

## **BIBLICAL STEWARDSHIP: GOD’S PLAN FOR YOUR MONEY**

*Does the Creator of the universe care how you use your money?*

During my years in seminary, money came in fairly infrequently. My wife, Lois, stayed home with our children, and I worked occasional jobs around my studies. Anyone who’s ever attended school while caring for a family will understand our circumstances. Eating and keeping the electricity running becomes the goal. *Surviving* becomes the goal.

One way we earned some income was house-sitting for families who were traveling. The seminary had developed good relationships with several wealthy families who trusted that their big houses would be properly looked after, their pets cared for, their possessions and valuables protected. Lois and I were excited each time we got chosen for the job. Great food and fantastic accommodations, and we got paid!

But we needed to stay realistic in our thinking. “This isn’t our house,” Lois would frequently say, reminding me not to get comfortable. And it *is* easy to forget what is and isn’t yours when you are in close proximity to wealth. But our role was overseeing the well-being of things we did not own. At the end of our stay, we left the homes in as good of shape—if not better—than when we arrived. We took nothing with us. We left behind the cars, the furniture, the big entertainment systems, the food we hadn’t eaten. Everything. It wasn’t ours to take.

We take nothing with us when we leave this world—none of our wealth or the stuff we buy or the things we invest our time and talents in. Until then, we are charged with looking after what God gives us here on earth.

**Are you a kingdom steward?** 

A kingdom steward is a believer who faithfully oversees the protection and expansion of the assets God has entrusted to him or her to manage. Everything we have—our time, our abilities, our resources, our money—should fall underneath God’s overarching rule. While finances are only one aspect of stewardship, they are a critical aspect.

Money is a major issue in Scripture. As we see in many of Jesus’ parables, He addresses issues related to money and managing resources. But God’s teachings on finances address an issue far greater than just sensible use of money. God desires our overall well-being and freedom from slavery to irresponsible debt.

Living lives trapped under the weight of poor financial decisions can lead to depression, family conflict, worry and additional emotional problems that can land people in other forms of bondage. But wise stewardship ushers in the capacity for enjoyment, rest and *freedom*. Here are four core principles that help us understand the Bible’s teachings on the wise management of money:

**Planting:** Kingdom stewardship starts with planting our resources in God’s kingdom.

Giving first to God and His work is our recognition that He already owns everything and that we are tasked with wisely managing these resources for His purposes. We’re living in His kingdom ([Psalm 24:1](#)). [It’s His house](#).

We have no right to claim ownership of something that is not ours. Even if we made that claim, it would make no difference, just as it wouldn’t matter if I claimed that the houses we watched during seminary were mine. When the owners returned, I’d be kicked to the curb. Neither will God stand by as His creatures seek to usurp Him as the rightful owner of creation.

Most people don’t live by this principle. They act as if they own what they really don’t own simply because they are in close proximity to it. But God has established a world where we are merely the managers. In the final analysis, each of us reports directly to God. He has entrusted us with the freedom, responsibility and opportunity to manage the things put in our care.

And what a trust that is! What you do with the time, talents and treasures God has entrusted to you is up to you. The choices you make, the decisions on how you spend your days, [even the thoughts you think](#)—it’s all up to you. God’s trust in His caretakers should invigorate us to work hard and be wise and creative in choosing how, when and where to use the resources He’s placed at our disposal.

**Planning:** Kingdom stewardship means being real about the condition of your assets.

Proverbs 27:23 gives great wisdom: “Know well the condition of your flocks and give attention to your herds.” This one verse establishes a basic kingdom stewardship principle for all of us: Pay attention to how well you’re doing. Do the hard work of assessment, learning and application as it relates to whatever ventures you take part in. You must have a plan—and to have a plan, you must clearly comprehend your assets and strategies for growth.

Since God believes in planning, we should believe in planning. The Creator planned things out before the foundation of the world (Ephesians 1:4). Yet too many believers go to Him without doing the diligence of planning. We tend to dodge the reality that God works in concert and in cadence with plans. We regularly witness Him in Scripture responding to a plan, tweaking a plan or creating a plan.

