

In addition, it validates the actual goods that the buyer wants to be delivered with a condition that the purchase is paid at a later date as agreed by both parties. The P.O. is used by the seller to protect themselves upon offering credit to buyers.

10 Types of Purchase Order

Construction Purchase Order

A [construction purchase order](#) is a fundamental financial element of the whole project contract, validated by both the buyer and the seller. It generally illustrates the type of deliverables, number of deliverables, agreed-upon cost, payment term, due dates, delivery method, and reference number that helps track the document. Its main purpose is to determine the actual cost of a contract even before the work has been completed.

CONSTRUCTION PURCHASE ORDER

[Insert Company Name] PO #:
[Insert Address] ORDER DATE:
[Phone Number] PAYMENT TERMS:
[Email Address] FREE ON BOARD POINT:
FREIGHT TERMS:
SALES TAX:

Vendor Ship To
[Insert Name of Vendor] Ship To:
[Insert Address] Company Name:
[Insert Fax #] Address:
[Insert Phone #] Phone:

REQUIRED SHIP DATE: February 26, 2038

ITEM #	QUANTITY	UNIT	ITEM DESCRIPTION	UNIT COST	TOTAL COST
1	12	PCS	Junction box, PVC, deep type	\$900.00	\$10,800.00
2	23	SET	Convenience outlet, 2-gang	\$378.00	\$8,694.00
3	11	ROLL	Flexible conduit, D-25mm	\$2,778.00	\$30,558.00
4	10	PAIRS	Circuit breaker, 60A	\$2,324.00	\$23,240.00
5	5	BOX	THHN electrical wire, 14mm2	\$233.00	\$1,165.00
6	10	GALS	Concrete nutralizer	\$2,334.00	\$23,340.00
TOTAL				\$8,947.00	\$97,797.00

Authorized By: [Insert Name of Authorized Person] Date:
Position: [State His or Her Position]
Company Name: [Write the Name of Company]

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IT and Software Purchase Order

Requests for IT services should be clearly specified in the [IT and Software Purchase Order](#) to avoid any confusion. For companies trying to do business digitally, keep in mind that a well-defined P.O. can help prevent order duplicates. Hence, reducing the possibility of costly matters and activities for any purchasing party.

[Insert the company's name here.]
[Insert the company's address here.]

Name: [Insert the client's name here.]
Address: [Insert the client's address here.]
Contact Number: [Insert the client's contact number here.]
Date of Arrival: [Insert the date of arrival here.]

Item	Quantity	Unit Price	Total
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
[Specify the item required for purchase here.]	0	\$0.00	\$0.00
Subtotal			\$0.00
Tax Percentage			0.00%
Delivery Fee			\$0.00
Overall Total			\$0.00

Purchase Order Remarks

[Specify purchase order remarks here.]



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Retail Purchase Order

Every shop needs proof of a transaction with its supplier. A [retail purchase order](#) makes it even more valid to the parties in agreement. In case you haven't yet made yours, keep the design professional as it represents your company.

RETAIL PURCHASE ORDER

P.O. #: _____
Date: _____

CUSTOMER INFORMATION:

CUSTOMER NAME: _____ Customer ID #: _____
PHONE #: _____ FAX #: _____

SHIPPING ADDRESS:

CITY: _____ STATE: _____ ZIP CODE: _____
E-MAIL ADDRESS: _____ WEBSITE: _____

QUANTITY	PATTERN	FABRIC NAME	PRICE PER YARD	TOTAL
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
			SUB TOTAL	\$0.00

CREDIT CARD INFORMATION:

AMEX: _____ VISA: _____ MASTERCARD: _____
SEC. CODE: _____ 3 DIGITS ON CARD BACKSIDE: _____
CREDIT CARD NUM: _____ EXP. DATE: _____
NAME OF CARDHOLDER: _____
IN THE AMOUNT OF \$: _____ FOR INVOICE: _____
PO#: _____ ACK.#: _____
FOR OFFICE USE ONLY: _____ DATE OF TRANSACTION RUN: _____
PERSONAL NAME: _____

Signature

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Restaurant Purchase Order

Restaurants cannot operate in the absence of their suppliers. Before the magic in the kitchen even happens, they need to gather all the necessary ingredients which are then reflected and collected from their suppliers through the [restaurant purchase order form](#). This transaction doesn't happen only once but as long as both agreeing parties are happy with their business partnership.

