

## **DHHS POLICIES AND PROCEDURES**

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<b>Section VI:</b>	<b>Property and Construction</b>
<b>Title:</b>	<b>Formal Construction Contracts</b>
<b>Current Effective Date:</b>	<b>9/17/14</b>
<b>Revision History:</b>	<b>8/1/02</b>
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### **Purpose**

The purpose of this policy is to describe the formal contract process for the North Carolina Department of Health and Human Services (NC DHHS).

### **Policy**

Formal construction projects are those with a value of \$500,000 or more. The State Construction Office has responsibility for issuing a construction award letter for formal state projects. It is the sole responsibility of the Division of Property and Construction to recommend the award of construction contracts for all departmental projects to the State Construction Office.

### **Implementation**

All requests for the award of a construction contract must come from the Division of Property and Construction. The Division of Property and Construction receives contract award recommendations and a certified bid tabulation from the project design firm and reviews the recommendations for budgetary and quality control purposes. If the division does not concur with any part of the recommendation it discusses the differences with the design firm and a different recommendation is submitted. Once the division is satisfied that a recommendation is within the budget and best meets the needs of the department it submits a formal written recommendation for the award to the State Construction Office. Once the State Construction Office issues a construction award letter it informs the division, the design firm and the institution, school or other DHHS entity involved. The designer then develops the construction contract and distributes it for signatures. The director of the Division of Property and Construction has the signatory authority for construction contracts for the DHHS. No contract is valid without the signature of the director or his designee.

### **Reference**

DHHS Directive Number II-17 and G.S. 143 B-10; 122C-403(1) through (8); G. S. 160A-148

**For additional relevant information and forms:**

State Construction Office: <http://www.nc-sco.com>

*For questions or clarification on any of the information contained in this policy, please contact [Property and Construction](#). For general questions about department-wide policies and procedures, contact the [DHHS Policy Coordinator](#)*