

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

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Meeting Date: September 16, 2025 [X] Consent [ ] Regular  
[ ] Ordinance [ ] Public Hearing

Department: CRIMINAL JUSTICE COMMISSION  
Submitted For: CRIMINAL JUSTICE COMMISSION  
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**I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to approve: three (3) Subrecipient Equipment/Supplies Distribution Agreements (Equipment Agreements) between Palm Beach County (PBC) and: 1) the Highland Beach Police Department; 2) the Palm Beach Police Department; and 3) the Riviera Beach Police Department, pertaining to law enforcement equipment purchased with funds obtained from the Florida Department of Law Enforcement (FDLE) Edward Byrne Memorial Justice Assistance Grant (JAG) in an amount not to exceed \$30,451.09 beginning October 1, 2023, through September 30, 2024 (award number R7091) that was extended through March 31, 2025 on a receive and file agenda item on November 19, 2024, R2024-1582.

**Summary:** On July 10, 2023, the Criminal Justice Commission (CJC) was notified that PBC had been allocated \$322,342 (CFDA# 16.738) in JAG funds as part of the FDLE JAG Countywide program. FDLE funding is typically allocated after the County executes subrecipient contracts. The CJC approved allocating \$240,228 of these funds to the existing Palm Beach County Reentry Program, with the remaining balance of \$82,114 designated for the purchase of law enforcement equipment to address safety concerns and enhance law enforcement efforts. This equipment will support collaboration with the Palm Beach Sheriff's Office in efforts to reduce mass violence. The FDLE JAG Award Agreement was executed on behalf of the Board of County Commissioners (BCC) by the County Administrator or a designee, pursuant to the delegation of authority provided in the March 5, 2024 Agenda Item R2024-0259. Countywide (JBR)

**Background and Justification:** The FDLE JAG Program is the primary provider of federal criminal justice funding to state and local jurisdictions. It provides states and units of local government with the critical funding necessary to support a broad range of program areas. JAG awards are based on a statutory formula with factors including population and violent crime.

**Attachments:**

- 1) Subrecipient Equipment/Supplies Distribution Agreement – Highland Beach Police Department
- 2) Subrecipient Equipment/Supplies Distribution Agreement – Palm Beach Police Department
- 3) Subrecipient Equipment/Supplies Distribution Agreement – Riviera Beach Police Department

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Recommended by:  8/14/2025  
Department Director Date

Approved by:  8/27/25  
Assistant County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2025	2026	2027	2028	2029
Personal Services					
Operating Costs	\$30,452				
Grants & Aids					
External Revenues	(30,452)				
Program Income (County)					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>	\$0*				
#ADDITIONAL FTE					
POSITIONS (CUMULATIVE)					

Is Item Included In Current Budget?      Yes   X        No       
 Is this item using Federal Funds?        Yes   X        No       
 Is this item using State Funds?          Yes           No   X  

Budget Account Exp No: Fund   1507   Dept.   762   Unit   7741   Obj.   5212    
 Rev No: Fund   1507   Dept.   762   Unit   7741   Rev.   3129  

**B. Recommended Sources of Funds/Summary of Fiscal Impact:**  
 Fund: 1507-Criminal Justice Grant Fund  
 Department: 762-Criminal Justice Comm Grants  
 Unit: 7741-JAG FDLE 2023 C-R7091

\*No additional fiscal impact. The equipment was purchased using FDLE funds and it is now being transferred to the police departments.

Departmental Fiscal Review: \_\_\_\_\_  Digitally signed by Marianela Diaz  
 DN: DC=org, DC=ptcgov, OU=Enterprise, OU=PSD, OU=Users, CN=Marianela Diaz, E=MDiaz@ptc.gov  
 Date: 2025.08.18 10:52:28-04'00'

**III. REVIEW COMMENTS:**

**A. OFMB Fiscal and/or Contract Dev. And Control Comments:**

  
 OFMB   VS 8/20  

  
 Contract Dev. & Control   8/21/25    
  20 8.21.25  

**B. Legal Sufficiency**

  
 Assistant County Attorney

**C. Other Department Review**

\_\_\_\_\_  
 Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

# ATTACHMENT

#1

## **SUBRECIPIENT EQUIPMENT/SUPPLIES DISTRIBUTION AGREEMENT**

This Subrecipient Equipment/Supplies Distribution Agreement (hereinafter referred to as the "Agreement") is made as of the 16<sup>th</sup> day of September, 2025, by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners (hereinafter referred to as the "COUNTY"), and the Highland Beach Police Department, a municipal government agency authorized to operate within the city of Highland Beach, Florida (hereinafter referred to as the "SUBRECIPIENT"), which holds tax-exempt status.

### **BACKGROUND:**

The equipment to be provided under this Agreement will address safety concerns throughout Palm Beach County Law Enforcement Agencies. Many police departments lack the necessary funds to purchase crucial equipment.

In consideration of the mutual promises contained herein, the COUNTY and the SUBRECIPIENT agree as follows:

### **WITNESSETH:**

**WHEREAS**, the COUNTY was awarded grant funding through the Florida Department of Law Enforcement (FDLE) Edward Byrne Memorial Justice Assistance Formula Grant (JAG) to procure law enforcement equipment and supplies to enhance public safety within the County (hereinafter referred to as "Equipment/Supplies"); and

**WHEREAS**, the SUBRECIPIENT is an authorized law enforcement entity operating within Palm Beach County and desires to receive Equipment/Supplies to support its operations and promote community safety; and

**WHEREAS**, the COUNTY and the SUBRECIPIENT mutually recognize the benefits of collaboration in enhancing public safety through the provision of Equipment/Supplies and associated resources.

**NOW, THEREFORE**, with mutual understanding and commitment to the terms outlined herein, the COUNTY and the SUBRECIPIENT hereby agree as follows:

#### **1. TERM/TERMINATION**

A. The term of this Agreement shall commence on the date on which it is approved by the COUNTY and shall continue for a term of five (5) years. Expiration and termination of this Agreement shall not end the SUBRECIPIENT'S obligation to maintain, use, and dispose of the Equipment/Supplies as provided for in this Agreement.

#### **2. COUNTY RESPONSIBILITIES**

A. To procure and distribute Equipment/Supplies to the SUBRECIPIENT as provided in the COUNTY'S FDLE JAG Grant Agreement, more specifically, the following Equipment/Supplies will be procured by the COUNTY and distributed to SUBRECIPIENT: Tactical Med Kits/Stop the Bleed (25)

B. To provide the SUBRECIPIENT with written notification of the availability of Equipment/Supplies, distribution timelines, and the location of documentation requirements.

C. To maintain records of the Equipment/Supplies, including serial numbers, descriptions, and dates of distribution.

### **3. SUBRECIPIENT RESPONSIBILITIES**

A. The SUBRECIPIENT shall protect, defend, reimburse, indemnify and hold Palm Beach County, its agents, designees, employees, and elected officials free and harmless at all times from and against all claims, liability, expenses, losses, costs, fines, damages or causes of action of every kind and character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during, as a result of, or in connection with this Agreement and SUBRECIPIENT'S use of the Equipment/Supplies. This section shall survive termination or expiration of the agreement.

B. In the event the SUBRECIPIENT is a governmental entity, nothing contained herein shall be construed as a waiver of sovereign immunity or the statutory limits of liability set forth in Section 768.28, Florida Statutes.

C. The SUBRECIPIENT shall provide the COUNTY with a signed acknowledgment of receipt for all Equipment/Supplies received, including a detailed inventory of items.

D. The SUBRECIPIENT shall ensure that all Equipment/Supplies received are used solely for official law enforcement purposes and in compliance with applicable federal, state, and local laws and regulations, including those contained in the DOJ Grants Financial Guide, found at: [https://www.ojp.gov/sites/g/files/xvckuh241/files/media/document/DOJ\\_FinancialGuide\\_1.pdf](https://www.ojp.gov/sites/g/files/xvckuh241/files/media/document/DOJ_FinancialGuide_1.pdf), (hereinafter "DOJ Grants Guide"), including Section "3.7 Property Standards", which section is attached hereto as **Exhibit A** and incorporated herein by reference.

E. The SUBRECIPIENT shall maintain the Equipment/Supplies in good working condition, perform necessary routine maintenance, and notify the Florida Department of Law Enforcement (FDLE) of any Equipment/Supplies damage, loss, or theft as specified in the DOJ Grants Guide.

F. The SUBRECIPIENT shall participate in any required training or certification programs associated with the use of the Equipment/Supplies, as specified in the DOJ Grants Guide.

G. The SUBRECIPIENT shall cooperate with FDLE in any audits or reviews of Equipment/Supplies usage and shall provide access to records and documentation related to the Equipment/Supplies as specified in the DOJ Grants Guide.

### **4. OWNERSHIP OF EQUIPMENT/SUPPLIES**

A. The SUBRECIPIENT retains ownership of all Equipment/Supplies distributed under this Agreement. The SUBRECIPIENT may transfer, sell, or otherwise dispose of the Equipment/Supplies only in compliance with the terms and conditions contained in the DOJ Grants Guide.

### **5. INSURANCE REQUIREMENTS**

The SUBRECIPIENT shall maintain appropriate insurance coverage for the Equipment/Supplies, including coverage for loss, theft, or damage, as specified in the DOJ Grants Guide, and proof of insurance shall be provided to FDLE upon request.

## **6. NOTICES**

All notices required under this Agreement shall be sent to the following addresses:

### **For the COUNTY:**

Palm Beach County Criminal Justice Commission  
310 North Olive Ave, Suite 1001  
West Palm Beach, FL 33401

### **For the SUBRECIPIENT :**

Highland Beach Police Department  
3614 South Ocean Boulevard  
Highland Beach, Florida 33487  
Attention: Chief Craig Hartmann

## **7. MISCELLANEOUS**

A. This Agreement shall be governed by and construed by the laws of the State of Florida. Any legal action necessary to enforce the Agreement shall be held in a court of competent jurisdiction located in Palm Beach County, Florida. This section shall survive termination or expiration of the Agreement.

B. Any amendments to this Agreement must be made in writing and signed by both parties.

C. In the event any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

## **8. ENTIRETY OF AGREEMENT**

The COUNTY and SUBRECIPIENT agree that this Agreement sets forth the entire Agreement between the parties, and that there are no promises or understandings other than those stated herein.

