



MARRIAGE

CFS/PFM CHECKLIST

NAVY FINANCIAL READINESS

Congratulations on your recent marriage! Now is the perfect time to communicate about your finances. This checklist, supplemented with information and referrals from Fleet and Family Support Center (FFSC) staff, can help you and your spouse organize your finances efficiently and work through many of the changes that come with marriage.

Use the checklist and listed handouts as a solution-focused tool to set goals, establish priorities, and develop a family action plan. Space is provided to add local resources and reminders about additional topics.

HANDOUTS

- ✓ 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
- ✓ Military Retirement
- ✓ Thrift Savings Plan
- ✓ Estate Planning
- ✓ TRICARE Overview
- ✓ Survivor Benefits Overview
- ✓ My Rating as a Money Manager
- ✓ Financial Values

Counselor: *Ask the counselees about their relationship. Are they engaged? Previously married? Married already? Blending families? Dual military? Is your spouse foreign-born? These and other factors may affect some of their financial priorities.*



BASIC FINANCE

- ☐ Update your personal spending plan using the *Spending Plan Worksheet*. A good spending plan helps you manage your money, plan for your financial goals, and prepare for emergencies. Here are four steps financial experts suggest to get started.

Counselor: *Inform counselees that you can provide a **Spending Plan Worksheet** as well as more detailed templates with features that can help them understand their financial situation and reduce excessive debt.*

Step 1: Understand your current situation.

In this step, it's important to understand what's REALLY going on with your money today. Start tracking all your income and spending for the next 30 days. How you do the tracking is up to you, but what's important is you do it.

Step 2: Know where your money should go.

Financial experts offer these general guidelines when budgeting your money:

- Try to save and/or invest 10% – 15% of pretax pay.
- Strive to keep transportation expenses including car payments, insurance, gas and maintenance to 15% – 20% of pretax pay.
- Limit housing expenses, including mortgage or rent payment, taxes, utilities, and maintenance to your Basic Allowance for Housing or 25% 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.

- Prioritize your financial goals.
- Establish an emergency fund. Financial experts suggest you should keep at least three to six months of living expenses in reserve. If you do not have that much saved, consider setting aside a little each paycheck to help get you there.



Counselor: Share with the counselees the concepts of paying yourself first, automating savings, and keeping their emergency fund in a separate account. Remind counselees they can make saving effortless by setting up an automatic transfer through their bank or an allotment, time permitting.

Step 4: Make adjustments.

Update your spending plan as your life changes. Monitor your plan until you have fully adjusted your finances to reflect your new situation.

- ☐ Make banking and credit card arrangements that work for your new household.

Counselor: Ask if both spouses will continue to use their existing separate bank or credit card accounts. Will they close existing accounts or add the new spouse to an account? Or will they open one or more new joint accounts at a new bank or credit union?

- ☐ Establish a bill paying system that is effective for your new household.

Counselor: Remind counselees the first and most important step toward a good credit score is to pay bills on time.

- ☐ Check each of your three major credit reports for free at annualcreditreport.com. Sailors can request free credit monitoring services from the nationwide credit reporting agencies: Equifax, Experian, and TransUnion. Review the *Understanding Credit* Handout for more information.

Counselor: Remind counselees that they may be able to get a free copy of credit reports from the Personal Financial Counselor/Educator (PFM/E) at the FFSC. The PFM/E can also help them interpret their reports and discuss what they need to do to improve their scores.

- ☐ Review your new tax situation and change federal and state withholding as needed via <https://mypay.dfas.mil/#/>. Reserve members will need to do this with their employers as well.

Counselor: Remind counselees that for additional help, such as deciding whether to file tax returns separately or jointly, they may wish to consult with a PFM/E at the FFSC or the on-base Volunteer Income Tax Assistance (VITA) office.

- ☐ Update personal property tax records in your city and/or county to reflect your new marital status, if appropriate.
- ☐ 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.

Additional notes: _____



CONSUMER PROTECTION

- ☐ Review the *Military Consumer Protection* Handout for additional information on identity theft, the Servicemembers Civil Relief Act (SCRA), and Military Lending Act (MLA).

Counselor: *Remind counselees the base legal office can assist by reviewing contracts to help counselees from falling prey to predatory lenders and fraudsters.*

- ☐ Protect yourself from misleading consumer practices and know basic procedures for handling a consumer complaint or dispute. Review the *Sources of Help for Military Consumers* Handout.

