

Kingdom Training Level 5

Financial Faith

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LESSON 6:

FINANCIAL DISCIPLESHIP

“HEAVEN, NOT EARTH, IS MY HOME”

RANDY ALCORN, THE TREASURE PRINCIPLE

NORTHERN VIRGINIA CHURCH OF CHRIST
SPRING 2015

Financial Faith

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SPRING 2015 CALENDAR

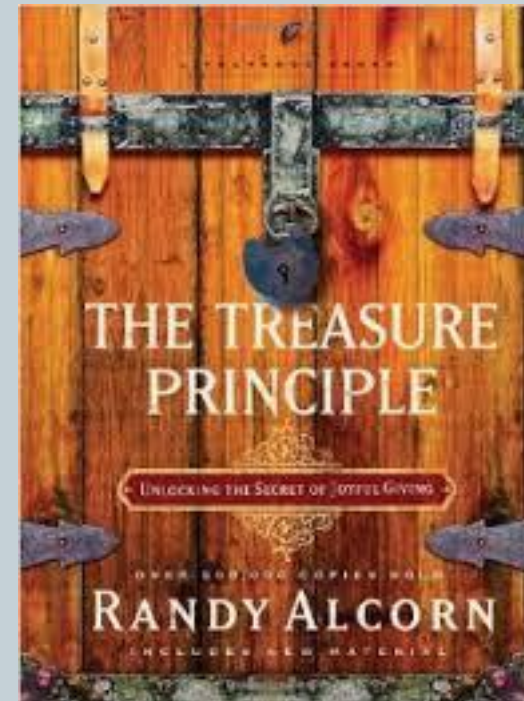
Class 1: March 8	Lord of Heaven & Earth	<i>Psalm 24:1</i>
Class 2: March 15	The Stewards	<i>Matt 25:21</i>
Class 3: March 29	The Debt Elephant	<i>Romans 13:8</i>
Class 4: April 12	Treasure in Heaven	<i>2 Cor. 9:11</i>
Class 5: April 19	Financial Planning	<i>Prov. 27:23</i>
Class 6: April 26	Financial Discipleship	<i>Luke 9:24*</i>

**Take Home Exam!*

Financial Faith: Tools

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- **Kingdom Training Level 5 Lessons**
- **Financial Faith Bible Studies**
- **“The Treasure Principle” by Randy Alcorn**
 - At the Book Table!
 - \$8 New or \$6 Used!
- **Financial Peace University (FPU)**
 - DaveRamsey.com
- **Email class questions to:**
 - brettkreider@alum.mit.edu



Financial Faith: Review

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1. **Psalms 24:1** *The earth is the Lord's*
 2. **Matthew 25:21** *Faithful servant*
 3. **Romans 13:8** *Let no debt remain outstanding*
 4. **2 Cor. 9:11** *You will be made rich so that... You can be generous!*
 5. **Prov 27:23** *know the condition of your flocks*
-
1. **Luke 9:24** *For whoever wants to save their life will lose it, but whoever loses their life for me will save it.*

God Owns it All

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Psalm 24:1 *The earth is the Lord's, and **EVERYTHING** in it, the world, and all who live in it*

Deut. 8:18 *for it is he who gives you the **ABILITY** to produce wealth...*

- More than 30% of Jesus' teaching involved possessions... Why?

God Owns it All

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- **Our behaviors don't match our "beliefs"**
 - We overspend (\$1.26 for every \$1 earned!)
 - We don't save (**70%** live paycheck/paycheck)
 - We take out debt to pay for things we can't afford
 - Evangelical Christians average giving **<3%** of their income



Commercial Break

7

- Stuff...

Stewardship Defined

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1 Cor 4:1,2,7 (NRSV) *Think of us in this way, as servants of Christ and stewards of God's mysteries. Moreover, it is required of stewards that they be found trustworthy ... What do you have that you did not receive? And if you received it, why do you boast as if it were not a gift?*

- Stewards are **SERVANTS** of Christ
- Stewards are **TRUSTED** with God's resources
- Stewards understand that everything we have is a gift from God

Steward Personality

Frugal or Generous

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***Prov 23:4-8** don't wear yourself out to get rich; don't eat with a begrudging (stingy) host – he is always thinking about the cost!*

- Satan attacks your **WEAKNESSES**
 - Frugal: illusion of control/security → “the Lord gives & takes away”
 - Generous: May fail to manage God's resources → debt and distress
- Understand what to **CHANGE**
 - Frugal stewards fight stinginess and surrender to God's Lordship
 - Generous stewards fight to be faithful/accountable for God's resources
- Both may struggle with **DISCONTENT**
 - We all desire to “feel secure” but
 - If we need more, was God's provision enough?

