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THE STEWARDSHIP OF MONEY

## W-4 —THE STEWARDSHIP OF MONEY

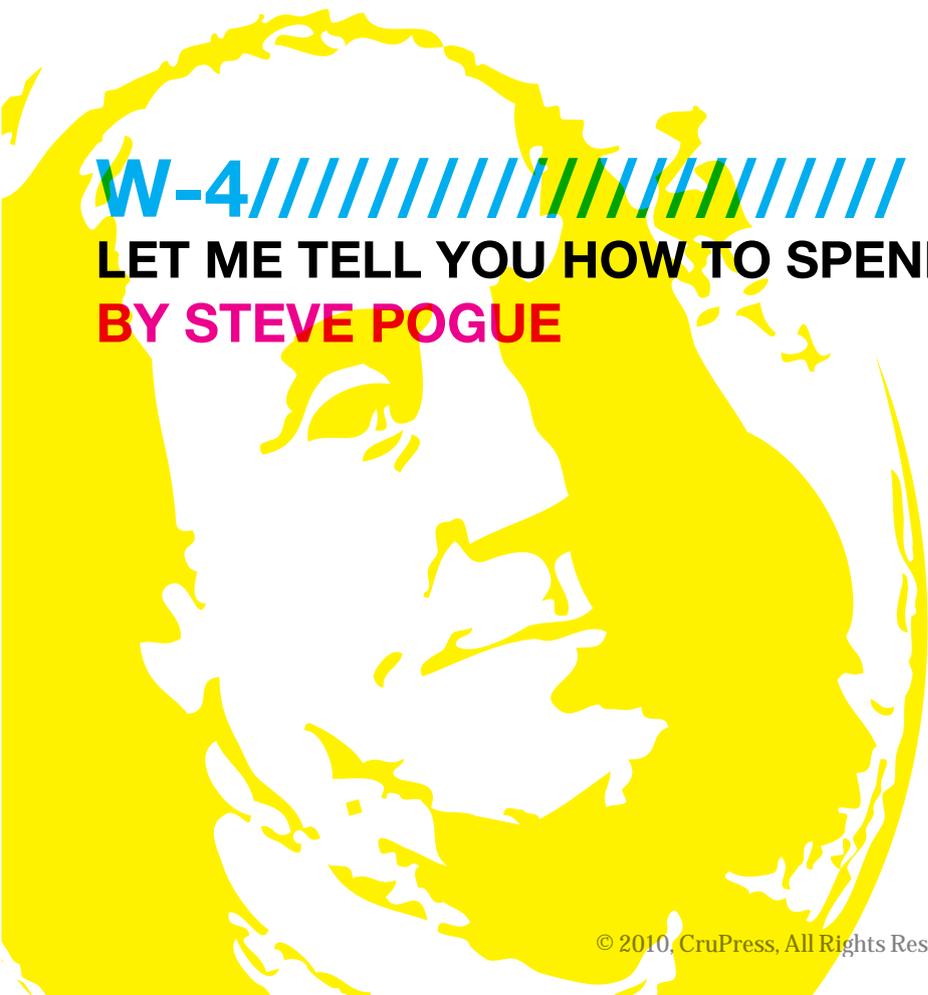
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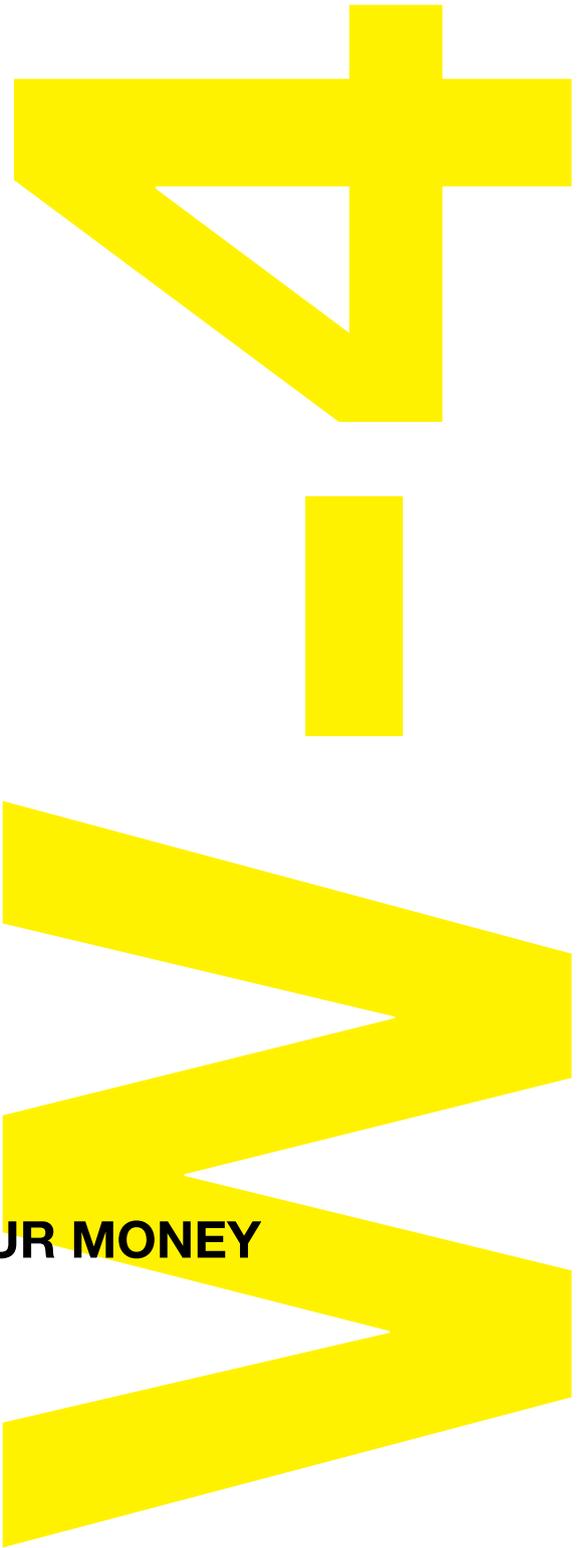
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**W-4**////////////////////

