



## **BAKERSFIELD COMMUNITY LAND TRUST**

### **REGULAR MEETING AGENDA**

**June 23, 2025, 2:00 p.m.**  
**City Hall North Conference Room A**  
**1600 Truxtun Avenue**

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*Bakersfield Community Land Trust Board Members:* Sophia Garcia, Andrae Gonzalez (Chair), Manpreet Kaur, Alex Mora, Amy Rose (Vice-Chair), Bob Smith, Vincent Zaragosa

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PUBLIC STATEMENTS**

- a. Agenda Item Public Statements
- b. Non-Agenda Item Public Statements

**4. ADOPTION OF MINUTES**

- a. Adoption of minutes for the following meetings:
  - 1. May 21, 2025, meeting

Staff recommend adoption of the minutes.

**5. DEFERRED BUSINESS** - There is no deferred business.

**6. NEW BUSINESS**

**a. Review BCLT Fee Structure**

Staff recommends discussion and adoption of Fee Structure.

**b. Review FY 25-26 Operating Budget**

Staff recommends discussion and adoption of the FY 25-26 Operating Budget.

**c. Review Accounting Policies and Procedures**

Staff recommends discussion and adoption of Accounting Policies and Procedures.

**d. Award GC Contract**

Staff recommends discussion and authorizing Executive Director to finalize contract for signature by Chairperson.

**7. DIRECTOR COMMENTS**

**8. ADJOURNMENT**



**BAKERSFIELD COMMUNITY LAND TRUST**  
**MINUTES**  
**REGULAR MEETING**

**May 21, 2025, 2:00 p.m.**  
**City Hall North Conference Room A**  
**1600 Truxtun Avenue**

Members Present: Sophia Garcia, Manpreet Kaur, Alex Mora, Amy Rose (Vice-Chair), Bob Smith (seated at 2:03 pm), Vincent Zaragosa

Members Absent: Andrae Gonzales (Chair)

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*Bakersfield Community Land Trust Board Members:* Sophia Garcia, Andrae Gonzalez (Chair), Manpreet Kaur, Alex Mora, Amy Rose (Vice-Chair), Bob Smith, Vincent Zaragosa

**1. CALL TO ORDER**

Meeting was called to order at 2:00 pm

**2. ROLL CALL**

**3. PUBLIC STATEMENTS**

a. Agenda Item Public Statements

None

b. Non-Agenda Item Public Statements

None

**4. ADOPTION OF MINUTES**

a. Adoption of minutes for the following meetings:

1. April 16, 2025, meeting

Staff recommend adoption of the minutes.

**Motion by Board Member Kaur seconded by Board Member Mora for approval of minutes. Motion approved with Board Members Gonzales and Smith absent.**

**5. DEFERRED BUSINESS**

**6. NEW BUSINESS**

a. Review Program Guidelines

Staff recommend discussion and adoption of the Program Guidelines.

**Motion by Board Member Smith seconded by Board Member Zaragoza to adopt the Program Guidelines. Motion was approved with Board Member Gonzales absent**

**b. Purchase of New Homes**

Staff recommend authorizing the Board Chair to execute the purchase agreement for three (3) new construction homes.

**Board Member Zaragoza provided additional materials.**

**Motion by Board Member Rose, seconded by Board Member Kaur to authorize the Board Chair to execute the purchase agreement for three new construction homes not to exceed \$1.6 million. Motion was approved with Board Member Gonzales absent**

**c. Request authorization of land transfers from City of Bakersfield.**

Staff recommend acceptance of the land transfer from the City of Bakersfield. All transfers will occur within 60 days of start of construction and only parcels on the tier 1 and 2 feasibility attachment will be transferred; Authorize Board Chair or Co-Chair to sign all required transfer documents.

**Motion by Board Member Rose, seconded by Board Member Zaragoza to accept the land transfers from the city of Bakersfield on an as needed basis. Motion was approved with Board Member Gonzales absent**

**d. California Community Land Trust – Appoint Representative**

Staff requests direction on which Board member to appoint as a representative.

**Motion by Board Member Zaragoza, seconded by Board Member Kaur to appoint Sophia Garcia as the voting representative to the California Community Land Trust. Motion was approved with Board Member Gonzales absent**

**e. Transfer Contracts to BCLT**

1. Architectural Services – Architectural Plus, Inc – 02/05/25 - \$47,260
2. Architectural Services – George Garcia – 03/26/25 - \$54,600
3. Civil Engineering Services – Ardurra – 03/07/2025 - \$239,122
4. Geotechnical Engineering Services – Krazan – 02/12/25 - \$3,800/each

Staff recommend assignment of the existing contracts and authorization for the Executive Director to execute the assignment agreement on behalf of the BCLT.

**Motion by Board Member Smith seconded by Board Member Mora to adopt the accept the assignment of existing contracts and for the Executive Director to execute the assignment agreements on behalf of the BCLT. Motion was approved with Board Member Gonzales absent.**

**f. Review Website Design and Approve Launch**

Staff will review the website design and requests authorization to launch (i.e. go live) with the website.

