



COURT REPORTERS BOARD OF CALIFORNIA



Best Practice Pointer No. 7 Subcontractor Agreements

Just as a good contract can facilitate business by clearly articulating expectations for payment and performance, a good subcontractor agreement is key to a successful relationship between court reporters and court reporting agencies.

While a subcontractor agreement cannot cover every eventuality, certain elements clearly stated can prevent misunderstanding down the road. The list of critical elements may include:

- **Valid license**—Require that the subcontractor be licensed in California and maintain that license in good standing.
- **Transcript due date**—What is considered regular turnaround versus an expedited order?
- **Work product**—What is expected to be delivered to the agency in addition to the transcript, i.e., ASCII, exhibits, condensed transcript, word index?
- **Payment**—For what will the reporter be paid, including future copy orders and appearance fees, and when will the payment be made?
- **Client contact**—What direct contact with the client is acceptable regarding transcript orders, including rough drafts?

- **Arrival time**—What is the expectation for how long before start time the reporter is to arrive?
- **Expenses**—Who is responsible for miscellaneous expenses such as parking and tolls?
- **Insurance**—Whether the subcontractor is required to carry liability and/or errors and omissions insurance.
- **Services and supplies**—Are photocopy services available through the agency as well as binding services and supplies, including stationery and postage?

Agencies need to make sure that anything important to their function is laid out in the agreement. To help with audits from the Internal Revenue Service, the subcontractor agreement might contain the following elements:

- **Purpose**—A statement that the agency is organized for the purpose of coordinating court reporting services between clients (courts, litigants, attorneys) and CSRs, who are free agents.
- **Performance**—Make it clear that the subcontractor has sole control over the manner and means of performing the reporting and transcription and that the subcontractor recognizes he or she is working without supervision.



BEST PRACTICE POINTER SUBCONTRACTOR AGREEMENTS

Likewise, court reporters need to ensure that everything is clearly specified per their expectations. Often, a court reporter will receive a last-minute phone call from a new (to the reporter) agency, rattling off terms right after getting agreement to cover the job. Be careful and be clear. The reporter may be happy to be informed she/he will be paid for an original plus two copies for a job, only to arrive and find eight attorneys ordering copies. Additionally, the reporter should ensure there is an agreement by the court reporting firm to abide by all laws and regulations that apply to court reporting, including transcript provision and witness review requirements.

It might seem to slow things down for the calendar clerk, but an extra 10 minutes executing a subcontractor agreement—or at the very least outlining key terms in an e-mail for which there is acknowledgment by both parties—may save hours and hours of dispute resolution.

Best practice pointers are not regulations or statutorily mandated. They are a way for the Board to provide guidance on situations not expressly set out in statute or regulation. Although the pointers may be used by licensees as a guide, the Board will not use them as a basis for discipline or enforcement of any type.



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