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*Creating Your Personal Money MAP*

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Designed by Jenny Swanson

Edited by Dave Lindstedt

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## Introduction

**AFTER EIGHTEEN YEARS OF TEACHING FINANCIAL SEMINARS, COUNSELING SINGLES** and couples, reading thousands of letters, and doing extensive research about Americans and their money, I've come to an inescapable conclusion: The average American family is financially exhausted! Most Americans are stressed out financially, overwhelmed with debt, have little financial discipline, seldom or never plan, support God's kingdom with token gifts, and live literally from paycheck to paycheck. They're on the wrong road, wandering aimlessly through life, with no biblical financial plan. According to surveys I have taken in my seminars, less than 10 percent of the attendees have ever taken the time to create a personal budget and prayerfully evaluate how they give, save, and spend God's resources. How can this be?

In recent years, studies have shown that Americans as a whole have become world-class workaholics who are maxed-out with credit card debt and saving very little of their disposable income. Yet they are always wanting more. Even senior citizens, "once known for their thrift, . . . are piling on debt—filing for bankruptcy in record numbers, and jeopardizing retirement dreams."<sup>1</sup> Some of the side effects of our societal focus on material gain and growth include increases in stress and stress-related diseases, divorce, suicide, homicide, and drug and alcohol abuse.<sup>2</sup> These trends are unlikely to change unless something fundamentally transforms the way we live our lives. Unfortunately, the experience of the average Ameri-

can Christian isn't much different from that of the rest of society. Clearly, this is not God's plan for his people.

Despite the dire outlook, I have good news. Most of our financial problems could be eliminated if individuals and couples would take the time to develop and use a budgeting system that I call a personal money MAP. Sound too simple? It *is* simple and unique, but time and time again since 1985, I have seen that it works. It takes some discipline and determination, but it works.

### **The Cost of Overspending**

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One simple reality lies at the root of most financial problems: We spend more than we earn. And, as the following example shows, it doesn't take a lot of overspending to add up to major losses.

If you overspend as little as \$2.75 a day (that's less than the cost of the average latte) during the forty-five years of your working life, it could end up costing you \$1,233,244.10. The math is very straightforward. If you invested just \$82.50 per month (\$2.75 per day  $\times$  30 days) every month for forty-five years at an 11 percent rate of return, which equals the average annual stock market return over the past fifty years, at the end of that time you would have created an investment account of more than \$1.2 million. Even if you earned 6 percent annual return on your investment, you would have \$227,369.39. Have you ever considered that God's eternal reward on money invested for his kingdom greatly exceeds 6 or even 11 percent? Could it be that money invested in "good soil" bears fruit thirty, sixty, and a hundredfold? Check it out for yourself in Matthew 13:23.

Please do not read too much into this overused but nonetheless eye-catching financial illustration about overspending \$2.75 a day. It may be that spending money on a latte will prove to be one of the best things you do every day. With the MAP, that decision will be up to you! Be assured, however, that the MAP system will *not* train you to walk around with a 3"  $\times$  5" card tracking every dime you spend. The purpose of the MAP system is to bring *simplicity, gen-*

*erosity, consistency, and freedom* into your financial life—not to drive you insane with details and not to create more millionaires in this world.

As Christians, we should desire to be the best stewards we can be in our giving, saving, and spending. In this book, you will learn proven techniques for how to create and use one of the most basic financial tools: a personal budget. However, for reasons I'll explain, let's not use the word *budget*. Instead, let's call it a *Money Allocation Plan*, or *MAP*. As you'll soon see, this is more than just a matter of semantics. By calling this process a Money Allocation Plan, we focus very deliberately on the choices and decisions that make up a successful money management system. Besides that, everyone can easily understand the concept of using a MAP to get us where we want to go.

I have trained thousands of individuals to use the MAP since it was created in 1985. Used properly, a MAP can alleviate stress, save your marriage, help you to pay all your credit card bills in full every month, accelerate paying off your mortgage, put you on a path to becoming 100 percent debt free, allow you to generously support God's kingdom financially, and help you to be a faithful steward of God's resources. And as I tell my seminar groups, if you're married, the MAP system will help you and your spouse have more fun and less fights!

