

Learn at Home: Nutrition Lessons for Healthy Living

Food Resource Management

By choosing to complete this mail lesson, you have taken the first step in learning more about the importance of nutrition and its relationship to good health. By budgeting your food dollars you can provide healthy foods for your family throughout the whole month. This lesson will teach you how to do that.

To complete this lesson:

- Carefully read this lesson. It should take about 15-20 minutes to complete.
- Answer the questions included with this lesson.
- When you are finished, place the questions in the prepaid envelope and place the envelope in the mail.

Food Resource Management

Developing a budget can help you make your money and food last until the end of the month. This mail lesson will discuss:

- What is food resource management?
- How to make ends meet
- What is a budget?
- Creating a budget
- Developing a spending plan that works
- The envelope method
- Planning takes practice
- Tips to stretch your food dollars



◆ Food Resource Management... what does that mean?

The term food resource management means using your food dollars wisely, so you can provide healthy food for your family for the entire month.

◆ Making Ends Meet

Do you run out of money or food before the end of the month? Most of us do once in a while. If this happens to you a lot, you might need to change the way you spend money. A budget can help you change how you spend money.

Developing a budget is important for all families regardless of income!

Most families have a fixed amount of resources to get them through a month. These resources are called income and can include actual cash in salary or wages, SNAP benefits (Food Stamps), WIC coupons, and other sources of money. We all want our income to be

greater than our expenses. Developing a budget can help you reach this goal.

◆ What is a budget?

A budget is a written plan that shows how you need or want to spend your money. A budget will help you pay bills on time, cut out spending that leads to debt, and pay off current debt. Sticking to a budget can help you identify the amount of money available each month for food and supplies for your family.

A budget should be somewhat flexible. It should help you meet **fixed expenses** and **flexible** expenses.

What are fixed expenses?

Fixed expenses must be paid and change little from one month to the next. They include:

- housing costs (rent)
- insurance
- loan payments
- savings

What are flexible expenses?

Flexible expenses change with the decisions we make regarding our needs and wants. They include:

- food
- clothing
- utilities
- medical

◆ Let's Get Started Creating a Budget Just for You and Your Family

Before you make a budget, you need to know how the money you earn is spent. There are **three** kinds of expenses:

1. **Needs** = things a family must have to survive such as food, shelter and clothing.
2. **Wants** = things a family would like to have, but not having them would not result in serious harm, such as new clothes, a new car, eating out, vacations, or cable television.

3. **Commitments** = something that you have bought and are committed to paying over time. For example, a washing machine bought on an installment plan or a car payment. Individually, these expenses may seem small but when you have several monthly commitments, they add up. They take a large part of your monthly income.

◆ Developing a Spending Plan that Works for You and Your Family.



Deciding how to spend your money can be very challenging. Use the following steps to help identify how much money is coming into your household and how much is being spent.

- **Write down what income you have available.** You will need copies of paycheck stubs, SNAP benefits (Food Stamps), etc. Use the “Budget Form” found at the end of this lesson.
- **Develop a budget.**
 - Make your budget fit your paycheck. Look at the amount you listed in each of the expense categories. Ask: “What do I need to pay for first?” Priorities should be rent, utilities, expenses for getting to work (gas, car insurance, public transportation), and food for your family.
 - If you have credit card debt, pay off the ones with the highest interest rate first. If possible, pay more than the minimum payment.
 - For items that are due once a year, such as taxes and car license, divide that amount by 12, and set aside that amount each month in a savings account. You can use the same strategy for gifts or trips. This is called “forward planning.”
- **Establish a way for recording income and expenses.** The simplest system uses a calendar.
 - On the monthly calendar, record any income expected on the date it will available.
 - Then, record the amounts of all bills due on the date they must be paid.
 - Compare income available to the bills that are due.

- **Evaluate.** Each month look to see what worked and what did not. Always ask: “What do I need to do to make things work better?” Then make those necessary changes.

◆ **The Envelope Method**

The envelope method is another simple way to budget.

Here is how!

After you have paid your fixed expenses at the beginning of each month, decide how you will spend the rest of the money. Make an envelope for each of your expenses and mark it

- food
- clothing
- entertainment
- etc.

