

## A FAMILY SPENDING PLAN

### LESSON 2C OF MONEY FOR FOOD

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#### Learner Objectives

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- Participant will name at least one way a typical family could spend less on housing, food, transportation, clothing and personal care, recreation, or another common expense.
- Participant will develop a family spending plan based on family income and expenses, using either a case study or personal records.

#### Teaching materials needed

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- Activity sheet—“Ways to Spend Less”
- Worksheets—“Track Your Spending - Where Does the Money Go” and “Family Spending Plan” (2 options)
- Pencils, calculators
- Flipcharts and whiteboards with markers

#### Background information for the Educator

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This lesson is the logical conclusion to Lesson 2B. During Lesson 2B, the participants looked at the income and expenses of an imaginary family and were encouraged to do the same for their own family. During this lesson, the information from Lesson 2B will be used to make decisions about future spending plans for the family—in the form of a Family Spending Plan (sometimes called a “Budget”).

## Teaching Lesson 2C

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1. Ask participants to write on either a sheet of flipchart, erase board or a post-it reasons they have for wanting to spend less. Collect the post-its and place on the flipchart or board. Read the list and ask participants clap as you read each item if this is true for them as well..
  2. Introduce this lesson by reviewing what was done during lessons 2A and 2B.
  2. Activity: Ways to Spend Less  
Use the attached Activity to begin a brief discussion of ways that many families could, or do, spend less for items that they want or need.
  3. Activity: Make a Spending Plan for the Case Study Family  
Use the Worksheet “Family Spending Plan” to design a spending plan for the case study family or youth used in Lesson 2B.  
Incorporate some of the suggestions for spending less that were discussed in the previous activity. For example, Family #3 could spend less for food if more meals were eaten at home. Total Expenses Planned on the bottom of the spending plan worksheet should be less than, or equal to, the Total Income for the family.
  4. Activity: Make a Family Spending Plan  
Distribute copies of the Worksheet “Family Spending Plan” to participants. Assist participants in using the worksheet to record their personal monthly income and expenses totals (from Worksheets used during lesson 2B.) If necessary, suggest that participants complete the worksheet at home.
- Special instructions for “Food” spending category on the “Family Spending Plan”:**  
Participants who have completed Lesson 1 already have calculated an amount of money their family should spend for food. The dollar amount written in Step 6 on the Worksheet “How Much Should You Plan to Spend for Food?” can be used in the Family Spending Plan as the amount planned for “Food” for a month.
5. Optional: Lead a discussion about methods or systems families can use to track their spending each month. Distribute the Dollar Sense fact sheet “Tracking Your Spending.” The fact sheet describes the Envelope method, the Calendar method, the Receipts can method, and the Notebook method of keeping track of expenses.

## Concluding Lesson 2C

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Review main points of lesson.

Thank people for participating, and ask them to take a few minutes to complete a brief Comment Form about the lesson.

Before asking the end of session evaluation questions, say the following to the learners:

**“I am going to ask you a couple questions that will help us see what you have learned today. You do not have to answer the questions if you don’t want to. All of your answers will be private.”**

End of session questions for Lesson 2C:

- What is one new way of saving money you plan to try?
- Do you use a spending plan?
- IF YOU HAVE NOT BEEN USING A SPENDING PLAN, are you now going to try to use one?

Record participant responses and other information about the lesson on the Educator Notes form.

Do not record individual learner's names on evaluation forms or questions. Do not share individual answers or comments made by the learners with other teachers or staff.

## ACTIVITY — WAYS TO SPEND LESS

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Participants take turns picking a slip of paper from the cup that is cut from the Spending Categories Sheet. Each is asked to read the spending category on their paper and try to think of a way that a family could spend less on that particular type of expense. For example, if the spending category is “Recreation and fun” the suggestion could be, “Spend less for cable TV.” After the first suggestion is given, encourage other participants to give other suggestions. Discuss or make lists of the suggestions, as time allows.

If a participant can’t think of a suggestion, they are allowed to say, “Pass.”

Refer to pages 25 to 31 in “Planning to Stay Ahead” for many good suggestions.

**Spending Categories—**

Cut on the lines and place each of the following in a cup or hat, to draw from.

<p><b>Housing</b>  (rent or house payment)</p>	<p><b>Furnishings</b>  for your home</p>
<p><b>Utilities</b>  (heat and electricity)</p>	<p> <b>Telephone</b></p>
<p> <b>Transportation</b>  </p>	<p><b>Medical and dental</b>  </p>
<p><b>Food</b> </p>	<p><b>Clothing</b> </p>
<p><b>Personal care</b>  </p>	<p><b>Education</b> </p>
<p><b>Recreation and fun</b> </p>	<p><b>Contributions and gifts</b> </p>
<p><b>Child care</b> </p>	<p><b>Credit payments</b> </p>
<p><b>Insurance</b> </p>	<p><b>Other expenses ???</b></p>

## WORKSHEET — FAMILY SPENDING PLAN

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Is there enough money each month?