Sound impossible? Not if you will apply the principles in this book and invest the relatively short amount of time it takes to create your personal MAP. Once you have a MAP in place, all you will need is a half hour to forty minutes each week to remain in control of your financial life and accomplish your goals.

Let me ask you a question: During your twelve to sixteen years (or more) of formal education, how many lessons were you taught on budgeting or money management? If you're like most people, the answer is *zero*. In fact, my conference surveys reveal that less than 10 percent of high school or college graduates have had even one course in personal money management. Isn't that amazing? Our educa-

tional system has failed to teach us the first thing about one of the most important aspects of life—something that all of us have to deal with every single day—and that’s money. Let’s change that right now!

Financially speaking, my desire is to help you find the right road and remain on it for the rest of your life. I am not promising that you will become the next millionaire (nor am I recommending that as a goal), but I am confident that you will be in a better position to live life to its fullest—both financially and spiritually—if you will follow the easy steps of the Money Allocation Plan. For most families, the difference between financial success and failure is determined by how they manage their finances on a daily basis.

Let me encourage you to read this book with an open heart. It could very well be the turning point in your life or marriage. The MAP is a simple tool that will help you move from frustration to freedom, from hurting to healing, from helpless to hopeful, and from foolish to faithful.

Finally, faithful stewards make *daily* decisions with an *eternal* perspective. My prayer for you is that when you come to the end of your life on earth, you’ll be able to say with the apostle Paul, “I have fought a good fight, I have finished the race, and I have remained faithful. And now the prize awaits me—the crown of righteousness that the Lord, the righteous Judge, will give me on that great day of his return” (2 Timothy 4:7-8).

Earlier I mentioned the importance of decisions. Now it’s decision time. As God’s steward, are you ready to implement a simple financial plan that will allow you to be generous in your giving, consistent in your saving, and free in your spending?

If the answer is yes, then let’s get started. Together let’s create your personal MAP and begin the journey toward spiritual and financial victory in this important area of life called personal money management.

## Which Road Are You On?

*Locating Yourself on the MAP*

**TWENTY YEARS FROM NOW, IF I WERE TO WRITE THE HISTORY OF YOUR** family, how would the story unfold? Would it be one of wise decisions and well-earned financial and spiritual rewards, or would it be checkered with foolish financial mistakes year after year? Would your story reflect wise, godly planning and a carefully plotted course, or would it be a tale filled with frustration, defeat, detours, potholes, delays, and failures? From a spiritual perspective, would your life be an example of how to prayerfully and carefully manage 100 percent of the resources God has entrusted to you, or would it be a story characterized by a lack of contentment, wasteful spending, and token giving? Think about it: Will the record show that you were more interested in building your own kingdom or God's kingdom? I urge you not to take these issues lightly. Serious questions demand serious reflection and answers.

I believe that we serve a sovereign God, but in many ways our destiny is in our own hands. The decisions we make today—or don't make—will shape our lives for years to come. They will determine our family legacy and will even affect our eternity. Wise decisions lead to great results. Poor decisions, and sometimes non-decisions, lead to disastrous, often painful results. A lack of adequate *planning* or a lack of good *decisions* or a lack of strong *direction* will all make a difference.

Jesus said, "He who is faithful in a very little thing is faithful also in much; and he who is unrighteous in a very little thing is unrighteous also in much. If therefore you have not



been faithful in the use of unrighteous mammon, who will entrust the true riches to you?” (Luke 16:10-11, NASB). If we want God to use us for big things, we must demonstrate faithfulness in the little things, such as managing his resources on a daily basis.

I have spent many years teaching financial seminars, being a guest on live call-in radio programs, and doing personal counseling in the area of finances. Along the way, I have met some couples and individuals who are really enjoying the trip, traveling on a four-lane financial interstate with only occasional bumps or detours. Unfortunately, I’ve also met others who have taken a wrong turn or two along the way. Those wrong turns, or poor decisions, have led them down dusty, bumpy roads filled with detours, potholes, roadblocks, delays, and daily frustration. Proverbs 13:12 sums up this situation well: “Hope deferred makes the heart sick, but when dreams come true, there is life and joy.”

We don’t need a huge income to enjoy the trip and avoid most of the financial potholes. We just need to learn how to properly manage the resources that God has entrusted to us.