Every family should be living according to a budget. This gives you the framework to remove debt and free up spending for all your needs as well as greater giving to God’s kingdom. A budget enables you to live within your means. “The plans of the diligent lead surely to abundance, but everyone who is hasty comes only to [poverty](#) (Proverbs 21:5).”

Don’t operate with the mindset of luck or undefined hope. God has given everyone a mind in order to plan. And it may be that it’s a wise friend or godly financial planner who helps in this area, especially when it comes to [setting long-term goals](#). “Without counsel plans fail, but with many advisers they succeed” ([Proverbs 15:22](#)).

**Prioritizing:** A kingdom steward values needs over wants.

Wise kingdom stewards prioritize financial freedom. One of the ways you do this is through discerning between wants and needs. Having a car is a *need* in most places in today's culture, while that souped-up sports car is probably a *want*. So begin identifying any wants that you have falsely treated as needs. Once you do, you can begin to redirect your resources toward better uses such as the removal of excess debt and investment toward future needs.

When my son Jonathan was younger and just starting to [play sports](#), he came to me and said that he “needed” a new pair of Air Jordans. Back then, Air Jordans were some of the most overpriced sports shoes available. I explained to my son that he had confused needs with wants. He *wanted* a new pair of Air Jordans because they were a status symbol. What he *needed* was a pair of tennis shoes. So I said I'd pay for the shoes that he needed. He'd have to work to pay the difference for things that were wants.

God has promised to meet the needs of faithful, generous believers, but not necessarily their wants ([Philippians 4:15-19](#)). Rather than live a life of complaining about all that you don't have, reclassify what you don't have in the proper category of *wants*, and replace the ingratitude with gratitude. This will give you a better perspective for prioritizing where your money goes.

When tackling debt, pay off small debts first, then aim for the big ones using the money saved from the smaller bills. There's another benefit here—when your family is committed to where money goes, you're less likely to spend impulsively.

**Praying:** Take these matters to the throne.

Prayer isn't mentioned last because it's less important—it's last because you now know [what to pray for](#).

God seeks to set people free, and He has very interesting ways of doing it. In [Proverbs 13:22](#), we read, “The sinner's wealth is laid up for the righteous.” So God can even use the wealth of others to turn your situation around. You never know exactly what He is up to.

As you pray and make financial decisions, aiming to be a wise kingdom steward, remember that though God will never forsake you ([Hebrews 13:5](#)), His promises do come under His covenant. Unless you align yourself underneath His rightful rule, you cannot tap into the promises of His provision. As you align the use of your time, talents and treasures underneath His overarching rule, you will witness the supernatural invade the natural. That's what the Bible calls being truly *rich*.



Creditor Name	Account#	Phone Number	Balance	Minimum Payment	Closing Date	Due Date	Card Limit	Available Credit
Creditor Name	Account#	Phone Number	Interest Rate on Standard Purchases	Interest Rate on Cash Advances	Interest Rate on Balance Transfers	4-yr Payoff Amount	3-yr Payoff Amount	
Creditor Name	Account#	Phone Number	How is interest accrued on the credit Card (daily/monthly)	Are any of these interest rates based on promotion period (If yes, when does the promotion in and what will the new interest rate be)	Specific Payoff Question(Balance Transfer/Cash Advances) - See Bottom of Chart			

Specific Payoff Question(Balance Transfer/Cash Advances)	
Do you divide payments equally across the credit card (Cash Advance/Balance Transfers/Standard Purchases)?	1
What order are payments applied (Cash Advance/Balance Transfers/Standard Purchases)	2
After paying the minimum balance, does remaining goes towards highest then oldest	3
Do you apply remaining after paying minimum due to highest interest portion	4



Closing Date:

Due Date:

Statement Type:  
(Electric, Water)

**Company  
Name:**

Phone Number:

## What Are Dave Ramsey's Baby Steps?

The 7 Baby Steps are the proven plan to paying off debt, saving money, and building wealth. And they work.

If you want to do better, be better, and live better with money, you might not know where to start. You might feel overwhelmed, like you're staring up at a mountain of hard work. But how do you climb a mountain? One (baby) step at a time.



