

## **Module #2**

### **Income and Food Security**

This module explores the relationship between a household's income and its level of food security, as well as the community and government responses to hunger and poverty. The activities will give students the opportunity to learn about some of the daily challenges millions of people face in this country.

#### **Activity #1 – Family Budgets**

##### **Description:**

Participants will be given different family scenarios and will determine how much money they have left over for food after paying basic expenses. They will also identify the other expenses that families have beyond the basic expenses of rent, transportation, and they will discuss each scenario's impact on food security.

##### **Objective:**

- Increase awareness about the gap that often exists between wages and expenses.
- Begin to explore the various government and community responses to marginal, low and very-low food security.

**Materials:** Copies of family scenarios (see below), copy of *Possible Government Responses to Budget Scenarios*, pencils and calculators (optional)

##### **Time:**

30-45 minutes

### Activity Directions:

- Depending on the size of the group, divide the group into smaller groups of 2-3 people.
- Give each group a different family scenario. Each scenario will describe each household and the household income.
- Ask each group to add up all their **expenses** and subtract these from their **starting income**. The amount left over is the income they can use toward food and other expenses.
- Have each group brainstorm what other expenses a family might have. *For example, diapers, cleaning supplies, car repair, etc.*
- After they have completed this, have each group share their scenario.

## FAMILY SCENARIO #1

### ❖ WHO YOU ARE

- **You are a 2 parent with 3 kids who are ages 1, 4 and 7**
- One parent works full time for **\$7.25** per hour (minimum wage).
- One parent works full time for **\$8.00** per hour.
- **\$2,360.00** is your monthly income.

### ❖ Expenses

<b>1. Rent</b> for a 2 bedroom apartment.	<b>\$675.00</b>
<b>2. Utilities</b> for electricity, gas, water and phone.	<b>\$210.00</b>
<b>3. Transportation</b> for public transportation.	<b>\$120.00</b>
<b>4. Childcare</b> for 1 in daycare, and 2 in after school.	<b>\$660.00</b>
<b>5. Medical</b> no health insurance, all healthy this month.	<b>\$ 00.00</b>
<b>6. Taxes</b> for state, Medicaid and SS withholdings.	<b><u>\$261.53</u></b>
Total of expenses	_____
Monthly income	<b>\$2360.00</b>
Minus total of expenses	_____
Amount left over for food	_____

- ❖ If you subtract the total of your expenses from your monthly income, how much money do you have left to purchase food? What are other things that this family would need to purchase monthly? Are there expenses on your list that (even before buying food) you won't have money to pay? Which bills are the most important to pay?

## FAMILY SCENARIO #2

### ❖ WHO YOU ARE

- You are a single parent with 3 kids who are ages 3, 6 and 10.
- You work full time for **\$8.00** per hour.
- **\$1,280.00** is your monthly income

### ❖ Expenses

- |   |                         |
|---|-------------------------|
| 1. <b>Rent</b> for a 2 bedroom apartment.                   | <b>\$650.00</b>         |
| 2. <b>Utilities</b> for electricity, gas, water and phone.  | <b>\$175.00</b>         |
| 3. <b>Transportation</b> for public transportation.         | <b>\$ 60.00</b>         |
| 4. <b>Childcare</b> for 1 in daycare, and 2 in afterschool. | <b>\$770.00</b>         |
| 5. <b>Credit Card</b> Minimum payment .                     | <b>+<u>\$120.00</u></b> |

Total expenses \_\_\_\_\_

Monthly income **\$1280.00**

Subtract total expenses - \_\_\_\_\_

Amount left over for food \_\_\_\_\_

- ❖ If you subtract the total of your expenses from your monthly income how much money do you have left to purchase food? What are the other things that this family would need to purchase monthly? Are there expenses on your list that (even before buying food) you won't have money to pay? Which bills are the most important to pay?
- ❖ What are additional expenses that families need to consider? For example:
  - Car payments and insurance when people do not live in an area that offers public transportation, birthday presents, holidays, shoes, dental care, laundry soap, etc.
  - What are some other things you can think of?

