



# Pre-Deployment Instructor Guide



**GUARD  
YOUR  
FINANCIAL  
FUTURE**

PERSONAL FINANCIAL MANAGEMENT PROGRAM

## I. COURSE ORGANIZATION AND OUTLINE

The *Pre-Deployment* course is **organized into eight parts**:

1. **Introduction and Agenda** (2 minutes)
2. **Basic Finance** (15 minutes)
3. **Consumer Protections** (10 minutes)
4. **Major Purchases** (10 minutes)
5. **Planning for the Future** (10 minutes)
6. **Compensation, Benefits, and Entitlements** (10 minutes)
7. **Saving and Investing** (10 minutes)
8. **Summary, Resources, and Conclusion** (3 minutes)

**TOTAL:** 70 minutes

## II. LEARNING OBJECTIVES




### Terminal Learning Objectives (TLOs):

1. Identify warning signs of Service members at risk for financial problems.
2. Understand the fundamentals of creating and managing a spending plan, and the importance of updating a spending plan.
3. Understand the fundamentals and management of debt and credit.
4. Understand fundamentals of income tax and common tax benefits, and potential changes to tax situation.
5. Know military consumer protection law fundamentals, including the Servicemembers Civil Relief Act (SCRA) and Military Lending Act (MLA).
6. Recognize and understand how to protect yourself from misleading consumer practices and report complaints.
7. Understand how to access credit protection benefits available to Service members.
8. Recognize and identify steps to resolve identity theft.
9. Discuss the reasons, needs, types, and options for purchasing insurance.
10. Understand the purpose and implications of estate planning (beneficiaries, wills, trusts, powers of attorney, etc.).
11. Examine the impact of special pay and entitlements.
12. Discuss TRICARE options and costs.
13. Discuss survivor and dependent benefits, including Survivor Benefit Plan and Servicemembers' Group Life Insurance.
14. Recognize the importance of and be able to develop savings and an emergency fund.
15. Understand and be able to manage a Thrift Savings Plan (TSP) account.

### 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:

<p><b>INSTRUCTOR NOTE:</b></p>   	<p><b>Instructor Note</b> – (indicates additional information related to the content for the instructor)</p> <p><b>Checklist and Handout</b> – (indicates a checklist or handout is associated with the content)</p> <p><b>Learning Activity</b> – (indicates a learning activity)</p> <p><b>Video</b> – (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
- *Pre-Deployment* course PowerPoint slides

### Optional:

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

## Forms and Handouts:

- *Pre-Deployment* Member Checklist
- Course sign-in sheet
- Course evaluations

### Optional:

- *Goal-Setting Worksheet* Handout
- *Spending Plan Worksheet* Handout
- *Financial Warning Signs* Handout
- *Understanding Credit* Handout
- *Combat Zone Tax Exclusion* Handout
- *Military Consumer Protection* Handout
- *Servicemembers Civil Relief Act* Handout
- *Sources of Help for Military Consumers* Handout
- *Paying off Student Loans* Handout
- *Major Purchases* Handout
- *Estate Planning* Handout
- *TRICARE Overview* Handout
- *Survivor Benefits Overview* Handout
- *Thrift Savings Plan* Handout

## Videos:

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

**INSTRUCTOR NOTE:** As you prepare for your session, consider asking the student, class or command requesting training the following question:

- Will you be deployed to a combat zone?
- Are you married or do you have dependents?
- Do you or your spouse have college loans?

The answers to these questions can help you focus course material pertinent to your audience and ensure effective and timely delivery of the material.

## 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.)

Welcome to the *Pre-Deployment* financial readiness course. This course will help prepare you for deployment and teach you how to take advantage of certain opportunities to improve your finances while deployed.

***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.*



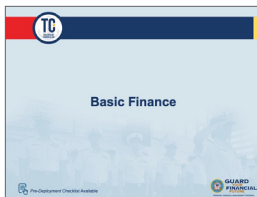
### SLIDE 2

## Agenda



**INSTRUCTOR NOTE:** Review the *Pre-Deployment* Member Checklist.

There are several financial tasks you need to be aware of for deployment. To help you prepare for these tasks, we will be discussing six key topics: **Basic Finance; Consumer Protections; Major Purchases; Planning for the Future; Compensation, Benefits, and Entitlements;** and **Saving and Investing.**



### SLIDE 3

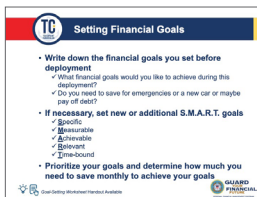
## Basic Finance

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First, let's discuss some key basic finance topics specific to deployments. This includes developing a spending plan, financial warning signs, how to manage bills, protecting your credit, emergency financial assistance, and income tax considerations. I'll also point you to free resources that can help you take action on the covered topics.



