

# STAFFING AGENCY CONTRACT

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This Staffing Agency Contract (the "Contract") is effective as of this \_\_\_\_ day of \_\_\_\_\_, by and between:

**Staffing Agency:** \_\_\_\_\_ a corporation located at  
\_\_\_\_\_ [Address] (the "Agency") and

**Client:** \_\_\_\_\_ ☐ an individual ☐ a corporation located at  
\_\_\_\_\_ [Address] ("Client").

WHEREAS, Agency provides temporary and/or permanent staffing services for various industries;

WHEREAS, Client is in need of such staffing services;

NOW, THEREFORE, the Parties agree as follows:

## 1. Rights, Duties, and Responsibilities.

a. Beginning on on \_\_\_\_\_, 20\_\_\_\_, Agency shall recruit, screen, interview, hire, and assign its employees ("Staff") to perform temporary and/or permanent employment in accordance with the terms and conditions set forth in this Contract.

b. Client shall provide Agency with job descriptions, qualifications, and other relevant information for each position to be filled.

c. At Client's expense, Agency shall perform background checks for all employees it selects for assignment to Client and will not assign unqualified personnel.

d. Agency, as the common law employer of assigned Staff, will pay wages and provide benefits offered by Agency. Agency will withhold, and transmit payroll taxes; provide unemployment insurance, and workers' compensation benefits.

e. Agency will comply with all federal, state, and local labor and employment laws, including, but not limited to, the Affordable Care Act and provisions applicable to the assigned employees of a staffing agency relating to minimum essential coverage and full-time employees. Client is free from indemnification under ACA.

f. Agency has the right to inspect the work site and address performance issues and to enforce Agency's employment policies.

g. Agency will provide an on-site coordinator at Client's business. Client has the right to disapprove of the coordinator and request a suitable replacement. Agency will provide substitutes to cover the coordinator in his or her absence during operational or business hours.



h. Client will provide the on-site coordinator with necessary office space and other resources agreed upon by the parties. The coordinator's duties will include:

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i. Client will supervise Staff performing work and maintain control over business operations, products, services, and intellectual property.

j. Client will provide Staff with a safe working environment and appropriate training and safety equipment necessary to avoid contact with hazardous substances or conditions.

k. Client agrees not to change the Staff's assigned job duties without Agency's prior written consent.

l. Client will exclude Staff from their benefit plans and avoid making offers or promises related to Staff's compensation or benefits.

m. In certain circumstances, group health plan coverage made available by Agency may be treated as an offer of coverage by Client. Client agrees to pay Agency an additional fee in the amount of \$\_\_\_\_\_ per month for each month an employee is enrolled in group health plan coverage while placed with Client.

☐ In certain circumstances, group health plan coverage made available by Agency may be treated as an offer of coverage by Client. Client agrees to pay Agency an additional fee in the amount of \$\_\_\_\_\_ per month for each month an employee is enrolled in group health plan coverage while placed with Client. (Optional)

**2. Compensation.** For services provided, Client agrees to pay Agency the fees specified below for the services rendered under this Contract.

a. For each temporary Staff assigned to Client, Client agrees to charge:

☐ Markup fee: A markup percentage of \_\_\_\_\_% over the temporary Staff's hourly wage. This markup covers wages, taxes, insurance, benefits, and the agency's fee.

☐ Fixed hourly rate: A fixed hourly rate of \$\_\_\_\_\_ for the temporary Staff, which includes the Staff's wages and the agency's fee.

Client will be invoiced ☐ weekly ☐ monthly with the payment due within \_\_\_\_\_ days of the invoice date.

b. For each permanent Staff placed with Client by Agency, Client agrees to pay:

☐ Contingency fee: A contingency fee of \_\_\_\_\_% of Staff's first-year annual salary.

