



Marriage

Instructor Guide



**GUARD
YOUR
FINANCIAL
FUTURE**

PERSONAL FINANCIAL MANAGEMENT PROGRAM

I. COURSE ORGANIZATION AND OUTLINE

The *Marriage* course is **organized into 10 parts**:

1. **Introduction and Agenda** (3 minutes)
2. **Communication** (5 minutes)
3. **Administrative Tasks** (5 minutes)
4. **Basic Finance** (10 minutes)
5. **Consumer Protections** (5 minutes)
6. **Major Purchases** (10 minutes)
7. **Planning for the Future** (10 minutes)
8. **Compensation, Benefits, and Entitlements** (10 minutes)
9. **Saving and Investing** (5 minutes)
10. **Summary & Resources** (2 minutes)

TOTAL: 65 minutes

II. LEARNING OBJECTIVES




Terminal Learning Objectives (TLOs)

1. Understand the fundamentals of creating and managing a spending plan, and the importance of updating a spending plan.
2. Understand the fundamentals of income tax and common benefits, and potential changes to tax situation.
3. Comprehend the components of the Service member's military retirement system and the importance of preparing for retirement.
4. Discuss the reasons, needs, types, and options for purchasing insurance.
5. Understand purpose and implications of estate planning (e.g. beneficiaries, wills, trusts, power of attorney).
6. Discuss TRICARE options and costs.
7. Discuss survivor and dependent benefits, including Survivor Benefit Plan and Servicemembers' Group Life Insurance.
8. Recognize the importance of and be able to develop savings and an emergency fund.
9. Understand education financing, to include available benefits, obligations, and repayment options.

III. CHAPTER PREPARATION

Sections labeled “**INSTRUCTOR NOTE:**” include additional information for instructor background, as well as activities that provide practical application of key learning points. Instructor notes contain an icon and appear in a shaded text box for easier recognition.

CONTENT ICONS — The following icons are used throughout the guide:

<div>INSTRUCTOR NOTE:</div> <div>  </div>	<p>Instructor Note – (indicates additional information related to the content for the instructor)</p> <p>Checklist and Handout – (indicates a checklist or handout is associated with the content)</p> <p>Learning Activity – (indicates a learning activity)</p> <p>Video – (indicates an optional video)</p>
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INSTRUCTOR NOTE: Being prepared for training promotes organization, projects a positive image, and reduces stress.

Be prepared to discuss the checklist and handouts in class. You should familiarize yourself with this content so you can effectively discuss each document during your presentation.

While this guide is written as a script, avoid reading it word-for-word. Familiarize yourself ahead of time so you feel comfortable covering the material in your own words. An in-depth review of each handout is not required but you are encouraged to manage time, course work, and audience interest during instruction.

Throughout the presentation, the checklist and handouts will be identified with an icon on the PowerPoint and an Instructor Note in this Instructor Guide.

Materials and equipment needed:

- Computer with display
- *Marriage* course PowerPoint slides

Optional:

- Chart paper and easel or whiteboard and markers
- Paper, pens, pencils

Forms and Handouts:

- *Marriage* Member Checklist
- Course sign-in sheet
- Course evaluations

Optional:

- *Spending Plan Worksheet* Handout
- *Goal-Setting Worksheet* Handout
- *Understanding Credit* Handout
- *Military Consumer Protection* Handout
- *Sources of Help for Military Consumers* Handout
- *Major Purchases* Handout
- *5 Rules of Buying a House* Handout
- *Education Benefits and Savings* Handout
- *Paying off Student Loans* Handout
- *Military Retirement* Handout
- *Thrift Savings Plan* Handout
- *Estate Planning* Handout
- *TRICARE Overview* Handout
- *Survivor Benefits Overview* Handout
- *My Rating as a Money Manager* Handout
- *Financial Values* Handout

Videos:

<https://finred.usalearning.gov/SPL/ServiceResources/CoastGuardResource/Marriage>

IV. CONTENT



SLIDE 1

Introduction

Facilitator Introduction

Introduce yourself.

Hello, my name is _____.

I am a _____.

(Describe your experience as a facilitator or with personal financial management.)

The information I'll provide over the next 65 minutes will help you organize your finances to adjust to your new life as a married person.

Disclaimer: *The information provided in this course does not constitute a formal endorsement of any company, its products, or services by the Coast Guard. Specifically, the appearance or use of external hyperlinks does not constitute endorsement by the Coast Guard of the linked websites, or the information, products, or services contained therein. The Coast Guard does not exercise any editorial control over the content you may find in these resources. The intent is to provide informative material to assist Coast Guard members and their families in identifying or exploring multiple options.*



SLIDE 2

Agenda

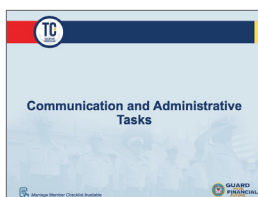


INSTRUCTOR NOTE: Distribute the *Marriage Member Checklist*.