### BABY STEP 1

**Save \$1,000 for Your Starter Emergency Fund**



### BABY STEP 2

**Pay Off All Debt (Except the House) Using the Debt Snowball**



### BABY STEP 3

**Save 3–6 Months of Expenses in a Fully Funded Emergency Fund**



### BABY STEP 4

**Invest 15% of Your Household Income in Retirement**



### BABY STEP 5

**Save for Your Children's College Fund**



### BABY STEP 6

**Pay Off Your Home Early**



### BABY STEP 7

**Build Wealth and Give**



### **Baby Step 1: Save \$1,000 for Your Starter Emergency Fund**

Only 32% of Americans say they can pay cash for a \$400 emergency.<sup>1</sup> That means 68% of them are borrowing, selling or going into debt when life happens. And it does. Your car's catalytic converter gives out. Your kid busts his chin and needs stitches from the ER. Your washing machine won't live to spin again. That's life. But you can be ready—with cash!

**How:** Start [saving more money](#) and spending less. You can save \$1,000 quicker than you think—really. It just takes a little focus and some hard work. Try selling stuff, clipping coupons, saying no to extra expenses, planning your meals, eating out less, using or selling old gift cards, and downloading money-saving apps. The [ways to earn or save \\$1,000](#) are nearly endless. Pick a few and start saving up now.

### **Baby Step 2: Pay Off All Debt (Except the House) Using the Debt Snowball**

Debt's good for one thing and one thing only: holding you back. But you don't want to be held back. You want to thrive—and the thriving starts here. You've got \$1,000 saved up so you can use that money instead of going deeper into debt when an emergency hits. Now it's time to attack debt with a *vengeance* using the [debt snowball method](#). Pay off one debt at a time from smallest to largest, building your momentum until you're debt-free.

**How:** Remember those money-saving tricks from Baby Step 1? Use those, and then put all that extra cash toward paying off your debt. In fact, really challenge yourself and see just how thrifty you can get while you're on this step. It's not forever, and when you're living free from debt, you'll look back and see the work was totally worth it.

### **Baby Step 3: Save 3–6 Months of Expenses in a Fully Funded Emergency Fund**

The debt is gone. Goodbye, debt. Talk to you never. Now, you're going to [build up that emergency savings fund](#) so it's strong enough to stand up to bigger problems, like job loss. Figure out how much money you'd need to live for three to six months if your regular income went away. (If you're a one-income household, aim for six months of expenses. Two-income households can go for three.) Save up that amount and store it in a high-interest savings or money market account with check-writing privileges so you can get to it if you need to.

**How:** You're already in a pattern of saving. You clip and tap coupons all the time. You downloaded so many money-saving apps, you have to delete photos of your puppy weekly for storage. You started brewing your own coffee at home—and even like it better. (I know, right?) So, keep those money-saving habits going and build your savings into a fully funded emergency fund.

## **Baby Step 4: Invest 15% of Your Household Income in Retirement**

For some people, retirement can seem like tomorrow's problem. But that kind of thinking will leave you working for the rest of your life. I don't want that for you. And you don't want that for you either! In Baby Step 4, it's time to start preparing for your future by investing 15% of your gross household income into [retirement accounts](#).

**How:** Here's the simple breakdown. When you start this step, first look into your employer's 401(k), if you have one, and invest up to the match. Then open a Roth IRA and max out your contributions. If you hit the max and still haven't reached 15% of your income, go back to your 401(k) and contribute the rest there!

Note: If your employer offers a *Roth 401(k)* and you like the investment options, you can invest your whole 15% there.

Pro tip: If you're ready for Baby Step 4, plug your numbers into our [Retirement Calculator](#) to see if you're on track with your investments.

## **Baby Step 5: Save for Your Children's College Fund**

No kids? Kids fully grown and out of the house? You can skip this step and move on to the next. Otherwise, it's time to start researching and stashing away cash for your kids to further their education. One important note here: You'll be working on Baby Steps 4, 5 and 6 at the same time, but you'll *start* them in this order.

Okay, I've been teaching people about money for over a decade, and when I mention the order of Baby Steps 4, 5 and 6, I sometimes get this question: "Why should I wait to save for my kids' education until *after* I start saving for retirement?" You ask because you're a caring parent. But trust me, you don't suddenly become selfish by putting retirement first.

