

1. Building a Strong Spiritual Foundation: Another Perspective on Wealth

Introduction

Personal finance. These two words can bring either fear or excitement into the heart of the reader. Why such varied responses to a simple two-word phrase? There are many different reasons.

One of the most prevalent is a lack of education. It is hard to make important decisions when you feel you are in uncharted territory. Other responses have been due to “misguided” information. Some individuals and companies have used personal finance as a tool to earn huge commissions on selling insurance and investment products without regard to the needs of the investors they supposedly serve, resulting in poor performance for the investors and uncertainty over missed goals. Still others have made unwise decisions based on solely acquiring assets and investments, but to the detriment of their spouses, families, and real success. While they may have acquired financial security, they have lost the things that will bring them what they desire most, which is happiness and joy. Others have learned their available options, determined their key doctrines and principles, followed those principles and applied them in a creative process to their financial habits and goals, and have accomplished the vision and goals that they have set for themselves and their families, including happiness in this life and eternal life in the world to come. The purpose of this manual and the accompanying website is to help you come to understand the process of personal finance or financial planning for yourself and those you love and to apply it in your lives.

Objectives

- A. Understand the importance of perspective and our perspective for this course.
- B. Understand the doctrines or “why’s” of personal finance.
- C. Understand the principles or “what’s” upon which that perspective is based
- D. Understand the application or “how’s” of creating your financial lives
- E. Understand the implications of that perspective.

Understand the Importance of Perspective and Our Perspective for this Course

The dictionary defines *perspective* as “one’s point of view, the choice of a context for opinions, beliefs, and experiences.”¹ The historian Will Durant wrote of the human need “to seize the value and perspective of passing things. . . We want to know that the little things are little, and the big things big, before it is too late; we want to see things now as they will seem forever—in the light of eternity.”²

The challenge then is to see things in a consistent perspective--as they will be forever. Neal A. Maxwell wrote of those without this perspective, “Living without God in the world brings a functional lack of consistent perspective. If there were no eternal truths, to what principles would mortals look for guidance? If not accountable to God, to whom are we ultimately accountable?”³

Our perspective—how we look at things—makes a difference in the choices we make. Do we recognize our difference in perspective as we look at the world around us? Do we recognize the implications of our differences in outlook, the differences of our eternal perspective as we go about our daily lives? Neal A. Maxwell commented:

We see the world and the people in it differently, because, as C. S. Lewis observed, it is by the light and illumination of the gospel that we see everything else. . . The gospel is like the lens of a cosmic kaleidoscope that, instead of showing life, man, and the universe as senseless, unconnected fragments, shows us pattern, beauty, and purpose! It is this vision that can give us a special sense of proportion about the things in life that matter most. . . This perspective can make so many differences in so many ways that, unintentionally, we may be unconscious of the implications of our difference in outlook.⁴

Benjamin Franklin wrote about the importance of perspective and how it influences choice. He said:

Those who believe there is one God who made all things and who governs the world by this providence will make many choices different from those who do not. Those who believe that mankind are all of a family and that the most acceptable service of God is doing good to man will make many choices different from those who do not. . . Those who subscribe to the morals of Jesus will make many choices different from those who do not.⁵

The purpose of this section is to articulate “another” perspective on wealth, this eternal perspective. This perspective is critical for us to understand, and it has a major influence on how we make choices.

In this manual and website, I take a different view from the world. I disagree with the belief that “money buys happiness.” The media continues to bombard us with the illusion that we have to spend money to be content or that to be happy, a person must be beautiful, sexy, thin, rich, or whatever it is they are selling at the moment.

Most of us are not conscious of the effects of our perspectives on our everyday lives. When we have a proper perspective on life, there is pattern, beauty, and purpose instead of senseless, unconnected fragments. Along with that knowledge of the purpose of life, it is important that we understand correct principles so that we can make good choices.

On the subject of choices, Spencer W. Kimball said:

We hope we can help our young men and young women to realize, even sooner than they do now, that they need to make *certain* decisions only *once* . . . We can make a single decision about certain things that we will incorporate in our lives and then make them ours—without having to brood and re-decide a hundred times what it is we will do and what we will not do. . . . My young brothers [and sisters], if you have not done so yet, *decide to decide!*⁶

The purpose of this series is to help you in your understanding of perspective as it relates to personal finance and then to help you “decide to decide” to be wise in the management of your personal finances. When we have an eternal perspective, we understand things differently, view events differently, and make choices differently with respect to our families, friends, work and our personal finances.

Our perspective is simple. It is this: *Wise money management is simply living the gospel of Jesus Christ.* It is putting Christ first in our lives, not our pocketbooks. “But seek ye first the kingdom of God, and his righteousness; and all these things shall be added unto you”.⁷ It is the temporal application of eternal principles.

David A. Bednar talked of doctrines and then related them to principles. He said:

Principles are doctrinally based guidelines for what we ought to do. Therefore if there is a doctrine of the Atonement, then the first principle of the gospel is faith in the Lord Jesus Christ. Brothers and sisters, doctrine answers the why questions of our lives. Principles provide us with direction about the what and the how.⁸

So if financial management is simply part of the gospel of Jesus Christ, what are the “why,” “what,” and “how” questions it should answer?

Understand the Doctrines or “Why’s” of Personal Finance

Before we can decide about wise money management, we must understand and answer the question, “Why does the Lord want us to learn personal finance (or wise money management)?”

While there are likely many different “whys”, let me share a few thoughts on doctrines of Christ for why I believe God wants us to learn personal finance. Since perspective is so important, this question of doctrines must be addressed from many different perspectives. Possible perspectives include spiritual, temporal, family, and personal. You could come up with other perspectives as well. While there are an innumerable number of perspectives, these four seem to be more important and will be addressed here.