**INSTRUCTOR NOTE:** Play the optional video, *Financial Planning for Deployment*.



### SLIDE 4

## Setting Financial Goals

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**INSTRUCTOR NOTE:** Review the *Goal-Setting Worksheet Handout*



**ACTIVITY:** For this optional activity, have the class think and write down all the goals they want to accomplish. Give them 60 seconds to complete this.

Basic finance starts with setting S.M.A.R.T. goals for what you want to accomplish. You can use the extra money you receive while you're deployed to get started or accelerate your savings.

SMART goals are **S**pecific, **M**easurable, **A**ctionable, **R**elevant and **T**ime-bound.

**INSTRUCTOR NOTE:** Ask the audience how they would define each term or give them examples.

Let's start thinking about your own financial goals. I'm going to give you **60 seconds** to write down as many of your own personal financial goals as you can.

**INSTRUCTOR NOTE:** Tell your audience when to start and stop.

How many of you have more than one goal? It's important to set priorities since we only have so much money to work with. Next, I'd like you to number the goals by level of importance. Write a number "1" next to your highest-priority goal and work down from there.

**INSTRUCTOR NOTE:** Ask a Coast Guard member to share their top goal.

How many of you also had that as one of your top goals? During deployment, help motivate one another to achieve similar goals. After you've prioritized your goals, figure out how much you need to save each month to achieve those goals. You should discuss your goals and their importance with your spouse, if you're married, to make sure you are aligned.



## SLIDE 5

## Spending Plan



**INSTRUCTOR NOTE:** Review the *Spending Plan Worksheet Handout*.

You need to put together a spending plan before deploying to allocate your money while you're gone. 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. Let's review the *Pre-Deployment Checklist*.

### 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 of your income and spending for the next 30 days or review your financial statements from the previous month. How you do the tracking is up to you, but the important thing is that 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.

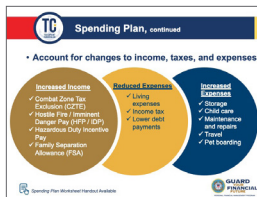
### Step 3 — Create a plan

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

- Remember to establish an emergency fund. Financial experts suggest you should keep 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 life changes, especially as you're preparing for deployment. Understand how income, taxes, and expenses may change and adjust your spending plan as needed.



## SLIDE 6

## Spending Plan, continued

While you're deployed, your income and expenses will likely change. Make sure to understand how your situation may change and plan accordingly. Changes in income, taxes, and expenses are possible. You may even want to consider setting up automatic bill pay to prevent any late payments.

### Reduced Expenses

You may find you have **reduced expenses** in addition to having increased income while deployed. Can you think of some living expenses that might decrease while you're gone?

**INSTRUCTOR NOTE:** Reduced expenses could include entertainment expenses, meals out, utilities, rent, gas, or car insurance premiums (if car is placed in storage).

**Increased Income:** You may have **increased income**. You may qualify for the Combat Zone Tax Exclusion if you're deploying to what's been designated a combat zone or qualified hazardous duty area.

This is important because the income you receive while deployed, may not be subject to federal income tax. However, you'll still have to pay Social Security and Medicare taxes. You may have more money left to work with if federal income taxes are not withheld from your pay.

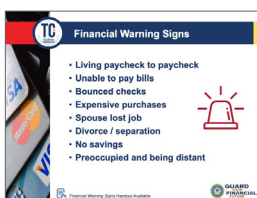
We will go over Hostile Fire/Imminent Danger Pay and Family Separation Allowance in more detail later.

As we discussed, your income taxes could be lower, and you may have lower debt payments, thanks to the Servicemembers Civil Relief Act (SCRA), which we will also discuss later.

You may have some increased expenses. Can anyone provide some examples of expenses that may increase?

**INSTRUCTOR NOTE:** Examples of new or increased expenses could include vehicle or household goods storage, child care costs, home or yard maintenance and repairs, travel of dependents to be with other family members, and pet boarding costs.

Whether you are single, married, have children, or dual-military, every household faces unique challenges during a deployment. Create a plan that works for you and your family. Determine your financial wishes and if applicable, establish a realistic spending plan for everyone in your family. There's a good chance deployment will leave you with some excess cash flow that you can use to put yourself in a better financial position, even if some of your expenses increase. Finally, remember to plan ahead if you wish to take a recreational break following your deployment.



