

# SESSION 1: PERSPECTIVES AND PRINCIPLES

## 1. INTRODUCTION

Managing money is a reality that everyone faces. Unfortunately, it is a reality that is full of confusion, contradictory advice, bad/self-serving advice, shame, guilt, fear, and very few people modeling truth.

We live in the wealthiest nation in the history of the world. In fact, we are so wealthy that if you are living at the level that the US government defines as poverty, you are wealthier than 85% of the rest of the world. If this is true, then why don't you and I feel rich? Why do so many people seem unhappy and discontent?

The world wants you to believe that if you had a little bit more you would be happy. It is easy to believe this lie and believe that if you had a little bit more money and could do or buy a few more things you would experience contentment and peace. We all tend to believe that more money brings security and security brings contentment. If this is true, then why do so many wealthy people seem so discontent?

John Steinbeck, in a letter he wrote to Adlai Stevenson in 1959, said it well, "A strange species we are. We can stand anything God and nature can throw at us save only plenty. If I wanted to destroy a nation, I would give it too much and I would have it on its knees, miserable, greedy and sick."

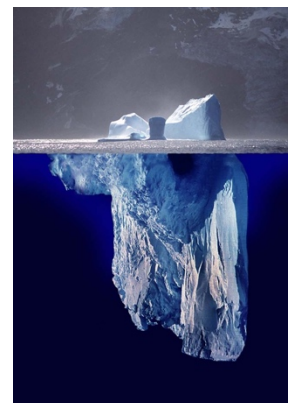
Contentment, as we will discover over the next four sessions, does not come out of how much money or how many things we have. Rather, it comes out of understanding what the Bible has to say about money and money management and consistently applying those truths to our lives. It comes out of answering two simple, but astoundingly complex, questions: (1) who owns it? and (2) how much is enough?

The Bible provides the answers to these questions and gives us confidence to apply those answers because the Bible never changes. In fact, the Bible speaks authoritatively to every financial decision, giving wisdom for the process and principles for the decisions, working at all times under all circumstances. In a word, the Bible is transcendent.

## 2. PERSPECTIVE: WHY MATTERS MORE THAN HOW

### A. Iceberg Diagram

When you look at this picture of an iceberg you can see that about 90% of the iceberg is underwater, while 10% is above the water. This picture is a great representation to compare why we do something vs. how we do it. The portion of the iceberg that is underwater represents



why we do things and the portion above the water represents how we do it. In other words, the why matters more than the how. It is the foundation for all of our financial decisions. Answering why we make decisions about money is determined by our worldview and is the most important question we answer.

#### B. Behavior follows belief

Our beliefs (the why portion of the iceberg) will drive all of our financial behaviors.

“All behavior is the product of what we choose to think or believe . . . Trying to change behavior without changing what we believe and therefore think, will never produce any lasting results.” – Neil Anderson

Do you remember the story of the twelve spies Moses sent into the Promised Land to report about the land? Ten of the spies returned to Moses and told him how terrified they were of the “giants” who lived in the land, while two of the spies, Joshua and Caleb, returned to tell Moses, “We must go up and take possession of the land because we can certainly conquer it!” (Numbers 13:30 – HCSB) The difference between the ten spies and Joshua and Caleb was a simple thing: their perspective. The ten believed in the strength of the opponent; the two believed in the strength of God. Perspective is **everything**!

#### **DISCUSSION QUESTIONS:**

Note: break the group up into small groups of 4 to 8 people and have them answer the following questions. Alternatively, you could use an anonymous app like Verso to ask these questions and solicit responses.

- 1) What experience or memory from your childhood has most influenced your view of money?
- 2) Do you believe that having more will make you happier?
- 3) What do you think most people believe is the primary purpose of money?
- 4) Have you ever tried to change a pattern of behavior in your life without fully committing to that change? What was your experience with that intended change over time?
- 5) How have you seen your behavior in life follow a certain belief that you hold? Give a specific example.

#### C. Cultural Worldview

3 questions that everyone wants to answer:

- Will I ever have enough?
- Will it continue to be enough?
- How much is enough?

A cultural worldview tells us that more is always better. It tells us that what we have is not enough. It aggressively seeks to convince us that we need something new or something different. The culture is filled with a message of economic uncertainty and

fear. It tells us that the world is dangerous and falling apart and that the best thing we can do is seize today. A cultural worldview will always lead to discontentment.

**ILLUSTRATION:** When Ron Blue was on a work trip to Africa he was speaking to a pastor in a village on the outskirts of a town. They were watching a little girl play with a small battery on top of a pile of discarded rocks. The girl appeared perfectly happy and content. She did not seem to even know that she was effectively playing with trash on a pile of trash.

In the midst of this beautiful and convicting scene, Ron asked the pastor a question. He asked him what he perceived to be the greatest hindrance to the spread of the gospel in that part of Africa. After giving it a little bit of thought he simply said, “materialism.” Materialism was the biggest hindrance to the spread of the gospel in that part of Africa in the opinion of this pastor. Not fully comprehending how this could be Ron asked him to explain. The pastor very wisely explained to Ron that in that part of the world if someone had a one room hut, they wanted a hut with two rooms. If someone had a mud hut, they wanted a brick one. If they had two cows, they wanted three. And so on.

You see, materialism, the pastor explained, isn’t about having a lot and wanting more, it is instead defined by worshipping what you have and what you want. It is just as prevalent in the poor as it is in the rich. It is a belief that having more things can bring contentment and joy. It is a sickness that is present in all corners of the world. This struggle is transcendent.

**ILLUSTRATION:** The advertising industry literally spends billions of dollars each year trying to convince us that our lives are incomplete or would be better if we only had their product or experienced their adventure. They are unabashedly trying to shape our buying habits and even use a term called “perceived obsolescence” to convince us that the things we have are old and in need of replacement, when in reality they are just fine.

#### D. Biblical Worldview

3 questions a biblical worldview asks and answers:

- Who owns it?
- How much is enough?
- Is the next steward chosen and prepared?

In contrast to a cultural worldview that is full of economic uncertainty and discontentment, a biblical worldview removes fear and provides us with a framework for learning to be content with what we have. A biblical worldview works for financial decision making at all times in every circumstance for all people. A biblical worldview teaches the following:

##### i. Stewardship – God owns it all

The answer to the who owns it question is very clear in scripture: God owns it. The following scriptures point to that conclusion:

Psalm 50:9-12

1 Chronicles 29:14

Psalm 24:1

A biblical worldview begins and ends with a stewardship mentality. Biblical stewardship is defined as the use of God-given gifts and resources (time, talent, influence, relationships, etc.) for the accomplishment of God-given goals and objectives.

All of what we have is God-given and that means He owns it. If God owns it, that means He cares what I do with it. This is the essence of stewardship – responsibly caring for someone else’s property in accordance with their wishes and desires.

**ILLUSTRATION:** The Parable of the Talents (Matthew 25:14-30) is one of the best passages in the Bible on stewardship. The parable teaches us the following truths about stewardship:

- God owns it all. The master owned all of the talents in this parable and he could do anything he wanted with them. The servants were responsible to the master for how they handled the talents, because they were his talents.
- The amount is not important. While it’s easy to say “it’s not fair” about one steward getting five and one getting two, it is also interesting to note that the master responded exactly the same way to both of those stewards, indicating that he was not rewarding the amount they used or multiplied; rather, he was interested in the wise use of the resources they had.
- Faith requires action. The wicked, lazy slave knew better but did nothing. He did not have an active, faithful approach to stewarding the resources he was given. He lived by his feelings (fear) rather than by the truth (the master would be back, expecting well cared for resources).
- We are being prepared for something better. Our time on earth is temporary and is preparation for something more to come. Life here is part of the growth process that prepares us for what is next.

ii. Money as a tool, a test, and a testimony

God uses money in three ways in our lives: as a tool, a test, and a testimony.

1. Tool – Philippians 4:11-12 shows how God used money as a tool in Paul’s life. Note: Paul wrote this letter from prison!

Money can be used as a tool in a number of ways: (1) money is a tool to accomplish God’s objectives, (2) money is God’s tool to teach me to rely on Him and put my security in Him and not in things, and (3) money can be used to buy things for myself or others.

2. Test – Luke 16:11-12 teaches our responsibility of handling worldly wealth.

Money can be a test of abundance or of need. Hebrews 13:5 tells us to keep our lives free from the love of money. A question that each of us must ask

with respect to our money is whether we are relying on money in place of God and putting our faith in money instead of God. If we are, whether we have much or little, we are in danger of valuing earthly riches over true eternal riches.

3. Testimony – Matthew 5:13-16 reminds us that we are the light of the world meant to be shown from the hilltops, not hidden under a bowl.

Whether we have much or little, how we handle our money can be a testimony to those around us. Our willingness to trust God when we have little and our willingness to share generously when we have much will both witness to an unbelieving world that Jesus is worth it.

### iii. Eternal Perspective

When we view our earthly wealth with a biblical worldview we begin to value eternity over our present reality. An eternal perspective allows us to be content whatever the circumstances because we know that our true good lies in another world. It is not that things on earth are not valuable, it is just that the things of eternity are so much more valuable than the things of earth. When we realize that eternity is our purpose and that God is enough, we can be content no matter our circumstances.

A biblical worldview gives us the ability to be content in all things. Perspective matters!

**ILLUSTRATION:** Matthew 13:44 illustrates the view of eternity that we should all aspire to. This man found a treasure in a field (which represents the Kingdom of Heaven) and in his joy he went and sold all that he had in order to buy the field. This is equivalent to being willing to sell all of our earthly possessions to get what is offered in eternity. This values eternity properly – it is not a solemn event for this man, it is a joyous event. We are not to feel sorry for him, but we are to envy him for what he acquired.

### **DISCUSSION QUESTIONS:**

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) Do you believe that God is really the owner of all that you own? Does the way you use your resources reflect that belief?
- 2) What are the implications of believing that we are stewards of God's resources?
- 3) How can you use money as a tool and a testimony in your life?
- 4) Do you think it would be harder to put your trust in God with an abundance of money or with a shortage of money?
- 5) How can having an eternal perspective lead you to being more content with what you have?

### 3. PRINCIPLES: FIVE MONEY MANAGEMENT PRINCIPLES

Once a biblical worldview is adopted as a person's worldview, that person must spend time to discern what the Bible has to say about money and finances. The Bible has a lot to say about money. In fact, it contains over 2,000 verses about finances. Of Jesus' 38 parables recorded in the New Testament, 16 of them are about money.

