

## PERSONAL FINANCIAL MANAGEMENT CURRICULUM

# Financial Planning for Permanent Change of Station (PCS)



Version 1.2

# BASIC

## Financial Planning for Permanent Change of Station (PCS)

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### Instructor Preparation

#### Overview

*Financial Planning for Permanent Change of Station (PCS)* provides instructional content and activities to help you determine estimated travel costs for your next move and take steps to ensure a successful and cost-effective PCS.

#### Learning Objectives

After completing this lesson, participants should be able to:

- Estimate travel expenses associated with an upcoming PCS
- Apply strategies to ensure a smooth and cost-effective PCS

#### Target Audience

The target audience for this lesson is military personnel and family members with a basic to intermediate knowledge of personal financial management.

#### Prerequisites

- *Permanent Change of Station (PCS) Allowances and Entitlements (desired)*

#### USMC Financial Readiness Pillars

- Plan
- Spend

#### Financial Education Action Point

Completion of this course meets the legal and policy requirements for financial education provided upon arrival at each duty station after the first permanent duty station, in the case of a member in pay grade E-4 or below or in pay grade O-3 or below. Unit should run the training event code “FD” after Marine completes this course.

#### Alignment to DoD Instruction 1322.34 Financial Readiness of Service Members

- Understand the fundamentals of creating and managing a spending plan, and the importance of updating a spending plan
- Understand the fundamentals of management of debt and credit
- Know military consumer protection law fundamentals, including Service members’ Civil Relief Act and Military Lending Act
- Understand the impact of special pay and entitlements

#### Timing

You should complete this lesson within 40 minutes.

Topic	Time
Lesson Introduction	1 minute
PCS Expenses	25 minutes
Financial Tips for a Smooth Move	13 minutes

## Financial Planning for Permanent Change of Station (PCS)

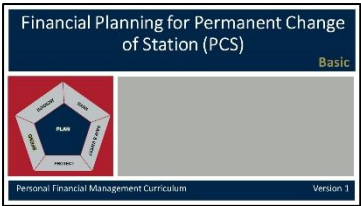


Lesson Summary	1 minute
<b>Total Time</b>	40 minutes

### Materials




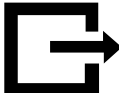

- *Financial Planning for Permanent Change of Station (PCS)* Instructor Guide
- *Financial Planning for Permanent Change of Station (PCS)* PowerPoint Slides
- *Financial Planning for Permanent Change of Station (PCS)* Handouts:
  - *Handout: Estimating Travel Costs and Reimbursements*
  - *Excel Worksheet: Financial Planning for a PCS Move*
  - *Handout: Tips for a Smooth PCS Move*
  - *Handout: The Servicemembers Civil Relief Act (SCRA)*
- Chart paper or whiteboard
- Pens, pencils, markers
- Tape
- Calculators
- Smart phones, laptops, or tablets

### Icons

The following icons appear in the left-hand column of the instructor guide and serve as visual prompts as you present the training.

Icon	Purpose
<b>Slide X</b> 	Indicates that you will display a <b>slide</b>
	Indicates the <b>time</b> required to complete each topic
	Indicates that you will conduct an <b>activity</b>

## Financial Planning for Permanent Change of Station (PCS)

Icon	Purpose
	Indicates that you will ask a question to prompt <b>discussion</b> with the participants.
	Indicates that you will distribute a <b>handout</b>
	Indicates that you will show a <b>video</b>
	Indicates that you will <b>transition</b> to the next topic
	Indicates that the instructor or participants will record key points on a <b>chart paper</b>