**Motion by Board Member Mora seconded by Board Member Zaragoza to accept the website design with changes and authorize the launch. Motion was approved with Board Member Gonzales absent.**

**7. DIRECTOR COMMENTS**

1. Move the next meeting to June 25, 2025.
2. Insurance Update
3. Request for Bids – General Contractor
4. Affordable Housing Trust Fund

**8. ADJOURNMENT**

Meeting was adjourned at 3:01 p.m.

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JULIE DRIMAKIS, Secretary



# BAKERSFIELD COMMUNITY LAND TRUST

**MEETING DATE:** June 23, 2025

**AGENDA CATEGORY:** New Business

**TO:** Bakersfield Community Land Trust board of Directors

**FROM:** Jose Flores, Senior Project Manager, Self-Help Enterprises

**DATE:** June 18, 2025

**SUBJECT:** Proposed BCLT Fees

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**RECOMMENDATION:** Staff recommends a range of fees be established to sustain ongoing operations.

**BACKGROUND:** Self-Help Enterprises (SHE) has been researching options to create an ongoing funding stream for the BCLT. To address the long-term sustainability of operations, SHE conducted a review of existing CLT's to understand the potential variables impacting sustainability and ultimately derive a recommendation for the BCLT Board.

Community Land Trusts (CLTs) in the United States have a history rooted in the Civil Rights Movement and efforts to address housing affordability. The first CLT, New Communities, Inc., was established in 1969 in Georgia, to support Black farmers and ensure long-term access to land and affordable housing. The model evolved, focusing on housing affordability and preserving land for community benefit. Currently there are nearly 300 CLTs throughout the United States with nearly 50 that are and emerging Community Land Trusts (CLTs) in California, with many more in the process of forming.

CLTs are numerous and continue to expand and diversify. Due to the diversity and uniqueness of each CLT, there is no "one size fits all" methodology when developing potential fees. Various common sources of funding and revenue were reviewed and evaluated to determine the most applicable for the BCLT and will be further discussed.

To grow a new Community Land Trust (CLT) in California, strategically implemented fees can play a crucial role in generating revenue and ensuring the organization's sustainability. Here's a breakdown of potential fees and considerations:

1. Ground Lease and/or Administrative Fees: **Staff recommend this approach, fixed revenue for BCLT Operations.**

- Monthly/Quarterly or Annual Ground Lease Fee: CLTs retain ownership of the land and lease it to homeowners. This fee is typically a modest monthly charge, designed to cover the CLT's operational and administrative costs, as well as property taxes associated with the land.
- Ground Lease Fee Structure: Consider offering a tiered structure based on income or property type, potentially including options like a flat fee or a percentage of the assessed land value.
- Legal Fees: A one-time fee can be charged to cover the costs of drafting and executing the ground lease agreement.
- Administrative Fee: Charge annual fee for the BCLT compliance and monitoring.

## 2. Membership Fees: **Staff does not recommend**

- Membership Fee: To foster community engagement and support, consider implementing a small annual membership fee. This could provide residents and supporters with access to CLT events, newsletters, and other benefits.
- Sliding Scale Membership: Consider a sliding scale based on income to ensure accessibility for all community members.

## 3. Stewardship Fees: **Staff does not recommend, this is similar to an HOA**

- Stewardship Fee: CLTs must ensure the long-term affordability and upkeep of the properties they hold. A stewardship fee, collected regularly, can contribute towards these crucial costs.
- Property Maintenance Fee: This fee, paid by the homeowner, can be used to cover common area maintenance and repairs, ensuring the quality of life within the CLT community.
- Resale Fee: To maintain affordability, CLTs often incorporate resale restrictions that limit the homeowner's profit upon selling. A portion of this resale profit could be channeled back to CLT as a fee.

## 4. Program Fees: **Staff recommends future diversification of services provided and could implement this in the future.**

- Homebuyer Education Fee: CLTs can provide valuable homebuyer education programs. A fee can be charged for these services, potentially with scholarships available. SHE is currently providing this service.
- Developer Fees: For CLTs that engage in developing new affordable homes, consider charging developer fees to cover project costs.

## 5. Other Fees:

- Transfer Fees: When a property changes hands (lease assignment), a transfer fee can be applied to cover associated administrative costs.
- Late Payment Fees: Establish clear policies and associated fees for late payments to ensure timely revenue collection.
- Impact Fees: Impact fees can be used to help offset the costs of new development and the impact on local infrastructure and services.
- Equity Share: When property changes hands, the seller agrees to share a percentage of the equity they have earned.

## 6. Other sources of funding: **Staff recommend future sources of revenue be considered.**

- Grants to fund BCLT operations
- Donations of funding or property for BCLT expansion or operations
- Programs to support the BCLT and community.

## Important Considerations:

- Legal Counsel: Consult with legal counsel to ensure fees comply with all relevant laws and regulations.
- Financial Sustainability: Analyze the CLT's operating budget to determine appropriate fee levels that can support its mission and ensure long-term sustainability.

- Affordability: Balance the need for revenue generation with the CLT's commitment to affordability.

By carefully considering and implementing a combination of these fees/revenue & programs, a new Community Land Trust can build a solid financial foundation to achieve its goals and contribute to affordable housing in California.

SHE performed outreach to nearly 20 operating CLTs in California to gain some operational perspective related to CLT sustainability. The information gained from various CLTs was diverse and unique to their start-up and/or current conditions.