PURCHASE ORDER FORM

[ADD P.O. NUMBER HERE]

[SPECIFY DATE]

[SPECIFY VENDOR NAME]
[SPECIFY COMPLETE ADDRESS]
[SPECIFY CITY] [SPECIFY ZIP CODE]
[ADD PHONE NUMBER]
[ADD FAX NUMBER]
[ADD INVOICE NUMBER]

ORDER BY:

[SPECIFY RESTAURANT MANAGER NAME]
[SPECIFY COMPANY NAME]
[SPECIFY COMPLETE ADDRESS]
[SPECIFY CITY] [SPECIFY ZIP CODE]
[ADD PHONE NUMBER]
[ADD FAX NUMBER]

QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL

[412 Roosevelt Street, San Francisco, CA 94114]
[+1 415 359 1127 | hello@gourmet.com]
[gourmet.com]

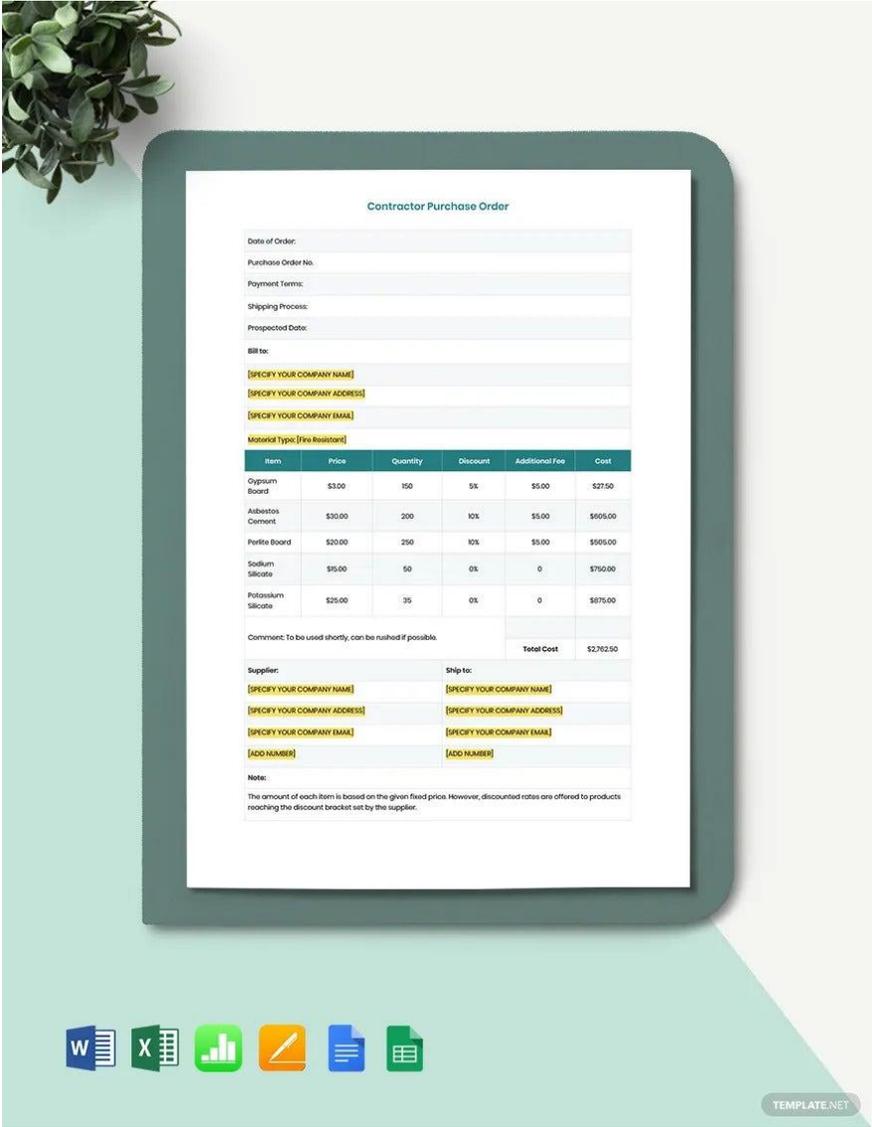
Gourmet
RESTAURANT

W ✏ 📄

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Contractor Purchase Order

A contractor is a project manager commissioned on a project, typically in the construction industry. A [contractor purchase order](#) is essential in the purchase requisition of building materials with which permission is required and approved first before the purchasing department can proceed with the order and send it to the supplier. Below is an example of the said purchase order.



Standard Purchase Order

A [standard purchase order](#) pertains to product or service orders that are already known. It's no different from any other purchase order, but only that, this can be a one-off procurement that requires the purchaser to complete the specifications of the products or services to be delivered. To get a closer look at what a standard P.O. looks like, check out this example below.

STANDARD PURCHASE ORDER

Date _____

Item No	Description	Quantity	Each Price	Total Each Price * Quantity
Sub Total			\$0.00	
Shipping and Handling			\$0.00	
Total Price			\$0.00	

Billing Address

Name			
Title			
Institute / Commercial Name			
Address			
Country		Zip Code	
Phone		Fax	
Email			

Shipping Address

Name			
Title			
Institute / Commercial Name			
Address			
Country		Zip Code	
Phone		Fax	
Email			

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Work from Home Purchase Order

A [work from home purchase order](#) is created for services usually delivered by a freelance contractor. It includes all the details reflected on the other types of P.O., as well as the official confirmation of the job order. A good example of this is illustrated here.

The image shows a sample purchase order form with the following sections and placeholder text:

- Terms & Conditions**
- Delivery of services**

