

YOUR MONEY OR YOUR LIFE

STEP SAMPLES

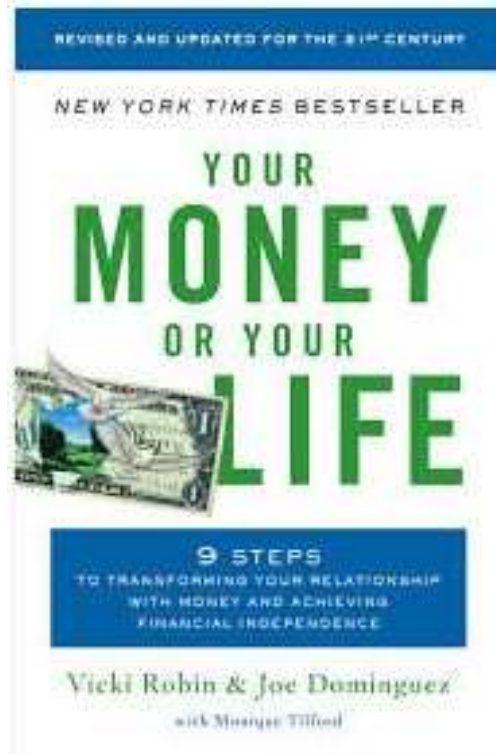
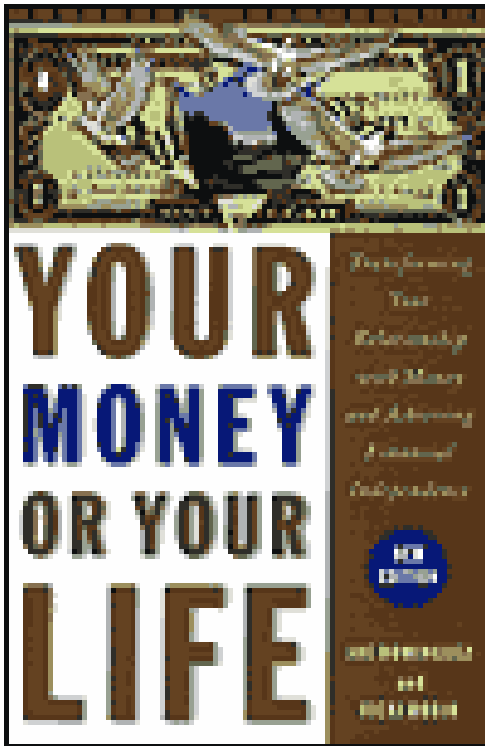


The following handouts are for participant use after attending the program presentation, to aid in implementing the Financial Integrity Program called Your Money or Your Life.