## **9. COUNTERPARTS**

This Agreement, including the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same Agreement. The COUNTY may execute the Agreement through electronic or manual means. SUBRECIPIENT shall execute by manual means only, unless the COUNTY provides otherwise.

## **10. E-VERIFY EMPLOYMENT ELIGIBILITY**

SUBRECIPIENT warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended, and that it: (1) is registered with the E-Verify System (E-Verify.gov), and uses the E-Verify System to electronically verify the employment eligibility of all newly hired workers; and (2)

has verified that all of SUBRECIPIENT'S sub-consultants performing the duties and obligations of this Agreement are registered with the E-Verify System, and use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

COUNTY shall terminate this Agreement if it has a good faith belief that SUBRECIPIENT has knowingly violated section 448.09(1), Florida Statutes, as may be amended. If County terminates this Contract pursuant to the above, SUBRECIPIENT shall be barred from being awarded a future contract by COUNTY for a period of one (1) year from the date on which this Agreement was terminated. In the event of such Agreement termination, SUBRECIPIENT shall also be liable for any additional costs incurred by COUNTY as a result of the termination.

#### **11. DISCLOSURE OF FOREIGN GIFTS AND CONTRACTS WITH FOREIGN COUNTRIES OF CONCERN**

Pursuant to F.S. 286.101, as may be amended, by entering into this Agreement or performing any work in furtherance thereof, the SUBRECIPIENT certifies that it has disclosed any current or prior interest of, any contract with, or any grant or gift received from a foreign county of concern where such interest, contract, grant or gift has a value of \$50,000 or more and such interest existed at any time or such contract or grant or gift was received or in force at any time during the previous five (5) years.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Agreement on behalf of the COUNTY and SUBRECIPIENT has hereunto set its hand the day and year above written.

ATTEST:  
MICHAEL A. CARUSO  
CLERK & COMPTROLLER

COUNTY:  
PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

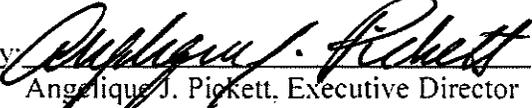
By: \_\_\_\_\_  
Deputy Clerk

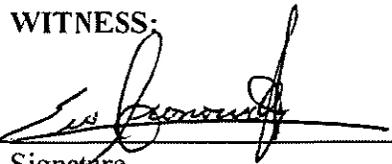
By: \_\_\_\_\_  
Maria G. Marino, Mayor

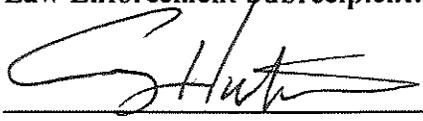
APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS  
AND CONDITIONS

By:   
County Attorney

By:   
Angelique J. Pickett, Executive Director

WITNESS:  
  
Signature

Law Enforcement Subrecipient:  
  
Signature

Eric Aronowitz #078 HRPD  
Name (type or print)

Craig Hartmann  
Typed Name  
Police Chief  
Title

**EXHIBIT A**  
**DOJ GRANTS FINANCIAL GUIDE**  
**3.7 PROPERTY STANDARDS**

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

#### General Principles for Property Acquisition and Management

Property includes both *real property* and *personal property*. Real property means land, including land improvements, structures, and appurtenances thereto, and legal interests in land, including fee interest, licenses, rights of way, and easements. Personal property includes both tangible personal property, which is classified as either *equipment* or *supplies*, and intangible personal property, which includes things having no physical existence, like trademarks, copyrights, and patents. See definitions in 2 C.F.R. § 200.1. Each of these is addressed in further detail below.

DOJ expects recipients and subrecipients of Federal funds to use good judgment when purchasing, managing, and disposing of property paid for by Federal funds. If a recipient or subrecipient uses award funds to purchase new property when suitable property is already available within the relevant organization, this use will be considered an unnecessary expenditure.

#### **① FINANCIAL MANAGEMENT TIP**

Organizations may use their own capitalization policy for classification of equipment and supplies, but only where it is less than the Federal policy threshold of \$10,000.

*Equipment* means tangible personal property (including information technology systems) having 1) a useful life of more than one year and 2) a per-unit acquisition cost of \$10,000 or greater (or the organization's capitalization policy, if it is less than \$10,000). If the organization does not have a capitalization policy in place, the Federal policy amount of \$10,000 must be followed.

*Supplies* are all other items of tangible personal property that are not equipment. This includes computing devices that cost less than \$10,000 per unit (or the organization's capitalization threshold, if that is less than \$10,000).

#### Screening and Property Management Systems

Careful screening should take place before purchasing property to ensure that it is needed. Organizations should establish and maintain an effective property management system to avoid incurring property acquisition costs that are later disallowed by the awarding agency (e.g., acquiring unreasonable, duplicative, or unnecessary property). Recommended screening practices include:

- Take stock of the equipment that recipient or subrecipient already has and see if it meets the identified needs.
- Consider establishing a screening committee to make decisions about purchases.
- Utilize effective management techniques as a basis for determining that property/equipment is needed.
- Initiate a screening process to ensure that effective controls are in place for property management.

#### Equipment Ownership, Use, Management, and Disposition

DOJ recipients must follow the standards and procedures for ownership (title), use, management, and disposition of equipment set out below, with the exception of recipients and subrecipients of Byrne Justice Assistance Grant (JAG) Program formula grant funds from the Bureau of Justice Assistance. JAG award recipients must follow slightly different standards and procedures set out in 34 U.S.C. 10227. (See the "Equipment and Supplies Acquired With Edward Byrne Memorial Justice Assistance Grant Program Funds" below).

# III. Postaward Requirements

## 3.7 PROPERTY STANDARDS

### Ownership of Equipment

Unless more specific rules are identified for a particular grant program, title to equipment acquired under a Federal award will vest in the recipient or subrecipient organization. The legal right of ownership and conditions for use, management, and disposal of equipment are set forth in 2 C.F.R. § 200.313, and are described below.

### Use of Equipment

A *State* must use equipment acquired under a Federal award in accordance with State laws and procedures

An *Indian Tribe* must use equipment acquired under a Federal award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(c-e), and described below.

*Other recipients and subrecipients, including subrecipients of States and Indian Tribes* must use equipment acquired under an award (or subaward) for the authorized program or project purposes for which it was acquired and for as long as needed, whether or not the project or program continues to be supported by the Federal award. When no longer needed for the original program or project, the equipment may be used in other activities..

- *Use for other Federal projects.* Equipment must be made available for use on other projects or programs currently or previously supported by the Federal government, provided the use does not interfere with the work on the projects or programs for which it was originally acquired. First preference for other use should be given to other programs or projects supported by the DOJ agency.
- *User fees.* User fees should be considered and treated as program income to the project, when appropriate.
- See 2 C.F.R. § 200.307 (Program Income). During the time the Federal government retains an interest in the equipment the recipients or subrecipients must not use equipment acquired with a Federal award to provide services for a fee that is less than a private company would charge for similar services, unless doing so is specifically authorized by law. See 2 C.F.R. § 200.313(c)(3).
- *Replacement equipment.* When acquiring replacement equipment, recipients or subrecipients may either trade-in or sell the equipment and use the proceeds to offset the cost of the replacement equipment, subject to the written approval of the awarding DOJ agency.
- *Encumbrances.* A recipient or subrecipient must not encumber equipment acquired under a Federal award without approval of the awarding DOJ agency or pass-through entity

### Management of Equipment

A *State* must manage equipment acquired under a Federal award in accordance with State laws and procedures. DOJ encourages the States to follow the procedures that are in this *Guide*.

An *Indian Tribe* must manage equipment acquired under a Federal award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(d), and described below.

*Other than States an Indian Tribes, recipients and subrecipients (including subrecipients of States and Indian Tribes)* regardless of whether equipment is acquired in part or its entirety under the Federal award must manage equipment (including replacement equipment) utilizing procedures that meet the following requirements:

- **Property records.** Property records must include all of the following information:
  - ▶ Description of the property
  - ▶ Serial number or other identification number

## III. Postaward Requirements

### 3.7 PROPERTY STANDARDS

- ▶ Source of the property, including the federal award identification number
- ▶ Identification of the title holder
- ▶ Acquisition date
- ▶ Cost of the property
- ▶ Percentage of Federal agency contribution towards the original purchase
- ▶ Location of the property
- ▶ Use and condition of the property
- ▶ Disposition data, including the date of disposal and sale price

The recipient and subrecipient are responsible for maintaining and updating property records when there is a change in the status of the property.

- **Inventory.** A physical inventory of the property must be conducted and the results must be reconciled with the property records at least once every 2 years.
- **Maintenance procedures.** Regular maintenance procedures must be in place to ensure the property is in proper working condition.
- **Control system.** A control system must be in place to ensure safeguards for preventing property loss, damage, and theft.
  - ▶ Promptly and properly investigate and fully document any loss, damage, or theft, and make the documentation part of the official project records. 2 C.F.R. § 200.313 (d)(3).
  - ▶ The recipient or subrecipient must notify the DOJ agency or pass-through entity of any loss, damage, or theft of equipment that will have an impact on the program.
  - ▶ Provide at a minimum, the equivalent insurance coverage for equipment acquired with Federal funds that the recipient or subrecipient owns. Insurance is not required for Federally-owned property unless required by the award. 2.C.F.R. § 200.310.
  - ▶ Recipients and subrecipients are responsible for replacing or repairing property that is willfully or negligently lost, stolen, damaged, or destroyed.
- **Proper sales procedures.** If authorized or required to sell the property, the recipient or subrecipient must have proper sales procedures in place to ensure the highest possible return.

#### Disposition of Equipment

A *State* recipient must dispose of equipment acquired under the award in accordance with State laws and procedures.

An *Indian Tribe* recipient must dispose of equipment acquired under the award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(e), and described below.

