



First Duty Station

OPNAV-FDSFRT-2.0

Instructor Guide

I. COURSE ORGANIZATION & AGENDA

The *First Duty Station* course is organized into nine parts:

1. **Introduction and Agenda** (3 minutes)
2. **Basic Finance** (15 – 20 minutes)
3. **Consumer Protection** (15 minutes)
4. **Major Purchases** (15 minutes)
5. **Planning for the Future** (15 minutes)
6. **Compensation, Benefits, and Entitlements** (15 minutes)
7. **Saving and Investing** (15 – 20 minutes)
8. **Summary** (2 minutes)
9. **Resources and Thank You** (1 minute)

TOTAL: 95 – 105 minutes

II. LEARNING OBJECTIVES




Terminal Learning Objectives (TLOs)

1. Understand the fundamentals of banking services and fees.
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 and Military Lending Act.
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. Examine the impact of special pay and entitlements.
11. Discuss TRICARE costs and options.
12. Understand future financial benefits afforded by the Department's career investment programs.
13. Understand interest and how the concept of compounding works.
14. Recognize the importance of and be able to develop savings and an emergency fund.
15. Describe the fundamentals of investing.
16. Understand and be able to manage a TSP account.
17. Analyze the implications and identify strategies for financing a major purchase.
18. Analyze financial implications and identify strategies for buying a car.
19. 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><div>INSTRUCTOR NOTE:</div><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>
---	--

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
- *First Duty Station* course PowerPoint slides

Optional:

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

Forms and Handouts:

- *First Duty Station* Counselee Checklist
- Course sign-in sheet
- Course evaluations

Optional:

- *Military Banking* Handout
- *Spending Plan 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
- *Thrift Savings Plan* Handout
- *TRICARE Overview* Handout
- *Basic Investing* Handout

Videos:

<https://finred.usalearning.gov/SPL/ServiceResources/NavyResource/TouchpointCurriculum/First-DutyStation>

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.)

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



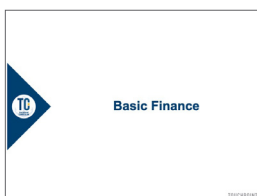
SLIDE 2

Agenda



INSTRUCTOR NOTE: Review the *First Duty Station* Counselee Checklist.

To help you understand the content in this presentation, we will explore: **Basic Finance; Consumer Protections; Major Purchases; Planning for the Future; Compensation, Benefits, and Entitlements;** and **Saving and Investing.**



SLIDE 3

Basic Finance



INSTRUCTOR NOTE: Play optional video, *Compensation, Taxes, and Banking.*

Let's start off by using the *First Duty Station* Checklist and talking about banking, spending plans and taxes.



SLIDE 4

Military Banking



INSTRUCTOR NOTE: Review the *Military Banking* Handout.

You may have quickly selected a bank in boot camp but now you can take your time to decide what your best option is. Choosing a bank or credit union is a matter of personal preference. Serving in the military puts you in a unique situation that requires making smart choices with your money. Deployments and temporary duty assignments can be disruptive if you don't plan ahead. Flexibility is key!

Often, your first financial decision is to choose a banking institution. So, it is important to select one that meets your needs and has a good reputation. Let's discuss the basics of military banking. Please follow along by using the *Military Banking* Handout provided.

Types of banking institutions

There are two types of banking institutions: Credit unions and banks.

Credit unions are nonprofit organizations owned by their members. Because of their nonprofit status, interest rates on loans and savings accounts tend to be more favorable to you.

Banks are "for-profit" institutions. Generally, interest rates on loans tend to be higher and interest paid on deposit accounts tend to be lower than credit unions.

Things to consider

- Convenience: ATMs and branch locations easily accessible
- Fees: Charges are associated with the type of banking you plan to do
- Mobile Banking Options: Full or partial virtual services
- Digital Bill Paying Options: Manage monthly bills electronically

Typical fees

- ATM withdrawal fees
- Overdraft or non-sufficient funds (NSF) fees
- Monthly service charges
- Low or minimum balance fees
- Usage fees

Credit and debit cards

Credit cards allow you to borrow money, up to a certain limit, to purchase goods or services. They can be a great tool. They can also get you into trouble if misused. Interest charges are typically high and are added to your balance, making it difficult to get ahead. You should strive to pay your entire balance each month.

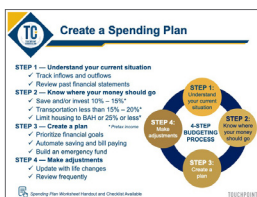
Debit cards let you withdraw funds directly from your checking or savings account. Because of this, you'll need to track your account balance to make sure you have enough money in the account to cover your spending. You should also take care to protect your debit card because if it's stolen your entire account balance can be at risk until the situation is remedied by your financial institution.

Account Errors

Some of the common errors you may encounter include:

- Check amounts do not match your registry
- Unauthorized withdrawals and charges
- Math errors
- Incorrect transaction dates
- Incorrect fees

Contact your financial institution immediately if you find an error.



SLIDE 5



Create a Spending Plan

INSTRUCTOR NOTE: Review the *Spending Plan Worksheet Handout* and play the optional video, *Spending Plans and Emergency Funds*.

Now that we've reviewed the basics of military banking, let's turn our attention to the basics of personal finance — the management of your money.

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, listed on the *First Duty Station* 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 your spending and income for the next 30 days using statements. How long you do the tracking is up to you.

Step 2 — Know where your money should go

Financial experts recommend these general guidelines when budgeting your money:

- Save and/or invest 10% — 15% of pretax income.
- 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, maintenance, etc. to BAH or 25% of pretax pay.

Step 3 — Create a plan

It is a good idea to review your spending plan on a regular basis. You will have many adjustments to make as you settle in to your first duty station, so make sure your spending plan reflects your current situation.

Build your plan for setting aside money and putting limits on how much you'll spend each month on expenses.

It's a good idea to prioritize your financial goals. Make the most of future pay increases to help achieve your financial goals. In other words, pay yourself first! Consider using injections of income to contribute more toward your Thrift Savings Plan (TSP) or other saving/investing goals.

Don't forget to establish an emergency fund. Financial experts suggest you should keep at least three to six months of living expenses in an account just for emergencies. If you do not have that much saved, consider setting aside a little each paycheck to help get you there.