Your **TOTAL MONTHLY INCOME (A)**     \$ \_\_\_\_\_

Your **TOTAL MONTHLY EXPENSES (B)**     \$ \_\_\_\_\_

If your **TOTAL MONTHLY EXPENSES** are greater than your **TOTAL MONTHLY INCOME**, then you need to make some changes. A family spending and saving plan can help you balance your income and expenses so you come out even each month to help avoid going into debt.

For each spending category decide on an amount of money you will plan to spend each month.

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### FAMILY SPENDING PLAN

#### Income (Pay check)

Hourly Wage (\_\_\_\_\_) X 40 hours/week     =\_(\_\_\_\_\_) Weekly pay

Multiply weekly pay X 52 weeks/year     =\_(\_\_\_\_\_) Annual salary

Divide annual salary by 12     =\_(\_\_\_\_\_) monthly gross income

Multiply by .20 (20% for taxes, FICA)     =\_(\_\_\_\_\_) Withholding

Subtract withholding from monthly gross income = (\_\_\_\_\_) **Take home pay (A)**

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**SPENDING CATEGORY TOTAL AMOUNTS PLANNED**

Housing & utilities	\$	_____
Food	\$	_____
Transportation	\$	_____
Medical & dental	\$	_____
Clothing & personal care	\$	_____
Education & recreation	\$	_____
Contributions & gifts	\$	_____
Child care	\$	_____
Credit payments	\$	_____
Other expenses	\$	_____
<hr/>		
<b>TOTAL EXPENSES PLANNED* (B)</b>	<b>= \$</b>	<b>_____</b>

*\*Make sure this amount is less than or equal to TOTAL MONTHLY INCOME.*

## COMMENT FORM

### Today's topic was "A Family Spending Plan"

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We are very interested in your comments about today's lesson. Your completion of this form is voluntary and implies your consent to participate. All answers will be confidential to the extent allowed by law. Summary reports or other uses of the information will not identify you in any way. We may use your comments to help us describe the work that we do and to make future lessons better. If you have any questions, please contact Shelley King-Curry, (608) 265-5069  
Thank you!

How helpful was the lesson today?

- very helpful
- helpful
- somewhat helpful
- not helpful






Write one thing that you heard today that you will try to do at home:

Please share if there was something you wanted to get out this session that was not covered that would have met your needs.


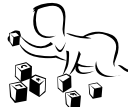



# Track Your Spending - Where Does Your Money Go?

## Actual Weekly Expenses

Week \_\_\_\_\_

Housing/Utilities			Food			Clothing/Personal Care			Medical/Dental			Education/Entertainment		
														
Rent/Mortgage Payment Property Taxes & Insurance Electricity/Gas/Oil Water/Sewer Garbage Home Maintenance/Cleaning Supplies Garden/Lawn Supplies Furnishings/Appliances Home/Cell Phone Other			Groceries Eating Out/Vending Purchases School Lunches Infant Formula Other			Clothing Hair Cuts Shoes & Boots Laundry Personal Products Diapers Child(ren)'s Allowances Other			Health/Dental Insurance Eye Care: Glasses, Contacts Prescription/Over Counter Meds Other			School Supplies/Tuition Lessons (sports/music/etc) Books/News Paper/Magazines Cable/Satellite TV & Internet Video Rentals Vacation/Weekend Trips Hobbies/Sports Other		
Date	Item	\$	Date	Item	\$	Date	Item	\$	Date	Item	\$	Date	Item	\$
Total		\$	Total		\$	Total		\$	Total		\$	Total		\$

# Actual Weekly Expenses Week \_\_\_\_\_

Credit Payments, Appliance Rental Fee/Money Owed to Other 			Childcare 			Donations & Gifts 			Transportation 			Other Expenses 		
Payment	Payment		Childcare/Daycare			Donations (Organizations/Church)			Car/Truck Payment			Emergency Savings		
Payment			Babysitting			Gifts for Birthdays & Holidays			Tires/Repairs			Money Orders		
Payment			Child Support			Other			Bus			Postage Court		
Payment			Other						Pass/Cab			Fees/Restitution		
Payment									Gas/Oil/Etc			Union/Work Expenses		
									License Registration/Insurance			Other		
									Parking			Pet Food/Care		
									Other			Cigarettes/Alcohol		
Date	Item	\$	Date	Item	\$	Date	Item	\$	Date	Item	\$	Date	Item	\$
Total		\$	Total		\$	Total		\$	Total		\$	Total		\$