## FAMILY SCENARIO #3

### ❖ WHO YOU ARE

- You are a single parent family with 3 kids who are ages 2, 4 and 8.
- You work full time, for **\$15.00** per hour.
- **\$2,400.00** is your monthly income.

### ❖ Expenses

1. <b>Rent</b> for a 2 bedroom apartment.	<b>\$880.00</b>
2. <b>Utilities</b> for electricity, gas, water and phone.	<b>\$210.00</b>
3. <b>Transportation</b> for car note, gas, and insurance.	<b>\$390.00</b>
4. <b>Childcare</b> for 2 in daycare, and 1 in after school.	<b>\$875.00</b>
5. <b>Medical</b> for health insurance.	<b>\$206.00</b>
6. <b>Taxes</b> for state and federal withholdings.	<b>+\$300.00</b>

Total expenses \_\_\_\_\_

Monthly income **\$2400.00**

Subtract total expenses - \_\_\_\_\_

Amount left over for food \_\_\_\_\_

- ❖ If you subtract the total of your expenses from your monthly income how much money do you have left to purchase food? What are other things that this family would need to purchase monthly? Are there expenses on your list that (even before buying food) you won't have money to pay? Which bills are the most important to pay?
- ❖ What are additional expenses that families need to consider? For example:
  - Car payments and insurance when people do not live in an area that offers public transportation, birthday presents, holidays, shoes, dental care, laundry soap, etc.
  - What are some other things you can think of?

## FAMILY SCENARIO #4

### ❖ WHO YOU ARE

- **You are a widowed parent with 5 kids who are ages 2, 6, 7, 10 and 12.**
- You work full time, for **\$8.00** per hour, and you have another part time job at night earning **\$7.50** per hour.
- **\$1,880.00** is your monthly income.

### ❖ Expenses

- |   |                   |
|---|-------------------|
| 1. <b>Rent</b> for a 3 bedroom apartment.                           | <b>\$800.00</b>   |
| 2. <b>Utilities</b> for electricity, gas, water and phone.          | <b>\$160.00</b>   |
| 3. <b>Transportation</b> for public transportation.                 | <b>\$ 60.00</b>   |
| 4. <b>Childcare</b> for 1 in daycare and 4 home alone after school. | <b>\$400.00</b>   |
| 5. <b>Medical</b> for health insurance and two prescriptions        | <b>\$200.00</b>   |
| 6. <b>Taxes</b> for state and federal withholdings.                 | <b>+ \$180.00</b> |

Total expenses \_\_\_\_\_

Monthly income **\$1,880.00**

Subtract total expenses - \_\_\_\_\_

Amount left over for food \_\_\_\_\_

- ❖ If you subtract the total of your expenses from your monthly income how much money do you have left to purchase food? What are other things that this family would need to purchase monthly? Are there expenses on your list that (even before buying food) you won't have money to pay? Which bills are the most important to pay?
- ❖ What are additional expenses that families need to consider? For example:
  - Car payments and insurance when people do not live in an area that offers public transportation, birthday presents, holidays, shoes, dental care, laundry soap, etc.
  - What are some other things you can think of?

## FAMILY SCENARIO #5

### ❖ WHO YOU ARE

- **You are a single parent family with 2 kids who are ages 1 and 8.**
- You work full time, for **\$7.25** per hour.
- **\$1,160.00** is your monthly income

### ❖ Expenses

<b>1. Rent</b> for a 1 bedroom apartment.	<b>\$650.00</b>
<b>2. Utilities</b> for electricity, gas, water and phone.	<b>\$100.00</b>
<b>3. Transportation</b> for public transportation.	<b>\$ 60.00</b>
<b>4. Childcare</b> for 1 in daycare, and 1 in after school.	<b>\$300.00</b>
<b>5. Medical</b> for state funded health insurance.	<b>\$ 85.00</b>
<b>6. Taxes</b> for state and federal withholdings.	<b><u>\$102.23</u></b>

Total of expenses \_\_\_\_\_

Monthly income **\$1,160.00**

Minus total of expenses \_\_\_\_\_

Amount left over for food \_\_\_\_\_

- ❖ If you subtract the total of your expenses from your monthly income how much money do you have left to purchase food? What are other things that this family would need to purchase monthly? Are there expenses on your list that (even before buying food) you won't have money to pay? Which bills are the most important to pay?
- ❖ What are additional expenses that people need to consider? For example:
  - Car payments and insurance when people do not live in an area that offers public transportation, birthday presents, holidays, shoes, dental care, laundry soap, etc.
  - What are some other things you can think of?

