

[Company Header/Logo]

[Date]

[Client Name]

[Client Title]

[Company Name]

[Address]

Subject: Engagement Letter for Payroll System Setup and Implementation

Dear [Client Name],

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

1. Scope of Services

We will assist in the following tasks:

- Selection and configuration of payroll software.
- Creation of employee profiles and historical data migration.
- Setup of federal, state, and local tax registrations.
- Configuration of pay schedules, deductions, and benefit allocations.
- Initial payroll run testing and validation.
- User training for administrative staff.

2. Client Responsibilities

To complete this project, you agree to provide:

- Accurate employee tax forms (W-4s, I-9s) and banking information.
- Previous year-to-date payroll records and tax filings.
- Timely access to company bank accounts for direct deposit authorization.
- Access to necessary staff for system training.

3. Fees and Payment

The fee for this implementation is [Insert Amount]. A deposit of [Insert Amount] is required before work commences. Remaining balances will be billed upon successful completion of the first live payroll run. Any additional consulting services outside this scope will be billed at a rate of [Insert Hourly Rate] per hour.

4. Limitation of Liability

Our services do not include legal or formal tax advice. We are not responsible for penalties or interest resulting from inaccurate or incomplete data provided by [Company Name].

5. Term and Termination

This engagement is considered complete once the system is fully operational. Either party may terminate this agreement with [Number] days' written notice.

Please sign and return a copy of this letter to indicate your acceptance of these terms.

Sincerely,

[Your Name]

[Your Title]

[Your Firm Name]

Accepted and Agreed:

Signature: _____

Name: [Client Name]

Date: _____