



Either we control our finances or they control us. Here's how to get the upper hand.

BY ALLIE SCHULTE

Welfare Services

Jason and Alanea Hanna faced many financial questions when Jason lost his job. Should they relocate and find another job? Should they try to find a job where they were currently living? After considering several options, they asked the most important question of all: “What would the Lord have us do?”

“We studied talks by prophets and apostles on topics

like debt, budgeting, and saving to try and figure out what the Lord wanted us to do,” Alanea explains. “We knew that the Lord’s plan was the best plan and that we would be blessed if we followed it.”

After prayer and contemplation, Jason and Alanea both decided to return to college and finish their bachelor’s degrees. They took out minimal student loans to pay for their education, and both worked full-time to provide for their other expenses. They coordinated their work schedules to ensure that one of them was home with their children. They budgeted carefully, spending their money on the essentials and eliminating fast food, cable



TV, and new clothes. Jason even rode his bike to school and work to limit the costs of gasoline and car insurance.

Now Jason works as an engineer. Alanea also completed her degree and is currently fulfilling her responsibilities as a full-time mother of five children. They still live within their means, budget carefully, pay tithing, and live according to the financial counsel of Church leaders. “We’re grateful for the trial and the experience,” Alanea says. “It ended up being a great blessing in our lives and taught us that the Lord will always bless us if we are obedient.”

The Lord’s Financial Plan

The Lord has told His Church, “Ye are not of the world, but I have chosen you out of the world” (John 15:19). Although members may be faced with financial trials, they can feel secure as they turn away from the philosophies of the world and rely on the gospel of Jesus Christ and the counsel of Church leaders.

In the pamphlet *All Is Safely Gathered In: Family Finances*, the First Presidency asks all Church members to consider their finances and strive to become more spiritually and temporally self-reliant: “We encourage you wherever you may live in the world to prepare for adversity by looking to the condition of your finances. . . . If you have paid your debts and have a financial reserve . . . , you and your family will feel more secure and enjoy greater peace in your hearts.”¹

The pamphlet outlines five basic principles: pay tithes and offerings, avoid debt, use a budget, build a reserve, and teach family members. While living these principles

requires patience, temperance, and sacrifice, obedience to the Lord’s financial plan will bring greater peace and joy than individuals and families could ever experience by living the way of the world.

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Pay Tithes and Offerings

When Richard Moyer lost his job, he and his family ate food from their home storage, paid bills using their savings, and continued to pay tithing faithfully. Despite his unemployment, Brother Moyer was amazed to see that he made exactly U.S. \$1.00 more income

that year than the previous one. “I have always attributed that miracle in our lives to paying tithing,” Brother Moyer explains. “The Lord always blesses you when you do the things He wants you to do.”

Blessings that come from sound family finances must be built on the foundation of paying an honest tithe and giving a generous fast offering. Church members have the opportunity of giving back to the Lord a portion of their income with the understanding that their contributions help to build the kingdom of God by building meeting-houses and temples, providing for those who are less

fortunate, and sharing the gospel throughout the world.

Members will gain a testimony of this principle by living it. By praying to understand its importance and learning more about how these contributions bless others, members will come to consider paying tithes and offerings a blessing. As members develop the habit of immediately setting aside tithes and offerings when they receive income, it will become a financial priority in their lives.

President N. Eldon Tanner (1898–1982) of the First Presidency taught that tithing is a commandment with a promise: “As you discharge this obligation to your Maker, you will find great, great happiness, the like of which is known only by those who are faithful to this commandment.”² Obedience to this commandment brings peace and security. As Church members pay tithes and offerings they will experience miracles in their lives, as the Moyer family did.

Avoid Debt

Spending less money than you make is essential to financial security. Elder Joseph B. Wirthlin (1917–2008) of the Quorum of the Twelve Apostles taught that consumer debt is a form of bondage that affects individuals, both temporally and spiritually. He said, “We think we own things, but the reality is, our things own us.”³ For this reason, the First Presidency encourages members to avoid debt with the exception of buying a modest home or paying for education.