#### A. Wisdom vs. Knowledge

People often confuse wisdom and knowledge. Knowledge tends to describe how much information is known where wisdom tends to describe the framework that people use for making productive decisions in life. The distinction is all about the what and how (knowledge) versus the why (wisdom).

Wisdom is so powerful because it is timeless and transcendent. It is timeless because it never changes – it was true when Jesus walked the earth and it is true today. It is transcendent because it applies to all people no matter who they are or how much they have. Because of the timelessness and transcendence of wisdom found in the Bible we can be confident that it is always right, always relevant, and never changing.

#### B. Applying biblical principles leads to confidence – Transcendence of God's Word

The Bible provides wisdom for our finances in a very simple and practical way. These principles are very easy to understand, but they can be very difficult to consistently apply. Without the proper perspective and an understanding of why biblical principles are so important, the tendency is to return to old habits. Once the why is understood, the how (the principles) can be put into practice. Here are five biblical principles for money management that will never change:

##### i. Spend less than you earn because every financial success depends on it

Proverbs 13:11

This is the basic premise of making good decisions. We cannot save, give, pay off debt, or reach our financial goals without living within our income. If we are spending more than we make, nothing else in our financial lives can work.

Often, when faced with a tight budget, people immediately seek to add more income. Perhaps they take a second job or maybe a spouse goes back to work. I would love to challenge that "how can I get more?" thinking and encourage you to make every effort to spend less than you earn right now, today before you jump to adding income. Ultimately, it may make sense for you to add income in order to accomplish your goals, but I believe that respecting the paycheck you have and living within it is the first step toward accomplishing any long-term financial desire or goal.

In other words, if you aren't living within your income at your present income level, you probably won't have the discipline to live within your income at a higher income level.

ii. **Give generously because giving breaks the power of money**

1 Corinthians 8-9

God has made us conduits, not containers, pipelines, not pools. As He blesses us, we honor Him and love others by allowing His resources to flow through us for His purposes.

Jesus used the analogy of a treasure when He taught about giving. He said, "Don't collect for yourselves treasures on earth, where moth and rust destroy and where thieves break in and steal. But collect for yourselves treasures in heaven, where neither moth nor rust destroys, and where thieves don't break in and steal. For where your treasure is, there your heart will be also." (Matthew 6:19-21)

Jesus had the distinct advantage of knowing firsthand the difference between earth and eternity. He witnessed the entropy and decay on planet earth and knew the contrasting glory and longevity of heaven. He urged His followers to lay up heavenly treasures by putting their financial resources into eternal accounts. In the process, He knew that their hearts would then become captivated and motivated by eternal purposes. The "treasure principle" says that our hearts and our money are inextricably linked – our hearts always follow our money.

If our hearts follow our money, then we can break the power that money holds over our hearts by giving it away. Giving sends a powerful message that we believe in God's goodness, we trust God's ownership, and we are about God's agenda. And, when we give, we deeply experience the reality of His goodness, His ownership, and His agenda in our lives.

iii. **Avoid debt because debt always mortgages the future**

Proverbs 22:7

There are certain criteria that we will discuss in the third session regarding making wise debt decisions, but in general, when possible, it is best to avoid debt.

Debt mortgages our future because when we incur debt we are predetermining how we are spending some of our income for a predetermined amount of time. If I have a \$300 monthly car payment, I have pre-spent \$300 every month during that loan.

Being in debt puts us in a position of servitude. It mortgages our tomorrow and it means that we have an obligation to serve the lender first – before we save our money or give it or chose to spend it on family memories. Debt payments demand first priority, no matter what. Scripture goes so far as to make debt repayment a moral issue. Psalm 37:21 says, "The wicked man borrows and does not repay, but the

righteous one is gracious and giving.” Both paying debts back and being “gracious and giving” are upright practices in the eyes of the Lord, but being a gracious giver is a lot more fulfilling than being a faithful debt repay-er!

iv. Plan for financial margin because the unexpected will occur

Proverbs 6:6-8

This just means that we want to have money saved. This margin/savings provides us with flexibility in our financial decision making life. When we fail to set aside something for a short-term emergency, we put our whole financial lives at risk of collapse. Without margin an unexpected event could spell financial disaster.

Many of us get caught in financial binds because we have not planned for short-term margin – we haven’t addressed our need to have savings in the bank to cushion against the unexpected. Maybe we budget our money so that we can save, but often that money goes straight toward retirement or college funds that are inaccessible to us in the short term, leaving us high and dry when “stuff” happens.

Solomon talked about the ant, reminding us that, “Without leader, administrator, or ruler, it prepares its provisions in summer; it gathers its food during harvest.” (Proverbs 6:7-8) Jesus talked about planning for the future and counting the cost when He said, “For which of you, wanting to build a tower, doesn’t first sit down and calculate the cost to see if he has enough to complete it?” (Luke 14:28)

Financial wisdom says that we need to have accessible savings, allowing us to deal with short-term trouble and helping us grow toward long-term goals.

v. Set long term goals because there is always a tradeoff between the short term and the long term

Philippians 3:14

When we follow wise financial principles (such as the previous four), we are able to achieve the accomplishment of goals or priorities that we have. If we have not stated these goals or verbalized these priorities, we won’t be “completing the loop” of wisdom by applying our financial wisdom to our life’s purposes and allowing money to be a tool to help us get to where we plan to go.

Finances always involve a tradeoff between the short-term and the long-term. If we don’t have long-term goals, we simply won’t know how to prioritize our spending and saving in the short-term. Because money is a tool to accomplish other goals and objectives, setting goals gives us clarity about how to use our “tool” – money – toward our savings, debt repayment, budgeting, or giving.

Through these principles we are beginning to build our foundational rock for our financial future. This is a rock of principles that says we can build our house by spending less than we earn, giving generously, avoiding the use of debt, creating short term savings, and setting



long term goals. Psalm 127:1 says, “Unless the Lord builds the house, those who build it labor in vain.”

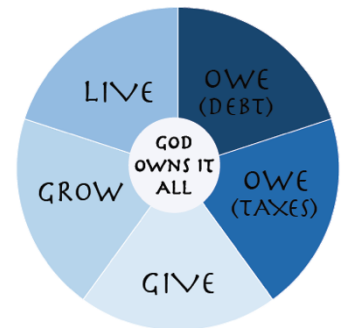
### **DISCUSSION QUESTIONS:**

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) What are some hurdles to believing the Bible can speak accurately and authoritatively to today’s issues and concerns?
- 2) Which one of the five money management principles is the hardest to follow? Why?
- 3) Why do you think God encourages us to live by biblical principles? What does this say about His desires for us?
- 4) What is the foundation of your financial decision making? Who or what are you following?

#### **4. PRIORITIES: FIVE USES OF MONEY – “THE PIE DIAGRAM”**

There are only five things that you can do with your money: spend it, give it away, pay off debt, pay taxes, and save it. Using the easy to remember phrase, Live, Give, Owe, Grow, we can remember these uses. You can use it to Live, you can Give it, you can Owe debt or taxes, and you can use it to Grow. Not only is this a simple tool to remember the five uses for money, but it is also a unique tool that illustrates quite a few truths.



The power of the pie is this: reducing financial options down to five fundamental things that we can do with money simplifies our spending decisions, because when we understand that there are only five pieces of the pie and every decision fits into one of those pieces, it simplifies our thinking. When we know that our money can only go into one of these five wedges, we have more clarity to sort through priorities and make confident decisions.

As we come to understand the pie and how it simplifies financial thinking, remember that there is only one pie for each of our lives. The pie may be big or it may be small, but none of us have an “all you can eat” option! Our individual pie represents all of the money we have to work with at any given time – no more and no less.

##### **A. Priorities are simultaneous, not sequential**

The biggest thing that we learn when we look at a Live, Give, Owe, Grow pie diagram is that all of our priorities are competing and simultaneous. In other words, if we want to save more (i.e. make that piece of the pie bigger), then one or more of our other pieces of the pie has to get smaller. We can’t meet all of our goals at the same time unless we have sufficient cash flow to do so, which is admittedly rare.

##### **B. There are no independent financial decisions**

Another big truth that the pie diagram illustrates really well is that there are limited resources. Your pie may be bigger or smaller than my pie, but regardless of the sizes of our pies they are finite. Even Bill Gates' pie has a limit to it. Since there are limited resources, that means we must allocate my resources against competing alternatives. This means that a decision to do one thing with our money necessarily means that we cannot do anything else with it. Once it is used to buy one thing it cannot be used to buy anything else.

C. The longer term your perspective, the better decision you will make today

Simply put, if we take a long term approach with knowledge of where we want to go, we will make a much better decision with how we spend our money today. Without having tomorrow in mind at all, it is impossible to make a good decision that will result in financial freedom in the future.

D. Financial maturity is being able to give up today's desires for future benefits

Finally, the pie diagram and understanding the truths that it reveals will lead us to having the ability to achieve financial maturity. Understanding that we have limited resources and that every financial decision we make today will affect all of our future financial outcomes allows us to make a mature, thoughtful, and wise decision today.

## 5. CONCLUSION

Have you ever heard of the "Butterfly Effect?" The Butterfly Effect is a concept that simply states that small causes can have large effects. The analogy goes something like this: if a butterfly flaps its wings in Asia, that small disturbance of wind will ultimately determine when and how a hurricane forms in the Atlantic Ocean weeks later. This phrase is commonly used in and out of science, but had its origin in chaos theory. These facts create a rather appropriate analogy to finances in a few ways. Not only is chaos the word that many of us would use to describe our financial situations, but the idea that small causes can have large effects is a fundamental principle in understanding the principles outlined in this session.

The five principles and the pie diagram highlight the idea that small changes in our financial and spiritual lives can have dramatic results. We will talk about the magic of compounding in a later session, but it is important to understand that when we make small changes to how we handle our finances we can end up in a dramatically different place ten or 20 years down the line. Just think about choosing to make your coffee at home instead of buying it at a coffee shop every day. The cost difference may only be \$1.50 per day, but that \$1.50 per day is actually \$547.50 per year and \$10,950 over 20 years. Imagine the other uses that this money could be put to. [Side note: when you add compounding to this example the results are staggering.]

These types of small changes take a tremendous amount of discipline and persistence. We talked about financial maturity being willing and able to give up today's desires for future benefits. The coffee decision described above is a perfect example of this maturity. The challenge with implementing a change like this is that it is so easy to forget why we are doing it.

**QUESTIONS FOR REFLECTION:**

Send the group home thinking about the following questions:

- 1) What are the implications of the statement "There are no independent financial decisions"?
- 2) How can having simultaneous competing priorities choke out your growth in Christ?
- 3) What small changes can you make to your life that could create a dramatically different future for you?

