Staffing Services Agreement

Template for a master agreement between a staffing agency ("Agency") and a client ("Client"). Individual assignments are confirmed in a separate assignment order or rate schedule. Replace every [Placeholder]. This template is a starting point; have counsel review it for the states where workers will be placed.

1. PARTIES AND TERM

This Staffing Services Agreement ("Agreement") is made on [Effective Date] between [Agency Legal Name], a [State] [corporation / LLC] with offices at [Agency Address] ("Agency"), and [Client Legal Name], a [State] [corporation / LLC] with offices at [Client Address] ("Client").

This Agreement begins on the Effective Date and continues for [one year], renewing automatically for successive [one-year] terms unless either party gives [30] days' written notice of non-renewal.

2. SERVICES AND ASSIGNMENT ORDERS

Agency will supply temporary workers ("Assigned Employees") to perform work for Client as described in written or electronic assignment orders ("Orders"). Each Order will state the job title, duties, work location, shift, start date, expected duration, pay rate, bill rate, any required qualifications or screening, and the Client supervisor. If an Order conflicts with this Agreement, this Agreement controls unless the Order expressly states otherwise and is signed by both parties.

3. EMPLOYMENT RELATIONSHIP

Agency is the employer of record of Assigned Employees. Agency will recruit, screen, hire, assign, pay wages, withhold and remit payroll taxes, provide workers' compensation coverage, maintain unemployment insurance, and provide any benefits required by law, including those under the Affordable Care Act where applicable. Agency will complete Form I-9 employment eligibility verification for each Assigned Employee.

Client will supervise and direct the day-to-day work of Assigned Employees at Client's worksite. Client will not change the duties, location or pay of an Assigned Employee without Agency's written agreement. Client will not ask Assigned Employees to [operate motor vehicles / handle cash or negotiable instruments / operate [equipment]] unless the Order specifically permits it.

4. SCREENING

Agency will perform the following screening for each Assigned Employee before assignment, as specified in the Order: [identity and work authorization / background check / drug screen / skills assessment / reference check / license verification]. Agency will conduct background checks in compliance with the Fair Credit Reporting Act and applicable state and local law. Client will not request screening that is not job-related and consistent with business necessity.

5. RATES, OVERTIME AND INVOICING

Client will pay Agency the bill rates set out in each Order or the attached Rate Schedule (Exhibit A). Bill rates include Assigned Employee wages, employer payroll taxes, workers' compensation, Agency overhead and margin.

Overtime hours, as required by the Fair Labor Standards Act and applicable state law, will be billed at [1.5] times the regular bill rate. [Double-time hours, where required by state law, will be billed at [2.0] times the regular bill rate.] Holiday hours will be billed at [rate]. If a statutory minimum wage, required benefit or mandatory payroll tax increases during the term, Agency may adjust affected bill rates by the amount of the increase plus applicable markup, with [15] days' written notice.

Agency will invoice Client [weekly] based on approved time records. Payment is due within [30] days of the invoice date. Late balances accrue interest at [1.5]% per month or the maximum allowed by law, whichever is lower.

6. TIMEKEEPING

Client will verify and approve the hours worked by each Assigned Employee each week by [day and time], through [Agency timekeeping system / signed timesheet]. Client's approval confirms the hours were worked. If Client does not approve or dispute time records by the deadline, the records submitted by Assigned Employees will be treated as approved for billing purposes. Agency will pay Assigned Employees for all hours worked, as required by law, whether or not Client has approved them.

7. WORKSITE SAFETY

Client will provide a safe workplace and comply with the Occupational Safety and Health Act and state safety laws. Client will provide site-specific safety training, hazard communication and personal protective equipment for the work performed, unless the Order states that Agency will provide [general safety orientation / specified PPE]. Client will notify Agency of any workplace injury or illness involving an Assigned Employee within [24] hours and cooperate with Agency's workers' compensation claim process. Client will not place Assigned Employees in work that is materially different from the Order without Agency's prior written approval.