1. Spiritual: Personal finance can help bring us to Christ

From a spiritual perspective, the ultimate purpose of everything we do, and God does, is to bring us to Christ. Because God’s work and glory is to bring to pass the “immortality and eternal life

of man”⁹ and the only way we can have eternal life is through Jesus Christ¹⁰, then the purpose of all mortal experience is to bring us to Christ. Learning to manage our finances according to gospel principles will help us grow spiritually as well as help build up our families and the kingdom of God.

C. Max Caldwell said:

Whatever the problem may be in a person’s life—failure to pay tithing, breaking the Word of Wisdom, casual church attendance, [or, I add, poor financial habits, the]—real issue is faith in Jesus Christ. If we can help people obtain the gift of faith in Christ, good works will follow. The end purpose of any law of God is to bring us to Christ. And how well will the law work? It depends on what we think of the Author of the law.¹¹

We have also been commanded by prophets and the scriptures to be financially wise.

[We] have been counseled for many years to prepare for adversity by having a little money set aside. Doing so adds immeasurably to security and self being. Every family has a responsibility to provide for its own needs to the extent possible . . . If you have paid your debts and have a financial reserve, even though it be small, you and your family will feel more secure and enjoy greater peace in your hearts. May the Lord bless you in your family financial efforts.¹²

Perspective also adds significantly to motivation. Whether we view this counsel on being financially wise as a nice thing to do or a commandment of God will provide a great difference in our motivation to do these things.

2. Temporal: Personal finance can help us become wiser stewards

From a temporal perspective, managing resources is a skill that Heavenly Father wants us to develop during mortality. “For he who is faithful and wise in time is accounted worthy to inherit the mansions prepared for him of my Father.”¹³

Personal finance helps us learn to be wiser financial stewards over the things with which God has blessed us. Joe J. Christensen said, “Our resources are a stewardship, not our possessions. I am confident that we will literally be called upon to make an accounting before God concerning how we have used them to bless lives and build the kingdom.”¹⁴

I believe a critical question at judgment day from our Savior will not be, “How much money did you make?” Rather, it will be, “How well did you use the resources I blessed you with in the service of your fellow men?”

3. Family: Personal finance can help us return with our families back to Heavenly Father’s presence

The third perspective is family. An eternal perspective on finances can prepare us for eternal

marriage, strengthen existing marriages, and be a conduit for positive parenting. Personal finance helps us keep our priorities in order. David O. McKay reminded us, “No other success can compensate for failure in the home.”¹⁵

We show our love for our Savior as we pay our tithes and offerings. We are examples to our children as we put the Lord first and sacrifice through service, hard work, church and temple attendance. We build our communities and nation as we seek opportunities for service to our friends and fellowmen.

We will be disappointed in life if we gain the world’s riches and lose our spouses and families. We must learn to better apply personal finance in the Lord’s way, using His plan and obeying His commandments. In short, an eternal perspective on finances can prepare us for eternal marriage, strengthen existing marriages, and be a conduit for positive parenting.

4. Individual: Personal finance can help us prepare for and accomplish our divine missions

The fourth perspective is individual. I know we all have divine missions to perform here on earth, and personal finance can help us learn the lessons and develop the skills we need to accomplish those missions. Many of our missions will required material resources. Gene R. Cook said, “I bear testimony of the fact that if you keep the commandments, He nourishes you, strengthens you, and provides you means for accomplishing all things necessary to faithfully finish your divine mission here on earth.”¹⁶

We are all at an important time in our lives, regardless of our age. Ask yourself, “Do I really believe that I have a mission here on earth to perform and am I performing it?”

Clearly, perspective is important, and by looking at many different perspectives we can understand more fully “why God wants us to learn personal finance.”

So if money management is simply a doctrine of Christ, are there principles upon which wise money management is based? Let me propose a few principles that are the foundation upon which this perspective is based. I call these my “Principles of Finance.”

Understand the Principles or “What’s” on which Our Perspective is Based

Correct principles are fundamental laws or doctrines, which, if understood, will allow us to live or act according to truth. While easy to find, correct principles may not be easy to live. Richard G. Scott commented:

[The] inspired statement, “I teach them correct principles, and they govern themselves,” still applies. The Lord uses that pattern with us. You will find correct principles in the teachings of the Savior, His prophets, and the scriptures. While easy to find, true principles are not easy to live until they become an established pattern of life . . . Yet, as you resolutely follow correct principles, you will forge strength of character available to

you in times of urgent need. Your consistent adherence to principle overcomes the alluring yet false life-styles that surround you. Your faithful compliance to correct principles will generate criticism and ridicule from others, yet the results are so eternally worthwhile that they warrant your every sacrifice.¹⁷

What are those principles to which we must adhere whose results are so eternally worthwhile that they merit our every sacrifice? Let me propose a few principles that relate to understanding and using wealth wisely. These principles have made a major difference in our lives and the lives of our families.

Principle 1: Ownership:

Everything we have is the Lord's. The Psalmist wrote, "The earth is the Lord's, and the fullness thereof; the world, and they that dwell therein."¹⁸ The apostle Paul, writing to the Corinthians, stated the same message, "For the earth is the Lord's, and the fullness thereof."¹⁹

We know from scriptures that the Lord was the creator of the earth²⁰, the supplier of our breath²¹, the giver of our knowledge²², the provider of our life²³, and the giver of all we have and are.²⁴

Nothing we have is our own—it is all God's. As such, there should be no feeling of pride for the things we have or are. These things do not belong to us, but are on loan from a loving Heavenly Father and His Son, Jesus Christ. These blessings should encourage us to demonstrate greater obedience to God's commandments. As we realize that all we have and all that we have become are gifts from a generous Heavenly Father and Son, we will find gratitude and obedience rather than pride.