CLTs which provided feedback and engagements included:

- Bay Area Community Land Trust
- Inland Equity Community Land Trust
- Irvine Community Land Trust
- Northern California Land Trust

Each of these CLTs is unique and has a variation in revenue generating priorities. Some focus on donations and grants to fund their operation, others charge HOA fees, some charge ground lease fees, and others rely on their diversification and provide various programs to help augment the small ground lease fee charged to homeowners.

Bay Area Community Land Trust:

- The only recurring fee earned by BACLT from a property is the monthly ground lease fee, which is approximately \$70 per unit per month. This organization is still dependent on grants and donations to support operations.

Inland Equity Community Land Trust:

- This organization mainly relies on grants, donations, and equity share at sale to generate operating revenue. They only charge \$1 dollar annually for ground lease fee.

Irvine Community Land Trust:

- This organization was initially well capitalized and operated by the City for years. Due to significant city support and capitalization, they had sufficient operational support. At this time, they operate from the interest earned from their initial capitalization; they also charge an HOA flat rate of \$150 per month.

Northern California Land Trust:

- This organization's main source of revenue comes from grants, donations, refinancing, and programs that they manage. They do charge ground lease fees which are very low at \$200 ~ \$300 per year.

Because the BCLT is in its infancy of development, we are suggesting charging an Administration Fee as a standalone fee for funding the ongoing BCLT administration, management and operations. The proposed annual fee is not intended to cover property taxes. Some recommendations suggest an annual fee between .05% to 1% of the property value and dividing that annual amount across 12 months. So, the homeowner pays monthly a fixed amount based on the specific property value.

Assuming an average property value of \$90,000, the annual administrative fee may range from \$450 to \$900. Considering the goal of providing cost effective homeownership opportunities, we suggest an annual fee of \$450 and requiring bi-annual payments of \$225.

SHE recommends allowing the Executive Director to waive this fee if there is demonstrated hardship by the low-income family.

By the end of 2026, SHE estimates having nearly 25 properties developed and occupied. The annual revenue generation across the portfolio is estimated at \$11,250. While this will only cover approximately 10% of annual operating costs, this amount will provide an initial revenue stream while the BCLT continues to expand and diversify.

Staff are also suggesting a Legal and Administrative one-time fee be charged for the development and execution of the ground lease agreement. Staff suggest the Legal and Administrative fee be \$125 and be charged at closing and execution of the land lease.

SHE also recommends up to 10% of the total development costs as developer fee, which is a single-family standard allowed in the New Markets Tax Credit program. This will generate revenue for the BCLT, which can be invested and/or used for ongoing operations.

In conclusion, staff suggest BCLT consider the following items to financially support its operation and expansion.

- Charge a bi-annual Administration Fee of \$450
- Charge a Legal and Administrative Fee (fixed one-time revenue) of \$125
- Collect up to 10% developer fee for each unit developed
- Include an Equity Share and/or Recapture provision (fixed one-time revenue at resale)
- Pursue Grants and Donations (variable revenue)
- Pursue diversification by add programs into its portfolio (variable revenue)

**FISCAL IMPACT:**

Positive BCLT revenue to fund its administrative and management operations.

**ATTACHMENTS:** None.



# Bakersfield Community Land Trust

## Annual Operating Budget FY 25-26

<b>REVENUE</b>	
Grants - City of Bakersfield ARPA	\$156,173
Sponsorship/Private Donations	\$0
Other grants, foundations etc.	\$0
Miscellaneous (Interest income, and other items)	\$0
<b>Total Revenue</b>	<b>\$156,173</b>

<b>EXPENSES</b>	
<b><i>SALARIES AND BENEFITS</i></b>	<b>\$0</b>
Total SALARIES AND BENEFITS	\$0

<b><i>OPERATING EXPENSES</i></b>	
Administrative Agent - Self-Help Enterprises (SHE)	\$85,000
Consulting - Other	\$5,000
Consulting - Legal	\$27,500
Events & Training	\$12,960
Insurance (Director's and gen'l liab, workers comp)	\$12,173
Professional Fees - Accounting (SHE)	\$10,000
Supplies, Printing, Postage	\$1,000
Website Hosting	\$2,040
Marketing	\$500
<b>Total OPERATING EXPENSES</b>	<b>\$156,173</b>

<b>Total EXPENSES</b>	<b>\$156,173</b>
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EXCESS REVENUE OVER EXPENSE	\$0
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# BAKERSFIELD COMMUNITY LAND TRUST

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**MEETING DATE:** June 23, 2025

**AGENDA CATEGORY:** New Business

**TO:** Bakersfield Community Land Trust Board of Directors  
**FROM:** Betsy McGovern-Garcia, Vice-President, Self-Help Enterprises  
**DATE:** June 10, 2025  
**SUBJECT:** Provide Feedback and Adoption of Operating Budget

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**RECOMMENDATION:**

It is recommended that the BCLT provide feedback on Operating Budget and adopt an annual operating budget.

**BACKGROUND:**

It is in the best financial interest of the BCLT to adopt a formal operating budget for the new fiscal year of 2025-26 (July 1, 2025 to June 30, 2026). The BCLT operates on a fiscal year per by-laws and will be required to have a formal audit conducted in 2026. The following budget is purely for the operations of the BCLT and intentionally does not account for the real estate transaction as those will be accounted for separately.

