

Personal Finance: Another Perspective

Classroom Slides: Family 1: Fundamentals of Money and Marriage Updated 2020/03/26

Note: Most of the ideas from this section are from Gordon B. Hinckley's "Proclamation on the Family" and Bernard E. Poduska, <u>For Love and Money: How to share the same checkbook and still love each other</u>, Brooks/Cole Publishing, 1993. The book is a great resource, but out of print. It can be purchased at Amazon.com or ebay.com.



Objectives

- A. Understand the key changes in decision making and key principles and practices of money and marriage
- B. Understand why money may be an issue in relationships and share a few recommendations
- C. Understand and create your Family Financial Plan



Personal Financial Plan

- Section XI. Money and Relationships
 - If you fill out *Questions on Money and the Family* (LT21) you will fulfill all the requirements for this section. It covers 23 questions on how you were brought up as preliminary work, then has you create:
 - Your vision for your family and finances
 - Your goals for your family and finances
 - Your plans and strategies for your
 - Spouse
 - Children
 - Your constraints and accountability?



Case Study – Email 1

- I received the following email. What problems do you see and what recommendations would you make?
 - "I would be interested in a unit on the emotional component of money, and how to avoid contention when two people have opposite ideas of how money is to be managed. Sometimes, the pathway of applying correct principles leads right to the doorway of contention."
 - "For example: one spouse believes in your advice to save a small amount of money. The other spouse refuses to allow that and insists on spending it. If the spender is the husband and the saver is the wife, how do you reconcile those positions while avoiding contention?"



Case Study – Email 2

- How does your answer change with this second email? What are the problems and how would you respond?
 - "How does the more sophisticated money manager spouse, say the wife, remain patient with the more primitive money manager, say the husband, when real financial harm or financial chaos is being created? How can that be tolerated in order to avoid contention? Which is the higher priority: avoiding contention or working to stop the financial hemorrhaging?"
 - "And the second issue involves the difference in risk tolerances of husbands' and wives, i.e., the husband has a particular talent and has started his own business, the wife wants a steady paycheck. If the pros and cons are of equal weight in both scenarios, doesn't the husband's idea win bys default if he is the wage earner?"





A. Understand the Key Changes in Decision Making

- When you are single, you are the decision maker
 - Your goal is to "be a wise steward over your financial resources"
 - Once you become married, the process changes
 - Instead of "I" and "me" it becomes "us" and "we"
 - There are now two equal decision makers
 - Unity now becomes a critical component, as "If ye are not one, ye are not mine" (D&C 38:27)
 - The goal changes and becomes "a unified and consecrated stewardship of our financial resources"



Decision Making (continued)

- What is our standard?
 - Our marriage standard is *equal partners* with *equal responsibility* and *unified* in working toward common individual and family goals
 - It may not be attainable by everyone, but it is still the standard we seek to achieve
 - Widowed, divorced, never married and single parents have all been promised that those who faithfully follow the commandments will receive all blessings promised by Heavenly Father
 - There are no second-class citizens in the gospel



Decision Making (continued)

- What does it mean to preside?
 - Contrary to scripture and Christ's teachings, some have interpreted "presiding" to mean that after equal counsel, equal consent is not necessary because the presider (or husband) has the right of final say. L. Tom Perry corrected this and said:
 - There is not a president or a vice president in a family. The couple works together eternally for the good of the family. . . They are on equal footing. They plan and organize the affairs of the family *jointly and unanimously* as they move forward (italics added, L. Tom Perry, "Fatherhood, an Eternal Calling," *Ensign*, May 2004, 71.)



Decision Making (continued)

- What does it mean to "rule over"?
 - Some have misunderstood what it means to "rule over." Bruce and Marie Hafen remind us:
 - Genesis 3:16 states that Adam is to 'rule over' Eve, but this doesn't make Adam a dictator. ... *Over* in 'rule over' uses the Hebrew *bet*, which means ruling 'with,' not ruling 'over.' ... The concept of interdependent, equal partners is well-grounded in the doctrine of the restored gospel (Bruce C. and Marie K. Hafen, "Crossing Thresholds and Becoming Equal Partners," *Ensign*, Aug. 2007, 27.)



