

# Freelance

Freelance

Employee

Freelancers

Freelancer

FREELANCE

FREELANCERS

Freelancers

FREELANCE

FREELANCER

EMPLOYEE

*MONEY GROWS  
ON TREES*

*BUT THE BRANCHES  
ARE VERY  
HIGH*



freelancers

FREELANCE

FREELANCE WORK



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\*Mucho Slide & Content Credit Goes to [Michael Reynolds](#) of [Elevation Financial](#)\*

# 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*)
5. 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
  - 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* 😊)

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

## Get in Touch

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