



\$\$ Money \$\$

Biblical Principles and Practical Input on Wise Financial
Stewardship



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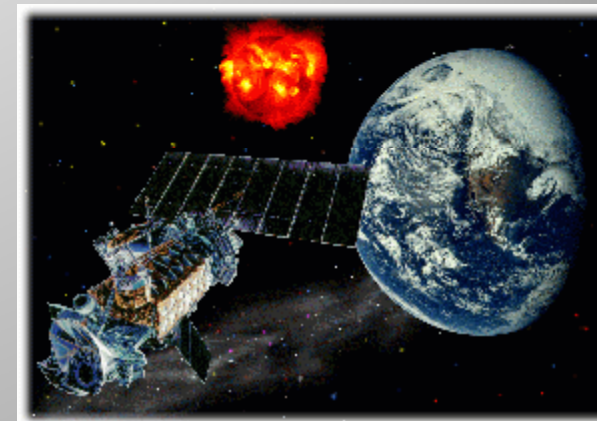
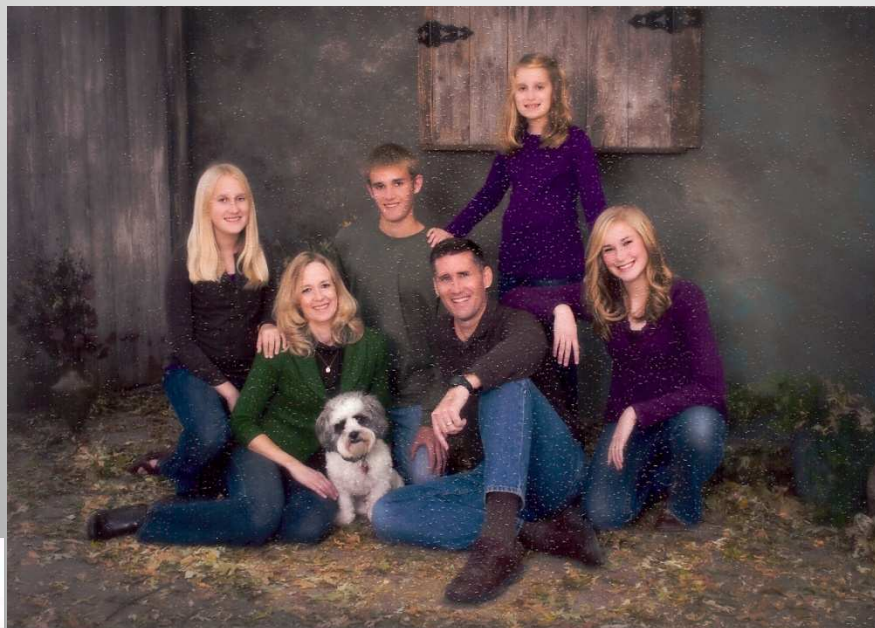
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Overview

- My Little Life
- Brainstorming on Questions and Challenges You are Facing with \$\$\$
- What God's Word Says about Money and Financial Stewardship ... Small Group Discussion
- Giving ... Treasure Principles and Questions to Ask
- Debt ...
- Saving ...
- Developing a Budget ...
- Other Practical Guidelines on Financial Stewardship ...
- Personal Reflection Time and Next Action Steps ...

Priorities & Decisions ... my little life



My Mission Statement:

Disciple – Be and Make
(Matt. 28:18-20)



Brainstorming:

What are the biggest challenges and questions about \$\$\$ which you have in your life these days?

What God's Word Says About Money

Group	Key Take-Away 's on Money?	How Applies to My Life Today?
Group A Proverbs 3:5-6 Matthew 6:33 Matt. 6:19-21		
Group B I Timothy 6:10 I Timothy 6:17-19		
Group C Ecc. 5:10-15 Proverbs 22:7		
Group D Mark 4:18-29 II Cor 9:6-7		

What God's Word says...