The Nine Steps



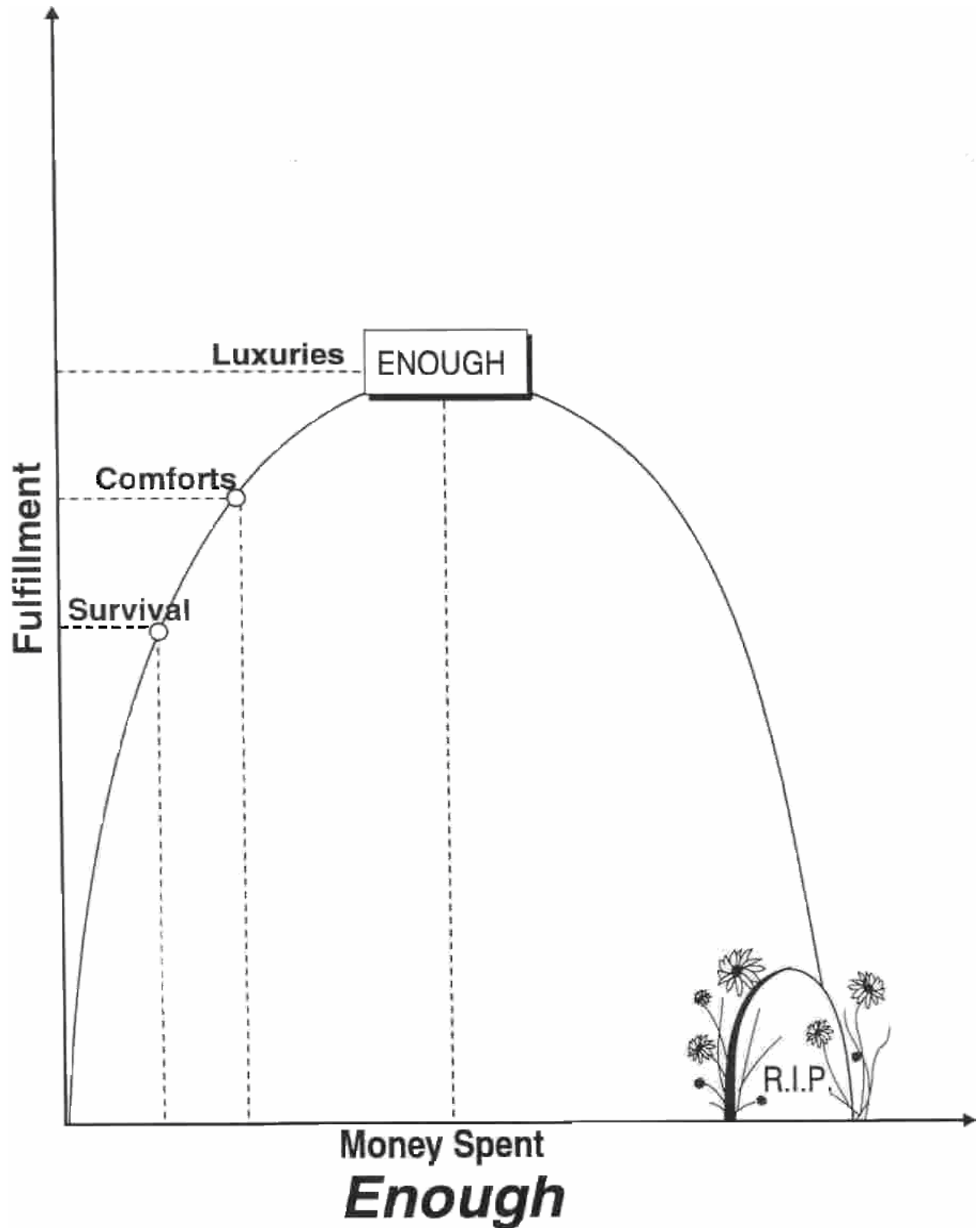
1992 and 2008



How I Normally Pay for Stuff

	<u>How I normally pay</u>
Rent/house payment	_____
Utilities	_____
Phone	_____
Health insurance	_____
Auto insurance	_____
Groceries	_____
Clothes	_____
Gas for car	_____
Movies/theater	_____
Restaurant meals	_____
Charitable contributions	_____
Gifts	_____
Other	_____

The Fulfillment Curve



Your Lifetime Income Estimate

How much money have you earned in your lifetime? How much money other than earnings has come into your life?

Lifetime income includes both reported and non-reported income. You can find out your reported income from the government. US citizens can get that information from the Social Security Administration.

Non-reported income is money, other than taxed wages, that has come into your life. Much of that is undocumented so you will have to remember and estimate. You can go back through your memory year by year, ask family members, and look at your bank statements for deposits.

Why explore your income history?

- This process is empowering; it will remind you that you can bring money into your life.
- Your income history, along with your Personal Balance Sheet in Part B, will help you realize just how you've stewarded that money.
- If you have made very little money over the years, it will help you recognize how resourceful you've been in living on less.

Lifetime Income Worksheet

Financial Sources	Amount
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
Total Lifetime Income (Estimate)	\$

Tracking Your Life Energy

Real Hourly Wage						
<i>Caculated on an Annual Basis</i>		\$/Month	÷	Hours/Month	=	\$/Hour
Basic Job						
	Adjustments					
	Subtotal Adjustments					
Real Hourly Wage		\$	÷		=	

Every dollar you spend = the amount of your life energy it took to get it.

Every time I spend about \$_____ I am trading about an hour of my life energy.

When I buy _____, I am trading _____ hours of my life.

The key question: Is it worth it?

Monthly Tabulation

Monthly Tabulation		
Month/Year: _____	Dollars	Hours of Life Energy
Actual Starting Balance	\$ _____	
Income		
Wages		
Interest		
Other		
Total Income	\$ _____	
Expenses		
Rent		
Utilities		
Groceries		
And so on ...		
Total Expenses	\$ _____	
Ending Balance		
Actual Starting Balance		
+ Income – Expenses	\$ _____	
Actual Ending Balance		
(at the end of the month)	\$ _____	
Unaccounted For		
(Difference between Ending Balance and Actual Ending Balance)	\$ _____	

These instructions will apply if you are doing your tabulation on paper or spreadsheet. If you are using software or online banking, you may be able to download your data directly into your tabulation.

