HEFWA 2023

Finance For Freelance

Supporting financial wellness for non-traditional careers

Steven Miller, M.Ed., AFC ®
Savannah College of Art and Design

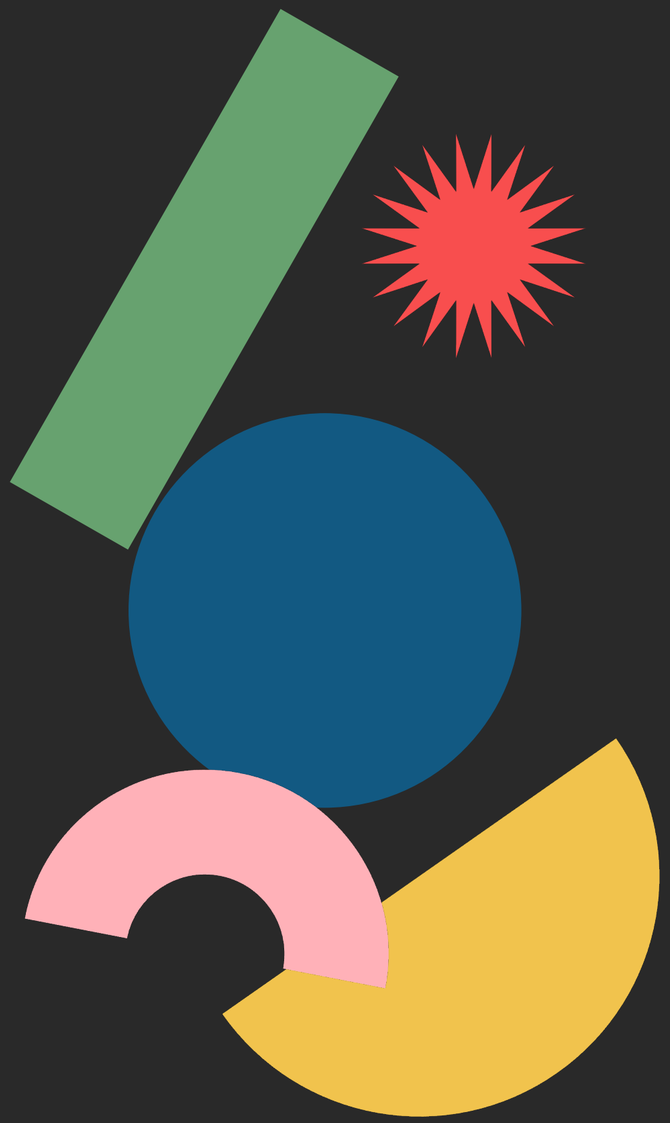
About Me

I’m Steven,

And I run the Financial Wellness program at the Savannah College of Art and Design (SCAD).

SCAD is a private, nonprofit university enrolling more than 15,000 students, and focuses on helping students achieve their creative careers.

SCAD has more than 100 degree programs, ranging from *animation*, *film/television*, and *illustration* to *the business of beauty and fragrance*, *social strategy and management*, and *user experience research*.



What does *personal finance* mean to someone whose *business* is *personal*?

Agenda

What we'll cover in today's session:

