



PRE-DEPLOYMENT

VIDEO DISCUSSION GUIDE

NAVY FINANCIAL READINESS

CFS Preparation: Distribute and discuss the Pre-Deployment Checklist and accompanying handouts to support this video-based training course. Checklists and handouts can be found online at <https://finred.us-alearning.gov/SPL/ServiceResources/NavyResource>.

HANDOUTS

- ✓ Spending Plan Worksheet
- ✓ Financial Warning Signs
- ✓ Understanding Credit
- ✓ Combat Zone Tax Exclusion
- ✓ Military Consumer Protection
- ✓ Sources of Help for Military Consumers
- ✓ Paying off Student Loans
- ✓ Estate Planning
- ✓ TRICARE Overview
- ✓ Survivor Benefits Overview
- ✓ Thrift Savings Plan

★ PART ONE: INTRODUCTION

CFS Introduction: Welcome to training. Today we will have a conversation about preparing your finances for a deployment. The goal of our discussion is to help alleviate financial stress while you're deployed by creating a plan for your finances before you leave.

Deployments can cause disruption to your finances, but they can also present some opportunities, if you are prepared to take advantage of them. Think about the following questions. How will your bills be paid? How will you correspond with financial institutions? How will you ensure you have access to funds? How much money will you be able to save? Will you be able to pay off all your debt? All of these are valid questions to ask. As we go through the videos pay attention for key takeaways that you can implement as you prepare your finances for your upcoming deployment.



Overview

DISCUSSION QUESTION

1. What do you feel are important steps to take before your deployment to set you and your family up for financial success?

CFS Talking Points: Have a good understanding of what your income and expenses will be while you're away. Develop a spending plan and, if you are married, communicate with your spouse about how and when money will be spent. Consider setting up separate accounts for spending and specific financial obligations to ensure money is available to pay necessary expenses. Automate payments. Use the time to pay off debts if income is higher and expenses are lower. Set savings goals and milestones. Review the **Spending Plan Worksheet** Handout and the "Basic Finance" section of the checklist for more details.



Financial
Planning for
Deployment



PART TWO: FINANCIAL PLANNING CONSIDERATIONS

CFS Introduction: Up next, we will see a few “good to know” items. This list should get you thinking about what you can do to better prepare. Take note of the relevant information as you begin to plan the deployment phase of your finances.



Overview – 11
Things to Know
Before You Go

DISCUSSION QUESTIONS

1. What are some things to keep in mind with online bill pay while you are deployed?

CFS Talking Points: (refer to the [Spending Plan Worksheet](#) Handout and “Basic Finance” section of the checklist): Make sure your bank isn’t charging you fees for online services. If you are going overseas, check your financial institution’s policies on using your debit/credit card internationally, as some charge transaction fees. Automating bills is a good idea, however, you will still need to monitor your accounts to make sure the payment goes through by the due date and that there are sufficient funds in your account(s) to cover the costs. Being deployed does not excuse you from paying financial obligations.



Managing
Payments
While Deployed

2. Did you know that you can sign up for free credit monitoring?

CFS Talking Points: The [Understanding Credit](#) Handout explains how you register with each national consumer reporting agency and details associated benefits.



SCRA & MLA

3. What are a few financial warning signs for someone who might need help with their finances?

CFS Talking Points (refer to the “Basic Finance” section of the checklist): Let’s look at the [Financial Warning Signs](#) and [Understanding Credit](#) Handouts. From being unable to afford a haircut to missing car loan payments, financial warning signs could indicate it’s time to get help. These problems often don’t get easier when you are deployed, so seek help immediately through a PFM or speak to me after class to discuss your situation. If paying off debt is one of the goals you plan to tackle during your deployment, make sure to check out the Navy’s Debt Destroyer® Workshop at <https://finred.usalearning.gov/NavyResource/DebtDestroyerWorkshop>. This six-step approach can help you get out - and stay out - of debt.



Active Duty
Alerts

4. You have most likely heard the acronyms MLA and SCRA mentioned before. What aspects of these protections can you see as being helpful in your situation?

CFS Talking Points (refer to the [Military Consumer Protection](#) Handout and “Consumer Protection” section of the checklist): The Military Lending Act (MLA) offers protection from high interest rates and being taken advantage of financially (predatory lending). The Servicemembers Civil Relief Act (SCRA) may allow you to cancel certain contracts and reduce interest rates to 6% on debts incurred before joining the military.

5. Have you or do you know anyone who has been a victim of identity theft? What are ways you can protect yourself from becoming a victim of identity theft?

CFS Note: *Have one or two students share their experience/story.*

CFS Talking Points: Set an active-duty alert or security freeze on your credit report. Monitor your credit report regularly to check for accuracy. You can access your credit report at annualcreditreport.com or with the assistance of a Personal Financial Manager (PFM) at your Fleet and Family Support Center (FFSC). Review the “Consumer Protection” section of your checklist for details.

KNOWLEDGE CHECK

Question: Relief provided by the Servicemembers Civil Relief Act (SCRA) happens automatically.

Answer: False

Question: You need to contact all three credit reporting agencies to set up an active-duty alert.

