THE BOSS GUIDE

Employer of Record for Staffing Firms

Everything staffing firms need to know about Employer of Record services — how they work, what they cost, and how to determine whether an EOR is right for your business.

Back Office Staffing Solutions (BOSS)
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Written for staffing firm owners and operators

THE FUNDAMENTALS

What Is an Employer of Record?

An Employer of Record (EOR) is a company that becomes the legal W-2 employer of the workers you place. The EOR runs payroll, files the taxes, carries the workers' compensation, manages unemployment claims, and owns the compliance burden in every state where your people work. You continue to do what actually grows your firm: finding clients, filling orders, and directing the work.

Every contractor you place has to be legally employed by someone — and that someone inherits payroll tax filings, workers' comp premiums and audits, unemployment claims, onboarding paperwork, ACA tracking, and wage-and-hour exposure in every state involved. The only question is whether that someone is you, or a partner built to carry it.

IN ONE SENTENCE

An Employer of Record legally employs the workers you place — taking on payroll, taxes, workers' comp, and compliance — while you keep the client, the candidate, and the margin.

THE EOR TAKES ON

- W-2 employment and payroll processing
- Payroll tax withholding and filings in every state
- Workers' compensation coverage, audits, and claims
- Unemployment claims and SUI management
- Onboarding paperwork, I-9s, and E-Verify
- ACA tracking and benefits administration

YOU KEEP

- Your client relationships and contracts
- Recruiting and ownership of your candidates
- Bill rates, pay rates, and your full margin
- Day-to-day direction of the work
- Your brand in the market
- Your time — to sell, recruit, and grow

THE MECHANICS

How an EOR Works, Step by Step

1

You make the placement

You recruit the candidate, win the order, and negotiate the bill rate and pay rate. Nothing about your sales or recruiting process changes.

2

BOSS becomes the employer of record

We onboard the worker as our W-2 employee — offer letter, I-9, E-Verify, tax forms, and workers' comp coverage, registered and compliant in the state where they'll work.

3

The work happens, hours are approved

Your contractor works under your client's direction, exactly as before. Approved time flows into the BOSS platform.

4

BOSS funds and runs payroll

Your workers are paid accurately and on time — before your client has paid, if your plan includes funding. Taxes are withheld, filed, and remitted by us.

5

The client is invoiced, you collect your spread

The client pays the invoice, and your margin is remitted to you — clean, documented, and predictable.

> KEY TAKEAWAY
>
> **An EOR replaces your back office — not your front office. Your sales process, your recruiting process, and your client relationships don't change at all.**

THE PAYOFF

Why Staffing Firms Use an Employer of Record

Unlock working capital

Payroll is due every Friday. Clients pay in 30, 45, sometimes 60 days. An EOR that funds payroll closes that gap, so headcount can grow as fast as your sales do — without a credit ceiling deciding which orders you can take.

Shed employer liability

Workers' comp audits, unemployment claims, payroll tax notices, wage-and-hour exposure — under an EOR, these attach to the legal employer. That's us. One misclassified worker or missed filing can cost more than years of EOR fees.

Expand into new states overnight

Every new state normally means tax registrations, unemployment accounts, and comp coverage before a single hour is worked. BOSS is already operating in all 50 states — so a client in a new market is an opportunity, not a project.

Run lean, forever

Onboarding, payroll, invoicing, collections support, and remittance run on one platform — without hiring a back-office team that grows every time your headcount does. Your overhead stays flat while your placements don't.

> DID YOU KNOW?
> **Under an EOR, the workers' comp policy, the unemployment accounts, and the payroll tax registrations all live under the EOR's name — so when the audit letter arrives, it isn't addressed to you.**

AN HONEST ASSESSMENT

Is an EOR Right for Your Staffing Firm?

An EOR is likely a fit if…

- You place W-2 contractors and headcount is growing faster than your cash flow
- You're expanding into states where you aren't registered to employ anyone
- Workers' comp renewals are painful — or your placements fall into hard-to-cover codes
- You'd rather not build payroll, HR, and compliance departments in-house
- You're a recruiter at heart, and the back office is where your week disappears

You may not need one if…

- You do direct-hire and perm placement only, with no contractors on payroll
- You already run a full in-house back office and banking lines you're happy with
- You operate in one state with a small, stable contractor headcount — and the admin genuinely doesn't bother you

Even then, many established firms keep employing their workers and let BOSS run the back office through the Core Plan.

SETTING THE RECORD STRAIGHT

Common EOR Myths

MYTH "Using an EOR means giving up control of my workers."

REALITY You direct the work, set the rates, and own the relationship with both the client and the candidate. The EOR holds the legal employment — the paperwork, the filings, the liability — not the reins.

MYTH "EORs are for firms that can't get financing."

REALITY Funding is one piece of the value. Well-capitalized firms use an EOR because multi-state compliance, comp coverage, and back-office overhead are a bigger drag on growth than the cost of capital ever was.