Principles of Marriage and Money

- What are the key principles of marriage and money and why are they important?
 - Principles can help us make the transition from single to a couple easier and to help us to become better, more unified, happier and wiser equal stewards over our blessings
 - Below are a few ideas of important principles
 - These are not the only ones, but they will give you something to think about as you ponder this important topic

17-17-17-19



WE, THE FIRST PRESIDENCY and the Council of the Twelve Apostles of The Church of Jesus Christ of Latter-day Saints, solemnly proclaim that marriage between a man and a woman is ordained of God and that the family is central to the Creator's plan for the eternal destiny of His children.

ALL HUMAN BEINGS—male and female—are created in the image of God. Each is a beloved spirit son or daughter of heavenly parents, and, as such, each has a divine nature and destiny. Gender is an essential characteristic of individual premortal, mortal, and eternal identity and purpose.

IN THE PREMORTAL REALM, spirit sons and daughters knew and worshipped God as their Eternal Father and accepted His plan by which His children could obtain a physical body and gain earthly experience to progress toward perfection and ultimately realize their divine destiny as heirs of eternal life. The divine plan of happiness enables family relationships to be perpetuated beyond the grave. Sacred ordinances and covenants available in holy temples make it possible for individuals to return to the presence of God and for families to be united eternally.

THE FIRST COMMANDMENT that God gave to Adam and Eve pertained to their potential for parenthood as husband and wife. We declare that God's commandment for His children to multiply and replenish the earth remains in force. We further declare that God has commanded that the sacred powers of procreation are to be employed only between man and woman, lawfully wedded as husband and wife.

WE DECLARE the means by which mortal life is created to be divinely appointed. We affirm the sanctity of life and of its importance in God's eternal plan.

HUSBAND AND WIFE have a solemn responsibility to love and care for each other and for their children. "Children are an heritage of the Lord" (Psalm 127:3). Parents have a sacred duty to rear their children in love and righteousness, to provide for their physical and spiritual needs, and to teach them to love and serve one another, observe the commandments of God, and be law-abiding citizens wherever they live. Husbands and wives—mothers and fathers will be held accountable before God for the discharge of these obligations.

THE FAMILY is ordained of God. Marriage between man and woman is essential to His eternal plan. Children are entitled to birth within the bonds of matrimony, and to be reared by a father and a mother who honor marital vows with complete fidelity. Happiness in family life is most likely to be achieved when founded upon the teachings of the Lord Jesus Christ. Successful marriages and families are established and maintained on principles of faith, prayer, repentance, forgiveness, respect, love, compassion, work, and wholesome recreational activities. By divine design, fathers are to preside over their families in love and righteousness and are responsible to provide the necessities of life and protection for their families. Mothers are primarily responsible for the nurture of their children. In these sacred responsibilities, fathers and mothers are obligated to help one another as equal partners. Disability, death, or other circumstances may necessitate individual adaptation. Extended families should lend support when needed.

WE WARN that individuals who violate covenants of chastity, who abuse spouse or offspring, or who fail to fulfill family responsibilities will one day stand accountable before God. Further, we warn that the disintegration of the family will bring upon individuals, communities, and nations the calamities foretold by ancient and modern prophets.

WE CALL UPON responsible citizens and officers of government everywhere to promote those measures designed to maintain and strengthen the family as the fundamental unit of society.

Start with The Family, a Proclamation to the World," Gordon B. Hinckley, 23 Sep 1995,



- 1. Understand yourself, you vision and goals
 - What do you want to accomplish in life?
 - If His work and glory is "to bring to pass the immortality and eternal life of man," (Moses 1:39) shouldn't that be our work as well?
 - Who is winning in your battle with self?
- 2. Seek, receive and act on the Spirit's guidance
 - Seek the guidance of the Spirit
 - The Holy Ghost can bring you power to perform beyond your natural abilities. He can provide you with the help of unseen powers in all that you do (Carlos E. Asay, "Courting the Spirit," *Ensign*, August 1990).



