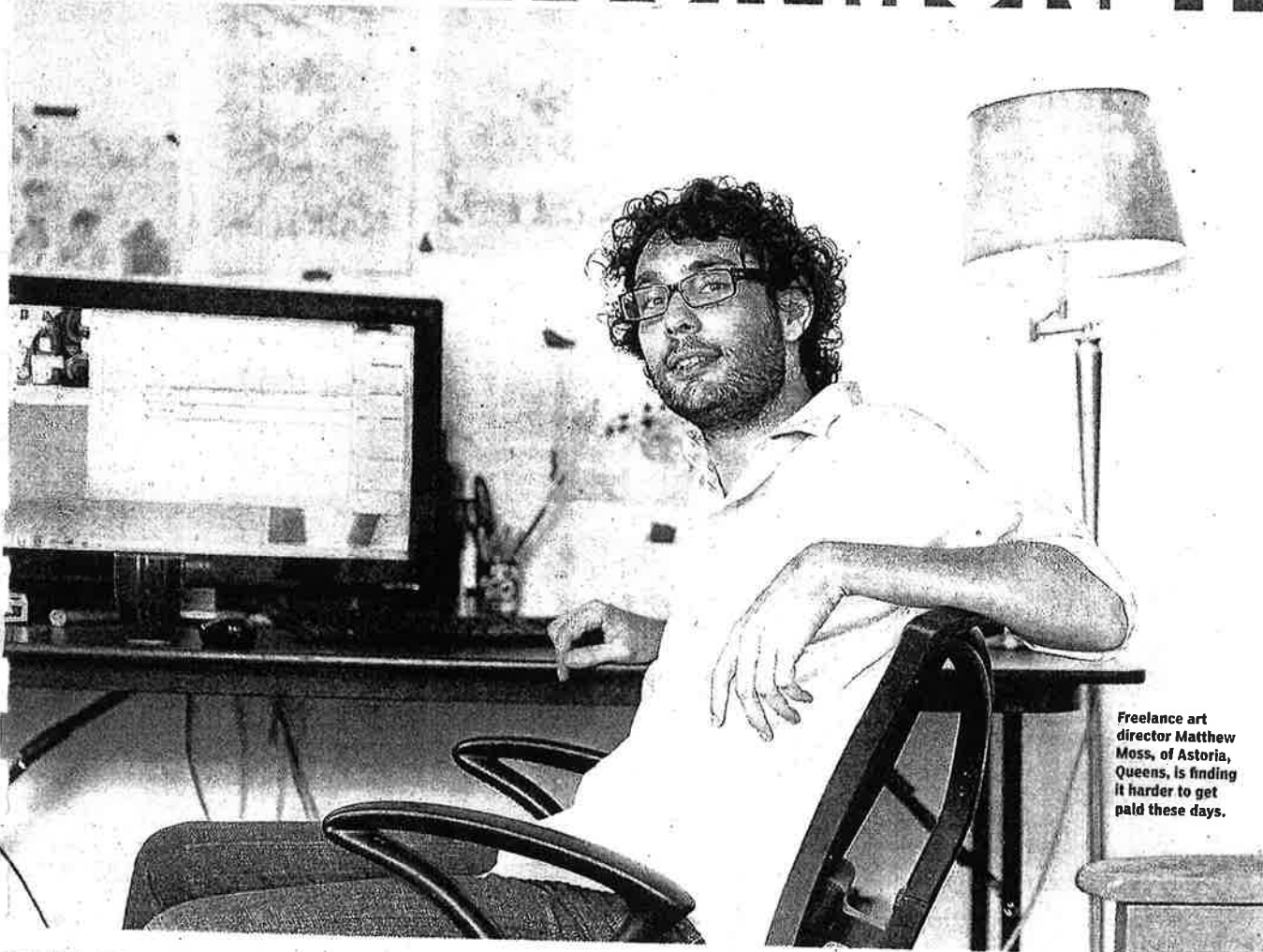


## YOUR MONEY



Freelance art director Matthew Moss, of Astoria, Queens, is finding it harder to get paid these days.

# Working for 'free'

## Tough times mean more NYC freelancers getting stiffed

BY TRIPP WHETSELL  
SPECIAL TO THE DAILY NEWS

Since becoming a fulltime freelancer over ten years ago, I've published three books, hundreds of articles and managed to earn a decent side gig as a part-time copywriter while kicking out of my Upper East Side apartment.

It's a life I wouldn't trade — except lately I've been having a lot of problems getting paid on time.

And I'm hardly alone.

More than 40% of the 160,000 mem-

bers of the Freelancers Union, a Brooklyn-based organization that represents independent contractors nationwide, reported similar troubles last year, according to its executive director, Sara Horowitz.

Individuals working across many fields reported not receiving their money on time, earning less — and in some cases not being compensated at all.

"It's a huge problem that's gotten steadily worse since the recession began," said Horowitz, whose union represents 90,000 members in New York.

"Lately, we've seen and heard everything from people losing tens of

thousands of dollars to horror stories about having to go to small claims court because they've been stiffed."

Matthew Moss, 36, of Astoria is one of them. After moving here from Florida six years ago, he managed to forge a successful and lucrative career as a freelance art director.

