

## MY CHECKLIST



Marriage introduces many changes to a relationship, including ones to 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 your new status.

## 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

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.



## 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.

### 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.



#### 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.
- Establish a bill paying system that is effective for your new household.
- Check each of your three major credit reports for free at [www.annualcreditreport.com](http://www.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.
- Review your new tax situation and change federal and state withholding as needed via [mypay.dfas.mil](http://mypay.dfas.mil). Reserve members will need to do this with their employers as well.
- 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: \_\_\_\_\_  
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### 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).
- 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.



### MAJOR PURCHASES

- Analyze your housing and transportation needs and be sure to prepare your finances for any major purchases. Review the handouts on "Major Purchases" and "5 Rules of Buying a House" for more information.
- Work with the base housing office for any housing needs related to the change in your marital status.
- Review the "Education Benefits and Savings" and "Paying off Student Loans" handouts to learn more about financing education, available benefits, obligations, and repayment options.

Additional notes: \_\_\_\_\_  
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## 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 handouts entitled "Military Retirement" and "Thrift Savings Plan."
- Ensure that your new spouse is listed as a beneficiary of your TSP account, as desired.
- 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.

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

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.

- Update the beneficiaries of your Servicemembers' Group Life Insurance (SGLI), if appropriate.
- Enroll your dependents in Family Servicemembers' Group Life Insurance (FSGLI).
- Review and update your homeowners or renters property and liability insurance policies to ensure that they are adequate for your new circumstances.
- Update your auto insurance policies, to inform your insurance carrier of your new marital status.
- Speak with the Legal Service Office to discuss updating your car title(s) and registration(s) to include your new spouse, if joint ownership is desired.

- 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, etc.
- Consider updating any real estate deeds to include your new spouse, if you intend to own property jointly. Speak to the Legal Service Office on your installation for more information about your specific situation.

## ★ 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 handout "TRICARE Overview" for more information.
- 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.
- Enroll new family member(s) in the TRICARE Dental Program. Monthly premiums and copays will apply. Visit [www.tricare.mil/Dental](http://www.tricare.mil/Dental) for more information.
- Review the "Survivor Benefits Overview" handout for more information on financial resources available to eligible dependents.

## ★ 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?)

- Complete the “My Rating as a Money Manager?” and “Financial Values” handouts. Fill out the inventories individually, then compare and discuss your results.

Additional notes: \_\_\_\_\_

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## 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.
- Obtain birth certificates (and Social Security cards, if available) for your new spouse and any dependent children.
- 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.
- Obtain ID cards for your spouse and any dependent children.
- Check your Leave and Earnings Statement (LES) after DEERS updates.
- Seek out the Navy COMPASS course for new spouses on your base.
- Seek out and take advantage of financial workshops at the FFSC.

Additional notes: \_\_\_\_\_

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*CFS/PFM Printed Name*

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*Counselor Printed Name*

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