PRE-DEPLOYMENT PREPARATION
MY CHECKLIST

Preparing for deployment can be a stressful time for you and your family. A deployment can also provide an excellent opportunity to improve your financial situation, if you're prepared. This checklist is all about getting your finances ready before you deploy, so you can take advantage of opportunities and help alleviate stress.

HANDOUTS

- ✓ Spending Plan Worksheet
- ✓ Combat Zone Tax Exclusion
- ✓ TRICARE Overview
- ✓ Survivor Benefits Overview
- ✓ Thrift Saving Plan
- ✓ Financial Warning Signs
- ✓ Military Consumer Protection
- ✓ Paying Off Student Loans
- ✓ Sources of Help For Military Consumers
- ✓ Estate Planning
- ✓ Understanding Credit
- ✓ Free Credit Monitoring Handout
- ✓ LES Handout
- ✓ Contribution Limits Handout
- ✓ SCRA Handout

In addition to the training materials contained in this checklist, the financial counselors at the Army Community Service Center (ACS), can help you with your specific situation before you deploy.

FINANCIAL PLANNING FOR DEPLOYMENT

☐ Set achievable financial goals you want to accomplish while you are deployed. Examples may include paying off debt, saving for a down payment on a new car, or investing for retirement. Write your goals on the lines provided:

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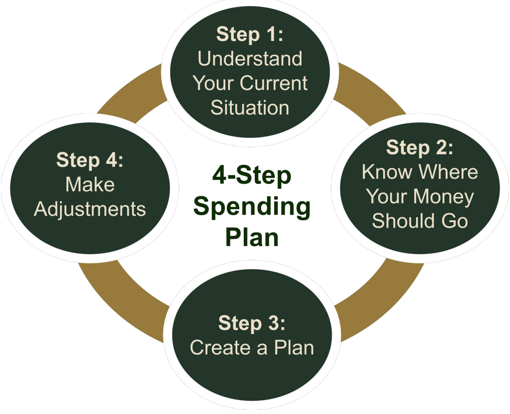
☐ Here are a few examples of financial goals other Soldiers have set during their deployment:

- Pay off debt
- Invest for retirement (see TSP information below)
- Save for a down payment on a home
- Save for a car purchase
- Start a college fund
- Save in the Savings Deposit Program (SDP)
- Build a solid emergency fund ($1,000 minimum with a goal of three to six months of expenses)

☐ Create and update your spending plan before you deploy. Complete the "Spending Plan Worksheet" to account for changes to income and expenses. A good spending plan helps you manage your money, plan for your financial goals, and prepare for emergencies



- [ ] Determine eligibility for special pays and entitlements during your deployment. Also, account for potential changes to your expenses. The lists below offers a few examples of potential income and expense changes to consider:

POTENTIAL INCOME CHANGES:*

- Family Separation Allowance (FSA): FSA may be payable at the rate of $250 per month (certain exclusions apply; DD Form 1561)
- Hostile Fire/Imminent Danger Pay: HFP/IDP may be payable at the rate of $225 per month when assigned to a designated area (prorated to$7.50 per day for periods less than a month)
- Combat Zone Tax Exclusion (CZTE)
- Hardship Duty Pay Location (HDP/L): Rates may vary from $50-150 per month depending on location
- Per Diem: $3.50 TDY OCONUS or $5.00 TDY CONUS
- Assignment Incentive Pay-OD (AIP-OD): $195
- Promotion
- Reenlistment bonus
- Continuation Pay
- Loss of spousal income
- Loss of secondary income (if Command approved)
- Guard/Reserve members may find military pay differs significantly from their civilian pay

POTENTIAL EXPENSE CHANGES:*

- Meal deduction in deployment locations
- Extra child care costs
- Extra pet boarding
- Maintenance and repair expenses
- State and Federal income taxes
- Demotion

** Check your Leave and Earnings Statement (LES) to verify pay adjustments are accurately reflected.*

- [ ] Review the "Combat Zone Tax Exclusion" handout to learn more about common tax benefits and special IRS rules that may apply to your deployment.

- [ ] Review your tax situation and act accordingly.

  - For Soldiers who will be deployed out of the country, extensions of tax filing deadlines may apply. Some extensions are automatic, while some have to be requested of the IRS. The lengths of time involved vary.
  - Consider providing tax documentation to your Power of Attorney (POA), if applicable.
  - For more information, visit ***https://www.irs.gov*** and search IRS Publication 3, the Armed Forces' Tax Guide (***https://www.irs.gov/publications/p3***). This publication covers Soldier's tax benefits and responsibilities in detail.

- [ ] Consider setting up automatic bill payments to ensure you keep up with your financial obligations and communicate with your POA about payments that need to be made throughout the month.

PLANNING FOR THE FUTURE

☐ Evaluate your life insurance policies before you deploy 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.

Liabilities	Debt you would like to pay off, like a mortgage, auto loan, or credit card(s)	$
Income to be replaced	Income you would like to replace. Multiply targeted annual income amount by the number of years to replace.	$
Funeral and final expenses	The amount you would like to set aside for final expenses	$
Education and other goals	The amount you want to set aside to fund education and other goals for family, friends, or charitable organizations	$
	Total life insurance needed	**$$$$**

Then compare your life insurance needs with your current amount of coverage plus any assets available at your 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 may be subject to fees and penalties if canceled during a specified time.