The Kloosterman family has enjoyed the blessings of being free from the bondage of debt. When Kevin Kloosterman was

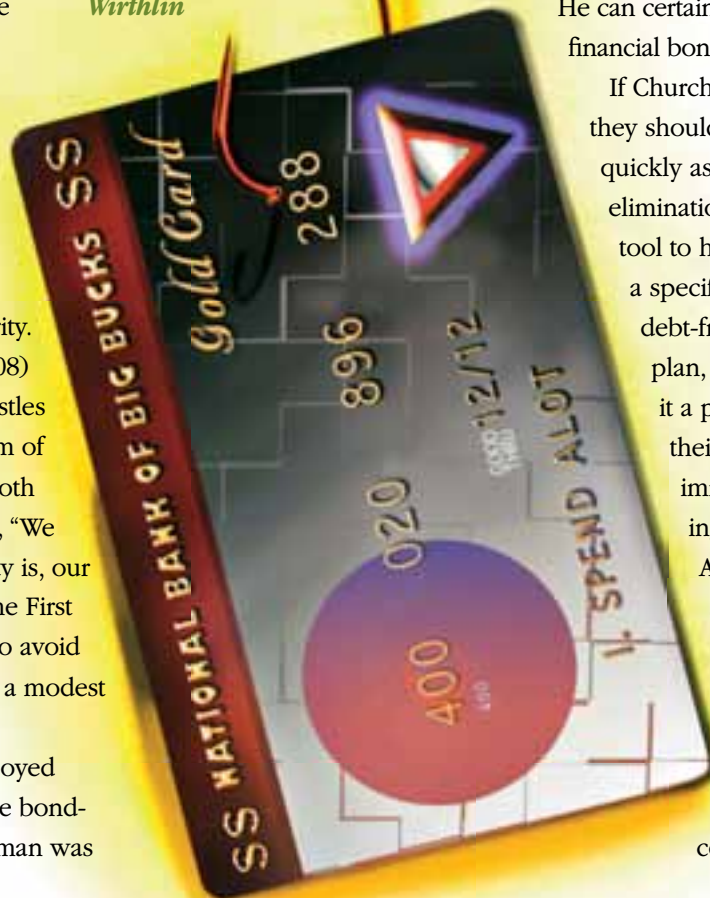
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called as the bishop of his ward in Illinois, USA, his family had some consumer debt. His stake president reminded him of the First Presidency’s counsel, and Bishop Kloosterman left the interview determined to pay off the debt. “We had always . . . tried to put the Lord first,” he recalls. “In this one case, we hadn’t.”

The Kloosterman family studied the scriptures and modern-day counsel related to finance and debt and took the steps necessary to achieve their goal. It became clear that they were being blessed by the Lord for heeding the counsel of His servants. “There is no affliction in mortality which the Savior cannot heal,” Bishop Kloosterman says. “If He can deliver us from the captivity of sin and death,

He can certainly deliver us out of financial bondage.”

If Church members are in debt, they should pay the debt off as quickly as possible. A debt-elimination calendar is a great tool to help individuals create a specific plan to become debt-free. After creating a plan, members can make it a priority by making their necessary payments immediately after paying tithes and offerings. Above all, members should be patient with the time it may take to become debt-free by relying on the Lord for help and striving to follow His commandments.



Use a Budget

Another tool to help members live within their means is a budget. While individuals often think that financial security depends on the amount of money they make, President Tanner taught that controlling how money is spent—whether the amount is large or small—is the source of true financial peace and happiness. “Many people think a budget robs them of their freedom. On the contrary, successful people have learned that a budget makes real economic freedom possible,”⁴ he said.

The Jeffrey family, from Illinois, USA, recognizes the freedom that comes from managing their finances with a budget. When the Jeffrey children were very young, the family realized that three of them would be serving missions at the same time. Recognizing the financial strain this would place on the family, their mother, Olga, implemented a strict budget. Along with paying 10 percent of the family’s income to tithing, Sister Jeffrey set aside an additional 10 percent to save for her future missionaries. “I realized that finances could become a stumbling block and that we needed to be prepared to provide the means for our children to serve the Lord,” Sister Jeffrey says.

As the Jeffrey children began leaving on missions, their parents were financially prepared, and the Lord blessed them.

