

[Your Company Name]
[Your Address]
[City, State, Zip Code]
[Date]

[Client Name]
[Client Company Name]
[Client Address]
[City, State, Zip Code]

Re: Comprehensive Payroll Administration Services Engagement

Dear [Client Contact Name],

This letter confirms the terms and objectives of our engagement to provide payroll administration services for [Client Company Name].

1. Scope of Services

We will provide the following payroll services:

- Processing of regular payroll cycles (weekly, bi-weekly, or monthly).
- Calculation of gross wages, statutory deductions, and net pay.
- Preparation and filing of federal, state, and local payroll tax returns.
- Facilitation of tax payments and direct deposits.
- Annual preparation and filing of Forms W-2 and W-3.
- Standard payroll reporting for management review.

2. Client Responsibilities

To ensure accurate processing, you agree to provide:

- Timely submission of employee hours, rates, and bonus information.
- Notification of all new hires, terminations, and changes in employee status.
- Sufficient funds in the designated bank account for taxes and net pay.
- Accuracy of all data provided to us.

3. Fees and Billing

Our fees for these services will be [Insert Fee Structure, e.g., \$X per pay period or \$X per employee]. Out-of-pocket expenses and special filings will be billed separately. Invoices are due upon receipt.

4. Term and Termination

This engagement begins on [Start Date] and continues until terminated. Either party may terminate this agreement by providing [Number] days of written notice.

5. Limitation of Liability

Our services are based on the information provided by you. We are not responsible for penalties or interest resulting from late or inaccurate data provided by the client.

Please sign below to indicate your acceptance of these terms.

Sincerely,

[Your Name]

[Your Title]

Accepted and Agreed:

Signature: _____

Name: [Client Representative Name]

Date: _____