To help you understand the content in this presentation, we will use the *Marriage Member Checklist* to explore:

- Communication
- Administrative Tasks
- Basic Finance
- Consumer Protections
- Major Purchases
- Planning for the Future
- Compensation, Benefits, and Entitlements
- Savings and Investing

I'll also point you to free resources that can help you take action on what we discuss.



SLIDE 3



SLIDE 4

Communication



INSTRUCTOR NOTE: Review the *My Rating as a Money Manager* and *Financial Values* Handouts and play the optional video, *Communication*.

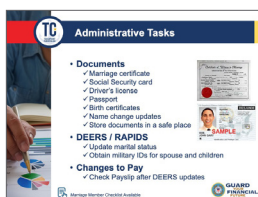
Communication is an important part of any relationship. That's especially true when it comes to effectively managing money as a married couple. Money is the primary stressor in a marriage and the number one issue couples disagree and argue about. So, it's important to have open and honest communication up front.

Set aside time to discuss finances with your fiancé or spouse. Talk about your:

- **Current financial situation:** Review your various bank and investment accounts, your debts, and your income.
- **Financial goals:** These goals might include paying down debt, buying a home, saving for retirement, or for college tuition.
- **Spending:** In addition to reviewing your regular monthly expenses, talk about your spending habits when it comes to flexible expenses like entertainment, dining out and clothing. Work toward creating a budget that both of you are comfortable with.
- **Saving and investing:** With your goals in mind, reach an agreement on how much money you want to put away each pay period or month to strengthen your financial situation. You should also discuss your attitudes about how much risk you would be comfortable taking, and whether you want to use a financial advisor or take a do-it-yourself approach.

Your goal is to avoid tension tomorrow by getting on the same page today. You can get on the same page using some of the handouts we're providing today. One is called *My Rating As a Money Manager*. The other is the *Financial Values Worksheet*.

A great way to start your discussion is for each of you to complete the handouts separately. Then you can compare your results and come to an agreement on your financial philosophy as a couple as you move forward together.



SLIDE 5

Administrative Tasks



INSTRUCTOR NOTE: Play the two optional videos, *Marriage Documents Part 1* and *Marriage Documents Part 2*.

Reorganizing your finances for married life starts with some administrative tasks. Let's take a look at what you need to take care of.

Documents

First, you'll need to get a variety of documents in order. These are all listed on the *Marriage Checklist*.

Start by getting original copies of your marriage certificate. Obtain several official copies. You'll need to present them in various places to update your marital status. Official copies are often embossed or stamped in some way.

Keep in mind, a marriage certificate is not the same thing as a marriage license. In many places, marriage certificates are issued by the county clerk's office in the place where you held your ceremony.

If your spouse is foreign-born, you may be eligible for reimbursement for some of the expenses of applying for U.S. citizenship. Contact your administrative or personnel office to see if you qualify.

If you or your spouse are changing names, update your Social Security record and other forms of identification, such as your passport and driver's license as well as bank, credit, and other financial accounts. Coast Guard members should report/request a name change or a request for correction to their unit. Upon command authorization, the approval will be forwarded to the Servicing Personnel Offices (SPOs) for Direct Access input.

This is also a good time to make sure you have official copies of birth certificates and Social Security cards for your spouse and any dependent children. Your local legal assistance office can help you with other changes, such as updating the titles to your vehicles and real estate deeds.

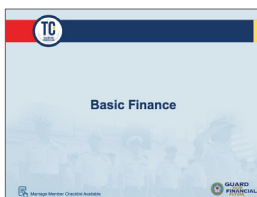
DEERS/RAPIDS

Another important step is updating DEERS to change your marital status and add your spouse and any other new family members that are joining you from the marriage. When you go to the DEERS/RAPIDS office, bring your marriage certificate, your spouse's birth certificate, Social Security card and photo identification. If you're adding children, bring their birth certificate or adoption papers and Social Security card. After you've updated DEERS, obtain military dependent ID cards for your spouse and any dependent children. Kids under 10 generally don't need a card and won't be issued one.

Changes to pay

After you've updated DEERS, take a good look at your Payslip to make sure the changes are reflected in your pay and allowances. Keep an eye out for overpayments. Money paid to you in error will be recollected. Don't spend it.

INSTRUCTOR NOTE: It might take time for their Payslip to update depending on when the system processes the marriage. Coast Guard members have to go to SPO to take their paperwork (DD1172-2) to have dependents added in Direct Access. Members will be paid retroactively from the date of the marriage regardless of when it processes.



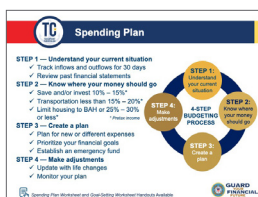
SLIDE 6

Basic Finance



INSTRUCTOR NOTE: Review the *Spending Plan Worksheet* and the *Goal-Setting Worksheet* Handouts. Play the optional video, *Spending Plans for Newlyweds*.

