

FINANCIAL PEACE UNIVERSITY
SPIRITUAL GROWTH
CAMPAIGN 2022

LIFEGROUP LEADER GUIDE



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IN GOD WE TRUST

TABLE OF CONTENTS

Lesson 1 - Baby Step 1 and Budgeting	1
Lesson 2 - Baby Step 2	7
Lesson 3 - Baby Step 3	15
Lesson 4 - Baby Steps 4, 5, 6, & 7	21
Lesson 5 - Buyer Beware	27
Lesson 6 - Understanding Insurance	33
Lesson 7 - Building Wealth	39
Lesson 8 - Real Estate & Mortgages	45
Lesson 9 - Outrageous Generosity	51

Lesson 1

BABY STEP 1 AND BUDGETING

I. HOOK

“You are sitting right now on the sum total of the things that have happened to you and the things you’ve done with your money, that’s how you got where you are right now.” This is one of the many critical quotes from Dave Ramsey in this opening lesson. In this opening section he gives little in terms of actual logistical advice, but what he does is build the need for people to get their financial life together so that every other part of their life doesn’t fall into shambles. And he’s completely unapologetic about it; he openly admits that his spiritual gift is hurting people’s feelings.

This is only because he loves his audiences enough to tell them the hard truths – truths like, at some point the only time you should see the inside of a restaurant is by working in it, or that just because you’re a millionaire doesn’t mean you’re financially stable. Overall, this talk is about making the active decision that you’re going to be actively responsible and diligent with your finances one baby step at a time until you can get to a point where you’re working because you want to, not because you have to. It will be hard but it will be worth it. Like Ramsey says, “No one wins without paying a price to win [and] people win with an intentional series of acts.”

II. SCRIPTURE PASSAGE

A. Proverbs 8:1-21

In the coming weeks of these lessons there will be a reoccurring theme that’s always in the background – pursuing wisdom and making the wise choice. No matter how pragmatic the advice given or the number of logistical steps, they are rooted in being on the path of wisdom that leads to righteousness. Proverbs 8 (like much of Proverbs) gives us a good picture of what wisdom is and what wisdom it is not.

Finances and wealth certainly fall into this realm of spiritual wisdom. Your wealth is nothing more than one of the many tools in your hand to help you navigate life. You have the choice to use this tool with wisdom and discover that that very wisdom is actually greater than the tool itself (wealth, that is); v.11 speaks very clearly to this idea – “For wisdom is better than jewels; and all desirable things cannot compare with her.”

However, it’s also clear that we can be very foolish with our wealth and use it poorly. Whether this is spending more than we make and getting ourselves in the snares of debt or even saving and saving until we become wealth hoarders that benefit no one. Whatever the case may be, we can see that v.5 – “O naïve ones, understand prudence; And, O fools, understand wisdom.” – says that the Lord and his wisdom beckons us to know and trust in him.

a. Reflection Question #1: Who do you consider to be very wise and what makes them so in your perspective?

b. Reflection Question #2: (Read v. 10 again) Have you ever “cashed out” and taken the path of foolishness? What caused you to make that choice and how did it end up?

c. Reflection Question #3: What are some of the wisest and most foolish things you’ve done with your finances?

B. Luke 12:13-21

For a Dave Ramsey lesson on protecting your wealth, this may seem an awkward passage to go through (or better yet, vice versa). Dave Ramsey might teach us how to “play defense” with our resources but this passage describes the heart we should bear with respect to our resources. Take note that this man’s transgression was not because he was wealthy but rather because he sought to hoard his wealth; hence, he needed bigger barns to store all his wealth.

This rich man had a clear picture for his own future but then his life was taken from him – which is, to say the least, not part of the plan. Then we reach the heaviest part of the passage, “So is the man who stores up treasure for himself, and is not rich towards God.” This rich man had a plan to sit on his wealth like a dragon would their gold, but it’s all in vanity. Rather, we should seek out the richness of God who ordains all things. On our end, of course, we are still called to be wise and responsible with our resources.

a. Reflection Question #4: What is a treasure or resource that you have “built larger barns” for?

b. Reflection Question #5: What might it look like to be “rich toward God?”

III. BRIEF OVERVIEW

A. Introducing the Principles and Financial Peace University

Debt and foreclosure are undeniably terrifying things that will wreck your life. On top of that, financial struggles are the number one cause of divorces in North America. It’s easy to be trapped in money-holes, whether it be credit card debt, student loans, or various forms of financing.

1. The “Baby Steps”

Dave Ramsey introduces the “Baby Steps” which are list of pragmatics steps that are successful when they are done thoroughly, in the right order, and by not giving up. It will hurt and it will not be fun, but it will be worth it.

- Baby Step 1: Save a \$1000.
- Baby Step 2: Work the debt snowball.
- Baby Step 3: Raise the \$1000 to a rainy day fund of 3 to 6 months of expenses.
- Baby Step 4: Work on retirement.

- Baby Step 5: Working on the kids' college fund.
- Baby Step 6: Pay off the house early (Steps 4 through 6 are simultaneous).
- Baby Step 7: Live and give generously with your wealth.

2. Take the First “Baby Step”

Begin your starter emergency fund (\$1000). It's the easiest Baby Step. It's also the hardest because this is the beginning of you deciding whether you have what it takes or not; or, are you going to keep on doing what you've been doing that got you in trouble to begin with? Winning is no accident, that's what the Baby Steps are—active choices of getting better. Learn to submit yourself to someone else's ideas. Try something you've never done to get something you've never gotten. It's a hard course of action to take.

“If you live no one else now, later you can live and give like no one else.”

3. Structure of the 9 Lessons

Lessons 1-4: Baby Steps 1-4.

Lessons 5-8: Learning what rich people do – How to have a good offense (accrue wealth) and have a good defense (be able to hold onto it).

B. Budgeting

Grasping the idea of budgeting is much harder than actually doing it. It takes time and trial and error to learn how to budget well and responsibly. Even if you're a natural spender, learning to budget well will change the way you spend – and don't spend – money; or at least will give you a wake-up call.

“A budget doesn't limit your freedom, a budget gives you freedom. A budget gives you permission to spend.”

Give three months to get into a rhythm with money. Also, budgets are relational – you have to make it and do it with your spouse. Because within relationships there are savers and spenders, “nerds” and “free-spirits.” The “nerds” love making and doing the budget. The “free-spirit” feels controlled by the budget. Both add value to the budget making process.

1. The “Budget Committee Meeting”

In the budget committee meeting, you will meet with your spouse to review the next month's budget.

For the nerd: (1) Create the budget. (2) Thank the free-spirit for being there (aka be supportive). (3) Show the budget to the free-spirit and then be quiet.

For the free-spirit: (1) Come to the meeting. (2) Don't use the phrase, "whatever you think." (3) Have an opinion and change something (aka be an active participant in this meeting, no matter how small). This process starts to work when you work together.

You have to do this before the start of every month. This should be a "zero-based" budget. That means your income minus expenses equals zero. Every dollar you have should be on the budget.

2. Giving, Saving, Spending

First, the starting point of the budget is giving because it affects who you are as a person and as a couple to be more open-handed with your resources (give a little until you can give a lot).

Second, save your money. Build your \$1000 savings and start to pay down your debts via savings.

Third, there is spending. Spend on your family first by focusing on the four walls – food, utilities, shelter, and transportation.