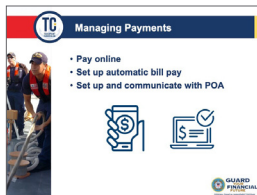
**SLIDE 7**

## Financial Warning Signs



**INSTRUCTOR NOTE:** Review the *Financial Warning Signs* Handout with the class.

Deploying with confidence is harder if you're struggling financially. Take a look at these possible indicators of financial trouble on the handout. Consider whether any of them apply to you, your fellow Service members, or those you lead.



## SLIDE 8

## Managing Payments



**INSTRUCTOR NOTE:** Play the optional video *Managing Payments While Deployed*.

As we mentioned earlier, you need to have a plan to ensure you keep up with your financial obligations to prevent late payments. You can choose to do this online or by setting up automatic bill payments.

You should also communicate through a special power of attorney (POA) about payments that need to be made throughout the month or even yearly like car registration and insurance. Most states allow residents to manage vehicle registrations virtually as opposed to having to complete this action through use of a POA. Consult with your local legal assistance office for POA questions.



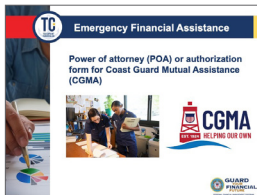
## SLIDE 9

## Protect Your Credit Reputation

An important part of managing your finances is protecting your credit reputation. You can check each of the major three credit reports for free weekly at <https://www.annualcreditreport.com/index.action>. Your Personal Financial Manager or Command Financial Specialist can also help you access your free credit report with a credit score. The nationwide credit reporting agencies are Equifax, Experian, and TransUnion. Coast Guard members may also be eligible for free credit monitoring from each of the reporting agencies. These services warn you about new activity on your credit report.



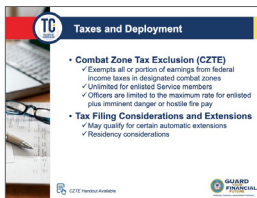
**INSTRUCTOR NOTE:** Review the *Understanding Credit* Handout in detail with the class, including how to create healthy credit habits and understanding one's credit report and score. Describe the components of the FICO credit score model shown on the slide and encourage members to make payments on time and keep their debt level low to have a significant positive impact on their credit score.



**SLIDE 10**

## Emergency Financial Assistance

If you are married, consider providing your spouse with a special power of attorney (POA) or sign a Coast Guard Mutual Assistance (CGMA) authorization form in order for them to obtain financial assistance from CGMA for an emergency. They offer financial assistance, grants, and zero interest loans to Coast Guard members and their families who are experiencing financial hardships. Speak with your local legal assistance office regarding risks associated with granting POAs and CGMA authorizations.



**SLIDE 11**

## Taxes and Deployment



**INSTRUCTOR NOTE:** Review the *Combat Zone Tax Exclusion* Handout. Play the optional video *Combat Zone Tax Exclusion*, then continue with the discussion.

### Combat Zone Tax Exclusion

Your pay is generally excluded from federal and state income taxes thanks to the Combat Zone Tax Exclusion. Review the *Combat Zone Tax Exclusion* Handout to learn more about common tax benefits and special IRS rules that may apply to your deployment. Refer to the IRS Publication 3: The Armed Forces' Tax Guide to learn more about tax-filing deadlines, CZTE, and other tax considerations. The exclusion amount is unlimited for enlisted Service members.

For officers, the exclusion amount is limited to the maximum rate for enlisted Service members plus imminent danger and hostile fire pay.

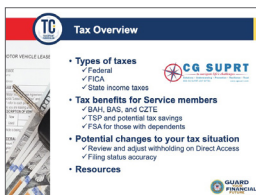
## Tax filing considerations and extensions

You may qualify for certain automatic extensions related to the filing and payment of your federal income taxes when you're stationed abroad or in a combat zone.

### INSTRUCTOR NOTE:

- A list of combat zones can be found by searching "Combat Zone Tax Exclusion" at <https://www.dfas.mil>.
- Detailed CZTE information can be found in IRS Publication 3: The Armed Forces' Tax Guide available at <https://www.irs.gov/individuals/military/combat-zones>.

Where you claim your **residency** can have a big impact on 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 state of legal residency, which is the state where you were living just before you joined the Coast Guard. You may find your current residency by reviewing your most recent Payslip. You can establish legal residency in a state where you're stationed by demonstrating your intention to treat it as your permanent home. You can do that with steps like registering your vehicles and registering to vote there.