Teach the wise, and they will be wiser. Teach the righteous, and they will learn more. (Proverbs 9:9)

Fools think they need no advice, but the wise listen to others. (Proverbs 12:15)

If we’re wise, we will be teachable, eager to learn what we should or should not do. For example, if we’re wise, we will always pay our credit card bills in full every month—and we’ll *never* amass huge (or even small) credit card debt that is not paid off. On the other hand, if we’re foolish, we will ignore sound advice and wind up living in daily financial bondage due to excessive spending and debt that builds up over the years. The wise person listens to godly counsel—and responds. The fool always has a “better plan,” and godly counsel falls on deaf ears.

At my seminars, I can always spot the ones who have been coerced to attend. Often they will walk into the room with a smirk on their face, sit toward the back with their arms crossed, and never take any notes. Everything about them shouts, “I don’t want to be here, and I want you to know that I don’t want to be here. I don’t like you, I already know what you’re going to say, and I dare you to try and teach me anything.” The heartbreaking part is that the person’s spouse is usually trying to write down every word I say—eager to learn. He or she is desperate for answers and is praying for a miracle.

I usually make a special effort during the break to go and talk to those who came in with a negative attitude. I make it my personal mission to change their minds, primarily out of compassion for their spouse. In most cases, all it takes to break down the barrier is for me to express a genuine interest in them. Before the seminar ends, I might even see them jot an occasional note in their syllabus—but they sure don’t want anyone to see them!

### **Americans and Money**

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Let’s take a closer look at how most Americans view money. As you read, ask yourself how many of these characteristics are true of you.

#### **Optimism**

Most Americans are truly optimistic about their financial future. Those of us who were born after the end of World War II grew up in an era of almost unabated economic expansion. As a result, we’ve come to expect—often without thinking about it—that our financial status will continue to grow. Although this mind-set can be a good thing, in most cases it leads to overspending and other financial problems. We assume we’ll be making more money next year than we are now, so we buy a larger home, a more expensive car, and countless other luxuries and “necessities,” much of which results in thousands of dollars in credit card debt.

I realize that the “can do” spirit is one of the things that has made America great, but when it comes to overspending, this attitude could lead to our financial destruction. What most Americans really need is more realism, not more positive thinking; more spiritual discernment, not more worldly philosophy. We should all be asking ourselves the question, “How much do I actually have available to live on this year?” rather than “How much might I possibly earn next year?” Optimism is a great attitude, but only if it is grounded in reality.

## **Stress**

The average American family is stressed out. One reason for all the pressure is that we’ve extended our financial boundaries to the maximum, then gone beyond. I believe that stress is a God-given warning signal. It is not healthy for the body to endure so much stress. In fact, “researchers believe 80 percent of all diseases are linked to or aggravated by chronic stress.”<sup>3</sup> It’s like pushing the gas pedal to the floor, maxing out the RPMs, and never letting up. Eventually, the engine will blow up and shut down. It’s not a question of *if*, only a matter of *when*. Many families live day after day with their financial tachometer in the red zone. Eventually something is going to blow.

The question we should all be asking is this: “What are the things that are causing so much stress in my life, and what am I going to do about it?” For example, if your house payment is taking too much of your income and you never have enough money for food, clothes, and the kids, one option is to *sell the stupid house and move to a less expensive one!* I’m not recommending anything I haven’t done myself. In 1988, when Janet and I were living in Richardson, Texas, and beginning our new ministry, finances were very tight. After much prayer, we made one of the hardest decisions we have ever made—we decided to sell our house and (eventually) purchase a house that cost just under half as much as the house we had sold. The good news was that because our larger home had

appreciated in value and we had built up some sweat equity over the years, we were able to pay cash for our new home and become 100 percent debt free.

Was it a sacrifice moving into a smaller house? *Without question.* Was it the right thing for us to do? *Without a doubt.* Would we do it again? *Absolutely.*

When we moved from our larger, two-story house into the smaller house, I'm certain we looked like failures to many. But we must learn to make our financial decisions based on God's leadership and what is best for our families, not on what others might think or say about us.

Our decision to move into a smaller house alleviated a major source of stress in our lives. If you're on the road of stress, find a way to make a U-turn before it's too late.