## SESSION 2: PRIORITIES – LIVE AND GIVE

### 1. PRIORITIES – THE WAY IT WORKS

#### A. Pressure is felt at the bottom

As we discussed last time, the pie diagram demonstrates that our priorities are simultaneous and competing. Even though that is true, it is still important to order our priorities so that the “squeakiest” wheel doesn’t get all the grease.

Unfortunately, most of us let the priorities within the pie just happen to us without any intentionality. The problem with this is that the pressure we feel always pushes to the bottom (our lowest priority). If, as is common with most people, our priorities follow this common pattern:

- Live. We have to live. We have to pay rent, feed our kids, and board the dog when we go on vacation. Among a million other things.
- Owe. We also have to pay debts and taxes. If we don’t, people will come looking for us, and no one wants that. So we pay them.
- Grow. We want to save for the future. When we have margin, most of us respond by putting money away for something important that comes later.
- Give. We want to give. When we feel moved by a need or have the financial margin on a Sunday morning, we give.

This “default” order of priorities puts pressure on what’s at the bottom (savings and giving) as what’s at the top (living and owing) consumes most, if not all, of our resources. Money flows down the pipeline, and it is progressively less available the further down it goes.

This inadvertent priority order happens when we allow our financial life to happen to us rather than taking consistent responsibility for stewarding the wedges of our pie. It’s the very real order of events in most people’s lives.

#### B. Flip the order to put the pressure where you want it

In contrast, when we approach our priorities from a biblical perspective, the pressure is applied in a different direction. In scripture, there are two productive uses of money, two obligatory uses of money, and one consumptive use of money.

- Give and Grow. These two uses of money are productive. Giving money yields earthly and eternal fruit, and saving money benefits our future as well.
- Owe Debt and Owe Taxes. These uses are obligatory, and it is our moral duty to pay them.

- Live. This use of money is consumptive. It is the wedge of the pie that usually takes up the most space. By intentionally tending to the other areas first we can freely enjoy what is left in the live portion without fear or guilt.

If we choose to prioritize our money so that it flows more like this, we are applying wisdom to our finances. The pressure at the bottom is now on our lifestyle spending, where we wrestle with questions like “how much is enough?” and “how do I practice contentment?” Important questions that make space for our financial lives to be an ongoing dialogue with the Lord in our faith journey.

Small shifts in our priorities have huge effects in the future! Beginning to prioritize our financial decisions differently will, over time, shift our pie so that our spending matches our stated priorities.

## 2. LIVE

### A. How much is enough?

#### i. Spend less than you earn – Hebrews 13:5

Nothing in our financial lives will work if we don’t start here. Most people want to address their cash flow problem by focusing on the “earn” piece of the principle. They tend to believe that if they were able to earn more money, they would have more money left over to meet their spending habits. Unfortunately, this is rarely how it works.

Most people increase their spending as soon as their income increases. They can now “afford” that new phone they were wanting or the new car they “needed.” Unless we address the “spend less” part of this principle it will not work. No matter how much money we make, spending less than we make is the key.

The reason this is so hard for most of us to apply is that we have a limited number of resources that we must allocate among unlimited alternatives. This is true no matter who you are. Even for Bill Gates.

The key in spending less than we earn is delayed gratification. We must be willing to put off today’s desires for future benefits. There are some things that we just can’t afford to buy and that is okay.

#### ii. Paradox of prosperity

The paradox of prosperity says that the more you have, the more choices you have, and as a result, the more confusing life becomes. It is easy to think that life is easier when we have more, however, experience shows just the opposite. The more we have actually makes life more confusing and tends to lead to less freedom.

Think about it like this: not that long ago if you wanted to buy a pair of blue jeans you could go to a department store tell the clerk your size and he would bring you back a pair of jeans. They weren't all that comfortable, but they were affordable. After wearing them for a while, they began to break in and you liked them just fine. Today, if you want to buy a pair of jeans you will be escorted to a floor within a department store and shown hundreds of options. Do you want skinny jeans, boot cut jeans, slim jeans? Do you want acid wash, roughed up jeans, dark jeans? Not only that, you are likely to pay a few hundred dollars for these specialty jeans. More choices have actually made shopping for jeans a whole lot harder and a whole lot less fun.

Life is just like this. When you have more, you have a whole lot more decisions to make and life becomes more confusing. The main point is this, don't believe the lie that having more will make life easier. It may make you more comfortable, but it will not make life easier or more relaxing. More will not bring contentment.

**ILLUSTRATION:** Most people know who Warren Buffett is. In 2016 he was estimated to be worth over \$60 Billion. Despite that significant wealth he understands this paradox very well. In fact, he lives in the same house today that he purchased in 1958 for \$31,500. He said, "My life couldn't be happier. In fact, it'd be worse if I had six or eight houses. So, I have everything I need to have, and I don't need any more because it doesn't make a difference after a point."

#### **DISCUSSION QUESTIONS:**

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) What does the way you spend money demonstrate about your priorities? Are your priorities more in line with the world's priorities or God's priorities?
- 2) What is one small change you could make in your financial life that could have a significant impact on your future? What is keeping you from making that change?
- 3) Why do you think it is so hard for us to delay our gratification when buying things?
- 4) Do you agree with the concept of the Paradox of Prosperity? Why or Why not?

#### iii. Success, Security, Significance

Success, security, and significance are three things that nearly all of us desire. Not only that, most of us believe that more money will make us more successful, more secure, and/or more significant. It is easy to believe this because this is what the world is screaming at us.

However, when you look at people with a lot of money, you don't necessarily see evidence of this being true. If you visit a wealthy person's deathbed you won't hear them bemoaning the fact that they didn't make more money, instead you will likely hear them remembering the relationships they had and the memories they made with

people. The success in life that they remember comes not from the money they made, but instead from the relationships they made. Likewise, people with lots of money are usually the ones with the most high tech security systems because they have the most stuff to protect. Security systems are not the mark of security, but rather they signify a fear of loss. Finally, the people who are remembered as significant people are not the ones who made the most money, but the ones who had the most impact on people's lives. If you step back and observe the world around you, it is not hard to see that money is not the solution to our desire to find success, security, or significance.

#### iv. Appropriate Christian lifestyle

A big question that many people ask is whether or not there is a specific lifestyle that is acceptable for a Christian. In other words, how much or how little should I be living on? The book of 1 Timothy gives us three admonitions on our lifestyle that we should all consider when answering the question of "how much is enough?" for our lifestyle.

##### 1. Provision

The first admonition from Paul's letter to Timothy with regards to our lifestyle is that we must provide for our family. 1 Timothy 5:8 says, "But if anyone does not provide for his relatives, and especially for members of his household, he has denied the faith and is worse than an unbeliever." 1 Thessalonians 4:11-12 says, "and to aspire to live quietly, and to mind your own affairs, and to work with your hands, as we instructed you, so that you may walk properly before outsiders and be dependent on no one."

God calls each of us to provide for our families, but our human tendency wants to accumulate more and more (either out of a need for control or out of a need for security or significance). There is a wise balance between provision and "playing God" by trying to protect against all things or against things that only God can protect us from. The best way to solve this dilemma is to ask the question, "How much is enough?"

The process of determining what provision means for every person is a prayerful process and the answer is not going to be the same for every person. There is a minimum amount of provision that everyone needs, and above that level we need to be asking God what His will is for our lives. Are we falling into the trap of indulgence or are we honoring God with our provision?

Another concept that goes hand in hand with the idea of provision is the theology of work. Genesis 2:15 teaches that we were created to work and to provide for our family. This teaching precedes the fall and we can conclude,

therefore, that work is good. Exodus 34:21 commands us to work for six days and to rest on the seventh. Proverbs 12:11 says, “Whoever works his land will have plenty of bread, but he who follows worthless pursuits lacks sense.” Work is an extremely biblical concept and the fact that we were created to work pervades all of scripture. Tying the concept of provision and work together, means that work is a necessary part of providing for our families and the two should always go hand in hand.

## 2. Contentment – an eternal perspective leads to contentment

The second admonition Paul gives us in his letter to Timothy regarding an appropriate lifestyle comes from 1 Timothy 6:8. It says, “But if we have food and clothing, with these we will be content.” Hebrews 13:5 and Philippians 4:11 also encourage us to be content in whatever circumstance we find ourselves.

The big idea that each of these verses communicates is that enough is exactly what we have right now. God gave us the amount we have right now and as a result our attitude should be one of contentment and thanksgiving. An exploration of Philippians 4:11-19 helps to highlight some key concepts about being content. First, we are to be content with having a little or a lot not because of what we have, but because of who we trust (God). Second, meeting the needs of others produces contentment in the giver. Third, we can be content by resting in the knowledge that God will supply all our needs according to HIS riches and glory. This means that God can and will supply our needs, but he makes no promises with respect to our wants.

One more issue that often comes up in any discussion on contentment is when do I have enough and once I get there should I keep striving after more. Contrary to what our culture tells us, there is such a thing as having too much money. The problem lies not with money itself, but rather with the effect it has on us. Ron Blue has commented, “My experience has been that prosperity has led Christians to fear loss. Furthermore, the fear of loss has led to a loss of faith. The more we have, the tighter we grip it. The tighter we grip it, the more things (like Y2K, for example) scare us to death.” The Scriptures say, “But those who desire to be rich fall into temptation, into a snare, into many senseless and harmful desires that plunge people into ruin and destruction” (1 Timothy 6:9). In other words, the desire to accumulate more and more is spiritually dangerous. If God chooses to send wealth our way, that is His prerogative, but we are not to go striving after it.

**ILLUSTRATION:** John Wesley is a man who was content with what he had as a result of answering the how much is enough question early in his life. When he first started working he made \$30 and gave away \$2. Determining that \$28 was sufficient to live on, he capped his lifestyle at this number and would give away anything he made above that number. His income quickly increased but he



continued to give away all excess money he made above \$28. He famously said, “I cannot help leaving my books behind me whenever my God calls me hence, but in every other respect my own hands will be my executors.”

**ILLUSTRATION:** Nearly 60 years ago, John Steinbeck noticed a prevailing feeling of discontentment in the world. In a letter to Adlai Stevenson he wrote about the contrast of two Christmases, one of wanting and one of plenty. The one of plenty he describes as follows: “Then there is the other kind of Christmas with present piled high, the gifts of guilty parents as bribes because they have nothing else to give. The wrappings are ripped off and the presents thrown down and at the end the child says— ‘Is that all?’ Well, it seems to me that America now is like that second kind of Christmas. Having too many THINGS they spend their hours and money on the couch searching for a soul. A strange species we are. We can stand anything God and nature can throw at us save only plenty. *If I wanted to destroy a nation, I would give it too much and would have it on its knees, miserable, greedy and sick.*” (Italics mine) Contentment is far from those who always want more.