The service provider shall deliver the services to the client in accordance with the terms set forth in the contract. The contractor shall perform the services in a professional manner according to the standards of the industry. The contract shall, therefore, deliver the services on or before the specified due date.
- Security deposit**

The client shall pay a security deposit amounting to [10%] of the total contract price prior to the commencement of work. The same amount shall be refunded after the completion of the project.
- Terms of payment**

The client shall pay the full amount at the end of the contract period through [cash,] [debit] or [credit card,] check, or wire transfer.
- Contract period**

The contract period for this project is [thirteen (13)] days, subject to extension at the discretion of the client. Renewal of the contract entails additional costs, applying the same rate.
- Authorized By:**

[Maxell G. Pritchett]
[Signature Over Printed Name]

At the bottom right of the form, there is a small logo that reads "TEMPLATE.NET".

Purchase Order Uses, Purpose, Importance

While purchase orders help both the seller and the ordering business monitor orders, these legally binding documents are technically created and filled in case disputes arise. They are solid proofs of the purchase, encompassing the payment and delivery agreements. Meanwhile, here are the common uses and purposes of the issued P.O.s, as well as their importance.

Legal Proof of Transaction

P.O.s are the official proofs of transactions that should be kept in electronic or paper form to prove the validity of the purchase, whether a certain dispute comes up or not. You may consider keeping an electronic copy online through your email for quick access just in case.

Order Tracking

The vendor and the purchasing party use the issue P.O. in keeping track of transactions. This enables them to increase efficiency and improve financial gains.

Better Outcomes

The P.O. provides documentation of the agreed terms and conditions. Therefore, if one party fails to recall any of the specifications on the contract, this document can lay out anything that has been missed.

What's in a Purchase Order? Parts?

P.O. Number

A P.O. number is a specialized number that is assigned to a P.O. form. This plays a critical role in the receipt for the products or services that a customer requires from a supplier.

Purchase Order Date

A P.O. date is a date upon which the P.O. is issued by a purchaser to a supplier. It also states the date of the product delivered agreed and confirmed by the supplier.