### Lesson Preparation

- Prior to the training, thoroughly review all lesson materials.
- Confirm all policy, MARADMIN, and links are current. If they are not, inform HQMC.
- Determine number of copies needed and print the following handouts:
  - Handout: Estimating Travel Costs and Reimbursements (*File name: HO\_Estimating\_Travel\_Costs\_Reimbursements.docx*)
  - Excel Worksheet: Financial Planning for a PCS Move (*File name: Financial\_Planning\_for\_PCS.xlsx*)
  - Handout: Financial Tips for a Smooth PCS Move (*File name: HO\_Tips\_Smooth\_PCS\_Move.docx*)
  - Handout: The Servicemembers Civil Relief Act (SCRA) (*File name: cfpb\_servicemembers-civil-relief-act\_factsheet.pdf*)
- This lesson includes an Excel worksheet called “Financial Planning for a PCS Move” that participants will complete after training. You may email this file to participants or direct them to the *Financial Planning for Permanent Change of Station (PCS)* web page to locate this resource.
- Invite your installation Information, Referral and Relocation (IR&R) Specialist to be present for an in-person referral for course participants. As a minimum, refer participants to the IR&R Specialist and the PCS Workshops provided on base. Consider providing this course as a coordinated event with your installation PCS Workshops.



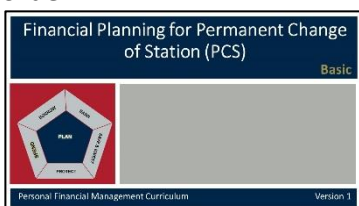
## Instructor Presentation

### Lesson Introduction



Lesson Introduction: **2 minutes.**

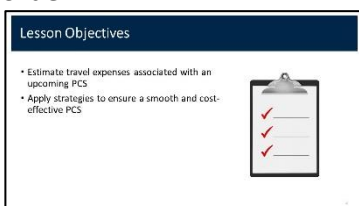
#### Slide 1



#### Introduce the lesson.

- Welcome to *Financial Planning for Permanent Change of Station (PCS)*.
- Military Permanent Changes of Station (PCS) are a fact of life for Marines and their families.
- This lesson provides information to help you estimate travel costs for your next move and take steps to ensure a successful and cost-effective PCS move.
- This lesson meets the legal and policy requirements for the mandatory Financial Education Action Point training required when a Service Members moves due to PCS move.

#### Slide 2



#### Provide the learning objectives.

- After completing this lesson, you should be able to:
  - Estimate travel expenses associated with an upcoming PCS move
  - Apply strategies to ensure a smooth and cost-effective PCS move

**Note:** This slide is animated and you will have to “click” several times for the entire text to appear.



#### Transition to the next topic.

- Let’s begin by talking about expenses that you may incur prior to your move.

### PCS Expenses



PCS Expenses: **25 minutes.**

#### Introduce this topic.

- This topic presents lists of expenses that you may incur **before**, **during**, and **after** your Permanent Change of Station (PCS) move.
- These lists are not all inclusive but are intended to get you thinking about the types of expenses you may encounter in preparation for your move.
- Planning is the key to a financially successful relocation. You will find there are many areas of your finances that need attention — and perhaps some changes — before you embark on your relocation.
- Doing your research and planning for your future will assist you in having the smoothest move possible.

#### Slide 3



**Note:** This slide is animated and you will have to “click” several times for the entire text to appear.

#### Present expenses that Service members may incur before a move.

- Here is a list of expenses that you may incur prior to your PCS.
  - **House hunting trip:** The Marine Corps can grant house hunting leave but does not pay for the travel and lodging costs. You will need to think about how you will pay for and complete this trip. Questions to consider regarding a house hunting trip include:
    - How will you get to the new location? Will you travel by Privately Owned Vehicle (POV), fly, or take a train?
    - What is the most cost-effective mode of transportation?
    - Where will you stay once you arrive?
    - How long will you plan to stay?
    - Do you have money set aside to complete this trip?
    - Do you know anyone in the local area you can stay with?
    - Do you know anyone who can give you some tips on the area?
  - **Move-out:** Expenses related to moving out may include selling costs, painting, repairs, dismantling major appliances, cleaning or cleaning services, lawn maintenance, drinks and snacks or tips for packers and movers, moving your vehicle, and temporary storage. Service members are entitled to 90 days of temporary storage when their household goods are being moved at government expense on PCS orders. Storage may be used at origin, in route, or at the final destination.
  - **Car preparation:** Maintenance to your car may be needed



before driving long distances. If moving overseas, you may want to purchase extra parts that may be hard to find at your new location. If you are going to sell or store your car, you may need to set aside money for the purchase of a vehicle at your new duty station.

