



Finances Module

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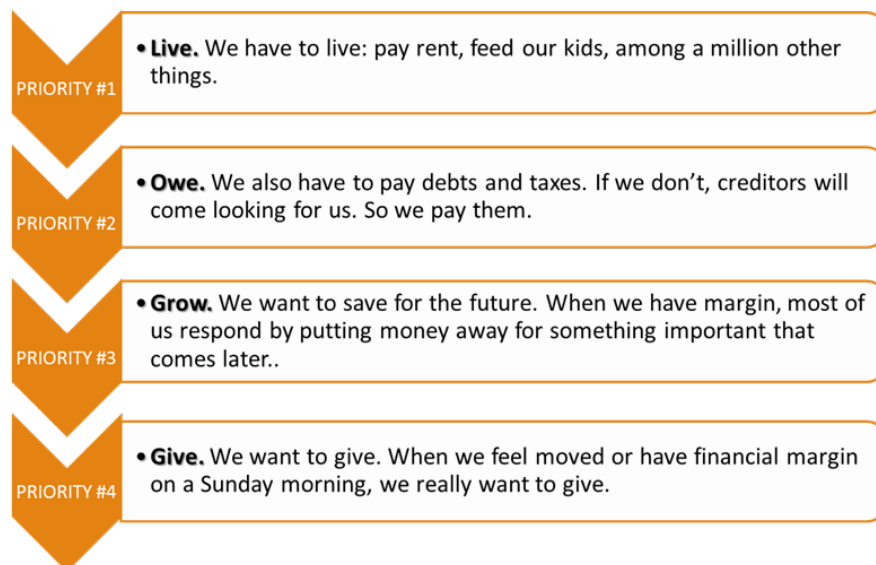
Biblical Stewardship

Biblical stewardship is managing God's money, God's way, and for God's glory.

- Biblical stewardship begins with careful management of the resources we already have and following the *Best Practices* for budgeting, tracking spending, saving, investing, retirement planning, debt, insurance, and end of life planning.
- This process commences by ensuring that we are following and teaching a biblical view of managing money. Below we contrast the *Typical Money Priority Pipeline* with a *Biblically Wise Financial Priority Pipeline* with regards to managing God's resources.

Typical Money Priority Pipeline

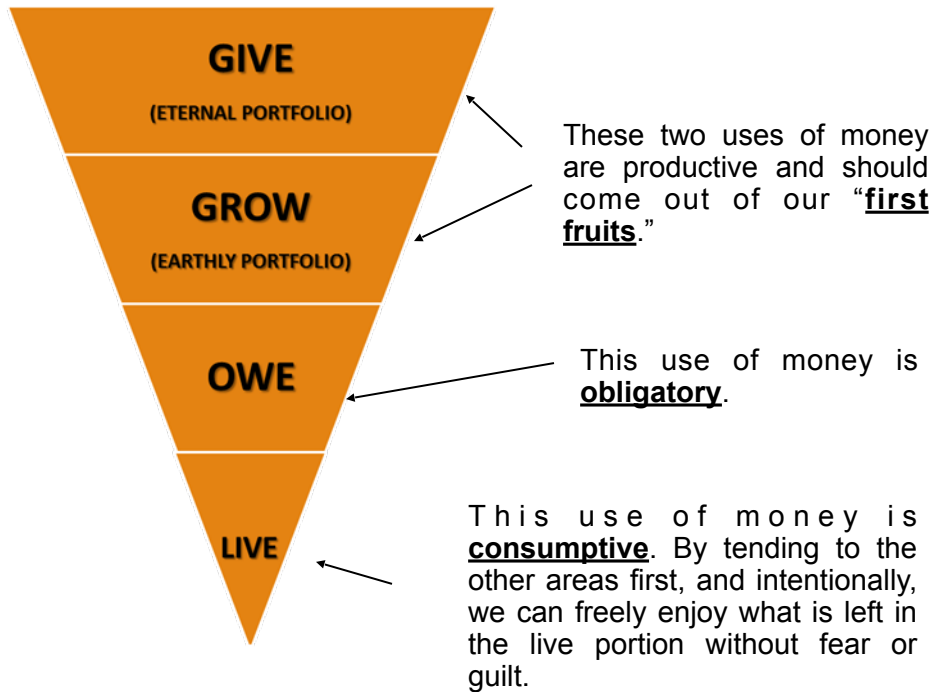
There are only four things that you can do with money:



The pressure from this list of priorities creates a squeeze on giving, which partially explains why many believers don't tithe.

Biblically Wise Financial Priority Pipeline

Giving of God's money back to God is not an expenditure. It is an investment in our eternal portfolio.



The pressure on the bottom is now on lifestyle.



How to Be Rich - Pts. 1-2

How To Be Rich Series

Session1: How to Be Rich Pt. 1 (14 minutes)

Session 2: How to Be Rich Pt. 2 (20 minutes)

Presenter: Andy Stanley

www.rightnowmedia.org

Synopsis of the Finance Module: In this Module, we will focus on the financial aspect of being a biblical man. In fact, Steve Crawley has given us a master's level course on every aspect of finance that will impact your life today, tomorrow, and all the tomorrows to come. We are confident that this will be the most practical material on financial stewardship that you will ever hear.

Synopsis of this Session: Many people think that money is their problem—too much month left at the end of the money. They sincerely believe that if they only had more money everything in their lives would be better. As we will see, money in fact does not solve life's problems and in fact does have a "down" side. We will conclude the lesson with practical instruction concerning finances from Paul's first letter to Timothy.

How to Be Rich Pt. 1

Introduction

The apostle Paul admonished the young preacher Timothy with these words:

“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. ¹⁸ Command them to do good, to be rich in good deeds, and to be generous and willing to share. ¹⁹ 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.” (1 Tim. 6:17–19 NIV)

Paul begins his words of instruction to Timothy concerning the issue of money with these words:

“Command those who are _____ in this present world ...” (1 Tim. 6:17 NIV)

If we are going to mine the depths of this passage of scripture, the first thing we need to do is define who are the “_____” that the apostle was speaking about.