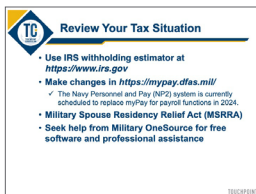
However, if you have high interest debt, try to save at least \$1,000 and then focus on paying down the debt first. And don't forget about periodic expenses that don't happen on a monthly basis, such as car maintenance and holidays.

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.

It is a good idea to review your spending plan on a regular basis. You will have many adjustments to make as you settle in to your first duty station, so make sure your spending plan reflects your current situation.

Step 4 — Make adjustments

Update your budget as life changes, especially after you move to your first duty station and experience the true cost of things like housing, utilities and groceries.



SLIDE 6

Your Tax Situation

Now is a great time to review your tax situation and make any needed changes. The idea is to NOT get a big refund. Instead, strive to break even or only receive a small refund or pay a small amount each year. So, claim your correct federal and state withholding to have more money in your paycheck each month to either pay down debt or build up your savings.

The IRS has a tax-withholding estimator to assist you at <https://www.irs.gov>.

Have you recently married or had a new child? You may want to adjust your federal and state withholding via <https://mypay.dfas.mil/> to prevent a big refund.

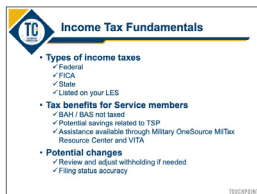
INSTRUCTOR NOTE: Inform students that the Navy Personnel and Pay (NP2) system is currently scheduled to replace myPay for payroll functions in 2024.

Let's turn to your checklist and review the review the Military Spouse Residency Relief Act (MSRRA).

INSTRUCTOR NOTE: MSRRA information is on the checklist.

If you are married, you may also want to review the Military Spouse Residency Relief Act (MSRRA), which protects tax, voting and property rights of military spouses. A military spouse may keep their tax domicile (legal residence) if they move because their military spouse is transferred out of state.

INSTRUCTOR NOTE: Seek help from Military OneSource for free tax filing software and professional assistance.



SLIDE 7

Income Tax Fundamentals

Let's turn now to discuss a high level overview of income taxes. There are three types of income taxes. Federal taxes fund the federal government and federal programs. FICA taxes fund Social Security and Medicare. State income taxes fund state governments and programs.

INSTRUCTOR NOTE: Direct Sailors to their LES to review their federal, state, and FICA tax withholding.

You have tax benefits available to you as a Service member. Basic Allowance and other allowances you receive are tax free for Housing, Basic Allowance for Subsistence and pay earned in certain combat zone tax exclusion or direct-support areas is not taxed. Also, you may receive other benefits that are not taxed. Traditional contributions to the Thrift Savings Plan offers potential tax savings. You don't have to figure all of this out on your own. Assistance is available through the MilTax Resource Center on Military OneSource and through the Volunteer Income Tax Assistance program, called VITA.

Finally, review your tax situation on a regular basis for potential changes. You can adjust your withholding and W-4 on myPay. Make sure your filing status (single, married, head of household) is accurate.



SLIDE 8

Consumer Protection

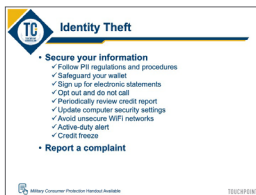
Next, let's move on to cover consumer protection.

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.



INSTRUCTOR NOTE: Ask, “Why do you think the military are vulnerable targets?” Confirm any of their answers and then discuss the list quickly: young, away from home, deployments, frequent moves, and spouse unemployment. Play the optional video, *Military Consumer Awareness*.

Military members tend to have increased financial management issues for a number of reasons including age and military lifestyle.



SLIDE 9

Identity Theft



INSTRUCTOR NOTE: Review the *Military Consumer Protection* Handout and discuss how you can manage your personal affairs to defend against identity theft.

Identity theft occurs when someone steals an individual's personal information and uses it without his or her permission to open fraudulent accounts and make unauthorized purchases.

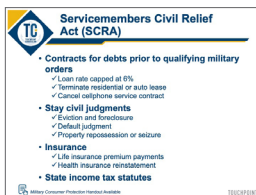
In the course of your military duty, it's important to follow the Personally Identifiable Information (PII) regulations.

- Safeguard your wallet, debit cards/checkbooks, ID cards, credit cards and your mail.
- Sign up for electronic delivery of your banking, credit and other financial statements to avoid mail theft.
- Opt out of prescreened credit offers by visiting <https://www.optoutprescreen.com>.

- Opt out of marketing phone calls by visiting <https://www.donotcall.gov>.
- Periodically review your credit report.
- Ensure your computer's security settings are up to date.
- Avoid unsecured WiFi networks.
- Consider placing active-duty alerts.
- Consider a credit freeze; this means nobody (even you), can open new credit in your name until you lift the freeze. Contact all three credit bureaus to place a credit freeze.

You can learn more about protecting yourself from ID theft by visiting <https://www.identitytheft.gov/>, <https://consumer.gov>, and <https://www.ftc.gov>.

You can refer to the *Military Consumer Protection* Handout for these websites in the future.



SLIDE 10

Servicemembers Civil Relief Act (SCRA)



INSTRUCTOR NOTE: Keep following 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).

Under SCRA, active-duty Service members, reservists, and members of the National Guard (when on active service) are protected under the law. Coverage under 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% for debts prior to executing qualifying military orders
- Terminate residential or auto leases. Speak with your installation legal office to review your situation and see if you qualify. Legal can also review your lease before you move in.
- Cancel cellphone service contract

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.

Insurance

- Life insurance premium payments – On existing policies, companies cannot cancel your policy or increase your premiums because you are on active duty.
- Health insurance reinstatement – Companies must reinstate your health insurance when you leave active duty.

State income tax statutes

Active duty and their spouses can keep their state of residency, which means they can request a tax exemption if not living in that state (if applicable, not all states participate), and they are not required to pay state income tax where they currently live.

For more information about the SCRA visit <https://www.militaryonesource.mil> and search the keyword “SCRA.”



SLIDE 11

Military Lending Act (MLA)



INSTRUCTOR NOTE: Refer to the *Military Consumer Protection* Handout.

Under the Military Lending Act (MLA), Active-duty Service members (including active Guard and Reserves and 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.



SLIDE 12

Misleading Consumer Practices



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

Recognize scams

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.

Protect yourself

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

First, understand the difference between needs, wants and wishes. Your family may need a vehicle, you may want a brand-new car, and you may wish for that \$100,000 foreign sports car. When spending money – and especially when you’re borrowing it – stick to your needs.