Vendor's Name and Billing Address

This part indicates the address and with whom the checks or payments are mailed or forwarded. Sometimes, it contains more than one mailing location, particularly for those with several branches, but there should be a designated parent, otherwise.

Buyer's Name and Shipping Address

This indicates to whom and where the order is to be delivered. Sometimes, the billing address and shipping address are not the same as the billing address bespeaks where the invoices should be mailed.

Delivery Date

The delivery date is the actual date of the shipment.

Shipping Method

The shipping method refers to the type of service for which the customer wants upon checkout. It also indicates the rates of the carriers for their purchase.

Shipping Terms

The shipping terms signify the point at which the contractor ships the products or services agreed upon by both parties. These often involve the state shipping laws.

Item Name

The product to be purchased has to be labeled accurately. By and large, this comes with technical information and description.

Item Quantity

This refers to the number of goods to be purchased.

Item Unit Cost

The unit cost is the actual price of a product per unit. This is typically assigned in accordance with the production and the cost of overhead during the manufacturing process.

Taxes

Every item or service pursued commercially is entitled to mandatory financial charges levied by the government. These will be used to fund necessary government spending.

Total Price

Total price refers to the full purchase price of the overall consumer items to be bought with the exclusion of sales tax and container deposit.

Payment terms

The payment terms outline the method by which the customer provides payment to the company. It consists of how and when the purchase is to be made.

Purchase Orders Anatomy

Vendor's Name and Billing Address

SOFTWARE PURCHASE ORDER

[COMPANY LOGO]
[COMPANY NAME]
[COMPANY ADDRESS]
[COMPANY PHONE NUMBER/S]

PURCHASE ORDER INFORMATION
P.O. Number: [Purchase Order Number]
Software Name/Title: [Name of Software Purchased]
Date of Order: [Date]
Processed by: [Name of Employee/s from Your Company]

CUSTOMER INFORMATION
Name/s: [Customer's Name/s]
Address: [Customer's Address]
Contact Number: [Customer's Contact Number]

If customer is a company or organization,
Company: [Company Name]
Company Address: [Company Address]
Company Phone Number/s: [Company Phone Number/s]
Customer's Signature: [Customer's Signature]

Product/Service	Description	Quantity	Unit Price	Total
Product 1	Product 1 Description	#	[\$ 00.00]	[\$ 000.00]
Product 2	Product 2 Description	#	[\$ 00.00]	[\$ 000.00]
Product 3	Product 3 Description	#	[\$ 00.00]	[\$ 0,000.00]
Service 1	Service 1 Description	#	[\$ 000.00]	[\$ 0,000.00]
Service 2	Service 2 Description	#	[\$ 00.00]	[\$ 000.00]
Service 3	Service 3 Description	#	[\$ 00.00]	[\$ 000.00]
Subtotal:				[\$ 00,000.00]
Tax Rate:				5%

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P.O. Number

Purchase Order Date

Delivery Date

Item Name

Buyer's Name and Shipping Address

Item Quantity

Shipping Method

Item Unit Cost

Sales Tax:	[\$ 000.00]
Other Fees:	[\$ 000.00]
TOTAL:	[\$ 00,000.00]

PAYMENT SCHEDULE

Payment No.	Receipt No.	Received by	Amount Paid	Payment Date
[Payment #]	[Receipt No.]	[Name]	[Amount]	[Date]
[Payment #]	[Receipt No.]	[Name]	[Amount]	[Date]
[Payment #]	[Receipt No.]	[Name]	[Amount]	[Date]

TERMS & CONDITIONS
[Your Company Name] and [Customer's/Company Name] agree to the following terms and conditions:

- Any reference of this purchase order document is solely for the purpose of incorporating the descriptions and/or specifications set out in this receipt for the product or service proposal and quotation that will be presented by [Your Company Name/Supplier's Company Name].
- The customer's agreement to any additional or revisions of the data of this receipt or of the proposal or quotation will only be constituted unless agreed upon writing by the [Your Company Name] to [Customer's/Company Name].
- No charges shall be billed to [Customer's/Company Name] for freight, transportation, insurance, shipping, storage, handling, demurrage, cartage, packaging, or similar charges unless provided in this purchase order slip otherwise agreed to in writing by [Customer's/Company Name].