We are all richer than we think. Compared to _____ people, many of us are “rich” in this present world. In fact, compared to _____ people, many of us are “rich” in this present world. If you earn \$48,000 per year, you are in the top 1% of the wage earners in the **world**. If you earn \$100,000 per year, you are among the 0.6% richest people in the **world**. If we are going to take Paul’s admonition seriously, we must embrace the fact that we are indeed rich.

Wealth Has Three Side Effects

Many people think that their problem is money. If they only had more “money”—everything in their lives would be better. However, we caution you that wealth may have an “up” side but it also has a “down” side. **In fact, “wealth” has the following three side effects:**

1. Rich people _____ that they are rich.

Rich people confuse _____ “rich” with _____ “rich.” Feeling “rich” has to do with _____. Margin is when our income significantly exceeds our monthly expenses. Margin is when we have both the freedom to spend more and the power to spend less.

If you want to feel “rich,” downsize your lifestyle until you have financial _____ in your life.

2. Rich people are plagued by _____. To make it personal, the more people _____, the more they _____.

If you have ever traded in or gave away something that was working perfectly well for something newer (a newer car, a remodeling of your kitchen, the latest cell phone model, etc.), this is called an _____. If you have ever done this, you are rich!

3. Rich people suffer from the _____ of _____. Their wealth becomes a substitute for _____.

Money has the power to take God's place in your life. It can quickly become your master. So, **how can you tell if you are a slave to money?** Ask yourself the following questions:

- Do you think or worry about money frequently?
- Do you give up doing what you should do, or would like to do, in order to make more money?
- Do you spend a great deal of your time caring for your possessions?
- Is it hard for you to give money away?
- Are you in debt?

How much money would you need to secure your future against _____ imaginable eventualities? The answer is always more than you _____ have. No matter how much money you have, this will always be the answer.

As we close this first session on stewardship, let us ask you, **“Do You Know How to be Rich?”**

How To Be Rich Pt. 1

How to Be Rich Pt. 2

Review

To review what was said in the first lesson, we remind you of the three side effects of “wealth”:

1. Rich people deny that they are rich.

We learned that nobody's rich, but everybody knows somebody who is rich.

2. Rich people are plagued by discontentment. The more a person has, the more he or she wants.

3. Rich people suffer from the migration of hope. Their wealth becomes a substitute for GOD.

The apostle Paul told Timothy what to say to “rich” people:

“Command those who are **rich** in this present world not to be _____ ...”
(1 Tim. 6:17 NIV)

Paul also told Timothy to command “rich” people:

“ ... [**not**] to put their _____ in wealth, which is so uncertain.” (1 Tim. 6:17 NIV)

Paul told Timothy to tell “rich” people not to let their “hope” (trust) move from God to their “wealth.” **Why should we keep our hope in God and not our personal bank account or investment portfolio?** Paul said that it is because riches are so “uncertain.” (1 Tim. 6:17) **Why do you think Paul described riches as “uncertain?”**

The Apostle also said:

“... nor to put their hope in wealth, which is so uncertain, but to put their hope in _____.” (1 Tim. 6:17)

The chief competitor with the heavenly Father for your heart is your _____. Jesus stated the principle this way:

“No one can serve two masters. Either he will hate the one and love the other, or he will be devoted to the one and despise the other. **You cannot serve both God and Money.**” (Mt. 6:24 NIV)

Your god is either the God of Scripture or money—one or the other but it cannot be both.

Jesus also said:

“For **where your treasure is, there your heart will be also.**” (Mt. 6:21 NIV)

If you give God your _____ – your heart will follow. **Can you sincerely pray the following God honoring prayer?**

“Keep falsehood and lies far from me; give me neither poverty nor riches but give me only my daily bread. ⁹ Otherwise, I may have too much and disown you and

say, ‘Who is the LORD?’ Or I may become poor and steal, and so dishonor the name of my God.” (Pro. 30:8-9 NIV)

Wealth can easily become a substitute for God in a person’s life.

Which of the following two statements would create the most anxiety in you?

1. There is no God.
2. You have no money.

Suddenly, 110% of your hope would be in God. If your hope is in God at the end when you have no control over what happens next, why not place your hope in God now when you have no control over what happens next?

Returning to our text a final time, Paul stated:

“... but to put their hope in God, who _____provides us with everything for our enjoyment.” (1 Tim. 6:17 NIV)

Paul told Timothy that we should place our “hope” in “God” who “richly” (abundantly) provides for the needs of his children. Why would you place your hope in the _____ and not in the _____?

We encourage you to make the following declaration aloud:

“I will not place my hope in riches but in _____ who richly provides.” (1 Tim. 6:17 NIV)

Please say it again, this time like you really mean it.

To summarize, Paul’s message to Timothy was simple:

- ◆ If you have money, do not be arrogant about it.
- ◆ Do not put your hope in wealth.
- ◆ Instead, put your hope in God who richly provides.

Conclusion

Dr. Warren Wiersbe summarizes God’s perspective on money succinctly: “It isn’t a sin to have wealth, provided we earned it honestly, spend it wisely, and invest it faithfully in that which pleases the Lord.”

How To Be Rich—Pts. 1 & 2



How to Be Rich—Pt. 3

How To Be Rich Series

Session 3: How to Be Rich Pt. 3 (26 minutes)

Presenter: Andy Stanley

www.rightnowmedia.org

Synopsis of this Session: In this session, we will continue to examine Paul's admonition to Timothy, his son in the ministry, concerning the believer's responsibility in handling money. If we follow Paul's admonitions, the scriptures describe us as "being rich toward God."