### 3. Enjoyment

The final admonition that Paul gives to us with respect to our lifestyle is that we are to enjoy it. 1 Timothy 6:17 says, “As for the rich in this present age, charge them not to be haughty, nor to set their hopes on the uncertainty of riches, but on God, who richly provides us with everything to enjoy.” 1 Timothy 4:4 also encourages us to appreciate everything that God has made and to enjoy it. The admonition to enjoy the things God has given us means that we are to put our hope in God who always remains and remember Him as our provider.

The big question with this admonition is whether or not we are enjoying the lifestyle we have right now. Charles Spurgeon once said, “If you are not content with what you have, you would not be satisfied if it were doubled.” In other words, if you don’t enjoy what you have right now, you are not going to be satisfied with more.

Looking at the world in which we live, it is fairly evident that more does not necessarily mean better. Taking a brief peak at celebrities in our culture, we can easily see a constant desire for more and a constant striving after something that will never satisfy. The tendency for most people is to get all we can for ourselves regardless of the cost and regardless of how it effects other people. This tendency can be described as a scarcity mentality.

An abundance mentality is the opposite of a scarcity mentality and it says: “‘There is enough for everyone, more than enough: food, knowledge, love ... everything.’ With this mind-set we give away whatever we have, to

whomever we meet. When we see hungry people we give them food. When we meet ignorant people we share our knowledge; when we encounter people in need of love, we offer them friendship and affection and hospitality and introduce them to our family and friends. When we live with this mind-set, we will see the miracle that what we give away multiplies: food, knowledge, love ... everything. There will even be many leftovers.” Henri Nouwen

When we share generously what we have we are always rewarded with enjoyment and peace.

### **DISCUSSION QUESTIONS:**

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) How is money a false promise of success, significance, and security?
- 2) Why can't money be the answer to the desires for success, significance, and security?
- 3) How do the three admonitions for a Christian lifestyle (provision, contentment, enjoyment) relate to one another?
- 4) How do you determine what is the appropriate lifestyle for you?

### 3. GIVE

#### A. Treasure principle: Giving breaks the power of money

Giving generously breaks the power of money in our lives and it aligns our hearts with God's heart. When we are willing to give we assume the posture of an open hand. Holding our hands in this manner permits God to take things out of them whenever He wants to and to put things into them whenever He wants to. When we grip things tightly with a closed fist, we are letting those things control us. That is why we say that when we give (open our hands) it breaks the control and power of money in our lives. It helps to root out the selfishness and greed that exists and helps to break the mindset that this money is MY money. As long as we hold on to things, we believe we own them.

A great way to identify where this control exists in our lives is by looking at how our possessions control us. If we think about our cars, phones, shoes, bags, etc., and imagine how we would feel or what we would do if something happened to them it is easier to understand the control that things have over us. Luke 16:13 reminds us that we cannot serve two masters, we will either love the one and hate the other or we will be devoted to one and despise the other.

Giving breaks our love of money and allows us to serve God with our lives. C.S. Lewis describes the fallacy of loving things above God when he wrote, “We are halfhearted creatures, fooling about with drink and sex and ambition when infinite joy is offered us,

like an ignorant child who wants to go on making mud pies in a slum because he cannot imagine what is meant by the offer of a holiday at sea. We are far too easily pleased.”

Matthew 6:19-21 is a passage that is commonly referred to as “The Treasure Principle.” It says, “Do not lay up for yourselves treasures on earth, where moth and rust destroy and where thieves break in and steal, but lay up for yourselves treasures in heaven, where neither moth nor rust destroys and where thieves do not break in and steal. For where your treasure is, there your heart will be also.” This verse illustrates the principle that our hearts follow our money. Where we put our money is ultimately what moves our hearts.

Our treasure is the thing that moves our hearts and is the thing we value the most. Luke 12:16-21 tells the story of a rich man who produced a large crop and in order to store the crop he built large barns to store it. He sat down, admired his work, and felt pride. However, God called him a fool because his life was to be taken that night and he had laid up treasure for himself and was not rich toward God. This man’s treasure was misplaced. Contrast this man with the parable from Matthew 13:44, where the man finds a treasure in a field (which represents the Kingdom of Heaven) and goes and sells all he has to buy that field and the treasure. This man had his treasure in heaven and he recognized that the treasure was worth selling all that he had to acquire it. The Bible said that he sold all he had with “joy.”

The emphasis with all of this is that eternity is so much more valuable than the here and now. Storing up treasures in heaven makes sense, not because things on earth are bad, but because things in heaven are so much better. Besides, everything that we acquire here on earth will eventually waste away and become trash. It is all really just pre-trash. There is an overriding emphasis on eternity in the treasure principle.

**ILLUSTRATION:** Randy Alcorn, in the book *The Treasure Principle*, talks about how foolish it would have been for a person living in a Southern state near the end of the Civil War to begin to accumulate Confederate money. That person would have found their money worthless as soon as the war ended. We can all see the foolishness in collecting something that will soon be worthless, but we all tend to do these same things with our money and possessions here on earth. We needlessly store up things on earth, knowing that they will be worthless the moment we die.

**ILLUSTRATION:** George Müller lived a life marked by radical generosity. Müller began life without much purpose. He was known for his stealing, gambling debts, drunkenness, and lewd stories. However, Müller experienced a transformation and set out to serve God and bring him glory. Müller and his wife were deeply affected by the plight of orphans roaming the streets in their town of Bristol, England. They decided to begin an orphanage and determined that they would never ask for money. Whenever they had a need they would bring it to God and watch Him provide. During his life, Müller received over 1.5 million pounds in donations. He directed every pound to serving the orphans in his care. He and his wife cared for more than 10,000 orphans, sharing their lives and Christ with

each of them. When he died, he had impacted countless souls and is remembered as one of the great men of faith in history. Müller never held on to what was given to him, he kept it moving, and God always provided for him and the orphans. When any orphan became old enough to leave the orphanage, Müller would place a Bible in the orphan's right hand and a coin in the orphan's left hand. He would pray with the child and tell him that if he clung tightly to what was in his right hand, God would always make sure he had something in his left hand.

## B. Motives for giving

### i. Obedience

This really is the primary reason that we give – because God tells us to. Scripture is replete with commands to give (1 Corinthians 16:2, Proverbs 3:9-10, Ephesians 4:28, John 14:15, Luke 14:12-14, Luke 6:20-21, Luke 4:16-19, Matthew 25:34-36, Mark 12:41 – 44, Luke 11:39-42). Sometimes we give in a simple act of obedience, but once we obey joy is always close behind.

### ii. Recognition of God's ownership

Returning to one of the very first principles that we discussed, God owns it all, giving is a way to recognize this truth in our lives. As stewards of God's resources, our giving should be a reflection of how God is leading and directing us (1 Chronicles 29:11-12, 1 Corinthians 10:26, Psalm 24:1).

### iii. Rewards

We know from scripture that giving pleases God and that He has promised rewards to those who give. We do not know the exact nature of the rewards, but we do know that they are mostly eternal in nature (Prov. 3:9-10, Luke 6:38, Matthew 25:23, Philippians 4:15-20).

The prosperity gospel tends to over emphasize this reason for giving, so that the motivation for giving becomes self-centered in nature – we give so that we will get. If God designed giving to remove the sin of selfishness from our lives, then giving to get is a gross perversion of that design. Furthermore, if God warns us against the dangers of wealth and then uses wealth as a reward for giving, He is making our lives more challenging by giving us monetary wealth as a reward for giving. That simply makes no sense. Still, it is okay to give with an expected promise of God rewarding us, but what we should never expect is that God will make us wealthy or healthy in exchange for our giving. That is a huge lie.

### iv. Love

Because we are God's image bearers, our love for others is also demonstrated by radical generosity. God models generosity by giving us Jesus, along with "everything pertaining to life and godliness" (2 Peter 1:3, NASB). (John 3:16, 2 Corinthians 9:7, 2 Corinthians 8:3-5, 2 Corinthians 8:9, 1 John 3:17)

We give to demonstrate God's love and to express His nature. God is love and giving is an expression of that love.

C. How much should I give?

The tithe is a concept with its roots in the Old Testament. The word "tithe" literally means ten percent. Many people have very strong opinions on whether or not Christians are required by the Bible to tithe to a church today. It is clear that the Jews in the Old Testament were required to tithe, but some argue that Jesus' death did away with the requirement of tithing while others will argue that the tithe was affirmed by Jesus in the New Testament. Regardless of where you may fall on this topic, the Bible teaches some clear truths about giving and how much we should give. We like to talk about three different levels of giving that everyone should all seek to employ.

i. Should (Proportionate Giving)

This type of giving is taught by Paul in 2 Corinthians. This is the type of giving that is in accordance with our ability to give. Paul commends the Macedonians for giving "according to their ability," and he encourages the Corinthians to give in accordance with their prosperity. That means that we all should be giving and that our giving should increase as our income increases – and I don't just mean in dollar amount, but in proportion to our income. These words from Paul do not give a clear definitive percentage of income we should give, but we believe that it is clear that God expects us to give something that matters. All of us have the ability to give at least a tithe. If God expected tithing from the poorest of the Israelites, then surely that amount is within all of our abilities.

Be careful here though, it is very tempting to begin thinking of 10% as God's and 90% as ours. Remember, it is all God's!

ii. Could (Planned Giving)

This type of giving is seen by giving in lieu of some other use for our money that we were considering. For instance, you may have planned a vacation but instead decide to give that money to your church or another organization. This type of giving is the closest that most of us will come to experiencing sacrificial giving. It is giving up something that we would otherwise do in order to be generous. The Macedonians in 2 Corinthians 8:1-4 are a fantastic example of this type of sacrificial giving.

iii. Would (Pre-committed Giving)

This last type of giving is what we call faith giving. This is the type of gift where we commit ourselves to giving if the Lord provides us the means to do it. For instance, you may say that if you have an extra \$1,000 you will give it to a certain mission organization you support. You don't have that money available or do not feel called to give out of your surplus, so you pre-commit to giving something specific away if

God provides you a way to do it. This gives you a great opportunity to dream big and then step out in faith when the Lord provides.