## Materialism

Financial burdens and the desire for material possessions have never been greater. Let's face it, Americans are seldom satisfied with their current house, furniture, car, and clothes. If I were to ask you if it is biblically wrong to murder someone, you would say yes. If I were to ask you if it is biblically wrong to commit adultery, you would also say yes. Likewise, if I were to ask you if it is wrong to steal or lie, you would say yes. But what if I asked you if it is biblically wrong to desire another person's house? Before you answer, consider the following scenario:

Before the new carpet smell wears off, most Americans are looking at the next step up. If they're living in a 1,000-square-foot home, before long they're looking at 1,500-square-foot homes. If they have a 1,500-square-foot home, they can't wait to trade up to a 2,000-square-foot home. But as soon as they obtain the 2,000-square-foot home, a friend buys a 3,000-square-foot home—and the desire to move up begins anew.

Sound familiar? Did you realize that coveting another person's house is on the same list as lying, adultery, and murder? (See Exodus 20:1-17.)

Am I saying that everyone should live in a 1,000-square-foot home? No! Am I saying that it is unspiritual to purchase a larger home? No! Am I saying that God is against large homes? No! What I am saying is that the decision to purchase a larger home should be based upon prayerful consideration of the needs of your family and within the boundaries of your income, not on what your friends and neighbors are doing. The road of materialism and the attitude of never quite being content causes much waste, consumes too much energy, and is spiritually destructive (see Matthew 13:22). If you are traveling in this fast lane, I urge you to get off at the next exit. It's time to find a new MAP.

## **Debt**

Americans are accumulating more and more debt every year. Many are mortgaging their financial future with purchases they cannot afford. Why is this? It boils down to spiritual immaturity and a lack of financial discipline. I'm not saying that all debt equals sin. Let me say that again, just to make sure I'm not misunderstood: All debt does not equal sin! However, many people buy things they really cannot afford and in the long run become slaves to their excessive purchases and debt payments (see Proverbs 22:7). Before we make any purchases, we should ask ourselves two basic questions: "Do I really need this?" and "Can I afford to make this purchase with my present income?" Driving on the dangerous road of excessive debt is like driving at night without any headlights. An accident could happen at any moment. By using a MAP, however, we can unload the debt and turn on the headlights for the rest of the journey.

## **Marriage and Divorce**

Approximately 50 percent of all marriages in the United States end in divorce. Why? In the majority of cases, financial problems are at least

## Which Road Are You On?

a contributing cause. If you are married and looking for a way out, don't choose this exit. The billboards and exit signs all look promising, but once you turn off, you'll find that many of the signs you were reading were simply not true. Most of your problems don't go away when you get a divorce; instead, you just take them with you.

### Savings

Americans have never earned more or had more potential for accumulating wealth. However, as a nation we are saving less and less each year. We need to heed the biblical advice in Proverbs 6:6-8 to observe the ant and store up a small surplus. American society is built on consumption. Most Americans live beyond their means, getting by from paycheck to paycheck. If we don't have at least a small surplus, it's like driving without a spare tire in the trunk. We might make it to our destination, but if we get a flat tire, we're in big trouble.

### Giving

Most Americans are not givers. In fact, we're pretty stingy when it comes to charitable contributions. With all the freedom and opportunity we enjoy, you'd think we'd be generous and thankful people. But we are so consumed with fulfilling our own self-pleasures that we share only a small token of our resources with others or to support God's kingdom. Many Americans are living selfish lives, but selfishness is a lonely road.

Later in the book we will learn specifically what the Bible says about the importance of giving.

### Locating Yourself on the Map

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Let's make it personal: How many of these characteristics can you identify with?

- Optimism—Have you been living in the future and not acknowledging the present?

## *Creating Your Personal Money MAP*

- **Stress**—Do you need to make changes to remove some of the financial stress in your life?
- **Materialism**—Do you covet what others have? Are you always looking for bigger, better, or more?
- **Debt**—Do you purchase things you cannot afford? Does your credit card balance grow every month?
- **Marriage and Divorce**—Are financial problems causing conflicts in your marriage?
- **Savings**—Do you have a small surplus for emergencies?
- **Giving**—Are you a generous giver? What percentage of your income do you give to God's kingdom?

### **How Are You Doing?**

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Using the categories above, take a minute right now to locate yourself on the map. Score yourself using a scale from 1 to 10.