Steward Management

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Genesis 1:15 *The Lord God took the man and put him in the Garden of Eden to work it and take care of it*

- Steward = **MANAGER**
 - Our \$1-5 Million Garden! (over 10 years!)
 - Manager uses the resources God gives
 - ✦ If you don't manage, the garden grows out of control
 - No unaccounted funds
 - God gives faithful managers more



Steward Management

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- **Manage or Be Managed**

- A budget tells your money where to go rather than you wondering where it went!
- Financial planning is not math – it is where your behavior includes math and **EMOTION**
- Learn to **FEEL** money again!



Commercial Break

12

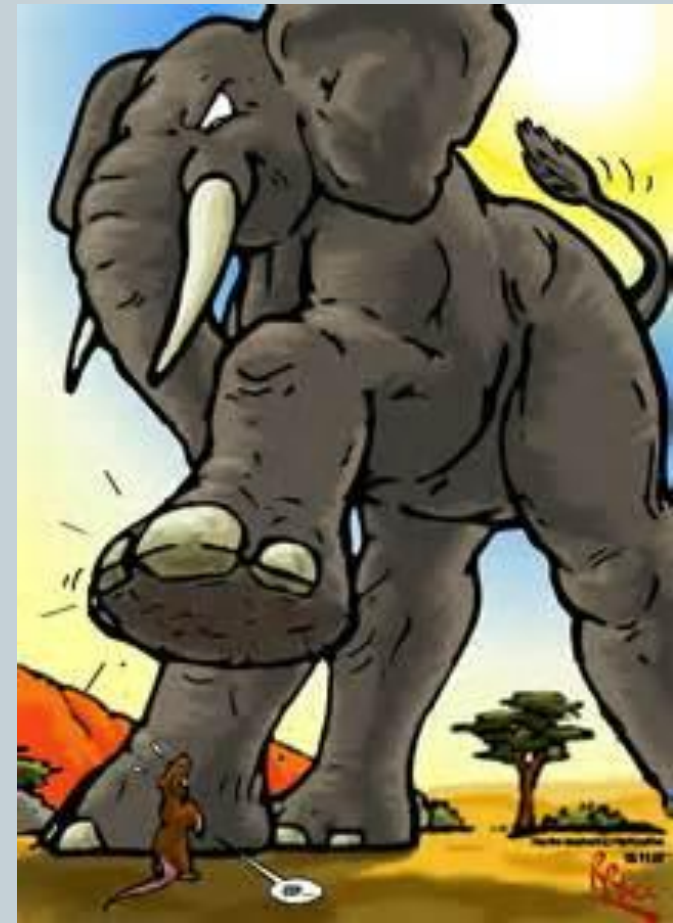
- Debt...

DEBT: The Mighty Elephant

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- **December 2014: U.S. household consumer debt profile**
 - 34% carry a balance
 - Average credit card debt: \$15,611
 - Average mortgage debt: \$155,192
 - Average student loan debt: \$32,264
 - **>\$200,000 in debt!**
- **Debt puts you on the wrong side of the interest equation**

Prov 13:11 Dishonest money dwindles away, but whoever gathers money little by little makes it grow.



Slay the Giant:

GAZELLE INTENSITY

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Proverbs 6:1,6 *My son, if you have put up security for your neighbor, if you have shaken hands in pledge for a stranger... Free yourself, like a gazelle from the hand of the hunter, like a bird from the snare of the fowler.*

- Debt is a life-sucking trap
- If you want to live,

Run like a GAZELLE!



Slay the Giant: End Slavery Now!

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Proverbs 22:7 *The rich rules over the poor, and the borrower is slave to the lender.*

- The borrower is **ALWAYS** slave to the lender!
- Don't believe?
 - Try not paying your master and see what happens!
- Don't lend money to a friend or relative
 - Don't make someone else your "slave"
- Don't co-sign a loan
 - The bank doesn't think they can pay!



Don't Buy
Stuff You
CANNOT
Afford



It's Okay to Want to Be Rich!