- **Loss of spouse's income:** Loss of a spouse's income until employment at the new duty station is often the single biggest negative financial effect of a military PCS. Questions to ask yourselves in this area include:
    - Have you budgeted for the time that you expect it may take for your spouse to secure a new job?
    - What if it takes longer than you anticipate?
    - Will your family member need to acquire licensure or new training to meet the employment requirements at the new location?
- Instructor Note:** The Marine Corps offers some professional relicensing reimbursement to Marine Corps spouses. See [MARADMIN 091/20](#) for more information.
- How is the job market at the new location? Is there a shortage or surplus of jobs?
  - What type of pay is associated with the typical work your family member engages in?
  - If you do rely on a second income, do you have childcare needs? What are the average costs of childcare in your new location?

The Family Member Employment Assistance Program (FMEAP) at your current installation can help you research and plan before departing and refer you to the FMEAP at your new installation.

Eligibility for unemployment insurance benefits due to the transfer of a military spouse is determined by each state and the laws change regularly. To determine whether your spouse is entitled to unemployment insurance, contact the Employment Commission in your current state.

- **Medical and dental:** Especially if moving overseas, there may be some medical and dental expenses, such as the medical screening for dependents, immunizations, advance prescription refills to avoid running out or needing to pay for refills while in transit, wisdom teeth extraction, braces, etc.
- **Pets:** Pet expenses include visits to the veterinarian to ensure your pet is current on immunizations, possible quarantine fees, boarding, medications, airline crates, and fees. If you cannot afford to bring your pet with you, rehome your pet or check

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into pet foster care.

- **Passports and visas:** Passport and visas for each family member are needed for overseas transfers. With command approval, the cost for these may be reimbursed. You can get more information on passport costs from the State Department website.



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### Ask:

- Who is renting a home or leasing a vehicle?
  - Address the participants who raised their hands.
- If you are renting a home and you receive orders to PCS before your lease expires, under the Servicemembers' Civil Relief Act (SCRA), you should be able to terminate your housing lease without penalty.
- Similarly, if you are leasing a vehicle and you receive orders to PCS **from CONUS to OCONUS or from OCONUS to any new location**, you should be able to terminate your auto lease without paying early termination charges or penalties.
- This doesn't happen automatically, and there are steps you need to take. Review The Servicemembers Civil Relief Act (SCRA) fact sheet handout for more detail.
- Because details of SCRA are complicated, contact the nearest legal assistance office for help with this.

### Ask:

- Can anyone think of other expenses before the move?



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### Slide 4



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### Present expenses that Service members may incur during a move.

- You will also incur expenses while in transit, such as:
  - **Driving your POV:** The government estimates that you will travel 350 miles per day. You can find the current mileage allowance at: <https://www.travel.dod.mil/Travel-Transportation-Rates/Mileage-Rates/> Remember that if the government mileage rate is less than the allotted IRS mileage rate then you can include the difference in your deduction of expenses not reimbursed by the government.
  - **Overnight accommodations:** The government estimates you will need lodging every 350 miles.
  - **Food:** You must estimate what it will cost to feed yourself and your family during the move. Be realistic about how your family eats when on the road. Do you like to eat out? Do you pack your own food? Do you stop at the grocery store along

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the way? Be sure to include the cost of snacks and beverages in this calculation.