MYTH "An EOR is just expensive payroll processing."

REALITY A payroll company processes what you tell it to and hands you back the liability. An EOR takes the liability: the comp policy, the unemployment claims, the tax accounts, and the audits are its problem, not yours. You're not buying software — you're transferring risk.

MYTH "My clients will notice, and they'll care."

REALITY To your client, nothing visible changes: same recruiter, same contractor, same service. Depending on your BOSS plan, invoicing can even run under your firm's identity. Most clients never think about it — and the sophisticated ones see professional employment infrastructure as a strength.

> STAFFING TIP
>
> **When you evaluate any provider, ask one question: whose name is on the workers' comp policy and the state tax accounts? If the answer is "yours," it isn't a true Employer of Record.**

KNOW THE DIFFERENCE

EOR vs. PEO vs. Payroll Provider

These three get confused constantly — and the differences are exactly where the risk lives.

	EMPLOYER OF RECORD	PEO	PAYROLL PROVIDER
Legal employer of your workers	The EOR — full W-2 employer	Co-employment — liability is shared with you	You — all liability stays with your firm
Who funds payroll	The EOR can fund payroll before your client pays	You	You
Workers' compensation	Carried by the EOR, including audits and claims	Master policy, but exposure is shared	You shop, carry, and get audited on your own policy
Multi-state compliance	Handled — registrations, filings, and tax accounts	Shared responsibility	Yours to research, register, and maintain
Built for contingent workforces	Yes — BOSS works exclusively with staffing firms	No — designed for permanent internal staff	No — designed for any small business
Best for	Staffing firms placing W-2 contractors	Companies managing their own permanent employees	Firms with in-house HR, compliance, and capital

THE SHORT VERSION

A payroll provider does the math, a PEO shares the burden, and an EOR takes it off your books entirely.

THE BOSS DIFFERENCE

Why Staffing Firms Choose BOSS

BOSS is not a payroll company that added staffing clients. We are a technology-first back-office platform built exclusively for the staffing industry — the paperwork, the funding, the compliance, and the software, under one roof.

OUR APPROACH

Most providers force your firm into their model. BOSS offers four operating models — so the structure fits your business, instead of forcing your business to fit the structure.

Core Plan

You remain the employer; we run the entire back office on the BOSS platform. Ideal for established firms that want leverage without changing structure.

Funded Plan

BOSS funds your payroll, closing the gap between Friday's payroll and your client's payment terms — so growth is never gated by cash flow.

Self-Funded EOR

BOSS becomes the employer of record while you fund payroll — full liability transfer for firms with capital of their own.

Complete Plan

The full Employer of Record: we employ the workers, fund the payroll, and run the back office end to end. You sell and recruit.

Every plan runs on the same BOSS automation platform. The variables are simply who employs the workers and who funds the payroll. Compare Our Four Plans at **backofficenow.com/pricing**.

BOTTOM LINE

You bring the clients and the candidates. BOSS brings the employer infrastructure — and four ways to plug into it, depending on how much of the back office you want to hand off.

STRAIGHT ANSWERS

Employer of Record FAQs

How much does an Employer of Record cost?

EOR pricing is typically structured as a percentage of payroll or a per-hour amount built into your burden. The honest comparison isn't EOR fee versus zero — it's EOR fee versus your fully loaded cost of doing it yourself: comp premiums, SUTA, financing costs, back-office salaries, software, and the hours you personally spend.

Do my workers become BOSS employees?

For payroll and legal purposes, yes — their W-2 is issued by BOSS, and they're covered under our workers' comp and unemployment accounts. Day to day, almost nothing changes: same assignment, same direction, paid reliably every cycle.

Will my clients know I'm using an EOR?

That's largely up to you. Depending on your plan, invoicing can run through BOSS or through your firm. Many firms simply describe BOSS as their back office, which is exactly what we are.

How fast can we get started?

Because BOSS is already registered, insured, and operating nationwide, onboarding is measured in days, not months.

Which states does BOSS cover?

All 50. State registrations, tax accounts, and workers' comp coverage are already in place.

What happens to my existing client contracts?

Your client agreements remain your asset. Nothing about who owns the relationship changes — contractually or practically.

Is an EOR the same as a PEO?

No. A PEO is co-employment: you share the employer role and much of the liability. An EOR is the sole legal employer, so the liability actually transfers.

What's the difference between an EOR and payroll funding?

Payroll funding solves one problem: cash timing. An EOR solves that one plus the rest — employment liability, compliance, workers' comp, and back-office operations. At BOSS, funding is available on its own as the Funded Plan or bundled into the Complete Plan.

Can we move off an EOR later — or change models?

Yes. Firms graduate between BOSS plans all the time. Because every plan runs on the same platform, changing models doesn't mean changing systems.

SEE WHICH BOSS PLAN FITS YOUR FIRM

Every staffing firm is different. In one short conversation we'll help you determine which of our four operating models best fits your business, your cash flow, and your growth goals.

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