

[Date]

[Client Name]

[Client Title]

[Company Name]

[Company Address]

Dear [Client Last Name],

This letter serves as a proposal to provide contract staffing services to [Company Name] on a contingency basis. Our goal is to provide high-quality professionals to meet your immediate project needs and workload fluctuations.

1. Scope of Services

[Your Agency Name] will recruit, screen, and present qualified candidates for contract positions as requested by [Company Name]. We will manage all payroll, taxes, and insurance for the contracted staff.

2. Contingency Terms

Our services are provided on a contingency basis. No fees or costs are incurred by [Company Name] until a candidate presented by [Your Agency Name] is officially hired for a contract assignment.

3. Fee Structure

The bill rate for each contractor will be calculated based on a [Percentage]% markup over the contractor's hourly pay rate. This bill rate is inclusive of:

- Candidate recruitment and vetting
- Wages and statutory benefits
- Employer payroll taxes (FICA, FUTA, SUTA)
- Workers' Compensation and Liability Insurance

4. Conversion (Contract-to-Hire)

Should [Company Name] wish to hire a contract employee onto your permanent payroll, a conversion fee will apply according to the following schedule:

[Insert conversion fee schedule, e.g., 20% of first-year salary, prorated by hours worked].

5. Payment Terms

Invoices will be submitted [Weekly/Bi-weekly] and are payable within [Number] days of receipt.

If these terms are acceptable, please sign below or contact me to finalize our standard Service Agreement.

Sincerely,

[Your Name]
[Your Title]
[Your Agency Name]

Accepted by:

Signature: _____ Date: _____

Name and Title: _____