



BUDGETING & RECORD KEEPING

ALL FARMERS, CT RIVER VALLEY, MA

Summary

This user's guide will prepare trainers to teach farmers the foundations of budgeting and record-keeping. This is the foundation module to other financial literacy modules. You will start by teaching concepts in a classroom setting, then reinforce concepts and skills throughout the season. The farm records here are set-up to match categories for Federal taxes (taught through the Farm Taxes module).

The need: Financial literacy is the gateway to farmers being able to make informed financial decisions about their farm, to be able to adequately prepare for next season, set appropriate prices, and evaluate what activities/crops are “worth” their time. This is the first core module in the Financial Literacy curriculum and is the foundation for all the other modules.



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Who made this guide?

Collaboration and Testing

ACKNOWLEDGMENTS: This teaching resource was developed by Hannah Spare of All Farmers, CT River Valley of MA, in partnership with the Institute for Social and Economic Development (ISED Solutions). Refugee farmer training programs across the country provided feedback on this lesson, which is now integrated throughout the guide. From 2015 to 2017, ISED partnered with twelve refugee farmer training programs through a USDA BFRDP educational enhancement grant, to support the design and testing of new and shareable teaching resources for culturally and linguistically diverse farmers. To learn more about this project, or to access the whole list of newly developed teaching resources for refugee farmer training programs, see the [New American Resource Library at https://nesfp.org/new-american-resources](https://nesfp.org/new-american-resources). For more in-depth explanations of the teaching approaches and activities used in these materials, please see the [‘Teaching Handbook: Refugee farmer training’](#). While these resources were designed with refugee audiences in mind, they can be adapted and used in any farmer training or incubator setting.

VARIATION:

Throughout this guide, boxes (like this one) contain variations and adaptations that serve varying programs and farmers. They are suggestions and reflections from other programs based on how they made this workshop work for them.

TEACHING TIP:

Throughout this guide, boxes (like this one) contain teaching tips to help you better facilitate farmer learning. Most come from other programs who have tested and reflected on using this lesson.

DEVELOPER’S NOTE:

Throughout this guide, boxes (like this one) contain notes from this guide’s developer that provide insight into how a lesson is typically taught at the developer’s program.

ICONS: You will find the icons below throughout this guidebook. They are there so you are prepared for the activity and can get an idea of what it will bring at a glance.



WORKSHEET



POWERPOINT



DISCUSSION



TALKING POINTS

Contents, Review and Core skills

Adaptable except where noted.

PAGE 4 IS THIS GUIDE RIGHT FOR YOU

- Audience and Objectives
- Resources needed

PAGE 6 BASICS OF BUDGETING & RECORD-KEEPING / ACTIVITY 1 / 1 HOUR

Farmers learn record-keeping concepts from PPT, then apply new knowledge by practicing record-keeping skills with scenarios presented in the PPT

WHAT TESTERS SAY: “This workshop fits in well as a complement to our enterprise budgeting curricula and crop planning workshops as a way to check farm-ideas and farm-plans with farm-budgets.” - *Alex, Cultivating Community, Portland ME*

“We started incorporating pre-teaching vocab into our lessons and had quick review/reminder slides with the vocab throughout the lesson. This process of focusing on applicable, new vocab was useful.” - *Kelly, Transplanting Traditions, Chapel Hill NC*

“We liked the simplicity and set up of the income and expense sheet, nice to have it all in one place. Good hands on activity to practice inputting data.” - *Global Greens, Lutheran Services in Iowa*

CORE SKILLS:

- Basic budgeting form core skill
- Basic calculation core skill
- Income and expenses differentiation
- Gross & net profit & loss concepts
- Tracking income and expenses
- Cash flow concept
- Recordkeeping and savings for taxes core skill

Audience and Objectives

Adaptable except where noted.

OBJECTIVES: At the end of this module, farmers will be able to

- Understand basic financial concepts: (gross) income, expenses, profit and loss (net income)
- Say why it is important to track income and expenses
- Track and value their time, like they do expenses
- Keep track of how much they are spending and earning, and when
- Say why it is important to save money

LANGUAGE / LITERACY: Medium to high literacy farmers

Non to low literate speakers can understand all concepts but will need assistance to keep their records. Ask one of their family members or friends to attend the class with them (preferably whoever would help them the rest of the time).