Review

The apostle Paul admonished the young preacher Timothy with these words:

"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. ¹⁸ Command them to do good, to be rich in good deeds, and to be generous and willing to share. ¹⁹ 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." (1 Tim. 6:17-19 NIV)

In his lessons "How To Be Rich—Pts. 1 & 2," Andy Stanley explained the apostle Paul's specific instructions concerning what it means to be "rich" and how to excel at it. We discussed the following thoughts of the apostle:

- ◆ If you are rich, you should not be arrogant.
- ◆ We are not to put our hope in our wealth. Simply put, you cannot save your way to safety.

- ◆ We are to put our hope in God. We should trust the provider and not the provision. We should honestly ask ourselves why we are inclined to trust the gift and not the giver.
- ◆ Whatever God has provided for us—it is for our enjoyment.

The questions we want to address in this lesson are:

- ◆ How do we “do” these things Paul admonished us to do?
- ◆ How can we keep our “hope” from migrating from God to our wealth?
- ◆ If our “hope” has already migrated from God to our wealth, how do we get our “hope” back on the Lord?

HOW TO BE RICH TOWARD GOD

To answer these questions, let us return to our text. Paul went on to write:

1. **“Command them to _____ good ...”** (1 Tim. 6:18 NIV)

Paul is **not** commanding “rich” people to “be” good—we are all commanded to be that. He is commanding rich people to “do” good.

2. **“Command them to do good, to be _____ in good deeds ...”** (1 Tim. 6:18)

Paul’s admonition to “rich” people is not to be an average do “gooder” but to be an above average do “gooder.” In other words, “to be rich in good deeds.” The truth is that those of us who have “extra” of anything in life have “extra” responsibilities toward God and others.

3. **“... and to be _____ and willing to _____.”** (1 Tim. 6:18)

Why would Paul instruct “rich” people to be “generous and willing to share” with others? Because the natural tendency of the “rich” is to hoard their wealth. In the U.S. today, the more money people have—the less they give away. Rich people do give larger _____ of money than poor people, but the _____ of their wealth they give away is smaller.

If your hope has migrated from God to wealth, then you must _____ your way back to God. If you are trusting in yourself to provide for your needs rather than in God to provide your needs—then the only way to remedy the situation is to give your wealth away so that you are forced to trust God again.

In Mark's gospel, we read of an incident that occurred in the Temple in Jerusalem that clearly teaches that Jesus is **not** interested in how much we give, but in the _____ we give. Mark writes:

“Jesus sat down opposite the place where the offerings were put and watched the crowd putting their money into the temple treasury. Many _____ people threw in _____ amounts. ⁴² But a _____ widow came and put in two very small copper coins, worth only a fraction of a penny. ⁴³ Calling his disciples to him, Jesus said, ‘I tell you the truth, this poor widow has put _____ into the treasury than all the others. ⁴⁴ They all gave out of their wealth; but she, out of her poverty, put in everything—_____ she had to live on.’” (Mk. 12:41-44 NIV)

The widow placed in the offering chest that day “two very small copper coins”—the very smallest denomination of currency of the day in the land of Israel. And yet, Jesus declared that the widow gave _____ to God's work that day than any of the “rich” people did, who in fact had put in large sums of money.

How could someone who gave so little be praised for her giving? Jesus declared that it was because the “rich” gave out of their “extra” (margin) and she gave “all she had to live on.” Jesus' point was that it is not the amount we give to God but the percentage we give to God that really matters. The spiritual principle is simply this—“rich” people should not only give larger sums but also _____ percentages.

The only way to ensure that your hope does **not** migrate toward your wealth is to _____ what percentage of your income you are going to _____, what percentage you are going to _____, and what percentage you are going to _____ away.

Americans who earn approximately \$50,000 a year, will give on an emotional level about 6% of their income to charity every year. By “emotional” level, we mean that the giving was not pre-decided but given spontaneously in response to an emotional appeal. Andy Stanley suggests that we should resolve to start there and then ask God to help us _____ in our giving to the work of God and to others.

4. “... and willing to _____.” (1 Tim. 6:18 NIV)

Do not wait until you get out of debt to start giving for the simple reason that giving redirects your heart. The more you give—the more your love for others will grow, and the more you love others, the more you will want to give.

How To Be Rich Toward God

Conclusion

Before we close, let us return to 1 Tim. 6:17 and draw from the text one major reason we should be generous. Note that in this verse Paul referred to those of us “... in this _____” (1 Tim. 6:17 NIV) are the ones who should give. This includes everyone alive on planet earth at this very moment in time with no exceptions.

Secondly, the words “present world” imply that this world is **not** all there is. Two verses later, Paul also referenced a “coming age.” (1 Tim. 6:19 NIV) Paul’s point is that there is a “life” beyond this life.” A “world” beyond this “world.” A “coming age” or future “world” if you please. There is a life beyond this life where we will give an account for our stewardship.

How To Be Rich—Pt. 3



How To Get Out Of Debt And Be Financially Successful

Presenter: Dave Ramsey

<https://www.youtube.com/watch?v=PFKn6WeBKNE> (31 Minutes)

Synopsis of this Session: In this informational and entertaining video, Dave Ramsey shares practical steps on how the believer can get out, and stay out, of debt. At the conclusion of this lesson, we will share some biblical advice on God's view on paying taxes.

OWE — DEBT

As we begin our discussion of the subject of debt, Dave Ramsey states two _____ that we often hear:

1. There is such a thing as good debt.
2. Debt is a tool to be used for your good.

Forbes Magazine surveyed the 400 wealthiest people in North America and asked each of them what the secret to getting rich was. 75% of these 400 wealthiest people in North America said that the most important key to building wealth is _____ out of debt and staying out of _____.

Broke people always have a plan to make a minimum monthly _____. There is a simple formula to tell if you can _____ something—you have the money to pay for it! The secret to staying out of debt is to pay _____. If you do **not** have the cash—you cannot afford it!