☐ Retainer fee: A retainer fee based on ☐ \_\_\_\_\_% of Staff's annual salary ☐ a fixed amount of \$\_\_\_\_\_, with a portion paid upfront as a retainer and the remainder paid upon successful



placement.

c. If Client hires or engages any temporary Staff assigned by Staffing Agency as a direct employee or independent contractor within \_\_\_\_\_ days of the commencement of the Staff's assignment, Client agrees to pay Staffing Agency a conversion fee:

☐ Multiple of Final Billing Rate: Equal to \_\_\_\_\_ [A multiple, e.g., 3 times] of the Staff's final billing rate.

☐ Percentage of Annual Salary: Calculated as \_\_\_\_\_ % of the Staff's annual salary.

☐ Predetermined Fixed Amount: \$ \_\_\_\_\_.

The fee is payable within \_\_\_\_\_ days of the Staff's direct hire with the Client.

d. Client shall reimburse Agency for any pre-approved out-of-pocket expenses incurred by Agency in connection with this Contract.

e. As employees of Agency, Staff are not entitled to premium pay for overtime, holidays, or weekends unless Client authorizes, directs, or allows Staff to work during premium work time, in which case, the cost of premium pay will be passed on to Client.

**3. Term and Termination.** This Contract shall commence on ☐ \_\_\_\_\_, 20\_\_\_\_ ☐ the Effective Date and continue until terminated by either Party upon \_\_\_\_\_ days' written notice. Either Party may terminate this Contract immediately upon written notice to the other Party if the other Party breaches the terms of this Contract and fails to cure such breach within \_\_\_\_\_ days of receiving written notice of the breach.

**4. Relationships of the Parties.** Agency is an independent contractor and not an employee, agent, partner, or joint venturer of Client. Agency shall have no authority over Client. The Staff provided by Agency shall be deemed employees or contractors of Agency, and Agency shall be solely responsible for their supervision, direction, compensation, and any required benefits.

**5. Confidentiality.** Both Parties agree to keep confidential non-public information received from the other Party during the course of this Contract.

**6. Indemnification.** Each Party shall hold harmless the other Party from all claims, losses, damages, liabilities, costs, and expenses arising out of or relating to its breach of this Contract or any negligent or wrongful act or omission in connection with the performance of its obligations under this Contract.

## **7. General Provisions.**

a. This Contract contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations, and discussions, whether oral or written, between the Parties.

b. This Contract may be amended only in writing signed by both Parties.

c. This Contract shall be binding upon and inure to the benefit of the Parties and their respective



successors and permitted assigns. Neither Party may assign its rights or obligations under this Contract without the prior written consent of the other Party.

d. Any notices required or permitted to be given under this Contract shall be in writing and deemed given when personally delivered, to the Parties at their respective addresses set forth above or to such other address as a Party may designate by notice to the other Party.

e. Any dispute arising from this Agreement shall be resolved through:

☐ Court litigation. Disputes shall be resolved in the courts of the State of \_\_\_\_\_.

☐ If either Party brings legal action to enforce its rights under this Agreement, the prevailing party will be entitled to recover from the other Party its expenses (including reasonable attorneys' fees and costs) incurred in connection with the action and any appeal.

☐ Binding arbitration. Binding arbitration shall be conducted in accordance with the rules of the American Arbitration Association.

☐ Mediation.

☐ Mediation, then binding arbitration. If the dispute cannot be resolved through mediation, then the dispute will be resolved through binding arbitration conducted in accordance with the rules of the American Arbitration Association.

f. This Contract shall be governed by the laws of the State of \_\_\_\_\_.

g. If any provision of this Contract is held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect.

h. The failure of either Party to enforce any provision of this Contract shall not be construed as a waiver of such provision or any other provision, nor shall it affect the right of such Party thereafter to enforce such provision or any other provision.

IN WITNESS WHEREOF, the Parties have executed this Staffing Agency Contract as of the Effective Date.

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**Staffing Agency**  
Name

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**Staffing Agency Representative**  
Signature

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**Staffing Agency Representative**  
Name and Title

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**Client**  
Name

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**Client Representative**  
Signature

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**Client Representative**  
Name and Title