- 3. Understand and live the 9 key principles of successful marriages and families
 - Happiness in family life is most likely to be achieved when founded upon the teachings of the Lord Jesus Christ. Successful marriages and families are established and maintained on principles *of faith, prayer, repentance, forgiveness, respect, love, compassion, work, and wholesome recreational activities* (Proclamation on the Family, 1985).



- 4. No one is more important than your spouse
 - David O. McKay said:
 - Let me assure you, Brethren, that some day you will have a personal priesthood interview with the Savior, Himself. . . I will tell you the order in which He will ask you to account for your earthly responsibilities. First, He will request an accountability report about your relationship with your wife. Have you actively been engaged in making her happy and ensuring that her needs have been met as an individual? [From Notes of Fred A. Baker, Managing Director, Department of Physical Facilities], as quoted by Robert D. Hales, BYU Devotional, 15 March 1988.



- 5. The family is ordained of God
- The Proclamation on the Family states:
 - The family is ordained of God. Marriage between man and woman is essential to His eternal plan.
 Children are entitled to birth within the bonds of matrimony, and to be reared by a father and a mother who honor marital vows with complete fidelity.



- 6. Marriage partners are equal
- From the Proclamation on the Family, it states:
 - By divine design, fathers are to preside over their families in love and righteousness and are responsible to provide the necessities of life and protection for their families. Mothers are primarily responsible for the nurture of their children. In these sacred responsibilities, fathers and mothers are obligated to help one another as *equal partners*. (Proclamation on the Family, 1995)



- 7. Spouses are to leave their parents and become one
 - Therefore shall a man leave his father and his mother, and shall cleave unto his wife: and they shall be one flesh (Genesis 2:24).
- 8. The best things in life are free
 - Nothing is more important than eternal life
 - Seek not for riches but for wisdom, and behold, the mysteries of God shall be unfolded unto you, and then shall you be made rich. Behold, he that hath eternal life is rich (D&C 6:7, 11:7).



- 9. Financial problems are usually behavioral problems, not money problems
 - It is not money, but the use of money that is the key. We must learn to manage our money wisely
- 10. We can and must change and be better
 - Russell M. Nelson reminds us
 - When we choose to repent, we choose to change! We allow the Savior to transform us into the best version of ourselves. We choose to grow spiritually and receive joy—the joy of redemption in Him. When we choose to repent, we choose to become more like Jesus Christ!" ("<u>We Can Do</u> Better and Be Better," *Ensign*, May 2019, 67.)

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Finding balance

Guiding Principles

Doctrines

Know yourself, your vision, goals Seek, receive and act on guidance Key areas of successful marriages Your spouse is most important The family is ordained of God Marriage partners are equal We must leave our parents The best things in life are free Finance problems are behavioral We can and must improve

Identity Obedience Agency Stewardship Plan of Salvation Agency Accountability Plan of Salvation Stewardship Agency



From obedience to consecration

We are children of a King (identity), striving to live worthy of the Spirit (obedience), using our agency wisely (stewardship) and building the most important institution in time and eternity, the family (Plan of Salvation). We are working as equal partners (equality) to accomplish our most important mission in life (accountability), which is to build an eternal family (stewardship) so we can return with our spouse and families back to Father's presence.



- Now that you have the principles, what are the practices to support those principles?
- 1. Create your family vision, goals and SIE budget, and then work on them together
 - What is important to you in your marriage?
 - What is your vision for your relationship, family and children?
 - What are your goals to take you to your vision?