Let's begin by discussing basic finances and consider how your situation may change as a result of your marriage.



SLIDE 7

Spending Plan

We'll start by looking at your personal **spending plan or budget**, which you can update using the *Spending Plan Worksheet* Handout provided.

Remember, a good spending plan helps you manage your money, plan for your financial goals, and prepare for emergencies. Here are four tips financial experts suggest could help you get started on your new journey.

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 or review past financial statements from the previous month. 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 (BAH) or 25% – 30% or less of pretax pay.

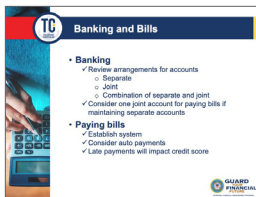
Step 3 — Create a plan

Build a plan for setting aside money and putting limits on how much you'll spend each month per category.

- Plan for new or different expenses.
- Prioritize your financial goals using the *Goal-Setting Worksheet* Handout as your guide.
- 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 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.



SLIDE 8

Banking and Bills



INSTRUCTOR NOTE: Play the optional video, *Banking*.

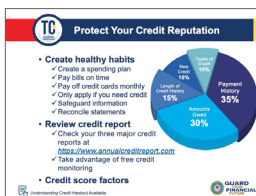
Banking

You should also review your banking and credit card arrangements. Talk with your spouse about whether you want to consolidate separate bank or credit card accounts into one that you share.

Some spouses keep separate accounts. Others have separate accounts but put both spouses' names on each one so they can access and view as needed. Others prefer to have one joint account. Some spouses have a combination of joint and separate accounts. There is no right or wrong way to manage your income. Find and use the system that works best for you. While you are at it, this is a great opportunity to review your bank and credit union services and fees. With some shopping around, you may find an institution with lower fees, and better interest rates on savings accounts and credit cards.

Paying bills

You should also figure out your system for paying bills. Who will pay the bills? Will you divide them or combine them? Late payments can put a big dent in your credit score, so it pays to stay on top of things. Consider paying bills through an automatic withdrawal from a checking or savings account.



SLIDE 9

Protect Your Credit Reputation



INSTRUCTOR NOTE: Review the *Understanding Credit* Handout.

Making smart decisions about debt and credit will have a huge impact on your financial success in life.

Create healthy habits

As you and your new spouse begin your married life together, get started on the right financial foot by creating healthy credit habits together. Use the steps we discussed earlier to create and follow a spending plan. Pay your bills on time and do not skip payments. Seek to pay off credit cards in full each month; if you must carry a balance, keep it as low as possible.

Avoid applying for credit you do not need. Keep your personal information safe, including both paper and digital documents. Lastly, make sure to keep your receipts and review your account statements regularly.

Review your credit report

At <https://www.annualcreditreport.com>, you can request a free copy of your credit report from each of the three major credit bureaus. Your credit report shows all the current credit accounts that are open in your name, as well as your history.

Everyone, including civilians, is entitled to a free report weekly from each bureau. Both you and your new spouse should obtain your individual reports.

When you get your reports, look at them carefully and report any errors you find. You may find debts you didn't realize you still owed. Speak to a Personal Financial Manager (PFM) if you do.

Take advantage of free credit monitoring for Service members. This service is available through Equifax, Experian, and TransUnion. Review the *Understanding Credit* Handout for more on the importance of credit monitoring and information on how to sign up.

Credit score factors

Your credit report is different from your credit score. Your credit score is a number between 300 and 850. It tells lenders how good a risk you are. A score above 670 is considered to be a good risk.

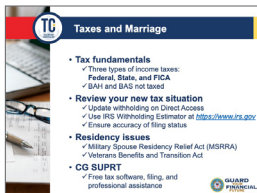
If your score is too low, you may have a hard time being approved for loans or credit cards. The higher your score, the better chance of being approved and the lower your interest rates will be. There are five key factors that drive your score.

These factors are.

- 35% = Payment history
- 30% = Amounts owed
- 15% = Length of credit history
- 10% = Types of credit used
- 10% = New credit

Approximately 65% of your score comes from your payment history and the amounts owed. Be sure to make all your payments on time and to avoid carrying large balances. On credit cards, avoid carrying a balance that's larger than 30% of your credit limit. It is better to pay your credit cards in full every month.

INSTRUCTOR NOTE: Be prepared to answer questions about co-signed loans and authorized users on credit cards and how this can affect their credit score.



SLIDE 10

Taxes and Marriage

Getting married can affect your income taxes. Let's start by reviewing a few income tax fundamentals.

Tax fundamentals

There are three types of income taxes. Federal income taxes fund the federal government and federal programs. FICA taxes fund Social Security and Medicare. State income taxes fund state governments and programs.