Let me explain why these two Baby Steps go in this order. One reason is that your kids may or may not go to college—but you will definitely retire. Also, there's no reason to send them to overwhelmingly expensive universities that'll leave you unable to pay your bills when you quit working. Putting retirement first is not selfish. It's wise.

**How:** First, look at opening an Educational Savings Account (ESA) or 529 [college savings](#) fund.

Next, remember this: Going to college without going into debt *is* possible. There are tons of grants and scholarship options out there. And your kids should always consider in-state and community college options and working *throughout* school to pay for tuition and fees. By using this Baby Step and all those tips, your kids can get a diploma without debt.

## **Baby Step 6: Pay Off Your Home Early**

The average American has a monthly mortgage budget line of almost \$1,775.<sup>2</sup> What if that disappeared, not because of magic, but because you [paid off your house](#)—in full. What would you do with that \$1,775 every month instead?

Think about this: If your mortgage is gone, it means your home sweet home is all yours. I know it can feel nearly impossible to imagine. But it's possible to achieve. Really!

**How:** Maybe you put a few extra hundred dollars on your principal payment every month. Or maybe you make one whole extra house payment per quarter. (Using this tip, you can pay off your mortgage 15 years earlier and save thousands of dollars, maybe even over a hundred thousand dollars depending on your numbers, in interest alone!)

Play around with our [Mortgage Payoff Calculator](#) to see how quickly you can finish Baby Step 6 with a little (or a lot of) extra work.

## **Baby Step 7: Build Wealth and Give**

Now it's time to grow your wealth beyond your wildest dreams—except, let me tell you, those dreams won't seem as wild anymore because you're *going to reach them*. And when you do, you'll not only be *living* like no one else, you'll be in a position to *give* like no one else.

Your money won't be tied up in debt or mortgages or worry. It'll be free to share with your favorite charities or your church. You can be in a position of easy generosity. I always tell people it's the most fun you'll ever have with money—and I can't wait for you to live it for yourself.

**How:** Remember your 401(k) and Roth IRA? Max. Them. Out. As your retirement fund grows, use your remaining wealth to [have some fun and help others](#). Oh, and try not to break our [EveryDollar app](#) with all those zeros you're typing into your income line.

Date

Name of creditor

Address

City, State, Zip Code

Re: Account of [INSERT YOUR NAME HERE]; Account No. \_\_\_\_\_

To Whom It May Concern:

I am writing this letter to close my credit card account for the following reason:

I haven't used the account for quite some time and don't plan to use it in the future. I'm not carrying a balance on this account.

I got a credit card with a lower interest rate and better fee structure from another issuer.

Other: \_\_\_\_\_

Thank you for closing my account promptly. Please report to the credit bureau that this account was closed at customer request, and send me written confirmation. I have kept a copy of this letter as proof of my request.

Sincerely,

Your name

Your address

Telephone Number where you can be reached during the daytime

**Save more. Spend better. Budget confidently.**

Get EveryDollar: the free app that makes creating—and keeping—a budget *simple*. (Yes, please.)

[Start EveryDollar for Free](#)

**Why Should I Follow the Baby Steps in This Order?**

**1. To focus on one goal at a time.**

As you're looking to all the [money goals](#) in your future, it's overwhelming—so much to do, so little time. But there is time, *and* there is a proven path to break up those goals into manageable and achievable pieces that'll set you up for success. Because remember: How do you climb a mountain? One (baby) step at a time.

**2. To avoid going into debt again.**

Notice the first three Baby Steps are all about avoiding and paying off debt. They launch you to a debt-free lifestyle like a success rocket. Yeah, I'm about to lean into this rocket metaphor. Are you ready? My son would be so proud of me right now.

The first \$1,000 emergency fund is starter fuel that keeps you going and helps you still feel secure while you eliminate your debt. And that fully funded emergency fund you saved up on Baby Step 3 means you always have cash ready, so you don't even think about running back to your borrowing ways.

