



## Third Party Recruiters

### Definitions:

- a) Third party recruiters are agencies, organizations, or individuals recruiting candidates for temporary, part-time or full-time employment opportunities other than for their own needs. This includes entities that refer or recruit for profit or not for profit, and it includes agencies that collect student information to be disclosed to employers for purposes of recruitment and employment.
- b) Third-party recruiting organizations charge for services using one of the following fee structures:
- B-1. Applicant paid fee – The applicant pays the third-party recruiter a fee based upon the applicant’s starting salary once the applicant is placed with an employer.
  - B-2. Employer paid fee –
    - a) Retainer – The employer pays a flat fee to the third-party recruiter for services performed in the recruiting of individuals to work for the employer.
    - b) Contingency fee – The employer pays to the third-party recruiter a percentage of the applicant’s starting salary once the applicant is hired by the employer.
- c) The above definition includes but is not limited to, the following entities regardless of the fee structure used by the entity to charge for services:
- C-1 Employment Agencies / Organizations that list positions for a number of client organizations and receive payment when a referred candidate is hired. The fee for listing a position is paid either by the firm listing the opening (fee paid) or by the candidate who is hired.
  - C-2 Search Firms—Organizations that contract with clients (employers) to find and screen qualified persons to fill specific positions. The fees for this service are paid by the clients (employers).
  - C-3 Contract Recruiter—Organizations that contract with an employer to act as the employer’s agent in the recruiting and employment function.
  - C-4 Resume Referral Firms—Organizations that collect data on job seekers which is sent to prospective employers. Fees exist for the employer, job seeker, or both.
- d) Temporary Agencies—Temporary agencies are employers, not third-party recruiters, and will be expected to comply with the professional conduct principles set forth for employer professionals. These are organizations that contract to provide individuals qualified to perform specific tasks or complete specific projects for a client organization. Individuals perform work at the client organization, but are employed and paid by the agency