☐ Check your SGLI coverage, which is automatically $500,000 unless another election is made. Family Servicemembers' Group Life Insurance (FSGLI) provides coverage to spouses (pay a premium) and dependent children are insured at no cost. Review and update your beneficiaries on SGLI and private policies.

- To update the beneficiaries of your SGLI, access the SGLI Online Enrollment System (SOES), by signing into the milConnect site at ***https://milconnect.dmdc.osd.mil/milconnect/*** and searching the "Benefits" tab.
- Carefully review any additional life insurance coverages for potential disqualifying events, like war clauses.

☐ Visit your installation's legal office (or other legal counsel) to establish or update your estate planning documents, such as wills, power of attorney, trusts and advance directive. If applicable, designate one or more guardians for your dependent(s). Review the "Estate Planning" handout for more information.

☐ Notify your health, auto, and property insurance providers of your deployment and make changes where appropriate. Guard/Reserve members receive TRICARE coverage for themselves and their families when reporting for active duty. Coverage may begin sooner if the orders have a delayed reporting date. Refer to the "TRICARE Overview" handout for more information about health insurance.

☐ Review the "Survivor Benefits Overview" handout to learn more about policies and programs available for Survivors.

SAVING AND INVESTING

- ☐ Create a plan to establish an emergency fund to cover three to six months of living expenses.

- ☐ Consider taking advantage of the DoD's Savings Deposit Program (SDP).

  The SDP offers a great opportunity to increase returns on cash savings. The program guarantees an annual return of 10%, compounded quarterly, up to $10,000 in savings. To learn more about the Savings Deposit Program visit the DFAS website at: ***https://www.dfas.mil/MilitaryMembers/sdp/***.

- ☐ Review the "Thrift Savings Plan (TSP)" and "Combat Zone Tax Exclusion" handout for more information about investing options and contribution limits while deployed to a designated combat zone. The total TSP contributions are up to the amount of the IRS Annual Addition Limit, IRC 415 (c).

- ☐ The maximum contribution to an Individual Retirement Account (IRA) is subject to change each year by the IRS. Visit the IRS website to get the most up to date information. Under the CZTE, you can make a Roth IRA contribution with your tax-exempt income. Note: You can make contributions to both the TSP and an IRA. They are separate retirement savings accounts.

- ☐ For participants who contribute to both a civilian TSP (or other tax-deferred retirement plan) and an uniformed services TSP account during the year, the elective deferral and catch-up contribution limits apply to the combined amounts of traditional and Roth contributions made to both accounts. Because tax rules are complex, you may wish to consult a tax advisor if you exceed the elective deferral limit.

MANAGING DEBT AND CREDIT

- ☐ Understand the warning signs of debt and know where to get help. Review the "Financial Warning Signs" handout for more information.

- ☐ Consider obtaining a power of attorney (POA) to authorize spouse use of Army Emergency Relief (AER) assistance. This will allow your spouse to apply for emergency financial assistance. AER understands the challenges that come with active duty Army life — from deployments to PCS orders — and offers targeted community programs to help make everyday life on base a little easier. They can offer financial assistance, grants, and zero interest loans to Soldiers who are experiencing financial hardships.

- ☐ Carefully review your debt and utilize the Servicemembers Civil Relief Act (SCRA). Refer to the "Servicemembers Civil Relief Act (SCRA)" and "Military Consumer Protection" handouts to learn more about your rights. The SCRA limits the interest rate to 6% on all debts incurred before your active duty military service. Contact your creditors and lenders to discuss reducing interest rates on credit cards, car loans, certain student loans, home equity loans and mortgages.

- ☐ Take advantage of student loan programs offered to deployed Soldiers. You are legally entitled to have interest on some student loans suspended for the duration of your service while deployed in a combat zone. Review the "Paying Off Student Loans" handout for more information.

- ☐ Soldiers for whom mobilization reduces income may qualify for income-based payment reductions. Some service in hostile-fire area may entitle you to loan cancellation.

  The SCRA can reduce the interest rate on student loans for Guard/Reserve members ordered to active duty. Speak with your loan servicer to meet documentation requirements and also notify servicers when you are released from active duty. Review the "SCRA" handout for more information.

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- ☐ Check each of your three major credit reports for free at ***annualcreditreport.com***. Soldiers can request free credit monitoring services from the nationwide credit reporting agencies: Equifax, Experian, and TransUnion. Review the "Understanding Credit" handout for more information.

- ☐ Set up an active duty alert through any one of the three major credit bureaus to help protect against identity theft while you are deployed. Refer to the "Military Consumer Protection" handout for more information.

  An active duty alert requires creditors to take steps to verify the identity of the applicant before granting credit in that person's name. It is effective for one year, unless you request for it to be removed sooner. If your deployment lasts longer than one year, you may place another alert on the report.

- ☐ Protect yourself from misleading consumer practices and understand how to report complaints. Scammers tend to target deployed Soldiers and their family members. Encourage family members not to disclose the fact that you are deployed to unknown persons. Review the "Sources of Help for Military Consumers" handout for more information.

Counselor Printed Name		*Soldier Printed Name*	
Signature	*Date*	*Signature*	*Date*