Encourage farmers to keep records in a language that is comfortable for them.

ADAPTABLE: with adequate support

FARMING EXPERIENCE: Farms as a business

Important for all farmers who intend to sell from their farm, preferably with at least one year of experience. The concepts are still useful for gardeners, but less so.

PREREQUISITES: Skills, experience and knowledge

- A basic understanding of income, expenses, profit, and loss
- Knowledge of how sources of income and expenses are categorized on Schedule F (especially if this module is used in conjunction with the Farm Taxes module)

EXPLICIT SKILLS: May need to be pre-taught, or integrated into the lesson

- Basic math (addition/subtraction) or at least the understanding of addition/subtraction
- Ability to write (or adequate support)
- Ability to understand and use forms (or adequate support)

REGION / CLIMATE: All

PROGRAM STRUCTURE: Useful for any farm incubator program (if the material is new)

ADAPTABLE

SEASON: Best to do this training before the start of the growing season

ADAPTABLE: you forfeit some usefulness, but it's possible to do it in-season.

Resources needed

Adaptable except where noted.

TIME: 1 hour

STAFF / INTERPRETERS: 1 Teacher and 1 Interpreter (or teacher with necessary language skills)

- It is best for this curriculum to pre-train the interpreter, and at the very best, for the interpreter her/himself to be able to teach without the need for interpretation.

LOCATION: Classroom with projector

If you do not have access to a projector, you can print out the slides (one slide per full sheet) and use that as your visual.

SUPPLIES: Each farmer should receive

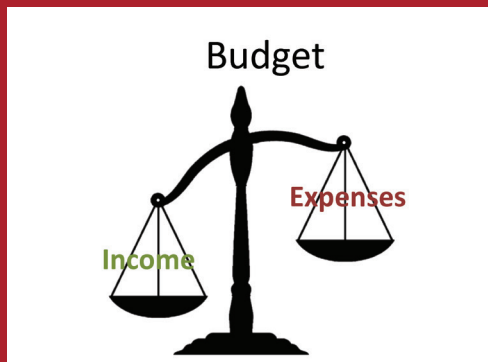
- legal-sized folders with fasteners
- an envelope for farm receipts and invoices
- a copy of the Income and Expense Tracker for the folder and an EXTRA copy to use as practice in class
- PowerPoint on Budget
- Copies of receipts etc. for practice

Additional materials and resources include

- Projector and screen or wall
- Pens / pencils
- Writing surfaces

Budget Year _____		Name: _____																																																										
Income (FOR TAXES)		Expenses (FOR TAXES)																																																										
<table border="1"> <tr><td>CSA</td><td>June</td><td>\$120.00</td></tr> <tr><td></td><td>July</td><td>\$120.00</td></tr> <tr><td></td><td>August</td><td>\$120.00</td></tr> <tr><td></td><td>September</td><td>\$120.00</td></tr> <tr><td></td><td>October</td><td>\$120.00</td></tr> <tr><td></td><td>November</td><td>\$120.00</td></tr> </table>		CSA	June	\$120.00		July	\$120.00		August	\$120.00		September	\$120.00		October	\$120.00		November	\$120.00	<table border="1"> <tr><td>Car and Truck Expenses</td><td>April</td><td></td></tr> <tr><td>Transport</td><td>May</td><td></td></tr> <tr><td></td><td>June</td><td></td></tr> <tr><td></td><td>July</td><td></td></tr> <tr><td></td><td>August</td><td></td></tr> <tr><td></td><td>September</td><td></td></tr> <tr><td></td><td>October</td><td></td></tr> <tr><td>Rent/Lease</td><td></td><td></td></tr> <tr><td>Annual Fee</td><td>April 1</td><td></td></tr> <tr><td>Seeds & Plants</td><td></td><td></td></tr> <tr><td>Seeds</td><td>April 6</td><td></td></tr> <tr><td></td><td>May 12</td><td></td></tr> <tr><td></td><td>May 19</td><td></td></tr> </table>		Car and Truck Expenses	April		Transport	May			June			July			August			September			October		Rent/Lease			Annual Fee	April 1		Seeds & Plants			Seeds	April 6			May 12			May 19	
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EXPENSE TRACKER