On the first day of the month, add your cash on hand plus current balances of your liquid accounts to find **Actual Starting Balance**.

List all your categories. At end of month, enter category amounts. Add to get Total Income and Total Expenses.

Calculate your **Ending Balance: Actual Starting Balance** plus **Income** minus **Expenses**. This is what you should have at the end of the month.

At the end of the month, add cash on hand plus current balances of liquid accounts to find your **Actual Ending Balance**.

In each category, calculate **Hours of Life Energy Spent:**
Expense ÷ Real Hourly Wage

How well did you track?

At the end of the month, compare your **Ending Balance** with your **Actual Ending Balance** calculation. The difference is the total of transactions you may have missed. Next month, see if you can make that amount smaller – or even zero!

Three Questions to Transform Your Life

On your monthly tabulation, add 3 columns: Fulfillment, Alignment, and Financially Independent.

Q1: Did I receive fulfillment in proportion to life energy spent?

Q2: Was this in alignment with my values, goals, and purpose?

Q3: How would this change if I were financially independent?
(i.e., if I didn't have to work for an income?)

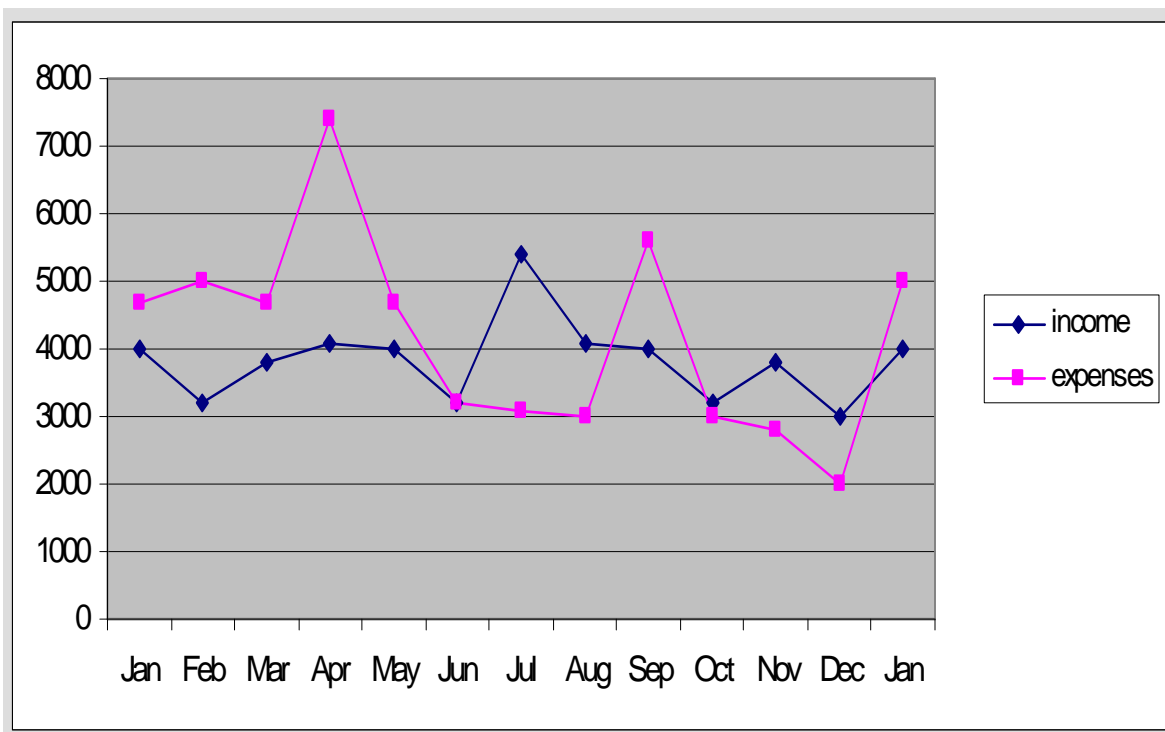
Use symbols that are meaningful to you.