IV. WRAP-UP

A. Takeaways

Takeaway #1: Being realistic with your financial situation and being truly willing to do something about it makes all the difference.

Takeaway #2: Creating a budget (let alone addressing the entire matter at hand) can be a daunting challenge, but take it one (baby) step at a time and work with your spouse on it.

Takeaway #3: Putting away \$1000 is the first step and "push-off point" toward financial security.

B. Reflection Questions

Reflection Question #1: What is one thing you're going to do this week to make a change?

Reflection Question #2: Think about a time when an emergency stressed you out. How would a starter emergency fund have made that a stress-free emergency?

Lesson 2

BABY STEP 2

I. HOOK

There is a Greek myth about a man named Sisyphus. In the myth he was punished by the Greek gods to push a large boulder up a hill, and when he would reach the top of the hill the boulder would fall back down to the bottom. He would then have to go back down and push it back up again only for the cycle to repeat itself; this cycle goes on for eternity. Debt is a similar story, it's a cycle that our society has been sold as a good thing. Dave Ramsey even states in this lesson that, "[Banks] are better at selling [debt] than we are at not buying it." We've been sold this idea of being in a cycle of buying and getting into debt that requires a tremendous amount of effort and discipline to get out of. But with the Debt Snowball we can overcome Sisyphus' punishment and our own predicament and get out of debt.

II. SCRIPTURE PASSAGE

A. Romans 12:1-2

Dave Ramsey tells us that personal finance is 80% behavior and 20% head-knowledge. You don't need to be a math whiz to do your finances but you do need to be in control of yourself. This is why he brings up Romans 12:2 in passing. His point is that our minds must be transformed from the ways of the world to the wisdom of God. It's this subtle but significant form of sanctification that gets us into the right mindset to first move forward.

Of course, Romans 12:1-2 extends far beyond financial wisdom and responsibility. Sanctification underneath the umbrella of salvation isn't talked about enough in the church. That is, through faith in Christ we have been redeemed and found justified from our sins, but that's not the end of it all. We are called to live a life "which is good and acceptable and perfect." This is not a call to be a sinless human being this side of paradise, but it's a call to live a life of sanctification – set apart from the world and chasing the goal of the example that Jesus has set.

a. Reflection Question #1: In what ways is a life of sanctification different from the ways of this world?

b. Reflection Question #2: In your own life how have you seen your mind being transformed in sanctification?

c. Reflection Question #3: (Read Hebrews 12:1-3) How and why is Jesus the perfect example for sanctification? (Hint: pay close attention to v. 2)

B. Proverbs 6:1-5

Ramsey brings up a series of Proverbs such as Proverbs 22:7 and Proverbs 17:18 that speak to financial responsibility and wisdom. Mainly, however, he brings up Proverbs 6:5 – "Deliver yourself like a gazelle from the hand of the hunter, and like a bird from the hand of the fowler." The

context of this passage is directly correlated with being in debt and the lesson is that the best way to stay out of debt is to run for your life away from it like a gazelle would with a cheetah on its heels.

Basic psychology tells us that we have a fight or flight technique and Scripturally based instinct is privy to this basic fact of human life. Passages such as 1 Tim. 1:18 tell us to “fight the good fight” which is aimed at facing false teachings and opposition to the faith, but when it comes to sin and temptation it’s wise to flee and run as tenaciously as possible. That way you won’t be trapped and forced to fight. This is the context of Proverbs 6:1-5, “...if you have become surety for your neighbor, have given a pledge for a stranger...” There is great wisdom and demand from running with gazelle-like intensity from the jaws of sin and death.

a. Reflection Question #1: What temptations and things in your life have you fled from, or need to flee from?

b. Reflection Question #2: (Read Proverbs 17:18 and 22:7) What is the condition of the debtor and have you ever been in such a position? If so, what was/is the experience?

c. Reflection Question #3: (Read Genesis 39:7-12) How is fleeing from sin and temptation more advantageous than attempting to stay and “fight” it?

III. BRIEF OVERVIEW

A. Introducing the Reality of Debt

- Pay off all your debt (besides your house) using the Debt Snowball and don’t let all your income go to credit card companies.

- Don’t spend money you don’t have on things you don’t particularly want to impress people you don’t particularly care for.

- Being in debt used to be viewed as a sin. Now we take out loans for everything and anything. We need a paradigm shift of how to perceive the world and our financial participation in it.

1. Myths and Truths about Debt

Myth: I need a credit card to rent a car and make purchases online.

Truth: You can do both of these with a debit card.

Myth: Having a car payment is an inevitability in life (the national average for a car payment is \$507 over 84 months).

Myth: I need to use a credit card to build up my FICO score.

Truth: The FICO score is an “I love debt” score. A FICO score is not an indicator of financial success, it’s a direct indicator of your interaction with debt.

Truth: When you use a credit card instead of cash, you actually spend more because you don’t “feel it.” When you use cash you can tangibly sense a transaction happening.

Truth: More students drop out of school because of financial trouble than from academic failure.

Truth: Consumer reports and a good calculator will tell you that a car lease is the most expensive way to operate and finance a vehicle. Car dealerships push leasing because it’s their way of making the most profit for them.

Truth: Debt consolidation does nothing to change the behavior that got you into debt. So, many actually end up with more debt. All it does it move around your debt to make you feel more secure when you’re not actually out of the woods.

Truth: The bank requires a cosigner because the person isn’t likely to repay! This is just a really quick and easy way to hurt your relationships.

Truth: 68% of millionaires with a college degree never took out student loans. (This will be revisited in Baby Step #5) Student loans make up \$1.5 trillion with the highest delinquency rate.

Myth: Debt is a tool to create future prosperity.

Truth: Debt is proof that the borrower is slave to the lender. It is very unlikely that someone can borrow their way into wealth.

“Your most powerful wealth-building tool is not debt. Your most powerful wealth-building tool is your income.”

B. The Debt Snowball

Paying off debt and getting out of it is more than simple math equations.

In a roundabout way, if you just read through the book of Proverbs you’ll end up with a master’s degree in finances.

The difference between a gazelle and a cheetah in a race is the motivation – one is running for its life and the other is running for its lunch. Our motivation needs to be one of preserving our life and well-being against predatory debt.

1. Quit borrowing money!: The first part of getting out of debt is to “Quit borrowing more money!” You don’t get out of debt by getting more into it. Do life at “the speed of cash,” and if you don’t have the cash then slow down.

2. Save money: The second part is to save money. Baby Step #1 is the \$1,000 emergency fund, after that we quit saving any other money in order to pay off debt so that way we can save more money.

3. Sell some things: The third part is that you need to sell some things. There's a very real chance you need to amputate some material junk from your life.

4. Increase your income: The fourth part is that you might need to take up a part-time job or some overtime. Increase your income to decrease your debt. The best place you can go when your broke is to work.

5. Pray!: The fifth part is that prayer really works. Our Father really loves us and is also really rich. Praying doesn't give us auto-wins in the lottery, but he will take care of us and provide for us.

“The Debt Snowball is where you list all your debts (except your home) smallest to largest, you pay minimum payments on everything except the little one...cleaning out all non-retirement savings and throwing it at the debt.” When you keep on doing this with every form of debt you have it will build up traction and momentum that will lead you to become debt free.