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- *He is no fool who gives what he cannot keep to gain what he cannot lose - Jim Elliott*

- *Example: Furnishing a Hotel?*



- **Matthew 6:20**

- *Store up for yourselves **TREASURE** in heaven...*
- *Jesus commanded us to store up treasure!*

Broke Givers Become Rich

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- **John 3:16** *God so loved the world that he gave...*
 - God is the ultimate **GIVER!**
- **Genesis 1:26** *made in his image...*
 - We are made in the image of the ultimate **GIVER!**
- **Acts 20:35** *more blessed to give than to receive*
 - When we give we are most like **GOD**
 - Giving makes us happy = “blessed”
 - We were created to be givers!



Treasure your Standard of Giving not your Standard of Living

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- ***What is the secret?***
- ***Matthew 6:22*** *For where your treasure is, there your heart will be also.*
 - Heart follows treasure...
 - So does your **SOUL!**

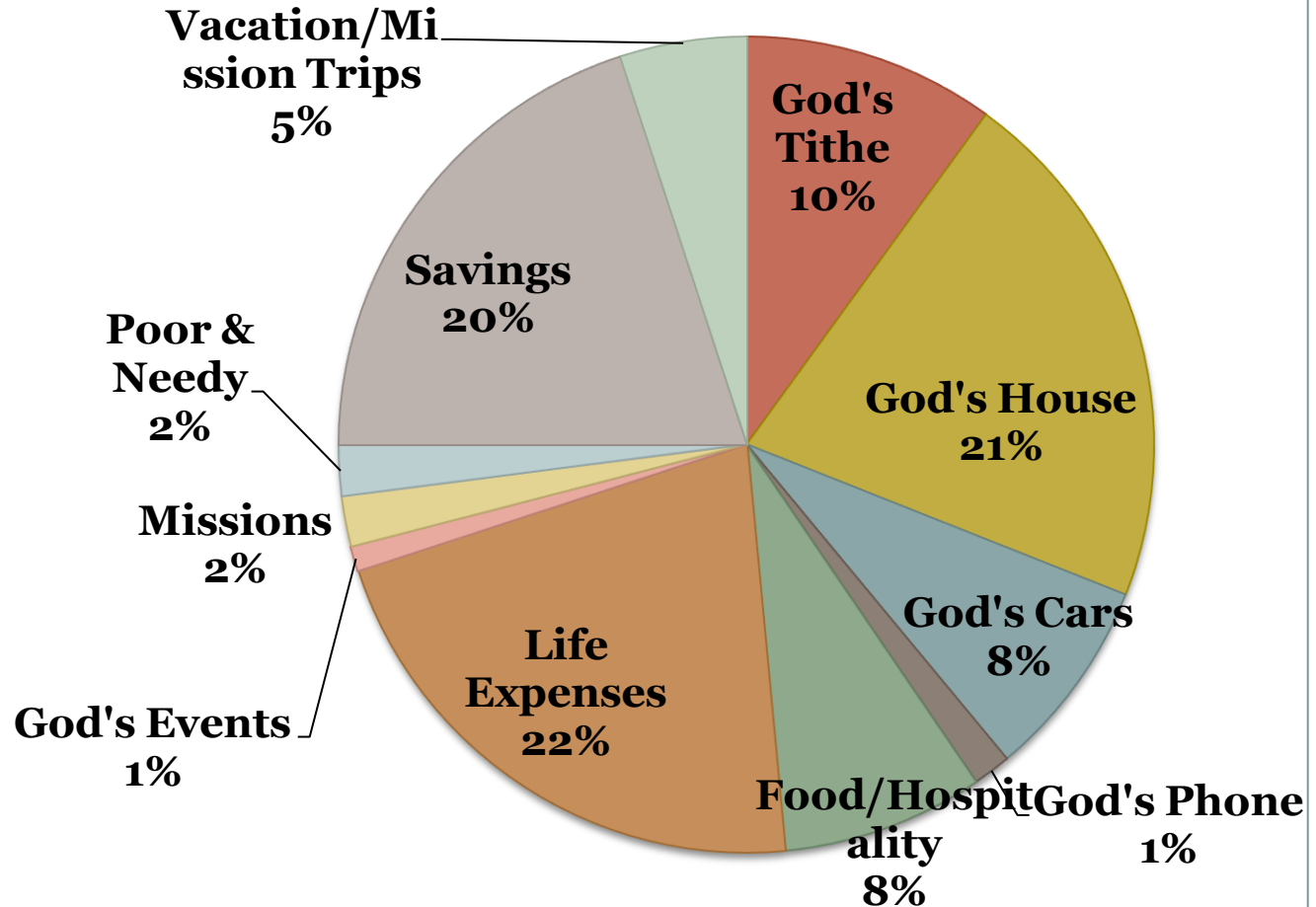
**Giving
Overcomes
Materialism**



Treasure your Standard of Giving not your Standard of Living

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God's Tithe	10%
God's House	21%
God's Cars	8%
God's Phone	1%
Food/Hospitality	8%
Life Expenses	22%
God's Events	1%
Missions	2%
Poor & Needy	2%
Savings	20%
Vacation/Mission Trips	5%



God's Plan or Mine?