Monthly Tabulation					
Month/Year:	Dollars	Hours of Life Energy	Q1 Fulfillment?	Q2 Alignment?	Q3 Financially Independent?
<u>Actual Beginning</u>	\$ _____				
<u>Income</u>					
Wages					
Interest					
<u>Total Income</u>	\$ _____				
<u>Expenses</u>					
Rent					
Utilities					
~~ (sample symbols)			☹	☹	↑
<u>Total Expenses</u>	\$ _____				
<u>Month End</u>	\$ _____				
<u>Actual End</u>	\$ _____				
<u>Unaccounted(Difference)</u>	\$ _____				

Making Life Energy Visible: Your Wall Chart

Make a chart. For hand-made charts, use graph paper (at least 18"x22") with 10 squares per centimeter or inch. The vertical axis represents money. Create a dollar scale so your first monthly income and expense amounts fall in the middle of the range. The horizontal axis represents time. Use month/year. Plot out the next 5 years. At the end of each month, use dots to mark your monthly income and expenses. Using different colors, draw lines from the previous amounts to the current amounts. Post your chart so you can SEE IT EVERY DAY.

Sample Wall Chart

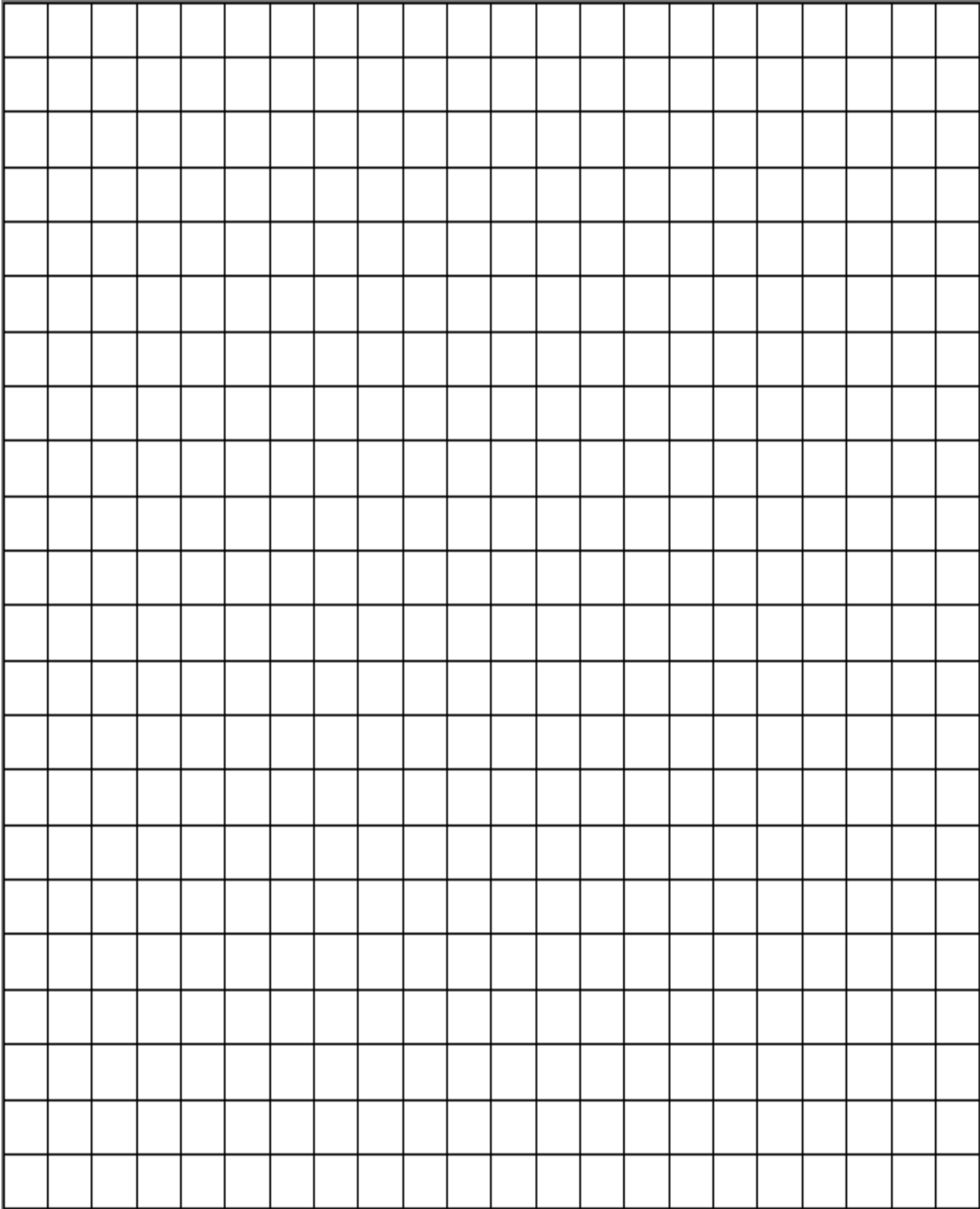


Some people choose to create their wall chart by hand. Others do it on the computer, either using spreadsheet functions or finding a personal finance program that has charting capabilities. However you create your chart, keep it in a place where you can see it every day. People who have been successful in this program maintain their wall charts for years. Why not? It's a great reminder of what's working for them.

