



Personal Finance: Another Perspective

*Building a Strong Spiritual Foundation:
Another Perspective on Wealth*

Updated 2017/08/13



Objectives

- A. Understand the importance of perspective and our framework for learning
- 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 this learning framework
- F. Understand the 10 Myths of family finance



A. Understand the Importance of Perspective and our Learning Framework

- What is the importance of perspective?
 - 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’ ” (*The Story of Philosophy*, New York: Simon and Schuster, 1927, p. 1).
- How do we see things as they will seem forever--“as they are, were, and are to come?” (D&C 93:24)



The Importance of Perspective (continued)

- The key is to have a correct perspective
 - Perspective is important because it impacts choice
 - How you look at things makes a difference in how you make choices
 - Do you recognize your difference in perspective as you look at the world around you?
 - Do you recognize the implications of your differences in outlook, i.e., the differences your eternal perspective makes on how you view things and people?



The Importance of Perspective (continued)

- 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 (“Talk of the Month,” *New Era*, May 1971, 28).



The Importance of Perspective (continued)

- Benjamin Franklin wrote about the importance of perspective and how it influenced 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 (*The Art of Virtue*, 1986, 88–90).



The Importance of Perspective (continued)

- Perspective is critical
 - When we have a proper perspective on life, there is pattern, beauty, and purpose instead of senseless, unconnected fragments
 - A correct perspective, along with correct principles, will help us to make good choices



The Importance of Perspective (continued)

- 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!* (“Boys Need Heroes Close By,” *Ensign*, May 1976, 46).





The Importance of Perspective (continued)

- Our perspective for this course is simple. It is:
 - Financial management is not separate from our Christian lives; rather, it is simply part of our Christian lives
 - Financial management from this correct perspective is simply living the gospel of Jesus Christ—it is putting Christ first in our lives
 - “But seek ye first the kingdom of God, and his righteousness; and all these things shall be added unto you” (Matt. 6:33).
 - It is the temporal application of eternal principles



The Importance of Perspective (continued)

- Our learning framework is unique
 - We use the framework for learning used by David A. Bednar in his book “Increase in Learning”
 - It is based on doctrines (the why’s”), principles (the “what’s”), and application (the “how’s”). It is bringing balance to the things we do. He calls it,
 - “A flexible tool that can be used to enhance our gospel learning and can be a useful aid as we apply the principles of prayerful inquiry and the pattern of asking, seeking, and knocking” (Increase in Learning, p. 157).



The Importance of Perspective (continued)

- Too often, application is our first step
 - When we approach a problem or question, we look only to the application or “how” as the means of solving the problem
 - When we do this, we miss the deeper parts of the problem or question that relates to the doctrines or “why’s” that can give us increased perspective, motivation and strength
 - We also miss the principles or “what’s” that can guide us in our decisions and direction



The Importance of Perspective (continued)

- David A. Bednar writes,
 - Somehow we seem to be drawn to application as the primary way to ‘fix’ things, to make life better. . . And far too often we emphasize application with the necessary understanding and divorced from the doctrinal content. . . Whatever the reasons, emphasizing the application to the exclusion of fundamental doctrines and principles does not produce spiritual power, protection, and direction. . . Appropriate applications are necessary but can never stand alone. What is needed is a balance among doctrines, principles and application. . . The answers always are in the doctrines and principles. And the doctrines and principles need to be in us (ibid., p. 170).



The Importance of Perspective (continued)

- If the answers are in the doctrines and principles, how can we make sure they are in us as well?
 - Let's discuss this framework of doctrines, principles and applications which is an amazing framework to help us understand more and do more of what we should do in our finances, and can help us produce the spiritual power, protection and direction that is needed in our lives



B. Understand the Doctrines or “Whys” of Personal Finance

- What are the “why’s” of personal finance?
 - Doctrines are the truth about ourselves, our lives, our history, and our relationship to our Father in Heaven and his Son Jesus Christ. Knowing and understanding doctrines are critical as they can help us change. Boyd K. Packer 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. . . That is why we stress so forcefully the study of the doctrines of the gospel (Ensign, Oct. 1986, p. 20)