Next, let's talk about some of your tax benefits. You do not pay taxes on entitlements including Basic Allowance for Housing (BAH) and Basic Allowance for Subsistence (BAS).

Review new tax situation

Review your new tax situation and change your federal and state withholding as needed. Check out the IRS withholding estimator at <https://apps.irs.gov/app/tax-withholding-estimator> to help you determine your withholding. Then you can make the change at <https://hcm.direct-access.uscg.mil>.

Residency issues

Your **residency** also affects your taxes. Some states have lower income taxes than others, and some states have no income tax at all. You'll generally be considered a resident of your home of record state, which is the state where you were living just before you joined the Coast Guard.

The Military Spouse Residency Relief Act (MSRRA) protects tax, voting and property rights of military spouses. Civilian spouses can keep their legal residence if they move because their military spouse is transferred from the state.

The Veterans Benefits and Transition Act of 2018 allows military spouses to elect to use their Service member's state of legal residence for state and local taxes. In the past, a spouse may have had to file a different state tax return because they had split legal residences. For example, a Service member with a legal residence of New York moves to Virginia and marries a person with a legal residence from that state. Our military spouses can now elect to use the legal residence of the military member for purposes of filing their state and local taxes.

Resources

Free tax software, filing, and professional assistance is available through CG SUPRT Money Coaches.



SLIDE 11

Consumer Protections

Be on the lookout for people trying to scam you out of your hard-earned money. From aggressive salespeople to criminals, there are many people who would love to take your money off your hands. Unfortunately, the military are often targets. In the following section, we'll cover key consumer protections.



SLIDE 12

Military Consumer Protections



INSTRUCTOR NOTE: Follow along with the *Military Consumer Protection Handout*.

Protecting yourself from scammers and scams isn't enough. It's also important to know your rights as a member of the military under the Servicemembers Civil Relief Act (SCRA) and Military Lending Act (MLA).

Servicemembers Civil Relief Act (SCRA)

Under SCRA, Active Duty Service members and reservists (when on active service) are protected under the law. SCRA (for all) begins on the first day of Active Duty, which means when the person leaves home for basic or occupational training.

SCRA provides many legal protections, including:

Contracts

- Loan rate capped at 6%
- Terminate residential or auto lease. Speak with the local legal assistance office to review your situation and see if you qualify. Legal can also review your lease before you move in.
- Cancel applicable service contracts

Stay civil judgments – SCRA offers certain protections from legal proceedings while you are deployed. Generally, you are protected from:

- Eviction and foreclosure
- Default judgment
- Property repossession or seizure
- These issues will not go away entirely, and you will have to deal with them when you return.

Military Lending Act (MLA)



INSTRUCTOR NOTE: Review the *Military Consumer Protection Handout*.

Under the Military Lending Act (MLA), Active Duty Service members, Reservists and their covered dependents cannot be charged an interest rate higher than 36% on most consumer loans, along with other protections. This act does not cover peer-to-peer loans.

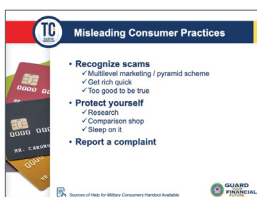
Visit <https://www.consumerfinance.gov> for more information about the MLA.

Identity theft protections

Identity theft is a serious problem that can damage your credit reputation and take a significant amount of time, effort, and money to resolve. It happens when someone steals your personal information and uses it to open fraudulent accounts and/or make unauthorized purchases. Warning signs include: missing bills, unauthorized accounts on credit reports, unsolicited credit cards or bills, and credit denial. You can defend yourself by taking the following actions:

- Safeguard mail
- Keep your wallet or purse secure
- Save receipts and review with account statements regularly
- Shred documents
- Notify creditors of address updates
- Check your credit reports regularly

Visit <https://www.identitytheft.gov> to report identity theft and create an action plan.



SLIDE 13

Misleading Consumer Practices



INSTRUCTOR NOTE: Review the *Sources of Help for Military Consumers Handout*.

Recognize scams

Avoid offers to join multilevel marketing organizations, and steer away from anyone offering you a way to get rich quick. Remember, if it sounds too good to be true, it probably is.

Protect yourself

Before giving your money to anyone, even a legitimate business, be sure to protect yourself.

Before spending or investing money, do your research and comparison shop. If you're unsure, give yourself extra time to sleep on it. Don't give into pressure. Be mindful of businesses requiring you to set up allotments on the spot, this is illegal.

Report a complaint

If you feel you've been cheated, report it. The *Sources of Help for Military Consumers* Handout gives you a step-by-step process on how to effectively complain. If you're not sure where to direct your complaint, contact your local legal assistance office.



SLIDE 14

Major Purchases

You and your new spouse may be considering a major purchase like buying a new home or car, or pursuing educational opportunities. Next, we'll go over a few key concepts to keep in mind when it comes to major purchases.