Freelancing defined

Top financial concerns for freelancers

Building freelance-inclusive programming

Resources and questions

Part I

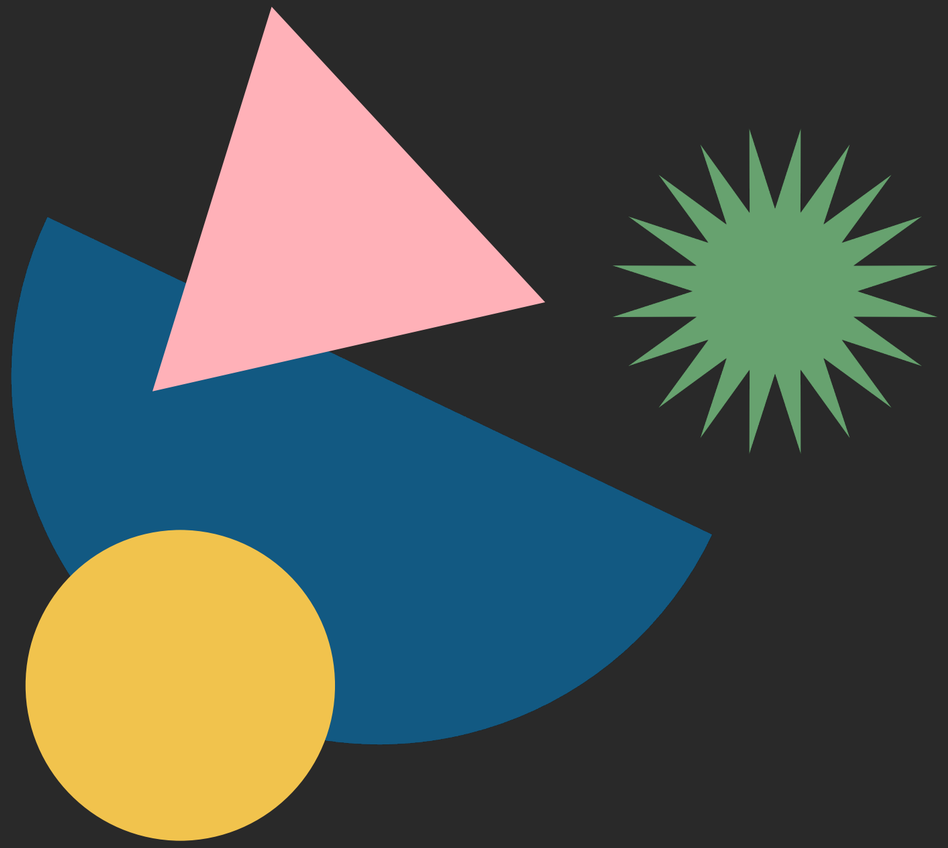
Freelancing defined

Freelancers are workers whose income is based on per-job or per-client work.

Freelancers:

- Are self-employed
- Responsible for finding clients (and getting paid)
- May have multiple clients simultaneously
- May have another job *with* an employer