Answer: False, you only need to contact one. It is still a good practice to follow up and ensure your alert went through.

Question: You need to contact all three credit reporting agencies to place a security freeze.

Answer: True



PART THREE: DEPLOYMENT-RELATED BENEFITS

CFS Introduction: In the next part of the course, we'll cover three ways you may be able to save money during your deployment. The Savings Deposit Program, the Combat Zone Tax Exclusion (CZTE), and the Thrift Savings Plan (TSP) offer special provisions that can help you meet your increased savings goals.



Savings
Deposit
Program

DISCUSSION QUESTION

1. What are the main reasons for taking advantage of the Savings Deposit Program, SDP for short, while you are deployed?

CFS Talking Points (refer to the "Saving and Investing" section of the checklist): The SDP offers a 10% annualized return on up to \$10,000, and it is risk free. It is important to note that there are specific rules on when and how much you can contribute. The onsite administrative or finance office can help clarify those requirements. The 10% guaranteed rate of return provided by the SDP is a stock market-like return without the stock market-like risk. Contributions can be made a variety of ways, including paycheck allotment, cash, or personal check, to best suit your needs. Consider making this part of your financial plan during your deployment.



Combat
Zone Tax
Exclusion



TSP
Contributions
During
Deployment

2. How might your deployment impact your tax situation?

CFS Talking Points (refer to the "Basic Finance" section of the checklist): Generally speaking, if you're deployed to a Combat Zone Tax Exclusion (CZTE) or direct-support area, your income may not be subject to some taxes. This means more money in your wallet. Also, you may be eligible for a tax-filing extension. Make sure to review your checklist for more details. Taxes can be complicated so check out the [Combat Zone Tax Exclusion](#) Handout and the linked resources or visit with a tax professional.

3. What are specific ways that contributing to your TSP account while deployed can be beneficial to you?

CFS Talking Points (refer to the "Basic Finance" section of the checklist): You may have additional income to contribute. The amount you can contribute while in a CZTE area is higher. Your income may be tax exempt, and you may not have to pay taxes on contributions. For more information about TSP, refer to the [Thrift Savings Plan](#) Handout.

KNOWLEDGE CHECK

Question: Under the Combat Zone Tax Exclusion your pay may be excluded from income for what type of taxes?

Answer: Federal

Question: How long does the SDP continue to earn interest after your deployment is over?

Answer: 90 days

PART FOUR: INSURANCE AND ESTATE PLANNING CONSIDERATIONS

CFS Introduction: The next section of the course covers insurance (including life, health, property, and auto) and estate planning considerations as you get ready to deploy. Check to make sure before you deploy that your life insurance coverage is sufficient and that your beneficiaries are up to date. Legal services can assist with questions regarding beneficiaries. Speaking of legal, let's take a look at some legal documents that may need your attention before you deploy.



Life
Insurance

DISCUSSION QUESTION

1. When it comes to life insurance, how should you determine the amount of coverage?

CFS Talking Points (refer to the “Planning for the Future” section of the checklist): Remember the acronym LIFE can help you determine the amount of insurance you need. Can anyone remember what LIFE stands for?

- L – Liabilities, or debts to be paid off
- I – Income to be provided
- F – Final expenses
- E – Educational and other goals



Other Insurance
(Health, Auto,
Property)

The video mentioned the **Survivor Benefits Overview** Handout, which lists the benefits your survivors are entitled to if you pass away on active duty. Review this handout with your family and assure them that a Casualty Assistance Calls Officer or CACO will be assigned to help them understand these benefits.



Legal
Documents
& Estate
Planning

2. Are there areas of insurance you are considering for review after watching this video?

CFS Talking Points (refer to the “Planning for the Future” section of the checklist and the **TRICARE Overview** Handout):

- Medical – check TRICARE eligibility
- Auto – check for storage rates if vehicle will not be driven, consider not canceling due to high cost to reinstate
- Property – review coverage

3. What is the purpose of a will?

CFS Talking Points (refer to the “Planning for the Future” section of the checklist and the **Estate Planning** Handout): The purpose of a will is to coordinate the distribution of your assets at your death and can appoint a guardian for your minor children.

4. What are the different types of powers of attorney (POA) that may be necessary for you to have while on deployment?

CFS Talking Points: Let's review the *Estate Planning* Handout for more on the following POA types.

- General POA – gives power and authority to act on your behalf for a wide range of topics
- Specific POA – grants power for specific types of transactions
- Medical POA – provides child's caretaker with the authority to handle medical needs of the child(ren)

★ PART FIVE: CONCLUSION



Final
Thoughts

CFS Conclusion: This concludes today's training. Review your notes and create a plan to address your financial concerns and opportunities before you deploy. As you approach the day you leave, things may get hectic and stressful. Now is the time to think through your financial plan and adjust as necessary. As always, if you need assistance with any of the financial topics discussed today, speak with me or a Financial Counselor at your installation. Please use your checklist and handouts and let me know if you have any questions. If you would like credit for attending this class, be sure to sign the roster and allow me to sign your checklist.

CFS Note: Have contact information available for the Financial Counselor and legal office on your installation for Sailors who need additional assistance.