- What things will you work together to accomplish as a couple?
 - Set a price tag and date on your goals



- Work on your saving, income and expense plan (SIE budget) together and review it often
 - It is the single most important activity to help you achieve your financial vision and goals
 - This is part of your family roadmap
 - Review potential problems before they happen





- 2. Make all major purchases together, and with the Lord's confirmation
 - Financial decisions of substance should be made by consensus



• Some of the most serious problems in marriage arise when financial resources are not managed carefully and in the best interest of the family. (Marriage and FR Manual, A: Strengthening Marriages, 8: Managing

Family Finances, 2000, 35.)



- 3. Agree to and follow spending limits
 - Agree to the spending limits in your budget
 - Develop trust in each others ability to follow the plan which you work out together
 - Review potential problems before they happen





- 4. Sleep on it
 - Agree to never make a major purchase on the spot
 - It is too easy to get carried away in the emotion of the minute
 - Take time to think on it
 - If it is a good deal today, it will also be a good deal tomorrow sleep on it for a day



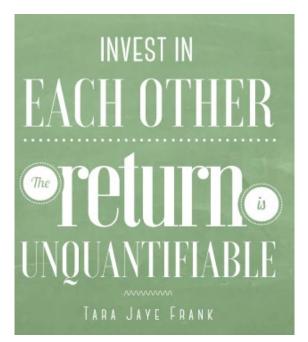
- 5. Deal with financial disagreements agreeably
 - Make your financial discussions productive.
 - Remember again the H.A.L.T principle (hungry, angry, lonely, tired)
 - Get something to eat before talking about sensitive financial topics
 - Disagreements are normal, but make them respectful!
 - Set up a time each week to talk about important topics



- 6. Practice Mad Money
 - While both spouses should know and have a say in family income and expenditures, there may be disagreements
 - Mad money is an amount, set aside each month, that does not have to be reported to the spouse
 - Each spouse has total control over this money without comment by the other



- 7. Invest in each other and the relationship
 - Therefore shall a man leave his father and his mother, and shall cleave unto his wife: and they shall be one flesh (Genesis 2:24).
 - Key investments in each other:
 - Dates each week
 - MAD money each month
 - Weekend getaways each quarter
 - Vacations each year





Questions

• Any questions on the principles and practices of money and marriage?





B. Understand Why Money May be an Issue and Share a Few Recommendations

- In a survey conducted by *Worth* magazine:
 - Couples admitted to fighting about money more than anything else.
 - A staggering 57% of those surveyed agreed with the statement, "In every marriage, money eventually becomes the most important concern" (Eric Tyson, *Personal Finance for Dummies*, IDG Books Worldwide, 2000. p. 10).



Why Money May be an Issue (continued)

- In a survey conducted by *Worth* magazine:
 - Couples admitted to fighting about money more than anything else.
 - A staggering 57% of those surveyed agreed with the statement, "In every marriage, money eventually becomes the most important concern" (Eric Tyson, *Personal Finance for Dummies*, IDG Books Worldwide, 2000. p. 10).
- Why do you think this is the case?
 - What do you think are the major reasons money is such an issue in marriage and relationships?



Why Money May be an Issue (continued)

- James E. Faust commented:
 - Money itself seems neither to make a couple happy, nor the lack of it, necessarily, to make them unhappy, but money is often a symbol of selfishness (James E. Faust, "The Enriching of Marriage," *Ensign,* Nov. 1977, 9).
 - To minimize money problems in marriage, we should learn the potential problem areas and understand how to eliminate them



- 1. Lack of Financial Knowledge
- Why the lack of knowledge regarding personal finance?
 - What can be done?
 - Learn about finance together
 - Become exact in all you do. Keep good records and keep learning, stay on your Saving, Income and Expense Plan
 - Learn to live a disciplined life.
 - Put God first in your lives. Ask: "Does this action bring me closer to God and obedience to His commandments?" If it doesn't, don't do it.