- May also be thought of as “independent contractors”
- May be part of the “gig economy”, but doing skilled work

Which career paths are freelancing at *your* institution?



60

Million Americans freelanced in 2022

39

Percent of the US workforce freelanced in 2022

43

Percent of Gen Z professionals freelanced in 2022

49

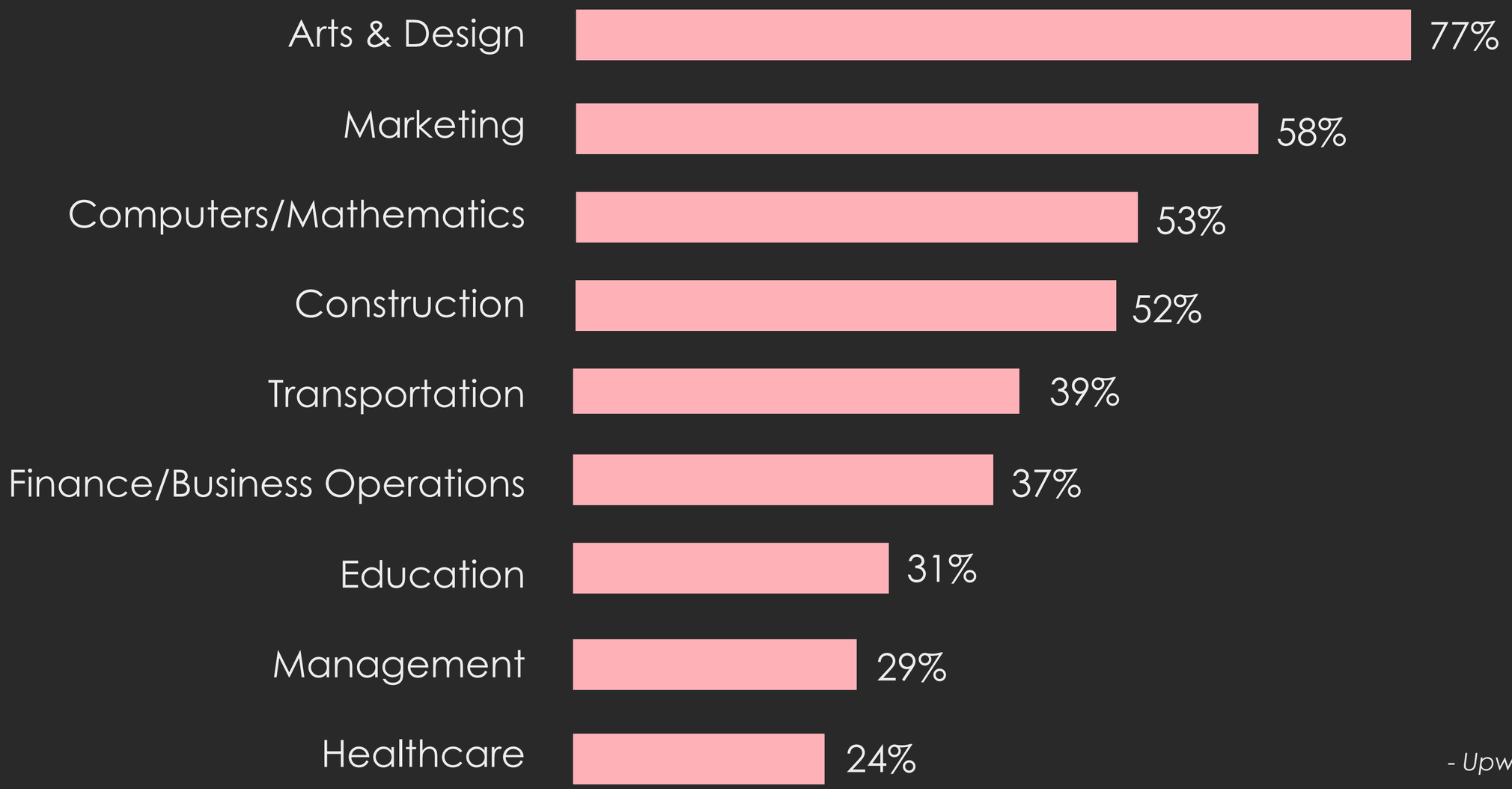
Percent of freelancers hold a bachelor's degree or higher