**LET ME TELL YOU HOW TO SPEND YOUR MONEY**

**BY STEVE POGUE**



*In college, some of us lived in dorms where we did not have to worry about paying the rent, phone, or utilities every month. Many of us were on meal plans so we never thought about grocery shopping. And we were still eligible for our parents' insurance plans. Ironically, you can feel more financially independent in school when someone else is paying for everything than you do when you have graduated and may need to borrow money from your parents.*

—Abby Wilner and Cathy Stocker, *Quarterlifer's Companion*

*The life of a college grad is just awesome. It's truly a dynamic time. You might not be married, you've got no career just yet, and you can do whatever you want. But I see people who are not able to take advantage of this because they have huge financial obligations.*

—Morris Barrier, telecom manager, McKinney, Texas

Shortly after graduating from college, you realize that life has changed. You are no longer a full-time student. You can't sleep in late or wear jeans and Flip Flops. School loans are now on a payment schedule. You are now officially reporting to "The Office."

The time comes when everyone has to move on, and as you realize it is time to leave college, you may also realize that you are moving on with more baggage than you bargained for. You may be leaving college not only with a degree but also with debt. As the father of three kids who are full-time university students, I know that you and your parents have felt the pain of rising tuitions, loans, and interest rates. There's a 63 percent chance that you're graduating with school debt; if so, you'll owe \$15,500 on average. And that's not counting any credit card debts or car loans.

There is, however, good news. While you're not rich and your job may not pay as much as you'd like, you are young. You have time to make some decisions that are far less painful now than they would be later in life, and you will enjoy the benefits of those decisions for the rest of your life. That's the advice of professionals in the financial world. "When I meet with a young single, what is important is getting them on the right trajectory, the right track," says Jeff Chinery, certified financial planner and senior financial adviser with Ronald Blue and Company in Atlanta. "It's hard to do certain long-term projections because of the possibility of marriage and children. But the decisions you make now about how to allocate your resources and the lifestyle you choose are critical."