2. Lack of Communication

- Why is communication between spouses so critical?
 - What can be done?
 - Develop a regular communication plan
 - Ideally, in this "Stewardship Meeting" you discuss calendars, scheduling, goals, budgets, finances, children, etc.
 - This should be one of your most important meetings (after Church, FHE, temple attendance and weekly dates)



3. Differences in Financial Personality Types

- Why is it important to understand families and backgrounds?
 - What can be done?
 - Recognize that you and your spouse grew up differently--Accept it! Work it out together
 - That makes life interesting
 - While you cannot control how you were brought up, you can control how you work together and raise your family
 - Work together as equal "help-meets" and "Christ-like" partners





4. Lack of Shared Vision and Goals

- Why does the lack of shared vision and goals result in so many problems in marriages?
 - What can be done?
 - Write down your personals vision and goals, and share these.



- Then as a couple, discuss each other's vision and goals with the goal solely to understand (do not criticize)
 - Then as a couple, work on common family and personal goals together



5. Lack of Gospel Maturity

- Why do problems arise when we do not live our lives consistent with the way we should?
 - What can be done? Robert D. Hales said:
 - If the example we have received from our parents was not good, it is our responsibility to break the cycle. ... Each person can learn a better way and in so doing bless the lives of family members now and teach correct traditions for the generations that follow ("How Will Our Children Remember Us?" *Ensign,* Nov. 1993, p. 10).



Recommendations for Money and Marriage

- Following are a few ideas which have been helpful in my marriage
 - Please note that I am not a family therapist or expert in family matters. I just have seven kids, 4 married, 3 sons-in-law, 1 daughter-in-law, 6 grandchildren, and I am still married



- 1. Bring Christ <u>more</u> into your vision, relationship, family and finances
 - At your marriage, you not only made covenants with each other but also with God. Keep Him at the center of your marriage, at the top of your triangle
 - As you come closer to Him, you come closer to each other
 - We have no better example of a loving spouse than our Savior Jesus Christ



- 2. Develop unity and a family vision and goals
 - Strive to become unified in all you do
 - Develop and work on a specific family vision
 - Agree on and write down your family goals
 - Saving should be a weekly activity
 - Opinions should be discussed freely and openly without fear of ridicule
 - You must agree to disagree agreeably



- 3. Delegate Action, but Share Responsibility
 - It's not unusual for one spouse to play the primary role in managing the finances, but it is critical that both are involved and aware
 - Make sure both are involved
 - If one has more knowledge, it is their responsibility to teach the other
 - Switch responsibilities each year or so



- 4. Separate "real" from "imagined" problems
 - Too often arguments over money are about things entirely different. Separate "real" from "imagined"
 - Finances and the things you "own" are very tangible assets, and hence it is easy to project emotional issues onto these money matters.



- 5. Always be kind and assume the best
 - Kindness is the single biggest predictor of whether you will stay together as a couple—so be kind
 - Always assume that your spouse is doing the best they know how with the knowledge base they have



- 6. Keep the romance alive
 - L. Tom Perry counseled:
 - Perhaps it would also be appropriate to have a date with our wives each week, to remind us of the great blessing they are in our lives ("Family Traditions," *Ensign*, May 1990, 19).



Questions

• Any questions on why money may be an issue in relationships, and what you can do to minimize those issues?





- Part of preparing your Family Financial Plan is to review how you were brought up and how finances were handled in your family
 - This section has two parts
 - 1. Answer the 23 questions in the different areas of finance
 - This will help you understand how you were brought up
 - 2. Fill in your goals, plans and strategies, and constraints
 - This will plan how you will live and bring up your children



Vision

• From your Plan for Life

Goals

- Help my spouse, children and I return to Father's presence.
- Create an environment of love & respect
- Treat my spouse as an equal partner with different responsibilities, that will change from time to time.
- Build my spouse's self-esteem, and always assume they are doing their best and working in the family's best interests
- Show appreciation for my spouse and the things they do
- Always see the good in my spouse, and will always support them in the things they want to accomplish.
- Never discipline or touch my spouse or children in anger.