## FAMILY SCENARIO #6

### ❖ WHO YOU ARE

- **You are an elderly person living on a fixed income of Social Security.**
- **\$800.00** is your monthly income.

### ❖ Expenses

- |  |                         |
|--|-------------------------|
| 1. <b>Rent</b> for a studio apartment.                     | <b>\$500.00</b>         |
| 2. <b>Utilities</b> for electricity, gas, water and phone. | <b>\$120.00</b>         |
| 3. <b>Transportation</b> public transportation.            | <b>\$ 45.00</b>         |
| 4. <b>Childcare</b> (no kids).                             | <b>\$ 00.00</b>         |
| 5. <b>Prescriptions</b> not covered by Medicare.           | <b><u>+\$275.00</u></b> |

Total expenses \_\_\_\_\_

Monthly income **\$800.00**

Subtract total expenses - \_\_\_\_\_

Amount left over for food \_\_\_\_\_

- ❖ If you subtract the total of your expenses from your monthly income how much money do you have left to purchase food? What are other things that this family would need to purchase monthly? Are there expenses on your list that (even before buying food) you won't have money to pay? Which bills are the most important to pay?
- ❖ What are additional expenses that people need to consider? For example:
  - Car payments and insurance when people do not live in an area that offers public transportation, birthday presents, holidays, shoes, dental care, laundry soap, etc.
  - What are some other things you can think of?

## FAMILY SCENARIO #7

### ❖ WHO YOU ARE

- **You are a two parent family with 2 kids who are ages 2 and 4.**
- One parent works full time for \$9.00 per hour. One parent works full time for \$7.50 per hour. **\$2,640.00** is your monthly income

### ❖ Expenses

<b>1. Rent</b> for a 2 bedroom apartment.	<b>\$706.00</b>
<b>2. Utilities</b> for electricity, gas, water and phone.	<b>\$200.00</b>
<b>3. Transportation</b> for car note, gas, and insurance.	<b>\$340.00</b>
<b>4. Childcare</b> for 2 in daycare.	<b>\$750.00</b>
<b>5. Medical</b> kids get flu- doctors visits, missed work.	<b>\$220.00</b>
<b>6. Taxes</b> for state, federal, Medicaid, SS withholdings.	<b><u>\$307.19</u></b>
Total of expenses	_____
Monthly income	<b>\$2640.00</b>
Minus total of expenses	_____
Amount left over for food	_____

- ❖ If you subtract the total of your expenses from your monthly income how much money do you have left to purchase food? What are other things that this family would need to purchase monthly? Are there expenses on your list that (even before buying food) you won't have money to pay? Which bills are the most important to pay?
- ❖ What are additional expenses that people need to consider? For example:
  - Car payments and insurance when people do not live in an area that offers public transportation, birthday presents, holidays, shoes, dental care, laundry soap, etc.
  - What are some other things you can think of?

## FAMILY SCENARIO #8

### ❖ WHO YOU ARE

- **You are a two parent family with 1 child who is age 4.**
- One parent works full time, one works 30 hours per week, both work for the federal minimum wage of \$7.25 per hour.
- **\$2,320.00** is your monthly income

### ❖ Expenses

1. <b>Rent</b> for a 1 bedroom apartment.	<b>\$575.00</b>
2. <b>Utilities</b> for electricity, gas, water and phone.	<b>\$175.00</b>
3. <b>Transportation</b> for public transportation.	<b>\$120.00</b>
4. <b>Childcare</b> for 1 in daycare.	<b>\$500.00</b>
5. <b>Medical</b> child has ear infection - missed work.	<b>\$206.00</b>
6. <b>Winter clothes</b>	<b>+\$ 75.00</b>