IV. WRAP-UP

A. Takeways

Takeaway #1: “You have to stop believing the lies to win.”

Takeaway #2: You have to have a gazelle-like mentality if you're going to get out of debt.

Takeaway #3: We have been sold myths and we need to trade them for truths.

Takeaway #4: Borrowing money now hardly ever gives us prosperity in the future.

B. Reflection Questions

Reflection Question #1: What is one thing you're going to do this week to make a change?

Reflection Question #2: How much money would you have if you didn't give it to your debt?

Reflection Question #3: Identify at least one thing this week that you could sell in order to have more cash to throw at your debt.

Reflection Question #4: Make a list of some ideas for you can increase your income (e.g., work overtime, pick up a part-time job).

Reflection Question #5: How much time a week are you investing in prayer? However much it is, identify ways you can increase this time.

Lesson 3

BABY STEP 3

I. HOOK

There's an old folktale titled *The Emperor's New Clothes* (not to be confused with Disney's *The Emperor's New Groove*) where a conceited emperor spends state funds lavishly on clothing and his own appearance. One day a pair of con men arrive to his gates and promise him a set of majestic clothes that will actually be invisible to the foolish and incompetent for an exorbitant price. So they set up their looms and weave absolutely nothing, causing everyone to think that they're incompetent fools. The emperor, in his vanity, "wears" the "clothing" any way and parades around town to show off his lavish wealth and lifestyle while being naked and swindled by these conmen.

Like most folktales, this is a ridiculous story with a large amount of truth and teaching in it. We want to appear as though we are living up to an invisible standard of living and we're willing to pay just about any price to get there. However, at the end of the day we have forsaken true contentment and paid a hefty, and tangible, financial price to make it happen. So when a crisis comes up that threatens even a moderate lifestyle, we are left without protection and left with the façade of a lifestyle that we once tried to keep up.

II. SCRIPTURE PASSAGE

Lesson 3, which covers Baby Step 3, has two main themes: (1) learning how to be content with what you have, and (2) learning to radically save in the now to prepare for emergencies in the future. Both points are paired with a verse that shows how the Bible speaks to these matters.

To the first point, there is Phil. 4:11: "I'm not saying this because I am in need, for I have learned to be content whatever the circumstances." In this passage Paul talks about how he has lived and experienced just about every sense of wealth and poverty there is, but he is content regardless. It is Christ and being known by him that gives him satisfaction and provision.

To the second point, there is Prov. 21:20 (specifically from *The Living Bible* translation): "The wise man saves for the future, but the foolish man spends whatever he wants." It's a poignant verse in which wisdom is seen as future-oriented and preparing for whatever is to come whereas foolishness is seen in prodigal (yes, like the prodigal son) spending in the here-and-now.

III. BRIEF OVERVIEW

A. Introducing Baby Step 3

1. The Importance of Saving

- Americans are typically very bad at saving. "Nearly 80% of Americans live paycheck to paycheck. They use debt to cover emergencies." We are in the habit of turning one kind of issue (like a car issue) into a financial issue.

- Saving is the polar opposite of debt, and now that you're out of debt you're going to want to feed into whatever debt is not, which is saving. "With debt you pay interest, with saving you earn interest. With debt you take on risk, savings lower your risk. Debt your future, savings secure it. With debt you owe, with saving you own."
- Having an emergency fund allows you to not be in crisis any time an apparent "crisis" comes your way. "The emergency fund gives you cash to cover emergencies so you stay out of debt."
- If you're put in the right position or situation with the right motivation, then you can turn into a saver very quickly.

2. The Comparison Game

- Beware of the comparison game: It will rob you of your joy and then tempt you to feed into it with your finances. People will spend money to mimic the lifestyle that they see other people living.
- "The cure for comparisons is contentment." The temptation of getting past your debts from Baby Step 2 is to think you deserve extravagant gifts of celebration. However, you must be content with what you have, and with what you don't have.
- You cannot save without some degree of contentment and "Gratitude will lead you to contentment."
- "Baby Step 3 isn't just about saving 3 to 6 months of expenses, it also deals with our hearts and our emotions." This step is in part a pragmatic tool for your financial future, and another part emotional and spiritual tool for you gratitude and sense of contentment.

B. Doing Baby Step 3

- "Save 3 to 6 months of expenses in a fully funded emergency fund."
- By completing Baby Step 2 you have given yourself a de facto raise without even talking to your boss because now you're paying accounts owed.
- The same "gazelle-like" intensity you used for Baby Step 2 to get out of debt is the same intensity you'll use to build this fund.
- When you don't have this emergency fund in place that's when you start doing things and going back into habits that got you into debt in the first place.
- This emergency fund is a safety net that holds drama back to a point where it's non-existent.
- "Murphy's law states: anything that can go wrong will go wrong." An emergency fund protects us from this, or at the very least buffers it.
- No matter how good the weather has been, it will rain eventually; and when that day comes, it's in your best interest to have an umbrella.
- "How do you pick between 3 and 6 months' worth of an emergency fund?" The more unstable or less-consistent your income is, the more you should lean into the 6 month side. If you have a more stable income or are in a 2 income household then you can lean into the 3 month side.
- Your emergency fund should be liquid – it should be money that you can access at any time.
- "An emergency fund is insurance. It's not an investment."

- Park this money in a money-market account. This will give you a greater amount of return than a regular savings account.
- You need to talk with your spouse about what constitutes an emergency.
- Whenever you have to use your emergency fund, your next move is to immediately build it back up again. “When you use it, build it back up.”

IV. WRAP-UP

A. Takeaways

Takeaway #1: You have to get out of your old habits of spending in order to create this emergency fund of 3 to 6 months of expenses.

Takeaway #2: “Saving for Baby Step 3 has to be a priority. You can save money if it’s your priority.”

Takeaway #3: Don’t fall into the comparison game.

Takeaway #4: The stability, or lack thereof, of your income determines what your emergency fund needs to be.

B. Reflection Questions

Reflection Question #1: What is one thing you’re going to do this week to make a change?

Reflection Question #2: How have you seen yourself spend money to keep up with the comparison game?

Reflection Question #3: When has Murphy’s Law happened in your life and how were you capable of reacting to it with your finances at the time?

Lesson 4

BABY STEPS
4, 5, 6, & 7

I. HOOK

“It doesn’t matter where you’ve been. It matters where you’re going.” These are the words of former Secretary of State Condoleezza Rice. She grew up without any sense of privilege or social/economic advantage in America, but through great wisdom and perseverance she found herself in the places she wanted to be. The path to get to the places you want to be at financially is not an easy or quick road, but it’s certainly possible. There are lies and myths that we may come across that would tell us otherwise. And if you hear a myth for long enough, you just might start to believe it. Whether it’s Bigfoot or that you cannot build your way to financial success. However, with great wisdom and perseverance, you can get there.

II. SCRIPTURE PASSAGE

A. Romans 12:4-13

Romans 12 marks a tone and content shift in Paul’s epistle. He goes from doctrine to exhortation; that is, he goes from teaching what is true to how to apply that truth. In verses 4 through 8 he says this: “For as in one body we have many members, and the members do not all have the same function, so we, though many, are one body in Christ, and individually members of one another. Having gifts that differ according to the grace given to us, let us use them; if prophecy, in proportion to our faith; if service, in our serving; the one who teaches, in his teaching; the one who exhorts, in his exhortation; the one who contributes, in generosity, the one who leads, with zeal; the one who does acts of mercy, with cheerfulness.”