## SLIDE 12

## Tax Overview

Let's cover some high-level information that will help you better understand your tax situation.

### Types of taxes

There are three basic types of income taxes. Federal taxes fund the federal government and federal programs. FICA taxes fund Social Security and Medicare. Lastly, state income taxes fund state governments and programs. It is important to know that some states do not have state income tax requirements. Verify your residency and state income tax by reviewing your current Payslip.

## Tax benefits

As a Coast Guard member, you are able to take advantage of tax benefits like some pays and entitlement are not taxed including BAH, BAS and pay earned in defined combat zones or direct support areas. Tax savings related to your TSP account may be available as well. If you're married or have dependents, you may also receive Family Separation Allowance (FSA), which is not taxed.

## Potential changes

Review your tax withholding regularly through Direct Access.

## Resources

CG SUPRT provides Coast Guard members and their families with access to easy to use tax preparation and e-filing software (H&R Block) designed to address military-specific situations, and information and resources on a variety of tax-related topics. H&R Block tax filing is free for Coast Guard members and families as long as the resource is accessed via the CG SUPRT website.



## SLIDE 13

## Consumer Protections



**INSTRUCTOR NOTE:** Review the *Military Consumer Protection* and *Sources of Help for Military Consumers* Handouts. Play the optional video, *Military Consumer Protections*.

Now, let's turn our discussion to military consumer protections and how you can protect your finances while you're deployed. Notify your lenders about your deployment. As discussed earlier, you may want to arrange to have payments automatically drafted from your bank account to avoid accidentally missing a payment.

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



## SLIDE 14

# Military Consumer Protections

## Know your rights

It is important to know your rights as a military consumer. The Servicemembers Civil Relief Act (SCRA) and the Military Lending Act (MLA) are two laws designed specifically to protect Service members.

Protections under the SCRA include a 6% cap on debts incurred **before** joining Active Duty, the ability to terminate cellphone, cable and internet contracts, and termination of residential and auto leases.

Additional protections include postponement of foreclosures and evictions, court proceedings, taxes, and liabilities. If you have student loans, the interest rate may be reduced to 0% during your deployment. The MLA prohibits charging you an interest rate higher than 36% on most consumer loans. Review the *Military Consumer Protection Handout* to learn more about additional protections and eligibility requirements. Visit your local legal assistance office and the PFM at your Health, Safety and Work-Life (HSWL) Regional Practice for additional information and support.

## Identity theft protections

Identity theft is when someone steals an individual's personal information and uses it without his or her permission to open fraudulent accounts and make unauthorized purchases. Signs can include missing bills, unauthorized accounts on your credit report, unsolicited credit cards or bills, and credit denial. Protect yourself by safeguarding your mail, reviewing account statements, and notifying creditors of address updates. Review the handout and visit <https://www.identitytheft.gov> for more information on how you can protect yourself and what to do if it happens to you.

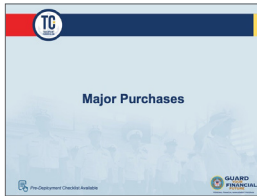


**INSTRUCTOR NOTE:** Play the optional video, *Active Duty Alerts*.

## Active Duty alerts and security freeze

Consider placing an Active Duty alert and security freeze on your credit report to protect your credit while deployed. Doing this can make it harder for criminals to open new accounts in your name by removing you from prescreened credit offers and requiring extra verification

steps in the credit approval process. This can be done by contacting one of the credit agencies. To place an Active Duty alert or have it removed, call any of the three nationwide consumer credit agencies: Equifax, Experian, and TransUnion. These protections last one year but can be removed sooner. Place another alert if your deployment lasts longer than one year. To remove a security freeze, you must contact each of the three credit agencies individually.



**SLIDE 15**

## Major Purchases



**INSTRUCTOR NOTE:** Review the *Major Purchases* and *Paying off Student Loans* Handouts.

For those preparing for a major purchase once you return from deployment (such as a car, truck, or house), adjust your spending plan accordingly. You may be planning to pay off a portion of debt such as a student loan or high interest credit card while you're deployed.



