

**CFS Intro:** Welcome to training. Today our conversation is about managing your finances at your first duty station and beyond. The goal is to improve your understanding of personal finance as you settle into your new location. Together we will watch videos to aid in the sharing of information and discuss some of the financial aspects of arriving at your first duty station.

### Play Video 1

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1. Course  
Overview

**CFS Preface:** Arriving at your first duty station is an exciting time filled with new routines and new information. (CFS can share story of their first duty station.) Gaining a solid understanding of your finances now will set you up for success in the short term and long term. As we go through the videos and different topics are presented, take note of what you can directly apply to your personal finance journey.

### Play Video 2

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#### Discussion Questions



2. Compensation,  
Taxes and Banking

1. How often are you looking at your Leave and Earnings Statement?

**CFS Talking Points:** Use this opportunity to have students view their personal LES. Encourage participants to get in the habit of checking their LES every month. Explain that by checking the LES, potential pay problems such as underpayment or overpayment can be addressed in a timely manner. If time permits, review and show/point out to students common pay and allowances such as Base Pay, BAH, and BAS.

2. How did you choose the bank/credit union you are currently working with?

**CFS Talking Points:** Facilitate discussion on how and why students choose their current financial institution. Ask if the institution(s) was (were) chosen based upon the factors listed in the video: convenience, variety of products and services, fees, lifestyle. Discuss how to research financial institutions and choose the best fit for the individual. Remind them of fees and the importance of access to funds wherever they are in the world.

### Knowledge Check

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Question: You can update your federal and state tax withholding at what site?

Answer: [mypay.dfas.mil](http://mypay.dfas.mil)

## PART 2: Personal Finance Principles

**CFS Intro:** The next video will cover foundational personal finance principles that are essential to grasp and maintain throughout your life. Starting now at your first duty station puts time on your side and sets you up for a prosperous financial future.

### Play Video 3

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#### Discussion Questions



#### 3. Spending Plans

1. What unique expenses will you include when building your personal spending plan?

**CFS Talking Points:** Give participants time to respond. Explain that a personal spending plan is an individual plan or family plan (if appropriate) that will not be an exact copy of someone else's. Remind students that the important takeaway is to have a spending plan, to track expenses, and update or change as necessary.

2. Is your current spending in line with the financial goals you want to accomplish?

**CFS Talking Points:** Encourage students if they don't currently have specific financial goals to take time to think through and establish what they would like to accomplish short term and then move to long term. Ask students if the way they currently spend money reflects what they want their finances to look like. If not, remind them they are in control and offer ideas for change.

### Knowledge Check

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**Question:** It is recommended that transportation expenses not exceed what percentage of your income?

**Answer:** 15% – 20% of pretax pay, however lower is better

## PART 3: Debt and Credit

**CFS Intro:** The goal of the next video is to provide information on making informed decisions when it comes to credit and debt. Having this area of your life under control allows you to focus on your future and not be bound to paying for your past.

### Play Video 4

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#### Discussion Question



#### 4. Debt and Credit

Taking on too much debt can have what effect on your life?

**CFS Talking Points:** Give participants time to answer. Financial implications: interest going to the bank instead of working for you, which delays financial goals. Having to work longer, more hours, miss out on life events that cost money — vacation, entertainment, etc.

Other Considerations: Physical/psychological implications: stress, anxiety, depression, sleep disruption, relationship problems, not focused

## Knowledge Check

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Question: What are the three major credit reporting agencies? You can update your federal and state tax withholding at what site?

Answer: Equifax, TransUnion, Experian

Question: Which site lets you access your credit reports from the three major credit reporting agencies at no cost, once per year?

Answer: [www.annualcreditreport.com](http://www.annualcreditreport.com)

Question: What credit score is most commonly used in lending?

Answer: FICO; scores range on average 300 – 850

## PART 4: Consumer Protection and Identity Theft

**CFS Intro:** Protecting your personal information is vital for financial security. This video will address some of your protections to combat fraud.

### Play Video 5

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#### Discussion Questions



5. Protection from  
Misleading  
Consumer Practices

1. What can you do to better protect your personal and financial information?

**CFS Talking Points:** More secure passwords, being aware when using public Wi-Fi, keeping wallet secure, updated software, properly dispose of personal documents, make sure creditors have current address, check credit reports

## Knowledge Check

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Question: What two laws provide financial protections to Service members and their families?

