

Bookkeeping Tips

Freelancing: How to get paid for *all* the work you do

Hard-earned experience as a freelance bookkeeper made Shirley Thibodeau, Cameo Business Services, Santa Rosa, CA, a lot tougher—and richer. She requires signed estimates and engagement letters, charges for everything she does and is “swamped” with work.

When she takes on a new client, she discusses which services they want, then sends a written estimate of exactly what services are included in the monthly fee. As clients drop some services and add others over time, she sends a new estimate with a separate, almost identical engagement letter which does not mention fees. For example:

Dear _____,

As we discussed, beginning on _____ I will do the following work for you each month:

- Reconcile your checkbook and bank statements, identify errors and specific sources of adjustments, inform you of these adjustments and request that you make correcting entries directly into your checkbook.
- Review and prepare your payroll records and payroll tax deposits. For any error I find I will take appropriate action as required to correct such errors.
- Record all income and expenses, deposits and adjusting entries needed for that month.
- Quarterly, I will prepare your state and federal unemployment tax returns. You agree to provide the required forms to send to state and federal offices.

If you would like me to perform additional services, I will be pleased to do so, but they are not included in this letter or the accompanying estimate.”

By signing below I have agreed to accept the services above at the stated fees.

The client signs and returns two copies of the letter, and Thibodeau countersigns and returns one.

The letters pay off. When a client claimed he never asked her to do his monthly accounts payable, she showed him the signed estimate and engagement letters and her \$1,000 invoice was paid.

Thibodeau charges for all additional work. “When I started out, I did anything I was asked as part of my service, but soon stopped,” she says. “I was stung too many times by

clients who said 'this will just take you a minute.' Now I say, 'I'll be glad to do it, but you realize it's not part of the contract.' If they still want me to do it, and most do, I charge a minimum of 1 hour for any added work plus 15-minute increments after that."

She says that clients accept this. If they don't, she explains, "I'm in business too."

In 1991, Thibodeau was charging \$30/hour—today, she charges \$90/hour.

BOOKKEEPING TIPS is a free newsletter published by The American Institute of Professional Bookkeepers (www.aipb.org). To subscribe: Send a blank email to bookkeepingtips-on@aipb.org

Contact information: AIPB, Suite 500, 6001 Montrose Road, Rockville, MD 20852.
Tel.: 800-622-0121, Fax: 800-541-0066, email: info@aipb.org. Web site: www.aipb.org

The American Institute of Professional Bookkeepers (AIPB), is the national association for bookkeepers, currently with 30,000 active members

AIPB was founded in 1987 for the following purposes:

- To recognize bookkeepers as accounting professionals
- To make sure that each member has the latest bookkeeping, accounting and tax information
- To answer members' everyday bookkeeping and accounting questions on the telephone at no charge.
- To provide bookkeepers with low-cost continuing professional education.
- To return the membership fees of any bookkeeper who is dissatisfied with the benefits of membership