**SLIDE 16**

## Transportation and Housing

### Make smart purchases

Stop major purchases from becoming major problems by keeping these things in mind:

- Logic beats emotion. Be smart. Don't let fancy marketing suck you in.
- Additional costs matter. What else will you have to pay? As an example, cars require maintenance, repairs, gas, taxes/annual registration and insurance. Other big purchases are often similar.
- Things change. Your life can be completely different in a year or two. Will today's purchase still make sense or could you regret it?
- Shopping around is smart. It forces you to slow down the purchase decision and be more levelheaded about what you are purchasing.
- Cash or credit? Paying cash is often smarter than financing. Just don't use all of your cash. Keep some for emergencies.

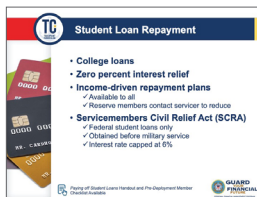


## Transportation

Review your needs and priorities. Keep in mind the points we discussed a moment ago and know that your situation may change. Review your spending plan and make sure you can afford the purchase and additional costs like insurance, fuel and maintenance. Lastly, attend the Car Buying class at your HSWL Regional Practice.

## Housing

Buying a home is a big decision. The good news is that you do not have to figure it out on your own. Visit your HSWL Regional Practice and attend a Home Buying class to learn more.



### SLIDE 17

## Student Loan Repayment

Here are a few more things to think about if you're considering paying off debt during your deployment. Many Coast Guard members plan to pay off a large portion of debt such as a college loan or a high-interest credit card. Now is a good time to call your college loan servicers and your credit card companies to notify them you are about to deploy. Many of your financial institutions have to be notified by you to take advantage of reduced interest rates through SCRA or loan interest rates suspended while you are deployed.

A helpful item to have on hand before making these calls is a copy of your deployment orders to forward to your creditors.

### Zero percent interest relief

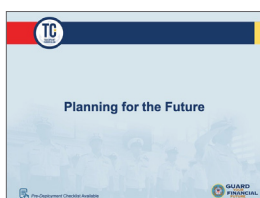
Take advantage of student loan programs offered to deployed members. You are legally entitled to have interest on certain student loans suspended for the duration of your service while deployed in a combat zone.

Reserve members with federal student loans may qualify for an income-based payment reduction as well if they earn less as a result of their mobilization. Service in hostile-fire area may entitle you to loan cancellation.

## Servicemembers Civil Relief Act (SCRA)

The SCRA can reduce the interest rate on student loans for Reserve members ordered to Active Duty. Speak with your loan servicer to meet documentation requirements.

Information about your student loans can be found on the National Student Loan Data System (NSLDS) at <https://fsapartners.ed.gov/financial-aid-delivery/nslds>.



### SLIDE 18

## Planning for the Future



**INSTRUCTOR NOTE:** Play the optional video, *Life Insurance, SGLI and other Potential Death Benefits*.

Now let's move on to discuss a couple of very important topics before you deploy – insurance and estate planning.



### SLIDE 19

## Life Insurance Needs



**ACTIVITY:** For this optional activity, have the class calculate their life insurance needs. Give them two minutes to complete this activity.

If you have people who depend on you and your income or you want to leave a legacy, you'll want to make sure you have enough life insurance coverage so they don't face financial hardship if you're not around.

Here's a simple way to calculate your life insurance needs.

- Liabilities are debts you would like to pay off, such as a mortgage, student loans, car loans, or credit cards. Keep in mind, some federally funded student loans may be forgiven at death.
- Next, think about how much of your annual income you'd like to replace. Multiply that by the number of years your survivors will need the income. So, if you want to replace \$20,000 of income for 25 years, that's \$500,000. Note, this does not account for inflation.

- Then come up with how much to set aside for funeral and other final expenses. The National Funeral Directors Association estimates funeral costs range between \$6,000 and \$10,000. This can vary by location and should be added to any other expenses, like the administration of your estate.
- 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 additional death benefit coverage you already have, plus assets and benefits available at your death. If you need more coverage, consider supplementing your SGLI and speak with a Personal Financial Manager at your local HSWL Regional Practice to develop a plan.



## SLIDE 20

## Insurance Overview

### Life insurance

Service members are automatically covered by Servicemembers' Group Life Insurance (SGLI) for \$500,000, unless another election is made. Take time to review your beneficiary designations for SGLI and any other life insurance policies you may have. To update the beneficiaries of your SGLI, access the SGLI Online Enrollment System (SOES), by signing into milConnect at <https://milconnect.dmdc.osd.mil/milconnect/> and select the "Manage my SGLI" tab.

Review your Record of Emergency Data and update your Designation of Beneficiaries by contacting the Personnel and Administration office (P&A shop).

