Freelance





Employee





Freelancer



FREELANCERS

MONEY GROWS ON TREES BUT THE BRANCHES

ARE VERY

HIGH

Freelancers

FREELANCE

FREELANCER FMPLOYFE

FREELANCE

FREELANCE WORK



esteemed



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Why Freelance? Reasons to Start Freelancing

(Because Freelancing IS Business)

- Make more money
- Work on bigger & more exciting projects
- Quit your day job
- Control your schedule
- Build a brand & possibly a team
- Make more money







HOW DO I "BUSINESS?"

Formation: Business Entity Structures

Advantages & disadvantages in selecting your business type:

- Sole Proprietorship
 - Inexpensive, easy
 - Set up separate business bank account and DBA and you're set
 - No personal protection from liability
- Limited Liability Corporation (LLC)
 - Fees to set up
 - Liability protection
- S-Corporation (C-Corp for larger businesses)
 - Better when making more money
 - Can convert LLC to S-corp tax status later easily
 - Liability protection

Setup: Checklist

Working from home, or from a co-working space is not as easy as you think. Take time to get setup properly so you can be ready to work.

- 1. Set up workstation and Internet connection;
- 2. Space to concentrate;
- 3. Register LLC with the state (which ever is best?);
- 4. Get a biz license; (If your state requires)
- Get EIN (gotta pay them taxes. 10min online application process);
- 6. Open biz bank account;
- 7. Apply for Liability Insurance (also known as Errors and Omissions);
- 8. Go get da profit! \$\$\$ (ok, not yet);



Tools: Concentrate on running your business

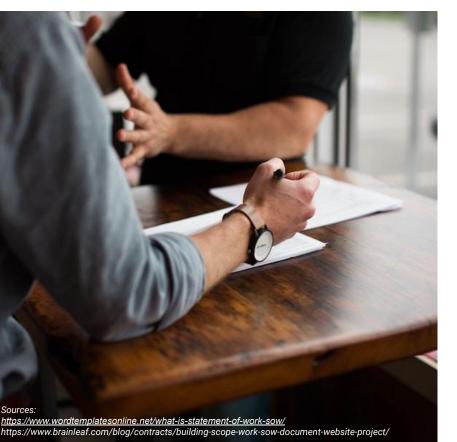
- Proposals and Agreements
 - PandaDoc
 - DocuSign
 - Hellosign [3 free signatures/month]
- Invoicing and Payments
 - QuickBooks Online
 - FreshBooks
 - Wave Accounting
- Project Management
 - Asana
 - ClickUp
- Time Tracking
 - Harvest
 - o TimeCamp







Contracts: Yours or Theirs?



Theirs - Read the fine print

Many organizations will ask you to sign their "Standard Contractor Agreement."

If you can, have a lawyer review before signing; that's great. If not, read **thoroughly** and pay close attention to the areas that pertain to "Payment Terms" and "Non-Compete" clauses.

Terms

Make sure you can handle the payment terms. For some, getting paid once a month is hard, especially on Net 30.

Non-Compete

This is how a company keeps you from working for competitors after you leave them. You won't believe what some try here, even on Freelancers. **Read.**

Contracts: Yours or Theirs?



Yours - KISS Keep it simple...

Having a well thought out Master Agreement you can readily share with clients who do not have their own helps facilitate doing business with expectations set and agreed upon on both sides.

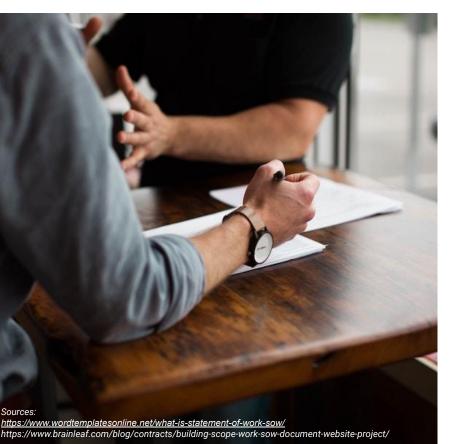
Master Service Agreements (MSA)

An MSA is usually accompanied by an SOW. The Master Agreement outlines your terms, and the general responsibilities of both parties.

Statements of Work

The SOW, or sometimes called Work Order states the specifics of what one will do, how much that will cost, and what duration the work will span.

SOW's: 3 Options for Statements Of Work



Design/Detail

Includes Details, Time, Cost, Assumptions (What the client responsibilities are! *Color coding this is best* \Leftrightarrow) *EXAMPLE : Moving a WP or Static site to Drupal*

Level of Effort

Includes Less Detail, Bank of Hours (Do unused hours expire? Is there a cost for additional hours?)