Put the money or resources you have planned for that purpose in each envelope.

When the envelope is empty, you have no more money for that until next month. If family members want new jeans and you are out of money in the clothing envelope you can clearly show why they will have to wait until next month or save the money themselves.

One concern is that you might spend all of your resources in the first two weeks of the month. This can be a real problem, especially with food resources. Four food envelopes, or one for each week, might be a good solution to this problem.

◆ **Planning Takes Practice**

Most families have budget problems from time to time. Planning will help you through the difficult times. It takes practice and a great deal of patience.



Money is something everyone in your household needs to learn about.

Let everyone get involved in goal setting and planning the budget.

It is easier to follow your budget and reach your goals when everyone participates.

*****Please see budget form on the following page.**

◆ **Tips to stretch your food dollars**

Compare unit prices. The unit price is the price per pound or ounce. Most stores have unit price labels on the shelf. Usually, the large container will have the best unit price. But if it spoils before it is used you will not save any money. Individually packaged foods usually cost more per ounce. Buy the size that fits your budget and your meal plan.

This material was funded in part by USDA’s Supplemental Nutrition Assistance Program and Expanded Food & Nutrition Education Program (EFNEP). The Supplemental Nutrition Assistance Program provides nutrition assistance to people with low income. It can help you buy nutritious foods for a better diet. To find out more, call 1-800-430-3244.

Budget Form

Pay Check\$ _____
SNAP benefits (Food Stamps)\$ _____
Other (WIC, SSI, child support, disability income).....\$ _____
Total Income\$ _____

Expenses

Rent or house payment\$ _____

Utilities:

Electricity\$ _____
Gas\$ _____
Water\$ _____
Trash pickup\$ _____

Transportation:

Gas\$ _____
Oil\$ _____
Car payment\$ _____
Car insurance\$ _____
Repairs\$ _____

Food (groceries, restaurants)\$ _____

Household items (toilet paper and cleaning supplies)\$ _____

Clothing\$ _____

Cable television\$ _____

Telephone\$ _____

Internet\$ _____

Cell phone\$ _____

Entertainment\$ _____

Pets\$ _____

Church, charities and gifts\$ _____

Personal care (haircuts, toothpaste, etc)\$ _____

Medical\$ _____

Debt (credit card payments, unpaid bills)\$ _____

Other expenses\$ _____

Total Expenses\$ _____

Total INCOME minus Total EXPENSES =\$ _____



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Resource Management Questions:

1. **True or False.** A budget will help you pay bills on time, cut out spending that leads to debt, and pay off current debt.
2. **True or False.** Rent is a flexible expense.
3. What are the three kinds of expenses?
 - a. Bills, vacation & food
 - b. Needs, wants, & commitments
 - c. Shopping, buying a new car & doctor bills
 - d. None of these
4. **True or False.** *Wants* include things a family must have to survive.
5. If you have credit card debt, you should...
 - a. pay off the ones with the lowest interest rate first.
 - b. pay off the ones with the highest interest rate first.
 - c. pay off the ones with the highest balance first.
 - d. pay off the ones with the lowest balance first.
6. **True or False.** An example of “Forward Planning” is renewing your yearly car license. If your car license is due once a year you could divide that amount by 12 and set aside that amount each month in a savings account.
7. **True or False.** The whole family does not need to get involved in goal setting and planning the budget.



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8. What is the first step in developing a spending plan that works?
- a. Write down what income you have available
 - b. Write down what your family wants
 - c. Cut out coupons
 - d. Develop a budget
9. **True or False.** Developing a budget is important for all families regardless of income.
10. The “Envelope Method” is a...
- a. way to organize your coupons.
 - b. simple way to budget.
 - c. craft idea for the kids.
 - d. place to put your shopping list.

Mini Goals

Setting goals is important when learning how to budget. Please choose or *create* at least **one mini-goal** to complete *before your next lesson*.

Based on what you have learned during this mail lesson, what is one budget change you plan to make?

Do you have an idea for a mini-goal? Go ahead and share your idea with your NEP staff member!

For Office Use Only:

Client's Name: _____ ID: _____

Staff Name: _____ Date: _____

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