Principle 2: Stewardship:

We are stewards over all that the Lord has, is, or will share with us. A steward is one who actively directs the affairs of another. The apostle Paul stated, "Let a man so account of us, as of the ministers of Christ, and stewards of the mysteries of God. Moreover it is required in stewards, that a man be found faithful."²⁵ The Lord stated, "It is expedient that I, the Lord, should make every man accountable, as a steward over earthly blessings, which I have made and prepared for my creatures."²⁶

Being blessed with material things in life should not be seen only as a blessing but also as a responsibility. We will be required to give an account of our stewardship to Heavenly Father. In order for us to be wise stewards, it is our responsibility to learn everything we can about our stewardship so we can manage it to the best of our abilities. The purpose of this manual and website is to help you understand and manage your stewardship better as it relates to personal finance.

Principle 3: Agency

The gift of “choice” is man’s most precious inheritance. President Thomas S. Monson taught, “When we came to the earth, we brought with us that great gift from God—even our agency. In thousands of ways we are privileged to choose for ourselves.”²⁷

The prophet Joshua counseled the people about agency, which is the ability to choose, when he said, “Choose you this day whom ye will serve; . . . but as for me and my house, we will serve the Lord.”²⁸

David O. McKay wrote, “Next to the bestowal of life itself, the right to direct that life is God’s greatest gift to man . . . Freedom of choice is more to be treasured than any possession earth can give.”²⁹

We should do everything in our power to thank God for this wonderful right to choose, and then use that agency as wisely as we can.

Principle 4: Accountability

We are accountable for every choice we make, including our financial choices. We have been blessed with the wonderful gift of agency, but we will also be held accountable for its use. The Lord counseled, “For it is required of the Lord, at the hand of every steward, to render an account of his stewardship, both in time and in eternity.”³⁰

The blessing of agency is an unconditional gift of God, and how we use that gift shows how much we love Him and His Son Jesus Christ. The first three principles outlined above are God’s gift to us. The fourth principle is our gift to God. We can, through our wise choices, show our Heavenly Father how much we love Him by obeying His commandments and covenants and striving to become more like His Son.

These four principles establish a spiritual foundation for understanding wealth that is based on our dependence on God and our need for financial self-reliance to fulfill His purposes.

Neal A. Maxwell put things of this world into a correct perspective when he taught:

The submission of one’s will is really the only uniquely personal thing we have to place on God’s altar. The many other things we “give,” brothers and sisters, are actually the things He has already given or loaned to us. However, when you and I finally submit ourselves, by letting our individual wills be swallowed up in God’s will, then we are really giving something to Him! It is the only possession which is truly ours to give!³¹

Everything we have is God’s, and the things we receive are all blessings from Him. They are not ours, but they have been given to us as a stewardship for which we can make choices. We should choose well, as we will be held responsible for what we choose and do.

Understand the Application or “How’s” of Creating our Financial Lives

Once we understand the doctrines and principles of finance, it is important to understand how to apply what you are learning to your daily lives. I call this application or the creative process.

In 2017 we took 24 BYU students to Europe for a Global Finance Investment Internship. One of the companies we visited in Germany was a large sport and apparel manufacturer. I was impressed with their marketing slogan “Calling all Creators.”³² Their point was we all are creators.

On the importance of creation, Elder McConkie said, “The three pillars of eternity, the three events, preeminent and transcendent above all others, are the creation, the fall, and the atonement.”³³ Why is it so important that we understand the creation? I believe it is because this knowledge will help us to be better creators ourselves. Let me share seven lessons that I have learned from the creation of the world.

- *God is creative.* The creation shows that Heavenly Father and His son are very creative beings. We are taught in the scriptures that we are created in the image of Heavenly parents and in Their likeness. As such, we should also very creative beings. We were meant to create, and this capacity is God-given.
- *Christ worked under the direction of the Father.* The restored gospel has helped us to know that Jesus Christ created the heavens and the earth under the direction of the Father. Likewise when we create, we should be under the direction of the Father as well. To really accomplish all we need to in this life, we will need His help.
- *Creation is a two-step process.* The Lord in speaking to Moses said, “For I, the Lord God, created all things, of which I have spoken, spiritually, before they were naturally upon the face of the earth.”³⁴ Once He created things spiritually, then came the physical creation of everything on the earth. We likewise must create things spiritually through our vision, goals and plans, and then we can create it physically—and we can create with confidence.
- *There is an order in creation.* Notice that there is an order in creation, first the world was organized, and then light came into the world. Next the waters were divided. Clearly there is order in creation and in the universe. Likewise, there is order in our creative processes, and we must learn what that order is.
- *The earth was created from existing matter.* The earth was not created from nothing as many suppose; rather, it was organized from existing matter.³⁵ Likewise when we create, we are not starting from nothing. We take the existing things in our talents, skills, abilities, and vision, and match those with the materials we have in our home, neighborhood, community or nation.

- *Creation takes time.* The creation of the earth did not happen overnight, but took six creative periods. How long those periods were has not been revealed, but we do know it was a long time. Likewise, when we create, we should realize that this is a time-consuming process. Assuming that creation was simply that God spoke and everything happened in an instant may not be a correct assumption.
- *We create every day of our lives.* Perhaps a few creations can emphasize the point that we create every day. David A. Bednar on the subject of prayer said:

We learn from these verses that the spiritual creation preceded the temporal creation. In a similar way, meaningful morning prayer is an important element in the spiritual creation of each day—and precedes the temporal creation or the actual execution of the day. Just as the temporal creation was linked to and a continuation of the spiritual creation, so meaningful morning and evening prayers are linked to and are a continuation of each other.³⁶

Regarding our finances, the preparation of our budgets can be envisioned as the spiritual creation first, followed by the physical creation second as we spend the money. President Kimball said” “Every family should have a budget.”³⁷ Living on a budget does not mean that you do not spend money; rather, you spend money on things that are planned for (the spiritual creation) and that are important to you.

When we set and work toward our goals, it is again the spiritual creation followed by the physical creation. Alma uses different words to describe this spiritual creation, such as “Do you exercise faith,” “do you look forward with an eye of faith,” and “can you imagine to yourselves.”³⁸ God’s ultimate goal for us is to learn both the spiritual and physical creation process so we live in such a way as we, with our families and through the Savior’s atonement, can return to live with Him eternally.