1. **Optimism:** Rate your level of optimism from 1 (hard-headed realist) to 10 (unrealistic dreamer). \_\_\_\_\_
2. **Stress:** Rate your level of stress from 1 (low stress) to 10 (high stress). \_\_\_\_\_
3. **Materialism:** Rate your level of materialism from 1 (always content with what you have) to 10 (never content with what you have). \_\_\_\_\_
4. **Debt:** Rate your level of debt from 1 (100 percent debt free, including your mortgage) to 10 (maxed-out, only paying the minimum payment, with some past due bills). \_\_\_\_\_
5. **Marriage:** Rate the level of your marriage from 1 (great, wonderful, happy) to 10 (marriage is in serious trouble). \_\_\_\_\_
6. **Savings:** Rate your level of savings from 1 (saving at least 10 percent of every paycheck) to 10 (saving nothing). \_\_\_\_\_
7. **Giving:** Rate your level of giving from 1 (giving at least 10 percent) to 10 (giving nothing). \_\_\_\_\_

**What is your total score?** \_\_\_\_\_

## Which Road Are You On?

### Evaluation Scale

- 7–14** You are on the financial freeway—almost too good to be true, but I believe you. Maybe you should be writing this book!
- 15–30** Traveling in the right direction, with occasional detours. You are doing things right—most of the time. You will benefit from using a MAP to eliminate the detours.
- 31–45** Time for a financial tune-up. You have made some good decisions—and some poor ones. If your score is creeping up into the 40s, you need to be very careful. Use the MAP to regain your direction.
- 46–60** Traveling a bumpy road. You need a major financial overhaul. Use the MAP to get on the right track.
- 61–70** You are driving down the financial highway in the wrong direction, with four flat tires, the oil light flashing, no brakes, no lights, running on fumes, and ignoring all the flashing signs and barricades. STOP! Seek financial help immediately, before you crash and hurt yourself and someone else. The MAP can help, but it will require a lot of hard work and discipline to make the necessary changes.

Be honest. Which road are you on—the freeway of wise financial management or the bumpy road of foolish choices and bad decisions? Which direction are you headed—toward biblical stewardship or financial foolishness? How has the trip been so far? Have you encountered numerous detours, complications, and financial frustrations, or has the journey to this point been somewhat pleasant? No matter which track you're on—an eight-lane interstate or a rutted dirt road—I'm convinced that the MAP can help you. Please don't read any further until you have prayerfully taken stock of your personal situation.



## “I Love These Things!”

### *MAP Users Speak Out*

**SINCE 1995, I HAVE RECEIVED THOUSANDS OF LETTERS FROM PEOPLE WHO** have heard me on the radio, attended one of my seminars, or read one of my books. Over the years, I have tucked some of these encouraging letters into a special file in my office. In this chapter, you will hear from some of these people. All of them are MAP users and have been for years. All but two wrote to me unsolicited to share how the MAP system has helped them to stop living from paycheck to paycheck, removed stress in their marriage, helped them get out of debt, taught them how to save money, encouraged them to pay their credit card bills in full each month, and simply to have more fun, less fights.

If others can be successful using the MAP, so can you. I pray that these letters will be an encouragement to you.

#### **Monica from Mississippi:**

“We came to a seminar of yours at the end of 1993. We started using your MAP plan and the financial principles we learned at the first of 1994. You were right, the first one went into the trash can—but we continued on the next month and the next, and even now with the plan. As the debts melted away, so did our financial worries. What a difference you made in our lives! Thank you for that. It was great to hear you on a Christian radio program and to know that these godly principles of managing money were being made available to all who would listen. We are witnesses to the fact that it is not always how much money you make . . . but how you use what

you've got. We are not totally debt free—we have about six years on our mortgage—but we have come a long way with a new mindset, which is that we don't always have to be in debt and owe someone. Thank you very much for the difference that came into our lives, and may God continue to bless your ministry.”

**Neale from North Carolina:**

“You can't know how deeply I appreciate you. I meant to tell you on the phone that you're the first man in my life that instructed me in healthy financial living. No one ever taught me the importance of saving, giving, and budgeting until you did back in Dallas. Most of what we have saved is a result of your investment in us. Thank you again.”