*Other recipients and subrecipients (including subrecipients of States and Indian Tribes)* must dispose of the equipment when equipment acquired under the award or subaward is no longer needed for the original projector program, or other activities currently or previously supported by a Federal agency, as follows:

- If the item to be disposed of has a current fair market value of \$10,000 or less (per unit), the item may be retained, sold, or otherwise disposed of with no further obligation to the DOJ agency or pass-through entity.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

- If the item has a current per-unit fair market value of more than \$10,000 (per unit), the item may be retained or sold, but the awarding DOJ agency will have a right to a specific dollar amount. Calculate this amount by multiplying the percentage of the DOJ agency's contribution towards the original purchase price by the current market value or proceeds from the sale. The seller is also eligible to retain \$1,000 of the proceeds to cover expenses associated with the selling and handling of the equipment.

In cases where the recipient or subrecipient fails to take appropriate disposition actions, the awarding DOJ agency may direct other disposition actions.

When included in the award, the DOJ agency may permit the recipient to retain equipment, or authorize a pass-through entity to permit the subrecipient to retain equipment with no further obligation to the Federal government unless prohibited by Federal statute or regulation.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

#### Equipment and Supplies Acquired With Edward Byrne Memorial Justice Assistance Grant Program Funds

Special rules, set out in [34 U.S.C. 10227](#) (a provision of the Omnibus Crime Control and Safe Streets Act of 1968), apply to the ownership, use, and disposition of equipment and supplies purchased with Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG) funds awarded by the Bureau of Justice Assistance (BJA). These rules supersede any conflicting provision of 2 C.F.R. Part 200. See [2 C.F.R. Part 2800](#).

- Title to all equipment and supplies purchased with Byrne JAG funds vests in the criminal justice agency or non-profit organization that purchased the property, if it certifies to the State Office that it will use the property for criminal justice purposes.
- If such certification is not made, title to the property shall vest in the State Office, which shall seek to have the property used for criminal justice purposes elsewhere in the State prior to using it or disposing of it in any other manner.
- When equipment is no longer needed for criminal justice purposes, a State should dispose of equipment (for both the State and subrecipients) in accordance with State procedures, with no further obligation to the awarding agency.
- The procedures on *use* and *management* of equipment set out above apply to the extent that they do not conflict with 34 U.S.C. 10227.

#### Federal Equipment

When federally owned equipment is provided, the following requirements apply:

- Title remains vested in the Federal Government.
- The equipment must be managed in accordance with the grant-making DOJ component's rules and procedures and an annual inventory listing must be submitted.
- When the equipment is no longer needed, disposition instructions must be requested from the grant-making DOJ component.

#### Replacement of Equipment

When an item of property is no longer efficient or serviceable but continues to be needed in the program or project for which it was acquired, or other programs permitted under [2 C.F.R. § 200.313\(c\)](#), the property may be replaced through trade-in or sale and subsequent purchase of new property. In this case, the following conditions must be met:

- **Same function and character.** Replacement property must serve the same function as the original property and be of the same nature or character, although not necessarily of the same grade or quality.
- **Timing.** Purchase of replacement property must take place soon enough after the sale of the property to show that the sale and the purchase are related.
- **Trade-ins.** When acquiring replacement property, the recipient or subrecipient may use the property to be replaced as a trade-in. Value credited for the property, if the property is traded in, must be related to its fair market value. The recipient or subrecipient also may use the proceeds from the sale of the property to offset the cost of the new property.
- **Subrecipients of States.** State subrecipients must obtain the written permission of the State to use the provisions of this section prior to entering into negotiation for the replacement or trade-in of property.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

#### Supplies

For supplies acquired under an award, the title to the supplies vests with the recipient upon acquisition. For supplies acquired under a subaward, the title vests with the subrecipient upon acquisition.

- The DOJ component or pass-through entity is entitled to compensation in an amount calculated by multiplying the percentage of the Federal agency's or pass-through entity's contribution towards the costs of the original purchase(s) by the current market value or proceeds from the sale if both of the following apply:
  - ▶ The residual inventory of unused supplies exceeds \$10,000 in aggregate fair market value at the end of the period of performance.
    - Unused supplies means supplies that are in new condition, not having been used or opened before.
    - The aggregate value of unused supplies consists of all supply types, not just like-item supplies.
  - ▶ The supplies are not needed for any other federal award.

**Note:** Special rules apply for supplies purchased with Byrne JAG funds – see previous discussion.

#### Real Property Acquired With Federal Funds

**Real property** means land, including land improvements, structures, and appurtenances thereto, and legal interests in land, including fee interest, licenses, rights of way, and easements. See 2 C.F.R. § 200.1. DOJ funds generally cannot be used for land acquisition unless specifically permitted under the program or terms of the award.

**Title.** Subject to the obligations and conditions in the award, title to real property acquired or improved under an award or subaward vests upon acquisition in the recipient or subrecipient, as applicable.

**Use.** Recipients and subrecipients are to use real property acquired, in whole or in part, with Federal funds for the authorized purposes of the original award or subaward as long as needed for that purpose. In some cases, a recipient or subrecipient may receive approval from the agency for a change in use, if the property is no longer needed for its originally funded purpose.

- An inventory report should be maintained which identifies real property acquired, in whole or in part, with Federal funds.
- While the property is being used for the originally authorized purpose, the recipient or subrecipient must not dispose of or encumber its title or other interests, except as provided by the DOJ agency.
  - ▶ Easements for utility, cable, and similar services that benefit the real property and are consistent with the authorized use are not considered an encumbrance.

**Disposition.** When real property is no longer needed for the original award purposes (or another awarding agency-approved purpose), the recipient or subrecipient should obtain disposition instructions from the grant-making DOJ component or pass-through entity, as appropriate. The instructions may allow one of the following:

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

- **Retain title after compensating the Federal awarding agency.** When the recipient or subrecipient retains title to the property, it must pay the Federal agency an amount calculated by multiplying the percentage of the Federal agency's contribution towards the original purchase (and costs of any improvements) by the current fair market value of the property. However, in situations where the recipient or subrecipient is disposing of real property acquired or improved with the Federal award and acquiring replacement real property under the same Federal award, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
- **Sell the property and compensate the Federal awarding agency.** When a recipient or subrecipient sells the property, it must pay the Federal agency an amount calculated by multiplying the percentage of the Federal agency's contribution towards the original purchase (and cost of any improvements) by the proceeds of the sale after deducting any actual and reasonable expenses paid to sell or fix up the property for sale. When the Federal award has not been closed out, the net proceeds from the sale may be offset against the original cost of the property. When directed to sell the property, the recipient or subrecipient must sell the property utilizing procedures that provide for competition to the extent practicable and that result in the highest possible return.
- **Transfer title to the Federal agency or a third party designated/approved by the Federal agency.** When a recipient or subrecipient transfers title to the property to a Federal agency or third party designated or approved by the Federal agency, the recipient or subrecipient is entitled to be paid an amount calculated by multiplying the percentage of the recipient's or subrecipient's contribution towards the original purchase of the real property (and cost of any improvements) by the current fair market value of the property.

#### Retention of Property Records

Records for equipment, nonexpendable personal property, and real property must be retained for a period of 3 years from the date of disposition, replacement, or transfer at the discretion of the grant-making component.

- If any litigation, claim, or audit is started before the expiration of the 3-year period, records must be retained until all litigation, claims, or audit findings involving the records have been resolved.
- The grant record retention period is typically for 3 years, but the reporting rules affecting real property acquired or improved with federal funds continue throughout the useful life of the property. See [Chapter 3.15 Reporting Requirements](#).

#### Intangible Property

Intangible property means property having no physical existence, such as trademarks, copyrights, data (including data licenses), websites, IP licenses, trade secrets, patents, patent applications and property, such as loans, notes and other debt instruments, lease agreements, stocks and other instruments of property ownership of either tangible or intangible. ). [2 C.F.R. § 200.1](#).

**Title.** Intangible property acquired under a Federal award vests upon acquisition in the recipient or subrecipient.

**Use.** The recipient or subrecipient must use that intangible property for the originally-authorized purpose, and must not encumber the property without the approval of the Federal agency or pass-through entity.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

*Disposition.* When no longer needed for the originally authorized purpose, intangible property is treated similarly to equipment for disposition purposes. Disposition must occur in accordance with 2 C.F.R. § 200.313(e). In general, intangible property (e.g., a securities instrument or a patent) with a fair market value of \$10,000 or less may be retained, sold, or otherwise disposed of with no further obligation to the component; while intangible property valued above \$10,000 may be retained or sold, but the component is entitled to compensation for its share of contribution to the cost of the original purchase, minus some selling and handling expenses. See the provisions for disposition of equipment (above) for a summary of these requirements.

See 2 C.F.R. § 200.315 and 2 C.F.R. § 200.448 for additional detailed rules regarding intangible and intellectual property.

#### Copyrights

To the extent permitted by law, the recipient or subrecipient may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award.

The grant-making DOJ component reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, for Federal Government purposes (and to authorize others to do so. This includes the right to require recipients and subrecipients to make such works available through agency-designated public access repositories), the following:

- Any work subject to copyright that was developed under an award or subaward; and
- Any work for which ownership was acquired under an award or subaward.

#### Data Produced Under A Federal Award

With respect to data produced under a Federal award and/or subaward, the grant-making DOJ component has the right to do the following:

- Obtain, reproduce, publish, or otherwise use the data produced under an award; and
- Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

#### Patents, Patent Rights, and Inventions

The recipient or subrecipient is subject to applicable regulations governing patents and inventions, including government-wide regulations issued in 37 C.F.R. 401.2 C.F.R. § 200.315(c) and 2 C.F.R. § 200.448.

# ATTACHMENT

#2

## **SUBRECIPIENT EQUIPMENT/SUPPLIES DISTRIBUTION AGREEMENT**

This Subrecipient Equipment/Supplies Distribution Agreement (hereinafter referred to as the "Agreement") is made as of the 11<sup>th</sup> day of September, 2025, by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners (hereinafter referred to as the "COUNTY"), and the Palm Beach Police Department, a municipal government agency authorized to operate within the city of Palm Beach, Florida (hereinafter referred to as the "SUBRECIPIENT"), which holds tax-exempt status.

### **BACKGROUND:**

The equipment to be provided under this Agreement will address safety concerns throughout Palm Beach County Law Enforcement Agencies. Many police departments lack the necessary funds to purchase crucial equipment.