A wall chart is like a map, a picture of where you've been and where you're heading. You add onto this map every month as you plot your latest expenses and income. Even if you think you know where you are, it's good to have that visual reality-check of your financial life. Real life rarely progresses in predictable increments, so the wall chart helps you to recognize the long-term trends and see progress despite individual months that may seem rocky. It can be a powerful motivator and a real reminder for celebration.

In Step 8 you will learn to use your wall chart to help you forecast your financial future.

Graph Paper



Dealing with Debt

What kinds of debt do you have? Most people carry a certain amount of debt if they have purchased a home or other major investment. These days, many people have also accumulated credit card or other consumer debt (they carry a balance from month to month).

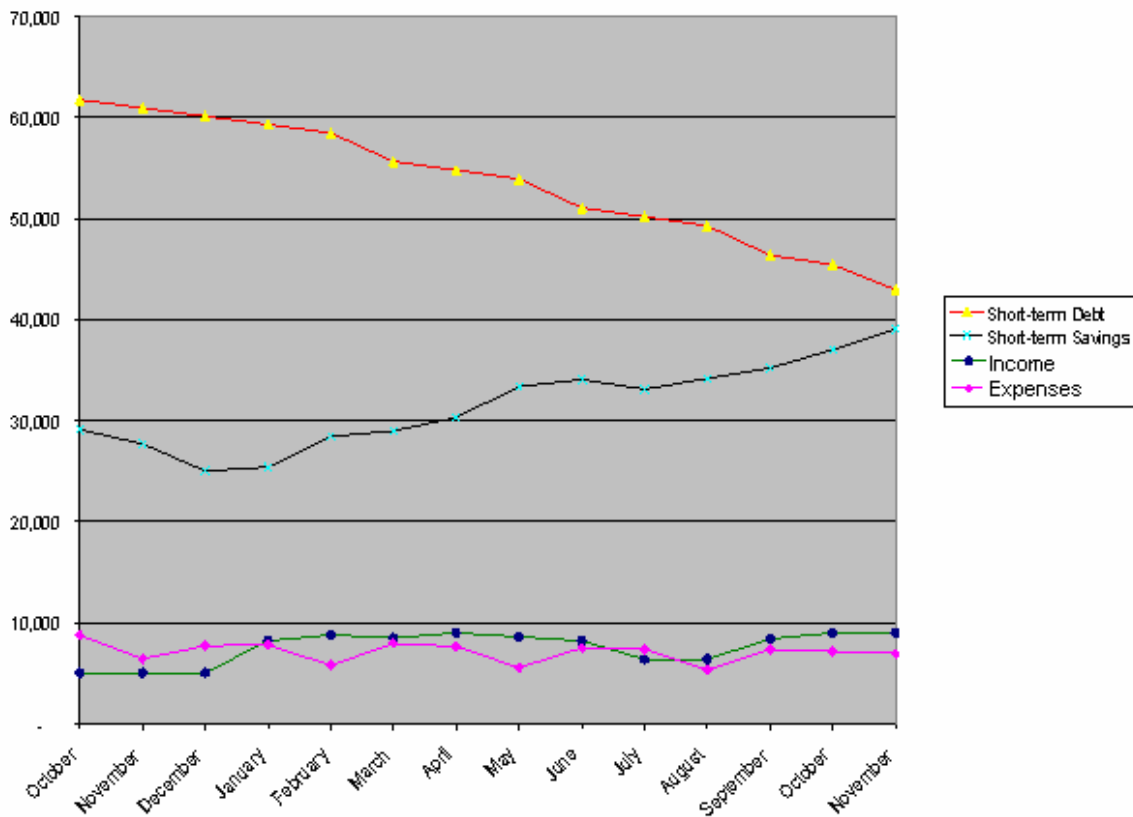
Every dollar you pay toward debt, interest fees or other charges is a dollar that is not in savings, earning interest for you. Your goal is to pay down as much of your debt as possible so you can put those dollars to work for *you* instead of the lender.