Financial advisers clearly agree that while recent college grads rarely do so, making principled decisions early on in life concerning one's money is highly beneficial. "People never come to see me right out of college," says Carl Deaton, a certified public accountant in Denton, Texas. "They don't come to my office until five or ten years later when the financial stress is so great that they are ready to talk to anyone about relief. By then it's almost too late. It took them a while to accumulate that debt; it may be ten times harder to get out of it. If you can learn now—right out of college—how to manage your money, you will still make financial mistakes, but you will avoid some of the biggest ones."

Deaton gives the following six principles for the first year after college.



# 1. KNOW WHERE YOUR MONEY COMES FROM

Scripture makes it clear who really owns “our” money. “Remember the LORD your God, for it is he who gives you the ability to produce wealth” (Deuteronomy 8:18, NIV). “The earth is the LORD’s, and everything in it, the world, and all who live in it” (Psalm 24:1). “Who has a claim against me that I must pay? Everything under heaven belongs to me,” says God (Job 41:11). “By him [Christ] all things were created: things in heaven and on earth, visible and invisible, whether thrones or powers or rulers or authorities; all things were created by him and for him” (Colossians 1:16).

It is true that we work hard, but it is God who enables us to work hard. Knowing that my ability to work comes from God, and that all the money I make God owns anyway, I have a more spiritually based perspective on finances. It’s God’s car, God’s apartment. I am the steward of them and I am free to enjoy them. I can buy those jeans and hear that band on Saturday and enjoy all sorts of things, but everything comes from God.

While planning the use of one’s money can be overwhelming, there are organizations out there that can be sought out for help. Crown Financial Ministries ([www.crown.org](http://www.crown.org)) was created to help Christians learn how to handle their money. In the article “Finding Financial Freedom” they explain how God is the true owner of everything:

As Christians, God expects that all possessions be transferred to Him. Since we can’t literally place everything into His hands, this transfer becomes an act of faith. In essence, it means accepting the fact that God owns it all. Transferring ownership to God means that God owns all that we consider ours: clothes, car, home, family, income, debts, present, and future. Once ownership is transferred, God can begin to lead out of debt and into financial freedom. We then become stewards and managers of what belongs to Him.

So, if God is the owner of everything in Christians’ lives, He can be trusted to change unhealthy spending habits (especially the abuse of credit cards) that cause debt, anxiety, and fear of the future. The key to maintaining this relationship is to understand properly the definition of stewardship. A steward is someone who manages the property of another. As His stewards, we are responsible for managing His property in a way that will please Him. God will not force His will on us, but if we realize our responsibility and transfer everything to Him, He will keep His promise and provide for each and every need. The first step in achieving financial freedom is to realize that since God is in complete control, all that we are, do, have or ever will have must be transferred to Him.

Square one is determining exactly where you are spending your money. This can be difficult the first two months out of college, with rent deposits, new work clothes, and so forth. But by the third month, you should be able to determine what you are spending. You might be surprised how a few cappuccino grandes at Starbucks a week and ordering out on Monday nights adds up.

Unless you know how you are spending your money, you won’t be able to accomplish anything financially. You may be overspending in some areas and not allocating enough money to critical areas (such as savings or car maintenance).

As you compile these expenses, consider whether each is for a want or a need. That doesn’t mean you cannot buy for a want, but you need to un-

derstand it’s a want when you make the purchase. As Jeff Chinery says, “God allows us to enjoy what He provides. But there are certain seasons when we will be able to enjoy more and other seasons when we won’t. We have to be able to distinguish these and plan accordingly.”

“We have limited resources and unlimited opportunities,” Chinery explained. “There will always be more choices for spending than the money you have, regardless of your level of income. Biblically, we know that more wealth and more income don’t produce contentment. If we are honest with ourselves, we will say that we don’t want to be wealthy; we just want a little bit more. Ecclesiastes 5:10 says, ‘Whoever loves money never has money enough; whoever loves wealth is never satisfied with his income.’ ”

Budgeting may sound worse than your first trip to the dentist in four years or cleaning out those containers of leftovers that somehow sat in your fridge all semester. It may not be fun, but you should finish the task knowing it was necessary. Just keep repeating this mantra: "Reality is my friend."