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 in to 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 installation's legal office. Another great resource is the Consumer Action Handbook. This publication can help you steer clear of scams and be a savvy consumer. Learn more at <https://www.usa.gov/consumer>.



SLIDE 13

Protect Your Credit Reputation



INSTRUCTOR NOTE: Review the *Understanding Credit* Handout and play optional video, *Managing Debt and Understanding Credit*.

Another important part of personal finance is to know how to **manage debt and credit**. Let's now take a look at the *Understanding Credit* Handout.

Credit can be a valuable part of your long-term financial plan. It can be used for large purchases, such as college education, a new vehicle, or a home. It even helps you build a credit reputation (summarized in a credit report).

However, credit can be dangerous if misused. Some individuals make the mistake of viewing credit as a license to spend. Poor spending decisions can leave you deeply in debt and damage your credit reputation for years.

Healthy credit habits

Understand how credit works and make wise decisions with these tips.

- Create and follow a spending plan, so that you don't overspend and take on debt.
- Pay bills on time. Do not skip payments. Be aware that missed payments on the Star Card can result in wage garnishment.
- Strive to pay off credit cards in full each month. If you have to carry a balance, try to keep it as low as possible.
- Do not apply for credit you do not need, unless you are trying to establish a credit history.

- Start with a savings-secured loan and credit card.
- Keep credit card and loan information in a safe, secure place to reduce the risk of identity theft.
- Keep your receipts and compare charges when your billing statements arrive. Call your bank, credit card or finance company immediately if there is a discrepancy.

Understand and protect your credit reputation and score

Your credit report is a record of your payment history with creditors. Lenders, employers, landlords, insurers and other businesses often evaluate this report to determine if you are dependable and to make decisions about your credit worthiness. Your credit report shows the following:

- How much credit you are using
- How well you pay your debts
- Who is inquiring about your credit
- Information on bankruptcies or federal income tax liens

To maintain a solid credit score, it's important to monitor your credit report for any errors. You can obtain a free credit report annually from each of the three major credit bureaus at <https://www.annualcreditreport.com/>. The PFM at your installation FFSC can also help you access your credit report and credit score for free. Effective Oct. 31, 2019, Service members are able to request free credit monitoring services from the nationwide credit reporting agencies, under certain conditions.

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.

Know the factors determining your credit score

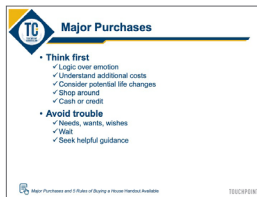
Credit scores may range from 300 to 850 depending on the credit-scoring model. A FICO score is one credit score model and is considered by lenders to be the industry standard for determining how likely a person is to repay a loan. Let's look at the chart on the *Understanding Credit* Handout. It indicates the five key components of a FICO credit score.

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

Be sure to keep all five credit score components in check to maintain the highest possible score.



SLIDE 14



SLIDE 15

Major Purchases

Making a major purchase doesn't mean you have to risk your financial future in the process, you just need to be smart about it.

Major Purchases



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

Let's discuss and review together the *Major Purchases* Handout.

Think first

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

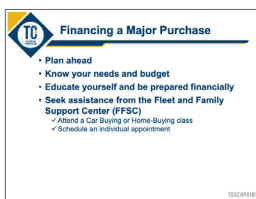
- **Logic beats emotion.** Be smart. Don't let fancy marketing suck you in.
- **Additional costs matter.** What else will you have to pay?
As an example, cars require maintenance, repairs, gas, taxes/annual registration and insurance. Other big purchases are often similar.
- **Things change.** Your life 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.

Avoid trouble

Ask yourself, “want or need?” Is the purchase you’re considering absolutely necessary? Be honest. For example, you may legitimately need a car, but you probably don’t need the nicest one available. You should be just as excited about making a smart purchase as you are about what you want to buy. If not, you could be headed for trouble.

Wait. One of the best ways to bypass an emotional buying decision is to implement a cooling-off period before you pull the trigger. Sleep on it — maybe for a couple of days — and see if it still seems like a good move.

Seek helpful guidance. Ask a parent, family member or friend to be a sounding board on major purchases. Just be sure to find a helper and not an enabler.



Financing a Major Purchase

- Plan ahead
- Know your needs and budget
- Educate yourself and be prepared financially
- Seek assistance from the Fleet and Family Support Center (FFSC)
 - ✓ Attend a Car Buying or Home Buying class
 - ✓ Schedule an individual appointment

SLIDE 16

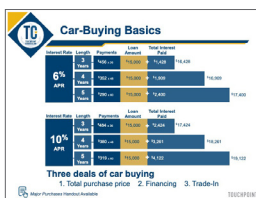
Financing a Major Purchase



INSTRUCTOR NOTE: Play optional video, *Financing a Major Purchase*.

- Plan ahead and take the time to carefully consider your purchase.
- Honestly evaluate your needs and budget.
- Educate yourself so you can make prudent financing decisions.

Additional assistance is available at your local Fleet and Family Support Center (FFSC). Consider attending the Car Buying and Home Purchasing classes offered by your Personal Financial Manager (PFM).



Car-Buying Basics

Interest Rate	Length	Payments	Loan Amount	Total Amount Paid
6%	36	\$1,000	\$10,000	\$10,000
6%	48	\$750	\$10,000	\$10,000
6%	60	\$600	\$10,000	\$10,000
10%	36	\$1,000	\$10,000	\$10,000
10%	48	\$750	\$10,000	\$10,000
10%	60	\$600	\$10,000	\$10,000

Three deals of car buying
1. Total purchase price 2. Financing 3. Trade-in

SLIDE 17

Car-Buying Basics



INSTRUCTOR NOTE: Review this section of the *Major Purchases* Handout. Service members often get in over their head when they buy a car. Catch them now before it’s too late! Play the optional video, *Car-Buying Basics – What Do You Want Your Payments to Be?*

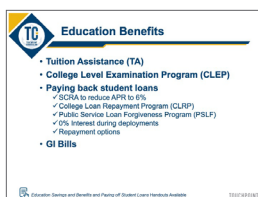
Buying a vehicle is a major financial move that will factor significantly into your financial planning and your monthly budget. It is important that you assess your needs, identify your priorities, and understand the

available financing options before you decide on the most appropriate vehicle for you. It's easy to rationalize that you need more in a vehicle than you really do, but resist that urge. Review the chart for examples of how interest rate and length of the loan will determine how much you'll pay overall.