In consideration of the mutual promises contained herein, the COUNTY and the SUBRECIPIENT agree as follows:

### **WITNESSETH:**

**WHEREAS**, the COUNTY was awarded grant funding through the Florida Department of Law Enforcement (FDLE) Edward Byrne Memorial Justice Assistance Formula Grant (JAG) to procure law enforcement equipment and supplies to enhance public safety within the County (hereinafter referred to as "Equipment/Supplies"); and

**WHEREAS**, the SUBRECIPIENT is an authorized law enforcement entity operating within Palm Beach County and desires to receive Equipment/Supplies to support its operations and promote community safety; and

**WHEREAS**, the COUNTY and the SUBRECIPIENT mutually recognize the benefits of collaboration in enhancing public safety through the provision of Equipment/Supplies and associated resources.

**NOW, THEREFORE**, with mutual understanding and commitment to the terms outlined herein, the COUNTY and the SUBRECIPIENT hereby agree as follows:

#### **1. TERM/TERMINATION**

A. The term of this Agreement shall commence on the date on which it is approved by the COUNTY and shall continue for a term of five (5) years. Expiration and termination of this Agreement shall not end the SUBRECIPIENT'S obligation to maintain, use, and dispose of the Equipment/Supplies as provided for in this Agreement.

#### **2. COUNTY RESPONSIBILITIES**

A. To procure and distribute Equipment/Supplies to the SUBRECIPIENT as provided in the COUNTY'S FDLE JAG Grant Agreement, more specifically, the following Equipment/Supplies will be procured by the COUNTY and distributed to SUBRECIPIENT: Breaching Backpacks (3)

B. To provide the SUBRECIPIENT with written notification of the availability of Equipment/Supplies, distribution timelines, and the location of documentation requirements.

C. To maintain records of the Equipment/Supplies, including serial numbers, descriptions, and dates of distribution.

### **3. SUBRECIPIENT RESPONSIBILITIES**

A. The SUBRECIPIENT shall protect, defend, reimburse, indemnify and hold Palm Beach County, its agents, designees, employees, and elected officials free and harmless at all times from and against all claims, liability, expenses, losses, costs, fines, damages or causes of action of every kind and character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during, as a result of, or in connection with this Agreement and SUBRECIPIENT'S use of the Equipment/Supplies. This section shall survive termination or expiration of the agreement.

B. In the event the SUBRECIPIENT is a governmental entity, nothing contained herein shall be construed as a waiver of sovereign immunity or the statutory limits of liability set forth in Section 768.28, Florida Statutes.

C. The SUBRECIPIENT shall provide the COUNTY with a signed acknowledgment of receipt for all Equipment/Supplies received, including a detailed inventory of items.

D. The SUBRECIPIENT shall ensure that all Equipment/Supplies received are used solely for official law enforcement purposes and in compliance with applicable federal, state, and local laws and regulations, including those contained in the DOJ Grants Financial Guide, found at: [https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/DOJ\\_FinancialGuide\\_1.pdf](https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/DOJ_FinancialGuide_1.pdf), (hereinafter "DOJ Grants Guide"), including Section "3.7 Property Standards", which section is attached hereto as **Exhibit A** and incorporated herein by reference.

E. The SUBRECIPIENT shall maintain the Equipment/Supplies in good working condition, perform necessary routine maintenance, and notify the Florida Department of Law Enforcement (FDLE) of any Equipment/Supplies damage, loss, or theft as specified in the DOJ Grants Guide.

F. The SUBRECIPIENT shall participate in any required training or certification programs associated with the use of the Equipment/Supplies, as specified in the DOJ Grants Guide.

G. The SUBRECIPIENT shall cooperate with FDLE in any audits or reviews of Equipment/Supplies usage and shall provide access to records and documentation related to the Equipment/Supplies as specified in the DOJ Grants Guide.

### **4. OWNERSHIP OF EQUIPMENT/SUPPLIES**

A. The SUBRECIPIENT retains ownership of all Equipment/Supplies distributed under this Agreement. The SUBRECIPIENT may transfer, sell, or otherwise dispose of the Equipment/Supplies only in compliance with the terms and conditions contained in the DOJ Grants Guide.

### **5. INSURANCE REQUIREMENTS**

The SUBRECIPIENT shall maintain appropriate insurance coverage for the Equipment/Supplies, including coverage for loss, theft, or damage, as specified in the DOJ Grants Guide, and proof of insurance shall be provided to FDLE upon request.

## **6. NOTICES**

All notices required under this Agreement shall be sent to the following addresses:

### **For the COUNTY:**

Palm Beach County Criminal Justice Commission  
310 North Olive Ave, Suite 1001  
West Palm Beach, FL 33401

### **For the SUBRECIPIENT :**

Palm Beach Police Department  
345 South County Road  
Palm Beach, Florida 33480  
Attention: Chief Nicholas Caristo

## **7. MISCELLANEOUS**

A. This Agreement shall be governed by and construed by the laws of the State of Florida. Any legal action necessary to enforce the Agreement shall be held in a court of competent jurisdiction located in Palm Beach County, Florida. This section shall survive termination or expiration of the Agreement.

B. Any amendments to this Agreement must be made in writing and signed by both parties.

C. In the event any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

## **8. ENTIRETY OF AGREEMENT**

The COUNTY and SUBRECIPIENT agree that this Agreement sets forth the entire Agreement between the parties, and that there are no promises or understandings other than those stated herein.

## **9. COUNTERPARTS**

This Agreement, including the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same Agreement. The COUNTY may execute the Agreement through electronic or manual means. SUBRECIPIENT shall execute by manual means only, unless the COUNTY provides otherwise.

## **10. E-VERIFY EMPLOYMENT ELIGIBILITY**

SUBRECIPIENT warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended, and that it: (1) is registered with the E-Verify System (E-Verify.gov), and uses the E-Verify System to electronically verify the employment eligibility of all newly hired workers; and (2)

has verified that all of SUBRECIPIENT'S sub-consultants performing the duties and obligations of this Agreement are registered with the E-Verify System, and use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

COUNTY shall terminate this Agreement if it has a good faith belief that SUBRECIPIENT has knowingly violated section 448.09(1), Florida Statutes, as may be amended. If County terminates this Contract pursuant to the above, SUBRECIPIENT shall be barred from being awarded a future contract by COUNTY for a period of one (1) year from the date on which this Agreement was terminated. In the event of such Agreement termination, SUBRECIPIENT shall also be liable for any additional costs incurred by COUNTY as a result of the termination.

#### **11. DISCLOSURE OF FOREIGN GIFTS AND CONTRACTS WITH FOREIGN COUNTRIES OF CONCERN**

Pursuant to F.S. 286.101, as may be amended, by entering into this Agreement or performing any work in furtherance thereof, the SUBRECIPIENT certifies that it has disclosed any current or prior interest of, any contract with, or any grant or gift received from a foreign county of concern where such interest, contract, grant or gift has a value of \$50,000 or more and such interest existed at any time or such contract or grant or gift was received or in force at any time during the previous five (5) years.

**[Remainder of Page Intentionally Left Blank]**

**IN WITNESS WHEREOF**, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Agreement on behalf of the COUNTY and SUBRECIPIENT has hereunto set its hand the day and year above written.

ATTEST:  
MICHAEL A. CARUSO  
CLERK & COMPTROLLER

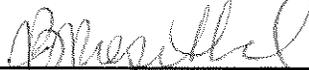
COUNTY:  
PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

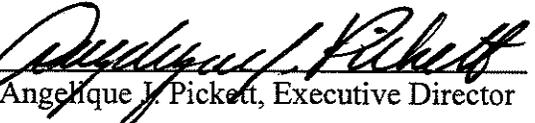
By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Maria G. Marino, Mayor

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS  
AND CONDITIONS

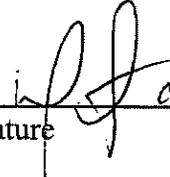
By:   
County Attorney

By:   
Angelique J. Pickett, Executive Director

WITNESS:

Law Enforcement Subrecipient:

  
Signature

 CHIEF OF POLICE  
Signature

WILLIAM ROTHROCK  
Name (type or print)

NICHOLAS CARISTO  
Typed Name

CHIEF OF POLICE  
Title

**EXHIBIT A**

**DOJ GRANTS FINANCIAL GUIDE  
3.7 PROPERTY STANDARDS**

# III. Postaward Requirements

## 3.7 PROPERTY STANDARDS

### General Principles for Property Acquisition and Management

Property includes both *real property* and *personal property*. Real property means land, including land improvements, structures, and appurtenances thereto, and legal interests in land, including fee interest, licenses, rights of way, and easements. Personal property includes both tangible personal property, which is classified as either *equipment or supplies*, and intangible personal property, which includes things having no physical existence, like trademarks, copyrights, and patents. See definitions in [2 C.F.R. § 200.1](#). Each of these is addressed in further detail below.

DOJ expects recipients and subrecipients of Federal funds to use good judgment when purchasing, managing, and disposing of property paid for by Federal funds. If a recipient or subrecipient uses award funds to purchase new property when suitable property is already available within the relevant organization, this use will be considered an unnecessary expenditure.

#### **FINANCIAL MANAGEMENT TIP**

Organizations may use their own capitalization policy for classification of equipment and supplies, but only where it is less than the Federal policy threshold of \$10,000.

*Equipment* means tangible personal property (including information technology systems) having 1) a useful life of more than one year and 2) a per-unit acquisition cost of \$10,000 or greater (or the organization's capitalization policy, if it is less than \$10,000). If the organization does not have a capitalization policy in place, the Federal policy amount of \$10,000 must be followed.

*Supplies* are all other items of tangible personal property that are not equipment. This includes computing devices that cost less than \$10,000 per unit (or the organization's capitalization threshold, if that is less than \$10,000).

### Screening and Property Management Systems

Careful screening should take place before purchasing property to ensure that it is needed. Organizations should establish and maintain an effective property management system to avoid incurring property acquisition costs that are later disallowed by the awarding agency (e.g., acquiring unreasonable, duplicative, or unnecessary property). Recommended screening practices include:

- Take stock of the equipment that recipient or subrecipient already has and see if it meets the identified needs.
- Consider establishing a screening committee to make decisions about purchases.
- Utilize effective management techniques as a basis for determining that property/equipment is needed.
- Initiate a screening process to ensure that effective controls are in place for property management.