BUDGET POWERPOINT

NEIGHBORHOOD GARDEN SUPPLY STORE		NE GARDI
April 3, 2017		
SEED, PACKET, ROMA TOMATO		SEED, PAC
2 @ \$1.75.....	\$2.50	
SEED, PACKET, DAIKON RADISH		SEED, PAC
1 @ \$3.50.....	\$3.50	
SUBTOTAL.....	\$6.00	SUBTOTAL
TAXES.....	\$0.00	TAXES.....
TOTAL.....	\$6.00	TOTAL.....

RECEIPTS, ETC.

Basics of Budgeting & Record-Keeping

1

TIME: 1 hour

OVERVIEW:

This is a practice-based lesson, facilitated by a PowerPoint presentation or other visual-aid. Farmers will learn why good record-keeping is important to their farm, and tools to keep adequate records. The templates provided work well for filling out farm taxes too (separate module).

MATERIALS NEEDED:

- One folder containing a receipt envelope, a budget form, mileage log, and hours log
- An additional copy of the above (minus the folder) for practice in-class
- Faux receipt and invoice printouts (one per student)
- Pens/pencils, writing surfaces, projector & screen
- Powerpoint with extensive notes (included)

STEP 1: INSTRUCTIONAL PREPARATION

Review the slide notes ahead of time and find answers to any questions you expect the group of farmers you're working with might have.



STEP 2: EXAMPLES

Go through the PowerPoint presentation (**extensive speaking notes are in the presentation**). Activities are integrated into the presentation. The basic format of the presentation is to show a concept:



TEACHING TIP:

- You can print pictures or cards of income and expense items, and have farmers sort them into two categories, either with tape on the board under signs for 'expenses' and 'profit', or on a table.
- Farmers can also practice writing expenses on a plain sheet of paper just with two columns, before using the official recordkeeping form.


Followed by practice examples:

Practice...

You sold five bunches of greens to a restaurant for \$10.



The date is May 22nd



Farmers should practice recording the examples on their practice record-keeping sheet. It may be helpful to seat farmers in groups of mixed-abilities, and encourage farmers to work together in their groups

TEACHING TIP:

“We have a wide range of literacy levels in our group so we would have different expectations for what level of record keeping different farmers could manage on their own.”

VARIATION:


Based on using real receipts farmers have saved, it could be helpful to play a sorting game where they practice sorting their receipts into the different categories.

STEP 3: PRACTICE


At times, you will need to hand out faux receipts for farmers to practice with (when prompted by the slides.)

Practice...

You bought row cover for your bok choy. The total was \$100.50



The date is April 16th



Receipts look like this:

Johnny's Seeds
April 16, 2017

Row Cover (400')
1 @ \$85.00.....\$85.00

SUBTOTAL	\$85.00
SHIPPING	\$15.50
TAXES	\$0.00
TOTAL	\$100.50

Thank you!



STEP 4: ADDITIONAL PRACTICE

Farmers will practice recording financial information for their farm and saving receipts (physically putting the faux receipts in the receipt envelope.)

TEACHING TIP:

“I think the concept of paying yourself for your time is one that needs specific instruction and a lot of dedication to convey.”

STEP 5: REAL-LIFE APPLICATION

At the end of class, collect the practice materials and give farmers their actual record-keeping notebook. Make sure that all folders have names written on them. (Alternatively, you could hold the notebooks in a central location for farmers.)



STEP 6: CONTINUED APPLICATION

Throughout the season, prompt farmers to keep records whenever an opportunity presents itself. If you pay farmers, prompt them to record the payment. If farmers pay you for expenses, prompt them to record the expense (and keep the receipts). Look for teachable moments, and check-in with farmers often until they demonstrate independence.

TEACHING TIP:

“We’ve had good luck actually transferring play money in these workshops. Cash is distributed to farmers, they ‘buy’ supplies and track what money is left by the end of the season. May be good for ‘gross’ and ‘net’ vocab instructions.”