#### 4. CONCLUSION

In his book *Seeds of Hope* Henri Nouwen says: “Our lives as we live them seem like lives that anticipate questions that never will be asked. It seems as if we are getting ourselves ready for the question ‘How much did you earn during your lifetime?’ or ‘How many friends did you make?’ or ‘How much progress did you make in your career?’ or ‘How much influence did you have on people?’ or ‘How many conversions did you make?’ Were any of these to be the question Christ will ask when he comes again in glory, many of us could approach the judgment day with great confidence. But nobody is going to hear any of these questions. The question we all are going to face is the question we are least prepared for. It is: ‘What have you done for the least of mine?’ As long as there are strangers; hungry, naked, and sick people; prisoners, refugees, and slaves; people who are handicapped physically, mentally, or emotionally; people without work, a home, or a piece of land, there will be that haunting question from the throne of judgment: ‘What have you done for the least of mine?’”

This quote is very convicting. We need to ask ourselves on a regular basis whether we believe that God gave us money so that we could raise our standard of living or our standard of giving. God may have given us an increase to enjoy it and to increase lifestyle, but it is a very dangerous thing to assume that that is automatically the case. If we are faithful with what He has given us, then we should expect Him to give us more to sow into His kingdom. David Platt said it very well in his book *Radical* when he said, “There is never going to be a day when I stand before God and he looks at me and says, ‘I wish you would have kept more for yourself.’”

Philippians 3:18-20 is a great reminder of this truth: “For I have often told you, and now say again with tears, that many live as enemies of the cross of Christ. Their end is destruction; their god is their stomach; their glory is in their shame. They are focused on earthly things, but our citizenship is in heaven, from which we also eagerly wait for a Savior, the Lord Jesus Christ.”

#### **QUESTIONS FOR REFLECTION:**

Send the group home thinking about the following questions:

- 1) How could giving break the power that money has over you in your life?
- 2) Do you think that it matters what your motive is when you give money as long as you are being obedient? What are some motives for giving that you have observed?
- 3) How does being generous put the Treasure Principle into practice?
- 4) What do you think it means to store up treasures in heaven?

## SESSION 3: PRIORITIES – OWE (DEBT AND TAXES)

### 1. MONEY ISSUES ARE HEART ISSUES

Financial issues are symptomatic of heart issues. A “money problem” (such as a negative viewpoint about paying taxes or a tendency to go into debt to fund impulse purchases or to get “bigger and better”) is never really a money problem. If we don't address the heart issue behind the problem, we will never find the ability to break free from the actual problem.

Debt and taxes are both symptomatic of something else that exists in our lives. Taxes are symptomatic of income and consumer debt is almost always symptomatic of spending more than we make. We are all products of our culture and as such are often times blinded by the weaknesses or mistakes that culture is making around us. For instance, how do you explain the fashion of the 70s and 80s? When we as a society look back on our debt laden culture, we will no doubt ask ourselves why we ever let ourselves go so deep into that hole. In order to change, we must be aware of the problem and be able to rise above it and behave differently.

### 2. OWE: DEBT

The Bible does not say that borrowing is a sin, it also does not say that it is wise to borrow. While the Bible may not forbid the use of debt, it does warn about the dangers of borrowing. Nine times out of ten, when someone has too much debt it is a direct result of some other heart issue that exists. Whether it stems from a failure to be content with the lifestyle that God has given us, or from a deeper seated issue arising from something or someone else, there is almost always a root cause of too much debt. We live in a culture and a time that attaches very little stigma to being in debt and where it is easier than ever to access high levels of credit in debt. In this environment, it is increasingly difficult to find good examples of responsibly managing debt and it is hard to know whose voice to listen to. With that backdrop in mind, let's take a look at some rules for borrowing based on scriptural principles.

#### A. Rules for borrowing

##### i. Principle: Borrowing always mortgages the future

What does it mean to mortgage the future? Simply put, if I take on debt today, I am pre-committing how I will spend certain dollars in the future. For instance, if I take out a loan to buy a car and have a \$350 monthly payment for three years, then I have already determined how I am going to spend \$350 of my monthly income for the next three years. I have thus limited my flexibility and given a third party (the lender)

the right to demand that I spend that \$350 a certain way each month. To state this another way, when I take on debt I am obligating tomorrow's income. I am in effect saying, "I will earn a certain amount of money so that I can have something today."

1. Rule: Therefore, the economic return must be greater than the economic cost

Luke 14:28-31 teaches us that it is wise to consider the cost of what we are doing before we do it. It teaches that we will be the subject of scorn and mocking if we try to build something and in the end do not have the means to pay for it. Based on this teaching, it is necessary to consider whether it "makes economic sense" to go into debt. The question is, will the item I am purchasing with debt result in an economic return that exceeds the economic cost. This can actually be calculated by running some numbers and determining whether the cost of borrowing is less than the expected economic benefit.

Without doing any economic analysis, this means that virtually all consumer purchases made on debt fail this first rule. A phone purchased with debt will not pass the test because the economic cost will far exceed any return we may get when we sell the phone at the end of its useful life. This means that any depreciating asset or anything that is consumed should not be acquired using debt. This can seem like a hard rule, but when properly applied it helps us distinguish between needs and wants.

Student and mortgage debt are the two most common types of debt that may satisfy this first rule. It is possible that the economic return from a house or an education will exceed the economic cost. However, regardless of those types of debt satisfying this rule, they will still mortgage the future and pre-determine the amount of money you will need to earn in the future and should be approached with caution and reserve.

**DISCUSSION QUESTIONS:**

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) How is your attitude different if you earn money versus if it is given to you?
- 2) Read Luke 12:15. How can this verse help you create a perspective on debt and apply the principle that debt always mortgages the future?
- 3) Now read Luke 12:16-21. What mistake did the rich man make about the future?
- 4) What is the problem with taking on debt where the economic cost is greater than the economic return? Why do you think so many people ignore this simple rule?



ii. Principle: Never Presume upon the future

James 4:13-15 talks about how we arrogantly plan for the future when our lives are like a mist and we do not know what tomorrow will bring. Like a mist our futures are uncertain. We do not know where God may call us or what He may ask us to do next. If we take on debt, we are possibly precluding ourselves from being able to respond to God's call. We must be careful not to assume that what happened yesterday will necessarily continue in the future. This danger has been seen in the housing markets over the last few decades. At times it has seemed as if housing prices in certain areas would never go down. However, time and time again, we have seen that housing prices do dip and there are corrections in the market. Presuming an ever increasing housing market, could lead to taking on more debt than we can really handle.

Only God knows the future, and by taking on substantial amounts of debt we end up removing the flexibility we need to be able to quickly respond to God's direction in our lives. Suppose you had \$25,000 of credit card debt and felt that God was calling you to become a missionary in the Philippines. You could not follow that calling until you paid off your debts at home. You would have mortgaged your future.

1. Rule: Therefore, there must be a guaranteed way to repay amounts borrowed

Proverbs 22:26-27 admonishes us that we should not take on debt if we cannot be sure of our ability to repay it in the future. This rule is fairly straightforward and requires that we have some certainty as to the means we will use to repay our debt. The most common places where this rule is most difficult to follow is with investment and business debt. The issue here is that nobody ever thinks that they are about to invest in a "bad" deal. We always think it is a good deal, and that is precisely why we are considering it. This belief leads us to violate the principle stated above by presuming upon the future and the value of our investment in the future. Tying these two points together, since the Bible teaches us not to presume upon the future we need to be certain that there is a guaranteed way to repay any debt we take on, even investment and business debt.

iii. Principle: God gave you a spouse to complete you

Howard Hendricks, the late-great professor from Dallas Theological Seminary, used to say, "God gave you a spouse to complete you, not to frustrate you." The point is that, if you are married, you and your spouse should seek to be in unity before taking on any debt.

1. Rule: Therefore, spouses must be in agreement.

Ephesians 5:21 tells spouses that they should mutually submit to one another. This means that when one spouse does not feel good about a debt decision, the decision should be put on hold. Outside counsel and prayer may be necessary to resolve some of these issues, but all too often when one spouse takes on debt without the support of the other spouse there ends up being resentment and then an “I-told-you-so” attitude when the deal goes bad. It is better to forego a homerun investment than to damage your relationship with your spouse whom you love.

iv. **Principle: Never deny God an opportunity to provide**

This final principle is one of the most difficult to apply because it requires us to have our hearts and minds near to God with the ability to discern whether or not we are providing for ourselves in a place where God would otherwise provide. Some people may try to say that this question is akin to asking whether Christians should visit doctors if they truly believe God has the power to heal. Should we just leave it up to God by faith and not seek medical help? Personally, I believe that God gave us doctors to treat sickness and disease, but not to replace Him. The difference with money, is that we often times are trying to meet a need or want that God knows would be better off if we did not have. When we run to the bank to provide, we are putting the bank in the place of God and could be relying on the bank as our provider instead of God.

Luke 12:24 and Psalm 34:10 are both very good examples of the Bible telling us that God is our provider. There may be times when we aren't denying God an opportunity to provide by using debt, but the only way we can know this is by asking Him. We should not be afraid to ask God these types of questions.

**ILLUSTRATION:** Story from Ron Blue: “Back in 1979 after much prayer and seeking of wise counsel, I decided to leave full time vocational ministry and start a financial planning company. I had five kids under the age of 12 at home and no clients. I thought that it would be wise to obtain a line of credit from a bank as a way to have cash on hand during the beginning stages of my new business. So, I went to a bank and secured a \$10,000 line of credit.

In the following weeks, as I sought God during my daily devotional time, I became uncomfortable with the idea of borrowing money to start my business. After all, I intended to give advice to clients that would encourage them to avoid using debt. It felt hypocritical. I became so convicted on this subject, that I went to the bank and canceled the line of credit. This felt extremely risky, as I had seven mouths to feed and no reliable source of income. Nonetheless, when I feel the conviction of God, I have found that it is best to obey.

Approximately one week after I canceled the line of credit I was visiting with some folks at a major international corporation about my new venture. They asked me if I

would consider creating a financial training seminar and delivering it to their employees four times over the next year. Eager for any opportunity, I said 'yes!' When they asked me how much I would charge for that seminar, I was at a loss. I had not thought about the charge for the work, so I asked them how much they would pay. (I know, not the best negotiation tactic.)

They said they would pay me \$6,000 to develop the seminar and \$1,000 for each time I taught it and they wanted me to teach it four times. "Coincidentally," that adds up to \$10,000, the exact same amount as the line of credit that I had cancelled. I am convinced that if I had not given up my line of credit I never would have gotten the opportunity to develop the seminar and, even if I did, I would not have seen it as God's provision. It felt as if God were telling me, 'I know where you live and I know what you need. Trust me.'