Plans and Strategies

- We are equal in all things.
- We will do those things that bring the spirit into our home, including daily scripture study, family prayer, companionship prayer every night, church and temple attendance, fulfilling church responsibilities, and paying a full tithe and a generous fast offering.
- We will strive to keep the relationship alive, by going on a date each week (a fixed expense), quarterly weekends away, and an annual vacation without kids.
- We will develop family memories by going on two family vacations each year, and being together at family holidays.
- For married spouses, we will spend every other year together as a family.



Plans and Strategies (continued)

- We remember who we are, children of the Most High God, and we act according to our "spiritual nature"
- We strive to be like our Savior Jesus Christ
- We budget and give now when we are poor
- We are honest in all your doings—we hide no assets or liabilities from each other
- We have weekly "Companionship Meeting" each week
- We invest in our children, PPI's each Fast Sunday, FHE each Monday, and teach them Personal Finance
- We invest in ourselves: individual scriptures study, exercise and stay healthy, and build skills and talents



Constraints

- Areas affecting his vision include abuse, addiction, pornography, and disobedience to God's commandments.
- Other constraints include putting money before God, not recognizing the source of our blessings, and allowing other things to take priority over spouse and family.
- As long as we are doing those things to bring the Spirit into our home and are working to strengthen the testimony of myself, spouse, and family, it will help me to avoid these problems.

Accountability

• From my Plan for Life



Review of Objectives

- A. Do you understand the key changes in decision making and the key principles and practices of money and marriage?
- B. Do you understand why money may be an issue in Marriage?
- C. Do you understand how to create your Family Financial Plan for your family?



Case Study #1

- I received the following email. What problems do you see and what recommendations would you make?
 - "I would be interested in a unit on the emotional component of money, and how to avoid contention when two people have opposite ideas of how money is to be managed. Sometimes, the pathway of applying correct principles leads right to the doorway of contention."
 - "For example: one spouse believes in your advice to save a small amount of money. The other spouse refuses to allow that and insists on spending it. If the spender is the husband and the saver is the wife, how do you reconcile those positions while avoiding contention?"

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Case Study #2

- How does your answer change with this second email? What are the problems and how would you respond?
 - "How does the more sophisticated money manager spouse, say the wife, remain patient with the more primitive money manager, say the husband, when real financial harm or financial chaos is being created? How can that be tolerated in order to avoid contention? Which is the higher priority: avoiding contention or working to stop the financial hemorrhaging?"
 - "And the second issue involves the difference in risk tolerances of husbands' and wives, i.e., the husband has a particular talent and has started his own business, the wife wants a steady paycheck. If the pros and cons are of equal weight in both scenarios, doesn't the husband's idea win by⁵³ default if he is the wage earner?"



Case Study #2 (continued)

- "Another point is that the presentation seemed to assume that the viewers came from LDS families – I for one am a convert, and did not grow up with parents who saved for a mission or paid tithing. In fact, I have to be extremely careful about my tithe paying as it is an extremely sore subject for my non-member family who disapproves of the practice."
- "Again yet another scenario in which it is the very act of trying to obey correct principles leads to contention and opposition within the family. You have my permission to use my questions and concerns."
- Signed



Case Study #2 Answers

- A. Following are a few problems
 - The underline portion are the principles while the statements are the facts from the email
 - <u>Marriage partners are equal</u>. It doesn't seem so from this email. It appears that the writer is appealing to an outside authority (me) to support what they think is correct. It appears communication has broken down between spouses and so they are appealing to an outside authority
 - <u>Control of money as power</u>. It appears there is a type of money control question here—money is power. This "money as power" is inappropriate for equal partners



- <u>Unified and in the best interests</u>. It appears that they are not unified and seeking the "best interests" of the family but may be trying to further their own "best interests." Unity must be put first
- <u>Behavioral problems</u>. This appears to me to be, at least in part, a behavioral issue and not a finance issue. It seems lack of equality and communication are major concerns here, and finances are the representation of that concern
- <u>Change.</u> It seems from the reading that both assume an unwillingness or ability to change, both individually and as a couple. We can change ourselves, but not our spouses. They must want to 56 change, then change themselves



- <u>Respect</u>. From the choice of adjectives I sense a loss of respect: sophisticated versus primitive, saving versus spending, etc. Perhaps this is to make a point but it causes concern. We should eliminate these negative words and thoughts, especially in our communications with each other
- <u>Leave parents</u>. It seems like one spouse has not left their parents. Financial decisions are between husband and wife, not between spouses and parents. "Therefore shall a man (and woman) leave his father and his mother, and shall cleave unto his wife" (Genesis 2:24).