- **Tolls:** If your chosen route has tolls, you should budget for this. Toll fees are easily overlooked and can add up quickly.
- **Recreational costs:** If it is not too far out of the way and time permits, side trips can be a great way to break up the travel and have a mini-vacation while in transit. If you plan on taking any side trips, be sure to include that in your budget for the move. Also, you and your family may come across items that you would like to purchase as mementos. Be sure to budget some money for this type of thing. If you have children, giving them a set amount of spending money for the trip can make the move more fun and is a good way to help them learn about budgeting.



**Ask:**

- Can anyone think of other expenses during the move?

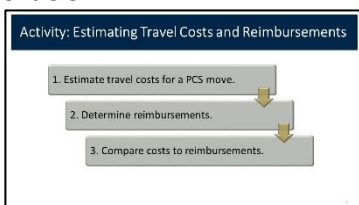


**Activity: Estimating Travel Costs and Reimbursements (13 minutes)**

**Introduce the activity. (1 minute)**

- Explain that the purpose of this activity is to estimate travel costs and reimbursements that you may incur **during** a PCS move.
- Have participants work individually during this activity.

**Slide 5**



**Note:** This slide is animated and you will have to “click” several times for the entire text to appear.



**Conduct the activity. (10 minutes)**

- Distribute the *Handout: Estimated Travel Costs and Reimbursements* (one per participant).
- Provide the following instructions:
  - If you are preparing for a PCS move, you will use your new duty location to estimate expenses in this activity.
  - If you have not received PCS orders, select a new duty station where you’ve always wanted to go.
  - First, estimate your travel costs by completing the first page of

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the worksheet. Use the links and tips on the worksheet to look up driving distances, costs of accommodations, etc.

- Second, determine your estimated reimbursements.
- Compare your costs to reimbursements. Which is larger?
- Give participants about **10 minutes** to complete the worksheet.

### Debrief the activity. (2 minutes)

#### Ask:

- How did your costs compare to your reimbursements?
- Were you surprised by any of the amounts on the worksheet?

#### Summarize this activity.

- An Excel worksheet has been developed for this lesson called “Financial Planning for a PCS Move” that you should complete after training.
- Use the amounts from this activity worksheet as you complete this electronic financial planning worksheet.



### Slide 6

Expenses After the Move	
• Temporary lodging and food	• Home furnishings
• Rental deposits/house closing costs	• Insurance
• Utility deposits	• Car registration/licenses/personal property tax
• Laundromat	• Childcare and school
• Cleaning supplies/food staples	

**Note:** This slide is animated and you will have to “click” several times for the entire text to appear.

### Present expenses that Service members may incur after the move at their new duty station.

- It’s important to consider all aspects of setting up your new home. Expenses you may encounter at your new duty station include:
  - **Temporary lodging and food:** You may need a temporary place to stay until you find a permanent home. To save money, try to find a place with a kitchen so you can prepare your own meals and avoid the expenses of eating out. Consider using the Navy Lodge, Inns of the Corps, MCCS Recreational Lodging, or other military service’s installation facilities.
  - **Rental deposits/house purchase closing costs:** Generally, you will not receive your security deposit from the house or apartment you just vacated until 30 to 60 days after you have left. Therefore, if you plan to rent at your new location, you’ll need to save for that security deposit. If you sold your home, you should have money from the sale to apply toward closing costs on your next home. If not, you will need to save that money in advance.
  - **Utility deposits:** Bring a letter of reference from previous utility companies stating that you paid on time to possibly get deposit fees waived or reduced at your new duty station. If you are a member of certain credit unions, your utility deposits may also be waived. A good credit score can also help you get deposits waived, so bring a current copy of your credit report.
  - **Laundromat:** If using a laundromat, try to do your laundry once you have accumulated full loads, rather than paying to

wash only a few items at a time.