SLIDE 15

Housing and Vehicles



INSTRUCTOR NOTE: Review the *5 Rules of Buying a House and Major Purchases* Handouts.

Next, let's look at adjustments you may need to make regarding your home and your vehicles.

Housing needs

As a critical part of your spending plan, you will need to analyze your current housing and transportation needs. You and your new spouse need to decide where you would like to live.

Do you want to live on or off base housing? Do you want to rent or buy? Either way you need to connect with your housing office to discuss your family's needs and update your marital status. They provide information about both Coast Guard and community housing options. You can also access <https://www.homes.mil/homes/DispatchServlet/HomesEntry> for options.

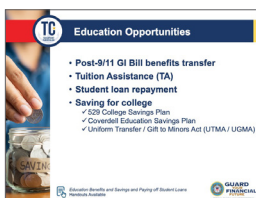
Start planning now if you will be purchasing a home. Check your credit report and score, set a budget, obtain a mortgage preapproval and start saving for a down payment and move-in expenses. We also have two handouts for your review: *Major Purchases* and *5 Rules of Buying a House*. For additional information and in-person support, attend a Home Buying class at your local HSWL Regional Practice.

Update your household accounts like utilities and cable, to include you and your spouse.

If your mailing address is changing, notify all your creditors, subscription services, and other companies you have ongoing relationships with.

Transportation needs

Update your car title and registration as needed. Contact your local legal assistance office if you have questions about how to do this.



SLIDE 16



Education Opportunities

INSTRUCTOR NOTE: Review the *Educational Benefits and Savings* and *Paying off Student Loans* Handouts together. At a minimum discuss the items on the slide (tuition assistance, GI Bill and repayment options).

Now that you are married, your educational goals may change. Let's cover a few of the educational opportunities available to you as a

Coast Guard member and ways you can save for college for loved ones.

Post-9/11 GI Bill transfer

If you plan to transfer your Post-9/11 GI Bill benefits to your spouse, or change the transfer to other qualified dependents, you must submit a Transfer of Entitlement (TOE) through milConnect. Certain requirements apply; visit <https://www.va.gov/education/transfer-post-9-11-gi-bill-benefits/> for more information.

Tuition Assistance (TA)

Take advantage of the Tuition Assistance program to reach your academic and professional goals. Coast Guard members are eligible for up to \$4,500 each year under TA.

Student loan repayment

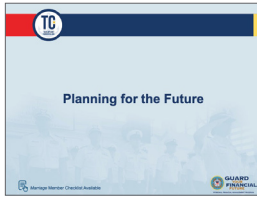
Student loan payments can be a significant part of your monthly spending plan. Investigate your options for repayment to learn if you're eligible for the College Loan Repayment Program (CLRP) or Public Service Loan Forgiveness (PSLF). If your income has changed and you're on an income-based repayment plan, you may need to adjust your payment. Check out the *Paying off Student Loans* Handout for details.

Saving for college

Next, we'll cover a few accounts that can help you save for a child's education. We'll cover the three most common. Advantages and disadvantages vary for each of these programs so make sure to review the *Education Benefits and Savings* Handout for more details.

- 529 College Saving Plans: tax advantaged account allowing for tax-free withdrawals to pay for qualified education expenses including K-12 public, private, and religious school tuition and qualified college expenses
- Coverdell Education Savings Accounts: tax-advantaged account for education savings, must be opened by a parent or legal guardian and income limits apply
- Uniform Transfer to Minors Act (UTMA) and Uniform Gift to Minors Act (UGMA) Custodial Accounts; owned by the child and managed by the parents, does not have to be used for education expenses

Paying for college for yourself and those you love can be a challenge. Use the resources provided to learn more about the benefits available to you and meet with a PFM at your local HSWL Regional Practice.



SLIDE 17

Planning for the Future

In this section of the course, we'll cover important topics related to retirement, insurance, and estate planning.



INSTRUCTOR NOTE: Play the optional video, *Wheel of Life*.



SLIDE 18

Retirement



INSTRUCTOR NOTE: Review the *Military Retirement* and *Thrift Savings Plan* Handouts. Communicate the key differences between retirement systems like pay formula multipliers, matching TSP contributions, Continuation Pay, and lump-sum options.

Military retirement systems

First, let's take a look at the *Military Retirement* Handout and review the benefits of the two main military retirement systems: Legacy and Blended Retirement System (BRS).

Retirement is one of the most important goals any of us will save for. It's also one of the most expensive. Moreover, unlike other goals, we typically don't get a second chance to get this one right.

Review retirement savings goals

Start by deciding how much you'll save for retirement over the next year. The more you save, the better. As a starting point, many experts recommend that you save at least 10% – 15% of your gross income.