AUTHORIZATION
[Your Company Name] and [Customer's/Company Name] agree to what is specified in this purchase order receipt. Signed by the undersigned parties this [DATE] of [MONTH] [YEAR].

[CUSTOMER'S SIGNATURE]
[CUSTOMER'S NAME]

[AUTHORIZED SIGNATURE]
[YOUR COMPANY NAME]

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Taxes

Total Price

Payment terms

Shipping Terms

How to Design a Purchase Order?

- 1, Choose a [Purchase Order Size](#).
2. Decide the best [Purchase Order Ideas](#) & Examples.
3. Select the [Purchase Order Templates](#) that best suit your need.
4. Indicate the issue data.
5. Enter the specified P.O. number.
6. Add business information along with the billing address of both the buyer and the seller.
7. Provide product details, including the model number, description, quantity, etc.
8. State the delivery date.

You may also refer to this helpful article on how to create purchase orders using MS Excel.

[How to Create a Purchase Order in Excel](#)

How to Design a Purchase Orders?

- 1 Choose a Purchase Order Size.
- 2 Decide the best Purchase Order Ideas & Examples.
- 3 Select the Purchase Order Templates that best suit your need.
- 4 Indicate the issue data.
- 5 Enter the specified P.O. number.
- 6 Add business information along with the billing address of both the buyer and the seller.

Purchase Order vs Order

A purchase order pertains to the outgoing order made for the purchase of products or services and is raised by an organization with information that concerns the quantity and specification of the purchase.

An order, on the other hand, implies the orders received by the vendor from the customer, serving as a confirmation document of the supply agreed to be delivered.

What's the Difference Between Purchase Order, Invoice, and Receipt?

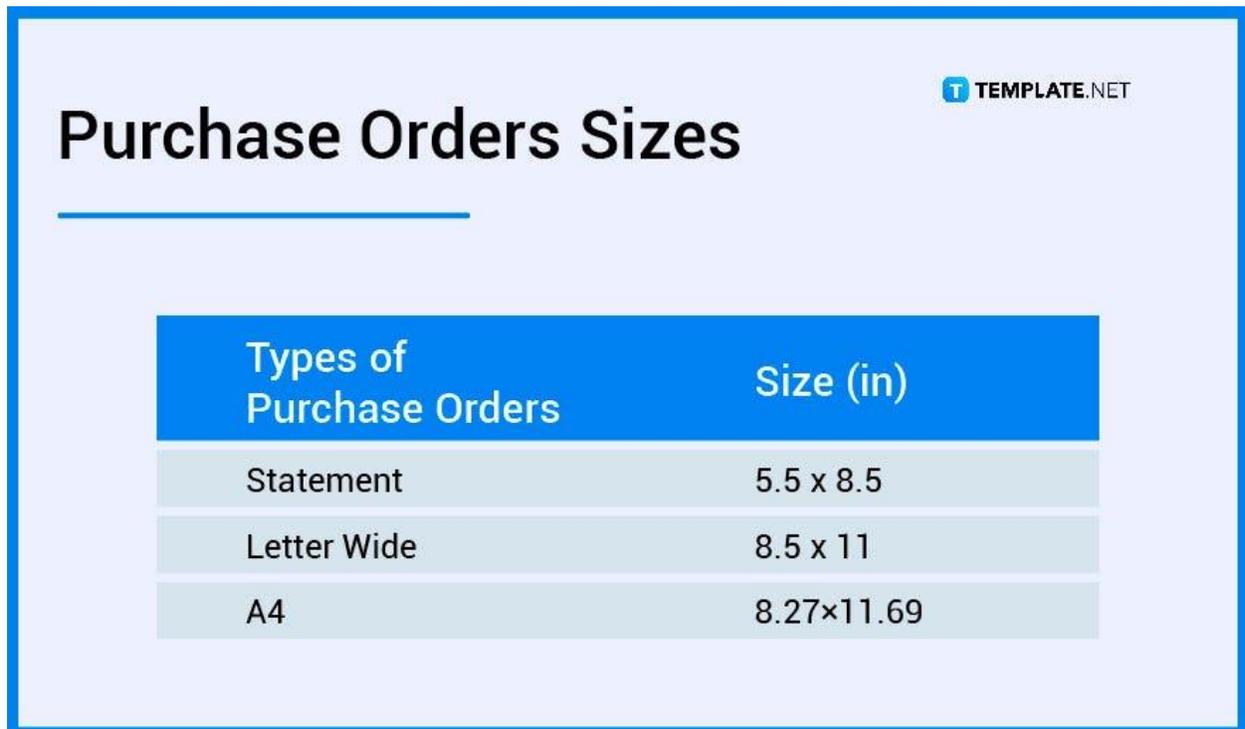
A purchase order is created by the buyer, indicating the green light for the transaction.