8. REMOVAL AND REPLACEMENT

Client may ask Agency to remove an Assigned Employee from an assignment for any lawful reason by notifying Agency. Client will not be charged for the first [4 / 8] hours worked by an Assigned Employee whom Client removes for unsatisfactory performance within that period and reports to Agency the same day. Agency will make reasonable efforts to provide a replacement within [one business day]. Client will not remove or request an Assigned Employee for any reason prohibited by federal, state or local anti-discrimination law.

9. CONVERSION TO CLIENT EMPLOYMENT

If Client, or any affiliate, hires an Assigned Employee directly, or engages them through another agency, during the assignment or within [6] months after it ends, Client will pay Agency a conversion fee, unless the Assigned Employee has worked [520] hours on assignment for Client, in which case no fee applies. The conversion fee is [percentage]% of the employee's first-year base pay, reduced by [percentage]% for every [40] hours worked on assignment, as set out in Exhibit A. Client will notify Agency in writing before making a direct offer.

10. INSURANCE

Agency will maintain, during the term: (a) workers' compensation insurance as required by law and employer's liability insurance of at least $[1,000,000] per accident; (b) commercial general liability

insurance of at least $[1,000,000] per occurrence; (c) employment practices liability insurance of at least $[1,000,000]; and (d) [employee dishonesty / third-party crime coverage of at least $[amount], if Assigned Employees will handle property or cash]. Client will maintain commercial general liability insurance of at least $[1,000,000] per occurrence and [auto liability insurance, if Assigned Employees will drive Client vehicles]. Each party will provide certificates of insurance on request.

11. INDEMNIFICATION AND LIMITATION OF LIABILITY

Agency will indemnify and defend Client against third-party claims arising from (a) Agency's failure to pay wages, payroll taxes or benefits it owes as employer of record, (b) Agency's breach of this Agreement, or (c) the negligent or wrongful acts of Agency's own staff.

Client will indemnify and defend Agency against third-party claims arising from (a) Client's supervision and direction of Assigned Employees, (b) unsafe conditions at Client's worksite, (c) Client's breach of this Agreement, or (d) Client's violation of law, including anti-discrimination and wage-and-hour laws relating to time worked that Client failed to report.

Neither party is liable for indirect, consequential or punitive damages. Agency is not liable for damage to or loss of Client property, data or funds entrusted to Assigned Employees unless the Order specifies coverage and the loss results from the Assigned Employee's proven dishonesty.

12. CONFIDENTIALITY AND NON-SOLICITATION

Each party will keep the other's confidential information, including rates, candidate information and business data, confidential and use it only for this Agreement. Client may require Assigned Employees to sign Client's confidentiality agreement, with Agency's approval of its form. During the term and for [12] months after, Client will not solicit Agency's internal staff for employment.

13. COMPLIANCE AND EQUAL OPPORTUNITY

Each party will comply with all laws that apply to its obligations, including anti-discrimination, wage-and-hour, immigration, safety, data privacy and leave laws. Neither party will request, refer or accept workers on the basis of any characteristic protected by law.

14. TERMINATION

Either party may terminate this Agreement for convenience with [30] days' written notice, or immediately if the other party materially breaches it and does not cure the breach within [10] days of written notice. Client may end any individual Order with [one shift / [number] days] notice. Client will pay for all services provided through the termination date, and Sections 9, 11 and 12 survive termination.

15. GENERAL

This Agreement, its Exhibits and the Orders are the entire agreement between the parties on this subject. Amendments must be in writing and signed by both parties. This Agreement is governed by the laws of [State]. Neither party may assign it without the other's written consent, except to a successor of its business. Notices must be in writing to the addresses above.

AGENCY: [Agency Legal Name]
By: _____ Name: [Name] Title: [Title] Date: [Date]

CLIENT: [Client Legal Name]
By: _____ Name: [Name] Title: [Title] Date: [Date]

Exhibit A: Rate Schedule and Conversion Fee Table
Exhibit B: Assignment Order Form