Next, think about where you will save. The TSP is usually a good choice. Your spouse may have a retirement plan of their own at work. As you evaluate where to direct your retirement money, consider:

- If the employer matches your contributions. Under the BRS, your contributions up to 5% of base pay to the TSP are matched after two years of service.
- How quickly you become vested in those employer contributions. Vesting means when the money that the employer chips in becomes yours. For example, you are vested in the TSP after two years of service.

Next, decide how you will invest. An important driver with this decision is how much risk you're comfortable taking. For example, how will you react if there's a bad market that pushes your balance down 20%? If you're not comfortable choosing specific funds to invest in, the TSP and many other retirement plans offer investment options called target date funds that hold diversified positions that become more conservative the closer one is to their projected retirement date. These are called Lifecycle Funds in the TSP.

Thrift Savings Plan (TSP)

Be sure to review your beneficiary designations on your TSP and update them as needed. You should also review your investment choices and your contribution rate. You should also review and update the beneficiaries on any IRAs you have.

Additional retirement savings options

In addition to the TSP, your spouse may have a retirement plan of their own. That might be a 401(k) — which is similar to your TSP. Teachers and other public employees might have a retirement account called a 403(b). If their employer matches their contributions, take advantage of this opportunity and contribute enough for the full match.

Individual Retirement Accounts, or IRAs, are an option as well. Like the TSP, IRAs come in both Traditional and Roth versions. Traditional IRAs have the potential for an up-front tax break. Qualified withdrawals from Roth IRAs are income tax-free.

You should also review and update the beneficiaries on all accounts.

10 Evaluate LIFE Insurance Needs

Liabilities (debts and obligations) _____

Income (amount X number of years needed) + _____

Final expenses + _____

Education and other goals + _____

Subtract current coverage and assets _____

Your Total Need _____

Marriage Member Checklist Available

SLIDE 19

Evaluate LIFE Insurance Needs



INSTRUCTOR NOTE: Play the optional video, *Life Insurance*.

Evaluate LIFE insurance needs

Let's review a simple way to calculate your life insurance needs by using the acronym LIFE:

- Liabilities are debts you would like to pay off, such as a mortgage, car loans or credit cards.
- Next, think about how much of your annual income you'd like to replace. Multiply that by the number of years. So, if you want to replace \$20,000 of income for 25 years, that's \$500,000.
- Then come up with how much to set aside for funeral and other final expenses.
- Finally, think about the money you'd like to provide for your survivors' education and other goals.

After you've added it all up, subtract SGLI and other coverage you already have plus assets and benefits available at your death.

10 Life Insurance Overview

- **Servicemembers' Group Life Insurance (SGLI)**
 - ✓ Review coverage and update beneficiaries if appropriate
 - ✓ SGLI Online Enrollment System (SOES)
 - ✓ Reserve members coverage
- **Family Servicemembers' Group Life Insurance (FSGLI)**
 - ✓ Enroll spouse
- **Private life insurance**
 - ✓ Review coverage and update beneficiaries if appropriate
 - ✓ Term vs. Permanent Policies

Marriage Member Checklist Available

SLIDE 20

Life Insurance Overview

Life insurance offers protection for your family in the event of your death. It helps prevent financial hardship for your loved ones.

Servicemembers' Group Life Insurance (SGLI)

You're automatically insured for \$500,000 unless you decline coverage or choose a smaller amount. Be sure to update your new spouse as the beneficiary.

Reserve members assigned to a unit scheduled to perform at least 12 periods of inactive duty creditable for retirement purposes can purchase full-time SGLI coverage that is in effect 365 days of the year.

Family Servicemembers' Group Life Insurance (FSGLI)

Family SGLI offers coverage for spouses and dependent children of Service members who are covered by full-time SGLI. You can get up to \$100,000 in coverage for a spouse — not to exceed your own SGLI coverage. Each dependent child is automatically covered for \$10,000 when they're enrolled in DEERS.

Even when spouses don't have jobs, losing their contribution to the household could have a big financial impact, particularly if you have children and you'd need to hire additional help taking care of them.

You can update SGLI and FSGLI online using the SGLI Online Enrollment System (SOES). Sign in to <https://milconnect.dmdc.osd.mil/milconnect> and go to the Benefits tab.

Private life insurance

Review private life insurance coverage and update beneficiaries as needed. Keep in mind your will does not overrule your beneficiary designations. That means if a former spouse is listed as a life insurance beneficiary and you die, the former spouse will get the money no matter what your will says.

If you're looking for more life insurance, there are two main types: term and permanent. Think of term insurance as temporary coverage that lasts for a certain period of years. Permanent insurance is designed to last your entire life. Permanent insurance costs more, but also builds cash value. Term gives you the most coverage for your dollar right now.

Watch out for policy exclusions. These include things that are not covered, such as war clauses or other restrictions you may not have known about.



SLIDE 21

Property and Auto Insurance



INSTRUCTOR NOTE: Play optional video, *Health and Property Insurance*.

Property

Review your property coverage – meaning homeowners and renters insurance. Update policies as needed to include you and your spouse.