Finally, the reality is that we create ourselves in every day and in everything. Each day we are creating ourselves. Our weeks are a summation of our daily creations, and our years are a summary of our weekly creations. Our life then is the sum of each of our daily individual creations. As such, we recognize the importance of our daily creations in the creation of our overall lives.

The application or the creative process is how we go from the spiritual creation to the physical creation. It entails five steps. Each of these steps is important to the process, and this process can be applied to all areas of our lives. While it is possible to create without thinking through the creative process and many do exactly that, if we understand and apply this process it can help us to accomplish more and to be even more creative in our lives and our finances.

Vision

The scriptures teach “Where there is no vision, the people perish.”³⁹ Why is vision so important?

Vision is a critical precursor to effective goals, planning, writing, and accomplishing our personal and family goals. The best vision is from the longest perspective. Patricia T. Holland said, “Our prayers ought to be to see as God sees, to adjust our minds so we may see things from an eternal perspective. If we listen too often to the voices of the world, we will become confused and tainted. We must anchor ourselves in the spirit and that requires daily vigilance.”⁴⁰

Goals

Goals are tools to help us keep us focused on our vision. M. Russell Ballard said:

Over the years, I have observed that those who accomplish the most in this world are those with a vision for their lives, with goals to keep them focused on their vision and tactical plans for how to achieve them. Knowing where you are going and how you expect to get there can bring meaning, purpose, and accomplishment to life.⁴¹

Robert D. Hales gave advice on your choice of goals. He recommended:

I would like to suggest a few of the most important goals in life that will give you joy as you fulfill your mission on this earth—eternal goals that will help you return with honor to your Father in Heaven. They include: Marry in the temple and cultivate eternal family relationships by prayerfully balancing the many facets of life, such as family, occupation, continuing education, hobbies, and entertainment. Faithfully and obediently live your religion and be true to the baptismal and temple covenants, always treasuring up the good things of life. Hold on to the eternal perspective, remembering that the things of the kingdom are eternal and the things of the world are temporal or temporary. Remember to give dedicated service throughout your life and always care for the needy who may require your love and other support.⁴²

Plans

He continued and said, “Making these goals is not enough; we must make a plan to carry them out.”⁴³ Goals are the destination, where we want to be, and our plans are the process by which we will get from where we are now to where we want to be. We need to be detailed in our plans to accomplish our goals and hence our vision.

Constraints

Whereas goals are the clear objectives for what you want to accomplish, and your plans are how you will accomplish those goals, then your constraints are given conditions or circumstances that your solution must satisfy. These are things that must be taken into account as these constraints can have a major impact on your ability to accomplish your goals and vision.

Communication

Communication is the process by which we make known our vision, goals and plans to others.

This could be for two reasons. It may be because we need their moral or personal help to accomplish our goals and vision. Sharing your goals with your spouse and children is a good way to get help in accomplishing your goals. Having others help you be accountable for your goals is a great motivator.

It also may be because they are part of our creative process and necessary to help us accomplish our goals. Often we need others help to accomplish our goals. Regardless of the reason, communication is an important part of the creation process

Perhaps an example to put this creative process in perspective. Heavenly Father's vision is the exaltation of his children. His goal is to "bring to pass the immortality and eternal life of man."⁴⁴ His plan is the Plan of Salvation or the Plan of Happiness. He has no constraints as his plan is for all people. And He communicates his plan with His children through prophets, apostles and scriptures. Just as He has a vision, goal, plan, constraints, and communication, so we should too.

The manual will share ideas and experiences on how you can apply the creative process to the personal finance area, how you can create your vision of what you want to become, set goals, develop a plan, work on constraints, and then communicate it to help you accomplish your vision. This process is applicable to all areas of your PFP.

Ezra Taft Benson who said "Plan your financial future early, then live your plan."⁴⁵ As part of planning your financial future, you will develop your own Personal Financial Plan (PFP). Your Personal Financial Plan includes your:

- Vision, Goals, and Plans
- Budgeting Plan
- Debt and Debt Reduction Plan
- Credit Use and Plan
- Home and Auto Plan
- Insurance Plan
- Investment Plan
- Retirement Plan
- Mission and Education Plan, and
- Individual/family Giving Plan.

Understand the Implications of this Doctrine, Principles and Application Process

The purpose of this section is to help understand the implications of the doctrines, principles, and application we have discussed. In essence, our process is an eternal perspective in everything we do, which are many and varied, but make a big difference in how we live our lives. While there are many implication of this perspective, following are a few ideas.

Implication 1. Life is about others

Some believe the statement “it’s all about me.” They think life is only about them, that they are the center of the universe, that they decide what they should do, that what they want is right, regardless of what it is, and that they can do whatever they want, because they don’t have to account to anyone. Thoughtful consideration causes us to think about who created us, what our purpose is on earth, and where we can find the most joy.

The more we think deeply, the more we realize that this life is not about us, it is about what we do with our life. Life is a test, a training period or probationary time to show where our heart and our will really are. Life is where we learn to see, to set goals, to make plans and then to create. Just as God is a creator, we are also creators of our lives and families. As such, we believe that if we put Christ first in our lives, we will live eternally with God and our families. If we fail to put Christ first in our lives, in the end it really doesn’t matter what or who we put first.

Implication 2. It’s About Faith

Some feel personal finance is all about money. Some think money is the answer to all our problems. Someone commented, “If you can solve it with money, it is not a problem.”⁴⁶ But is it really about money?

In most cases, financial problems are behavioral problems, not money problems. We all know what we should do: live on a budget, spend less than we earn, not go into debt, build a reserve, etc. But other things (ignorance, carelessness, compulsiveness, pride, and necessity) get in the way. For most, it is not a question of knowledge, but of motivation. How do we motivate ourselves (and others) to do the things we know we should?