Doctrines or “Whys” (continued)

- Find the “why” of the gospel of Jesus Christ
 - Dieter F. Uchtdorf said:
 - Seek out the majesty, the beauty, and the exhilarating joy of the ‘why’ of the gospel of Jesus Christ. “The ‘what’ and ‘how’ of obedience mark the way and keep us on the right path. The ‘why’ of obedience sanctifies our actions, transforming the mundane into the majestic. It magnifies our small acts of obedience into holy acts of consecration (“Forget Me Not,” *Ensign*, Nov. 2011).



Doctrines or “Whys” (continued)

- Why learn doctrines?
 - Understanding the “why” is critical as it gives us the motivation and strength to do the right things even when they are difficult
 - To answer the question “Why should we learn about family finance?” we must reflect on inspired doctrines
 - While there are many different and important doctrines, let’s take the four different perspectives of spiritual, temporal, family and individual



Doctrines or “Whys” (continued)

- 1. Spiritual: Personal Finance can help bring us to Christ
 - Because God’s work and glory is to bring to pass the “immortality and eternal life of man” (Moses 1:39) and the only way we can have eternal life is through Jesus Christ (see John 14:6), 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.



Doctrines or “Whys” (continued)

- 2. Temporal: Personal Finance can help us become wiser stewards
 - 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 (Joe J. Christensen, “Greed, Selfishness, and Overindulgence,” *Ensign*, May 1999).
 - 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” (D&C 72:4).



Doctrines or “Whys” (continued)

- 3. Family: Personal Finance can help us return with our families back to Heavenly Father’s presence
 - David O. McKay reminded us, “No other success can compensate for failure in the home” (Conference Report, Apr. 1935).
 - We will be disappointed in life if we gain the riches of the world and lose our families (see Matthew 16:26).
 - An eternal perspective on finances can prepare us for eternal marriage, strengthen existing marriages, and be a conduit for positive parenting.



Doctrines or “Whys” (continued)

- 4. Individual: Personal finance can help us prepare for and accomplish our divine missions
 - We all have sacred missions to perform here on earth as part of our “divine nature and destiny” (Proclamation on the Family)
 - Many of our missions will require material resources. As we are faithful in managing our finances, we can acquire resources that we can then consecrate to the work God has for us to do



Doctrines or “Whys” (continued)

- Are there other “why’s”?



C. Understand the Principles (the “What’s”) upon which that Perspective is Based

- What are principles?
 - Principles are unchanging truths of life that can assist us in our living
 - They are a “doctrinally based guideline for the righteous exercise of moral agency. Principles are subsets or components of broader gospel truth. Principles provide direction” (Bednar, p. 154).
 - Principles are the “what’s” behind our actions. Principles will help us stay focused on the important things in our lives. Dieter F. Uchtdorf said,
 - “Staying focused on the basic principles of gospel living will bless us with clarity, wisdom, and direction” (“The Why of Priesthood Service”, Ensign, May 2012).



C. Understand the Principles (the “What’s”) upon which that Perspective is Based

- What are the principles or “what’s” on which those doctrines are based?”
 - While there are important principles for whatever application we are working on, i.e., principles of budgeting, principles of saving, principles of successful investing, etc., I believe there are four overriding principles that can give us that clarity, wisdom and direction



Principles or “What’s” (continued)

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 (Psalms 24:1)
- The Lord is the:
 - Creator of the earth (1 Nephi 17:36), the creator of worlds, men, and all things (D&C 93:10), the preserver of our life, the supplier of our breath (Mosiah 2:21), the giver of our knowledge (Moses 7:32) the grantor of our life (Mosiah 2:26), and the giver of all we have and are (Mosiah 2:21).



