

# Easter Means Spring Cleaning

## BeacCorp Property Management Has the Answers

Dee Dewitt had always done her own housework. But as she got older -- she's now 73 -- it became tougher to reach the cobwebs in the corners and to vacuum the floors.

One Mother's Day, her children arranged for housekeepers to clean her home as a gift. Dee, a retired waitress, says she's never looked back.

BeacCorp Property Management, a local cleaning service, sends housekeepers to give her suburban Wellington home a thorough scrubbing once a month. It costs her \$96 to \$118 a visit, depending on how much they do.

"I'm telling you, it's worth every penny," Dee said. "Some things are just too tough for me."

Dee is among millions of people who have chucked their mops and brooms and instead pay for cleaning services.

Industry statistics are sketchy because as much as 70% of the market is made up of independent housekeepers who don't always report their wages.

But experts say the combination of an aging population and increasingly time-stressed, two-income families have created a steady rise in the number of people seeking housekeeping help.

The services differ widely. What you get -- and what it costs -- can vary dramatically based on whom you hire. There are essentially three ways to hire a housekeeper: contract with a service like BeacCorp Property Management, call an agency to match your needs with a provider or hire an independent housekeeper on your own.

An independent contractor may charge as little as \$6 an hour, whereas agency fees can run from \$15 to \$35 an hour. A cleaning service often is the most expensive at \$45 to \$50 an hour, said Randy Bell, CEO of BeacCorp Property Management, a West Palm Beach based housekeeping and property management service.

"If you're looking strictly at dollars, the cheapest option is to hire somebody who is willing to do your cleaning and may or may not be legal," Randy says. "But you have to look at what you are getting for your money, both cleaning-wise and from a standpoint of liability."

By and large, housekeeping services have a standard for what they clean and a formula for doing so. They typically send two employees who have been screened and trained.



### BeacCorp Property Management

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Our workers use particular products and do set chores such as dusting baseboards and sanitizing bathrooms. Customers can ask for other services, but staffers generally do not babysit children or do the laundry.

On a first visit, the service's representative usually will quote a price for cleaning and explain the parameters of the work, said William Bell, Head of Operations for BeacCorp Property Management.

If the customer wants additional services -- someone to clean the garage or refrigerator, for example -- we quote a separate price for that. The quote may not be based on an hourly rate, but William says he tracks the time his employees spend at each job. If a customer says the staff is cutting corners to hurry through the house, we can verify and correct it, Bill says.

The reason people like Dee might choose a service over less- costly options boils down to convenience and security.

The same two workers have cleaned Dee's home for the last six months, she said. When she once had a problem, she called the office and it was immediately fixed. If anything is damaged or broken by the housekeeping staff, the service covers the cost of replacement or repair.

William says that if a client says something has been stolen, he submits any employee who has been in the customer's home to a polygraph test and works with police to recover the item.

BeacCorp Property Management employs the housekeepers they send. This includes screening employees' paperwork, paying taxes on their wages and providing insurance. That absolves clients of any responsibility to comply with relevant immigration and tax laws William said, and reduces the chance that a worker's on-the-job injury would result in a liability claim.

Agencies offer the same one-call convenience as a service but operate differently.

Most often, they are referral services, acting as a go-between for a client and a provider. They work with an array of housekeepers and try to match the client's needs with a candidate.

They usually are not an employer, however. They also don't necessarily pay taxes or buy insurance for their workers. But if clients are dissatisfied with their referred cleaning person, they can call to get a replacement.

The least expensive and often most flexible option is what experts call the independent, a person who cleans houses without the patronage of an agency or a formal employer. Randy Bell estimates that 70% of housekeeping services are performed by independents, some of whom are working legally, some not. They're usually paid in cash and their wages are not reported to the federal government.



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Hiring an independent can be a good option for people who don't mind doing their own screening and can be clear about the services they want completed. However, Randy suggests that prospective customers come up with a list of what they need and get several referrals and bids.

"You are looking for the neighbor or co-worker who has the ideal independent who needs more houses," Randy said. "When we are in focus groups and talk to consumers about independents, we find that some people have them baby-sitting their kids or doing dishes. They can be used for a more flexible range of services." But having more control begets more responsibility.

Independents don't clock in or out, so if customers are paying by the hour, they probably need to be there while the cleaning is done to ensure that the housekeeper isn't cutting corners, Randy said.

Moreover, if customers want particular items cleaned in a certain way, they need to provide the relevant instructions and cleaning supplies. How the housekeeper and customer deal with damage to possessions is an open question.

The biggest catch may be taxes. The more control the customer exerts, the more likely he or she would be considered an employer under U.S. tax rules, said BeacCorp Property Management CEO Randy Bell.

If you are classified as an employer, you are expected to pay employment taxes on your housekeeper's wages and file reports with federal and state governments.

What makes you an employer? The test is amorphous but hinges on the amount of behavioral and economic control that's exerted. If housekeepers are required to work set hours and use particular tools and derive a significant amount of their income from one individual, they're likely to be considered employees. If the housekeepers set their own hours, use their own tools and work for many other customers, they're probably not employees.

The tests to determine whether an individual is an employee or an independent contractor (which absolves the customer of tax and reporting requirements) are detailed in "The Household Employer's Tax Guide," which can be obtained from the IRS website at [www.irs.gov](http://www.irs.gov) or by calling (800) 829-3676, or (800) TAX-FORM.



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