### Equipment Ownership, Use, Management, and Disposition

DOJ recipients must follow the standards and procedures for ownership (title), use, management, and disposition of equipment set out below, with the exception of recipients and subrecipients of Byrne Justice Assistance Grant (JAG) Program formula grant funds from the Bureau of Justice Assistance. JAG award recipients must follow slightly different standards and procedures set out in [34 U.S.C. 10227](#). (See the "Equipment and Supplies Acquired With Edward Byrne Memorial Justice Assistance Grant Program Funds" below).

# III. Postaward Requirements

## 3.7 PROPERTY STANDARDS

### Ownership of Equipment

Unless more specific rules are identified for a particular grant program, title to equipment acquired under a Federal award will vest in the recipient or subrecipient organization. The legal right of ownership and conditions for use, management, and disposal of equipment are set forth in 2 C.F.R. § 200.313, and are described below.

### Use of Equipment

A *State* must use equipment acquired under a Federal award in accordance with State laws and procedures

An *Indian Tribe* must use equipment acquired under a Federal award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(c-e), and described below.

*Other recipients and subrecipients, including subrecipients of States and Indian Tribes* must use equipment acquired under an award (or subaward) for the authorized program or project purposes for which it was acquired and for as long as needed, whether or not the project or program continues to be supported by the Federal award. When no longer needed for the original program or project, the equipment may be used in other activities..

- *Use for other Federal projects.* Equipment must be made available for use on other projects or programs currently or previously supported by the Federal government, provided the use does not interfere with the work on the projects or programs for which it was originally acquired. First preference for other use should be given to other programs or projects supported by the DOJ agency.
- *User fees.* User fees should be considered and treated as program income to the project, when appropriate.
- See 2 C.F.R. § 200.307 (Program Income). During the time the Federal government retains an interest in the equipment the recipients or subrecipients must not use equipment acquired with a Federal award to provide services for a fee that is less than a private company would charge for similar services, unless doing so is specifically authorized by law. See 2 C.F.R. § 200.313(c)(3).
- *Replacement equipment.* When acquiring replacement equipment, recipients or subrecipients may either trade-in or sell the equipment and use the proceeds to offset the cost of the replacement equipment, subject to the written approval of the awarding DOJ agency.
- *Encumbrances.* A recipient or subrecipient must not encumber equipment acquired under a Federal award without approval of the awarding DOJ agency or pass-through entity

### Management of Equipment

A *State* must manage equipment acquired under a Federal award in accordance with State laws and procedures. DOJ encourages the States to follow the procedures that are in this *Guide*.

An *Indian Tribe* must manage equipment acquired under a Federal award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(d), and described below.

*Other than States and Indian Tribes, recipients and subrecipients (including subrecipients of States and Indian Tribes)* regardless of whether equipment is acquired in part or its entirety under the Federal award must manage equipment (including replacement equipment) utilizing procedures that meet the following requirements:

- **Property records.** Property records must include all of the following information:
  - ▶ Description of the property
  - ▶ Serial number or other identification number

## III. Postaward Requirements

### 3.7 PROPERTY STANDARDS

- ▶ Source of the property, including the federal award identification number
- ▶ Identification of the title holder
- ▶ Acquisition date
- ▶ Cost of the property
- ▶ Percentage of Federal agency contribution towards the original purchase
- ▶ Location of the property
- ▶ Use and condition of the property
- ▶ Disposition data, including the date of disposal and sale price

The recipient and subrecipient are responsible for maintaining and updating property records when there is a change in the status of the property.

- **Inventory.** A physical inventory of the property must be conducted and the results must be reconciled with the property records at least once every 2 years.
- **Maintenance procedures.** Regular maintenance procedures must be in place to ensure the property is in proper working condition.
- **Control system.** A control system must be in place to ensure safeguards for preventing property loss, damage, and theft.
  - ▶ Promptly and properly investigate and fully document any loss, damage, or theft, and make the documentation part of the official project records. 2 C.F.R. § 200.313 (d)(3).
  - ▶ The recipient or subrecipient must notify the DOJ agency or pass-through entity of any loss, damage, or theft of equipment that will have an impact on the program.
  - ▶ Provide at a minimum, the equivalent insurance coverage for equipment acquired with Federal funds that the recipient or subrecipient owns. Insurance is not required for Federally-owned property unless required by the award. 2.C.F.R. § 200.310.
  - ▶ Recipients and subrecipients are responsible for replacing or repairing property that is willfully or negligently lost, stolen, damaged, or destroyed.
- **Proper sales procedures.** If authorized or required to sell the property, the recipient or subrecipient must have proper sales procedures in place to ensure the highest possible return.

#### Disposition of Equipment

A *State* recipient must dispose of equipment acquired under the award in accordance with State laws and procedures.

An *Indian Tribe* recipient must dispose of equipment acquired under the award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(e), and described below.

*Other recipients and subrecipients (including subrecipients of States and Indian Tribes)* must dispose of the equipment when equipment acquired under the award or subaward is no longer needed for the original projector program, or other activities currently or previously supported by a Federal agency, as follows:

- If the item to be disposed of has a current fair market value of \$10,000 or less (per unit), the item may be retained, sold, or otherwise disposed of with no further obligation to the DOJ agency or pass-through entity.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

- If the item has a current per-unit fair market value of more than \$10,000 (per unit), the item may be retained or sold, but the awarding DOJ agency will have a right to a specific dollar amount. Calculate this amount by multiplying the percentage of the DOJ agency's contribution towards the original purchase price by the current market value or proceeds from the sale. The seller is also eligible to retain \$1,000 of the proceeds to cover expenses associated with the selling and handling of the equipment.

In cases where the recipient or subrecipient fails to take appropriate disposition actions, the awarding DOJ agency may direct other disposition actions.

When included in the award, the DOJ agency may permit the recipient to retain equipment, or authorize a pass-through entity to permit the subrecipient to retain equipment with no further obligation to the Federal government unless prohibited by Federal statute or regulation.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

#### Equipment and Supplies Acquired With Edward Byrne Memorial Justice Assistance Grant Program Funds

Special rules, set out in [34 U.S.C. 10227](#) (a provision of the Omnibus Crime Control and Safe Streets Act of 1968), apply to the ownership, use, and disposition of equipment and supplies purchased with Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG) funds awarded by the Bureau of Justice Assistance (BJA). These rules supersede any conflicting provision of 2 C.F.R. Part 200. See [2 C.F.R. Part 2800](#).

- Title to all equipment and supplies purchased with Byrne JAG funds vests in the criminal justice agency or non-profit organization that purchased the property, if it certifies to the State Office that it will use the property for criminal justice purposes.
- If such certification is not made, title to the property shall vest in the State Office, which shall seek to have the property used for criminal justice purposes elsewhere in the State prior to using it or disposing of it in any other manner.
- When equipment is no longer needed for criminal justice purposes, a State should dispose of equipment (for both the State and subrecipients) in accordance with State procedures, with no further obligation to the awarding agency.
- The procedures on *use* and *management* of equipment set out above apply to the extent that they do not conflict with 34 U.S.C. 10227.

#### Federal Equipment

When federally owned equipment is provided, the following requirements apply:

- Title remains vested in the Federal Government.
- The equipment must be managed in accordance with the grant-making DOJ component's rules and procedures and an annual inventory listing must be submitted.
- When the equipment is no longer needed, disposition instructions must be requested from the grant-making DOJ component.

#### Replacement of Equipment

When an item of property is no longer efficient or serviceable but continues to be needed in the program or project for which it was acquired, or other programs permitted under [2 C.F.R. § 200.313\(c\)](#), the property may be replaced through trade-in or sale and subsequent purchase of new property. In this case, the following conditions must be met:

- **Same function and character.** Replacement property must serve the same function as the original property and be of the same nature or character, although not necessarily of the same grade or quality.
- **Timing.** Purchase of replacement property must take place soon enough after the sale of the property to show that the sale and the purchase are related.
- **Trade-ins.** When acquiring replacement property, the recipient or subrecipient may use the property to be replaced as a trade-in. Value credited for the property, if the property is traded in, must be related to its fair market value. The recipient or subrecipient also may use the proceeds from the sale of the property to offset the cost of the new property.
- **Subrecipients of States.** State subrecipients must obtain the written permission of the State to use the provisions of this section prior to entering into negotiation for the replacement or trade-in of property.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

#### Supplies

For supplies acquired under an award, the title to the supplies vests with the recipient upon acquisition. For supplies acquired under a subaward, the title vests with the subrecipient upon acquisition.

- The DOJ component or pass-through entity is entitled to compensation in an amount calculated by multiplying the percentage of the Federal agency's or pass-through entity's contribution towards the costs of the original purchase(s) by the current market value or proceeds from the sale if both of the following apply:
  - ▶ The residual inventory of unused supplies exceeds \$10,000 in aggregate fair market value at the end of the period of performance.
    - Unused supplies means supplies that are in new condition, not having been used or opened before.
    - The aggregate value of unused supplies consists of all supply types, not just like-item supplies.
  - ▶ The supplies are not needed for any other federal award.

**Note:** Special rules apply for supplies purchased with Byrne JAG funds – see previous discussion.

#### Real Property Acquired With Federal Funds

**Real property** means land, including land improvements, structures, and appurtenances thereto, and legal interests in land, including fee interest, licenses, rights of way, and easements. See 2 C.F.R. § 200.1. DOJ funds generally cannot be used for land acquisition unless specifically permitted under the program or terms of the award.

**Title.** Subject to the obligations and conditions in the award, title to real property acquired or improved under an award or subaward vests upon acquisition in the recipient or subrecipient, as applicable.

**Use.** Recipients and subrecipients are to use real property acquired, in whole or in part, with Federal funds for the authorized purposes of the original award or subaward as long as needed for that purpose. In some cases, a recipient or subrecipient may receive approval from the agency for a change in use, if the property is no longer needed for its originally funded purpose.

- An inventory report should be maintained which identifies real property acquired, in whole or in part, with Federal funds.
- While the property is being used for the originally authorized purpose, the recipient or subrecipient must not dispose of or encumber its title or other interests, except as provided by the DOJ agency.
  - ▶ Easements for utility, cable, and similar services that benefit the real property and are consistent with the authorized use are not considered an encumbrance.