**Cecil from Texas:**

“Thank you for putting us on the right financial footing with your budgeting (MAP) system years ago. The key thing we learned from you was to deduct credit card purchases from the appropriate money box when you make the purchase and transfer that amount to the Credit Card money box so you can pay that bill in full each month. Our only debts now are the car loan and the house. We've got the mortgage down to a fifteen-year loan now and will work on your idea for paying for a car next. Thanks for all the financial freedom.”

**Thelma from Michigan:**

“Just a little note to let you know how much your book has revolutionized our lives in just two short months. I heard you on the Moody Radio Network, I believe about a year ago. I was driving my car, and I pulled off the road and wrote down your name and address. A few months later I looked up the address from my notes and ordered your book. When I got it, I glanced through it a little and thought, *This looks complicated, just like all the other books on money.* I just ignored it for months until about eight months later while counseling with our pastor on money matters—he insisted we start a budget. We

## **“I Love These Things!”**

are in our mid-sixties and never had a bona fide budget in our lives! I didn't think our pastor's method would work well for us, so I dug out your book and started reading. What a pleasant surprise. The more I read, the more excited I got. Within a couple of weeks we had our budget (MAP) set up and working. Wow! What a change! We began to see all kinds of ways to save money, and also holes where the money was disappearing. Within a couple of weeks we had a balance of at least \$400 at all times in our checkbook. I told my husband we probably will never again bounce a check. We had always been living on the edge, with many times a minus balance in our checkbook, and just getting a deposit in the nick of time—and once in a while not in time, so we'd have an overdraft fine. And if we made a mistake, it was really scary. That's all done now. Our bills are paid on time, so no late fees; we have money in our checkbook, so no service fees. We also opened up two savings accounts and will soon open up an interest-bearing checking account. God bless you.”

### **Terry from Arizona:**

“Hi! Please send a one-year supply of MAP forms to me. I love these things! God bless you all. Thanks.”

### **Tim from Mississippi:**

“Seven years ago I was in desperate need of the MAP system. My wife and I were college students who had recently married and I had begun working as a youth minister. My first church was paying me \$5,000 a year and supplied a small house for us to live in. My wife had a work-study job at the college, paying minimum wage. I still wonder how we made it. Actually, we almost didn't. I remember balancing the checkbook one day and there was \$2 left, and more bills to pay. I knew we needed help! We tried another system at first, but it was so complicated that I felt like it was controlling our lives rather than being a tool for us to control our finances.

“One day my pastor mentioned some resources he had used from you. As soon as I understood the concepts involved, I knew that this

was the financial plan for us. It was simple and compact, two things the previous plan I had tried lacked. I drove to your office as soon as I could, picked up a year's supply of the MAP sheets, and we have been using them ever since. It is the best money I spend every year.

“One of the best things about the MAP plan is that it has been very adaptable to our different needs as our income and expenditures have changed. Two years ago, our son was born, and my wife stopped working outside the home to take care of him. Many of our friends of similar age and income have not been able to do this, so I am grateful that God has made this possible for us. I believe that using the MAP program to keep our finances under control was a major boost in our effort to plan and accomplish living off of one income when my wife stopped working in order to be at home full-time. Thanks again.”

**Billy from Georgia:**

“Thank you so much for the very helpful tape and MAP sheets. When I first looked at them, I thought they were very complicated. However, the tape explained things very well. I know that the MAP will indeed lead to more fun and less fights.”

**Kelly from Ohio:**

“It has been a full year now since I began the MAP system, and I have to tell you what a big difference it has made to my husband and me. I have quit running up the credit card bills and we have paid them all off. Our checking account balance no longer goes down to pennies or less. We have money waiting to pay the bills when they arrive. The best part is that the stress is gone—and so are the arguments. Thank you so much.”

**Debbie from New Jersey:**

“I am so thankful for your ministry. I use the MAP forms every month and am happily debt free. I'm currently saving to buy a home.”

### **Louis from Canada:**

“My finances before using Ethan’s Money Allocation Plan were chaotic. Although I am very analytical by nature and kept my checkbook balanced to the cent, I was absolutely incapable of income planning. Large, one-time expenses, such as tuition, meal plans, car insurance, etc., threw my finances into chaos. As a single man, my lifestyle was one of feast or famine.

