent shall annually sign a statement which affirms such person:

(a) has received a copy of the conflicts of interest policy,

(b) has read and understands the policy,

(c) has agreed to comply with the policy, and

(d) understands the corporation ~~is~~serves a public and charitable purpose and, in order to maintain its federal tax exemption, must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews:

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.

(b) Whether partnerships, joint ventures, and arrangements with management organizations conform to corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8. Use of Outside Experts:

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE XVIII

WINDING UP AND DISSOLUTION

Irrevocable Public and Charitable Dedication: The property of the corporation is irrevocably dedicated to public and charitable purposes. Upon the winding up and dissolution of the corporation, its assets remaining after payment or adequate provision for payment of all debts and obligations of the corporation shall be distributed in accordance with the plan of liquidation to an organization which is organized and operated exclusively for public and charitable purposes, exempt from federal income tax under Section 50l(c)(3) of the Internal Revenue Code, as the Board of Directors may select. In any event, no assets shall be distributed to any organization if any part of the net earnings of such organization inures to the benefit of any private person or individual, or if a substantial part of the activities of such organization is the carrying on of propaganda or otherwise attempting to influence legislation, or if the organization participates in, or intervenes in any political campaign on behalf of or opposed to any candidate or public office, or if the organization carries on any other activities not permitted to be carried on (a) by a corporation exempt from federal tax under Section 501(c)(3) of the Internal Revenue Code or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

CERTIFICATE OF CLERK OF THE BOARD

The foregoing amendments were duly adopted at a regularly noticed meeting on the 27th day of July 2021.

Attest:  _____

Amended: April 26, 2012
October 29, 2013
January 29, 2019
February 26, 2019
April 28,2020
July 27, 2021

SJ HEALTH
San Joaquin Health Centers

SJCC Board Patient/Non-Patient Status

Summary:
6/10 = 60% patient percentage

Board Member Name	Status
Nora Hana	Non-Patient
Brian Heck	Patient
Jayvin Herrejon	Non-Patient
Rick Ledo	Patient
Samantha Monks	Non-Patient
Jodie Moreno	Patient
Mark Myles	Non-Patient
Pat Barrett	Patient
Destiny Easter	Patient
Cymone Reyes	Patient

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