Once you walk those first three steps, your finances are so stable that those excuses to go back into debt are left in the dust. Okay, I don't know if rockets leave dust behind. I should have fact-checked with my preschooler. But you get the idea!

**3. To keep your priorities in check.**

The moment you're living in *right now* often feels like the most important thing. I've struggled with this—and I'm sure you have too. But that thinking can make us pay far too much for our kid's unicorn-themed birthday party—complete with a four-tiered cake topped with a fondant dancing unicorn and edible glitter rainbows.

But listen: Teaching your kids the value of saving money and dumping debt—of living a life of real contentment—is a better gift than anything you wrap with a giant sparkly bow, no matter how good all those party pics will look on Instagram.

In fact, it's a better gift *for yourself* than the latest iPhone, bougie designer sunglasses, or whatever new version of the Ugg slipper that's all over your targeted ads right now. These Baby Steps help you set up and focus on a true better-life standard, one that goes beyond social media and into what really matters.

#### 4. To watch and celebrate your progress.

When you walk one Baby Step at a time, you'll clearly see your progress and you'll always know what's next.

But to help keep your motivation up as you go, try this: When you reach the finish line of one of those Baby Steps, [celebrate](#). Seriously. Throw yourself a (low-cost) party. Invite friends. Create a special celebratory family dance. Just take a moment to acknowledge your hard work and success! Then, you're off to the next Baby Step, ready to focus in on it!

#### What Should I Do to Get Started With the Baby Steps?

Budget.

Aren't you glad the answer's so simple?

Start with a budget. Today. This is Baby Step 0, and it's the step you never stop. A budget is just a plan for your money. Plain and simple. Budgeting shows you where your money is *actually going*, so you can start telling it where you *want* it to go. A budget sets up a natural accountability with yourself, and your spouse if you're married! A budget creates goals—and is the only way to achieve them.

Knowledge. Empowerment. Accountability. Goals. These are all *so important* if you're going to get where you want to be in life and with your money. And they all come when you [budget](#).

Start budgeting today with the same app I use every single month: [EveryDollar](#). It's just what you need no matter the Baby Step you're starting on. From beginning to end, you're going to need a budget. So, download [EveryDollar \(for free!\)](#) and take that first step.

# Quick-Start Budget

INCOME	PLANNED
Paycheck 1	\$
Paycheck 2	\$
<b>TOTAL</b>	\$

GIVING	PLANNED
<b>TOTAL</b>	\$

SAVING	PLANNED
<b>TOTAL</b>	\$

FOOD	PLANNED
Groceries	\$
Restaurants	\$
<b>TOTAL</b>	\$

UTILITIES	PLANNED
Water	\$
Electricity	\$
<b>TOTAL</b>	\$

HOUSING	PLANNED
Rent/Mortgage	\$
HOA Fees	\$
<b>TOTAL</b>	\$

TRANSPORTATION/GAS	PLANNED
<b>TOTAL</b>	\$

INSURANCE	PLANNED
Health	\$
Auto	\$
Renters	\$
Term Life	\$
<b>TOTAL</b>	\$

DEBT	PLANNED
Credit Cards	\$
Student Loans	\$
Car Payments	\$
Medical	\$
<b>TOTAL</b>	\$

FUN MONEY	PLANNED
<b>TOTAL</b>	\$

MISCELLANEOUS	PLANNED
<b>TOTAL</b>	\$

<b>TOTAL INCOME</b>	\$ <input type="text"/>
<b>TOTAL EXPENSES</b>	\$ <input type="text"/>
<b>Your Goal Every Month:</b>	
Total Income - Total Expenses = \$0	

*What's Next?* →

Download EveryDollar, plug in your numbers, and make this way easier month to month.



## Steps for Using Your Budget Template

A budget template (or budget worksheet) is a great way to get everything on paper, right there in front of your eyes. We've got three steps to [set up that budget](#) and two more to keep it going—each and every month.

Before you dive in, print out your [Quick-Start Budget](#) template and open up your online bank account!

Also, heads up: We're about to mention the [Baby Steps](#) a couple of times. This is the proven plan to get ahead with your money—from saving more to paying off debt to building real wealth.