“I knew how much money was in my account at all times. I could pay my credit card bill in full each month, although I struggled to get by toward the end of the month. After paying off the credit card bill, I had very little left to live on for the rest of the month. I had become so dependent, I had to use that credit card to survive!

“I was spending more than I made, so I also used student loans to supplement my income as a graduate student. I never questioned getting the loans (nor did I read the papers)—it was the thing to do. All my friends were doing this. I, like them, figured to repay these loans when I graduated and was making “big money.” One last and most unfortunate characteristic of my life before MAPs: I did not tithe and gave very little.

“My need for better financial control crystallized when my wife and I announced our engagement. We had very different views on money: I was the spender, she was the saver. We were looking for common ground to resolve our financial differences. We learned that financial problems are a leading factor in marriages ending in divorce. That really scared me. I did not want money, and my mismanagement of it, to cause any harm to our marriage. We enrolled in Ethan’s ‘Smart Money Manager’ course and learned about MAPs and a whole bunch more. We both agreed to change our habits and try things according to Ethan’s suggestions.

“After almost three years of living on MAPs, all I can say is, Amazing! I can’t believe how much more I am doing with the same amount of money, and the degree of control God has provided me over finances. I am so thankful for what God showed us through Ethan. To date, we have set solid financial goals for our family.

God has blessed us with the ability to give beyond the tithe. We also save 15 percent of our gross income. At any given moment, we know our exact financial position. I no longer worry about car insurance payments! The MAP sets aside a monthly amount for insurance, and I write one check a year. Although I'm still in school, we have already set up a repayment plan for the student loan and it will be paid in full before my grace period ends. No more sleepless nights worrying about money. No more famine, just one great feast. Thanks again, Ethan!"

### **A Final Note from Ethan**

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To everyone who wrote these letters, thank you! You have blessed my life, and I am so thankful that God has used the MAP to help you become faithful stewards. I am sure the angels in heaven are applauding you right now.

To everyone who is reading this book, I hope these letters also encouraged you. Did you catch the spirit of what God has done or was doing in these people's lives? Did you sense how using the MAP has relieved stress and frustration? Believe me, if these singles and couples can create a personal money MAP and find success, you can too. *Press on!*

## Glossary of Terms

**BUDGETOLOGY** The theology of using a budget. The Bible frequently addresses the theology of ownership, stewardship, planning, giving, saving, contentment, debt, and wise management of resources. See chapter 4.

**COMMISSION INCOME** Living on an income that is likely to be different each month because you are being paid a commission on the sales you made last month. These inconsistent paychecks can create many challenges and problems in managing money. See chapter 14.

**EMERGENCY FUND** Money to help you pay for unexpected expenses that go beyond what you have available in your MAP money box. For example, if you have a \$1,000 car repair but you have only \$700 in your Car Repair money box, you can use \$300 out of your emergency fund to make up the difference. See chapter 6.

**FINANCIAL ONENESS** God's plan for couples. Couples are to view the resources God has entrusted to them as "our" resources, not "my" resources. Couples should have unified biblical goals, values, and priorities. See chapters 2, 4, and 7.

**FIRSTFRUIT GIVING** Giving to God first, not last. This demonstrates your faith and trust in God. This demonstrates that God is first in your financial life (see Proverbs 3:9-10). See chapter 6.

**GOD OWNS IT ALL** The foundational concept in Christian stewardship. All other principles are built on this principle (see Psalm 24:1). See chapter 4.

**LIVING BEYOND YOUR MEANS** Spending more than you earn. If you consistently spend more than you earn, you will have a financial crisis. Living beyond your means demonstrates a lack of biblical contentment (see Philippians 4:12; 1 Timothy 6:6-8). The only way to live beyond your God-given means is by using debt—which, financially, is very dangerous (see Proverbs 22:7).

**MAP** Money Allocation Plan (see chapter 5). A simple system to help singles and couples budget money by using one form each month. Three keys to the MAP system are as follows:

1. Based on biblical principles
2. Utilizes predetermined income allocations into money boxes
3. Requires self-control

**MAP FORM** The actual form you use each month. All you need is one MAP form each month. See chapter 10.

**MAP PLANNING WORKSHEET** A form you use to help you determine how much monthly income you expect to receive and how much you need to allocate into each of your MAP money boxes. You only need to use this form once to help you create your MAP money boxes and dollar allocations. See chapter 8.