**1. Rule: Therefore, there are no other alternatives**

Philippians 4:11-13 teaches that we can be content when we have little or we have much. Perhaps our want going unmet is a way for us to learn to rely on God or perhaps there is a need that should be met and debt is the only way to meet it. This rule is properly applied when the debt solves for a goal or objective that can be met in no other obvious way, such as a medical emergency, job loss, or some other financial issue that is unforeseen and unavoidable. All other possible solutions should be considered and rejected before debt is used.

All of these principles and rules lead to the conclusion that debt is rarely a good solution. Debt should be avoided if at all possible because of the principles stated above and the dangers we will talk about next. There are some situations where it makes sense to use debt, but we should all go in with our eyes wide open to the principles, rules, and dangers when we take on debt.

- v. These rules lead us to four questions we can ask before taking on any debt:
  - 1. Is the economic return greater than the economic cost?
  - 2. Are you presuming upon the future when you take the debt out? In other words, is there a guaranteed way to repay the debt?
  - 3. Do I have unity with my spouse?
  - 4. Are there any alternatives other than taking on debt?

### **DISCUSSION QUESTIONS:**

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) What does it mean to presume upon the future?
- 2) Read James 4:13-16. What are some dangerous presumptions you are making when you acquire debt?
- 3) Do you have more faith in the bank to provide for you or in God to provide for you? Why is it so tempting to put your faith in a bank?
- 4) How do you rule out that there are no other alternatives to debt or that you are possibly denying God an opportunity to provide?

#### **B. Dangers of debt**

##### **i. Economic**

The biggest and most obvious danger with respect to debt is the actual economic cost of borrowing. This principle comes to light in two particular ways. First, the magic of compounding working against us instead of for us, and second, the opportunity cost of consumption when we use debt to acquire things.

##### **1. Magic of compounding (backwards)**

Failing to understand the power of compounding can have catastrophic effects on our financial lives. Albert Einstein said of compounding, “He who understands it earns it . . . he who doesn’t . . . pays it.” Compounding is simply the process of earning interest on the interest already applied to the principle. For example, if you owe \$10 at 10% interest, after one year you will owe \$1 of interest and \$10 of principal. If you make no payments, you will then owe \$11 and all \$11 will be charged interest. You are now paying interest on interest. As a borrower, this concept works for the lender and against you.

A simple and relevant example of this concept is credit card debt. The average credit card debt in 2015 was \$15,762.<sup>1</sup> If you assume an 18% interest rate, the minimum amount you are required to pay by the credit card company is approximately \$240 per month. If you only make the minimum payment, it will take nearly 21 years to repay this debt and you will pay over \$44,000 in interest. The total cost of that \$15,000 is approximately \$59,000. Not only does that mean you paid almost four times the cost of the item, but you were unable to use that \$44,000 to do anything else – you have cost yourself a tremendous amount of flexibility.

---

<sup>1</sup> <https://www.nerdwallet.com/blog/credit-card-data/average-credit-card-debt-household/>

How many items that you own would you be willing to pay four times the retail price for?

**ILLUSTRATION:** A few years ago there was a story about a man named Ronald Read who died at the age of 92. He was an inauspicious man living and working most of his life in Vermont. He had worked most of his life as a janitor and a gas station attendant. When he died, he shocked everyone who knew him by leaving behind an estate worth nearly \$8 million. The amazing thing about this story, is that if Mr. Read had saved \$300 per month and was able to earn 8% interest on it for his entire 60 year working life he would have been able to amass this small fortune. This is the power of compounding working for you. Imagine taking the \$240 that the average credit card debt holder is required to pay each month in the example above and investing it like Ronald Read did instead. What a HUGE difference it makes.

Debt is so easy to get into and it is so hard to get out of because of this concept of compounding. It is like emptying a tube of toothpaste. It is really easy to do, but have you ever tried to refill the tube with the toothpaste that you squeezed out? It is not easy!

## 2. Opportunity cost of consumption

An opportunity cost is simply the cost of an alternative that must be foregone in order to pursue a certain action. When talking about the opportunity cost of consumption, we are talking about the financial cost to a person's future that arises as a result of spending money on something that is consumed.

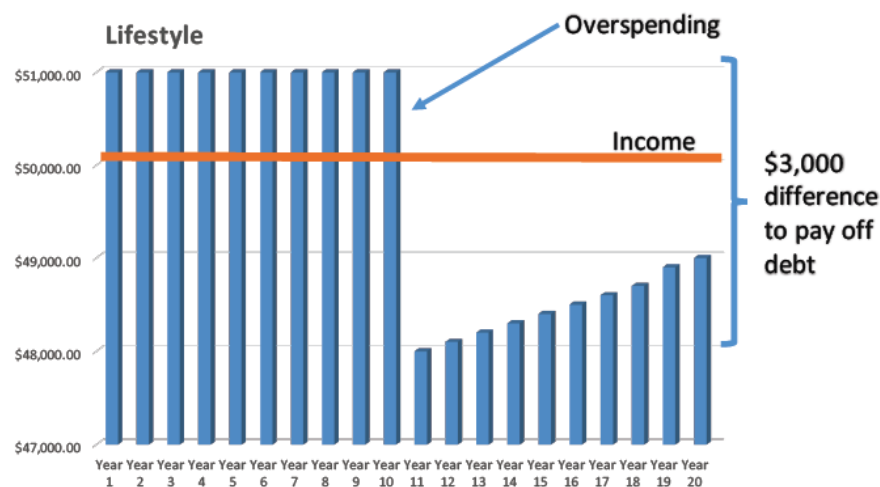
A good example of this can be seen when thinking about the cost of a cup of coffee in terms of what that money would turn into if it were invested instead of used to buy coffee. If we assume that a cup of coffee costs \$2.50 and we quit drinking coffee, we would save approximately \$900 in one year. If we did this for 10 years and invested that money with a 10% compounded return, we would end up with \$440,000 at the end of 40 years. That means that the opportunity cost of coffee over 10 years is not \$9,000 (the cost of the coffee), but \$440,000 (the possible earnings).

Furthermore, there is a common misconception among people who use debt that they are increasing their lifestyle by being able to spend more money. The harsh reality is that an increase in lifestyle today condemns us to a much lower lifestyle in the future.

Assume I overspend by \$1,000 every year for 10 years and use debt to fund that extra spending. This debt is charging interest at 10% per year. After ten years, I decide I want to get out of debt. To do this, I have to:

1. Quit overspending by \$1,000 each year.
2. Come up with money to repay the money I borrowed plus the interest that has been accumulating over time.

After ten years I will owe \$10,000 to the lender. That \$10,000 will be generating interest. To pay it off will cause me to reduce my lifestyle by \$3,000 (\$2,000 to repay principal and interest and \$1,000 as a result of me not overspending any longer). This repayment will reduce my lifestyle for the next ten years. Suddenly this seems like a really bad idea. The chart below depicts this concept.



## ii. Spiritual

The spiritual dangers of debt were discussed in detail in the discussion of principles and rules above, but the two main spiritual dangers of debt are:

1. Presumes upon the future
2. May deny God an opportunity to provide

## iii. Psychological

1. Creates tension

Being indebted to someone else causes a tremendous amount of stress and tension. This stress can have a negative impact on our closest relationships, particularly a marriage relationship. In fact, studies show that debt can lead to health problems and relational strain.

A few years ago, researchers at Southampton University looked at 65 published studies on debt and demonstrated that debt stress is correlated to

mental health issues, especially depression.<sup>2</sup> Also, 64% of graduate students report that constant concern over debt interferes with optimal functioning.<sup>3</sup> On the physical health front, an Ohio State study showed that there is a link between worse reported health and high levels of credit card debt. A study in the journal of Social Science and Medicine showed that young people with financial debt also report higher blood pressure.<sup>4</sup> Debt causes stress. Stress and poor mental and physical health go together.

## 2. The borrower becomes a slave to the lender

The final psychological danger of debt is that the borrower becomes a slave to the lender. Proverbs 22:7 reiterates this point. When we take on debt we are literally making ourselves beholden to our lender to work and earn enough income to pay them back. We have quite literally become slaves to our lender and if we quit working and paying them back, they can come and take our possessions and cause us a tremendous amount of stress.

Being beholden to someone else to work and having a feeling of bondage are both huge causes of stress. There is a tremendous psychological freedom that comes from being debt free, such that it cannot be truly appreciated until we are actually debt free.

## C. Conclusion

There are times when using debt may be appropriate or even the correct course of action to take. The principles and rules discussed give us a framework for making a good debt decision. Regardless of whether or not the debt decision is the correct decision at the time, it is paramount that we remember the economic, spiritual, and psychological dangers of debt. Debt must be repaid as the Bible tells us that the wicked borrows and does not repay. We have an obligation to repay our debt, so we should never enter into debt without a lot of thought and counsel.

---

<sup>2</sup> [http://www.huffingtonpost.com/2013/09/28/debt-mental-health-problems-depression-suicide\\_n\\_3997159.html](http://www.huffingtonpost.com/2013/09/28/debt-mental-health-problems-depression-suicide_n_3997159.html)

<sup>3</sup> <http://www.thesimpledollar.com/the-emotional-effects-of-debt/>

<sup>4</sup> [http://www.huffingtonpost.com/2013/09/28/debt-mental-health-problems-depression-suicide\\_n\\_3997159.html](http://www.huffingtonpost.com/2013/09/28/debt-mental-health-problems-depression-suicide_n_3997159.html)

### DISCUSSION QUESTIONS:

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) How is borrowing to fund lifestyle desires tempting to you?
- 2) Why is it so hard to exercise the habit of using the power of compounding to work for us versus having it work against us with debt?
- 3) Is a lower lifestyle in the future worth a better lifestyle today for you? Explain.
- 4) What does it mean to be a slave to a lender? Why is this so dangerous for our psychological well-being?

### 3. OWE: TAXES

#### A. Taxes are symptomatic of income

##### i. Pay taxes with gratitude

Taxes are universally despised. None of us enjoy paying taxes, but they are a reality of life. A proper attitude and perspective with taxes is the primary takeaway of this section. Luke 20:22-25 and Romans 13:6-7 tells us to render to Caesar what is Caesar's. We are required to pay our taxes according to the Bible.

The first perspective that we need to adopt with respect to taxes is that they are merely symptomatic of income. Therefore, if we ever want to reduce the amount of taxes we pay all we need to do is reduce our income. Since taxes only exist if and when we have income, we should adopt a spirit of thanksgiving when we pay taxes since it means we have a job and income. As a result, taxes should be paid with gratitude to the one who gives us an ability to work.

Just because we pay taxes with gratitude and recognize where our blessings come from does not mean that we shouldn't hold our government accountable for spending. Remember, there is a big difference between exercising your power to vote to get changes made to taxes versus cheating the tax code to reduce your taxes. The first is our civic responsibility and the second is illegal.

