

Financial Freedom

Five Foundational Principles



The Bible often deals with the topic of money because it is one of the greatest strongholds of life and can be a significant barometer of spiritual trust in God. It has been said, "Show me how a person spends his/her money, and I will tell you what that person values." Jesus never shied away from money and used it as an opportunity for discipling a person's heart.

There are two main pitfalls the church must avoid on the topic of money: 1) focusing too much attention on money and the need for people to give, and 2) not properly training and discipling people in the areas of money so that people can experience financial freedom.

Over the years Grace Gathering has worked hard at avoiding both pitfalls and discipling people in the area of finances. Grace has also avoided any integrity compromises in the area of money and has many safeguards, checks, and balances in place. There are five main disciplines to Financial Freedom for the follower of Christ:

1. Give God the first tenth.

The first and foundational step to financial freedom is acknowledging that God owns everything we have and that we can trust him with all of our needs. Many people can acknowledge these things intellectually, but giving God the first portion of our income is the concrete and tested way God asks us to demonstrate this. This is giving that is consistently given with the belief that 90% of my money with a focus on God will go farther than 100% of my money with my own reasoning and logic. It is inviting God into our finances. (Malachi 3:6-12)

2. Spend less than you make.

The second step to financial freedom is to spend less than you make. Getting on a budget is a helpful way to track your spending. Often, we don't know where all our money is going because we don't track it and limit it to less than we make. This often leads to overspending, going into further debt, and experiencing financial bondage, stress, and conflict. It is a spiritual discipline to not buy things we cannot afford. (I Tim. 6:6-10)

3. Reduce Debt

The third step to financial freedom is to reduce debt. There is "good debt" and "bad debt." Good debt typically refers to debt that is leveraging an asset that is appreciating in value. Bad debt is typically consumer debt or debt because our wants are greater than our disciplines and income level. Pay down debt as quickly as you can, while maintaining the other 4 steps of financial freedom. (Psalm 37:21)

4. Save for the future.

The fourth step to financial freedom is to save for the future. Part of the plan to spend less than you make and get out of debt is that you save for major expenditures. This requires a great deal of self-control because we live in a "buy it on credit" culture that achieves instant gratification. Along with saving for future expenses, it is important to save for retirement. The general rule of thumb is to try to save 10% of your income per year in some kind of retirement account. Matching contributions from an employer, if offered, can help greatly. (Proverbs 21:20)

5. Look for ways to be generous.

The fifth step to financial freedom is to seek ways to be generous with your money. Tithing is structured giving that is about trust and obedience. Spontaneous giving to various needs around you is about generosity and the prompting of the heart. Blessing the poor, helping those with financial hardships, giving to special projects, and supporting missions are all ways to use our money for greater kingdom blessing. God promises to bless both our obedience and our generosity in many different ways. (I Cor. 9: 6-11)

Questions and Answers

1. What if I cannot afford to tithe?

Most people don't feel they have enough money, and so the notion of giving 10% away is not only scary but simply feels impossible. The only time in the Bible that God says, "test me" is regarding tithing. God knows the struggles people have and this is why he says there will be tangible blessings when we trust God and do what he asks (Malachi 3:6-12). Tithing is never an affordability issue, it is always a trust issue. He really wants us to trust him.

2. How should I start tithing?

One approach is to start with a lower percentage and then work up over time. For others, taking the leap right away and watching God bring blessing and provision is the best. Everyone must figure out their own way of moving towards greater levels of obedience and trust. Giving electronically can really help with consistency because it doesn't have to be contingent on church attendance, remembering, or spending that money on other things. Most people now give electronically right from their checking account, and it's a way of giving to God first.

3. Can I take my tithe and distribute it to many places?

In the OT there were two types of giving, tithing and free-will offerings. Free-will offerings were based on need and always given as people were prompted to give. These were for projects, people, or various areas of need (I Chronicles 29:6-9). The amount and where each amount went was determined by the giver. Today, tithes are received by the church and used for facility, staffing, programming, missions, ministry, etc. While we are certainly not under the law but under grace, giving our "tithe" to God's local church, releasing control, and then on top of that giving spontaneously when prompted at the discretion of the giver are ways to mimic these biblical principles.

4. How do I establish a budget?

First calculate your tithe and put that amount at the top. Second, make a list of all monthly expenses that have fixed costs and list the cost. Third, list the consistent expenses that fluctuate every month and put down the average dollar amount. Fourth, make a list of expenses that are not consistent every month but fluctuate throughout the year and establish a monthly amount (e.g. clothing, gifts, allowance, furnishings, etc.). Lastly list the amount for savings and an amount you establish for generosity giving to people and projects. And then total that number up and compare it with your income. If expenses exceed income, hard decisions about priorities need to be made.

5. What is the key to spending less than you make?

Sometimes it can be hard for us to understand the difference between needs and wants. The Bible says there are three things we need: food, clothing, and shelter (I Tim. 6:6-10). And even among the things we need, we don't necessarily need the best of those things. One helpful exercise is to go through your budget and distinguish between needs and wants. Most people don't overspend based on needs. If we stick to a budget and never buy a "want" unless we can afford it, this will greatly help against overspending. The 24-48 hour rule is often helpful to avoid buying on impulse.

6. What if my spouse and I don't agree on finances?

How we spend our money is a spiritual issue. It can be a stronghold for a single person but it can also be a source of great tension in a marriage. Praying together on this issue is important. Coming to some compromises instead of only managing finances the way one spouse wants is crucial. Asking for assistance like a third party, meeting with a financial advisor, or taking a Financial Peace class within the church can all help immensely.

7. How can I go on a spiritual journey?

God loves us and wants to provide for us. He owns everything in the world, and he works both naturally AND supernaturally. While most of these principles appear to be in the natural realm, they are all tied to the reality that God works beyond the limitation of our logic. Sometimes he wants us to go into a season of radical faith or radical giving or simply a season of just testing him to see if these general principles work. Faith means we take steps even if we cannot "see" it or understand it ourselves (Heb 11:1). Prayer, putting God first, and seeking him with all our heart is what God wants in every aspect of our lives. We can fully trust him! (Matt. 6:33)