Total expenses \_\_\_\_\_

Monthly income **\$2,320.00**

Subtract total expenses \_\_\_\_\_

Amount left over for food \_\_\_\_\_

- ❖ If you subtract the total of your expenses from your monthly income how much money do you have left to purchase food? What are other things that this family would need to purchase monthly? Are there expenses on your list that (even before buying food) you won't have money to pay? Which bills are the most important to pay?
- ❖ What are additional expenses that families need to consider? For example:
  - Car payments and insurance when people do not live in an area that offers public transportation, birthday presents, holidays, shoes, dental care, laundry soap, etc.
  - What are some other things you can think of?

## Activity #1 - Discussion Questions

- **Is it surprising to any of you that people working full-time earning a variety of wages, from minimum wage to significantly higher, would not have enough money to buy food?**
- **In this activity, what other necessary items did you list that these families would need each month?** *Many of the families in this activity did not have enough income to pay for basic expenses. This makes it difficult, if not impossible, to purchase a wide range of other necessities including cleaning supplies, toiletries, vitamins, laundry soap and services, dental care, field trips, etc.*
- **There are both community and government responses to hunger and poverty. Let's brainstorm some of these.** *Community responses would include non-profit organizations like the Salvation Army, pantry programs and food banks that distribute groceries, Goodwill Industries, etc. Government responses to hunger include the Federal Nutrition Programs, such as Food Stamps, WIC, School Lunch, etc. (See Food Bank Glossary and our list of websites to learn more about community and government responses to hunger and poverty!) Additionally, the Earned Income Tax Credit is a federal tax credit for working families earning under \$48,000/year. It actually lifts some families out of poverty.*
- **How could food stamps help some of these families?** *Many of these families have no money left over for food. Food stamps increase access to nutritious food, providing an opportunity to pay for other household necessities, etc.*
- **What are some of the challenges faced by working families trying to access food stamps, EITC, or other programs?** *Challenges could include: lack of awareness and/or misconceptions about government programs. Stigma, time and lack of transportation often create barriers to access. There are other barriers that can arise once the application process has begun, such as administrative red tape, lost applications, etc.*
- **In the 1970s a person earning minimum wage could feed their children and pay for housing. What has changed?** *Expenses like housing, healthcare, food and fuel have all skyrocketed. Wages have not kept up with the cost of living. An increasing number of people don't have health care coverage with work (and health care bills are now the leading cause of personal bankruptcy in the United States). The increasing costs of housing and childcare have made it impossible for a low to middle wage earner to afford basic needs. Food gets cut with the pressure to pay for housing. A minimum wage earner would have to work over 100 hours/week to be able to begin to afford fair market rents in Atlanta.*

## **Activity #2 – Responses to Hunger in the United States**

### **Description:**

Participants will identify, learn about, and list various community and government responses to hunger. By applying them to the family scenarios they have explored in Activity #1, they will learn how various programs work and gain an understanding of how they themselves can respond to hunger in their community.

### **Objective:**

- Increase awareness about community and government responses to hunger.
- To explore some of the misconceptions and myths that surround both community and government responses to hunger.

**Materials:** Smart board, white board, or flipchart with markers

**Time:** 15 minutes

### **Activity Directions:**

- Divide students into two groups.
- Ask one group to come up with a list of *community* responses to hunger and the other group to create a list of *government* responses to hunger. Some audiences may have more knowledge than others. It's important to explain that this is a brainstorm activity, and there are no wrong answers.
  - You may have to give some examples: *An example of a community response to hunger is a food pantry or a homeless shelter. An example of a government response is Free or Reduced Lunch.*
- Ask each group to select a spokesperson.
- Once each group has reported, review and see if you can add any from the list below.