Don't worry if your budget isn't perfect; you can adjust it with time. Budgets are there to help you. There should be room in your budget for miscellaneous expenses (because stuff happens) and to have fun—even if it's only a few dollars a month. So if you really do want to spend \$60 a month on health club fees, maybe you can do without cable TV. Maybe you eat out only once a week. Okay, twice a week. You decide to get DVDs and books from the library instead of Amazon, and you stop buying CDs for a couple months. Make your budget reflect that. Use a software program—Microsoft Money or Quicken—to create a budget. Or use printed budget sheets. Several websites offer these for free. One convenient one is at [www.betterbudgeting.com](http://www.betterbudgeting.com).

Make the first check of the month your tithing, including your local church and any missionaries you are supporting. Financial counselor Larry Burkett said, "God can do more with your 10 percent than you ever could with your 100 percent." That doesn't mean you have to give exactly 10 percent—the emphasis is on giving cheerfully. "Remember this: Whoever sows sparingly will also reap sparingly, and whoever sows generously will also reap generously. Each man should give what he has decided in his heart to give, not reluctantly or under compulsion, for God loves a cheerful giver" (2 Corinthians 9:6-7).

At this point in life you may find it hard to give very much if you are not earning much. But it's actually easier to give 10 percent or so when your take-home pay is \$1,700 a month than when your pay is \$7,000 a month. You are building a habit of giving back to the Lord cheerfully.

*"The only thing worse than a favor is a favor involving money."*  
—Mark in Garden State

Proverbs 22:7 says, "The rich rule over the poor, and the borrower is servant to the lender." If you have any credit card debt, pay this off first since you may be paying a very high interest rate. Then put paying off any student loans into the budget. It will bring freedom.

Paying off debt, however, may not always be easy in a culture that glorifies material possessions.

Larry Stephens graduated from college in 1994 in the then-hot field of computer science. He had school loans totaling \$13,000. "There is a lot of pressure to spend money when you graduate," Larry said. "My roommates bought big homes and moved into the nice neighborhoods. They bought really nice cars and SUVs."

"I wanted to go into ministry, but that debt prevented me from going where I felt God wanted me to," he explained. "I ended up working in Dallas and was paid a large amount of money to do computer pro-

gramming research for a privately held software company. I stayed in the same old roach-infested apartment that I had in college. I drove a 1966 Mustang to work that I had owned since junior high.

"I paid up to \$2,000 a month toward my school loans; at a minimum I paid \$1,000 a month. Within a year I had paid off my school loan. When I made that final loan payment, it was a huge weight off of my chest. I felt an enormous amount of freedom to go for it, to really go for what God wanted."

Today Stephens is a Campus Crusade staff member working at the headquarters in Orlando. "You can become trapped in your job because you have purchased these things and have these payments," he said. "It doesn't matter if you are thinking of Campus Crusade for Christ staff or something totally different. Don't be trapped by those things. I found out that making money isn't everything in life. It doesn't satisfy."

# 6. BEGIN A SAVINGS PLAN

## BEGIN A SAVINGS PLAN

Your first savings goal should be to accumulate three months' salary in savings. Don't panic about the seeming enormity of this. It is possible, and though it may take a long time, it will be worth it. This will be your "cash cushion" in case you lose your job, have a major car repair, or whatever.

Pay yourself first. Have a regular amount deducted from your paycheck each month and put into a money market fund through Vanguard or Fidelity. It will earn interest and you can withdraw it at any time if there is an emergency.

It is also important not to become frustrated with the reality that wise financial decisions may not allow you to feel financial satisfaction immediately. Nido Qubein, president of High Point University, says, "One of the greatest reasons that people can't mobilize themselves is that they try to accomplish great things. Most worthwhile things are the result of many little things done in a single direction."