Before buying a vehicle, you'll want to be sure to understand the basics of vehicle financing, such as:

- When you finance a car, the financial institution or dealership that loaned you the money to buy that car also has an interest, and they are considered the lienholder. In most states, the lienholder will keep the vehicle's title until you pay the loan in full. If you default or fail to pay the loan, the lienholder can repossess it.
- Borrowing money costs you money! Your lender will typically charge you an annual percentage rate or APR, which includes interest and fees. The lower the APR, the less total interest you'll pay!
- You should try to limit your total transportation expenses to 15% – 20% of your gross pay. Be sure to include the cost of gas, insurance, maintenance and repairs.
- Consider your personal situation. Will you deploy anytime soon? Will your household income be decreasing for any reason? A lot can change over a few years, so it is important to think about your purchase not only in terms of whether you can afford the vehicle today, but also whether you will be able to afford it in the future. Most vehicles decline in value rather quickly; making it easy to owe more than the vehicle is worth, so watch out! Remember that some lenders will not allow you to take your financed vehicle out of the country. So be mindful if you are looking to PCS overseas.

Finally, understand there are **three separate deals** that happen when you buy a vehicle. The **first** is the total purchase price, the **second** is financing, so be sure to get pre-approved before you go shopping; and **finally** a trade-in, if you have a vehicle you plan to trade. Each of these should be thought of as separate negotiations to add up to the best deal.



SLIDE 18

Education Benefits



INSTRUCTOR NOTE: Review the *Education Benefits and Savings* and *Paying off Student Loans* Handouts.

Education can be expensive. Fortunately, in the military, there are several opportunities to invest in yourself, and maybe even save some money on your education and professional development while you're at it. Taking the time to learn more can help you *earn more* over the long term.

According to recent studies, the average college graduate earns over \$1 million more dollars over their lifetime than a high school graduate.

Tuition Assistance (TA)

Consider taking advantage of the *Military Tuition Assistance Program* to earn an associate, bachelor's, or even graduate degree while you are serving.

College Level Examination Program (CLEP)

Research and take advantage of tuition assistance and the College Level Examination Program (CLEP) to help cover or offset the costs of higher education. For more information on TA and CLEP, visit <https://www.navycollege.navy.mil>.

Paying back student loans

The military may help you save money when paying back student loans. The *Paying off Student Loans* Handout has information about options and programs. Take advantage of the **Servicemembers Civil Relief Act** to lower the interest rate to 6% on student loans you incurred before joining the Navy.

Also keep in mind most federal student loans are eligible for at least one income-driven repayment plan. If your income is low enough, your payment could be dramatically reduced.

Finally, the **Public Service Loan Forgiveness Program** forgives the remaining balance on Direct Loan Program loans after you have made 120 qualifying monthly payments under a qualifying repayment plan while working full time for a qualifying employer. Visit <https://studentaid.gov> for additional information.

GI Bills

The Post-9/11 and Montgomery GI Bills are both options to use to fund your education. Refer to the *Education Benefits and Savings* Handout to compare what option is best for you.



SLIDE 19

Planning for the Future

Now, let's discuss planning for the future — which covers the following topics: retirement systems and insurance.

A presentation slide titled "LIFE Insurance Needs" with a blue triangle logo on the left. It contains a checklist for evaluating life insurance needs, including liabilities, income, final expenses, and education goals. The slide is part of a "First Duty Station Checklist" and is labeled "SLIDE 20" at the bottom.

SLIDE 20

LIFE Insurance Needs

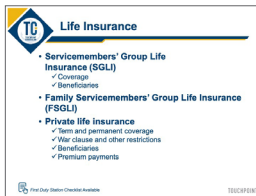


INSTRUCTOR NOTE: Review LIFE chart on checklist. Play optional video, *Life and Health Insurance*.

Evaluate your life insurance needs to see if you have enough coverage, the right type of coverage, and correct beneficiaries. A simple method to calculate your life insurance needs is to use the acronym LIFE.

- “L” stands for liabilities, which 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.
- “I” represents the income you would like to replace. Multiply that by the number of years your survivor(s) will need the income. So, if you want to replace \$20,000 of income for 20 years, that's \$400,000. Note, this does not account for inflation.
- “F” is 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.
- “E” represents education and other things you would like to provide for your survivor(s).

After you've added it all up, subtract SGLI and additional death benefit coverage you already have, plus assets available at your death. If you need more coverage, consider supplementing your SGLI. Meet with a PFM to develop a plan. Remember, you're looking for life insurance, which generally covers any cause of death (other than a suicide that happens in the first two years of the policy). Review the policy to ensure it doesn't include a war clause or other restrictions.



SLIDE 21

Life Insurance

Servicemembers' Group Life Insurance (SGLI)

You're automatically insured for \$500,000 of Servicemembers' Group Life Insurance (SGLI) unless you decline coverage or choose a smaller amount. TSGLI (also known as Servicemembers' Group Life Insurance Traumatic Injury Protection) provides short-term financial support to help you recover from a severe injury. For eligibility requirements or more information visit <https://www.va.gov> and search "TSGLI."

Be sure to review your SGLI beneficiaries often. You can now manage your Servicemembers' Group Life Insurance (SGLI) coverage using the SGLI Online Enrollment System (SOES). SOES allows you to change your life insurance coverage and beneficiary information at any time. To access SOES, sign into milConnect at <https://milconnect.dmdc.osd.mil/milconnect/> and select the "Manage My SGLI" tab.

Family Servicemembers' Group Life Insurance (FSGLI)

If you are married, enroll your family members in the Family SGLI program, which provides coverage up to \$100,000 for a spouse for a low-cost premium and \$10,000 for each child at no cost.

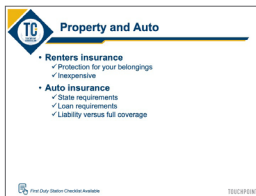
Private life insurance

If you're looking for additional life insurance, there are two main types of private life insurance — term and permanent insurance.

Think of **term insurance** as temporary coverage that lasts for a certain period of time. Term gives you the most coverage for your dollar right now. SGLI is an example of term insurance.

Permanent insurance costs more but also builds cash value. It is designed to last your entire life.