## Government Programs

### Federal Nutrition Programs

*The following programs assist individuals and households:*

#### **Supplemental Nutrition Assistance Program (SNAP)**

(Formerly Food Stamps) helps low-income individuals and families purchase food. More than half of food stamp recipients are children. Food stamps cannot be used to buy important non-food items (like toilet paper or soap). *The average monthly SNAP benefits/person in GA for 2009 was \$125.95. This breaks down to approximately \$4.15/day.*

**WIC** (Special Supplemental Nutrition Program for Women, Infants & Children) is a program that provides low-income pregnant women, new mothers, infants and children with nutritious foods, nutrition education, and improved access to health care in order to prevent nutrition-related health problems in pregnancy, infancy and early childhood.

**School and Summer Meals** (National School Breakfast Program, National School Lunch Program, and Summer Food Program) are subsidized programs that assist low income students to improve their nutritional status. These meals are available during the school year as well as during the summer months.

*The following programs assist community organizations such as shelters and after school programs.:*

**Child and Adult Care Food Program (CACFP):** provides resources to assist afterschool, homeless, and preschool programs in using the child nutrition programs.

**The Emergency Food Assistance Program (TEFAP):** provides USDA commodities to states that distribute the food through local emergency food providers like food banks.

**Community Food and Nutrition Program:** provides funding for anti-hunger and nutrition advocacy groups at the local, state and national levels.

For more information regarding the programs listed above and other Federal Nutrition Programs, visit: <http://www.fns.usda.gov/fns/>

## **Government Programs that Respond to Poverty**

### **Temporary Assistance for Needy Families (TANF):**

In August 1996, what many people knew as "Welfare" changed in the United States - it became Temporary Assistance for Needy Families. The new system includes a series of block grants that the States administer. There is a limited amount of time that a person can receive assistance. Georgia citizens are limited to four years of assistance per lifetime. All TANF recipients are required to engage in some type of "work activity" to receive the benefit. The maximum monthly benefit for a family of three is \$280.00. In Georgia, the number of people enrolled in TANF has declined sharply in recent years despite poverty and unemployment rates that are rising.

For more information about the TANF Program visit:

[www.acf.hhs.gov/programs/aofa](http://www.acf.hhs.gov/programs/aofa)

### **Earned Income Tax Credit:**

The Earned Income Tax Credit (EITC) is a refundable federal income tax credit for low-income working individuals and families. Congress originally approved the tax credit legislation in 1975 to offset the burden of social security taxes and to provide an incentive to work. When the EITC exceeds the amount of taxes owed, it results in a tax refund to those who claim and qualify for the credit.

To qualify, taxpayers must earn income from working and meet other requirements. They also must file a tax return, even if they did not earn enough money to be obligated to file a tax return.

The EITC has no effect on certain welfare benefits. In most cases, EITC payments will not be used to determine eligibility for Medicaid, Supplemental Security Income (SSI), food stamps, low-income housing or most Temporary Assistance for Needy Families (TANF) payments.

Excerpted from Internal Revenue Service website:

<http://www.irs.gov/individuals/article/0,,id=150557,00.html>

For more information about EITC, visit: [www.irs.ustreas.gov](http://www.irs.ustreas.gov)

## Community Responses to Hunger and Poverty

**Food Drive:** A community-wide effort sponsored by schools, faith-based groups, businesses, organizations, grocery stores, TV stations, food banks, and more, in which members of the community donate a certain amount of non-perishable food.

**Food Bank:** A non-governmental charitable organization that distributes food to shelters, community kitchens or other organizations to help feed the hungry.

**Food Pantry:** A place where those in need of food assistance receive a supply of food to take home and cook. Food is usually acquired from food banks and distributed through community centers and churches. (In 2009/10, an estimated 234,545 were served each month by ACFB partner agencies; this includes both food pantries and community kitchen programs. An estimated 2,814,540 people were served in 2009/10.)

**Meals on Wheels:** A food delivery program that delivers one meal a day to elderly people or people who are very ill and unable to leave their homes.

**Shelter:** A place that temporarily houses homeless people, usually overnight, sometimes for long stretches of time. Meals are usually served. Some shelters serve families; some serve individuals.

**Community Kitchen:** A place where a hungry and/or poor person receives a free meal. Most community kitchens are housed in churches or community buildings. (In 2009/10, an estimated 234,545 were served each month by ACFB partner agencies; this includes both food pantries and community kitchen programs. An estimated 2,814,540 people were served in 2009/10.)