While calculating your life insurance needs, you may also wish to buy a private policy. Two common life insurance policies are:

- Term insurance — provides a stated amount of coverage over a 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

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 may be subject to fees and penalties if canceled during this time.

Make sure you fully understand the private life insurance policy. You should understand the cost, coverage, terms and conditions, as well as how the agent is compensated before making a decision to buy.

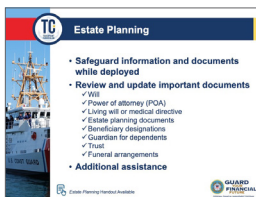
## Auto, Homeowners, Renters, Dental



**INSTRUCTOR NOTE:** Play optional video, *Insurance (Health, Auto, Property)*.

Review and update all your insurance policies to make sure you're protected. A key page to look for is the policy specifications page, which shows types and amounts of coverage. It is a good idea to have coverage, even if you put your car or personal property in storage. Review the storage facility insurance requirements and determine if the coverage — if offered — is adequate.

Some auto insurance carriers offer a discount for stored vehicles. Just remember to make sure you are covered if you plan to drive while home on leave.



**SLIDE 21**

## Estate Planning



**INSTRUCTOR NOTE:** Review the *Estate Planning* Handout and play the optional video, *Legal Documents and Estate Planning*.

Estate planning means making preparations so that your wishes are carried out if you die or become incapacitated. Even if you think you don't have an "estate," it is important to make sure your plan is set to avoid issues for your survivors.

## Estate planning can include things like:

- Writing a will
- Authorizing a power of attorney (POA) which permits another person to handle transactions on your behalf
- Creating a living will that tells others your preferences for medical care
- Updating emergency contacts
- Updating beneficiaries of life insurance policies, your TSP, and IRAs
- Designating a guardian and conservator for dependents
- Establishing trusts
- Making funeral arrangements

In your will, you'll indicate the state of your legal residence, which is typically your home of record. That state's laws will dictate how your will is handled in probate and which state inheritance or estate taxes might apply to your assets.

## Additional assistance

Your local legal assistance office can help you create and update these documents. After you create them, make sure to safeguard your documents and the right people in your life know where to find them.

## Compensation, Benefits, and Entitlements

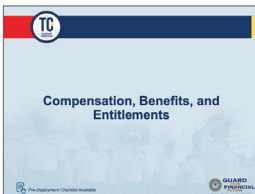
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In the next section, we'll cover compensation, benefits, and entitlements.

## Special Pay and Entitlements

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Here's a recap of the special pay and entitlements you might receive during your deployment in addition to your normal pay and allowances. For more information visit <https://www.dcms.uscg.mil/ppc/mas/rates>.



**SLIDE 22**

A slide titled "Special Pay and Entitlements" with a "TC" logo in the top left corner. It contains a table with two columns: "Special Pays" and "Monthly".

Special Pays	Monthly
Hostile Fire Pay / Imminent Danger Pay (HFP / IDP)	\$225
Family Separation Allowance	\$250
Hardship Duty Pay (HDP)	\$50 - \$150
Per Diem	Variable
Combat Zone Tax Exclusion (CZTE)	Reference IRS Guidelines

Logos for "Pre-Deployment Checklist Assistant" and "GILBERT FINANCIAL" are visible at the bottom.

**SLIDE 23**

**HFP/IDP** — If your commander determines that you are in a location subject to enemy fire or explosions, you receive the higher of Hostile Fire Pay (HFP) or Imminent Danger Pay (IDP). IDP is prorated daily, but Coast Guard members will not receive more than \$225. Coast Guard members cannot receive both IDP and HFP in the month. As of September 2023, the amount was \$225 a month.

**FSA** — If you are away from your family (spouse and children) for 30 continuous days, you may also qualify for Family Separation Allowance (FSA), which is \$250 a month. If your spouse is a Service member, you both cannot receive FSA without special authorization.

**HDP** — You are eligible for Hardship Duty Pay (HDP) if you are deployed or TDY for more than 30 days in a specified location where living conditions are particularly arduous or substantially below those normally found within the continental United States. Once you exceed 30 days, you will receive payment retroactively in your next paycheck. If you receive HFP/IDP, HDP is generally limited to \$100 a month. There are three types of HDP: location, mission, and tempo. If you qualify, you may receive a higher amount of pay, up to \$150.

**Per diem** — Per diem rates vary based on several factors, including type of deployment and location. Please refer to your command for guidance information on your per diem rate.