Watch out for policy exclusions or restrictions. These are situations when you may not be covered, like combat. Also, make sure that the life insurance company you work with has a solid reputation.



SLIDE 22

Property and Auto

Property insurance

Review or consider obtaining a renters (homeowners) insurance policy to ensure you have appropriate coverage for your circumstances. Even if you live in the barracks you need renters insurance to protect your personal property.

Auto insurance

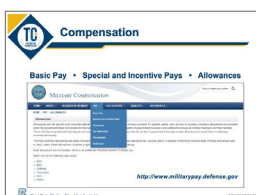
Once you've moved to your first duty station, review your auto policies to be sure you have adequate coverage for the state you are living in. A key page to look for is the policy specifications page, which shows types and amounts of coverage. Understand your policy coverage, especially regarding liability versus full coverage. Know that state minimum coverage requirements may not fully cover damages resulting from an accident. Also, make sure your insurance meets your loan requirements as well.



SLIDE 23

Compensation, Benefits, and Entitlements

Let's now talk about your compensation (your paycheck and benefits), health insurance, and career investment options.



SLIDE 24

Compensation



INSTRUCTOR NOTE: Refer to the *First Duty Station Checklist* and your *Leave and Earnings Statement (LES)*, if available.

Let's start this section with a discussion about your compensation, which includes your paycheck and benefits.

Basic Pay

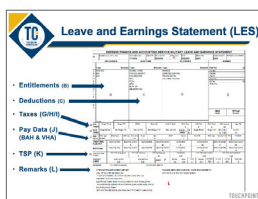
One of the best parts about your military service is your paycheck, right? It's important to understand that your basic pay is normally determined by rank (grade) and years of service and is taxable.

Special and Incentive Pay

The other pays, often referred to as special and incentive pays, are for specific qualifications or events, which are also taxable. To learn more about basic, special and incentives pays you may visit <https://militarypay.defense.gov>.

Allowances

Allowances are moneys provided for specific needs and are not taxable, such as food or housing. Basic Allowance for Subsistence (BAS) and Basic Allowance for Housing (BAH) are two of the most common allowances, but there are several others including Clothing, Dislocation, Family Separation Allowance (FSA), and Family Supplemental Subsistence Allowance (FSSA). To learn more about allowances, including current rates, visit <https://militarypay.defense.gov>.



SLIDE 25

Leave and Earning Statement (LES)

Anytime you have a major life change, such as arriving at your first duty station, it's a good idea to make sure your LES is up to date and accurate.

INSTRUCTOR NOTE: Military OneSource has a great resource for understanding how to read your LES. Visit this website for more LES information: <https://militaryonesource.mil/military-life-cycle/new-to-the-military/getting-settled/your-leave-and-earnings-statement>. Visit this website to find your specific branch's LES: <https://www.dfas.mil/MilitaryMembers/>. Please note that the Navy Personnel and Pay (NP2) system is currently scheduled to replace myPay for payroll functions in 2024.

Pay particular attention to the following sections/boxes:

Entitlements – B

Are you getting the correct basic pay, BAH, BAS and any other special or incentive pays? BAH will be based on new duty station. PCS may result in overpayments. Look for “advance debt” in this section and in remarks.

Taxes – G/H/I

Are you claiming the correct marital status and number of dependents for federal and state taxes? Can your state of residency be exempt from state taxes while you aren’t living in the state?

Deductions – C

Are they deducting the correct taxes – federal, state, Social Security and Medicare? Are the other deductions such as SGLI, FSGLI, TSP, meal deduction, AFRH and child support correct?

Pay Data (BAH Status) – J

Review the following boxes: BAQ Type, BAQ DEPN, VHA ZIP and DEPNS. Is the information in these four boxes correct? These boxes impact your BAH status and Variable Housing Allowance (VHA) entitlements. Note: Unless your area is receiving a VHA entitlement, block DEPNS will be zero. The ZIP code will populate your number of dependents automatically.

TSP – K

Is your percent correct under each option (Traditional/Roth)? If you are under the BRS, are you getting your automatic contribution? When will you start seeing a match? (Answer: after 24 months of service).

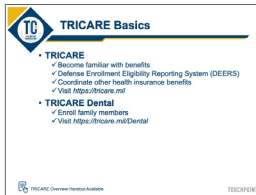
Remarks – L

The remarks section records any recent or upcoming changes. If you have been overpaid and the government plans to garnish your wages next pay period, this is where it will show. Read this every month. Read from the bottom right up for specific information pertaining to you. If you see “advance debt,” speak to your personnel or admin to request proration of debts and to verify validity.

DEFENSE FINANCE AND ACCOUNTING SERVICE MILITARY LEAVE AND EARNINGS STATEMENT																				
ID	NAME (Last, First, MI)	SOC. SEC. NO.	GRADE	PAY DATE	YRS SVC	ETS	BRANCH	ADSN/DSSN	PERIOD COVERED											
ENTITLEMENTS					DEDUCTIONS					ALLOTMENTS					SUMMARY					
Type		Amount			Type		Amount			Type		Amount			+Amt Fwd .00					
A	BASE PAY				FEDERAL TAXES					DISCRETIONARY ALT					+TOT ENT					
B	BAH				FICA-SOC SECURITY					AFAP ALLOT					-TOT DED					
C					FICA-MEDICARE										-TOT ALMT					
D					SGLI										=NET AMT					
E					SGLI FAM/SPOUSE										-CR FWR					
F					TRADITIONAL TSP										=EOM PAY					
G					MID-MONTH-PAY															
H																				
I																				
J																				
K																				
L																				
M																				
N																				
O																				
TOTAL																				
FED TAXES		Wage Period	Wage YTD	M/S/H	Mult Jobs	Dep 17 Under	Other Dep	Add'l Tax	Other Deds	Other Income	Tax YTD									
FICA TAXES		Wage Period	Soc Wage YTD	Soc Tax YTD	Med Wage YTD	Med Tax YTD	STATE TAXES	St	Wage Period	Wage YTD	M/S	Ex	Tax YTD							
PAY DATA		BAQ Type	BAQ Depn	VHA Zip	Rent Amt	Share	Stat	JFTR	Depns	2D JFTR	BAS Type	Charity YTD	TPC	PACIDN						
TRADITIONAL PLAN (TSP)		Base Pay Rate	Base Pay Current	Spec Pay Rate	Spec Pay Current	Inc Pay Rate	Inc Pay Current	Bonus Pay Rate	Bonus Pay Current											
ROTH PLAN		Base Pay Rate	Base Pay Current	Spec Pay Rate	Spec Pay Current	Inc Pay Rate	Inc Pay Current	Bonus Pay Rate	Bonus Pay Current											
CONTRIBUTIONS TOTALS		YTD Deductions	YTD TSP Deferred	YTD TSP Exempt	YTD ROTH	YTD TSP AGCY-AUTO	YTD TSP AGCY-MATCH													
CM AGCY CONTR		AGCY-AUTO	AGC-MATCH	LEAVE	BF Bal	Emd	Used	Cr Bal	ETS Bal	Lv Lost	Lv Paid	Use/Lose								
REMARKS:																				
YTD ENTITLE										YTD DEDUCT										
IF TSP ELECTION AMT EXCEEDS NET AMT DUE, TSP WILL NOT BE DEDUCTED.										FAM/SPOUSE SGLI COVERAGE AMOUNT IS BAH BASED ON WIDEP, ZIP										
SEA DUTY TIME																				
MEMBER'S SGLI COVERAGE AMOUNT IS																				

