

Biblical Lifestyle of Managing Money Checklist

The Biblical Lifestyle of managing money is very simple — to give first (10% minimum), save second (10% minimum), and live on the rest (80%). In even simpler terms, do not spend more than you earn.

We developed the following Biblical Lifestyle of Managing Money Checklist to help you to quickly evaluate how well you are following the Biblical Lifestyle of managing money with suggestions on how to do even better:

#	Description	Y/ N
1	<p>Make a commitment to following the Biblical Lifestyle of managing money.</p> <p>If <i>Yes</i>, proceed to #2. If <i>No</i>, continue to pray and review the tips and guidelines on living the Biblical Lifestyle.</p>	Y / N
2	<p>Live on a written budget based on the Biblical Lifestyle. If married, develop the budget together and meet monthly to hold each other accountable and make any necessary adjustments. If single, prepare the budget and review it periodically with a trusted accountability partner. The goal is to spend less than you are earning and this may require reducing expenses as well as increasing income. The goal is to develop a <i>zero-based budget</i> that accounts for every dollar.</p> <p>We have discovered that people generally fall into two categories regarding budgets – they either love them or hate them. Whatever is holding you back, we encourage you to change your attitude about budgets. Believe it or not, most folks are relieved once they prepare a budget regardless of the number that results from subtracting their expenses from their income. We have observed that the budget exercise enables folks to once and forever understand where they are and to plan exactly how they want to manage the money that God has entrusted them with going forward. The budget exercise is a key step to achieve the financial freedom that is necessary to serve God, family, and country.</p>	Y / N

	<p>If <i>Yes</i>, proceed to #3. If <i>No</i>, continue to pray and review the tips and guidelines on living the Biblical Lifestyle.</p>	
3	<p>Make a commitment to giving to God first.</p> <p>If <i>Yes</i>, proceed to #4. If <i>No</i>, continue to pray that God gives you the wisdom and discernment to choose well. This is a very personal choice and nobody else can make it for you.</p>	Y / N
4	<p>Establish a separate emergency fund. We recommend a separate bank account to have cash available in the event of a personal emergency, such as auto repair, illness, loss of job, dentist, pets, or other significant and unexpected expenses. We recommend \$1000 cash for starters.</p> <p>If <i>Yes</i>, proceed to #5. If <i>No</i>, seek ways to reduce expenses and increase income to establish a \$1000 emergency fund quickly. You can also increase income by working overtime or getting a part-time job. Another option is to sell stuff.</p>	Y / N
5	<p>Eliminate all debt excluding any mortgage. This includes all forms of debt, including credit cards, consumer, student loans, auto loans, car leases, etc.</p> <p>Depending on the amount of debt, it may be required to work overtime or to get a part-time job to increase income and to pay off the debt more quickly. Another option is to sell stuff. Once you are debt free, you can focus on saving up a fully-funded emergency fund (see point 6 below).</p> <p>If <i>Yes</i>, proceed to #6. If <i>No</i>, continue to work on it and review the tips and guidelines on following the Biblical Lifestyle of managing money.</p>	Y / N
6	<p>Build up a fully-funded emergency fund with enough cash available to handle six months of living expenses. Once all debt (excluding any mortgage) has been eliminated,</p>	Y / N

	<p>add to your \$1000 emergency fund with the goal of having a fully-funded emergency fund with enough cash available to handle six months of living expenses.</p> <p>The sooner you have a fully-funded emergency fund, the better prepared you will be to manage any unplanned events in your life and the sooner you can start saving and investing for the future.</p> <p>If <i>Yes</i>, proceed to #7. If <i>No</i>, continue to add to your emergency fund until you have enough cash available to handle six months of living expenses.</p>	
7	<p>Start to save and invest at least 10% of gross income. If all debt (excluding mortgage) is paid off, and you have a fully-funded emergency fund with enough cash to cover six months of living expenses, start to save and invest at least 10% of gross income to be prepared for the future including retirement.</p> <p>You should have money in your budget that had been used to eliminate debt that can now be allotted for savings. These savings can be invested in a responsible way that would be both honoring and pleasing to God.</p> <p>Note: The Economic Policy Institute (EPI) reported in 2017 that "nearly half of families have no retirement account savings at all." According to a 2017 Government Accountability Office (GAO) report, around 29% of households with adults age 55 and older have neither retirement savings nor a pension. This is bad news; however, it is never too late to start following the Biblical Lifestyle for managing money God's way.</p> <p>If <i>Yes</i>, proceed to #8. If <i>No</i>, revise your budget to enable you to give first (10% minimum), save second (10% minimum), and live on the rest.</p>	Y / N
8	<p>Start saving for college or vocational training. If all debt (excluding mortgage) is paid off and, you have a fully-funded emergency fund and are saving and investing at least 10% of gross income for the future, start saving for college expenses or vocational training if you have or are planning to have children. It is never too early to start thinking about a college or vocational training savings plan and the sooner you start the better.</p>	Y / N

	<p>If <i>Yes</i>, proceed to #9. If <i>No</i>, consult with your banker or other professionals to learn about the various education savings accounts and the respective pros and cons. Once you decide on a fund and a contribution level, revise your budget accordingly to make it happen.</p>	
9	<p>Pay off any home mortgage. If all debt (excluding mortgage) is paid off, you have a fully-funded emergency fund in place, are saving and investing at least 10% of gross income for the future, and are saving for college or vocational training if applicable, pay off any outstanding home mortgage early.</p> <p>This may require revising the expense side of your budget, such as eating out less. Following are a few other options: make extra payments each month or quarter, refinance a 30-year into a 15-year mortgage, downsizing, set-up a biweekly mortgage payment where you make half of your mortgage payment every two weeks. This results in 26 half-payments, which equals 13 full monthly payments each year.)</p> <p>If <i>Yes</i>, proceed to #10. If <i>No</i>, work harder to become a debt-free homeowner.</p>	Y / N
10	<p>Give generously. Once any home mortgage is paid off, save and invest beyond the 10% level to increase wealth and to be better positioned for retirement and giving and serving generously.</p> <p>If <i>Yes</i>, hurrah and well done! If <i>No</i>, revise your budget and redirect the amount that you were using to pay off your mortgage to your savings and investment accounts and adjust your mindset to give your time, talents, and money to other causes more generously than ever before.</p>	Y / N
11	<p>Set-up automatic giving to your local church.</p>	Y / N
12	<p>Set-up automatic saving / investing.</p>	Y / N

13	Check credit score annually.	Y / N
14	Review insurance policies annually to be sure that you are not over or under-insured.	Y / N
15	Review investment portfolio at least quarterly.	Y / N
16	Review expenses vs budgeted amounts in search of opportunities to reduce expenses. In addition to the monthly or quarterly budget meeting with spouse or accountability partner, have an annual or biannual review to discuss any areas where you are spending more than is in the budget and to discuss any areas where you can potentially cut back or spend more wisely. We do this at the end of each calendar year and are always pleasantly surprised to discover a better way to manage money God's way.	Y / N

If you answered “Y” to all the items above, well done! If you answered “N” to one or more of them, follow the suggestions on how to do better. If you have any questions or think that a coach can help, email us via the “Contact Us” tab to schedule a free and confidential phone call.