The proposed budget projects revenue of \$156,173 in grants, which will be funded by the City of Bakersfield ARPA funds allocated for the administration of the BCLT.

The budget includes the same amount of expenses and includes the cost of Self-Help Enterprises as the agent to and operator of the BCLT. Additional costs include consulting (audit), legal, events & training, insurance for the cost for Directors/Officers Liability and Commercial General Liability coverage, supplies, website and marketing.

This budget also helps inform decisions on annual fees and other revenue required for the ongoing operations of the BCLT.

**FISCAL IMPACT:**

There is no financial impact of this decision.

**ATTACHMENTS:**

Draft Operating Budget



# BAKERSFIELD COMMUNITY LAND TRUST

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**MEETING DATE:** May 21, 2025

**AGENDA CATEGORY:** New Business

**TO:** Bakersfield Community Land Trust Board of Directors

**FROM:** Betsy McGovern-Garcia, Vice-President, Self-Help Enterprises

**DATE:** June 10, 2025

**SUBJECT:** Provide Feedback and Adoption of Accounting Policies and Procedures

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**RECOMMENDATION:**

It is recommended that the BCLT review and provide feedback on Accounting Policies and Procedures

**BACKGROUND:**

It is in the best interest of BCLT to have clear guidelines and standardized processes that enhance transparency, accuracy and consistency of financial record-keeping. the BCLT will be required to have an audit at the end of fiscal year 25-26, and the auditor will evaluate financial controls. Many of these procedures will apply to Self-Help Enterprises as the fiscal agent, and SHE will adhere to these controls. One example of a fiscal control includes requiring two signers for every payment that is made.

**FISCAL IMPACT:**

There are no fiscal impacts associated with this action.

**ATTACHMENTS:**

Draft Accounting Policies and Procedures



**Bakersfield Community Land Trust**

**ACCOUNTING DEPARTMENT  
PROCEDURES MANUAL**

**Created June 2025**

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## **INTRODUCTION**

This manual puts in place basic accounting, billing, and cash control policies and procedures designed to protect and secure the assets of Bakersfield Community Land Trust (BCLT), ensure the maintenance of accurate records of financial activities, and ensure compliance with governmental and private funding source reporting requirements. Where this manual conflicts with specific Federal or State regulation or with BCLT Board policy, the regulations or Board policy shall prevail.

## **RESPONSIBILITIES**

- The Board of Directors formulates financial policies, delegates administration of the financial policies to the Executive Director of the BCLT (Executive Director), and reviews operations and activities.
- The Executive Director has responsibility for all operations and activities, including financial management.
- Exceptions to these policies may be made on an individual basis, as necessary, with the approval of the Executive Director.
- The Board of Directors has retained Self-Help Enterprises as the agent and fiscal manager of the BCLT. All fiscal responsibilities of this policy apply to SHE and shall be adhered to in the financial management and operations of the BCLT.
- Staff responsibilities of this policy apply to SHE as the fiscal agent.
- The Chief Financial Officer of SHE (CFO) is responsible to the Executive Director for all financial operations.
- The Program Directors are responsible to the President/CEO for program operations.

## **GENERAL POLICIES**

- Current job descriptions are maintained for all staff members indicating their duties and responsibilities (if applicable to BCLT). Job descriptions and duties for SHE, as the fiscal agent, are maintained in accordance with this policy and are available to the BCLT Board if requested.
- There are separations of financial duties and responsibilities so that no staff member at SHE or the BCLT has sole control over cash receipts, payroll, bank reconciliation, accounts payable, or other accounting functions.
- Accounting duties are rotated among Accounting Department staff whenever possible.



- Financial Procedures are reviewed annually by the CFO of SHE and the Executive Director of the BCLT.
- Separate General Ledger accounts are maintained as required by funding source regulations.
- Accounting forms are completed in ink. Whiteout or correction tape is not be used. Time Sheets are completed electronically.
- Passwords must comply with organizational standards. They are to be treated confidentially and are not shared with other staff. Policies may be established requiring the expiration of passwords, where appropriate.

### **Compliance with External Policies**

BCLT's accounting policies and procedures are consistent with:

- Generally Accepted Accounting Principles (GAAP).
- *Uniform Guidance (2 CFR 200)*

### **Security and Access**

To ensure that only authorized staff can access the financial, personnel, payroll, computer, on-line, and paper records of the organization:

- Security and access is determined by the Executive Director and the CFO of SHE.
- Access to computer or on-line systems for accounting, personnel, payroll, and online and phone banking is controlled by individually assigned passwords and 2-factor authentication. Within each System access permission is set to allow the appropriate level of access depending on staff positions and job duties.
- Upon separation of a staff member, their password is immediately locked to prohibit any unauthorized activities or entries and keys to SHE/BCLT offices are returned.

### **Internal Control**

Policies and procedures regarding financial management systems are in place to provide reasonable assurance that specific objectives are achieved, i.e., the safeguarding of assets, accuracy of accounting data, effective control, support of accounting records with source documentation, and accountability for all funds. As an additional control, annually, each

accounting staff member will take vacation leave for five consecutive work days. During this leave the staff member's tasks will be performed by other accounting staff.