Like the Jeffrey family, Church members can manage their spending by creating a budget. Using a budget worksheet, members can look at their income and spending from the last week or month. By determining where they spend most of their money, they can also look for ways to cut back. Then they can create a budget by estimating income for the next week or month and planning where they want their earnings to be spent. After tracking their spending, members can evaluate whether they complied with the budget and make adjustments for the next week or month.

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— President N.
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Build a Reserve

Even when individuals seem to be financially prepared, unexpected trials such as illness, unemployment, or major repairs can cause financial burdens. The First Presidency encourages Church members to prepare for these events by gradually building a financial reserve to be used for emergencies only. Saving a little money regularly, especially in times of prosperity, will help members to prepare for times of financial struggle or unforeseen emergencies.

Elder L. Tom Perry of the Quorum of the Twelve Apostles suggests that “after paying your tithing of ten percent to the Lord, you pay yourself a predetermined amount directly into savings. . . . It is amazing to me that so many people work all of their lives for the grocer, the landlord, the power company, the automobile salesman, and the bank, and yet think so little of their own efforts that they pay themselves nothing.”⁵

While planning a budget, members can also determine a specific amount of their earnings to set aside for savings. It does not need to be a large amount. As long as they are consistent in setting aside that money, it will add up quickly. Develop the habit by putting the money into savings immediately after paying tithes and offerings and making payments on any debts. Do not be tempted to spend savings on unnecessary things. Instead, reserve them for emergencies. If Church members strive to discipline themselves, they will be prepared for financial trials. Once they have established a financial reserve, they can continue saving for future needs like missions, education, retirement, and other necessities.



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— Elder L. Tom Perry

Teach Family Members

Often parents feel hesitant in involving their children in financial matters. However, when we teach family members the principles of financial management and involve them in creating a budget with financial goals, we prepare them for their futures. Elder M. Russell Ballard of the Quorum of the Twelve Apostles counseled, “Parents need to teach children very early that a solid financial base is a very important element in a happy home.”⁶ As members prayerfully study and ponder the principles in the *All Is Safely Gathered In: Family Finances* pamphlet, they should think of ways to teach family members and help them to live these principles.

Parents can involve family members in creating a budget and setting financial goals. They can teach them the importance of working for an income, prioritizing their spending, and preparing their own budget to track expenses. They can also provide a way for them to pay tithing and to save money for missions, education, or other expenses. Family home evenings can be great opportunities to discuss and teach about financial topics. Each family member can contribute to the family’s overall self-reliance, and the entire family will recognize the blessings that come from following the Lord’s counsel for financial planning.

Blessings of Family Finances

The message of financial preparedness is not new. In this dispensation, Church leaders have encouraged members to prepare themselves by wisely managing their finances

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and have promised blessings to those who follow this counsel. The First Presidency said: “Latter-day Saints have been counseled for many years to prepare for adversity by having some money set aside. Doing so adds immeasurably to security and well-being.”⁷

Families and individuals, both past and present, have witnessed the blessings of peace that result from their obedience to this counsel. As Church members follow the specific guidelines in *All Is Safely Gathered In* and utilize the other financial counseling the Church offers, they too will experience these blessings in their lives. ■

NOTES

1. *All Is Safely Gathered In: Family Finances* (pamphlet, 2007).
2. “Constancy amid Change,” *Tambuli*, Feb. 1982, 46.
3. “Earthly Debts, Heavenly Debts,” *Liahona*, May 2004, 40.
4. *Tambuli*, Feb. 1982, 46.
5. “Becoming Self-Reliant,” *Ensign*, Nov. 1991, 64.
6. “Providing for Our Needs,” *Ensign*, May 1981, 85.
7. *All Is Safely Gathered In: Family Finances*.

ADDITIONAL RESOURCES

The Church has provided online resources in English, German, Portuguese, and Spanish to help members manage their family finances. Resources include talks by Church leaders, financial calculators, materials for family home evening lessons, and even an online financial course. For more information, please visit providentliving.org.

The pamphlet *All Is Safely Gathered In: Family Finances* is available online in 24 languages at providentliving.org/content/display/0,11666,7587-1-4087-1,00.html.