Boyd K. Packer answered this when he said, “True doctrine, understood, changes attitudes and behavior. The study of the doctrines of the gospel will improve behavior quicker than a study of behavior will improve behavior.”⁴⁷

Moreover, the Lord admonished, “But no temporal commandment gave I unto him, for my commandments are spiritual; they are not natural nor temporal.”⁴⁸

The lesson for us then is to understand doctrine. Then we can apply it to help us do what we should. The “doctrine” is we have been commanded in the scriptures and by living prophets to:

- Live within our means
- Get out of debt
- Build a reserve
- Save for long-term goals, and
- Teach our children.

From this perspective, we see that financial problems are not problems of money, but rather,

problems of faith.

Implication 3. We Can Have God's Help

Some think that they have to do all this work on their own to educate, decide, commit, and accomplish their desires about personal finance. They have to figure it out by themselves and they have to do it all themselves. They leave out God's grace and His willingness to help.

There are resources that are available that can be helpful in fulfilling this responsibility in personal finance. The key is to choose your help carefully. Ensure they are not trying to sell products or services. Make sure the principles taught are consistent with the principles of the gospel. This manual and website are good resources to help.

Most importantly, as you work and study, seek the help of the Spirit to guide you. Remember since the Lord has commanded us to be wise financially, He will help us to do it. Our leaders have counseled, "Whatever our calling, regardless of our fears or anxieties, let us pray and then go and do."⁴⁹

Implication 4. Finances are a Spiritual Matter

Many think money matters are only temporal matters. They feel that how they manage their money has nothing to do with their spirituality. They feel that scriptures talk only of spiritual things and not temporal issues such as financial matters. I consider money matters as spiritual matters for four reasons:

a. All things are spiritual. In the scriptures the Lord says, "All things unto me are spiritual, and not at any time have I given unto you a law which was temporal."⁵⁰

b. Money is a medium of exchange. Sterling W. Sill said, "We can build temples with money, we can send out missionaries with money, we can erect educational institutions, operate hospitals, and pay our tithing with money . . . In many ways we can build up the kingdom of God with money."⁵¹

c. There is no true freedom without financial freedom. Many think they are totally free, even when they are in debt to others. They think that it is OK to be in debt. After all, it builds their credit score, doesn't it? Ezra Taft Benson said, "No man is truly free who is in financial bondage."⁵²

d. Money is a tool to teach gospel principles. Money is a tool to teach us many things, including the following gospel principles.

- Seeking the kingdom of God first. By paying our tithes and offerings first, we show we love God more than we love material things.
- The spiritual and physical creation. Money teaches and reinforces both the spiritual

and physical creation, as we develop goals and budgets and work toward them.

- The Law of the Harvest. We learn this as we invest for retirement and other long-term goals. We cannot cut corners with this law.
- Christ-like characteristics. We learn Christ-like characteristics of charity as we save for our goals, learn and practice giving, serve and sacrifice for others, and as we give up things now for things greater in the future.

Implication 5. We are Responsible for our Choices (and our Finances)

Some feel that they are not responsible for their financial lives. It is someone else's responsibility, their parents, the government, their children, etc. They should not have to think and labor for the things they receive. They should not have to learn to create.

We are responsible for all our choices, including our financial choices. We cannot spend our way into financial security. We must learn to and save for our own retirement, or our retirement may not be what we had planned. We must learn to and save for our long-term goals, or we may not be able to reach them. If we choose, we must learn to and save to help our children with their missions and education, or they may need to pay for these themselves. If we want to serve missions later on in life, we must learn to manage our finances wisely and save. This is the wonder of God's plan for us, we learn as we do. Moreover, as we learn and do we become.

After children become adults, they are responsible for their finances. Parents are not responsible for their adult children's finances—the adult children are. Likewise children are not responsible for their parent's finances. Evidence is apparent that parents who continually support their children financially will find their children will always need support. Please note that it is hard for children to learn financial responsibility if they are continually rescued from their poor financial choices or if they do not have to work for what they get.

Others think money matters are a male responsibility for married couples. Some think if wives become knowledgeable about financial matters, their husbands will be upset. Others reason that since the husband makes the money, husbands get to decide where it goes.

Couples are jointly and equally responsible for their finances. The Proclamation on the Family states:

By divine design, fathers are to preside over their families in love and righteousness and are responsible to provide the necessities of life and protection for their families. Mothers are primarily responsible for the nurture of their children. In these sacred responsibilities, fathers and mothers are obligated to help one another as equal partners.⁵³

Marriage partners are equally responsible. Moreover, control of money by one spouse as a source of power or failure by a partner to be a part of financial management are both incorrect attitudes.

Marvin J. Ashton said:

Management of family finances should be mutual between husband and wife in an attitude of openness and trust. Control of the money by one spouse as a source of power and authority causes inequality in the marriage and is inappropriate. Conversely, if a marriage partner voluntarily removes himself or herself entirely from family financial management, that is an abdication of necessary responsibility.⁵⁴

When culture or other traditions go counter to this equality, it must be changed. Husband and wife are equal partners in the Lord's view.

Implication 6. Consumer Debt is an Addiction

Some consider it is OK for them to go into debt to buy things, especially things they really want. You can't have a car without a car payment, can you? It is OK to borrow, if you really want it, isn't it?

Consumer debt is bad. It stops growth and savings, and is expensive, both economically and spiritually. James E. Faust stated, "Over the years the wise counsel of our leaders has been to avoid debt except for the purchase of a home or to pay for an education. I have not heard any of the prophets change this counsel."⁵⁵ Sadly, consumer, auto, and credit card debt not paid off monthly are not included in that short list of acceptable debt.

Perhaps the debt problem is more a problem of pride than it is of money. Do not think of it as "I am going into debt." Think of it as "I'm spending my children's mission and education money" or "I am disobeying the teachings of my Savior." Putting these financial decisions in this proper perspective may be helpful in making better choices.