- B. Following are a few recommendations that may be helpful for this couple:
 - <u>Build the relationship</u>. Assume both spouses are trying to do what is best, and that both are trying. Realize that there may be differences of opinion, and that is OK. They should first work to understand, and then seek to be understood
 - <u>Develop unified individual and family vision and</u> <u>goals</u>. There appears to be a difference as to the vision and goals of the couple. They should work together to come up with unified and shared individual and family goals, and then work toward these goals



- <u>Build the financial knowledge of the couple and</u> <u>family</u>. One spouse knows more which is expected. Perhaps that spouse could recommend some reading on the importance of becoming financially self-reliant. There are a number of good articles which can help. They could also do some Family Home Evening lessons on personal finance
- <u>Resolve family differences</u>. There appears to be a difference in how each was brought up and how they relate to their families. While they cannot control how they were brought up, they can decide to be unified in how they will do things in their family. And they should do it in the "best interests" of their family

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- <u>Improve communication and problem-solving</u> <u>skills</u>. There seems to be concerns in this area. They need to make finances a part of their weekly "stewardship council" meeting where they discuss finances, children, scheduling, vision, goals, etc.
- <u>Strengthen testimonies</u>. Finally, they should work to strengthen their testimonies and live according to the gospel of Jesus Christ. They need to work to bring Heavenly Father more into the relationship through prayer, scripture study, church attendance, etc. When they are doing what God would have them do, they can have His help. Since families are ordained of God, God will help them resolve their differences and become more like Him



Case Study #3

- Data
 - Bill, your best friend and BYU graduate, just got engaged to Emily. He knows you have taken this class on personal finance as you have shared many things with him in the past. He is concerned as in his parent's marriage, money was a major and divisive issue. He would like to try and minimize these issues in his upcoming marriage. He asks if he and Emily can meet with you to discuss what you consider the most pressing issues about money in marriage.

Application

• What would tell Bill and Emily are the most pressing issues in money and marriage? What other advice would you give them?



Case #3 Answers

- Following are a few thoughts that might be helpful.
- 1. Lack of shared financial vision and goals
 - It is critical that both Bill and Emily be working toward the same general family and family financial vision and goals
 - They should set those goals together as spouses and then work on them together
 - They should write them down
 - They should set a time each year that they will review their family goals and set new goals
 - This should be an on-going process—they will ⁶² achieve what they set their goals to achieve



Case #3 Answers (continued)

- 2. Lack of communication
 - Relationships require communication to stay healthy
 - Communication on financial matters is one part of that healthy communication
 - Bill and Emily need to develop processes to ensure time to communicate effectively in all areas of their lives, including financial areas
 - They should set aside time each week to discuss financial matters in an atmosphere of love and concern
 - In order for this marriage to succeed financially, both must be party to and feel they contribute to family financial decisions



Case #3 Answers

- 3. Lack of financial knowledge
 - Financial knowledge is important to make good decisions. Both Bill and Emily should realize that financial knowledge can be acquired
 - They must be willing to spend the time learning about key financial topics
 - In addition, they must realize that financial knowledge by itself is insufficient
 - Both Bill and Emily must be willing to act on that knowledge to be wiser financial stewards



Case #3 Answers (continued)

- 4. Differences in financial personality types and family baggage
 - Bill and Emily were both brought up differently in their families, and this includes how they learned to handle financial matters
 - While they cannot change how they were brought up, they can decide how they want to handle financial matters in their marriage
 - They set the framework for their marriage
 - They can change how they work together
 - They can have a goal to be equal financial partners and better stewards over the blessings 65 they have and will receive