### **Reporting**

Financial reporting must provide accurate, current, and complete disclosure of the financial results of each federally-sponsored and other project or program supported by documentation and records that identify adequately the sources and application of funds. These documents and records must contain all necessary information pertaining to awards, authorizations, obligations, unobligated balances, assets, outlays, income, interest, and other activity.

## **ACCOUNTING POLICIES**

The principles and policies discussed below are the minimum accounting and reporting requirements that must be followed. The intent of these principles and policies is to cause the financial reporting and other reporting system to be in conformity with generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB). These principles and policies also take into account the automated accounting system manage the BCLT financial operations.

### **Generally Accepted Accounting Principles (GAAP)**

The accounting system is maintained in accordance with GAAP and presents fairly and with full disclosure financial position and results of financial operations (activities) in such a manner so as to determine and demonstrate compliance with finance-related legal and contractual provisions. Whenever conflicts exist between legal requirements and GAAP, the financial statements are prepared in conformity with GAAP and additional schedules and/or narrative explanations are attached, as necessary, to satisfy or report legal compliance responsibilities and accountabilities.

### **Basis of Accounting**

BCLT uses the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America. Expenditures are recognized when goods and other tangible property are received and when services are performed.

Recognition of special categories of revenues are as follows:

- Grant revenues are recognized in the period in which related grant expenditures are incurred.
- Contract revenues are recognized when they are earned.
- Revenues from the sales of homes are recognized when sales are closed and title passes to the new home owner.
- Revenues from the sales of land are recognized when title passes and collectability of the receivable is reasonably assured.

## **Fund Accounting**

The accounting system is organized and operated on a fund accounting basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. BCLT maintains a bank account established and monitored by the City of Bakersfield.

## **Centralized Accounting**

Accounting and fiscal recordkeeping functions are centralized in the Visalia office of SHE

## **Plant, Property, and Equipment**

As more fully discussed in the BCLT Depreciation Policy, plant, property, and equipment are recorded at cost, less accumulated depreciation. Land is capitalized, but not depreciated. Depreciation is computed by using the straight-line method ratably over the estimated useful life of the asset. BCLT capitalizes property and equipment when the cost exceeds \$5,000. Construction-in-progress is not capitalized until the project is completed and the related asset has been placed in service. Costs of planned major maintenance activities are expensed as incurred. Estimated useful lives vary within the following ranges:

Buildings and improvements	10 to 40 years
Equipment	3 to 7 years

## **OVERVIEW OF BCLT ACCOUNTING SYSTEM**

The financial records of BCLT are maintained on fund-based accounting software. Access to the accounting system is controlled to maintain the reliability and integrity of the data.

Security is set by the CFO to allow different levels of access. The CFO and the Executive Director have full access to the entire system, including set-up and administration. Accounting staff have the ability to enter most information but cannot make changes to the program set-up or make other administrative changes. Authorized program staff have access to reporting and inquiry screens only and can make no changes to data.

- **Data Backup**

- The ongoing availability of Bakersfield Community Land Trust data is critical to the operation of the organization. In order to minimize any potential loss or corruption of this data, all BCLT work related files and data are stored on servers located in a locked, fire resistant room, with temperature control monitoring, and alarm; Systems/Data backups will be performed by IT staff, on a regular schedule as determined by the System Administrator and will utilize virtual server backups. They will be stored in a secure location (both onsite and offsite).
- The purpose of the systems/data backup is to provide a means to:
  - Restore the integrity of the computer server systems in the event of a hardware/software failure or physical disaster, and
  - Provide a measure of protection against human error or the inadvertent deletion of important files. The systems backups will consist of regular full and incremental backups.

## **Funds Received**

The funds-received policies and procedures ensure that all in-coming funds are properly recorded and safeguarded through separation of duties and proper documentation. The CFO and the Executive Director designate which staff is authorized to collect in-coming BCLT funds.

- **Funds Disbursed**

Specialized procedures govern check writing and petty cash procedures. Only the CFO or Executive Director may authorize the issuance of checks. Access to the check

printing process is limited to accounting staff and is controlled by passwords assigned by the CFO.

- **Payroll System**

Payroll procedures are not applicable as the BCLT does not have any staff.

## **DETAILED ACCOUNTING PROCEDURES**

### **Funds Received**

- Cash will not be accepted from participants or others for payment of deposits, credit checks, loan payments, etc.
- Mail is to be opened promptly and distributed by the front office staff.
- All checks, money orders, and credit card transactions are promptly given to the designated staff responsible for handling receipts. The staff person who distributes/opens the mail will give any checks to the designated staff.
- The designated staff will log in-coming funds on Excel log sheets. Please see the detailed Check Deposit Process policy for a detailed discussion of these procedures. A pre numbered receipt will be issued or mailed to participants by the staff person receiving the funds.
- Funds collected by approved SHE staff working on BCLT administration are turned into the office - with a receipt copy - as soon as possible but no later than the following day.
- Funds awaiting bank deposit are kept in a locked file/safe with access limited to staff designated by the CFO.

