



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN
GOVERNOR

DR. DEVDUTTA SANGVAI
SECRETARY

SECRETARIAL DIRECTIVE 003

DATE: August 6, 2026

SUBJECT: Delegation of Authority Concerning Grants, Budget and Financial Matters

1. **SCOPE**. This Directive applies to all divisions, offices, facilities, and units within the North Carolina Department of the Health and Human Services. The provisions of this Directive shall not be construed to interfere with or impede the authorities or duties prescribed by law to specific divisions, offices, facilities or units, or individuals within those units.
2. **SIGNATURE AUTHORITY**. The provisions of Secretarial Directive 001 are incorporated herein. In addition, the following directives shall govern the authority of officers and employees of the Department in seeking grant funding from public and private entities that binds the Department or any division, office, facility or unit, or individual within those units.
 - a. **Department Grant Funding**. For any grant application or proposal for funding, including competitive and non-competitive grant applications, formula and other types of mandatory grants and block grants in which the Department is the named party (as opposed to a specific Division, Office, or Facility), the appropriate Deputy Secretary, including the Chief Deputy Secretary, Chief Officer, including the Chief Regulatory Officer and Chief Financial Officer, or their designee shall have the authority to review, approve, and sign all grant applications or proposals for funding. Regardless of the final signatory, in order to ensure strategic use of grant funds, the approval process for grant applications and other associated documents should include leaders from divisions and offices across the Department with a stake in that work. As a part of this directive, the Deputy Secretary or Chief Officer shall further ensure that a documented delegation of authority is in place to an authorized organizational representative(s) for the purpose of submitting grant applications and proposals once the grant application or proposals has been approved.
 - i. **State plans and state plan amendments and reporting for grant funding**. The appropriate Deputy Secretary, Chief Officer or their designee shall have the authority to review, approve, and sign all state plans, state plan amendments and required reporting.
 - ii. **Grant continuation, application renewals and federal cooperative agreements**. The appropriate Deputy Secretary, Chief Officer or their designee shall have the authority to review, approve, and sign all grant continuation, renewals, and federal cooperative agreements.

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- iii. **Block Grants.** The appropriate Deputy Secretary, Chief Officer, or their designee, shall have the authority to review, approve block grant plans for each block grant under their purview, including any reporting.
 - iv. A Deputy Secretary or Chief Officer shall not delegate any actions under (a)(i)-(iii) involving (1) commitment for a new program or service not authorized under the Department's purview or an explicit act of the General Assembly, and/or (2) continuing financial commitment obligating the Department as a consequence of accepting the grant funds beyond the period of the grant or action.
 - v. The Chief Deputy Secretary may sign or, notwithstanding paragraphs (a)(i)-(iii), may specifically designate a Deputy Secretary or Chief Officer to sign the subject grant, proposal, agreement or other document. Any grant, proposal, agreement or other document defined above, may also be signed by the Chief Deputy Secretary.
 - vi. Any delegation by a Deputy Secretary or Chief Officer for carrying out the above obligations shall be documented in writing and submitted to the General Counsel.
- b. **Budget Formulation.** The appropriate Deputy Secretary or Chief Officer shall review primary budget documents for the biennial planning period and recommended adjustments to that budget reflecting change budgets including expansion, block grant plans and supplemental budgets, proposed and submitted by the departmental divisions, facilities and offices, etc. These budget documents may be submitted through the division or office director and/or assistant secretaries, as applicable. After review, the Deputy Secretaries or Chief Officers shall make appropriate recommendations to the Chief Deputy Secretary and Secretary regarding modification and approval and submission to the Office of State Budget and Management.
- c. **Budget Execution and Control of Funds.** The appropriate Deputy Secretary, including the Chief Deputy Secretary, or Chief Officer shall delegate in writing to appropriate Assistant Secretaries, Senior Directors and/or Division, Office or Facility directors the authority to:
- i. incur obligations and make expenditures within the budgetary resources appropriated, certified and/or authorized to the division, office or facility consistent with applicable State and federal authority;
 - ii. request allotment of funds in accordance with State policy;
 - iii. salary control; and
 - iv. operationalize, adjust and/or realign requirements and revenues in the division, office of facility's base or authorized budget to maintain appropriate operational levels.
- d. The Deputy Secretaries and Chief Officers shall have oversight and delegate responsibility to the Division/Office/Facility Director to maintain a system of administrative control of funds including cash management as authorized and in accordance with State accounting and financial policies and procedures of the Division of Budget and Analysis, Office of State Budget and Management, the Office of the DHHS Controller, the Office of State Controller and state statute.
- e. The Deputy Secretaries and Chief Officers shall have authority and be responsible for the preparation, review, and the execution of responses to correspondence or inquiries regarding issues of direct relevance to departmental budgetary matters, programmatic issues of direct relevance to the Fiscal Research Division and other relevant legislative divisions of the North Carolina General Assembly, issues of direct relevance to the North Carolina Office of the Governor, Office of State Budget and Management, Office of the State Controller and Department of Administration.

3. **AUTHORITIES.**

- a. N.C. Gen. Stat. § 143B-10
- b. N.C. Gen. Stat. § 143B, Article 3
- c. N.C. Gen. Stat. § 143C

4. **OFFICE OF PRIMARY INTEREST.** The Office of the General Counsel; Division of Budget and Analysis; Office of the Controller.

5. **SECRETARY AUTHORITY.** This Directive and any delegation of authority herein shall not deprive the Secretary from performing, in lieu of the Chief Deputy Secretary, Deputy Secretary, Chief Officer or any other named official, any of the acts set forth above. This delegation of authority may be amended or withdrawn by the Secretary at any time and without notice. This delegation of authority shall not apply to any actions which by law, regulation or Executive Order, may only be executed by the Secretary.

6. **PRIOR DIRECTIVES AND DELEGATIONS.** This Directive and any delegation of authority herein shall supersede any previously issued directive or delegation, whether by the below signed Secretary or any previous Secretary, that conflicts with the terms set forth above.

Signed by:

Devdutta Sangvai

Devdutta Sangvai, MD, JD, MBA
Secretary

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