

AUDITOR'S REPORT

HARRIS COUNTY PURCHASING AGENT BLANKET PURCHASE ORDERS



October 22, 2026

**Michael Post, CPA, CIA
Harris County Auditor**

Leslie Wilks, M.Jur., CPA, CFE
First Assistant County Auditor



Glenn Holloway, CPA, CIA, CFE
Chief Assistant County Auditor – Audit Division

Sharon Brantley Smith, MBA, CIA, CFE
Chief Assistant County Auditor – Harris Health

**MICHAEL POST, CPA, CIA
HARRIS COUNTY AUDITOR**

October 22, 2026

Dear Kimberly Williams, Purchasing Agent:

The Harris County Auditor's Office – Internal Audit Division performed an audit of the processes and controls around blanket purchase orders within the Purchasing Agent's Office (Purchasing) for the audit period of October 1, 2025, to April 30, 2026. The purpose of this audit was to determine whether:

- Implementation of the procurement card (P-Card) program reduced or mitigated the use of blanket purchase orders.
- Blanket purchase orders were in compliance with policy regarding dollar amount thresholds.
- Invoices charged against blanket purchase orders reasonably represented the goods and services requisitioned.

Procedures Performed

We worked with Purchasing to identify blanket purchase orders (POs) potentially suitable for P-Card use for the period of October 1, 2023, to February 28, 2026.¹ We compared quarterly voucher amounts charged to the identified POs with total countywide P-Card expenditures, as presented in Graph 1 in the Background section. We also assessed aggregate encumbrance amounts for the identified POs against the formal procurement dollar thresholds established in the Harris County Purchasing Manual. The threshold was \$50,000 before September 19, 2025, and \$100,000 beginning on that date. We selected invoices from the audit period and reviewed whether the charges were consistent with the goods and services requisitioned by departments.

Results

The quarterly comparison in Graph 1 shows changes in the amount expended on blanket POs against countywide P-Card usage for the same period.

The identified blanket POs were in compliance with Purchasing's policy thresholds. The sampled invoices charged against blanket POs reasonably represented the goods and services requisitioned. No exceptions were identified in these two areas.

¹ This period covers implementation of the P-Card program until the transition from CitiBank to Chase Bank as the P-Card issuer.

We appreciate the time and attention provided by you and your staff during this engagement. Please anticipate an email request to complete the Audit Division's Post Engagement Survey. We look forward to your feedback. If you have any questions, please contact me or Glenn Holloway, Chief Assistant County Auditor, 713-274-5673.

Sincerely,



Michael Post
County Auditor

BACKGROUND

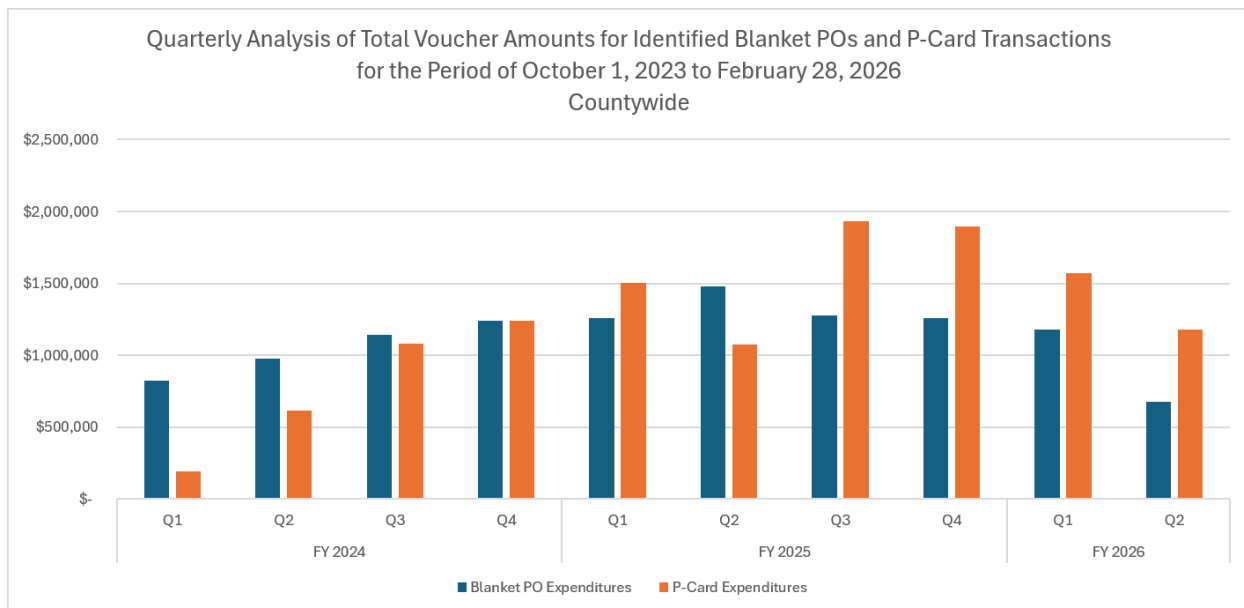
Purchasing's primary responsibility is to procure goods and services for Harris County departments in a fair, transparent, and competitive manner consistent with applicable requirements. This includes issuing POs, including amount-only blanket POs.

Unlike POs based on specified quantities and prices, an amount-only blanket PO establishes an estimated spending amount for recurring needs. Departments may use the same PO for multiple purchases during the budget year rather than obtaining a separate PO for each purchase. The estimated amount is based on prior purchasing activity and anticipated needs, and the amount is encumbered when the PO is established.

In October 2023, Purchasing implemented a P-Card program to provide another way for departments to make eligible purchases. One goal was to reduce the need for blanket POs used for smaller recurring purchases and make funds otherwise encumbered on those POs available for other purposes.

Graph 1 presents quarterly voucher amounts charged to the identified blanket POs involving purchases potentially suitable for P-Card use, alongside total countywide P-Card expenditures. The blanket PO amounts represent identified blanket POs, while the P-Card amounts include all countywide P-Card activity. FY 2026 Q2 includes only January and February 2026. The graph describes activity in these two groups; it does not establish whether P-Card use caused a change in blanket PO activity.

Graph 1



Accountability

We conducted this engagement in conformance with the Global Internal Audit Standards issued by The Institute of Internal Auditors.

The engagement was not designed to detect every instance of fraud, error, or omission. Management remains responsible for managing risks and establishing, implementing, and maintaining effective controls to support the achievement of organizational objectives.

cc:

District Judges

County Judge Lina Hidalgo

Commissioner Lesley Briones

Commissioner Rodney Ellis

Commissioner Adrian Garcia

Commissioner Tom Ramsey

County Attorney Abbie Kamin