### **Receipt Books**

- Receipt books are assigned by the CFO.
- Each staff person will have their own book for which they are responsible.
- Receipt Books must be kept in a secure place at all times.
- Receipt Books consist of three-part, pre-numbered forms. They should be used in numerical order and filled out completely. The original is to be given to the person (participant) from whom funds have been received. The second copy (yellow) is to be sent with the transmittal form to the Visalia Office. The third copy (pink) is to remain in the receipt book.
- Receipts may be voided, but the pink copy of any voided receipt must remain in the book.
- When all the receipts are used, the book must be returned to the CFO who will issue a new book.

### **Fund Disbursements**

The fund disbursement policies and procedures are designed to ensure that disbursements are properly made based on adequate documentation and proper authorization.

## **Approvals and Authorization**

- The Executive Director will authorize all expenditures of **BCLT Funds**
  - Payment for supplies or services are made based on invoices, not statements.
  - Requests for Payment (RFP) are submitted with the original invoice attached. The RFPs are coded by the staff requesting the payment as to the fund and expense code to be charged. The RFPs are signed by an authorized staff member indicating approval of the expenditure.
  - RFPs/Invoices are processed by the SHE Accounting Technician. Each invoice is stamped “ENTERED” when entered as a payable in the accounting system and “PAID” when the payable is processed for payment. Vendor and general ledger accounts payable balances are reconciled monthly by the CFO.

## **Missing Invoices**

In the event that an invoice for services or supplies is lost, a lost receipt form, explaining the expense and detailing the cost, is submitted with the RFP for approval by the Executive Director or the CFO.

## **Vendor Documentation**

All vendors must submit an IRS Form W-9 Request for Tax Payer Identification and Certification or equivalent for any invoice over \$600. A determination is made by the CFO on the need to file an IRS Form 1099-Misc. on payments made to individual vendors based on IRS regulations.

## **Check-Writing Procedures**

- **The BCLT will not issue checks initially. All payments will be made via wire or ACH payment. These policies will be applicable when the BCLT commences making payments via check.**
- Checks are written weekly. Requests for special processing (interim) must be approved by the CFO.
- Checks are written using the accounts payable module of the accounting software. The CFO will designate staff that have access to the check printing system. Except where specifically authorized by the Executive Director, the CFO does not write checks.
- Checks are automatically numbered, electronically signed, and printed on blank check



paper using MICR cartridge toner. A facsimile of the Executive Director's signature is used.

- Checks are not post-dated, signed blank, or made out to cash.
- A copy of each check is attached to the RFP/Invoice and filed in vendor name order.
- Voided or spoiled checks will have the signature block voided and will then be filed in alphabetical order with the regular check copies and their attached documentation.
- Checks are recorded in the log book and given to the CFO for review and approval. If the CFO is unavailable, the Executive Director may approve checks.

### **Check Approval Process**

This procedure is designed to assure that the checks have adequate documentation and authorization and that there are no missing checks or checks written to bogus vendors.

- The RFP is reviewed for account charged, appropriateness of expenditure, and authorized signatures.
- The RFP is compared with the invoice and the check amount. The copy of the check is initialed by the CFO or designee indicating that the review has been completed and the documentation is in order.
- The batch of checks is reviewed by check numbers to be sure none are missing.
- The log book will be reviewed to assure that the first check in the run is the next number after the last one in the previous run. The Log Book is initialed by the reviewer to indicate that all the checks are present and there is no gap in the sequence.
- If there are no questions to be resolved, the Log Book and checks are returned to the Accounting Technician, Accountant, or Fiscal Analyst with authorization to mail or release the checks to the vendors.
- Checks are mailed to vendors. In special circumstances, specific arrangements can be made in advance for pick-up of checks at the office. If a check is picked up, the person picking up the check must provide identification which agrees with the payee on the check or must have verifiable written authorization from the payee to pick up the check.

## **Electronic Payments and Transfers**

These procedures ensure that unauthorized payments from the BCLT bank account will not be made. Procedures may vary based on the systems of the banking institution.

- Required documentation for all payments by wire transfer is the same as that for checks requested via RFPs. The preparer of the RFP must indicate that the payment is to be done via wire transfer instead of by check and he/BCLT must provide all required wire transfer information.
- Electronic banking allows that wire transfers, electronic transfers, stop payments on checks, and account balance inquiries may be initiated and completed via computer or telephone.
- Wire transfers, electronic transfers, and stop payments cannot be set up and approved by the same person.
- Password security is set to allow wire transfers, electronic transfers, and stop payments to be set up by staff designated by the CFO by entering the appropriate data into the system.
- Transfers can only be approved and sent by the Executive Director.
- When a wire transfer, electronic transfer, or stop payment has been set up by the accounting staff, the documentation supporting the transaction is given to the CFO or the Executive Director for verification before the transaction is approved. Electronic transfers to and from all accounts are approved by the Executive Director and completed by the CFO.

## **Purchasing**

### **Leases**

- Only the Chair of the Board of Directors can sign lease agreements.
- Copies of all leases will be maintained by the Executive Director.

### **Consultant/Contract Services**

- The Executive Director may approve proposed contracts under \$100,000. Any contracts above \$100,000 require approval by the BCLT Board of Directors.
- Consideration is made of in-house capabilities to accomplish services before contracting for them.
- Written contracts clearly defining work to be performed are maintained for consultant and contract services.

- The qualifications and reasonable charges for fees are considered in hiring consultants.

### **Furniture and Equipment**

All furniture and equipment purchases must be pre-approved by the Chair of the BCLT Board of Directors.

