



In Part I, we learned that everything we have belongs to God and that we are stewards of the resources (money, homes, cars, clothes, etc.) that God has entrusted to each of us.

Luke 19:11-27 tells the story of a master giving his servants talents to manage in his absence. I believe God is revealing to us through this story that money is a tool, a test, and a testimony. In Part I, we learned that money is a tool in which we use to conduct business for our livelihood and a tool to invest into God's kingdom. In Part II we'll discover that money is a test to: measure our growth; our ability to obey and learn; and to establish our rewards for how well we pass the test. God wants us to learn how to live independently of the world's marketing strategies that trick us into becoming slaves to the lender by borrowing on time. As good stewards, we should always be aware of our financial status and learn how to plan for future expenses by managing the resources entrusted to us using Biblical principles.

So let's get started learning how to be faithful stewards with the resources that God has put into our hands.

When managing finances, I believe in keeping it simple! Don't get too detailed or analytical, otherwise you will become discouraged and quit. I have come up with four basic steps to help you manage your finances wisely: organization, visualization, planning, and budgeting.

First, let us get organized! Organization is a key ingredient in managing your finances. You will need to purchase two (2) 13 pocket

accordion folders, 13 5x7 manila envelopes, and 12 manila file folders. With one of the 13 pocket folders, label each divider as follows: List of Bills; 1st Month; 5th Month; 10th Month; 15th Month; 30th Month; Immediate Attention; Car Insurance Policy, and Bank Statements. These labeled pockets are due dates for your current and incoming bills, and easy access to insurance policies that are renewed bi-annually and bank statements. Label the manila file folders January through December (with current year).

Now go throughout your house and gather up all your bills/statements, past-due notices, car insurance policy, and bank statements. Open each bill, throw away advertisements. Review each bill for any changes to your bill, review the due date and payment amount. Write the due date and payment amount on the outside of the envelope, fold statement and place it back into the envelope. Take the envelope and place it into the appropriate 13 pocket folder according to due date. Place insurance policy and bank statements in appropriate folders.

When collecting mail on a daily basis, do not put mail aside for later; as soon as you put mail into your hands, walk to the garbage can, throw away temptation, those advertisements, open your bills, review them, mark payment amount and due date on envelope and place them in accordion folder according to due date. Do Not Procrastinate doing this! This is an important step in staying organized and paying your bills on time.

If you give, you will receive. Your gift will return to you in full measure, pressed down, shaken together to make room for more and running over. Whatever measure you use in giving—it will be used to measure what is given back to you.

Luke 6:38



If you have a computer and access to the internet, it would be a great idea to sign up with online banking with your bank. This is a great way to pay your bills online and keeping track of your check balance on a daily basis. After paying bills, place your copy of the statement in the appropriate manila file folder. (Do not discard old statements, please shred them.)

Secondly, it's time to get visual. Using the enclosed insert called "List of Debts" list all your debts on the form; do not include bills such as utilities, cable, cell phone or home phone. Debts are credit cards, mortgage personal loans, car loans, student loans, etc. This will give you a visual assessment of your financial status of debts owed.

With the second insert "Financial Statement" list all your assets and liabilities. Assets are cash, savings account, checking account, fair market value of your home and cars, IRA's, Investments, etc. Liabilities are outstanding mortgage, credit cards, car loans, personal loans, student loans, etc. This procedure will give you a visual of your financial *net worth. Your assets should be greater than your liabilities (if your liabilities are greater than your assets, you're in financial trouble and should seek a financial coach and God's help in designing a plan to help you eliminate your debt).

Finally, create a "cheat sheet" **List of Bills** due monthly, such as cable, phone, utilities, credit cards, etc. (sample insert). This cheat sheet will be used as a monthly visual and reminder to make sure you don't forget to pay any of your bills.

Now, take a breather and review your List of Debts and Financial statement. How does it make you feel to be organized? Your bills are all in one place—you don't have to search the house for them; and you know your Financial Net Worth? Great job! Now, put the cheat sheet along with the List of Debts and Financial Statement into the folder labeled "List of Bills."

I would recommend doing a visual update of the "List of Debts" and "Financial Statement" forms on a quarterly basis.

Next quarter we will begin step 3 & 4 "Planning and Budgeting" at that time we will learn what to do with the second accordion folder and the 13 manila envelopes.

**Net Worth for an individual, the value of a person's assets, including cash, minus all liabilities. The amount by which the individual's assets exceed their liabilities is considered the net worth of that person.*