**Disposition.** When real property is no longer needed for the original award purposes (or another awarding agency-approved purpose), the recipient or subrecipient should obtain disposition instructions from the grant-making DOJ component or pass-through entity, as appropriate. The instructions may allow one of the following:

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

- ***Retain title after compensating the Federal awarding agency.*** When the recipient or subrecipient retains title to the property, it must pay the Federal agency an amount calculated by multiplying the percentage of the Federal agency's contribution towards the original purchase (and costs of any improvements) by the current fair market value of the property. However, in situations where the recipient or subrecipient is disposing of real property acquired or improved with the Federal award and acquiring replacement real property under the same Federal award, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
- ***Sell the property and compensate the Federal awarding agency.*** When a recipient or subrecipient sells the property, it must pay the Federal agency an amount calculated by multiplying the percentage of the Federal agency's contribution towards the original purchase (and cost of any improvements) by the proceeds of the sale after deducting any actual and reasonable expenses paid to sell or fix up the property for sale. When the Federal award has not been closed out, the net proceeds from the sale may be offset against the original cost of the property. When directed to sell the property, the recipient or subrecipient must sell the property utilizing procedures that provide for competition to the extent practicable and that result in the highest possible return.
- ***Transfer title to the Federal agency or a third party designated/approved by the Federal agency.*** When a recipient or subrecipient transfers title to the property to a Federal agency or third party designated or approved by the Federal agency, the recipient or subrecipient is entitled to be paid an amount calculated by multiplying the percentage of the recipient's or subrecipient's contribution towards the original purchase of the real property (and cost of any improvements) by the current fair market value of the property.

#### Retention of Property Records

Records for equipment, nonexpendable personal property, and real property must be retained for a period of 3 years from the date of disposition, replacement, or transfer at the discretion of the grant-making component.

- If any litigation, claim, or audit is started before the expiration of the 3-year period, records must be retained until all litigation, claims, or audit findings involving the records have been resolved.
- The grant record retention period is typically for 3 years, but the reporting rules affecting real property acquired or improved with federal funds continue throughout the useful life of the property. See [Chapter 3.15 Reporting Requirements](#).

#### Intangible Property

Intangible property means property having no physical existence, such as trademarks, copyrights, data (including data licenses), websites, IP licenses, trade secrets, patents, patent applications and property, such as loans, notes and other debt instruments, lease agreements, stocks and other instruments of property ownership of either tangible or intangible. ). [2 C.F.R. § 200.1](#).

***Title.*** Intangible property acquired under a Federal award vests upon acquisition in the recipient or subrecipient.

***Use.*** The recipient or subrecipient must use that intangible property for the originally-authorized purpose, and must not encumber the property without the approval of the Federal agency or pass-through entity.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

*Disposition.* When no longer needed for the originally authorized purpose, intangible property is treated similarly to equipment for disposition purposes. Disposition must occur in accordance with 2 C.F.R. § 200.313(e). In general, intangible property (e.g., a securities instrument or a patent) with a fair market value of \$10,000 or less may be retained, sold, or otherwise disposed of with no further obligation to the component; while intangible property valued above \$10,000 may be retained or sold, but the component is entitled to compensation for its share of contribution to the cost of the original purchase, minus some selling and handling expenses. See the provisions for disposition of equipment (above) for a summary of these requirements.

See 2 C.F.R. § 200.315 and 2 C.F.R. § 200.448 for additional detailed rules regarding intangible and intellectual property.

#### Copyrights

To the extent permitted by law, the recipient or subrecipient may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award.

The grant-making DOJ component reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, for Federal Government purposes (and to authorize others to do so. This includes the right to require recipients and subrecipients to make such works available through agency-designated public access repositories), the following:

- Any work subject to copyright that was developed under an award or subaward; and
- Any work for which ownership was acquired under an award or subaward.

#### Data Produced Under A Federal Award

With respect to data produced under a Federal award and/or subaward, the grant-making DOJ component has the right to do the following:

- Obtain, reproduce, publish, or otherwise use the data produced under an award; and
- Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

#### Patents, Patent Rights, and Inventions

The recipient or subrecipient is subject to applicable regulations governing patents and inventions, including government-wide regulations issued in 37 C.F.R. 401.2 C.F.R. § 200.315(c) and 2 C.F.R. § 200.448.

# ATTACHMENT

#3

## SUBRECIPIENT EQUIPMENT/SUPPLIES DISTRIBUTION AGREEMENT

This Subrecipient Equipment/Supplies Distribution Agreement (hereinafter referred to as the "Agreement") is made as of the 14<sup>th</sup> day of September, 2025, by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of County Commissioners (hereinafter referred to as the "COUNTY"), and the Riviera Beach Police Department, a municipal government agency authorized to operate within the City of Riviera Beach, Florida (hereinafter referred to as the "SUBRECIPIENT"), which holds tax-exempt status.

### BACKGROUND:

The equipment to be provided under this Agreement will address safety concerns throughout Palm Beach County Law Enforcement Agencies. Many police departments lack the necessary funds to purchase crucial equipment.

In consideration of the mutual promises contained herein, the COUNTY and the SUBRECIPIENT agree as follows:

### WITNESSETH:

**WHEREAS**, the COUNTY was awarded grant funding through Florida Department of Law Enforcement (FDLE) Edward Byrne Memorial Justice Assistance Formula Grant (JAG) to procure law enforcement equipment and supplies to enhance public safety within the County (hereinafter referred to as "Equipment/Supplies"); and

**WHEREAS**, the SUBRECIPIENT is an authorized law enforcement entity operating within Palm Beach County and desires to receive Equipment/Supplies to support its operations and promote community safety; and

**WHEREAS**, the COUNTY and the SUBRECIPIENT mutually recognize the benefits of collaboration in enhancing public safety through the provision of Equipment/Supplies and associated resources.

**NOW, THEREFORE**, with mutual understanding and commitment to the terms outlined herein, the COUNTY and the SUBRECIPIENT hereby agree as follows:

#### 1. TERM/TERMINATION

A. The term of this Agreement shall commence on the date on which it is approved by the COUNTY and shall continue for a term of five (5) years. Expiration and termination of this Agreement shall not end the SUBRECIPIENT'S obligation to maintain, use, and dispose of the Equipment/Supplies as provided for in this Agreement.

#### 2. COUNTY RESPONSIBILITIES

A. To procure and distribute Equipment/Supplies to the SUBRECIPIENT as provided in the COUNTY'S FDLE JAG Grant Agreement, more specifically, the following Equipment/Supplies will be procured by the COUNTY and distributed to SUBRECIPIENT:

- (2) Digital Nc 48 Macro LED Ring Light & Ring Flash with LCD Display Compatible with Nikon,
- (2) EN-EL15c Rechargeable Li-ion Camera Battery;
- (2) Flash TTL Cord JJC Off-Camera Flash Hot Shoe Cord for Nikon Z 5;
- (1) Lynn Peavy Company Barrier System;
- (2) NIKKOR Z MC Macro Lens 50mm f/2.8;
- (2) Nikon Z 5 Camera;
- (2) SB-700 AF Speedlight Product 4808;
- (2) Sirchie Scene Guard Photography Barrier;
- (2) Tiffen 52mm 21 Filter (Orange); Tiffen 52CP 52mm Circular Polarizer; and Black Lens Filter;

B. To provide the SUBRECIPIENT with written notification of the availability of Equipment/Supplies, distribution timelines, and the location of documentation requirements.

C. To maintain records of the Equipment/Supplies, including serial numbers, descriptions, and dates of distribution.

### 3. SUBRECIPIENT RESPONSIBILITIES

A. The SUBRECIPIENT shall protect, defend, reimburse, indemnify and hold Palm Beach County, its agents, designees, employees, and elected officials free and harmless at all times from and against all claims, liability, expenses, losses, costs, fines, damages or causes of action of every kind and character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during, as a result of, or in connection with this Agreement and SUBRECIPIENT'S use of the Equipment/Supplies. This section shall survive termination or expiration of the agreement.

B. In the event the SUBRECIPIENT is a governmental entity, nothing contained herein shall be construed as a waiver of sovereign immunity or the statutory limits of liability set forth in Section 768.28, Florida Statutes.

C. The SUBRECIPIENT shall provide the COUNTY with a signed acknowledgment of receipt for all Equipment/Supplies received, including a detailed inventory of items.

D. The SUBRECIPIENT shall ensure that all Equipment/Supplies received are used solely for official law enforcement purposes and in compliance with applicable federal, state, and local laws and regulations, including those contained in the DOJ Grants Financial Guide, found at: [https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/DOJ\\_FinancialGuide\\_1.pdf](https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/DOJ_FinancialGuide_1.pdf), (hereinafter "DOJ Grants Guide"), including Section "3.7 Property Standards", which section is attached hereto as **Exhibit A** and incorporated herein by reference.

E. The SUBRECIPIENT shall maintain the Equipment/Supplies in good working condition, perform necessary routine maintenance, and notify the Florida Department of Law Enforcement (FDLE) of any Equipment/Supplies damage, loss, or theft as specified in the DOJ Grants Guide.

F. The SUBRECIPIENT shall participate in any required training or certification programs associated with the use of the Equipment/Supplies, as specified in the DOJ Grants Guide.

G. The SUBRECIPIENT shall cooperate with FDLE in any audits or reviews of Equipment/Supplies usage and shall provide access to records and documentation related to the Equipment/Supplies as specified in the DOJ Grants Guide.

#### **4. OWNERSHIP OF EQUIPMENT/SUPPLIES**

A. The SUBRECIPIENT retains ownership of all Equipment/Supplies distributed under this Agreement. The SUBRECIPIENT may transfer, sell, or otherwise dispose of the Equipment/Supplies only in compliance with the terms and conditions contained in the DOJ Grants Guide.

#### **5. INSURANCE REQUIREMENTS**

The SUBRECIPIENT shall maintain appropriate insurance coverage for the Equipment/Supplies, including coverage for loss, theft, or damage, as specified in the DOJ Grants Guide, and proof of insurance shall be provided to FDLE upon request.