Implication 7. Every Family Should have a Budget

Some feel that living on budgets is only for college students and those that need to be careful with their money, not more "mature" people like ourselves. We do not need to have a budget because we know where the money goes (it goes to pay our bills). Spencer W. Kimball counseled:

Every family should have a budget. Why, we would not think of going one day without a budget in this Church or our businesses. We have to know approximately what we may receive, and we certainly must know what we are going to spend. And one of the successes of the Church would have to be that the Brethren watch these things very carefully, and we do not spend that which we do not have.⁵⁶

Implication 8. We Cannot Judge or Compare

Some judge others by the outward appearance, by how much money they have, how they are using that money, or by the assets they own or control. They think that appearances are more

important than the heart and that they have all the facts necessary to judge.

In the parable of the talents,⁵⁷ the Lord gave different talents to different people. They each took the talents given them, took responsibility for those talents, and they used the talents to the best of their abilities. They each made different returns on their talents. But the end result was the same wonderful blessing, “Enter thou into the joy of thy Lord”⁵⁸ regardless of the amount given.

None are in a position to judge based on the talents (or blessings) given them by God. We have been commanded, “Judge not, that ye be not judged. For with what judgment ye judge, ye shall be judged: and with what measure ye mete, it shall be measured to you again.”⁵⁹

Some, such as parents, bishops or other Church leaders must make judgments as part of their stewardships. The counsel to them is equally important, that they should judge by the “light of Christ.” The counsel is equally strong, “And now, my brethren, seeing that ye know the light by which ye may judge, which light is the light of Christ, see that ye do not judge wrongfully; for with that same judgment which ye judge ye shall also be judged.”⁶⁰

Just as we are in no position to judge others (or even ourselves) based on what we perceive based on financial blessings, we are in no position to judge or compare with others. Judgment and comparisons are Satan’s tools, not Christ’s. They come from, and lead to, pride, self-aggrandizement, and feelings of being better (or worse) than others. These are not part of Christ’s gospel where “all are alike unto God.”⁶¹

Implication 9. Living the Gospel is Easier

Some have felt that ‘living the gospel’ is hard, that it is too much work and too expensive. They think life would be easier without:

- The need to obey the commandments
- The need to share with others
- The need to pay tithes and offerings
- The need to do their visiting and home teaching
- The need to serve and work in the church

However, living the gospel is not hard; it is life that is hard. Life is a testing period, a probationary time, a time to help us see who we really are and what we will really do. Life was never planned to be easy.

Life is learning and growing through making decisions, growing up, overcoming challenges, earning a living, raising children, etc. All of these are part of life, and are hard in themselves. But Christ promised additional help when He said, “For my yoke is easy, and my burden is light.”⁶²

Our Savior also said “And ye shall know the truth, and the truth shall make you free.”⁶³ The truth of the gospel makes us:

- Free to know the importance of family and God.
- Free from addictions including illegal drugs, pornography, tobacco, alcohol, and debt.
- Free to make choices and change consistent with who we truly are, as children of God.
- Free from the enticements of the world to forsake all in search of pleasure, pay, power, prominence and prestige.
- Free to be our best self with a correct vision of who we really are and who we can become.

Many also forget that living the gospel is very cost effective. While you do pay tithes and offerings:

- You live on a budget and live within your means.
- You earn interest instead of paying it.
- You know your vision and your goals, spend money only on things that you value, and learn to get by on less.
- You do not waste money on addictive behaviors such as alcohol, drugs, pornography, and debt.
- You do not try to keep up with the neighbors so you buy less of what is not important.
- You spend less as you buy less processed and junk food and more fruits and vegetables.
- You exercise so you spend less on medical costs.

Clearly living the gospel is easier—and cheaper.

Implication 10. We Must Learn to be Financially Wise

The prophet Malachi said, “Bring ye all the tithes into the storehouse . . . and prove me now herewith, saith the Lord of hosts, if I will not open you the windows of heaven.”⁶⁴ Doesn’t it say that if I pay my tithing, the windows of heaven will open and I will get all the financial blessings that I need, regardless of any learning, education, thought, application, hard work or effort on my part?

The prophet Malachi promised that God would open the windows of heaven. However, there is no promise that the windows of heaven will be financial blessings or that paying tithing will eliminate all our financial problems. We still are stewards over what we have and are, and must learn to live in this increasingly challenging financial world. There are still more commandments which relate to finances in addition to just paying your tithing, i.e., living with your means, avoiding debt, teaching your children, building a reserve, preparing for retirement, missions, etc.

Here are some interesting statistics:

- Average per household debt in the U.S. is \$14,500 excluding mortgage debt in 2007
- Credit card users pay 12–20% more than cash users
- 40% of American families spend more than they earn

- The typical family pays \$1,200 per year in interest
- About 60% of all active credit card accounts are not paid off monthly
- Most couples indicate that finances are a major stress on their marriages

Over the remaining chapters in this book and through the tools, PowerPoints, and videos available on the website at <http://personalfinance.byu.edu>, we will work together to share what you can do to become more financially wise and better financial stewards, to help you to “decide” and “educate” so that you can “commit,” “believe,” and “achieve.”

Summary

Perspective is important in studying personal finance. Our perspective is simple. It is that personal finance is simply living the gospel of Jesus Christ; it is putting Christ first in our lives. Our view of the Savior, the way we look at life, at others and ourselves will have an important impact on how we utilize the blessings we have been given by God. It is critical that we have a correct perspective, as perspective influences our choices.

The most critical question is “why” does God want us to learn personal finance? I believe it is due to four reasons, each related to a different perspective.

1. Spiritual. Bring us to Christ
2. Temporal. Help us become wiser stewards.
3. Family. Help us return with our families back to Heavenly Father’s presence.
4. Individual. Help us accomplish our divine missions.