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We live for the line, not the dot...



- **Ecclesiastes 5:10, 19**

*Whoever loves money never has enough; whoever loves wealth is never **SATISFIED** with their income.*

This too is meaningless.

*Moreover, when God gives someone wealth and possessions, and the ability to enjoy them, to accept their lot and be happy in their toil—this is a **GIFT** of God.*

God's Plan or Mine?

22

We live for the line, not the dot...



- **Living for the LINE**

- You have a **PLAN** – confidently using God's money
- You're **OPEN** – God knows your plans and so do people
- You're unified with your spouse and communicate about finances without tension, fighting, bitterness, or fear
- You are not distracted – you “live in the moment”
- You take your leave!
- You “Remember to **LIVE**”

Live like no one else now... so that you can live and give like no one else later

God's Plan or Mine?

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Proverbs 16:3 *Commit to the LORD whatever you do, and your plans will succeed.*

- **SURRENDER** your plan to God – his plan is better!

Proverbs 12:15 *The way of a fool seems right to him, but a wise man listens to advice.*

- Financial discipleship
 - **INVITE** God to take over
 - **INVITE** people into your life

Proverbs 21:5 *The plans of the diligent lead to profit as surely as haste leads to poverty.*

- Haste = moving forward without a **PLAN**...

Ramsey's 7 "Baby Steps"

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1. Start a \$1000 Emergency Fund
2. Create a Debt Snowball (lowest-highest balance)
3. Build Your Full Emergency Fund (3-6 months)
4. Put 15% in Roth IRAs & Pre-Tax Retirement Funds
5. Use Tax-Sheltered College Savings Plans
6. Pay Off Your Home Early
7. Build Wealth and Give



Your Financial Plan

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- **Maximize Your Income**
 - Build your career (even students!)
 - Deduct 15% for Retirement
 - Tithe off the gross!
- **Start Saving with Goals in Mind**
 - ✓ Emergency Fund
 - ✓ College Savings
 - ✓ Vacation
 - ✓ Additional Retirement
 - ✓ Big/Special Purchases
 - ✓ (Home, Car, Dreams...)



Your Financial Plan: Snowball DEBT!

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- **ELIMINATE**

- ✓ Credit Cards
- ✓ Consumer Loans
- ✓ Student Loans
- ✓ All Debt!



Debt	Balance	Min. Payment	New Payment
Loft	\$50	\$25	\$50
Visa	\$750	\$25	\$500
AMEX	\$800	\$25	\$25
FLAT	\$6000	\$250	\$250
Honda	\$15,000	\$500	\$500
TOTAL	\$22,800	\$825	\$1,325

Your Financial Plan: Snowball DEBT!

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● Month Two

- ✓ Extra \$500
- ✓ \$1325/month

Watch the Balances

- ✓ Loft = \$0 Balance
- ✓ Pay off Visa
- ✓ More to AMEX
- ✓ Minimum Car Pmt
- ✓ **Total = \$21,410**

Debt	Balance	Min. Payment	New Payment
Loft	0	0	0
Visa	\$275	\$25	\$275
AMEX	\$785	\$25	\$300
FIAT	\$5,800	\$250	\$250
Honda	\$14,550	500	500
TOTAL	\$21,410	\$800	\$1,325

Your Financial Plan: Snowball DEBT!

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• Month Three

- ✓ Extra \$500
- ✓ \$1325/month

Watch the Balances

- ✓ Loft = \$0 Balance
- ✓ Visa = \$0 Balance
- ✓ Pay off AMEX
- ✓ Increase Fiat payment
- ✓ **Total = \$20,070**

Debt	Balance	Min. Payment	New Payment
Loft	0	0	0
Visa	\$0	\$0	\$0
AMEX	\$400	\$25	\$400
FIAT	\$5,580	\$250	\$425
Honda	\$14,090	\$500	\$500
TOTAL	\$20,070	\$775	\$1,325

Your Financial Plan: Snowball DEBT!