Now, there are many gifts within the church. Paul will pick back up on this in 1 Corinthians 12 when he talks about us belonging to one body but being many members of it. Here we see several gifts allotted by grace to use for the benefit of the body – prophecy, service, teaching, exhortation, leadership, mercy, and (the matter at hand) contribution. Giving and contributing to the body is both a gift to the individual who does it as well as a gift to the church body.

- a. Reflection Question #1: What spiritual gifts have you identified either in yourself or others in the room?
- b. Reflection Question #2: How have you seen someone in your life give generously with no sign of seeking attention for it?
- c. Reflection Question #3: (Read Luke 21:1-4) What is generosity and how is it portrayed in this passage?

This lesson finishes up the Baby Steps (though the lessons and the journey aren’t over yet) and by going through them with a gazelle-like intensity, you’ll end up at Baby Step 7 - “Build wealth and be outrageously generous!” Though this is accomplished with your tenacity and responsibility, it is also accomplished by the Holy Spirit working in you and through you. However much or little

wealth you accrue, know and operate in the reality that everything belongs to the Lord. Owe it all to the Lord.

d. Reflection Question #4: How are you looking forward to being generous with your wealth?

III. BRIEF OVERVIEW

A. Introducing Lesson 4: Baby Steps 4 through 7

“Baby Steps 4 through 6 are done in order, but at the same time. You’ll put 15% of your income into a retirement account, save for your kid’s college fund, and make extra payments on your mortgage. Then, Baby Step 7 is when you’ll have the most fun – building wealth and giving like no one else!”

We do one thing at a time with Baby Steps 1 through 3 because focus is a key part of getting through. However, Baby Steps 4 through 6 can be done simultaneously.

B. Baby Step 4: “Invest 15% of your household income in retirement.”

- A 401k is the primary tool to building wealth according to actual millionaires.
- Know the truths about building up for retirement and don’t buy into myths that would keep you from it. “If you don’t save for retirement, you’re not going to have any to spend.” Average payout in Social Security is about \$17,000 a year.
- Top 2 fears about retirement: (1) Fear of running out of money and (2) fear of becoming a burden.
- “You want your money to hang out with these 2 best friends: Time and compound interest.” Starting early makes all the difference in the world in regards to exponential growth.
- “Investing \$150 every month from age 25 to 65 (at 11% rate of return) gets you to \$1.3 million.” And it’s fairly easy to find that money when you realize what you can rationally cut out from your life for the sake of investing.
- “Have a Dream Meeting with your spouse. If you’re single, talk with your accountability partner.”
- “We’re all battling something, but the difference is that the people that are focused, the people that are intentional, they don’t get left behind – they push forward.”
- “52% of American workers have less than \$10,000 saved for retirement.”
- “Numbers change when people do.” You can make new decisions right now to prepare you for your future and to live out your dreams. “When you invest 15% of your income every month, you can become an everyday millionaire.”
- Know your dreams, know your numbers, but most importantly know your plan. Today is your starting point in getting there.

C. Baby Step 5: “Save for you children’s college fund”

- Attend to this after you've attended to your retirement; you're going to retire but your kids might not go to college.
- There is a \$1.5 trillion student loan debt. What was thought to be a blessing for the next generation became a curse. And this student loan crisis might be a parenting crisis at its source.
- "You're not a bad parent if you can't pay for your kid's college."
- "You have 2 options for college savings – an ESA and a 529 plan." An ESA is an Education Savings Account that's a safe mutual fund where you can put \$2,000 a year into it that grows tax free (there's an income limit). 529 plans have a few different options, some good and some bad.
- 3 ways for your kid to go to school debt free. (1) "Select an affordable school." (2) "Apply for things like scholarships, grants, and work study." (3) "Get a job."

D. Baby Step 6: "Pay off your home early"

- Dave Ramsey prefers a 100% down on a house if possible. However, "If you're going to take out a mortgage on a 15 year fixed where the payment is no more than 25% of your take home pay, this is the max because the whole idea is that we're going to turn around and do Baby Step 6 and pay it off."
- The mentality isn't "if I was a millionaire I would pay off my house early," it's "you get to be a millionaire if you pay off your house early."
- Keeping a tax deduction with your house payment is not a good reason to keep your house payments.
- "100% of foreclosures occur on a home with a mortgage." When you pay off your mortgage that house becomes your house.

E. Baby Step 7: "Build wealth and be outrageously generous!"

- When you have an abundance of wealth it frees you up to outpour into other people's lives.
- "Giving is possibly the most fun you will ever have with money." Don't intend to be generous, commit to it.

IV. WRAP-UP

A. Takeaways

Takeaway #1: "Someday" is not on a calendar. Be able to fulfill your dreams so you can put a real calendar date to it.

Takeaway #2: Remembering your dreams is a good way to motivate you to make them happen.

Takeaway #3: "A dream without a plan is called a wish."

Takeaway #4: "College is a blessing, not an entitlement. But if you can help [your kids] financial-

ly then that's a huge blessing.”

Takeaway #5: You shouldn't be ashamed of wealth if you gained it by being responsible.

B. Reflection Questions

Reflection Question #1: What is one thing you're going to do this week to make a change?

Reflection Question #2: How clear are you seeing your dreams in comparison to what you're spending money on now?

Lesson 5

BUYER BEWARE

I. HOOK

Wisdom can come from a lot of random and surprising places. One bit of wisdom from one of the best and most random places is *The Princess Bride*. Amongst many of the quotable lines from the movie, the main character says at one point, “Life is pain ... Anyone who says differently is selling something.” Dave Ramsey explains in this lesson, as he has in previous lessons, that we are living in the most marketed-to society in the history of the world. Advertisers and marketers have mastered the art of making us think that the world is a grand place once we buy what they’re selling. In response to this we need to have a good defense in order to protect our finances.

II. SCRIPTURE PASSAGE

A. Matthew 7:13-14

Matthew 7:13-14 says, “Enter by the narrow gate. For the gate is wide and the way is easy that leads to destruction, and those who enter by it are many. For the gate is narrow and the way is hard that leads to life, and those who find it are few.” The world of commerce and buying all the things you’ve ever wanted is a very wide road. Companies make purchasing their products and services convenient enough for you to not have to consider the weight of that purchase. It creates an ethos of impulsiveness.

Of course, we must first consider these words of Jesus in the proper theological context of eternal significance. The road to salvation is on the narrow path that few find, but the road to perdition is a wide highway of sorts that unfortunately is well-traveled. However, it’s still within the realm of responsibility that we can take a pragmatic view of this passage as well and take some of its principles into other, less extreme, areas.

That is, the things that are usually best for us are usually on a less accessible path while the things that are usually not good for us are very accessible. It’s well within reason that discipline is good for us, but hardly easy. It’s well within traditional wisdom that the road less traveled is often the better option to take.

a. Reflection Question 1: What areas in life do you see a distinct split between the narrow road of wisdom and the wide road of folly?

b. Reflection Question 2: What are areas in your own life where you’ve either gone down the narrow road or the wide road?

c. Reflection Question 3: What makes finding and taking the narrow road so difficult at times?