**MAP MONEY BOX** Term used to communicate a MAP concept. Money for every MAP budget category is put into what I call a money box. It is not a physical box but simply a box on a piece of paper (the MAP form). See chapters 5 and 10.



## Glossary of Terms

**MAPOLOGY** The basic philosophy and concepts for using the MAP. See chapter 5.

**MONEY MARKET ACCOUNT** Similar to a checking account, but earns interest. It is a safe place to keep money that you might need in the next few days, weeks, or months. See chapter 10.

**SIMPLE FINANCIAL PLAN** A plan to help you to prioritize your finances. See chapter 6.

**STEWARD** If God owns it all, we are stewards, or managers, of the resources that God has entrusted to us. Stewards are to be found faithful in the management of God's resources. See chapter 4.

**TITHE** Giving 10 percent of your income to support God's kingdom. If I earn \$1,000 in income, I would give \$100 to support God's kingdom. See discussion of giving in chapter 6.

**VALUE SYSTEM** Everyone spends money based on a series of priorities. Values are reflected every day by what we do, not what we say. Most arguments in a marriage are due to differing values, not the amount of money the couple earns. Values should be biblically based in order to experience true joy and contentment in life. See chapter 7.

**ZERO OUT EXPENSES** A step in the MAP planning process whereby you mentally reduce all expense categories to zero and then prayerfully evaluate each expense allocation before you record it on your MAP form. Just because you have spent money on something for years does not mean you will continue to spend money (or as much money) on that item in the future. No category is immune from this evaluation step. See chapter 8.

## Teaching the MAP to Others

The MAP operates on a simple foundational principle: We cannot take money out of an empty box. No amount of pouting, crying, or scheming can change the fact that a money box is empty. We simply have to wait until another paycheck arrives and more money is allocated into a specific money box. However, if there is money in a box, we have the freedom to leave it in the box or spend it.

Here is a simple yet practical illustration that will help to teach your children about the MAP concept.

### Things you will need:

- 5 plastic or foam cups—the throwaway kind
- 5 \$1 bills.
- A Magic Marker

### The setup:

Take a Magic Marker and write the letter *A* really big on the first cup, the letter *B* on the second cup, the letter *C* on the third cup, the letter *D* on the fourth cup, and the letter *E* on the fifth cup.

### Now distribute the dollar bills according to the following MAP plan:

You give the instructions, but have one of your children actually put the money in each cup.

- Place \$1 in cup *A*.
- Place \$1 in cup *B*.
- Place \$1 in cup *C*.

- Place \$1 in cup D.
- Place \$1 in cup E.

**Complete the following instructions:**

Once again, as you read the instructions, have one of your children take the money out.

- Take \$1 out of cup C.
- Take \$1 out of cup A.
- Take \$1 out of cup E.
- Take \$1 out of cup B.
- Take \$1 out of cup A. (The cup is already empty.)

When the child says, “Cup A is empty,” reply, “That’s right, and it’s impossible to take money out of an empty cup, right? The same is true with our family budget. If we decided to put \$50 in our Eat Out money box, and all the money is gone, we will not be able to eat out any more this month. It’s *impossible* to take something out of nothing.”

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## Endnotes

1. Christine Dugas, “American Seniors Rack Up Debt like Never Before,” *USA Today*, April 24, 2002; <[www.usatoday.com/money/perfi/retirement/2002-04-25-elderly-debt.htm](http://www.usatoday.com/money/perfi/retirement/2002-04-25-elderly-debt.htm)>.
2. For more information about the side effects of the American societal focus on material gain and growth, visit the Foundations For Living Web site—[www.foundationsforliving.org](http://www.foundationsforliving.org)—and click on the “Stat Bank” button.
3. “Mapping Your Stress Points,” *Ladies Home Journal*, November 2001, 80.
4. *Merriam-Webster’s Collegiate Dictionary*, tenth edition (Springfield, Mass.: Merriam-Webster, Inc., 1993).
5. Ibid.
6. *Webster’s New World Dictionary*, second college edition (New York: World Publishing Company, 1970).
7. Ibid.
8. *Merriam-Webster’s Collegiate Dictionary*.
9. If you prefer to use a debit card for convenience, it is very important that you establish the habit of recording your expenditures immediately in your checkbook register.