

Handling Time Management for Freelancers

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Freelancers are typically paid out of accounts payable (i.e. purchases). In contrast, when regular team members submit time, it is booked against specific jobs which can also accumulate costs from places such as purchases.

If freelance team members are submitting time in aACE, be sure to leverage the aACE features that prevent freelancer timesheets from generating GL entries at approval, thus making sure the cost is applied to the job only once and preventing a double expense (see configuration steps below).

Generating Purchases and Checks for Freelancers

Freelance team members can [create and submit timesheets](#) themselves, or the timesheets can be entered by other team members who receive the freelancer's invoice. Freelancer timesheets do not affect accounting until the purchase record is entered. In contrast, regular team member timesheets impact the accounting modules as soon as they're approved (depending on your [time management settings](#)).

After freelancer timesheets are entered, team members create a purchase record populated with line items from the timesheet (i.e. jobs and hours worked) and with the Unit Cost from the freelancer's Team Member record.

1. Navigate to **Menu > Internal > Timesheets**.
2. Use the Quick Search bar to display the freelancer timesheet(s) that are due.
3. Click **Actions > Generate Purchases for Timesheets in List**.
4. At the confirmation dialog, click **Generate**.
5. At the review dialog, click **View**.

Configuring Your System for Freelancers

The system administrator must configure the Accounting preferences and set up each freelancer's Team Member record:

Accounting Preferences for Freelance Timesheets

1. Navigate to **Menu > Accounting > Preferences > Data Entry**.
2. In the Timesheets section, mark the flag to 'Allow purchases to be generated from timesheets for freelancers'.
3. Click **Commit Updates**.

Freelance Team Member Records

1. Navigate to **Menu > Internal > Team Members**.
2. Locate the team member you need to work with.
3. At the detail view, click the **Human Resources** tab and click **Edit**.
4. Above the Compensation Setup section, mark the **Freelancer** flag.
5. In the Pay Rate field, enter the team member's base hourly rate.
6. In the Multiplier field, enter "1".

Note: The Multiplier is a number typically provided by a payroll service to help you calculate how much a team member costs with taxes, benefits, and other compensation factors included. Because freelancers do not typically receive these additional benefits, the Multiplier is "1" so the Bill Rate matches the Pay Rate. (Read more about [setting up your system for time management](#).)

7. Click **Save**.

If the team member does *not* already have a personal 'company' record, click Actions > Create Related Company > OK > OK. Creating the related Company and Contact record helps streamline the process for generating purchases.
