

Building a Budget

Workshop



The Compass Vision, Mission & Values

Our Vision

To see everyone, everywhere faithfully living by God's financial principles in every area of their lives.

Our Mission

Equipping people worldwide to faithfully apply God's financial principles so they may know Christ more intimately, be free to serve Him and help fund the Great Commission.

Core Values



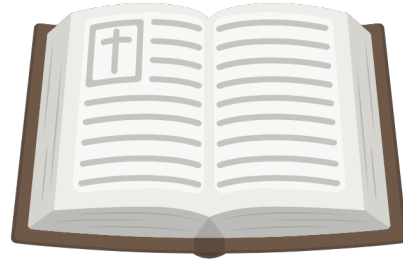
1. **Christ centered:** [Matthew 6:24](#) *"No one can serve two masters. Either he will hate the one and love the other, or he will be devoted to the one and despise the other. You cannot serve both God and Money"*
2. **Holy spirit Led:** [John 14:26](#) *"But the Counselor, the Holy Spirit, whom the Father will send in my name, will teach you all things and will remind you of everything I [Jesus] have said to you"*
3. **Bible Based:** [2 Timothy 3:16-17](#) *"All scripture is God-breathed and is useful for teaching, rebuking, correcting and training in righteousness, so that the man of God may be thoroughly equipped for every good work"*
4. **Discipleship Focused:** [John 17:6](#) *"I have revealed you to those whom you gave out of the world. They were yours; you gave them to me and they have obeyed your word."*
5. **Prayer Driven:** [James 1:5](#) *"If any of you lacks wisdom, he should ask God, who gives generously to all without finding fault, and it will be given to him."*

Solid Foundation

God's Part- 1 Chronicles 29:11-12

"Everything in the heavens and earth is yours, O Lord, and this is your kingdom. We adore you as being in control of everything. Riches and honor come from you alone, and you are the ruler of all mankind; your hand controls power and might, and it is at your discretion that men are made great and given strength."

- God is the _____.
- God is in _____.
- God is the _____.



Our Part- 1 Corinthians 4:2

"It is required of stewards that one be found faithful.

- We must be faithful _____.

Developing Goals & Plans

- God's Word encourages us to set _____ and _____.

Framing Our Finances

Four areas to frame our finances

1. **Giving** – Being generous with resources - 2 Corinthians 9:7

"Each one must give as he has decided in his heart, not grudgingly or under compulsion, for God loves a cheerful giver."

- a. Start _____.
- b. Sharing from _____.
- c. Sharing from _____.
- d. _____ giving.



2. **Saving** – Putting aside money for emergencies – Proverbs 21:20

“The plans of the diligent lead to profit as surely as haste leads to poverty.”

- a. Save between \$1000 and one month of _____ expenses.
- b. Increase _____ savings to 3 months of living expenses.
- c. Save for _____ purchases.
- d. Making major purchases with _____.



3. **Debt** – Owing money can be dangerous – Proverbs 22:7

“The rich rules over the poor, and the borrower is the slave of the lender.”



- a. Paying off _____.
- b. Pay off _____.
- c. _____ our home mortgage.
- d. _____ our home mortgage.

4. **Investing** - To meet our long-term goal – Proverbs 21:5

“Steady plodding brings prosperity; hasty speculation brings poverty.”

- a. Getting _____.
- b. Invest _____.
- c. _____ our investing.
- d. _____ our finish line.



Building Our Budget

Putting it All Together- The 4 Phases

SAVE \$1000 FOR EMERGENCIES **PAY OFF CREDIT CARDS**

S T A R T I N V E S T I N G **S T A R T I N V E S T I N G**

PHASE 1

SAVE 3-6 MONTHS FOR EMERGENCIES **PAY OFF CONSUMER DEBT**

S H A R E F R O M O B E D I E N C E **I N V E S T C O N S I S T E N T L Y**

PHASE 2

SAVE FOR MAJOR PURCHASES PRE-PAY HOME MORTGAGE

S H A R E
F R O M
A B U N D A N C E

PHASE 3

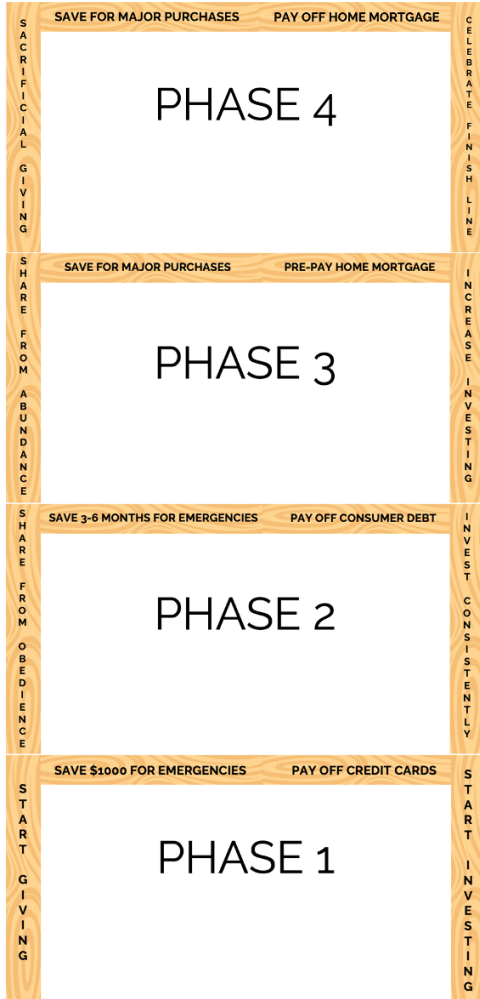
I N C R E A S E
I N V E S T I N G

SAVE FOR MAJOR PURCHASES PAY OFF HOME MORTGAGE

S A C R I F I C I A L
G I V I N G

PHASE 4

C E L E B R A T E
F I N I S H
L I N E



The Four C's of Building our Budget

1. _____ and record income and expenses.
2. _____ our expenses.
3. _____ to guideline budget.
4. _____ our lives.