Four key concepts constitute the principles or “what’s” on which this perspective is based. They are:

1. Ownership. None of what we have is ours.
2. Stewardship. We are stewards over all God has blessed us with.
3. Agency. The gift of choice is one of God’s most precious gifts.
4. Accountability. We will be accountable for all our choices, including our financial choices.

Finally, application or the creative process is critical to our accomplishing all we need to in life. The five key concepts are:

1. Vision. Our vision is what we want to become or how we want to live our lives. It is our ultimate destination and what we want to be like.
2. Goals. Goals constitute our destination or where we want to get to become our vision.
3. Plans. Plans are our tactical strategies or plans that will allow us to accomplish our goals.
4. Constraints. These are the conditions or circumstances that are critical for us to accomplish our goals.

5. Communication. Finally, communication is how we let others know what we are trying to accomplish and how we enlist their help in our process.

It is our responsibility to be financially wise and use the resources we have been blessed with in blessing the lives of our families and others. The purpose of this manual and accompanying website, PowerPoints and learning tools is to help you accomplish that purpose.

Assignments

Financial Plan Assignments

Think about the things we have discussed regarding the doctrines (“why’s”), principles (“what’s”), and application (“how’s”) of personal finance. These are the reasons we should be learning this material and a process on how to do it. With this understanding, we can avoid the problems that come with the world’s different perspectives on wealth – generally incorrect ones. To become truly wealthy, we must first have a correct perspective and understand the key doctrines and principles for using wealth wisely. The scriptures state, “For God so loved the world, that he gave his only begotten Son, that whosoever believeth in him should not perish, but have everlasting life.”⁶⁵ This is the true kind of wealth. Think about what is necessary to have this correct perspective on wealth.

Read and discuss the following three important chapters that help us with perspective on wealth and our understanding of its key principles: 1 Timothy 6, Jacob 2, and Doctrine and Covenants 6. These chapters are available online at <http://scriptures.lds.org/>.

Learning Tools

The following Learning Tool will also be helpful as you prepare your Personal Financial Plan:

1. Personal Financial Plan (PFP) Table of Contents

This is a recommended table of contents for your Personal Financial Plan.

Review Materials

Terminology Review

Accountability. This is a principle is that states we are accountable for every choice we make. We do not make choices with no consequences or accountable; rather, we will be held accountability for the decisions and choices we make.

Agency. This principle is that we have choice in our lives. We are agents of will, who can make choices consistent with our beliefs and values. Moreover, the gift of “choice” is

man's most precious inheritance, and we should protect it carefully.

Application. Application is the “how” of how we do things. It is how we apply the doctrines and principles in our lives.

Constraints. Constraints are given conditions or circumstances that must be satisfied in order to enable us to accomplish our goals.

Communication. Communication is the process of letting others know what your vision, goals, plans, and constraints are to enlist your help in the creative process. It can also be enlisting others in accomplishing your goals as you need their help for certain specific parts of their plans.

Creative Process. It is the way we get from an idea or vision to its eventual accomplishment. It has five critical areas: vision, goals, plans, constraints, and communication.

Doctrines. Doctrines are the reasons behind why we do things. They answer the “why” questions of our lives, which are generally the most difficult questions to answer.

Goals. Goals are tools to help us keep our vision in focus. They are intermediate stepping stones that will take us to our eventual vision of what we are trying to accomplish.

Ownership. This is the principle that everything we have is the Lord's, and we do not own the things we have and are. It is based on scripture and helps us to see our blessings as gifts on loan from a loving Father in Heaven.

Perspective. Perspective is how we look at things. It is important because it influences choice. We can take many different perspectives in our view of different aspects of our lives, with the best perspective being the perspective that last the longest—an eternal perspective.

Plans. Tactical plans are the roadmaps by which we will accomplish our goals. It is how we will get from where we are now to where we want to be to accomplish our goals.

Principles. These are doctrinally based guidelines for how we should live our lives. Whereas doctrines answer the “why” questions, the principles are the “what” questions, i.e., what are the things and guideline we should be following and doing.

Stewardship. This is the principle that we are stewards over all that the Lord has, is, or will share with us. This view helps us realize the things we have are a gift and we should take care of them.

Vision. This is the act or power of seeing or imagination, where we come to solidify in our minds who we are and what we can accomplish. It is a creative work through which

the power of thought, imagination, and effort combine to help us thoughtfully consider possible future events that may come to pass.

Review Questions

1. Why is it important to “decide to decide” now? What problems can it help us avoid?
2. Why does God want us to learn wise money management?
3. What is our perspective and why is it important?
4. What are the four key principles on which that perspective is based? Why are they important? What can we do to incorporate these principles into our lives now?
5. Some have asked, “If wealth is so bad, should we seek for riches?” What did Jacob say about this question in Jacob 2:18–19? What should we seek for first?

Case Studies

Case Study 1

Data

Brenda came from a family that had few worldly goods, but there was a lot of love in the home. She has come to talk with you about her finances because she respects you for the wonderful example you have set at work.

Application

She asks you, “What is the purpose of wealth in our lives?”

Case Study 1 Answers

You have lots of good ideas, but you share the following: Jacob shared with us one view of the purpose of wealth in our lives. He counseled us that if we seek wealth, we should do it for the right reasons, and it is OK to do so only *after* we seek the kingdom of God. The purpose of wealth is not to build ourselves up, and its possession does not allow us to think we are better than other people. Rather, it is to help us bless our families, serve our fellow men, and build the kingdom of God.

Case Study 2

Data

Brenda continues to ask you questions regarding your perspective and principles for

using wealth wisely. She is intrigued by your thoughts and answers. She asks if there are principles that you know and have lived that have made a difference in your life.

Application

Share the four key principles for using wealth wisely discussed in this chapter. Why is each principle important? What can we do now to incorporate each principle into our lives now?