EXAMPLE: Site Maintenance, Random Tasks

Performance Based

Appropriate for Site Audits
(Security/Performance/etc), Trainings/Consulting.
Must continually manage client expectations.

Requirements - What if they change?

This may be the point you have to remind a client that you do not work for free.

At times it is difficult for the less initiated to understand that every detail and change to their project takes time.

- You be the judge Client by Client;
- Change Orders are good;
- OR Sign an entirely new SOW that nullifies the former (Make sure that is clearly stated);



Pro Tip:

Rehearse saying "that is out of scope" in front of the mirror.

Money & Taxes - Pay Attention!

Staying current on your business and personal taxes is one of the most important elements, and common pitfalls new freelancers struggle with. Here are a few tips we have picked up along the way:

- Pay for all (and only) business expenses out of business account
 - Azlo (Fee-Free)
- Pay yourself through ACH or writing a check (LLC)
- If you're an S-corp, put yourself on payroll; this way your taxes are paid!
- Take payment through mainstream methods only (no PayPal, Venmo, etc.)
- Set up personal savings account for quarterly estimated taxes
 - Separate bank
- If not on payroll and taking "a draw", pay quarterly estimated tax payments;
- ONE MORE TIME PAY QUARTERLY ESTIMATED TAXES

Retirement: Vehicles

As a Freelancer or Contractor, it may come as no surprise that no one is looking out for your retirement but you. Here are some options:

- Traditional IRA
 - Pre-Tax contribution, taxed on payout
- Roth IRA
 - Taxed contribution, not taxed on payout
- SEP IRA
 - Pre-Tax contribution, highest contribution limits
- Solo 401(k)
 - Traditional & Roth option
- Taxable brokerage account
 - No Tax Benefits
 - Able to withdraw anytime, no penalty
 - Often used once all other contributions are maxed.



Marketing: Cost-effective Solutions

Your Drupal Web Site:

- List Service Offerings;
- Offer to give free estimates;
- Feature Past work in Case Studies;
- Make sure your Contact form works;
- Gather Testimonials from clients;
- Blog on key topics of technical and business nature;
- Write guest blogs for more prominent websites;
- Proudly show your Drupal Association Membership Badge!

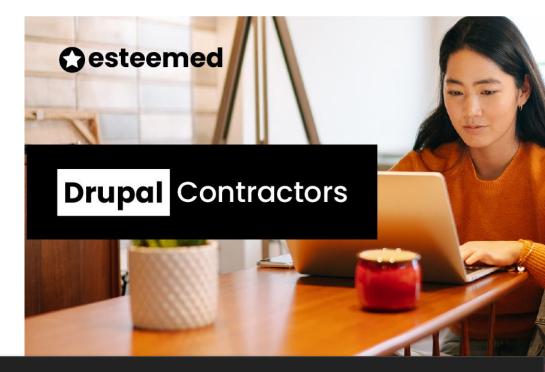
Be Giving: (With Your Time & Money)

- Offer to buy pizza/drinks for local meetups
- Start/Lead a MeetUp (Drupal or non-Drupal)
- Offer to build a site for a nonprofit
- Present at events (Drupal & non-Drupal)
- Blog, Make Videos, Tutorials
- Assist in the Drupal Issue Queue
- Mentor others
- Provide Documentation on Drupal.org
- Conduct Free Classes (Virtual & Physical)

Networking: A freelancer's best friend

Networking can be one of the most effective means of getting work.

- Meet people, see and be seen at Meetups/Camps/Cons;
- Go to the after parties!;
- Q&A sites (StackExchange, Quora, Drupal.org);
- Be social on Twitter/LinkedIn/etc. And comment on key individual posts;



Pro Tip:

Join Esteemed / Drupal Contractors - here you are basically partnering with a sales channel with greater visibility.

Resources / Questions

Michael Reynold's Resource Links	elevationfinancial.com/drupal
S.O.W Links	twordtemplatesonline.net/what-is-statement-of-work-sow brainleaf.com/blog/contracts/building-scope-work-sow-document-website-projec
Join Drupal Contractors	Register as a Contractor today: https://app.drupalcontractors.com/contractors/register
Join Esteemed on Slack	<u>Join Esteemed</u> to be part of a community of hundreds of digital freelancers working together as colleagues under a unified brand as one team .
S-Corp VS LLC	https://www.legalzoom.com/articles/s-corp-vs-llc

Get in Touch