Another perspective that we must remember when paying taxes is the tremendous number of benefits we receive from the taxes we pay. We have paved roads, police protection, public schools, military protection, parks, clean drinking water, etc. We may not realize it, but these benefits and an orderly society provide us with safety and security. If you ever go to a country without adequate tax revenue or a corrupt government, you will quickly see how detrimental it is to a country when these tax provided things are not existing. Suddenly a trip to the store to buy some milk becomes a dangerous all day affair.



## B. Types of Taxes

There are many different types of taxes. It is not necessary to understand all of the different types of taxes, but a basic understanding that different things are taxed differently is very helpful to prepare us for the working world.

Here is a list of most of the taxes we will encounter in our lives:

- Income taxes – taxes on money earned (federal and state)
  - Not only is our ordinary income taxed, but anytime we receive anything of value that is not a gift we are supposed to pay taxes on it
  - Did you know that if you win a prize you are supposed to report it as income?
- Sales taxes – taxes on items purchased (state and local)
- Estate taxes – taxes on the accumulation of wealth at death (federal and state)
- Gift taxes – taxes on gifts given to another person (federal)
  - There are minimums that apply before this tax kicks in, but it is usually very interesting to people to learn that gifts from their parents if they reach a certain value are taxable and have to be reported to the government
- Property taxes – taxes on property owned (state and local)
- Social Security and Medicare taxes – taxes on wages to pay for social security and Medicare benefits (federal)
- Capital gains taxes – taxes on gains in value on property or investments when sold (federal)

Taxes are multiple and confusing, but understanding the many places they can creep up is so important in learning how to properly manage money.

## C. There are no free tax deductions

Too often people (wrongly) believe that they need tax deductions. While it is true that tax deductions reduce taxable income or taxes paid, they all also cost you something out of pocket. The most popular example of this is the interest deduction from mortgage payments. You will often times hear people say that they “need” the interest deduction to reduce their taxes. If you have to pay a mortgage you should certainly take advantage of the mortgage deduction, but if you don’t need a mortgage you are better off not getting that deduction. Say that you pay \$10,000 of mortgage interest in a year. If you had an

income of \$100,000<sup>5</sup> and were in the 20% tax bracket, then this \$10,000 of interest would reduce your taxes by \$2,000. That is real savings, but it still cost you \$10,000 of interest PAID to get that \$2,000 savings. In other words, there is always a cost to the tax deduction.

By all means we should take advantage of every tax deduction that is available to us, but we should never seek out tax deductions purely for the sake of having a tax deduction. That is what is referred to as letting the tax tail wag the dog. The important thing to remember is that there is no such thing as a free tax deduction, so while it is important to take advantage to those deductions naturally available to us, it is unwise to make financial decisions with the sole purpose of maintaining a tax deduction.

#### 4. CONCLUSION

Taxes and debt are both symptomatic of something else in our lives. Taxes are symptomatic of income and debt is usually symptomatic of spending more than we make. Understanding that we are obligated to repay debt and to pay our taxes, should be an encouragement to be mindful about what we owe and how that amount will impact our overall financial health. Failure to control debt is one of the most common and detrimental mistakes that people tend to make with their finances. Bitterness or resentment with respect to the taxes people pay is one of the most common and detrimental attitudes that people tend to have in their finances. God has given us His principles for managing our finances and when we understand and apply them to this obligatory area of our financial lives, we are able to approach our finances with freedom and contentment instead of fear, discontentment, and resentment.

#### **QUESTIONS FOR REFLECTION:**

Send the group home thinking about the following questions:

- 1) How can you approach paying taxes with thanksgiving?
- 2) Knowing that our lives will consist of obligations to the government and probably a bank, how can a proper attitude with respect to those obligations lead you to contentment in your finances?
- 3) What lifestyle do you desire most?

---

<sup>5</sup> Technical tax terms are not used and complex tax calculations are ignored for the purpose of providing a simple tax example.

## SESSION 4: PRIORITIES – GROW AND GOAL SETTING

### 1. INTRODUCTION

Growing only makes sense in light of our goals and objectives. When we accumulate with no end in mind, then we are potentially striving after the wind and saving beyond what is needed or reasonable. Furthermore, when we save without a goal we will never have the satisfaction of accomplishing our goals and objectives. Imagine taking a trip without a destination in mind. How will you know how to get there? How will you even know if you ever get there? It is wise to set aside money for the future, but it is irresponsible to do so without a reason or a plan. Perhaps God has a very different use or purpose for your money. Let's look at what the Bible has to say about savings and goal setting.

### 2. GROW

#### A. Plan for financial margin

We must plan for financial margin because the unexpected will occur. Additionally, having financial margin is the only way to meet our God-given goals and objectives. If you have ever set a budget, you know that it is those unexpected expenses that wreck it all the time. From unforeseen medical costs to flat tires, there seems to always be something unexpected that arises. If we have no margin, these unexpected events will put us into a hole and as we saw in the session on debt, that hole can be nearly impossible to dig out of.

The longer term our perspective, the better our financial decision will be today. When we are willing to delay gratification and put off things today for the benefit of tomorrow we begin to display financial and spiritual maturity. It is true that in order to have something for tomorrow, I must give up something today. The only way to consistently do this is to make a plan to do so. It will not just happen.

#### i. Priorities of spending

In Session 2 we explored the world's priorities of spending versus the Bible's priorities of spending. We said that the pressure is felt at the bottom. If we put saving after living and owing, then there is a good chance we will fail to save anything. If, on the other hand, we put saving at the front of the line right after giving, then it will happen consistently. The Bible says that the only productive uses of money are giving and saving. Isn't it wise to use our money in ways that the Bible tells us are productive?

## B. Magic of compounding

We saw the magic of compounding working against us in the last session. The real power in the magic of compounding comes in getting it to work for us. The only way to catch a glimpse for the power of compounding is to take some actual numbers and real examples and see the amazing results.

Imagine that a man and a woman each began working in 1975 and retired in 2015. The woman invested \$5,000 every year for the first 10 years of her working life. After that she invested nothing else. The man didn't invest anything during the first 10 years of his working life but then invested \$5,000 every year for the next 30 years. Therefore, the woman invested a total of \$50,000, and the man invested a total of \$150,000. They both saved well, but who had more money at retirement?

Assuming a 10% return, the woman retired with \$1,529,542 and the man retired with \$904,717. They both did great, but the woman invested \$100,000 less and ended up with over \$600,000 more. The only reason is that she was able to let compounding work for her for a longer period of time. This is the magic of compounding.

**ILLUSTRATION:** Joe Temeczko was an immigrant from Poland who had survived internment at multiple prisoner-of-war camps during World War II. He moved to the United States in the 1950s and took a job cleaning the Statue of Liberty. Eventually, he moved to Minneapolis, where he did odd jobs as a carpenter, handyman, and roofer. Neighbors often saw him collecting discarded items around his neighborhood that he restored and sold. Mr. Temeczko was a regular at the local shelters where he went to get free food, and he often read newspapers inside stores so that he wouldn't have to pay for them. He lived an extremely frugal life. Mr. Temeczko died of a heart attack at age 86 doing work around his house. To the surprise of all, he left behind a \$1.4 million bank account, which was given to the city of New York. This man worked very hard, endured a tremendous amount of hardship, and somehow managed to save a tremendous amount of money.

The only way that Joe Temeczko ended up where he was by maintaining margin in his life, by giving up the desires of today for tomorrow, and by taking full advantage of the magic of compounding. This tool is one of the most powerful tools in all of finance and must be appreciated for the power it has. Without a proper appreciation we will have a harder time delaying gratification to let it work for us.

### **DISCUSSION QUESTIONS:**

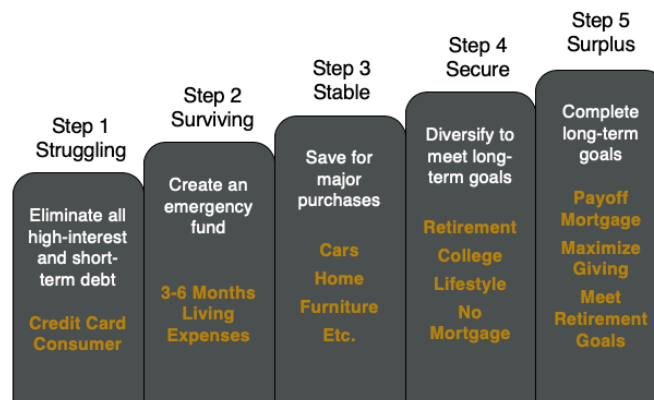
Note: break the group up into small groups or use Verso to ask the following questions.

- 1) What percentage of our money should be saved?
- 2) Why should we save money?
- 3) Does it demonstrate a lack of faith when we save?
- 4) Is it irresponsible not to save?

### C. Sequential investing

When starting to save it is important to know when and how to save toward long-term goals and objectives. There is a recommended sequence for saving money over time, and when this sequence gets out of order, it can often times lead to financial confusion or struggle. Properly following a sequential investing strategy will lead to orderly saving that takes on the appropriate amount of risk for each person's individual financial situation. The sequential investing diagram below is a simple diagram representing a recommended sequence of saving and investing.

## SEQUENTIAL INVESTING



Proverbs 24:27 tells us to put our work in order before we build our houses. There is a proper time for every kind of investing, but when things get out of order we begin to prioritize certain things ahead of our needs and priorities. This diagram makes the assumption that there is a proper order of accumulation. The goal is not always to go higher along the steps, but everyone should strive to get to Step 3 at a minimum. God may be leading different people in different ways with respect to accumulation and it is always dangerous to blindly accumulate more and more without seeking God's direction first.

Applying the concept of compounding to our finances allows us to see how we can move along the sequential investing diagram. Briefly, here is a description of each step:

**Step 1 (Struggling): Eliminate all high-interest and short-term debt.** These are typically your credit cards, payday loans, and other high interest type of debt.

**Step 2 (Surviving): Create an emergency fund of 3-6 months of living expenses.** This fund should be placed in an accessible, interest bearing account. This emergency fund becomes, in effect, your own bank. If you tap into this account for an emergency, replace it as soon as possible. This step provides you with flexibility so that you will be prepared for emergencies that may deplete your resources or cause further debt.

**Step 3 (Stable): Save for major purchases.** This is for the planned purchase of major items such as cars, furniture, and even the down payment on a home.

**Step 4 (Secure): Diversify/accumulate to meet long-term goals.** The long-term goals of financial independence, college education, giving beyond the tithe, paying off mortgage debt, and major lifestyle changes, are now funded through various investment alternatives.