Depending on the amount of debt you are carrying, you could add a debt line to your wall chart. Charting your debt balance each month can be a powerful inspiration for paying down those balances as quickly as possible.

Case Study: Chris' Family Wall Chart

People who choose debt as a way of leveraging income need to realize that managing debt costs life energy and often involves a lot of risk.

For more resources and stories about dealing with debt, check the FI website.



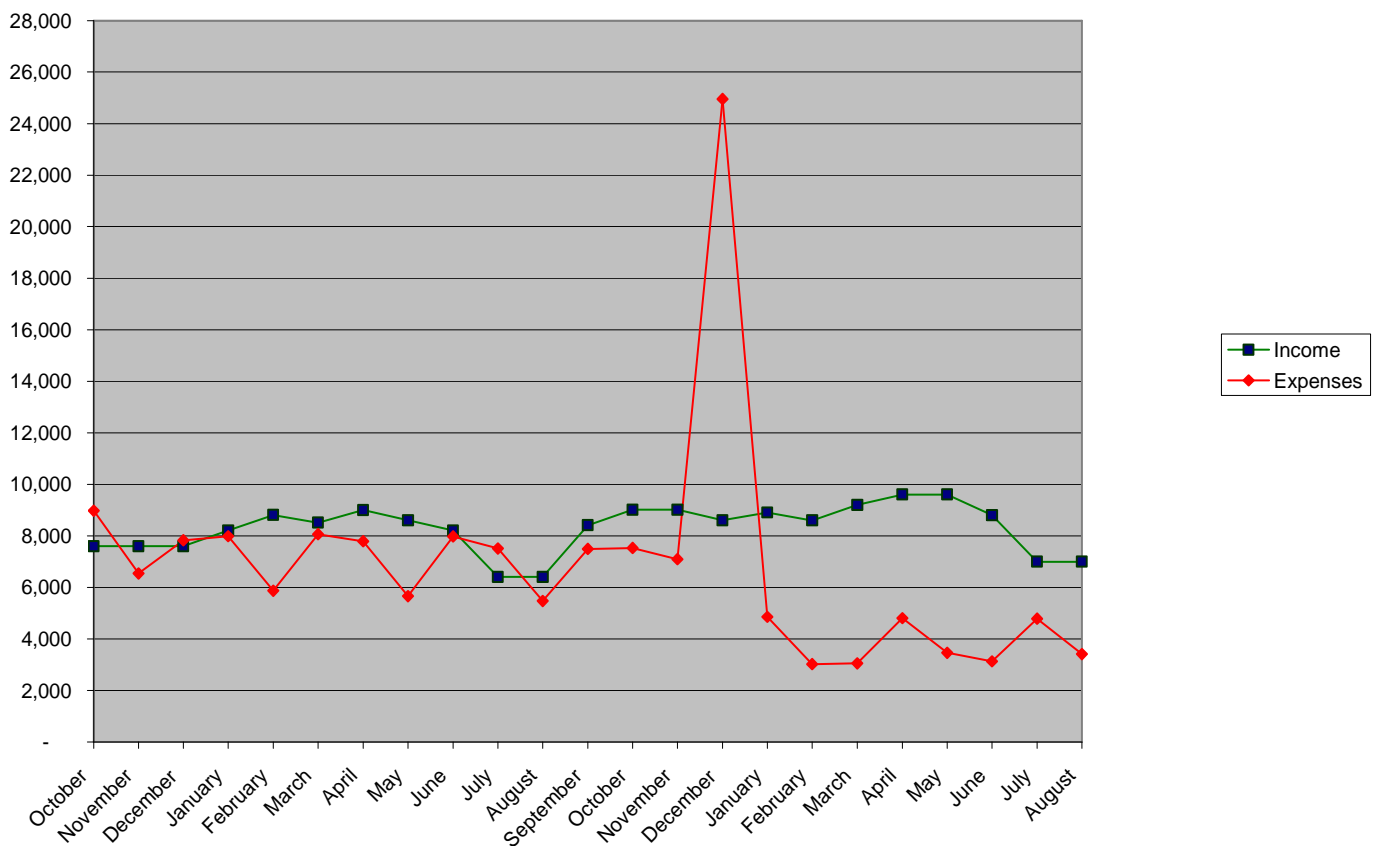
The Value of Minimizing Spending

This is not about budgeting and deprivation. It's about using your intelligence and being resourceful so as to live in alignment with your sense of fulfillment and your values. It's your life energy you're saving. Minimizing your spending will result in a natural and increasing tendency toward greater fulfillment and greater integrity. Spending less can feel better because it:

- lessens the pressure on earning
- frees up money and time for things that result in lasting satisfaction.