Case Study 2 Answers

There are several good answers for these questions. You might respond with:

Our perspective is simple. It is that personal finance is simply living the gospel of Jesus Christ. That perspective is based on four key principles:

1. Ownership: Everything we have or are is a gift from God.
 - It is important because the things we have are not ours but are on loan from a loving Father in Heaven.
 - We can incorporate this principle into our lives by learning that when we share with others, we are only giving back to God what was His in the first place.
2. Stewardship: We are stewards over the things the Lord has blessed us with.
 - It is important because we must learn to be better stewards over our blessings because we will be held accountable for what we do with these blessings.
 - We can incorporate this into our lives by learning as much as we can about the things we need to do so we can become the best stewards we can over the blessings our Heavenly Father shares with us.
3. Agency: The gift of “choice” is man’s most precious inheritance.
 - It is important because we need to use this gift wisely so we can return and live with God eternally.
 - We can incorporate this into our lives by studying all areas of our decisions and decision-making processes so we can have the information needed to make the best decisions possible.
4. Accountability: We are accountable for our choices, including our financial choices.
 - We are the final decision-makers in life.
 - It is important because we must learn to choose wisely.
 - We can incorporate this into our lives by setting good goals and then by making wise choices to help us attain those goals—goals that our Heavenly Father would have us seek.

¹ In en.wikipedia.org/wiki/perspective, May 1, 2007

² *The Story of Philosophy*, New York: Simon and Schuster, 1927, p. 1

³ “Take Especial Care of Your Family,” *Ensign*, May 1994, 88

⁴ Neal A. Maxwell, “Talk of the Month,” *New Era*, May 1971, 28.

⁵ Benjamin Franklin, *The Art of Virtue*, 1986, 88–90.

⁶ Spencer W. Kimball, “Boys Need Heroes Close By,” *Ensign*, May 1976, 46.

⁷ Matt. 6:33.

⁸ David A. Bednar “Teach them to Understand,” Ricks College campus Education Week Devotional, June 4, 1998, Rexburg, Idaho.

⁹ Moses 1:39.

¹⁰ John 14:6.

¹¹ C. Max Caldwell, “What Think Ye of Christ?” *Ensign*, Feb 1984.

¹² All is Safely Gathered In: Family Finances pamphlet, “Message from the First Presidency”, Intellectual Reserve, 2007.

¹³ D&C 72:4.

¹⁴ Joe J. Christensen, “Greed, Selfishness, and Overindulgence,” *Ensign*, May 1999.

¹⁵ Quoted from J. E. McCulloch, “Home: The Savior of Civilization” (1924), 42; in Conference Report, Apr. 1935, 116.

¹⁶ Italics added, Gene R. Cook, “Trust in the Lord”, *Ensign*, Mar. 1986.

¹⁷ “The Power of Correct Principles,” *Ensign*, May 1993, p. 32.

¹⁸ Psalms 24:1.

¹⁹ I Corinthians 10:26.

²⁰ John 1:3.

²¹ Acts 17:24-25.

²² Moses 7:32.

²³ Acts 17:28.

²⁴ Mosiah 2:21.

²⁵ 1 Corinthians 4:11.

²⁶ D&C 104:13.

²⁷ Thomas S. Monson, “Ponder the Path of Thy Feet,” *Ensign*, November 2014.

²⁸ Joshua 24:15.

²⁹ Conference Report, Apr. 1950, p. 32; italics added.

³⁰ Doctrine and Covenants 72:3.

³¹ Neal A. Maxwell, “Swallowed Up in the Will of the Father,” *Ensign*, Nov. 1995.

³² From <https://www.youtube.com/watch?v=YcO6gsp2k9g>.

³³ “The Three Pillars of Eternity, BYU Speeches, February 17, 1981.

³⁴ Moses 3:4-5.

³⁵ D&C 131:7.

³⁶ “Pray Always,” *Ensign*, November 2008.

³⁷ Spencer W. Kimball, Welfare Session, General Conference, April 1975.

³⁸ Alma 5:15-16.

³⁹ Proverbs 29:18.

⁴⁰ Patricia T. Holland, “A Women’s Perspective on the Priesthood,” *Ensign*, June 1982.

⁴¹ M. Russell Ballard, “Return and Receive,” General Conference Afternoon Session, April 2017.

⁴² Robert D. Hales, “How to Achieve Eternal Goals,” *Ensign*, January 2015.

⁴³ *Ibid.*

⁴⁴ Moses 1:39.

⁴⁵ Ezra Taft Benson, “To the Elderly in the Church,” *Ensign*, November 1989, p. 4.

⁴⁶ Anonymous.

⁴⁷ Boyd K. Packer, “Little Children,” *Ensign*, Nov. 1986, 16.

⁴⁸ D&C 29:35.

⁴⁹ Thomas S. Monson, “They Pray and They Go,” *Ensign*, Apr. 2002.

⁵⁰ D&C 29:34.

⁵¹ Sterling W. Sill, “A Fortune to Share,” *Ensign*, Jan. 1974, 60.

⁵² Ezra Taft Benson, “Prepare Ye,” *Ensign*, Jan. 1974, p. 69.

⁵³ Proclamation on the Family, 1995.

⁵⁴ Italics added, Marvin J. Ashton, “Guide to Family Finance,” *Liahona*, Apr. 2000, 42.

⁵⁵ James E. Faust, “Doing the Best Things in the Worst Times,” *Ensign*, Aug. 1984, 41.

⁵⁶ Spencer W. Kimball, Conference Report, April 1975, pp. 166-167.

⁵⁷ Matthew 25:14-30

⁵⁸ Matthew 25: 21, 23.

⁵⁹ Matt 7:1-2.

⁶⁰ Moroni 7:18.

⁶¹ 2 Nephi 26:33.

⁶² Matthew 11:30.

⁶³ John 8:32.

⁶⁴ Malachi 3:10.

⁶⁵ John 3:16.