**CZTE** — Your pay is generally excluded from federal income tax while in a combat zone.

**INSTRUCTOR NOTE:** Visit <https://www.dcms.uscg.mil/ppc/mas/rates>.

Refer to this section of the checklist for more information and remember to check your Payslip to verify that pay adjustments are accurately reflected.



**SLIDE 24**

## TRICARE Overview

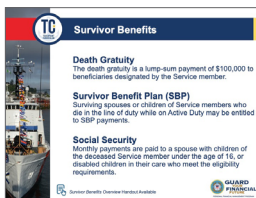


**INSTRUCTOR NOTE:** Review the *TRICARE Overview* Handout.

It is important to review your TRICARE coverage if you are married and have dependents enrolled. Eligibility begins on the date your orders are issued or 180 days before you report to Active Duty, whichever is later. It's important to review any civilian coverage you wish to keep while deployed if you are member of the Reserve. Bear in mind, you may not be covered if deployed to certain locations or injured in combat. Read your policy for any restrictions.

To be eligible for TRICARE, you must first be registered in the Defense Enrollment Eligibility Reporting System (DEERS). So, if you plan to marry or expect a child shortly before deployment, be sure to enroll them in DEERS. When you separate from Active Duty or demobilize, the Transitional Assistance Management Program (TAMP) can provide TRICARE benefits for another 180 days. This will be covered in a Post-Deployment training.

Reserve members should review any civilian coverage you wish to keep while deployed.



## SLIDE 25

## Survivor Benefits



**INSTRUCTOR NOTE:** Review the *Survivor Benefits Overview Handout*.

While deployed, if something happens to you, your surviving spouse and/or children are eligible to receive not only your SGLI (if you remembered to update your beneficiaries), but other benefits as well. The *Survivor Benefits Overview Handout* outlines the major programs to let you know your loved ones will be taken care of in your absence. In addition to being assigned a Gold Star counselor, there are many federal and state programs that your family can take advantage of.

Please share this handout with your loved ones and contact the nearest HSWL Regional Practice if you or family has questions.

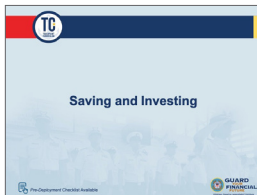
**Death Gratuity** — The death gratuity is a lump-sum payment of \$100,000 to beneficiaries designated by the Coast Guard member. This is not to be confused with SGLI.

**Survivor Benefit Plan (SBP)** — Surviving spouses or children of Coast Guard members who die in the line of duty while on Active Duty may be entitled to SBP payments.

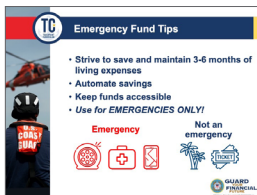
**Social Security Survivors' Benefits** — Monthly payments are paid to a spouse with children of the deceased Coast Guard member under the age of 16, or disabled children in their care who meet the eligibility requirements. Learn more at <https://www.ssa.gov>.

**DoD Survivor's Benefits Guide:**

Visit <https://www.militaryonesource.mil> and search “Survivor’s Guide to Benefits” or visit <https://www.dcms.uscg.mil/Portals/10/A-Survivors-Guide-To-Benefits%20Updated.pdf>.



**SLIDE 26**



**SLIDE 27**

## Saving and Investing

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Ok, now let's move to our next topic, saving and investing.

## Emergency Fund Tips

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One of the best ways to avoid financial stress is to have a little money set aside for emergencies when they arise. Strive to save three to six months of living expenses in an easily accessible account to help cover financial emergencies.

If you do not currently have this much saved or are trying to pay off high-interest rate debt, then start small and set a goal of \$1,000. It's important to have even a small emergency fund in these situations, so you do not find yourself back in debt when an emergency happens.

The best way to build an emergency fund is to make it an easy process by automating your savings. Determine an amount to set aside each paycheck and set up an automatic transfer or allotment to begin saving.



Remember, use your emergency fund for emergencies only. A flat tire, broken appliance, or emergency travel are examples when you may need to tap into your emergency fund. Your next vacation or tickets to see your favorite band are not emergencies. Save ahead of time for these expenses rather than using your emergency fund.



## SLIDE 28

## Savings Deposit Program (SDP)



**INSTRUCTOR NOTE:** Play the optional video, *Savings Deposit Program*.

The Savings Deposit Program (SDP) offers a great opportunity to earn a high guaranteed return on cash savings when you're serving in a **designated combat zone**. You're eligible if you're receiving Hostile Fire Pay and deployed for:

- At least 30 consecutive days, OR
- One day in each of three consecutive months

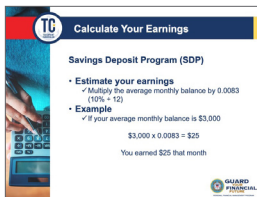
You can **deposit up to \$10,000** and earn a guaranteed **10% interest**, compounded monthly. The money will continue to accrue interest until 90 days after you leave the combat zone.

