

Congratulations on your promotion! It's a great time to review your finances and set a path toward a more successful, prosperous future. This checklist, supplemented with information and referrals made by the appropriate provider, can help you organize and efficiently work through many of the financial questions you might have about your situation.

HANDOUTS

- ✓ Spending Plan Worksheet
- ✓ Understanding Credit
- ✓ Thrift Savings Plan
- ✓ Combat Zone Tax Exclusion
- ✓ Free Credit Monitoring
- ✓ Military Retirement
- ✓ Contribution Limits

Counselor: Consider using this checklist as a solution-focused tool to help your Soldier(s), in a one-on-one conversation/session check their spending plan, better manage debt, build savings, boost retirement accounts, invest in their professional development and know where to turn for additional help.

FINANCIAL PLANNING

- 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 tips financial experts suggest to help you get started.

Counselor: Inform Soldier(s) you can provide a "Spending Plan Worksheet" as well as more detailed templates with features that can help them understand their financial condition and reduce excessive debt.

Tip 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 of your current cash inflows and outflows for the next 30 days. How you do the tracking is up to you, but what's important is you do it.

Tip 2: Know where your money should go.

Financial experts offer these general guidelines when budgeting your money:

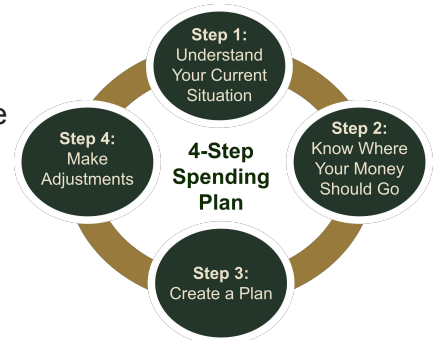
- Save and/or invest 10 - 15% of pretax pay.
- Strive to keep transportation expenses including car payments, insurance, gas, and maintenance to 15 - 20% of pretax pay.
- Limit housing expenses, including mortgage or rent payment, taxes, utilities, maintenance, etc., to your BAH or to 25% of pretax pay.

Tip 3: Create a plan.

Build a plan for setting aside money and putting limits on how much you'll spend each month on various categories.

Tip 4: Make adjustments.

Make sure to go back and update your budget as life changes.



- 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 using some of your pay raise to help get you there.

Counselor: Share the concepts of paying yourself first, automating savings, and keeping their emergency fund in a separate account. Suggest the Soldier make it effortless by setting up an automatic transfer through his/her bank or an allotment, time permitting.

- Review credit report for errors. As a reminder, www.annualcreditreport.com, offers free weekly online credit reports from Equifax, Experia and TransUnion. Soldiers are able to request free credit monitoring services from the nationwide credit reporting agencies, under certain conditions. Refer to the "Understanding Credit" handout for more information.

Counselor: Remind Soldiers that a financial counselor can help to review their credit report for errors, interpret their reports and discuss ways to improve their scores.

- Review your retirement savings goals and consider saving in the Thrift Savings Plan (TSP). The pay increase that comes with a promotion is a great opportunity to power up their retirement investments.
 - Review the "Thrift Savings Plan" handout that accompanies this checklist.
 - Consider increasing your contributions toward retirement. Saving might be easier since it's money you're not accustomed to spending.
 - Whether you're in the Blended Retirement System (BRS) or Legacy "High-3" Retirement System, review the "Thrift Savings Plan" handout for more information on TSP investment options. The total TSP contributions are up to the amount of the IRS Annual Addition Limit, IRC 415 (c).
 - For those covered under the BRS consider contributing at least 5% of basic pay to your TSP to take full advantage of the matching available from your Service. See the chart below for details on how matching contributions work.

Defined Contribution Thrift Savings Plan (TSP) Under the Blended Retirement System			
You Contribute	DoD Auto Contribution	DoD Matches	Total
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%



MANAGING YOUR TSP

- To manage your TSP account visit www.TSP.gov, and log in with your account number. If you have misplaced or lost your account number, visit <https://www.tsp.gov/tsp/forgottenAccount.html> to request the account number be mailed to you. Download the application for ease of use!
- Review and update beneficiaries in your TSP account, if applicable.

Counselor: Refer counselee to the TSP.gov website to complete Form TSP-3 Designation of Beneficiary form to update beneficiaries.

- Update contact information for your TSP account, if applicable.



CAREER INVESTMENT PROGRAMS

- Invest in your future marketability. There's no time like the present — while you have a reliable job and paycheck — to explore how you can develop yourself professionally. Prepare your career for transition from the military to the civilian sector, and improve potential upward mobility and greater earning power with these tips from the DoD Career Ready Portal at <https://dodcareerready.usalearning.gov/>.

Tip 1: Look into whether your military career offers a registered apprenticeship for your MOS or skills you may have.

Visit the United Services Military Apprenticeship Program (USMAP) website to identify and register for apprenticeships, track progress, and report completion of apprenticeships. Learn more: https://dodcareerready.usalearning.gov/service_members/apprenticeships.

Tip 2: Determine if your military experience translates into a civilian credential.

Turn your military experience into certifications and licensing by visiting Army, Navy, Marine Corps and Air Force Credentialing Opportunities Online (COOL): https://dodcareerready.usalearning.gov/service_members/credentials.

Tip 3: Explore eligibility for tuition assistance.

Did you know that you could qualify for tuition assistance to pursue your education and potentially increase your earning potential? Learn more about all the opportunities:

https://dodcareerready.usalearning.gov/service_members/tuition_assistance.

Counselor: For more information on these programs, visit https://dodcareerready.usalearning.gov/service_members and show the Soldier around this website, discuss future career goals, and how building skills and gaining education can increase their earning power. Refer Soldiers to the Transition Assistance and Employment Readiness programs, as needed.



RESOURCES

Financial readiness is a team sport, so don't feel like you have to do it alone. Help is just a click, call, or walk away.

- **Click:** <https://www.financialfrontline.org> for financial education resources at your fingertips.
- **Call:** Military OneSource at 1 (800) 342-9647 for phone or video financial counseling with a professional financial counselor.
- **Walk:** Visit a personal financial counselor at your local Army Community Service Center or Military & Family Readiness Center who can help you find answers to questions about money management, debt, saving, investing and other issues.
- **Military Leader and Service Provider Toolkit:** If you identify a Soldier who needs help with housing, food or financial well-being, visit <https://www.militaryonesource.mil/leaders-service-providers/economic-security>.

Counselor: After you have completed this checklist with the Soldier, encourage them to ask questions, especially about topics that the tool did not touch on. Are there any additional resources for which you should make a referral? Now is a great opportunity to see what other services they might benefit from.



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