Additional notes: _____



MAJOR PURCHASES

- ☐ Analyze your housing and transportation needs and be sure to prepare your finances for any major purchases. Review the *Major Purchases* and *5 Rules of Buying a House* Handouts for more information.

Counselor: *Remind counselees to speak with financial counselors on their installation to build and review their spending plan before taking on any major purchases.*

- ☐ Work with the base housing office for any housing needs related to the change in your marital status.

Counselor: *Remind counselees that if they are renting a new residence, to be sure their lease contains a military clause.*

- ☐ Review the *Education Benefits and Savings* and *Paying off Student Loans* Handouts to learn more about financing education, available benefits, obligations, and repayment options.

Counselor: *Remind counselees to speak with financial counselors on their installation to build and review their spending plan before taking on any major purchases.*

Additional notes: _____



PLANNING FOR THE FUTURE

- ☐ Review your retirement savings goals with your new spouse. Non-military spouses may have retirement plan options through their employer to consider. Spousal Roth or Traditional IRAs might also be appropriate to consider. For more information on components of military retirement and the TSP, refer to the *Military Retirement* and *Thrift Savings Plan* Handouts.

Counselor: *Encourage counselees to visit <https://www.tsp.gov> and learn more about investing for retirement.*

- ☐ Ensure that your new spouse is listed as a beneficiary of your TSP account, as desired.

Counselor: *Note that both spouses may want to ensure that their spouse is the beneficiary or joint owner of other investments, as appropriate.*

- ☐ Evaluate your life insurance needs to ensure 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. Start by totaling all four categories listed below.

L liabilities	Debt you would like to pay off, like a mortgage, auto loan, or credit cards(s)	\$
I ncome to be replaced	Multiply targeted annual income amount by the number of years to replace	\$
F uneral and final expenses	The amount you would like to set aside for final expenses	\$
E ducation and other goals	The amount you want to set aside to fund education and other goals for family, friends, or charitable organizations	\$
Total life insurance needed		\$\$\$\$

Then compare your life insurance needs with your current amount of coverage plus any assets and benefits available at death. If you find you need additional coverage, then consider supplementing Servicemembers' Group Life Insurance (SGLI) with a commercial life insurance policy. Review the policy for any restrictions, such as a war clause. Common life insurance policies include:

- Term insurance — provides a stated amount of coverage over 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 be subject to fees and penalties if canceled during this time.

Counselor: Remind counselees to ask questions and fully understand any commercial life insurance policy they are considering purchasing. They should understand the cost, coverage, terms and conditions, as well as how the agent is compensated before making a decision to buy.

- ☐ Update the beneficiaries of your Servicemembers' Group Life Insurance (SGLI), if appropriate.

Counselor: Note that Reserve members assigned to a unit scheduled to perform at least 12 periods of Inactive Duty creditable for retirement purposes can purchase full-time SGLI coverage that is in effect 365 days of the year. They are also covered for 120 days following separation or release from duty. Refer counselees to www.benefits.va.gov/insurance/ for more information. Inform counselees that the SGLI Online Enrollment System (SOES) allows Service members with full-time SGLI coverage to make fast and easy changes to their life insurance coverage and beneficiary information at any time without completing a paper form or making a trip to their personnel office. To access SOES, they must sign into <https://milconnect.dmdc.osd.mil/milconnect/> and go to the "Manage my SGLI" tab, Life Insurance SOES-SGLI Online Enrollment System.

- ☐ Enroll your dependents in Family Servicemembers' Group Life Insurance (FSGLI).

Counselor: Inform counselees that FSGLI provides up to \$100,000 in coverage in \$10,000 increments to cover eligible spouses for as little as \$0.45/month. Dependent children are automatically covered at \$10,000 as soon as they are registered in DEERS. Refer counselees to <https://www.va.gov/life-insurance/options-eligibility/fsgli/> for more information.

- ☐ Review and update your homeowners or renters property and liability insurance policies to ensure that they are adequate for your new circumstances.

Counselor: Note that counselees may have more property after the wedding than before, or their new spouse may bring a pet into the household increasing the risk of harm to neighbors. If the marriage brings children, counselees should be sure they have enough liability insurance to cover injuries to playmates occurring on the counselees' property. Suggest they consider purchasing an "umbrella" or excess liability policy in addition to homeowners or renters insurance.