We all have a financial compass that always points north—it always tells us the truth. That financial compass is the _____ of God.

Debt has been marketed to us in so many forms, and with so much sophistication, that living without it requires us to make a _____ in our thinking. Debt is **not** the path to wealth. We have been tricked into thinking that debt is a _____. Debt is **not** a provider—_____ is our provider.

The Bible is correct when it says, “The rich rules over the poor, and the borrower is the _____ of the lender.” (Pro. 22:7 ESV) Christian financial advisor Larry Burkett made this observation, “We spend the first 5-7 years of our marriage trying to achieve the same standard of living as our parents.”

Solomon, the richest man who has ever lived, admonished:

“Deliver yourself [from financial problems] like a gazelle from the hand of the hunter, and like a bird from the hand of the fowler.” [someone who hunts wild birds] (Pro. 6:5 ESV)

How does a **gazelle** deliver itself from a hunter? It **runs**! How does a **bird** deliver itself from a hunter? It **flies** away. How do **you** deliver yourself from debt? You **run** from it!

Owe—Debt

How To Attack Debt

You can wander into debt, but you cannot wander yourself _____ of it. **We need to attack debt with:**

- ◆ _____ intensity.
- ◆ The debt _____.

Make the minimum payment on all your debts except the smallest one. Pay as much as you can on the smallest debt until it is paid off and then apply what you were paying on the debt you just paid off to the second smallest debt. Continue this process until you are out of debt. You will be surprised at how quickly you got out of debt!

How To Attack Debt

How To Get Out Of Debt

Dave Ramsey shared the following five principles for getting out of debt:

1. You must _____ money.

Solomon made this observation about saving and spending, “In the house of the wise are stores of choice food and oil, but **a foolish man devours all he has.**” (Pro. 21:20 NIV) or as the Living Bible translates this verse, “The wise man saves for the future, but the foolish man spends whatever he gets.”

To consistently “save” money we need a “_____.” The word “budget” may have a negative connotation to it so let us put a positive spin on it and instead call it a _____ . We should look upon our “spending plan” as how we get to “spend” our money. We recommend the “Every Dollar App” by Dave Ramsey to help you track your spending, saving, and investing.

2. Quit _____ more money.

The psalmist stated, “The blessing of the LORD makes one rich, and He adds no sorrow with it.” (Pro. 10:22 NKJV) It is the Lord who makes us rich—not First National Bank so quit borrowing money!

3. Commit your financial situation to the Lord in _____.

The psalmist stated, “Be still before the LORD and wait patiently for him; fret not yourself over the one who prospers in his way ...” (Ps. 37:7 ESV) You are God’s son, you are in debt, and your heavenly Father is really rich. Phone home, son! Phone home!

4. _____ something.

Dave Ramsey says, “Sell so much stuff that your kids think they are next!” If you have not used something in a year—you do **not** need it so sell it!

5. Take a part-time _____.

There is a great place to go when you are in debt—to work! Work is a sure-fire money-making scheme.

How To Get Out Of Debt

Conclusion To Dave Ramsey's Financial Session

We live in a “cause and effect” world. Paul described it in spiritual terms as “reaping what we sow.” (Gal. 6:7) If we “save” money—we will accumulate wealth. If we quit “borrowing,” we will gain financial freedom. If we “pray” about our financial situation, we will bring God into the equation. If we “sell” a few of our possessions and take a “part-time job,” we will receive an infusion of cash to pay on our current debt.

Never forget that it is really not how much money you **earn** but how much money you **keep**. To “keep” more money, or to have financial “margin,” we must:

- ◆ Get out of debt.
- ◆ Quit borrowing money.
- ◆ Get our spending down and keep it down.

The Elon Musk of a previous generation was a man named John D. Rockefeller. Someone once asked him, “How did you amass such wealth?” He said, “It was really very simple. Save ten percent. Give ten percent. Live on the rest.” This is called the **10-10-80 principle**. Tithe 10%, save 10%, and live on 80%.

Conclusion To Dave Ramsey's Financial Session

Owe — Taxes

This portion of the lesson will be taught in the MD⁵ meeting. However, please answer the discussion questions at the end of this lesson.

The scriptures command all people, especially the people of God, to be in _____ to earthly rulers for the simple reason that God has ordained government and he considers earthly rulers are ministers of God. Paul wrote:

“Let every person be subject to the governing authorities. For there is no authority except from God, and those that exist have been instituted by God ... ⁶ for the authorities are ministers of God.” (Rom. 13:1,6 ESV)

Paul also said that It is because of this system of authority and submission that we pay _____ to our government:

“For because of this [government is ordained of God] you also pay taxes [of all kinds—income tax, property tax, personal property tax, sales tax, use tax, etc.],

for the authorities are ministers of God, attending to this very thing.” (Rom. 13:6 ESV)

It should go without saying that no one enjoys paying taxes. However, God says that we should pay the amount of taxes that we legally owe (no more and no less). In order that we consistently pay the government exactly what the tax law says that we owe, we may need to seek the assistance of a tax _____.

We pay taxes because God has ordained it as a means of indicating our submission to his authority. Therefore, taxes are **not** voluntary or optional but the legal, ethical, and spiritual obligation of every believer.

Paul further stated that if we do not submit to the authority of our earthly rulers, we are in effect _____ against God himself and we will be judged:

“Therefore whoever resists the authorities resists what God has appointed, and those who resist will incur judgment.” (Rom. 13:2 ESV)

And finally, Paul asserted that we should consider paying taxes no differently than paying _____ and honor to our leaders:

“Pay to all what is owed to them: taxes to whom taxes are owed, revenue to whom revenue is owed, respect to whom respect is owed, honor to whom honor is owed.” (Rom. 13:7 ESV)

There is great balance in our country that Americans should never take for granted. The balance is submitting to the government, while also exercising one of our greatest privileges—the right to _____. According to Paul, leaders are all God’s servants, but as a voting American, I have the privilege to decide if they are elected or remain in office based upon whether or not they support a biblical worldview.