Case Study: Chris' Re-orienting Spending According to Priorities

FAMILY WALL CHART



In this chart we see that Chris and her family's expenses dropped immediately upon starting.

With less time and money spent on travel between work and two homes, their work/life balance greatly improved. This move provided the impetus to develop home-maintenance skills and build new community resources like tool and garden co-ops, resulting in even less spending. At about the same time they traded in their expensive new “career” car for a less glamorous but more gas-efficient used one, thus eliminating a car payment.

These shifts resulted in a very comfortable gap between their income line and their expense line – they were finally living within their means! They eliminated the clutter and chose fulfillment instead.

Conscious Actions

Here is a sample list of actions that can minimize or reduce spending. Which ones could work for you?

Conscious Elimination

- Get cash when you’re at the bank or grocery store instead of at Automatic Teller Machines that charge fees.
- Make holiday presents for family and neighbors throughout the year rather than buying things with “debt cards” at the last minute.
- Cancel “Comprehensive and Collision” insurance on that dented old beater you’re still driving.
- Put enough of a down-payment on your house purchase to eliminate mortgage insurance (usually 20% of value).

Conscious Consuming

- Buy vegetables and fruits that are “in season” (or better yet, buy seeds and pots to grow them yourself on the patio!)
- Buy last year’s model or a refurbished original.
- Buy one quality item that can serve several different purposes, rather than a separate item for each purpose.

I Wish You Enough

At an airport I overheard a father and daughter in their last moments together. They had announced her plane's departure and standing near the door she said, "Daddy, our life together has been more than enough. Your love is all I ever needed. I wish you enough, too, Daddy." They kissed good-bye and she left.

He walked over toward the window where I was seated. Standing there I could see he wanted and needed to cry. I tried not to intrude on his privacy, but he welcomed me in by asking, "Did you ever say good-bye to someone knowing it would be forever?"

"Yes, I have," I replied. Saying that brought back memories I had of expressing my love and appreciation for all my Dad had done for me. Recognizing that his days were limited, I took the time to tell him face to face how much he meant to me. So I knew what this man was experiencing.

"Forgive me for asking, but why is this forever good-bye?" I asked.

"I am old and she lives much too far away. I have challenges ahead and the reality is, her next trip back will be for my funeral," he said.

"When you were saying good-bye I heard you say, 'I wish you enough,' May I ask what that means?"

He began to smile. "That's a wish that has been handed down from other generations. My parents used to say it to everyone." He paused for a moment and looking up as if trying to remember it in detail, he smiled even more.

"When we said, 'I wish you enough,' we were wanting the other person to have a life filled with enough good things to sustain them," he continued and then turning toward me he shared the following:

I wish you enough sun to keep your attitude bright.
I wish you enough rain to appreciate the sun.
I wish you enough happiness to keep your spirit alive.
I wish you enough pain so that the smallest joys in life appear much bigger.
I wish you enough gain to satisfy your wanting.
I wish you enough loss to appreciate all that you possess.
I wish enough 'Hello's' to get you through the final 'Good-bye.'

He then began to sob and walked away.

“More” is an American concept as illustrated in the following story-

An American businessman was at the pier of a small coastal Mexican village when a boat with just one fisherman docked. Inside the small boat were several large tuna. The American complimented the Mexican on the quality of his fish and asked how long it took to catch them.

The Mexican replied, “Only a short while.” The American then asked why didn’t he stay out longer and catch more fish?

The Mexican said he had enough to support his family’s needs.

The American then asked, “But what do you do with the rest of your time?”

The Mexican fisherman said, “I sleep late, fish a little, play with my children, take siesta with my wife, stroll into the village each evening where I sip wine and play guitar with my amigos. I have a full and busy life, señor.”

The American scoffed, “I am a Harvard MBA and could help you. You should spend more time fishing and with the proceeds buy a bigger boat, with the proceeds from the bigger boat; you could buy several boats, eventually you would have a fleet of boats. Instead of selling your catch to a middleman you could sell directly to the processor, eventually opening your own cannery. You could control the product, processing and distribution. You would need to leave this small coastal fishing village and move to Mexico City, then Los Angeles and eventually to New York City where you will run your expanding enterprise.”

The Mexican fisherman asked, “But señor, how long will this all take?” To which the American replied, “15-20 years.”

“But what then, señor?”