Make sure you have enough protection for individual, high-value items. Most policies have limits on certain types of property, and you can get additional coverage by adding what's called a personal articles floater. Also tell your insurer if you're adding or removing a pet from your home.

If you're renting, understand that your landlord's insurance protects the building but doesn't cover your stuff. That's why renters insurance is very important.

Property insurance doesn't only cover possessions, it also protects you from liability claims, like someone falling down your stairs and hurting themselves. Liability coverage may also protect you from many liability claims that happen away from your property. You can get extra liability insurance by purchasing what's called an "umbrella" policy.

Auto

Notify your auto insurer and obtain updated proof of insurance cards. In addition to changing who's insured under the policy, review the annual mileage estimate to make sure it reflects your new situation.

Auto insurance may offer an opportunity for savings. Rates are often lower for married couples. Thanks to multicar discounts, it's often cheaper to have your household's vehicles covered on the same policy. It's also easier to manage.



SLIDE 22

Estate Planning



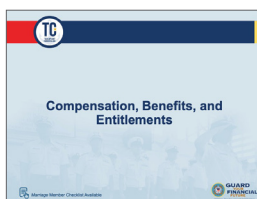
INSTRUCTOR NOTE: Review the *Estate Planning* Handout. Play the optional video, *Estate Planning Overview*.

Estate planning means making preparations so your wishes for your survivors are carried out if you die or become incapacitated. As you get married, it's important to think about estate planning to make things easier on your spouse and family if something happens to you.

Estate planning can include things like:

- Writing a will.
- Giving your spouse a power of attorney (POA), which lets them handle transactions on your behalf.
- Creating a living will or medical directive that gives legal instructions about your preferences for medical care.
- Establishing a trust. A trust is a legal agreement that allows a third party — a trustee — to hold and direct assets in a trust fund on behalf of a beneficiary.
- Titling your assets, which means selecting ownership arrangements for those accounts that make it easier for your survivors to inherit them.
- Determining a home of record and/or state of residence. State laws will dictate how your will is handled in probate as well as which state inheritance or estate taxes might apply to your assets.
- Updating your Family Care Plan.
- Review and update any other accounts with transfer on death (TOD), payable on death (POD), or beneficiary designations.

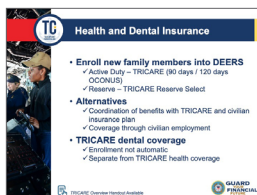
Your local legal assistance office can help you create and update these documents and make informed decisions.



SLIDE 23

Compensation, Benefits, and Entitlements

In the next section, we'll turn our attention to health care benefits under TRICARE and a review of survivor and dependent benefits.



SLIDE 24

Health and Dental Insurance



INSTRUCTOR NOTE: Review the *TRICARE Overview Handout*.

We'll begin with health and dental insurance. In general, you'll want to make sure everyone's covered. If you and your spouse each have health insurance through your own employers, you may have an opportunity to put both of you on the same plan.

Enroll new family members into Defense Enrollment Eligibility Reporting System (DEERS)

If you have TRICARE or TRICARE Reserve Select, enroll your new family members in the program. Don't put it off. You normally have 90 days from your marriage to make the change. If you're overseas, you have 120 days.

If you have TRICARE Reserve Select, it's important to ensure continuous, regular payments. Irregular drill pay can cause you and your family members to be dropped from the program until the next open enrollment.

Only sponsors can add family members in DEERS. You must do it in person or have the original signed form for your spouse to use. You can set an appointment at <https://idco.dmdc.osd.mil/idco>.

Review the *TRICARE Overview* Handout and visit <https://tricare.mil> for more information.

Coast Guard members that need help with TRICARE-related issues can reach out to the Health Benefits Advisor by calling 1-800-9HBAHBA (1-800-942-2422) or emailing CBHBA@uscg.mil.

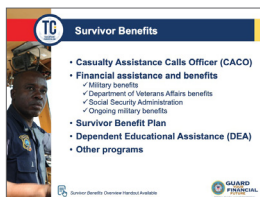
Other Health Insurance

If your spouse has civilian health insurance, TRICARE pays after your other plan pays first, with some exceptions. Make sure both TRICARE and your private insurer know about all of your coverage so they can properly handle the coordination of benefits.

For Reserve members, if you have coverage through civilian employment, review your coverage. As you compare plans that are available to you, compare features like deductibles, copays, prescription benefits and the cost of in-network and out-of-network services. If you don't qualify for TRICARE and don't have employer coverage, the Affordable Care Act may offer a way to purchase insurance. You can learn more at <https://www.healthcare.gov>.

Enroll in dental coverage

Once you have enrolled your new spouse and other family members into DEERS and TRICARE, you will need to also enroll them into a dental coverage plan.



SLIDE 25

Survivor Benefits



INSTRUCTOR NOTE: Review the *Survivor Benefits Overview Handout* and play the optional video, *Survivor and Dependent Benefits*.