- “Trust in the LORD with all your heart and lean not on your own understanding; in all your ways acknowledge Him, and He will make your paths straight.” (Proverbs 3:5-6)
- “But seek first His kingdom and His righteousness, and all these things will be given to you as well.” (Matthew 6:33)
- “Do not store up for yourselves treasures on earth ... But store up for yourselves treasures in heaven ... For where your treasure is, there your heart will be also.” (Matthew 6:19-21)
- “For the love of money is a root of all kinds of evil. Some people, eager for money, have wandered from the faith and pierced themselves with many griefs.” (I Timothy 6:10)

What God's Word says...

- “Command those who are rich in this present world not to be arrogant nor to put their hope in wealth, which is so uncertain, but to put their hope in God, who richly provides us with everything for our enjoyment. Command them to do good, to be rich in good deeds, and to be generous and willing to share. In this way they will lay up treasure for themselves as a firm foundation for the coming age, so that they may take hold of the life that is truly life.” (I Timothy 6:17-19)
- “Whoever loves money never has money enough; whoever loves wealth is never satisfied with his income. This too is meaningless. As goods increase, so do those who consume them. And what benefit are they to the owner except to feast his eyes on them? The sleep of a laborer is sweet, whether he eats little or much, but the abundance of a rich man permits him no sleep. I have seen a grievous evil under the sun: wealth hoarded to the harm of its owner, or wealth lost through some misfortune, so that when he has a son there is nothing left for him. Naked a man comes from his mother's womb, and as he comes, so he departs. He takes nothing from his labor that he can carry in his hand.” (Ecclesiastes 5:10-15)

What God's Word says...

- “The rich rule over the poor, and the borrower is servant to the lender.” (Proverbs 22:7)
- “Still others, like seed sown among thorns, hear the word; but the worries of this life, the deceitfulness of wealth and the desires for other things come in and choke the word, making it unfruitful.” (Mark 4:18-19)
- “Remember this: Whoever sows sparingly will also reap sparingly, and whoever sows generously will also reap generously. Each man should give what he has decided in his heart to give, not reluctantly or under compulsion, for God loves a cheerful giver.” (II Corinthians 9:6-7)

Giving: Treasure Principles

1. God owns everything. I'm His money manager (i.e. steward)
2. My heart always goes where I put God's money.
3. Heaven, not earth, is my home.
4. I should live not for the dot but for the line.
5. Giving is the only antidote to materialism.
6. God prospers me not to raise my standard of living but to raise my standard of giving. And 10% is a great goal to shoot for!

From *The Treasure Principle* (Alcorn)

Questions to Ask Before Giving to a Ministry

1. Are there things about this ministry that make it uniquely worth investing in instead of a thousand other good causes?
2. Before giving elsewhere, have I fulfilled my giving responsibility to my local church?
3. Have I not only studied the literature from this ministry, but talked with others who know it close up but have no vested interests in it?
4. Have I considered a ministry or vision trip to see and participate in what this ministry is actually doing on the field?
5. Is this ministry biblically sound and Christ-centered?
6. Has this ministry impacted you, your friends, others whom God has placed on your heart (or you know are on His heart)?
7. What kind of character, integrity, purity and humility is demonstrated by the ministry leaders, staff, and volunteers?
8. What kind of accountability structures does the organization have (member of Evangelical Council for Financial Accountability, ECFA)?
9. How much money does the organization spend on overhead expenses and fundraising, and how much in actual ministry to people?
10. Does this organization speak well of others and cooperate with them?

Giving Reflection Time

- Lord, am I honoring You as owner and CEO/CFO of the assets You've entrusted to my care? Or am I treating You as a mere financial consultant to whom I pay a fee (1/2%, 2%, 10% or ...)? Have I been acting as if I own the store and You work for me, rather than recognizing that You own it all and I work for You?
 - How would you like for me to change in this area of my life?

The Dangers of Debt: Do you agree or disagree with the statements below? Why or why not?