Principles or “What’s” (continued)

2. Stewardship: We are stewards over all that the Lord has, is, or will share with us

- The Lord said:
 - Thou shalt be diligent in preserving what thou hast, that thou mayest be a wise steward; for it is the free gift of the Lord thy God, and thou art his steward. (D&C 136:27)



Principles or “What’s” (continued)

3. Agency: 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 (Conference Report, Apr. 1950, p. 32; italics added).

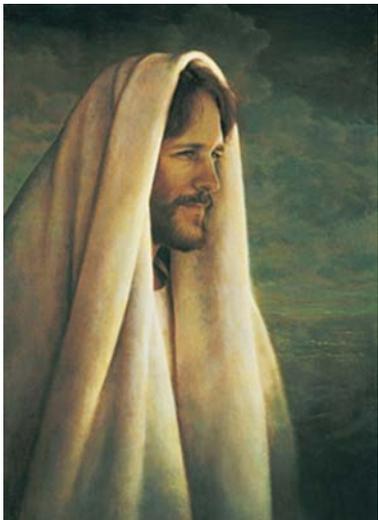




Principles or “What’s” (continued)

4. Accountability: The Lord stated:

- 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. (D&C 72:3)





Principles or “What’s” (continued)

- Neal A. Maxwell put “things” 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! (italics added, “Swallowed Up in the Will of the Father,” Ensign, Nov. 1995, 22).*





Questions

- Any questions on the key principles upon which our perspective is based?



D. Understand the Application or “How’s” of Creating your Financial Lives

- Why is the creation such an important part of the gospel?
 - Bruce R. McConkie said:
 - “The three pillars of eternity, the three events, preeminent and transcendent above all others, are the creation, the fall, and the atonement ” (“The Three Pillars of Eternity, BYU Speeches, February 17, 1981).
 - Why is it so important that we understand the creation?



Application or “How’s” (continued)

- What lessons can we learn from the creation?
 - 1. God is creative. Since we are in His image, we should be creative too.
 - 2. Christ worked under the direction of the Father. When we create, we should work under His direction as well
 - 3. Creation is a two-step process. There is the spiritual creation first, then the physical creation.
 - 4. There was an order in creation. We should have order in our creations as well.
 - 5. The earth was created from existing matter. Likewise we create with our skills, talents, abilities and vision with the materials that are around us.



Application or “How’s” (continued)

- 6. Creation takes time. While it took seven creative periods, it has not been revealed the length of those periods.
- 7. We create every day. We create through:
 - Prayer. Morning prayer is the spiritual creation and the reporting in evening prayer is the results of the physical creation
 - Finances. Our budgets are spiritual creations and spending is our physical creation
 - Goals. Goals are the spiritual creation, and what we do is the physical creation
 - Our lives. The reality is we create ourselves every day with everything we do. Create well!



Application or “How’s” (continued)

- What is application or the creative process?
 - The application or the creative process is how we go from the spiritual creation to the physical creation.
 - It entails five steps, each of which 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.



Application or “How’s” (continued)

- What is application or the creative process?
 - Application is divided into two areas, the actual things we need to do, i.e., live on a budget, learn to invest wisely, etc., and the process by which we accomplish these things which I call the “creative process”
 - The “creative process” is divided into two parts, the spiritual and the physical creation.
 - The spiritual creation entails five areas: vision, goals, plans, constraints, and communication
 - The physical creation or execution is the actual accomplishment of your vision and goals



Application or “How’s” (continued)

- Vision
 - “Where there is no vision, the people perish” (Proverbs 29:18). Why is vision so important?
 - Vision is critical effective goals and planning.
 - 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.” (“A Women’s Perspective on the Priesthood,” Ensign, June 1982).



Application or “How’s” (continued)

- 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 (“Return and Receive,” General Conference Afternoon Session, April 2017).



Application or “How’s” (continued)

- Plans
 - M. Russell Ballard said,
 - “Making these goals is not enough; we must make a plan to carry them out” (Ibid.)
 - 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.