DFAS Form 702, Jan 02

WWW.DFAS.MIL



SLIDE 26

TRICARE Basics

Now, let's shift gears and discuss health and dental insurance under TRICARE.



INSTRUCTOR NOTE: Refer to the *TRICARE Overview* Handout.

Whenever you move to a new duty station and state, especially to your first duty station, it's a good idea to review and update all your insurance policies — this includes property, auto, life and health insurance — to make sure you're protected. In this section, we will cover health insurance.

TRICARE

If you are married or have dependents enrolled in TRICARE, review your coverage and become familiar with your benefits before moving to your first duty station. Once you arrive at your new duty station, you may need to find a new primary care manager (PCM) or health care provider.

Reserve members are generally eligible for TRICARE Prime when activated for 30 days or more. Eligibility begins on the date your orders are issued or 180 days before you report to active duty, whichever is later. If you are a member of the Reserve, it's important to review any civilian coverage you want. If you're a member of the Selected Reserve and have enrolled in TRICARE Reserve Select, you'll need to convert your coverage as you enter active duty and then convert it back later.

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, 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.

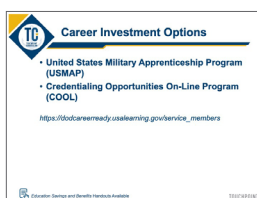
If your spouse is employed and has other health insurance, be sure to coordinate other health insurance benefits with TRICARE.

Visit <https://tricare.mil> for more information.

TRICARE Dental

Once you move to your first duty station, you'll also want to enroll family member(s) in the TRICARE Dental Program. Monthly premiums and copays will apply. Visit <https://tricare.mil/Dental> for more information.

Reserve members should examine available programs to determine the best insurance available for their situation.



SLIDE 27

Career Investment Options



INSTRUCTOR NOTE: Play optional video, *Education and Career Investment Programs*.

Let's learn more about career investment programs that can help you advance in your military career now and in future pursuits as a civilian.

United States Military Apprenticeship Program

Take your career into your own hands and consider registering for an apprenticeship related to your rate.

You can even earn a U.S. Department of Labor “Certificate of Completion” for programs you complete.

These certificates are nationally recognized and can be an advantage in getting a better job in the future.

Visit the United Services Military Apprenticeship Program website to identify and register for apprenticeships, track progress, and report completion. https://dodcareerready.usalearning.gov/service_members/apprenticeships.

Credentialing Opportunities On-Line Program (COOL)

The Credentialing Opportunities On-Line Program or COOL for short, can help determine if your military experience translates into a civilian credential.

Think about all the training, education, and experience you will receive throughout your military career.

The COOL program has mapped over 1,700 civilian licenses and certificates to military skills, and that number increases all the time.

Tuition Assistance (TA)

We discussed the Tuition Assistance Program previously. You may be able to pursue educational opportunities which could increase your earning potential. Learn more at the Department of Defense Career Ready Portal.



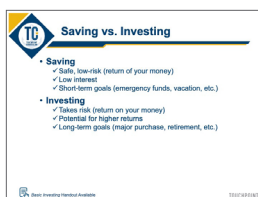
SLIDE 28

Saving and Investing

Now let's turn our attention to some opportunities to save and invest for your future.



INSTRUCTOR NOTE: Play optional video, *How Time Builds Wealth*.



SLIDE 29

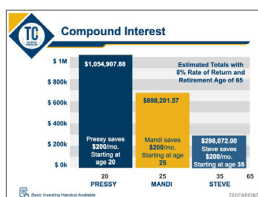
Saving vs. Investing



INSTRUCTOR NOTE: Review the *Basic Investing* Handout.

Saving involves setting money aside in safe, relatively low interest-paying accounts so it's there when you need it. Usually you are saving for a specific purchase such as your emergency fund or to buy a low-cost item like a TV or game system.

In simple terms, **investing** is using money to try to make a profit or produce income. Investing money is different from saving money. Investing is about taking calculated risks with your money to try to earn more with it. Most people invest to achieve a goal, whether it be a long-term goal like retirement or short-term goal like saving for a down payment on a house.



SLIDE 30

Compound Interest

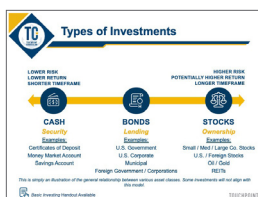
In simple terms, compound interest is the cycle of earning interest on interest! Here is an example to help illustrate the power of compound interest and why it's important to start early.

Pressy, Mandi and Steve all want to save for retirement.

- Pressy starts at age 20 saving \$200 per month.
- Mandi starts at age 25 saving the same \$200 per month.
- Steve waits until age 35 and also saves \$200 per month.

Assuming the same 8% rate of return for each of them, see the chart below for their results. Even though Pressy only saves \$12,000 (\$2,400 for 5 years) more than Mandi, she ends up with over \$350,000 more by age 65. Steve, by age 65 has significantly less than both, so the moral of the story is to start saving early for your retirement.

Read through the Question and Answers *Why Should I Invest?* on the handout.