- **Cleaning supplies/food staples:** Expect to spend more than usual at your first trip to the commissary. You will have to restock food and cleaning supplies that you could not ship. Look for coupons at the commissary to cut expenses.
- **Home furnishings:** If you need furniture, consider checking with the Thrift store on the installation or in the ads in the installation newspaper. Craigslist and other internet sites can also offer great savings. Be cautious of “easy money” solutions (e.g., payday lenders, pawn shops, title loans) and easy financing (e.g., rent-to-own) when setting up your new household. Take advantage of the layaway program at the Exchange for quality and affordability.
- **Insurance:** Your insurance may cost a bit more or less at your new duty station. Check with your auto and home insurance company for rates. Make sure your mileage from home to work is changed on your policy, especially if it is fewer miles.
- **Car registration/licenses/personal property tax:** Check with the state motor vehicle department or installation to find out what the rules are at your new duty station.
- **Childcare and schools:** Childcare and school costs may change with a move. Transferring children to a new school may involve tuition, uniforms, and new clothes. It’s important to examine these costs as you make decisions regarding public or private school for your children.



### Ask:

- Can anyone think of other expenses after the move at the new duty station?



### Transition to the next topic.

- Now that you understand what potential expenses are associated with a PCS move, let’s explore tips and strategies for ensuring a smooth move.

### Financial Tips for a Smooth Move



Financial Tips for a Smooth Move: **13 minutes**.

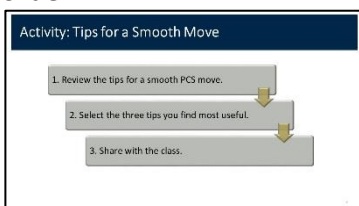


#### Activity: Financial Tips for a Smooth Move (10 minutes)

##### Introduce the activity. (1 minute)

- Explain that the purpose of this activity is to review tips and guidelines that can help ensure a smooth move.
- Have participants work individually during this activity.

#### Slide 7



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##### Conduct the activity. (8 minutes)

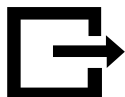
- Distribute the *Handout: Tips for a Smooth PCS Move* (one per participant).
- Provide the following instructions:
  - Review the tips and strategies for a smooth PCS transfer on the handout.
  - Select the top three tips that you find most useful.
  - Be prepared to share your top tips with the class.
- Give participants about **7 minutes** to review the handout.

##### Debrief the activity. (4 minutes)

- Ask for volunteers to share their top tips with the class and explain why they found these to be the most valuable.
- Summarize similarities and differences in responses.

##### Transition to the next topic.

- Now let’s summarize what we learned in this lesson.

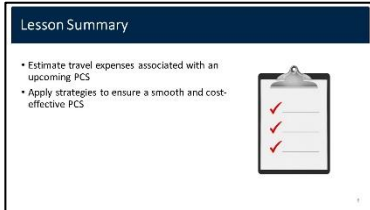


### Lesson Summary



Lesson Summary: **1 minute.**

#### Slide 8



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#### Summarize key learning points.

- Now that you have completed this lesson, you should be able to:
  - Estimate travel expenses associated with an upcoming PCS
  - Apply strategies to ensure a smooth and cost-effective PCS

#### Ask:

- Are there any questions or comments about the *Financial Planning for PCS* lesson?

### Instructor Resources

#### Key Terms

- **Permanent Change of Station (PCS):** Military orders authorizing the Marine/family to move to a new permanent duty station.

#### References

- Information for Members of the Military: <https://www.irs.gov/individuals/military>
- Military Benefits. PCS Tips For Military Families. Retrieved from <https://militarybenefits.info/pcs-tips-for-military-families/>
- Military.com. Moves Get Pricey: Know Your Benefits. Retrieved from <https://www.military.com/spouse/military-relocation/pcs-moves/managing-relocation-costs.html>
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- U.S. Department of the Navy. Office of the Secretary of the Navy. (2005). SECNAV Instruction 1754.1B: Department of the Navy Family Support Programs. Washington, D.C.