Case #3 Answers (continued)

- 5. Lack of gospel maturity
 - Gospel maturity is not just knowing what you should do, but doing it as well
 - They need to be committed to the relationship
 - They need to put each other, and the Lord first in their lives
 - The more willing they are to do what needs to be done in their relationships and family, the better the marriage will be and the more likely they will be able to achieve their family vision and goals
 - Remember the critical doctrines is to return with ⁶⁶ their family to Heavenly Father's presence



Problem #4

- Are there additional examples of things to do for your Family Financial Plan?
 - Following are some additional examples of strategies that may give ideas to help you in planning your Family Financial Plan
 - I have divided it into different areas
 - Spiritual
 - Temporal
 - Family
 - Individual
- These are from my <u>Money and Marriage Suggestions</u> (LT41) that I share with future spouses before my children ⁶⁷ get married



- Spiritual
 - Remember who you are, a child of the Most High God, and act accordingly
 - Strive to be like your Savior Jesus Christ
 - Attend the temple as often as you can, with a minimum of once a month
 - Budget and learn to give now when you are poor and have nothing
 - Memorize your Patriarchal Blessing, the "Proclamation on the Family", "The Living Christ," and other scriptures that are important to you. Ours include D&C 121:34-46, D&C 11:7, Jacob 2:18-19, Alma 37:32-37 and Alma 7:22-24



Temporal

- Remember "Life is Good." Be glad for the blessing of life
- Live within your means
- Be honest in all your doings--hide no assets or liabilities Have weekly "Companionship Meeting" each week (at a specified time and day)
 - Discuss your budget, financial situation, and other key concerns with your spouse each week during this Companionship Meeting
 - Learn to save and invest wisely
 - Never go into debt except for education, a modest home, and perhaps a first car





- Temporal (continued)
 - Never go into debt except for education, a modest home, and perhaps a first car
 - Save 20% of every dollar you earn after school, with 15% saved specifically for retirement
 - Learn to save and invest wisely



Family

- Develop your own family vision, goals and plans together
- Develop your vision of what it means to be a success in life.
- Be equal in all things with your spouse.
- In the process of living, make sure you make memories
- Have FHE each week, a family service project each quarter
- Have kneeling family prayer each night and morning and companionship prayer each night
- Have family scripture study each weekday
- Invest in each other. Go on a date each week, a weekend-out date each quarter, and a week vacation each year
- Make sure both spouses know about all finances and assets
- Invest in your children, PPI's each Fast Sunday, FHE each Monday, and teach them about Personal Finance in the home.



Individual

- Get great and use your favorite finance software program
- Leave your father and mother and be one it's more fun
- Invest in yourself: scriptures individually daily, exercise and stay healthy, and continue to build your skills and talents
- Be active in your ward and community. Make a difference
- Serve diligently in whatever calling you have magnify it well
- Learn to always assume the best, be kind, and forgive quickly
- Finally, as my wife says, "*If you live like most people won't for the first ten years after school, you will live like most people can't for the years after that*" 72



- Individual (continued)
 - Go on a date each week (budget a certain amount each week as a fixed expense)
 - Go on a weekend-out each quarter
 - Go on a week vacation (just the two of you) each year
 - Two family vacations each year
 - Spend holidays as a family and make memories
 - PPI's with children each Fast Sunday
 - Time with Parents (TOP) each Monday (budget a certain amount each week for each child)



- Individual (continued)
 - Be equal in all things. Both have responsibility for spirituality, finances, and the raising of children
 - The wife will likely outlive the husband, so make sure she knows everything about everything
 - Get great at Quicken, Mint.com or other software program. It will save you lots of time in the future
 - Teach your children about Personal Finance in the home. There will be no balance in our lives unless our finances are securely under control
 - If you live like most people won't for the first ten years after school, you will live like most people can't for the years remaining