Answer: Servicemembers Civil Relief Act (SCRA) and Military Lending Act (MLA)

## PART 5: Major Purchases

**CFS Intro:** Protecting your personal information is vital for financial security. This video will address some of your protections to combat fraud.

## Play Videos 6 & 7

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6. Financial Planning Topics



7. Financing a Major Purchase

### Discussion Question

Buying a vehicle is a big decision. Research and take your time. If you decide to finance this purchase, what factors were mentioned in the video that should be considered?

**CFS Talking Points:** Understand the basics (financing, APR). Know how much you can afford (experts recommend transportation costs no more than 15% – 20% of pretax income including loan payment, maintenance, insurance, and gasoline). Get pre-approved (compare rates). Be prepared (research vehicle costs, where to buy, be willing to walk away).

## PART 6: Education and Insurance

**CFS Intro:** Next up are valuable benefits you have access to while serving in the military. Take advantage of these opportunities while in the military to protect you and your family as well as furthering your education and career through programs specifically designed for you.

## Play Videos 8 & 9

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### Discussion Questions



8. Education and Career Investment Programs



9. Life and Health Insurance

1. Have you considered any of the programs mentioned for further education while you are serving? How can using these programs benefit you?

**CFS Talking Points:** Give participants time to answer. Examples include: Tuition Assistance Program, Servicemembers Civil Relief Act, Student Loan Repayment Plans, Public Service Loan Forgiveness, Apprentice Program. Furthering education while on Active-Duty can assist in a smooth transition to the civilian sector and can also enhance your knowledge for your current job.

2. Remember your named beneficiary on your life insurance supersedes what your will states. What life events might make you consider changing your beneficiaries?

**CFS Talking Points:** Marriage, divorce, birth of child, relationship change, the death of a beneficiary

## Knowledge Check

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Question: Explain a key feature of the difference between term and whole life insurance.

Answer:

- Term: specific amount for specific period of time; fixed cost, lower cost, not complex
- Whole: coverage for your entire life; flexible premiums; cash value

Question: Where can you go to review your health insurance options?

Answer: [www.tricare.mil](http://www.tricare.mil)

## PART 7: Investment Strategies

**CFS Intro:** At this point we have discussed having a proper spending plan, emergency savings, education benefits, health and life insurance. Next, we move onto ways to put your money in a position so it works for you.

### Play Videos 10, 11, 12 & 13

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10. Compound Interest



11. Basic Investing



12. Understanding the TSP



13. Managing Your TSP

### Discussion Questions

1. Why is it important to start investing now versus waiting until later?

**CFS Talking Points:** Compound interest is powerful, but it takes time to experience the full benefits. Encourage students to focus on what they can save each paycheck and not how difficult it is to save. It's not how much you make, but what you keep that is important.

2. Are you currently using any of the three primary investment categories?

**CFS Talking Points:** Encourage students to discuss cash, bonds and stocks. Ask how they can use these investment tools to reach their financial goals. Remind students of risk and timeframe and how they can impact the choices they make when deciding what investment tool(s) to use. Discuss using mutual funds as an option for diversification.

3. How can you play a more active role in funding your future financial goals to include retirement?

**CFS Talking Points:** Pay attention, get organized, have account information, check accounts on a regular basis, work with a Command Financial Specialist and/or Financial Counselor for additional education

### Knowledge Check

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Question: What are 3 major inputs that will determine the outcome of your investments?

Answer: The amount of money you invest, the rate of return of the investments, and time

Question: investment tool can provide stability to your portfolio and may be a good option for shorter-term financial goals?

Answer: Term: bonds

Question: What is the purpose of the Thrift Savings Plan?

Answer: Allows participants a tax-advantaged account to save for retirement

## PART 8: First Duty Station Conclusion

**CFS Intro:** Now that we have discussed financial considerations of your first duty station, remember that you can speak with a Financial Counselor on base if you have questions or concerns. This installation has the resources to assist you as you navigate your financial life in the military as well as prepare you for life after service.

### Play Video 14

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14. First Duty  
Station Conclusion

### CFS Follow UP

The CFS will need to provide the contact information for Financial Counselor and other relevant resources specific to Service member's installation.