Building Our Budget

Administering the Budget

1. Cash with _____.
2. Manual _____ System.
3. _____.

Building Our Budget

Budgeting Tips

1. Make an _____ list.
2. Use envelopes for _____ categories.
3. Set aside time weekly to _____ budget.
4. Be _____ of Credit Cards.



Recommended Budgeting Tools & Forms

Remember, there are all kinds of budgeting tools out there, but the best one is the ONE YOU WILL USE!

All of the budgeting tools and forms mentioned in this webinar can be found at CompassWebinars.org or by using the QR code below.



Johnson's Current Budget

Per Year Income:	49,000.00			Net Income	
Per Month Income:	4,083.33			Per Month:	3433.33
Monthly Payment Category	Existing Spending	Guideline Percentage	Monthly Guideline	Difference	New Monthly Budget
1. Giving	250.00	12.00%	490.00	-240.00	
2. Taxes	650.00	15.00%	612.50	37.50	
3. Saving and Investing	0.00	7.00%	285.83	-285.83	
4. Housing	1,575.00	28.00%	1,143.33	431.67	
5. Food	500.00	7.00%	285.83	214.17	
6. Transportation	650.00	7.00%	285.83	364.17	
7. Clothing	40.00	2.00%	81.67	-41.67	
8. Medical and Health	150.00	5.00%	204.17	-54.17	
9. Education	0.00	2.00%	81.67	-81.67	
10. Entertainment\Vacations	400.00	5.00%	204.17	195.83	
11. Other Debts	350.00	5.00%	204.17	145.83	
12. Personal	250.00	5.00%	204.17	45.83	
Totals (Items 1-12)	-731.67	100.00%	4,083.33		

Number	Idea	Decrease Expenses	Increase Income	Raise Cash Sell Stuff
1	Get a Second Job			
2	Decrease Tax Withholding			
3	Moderate Heat/AC			
4	Pack Lunches			
5	Reduce Eating Out			
6	Home Exercise vs. Gym			
7	Rent Movies			
8	ATM Fees			
9	Downsize House			
10	Downsize Best Car			

BUDGET ANALYSIS FORM

Per Year Income:				Net Income	
Per Month Income:				Per Month:	
Monthly Payment Category	Existing Spending	Guideline Percentage	Monthly Guideline	Difference	New Monthly Budget
1. Giving		12.00%			
2. Taxes		15.00%			
3. Saving and Investing		7.00%			
4. Housing		28.00%			
5. Food		7.00%			
6. Transportation		7.00%			
7. Clothing		2.00%			
8. Medical and Health		5.00%			
9. Education		2.00%			
10. Entertainment\Vacations		5.00%			
11. Other Debts		5.00%			
12. Personal		5.00%			
Totals (Items 1-12)		100.00%			

Download the above Spreadsheet plus other budgeting forms
at: <https://compass1.org/tools-for-your-journey/>



Continue the Journey

The financial discipleship journey is one that doesn't end until we hear the words "well done, good and faithful servant." We encourage you to continue on this journey in one of two ways.

Continue your journey by engaging in studies, tools, and resources that will help you grow on your financial discipleship journey. Visit us at ContinueGrowing.org to learn more.

You can also continue your journey by paying it forward and helping others grow on their financial discipleship journey. To learn more, visit us at HelpOthersGrow.org.



Continue Growing



Help Others Grow



Building a Budget Webinar Resources



Compass- finances God's way is a non-profit ministry that is funded primarily through donations.

Our desire is to keep our webinars as a free resource to help people grow on their financial discipleship journey.

If you found this resource helpful, would you prayerfully consider giving financially to help others learn, apply and multiply what the Bible says about money and possessions? We would be grateful for your support.

To give, you can click the link below or scan the QR code. Thank you for your consideration.

[Give Here](#)



(Answer Key)

Solid Foundation *(Page 2)*

God's Part

God is the Owner

God is in Control

God is the Provider

Our Part

We must be faithful Stewards.

Developing Goals and Plans *(Page 2)*

God's Word encourages us to set Goals and Plans.

Framing our Finances *(Pages 2&3)*

Four areas to frame our finances

1. Giving
 - a. Start Giving
 - b. Sharing from Obedience
 - c. Sharing from Abundance
 - d. Sacrificial Giving
2. Saving
 - a. Save between \$1000 and one month of Living expenses
 - b. Increase Emergency savings to 3 month of living expenses
 - c. Save for Major purchases
 - d. Making major purchases with Cash
3. Debt
 - a. Paying off Credit Cards
 - b. Pay off Consumer debt
 - c. Prepaying our home mortgage
 - d. Paying off our home mortgage
4. Investing
 - a. Getting Started
 - b. Invest Consistently
 - c. Increase our investing
 - d. Celebrate our finish line

(Answer Key *continued*)

Building our Budget *(Pages 6 &7)*

Four C's of Building our Budget

1. Capture and record income and expenses
2. Categorize our expenses
3. Compare to guideline budget
4. Change our lives

Administering the Budget

1. Cash with Envelopes
2. Manual Ledger system
3. Electronically

Budgeting Tips

1. Make an idea list
2. Use envelope for active categories
3. Set aside time weekly to update budget
4. Be careful of credit cards