SLIDE 31



Types of Investments

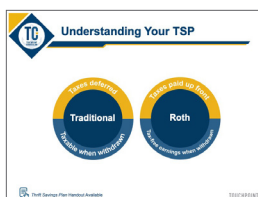
INSTRUCTOR NOTE: Review the *Thrift Savings Plan* Handout and play the optional video, *Basic Investing*. Encourage students to attend the Million Dollar Sailor course or meet with a PFM at the FFSC to learn more about investing.

Cash and cash equivalents such as savings accounts, money markets, and certificates of deposit (CDs) are intended to be relatively safe and accessible.

They tend to offer relatively low yields and returns because there's not as much risk associated with these products, like with stocks or bonds. This typically makes cash and cash equivalent products a poor choice for long-term goals because many of them won't even keep up with inflation.

A **bond** is an investment representing a loan made by an investor to a borrower — typically a business or government entity. The borrower promises the debt will be paid back with interest at a specific time. Bonds are typically issued by companies, municipalities, states, and sovereign governments to finance projects and operations.

A **stock** — also known as a share or equity — is a type of investment representing ownership in a company. Companies sell stock to raise money to fund their business. You become a shareholder and own part of the company when you buy stock. As a shareholder you share in the company's profits if it chooses to distribute periodic payments called dividends. If the company is successful, then the stock may become more valuable and can be sold for a profit. On the other hand, if the company has problems, then the shares in the company might become less valuable or become completely worthless, and an investor can lose money from the original investment.



SLIDE 32

Understanding Your TSP



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

The Thrift Savings Plan (TSP) is a type of retirement saving plan open to federal employees and members of the Uniformed Services. Similar to a civilian 401(k), the TSP offers the opportunity for Service members to save and invest for retirement.

Let's now take out the *Thrift Savings Plan* Handout and explore more about the TSP, which is also a tax-advantaged account.

Traditional vs. Roth Contributions

So, what does "tax-advantaged" mean? When you put money into the TSP, this is known as making a contribution, and you get to pick the type of tax bucket you want your money to go into: Traditional or Roth. You can even do both if you want.

When you make **Traditional contributions**, your taxable income is reduced now, but withdrawals from these accounts are taxable later.

When you make **Roth contributions**, your taxable income is not reduced now, but withdrawals from these accounts can be tax-free later, as long as a few rules are followed.

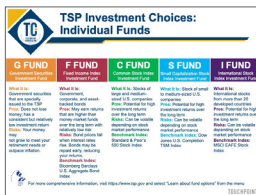
These are treated differently in a tax-free zone. Traditional contributions go in tax-free but all of the growth will be taxed. Roth contributions go in tax-free and the growth will never be taxed.

But what about contributions made by your branch of service?

These contributions won't impact your tax bill today. However, since they all go into your Traditional account, the contributions and the earnings will be taxable later when they are withdrawn.

The IRS sets annual limits for all retirement accounts including TSP. Visit <https://www.tsp.gov> to learn the current annual limit and special limit or “additional” limit for combat zones.

INSTRUCTOR NOTE: Recommend you look up the current annual and additional limit amounts before class.



SLIDE 33

TSP Investment Choices: Individual Funds

The Thrift Savings Plan implemented several changes in 2022, which will be covered in an upcoming slide.

But first, let's look at the TSP individual fund choices available to you.

- Let's start with the **G Fund**, which invests in government bonds and is considered very low risk because it's guaranteed to never go down in value.
- Next up on the risk and potential reward scale is the **F Fund**, which offers low to moderate volatility via government, corporate, and mortgage-backed bonds. It is managed to replicate the Bloomberg Barclays US Aggregate Index. The F Fund is not guaranteed and can lose value.

Next up are three stock-based funds. Like the F Fund, these funds are not guaranteed and can lose value.

- The **C Fund** includes large and mid-size U.S. stocks and is managed to replicate the S&P 500 Index.
- The **S Fund** invests in small to mid-sized company stocks, and mirrors the Dow Jones US Completion Total Stock Market Index.
- The **I Fund** invests in international company stocks across more than 20 developed countries, replicating the the MSCI EAFE Index.

TSP Investment Choices: Lifecycle Funds

Each L Fund is a mix of individual funds based on when you'll need your money

L 2000	L 2010	L 2020	L 2030	L 2040
Invests in a mix of individual funds that are more conservative than the L 2010 fund.	Invests in a mix of individual funds that are more conservative than the L 2020 fund.	Invests in a mix of individual funds that are more conservative than the L 2030 fund.	Invests in a mix of individual funds that are more conservative than the L 2040 fund.	Invests in a mix of individual funds that are more conservative than the L 2050 fund.
Invests in a mix of individual funds that are more conservative than the L 2010 fund.	Invests in a mix of individual funds that are more conservative than the L 2020 fund.	Invests in a mix of individual funds that are more conservative than the L 2030 fund.	Invests in a mix of individual funds that are more conservative than the L 2040 fund.	Invests in a mix of individual funds that are more conservative than the L 2050 fund.
Invests in a mix of individual funds that are more conservative than the L 2010 fund.	Invests in a mix of individual funds that are more conservative than the L 2020 fund.	Invests in a mix of individual funds that are more conservative than the L 2030 fund.	Invests in a mix of individual funds that are more conservative than the L 2040 fund.	Invests in a mix of individual funds that are more conservative than the L 2050 fund.
Invests in a mix of individual funds that are more conservative than the L 2010 fund.	Invests in a mix of individual funds that are more conservative than the L 2020 fund.	Invests in a mix of individual funds that are more conservative than the L 2030 fund.	Invests in a mix of individual funds that are more conservative than the L 2040 fund.	Invests in a mix of individual funds that are more conservative than the L 2050 fund.

With the exception of L 2000, the investment mix of each L Fund becomes more conservative over time. To learn more about the investment funds covered today, visit <https://www.tsp.gov>. There you can find the key features, rates of return, and top 10 investment holdings for each of the funds offered.

Thrift Savings Plan Investment Choices

SLIDE 34

TSP Investment Choices: Lifecycle Funds



INSTRUCTOR NOTE: Review *Thrift Savings Plan* Handout.

If you don't feel comfortable deciding how to mix these investments to create a portfolio that's right for you, there's a remaining group of funds called the **Lifecycle Funds** that may be right for you.

Each of these funds invests in a professionally developed mix of the funds we just covered, starting out with a riskier blend but then getting more conservative over time.

An age-appropriate Lifecycle Fund is where your automatic contributions will go, unless you change it.

To learn more about the investment funds covered today, visit <https://www.tsp.gov>. There you can find the key features, rates of return, and top 10 investment holdings for each of the funds offered.