Paying taxes provides an opportunity for us to remember the value that God places on _____ and to be grateful to God for providing for our needs through the medium of labor.

Owe — Taxes

Discussion Questions

1. Why have Americans so easily succumb to the marketing of debt?

2. Dave Ramsey says, “Live like no one else now, so later you can live and give like no one else.” **What does he mean by this?**

3. **What do we mean by the formula LIVE, GIVE, OWE, and GROW?**

Conclusion

The apostle Paul taught Timothy the head of the _____ who was financially responsible to provide for the needs of his household:

“Anyone who does not provide for their relatives, and especially **for their own household, has denied the faith** and is worse than an unbeliever.” (1 Tim. 5:8 ESV)

Solomon challenged us to leave an _____ to our grandchildren:

“A good man leaves an inheritance to his children’s children [**grandchildren**], but the sinner’s wealth is laid up for the righteous.” (Pro. 13:22 ESV)

The best “inheritance” a grandfather could leave for a grandchild might be a college “fund.” If you left them a college education, that would be a gift that would benefit them their entire lives—a gift that truly keeps on giving.

How To Get Out Of Debt & Be Financially Free



Growing, Saving, & Investing

Managing Our Finances God's Way Series

Session 5: Saving and Investing (21 minutes)

Presenter: Ron Blue

www.rightnowmedia.org

Synopsis of this Session: In this video, Christian financial guru Ron Blue shares both biblical and practical advice on investing for the long run. He warns of the pitfalls of investing and how to avoid them. The information in this session could save the man of God a lot of sleepless nights.

Investing

An _____ is something that you buy intentionally which has two purposes:

1. Growth in value, yield, dividend, or interest in return on the investment.
2. It will be sold when it no longer serves its purpose.

So, what is a sound investment? A _____ has no risk of loss, the value will never go down, it can instantly be converted to cash, it always pays the maximum yield, and it may accomplish something that is morally responsible. As you might have already realized—there is _____ such thing as a sound investment.

God's _____ has much to say about investing. For example:

The world says, "Get rich quick" and God says, "Get rich slowly and _____." Solomon warned his son about trying to get "rich" quick:

“A faithful man will be richly blessed, but **one eager to get rich will not go unpunished.**” (Pro. 28:20 NIV)

Or as the verse reads in the New Living Translation:

“The trustworthy person will get a rich reward, but **a person who wants quick riches will get into trouble.**” (Pro. 28:20 NLT)

Jesus advised:

“Suppose one of you wants to build a tower. **Will he not first sit down and estimate the cost to see if you have enough money to complete it?**” (Lk. 14:28 NIV)

Jesus taught that we are to take a _____ perspective on all investments.

Solomon, the richest man who has ever lived, made this observation:

“I have seen a grievous evil under the sun: wealth hoarded to the harm of its owners, ¹⁴ or **wealth lost through some misfortune**, so that when they have children there is nothing left for them to inherit.” (Ecc. 5:13-14 NIV)

If my first _____ is to spend and consume, as opposed to saving and investing, I may end up with _____ at the end of my life.

Solomon used the ant as an example of using time as a “tool” to provide for future needs:

“Go to **the ant**, you sluggard; consider its ways and be wise! ⁷ It has no commander, no overseer or ruler, ⁸ yet **it stores its provisions in summer** and gathers its food at harvest.” (Pro. 6:6-8 NIV)

The child of God should view time as a “_____” whereas the world says that time is an enemy.

The Bible teaches that investors should diversify, diversify, _____ in order to avoid financial loss:

“**Invest in seven ventures, yes, in eight**; you do not know what disaster may come upon the land.” (Ecc. 11:2 NASV)

Think about this financial principle: Wealth is typically _____ by a career or vocation over a long-time frame and _____ by a diversified investment strategy.

Consider the Following Critical Financial Concepts

The Magic of Compounding and the Rule of 72

The image shows a document titled "THE RULE OF 72" with a table and a calculator overlay. The table has two columns: "Growth Rate" and "Rule of 72". The first row shows "\$1,000@3%" and "72/3 = 24 years to double". The calculator overlay shows "24 years" and "\$ 2,000.00".

Growth Rate	Rule of 72
\$1,000@3%	72/3 = 24 years to double

24 years
\$ 2,000.00

- ◆ By dividing the interest rate into 72, you can determine the amount of time it will take for an investment to double.
- ◆ For example, \$1,000 earning 3% would double to \$2,000 in 24 years. (72 divided by 3% = 24 years)
- ◆ This exponential growth happens due to the magic of compounding.
- ◆ “Compounding” is when you earn interest on interest.

Four _____ to consider when considering my _____ goals:

- ◆ How much time do I have?
- ◆ How much can I set aside to invest monthly, annually, etc.?
- ◆ What is a reasonable interest rate I could expect in return on my investment?
- ◆ How much money do I need? What is my financial goal?

Compounding of \$10,000 Over 40 Years @ 8%

Rate	1	10	20	30	40
8%	10,000	14,693	21,589	31,722	46,610
		68,485	100,627	147,853	217,245

Compounding of \$1,000 Per Year Invested Over 40 Years @ 8%

Rate	1	10	20	30	40
8%	1,000	5,867	14,487	27,152	45,762
		73,106	113,283	172,317	259,057

The magic of compounding says that if I start investing _____, I do not need to earn a large amount of money in order to meet my long-term financial goals and have a sizeable retirement.

According to the **Opportunity Cost of Consumption** principle, if I _____ on a consistent basis, I am **not** just losing the use of the money I spent but I am also losing the interest that money would have earned if it had been invested.