**Step 5 (Surplus): Complete long term goals.** The goals in this step are similar to those in Step 4, however, these are beyond meeting your needs and responsibilities and begin to move into your dreams and long-term desires.

While we recommend that these steps be taken in order, once Steps 1 and 2 have been taken care of, Steps 3 and 4, and maybe even 5 are generally based upon the individual and their priorities. If Step 4 is a higher priority than Step 3, then that is perfectly fine, but the key is that these decisions are thought through and not done willy nilly.

The journey along the diagram can be referred to as the “5-S Journey” and is a journey between the steps. Once you identify where you are on the diagram, you begin to see a picture of what your short term and long term goals ought to focus on.

#### D. Saving vs. hoarding

The Bible has much to say about saving and the wisdom behind it. Proverbs 21:20 and Luke 14:28 both tell us that we should be storing up and counting the cost of the future. Proverbs 6:6-8 says, “Go to the ant, O sluggard; consider her ways, and be wise. Without having any chief, officer, or ruler, she prepares her bread in summer and gathers her food in harvest.” The word for “sluggard” means a shiftless and lazy person. These are strong words exhorting us to consider the coming winter and prepare for it. Saving is wise and biblical.

While there is little controversy that we should all be saving for emergencies and for certain future events so that we don’t become a burden to our children, there should always be a tension around how much we should save. If we look at the ant in Proverbs 6, we see that she only saves for one winter and then gathers it and uses it when she needs it. She did not save up for 15 winters hoping she would see four more. She knew how much she needed and she prepared for it.

It is in this tension where we all need to wrestle with the question of “How much is enough?” In the recent book *God and Money*, John Cortines and Gregory Baumer have provided a great modern-day paraphrase of the Parable of the Rich Fool. It reads:

Someone in the crowd said to him, “Teacher, tell my boss to pay the full year-end performance bonus he promised me.” But he said to him, “Man, who made me a judge or arbitrator over you?” And he said to them, “Take care, and be on your guard against all covetousness, for one’s life does not consist in the abundance of his possessions.” And he told them a parable,

saying, “The stock options belonging to a manager vested after a major run-up in share price, and he thought to himself, ‘What shall I do, for I already have enough saved to send my kids to college, my house is paid off, and I already max out my 401k every year!’ And he said, ‘I will do this: I will open an investment account and create a passive income portfolio, and I’ll exercise my options and put the money there. And I will say to my soul, ‘Soul, you have a big enough portfolio to be financially independent; retire early, plan some vacations, play golf.’ But God said to him, ‘Fool! This night your soul is required of you, and the portfolio you’ve built, what use will it be then?’ So is the one who endlessly builds his net worth and is not rich toward God.”

Doesn’t this person seem like he is living the American dream? What is wrong with what he is doing? His mistake is that he is focusing on richness toward himself and not towards God. Randy Alcorn distinguishes saving and hoarding this way: “Saving is a means of not presuming upon God. Hoarding is a means of replacing God.”

Many times the line between saving and hoarding is dependent on our attitude. Once we have saved enough to move to Step 3 on the sequential investing diagram, we must continually ask ourselves if our savings is available to God if He asks us to do something else with it – even give it away. It is important that we not put shackles on this money but instead keep it continually available and open to God. The concepts of saving and hoarding are difficult to reconcile, but they are important concepts to bring before God and ask Him what He would have us to do.

**ILLUSTRATION:** Returning to the story of Joe Temeczko for a moment, I believe his story is one where we can ask whether Joe was saving or hoarding. When reading this story, it is easy to see it as both an example of diligent saving and as a warning against harboring a fear of the future. On one hand, this story demonstrates the power of giving up the desires of the present for the benefit of the future. On the other hand, it demonstrates when a fear of loss and the future overwhelms the ability to enjoy God’s blessings. Joe behaved with a real fear of the future and hoarded an excess of money for these purposes. Joe’s story is a good one and should be shared as a positive example, but it must not be over glorified.

### **DISCUSSION QUESTIONS:**

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) Do you think everyone should have a goal of getting to the fifth step on the sequential investing diagram? Why or why not?
- 2) What is the value of having an emergency fund (Step 2)? What types of things would you use it for?
- 3) What is the difference between saving and hoarding? How can you identify what you are doing in your own life?

### **3. SETTING FAITH GOALS**

We have been learning what the Bible has to say about money and possessions and how we can responsibly steward the money with which we have been blessed. With these tools in hand and an understanding of the many places where we should be asking the question: “How much is enough?” we now have an understanding of the need for setting goals and seeking God’s wisdom with those goals.

Goal setting is the all-important step of moving from the why into the how and the what. Setting goals is a way of having a personal vision and purpose for life. Ron Blue is fond of saying, “If you aim at nothing, you will hit it every time.” Goal setting gives us a road map for where we are going. When we don’t set goals it is like trying to take a trip without any idea of the destination. How will we know we have arrived? What will we pack? Which direction will we drive? Without a plan, we cannot answer any of these questions and we will never know whether or not we are getting close to accomplishing our goals.

#### **A. The Importance of Written Goals**

The definition of a goal is “the object of a person’s ambition or effort.” Knowing where we are headed is one of the most important steps we can take in our finances. Outside of controlling spending, it is probably the most important step. Just knowing our goals is a huge first step, but writing them down and keeping them visible is an even bigger step.

A study conducted at Dominican University found that those with written goals achieved a much higher success rate than those who did not write down their goals. The study concluded, “those who wrote their goals accomplished significantly more than those who did not write their goals.” The study showed that you are 42% more likely to achieve your goals just by writing them down.

Nobody knows why exactly written goals are so much more effective, but they are. Since they are, we should seek to write our goals down.



## B. Reasons to Set Goals

- i. Provide direction and purpose
- ii. Crystallize our thinking

Not only do goals crystallize our thinking, but in relationships they align our hearts. When two spouses are in agreement on goals and objectives and are both moving in the same direction, there is a huge reduction in conflict and an increase in communication. A lack of goals in a relationship creates situations where different values compete resulting in a tremendous amount of tension.

- iii. Provide personal motivation
- iv. Statement of what I believe God's will is for me

## C. Setting Faith Goals

Remember the stewardship definition from session 1: the use of God given gifts and resources for the accomplishment of God given goals and objectives. The only way to use our gifts towards God's goals and objectives is to seek His wisdom and discern what they are. A faith goal is a goal toward which I believe God wants me to move. These are a subset of goals, but will include nearly all of our financial goals and objectives.

Faith goal setting is simply asking God what His plans are and saying, "God, I am available, not necessarily able, but available." As a result, faith goals may stretch us to a point beyond what we think is possible or even achievable.

The process of setting faith goals is as follows:

1. Spend time with God (Ask, "What would you have me do, Lord?")

The only way for us to confidently hear and discern God's direction is to be in consistent regular communication with Him. That means we should be spending time reading the Bible and praying. When we don't do this regularly it is very difficult to discern God's voice and know whether our goals and objectives are God's or ours. This process is not a once a year process, it is a continual process of asking God to lead us and direct our steps.

2. Record your impressions (I believe God would have me \_\_\_\_\_ *(fill in the blank)*)

This is where the written aspect comes in. During this part of the process we should all be asking whether the goal primarily brings me glory or God glory. If the goal primarily exalts ourselves, then we should seek counsel as to the biblical basis for that goal.

3. Make the goal measurable

We have to know when we achieve our goals. Otherwise, they are just aspirations.

4. Prioritize your goals

We live in a world with unlimited choices and opportunities. We also live in a world where we have limited resources. As such, we will need to prioritize our goals so that we can begin to make decisions based on the long term impact they will have on each specific goal. When we are clear as to what we have to give up in the long term for today's desires, it becomes easier to say no to those desires.

5. Act on the goal

Faith without action is dead. Once we have our goals in place, the only thing left to do is get started.

D. Key Perspectives in Goal Setting

i. Write goals in sand and not in concrete

As we have established, goals are a key component in any financial plan, but we must not fall into the trap of being unwilling to modify our goals as things change. Goals should be written in sand and not in concrete. God may be leading you down one path at one time in your life and then He may change the direction He is asking you to go. We should always be holding our goals with an open hand and a willingness to change.

ii. Goals don't need to seem realistic

Whenever we set goals in general and faith goals in particular one of the key constraints should be that they are reasonable – not easy, but possible. However, with faith goals, we may feel like God is leading us to set a huge goal that is not foreseeable without God's touch. These types of goals are okay and a valid reason to violate this constraint. The key in any of these types of goals is to test them against scripture. Ephesians 3:20 teaches that should not focus on the past or your resource limitations.

iii. No goal is necessarily more spiritual than another when God is directing

When God has led us in our goal setting process, we should be careful not to over-spiritualize our goals. Just because one goal is to build an orphanage and the other is to take vacations with our family we shouldn't assume one is more spiritual than the other. The most important thing to remember is that these are God's goals and objectives and so if He gave them to us, they serve a spiritual or relational purpose.

**DISCUSSION QUESTIONS:**

Note: break the group up into small groups or use Verso to ask the following questions.

- 1) Have you ever set goals? If so, what are some goals you have had in the past?
- 2) Do you think setting goals is important? How have you seen it be important in someone's life?
- 3) How do you define faith in terms of your financial goals?
- 4) Read Isaiah 43:18-19. What new thing can you imagine God doing in your life – the God who's able to make a river in the desert?

#### 4. CONCLUSION

Having confidence that the basis for our decisions will never change has the ability to produce tremendous certainty and conviction in our decisions. Following biblical principles in our finances will lead to this type of certainty and conviction. The principles have been proven over millennia and will hold up to the test of time.

Knowing that there are only five things I can do with my money: Live, Give, Owe (debt), Owe (taxes), and Grow, allows me to simplify the decision making process. Once I understand that there are no independent financial decisions and all of my decisions are interrelated, I can make more informed choices. After I have prayerfully set my goals, I can now begin moving toward the financial future that God has laid before me. I can take the five biblical principles of money management and apply them to my life knowing that if I follow them, I will have the ability and opportunity to accomplish my God given goals and objectives.

Nobody lives a perfect financial life. We will all make mistakes and have regret and guilt over poor past decisions. We must remember that God is a god of grace and that our failures are the very thing that point us to our need for God. Our past (and future) mistakes do not define who we are. We must be willing to move beyond them and take hold of the future that God has in store for us. A first step of obedience is for us to get and keep our financial lives in order so that our hearts can be more fully aligned with God's heart and so that we will have the freedom to passionately pursue the calling that God has on our lives.