51

Percent of freelancers are providing knowledge services/labor

- Upwork Freelance Forward 2022

Percentage of workers doing freelance work

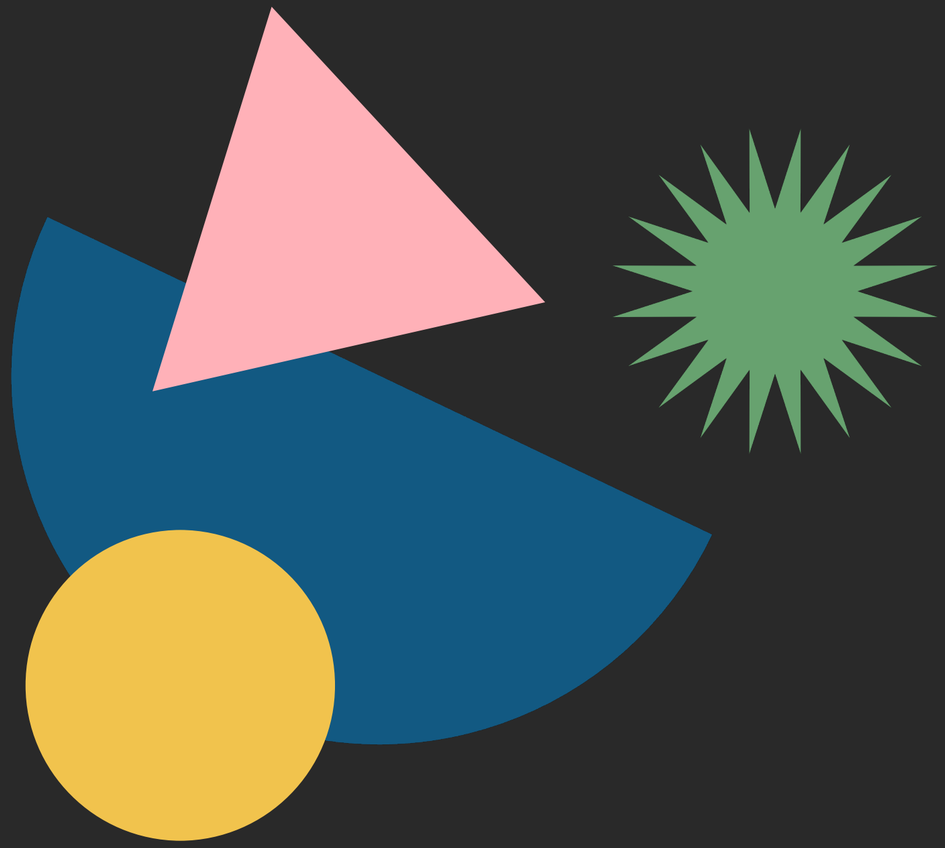


- Upwork Freelance Forward 2021

Part II

Top financial concerns for freelancers

What do *you* believe are some challenges freelancers might face?



