

Welcome to your first duty station! Whether you complete a 20-year career or separate after a few years, it's important to take advantage of the financial benefits and education offered to you as a member of the Coast Guard.

This checklist, along with the accompanying handouts and the information provided by the Health, Safety and Work-Life (HSWL) Regional Practice staff can help you make sound financial decisions.

HANDOUTS

- Military Banking
- Goal-Setting Worksheet
- Spending Plan Worksheet
- Understanding Credit
- Military Consumer Protection
- Sources of Help for Military Consumers
- Major Purchases
- 5 Rules of Buying a House
- Education Benefits and Savings
- Paying off Student Loans
- TRICARE Overview
- Thrift Savings Plan
- Basic Investing

★ Basic Finance

- Review the *Military Banking* Handout for information on credit unions and banks, typical fees, online banking, and how to manage your bank accounts.
- Understand the basics of debit/credit card use and tracking deposits/expenditures.
- Know how to recognize and correct banking errors. Review your transactions periodically and immediately contact your bank if you find errors that need to be corrected.
- Update your personal spending plan using the *Spending Plan Worksheet* Handout. A good spending plan helps you manage your money, plan for your financial goals, and prepare for emergencies. Here are four steps financial experts suggest to get started.

Step 1 — Understand your current situation

In this step, it's important to understand what's REALLY going on with your money today. Start tracking all your income and spending for the next 30 days. How you do the tracking is up to you, but what's important is you do it.

Step 2 — Know where your money should go

Financial experts offer these general guidelines when budgeting your money:

- Try to save and/or invest 10% – 15% of pretax pay.
- Strive to keep transportation expenses including car payments, insurance, gas and maintenance to 15% – 20% of pretax pay.
- Limit housing expenses, including mortgage or rent payment, taxes, utilities, and maintenance to your Basic Allowance for Housing or 25% – 30% or less of pretax pay.



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- Prioritize your financial goals.
- Establish an emergency fund. Financial experts suggest you should keep at least three to six months of living expenses in reserve. If you do not have that much saved, consider setting aside a little each paycheck to help get you there.

Step 3 — Create a plan

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Step 4 — Make adjustments

Update your spending plan as your life changes. Monitor your plan until you have fully adjusted your finances to reflect your new situation.

- Consider setting up automatic bill pay to avoid missed or late payments.
- Review your tax situation and change federal and state withholding as needed in Direct Access via <https://hcm.direct-access.uscg.mil>. Do not mark yourself exempt from tax withholding if you do not actually qualify.
- Review the Military Spouse Residency Relief ACT (MSRRA), which protects tax, voting and property rights of military spouses. A military spouse may keep their tax domicile (legal residence) if they move because their military spouse is transferred out of state.

Additional notes: _____

★ Consumer Protection

- Review the *Military Consumer Protection* Handout for additional information on identity theft, the Servicemembers Civil Relief Act (SCRA), and Military Lending Act (MLA).
- Protect yourself from misleading consumer practices and know basic procedures for handling a consumer complaint or dispute. Review the *Sources of Help for Military Consumers* Handout.
- Check each of your three major credit reports for free at <https://www.annualcreditreport.com>. Members can request free credit monitoring services from the nationwide credit reporting agencies: Equifax, Experian, and TransUnion. Review the *Understanding Credit* Handout for more information. Lastly, CG SUPRT offers free credit monitoring to CG members and dependents.

Additional notes: _____

★ Major Purchases

- Analyze your housing and transportation needs and be sure to prepare your finances for any major purchases. Review the *Major Purchases* and *5 Rules of Buying a House* Handouts for more information.
- Understand that Personal Financial Managers are available at HSWL Regional Practice to assist with questions about a major purchase.
- Review the *Education Benefits and Savings* and *Paying off Student Loans* Handouts to learn more about financing education, available benefits, obligations, and repayment options.
- Research and take advantage of tuition assistance and the College Level Examination Program (CLEP) to help cover or offset the costs of higher education.

Additional notes: _____

★ Planning for the Future

- Evaluate your life insurance needs to ensure you have enough coverage, the right type of coverage, and correct beneficiaries. A simple method to calculate your life insurance needs is to use the acronym LIFE. Start by totaling all four categories listed below.

