



# LEADERSHIP TRAINING

## COAST GUARD FINANCIAL READINESS

Taking on a leadership role in the Coast Guard comes with many responsibilities. One of which is to ensure financial readiness to sustain mission readiness. This checklist can help you, as a new or seasoned leader in the Coast Guard be prepared to handle the challenges that come with your leadership role.

### HANDOUTS

- Financial Warning Signs and Military Risk Factors
- Military Consumer Protection
- Military Retirement
- Servicemembers Civil Relief Act
- Sources of Help for Military Consumers
- The Need for Personal Financial Management
- Thrift Savings Plan

Military members tend to have increased financial management issues for a number of reasons, including: age, lifestyle and access to credit. Service members tend to move away from home and their support system at a younger age than the general population. This checklist can help you become equipped with basic knowledge of personal finance and military retirement, help you as a leader to identify the warning signs of financial problems, and most importantly, provide you with resources to turn to when you or your subordinates find themselves in personal financial difficulty.

**Counselor:** Use this checklist and the listed handouts as a solution-focused tool to help Coast Guard members, in a class setting or one-on-one conversation, set goals, establish priorities, and develop an action plan. Space is provided to add local resources and reminders about additional topics. If you need additional information and referrals, contact your local Health, Safety and Work-Life (HSWL) Regional Practice staff.

### ★ Basic Finance

- ☐ Be aware of the unique financial issues affecting the military lifestyle. Review the *Need for Personal Financial Management* Handout for more information.

**Counselor:** Remind leaders of the struggles they may have had coming into the Coast Guard. It's important to understand the financial challenges unique to the Coast Guard such as deployments, frequent moves, etc. The key is to realize the significance of good money management. Strong habits will have a positive impact on personal relationships, stress levels, and mission readiness.

- ☐ Know the resources available to assist your Coast Guard members. Help is available through the Personal Financial Manager (PFM) at the local Health, Safety and Work-Life (HSWL) Regional Practice, your Command Financial Specialist (CFS), CG SUPRT, and Coast Guard Mutual Assistance (CGMA).

**Counselor:** Coast Guard members who are struggling and need specific help should come to your local HSWL Regional Practice. Let them know they can speak to a Personal Financial Manager (PFM) for assistance. CG SUPRT also provides access to Money Coaches who offer free and confidential consultations. Additionally, they can seek help from Coast Guard Mutual Assistance (CGMA). This is a nonprofit organization providing interest-free grants, loans, and/or educational assistance to members of the Coast Guard, eligible family members and survivors.

- ☐ Understand your roles and responsibilities as a leader in the Coast Guard. Review the *Financial Warning Signs* Handout for more information on financial risk factors.

**Counselor:** *Remind leaders it is their duty to help identify the warning signs of financial trouble. Encourage them to use this checklist and the available resources to get informed and manage situations early. It is critical to catch problems before they begin to impact family and work relationships, mental well-being, and mission readiness.*

- ☐ Learn to identify Coast Guard members who are experiencing economic challenges such as increased housing and rental costs, food insecurity, and struggles with financial well-being. A Military Leaders toolkit is available to assist you with supporting Coast Guard members struggling with these challenges. <https://www.dcms.uscg.mil/Our-Organization/Assistant-Commandant-for-Human-Resources-CG-1/Health-Safety-and-Work-Life-CG-11/Office-of-Work-Life-CG-111/Economic-Toolkit/>

If you identify a Coast Guard member who needs help with housing, food to feed their family, or financial well-being, please direct them to the local HSWL Regional Practice or CGMA for assistance.

**Counselor:** *Communication is key. Encourage your members to foster a healthy culture of communication and the importance of financial readiness. Try to identify possible warning signs of financial problems sooner rather than later. However, be sure to remind your members to maintain confidentiality.*

- ☐ Understand that members will be required to complete financial readiness training at various career milestones and life events. These events include: Initial Entry Training (Boot Camp and Officer Accessions pipelines), Upon Reporting to First Permanent Duty Station, Subsequent Duty Stations (for members in paygrades E-4 or below and O-3 or below), Promotion (for members in paygrades E-5 or below and O-4 or below), Vesting in TSP under BRS, Major Life Event (Marriage, Divorce, First Child, Disabling Sickness or Condition), Leadership Training, Entitlement to Continuation Pay under BRS, Pre- and Post-Deployment, and Transition.

Coast Guard members can complete financial readiness training online via Coast Guard eLearning or in-person with a CFS or Office of Work-Life Personal Financial Manager.

- ☐ Check each of your three major credit reports for free at <https://www.annualcreditreport.com>. Additionally, 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.

**Counselor:** *Remind (or inform) leaders about the new security clearance review process. Historically, individuals were up for periodic reviews every five to 10 years depending on the type of clearance. Now, individuals are under continuous monitoring which automatically pulls financial data. Issues that are not dealt with can result in a loss of clearance. As a leader, it is critical to identify and provide help to members in need before there is a risk to the mission by losing a clearance.*

Additional notes: \_\_\_\_\_

## ★ Consumer Protections

- ☐ 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.

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## ★ Planning for the Future

- ☐ Understand the benefits of each military retirement system: Legacy “High-3” or Blended Retirement System (BRS) and the rules on Thrift Savings Plan (TSP) matching/vesting. As a leader, you may receive questions on either system.
- ☐ Review the *Military Retirement* Handout accompanying this checklist for more information.

**Counselor:** *Remind your leaders of the ways to succeed with each retirement system. Serving for 20 or more years allows a member to receive the pension under the Legacy system and BRS. Additionally, with BRS, the emphasis is on saving a minimum of 5% into the TSP to receive the full matching contribution — which is free money! This money goes with members when they separate if vesting requirements are met, and even if they don’t serve 20 years or more. For leaders in the Coast Guard they need to ensure their team understands the basics of military pay and benefits. Additionally, leaders may be considering their own Continuation Pay options if they’re in the BRS so be sure to cover that section of the handout and refer to the appropriate resources: <https://militarypay.defense.gov/BlendedRetirement>.*

- ☐ Understand the importance of retirement planning throughout your Coast Guard career. It is never too early to start planning for retirement. The sooner you begin saving, the more time your money has to grow with the power of compound interest. Once you start saving, it shouldn’t be a “set it and forget it” mentality. Revisit savings goals and TSP contributions regularly.
- ☐ Review TSP and withdrawal/rollover options upon reaching retirement age and/or separating from the Coast Guard.

**Counselor:** *Explain to your leaders the high-level options for the TSP upon retirement.*

You can:

1. Leave the TSP in place, but once you separate from service, you no longer make contributions to the account.
2. Withdraw funds from the TSP. Taxes and penalties may apply, depending on your situation.
3. Rollover the TSP into an Individual Retirement Account. This typically has no tax implications if the rollover is done into the proper account type (Traditional or Roth).

For more information, visit <https://www.tsp.gov>. Speak with a Personal Financial Manager (PFM) at your local HSWL Regional Practice for help with your specific situation.

Additional notes: \_\_\_\_\_  
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## ★ Compensation, Benefits, and Entitlements

- 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](https://www.cool.osd.mil/uscg/credential_basics/index.html?apprenticeship).

**Tip 2:** Determine if your members military 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>.

**Counselor:** Discuss the programs, possible career paths, and how building skills and gaining education can increase a Coast Guard member's earning power. Refer members to the Education Service Officer (ESO), as needed.

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