#### **6. NOTICES**

All notices required under this Agreement shall be sent to the following addresses:

##### **For the COUNTY:**

Palm Beach County Criminal Justice Commission  
310 North Olive Ave, Suite 1001  
West Palm Beach, FL 33401

##### **For the SUBRECIPIENT :**

Riviera Beach Police Department  
600 W Blue Heron Blvd  
Riviera Beach, FL 33404-4311  
Attention: Chief Michael Coleman

#### **7. MISCELLANEOUS**

A. This Agreement shall be governed by and construed by the laws of the State of Florida. Any legal action necessary to enforce the Agreement shall be held in a court of competent jurisdiction located in Palm Beach County, Florida. This section shall survive termination or expiration of the Agreement.

B. Any amendments to this Agreement must be made in writing and signed by both parties.

C. In the event any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

#### **8. ENTIRETY OF AGREEMENT**

The COUNTY and SUBRECIPIENT agree that this Agreement sets forth the entire Agreement between the parties, and that there are no promises or understandings other than those stated herein.

#### **9. COUNTERPARTS**

This Agreement, including the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same Agreement. The COUNTY may execute

the Agreement through electronic or manual means. SUBRECIPIENT shall execute by manual means only, unless the COUNTY provides otherwise.

#### **10. E-VERIFY EMPLOYMENT ELIGIBILITY**

SUBRECIPIENT warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended, and that it: (1) is registered with the E-Verify System (E-Verify.gov), and uses the E-Verify System to electronically verify the employment eligibility of all newly hired workers; and (2) has verified that all of SUBRECIPIENT'S sub-consultants performing the duties and obligations of this Agreement are registered with the E-Verify System, and use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

COUNTY shall terminate this Agreement if it has a good faith belief that SUBRECIPIENT has knowingly violated section 448.09(1), Florida Statutes, as may be amended. If County terminates this Contract pursuant to the above, SUBRECIPIENT shall be barred from being awarded a future contract by COUNTY for a period of one (1) year from the date on which this Agreement was terminated. In the event of such Agreement termination, SUBRECIPIENT shall also be liable for any additional costs incurred by COUNTY as a result of the termination.

#### **11. DISCLOSURE OF FOREIGN GIFTS AND CONTRACTS WITH FOREIGN COUNTRIES OF CONCERN**

Pursuant to F.S. 286.101, as may be amended, by entering into this Agreement or performing any work in furtherance thereof, the SUBRECIPIENT certifies that it has disclosed any current or prior interest of, any contract with, or any grant or gift received from a foreign county of concern where such interest, contract, grant or gift has a value of \$50,000 or more and such interest existed at any time or such contract or grant or gift was received or in force at any time during the previous five (5) years.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Agreement on behalf of the COUNTY and SUBRECIPIENT has hereunto set its hand the day and year above written.

ATTEST:  
MICHAEL A. CARUSO  
CLERK & COMPTROLLER

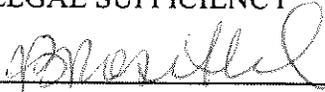
COUNTY:  
PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

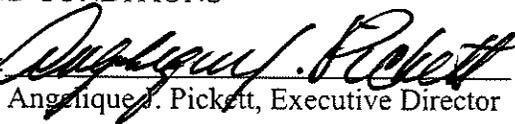
By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Maria G. Marino, Mayor

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

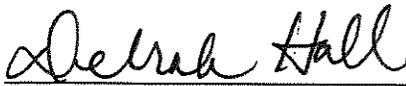
APPROVED AS TO TERMS  
AND CONDITIONS

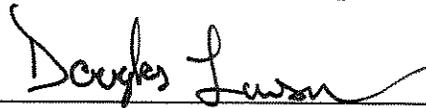
By:   
County Attorney

By:   
Angeliqye J. Pickett, Executive Director

WITNESS:

Law Enforcement Subrecipient:

  
Signature

  
Signature

Debrah Hall - Acting City Clerk  
Name (type or print)

Douglas Lawson  
Typed Name  
Mayor  
Title

Reviewed as to Legal Sufficiency:  
  
Dawn S. Wynn, City Attorney

**EXHIBIT A**

**DOJ GRANTS FINANCIAL GUIDE  
3.7 PROPERTY STANDARDS**

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

#### General Principles for Property Acquisition and Management

Property includes both *real property* and *personal property*. Real property means land, including land improvements, structures, and appurtenances thereto, and legal interests in land, including fee interest, licenses, rights of way, and easements. Personal property includes both tangible personal property, which is classified as either *equipment* or *supplies*; and intangible personal property, which includes things having no physical existence, like trademarks, copyrights, and patents. See definitions in 2 C.F.R. § 200.1. Each of these is addressed in further detail below.

DOJ expects recipients and subrecipients of Federal funds to use good judgment when purchasing, managing, and disposing of property paid for by Federal funds. If a recipient or subrecipient uses award funds to purchase new property when suitable property is already available within the relevant organization, this use will be considered an unnecessary expenditure.

#### **① FINANCIAL MANAGEMENT TIP**

Organizations may use their own capitalization policy for classification of equipment and supplies, but only where it is less than the Federal policy threshold of \$10,000.

*Equipment* means tangible personal property (including information technology systems) having 1) a useful life of more than one year and 2) a per-unit acquisition cost of \$10,000 or greater (or the organization's capitalization policy, if it is less than \$10,000). If the organization does not have a capitalization policy in place, the Federal policy amount of \$10,000 must be followed.

*Supplies* are all other items of tangible personal property that are not equipment. This includes computing devices that cost less than \$10,000 per unit (or the organization's capitalization threshold, if that is less than \$10,000).

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#### Screening and Property Management Systems

Careful screening should take place before purchasing property to ensure that it is needed. Organizations should establish and maintain an effective property management system to avoid incurring property acquisition costs that are later disallowed by the awarding agency (e.g., acquiring unreasonable, duplicative, or unnecessary property). Recommended screening practices include:

- Take stock of the equipment that recipient or subrecipient already has and see if it meets the identified needs.
- Consider establishing a screening committee to make decisions about purchases.
- Utilize effective management techniques as a basis for determining that property/equipment is needed.
- Initiate a screening process to ensure that effective controls are in place for property management.

#### Equipment Ownership, Use, Management, and Disposition

DOJ recipients must follow the standards and procedures for ownership (title), use, management, and disposition of equipment set out below, with the exception of recipients and subrecipients of Byrne Justice Assistance Grant (JAG) Program formula grant funds from the Bureau of Justice Assistance. JAG award recipients must follow slightly different standards and procedures set out in 34 U.S.C. 10227. (See the "Equipment and Supplies Acquired With Edward Byrne Memorial Justice Assistance Grant Program Funds" below).

# III. Postaward Requirements

## 3.7 PROPERTY STANDARDS

### Ownership of Equipment

Unless more specific rules are identified for a particular grant program, title to equipment acquired under a Federal award will vest in the recipient or subrecipient organization. The legal right of ownership and conditions for use, management, and disposal of equipment are set forth in 2 C.F.R. § 200.313, and are described below.

### Use of Equipment

A *State* must use equipment acquired under a Federal award in accordance with State laws and procedures

An *Indian Tribe* must use equipment acquired under a Federal award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(c-e), and described below.

*Other recipients and subrecipients, including subrecipients of States and Indian Tribes* must use equipment acquired under an award (or subaward) for the authorized program or project purposes for which it was acquired and for as long as needed, whether or not the project or program continues to be supported by the Federal award. When no longer needed for the original program or project, the equipment may be used in other activities..

- *Use for other Federal projects.* Equipment must be made available for use on other projects or programs currently or previously supported by the Federal government, provided the use does not interfere with the work on the projects or programs for which it was originally acquired. First preference for other use should be given to other programs or projects supported by the DOJ agency.
- *User fees.* User fees should be considered and treated as program income to the project, when appropriate.
- See 2 C.F.R. § 200.307 (Program Income). During the time the Federal government retains an interest in the equipment the recipients or subrecipients must not use equipment acquired with a Federal award to provide services for a fee that is less than a private company would charge for similar services, unless doing so is specifically authorized by law. See 2 C.F.R. § 200.313(c)(3).
- *Replacement equipment.* When acquiring replacement equipment, recipients or subrecipients may either trade-in or sell the equipment and use the proceeds to offset the cost of the replacement equipment, subject to the written approval of the awarding DOJ agency.
- *Encumbrances.* A recipient or subrecipient must not encumber equipment acquired under a Federal award without approval of the awarding DOJ agency or pass-through entity

### Management of Equipment

A *State* must manage equipment acquired under a Federal award in accordance with State laws and procedures. DOJ encourages the States to follow the procedures that are in this *Guide*.

An *Indian Tribe* must manage equipment acquired under a Federal award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(d), and described below.

*Other than States an Indian Tribes, recipients and subrecipients (including subrecipients of States and Indian Tribes)* regardless of whether equipment is acquired in part or its entirety under the Federal award must manage equipment (including replacement equipment) utilizing procedures that meet the following requirements:

- **Property records.** Property records must include all of the following information:
  - ▶ Description of the property
  - ▶ Serial number or other identification number

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

- ▶ Source of the property, including the federal award identification number
- ▶ Identification of the title holder
- ▶ Acquisition date
- ▶ Cost of the property
- ▶ Percentage of Federal agency contribution towards the original purchase
- ▶ Location of the property
- ▶ Use and condition of the property
- ▶ Disposition data, including the date of disposal and sale price

The recipient and subrecipient are responsible for maintaining and updating property records when there is a change in the status of the property.

- **Inventory.** A physical inventory of the property must be conducted and the results must be reconciled with the property records at least once every 2 years.
- **Maintenance procedures.** Regular maintenance procedures must be in place to ensure the property is in proper working condition.
- **Control system.** A control system must be in place to ensure safeguards for preventing property loss, damage, and theft.
  - ▶ Promptly and properly investigate and fully document any loss, damage, or theft, and make the documentation part of the official project records. 2 C.F.R. § 200.313 (d)(3).
  - ▶ The recipient or subrecipient must notify the DOJ agency or pass-through entity of any loss, damage, or theft of equipment that will have an impact on the program.
  - ▶ Provide at a minimum, the equivalent insurance coverage for equipment acquired with Federal funds that the recipient or subrecipient owns. Insurance is not required for Federally-owned property unless required by the award. 2 C.F.R. § 200.310.
  - ▶ Recipients and subrecipients are responsible for replacing or repairing property that is willfully or negligently lost, stolen, damaged, or destroyed.
- **Proper sales procedures.** If authorized or required to sell the property, the recipient or subrecipient must have proper sales procedures in place to ensure the highest possible return.