Proverbs 21:5 says, "The plans of the diligent lead to profit as surely as haste leads to poverty." The attraction of the lottery is to get a lot of money fast. Some apply this same mentality to investing: they want to see their investments double very quickly. There is a name for those people: broke. Financial advancement takes time.

Several leading investment advisers say investing should be boring. Some say it should be like watching paint dry. But while it takes time, investing can be fun. When you read the business section of the newspaper, you may see that your no-load mutual fund account (the only place to start when you have little) is going up in value. It won't double overnight, nor even in one year, but diligence will pay off. Chunking some cash into an account through an automatic deposit each month (called *dollar-cost averaging*) can help you down the road.

## WHOSE MONEY IS IT, ANYWAY?

While some college grads learn the hard way, it is never too late to become a godly steward of money. After bad choices, and thanks to his surrender to God's will with his finances, Jacob Vanhorn was finally able to reach a financially secure and healthy lifestyle.

Jacob looked at the \$120,000 in cash he had placed into neat stacks on the coffee table in his apartment. "It was," he says, "a turning point in my life."

Vanhorn was the conference materials sales coordinator for Dallas-based Women of Faith. Their conferences were growing in popularity and often drew 8,000 to 10,000 women. He collected registration receipts and books sales from the weekend events and deposited them the following Monday.

"I would come home Sunday with my backpack stuffed with cash," he explained. "Our ministry was growing so rapidly that there weren't a lot of financial controls in place. I had sole possession of the cash. At first it didn't bother me, but one Sunday I decided to stack up all that money to see what it looked like.

"A few days after I had stacked the cash up on my coffee table, I realized that I was short on that month's rent. I took \$500, but I intended to pay it back later that month. Then, when no one noticed, I realized that I could have more.

"I could use that money to live beyond my means," he told me. "I paid \$18,000 cash for a used sports car. I bought nice clothes, took my girlfriend out to really nice restaurants. I eventually stole more than \$75,000. It started when I began to live way beyond my means—to buy stuff so that other people would consider me important."

Vanhorn was eventually caught. He was sent to El Reno Federal Prison in central Oklahoma. In a way, he was relieved. Though he had worked for a Christian organization, he didn't become a Christian until six weeks before his crime was discovered. His year in jail "was a time of spiritual growth for me," he said. "God used that as a concentrated time of learning about Him."

So you don't have a pile of cash in your apartment. But you are entrusted with whatever you earn this month. The road to financial ruin begins when you forget that all "your" money is really God's money. The road to financial freedom begins when you realize that you are a steward of God's money.

How we spend our money reflects our values. We can't be out of control in the financial area of our life and claim to be under the control of the Holy Spirit. A sloppy approach to finances may mean that we are sloppy in other areas of our life as well. Learning to be disciplined in our spending not only relieves stress but also honors God. Sounds like a nice goal when you graduate, doesn't it?

# RESOURCES

Some good resources on budgeting can be found at the following sites: [coeinc.org](http://coeinc.org); [moneycentral.msn.com](http://moneycentral.msn.com); and [crown.org](http://crown.org). Also, if you're interested in obtaining a free credit report go to [annualcreditreport.com](http://annualcreditreport.com). If you're thinking about investing or simply want to do a little research,

try [soundmindinvesting.com](http://soundmindinvesting.com); [vanguard.com](http://vanguard.com); and [fidelity.com](http://fidelity.com). And last, I highly recommend you read *How to Manage Your Money* by Larry Burkett or *Master Your Money* by Ron Blue.



## REFLECTION

1. Write out some of your financial goals for your first year after college and begin a file for your finances.
2. In what area of financial management do you feel you need to be a better steward?
3. How is the principle that all of what you own is the Lord's reflected in how you are currently living and giving? What and whom would you like to support?
4. If you currently have debt, or will have it, pray through an achievable plan of repayment.
5. If possible, make an effort to start a savings account even before you graduate.
6. Ask God to show you what next step you can take to grow in the financial area of your life.

**Steve Pogue** is the father of three full-time students in higher education. This qualifies him to be poor. He and his wife, Sarah, have been with Campus Crusade for almost 30 years. He is a graduate of Indiana University and Dallas Seminary.