An invoice is the official payment request or bill issued by the seller upon successful order fulfillment.

A receipt is an official document issued after the payment has been made, serving as proof of the transaction.

Purchase Order Sizes

The [purchase order sizes](#) may vary from company to company. Indicated below are the commonly acceptable sizes with their corresponding measurements in inches.

A table titled "Purchase Orders Sizes" with a blue header and a light blue background. The table lists three types of purchase orders and their corresponding sizes in inches. The header row is blue with white text. The data rows are light blue with black text. A logo for "TEMPLATE.NET" is in the top right corner of the table area.

Types of Purchase Orders	Size (in)
Statement	5.5 x 8.5
Letter Wide	8.5 x 11
A4	8.27x11.69

Purchase Order Ideas & Examples

Coming up with a good design for a purchase order doesn't have to be difficult with these [purchase order ideas](#) and examples. Whichever industry you're in, these here can be very helpful.

- Freelance Purchase Order Ideas and Examples
- Request for Information in Advance of Purchase Order Ideas and Examples
- Subcontractor Construction Purchase Order Ideas and Examples
- Construction Work Purchase Order Ideas and Examples
- Purchase Order Format Ideas and Examples
- Purchase Order Confirmation Ideas and Examples
- IT Project Purchase Order Ideas and Examples
- Purchase Order Letter Ideas and Examples
- Purchase Order Log Ideas and Examples
- Letter Purchase Order Issued on Acceptance of Delivery Date Ideas and Examples

FAQs

What Should a Purchase Order Include?

A purchase order should include the contact information of both the buyer and the seller, PO number, item stock keeping unit (SKU), product description, quantity, price, subtotals/taxes/totals, and payment due date.

What is a Purchase Order Workflow?

A purchase order workflow is an SAP software inbuilt process that enables buyers to streamline purchase requisition and their search for potential vendors upon which they can internally create and approve the purchase order.

Why Do Companies Use Purchase Orders?

Purchase orders can serve as legally binding documents that formalize the pricing and requirements of the goods or services that have been ordered.

Who Approves the Purchase Order?

The vendor approves the purchase order and this will be treated as legally valid upon doing so.

How Do Purchase Orders Work?

Purchase orders can function as a legal agreement between the vendor and buyer, ensuring that the buyer is legally liable to pay the seller upon receipt of their requested item or service.

What is the Purchase Order Process?

The purchase order process plays a critical role in the procurement process, from the confirmation and specification of the buyer's actual service or goods needs to the actual purchase that also involves payment processing and result auditing.

Who Prepares a Purchase Order?

The shop owner should create and prepare the purchase order, detailing everything that they want for a supplier.

What are the Payment Terms in a Purchase Order?

In a typical purchase order terms and conditions, buyers are given a 45-day period after the invoice date for which the goods received are paid.

What is the Flow of a Purchase Order?

A purchase order involves P.O. creation, approach, dispatch, receipt of delivery, a three-way matching of the invoice, P.O., received report, payment, and P.O. closure.

What is Purchase Order Preparation?

Purchase order preparation entails the vendor's authority in providing and invoicing the specified good or services generated by the procurement services department in accordance with the purchase requisition details.