B. Proverbs 14:29b and Proverbs 9:13-18

With what came before we have to consider Proverbs 14:29b, "...he who is impulsive exalts folly." As Dave Ramsey will explain, this is nothing more than a fool in action – the one who rushes down the wide road towards impulsive and immature financial choices. Like the passage we just went over, impulsiveness is easily accessible to our minds and will often lead us to make immature choices.

Likewise, we could also examine Proverbs 9:13-18 that goes over the qualities of Lady Folly and the ramifications of following her. She is described in v. 13 as "naïve and [knowing] nothing," yet she carries out her actions. This is the mind of the impulsively driven person. When we act out of impulse we are really acting out of what our minds have deemed as good and worthy with little to no consideration of the actual variables or end results in mind.

However, when we read further and get to v. 18 we read of the ramifications for following Lady Folly – "But he does not know that the dead are [in her house], that her guests are in the depths of Sheol." What looks good and pleasant from afar or in the sales pitch of Lady Folly is actually rotten to its core.

- a. Reflection Question 4: What is an example of something that initially looks enticing but is actually rotten?
- b. Reflection Question 5: How can we identify the things of the world that are of Lady Folly?
- c. Reflection Question 6: (Read Proverbs 9:1-12) Compare and contrast Lady Wisdom with Lady Folly.

III. BRIEF OVERVIEW

A. The Situation at Hand

- There's a great number of people and groups that want to "interrupt your plan" by way of getting into your wallets.
- "Companies use every angle to aggressively compete for your money." They're not evil per se, they're just for-profit companies, it's literally their jobs.
- "We live in the most marketed to culture in the history of the world."
- Companies have studied the masses to know how to market at the highest efficiency.

- There are several ways that companies market to us:
 - (1) "Personal selling."
 - (2) "Financing and convenient payment methods as a marketing tool."
 - (3) "Product Positioning" (a company's ability to make their product's value seem more than it is)

B. Significant Purchases

- “A ‘significant purchase’ is normally anything over \$300.” This is when we really have to pay attention since these can elicit a physiological response in us.
- Each of us has at least a hint of immaturity that tells us that we need to purchase the things we want.

Rules for making significant purchases:

- (1) “Wait overnight before making a significant purchase.”
- (2) “Carefully consider your buying motives.”
- (3) “Never buy anything you don’t understand.”
- (4) “Consider the ‘opportunity cost’ of your money.” Think of the doors you’re closing when you spend blocks of money.
- (5) “Seek the counsel of your spouse.” Talk about purchases and respect their opinion.

- Money can buy fun, but it can’t buy happiness.

C. Negotiating

7 Tips for negotiating:

- (1) “Always tell the absolute truth.” Don’t sacrifice character for a discount.
- (2) “Use the power of cash.”
- (3) “Understand and use walk-away power.”
- (4) “Learn to shut up.” Awkward silences can be powerful.
- (5) “Say, ‘that’s not good enough.’”
- (6) “Identify the good guy, bad guy technique.”
- (7) “Master the ‘If I take away’ technique.” Make a counter offer that they won’t adhere to and then substitute it with a better deal.

IV. WRAP-UP

A. Takeaways

Takeaway #1: Feel the weight of your purchases.

Takeaway #2: Companies are often more clever at selling than you are at not buying.

Takeaway #3: We need to make grown-up, mature decisions when it comes to purchasing – especially large purchases

B. Reflection Questions

Reflection Question #1: What is one thing you’re going to do this week to make a change?

Reflection Question #2: When have you ever turned a want into a need?

Reflection Question #3: When it comes to “opportunity cost,” what doors do you need to start closing in order to make more responsible purchases?

Lesson 6

UNDERSTANDING INSURANCE

I. HOOK

Many people own an umbrella for when it rains. However, that umbrella won't be of any help if it's just kept in the closet. Or, if you leave the umbrella in your car and it begins to rain while you're in the store, then bringing along the umbrella was of no use to you to begin with. With or without our knowledge, the rain will come and you will want that umbrella for when that time comes.

Likewise, insurance is something that's almost always on the backburner, but you're going to be relieved to have it when the time comes to use it. And if you don't have it then it's going to be a lot worse than if you've left your umbrella in the car on a rainy day. This lesson is about working on your wealth defense. Insurance won't get you wealth but it will protect the wealth you have.

II. SCRIPTURE PASSAGE

A. James 4:13-17

James 4:13-17 tells us mere mortals a very simple truth – we are neither omniscient nor fortune-tellers. Even with all the insight and predictability in the world we cannot say with 100% certainty that anything will transpire in the future in worldly regards. What we can do is think and operate under the knowledge that there will be a certain chance that such and such will happen or such and such won't happen. But even if something has a 95% chance of happening or not happening, there's still that 5% chance that you're going to be wrong and absolutely dumbstruck because of it.

The Titanic was not supposed to sink, every major sports upset was not supposed to happen, and the chances of not getting cancer are in your favor. However, these things still happen. The message of this passage is that we are unreliable forecasters for our own futures. So then, it is much better to hold the attitude to live in submission to the Lord's will for our lives. This, of course, does not take away our agency in the matter. Rather it just means we hold our own agency with an open hand to the Lord.

- a. Reflection Question #1: When was a time you were absolutely certain that something was or wasn't going to happen, but then the opposite happened?
- b. Reflection Question #2: What is the main difference(s) between the attitude and execution of v. 13 and v. 15?
- c. Reflection Question #3: What might it look like to have a healthy balance of wisely planning ahead while maintaining the message of this passage?

B. Proverbs 27:13

It is very unlikely that any of us have seen a pothole in the road and thought to ourselves, “You know what ... I’m going to go faster and hit this pothole.” This is an insane idea to have! Nobody would do this! When you see a hazard in the distance the first inclination should be to work a plan to avoid it or, at the very least, mitigate its damage as much as possible. Of course, this particular verse is referring to a moral evil. If you sense a moral evil, sin, or temptation coming up on the horizon then you, in your wisdom, should certainly hide yourself away, lest you be the foolish one and carry on into it, pothole-style.

However, it might be still responsible to take the principles invoked in this verse and apply it to all misfortunes – like potholes or other events in our lives that would cost us dearly. It is wise for us to have the knowledge that we will not be able to anticipate everything in our lives (hence the previously listed James passage), so it would do us well to prepare for what cannot be prepared. Otherwise, we are like the foolish person who trudges on ahead and pays the penalty.

- a. Reflection Question #4: When in your life have you ever seen a misfortune (albeit moral evil or simple inconvenience) and prepared yourself to deal with it? How did that turn out for you?
- b. Reflection Question #5: When have you ever seen someone (or maybe yourself) be unaware of the danger ahead and go full-force into it?

III. BRIEF OVERVIEW

A. Intro to Insurance

- “The purpose of insurance is to transfer risk that we can’t handle ourselves.”
- Insurance is not about having peace of mind, it’s all about having a good defense.
- Transfer the risk management things that you can’t handle yourself; insure your house for fires and floods, not your tires from flats

There are only 7 types of insurance that you need:

- (1) Term life,
- (2) Auto,
- (3) Homeowner’s/Renter’s,
- (4) Health,
- (5) Long-term Disability,
- (6) Long-term Care,
- (7) ID Theft Protection.