#### Disposition of Equipment

A *State* recipient must dispose of equipment acquired under the award in accordance with State laws and procedures.

An *Indian Tribe* recipient must dispose of equipment acquired under the award in accordance with tribal laws and procedures. If such laws and procedures do not exist, Indian Tribes must follow the guidance in 2 C.F.R. § 200.313(e), and described below.

*Other recipients and subrecipients (including subrecipients of States and Indian Tribes)* must dispose of the equipment when equipment acquired under the award or subaward is no longer needed for the original projector program, or other activities currently or previously supported by a Federal agency, as follows:

- If the item to be disposed of has a current fair market value of \$10,000 or less (per unit), the item may be retained, sold, or otherwise disposed of with no further obligation to the DOJ agency or pass-through entity.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

- If the item has a current per-unit fair market value of more than \$10,000 (per unit), the item may be retained or sold, but the awarding DOJ agency will have a right to a specific dollar amount. Calculate this amount by multiplying the percentage of the DOJ agency's contribution towards the original purchase price by the current market value or proceeds from the sale. The seller is also eligible to retain \$1,000 of the proceeds to cover expenses associated with the selling and handling of the equipment.

In cases where the recipient or subrecipient fails to take appropriate disposition actions, the awarding DOJ agency may direct other disposition actions.

When included in the award, the DOJ agency may permit the recipient to retain equipment, or authorize a pass-through entity to permit the subrecipient to retain equipment with no further obligation to the Federal government unless prohibited by Federal statute or regulation.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

#### Equipment and Supplies Acquired With Edward Byrne Memorial Justice Assistance Grant Program Funds

Special rules, set out in [34 U.S.C. 10227](#) (a provision of the Omnibus Crime Control and Safe Streets Act of 1968), apply to the ownership, use, and disposition of equipment and supplies purchased with Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG) funds awarded by the Bureau of Justice Assistance (BJA). These rules supersede any conflicting provision of 2 C.F.R. Part 200. See [2 C.F.R. Part 2800](#).

- Title to all equipment and supplies purchased with Byrne JAG funds vests in the criminal justice agency or non-profit organization that purchased the property, if it certifies to the State Office that it will use the property for criminal justice purposes.
- If such certification is not made, title to the property shall vest in the State Office, which shall seek to have the property used for criminal justice purposes elsewhere in the State prior to using it or disposing of it in any other manner.
- When equipment is no longer needed for criminal justice purposes, a State should dispose of equipment (for both the State and subrecipients) in accordance with State procedures, with no further obligation to the awarding agency.
- The procedures on *use* and *management* of equipment set out above apply to the extent that they do not conflict with 34 U.S.C. 10227.

#### Federal Equipment

When federally owned equipment is provided, the following requirements apply:

- Title remains vested in the Federal Government.
- The equipment must be managed in accordance with the grant-making DOJ component's rules and procedures and an annual inventory listing must be submitted.
- When the equipment is no longer needed, disposition instructions must be requested from the grant-making DOJ component.

#### Replacement of Equipment

When an item of property is no longer efficient or serviceable but continues to be needed in the program or project for which it was acquired, or other programs permitted under [2 C.F.R. § 200.313\(c\)](#), the property may be replaced through trade-in or sale and subsequent purchase of new property. In this case, the following conditions must be met:

- **Same function and character.** Replacement property must serve the same function as the original property and be of the same nature or character, although not necessarily of the same grade or quality.
- **Timing.** Purchase of replacement property must take place soon enough after the sale of the property to show that the sale and the purchase are related.
- **Trade-ins.** When acquiring replacement property, the recipient or subrecipient may use the property to be replaced as a trade-in. Value credited for the property, if the property is traded in, must be related to its fair market value. The recipient or subrecipient also may use the proceeds from the sale of the property to offset the cost of the new property.
- **Subrecipients of States.** State subrecipients must obtain the written permission of the State to use the provisions of this section prior to entering into negotiation for the replacement or trade-in of property.

# III. Postaward Requirements

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## 3.7 PROPERTY STANDARDS

### Supplies

For supplies acquired under an award, the title to the supplies vests with the recipient upon acquisition. For supplies acquired under a subaward, the title vests with the subrecipient upon acquisition.

- The DOJ component or pass-through entity is entitled to compensation in an amount calculated by multiplying the percentage of the Federal agency's or pass-through entity's contribution towards the costs of the original purchase(s) by the current market value or proceeds from the sale if both of the following apply:
  - ▶ The residual inventory of unused supplies exceeds \$10,000 in aggregate fair market value at the end of the period of performance.
    - Unused supplies means supplies that are in new condition, not having been used or opened before.
    - The aggregate value of unused supplies consists of all supply types, not just like-item supplies.
  - ▶ The supplies are not needed for any other federal award.

**Note:** Special rules apply for supplies purchased with Byrne JAG funds – see previous discussion.

### Real Property Acquired With Federal Funds

**Real property** means land, including land improvements, structures, and appurtenances thereto, and legal interests in land, including fee interest, licenses, rights of way, and easements. See 2 C.F.R. § 200.1. DOJ funds generally cannot be used for land acquisition unless specifically permitted under the program or terms of the award.

**Title.** Subject to the obligations and conditions in the award, title to real property acquired or improved under an award or subaward vests upon acquisition in the recipient or subrecipient, as applicable.

**Use.** Recipients and subrecipients are to use real property acquired, in whole or in part, with Federal funds for the authorized purposes of the original award or subaward as long as needed for that purpose. In some cases, a recipient or subrecipient may receive approval from the agency for a change in use, if the property is no longer needed for its originally funded purpose.

- An inventory report should be maintained which identifies real property acquired, in whole or in part, with Federal funds.
- While the property is being used for the originally authorized purpose, the recipient or subrecipient must not dispose of or encumber its title or other interests, except as provided by the DOJ agency.
  - ▶ Easements for utility, cable, and similar services that benefit the real property and are consistent with the authorized use are not considered an encumbrance.

**Disposition.** When real property is no longer needed for the original award purposes (or another awarding agency-approved purpose), the recipient or subrecipient should obtain disposition instructions from the grant-making DOJ component or pass-through entity, as appropriate. The instructions may allow one of the following:

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

- **Retain title after compensating the Federal awarding agency.** When the recipient or subrecipient retains title to the property, it must pay the Federal agency an amount calculated by multiplying the percentage of the Federal agency's contribution towards the original purchase (and costs of any improvements) by the current fair market value of the property. However, in situations where the recipient or subrecipient is disposing of real property acquired or improved with the Federal award and acquiring replacement real property under the same Federal award, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
- **Sell the property and compensate the Federal awarding agency.** When a recipient or subrecipient sells the property, it must pay the Federal agency an amount calculated by multiplying the percentage of the Federal agency's contribution towards the original purchase (and cost of any improvements) by the proceeds of the sale after deducting any actual and reasonable expenses paid to sell or fix up the property for sale. When the Federal award has not been closed out, the net proceeds from the sale may be offset against the original cost of the property. When directed to sell the property, the recipient or subrecipient must sell the property utilizing procedures that provide for competition to the extent practicable and that result in the highest possible return.
- **Transfer title to the Federal agency or a third party designated/approved by the Federal agency.** When a recipient or subrecipient transfers title to the property to a Federal agency or third party designated or approved by the Federal agency, the recipient or subrecipient is entitled to be paid an amount calculated by multiplying the percentage of the recipient's or subrecipient's contribution towards the original purchase of the real property (and cost of any improvements) by the current fair market value of the property.

#### Retention of Property Records

Records for equipment, nonexpendable personal property, and real property must be retained for a period of 3 years from the date of disposition, replacement, or transfer at the discretion of the grant-making component.

- If any litigation, claim, or audit is started before the expiration of the 3-year period, records must be retained until all litigation, claims, or audit findings involving the records have been resolved.
- The grant record retention period is typically for 3 years, but the reporting rules affecting real property acquired or improved with federal funds continue throughout the useful life of the property. See [Chapter 3.15 Reporting Requirements](#).

#### Intangible Property

Intangible property means property having no physical existence, such as trademarks, copyrights, data (including data licenses), websites, IP licenses, trade secrets, patents, patent applications and property, such as loans, notes and other debt instruments, lease agreements, stocks and other instruments of property ownership of either tangible or intangible. ). [2 C.F.R. § 200.1](#).

**Title.** Intangible property acquired under a Federal award vests upon acquisition in the recipient or subrecipient.

**Use.** The recipient or subrecipient must use that intangible property for the originally-authorized purpose, and must not encumber the property without the approval of the Federal agency or pass-through entity.

## III. Postaward Requirements

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### 3.7 PROPERTY STANDARDS

*Disposition.* When no longer needed for the originally authorized purpose, intangible property is treated similarly to equipment for disposition purposes. Disposition must occur in accordance with 2 C.F.R. § 200.313(e). In general, intangible property (e.g., a securities instrument or a patent) with a fair market value of \$10,000 or less may be retained, sold, or otherwise disposed of with no further obligation to the component; while intangible property valued above \$10,000 may be retained or sold, but the component is entitled to compensation for its share of contribution to the cost of the original purchase, minus some selling and handling expenses. See the provisions for disposition of equipment (above) for a summary of these requirements.

See 2 C.F.R. § 200.315 and 2 C.F.R. § 200.448 for additional detailed rules regarding intangible and intellectual property.

#### Copyrights

To the extent permitted by law, the recipient or subrecipient may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award.

The grant-making DOJ component reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, for Federal Government purposes (and to authorize others to do so. This includes the right to require recipients and subrecipients to make such works available through agency-designated public access repositories), the following:

- Any work subject to copyright that was developed under an award or subaward; and
- Any work for which ownership was acquired under an award or subaward.

#### Data Produced Under A Federal Award

With respect to data produced under a Federal award and/or subaward, the grant-making DOJ component has the right to do the following:

- Obtain, reproduce, publish, or otherwise use the data produced under an award; and
- Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

#### Patents, Patent Rights, and Inventions

The recipient or subrecipient is subject to applicable regulations governing patents and inventions, including government-wide regulations issued in 37 C.F.R. 401.2 C.F.R. § 200.315(c) and 2 C.F.R. § 200.448.