

CFS Intro: Welcome to training. Today we will be having a conversation about preparing your finances for a deployment. The goal of our discussion is to help alleviate financial stress while your deployed by creating a plan for your finances before you leave.

Deployments can cause disruption to your finances, but they can also present some opportunities, if you are prepared to take advantage of them. Think about how will your bills will be paid? How will you correspond with financial institutions? How will you ensure you have access to funds? How much money will you be able to save? Will you be able to pay off all of your debt? All of these are valid questions to be asking. As we go through the videos pay attention for key takeaways that you can implement as you prepare your finances for your upcoming deployment.

Play Videos 1 & 2



1. Course Overview



2. Financial
Planning for
Deployment

Discussion Question

1. What do you feel are important steps to take prior to your deployment to set you and your family up for financial success?

CFS Talking Points: A good understanding of what income and expenses will be while away. A budget plan and communication about how and when money will be spent. Having separate spending accounts from financial obligations to ensure money is available to pay necessary expenses. Automate payments. Using the time to pay off debts if income is higher and expenses lower. Set savings goals and milestones.

PART 2

CFS Intro: Up next we will see a few “good to know” items. This list should get you thinking about what you can do to better prepare. Take note of the relevant information to you as you begin to plan out the deployment phase of your finances.

Play Videos 3 & 4



3. 11 Things to
Know Before
You Go

Discussion Question

1. What are some things to keep in mind with online accounts?

CFS Talking Points: Make sure your bank isn't charging you fees for online services, if going overseas check your financial institution's policies on using your debit/credit card



4. Managing Payments While Deployed

internationally, as some charge transaction fees. Automating bills is a good idea, however you will still need to monitor your accounts to make sure the payment goes through by the due date and that there are sufficient funds in your account(s) to cover the costs. Being deployed does not excuse you from paying financial obligations.

Play Video 5



5. SCRA & MLA

Discussion Question

1. You have most likely heard the acronyms MLA and SCRA mentioned before. What aspects of these protections can you see as being helpful in your situation?

CFS Talking Points: Military Lending Act (MLA) — Protection from high interest rates and being taken advantage of financially (predatory lending). Service member Civil Relief Act (SCRA) — Cancel certain contracts and reduction of interest rates to 6% on debts incurred prior to joining.

Knowledge Check

True/False: Relief provided by the Servicemember's Civil Relief Act happens automatically.

Answer: False

PART 3

CFS Intro: Let's review a few other financial issues that can be affected by your deployment.

Play Video 6

Discussion Question



6. Deployment and Student Loans

1. What are steps to take in regards to your student loans that can benefit you while deployed?

CFS Talking Points: Understanding who you owe and how much, maintaining current contact information to your student loan servicer, notify your loan servicer of your deployment, and provide the documents that they request in a timely manner.

Knowledge Check

Question: Where can you find information regarding your federal student loans?

Answer: Directly from loan servicer, National Student Loan Database

Play Video 7



7. Combat Zone
Tax Exclusion

Knowledge Check

Question: Under the Combat Zone Tax Exclusion your pay may be excluded from income for what type of taxes?

Answer: Federal

Play Video 8



8. Active Duty
Alerts

Discussion Question

1. Have you or do you know anyone who has been a victim of identity theft? What are ways you can protect yourself from becoming a victim of identity theft?

CFS Talking Points: Have one or two students share their experience/story. Set an active duty alert or security freeze on your credit report. Monitor your credit regularly to check for accuracy.

Knowledge Check

True/False: You need to contact all three credit reporting agencies to set up an active duty alert.

Answer: False, you only need to contact one. It's still a good practice to follow up and ensure your alert went through.

True/False: You need to contact all three credit reporting agencies to place a security freeze.

Answer: True

PART 4

Play Video 9



9. Savings
and Financial
Emergencies

Discussion Question

1. Is having more disposable income something you are looking forward to in deployment?

CFS Talking Points: Of course! Let students discuss the excitement of having additional income. Shift the discussion to plans for what can be done with additional income like establishing an emergency fund. Talk with students about the dollar amount they will keep in their emergency savings. Explain that this can differ from person to person depending on their income, expenses, and family status. Where will they keep their emergency fund? Should this be done with their current financial institution or possibly a higher yielding savings account?

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10. Savings Deposit Program

Knowledge Check

Question: What is the rate of return you will earn through the Savings Deposit Program?

Answer: 10%

Question: Will interest you earn through the Savings Deposit Program be tax-exempt income?

Answer: No, interest earned on your tax-exempt contributions will be taxed when returning to a taxable location after being in a Combat Zone Tax Exclusion (CZTE).

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11. TSP Contributions During Deployment

Discussion Question

1. What are specific ways that contributing to your TSP account while deployed can be beneficial to you?

CFS Talking Points: You may have additional income to contribute. The amount you can contribute while in a CZTE is higher. Your income may be tax exempt, and you may not have to pay taxes on contributions.

Knowledge Check

True/False: You can only contribute to TSP from base pay.

Answer: False. You can contribute from other pays as well. Examples include: special, incentive, and bonus pay. However, if under BRS, the match is on base pay contributions up to 5%.

PART 5

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12. Life Insurance, SGLI and Other Death Benefits

Discussion Question

When it comes to Life Insurance what should the coverage amount be based on?

CFS Talking Points:

- Liabilities — debts to be paid off
- Income — need to provide
- Final expenses
- Education and other goals to be funded

CFS Intro: Check to make sure before you deploy that your life insurance is sufficient and that your beneficiaries are up to date. Legal services can assist with questions regarding beneficiaries. Speaking of legal, let's take a look at some legal documents that may need your attention before you deploy.

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13. Legal Documents for Deployment

Knowledge Check

Question: What does the legal document, titled *a will*, do?

Answer: Coordinates the distribution of your assets at your death and can appoint a guardian for children.

Question: What are the different types of Power of Attorney that may be necessary for you to have while on deployment?

Answer:

- General POA — gives power and authority to act on your behalf for a wide range of topics.
- Specific POA — grants power for specific types of transactions.
- Medical POA — provides child's caretaker with the authority to handle medical needs of the child(ren).

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14. Insurance (Medical, Auto, Property)

Discussion Question

1. Are there any areas of insurance you are considering for review after watching this video?

CFS Talking Points:

- Medical — check TRICARE eligibility
- Auto — check for storage rates if not being driving, consider not canceling due to high cost to reinstate
- Property — review coverage

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15. Final Wrap-Up

CFS Conclusion: This concludes training today. Review your notes and create a plan to address your financial concerns and opportunities before you deploy. As you approach the day you leave, things may get hectic and stressful. Now is the time to think through your financial plan and adjust as necessary. As always, if you need financial assistance in any of the topics today, speak with me or a Financial Counselor at your family center.