

## CHECKLIST: READY TO SELL YOUR STAFFING AGENCY?

Here's a basic checklist of important to-do's before you engage potential buyers.



### 1.

#### LINE UP YOUR TEAM

- Attorney** – An experienced M&A attorney can provide legal document preparation and review, as well as pre-transaction due diligence.
- CPA / Accountant** – Your CPA will help with preparing and auditing all financial documents to ensure your firm's financial stability and will advise you on the tax implications of the business sale.
- M&A Advisor** – Your M&A Advisor will connect you with the appropriate buyer community. They can perform a market valuation, determine how it aligns with buyer criteria, and identify ways to increase the value of your company. They will screen buyers for financial and business viability, evaluate offers, negotiate letters of intent, and help facilitate due diligence and the closing process.

### 2.

#### GET YOUR FINANCES & RECORDS IN ORDER

- Ensure accounting records are up to date.
- Have your financials reviewed by a CPA.
- Ensure employment records (including employee files and records) are current and in compliance with federal and state employment laws.
- Have a baseline business valuation performed by an industry professional (i.e. an M&A Advisor).

### 3.

#### BUTTON UP BUSINESS & EMPLOYMENT TAXES

- Verify that all business and employee taxes have been paid.
- Have at least 3 years of federal and state tax returns available for review.
- Request a "Certificates of Compliance" or "Certificates of Good Standing" from your state's Department of Revenue or Secretary of State's office to show you're in good standing with the government.

## 4.

### ITEMIZE INSURANCE & CLAIMS

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- Pull 3 years of Workers' Compensation premium information, including modification rates, claims history and current open claim information.
- Request a current list of open claims from your insurance broker – including any claim history for the past 3 years.

## 5.

### IDENTIFY LEGAL BARRIERS

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- Make a list of any pending litigation, either as a plaintiff or defendant.
- Have an attorney run “UCC search” to uncover any known and unknown liens against your business or assets and clear them before engaging buyers.

## 6.

### REVIEW YOUR CUSTOMER CONTRACTS

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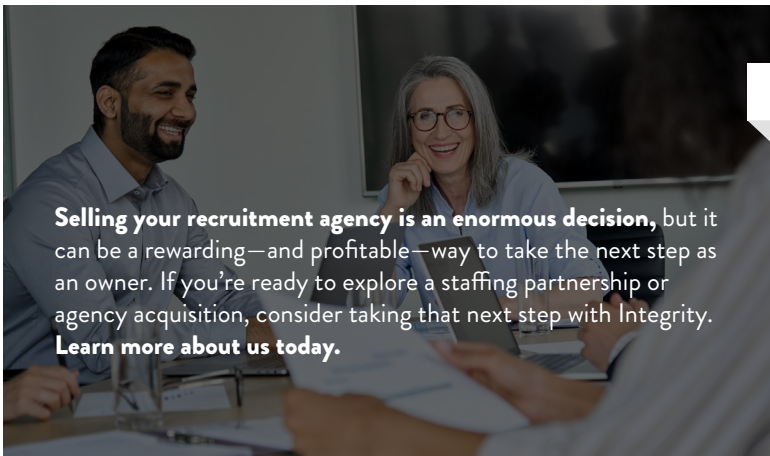
- Prepare copies of all customer contracts and agreements; make note of any that are not assignable without client permission.
- Put together an action plan for how you will approach your customers on assigning their contract to a new owner.

## 7.

### ITEMIZE AND AUDIT YOUR LEASES

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- Prepare a list and make copies of all business leases (including office furniture & equipment, computers, automobiles, and real estate).
- Make note of any leases that are not assignable and that require approval from the Lessor before you can transfer the lease to a new owner.



**Selling your recruitment agency is an enormous decision**, but it can be a rewarding—and profitable—way to take the next step as an owner. If you're ready to explore a staffing partnership or agency acquisition, consider taking that next step with Integrity. **Learn more about us today.**

## LET'S PARTNER TOGETHER.

Ready to explore a recruitment agency sale or acquisition?  
Let's talk confidentially.

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