He said collecting a steady paycheck was never an issue at first, but that now it's a constant struggle.

"I've had a lot of experiences with both big and small companies and am always having to chase people down no matter how established they are. It's gotten to the point where I'm almost

pleasantly surprised whenever I do get paid on time."

Moss said that in the past year alone he has had to consult a lawyer at least four times for four separate clients, and that he is currently trying to recoup a total of \$12,000 owed him from two of them: a local game studio that has since gone out of business and a production design studio whose owner is frequently unreachable.

Stand-up comedian and voiceover artist Dan Nainan, 30, of Chelsea, said he was cheated out of money by a client

*Continued on next page*

**YOUR MONEY**

# Freelancers fight for money owed

*Continued from previous page*

who had previously been reliable. "[She] had hired me twice in the past for corporate events, for \$10,000 and \$10,000, respectively," Nainan said. "She hired me for a third show for \$10,000 and I made the mistake of not demanding [the total] payment up front. Well, guess what? I got stiffed out of \$5,000." Horowitz noted that in some ways freelancers in New York have done better than others during the economic downturn. But she fears the situation could get a lot worse as the dismal job market increasingly thrusts more professionals into the ranks of freelancers. "Freelancers are the most nimble workers in the city," she said. "They typically have a number of gigs and if one

doesn't work out they have something else. But the lack of a safety net is still terrifying." Douglas Lipsky, a Manhattan employment attorney, said more cash-strapped companies hire freelancers out of necessity amid the lingering economic downturn — and then find themselves unable to pay these workers. "For some employers, particularly small businesses, it's a deliberate decision for them to classify these individuals as independent contractors — and then not pay them on time because in many cases they aren't able to collect from their own vendors," said Lipsky. "[The situation] has snowballed on both ends." There are a number of things independent contractors can do to minimize

these frustrations and maintain their sanity. For starters, Horowitz recommends searching industry discussion boards to make sure the company they're working for doesn't have a history of delinquent payments.

The Freelancers Union also maintains a checklist on its website, [freelancersunion.org](http://freelancersunion.org). In addition, it is currently working on potential legislation to give freelancers in New York more legal recourse and create stiffer penalties for companies that don't pay. Michelle Dunn, a collections expert and author of "Getting Paid," advises freelancers to request a written contract with a scheduled payment date and penalties built-in for being late — before they do any actual work for a client. If a business doesn't honor it, she suggests immediately contacting the person responsible by phone and then sending a revised invoice with interest penalties added on.

"They have to protect themselves first and foremost, so they really do need to get some kind of a written agreement up front to avoid being exploited," Dunn said. Filing a claim in small claims court should only be used as a last resort, Dunn added. No freelancer wants to be perceived as a troublemaker and end up being blacklisted by potential employers. Moss has considered going to small claims court to get his money, but is trying to avoid it out of fear it will hurt his reputation. Yet he has consulted a lawyer — whom Moss has so far paid more than \$3,000 to help get what he's owed. "These days, I'd say I spend more than half of my time trying to get paid, and the most infuriating part of all is that it creates bad energy and takes away valuable time I can't ever get back," Moss said. "Between taxes, legal fees and the time it takes away from generating more work, it's almost made 'free-lancing' an oxymoron."

**'I spend more than half my time trying to get paid.'**

# Do-it-yourself financial aid

Be your own accountant with these low-cost software programs and sites

**BY MARK BROOKS**  
SPECIAL TO THE DAILY NEWS

In tough economic times, it sometimes feels like you need a live-in accountant to keep your financial house in order.

Luckily, there are a number of low-cost or free personal finance software programs to get your family's budget back in the black. Here are a few:

## YOU NEED A BUDGET

YNAB uses the old-fashioned, but still effective "envelope" budgeting system; prompting you to divide your income into various spending categories.

This allows you to keep track of where you're spending — or overspending — and aims to help you sock away "rainy day" funds.

While there are no extras like stock tracking, this spectacularly easy to use program teaches the basics of spending and saving.

[youneedabudget.com](http://youneedabudget.com); \$59.99, 7-day free trial.

## MINT

This Internet-based budgeting software is a one-stop shop for monitoring all your financial accounts.

It also makes keeping track of your investments, such as

stocks or mutual funds, quite painless through big, bold charts and graphs.

Users can access their account via Mint.com's mobile app, and can even get bill re-

minders on their cell phone. [mint.com](http://mint.com); free, with some (mostly unobtrusive) ads.

## ACEMONEY

This software from MechCAD Labs provides most of the online and offline management options home users want in an attractively designed and powerful package.

The free "Lite" version offers access to only two accounts (such as one checking and one credit card) in the hope you purchase the full version, which is also a very good deal.

[mechcad.net](http://mechcad.net); free (Lite) or \$30 (full).

## GNUCASH

While potentially intimidating for non-techies, this free accounting tool is great for balancing the books and tracking bank accounts, stocks, income and expenses. Despite a less-than-inviting interface, its number crunching works for personal and small business finances.

[gncash.org](http://gncash.org); free, donations accepted.

## MICROSOFT MONEY PLUS SUNSET DELUXE

While Microsoft discontinued Money in 2009, you can download this free version. There are no online services, such as bill payment or statement downloads, but for users not concerned with Internet functionality, it's worth a try.

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