New TSP Experience

- **Digital tools**
 - ✓ Mobile app
 - ✓ Virtual assistant
 - ✓ Live agent chat
- **Streamlined processes**
 - ✓ Electronic signature
 - ✓ Rollover assistance
 - ✓ Electronic payment options
 - ✓ Secure participant mailbox
- **Mutual Fund Window**
 - ✓ Greater investment flexibility
 - ✓ Eligibility requirements
 - ✓ Additional fees

THRIFTLINE

SLIDE 35

New TSP Experience

The TSP transitioned to a new service provider in 2022 and now includes new and updated digital tools, streamlined processes, and investment options through the mutual fund window.

Digital tools include:

- Mobile app – The official TSP app provides on-the-go access to your My Account with enhanced security and support.
- Virtual assistant – 24-hour access and support with transfer to a ThriftLine Representative during business hours, if needed.
- Live-agent chat – The online chat function will connect you to a live ThriftLine Representative for personalized support during business hours.

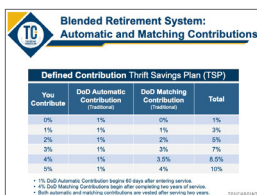
Streamlined processes include:

- Electronic signature – You will have the ability to complete many transactions online by providing your e-signature.
- Rollover assistance – If you want to move retirement money into the TSP, you'll use a streamlined process and will be able to scan your rollover check with your mobile device.
- Electronic payment options – You'll be able to make electronic transfers for loan payments and payoffs, including payments after you've separated from service, and disbursements from your account.
- Secure participant mailbox – You'll get personalized communications like statements and transaction notices directly in your new My Account inbox.

The addition of the mutual fund window is another significant change to the TSP, it includes:

- Greater investment flexibility – There are thousands of mutual funds available with a wide variety of investment choices beyond the core and Lifecycle TSP funds.
- Eligibility requirements – This includes account value and initial transfer value for participation.
- Fees – Additional administrative, maintenance, trade, and mutual fund fees apply.

Visit <https://www.tsp.gov> for more information on all of these features.



The chart is titled "Blended Retirement System: Automatic and Matching Contributions". It is a table with four columns: "You Contribute", "DoD Automatic Contribution (Required)", "DoD Matching Contribution (Required)", and "Total". The rows show contribution levels from 0% to 5% for the employee. The DoD automatic contribution is always 1%. The DoD matching contribution is 0% for 0% employee contribution, 1% for 1% employee contribution, 2% for 2% employee contribution, 3% for 3% employee contribution, and 4% for 4% and 5% employee contributions. The total contribution is the sum of the employee and DoD contributions.

You Contribute	DoD Automatic Contribution (Required)	DoD Matching Contribution (Required)	Total
0%	1%	0%	1%
1%	1%	1%	2%
2%	1%	2%	3%
3%	1%	3%	4%
4%	1%	4%	5%
5%	1%	4%	5%

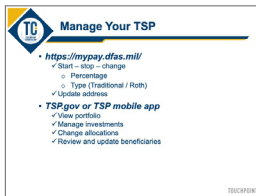
* 1% DoD Automatic Contribution begins 60 days after entering service.
* 4% DoD Matching Contribution begins 24 months after entering service.
* Both automatic and matching contributions are vested after serving two years.

SLIDE 36

Blended Retirement System: Automatic and Matching Contributions

Under BRS, you receive an automatic 1% contribution into your TSP after serving 60 days. After two years of service you are considered “vested” in the TSP meaning that you have met the service requirements that entitle you to keep the automatic 1% contribution and you gain eligibility for service-matching contributions. Let’s take a look at the chart to see how your contributions will be matched after two years of service.

The DoD will match dollar for dollar the first 3%. After that they will match 0.5% for each additional percent up to 5% — this is the maximum they will match. So if you contribute 5% the DoD will contribute the 1% automatic and a 4% matching contribution. All automatic and matching funds will be deposited into the traditional TSP. Remember you start getting the match after two years of service. Also, automatic and matching contributions continue through the end of the pay period during which you reach 26 years of service. Refer to your LES for more information on your automatic and matching TSP contributions.



SLIDE 37

Manage Your TSP



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

There are two main websites you will use to access and manage your TSP: <https://www.tsp.gov> and myPay.

INSTRUCTOR NOTE: Inform students that the Navy Personnel and Pay (NP2) system is currently scheduled to replace myPay for payroll functions in 2024.

myPay

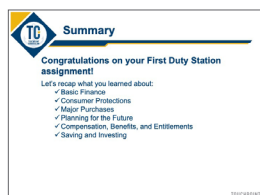
To start, stop, or change contributions to your TSP, log in to myPay at <https://mypay.dfas.mil>. This pertains to the percentage you are contributing and the type (Traditional or Roth).

Also, verify and update your address. This is the address TSP uses to send your account information.

TSP.gov

To access and manage your TSP account, you'll need to visit <https://www.tsp.gov> and log in to My Account. Here you can view your portfolio, manage your investments, change your future allocations, and designate or update beneficiaries.

INSTRUCTOR NOTE: If you have misplaced or lost your account number or password, you may be able to retrieve your account information online. Visit <https://www.tsp.gov/access-your-account> for instructions. Be sure to verify and update your mailing address in myPay if necessary.

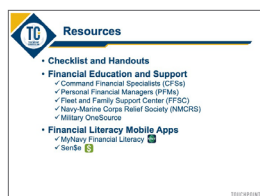


SLIDE 38

Summary

Congratulations on your First Duty Station assignment! Let's recap what you learned about:

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



SLIDE 39

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 CFS at your unit or meet with a PFM and attend a class at your local Fleet and Family Support Center (FFSC). Course offerings may include Million Dollar Sailor (MDS), Car-Buying Basics, and a Home-Buying course. The Navy-Marine Corps Relief Society (NMCRS) offers emergency assistance and interest-free loans, along with other supportive services. You can call Military OneSource for additional assistance. This is a great option for flexibility of scheduling since the call center has extended hours. You may also access the FINRED Sen\$e mobile app or the MyNavy Financial Literacy mobile app for assistance with a variety of personal finance issues.



SLIDE 40

Thank You!

Thank you for participating! I wish you the best of luck as you prepare to move to your first duty station. Please let me know if you have any questions or if you would like to schedule an in-person appointment to review your personal finances.