Application or “How’s” (continued)

- 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 they can have a major impact on your ability to accomplish your goals and vision



Application or “How’s” (continued)

- Communication
 - Communication is the process by which we make known our vision, goals and plans to others
 - 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 accountability and help in accomplishing your goals.
 - 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



E. Understand the Implications of this Learning Framework

- Why is this framework important?
 - Having a framework for learning that is flexible and can be used to enhance our learning as we ask and answer the difficult questions of life is an important tool to help us in our lives and finances.
 - Moreover, having a framework that encourages us to take the long-term perspective, an eternal perspective, is key. Paul declared “In the dispensation of the fullness of times [God] might gather together in one all things in Christ” (Ephesians 1:10).
 - How do we gather together in one all things and how does this framework help?



Implications of this Framework (continued)

- What is the gathering together in one?
 - “The principle of gathering together in one can aid us in changing the conventional checklist into a unified, integrated, and complete whole in receiving the transforming power of the gospel of Jesus Christ in our lives” (Bednar, p. 163)
 - Changing a checklist to an integrated whole of what we must do is a critical change in thinking and action.
 - As we gather together in one, we put all these things together and see that these things are simply part of the gospel of Jesus Christ



Implications of this Framework (continued)

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Implications of this Framework (continued)

- What will this framework do?
 - “The framework of doctrines, principles, and applications can assist us in asking, seeking, and knocking in such a way that we more effectively gather together all things in one, in Christ—in this the dispensation of the fullness of times” (David A. Bednar, p. 165).
 - As we follow and use this framework, we can see with an eternal perspective that shows that all things, including our finances, are simply part of the gospel of Christ and critical to changing and becoming the person Heavenly Father would have us be



Implication 1. Life is about Others

- Some believe the statement “it’s about me”
 - They think life is:
 - Only about them
 - They are the center of the universe
 - They decide what they should do
 - What they want is right, regardless
 - They can do whatever they want, because they don’t have to account to anyone
- The reality is different



Ten Myths of Personal Finance

- Why be concerned about myths?
 - With an understanding of the doctrines, principles, and application, and a solid framework for learning, asking questions, and finding answers, this framework leads us to dispel some of the many myths about family finance that have concerned some individuals and families
 - As we understand the implications of the doctrines, principles, and application framework, we can dispel many of the myths of family finance



Myth 1. Living The Gospel is Hard

- 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:
 - Pay tithes and offerings
 - Obey the commandments
 - Help and share with others
 - Do their visiting and home teaching
 - Serve and work in the church
- The reality is different



Reality 1. Life is hard, not the Gospel

- Life is what's hard
 - It is hard making decisions, growing up, overcoming challenges, earning a living, raising children, etc.
 - But living the gospel is easier and makes us free:
 - Free to be our best self and to make choices consistent with a correct vision of who we truly are, children of God and heirs of eternal life
 - Free from the enticements to forsake all in search of pleasure, pay, power, and prestige
 - Free from addictions including illegal drugs, pornography, tobacco, alcohol, and debt



Life is Hard (continued)

- 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 goals, spend money only on things that you value, and learn to get by on less
 - You do not waste money on addictive behaviors including alcohol, debt and interest costs
 - You do not try to keep up with the neighbors
 - “For [His] yoke is easy and [His] burden is light”
(Matt 11:30)



Myth 2. Life Revolves Around Me

- Some believe the statement “it’s all about me”
 - They think life is:
 - Only about them
 - What they want is right, regardless
 - They decide what they should do
 - They can do whatever they want, because they don’t have to account to anyone

- The reality is different



Reality 2. Life is About Others

- Thoughtful consideration causes us to think:
 - Who created us? Who loves us the most?
 - What is our purpose? Where do we find joy?
- And when we think longer-term
 - Who forgives our sins? Who allows us to live eternally with our families? Who will judge us at the last day?
- Life is not about us, its what we do with life
 - Life is a test, training, or probationary time
 - Here we show where our heart and our will really are (Alma 42:4)



Myth 3. It's All About Money

- Some feel personal finance is all about money
 - Money is the answer to all our problems
 - We just don't have enough of it
 - Someone commented:
 - If you can solve it with money, it is not a problem

- The reality is different



Reality 3. It's About Faith

- 1. It's about faith

Personal finance is not about money

- Its about what the Lord trying to teach us about life and ourselves through personal finance
 - What lessons can the Lord teach us from personal finance?
 - The “spiritual and physical” creation
 - Prioritization (even of good things)
 - Sacrifice and deferring our wants
 - Giving and sharing with others
 - The Law of the Harvest





It's About Faith (continued)

- 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





It's About Faith (continued)

- How do we motivate ourselves and others?



