



Taking on a leadership role in the Navy comes with many responsibilities. One of which is to ensure financial readiness in order to sustain mission readiness. This checklist can help you, as a new or seasoned leader in the Navy, prepare to handle the challenges that come with your leadership role.

HANDOUTS

- ✓ Financial Warning Signs
- ✓ The Need for PFM
- ✓ Military Retirement

Military members tend to have increased financial management issues for a number of reasons, including: age, lifestyle and access to credit. Service members tend to move away from home and their support system at a younger age than the general population. Deployments, frequent moves, and difficulties maintaining spouse employment can increase financial challenges. Easy access to credit without a solid understanding of managing credit can also factor into financial problems.



PERSONAL FINANCIAL MANAGEMENT

- Be aware of the unique financial issues affecting the military lifestyle. Review the “Need for Personal Financial Management” handout for more information.
- Obtain and retain security clearances. Check each of your three major credit reports at www.annualcreditreport.com. Effective 31 October 2019, Service members will be able to request free credit monitoring services from the nationwide credit reporting agencies, under certain conditions.
- Know the resources available to assist your Sailor. Help is available at the Fleet and Family Support Center, through your Command Financial Specialists (CFS), and through the Navy-Marine Corps Relief Society (NMCRS).
- Understand that Sailors will be required to complete financial training at various career milestones and life events.

These events include: Initial Entry Training, First Duty Station, Subsequent Duty Station (for members in paygrades E-4 or below and O-3 or below), Promotion (for members in paygrades E-5 or below and O-4 or below), Vesting in TSP, Major Life Event (Marriage, Divorce, New Child, Disabling Sickness or Condition), Leadership Training, Pre- and Post-Deployment, Entitlement to Continuation Pay, and Transition.



FINANCIAL WARNING SIGNS

- Know your role and responsibilities as leader in the Navy. Review the "Financial Warning Signs" handout for more information on financial risk factors.
- Know the common financial risk factors and how they can impact a Sailor.
- Learn how to identify Sailors at risk of financial troubles.



RETIREMENT

- Understand the benefits of each military retirement system: Legacy "High-3" or Blended Retirement System (BRS) and the rules on Thrift Savings Plan matching/vesting. As a leader, you may receive questions on either system.
Review the "Military Retirement" handout accompanying this checklist for more information.
- Understand the importance of retirement planning throughout the military lifecycle. It is never too early to start planning for retirement. The sooner you begin saving, the less you may have to save over time. Once you start saving, it shouldn't be a "set it and forget it" mentality. Revisit savings goals and TSP contributions regularly.
- See your installation's legal office to review and update your estate planning documents, like your will and power of attorney. No need for your benefits to go to unintended recipients. Remind your Sailors as well.
- Review TSP and withdrawal/rollover options upon reaching retirement age and/or separating from the military.
 1. Leave the TSP in place, but once you separate from service, you no longer make contributions to the account.
 2. Withdraw the funds in the TSP. This may have tax and penalties applied.
 3. Rollover the TSP into an Individual Retirement Account. This typically has no tax implications if the rollover is done into the proper account type (Traditional or Roth). Speak with the new investment company for assistance before transferring any funds to avoid unnecessary tax penalties. Speak with the new investment company for assistance before transferring any funds to avoid unnecessary tax penalties.

For more information, visit www.tsp.gov. Speak with a financial counselor at the Fleet and Family Support Center for help with your specific situation.

CFS/PFM/Instructor Printed Name

Counselee Printed Name

Signature

Date

Signature

Date