- ☐ Update your auto insurance policies, to inform your insurance carrier of your new marital status.

Speak with the base legal office to discuss updating your car title(s) and registration(s) to include your new spouse, if joint ownership is desired.

Counselor: Remind counselees to investigate the tax advantages or disadvantages of joint property ownership. Inform counselees that if joint ownership is desired, titles and registration can be changed at a local office of the state's department of motor vehicles. (Note that in some states, there may be tax advantages to titling vehicles in the Service member's name only.)

- ☐ Review the *Estate Planning* Handout and see your base legal office (or other legal counsel) to establish or update estate planning documents such as wills, power of attorney, trusts, etc.

Counselor: If a counselee does not yet have an estate plan, encourage them to develop a plan with assistance from the base legal office (Active Duty) or civilian legal services (Reserve; legal services are sometimes available through civilian employers). To help Active Duty Sailors learn more about Navy legal services, refer them to https://www.jag.navy.mil/legal_services.htm. Suggest counselees should seek legal assistance as soon as possible. They should not wait until right before temporary duty (TDY) travel or deployment, when appointments may be difficult to get.

- ☐ Consider updating any real estate deeds to include your new spouse, if you intend to own property jointly. Speak to the base legal office on your installation for more information about your specific situation.

Counselor: Remind counselees to investigate the tax advantages or disadvantages of joint property ownership. If joint ownership is desired, counselees will need to research the location of the courthouse where the deed is held and the costs for changing records. This task may require an in-person application.

Additional notes: _____



COMPENSATION, BENEFITS, AND ENTITLEMENTS

- ☐ Enroll new family member(s) in TRICARE (Active Duty), TRICARE Reserve Select (Reserve members) or other health insurance plan. Review the *TRICARE Overview* Handout for more information.

Counselor: Note that TRICARE Prime and TRICARE Select require annual enrollment. Counselees may also want to reassess their own TRICARE plan. Refer Active Duty Sailors to www.tricare.mil/Plans/HealthPlans. Refer Reserve Component Sailors to www.tricare.mil/Plans/HealthPlans/TRS.

Remind Reservists that they must ensure continuous, regular payments to stay enrolled in TRICARE Reserve Select. Irregular drill pay can cause Service members and family members to be dropped until the next open enrollment period.

Remind Sailors with civilian insurance plans to review available policies for features like deductibles, copays, prescription coverage, costs for in-network and out-of-network coverage, and other options that can affect the true cost of health care.

- ☐ If your spouse is employed and also has health insurance (OHI or “other health insurance”), arrange coordination of benefits with TRICARE or other insurance carrier.

Counselor: Normally, TRICARE becomes secondary insurance for a spouse with OHI. Some civilian insurers will not allow coverage under more than one policy.

- ☐ Enroll new family member(s) in the TRICARE Dental Program. Monthly premiums and copays will apply. Visit www.tricare.mil/Dental for more information.

Counselor: Refer counselees to 1(844) 653-4061 or to www.tricare.mil/CoveredServices/Dental/TDP to learn more. Reserve members should examine available programs to determine the best insurance available for their situation.

- ☐ Review the *Survivor Benefits Overview* Handout for more information on financial resources available to eligible dependents, including the Survivor Benefit Plan (SBP).

Additional notes: _____



SAVING AND INVESTING

- ☐ Establish an emergency fund. Financial experts suggest you should keep at least three to six months of living expenses in reserve. If you do not have that much saved, consider setting aside a little each paycheck to help get you there.



COMMUNICATION

- ☐ Assess your financial communication. On a scale of 1 – 4, with 1 = poor and 4 = very good:

1	2	3	4	Discussions about current assets, including savings and investments
1	2	3	4	Discussions about current debts
1	2	3	4	Discussions about current spending habits
1	2	3	4	Discussions about long-term financial goals like home ownership, college savings for children, and retirement.
1	2	3	4	Awareness of household finances (If one spouse is responsible for paying bills, saving, and investing, is the other informed about financial choices and the household’s overall financial condition?)
1	2	3	4	Agreement on a “spending threshold” (i.e., an amount above which purchases can only be made with mutual consent).
1	2	3	4	Regularity of financial reviews (Do you put it on the calendar to make sure it happens?)