## SPENDING PLAN

INCOME	MONTHLY AMOUNT	EXPENSES	MONTHLY AMOUNT
Your Earning (net pay)	\$	<b>Clothing/Personal Care</b>	
Spouse's Earnings (net pay)	\$	Clothing	\$
Tips/Commissions/Overtime	\$	Hair Cuts	\$
Unemployment Compensation	\$	Shoes and Boots	\$
Child Support/Alimony	\$	Laundry	\$
Social Security	\$	Personal Products	\$
Other	\$	Diapers	\$
		Child(ren)'s Allowances	\$
<b>TOTAL INCOME</b>	<b>\$</b>	Other	\$
		<b>Total Clothing/Personal Care</b>	<b>\$</b>
<b>EXPENSES</b>			
<b>Housing/Utilities</b>			
Rent/Mortgage Payment	\$		
Property Taxes & Insurance	\$	<b>Medical/Dental</b>	
Electricity/Gas/Oil	\$	Health/Dental Insurance	\$
Water/Sewer	\$	Eye Care: Glasses, Contacts	\$
Home Maintenance/Cleaning Supplies	\$	Prescription/Over Counter Meds	\$
Furnishings/Appliances	\$	Other	\$
Garden/Lawn Supplies	\$		
Garbage	\$	<b>Total Medical/Dental</b>	<b>\$</b>
Home/Cell Phone	\$		
		<b>Education/Entertainment</b>	
		School Supplies/Tuition	\$
<b>Total Housing/Utilities</b>	<b>\$</b>	Lessons (sports/music/etc)	\$
		Books/News Paper/Magazines	\$
<b>Food</b>		Cable/Satellite TV & Internet	\$
Groceries	\$	Video Rentals	\$
Eating Out/Vending Purchases	\$	Vacation/Weekend Trips	\$
School Lunches	\$	Hobbies/Sports	\$
Infant Formula	\$	Other	\$
Other	\$		
		<b>Total Education/Recreation</b>	<b>\$</b>
<b>Total Food</b>	<b>\$</b>		

<b>Credit Payments, Appliance Rental Fee/Money Owed to Others</b>		<b>Donations &amp; Gifts</b>	
Payment	\$	Donations (Organizations/Church)	\$
Payment	\$	Gifts for Birthdays & Holidays	\$
Payment	\$	Other	\$
Payment	\$		
Payment	\$	<b>Total Donations &amp; Gifts</b>	<b>\$</b>
Payment	\$		
Payment	\$		
<b>Total Credit Payments, Appliance Rental Fee &amp; Money Owed to Others</b>	<b>\$</b>	<b>Transportation</b>	

<b>Other Expenses</b>		Car/Truck Payment	\$
Emergency savings	\$	Tires/Repairs	\$
Money Orders	\$	Gas/Oil/Etc	\$
Postage	\$	License Registration/Insurance	\$
Union/Work Expenses	\$	Parking	\$
Pet Food/Care	\$	Bus Pass/Cab	\$
Cigarettes/Alcohol	\$	Other	\$
Court Fees/Restitution	\$	<b>Total Transportation</b>	<b>\$</b>
Other	\$		
<b>Total Other Expenses</b>	<b>\$</b>		

<b>Childcare</b>	
Childcare/Daycare	\$
Babysitting	\$
Child Support	\$
Other	\$
<b>Total Childcare</b>	<b>\$</b>

**TOTAL INCOME** \_\_\_\_\_  
**subtract ( - )** \_\_\_\_\_  
**\*TOTAL EXPENSES** \_\_\_\_\_  
 (\*Add totals from each category)  
**TOTAL REMAINING** \$

**EDUCATOR NOTES – LESSON 2C**

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Educator name: \_\_\_\_\_

County: \_\_\_\_\_

Date: \_\_\_\_\_

Location: \_\_\_\_\_

Number in group (enter "1" if individual learner) \_\_\_\_\_

**Participant responses to "Concluding the lesson" questions:****What is one new way of saving money you plan to try?**

number of participants providing a response \_\_\_\_\_

number of participants proving no response \_\_\_\_\_

**Do you use a spending plan?**

Number of participants responding "YES" \_\_\_\_\_

**IF YOU HAVE NOT BEEN USING A SPENDING PLAN, are you going to try to use one?**

number of participants responding "YES" \_\_\_\_\_

number of participants responding "NO" \_\_\_\_\_

number of participants responding "unsure" or "don't know" \_\_\_\_\_

**Educator assessment of the lesson and how lesson was received by participants:****Other comments from participants:****Note to Educator:**

Complete this form after each time you teach this lesson. Turn in to your supervisor.