### **Loans**

#### **Third Party Loans**

- Loans from outside sources (other agencies, banks, etc.) must be authorized by the BCLT Board of Directors.
- Loans from outside sources (other agencies, banks, etc.) for the purchase of real estate must be authorized by the Chair of the Board.

### **Bank Accounts**

The City of Bakersfield shall maintain the bank account for the BCLT.

### **Accounts Receivable**

For each grant, contract, loan, or other agreement, the Executive Director will designate the staff responsible for preparation of invoices, payment requests, or reports necessary to secure payment

to BCLT. The following procedures assure that all requests for funds are properly recorded and tracked.

- Billings to funding agencies are entered as revenues/receivables when sent out to the agencies. These bills are created by the Real Estate Department of SHE and entered into the accounting system by the Fiscal Analyst to record the receivables.
- Aged receivables are reviewed by the Executive Director to monitor collections, to prompt additional collection activity, and to help determine if they are uncollectible.
- Write-offs of uncollectible receivables require approval by the Chair of the Board and are documented through the general journal entry for each write-off.
- A report of aged accounts receivable is prepared for the Executive Director each Month and is reviewed to determine if the receivables have a reasonable expectation of being collected and if any necessary steps need to be taken to ensure collection. If there is no reasonable expectation of collection, a decision is made on what action to take.
- Customer and general ledger accounts receivable balances are reconciled monthly by the CFO.

## **OTHER FINANCIAL SAFEGUARDS**

### **Fixed and Capital Assets and Depreciation**

See Plant, Property, and Equipment in the Accounting Policies section.

### **Audits**

Under *Uniform Guidance (2 CFR 200)*, BCLT is required to have a “single audit” on an annual basis. A single audit is defined as both the entity’s financial statements and its reports on federal awards.

Periodically, as determined by the Board, a Request for Proposals is sent to audit firms who may be interested in performing the audit. The Executive Director recommends an audit firm and the Board selects the firm to be awarded the audit contract. Following the selection process, a contract is usually signed for one year with an option to renew for additional years.

The annual audit is reviewed by and accepted by the Board.

### **Taxes and Reporting Requirements**

- The auditor prepares Form 990, “IRS Return of Organization Exempt from Income Tax”; the CA form 199, “California Exempt Organization Annual Information Return”; and the “SF-SAC” form for the Audit Clearinghouse.
- The CFO completes and submits Welfare Exemption and Business Property forms on BCLT-owned and leased offices.
- Welfare Exemption forms for BCLT properties are completed by SHE as the administrator of the BCLT.
- The Auditor or CFO will complete and submit annually the RRF-1 Registration and Renewal Form to the Department of Justice Registry of Charitable Trusts.

## **Grants and Contracts**

Contract and grant documents are reviewed and approved by appropriate program staff, as well as the CFO, prior to being signed by the Executive Director.

- The CFO will carefully review each award to ensure that BCLT will be in compliance with all financial provisions.
- SHE staff will carefully review each award to ensure that all programmatic provisions will be in compliance.
- Original copies of signed grants and contracts are scanned into the computer.
- The Accounting Manager will assign appropriate funds and customer numbers for each new grant or contract.
- The Executive Director will designate the appropriate staff responsible for preparation of reports, payment requests, and/or invoices.
- The Executive Director will maintain relevant correspondence regarding the grant/contract and reports of expenditures or billings.

## **Budgets**

Budgets provide a standard by which to measure performance, encourage planning, and allocate resources in accordance with funding source requirements. Budgets should use reasonable assumptions of income and expenses. All budget assumptions should be documented to facilitate a thorough analysis and evaluation, not only of the budget, but of the actual revenue and expenditures as they relate to the budget.

- The organization budget is prepared by the Executive Director.
- The Executive Director will submit an annual organization budget to the Board of Directors for their approval.

- Quarterly Budget/Expenditure reports and financial statements for both Program and General Funds are provided to the Board at the October, January, April, and July Board meetings.

### **Internal Reporting**

Reports assist the Board of Directors, Executive Director and funding sources with management and control of program activities.

- Monthly financial reports, including a revenue and expense report, and balance sheet, where appropriate, will be provided to the Executive Director.
- The Executive Director (or designee) will prepare monthly and quarterly reports as required by funding sources.
- The Executive Director or designee will review the reports to the funding sources.
- The Executive Director or designee will sign all reports to funding sources.
- It is the responsibility of the CFO to ensure that all financial reports are submitted on a timely basis.

### **Records Retention**

BCLT sets guidelines on the retention of records which will meet the requirements of all federal and state agencies, as well as those of other funding sources.

BCLT will comply with *Uniform Guidance*, Retention and Custodial Requirements for Records.

- Financial records, supporting documents, statistical records, and all other records pertinent to an agreement shall be retained according to the table below, with the following qualifications:

- a. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.
- b. Records for non-expendable property acquired with Federal funds shall be retained for three years after its final disposition. The retention period starts from the date of the submission of the final audit report or, for grants and other agreements that are renewed annually, from the date of the submission of the annual financial status report. This usually coincides with the submission of the annual financial statements and audit. As shown in the table on the next page, BCLT Record Retention Policy for Accounting Records exceeds the minimum 3-year period required by OMB Circular A-110, Attachment C, Retention and Custodial Requirements for Records.