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• Month Four

- ✓ Extra \$500
- ✓ \$1325/month

Watch the Balances

- ✓ Loft = \$0 Balance
- ✓ Visa = \$0 Balance
- ✓ AMEX = \$0 Balance
- ✓ Increase Fiat payment to \$825
- ✓ **Total = \$18,880**

Debt	Balance	Min. Payment	New Payment
Loft	0	0	0
Visa	\$0	\$0	\$0
AMEX	\$0	\$0	\$0
FIAT	\$5,180	\$250	\$825
Honda	\$13,700	\$500	\$500
TOTAL	\$18,880	\$750	\$1,325

Your Financial Plan: Snowball DEBT!

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• 1 Year Later

- ✓ No Credit Cards
- ✓ One Car Pmt Left
- ✓ **Total = \$8,500**

1.5 Years Later

- ✓ **No DEBT!**
- ✓ **\$1325 / mo. FREE**

Baby Step 2:

- ✓ Debt Snowball!

Debt	Balance	Min. Payment	New Payment
Loft	0	0	0
Visa	\$0	\$0	\$0
AMEX	\$0	\$0	\$0
FIAT	\$0	\$0	\$0
Honda	\$8500	\$500	\$1325
TOTAL	\$8,500	\$500	\$1,325

Your Financial Plan

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- **Automate Fixed Expenses**
 - Work to reduce / Negotiate
 - Automate = Never pay late!
- **Save for Variable Expenses**
 - Not Emergencies!
- **Use Cash for Discretionary**
 - Learn to FEEL money again!
 - Envelope system or
 - Check your budget mid-month

KEEP
CALM
AND
AUTOMATE

Christmas IS NOT AN
EMERGENCY



7 Frugal Habits for Faithful Stewards

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1. Avoid Addictions!

- Addictions leave a money trail
- Smokers spend \$5/day = \$1800/year
- Starbucks at \$4/day = \$1500/year
- Soft Drinks at a restaurant: \$3/day = \$1000/year
- Alcohol at a restaurant: \$15-30/week = \$1000-\$2000/year
- Shopping can be an addiction... track how much you spend
“I’ve been shopping all my life and still have nothing to wear”

✓ **Tip: use “addiction money” for a greater cause**

7 Frugal Habits for Faithful Stewards

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2. Buyer Beware

- You are a marketing **MAGNET!**
- You can resist: A SALE – is what they do – SELL!
- Big Purchases give you an adrenaline rush
- Salesmen are trained professionals
 - ✦ They know how to work you!
 - ✦ Understand their commission/motivation
 - ✦ Learn their tricks and how to negotiate!

✓ ***Tip: “incognito” online shopping in Chrome!***

Psalm 35:8 *Catch them in the very trap they set, the disaster they planned for me.*

7 Frugal Habits for Faithful Stewards

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3. Deep-6 the 7-11

- Why pay them for “convenience”?
- \$2 for a soda?
 - ✦ Get a can for \$.025 / 2 liter for \$2 at a Grocery store
- Step away from the vending machine!
- Master the art of grocery shopping!

✓ ***Tip: Bring a snack with you and save a bundle!***

✓ ***Teen Tip: Save your snack money (\$1.25/day) and become a MILLIONAIRE!***

7 Frugal Habits for Faithful Stewards

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4. Eat Out Economically

- “Don’t spend more on a date than you put in the plate!”
- Coupons: Groupons are typically 50% savings!
 - ✦ Just don’t overspend the total
- Split a large dish (or a “foot-long”)
 - ✦ Serving sizes are too big anyway
 - ✦ Don’t pay premium \$\$ for a “doggie bag”
- Drink Tap Water
 - ✦ “Evian is naïve spelled backward,” Ramsey

✓ ***Tip: Spend less and go out more frequently!***

7 Frugal Habits for Faithful Stewards

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5. Fiscal Fasting

- One week without spending any money
- Purge your body of the need to purchase things
- Remember:
 - ✦ *The best things in life aren't things!*
- ***Tip: It can wait...***

7 Frugal Habits for Faithful Stewards

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6. Premeditated Purchasing!

- Use a shopping list
 - ✦ Don't buy things that aren't on your list!
 - ✦ Impulse buying kills our discretionary budget!
 - ✦ Planning ahead / delaying kills the impulse (saves money)
- Buy the right item at the right store
 - ✦ COSTCO, Grocery, CVS – buy at the wrong store and overpay
 - ✦ Do I really need 5 lbs of COSTCO mustard?
 - ✦ Why does Giant sell patio furniture?

7 Frugal Habits for Faithful Stewards

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6. Premeditated Purchasing!