- ✓ Debt **presumes on the future** (see also James 4:13-17)
- ✓ Debt **may deny God an opportunity to work** (see also James 4:2-3)
- ✓ Debt **increases the stress on your life through the loss of freedom and increased worry** (see also Proverbs 22:7)
- ✓ So **what's the solution?** Don't go into debt except on appreciating assets (i.e. house, maybe education, not cars, not other stuff). Pay off your existing debt as soon as possible.

Saving: Priorities & Guidelines

“Give portions to seven, yes to eight, for you do not know what disaster may come upon the land.”
(Ecc. 11:2)

4. Long-Term Goals

4. Long-Term Goals: Diversify!
- Retirement
 - Kids College
 - New Business

3. Savings to Spend

3. Savings for major items (safe & liquid):
- Car
 - Vacation
 - House Down Payment

2. Emergency Funds

2. Emergency Funds:
- 3-6 months living expenses
 - Easily accessible

1. Pay Off High-Interest Debt

1. Paying off high-interest credit cards can give you an immediate return of 10-20%

Savings Guidelines:

1. Pay off high-interest debt and fund emergency fund first before other investments
2. The Rule of 72
 $72 \div \text{int. rate} = \text{yrs to double}$
3. $90 - \text{Age} = \text{max \% in stocks investments}$
4. Reduce risk through diversification
5. Pay off home ASAP
6. Avoid “get-rich-quick” schemes or investments

Adapted from *Every Man a Warrior*
(Berger)

5 Steps to Develop a Budget

1. **List all your fixed expenses** such as utilities, food, housing, debt, etc
2. **List all your irregular expenses.** These expenses are due throughout the year, including taxes, car maintenance, vacations (prorate to monthly amount)
3. **Every other expense is discretionary spending** (i.e. not necessary). This includes “shopping” and starbucks!
4. **A,B,C your expenses.** A's are needs. B's are needs you can more efficient with, like utilities and food/eating out. C's are wants which can be saved up for. **Include saving as A-level expenses.**
5. **After giving taken off the top, total your expenses and compare them to your net income ... adjust as needed.** If your expenses total more than your income, then it's time to reassess your spending habits and make cuts from your B's and C's.

Budget Worksheet

Before Taxes Pay		
1. Giving (Tithe) – off the top	10%	
2. Taxes	10-20%	
Net Spendable Income		

Percentages below add up to 100%

3. Housing	30%	
4. Food	12%	
5. Savings/Investments	10%	
6. Auto/Gas/Maintenance	15%	
7. Insurance	5%	
8. Entertainment / Rec	7%	
9. Clothing	6%	
10. Medical	5%	
11. Communication	4%	
12. Miscellaneous	6%	

Budget Development Time

Begin to put pen to paper using sample budget worksheet on previous slide!

Some Other \$\$ Practical Guidelines

- Giving: Give at the beginning of the month, otherwise you may spend it
- Saving: Pay yourself second (after giving). Set up automatic savings, even if it's small when you start. OW, you'll spend it!
- Pay off your credit card every month and other debt as soon as possible – better yet, use your debit card instead!
- Think before you buy ... To resist impulse buys, wait 24 hours to buy an item
- Pay cash whenever possible – and negotiate on price
- Use the envelope method for eating out – and water to drink saves appx 20% every time
- Buy used cars – 2-4 years old with extended warranty
- Go low on your first home ... pay it off fast (8-10 years), then sell and use equity as 30-50% down payment on better home (do you really need those marble countertops, garage, and dishwasher while you're so young? 😊)
- When you get married, joint accounts are best and don't keep money or spending secrets from one another

My Personal Reflection and Action Plan in Money and Finance Decisions

- What I'm doing well in Money and Finances ...
- What I'm not doing well in Money and Finances ...
- What I need to do as next action steps in money and finances by God's grace and power ...

Money & Finances Reflection Time

- What God may want to me do in financial priorities: _____

- What God may want me to do in living (i.e. simply, kingdomly): _____

- What God may want me to do in getting out of debt: _____

- What God may want me to do in saving: _____

- What God may want me to do in giving: _____

- Next Steps: _____

