

Financial Peace University

The purpose of Financial Peace University (FPU) is to lay out key financial principles from a biblical perspective. Dave Ramsey is the creator of the program. His personal story of going bankrupt and then looking to God's word on what it says about money prompted him to teach others the right way to view money and how to handle it for His glory.

Some background on Dave Ramsey. He currently has the third most popular radio talk show in America where there are 8.5 million listeners weekly. To date, the FPU courses have had over 2 million people go through the 9 week class. This isn't to say that because he is popular that it validates his program, but just that he has been successful teaching these concepts for 20+ years and isn't a "fad" that is going away any time soon.

The course is centered on what he calls the 7 baby steps. They are:

- Baby Step 1 \$1,000 in an Emergency Fund
- Baby Step 2 Pay off all debt (except mortgage at this point) with debt snowball
- Baby Step 3 Have 3-6 months of income in Emergency Fund
- Baby Step 4 Invest 15% of income into Roth IRA and Pre-Tax Retirement Plan
- Baby Step 5 College Funding
- Baby Step 6 Pay off your home early
- Baby Step 7 Build wealth and give

Some things to note at this point is that there are people who will say or think that this is just about getting rich, but this is not what this course is about. I will talk about this later, but throughout the course and especially in the last lesson, Ramsey makes clear the concept that everything is God's. We are just stewards.

How we view money is very important. The main point is that all over scripture, it says that debt is not wise and that we should spend less than we make. If you do that and prepare for retirement, then over decades of work, you will become wealthy. But the critical theme is that from the very beginning, we are tithing and once we have taken care of our needs and have that overflow, we can see the needs that the Lord has put in front of us and be able to give like crazy. Can't emphasize this enough as there are many misconceptions that people initially have, but once they go through the course, it is fully understood.

The 9 Week Course is broken down as follows

Lesson 1 – Intro and Super Saving

- Go over why saving money is so important.
- Must get \$1,000 in Emergency fund as fast as possible so when the unexpected things come, you don't have to borrow money to cover it.

Lesson 2 – Relating with Money

- Money problems are the #1 cause of relational problems.
- Learning to work as a team with your spouse (or accountability partner if single)
- Have monthly budget planning meetings with spouse so always on same page. In many ways, learning to communicate about money also improves many other aspects of your marriage.

Lesson 3 – Cash Flow Planning / budgeting

- This section is all about how to budget.
- Uses the envelope based system
- Teaches about how using cash can help you save and spend less

Lesson 4 – Dumping Debt

- Tells how debt is crippling our society and the pitfalls of credit cards
- Shows how to practically get rid of debt using the Debt Snowball tool.

Lesson 5 – Buyer Beware

- This lesson goes over all the pitfalls of marketing messages and how to know when they are being used so you don't bust your budget

Lesson 6 – The Role of Insurance

- Nuts and bolts lesson that goes over all different types of insurance. Everything from life, health, home, disability, auto, identity theft protection, etc.
- Explains what to look for, how to pick the right kind of insurance and how to understand some of the not so great deals that one can get talked into.

Lesson 7 – Retirement and College Planning

- Goes over the basics of investing and concepts like mutual funds and how to segment those investments.
- Explains the basics of IRAs, Roth IRAs and tax favored accounts like 401k, 403b, etc
- Addresses how to plan for college and different saving options. Also talks about how planning for college and how to view this in light of debt is important.

Lesson 8 – Real Estate and Mortgages

- Go over the buying and selling of a home (real estate).
- Addresses mortgages on what they are, which type to get and which to avoid.

Lesson 9 – Great Misunderstanding

- Wraps up the entire course by reemphasizing that God owns everything – our home, car, stuff and money. We are just stewards.
- Living by financially sound biblical principles will provide for your family, keep you out of debt, and will allow you to give through the entire process...and then be able to give a lot more toward the later part of life.

Should you have any questions about Financial Peace University, please contact Scott Skripsky at 817.312.9114 or scottjskripsky@gmail.com
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Verses to Consider

- 2 Cor 9:7 – God loves a cheerful giver.
- In the house of the wise are stores of choice food and oil, but a foolish man devours all he has. Prov. 21:20
- The rich rule over the poor and the borrower is slave to the lender. Prov. 22:7
- Learn to be content with what you have (Phil. 4:12)
- A good man gives an inheritance to his children's children. Prov. 13:22
- Prov 6:1-5 (paraphrase) if you owe your neighbor money...don't sleep, don't slumber and deliver yourself from this like the gazelle from the hunter.
- Prov 17:18 – you lack sense if you owe money to your neighbor...
- Heb 12:11 – “No discipline seems pleasant at the time, but painful. Later on, however, it produces a harvest of righteousness and peace for those who have been trained by it.” Managing your money takes discipline, but it is well worth it.
- Psalm 61:10 – If riches increase, do not set your heart on them.
- Prov 11:14 – “Where there is no counsel, the people fall; but in the multitude of counselors there is safety.” Surround yourself with wise counsel when it comes to making financial decisions and make sure to work as a team on all your major financial decisions.
- Prov 27:23 – “Be diligent to know the state of your flocks, and attend to your herds.” Know how much you have, and take care of that diligently so you don't get into financial trouble.
- Prov 21:5 – The plans of the diligent lead surely to plenty, but those of everyone who is hasty, surely to poverty.
- Romans 13:8 – Owe no one anything except to love one another.

- Prov 17:18 – It's stupid to guarantee someone else's loan.
- Prov 13:12 – Hope deferred makes the heart sick, but when the desire comes, it is a tree of life.
- Prov 14:29 – He who is impulsive exalts folly.
- Prov 3:9 – Honor the Lord with your wealth and with the firstfruits of all your produce, then your barns will be filled with plenty and your vats will be bursting with wine.
- Ecc 5:10 – He who loves money will not be satisfied with money, nor he who loves wealth with is income; this also is vanity.