Lumoset

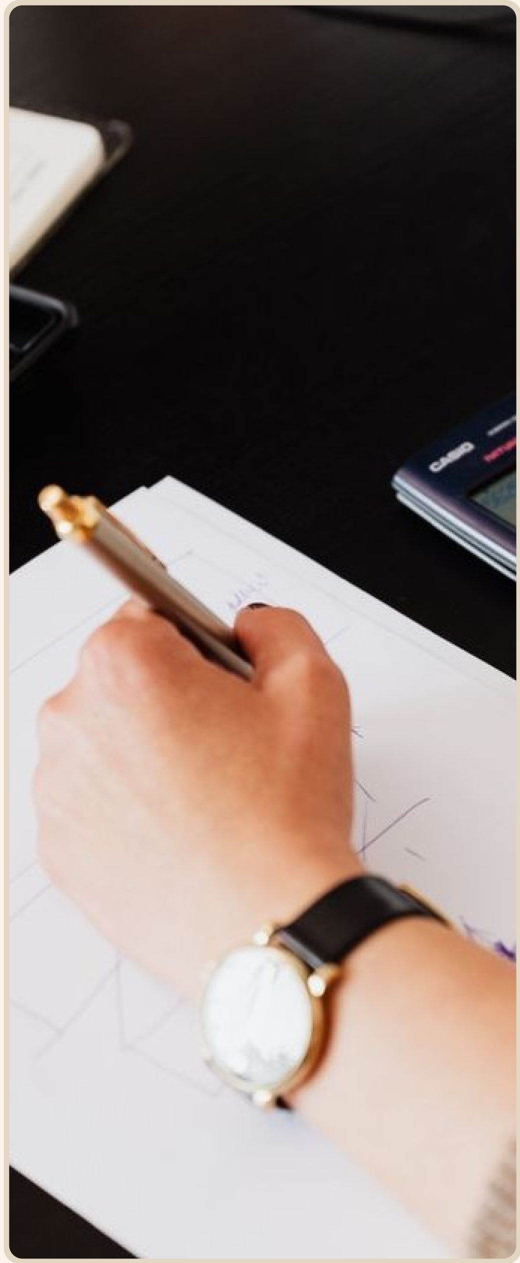
FREE ONLINE-SAFETY EDUCATION

Getting Paid Safely for Online Work

How to avoid the payment traps that catch new freelancers, and get paid on time, every time.

A Lumoset Foundation guide · Part of the free Safe Online Work series

Who it's for: any freelancer who wants to get paid on time and avoid payment scams. **Plain language, no jargon.** A short read you can act on today.



Who we are

Lumoset Foundation is a nonprofit that helps everyday people stay safe and confident online. We make clear, plain-language lessons about spotting scams and using technology, and we keep everything 100% free, with no account and no catch. We are a registered 501(c)(3) charity based in Fort Wayne, Indiana.

Why we made this guide

Getting hired is only half the job; getting paid, safely and on time, is the other half. Most new freelancers learn payment safety the hard way, after losing money to a late-paying client or a payment scam. This guide gets you there first.

> **Remember: A clear written agreement, made before you start work, is the single biggest thing that protects your money.**

Jump to what you need:

Always Agree on Scope and Price in Writing First

What it is. A written agreement stating exactly what you'll deliver, by when, and for how much, sent and confirmed before any work begins.

Why it matters. Verbal or vague agreements are where “scope creep” and payment disputes start. In writing, a disagreement has a clear answer.

Do this now

1. Put scope, price, deadline, and revision limits in writing (even a simple email both sides reply “agreed” to counts).

2. State exactly what counts as “done” and what costs extra.

3. For a new client, get at least a partial deposit before starting (see Page 3).

Milestones and Deposits for Bigger Projects

What it is. Breaking a larger project into paid stages, so you're never doing weeks of unpaid work on trust alone.

How it works. A typical split: a deposit before starting (often 25–50%), a payment at a mid-project milestone, and a final payment at delivery.

Do this now

1. For any project over roughly a week of work, break it into at least two payments.

2. Don't hand over final files until the final payment clears.

3. Platforms with built-in escrow (funds held until milestones are approved) add real protection — use that feature when it's offered.

The Overpayment / Fake Check Trap

What it is. A “client” sends payment for more than you're owed and asks you to send back, wire, or gift-card the difference.

How it works. The original check or payment is fake. Banks can take weeks to discover this, and by then the scammer already has whatever you sent back, and you owe your bank the rest. Fake-check scams have one of the highest price tags of any scam: the FTC reports a median loss of nearly $2,000, higher than any other of its top-ten reported scam types.

Example. A new virtual assistant is paid $2,000 for a $1,200 job and asked to wire back the $800 “overage.” The original payment bounces days later; she owes her bank the full amount.

Red flags

- Any payment for more than the agreed amount, with a request to send part back.
- Pressure to send the difference by wire, gift card, or crypto.
- A rushed excuse for the overpayment (“my accountant made a mistake”).

Do this now

1. Never send money back on a payment you haven't confirmed has actually cleared.

2. A legitimate client fixes an overpayment by requesting a refund through the same platform, not by asking you to wire cash.

3. Report it at reportfraud.ftc.gov.

Invoice Like a Professional (and Chasing Late Payment)

What it is. A clear, numbered invoice with your business name, the work delivered, the amount, and the due date.

Do this now

1. Send the invoice the moment work is delivered, not weeks later.

2. State a clear due date (e.g., “due in 14 days”) and what happens if it's late.

3. If a payment is late, a polite, prompt follow-up gets paid faster than an angry one, and a paper trail protects you either way.

Which Payment Methods Are Safe, and Which Are Traps

Safer: the platform's own payment system (dispute protection built in), a business bank transfer/ACH from a verified client, a credit-card-backed invoicing tool.

Red flags

- Gift cards as a payment method for real work.
- A wire transfer to or from someone you've never met in person.
- Cryptocurrency as your only payment option.
- A “test check” you're asked to deposit and partly return.

> **Remember: None of the methods above can be reversed once sent — that's exactly why scammers ask for them.**

Putting It Together

Agree in writing, get paid in stages, invoice promptly, and never move money backward on an unconfirmed payment. That combination protects almost every dollar you earn.

Keep learning, free.

This guide is a start. Our free course **Online Work · Level 1: Finding Legitimate Work Without Getting Burned** covers landing and keeping good clients, step by step, at your own pace.

• **No account. No cost. No catch.** Ever.

• Start anytime at lumoset.org.

• Know a new freelancer who needs this? Please share it with them.

New to freelancing? Start with our free guides, **Your First Freelance Profile** and **What to Charge**, at lumoset.org.

Key Terms in This Guide

Escrow: A neutral third party (often a freelance platform) that holds a client's payment until agreed-upon work is delivered, then releases it. Protects both the freelancer and the client.

Wire Transfer: A direct bank-to-bank money transfer that lands almost instantly and generally cannot be reversed once sent, which is why scammers frequently request it.

Sources

FTC, Fake Check Scams (ftc.gov/fake-check) and Top Scams of 2024 (consumer.ftc.gov) — median fake-check-scam loss of nearly $2,000, the highest of the FTC's top-ten reported scam types.

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