The American laughed and said, “That’s the best part. When the time is right, you would announce an IPO and sell your company stock to the public and become very rich, you would make millions.”

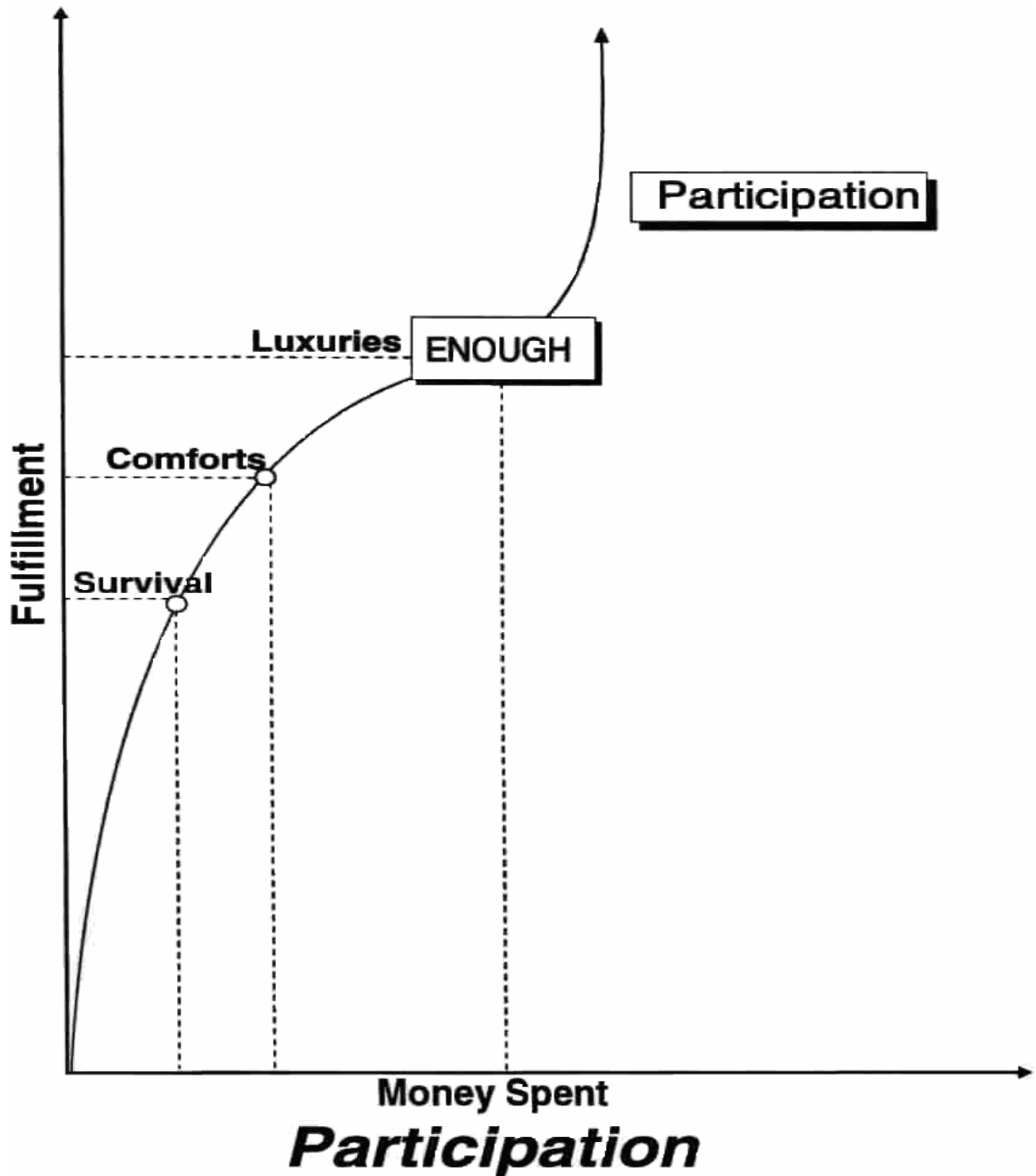
“Millions, señor? Then what?”

The American said, “Then you would retire. Move to a small coastal fishing village where you would sleep late, fish a little, play with your kids, take siesta with your wife, stroll to the village in the evenings where you could sip wine and play guitar with your amigos.”

This essay might not be finished but it is enough.

What's Next? Participation

Put each and every Financial Integrity Step into action. Periodically, review the program to evaluate your progress. Participate



Notes: