

Signature Authority (Secretarial Directive 004)

Contracts and Procurements



This Directive applies to the appropriate signature and who has signature authority. When applicable, if the cost of the contract, agreement or other document exceeds the small dollar threshold of \$25,000, you are required to obtain the appropriate reviews and approvals prior to signing the contract. When delegating authority to an individual/s you are required to fill out the Signature Authority Form. This form should be updated at least annually and any time there is a change in leadership. Send the completed form to DHHS General Counsel's Office and to NCDHHS OPGC.

Department Contracts

- The **Chief Deputy Secretary** may sign and execute Department contracts and legal agreements of any value.
- A **Deputy Secretary** or **Assistant Secretary** may sign and execute Department contracts and legal agreements.
- A **Director of a Division, Office or Facility** may not be designated to sign contracts and legal agreements where the Department is the named party.
- A **Chief Deputy Secretary, Deputy Secretary, or Assistant Secretary** may sign any Department contracts and legal agreements in which no funds will be exchanged. In addition, they may designate individual/s to sign and execute Department contracts and legal agreements

Divisional, Office, Facility or Unit Contracts

- The **Chief Deputy Secretary** may sign and execute Division/Office/Facility contracts and legal agreements of any value. The **Chief Deputy Secretary** may designate a **Deputy Secretary** or **Assistant Secretary** to sign and execute Division/Office/ Facility contracts and legal agreements of any value through a written delegation.
- A **Deputy Secretary** or **Assistant Secretary** may sign and execute Division/Office /Facility contracts and legal agreements up to **\$5,000,000** (total value of contract)
- If the **Deputy Secretary** does not have an **Assistant Secretary** they designate *another employee* to sign and execute Division/Office/Facility contracts and legal agreements up to **\$5,000,000**.
- A **Director of a Division, Office, or Facility** may sign and execute **Division/Office/Facility** contracts and legal agreements up to **\$1,000,000** (total value of contract) without a written delegation.
- The **Chief Deputy Secretary, Deputy Secretary, or Assistant Secretary** can sign any Division/Office/Facility contract and/or legal agreement in which no funds will be exchanged. A **Director of a Division, Office or Facility** can sign after consultation with their immediate supervisor (**Deputy Secretary, Assistant Secretary or Senior Director**).

Contracts with DHHS DHB

- All contracts, agreements or other documents executed by the **Division of Health Benefits (NC Medicaid)** shall not be executed based on the value limits set forth. All contracts, agreements or other documents executed by the **Division of Health Benefits** shall be signed by the **Deputy Secretary for Medicaid**.

Contracts with State Agencies

- For any **contract and/or legal agreement** between the **Department**, or a **division, office, facility or unit** within the **Department**, and another **State Agency**, the appropriate Deputy Secretary or Assistant Secretary or their designee, after consultation with the Secretary, may sign and execute the document.
- This provision shall not apply to contracts, agreements or other legal documents entered into with any University within the University of North Carolina System, which may be signed and executed

Standards and Rules

- No individual may enter into a contract and/or legal agreement or other legal document which binds the Department or division, office, facility or unit within the Department, unless that individual is a state employee.
- Temporary or contractual employees may not sign contracts, agreements or other documents which bind the Department or a division, office, facility or unit within the Department, and any such document signed by these prohibited individuals is void.
- No individual may enter into a contract, agreement or other document pursuant to this Directive that does not directly relate to the programs, work or business within the scope of the individual's employment.

The DHHS small purchase delegation is set at **\$25K** for Non-IT and IT procurements. Divisions, offices and facilities can execute contracts at this level without further review and approval as long as, all procurement rules and regulations are followed. Procurements *above \$25K* shall be routed to **OPCG** for review and approval by either **OPCG (NON-IT (\$25k-\$50K)**, **DOA P&C (NON-IT above \$50K)** or **DIT (IT above \$25K)**. This delegation may not apply when utilizing a *State Term Contract (STC)*, please refer to the STC requirements and contact OPGC for guidance. A contract signed by an individual for an amount greater than those listed above shall not automatically become void. In such circumstances, notification shall be made to the appropriate **Deputy Secretary and General Counsel** for further review, investigation, and determination

Verify





- Verify that they have the written authority to sign a contract at the proposed dollar value (Sec. Dir. 004 or written delegation)
- Verify that all required contract reviews and approvals have been completed.
- Signing the contract is the **final step** in ensuring that **ALL procurement laws and regulations have been followed**.

Quick Reference

- **NON-IT CONTRACTS:** Contracts up to \$25K. The Divisions, Offices and Facilities have review and approval authority. However, P&C's and OPGC's Procurement Rules and Guidelines must be followed.
- Contracts **above \$25K up to \$50K**. OPGC is the review and approval authority.
- Contracts **above \$50K**. DoA P&C is the review and approval authority. These must be submitted to **OPCG** and **OPCG** will provide guidance through the P&C process.
- **IT CONTRACTS:** Contracts up to \$25K. The Divisions, Offices and Facilities have review and approval authority. However, DIT's and OPGC's Procurement Rules and Guidelines must be followed. Contracts **above \$25K**. DIT is the review and approval authority. These must be submitted to OPGC and OPGC will guide them through the DIT process.
- **GRANTS: Grants up to \$200K**. The Divisions, Offices and Facilities have review and approval authority. However, all applicable Federal Rules, NC General Statutes and NC Admin Code *must be followed*. OPGC is available to assist in reviewing Grants at this level and or assist in the **RFA** process. **Grants above \$200K**. OPGC is the review and approval authority.

SECRETARIAL DIRECTIVE 004

SIGNATURE AUTHORITY BY ROLE

	CHIEF DEPUTY SECRETARY	DEPUTY SECRETARY	DIRECTOR OF A DIVISION	ASSISTANT SECRETARY	DIRECTOR OF A FACILITY
 <p>DEPARTMENT CONTRACTS</p>	<ul style="list-style-type: none"> may sign and execute Department contracts and legal agreements of any value. may sign any Department contracts and legal agreements in which no funds will be exchanged. In addition, they may designate individual/s to sign and execute Department contracts and legal agreements 	<ul style="list-style-type: none"> may sign and execute Department contracts and legal agreements. 	<ul style="list-style-type: none"> may not be designated to sign contracts and legal agreements where the Department is the named party. 	<ul style="list-style-type: none"> may sign and execute Department contracts and legal agreements. 	<ul style="list-style-type: none"> may not be designated to sign contracts and legal agreements where the Department is the named party.
 <p>DIVISIONAL OFFICE, FACILITY, OR UNIT CONTRACT</p>	<ul style="list-style-type: none"> may sign and execute Division/Office/Facility contracts and legal agreements of any value. The Chief Deputy Secretary may designate a Deputy Secretary or Assistant Secretary to sign and execute Divisional/Office/ Facility contracts and legal agreements of any value through a written delegation. can sign any Division/Office/Facility contract and/or legal agreement in which no funds will be exchanged 	<ul style="list-style-type: none"> may sign and execute Division/Office /Facility contracts and legal agreements up to \$5,000,000 (total value of contract) unless designated can sign any Division/Office/Facility contract and/or legal agreement in which no funds will be exchanged 	<ul style="list-style-type: none"> may sign and execute Division/Office/Facility contracts and legal agreements up to \$1,000,000 (total value of contract) without a written delegation. can sign after consultation with their immediate supervisor (Deputy Secretary, Assistant Secretary or Senior Director). 	<ul style="list-style-type: none"> may sign and execute Division/Office /Facility contracts and legal agreements up to \$5,000,000 (total value of contract) can sign any Division/Office/Facility contract and/or legal agreement in which no funds will be exchanged 	<ul style="list-style-type: none"> may sign and execute Division/Office/Facility contracts and legal agreements up to \$1,000,000 (total value of contract) without a written delegation. can sign after consultation with their immediate supervisor (Deputy Secretary, Assistant Secretary or Senior Director).
 <p>CONTRACTS W/STATE AGENCIES</p>	<ul style="list-style-type: none"> ● For <u>any contract and/or legal agreement</u> between the Department, or a division, office, facility or unit within the Department, and another State Agency, the appropriate Deputy Secretary or Assistant Secretary or their designee, after consultation with the Secretary, may sign and execute the document. ● <i>This provision shall not apply to contracts, agreements or other legal documents entered into with any University within the University of North Carolina System, which may be signed and executed in accordance with paragraph 2(b).</i> 				
 <p>CONTRACTS DHHS DHB</p>	<p>All contracts, agreements or other documents executed by the Division of Health Benefits (NC Medicaid) shall not be executed based on the value limits . All contracts, agreements or other documents executed by the Division of Health Benefits shall be signed by the Deputy Secretary for Medicaid.</p>				

QUICK REFERENCE

NON-IT CONTRACTS: Contracts up to \$25K. The Divisions, Offices and Facilities have review and approval authority. However, P&C's and OPCG's Procurement Rules and Guidelines must be followed.

- Contracts **above \$25K up to \$50K**. OPCG is the review and approval authority.
- Contracts **above \$50K**. DoA P&C is the review and approval authority. These must be submitted to **OPCG** and **OPCG** will provide guidance through the P&C process.

IT CONTRACTS: Contracts **up to \$25K**. The Divisions, Offices and Facilities have review and approval authority. However, DIT's and OPCG's Procurement Rules and Guidelines must be followed. Contracts **above \$25K**. DIT is the review and approval authority. These must be submitted to OPCG and OPCG will guide them through the DIT process.

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