



FIRST DUTY STATION

VIDEO DISCUSSION GUIDE

NAVY FINANCIAL READINESS

HANDOUTS

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

CFS Preparation: Distribute and discuss the First Duty Station Checklist and accompanying handouts to support this video-based training course. Checklists and handouts can be found online at <https://finred.usalearning.gov/SPL/ServiceResources/NavyResource/TouchpointCurriculum>.



PART ONE: INTRODUCTION

CFS Introduction: Welcome to training. Today our conversation is about managing your finances at your first duty station and beyond. The goal is to improve your understanding of personal finance as you settle into your new location. Together we will watch videos and read informational screens to aid in the sharing of information and discuss some of the financial aspects of arriving at your first duty station. Arriving at your first duty station is an exciting time filled with new routines and new information. Gaining a solid understanding of your finances now will set you up for success in the short term and long term. As we go through the videos and different topics are presented, take note of what you can directly apply to your personal finance journey.



Course
Overview

DISCUSSION QUESTIONS

1. How often are you looking at your Leave and Earnings Statement?

CFS Talking Points: Use this opportunity to have students view their personal LES. Encourage counselees to get in the habit of checking their LES every month. Explain that by checking the LES, potential pay problems such as underpayment or overpayment can be addressed in a timely manner. If time permits, review and show/point out common pay and allowances such as Base Pay, BAH, and BAS.



Compensation,
Taxes, and
Banking

2. How did you choose the bank/credit union you are currently working with?

CFS Talking Points (refer to **Military Banking** Handout): Facilitate discussion on how and why students choose their current financial institution. Ask if the institution(s) was (were) chosen based upon the factors listed in the video: convenience, variety of products and services, fees, lifestyle. Discuss how to research financial institutions and choose the best fit for the individual. Remind them of fees and the importance of access to funds wherever they are in the world.

KNOWLEDGE CHECK

Question: You can update your federal and state tax withholding at what site?

Answer: mypay.dfas.mil



PART TWO: PERSONAL FINANCIAL PRINCIPLES

CFS Introduction: The next video will cover foundational personal finance principles that are essential to grasp and maintain throughout your life. Starting now at your first duty station puts time on your side and sets you up for a prosperous financial future.



Spending
Plan and
Emergency
Funds

DISCUSSION QUESTIONS

1. What unique expenses will you include when building your personal spending plan?

CFS Talking Points (refer to “Basic Finance” section of the checklist and *Spending Plan Worksheet* Handout): Give participants time to respond. Explain that a personal spending plan is an individual plan or family plan (if appropriate) that will not be an exact copy of someone else’s. Remind students that the important takeaway is to have a spending plan, to track expenses, and update or change as necessary.

2. Two-part question here: How much should you strive to keep in an emergency fund and what are some strategies to build up enough money to reach this amount?

CFS Talking Points (refer to “Basic Finance” section of the checklist): Encourage students to save three to six months’ worth of living expenses in an account to pay for financial emergencies. A few strategies to help with this goal include:

- Start with a small goal like \$1,000 and build from there.
- Pay yourself first by setting aside money from paychecks or other sources of income.
- Establish an allotment or automatic funds transfer to make saving easier.
- Sell unwanted items and deposit the proceeds into savings.
- Review your spending plan for ways to cut expenses and increase savings.

KNOWLEDGE CHECK

Question: It is recommended that transportation expenses not exceed what percentage of your income?

Answer: 15% – 20% of pretax pay, however lower is better



PART THREE: DEBT AND CREDIT

CFS Introduction: The goal of the next video is to provide information on making informed decisions when it comes to credit and debt. Having this area of your life under control allows you to focus on your future and not be bound to paying for your past.



Managing Debt
and
Understanding
Credit

DISCUSSION QUESTIONS

1. Taking on too much debt can have what effect on your life?

CFS Talking Points (refer to *Understanding Credit* Handout): Financial implications: interest going to the bank instead of working for you, which delays financial goals. Having to work longer, more hours, miss out on life events that cost money — vacation, entertainment, etc. Give participants time to answer.

- Potential financial implications: interest going to the bank instead of working for you which may delay financial goals, having to work longer and more hours, missing out on life events that cost money including vacations and entertainment, etc.
- Additional possible effects: physical and psychological impacts to include stress, anxiety, depression, sleep disruption, relationship challenges, difficulty focusing on tasks

2. What additional resources are available to help you manage your debt?

CFS Talking Points: The Debt Destroyer Workshop can help you and your family to get out – and stay out – of debt. You will learn proven techniques to overcome your problematic consumer debt, make the most of the money you have coming in, and get on track to a more secure financial future. Visit <https://finred.usalearning.gov/SPL/ServiceResources/NavyResource/DebtDestroyerWorkshop> to get started! You can also reach out to your installation's Personal Financial Manager for support.

KNOWLEDGE CHECK

Question: What are the three major credit reporting agencies?

Answer: Equifax, TransUnion, Experian

Question: Which site lets you access your credit reports from the three major credit reporting agencies at no cost, once per year?

Answer: annualcreditreport.com

Question: What credit score is most commonly used in lending?

Answer: FICO credit scores are most commonly used and range from 300 to 850. A higher credit score is better. Lenders generally consider a score above 670 as good and scores below 580 are considered risky.



PART FOUR: CONSUMER PROTECTION AND IDENTITY THEFT

CFS Introduction: Protecting your personal information is vital for financial security. The following video will address some of your protections to combat fraud.



Military
Consumer
Awareness

DISCUSSION QUESTION

1. What can you do to better protect your personal and financial information?

CFS Talking Points: (refer to *Military Consumer Protection* Handout) Use more secure passwords, be aware when using public WiFi, keep your wallet secure, update software, properly dispose of personal documents, ensure creditors have current address, and check your credit reports annually.

Another strategy to protect your financial information is to take advantage of free credit monitoring services from each of the nationwide credit monitoring agencies.

- Equifax: equifax.com/personal/military-credit-monitoring/
- Experian: experian.com/lp/military.html
- Transunion: transunion.com/active-duty-military-credit-center

KNOWLEDGE CHECK

Question: What two laws provide financial protections to Service members and their families?

Answer: Servicemembers Civil Relief Act (SCRA) and Military Lending Act (MLA)