- Putting money into savings and retirement
- Unpredictable income
- Being paid a fair rate
- Access to affordable healthcare
- High taxation rate

- Upwork Freelance in America 2019

Unpredictable Income

- Budgeting strategies
  - Reverse engineering (expenses first)
  - Cashflow budgeting
  - Forecasting based on past income and expenses
- Working one month ahead
- Separating personal and business
- Disability insurance

Saving and retirement

- Saving with fluctuating income
- Cash flow buffer vs. emergency fund
- Non employer retirement plans
  - IRAs (traditional / Roth / SEP/ SIMPLE)
  - Solo 401(k)

Understanding taxes

- Paying taxes quarterly
- Self-employment taxes
- Bookkeeping and accounting skills
- Schedule C
- Common business deductions
- Types of businesses

Affordable healthcare

- The importance of *having* insurance
- High-deductible plans
- Navigating the ACA Marketplace or other insurance programs
- Plan options through professional affiliations

Being paid a fair rate

- Pricing and rates
- Bidding and negotiation
- Contracts
  - Payment dates, licensing, revision costs, etc.
- Liability insurance
- Invoicing and collecting payment
- Grant writing

Part III

Building freelance-inclusive programming

1 Re-consider your student population

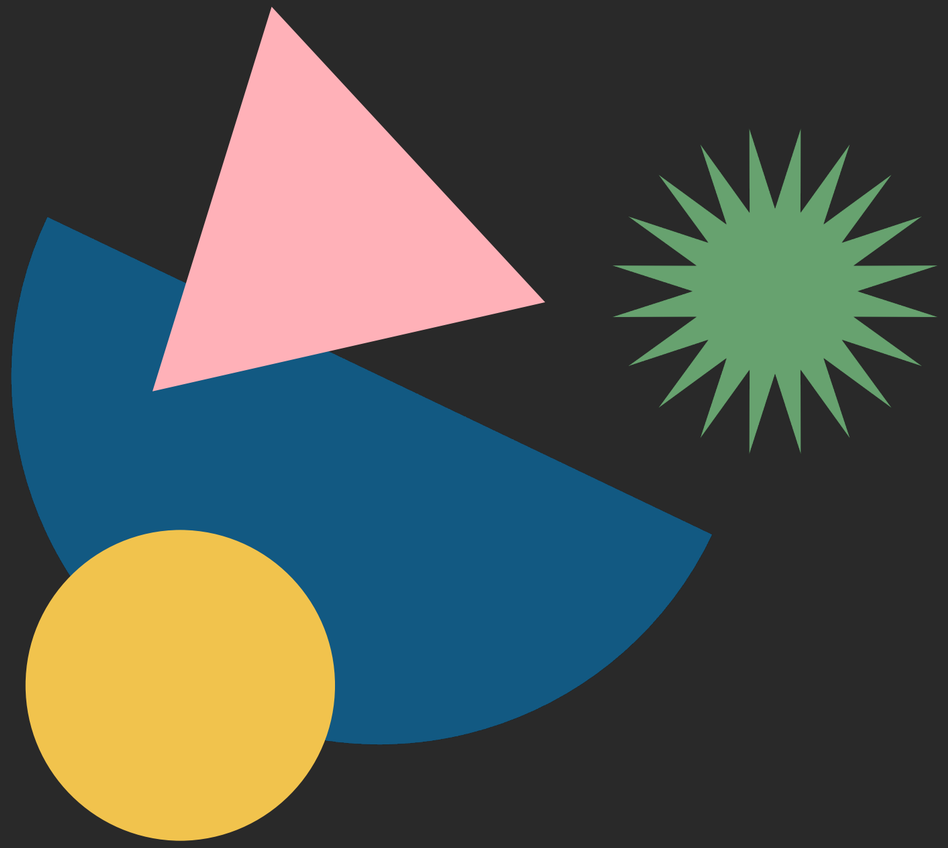
2 Find your knowledge partners

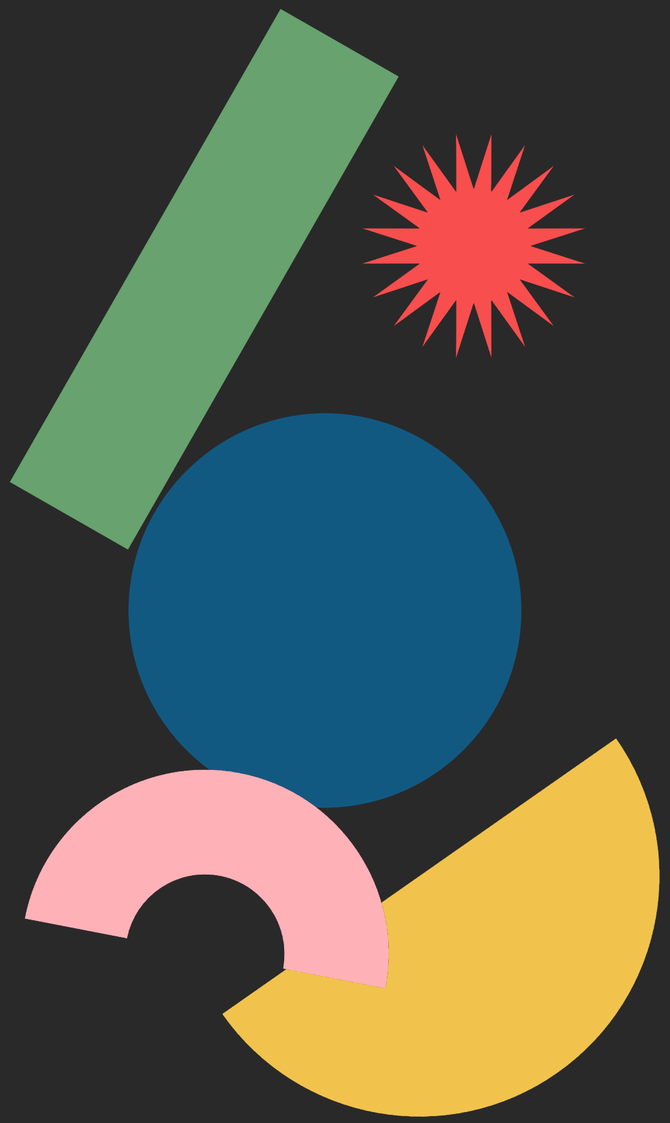
3 Spend time in the classroom

4 Consider non-traditional topics

5 Be intentional in development

What's one way you think you can adapt *your* program to freelance careers?