For example, if I wanted to save \$1,000 per year, I would need to set aside \$83.34 each month. If I did this for 40 years, I would accumulate \$259,000. The Opportunity Cost of Consumption says that if I overspent \$83.33 each month, I have **not** overspent \$83.33—I have overspent what that money would have accumulated to if I had invested it.

Overspending every month for 40 years, I would have overspent **not** \$40,000 but \$259,000!

Saving and investing _____ as a first priority will allow you to meet your long-term goals.

The Proper Sequence of Priorities for Investing

Ron Blue strongly suggested that we take the following steps, in the following order, before we venture off into the world of investing:

1. **Create positive cash flow and pay off _____ and _____.**
2. **Set money aside for an _____ (3-6 months living expenses).**
3. **Save for _____ (to purchase a future car, down payment on a house, purchase major appliances, replace a heating/cooling system, misc. house repairs, etc.)**
4. **Diversify your investments to meet _____ (college education, financial independence, retirement, paying off house mortgage, etc.)**
5. **Begin taking calculated _____ (Only if you have met all your long-term needs in steps 1-4, then you can afford to take more risks).**

Before You Make A Financial Leap

Before Investing your hard-earned money, ask yourself the following questions:

- ◆ What are my _____ for making this investment?
- ◆ What is my _____ toward this investment ?
- ◆ Am I _____ upon the future? Upon God?
- ◆ Will I create personal _____ by making this investment?

- ◆ How does my _____ feel about this investment? (we need to be in unity with our spouse on all investment decisions)

Basic Investment Principles

Note the following basic investment principles: (some are in the form of a question)

- ◆ What are your _____ financial goals?
- ◆ Have you sought wise investment _____ from people with a biblical world view?
- ◆ Do you have a _____ perspective on your investments?
- ◆ Are you _____?
- ◆ Are you _____?
- ◆ Do not be _____ to get rich quickly.
- ◆ Avoid anything that is _____.
 - If it sounds too good to be true ...
- ◆ Never _____ money to make an investment.
- ◆ Monitor your _____.
- ◆ Establish _____ on the amount you invest. Do not hoard.
- ◆ Again, ensure you and your _____ agree on all investment decisions.

Once you reach investing stages four and five that we stated above, consider _____ to make your investment decisions. Solomon advised his son to seek council on any and all major decisions of life:

“Plans fail for lack of counsel, but with many advisors they succeed.” (Pro. 15:22 NIV)

Basic Investment Options

- ◆ **A Certificate of Deposit (CD)** is a deposit, typically at a bank, where they agree to pay you a certain amount of interest over a specified period of time.
- ◆ **Bonds** are a type of financial security under which the issuer owes the holder a debt and is obliged to repay the principal of the bond at the maturity date as well as a specified rate of interest over a stipulated amount of time.
- ◆ **Stocks** are a small piece of ownership in a company. Your return on your investment (ROI) comes as the company increases in value or pays you, its owner, a portion of the company profits in the form of dividends.
- ◆ **Mutual Funds** are professionally managed investment funds from a pool of multiple investors.
- ◆ **Annuities** are savings accounts with an insurance company.
- ◆ **Rental Real Estate.** Rental real estate is the least liquid consumer investment. It also requires considerable cash reserves.

Financial Advisor Recommendations

- ◆ Matt Souttee – Edward Jones Investments – Tuttle, OK (no minimum)
- ◆ Loran Graham – Loran Graham Company – Spokane, Washington

Growing, Saving, & Investing



Best Practices For Ordering Your Finances

By Steve Crawley

Synopsis of this Session: In this session, Steve Crawley shares what could be considered a master's level course on every aspect of finance that will impact your life today, tomorrow, and all the tomorrows to come. We are confident that this will be the most practical material on financial stewardship that you will ever hear.

BEST PRACTICES FOR BUDGETING

PERCENTAGE GUIDE FOR FAMILY INCOME

(FAMILY OF FOUR)

Gross Household Income	25,000	35,000	45,000	55,000	65,000	85,000	115,000
1. Tithe	10%	10%	10%	10%	10%	10%	10%
2. Taxes ¹	3.3%	12.3%	15.8%	18.2%	19.9%	24.6%	27.5%
Net Spendable percentages below add to 100%							
Net Spendable Income	21,675	27,195	33,390	39,490	45,565	55,590	71,875
3. Housing	39%	36%	32%	30%	30%	30%	29%
4. Food	15%	12%	13%	12%	11%	11%	11%
5. Auto	15%	12%	13%	14%	14%	13%	13%
6. Insurance	5%	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%	5%
8. Entertainment / Recreation	3%	6%	6%	7%	7%	7%	8%
9. Clothing	4%	5%	5%	6%	6%	7%	7%
10. Savings	5%	5%	5%	5%	5%	5%	5%
11. Medical / Dental	4%	4%	4%	4%	4%	4%	4%
12. Miscellaneous	5%	5%	7%	7%	8%	8%	8%
13. Investments ²	0%	5%	5%	5%	5%	5%	5%
Sub-total.....	100%	100%	100%	100%	100%	100%	100%
If you have expense below, the percentage shown must be deducted from other budget categories.							
14. School / Child Care	8%	6%	5%	5%	5%	5%	5%
15. Unallocated Surplus Income	-	-	-	-	-	-	-

¹ Guideline percentages for tax category include Social Security, federal, and a small estimated amount for state.

² This category is used for long-term investment planning, such as college education or retirement.

³ This category is added as guide only. If you have this expense, the percentage shown must be deducted from other budget categories.

⁴ This category is used when surplus income is received. This would be kept in the checking account to be used within a few weeks; otherwise, it should be transferred to an allocated category.