Counselor: Using the questions on the counselee's checklist as a starting point, ask the couple to discuss their financial communication. How comfortable is each partner with what they know about their current assets and debts, saving, investing, and spending practices? In what ways do they share financial management responsibilities? If one spouse is responsible for paying bills and making transfers to saving and investment accounts, how does that partner inform the other about financial choices and their household's financial condition? How have they handled questions or conflicts about spending? When do they review household finances? What changes to current practices would they like to implement? Encourage the counselees to take advantage of other free services on marriage and pre-marital counseling, available through the chaplain's office or the Fleet and Family Support Center (FFSC) to help create and strengthen strong communication skills.

- ☐ Complete the *My Rating as a Money Manager* and *Financial Values* Handouts. Fill out the inventories individually, then compare and discuss your results.

Counselor: Distribute the *My Rating as a Money Manager* and *Financial Values* Handouts. Allow spouses to complete the inventories separately, then compare and discuss results. (Note that depending on the level of existing financial conflict in your counselees' relationship, you may need to guide the discussion.) Encourage them not to let money problems lead to relationship problems. Stress the importance of clear and honest communication around finances, including existing assets, debts, goals, and plans for major purchases and retirement.

Additional notes: _____



ADMINISTRATIVE TASKS

- ☐ Obtain an original copy of your marriage certificate. Make sure to get several official copies. You will need them to change your name on your Social Security card, driver's license and passport.

Counselor: Remind counselee that their marriage certificate is not the same thing as their wedding license or the certificate they may have signed on the day of their wedding. In most places, an official marriage certificate is issued by the clerk's office (in the city, town, or county where the wedding took place) after the officiant has signed the license and returned it to be entered into the marriage register. Counselees should be sure to research the source for official documentation, costs involved, and the time frame for processing in that location. Note that if the new spouse is foreign-born, some expenses related to applying for U.S. citizenship may be reimbursable. Counselees should discuss their circumstances with unit leadership and the Military Personnel Section (MPS) office on base. (References: Joint Federal Travel Regulations (JFTR) Chapter 5, Part C, Section 3, Paragraph U5215 and forward;
<https://www.uscis.gov/military/citizenship-for-military-family-members>

Or

<https://www.militaryonesource.mil/financial-legal/legal/citizenship-and-immigration/us-citizen-ship-through-military-service/>

- ☐ Obtain birth certificates (and Social Security cards, if available) for your new spouse and any dependent children.

Counselor: Remind counselees that an official copy is often embossed or certified in some way. Court documents may be notarized. To replace a lost or misplaced birth certificate, parents should check with the Bureau of Vital Statistics in the state where the child was born or see <https://www.usa.gov/replace-vital-documents> for information on how to obtain a replacement.

- ☐ If you or your spouse changes his or her name, update Social Security records and other forms of identification (driver's license, passport, military ID, etc.) to reflect the change. Update Defense Enrollment Eligibility Reporting System/Real-Time Automated Personnel Identification System (DEERS/RAPIDS) to reflect your new marital status and add your dependents. Bring your marriage certificate; your spouse's birth certificate, Social Security card, and photo ID; and/or your child's birth certificate or adoption papers to the nearest DEERS/RAPIDS office.

Counselor: Remind counselees that this must be done in person. They may view a list of acceptable identification documents at [www.cac.mil/Portals/53/Documents/List of Acceptable Documents.pdf](http://www.cac.mil/Portals/53/Documents/List_of_Acceptable_Documents.pdf). They can find the nearest DEERS/RAPIDS office at <https://idco.dmdc.osd.millidcol/>.

- ☐ Obtain ID cards for your spouse and any dependent children.

Counselor: Remind counselees that a child under age 10 generally does not need a military ID card and will not usually be issued one.

- ☐ Check your Leave and Earnings Statement (LES) after DEERS updates.

Counselor: Remind counselees to verify the requested changes have been made and they are receiving the correct pay and allowances. Suggest they be especially careful about overpayments, as these will be recouped. Remind counselees to set aside money from an overpayment. Tell them that if they do not know where money comes from, they should probably save it until they find out.

- ☐ Seek out the Navy COMPASS course for new spouses on your base.

Counselor: Encourage counselees to make time for this course, especially spouses new to the military. If possible, share course registration information, schedule, and location.

- ☐ Seek out and take advantage of financial workshops at the FFSC.

Counselor: Promote workshops that are available through your FFSC (share your Center's schedule with the counselee, the Navy-Marine Corps Relief Society (NMCRS), or similar providers in other services.

Additional notes: _____