L liabilities	Debt you would like to pay off, like a mortgage, auto loan, or credit card(s)	\$
I ncome to be replaced	Multiply targeted annual income amount by the number of years to replace	\$
F uneral and final expenses	The amount you would like to set aside for final expenses	\$
E ducation and other goals	The amount you want to set aside to fund education and other goals for family, friends, or charitable organizations	\$
Total life insurance needed		\$\$\$\$

Then compare your life insurance needs with your current amount of coverage plus any assets and benefits available at death. If you find you need additional coverage, then consider supplementing Servicemembers' Group Life Insurance (SGLI) with a commercial life insurance policy. Review the policy for any restrictions, such as a war clause. Common life insurance policies include:

- Term insurance — provides a stated amount of coverage over specific period of time and is designed to provide a large amount of coverage for the least cost
 - Permanent insurance — provides coverage designed to last for your entire life and can build cash value
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- There are several permanent life insurance options offered such as universal life, whole life, variable life and even variable universal life insurance. These policies may have a surrender period and be subject to fees and penalties if canceled during this time.
 - Enroll your dependents in Family Servicemembers' Group Life Insurance (FSGLI).
 - Update the beneficiaries of your Servicemembers' Group Life Insurance (SGLI), if appropriate.
 - Review or consider obtaining renters (homeowners) insurance policies and ensure that they are adequate for your circumstances.
 - Update your auto insurance policies, and ensure coverage is appropriate for your current needs.

Additional notes: _____

★ Compensation, Benefits, and Entitlements

- Understand basic pay is normally determined by rank (grade) and years of service. The other pays, often referred to as special and incentive pays, are for specific qualifications or events. To learn more about basic, special and incentives pays visit <https://www.dcms.uscg.mil/ppc/mas/rates>.
- Understand allowances are moneys provided for specific needs, such as food or housing. Basic Allowance for Subsistence (BAS) and Basic Allowance for Housing (BAH) are two of the most common allowances, but there are several others including Clothing, Dislocation, Family Separation Allowance (FSA), and Basic Needs Allowance (BNA). To learn more about allowances, including current rates, visit <https://www.dcms.uscg.mil/ppc/mas/rates>.
- Enroll new family member(s) in TRICARE (Active Duty), TRICARE Reserve Select (Reserve members) or other health insurance plan. Review the *TRICARE Overview Handout* for more information.
- Remind Coast Guard members that if they need help with TRICARE related issues, they can reach out to the Health Benefits Advisor by calling 1-800-9HBAHBA (1-800-942-2422) or emailing CBHBA@uscg.mil.
- If your spouse is employed and also has health insurance (OHI or “other health insurance”), arrange coordination of benefits with TRICARE or other insurance carrier.
- Enroll new family member(s) in the TRICARE Dental Program. Monthly premiums and copays will apply. Visit <https://www.tricare.mil/coveredservices/dental/tdp> for more information.

Invest in you and your Coast Guard members’ career development by exploring how future financial benefits afforded by the Coast Guard’s career investment programs can develop you and your Coast Guard member professionally.

- **Tip 1:** Investigate whether your members’ military career offers a registered apprenticeship for their Coast Guard rating or skills. The United Services Military Apprenticeship Program (USMAP) website provides Active Duty members of the Coast Guard with a streamlined ability to identify and register for apprenticeships, track progress, and report completion of their apprenticeship. To learn more visit: https://www.cool.osd.mil/uscg/credential_basics/index.html?apprenticeship.
- **Tip 2:** Determine if your members’ Coast Guard experience translates into a civilian credential. Military experience has the potential to translate into certifications and licensing. A Coast Guard member is encouraged to visit the Coast Guard Credentialing Opportunities Online (COOL) website <https://www.cool.osd.mil/uscg/index.html> to learn more.
- **Tip 3:** Explore eligibility for tuition assistance. Did you know that members qualify for tuition assistance to pursue their education goals and potentially increase their earning potential? To learn more visit <https://www.forcecom.uscg.mil/Our-Organization/FORCECOM-UNITS/ETQC/VOLUNTARY-EDUCATION/Tuition-Assistance/>.

Additional notes: _____

★ Saving and Investing

- Review the *Thrift Savings Plan* and *Basic Investing* Handouts to learn more about investing for retirement, compound earnings and fundamentals of investing.
- Log on to your TSP account at <https://www.tsp.gov> to manage:
 - Current and future investment choices
 - Beneficiaries
 - Contact information
- Save automatically by setting up an allotment directly from your pay to a savings account. Save for emergencies and for your personal goals. Review the *Goal-Setting Worksheet* Handout to determine your personal goals.

Additional notes: _____

CFS/PFM Printed Name

Member Printed Name

Signature

Date

Signature

Date