B. The 7 Insurances

1. Term Life

“Life insurance is to replace lost income due to death.” Life insurance is essentially death insur-

ance. Term life insurance gives you collections for a set term and "... is the only life insurance you should buy." Whole life insurance is a bad bargain. If you're young and single you don't need this; it's only for people with other people who are dependent on them. "Never use life insurance [or any kind of insurance] as an investment." Self-insure yourself through dental and vision unless your company pays for it.

2. Auto

"If you have a full emergency fund, think high deductibles." If you have a good emergency fund then you can afford to have the benefit of a low premium. "For full coverage on your auto insurance, you want three things: collision, comprehensive, and liability."

3. Homeowner's/Renter's

"Raise your homeowner's insurance as your home appreciates." Check in with your insurer every 1 to 2 years to keep up with appreciation. If you have a net worth of about \$500,000 or more then you should look into an umbrella policy which will cover a wider range of things such as your car and house.

4. Health

"Health expenses are the number one cause of bankruptcy in North America today." "With a traditional health insurance plan, raise your deductible and/or coinsurance amount to bring your premiums down." "A health savings account (HSA) works with a high-deductible health plan and you can pay for medical expenses tax-free." Only do the HSA after completing the first rounds of Baby Steps.

5. Long-term Disability

"Disability insurance replaces lost income due to a short-term or long-term disability." This is the more underused important insurance. Nearly 25% of 20 year olds will at some point be disabled for 90 days or longer before they are 67. Take out policies that will cover over 5 years.

6. Long-term Care

Don't purchase this before age 60. "70% of people above the age of 65 will need long-term care at some point." A good frame of reference is that usually a person's last 6 months are the most expensive in their life. "Long-term care insurance is an absolute must if you are 60 years or older." Medicare will not take care of long-term care, Medicaid will help a bit. Stay away from hybrid policies.

7. ID Theft Protection

ID theft protection is not insurance per se, but it is under the umbrella of protection like insurance. About 17 million Americans a year experience ID fraud. Don't get ID theft protection with credit monitoring only. "Good ID theft protection includes restoration services that assign a counselor to clean up the mess."

C. Wills

- "Only 40% of Americans have a will." "Everyone 18 and older needs a will."
- A will is a sort of last gift to your family. "Dying without a will simply puts stress on your family."
- Put together a legacy box that contains all the important documents in your life (make sure it's water and fire proof).

IV. WRAP-UP

A. Takeaways

Takeaway #1: A good offense means very little when you don't have a good defense.

Takeaway #2: "Insurance is not a Baby Step. It's part of your budget."

Takeaway #3: Emergency funds can take us through a lot of circumstances, but insurance is there for when the circumstance is too great.

B. Reflection Questions

Reflection Question #1: Are you currently spending money on insurance outside of the 7 listed?

Reflection Question #2: Have you had conversations with your spouse, parents, or children about long-term care or wills?

Reflection Question #3: If starting tomorrow something happened where you couldn't work for the next 3 months, how would you be able to handle that?

Lesson 7

BUILDING WEALTH

I. HOOK

The 1980's gave us some pretty amazing things – Die Hard, AC/DC, and pretty much everything presented in Stranger Things. Amongst the great accomplishments of the 80's is the ever-so-stylish mullet. It's a hairstyle so popular that it comes with its own catch phrase – “Business in the front, party in the back.” Turns out, our approach to cutting our hair isn't such a bad framework for thinking about our money. That is, take care of your business in the front end of things and then you can party on the backend.

Dave Ramsey says, “Diligence is excellence over time.” So, it will take a while to get to the party on the backend, but it will be worth it when you get there. Above all, along the journey of being all about the business on the frontend, you can't afford to believe other people's limitations on you. It is certainly within the realm of possibility to accrue wealth in the long run. Just know what you can and can't do, stick with a plan, and keep the business at the frontend for the sake of the party in the backend.

II. SCRIPTURE PASSAGE

A. 2 Corinthians 9:6

In theology there is much discussion and disagreement about the fine line between human agency and God's sovereign will. What we can affirm, biblically, is both of these certainly exist. 2 Corinthians 9:6 speaks to how we as individuals bear a responsibility in seeing our own well-being. Certainly, we must depend on God first and foremost, but we can also rely on the wisdom and ability that he instills in us.

For a case in point, consider James 2:17 – “Even so faith, if it has no works, is dead, being by itself.” In this passage James describes those who claim and identify with having faith, but at the end of the day it's works, deeds, and doing things that bear the fruit of that supposed faith. So, as much we clearly depend on the Lord for every breath we take, he has given us the gift to do works with our own actions such as sowing much that way we may reap much. This, of course, is not for sordid gain but still belongs to the Lord, as do the abilities he gave us to do this in the first place.

- a. Reflection Question #1: With what you're doing in your life right now (the sowing), do you think you'll be able to reap much from it in 10 years' time?
- b. Reflection Question #2: Have you ever been challenged in thinking that your actions don't matter?
- c. Reflection Question #3: (Read Proverbs 10:4) Do you truly believe that hard work pays off?

B. Deuteronomy 8:11-18

The previous passage reflects human responsibility in our endeavors. This passage goes into the divine aspect that is outside of our control. We can toil all we want but at the end of the day there is such little room for boasting because it's God who gave us our ability to toil in the first place. If there's any good reminder of this then just remember that no matter how physically or intellectually adept you are, it can be taken away in an instant. It is the Lord who gives and takes away.

Because of this, this passage reminds us not to be too haughty in ourselves lest we forget the Lord. This would become a reoccurring problem for the Israelites as they leave the wilderness for the Promised Land, and then as they are maintaining the borders of the Promised Land, and then when going into exile, and pretty much continues all the way up to today during the New Covenant era. Amidst all our hard work and toil, we must still acknowledge God as the giver of all things and that he deserves our attention, praise, and reverence.

a. Reflection Question #4: When have you ever been overtly certain of your abilities only to be let down? (Bonus points if you bragged about it beforehand)

b. Reflection Question #5: (Read Matthew 6:25-27) How does the context and meaning of this passage compare and contrast from the 2 Corinthians 9:6 passage? (Hint: read 2 Corinthians 9:10-15 for additional context)

III. BRIEF OVERVIEW

A. Getting the Right Mentality

- There are 11 million millionaires in America.
- Ditch a victim mentality and chase after your own results. 97% of surveyed millionaires stated that they control their own destiny.
- "The Secret to you becoming an everyday millionaire is to believe that you can."
- To whatever extent, you have to take personal responsibility and ownership for what you are and aren't doing.

B. Logistics

- To begin building wealth you have to start cleaning up your messes and get your ducks in a row. This includes getting your budgeting in order and taking it (and the entire process) seriously.
- Get to work on the Debt Snowball immediately. Give yourself a raise by ending the cycle of giving other people money.
- Give yourself a safety net in the form of the emergency fund.
- Once you've covered your bases you can start to accrue wealth. "Baby Step 4 is to invest 15%

of your household income in retirement.” Regardless of household income, if you invest this 15% percent you will be able to retire with dignity.

- A third of surveyed millionaires say that they’ve never had a 6 figure income in a single year. A household income is only one of many variables. Have a plan and don’t be deterred from it. None of the surveyed millionaires stated that they got there because of high salaries, crazy return rates on investments, or expense ratios.

C. Retirement Plans

- Find and use tax advantage plans. These will protect your investments from being taxed.