- Elder 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 (Boyd K. Packer, “Little Children,” *Ensign*, Nov. 1986, 16).



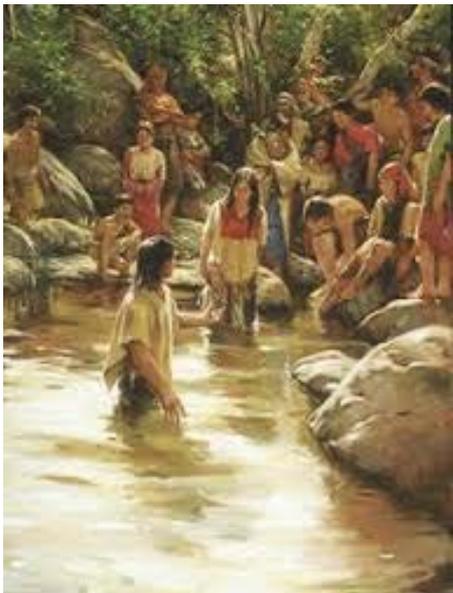
It's About Faith (continued)

- The lesson for us then is to *understand* doctrine
 - The key “doctrines” or “why’s” are :
 - Spiritual: To bring us to Jesus Christ
 - Temporal: To help us be wiser stewards
 - Family: To return with our families back to Heavenly Father’s presence
 - Individual: To accomplish our divine missions
 - From this perspective, we see that financial problems are not necessarily problems of money, but problems of faith. We are doing our finances right when we accomplish the above doctrines



It's About Faith (continued)

- 2. It's about freedom
 - President Ezra Taft Benson said:
 - The Lord desires his Saints to be free and independent in the critical days ahead. But no man is truly free who is in financial bondage (“Prepare Ye,” *Ensign*, Jan. 1974, p. 69).
 - And ye shall know the truth, and the truth shall make you free (John 8:32).





It's About Faith (continued)

- 3. It's about happiness
 - Happiness is not dependent on the amount of money we earn
 - Rather, it comes from doing the things that we know are right. The prophet Alma wrote to his wayward son Corianton:
 - Behold, I say unto you, wickedness never was happiness (Alma 41:10).





Myth 4: We Must do it Ourselves

- Some believe they have to do all the work to get what they want
 - They think they have to:
 - Figure it out for themselves
 - Do it all themselves
 - Since they got into their problems themselves, God is not willing to help
 - The reality is different



Reality 4. There is help

- There are resources available
 - These can be helpful in fulfilling this responsibility. They 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
 - Most importantly, seek the help of the Spirit
 - 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.” (Thomas S. Monson, “They Pray and They Go,” *Ensign*, Apr. 2002).



Myth 5. Finances are a Temporal Matter

- Many think money matters are only temporal matters
 - They feel that how we 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
 - Those are left up to them

- The reality is different!



Reality 5. Finances are a Spiritual Matter

Money matters, and money matters are spiritual matters because:

- *a. All things are spiritual (including the commandments to budget and get out of debt)*
 - The Lord said, “All things unto me are spiritual, and not at any time have I given unto you a law which was temporal” (D&C 29:34)
 - The Apostle Paul taught that the *love of money* is evil, not money itself (1 Timothy 6:10)





Finances are a Spiritual Matter (continued)

- *b. We make covenants (regarding our finances)*
 - We covenant to:
 - To pay our tithes and offerings
 - To take care of the Lord's poor
 - Share with others
 - Consecrate all we have
 - Live the law of sacrifice





Finances are a Spiritual Matter (continued)

- *c. Money is a medium of exchange*
 - Elder 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 (Sterling W. Sill, “A Fortune to Share,” *Ensign*, Jan. 1974, 60).