### 1. List your income.

Do you see the Planned column at the top of your Quick-Start Budget template? That's where you list out *all* the money that's coming in this month. Here are some quick callouts when it comes to this first step:

- Make sure you write in regular paychecks *and* anything extra, like that [side hustle money](#). (Go you!)
- If you're married, list out all the income for both of you. (It's pretty romantic, really.)
- If you've got an [irregular income](#), take a look at what you've made the last few months and list the *lowest* amount as *this* month's planned income budget line. You can adjust later in the month if you make more. (We've got a special [irregular income budget template](#) if you need it.)

Now, add it all up and write in your total. Now you know how much money you have to work with this month.

## 2. List your expenses.

Now that you've planned for what's coming in, you need to plan for what's going out: your giving, saving (depending on what Baby Step you're on), and spending.

When it comes to all the monthly *spending* you need to plan for, you'll see the budget worksheet goes in this order:

- [Four Walls](#)—food, utilities, housing and transportation
- Other essentials—like insurance and debt
- Extras—like fun money and that helpful miscellaneous line

(You've probably noticed your online bank account is coming in real handy right now.)

As you work through your monthly budget template:

- Skip any lines you don't need.
- Write in anything you don't see a spot for.
- Add the planned amounts inside each box.

All right. What's next?

## 3. Subtract expenses from your income.

When you do the math on your budget planner sheet, your income minus your expenses should equal zero. We call this the [zero-based budget](#).

No, this does not mean you let your bank account reach zero. Leave a little buffer in there of about \$100–300.

What it does mean is that you're giving all your money a job—paying the bills *and* moving you forward on your [money goals](#). Because you work hard for your money, people. And it should work hard for you. Every. Single. Dollar.

### What if you don't hit zero?

- Got money left over? Um, celebrate. This is great! Then put those dollars toward your current Baby Step.
- Got a negative number? Pause. Don't freak out. It'll be okay. You just need [to cut spending](#) (or [increase your income](#)!) until you get to zero.

So, guess what. That's it for *creating* the budget. These next two tips will help you [stick to it](#) and make it actually work for you.

#### **4. Track your transactions (all month long).**

How do you stay on top of your spending? [Track. Your. Transactions.](#) That means you're tracking everything that happens to your money all month long! This is how you keep an eye on your progress and keep from overspending.

#### **5. Make a new budget (before the month begins).**

Your budget won't change too much from month to month—but no two months are exactly the same. So, create a new budget every single month. Don't forget [month-specific expenses](#) (like holidays or seasonal purchases). And do this before the month starts so you can get ahead of what's coming your way.



<b>Income</b>				<b>Annual Income</b>	
Regular Income				Regular Pay	
Retired Income				Retire Pay	
<b>Total Income</b>				<b>T. Annual Income</b>	\$0.00
<b>Total Debt</b>					
<b>REMAINDER</b>	\$0.00				
<b>1. Taxes</b>					
Federal Taxes		<b>5. Charity</b>		<b>11. Personal Monies</b>	
State Taxes		Church			
Social Security					
Medicare					
Property Taxes					
<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00
<b>2. Housing</b>					
Rent or Mortgage		<b>6. Loans/Charges</b>		<b>12. Our Future</b>	
Heating/Electricity		Car Loan		Savings	
Water		Credit Card		IRA/401K	
Phone				Savings Bonds	
				Vacation	
<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00
<b>3. Insurance</b>					
Medical		<b>9. Transportation</b>		<b>13. Entertainment</b>	
Dental		Gas		Cable	
Life		Oil Change		Internet	
House/Household		Vehicle Registration		Movies	
Car				Restaurant Meals	
<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00
<b>4. Food</b>					
Groceries		<b>8. Pets</b>		<b>14. Personal</b>	
Lunch		Food		Haircut	
Other		Flea/Tick		Cosmetics	
		Vet		Dry Cleaning	
				Other	
<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00
<b>9. Medical</b>					
Doctor		<b>10. Education</b>		<b>15. Clothing</b>	
Dentist		Tuition		Work	
Medicine		Books		Personal Clothing	
Other		Supplies		Other	
		Other			
<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00	<b>SUBTOTAL</b>	\$0.00