**BCLT Record Retention Policy for Accounting Records**

Type of Record	Years
Detail Ledger	10
Time BCLTets/Travel Vouchers	10
Accounts Payable	10
W-2 , Quarterly Reports, etc.	10
Payroll Records	10
Bank Statements, Cancelled Checks	10
Check registers	10
Deposit Data Entries, Journal Entries	10
Partnership Records	Indefinitely
Contracts	10
Tax Returns	Indefinitely

## **Risk Management and Insurance**

In the implementation of its Risk Management Policy (Policy), BCLT will insure those risks which BCLT deems appropriate using an insurance professional who is knowledgeable about the market, who understands or is willing to learn about BCLT operations, is an assertive advocate for BCLT's interests, and is organized and responsive to BCLT's needs. Please see the Policy for a complete discussion of these issues











# BAKERSFIELD COMMUNITY LAND TRUST

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**MEETING DATE:** June 23, 2025

**AGENDA CATEGORY:** New Business

**TO:** Bakersfield Community Land Trust Board of Directors  
**FROM:** Betsy McGovern-Garcia, Vice-President, Self-Help Enterprises  
**DATE:** June 10, 2025  
**SUBJECT:** Award General Contractor Contract

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**RECOMMENDATION:**

Staff recommends discussion and authorizing the Executive Director to finalize the contract for signature by Chairperson.

**BACKGROUND:**

On May 2, 2025, Self-Help Enterprises (SHE) published a Request for Public Bids (RFB), which was distributed to an existing network of General Contractors, which included known contractors the City of Bakersfield had previously worked with. The RFB was also posted to Kern County Bidder's Exchange. SHE reached out to contractors working in Bakersfield that were recommended by the City or staff working in the area as a concentrated goal of the solicitation was to ensure local companies were aware of the opportunity to bid. SHE and their engineers/architects responded to all RFIs issued by prospective bidders so as to ensure a complete bid package.

The bids were reviewed on the basis of:

- **Qualifications of Firm/Individuals(s) (20 Points)**, which was measured by work product related to single family development
- **Cost (20 Points)**, where the lowest bid received full points, and all others received a weighted score comparative to that cost (Example, if developer came in at 25% more the cost than lowest bid, they received 25% fewer points in this category)
- **Completeness of Bid Package (15 points)** which is measured by if respondents provided all requested material within the bid
- **Local Builder/Commitment to local specialty contractors (15 points)** which was measured by the subcontractors noted that would be pursued if selected.
- **Experience developing in local market area (10 Points)** which was determined based on experiencing building in south San Joaquin valley.
- **Safety Record (10 points)** which was determined based on previous insurance claims made by GC in recent years.
- **References (10 Points)** which were determined by quality of satisfaction from past partners.

Two bids were received from S&B Sons Inc. and CM52. Through this review, CM52 has the higher score of received bids. While it was the lower bid, the package was also far more detailed in its cost proposal which merited the most security in the review. Attached is a summary of the bids and score.

SHE will look to break ground on initial 7 infill lots July 1, 2025 and recommends the BCLT add the

additional homes to this contract to bring the total number of units to be constructed to 11.

The Executive Director recommends the Board award the bid to CM52, authorize the Executive Director to develop and negotiate the construction contract, and authorize the Chair to execute the contract once complete.

**FISCAL IMPACT:**

There is no additional fiscal impact. Funds for the GC Contract will directly come from the already committed ARPA Funds.

**ATTACHMENTS:**

General Contractor Bid Summary

Criteria	Possible Score	S&B	CM52
Qualifications of Firm/Individuals(s)	0-20	15	18
Cost	0-20	12.8	20
<b>Total Cost</b>		<b>\$5,760,190.63</b>	<b>\$3,557,073.00</b>
Completeness of Bid Package	0-15	15	14
Local Builder/Commitment to local specialty contractors	0-15	15	12
Experience developing in Local Market	0-10	10	10
Safety Record	0-10	10	8
References	0-10	10	10
<b>Total Score</b>		<b>87.8</b>	<b>92</b>

Property	209 E. 10th Street	340 S. Owens	346 S. Owens	418 S. Williams	1213 Murdock	1509 Potomac	3615 Schellmacher	2617 Norman Ave	420 Brown Street	700 Texas
S&B Sons Inc	\$ 573,541.80	\$ 587,101.08	\$ 556,250.80	\$ 561,230.45	\$ 549,795.98	\$ 579,533.97	\$ 594,541.69	\$ 586,494.98	\$ 580,194.98	\$ 591,504.89
CM52	\$ 333,919.00	\$ 382,255.00	\$ 390,922.00	\$ 365,241.00	\$ 336,979.00	\$ 314,929.00	\$ 294,329.00	\$ 281,751.00	\$ 285,160.00	\$ 294,897.00
Difference \$	\$ (239,622.80)	\$ (204,846.08)	\$ (165,328.80)	\$ (195,989.45)	\$ (212,816.98)	\$ (264,604.97)	\$ (300,212.69)	\$ (304,743.98)	\$ (295,034.98)	\$ (296,607.89)
Difference %	37%	39%	41%	39%	38%	35%	33%	32%	33%	33%