You can make deposits via allotment, cash, check or money order. Your initial deposit is limited to the amount earned beginning with the first day following 30 consecutive days in an SDP-covered area.

For example, if you arrived in an SDP-covered area on April 1, 2024, you can make your first deposit on June 1, 2024 for the amount you earned starting on May 1, 2024. You can later add SDP contributions up to a maximum of \$10,000 based on your earnings during the eligible time period, throughout the course of your deployment.

### Withdrawals

Your account will continue to accrue interest for 90 days after your deployment and will be closed 120 days after leaving the combat zone. SDP proceeds will be paid electronically to the bank account on record. Before that, once your account reaches a \$10,000 balance, you may withdraw funds over \$10,000 on a quarterly basis. Emergency withdrawals must be approved by your commanding officer, who must determine that it's necessary for the health and welfare of you or your family.

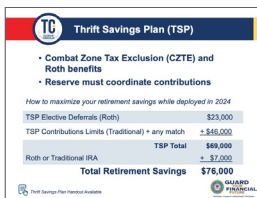


## SLIDE 29

## Calculate Your Earnings

Here's how to get a rough idea of how much interest you could earn with this program. Assume a certain average balance for one month of the year. Then multiply that amount by 0.0083 (0.0083 = 10% divided by 12 months). The result is approximately how much interest you would earn without putting your money at financial risk.

You can learn more by visiting <https://www.dcms.uscg.mil/Portals/10/CG-1/PPC/MAS/Savings%20Deposit%20Program.pdf?ver=T1vtiosL8wzpoW-f59reDQ%3d%3d>.



## SLIDE 30

## Thrift Savings Plan (TSP)



**INSTRUCTOR NOTE:** Review the *Thrift Savings Plan Handout* and play the optional video, *TSP Contributions During Deployment*.

Let's look at how you could use deployment to give a major boost to your financial security when you retire.

### CZTE and Roth benefits

Consider making Roth contributions to your TSP while deployed, so both contributions and growth can be tax-free for eligible withdrawals at retirement. Special note: Excess contributions made while deployed count toward the Annual Additions Limit, which is \$69,000 for 2024. Coast Guard member contributions above the Elective Deferral Limit (\$23,000 for 2024) go into the Traditional TSP account, which also includes matching and automatic Service contributions.

### Reserve must coordinate contributions

Reserve members must be careful not to exceed the IRS limits: Reserve members who participate in their civilian employer's qualified retirement plan should verify their contributions and any employer match. The IRS limits apply to all plans.

The Federal Retirement Thrift Investment Board implemented many new changes in the Thrift Savings Plan in 2022. Changes include more investment choices, a mobile app, virtual assistance, live-agent chat, electronic signature, rollover assistance, electronic payment options, and a secure participant mailbox. Make sure to visit <https://www.tsp.gov> and review the *Thrift Savings Plan* Handout for details on these changes. Make an appointment with a PFM at your local HSWL Regional Practice to have a more detailed discussion about investing for retirement.

## Summary and Resources

Now, let's take a few minutes to recap what we've talked about today.

## Summary

**INSTRUCTOR NOTE:** Ask a few participants to explain their key takeaway from today's course.

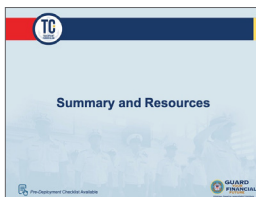
Let's recap what you learned.

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

## Resources

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

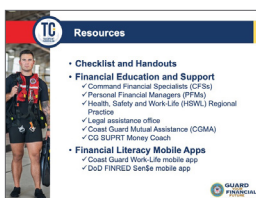
You are not alone! You have many layers of support to help you learn more and make good financial decisions.



**SLIDE 31**

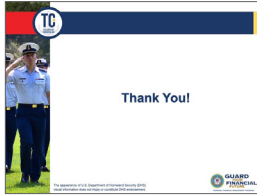


**SLIDE 32**



**SLIDE 33**

You can talk to your Command Financial Specialists (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 also 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.



**SLIDE 34**

## Thank You!

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Thank you for participating, and I wish you the very best on your deployment and a safe return home.