There are 2 types of tax advantage plans:

(1) Tax deferred plans (aka Pre-tax plans): “The 401(k), 403(b), 457, and traditional IRA are tax-deferred plans.” This means you will not be taxed on contributions but you will be taxed on withdrawals during retirement.

(2) Tax-free plans: “The Roth 401(k), Roth 403(b), Roth 457, and the Roth IRA are tax-free plans.” You pay income tax on contributions. Therefore, these contributions will grow tax-free and can be withdrawn in retirement tax-free as well.

- When considering investment options: “Match beats Roth. Roth beats traditional.”

D. Investing

- Investing in mutual funds is the best bet and most used resource for accruing wealth. “A mutual fund allows investors to pool their money together to invest.”

- “Your return comes when the value of the fund increases.” A mutual fund has a mutual pool of investments in it, some will go up in value and some will go down, but they tend to average out.

- These are long term investments and not to be used as short term investments since the stock market is so volatile. If you invest in mutual funds, be prepared to leave it there for at least 5 years.

- A 401(k) and an IRA are not investments. They are protections for your actual investments.

- Additional protection comes in the form of spreading your investments around – or, diversification. “Diversification lowers risk – it means you’re spreading your money around.”

- You can diversify your diversification by investing in multiple mutual funds.

4 Types of Mutual funds:

(1) Growth & Income – the stable ones like large companies,

(2) Growth – slightly smaller than the former and a bit more tumultuous,

(3) Aggressive Growth – smaller companies who can be all over the place,

(4) International – historically underperforms but is due to switch.

- “Never borrow on your retirement plan.” “Never invest in things you don’t understand.”

IV. WRAP-UP

A. Takeaways

Takeaway #1: “Work like it all depends on you but pray like it all depends on God.”

Takeaway #2: “You can put money under a mattress, or you can invest it.” Compound interest is your best friend.

Takeaway #3: Pay attention to how you’re protecting your investments with certain plans and diversification.

Takeaway #4: Slow and steady wins the race. Save money and invest wisely.

B. Reflection Questions

Reflection Question #1: What sort of retirement plan do you currently have (or not have) and is there a more beneficial option?

Reflection Question #2: How diversified are your investments (if you have any currently)?

Reflection Question #3: Do you believe that you can achieve millionaire status in your retirement? Why or why not?

Lesson 8

REAL ESTATE & MORTGAGES

I. HOOK

The concept of “home” is engrained in civilization and, though some of the finer details of what makes a home might differ, it’s something that all of humanity has instilled in us. Even so many stories have this feature built into it. The ancient epic, *The Odyssey*, was about a man trying to make it back home, E.T. enlisted the help of children to reach his home, and the first thing Dorothy comments on when she arrives in Oz is the fact that she’s away from Kansas – her home. Homes are an important thing in our lives. And officially owning your home without owing anyone for it is a huge accomplishment. As Dave Ramsey would say: home is more than a financial transaction.

II. SCRIPTURE PASSAGE

A. Luke 2:41-49

We have houses and homes because having shelter is an essential part of our survival, the emotional and sentimental parts of home only come in after that. However, even God, with no need of surviving because he’s eternal, also has a home. In the only story of Jesus as a child (not including the infancy narratives) he has been separated from his parents. After frantic searching, they find him at the temple, which Jesus calls “[his] Father’s house.”

God is omnipresent and cannot be contained, but even he has a house in the form of the temple, the tabernacle, and even believers in the Person of the Holy Spirit. These are places where he chooses to reside because he can and because he sees it as good. More than that, it’s a specified place where his people come logistically to gather to him, as young Jesus does in this passage.

- a. Reflection Question #1: From what you know about the temples and tabernacles of the OT, what things made them stand apart?
- b. Reflection Question #2: (Read 1 Corinthians 6:19) Describe the similarities and differences in temples in this passage to that of the OT.

B. Psalm 23

This is by far the most famous Psalm and among the most popular passages in the entire Bible. And, to our theme here, it ends with “And I will dwell in the house of the Lord forever.” The entire Psalm revolves around how the Psalmist is perpetually comforted by the Lord in many aspects and it is of no coincidence that the Psalm ends with the motif of being in the house of the Lord. Once again, God is not limited to any confined space. This house of his is a deliberate space where he sets aside to dwell, and more specifically, dwell with his people.

This is a motif that stretches literally from Genesis to Revelation. Consider this: why did an

omnipotent God rest after creating everything? It's not because he had to, but because he got to rest since he was in a dwelling place to abide in. Then, in Revelation 21:3 we read, "And I heard a loud voice from the throne saying, 'Behold, the dwelling place of God is with man. He will dwell with them, and they will be his people, and God himself will be with them as their God.'"

a. Reflection Question #3: What does it mean or what would it look like to dwell in the house of the Lord?

b. Reflection Question #4: Where else in the Bible is being in a house or being shown hospitality mentioned? And what might we be able to derive about hospitality from these? (Hint: Zacchaeus, Hebrews 13:1-2, Acts 28:30, etc.)

III. BRIEF OVERVIEW

A. Intro to Real Estate

- We are actually one of the first societies in the history of civilization where the typical citizen owns real estate.
- Home owning is either a huge blessing or a huge nightmare. On average, participants in the Baby Steps will pay off their homes in 7 years by the time they start to contribute to that.
- "There's nothing wrong with renting for a little while." You shouldn't make a massive house purchase off the cuff or with the expectation to stay in that location.
- You should not purchase a home until after Baby Step 3 (building the emergency fund). Baby Step 3.5 can even be considered as building up for the down payment. Don't buy a house with debts.

Why buy a house at all?

- (1) "It's a forced savings plan."
- (2) "It's an inflation hedge."
- (3) "It grows virtually tax-free."

B. Getting the House

- "Buy in the bottom price range of the neighborhood." This helps with appreciation.

3 things that houses are appraised on:

- (1) Location,
 - (2) Location,
 - (3) Location.
- "If possible, buy near water or with a view."

- The average buyer has no imagination. Learn to look past certain things in anticipation of improvement; broker a good deal out of "negative" things. Buy houses with good "bones" in them

and good floor plans.

- “Real estate agents have access to the Multiple Listing Service (MLS).” Get a professional in the real estate world to help you navigate the market.
- “Have the home inspected mechanically and structurally by a certified home inspector.”
- Always get a survey if you’re purchasing a non-traditional plot of land.
- Get an appraisal but remember that appraisals are just opinions of value.
- Always buy title insurance.

C. Mortgages & Financing Your Home

- Don’t mix up your wants and your needs.
- The best way to buy a house is 100% down. It might sound crazy but it can be done with tremendous focus and determination.
- If you’re not going to do 100% down, or can’t, then there’s other wise options as well. “Get a monthly payment of nor more than 25% of your take-home pay on a 15-year fixed-rate loan, with at least 10% down.”

There are certain options that you should avoid at all costs:

- (1) “ARM’s, or Adjustable-Rate Mortgages” – this is when the interest rate will fluctuate, (2) Interest only payments – you’ll never actually get to buying the house,
- (3) “Reverse mortgages” – the only direction you want to go is forward on payment,
- (4) Accelerated bi-weekly programs – it’s just a bad system with no real advantage.

