



## FINANCIAL MANAGEMENT

*<sup>6</sup> Yet true godliness with contentment is itself great wealth. <sup>7</sup> After all, we brought nothing with us when we came into the world, and we can't take anything with us when we leave it. — I TIMOTHY 6:6-7*

### THE CHALLENGES OF MONEY

The joining of two individuals is the joining of two different orientations to money. Our early experiences help shape our values about money. Money operates metaphorically in our lives, representing many other things such as security, nurturance, opportunity, trust, and the relationship between dependence and independence. Little wonder then that money is a major cause of conflict and a multilayered problem for married couples.

#### Setting Financial Goals Exercise:

Often goals are an extension of money orientations and should be considered together. The partner who is oriented to security is more apt to have financial goals around savings than the partner whose money orientation is centered around enjoyment. Create, discuss, and share financial goals in the Financial Goals exercise.

#### Creating a Budget Exercise:

Budgeting is the process of allocating expenses on a regular basis. Budgeting puts you in control of your spending—a process that can be very empowering in a culture where we are constantly enticed to spend money. One good way to create a budget is to keep track of everything you spend money on for 1-3 months, and then average your expenditures per category. Complete the Budget Worksheet as your workable budget, making sure to allot a monthly amount into 'savings'.

#### The Meaning of Money Exercise:

In this exercise you will assess and then discuss your orientation toward money. The advantage of understanding your partner's money orientation is you can then capitalize on and balance each other's strengths.

**A Word about Savings.** The book, "The Millionaire Next Door" by Stanley and Danko (1996) illuminated the fact that the average American millionaire is self-made, most often living modestly, choosing to save at least 15% of their income and spending much less on material possessions. A high-profile spender, driving expensive cars and wearing designer clothing, often times has little investment or savings.

Only 19% of the millionaires surveyed received any of their wealth from an estate or trust fund, dispelling the popular myth that wealth is often passed down from previous generations. Saving allows a person to benefit from compounding interest and is key to any good financial management plan.



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<sup>9</sup> Honor the Lord with your wealth and with the best part of everything you produce. <sup>10</sup> Then he will fill your barns with grain, and your vats will overflow with good wine. — PROVERBS 3:9-10

### IMPORTANCE OF FINANCIAL GOALS

Couples argue about finances more than any other topic. Regardless of how much or how little money a couple has, deciding what to purchase and how to spend their money is problematic for most couples.

Typically, most couples focus on only short-term financial goals like: “Today I will pay \$100 on my credit card bill.” But short-term goals should also take into consideration your long-term goals like: “We want to save enough to make a down payment on a house.”

One way to reduce the amount of conflict regarding finances is for you and your partner to discuss and decide on your short-term and long-term financial goals. Setting common goals as a couple can increase your sense of teamwork and collaboration in this complex area of finances.

#### Identifying and Deciding on Your Financial Goals

Each person should individually brainstorm their short-term and long-term financial goals and then share them with each other. Short-term goals should be what you can achieve in six months to one year. Long term goals might be achieved from one to five years. Remember, your goals should be realistic, clear and specific.

##### Short-Term Goals: (six months to one year)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

##### Long-Term Goals: (one to five years)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

#### COUPLE DISCUSSION:

- Share your lists with one another. What do they have in common?
- Where are they different?
- Decide together as a couple on your common goals.
- Talk about how you can each contribute to achieving these goals.
- Revisit them from time to time so you stay on track.



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### BUDGET WORKSHEET

MONTHLY INCOME: (Take Home Pay)			
		Total Partner 1:	
		Total Partner 2:	
		<b>TOTAL COUPLE:</b>	
MONTHLY EXPENSES		Current Spending	Future Budget Plan
<b>GIVING</b>	Contributions/Tithe:		
<b>HOUSING</b>	Rent or Mortgage:		
	Utilities:		
	Phone:		
<b>LOANS/DEBT</b>	Auto:		
	Personal:		
	Credit Cards:		
<b>CAR</b>	Gasoline:		
	Repairs/Maintenance:		
<b>FOOD</b>	Food at home:		
	Food away from home:		
<b>HEALTH CARE</b>			
<b>INSURANCE</b>	Medical:		
	Car:		
	Home/Life/Health:		
<b>CLOTHING</b>			
<b>PERSONAL GOODS</b>			
<b>HOUSEHOLD SUPPLIES</b>			
<b>SERVICES</b>	Cell phone:		
	Cable/Dish:		
	Internet:		
	Dry Cleaning/Laundry:		
	Other:		
<b>OTHER EXPENDITURES</b>	Savings:		
	Gifts:		
	Entertainment:		
	Daycare:		
	Child support:		
	Other:		
<b>TOTAL COUPLE INCOME:</b>			
<b>TOTAL EXPENSES:</b>			
<b>SURPLUS OR DEFICIT:</b>			