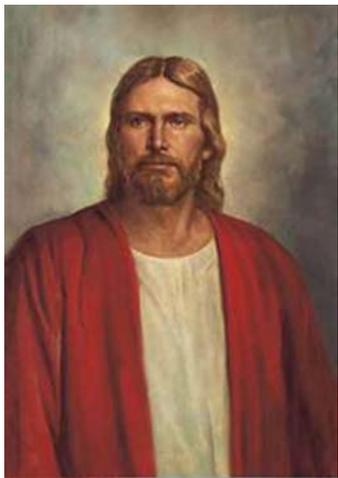
Finances are a Spiritual Matter (continued)

- *d. 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.
 - Ezra Taft Benson said,
 - “No man is truly free who is in financial bondage” (“Prepare Ye,” *Ensign*, Jan. 1974, p. 69).



Finances are a Spiritual Matter (continued)

- *e. Money is a teaching tool*
 - Money is a tool to teach us many things, including the gospel principles of sacrifice, discipline, law of the harvest, and work
 - Money teaches and reinforces both the spiritual and physical creation, as we develop our vision, goals and plans and work toward them
 - We create when we become wiser stewards and develop our budgets and goals and then work toward them
 - Money teaches the Law of the Harvest, discipline, and choice as we invest for retirement and other goals





Myth 6. Finances are a Man's Responsibility

- Some think money matters are a priesthood responsibility for married couples
- They think if wives become knowledgeable about financial matters, their husbands will be upset
 - They reason that since the husband often makes the money, husbands get to decide where it goes (this is commonly known as unrighteous dominion)
- The reality is different!



Reality 6. Finances are a Shared Responsibility

- 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* (italics added, Proclamation on the Family, 1995).



A Shared Responsibility (continued)

- Marvin J. Ashton counseled:
 - 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* (italics added, Marvin J. Ashton, “Guide to Family Finance,” *Liahona*, Apr. 2000, 42).





Myth 7. Credit Card, Auto and Consumer Debt is OK

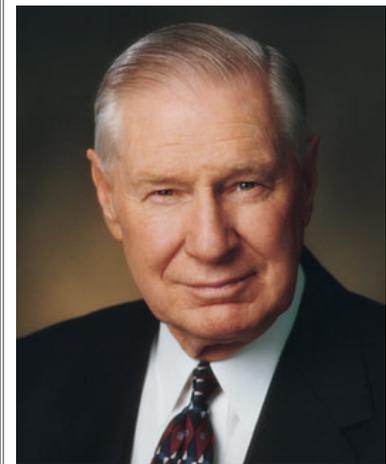
- Some consider it is OK for us to go into debt for things, especially things they really want
 - We can't have a car without a car payment, can we?
 - It helps build our credit score—doesn't it?

- The reality is different!



Reality 7. Debt is Dumb and Slows Growth

- Consumer debt slows growth and savings, and is expensive, both economically and spiritually
 - President James E. Faust stated:

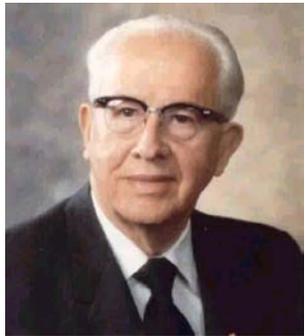


- Over the years the wise counsel of our leaders has been to avoid debt except for the purchase of a home or to pay for an education. I have not heard any of the prophets change this counsel (“Doing the Best Things in the Worst Times,” *Ensign*, Aug. 1984, 41).
 - Sadly, consumer, auto, and credit card debt not paid off monthly are not included in that short list of acceptable debt



Debt is Dumb (continued)

- President Ezra Taft Benson said:
 - Pride is a sin that can readily be seen in others but is rarely admitted in ourselves. . . It is manifest in so many ways, such as . . . *living beyond our means* (italics added, Ezra Taft Benson, “The Faces of Pride,” *New Era*, Oct. 2003, p. 40).
 - Perhaps debt is more a problem of pride than it is of money





Myth 8: Budgets are for College Students

- Some feel that living on budgets is only for college students
 - Those more careful with their money, “mature” people like ourselves, don’t need to have a budget
 - They know where their money goes (it goes to pay their bills, I hope)

- The reality is different!