Source: Crown Financial Ministries

Best Practices For Budgeting

PERCENTAGE GUIDE FOR FAMILY INCOME (FAMILY OF SIX)

Gross Household Income	25,000	35,000	45,000	55,000	65,000	85,000	115,000
1. Tithe	10%	10%	10%	10%	10%	10%	10%
2. Taxes ¹	2.3%	9.6%	10.5%	13.8%	16.1%	20.0%	25.0%
Net Spendable percentages below add to 100%							
Net Spendable Income	21,925	28,140	35,775	41,910	48,035	59,500	74,750
3. Housing	38%	38%	34%	33%	32%	30%	29%
4. Food	15%	15%	14%	14%	14%	14%	14%
5. Auto	14%	14%	12%	12%	11%	10%	10%
6. Insurance	5%	5%	5%	5%	5%	5%	5%
7. Debts	5%	5%	5%	5%	5%	5%	5%
8. Entertainment / Recreation	4%	4%	5%	6%	6%	6%	8%
9. Clothing	5%	5%	6%	6%	7%	7%	7%
10. Savings	5%	5%	5%	5%	5%	5%	5%
11. Medical / Dental	5%	5%	5%	5%	5%	5%	5%
12. Miscellaneous	4%	4%	6%	6%	6%	6%	5%
13. Investments ²	0%	0%	3%	3%	4%	7%	7%
Sub-total.....	100%	100%	100%	100%	100%	100%	100%
If you have expense below, the percentage shown must be deducted from other budget categories.							
14. School / Child Care	10%	8%	6%	6%	5%	0%	0%
15. Unallocated Surplus Income	-	-	-	-	-	-	-

¹ Guideline percentages for tax category include Social Security, federal, and a small estimated amount for state.

² This category is used for long-term investment planning, such as college education or retirement.

³ This category is added as a guide only. If you have this expense, the percentage shown must be deducted from other budget categories.

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Source: Crown Financial Ministries

Best Practices for Tracking Spending

Personal Financial Tracking Software



Personal Financial Tracking Non-Software

Envelope System



Multiple Account System



Variable Cost Account is set up for costs that vary such as gas, groceries, household, eating out, recreation, clothes, etc.

Fixed Cost Account is set up for costs that are more fixed in nature such as utilities, insurance, property taxes, tithe/charitable giving, etc.

Business Checking Account is setup for business activity such as rental properties, miscellaneous services, etc.

Health Savings Checking Account is setup to track medical costs.

Best Practices for Saving

- ◆ Maintain an emergency fund with 3-6 months of expenses in a separate account.
- ◆ Save for kid's college using a 529 plan, prepaid tuition, or a Roth IRA.
- ◆ Use sinking funds to plan for the large expenses.
- ◆ Automate savings.

Best Practices for Investing

- ◆ Diversify your investments (Ecc. 11:2).
- ◆ Strive to invest 15% of your income into retirement using the appropriate investment allocation between stocks and bonds for your age group.
- ◆ Automate investing. Do not procrastinate—automate!
- ◆ Dave Ramsey states that we need to be disciplined investors because “personal finance is 80% behavior and 20% head knowledge.” Disciplined investing is often boring but leads to long-term success (Pro. 13:11).
- ◆ Have a biblically minded investing advisor and tax planner.

Best Practices for Simple Retirement Planning

- ◆ **Determine your projected retirement age.** The earliest Social Security Benefits begin at age 62—additional benefits are available if waiting until age 70 to claim. If you plan to retire prior to the age of 62, you obviously must have other sources of income.
- ◆ **Determine your estimated benefit from Social Security income.**
 - Go to www.ssa.gov/planners/calculators
 - Choose the *Retirement Age Calculator* to determine your full retirement age.
 - Choose the *Retirement Estimator* to determine your estimated monthly benefits based on your Social Security earnings record.
 - You will need to enter your name, mother’s maiden name, Social Security number, date of birth, place of birth, and agree to the terms.
 - Enter last year’s earnings.
 - Your monthly benefit will be estimated if you start your benefits at 62, at full retirement age (65-67), and if you wait until age 70.
 - You may also add a new estimate.
- ◆ **Determine if you have any other streams of income.** These sources might include items such as a pension, rental income, royalties, etc.
- ◆ **Determine your projected expenses budget in retirement.**

- ◆ Determine if you have a shortfall between your projected income and expenses by using the following formula:

Cash-Flow Shortfall:

Pension	\$ 25,000
Real Estate Investments	\$ 20,000
Social Security Benefits	\$ 11,000
Sub-total.....	\$ 56,000

Expected Expenses	\$ 72,000
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Estimated Cash-Flow Shortfall	\$ (16,000)
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Amount needed in retirement to make-up shortfall (multiply shortfall by 25)	\$ 400,000
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Assume: Withdraw no more than 4%
of retirement funds per year

- ◆ **Determine the amount of retirement savings you will need to make-up the projected shortfall.**
 - Invest in the BMA America 403(b)(9) plan through your church or entity.
 - Invest in Individual Retirement Accounts (IRAs)

Best Practices For Using Debt

Scripture does not teach that debt is a sin, but it is discouraged. If you must use debt, ensure the following criteria are met:

- ◆ **Economic Criteria** – The economic return is greater than the economic cost and there is a guaranteed way of repayment.
- ◆ **Psychological Criteria** – You and your spouse are free from anxiety and unified about the decision.
- ◆ **Spiritual Criteria** – There is a spiritual peace of mind and the decision does not violate biblical principles.
- ◆ **Emergency Criteria** – The debt provides a solution for goals and objectives that cannot be met any other way.

Best Practices for Insurance

◆ Home & Auto

- Use higher deductibles – usually around \$1,000.
- Carry hefty liabilities on your home and car – recommended \$500K.
- Carry an Umbrella Policy for an added layer of protection.

◆ Health Insurance

- Carry high deductible - \$1,000 or higher.
- Do not reduce maximum payout.
- Live a healthy lifestyle to reduce medical costs.
- Make use of a Health Savings Account (HSA). It grows tax free.

◆ Long-term Disability

- Often an overlooked insurance.
- If you are less than 35, there is a one in three chance you will be disabled for at least 6 months in your working career.