- Don’t worry about the tax advantage of having a mortgage, it’s not worth it.
- “Conventional loans are usually through Fannie Mae and are privately insured against default.”
- “FHA (Federal Housing Administration) loans are insured by HUD – the federal government.” They are actually more expensive than traditional loans
- The 3 C’s of buying a house: be cautious, careful, and coherent.
- Buying a house without a credit score. “You’ll need to find a mortgage lender that does manual underwriting.”
- When you’re close to a foreclosure for whatever reason the next best thing is a short sale. “In a short sale, the home is sold for less than the amount owed...” Also, don’t do a strategic default because it’s immoral.

D. Selling a Home

- When you’re selling your home you need to think like a retailer and a true salesperson. Make your house look like no one lives there when people come to see it.
- Make sure your cabinets are empty and the rooms are well-lit. Be as cheeky as baking something beforehand so that the house smells nice.
- “The most important aspect of preparation is attention to curb appeal.” What are the first things you see when looking at your house? Create a good first impression.

- Take good pictures of your house and make it marketable.
- Real estate agents are worth more than they cost. “The exposure through the Multiple Listing Service is worth it.” Don’t rely on friends or family to be your agent, get a true professional.

IV. WRAP-UP

A. Takeaways

Takeaway #1: Location is the end-all-be-all in real estate.

Takeaway #2: Get your ducks in a row and check all your boxes before you purchase a house.

Takeaway #3: “A home is a person’s largest monetary asset.” Get a plan so you can be protected.

B. Reflection Questions

Reflection Question #1: How much money have you spent on renting versus paying a mortgage?

Reflection Question #2: How is your home currently being financed?

Reflection Question #3: Have you ever worked with a real estate agent before? If so, could you notice a professional difference in the process?

Lesson 9

OUTRAGEOUS GENEROSITY

I. HOOK

A doctor (slash biblical scholar) serving in Africa by the name of Albert Schweitzer once said, “I don’t know what your destiny will be, but one thing I do know: the only ones among you who will be really happy are those who have sought and found how to serve.” Serving and giving might not always be the easiest or most immediate choice. However, there is something innate in us that is satisfied, in some part, when we do serve and give. There is a joy in giving and aiming to be more selfless than we were last year.

II. SCRIPTURE PASSAGE

A. Proverbs 11:25-31

In our everyday lives there is a lot of nuance to be found. We measure both happiness and pain on scales from 1 to 10 and lots of societal issues require nuanced conversation to unpack; and these are good things in that they are nuanced. However, there is also good in treating things in a more black or white manner. The author of Proverbs seems to take this latter route. See, there’s not any halfway point in being wise or foolish; there’s no account of being 7 out of 10 on a scale of full-on prudent to pure folly. Proverbs draws a strict line in who is a wise person and who is the foolish person.

This sentiment certainly goes into proverbial passages regarding generosity and how one treats their resources. Throughout Proverbs you’ll notice the main motif of the wise one and the foolish one. However, sometimes these categories get changed to variables such as the righteous one and those who are wicked – such as this passage. Notice how the righteous one is being described – first they are “The generous [one]” in v. 25, then they are “diligently [seeking] good” in v. 27.

Not only does the author describe who this righteous person is at their core, but the consequence and fruit of their righteousness is also noted. This mainly takes place in the form of themselves prospering. The Proverbs are very uplifting in this way. They deem the deeds of the righteous one to be returned with favor (v. 27). On top of this, there’s also a pretty sharp contrast between this righteous one and the wicked one. Most notably for our purposes, there is v. 26, where we are told of the cursed man who “withholds grain,” and of the one who actually sells it. This isn’t to be separated from the same sentiment of v. 25, where we’re introduced to the prospering generous man.

a. Reflection Question #1: On a scale of 1 to 2, are you a generous person?

b. Reflection Question #2: How have you seen generous and righteous people prospering?

c. Reflection Question #3: (Read Ecclesiastes 7:15) Do you think righteous people are guaranteed to prosper?

B. Deuteronomy 14:22-29

There are a lot of passages and sermons that we may feel inclined to avoid due to their awkwardness or tenseness. Topics, passages, and sermons that go over adultery, judgement, and forgiving wrongdoers are hard to hear sometimes just by the mere fact that the Bible talks about them and that we are compelled to respond accordingly. Among this list of hard topics, and maybe even the foremost among these, is the topic of wealth and finances and, more specifically, giving it away.

This passage tells the Israelites how to go about doing their tithes. Certainly, we as New Covenant believers are not called per se to these particular specifics; however, the heart behind the matter is certainly still there. Notably, examine that latter part of v. 23, "... the tithe of your grain, your new wine, your oil, and the firstborn of your herd and your flock, so that you may learn to fear the Lord your God always." We, as God's people, regardless of time or context, are called to give our first and our best for the namesake and glorification of God.

A cheesy but perhaps good perspective to have when it comes to tithes and offerings is to not only think that we have to give, but that we get to give. If there's any hesitancy towards giving then they are 2 things that we can remind ourselves of. First, as v. 23b mentions, we learn to fear God. Our giving of our best reminds us that it is God's to begin with and then that we can depend on God for our supplication. Second, we need to remind ourselves that God also gives his first to us. John 3:16 says very specifically that God gave his firstborn Son for the sake of the world.

a. Reflection Question #4: When you give (generally speaking), do you give your best or your leftovers?

b. Reflection Question #5: What does v. 29 teach us about the recipients of our giving and our responsibility towards them?

III. BRIEF OVERVIEW

A. Outrageous Generosity

- Generosity is rhythm for generosity. Take care of your household in such a way that it overflows to those outside of it.
- Keeping earning for the purpose of generosity. The final aim of Financial Peace University is to become overflowing with generosity.
- We need to reevaluate the way we look at our finances when it comes to giving; it seems backwards but it's a part of the whole system. "The peace part of Financial Peace comes from outrageous giving."
- Generosity isn't an act, it's a character trait. "We are happiest and most fulfilled when serving and giving."

- Americans give about 4% of their income to charity. The numbers and percentages behind solving a lot of America's social issues is actually fairly easy to achieve.
- One study finds that receiving generosity gives you a momentary happiness, but giving generosity gives you a longstanding happiness.
- Giving is more than money. Start giving when you have little so you can give more outrageously when you have much.
- Money is a tool for the kingdom of God. Use it for the glory of God and for your legacy.

B. Why Give?

- God does not need your money; and if he did he would just take it.
- Giving and tithing is a natural byproduct of doing church right.
- God is the ultimate giver – hence John 3:16. So why wouldn't you give as well? "The more generous you become, the more you're becoming who God made you to be."
- A tithe is literally one-tenth in the Hebrew, meaning you literally cannot tithe 5%. "The Bible says to give your tithe off the top (first fruits)."
- "The tithe goes to your local church." Largely speaking, pastors are vastly underpaid in America. The tithe goes to pay pastors and to take care of widows and orphans.
- At the end of the day, just give – because God gives better.
- "Offerings are above the tithe and are freely given from surplus."
- "We are just asset managers for the Lord."

IV. WRAP-UP

A. Takeaways

Takeaway #1: "Your lifestyle should be less than your income."

Takeaway #2: "You can't shake hands with a clenched fist."

Takeaway #3: "What if we the people took care of 'we the people?'"

B. Reflection Questions

Reflection Question #1: When have you ever been on the receiving side of generosity?

Reflection Question #2: What is a specific way that you'd like to be generous?

Reflection Question #3: How has giving changed your outlook on life?