Reality 8. Every Family Should have a Budget

- President 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* (Conference Report, April 1975, pp. 166-167).





Myth 9. We Can Judge by Appearances

- Some consider that they can 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 to judge

- The reality is different



We Cannot Judge (continued)

- In the parable of the talents (Matt. 25:14-30) the Lord gave different talents to different people
 - They took the talents given them
 - They took responsibility for those talents
 - They used the talents to the best of their abilities
 - They made different returns on their talents
 - But the end result was the same wonderful blessing: “Enter thou into the joy of thy lord,” regardless of the amount given



We Cannot Judge (continued)

- None are in a position to judge based on the talents (or blessings) given them by God
 - We have been commanded in Matt 7:1-2:
 - 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
 - Joseph F. Smith taught that it is a feeble thought to believe that the illness and affliction that come to us are attributable either to the mercy or the displeasure of God (*The Doctrine and Covenants Speaks* (1970), 2:373; see also Joseph F. Smith, *Gospel Doctrine*, 5th ed. (1939), 56–57).



We Cannot Judge (continued)

- 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.”
 - But 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 (Moroni 7:18).



We Cannot Judge (continued)

- Just as we are in no position to judge others (or even ourselves) based on what we perceive
 - We are in no position to judge or compare
 - Judgment and comparisons are Satan's tools, not Christ's tools
 - 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" (2 Nephi 26:33).



Myth 10. I Can Start Later

- Some think they do not need to get their finances in order now because they can always start getting out of debt and saving later
 - It is easy to get out of debt so why worry now
 - I will start saving when I get the “big bucks” later
 - There is no possible way that I can begin saving now, so why even try

- The reality is different



Reality 10. We Must Start Saving Now

- If you want to get out of debt, have an adequate retirement, and save for education and missions for yourself and children, you must start now!
 - You must think long-term now (D&C 43:34)
 - You cannot put it off saving
 - Time value of money takes just that--time
 - The Law of the Harvest is still in effect



Myth 11. I Pay my Tithing, I Have Nothing to Worry About Financially

- 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 (Malachi 3:10, 3 Nephi 24:10).
 - Doesn't it say that if they pay their tithing, the windows of heaven will open and they will get all the financial blessings they need, regardless of any learning, thought, application, hard work or effort on their part?
- The reality is different!



Reality 11. We Must Learn To Be Financially Wise

- The prophet Malachi promised that God will 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
 - We have been commanded: “Oh be wise, what can I say more” (Jacob 6:12)



Questions

- Any questions on the 10 myths of family finance?



Summary

- Perspective is important
 - We want and need to know that we are seeing things as they really are
- Our perspective is simply that financial management is not separate from a Christian life, but simply part of a Christian life
 - It is simply living the gospel of Jesus Christ
 - That perspective is important as it influences our choices
 - How we view the things of eternity will have a major impact on how we live our lives



Summary (continued)

- It is critical that we learn the “why’s”, “what’s” and “how’s” of the personal finance
 - The “what” informs, but the “why” transforms
 - We need to take different perspectives
- What are the “why’s” of personal finance?
 - 1. Personal finance helps bring us to Christ
 - 2. Personal finance helps us return with our families to God’s presence
 - 3. Personal finance helps learn what we need to help us prepare for and accomplish our divine mission here on earth
 - 4. Personal finance helps us be wiser stewards



Summary (continued)

- This perspective is critical. It is based on four key principles:
 - 1. Ownership: Everything we have or are is a gift from God. Remember that it is not ours
 - 2. Stewardship: We are stewards over the things the Lord has blessed us with. We must learn to be better stewards—this class will help
 - 3. Agency: The ability to choose is a God-given gift. Use it wisely
 - 4. Accountability: We are the final decision makers, but we will be held accountable for our decisions. We must learn to choose wisely!