◆ Life Insurance

- Carry term life insurance equal to 10-12 times your annual compensation in order to provide income to your dependents.
- Carry \$250,000 for a non-working spouse.
- Long-term Care Insurance. Do not consider until you are at least 60 years old.

- ◆ **Identity Theft** – Consider subscribing to Life-Lock or a similar type of service.

Best Practices for End-of-Life Planning



One of the most valuable gifts you could ever leave your wife and family is a well-organized **Legacy File**. The following list contains contents to consider placing in the file:

- ◆ **Cover Letter** – This is simply a letter stating the purpose of the Legacy Drawer. Nothing fancy, just a way to introduce your loved ones to the contents of the drawer.
- ◆ **Will and Estate Plans** – All information pertaining to your will and estate, including names of the executor and Power of Attorney should be located in one file.
- ◆ **Financial Account** – Anything that has money in it and your name on it should be listed in the Legacy Drawer. This includes account names, amount, and account numbers.
- ◆ **Funeral Instructions** – All details and specifications for funeral plans should be listed so the family can fulfill your wishes. If you are married, you need one for you and one for your spouse.
- ◆ **Insurance Policies** – All insurance information, including health, car, disability, term life, etc., should be combined into one single document for easy reference. List the type of insurance, who the policy is for, contact information and policy numbers.
- ◆ **Important Documents** – Any legal or other important documents you have should be noted in the file. This includes deeds, birth certificates, Social Security cards, and titles.
- ◆ **Legacy Letters** – Since the intention behind the Legacy Drawer is to keep your legacy going after you have passed away, it is a great idea to include letters to your loved ones.
- ◆ **Monthly Budget** – Add a copy of your written budget, so your spouse or loved ones know how to operate your household once you are gone. This will help your family keep track of bills and focus on more important things.
- ◆ **Tax Returns** – Keeping tax returns in your Legacy Drawer is like an insurance policy for yourself in the event that you get audited from the IRS. Hopefully, you never have to pull them out, but if you do, at least you are prepared.

- ◆ **Safe Deposit Box** – Keep copies of all your Legacy Drawer papers in a safe deposit box—you can never be too careful. Include information in your Legacy Drawer on where your safe deposit box is and who has access to it.
- ◆ **Passwords** – Write down all passwords, combinations, usernames, and PIN numbers. This information allows your loved ones access to any documents, money or information that is left when you are gone.

Update Your Legacy Box Annually & As Needed!

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Best Practices For Ordering Your Finances



A Contract with God

Bill Bright is the founder of the worldwide evangelism and discipleship ministry Campus Crusade for Christ (CCC). That ministry eventually grew to over 20,000 staff members and has reached over a billion people with the Gospel. Obviously, God chose Bill and anointed his work, and he would readily acknowledge that it was God doing the work through him that led to CCC's global impact. Yet, a closer look at the heart and mind of Bill provides additional insight as to *why* God may have chosen to use him as He

did.

Early in their marriage, Bill sensed God telling him, "I want you to make total, absolute surrender to My control." This led him and his wife, Vonette to each take a sheet of paper and write a list of all the things they wanted out of life. Looking at their lists, they could see how materialistic their desires were. They had dreamed of owning beautiful cars, and a home in the upscale Bel-Air district of Los Angeles. Now they were convicted by Scriptures such as Mark 8:36: "For what does it profit a man to gain the whole world, and forfeit his soul?"

They decided to draft and sign a contract, turning their lives and their marriage over completely to the Lord Jesus Christ. Bill called that contract "the anchor of our marriage. It is the greatest decision that we have ever made. It was a total, absolute, irrevocable commitment to the Lordship of Christ."

Similarly, Dennis Rainey, co-founder of Family Life who spoke at our MD⁵ Conference in 2022, shared that he and his wife had also signed a formal contract with God in like manner.

As we seek to be transformed into the men God would have us to be, we too, might want to consider taking such a step. While we may give intellectual assent to God as the owner of all things (Psalm 24:1), formalizing this decision provides a clear line of demarcation for the transformation process.

This contract with God pervades just our money—it encompasses every aspect of our lives. An example of such a contract with God is as follows:

From this day, Lord, we surrender and relinquish all of our past, present, and future rights and material possessions to you. As an act of the will, by faith, we choose to become Your bondslaves and do whatever You want us to do, go wherever You want us to go, say whatever You want us to say, no matter what it costs, for the rest of our lives. With Your help, we will never again seek the praise or applause of men or the material wealth of the world.

Signed

Date



***Life Plan* Development Worksheet – Finances**

What are some **specific** changes you'd like to make in your life regarding your finances?

- ◆
- ◆
- ◆
- ◆

Which one of these changes will you prioritize?

As you implement this change in your life, how will you **measure** your progress to know if you are progressing?

Is the specific change you have chosen **achievable** or unrealistic?

Is the specific change you have chosen **relevant**? In other words, why do you think it matters? Why is it the top priority of specific changes you wish to make?

What is your **time-stamp** to make this change? What day and month will you begin?

Items to Remember

- ◆ You don't determine your future—your habits (systems/routines) do.
- ◆ Get serious. Nobody stumbles into intimacy with God. Dr. Chuck Swindoll asserts that we do not “ooze our way out of mediocrity.”
- ◆ Our end goal for MD⁵ is to become more like Christ through establishing new routines and systems.
 - Goals don't determine success; systems (routines) determine success.
 - We don't rise to the level of our goals—we fall to the level of our systems.
 - Routines/systems are the bridge between strategy and action.
- ◆ We wrongly conclude: Small good decisions don't matter that much. We also wrongly conclude: Small bad decisions don't matter that much. Our life is the sum total of **all** the small decisions that we made.
- ◆ Don't start with “DO” goals but with “WHO” goals. When you know “who” you are, you know “what” you are suppose to do.

Life-Plan Development Worksheet – Finances