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1 Strongly Disagree	2 Disagree	3 Undecided	4 Agree	5 Strongly Agree
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### THE MEANING OF MONEY

Use the 1-5 scale to respond to each of the statements below:

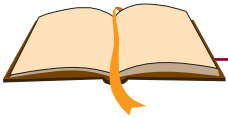
- \_\_\_\_\_ 1. I look up to people who have been very financially successful.
- \_\_\_\_\_ 2. In making a major purchase, I consider what others will think of my choice.
- \_\_\_\_\_ 3. Having high quality things reflects well on me.
- \_\_\_\_\_ 4. It is important for me to maintain a lifestyle similar to or better than that of my peers.
- \_\_\_\_\_ 5. Having some money in savings is very important to me.
- \_\_\_\_\_ 6. I would rather have extra money in the bank than some new purchase.
- \_\_\_\_\_ 7. I prefer safe investing with a moderate return versus high-risk investing with potentially high returns.
- \_\_\_\_\_ 8. I feel more secure when I know we have enough money for our bills.
- \_\_\_\_\_ 9. I really enjoy shopping and buying new things.
- \_\_\_\_\_ 10. People who have more money have more fun.
- \_\_\_\_\_ 11. I really enjoy spending money on myself and on others.
- \_\_\_\_\_ 12. Money can't buy happiness, but it sure helps.
- \_\_\_\_\_ 13. He or she who controls the purse strings calls the shots.
- \_\_\_\_\_ 14. I would be uncomfortable putting all my money into a joint account.
- \_\_\_\_\_ 15. One of the important benefits of money is the ability to influence others.
- \_\_\_\_\_ 16. I think we each should control the money we earn.

**Scoring and interpretation:** After taking the quiz, add up your answers to the four questions for each category and record your scores below. Scores for each category can range from 4 to 20, with a high score indicating more agreement with that approach. It is possible to have high or low scores in more than one category. General guidelines for interpreting your scores appear in the box below.

Category	Add Items	Your Score	Interpretation of Score	Score	Interpretation
Money as status	1–4	_____	_____	17–20	Very high
Money as security	5–8	_____	_____	13–16	High
Money as enjoyment	9–12	_____	_____	9–12	Moderate
Money as control	13–16	_____	_____	4–8	Low

### COUPLE DISCUSSION:

Compare how you individually scored in each category. Discuss how you each value money.



## WHAT THE BIBLE SAYS ABOUT FINANCES & MONEY

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**LUKE 16:13** “No one can serve two masters. For you will hate one and love the other; you will be devoted to one and despise the other. You cannot serve both God and money.”

**PROVERBS 3:9-10** <sup>9</sup> Honor the Lord with your wealth and with the best part of everything you produce. <sup>10</sup> Then he will fill your barns with grain, and your vats will overflow with good wine.

**PROVERBS 13:11** Wealth from get-rich-quick schemes quickly disappears; wealth from hard work grows over time.

**ECCLESIASTES 5:10** Those who love money will never have enough. How meaningless to think that wealth brings true happiness!

**HEBREWS 13:5** Don’t love money; be satisfied with what you have. For God has said, “I will never fail you. I will never abandon you.”

**1 TIMOTHY 6:6-10** <sup>6</sup> Yet true godliness with contentment is itself great wealth. <sup>7</sup> After all, we brought nothing with us when we came into the world, and we can’t take anything with us when we leave it. <sup>8</sup> So if we have enough food and clothing, let us be content. <sup>9</sup> But people who long to be rich fall into temptation and are trapped by many foolish and harmful desires that plunge them into ruin and destruction. <sup>10</sup> For the love of money is the root of all kinds of evil. And some people, craving money, have wandered from the true faith and pierced themselves with many sorrows.

**1 TIMOTHY 6:17-19** <sup>17</sup> Teach those who are rich in this world not to be proud and not to trust in their money, which is so unreliable. Their trust should be in God, who richly gives us all we need for our enjoyment. <sup>18</sup> Tell them to use their money to do good. They should be rich in good works and generous to those in need, always being ready to share with others. <sup>19</sup> By doing this they will be storing up their treasure as a good foundation for the future so that they may experience true life.

**MATTHEW 6:19-21** <sup>19</sup> “Don’t store up treasures here on earth, where moths eat them and rust destroys them, and where thieves break in and steal. <sup>20</sup> Store your treasures in heaven, where moths and rust cannot destroy, and thieves do not break in and steal. <sup>21</sup> Wherever your treasure is, there the desires of your heart will also be.