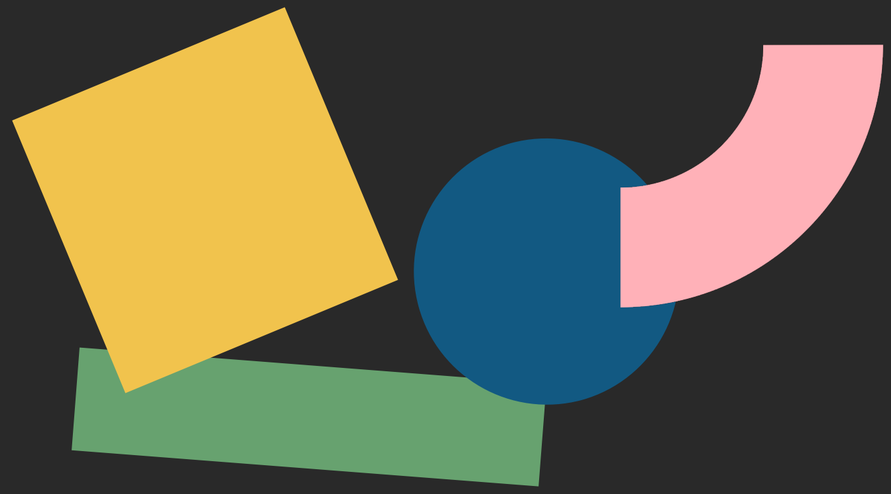




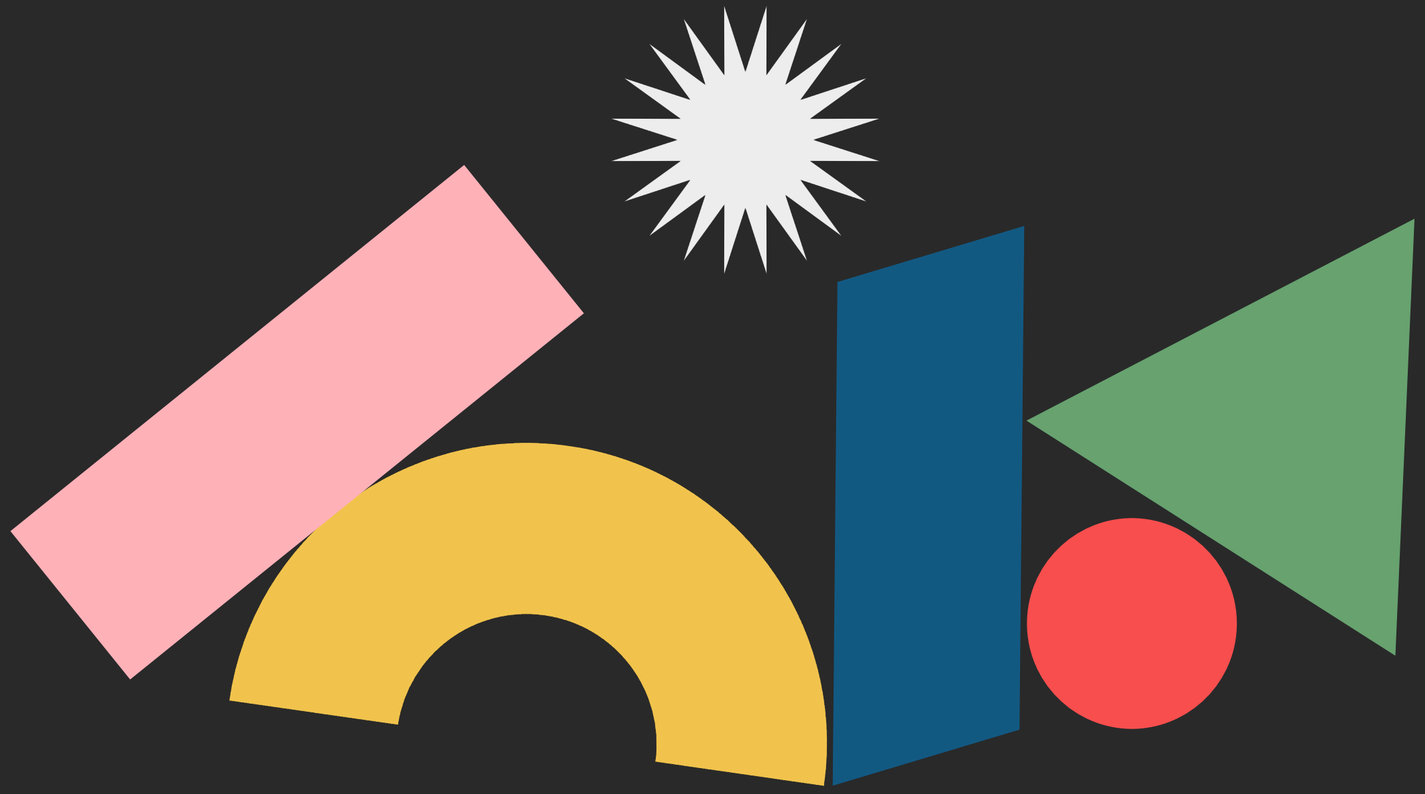
What does *personal finance* mean to someone whose *business* is *personal*?

Resources

- Next Gen Personal Finance: *Budgeting in the Gig Economy*
- *The Graphic Artists Guild Handbook of Pricing and Ethical Guidelines*
- The Freelancer's Union – freelancersunion.org
- *Upwork: Freelancing in America* and *Freelance Forward* studies
- Kiplinger: *Making it in the Gig Economy*
- *Arts & Numbers by* Elaine Grogan Luttrell
- *Finance for the People* by Paco de Leon



Questions?



Steven Miller
financialwellness@scad.edu