Summary (continued)

- There are implications of that perspective that change everything we do. They are:
 - 1. Life is about others
 - 2. It is about faith
 - 3. The Lord will help us
 - 4. Finances are a spiritual matter
 - 5. We are responsible for our finances
 - 6. Debt is an addiction
 - 7. Every family should have a budget
 - 8. We cannot judge or compare
 - 9. Living the gospel is easier
 - 10. We must learn to be financially wise



Review of Objectives

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



Case Study #1

Data

- Brenda came from a family that had little of the world's goods, but there was a lot of love in the home. The parents loved their children and the children loved their parents. She respects you for the wonderful example you have set.

Application

- She asks you:
 - 1. What is the purpose of wealth in our lives?
 - 2. What scriptures support that purpose?



Case Study #1 Answers

1. You have lots of good ideas, but you share the following: The Nephite Prophet 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:
 - “After ye have obtained a hope in Christ ye shall obtain riches, if ye seek them; and ye will seek them for the intent to do good—to clothe the naked, and to feed the hungry, and to liberate the captive, and administer relief to the sick and the afflicted.” (Jacob 2:18-19)



Case Study #1 Answers

- 2. Again, there are many different answers from scripture. You could respond:
 - Riches are to help us to fulfill our missions here on earth, to help us become like Christ, to raise righteous families, to move the kingdom forward, and to help and serve others.
Remember D&C 14:7 and 11:7:
 - Seek not for riches but for wisdom; and, behold, the mysteries of God shall be unfolded unto you, and then shall you be made rich. Behold, he that hath eternal life is rich.



Case Study #2

Data

- Brenda continues to ask you questions regarding your perspective and principles for understanding and using wealth wisely.

Application

- She asks:
 - What are the four key principles for using wealth wisely? Why is each principle important? What can we do now to incorporate each principle into our lives now?



Case Study #2 Answers

There are a lot of good answers for these questions. You might respond with: The key principles for understanding and using wealth wisely are:

- 1. Ownership: Everything we have or are is a gift from God.
 - It is important as the things we have are not ours, but are on loan from a loving Father in Heaven
 - We can incorporate this principles 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, and what He has loaned to us.



Case Study #2 Answers

- 2. Stewardship: We are stewards over the things the Lord has blessed us with.
 - It is important as we must learn to be better stewards over our blessings as 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 that we can become the best stewards we can over the blessings our Heavenly Father shares with us.



Case Study #2 Answers

- 3. Agency: The gift of “choice” is man’s most precious inheritance
 - It is important as we need to use this gift wisely so we can return and live with God eternally.
 - We can incorporate this in 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.



Case Study #2 Answers

- 4. Accountability: We are accountable for our choices
 - We are the final decision makers in life.
 - It is important as 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 for.



Case Study #3

Data

- Brenda was concerned as one of her friends was blessed with material riches, and made poor choices which caused him to lose his testimony. She asks: “If wealth is so bad, should we seek for riches?”

Application

- What did the prophet Jacob in Jacob 2:18-19 say about this question? What should we seek for first?



Case Study #3 Answers

- The prophet Jacob said seeking for riches is OK “if” we first seek the Kingdom of God, and if we seek riches for the right intent--for righteous purposes.
- But before ye seek for riches, seek ye for the kingdom of God. "And after ye have obtained a hope in Christ ye shall obtain riches, if ye seek them; and ye will seek them for the intent to do good—to clothe the naked, and to feed the hungry, and to liberate the captive, and administer relief to the sick and the afflicted (Jacob 2:18-19).
- First, we should seek for the Kingdom of God and doing His will. Then we can seek for riches—but with the intent to do good



Case Study #3 Answers

- Gordon B. Hinckley said:
 - The Lord will love us, I think, to the degree to which we lift and bless those in distress. I believe that with all my heart, mind, and soul. The accumulation of means is not a bad endeavor when those means are used to bless the needy of the earth (*Discourses of President Gordon B. Hinckley, Volume 2, Intellectual Reserve, 2005, p. 593.*)