○ Slice the Cheese

- ✦ Never buy insurance for a purchase – auto “warranty,” electronics, cell phone, car rental, etc.
- ✦ Salesman are rewarded for selling you “cheeeese”
- ✦ If your kid will break it then buy a cheaper phone!

○ Skip the Lease

- ✦ Cars – depreciate; beware of mileage; buy a used car!
- ✦ iPhone lease – if it breaks, you owe full! Open box = 1/2 price!
- ✦ Furniture, etc.

✓ ***Tip: Look online and negotiate (even in the store)!***

7 Frugal Habits for Faithful Stewards

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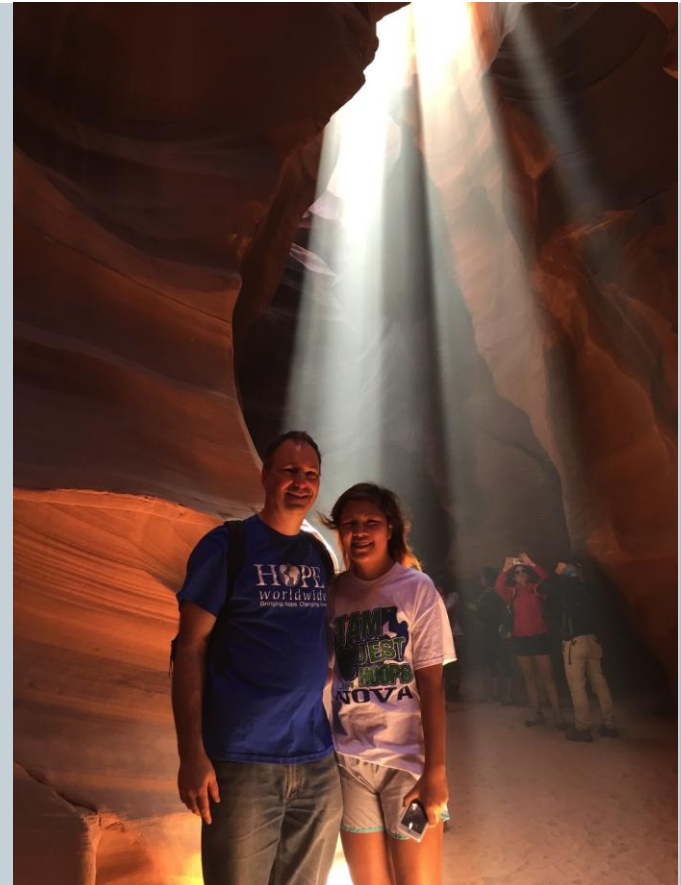
7. Serious Splurging

- God wants you to **ENJOY** what he has given you!
 - ✦ Not irresponsibility
 - ✦ Planned celebration!
- Remember to Live!
 - ✦ Treat your spouse, family, friends...
 - ✦ Without going into debt

Baby Step 7:

✓ Build Wealth and Give

✓ ***Tip: Leave room in your budget to be generous – even towards yourself!***



Financial Discipleship

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Luke 9:24 *For whoever wants to save their life will lose it, but whoever loses their life for me will save it.*

Live like no one else now...

So that you can live and

give like no one else later

Financial Discipleship

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What does Financial Discipleship look like?

- **Provide for your family & leave them a legacy**
 - 1 Tim 5:8, Prov 13:22, Prov 31
- **Integrity without compromise at work**
 - Prov 23:4-7, Col. 3:23-24, Acts 5:29
- **Have a Kingdom Dream**
 - Luke 9:24 Lose your life & Save it!
 - Mark 10:29-30 100 Times Return!

Financial Discipleship

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- **Remember the Church**

- **1 Cor 16:2** *On the first day of every week, each one of you should set aside a sum of money in keeping with your income*
- Give first to God – prayerfully, cheerfully, and sacrificially

- **Remember the Lost**

- **Matt 28:19** *Therefore go and make disciples of all nations*
- Put your treasure in missions and your heart will follow

- **Remember the Poor**

- **Galatians 2:10** *All they asked was that we should continue to remember the poor, the very thing I had been eager to do*
- Don't forget why you have been made rich... to share

Financial Discipleship

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How will you apply Financial Discipleship?

- Change my priorities and practices
 - Take the Financial Peace University Class
 - Develop a Budget and work on paying off debt
 - Reconsider large purchase or change a habit
- Seek First the Kingdom of God
 - Raise my contribution
 - Invest in Missions
 - Remember the poor
- Video...