**Prepared and Perishable Food Rescue Program (PPFRP):** Many local restaurants, hotels, caterers, grocery stores, school cafeterias, and special events donate left-over food to PPFRPs. These programs usually operate in partnership with a food bank and distribute the food to community kitchens, shelters and other feeding agencies. Atlanta's PPFRP is the ACFB's *Atlanta's Table* project.

# Potential Government Responses to Family Scenarios

If there's time, use the following information to let students know which government programs the family scenarios in **Activity #1** might be eligible for.

## Scenario #1

### **Potentially eligible for:**

- SNAP (formerly Food Stamps)
- 1 and 4 year-old for Medicaid
- WIC (Women, Infants and Children)
- 7 year-old for PeachCare
- Subsidized childcare and energy assistance
- Earned Income Tax Credit (EITC)

## Scenario #2

### **Potentially eligible for:**

- SNAP (formerly Food Stamps)
- 3 year-old for Medicaid, 6 year-old for PeachCare.
- WIC (Women, Infants and Children)
- Subsidized childcare and energy assistance
- Earned Income Tax Credit (EITC)

## Scenario #3

Not eligible for SNAP (formerly Food Stamps) – income is too high

### **Potentially eligible for:**

- WIC (Women, Infants, and Children) for 2 and 4 year-old
- Medicaid or PeachCare for kids
- Subsidized childcare and energy assistance
- Earned Income Tax Credit (EITC)

## Scenario #4

### **Potentially eligible for:**

- SNAP (formerly Food Stamps) and WIC (Women, Infants, and Children)
- Medicaid
- Subsidized childcare and energy assistance
- Earned Income Tax Credit (EITC)

## Scenario #5

### **Potentially eligible for:**

- SNAP (formerly Food Stamps) and WIC (Women, Infants, and Children)
- Low income Medicaid for kids
- Subsidized Childcare
- Earned Income Tax Credit (EITC)

## Scenario #6

**Potentially eligible for:**

- SNAP (formerly Food Stamps)
- Low income Medicaid
- Energy Services
- Aging Services
- Earned Income Tax Credit (EITC)

**Scenario #7**

Not eligible for SNAP (formerly Food Stamps) – income is too high.

**Potentially eligible for:**

- PeachCare
- WIC (Women, Infants, and Children)
- Subsidized childcare and energy assistance
- Earned Income Tax Credit

**Scenario #8**

**Potentially eligible for:**

- SNAP (formerly Food Stamps)
- Medicaid and WIC (Women, Infants and Children)
- Subsidized childcare and energy assistance
- Earned Income Tax Credit (EITC)

It is important to recognize that being “**potentially eligible**” and actually being eligible and accessing benefits are very different. Applying for these benefits is time consuming and often requires taking time off of work, and applicants may not meet all eligibility requirements.

## Activity #2- Discussion Questions

- **Were you previously aware of any of these different community and government responses to hunger? If so, which ones?**
- **To receive most government assistance, whether it's SNAP or TANF, requires meeting certain eligibility criteria. These criteria may include having children and earning under a certain income. What are some ways that having to meet criteria is helpful? What are ways that having to meet criteria could be harmful?** *Eligibility criteria can help to streamline access and screen for highest need, but it can also restrict access to programs to people in need.*
- **Some community responses to hunger and poverty (shelters, pantry programs, etc.) have established criteria to determine if they can serve an individual or family. For instance, some pantries will only see individuals who reside in a specific zip code or area, or who come to them with specific referrals. Why do you think programs establish this type of criteria?** *Many small non-profits, or churches don't have the financial or volunteer support they need to serve everyone who comes to them. In some instances, they are working in collaboration with other non-profits/churches in their area and have established clear "lines of service".*
- **There are conflicting thoughts and opinions regarding government involvement in poverty and hunger issues. Prior to the Great Depression, there was no government involvement in these issues. There were "Poor Houses" or "Work Houses" and each community would decide how it would respond those in need. What changes do you think would occur in this country if there was no government response to hunger?**