As we covered earlier, you can have up to \$500,000 in SGLI coverage. Your beneficiaries may not have to pay income tax on the death benefit. Don't forget to double-check whom you've named as your beneficiary.

Casualty Assistance Calls Officer (CACO)

A Casualty Assistance Calls Officer (CACO) is the official representative who provides information, resources and assistance to the next of kin in the event of a casualty. Their full-time responsibility and mission are to assist families during a difficult time and ensure your family receive the benefits and entitlements due.

Financial assistance and benefits

Your family may also receive Social Security survivor benefits, starting with a lump sum of \$255. Monthly Social Security payments are paid to spouses and children of the deceased Coast Guard members whose dependents are under the age of 18. These benefits are paid until the youngest child reaches age 18, in most cases and the spouse can apply for the widow benefit as early as age 60. Ongoing government benefits may also be available through the Department of Veterans Affairs. Review the handout for additional details.

Survivor Benefit Plan (SBP)

Surviving spouses or children of Service members who die in the line of duty while on Active Duty may be entitled to SBP payments. The automatic monthly SBP death benefit is provided at no cost, as Coast Guard members do not pay into this benefit when on Active Duty. Retirees, however, pay for SBP if elected before retirement.

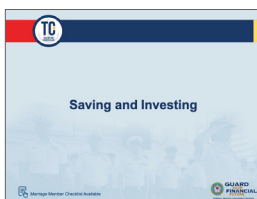
Dependent Educational Assistance (DEA)

Dependent Educational Assistance (DEA) offers education and training opportunities to eligible dependents of Coast Guard members who die while on Active Duty or veterans who are disabled or die as a result of a service-connected condition. The benefit will pay up to 45 months.

Other programs

Most Active Duty Coast Guard are eligible to be laid to rest at Arlington National Cemetery or any other national cemetery that is open for internments. Survivors choosing to make private arrangements may be reimbursed for expenses, up to certain limits.

Review the *Survivor Benefits Overview* Handout for more details on these, and any other potential benefits, for your loved ones.



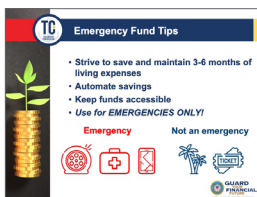
SLIDE 26

Saving and Investing

Now, let's move on to the importance of saving for the unexpected.



INSTRUCTOR NOTE: Play the optional video, *Emergency Funds*.



SLIDE 27

Emergency Fund Tips

Emergency fund

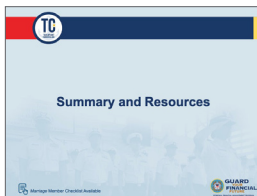
Everyone should have an emergency fund. This is money that's kept in a low-risk account, such as a savings account. It should be an account that you can access easily and without any penalties in case you have an emergency.

The purpose of an emergency fund is to have money on hand so you don't have to take on expensive credit card debt when surprise expenses pop up.



ACTIVITY: Ask members to think of some examples of unexpected expenses that an emergency fund could help cover. Answers may include: vehicle repairs, home repairs, insurance deductibles, appliance replacements, travel on short notice, job losses.

How much should you have in your emergency fund? Experts generally say it should be equal to three to six months of your regular living expenses. Single-income households are generally more vulnerable to financial surprises. If yours is a single-income household, you may want to aim for the longer end of that range. Consider setting up an automatic transfer to make saving even easier until you reach your goal. Lastly, remember to use this money for emergencies only. A family vacation or concert tickets are not an emergency. If you have to dip into it, replenish it as soon as possible.



SLIDE 28

Summary

Congratulations on your marriage! It's important to talk about financial goals with your spouse so you can work together to meet them. Let's recap what you learned.

- Communication
- Administrative Tasks
- Basic Finance
- Consumer Protections
- Major Purchases
- Planning for the Future
- Compensation, Benefits, and Entitlements
- Saving and Investing



SLIDE 29

Resources

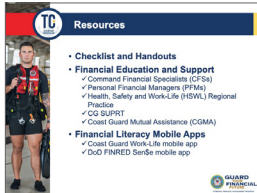
Please read through your checklist and handouts and refer back to them. They are a great resource to help navigate the financial decisions you'll need to make.

You are not alone! You have many layers of support to help you learn more and make good financial decisions.

You can talk to your Command Financial Specialist (CFS) at your unit or meet with a Personal Financial Manager (PFM) and attend a class at your local Health, Safety and Work-Life (HSWL) Regional Practice. CG SUPRT and Coast Guard Mutual Assistance (CGMA) are additional resources for guidance. You may also access the Coast Guard Work-Life mobile app or the DoD FINRED Sen\$e mobile app for assistance with a variety of personal finance issues.

Thank You!

Thank you for participating, and I wish you and your spouse a very happy and financially secure future.



SLIDE 29