



CFPB Financial Well-Being Scale Assessment

Part 1: How well does this statement describe you or your situation?

This statement describes me	Completely	Very well	Somewhat	Very little	Not at all
1. I could handle a major unexpected expense	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I am securing my financial future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Because of my money situation, I feel like I will never have the things I want in life	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. I can enjoy life because of the way I'm managing my money	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. I am just getting by financially	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. I am concerned that the money I have or will save won't last	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Part 2: How often does this statement apply to you?

This statement applies to me	Always	Often	Sometimes	Rarely	Never
7. Giving a gift for a wedding, birthday or other occasion would put a strain on my finances for the month	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. I have money left over at the end of the month	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. I am behind with my finances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. My finances control my life	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Part 3: Tell us about yourself.

11. How old are you?	<input type="checkbox"/> 18-61	<input type="checkbox"/> 62+
12. How did you take the questionnaire?	<input type="checkbox"/> I read the questions	<input type="checkbox"/> Someone read the questions to me



How to read an active duty Air Force Leave and Earning Statement

Your pay is your responsibility.

This is a guide to help you understand your Leave and Earnings Statement (LES). The LES is a comprehensive statement of a member's leave and earnings showing your entitlements, deductions, allotments (fields not used for Reserve and National Guard members), leave information, tax withholding information, and Thrift Savings Plan (TSP) information. Your most recent LES can be found 24 hours a day on **myPay**.

If members receive Career Sea Pay, the Sea Service Counter will still be displayed in the remark portion of the LES. The LES remains one page in length.

Verify and keep your LES each month. If your pay varies significantly and you don't understand why, or if you have any questions after reading this publication, consult with your disbursing/finance office.

DEFENSE FINANCE AND ACCOUNTING SERVICE MILITARY LEAVE AND EARNINGS STATEMENT																				
ID	NAME (LAST, FIRST, MI)				SOC SEC NO.	GRADE	PAY DATE	YRS SVC	ETS	BRANCH	ADSN/DSSN	PERIOD COVERED								
ENTITLEMENTS			DEDUCTIONS			ALLOTMENTS			SUMMARY											
TYPE		AMOUNT		TYPE		AMOUNT		TYPE		AMOUNT		+								
A B C D E F G H I J K L M N O	10		11		12						+ AMT FWD		13							
											+ TOT ENT		14							
											- TOT DED		15							
											- TOT ALMT		16							
											= NET AMT		17							
											- CR FWD		18							
											= EOM PAY		19							
											DIEMS		RET PLAN							
	TOTAL		20		21		22				23		24							
	LEAVE		BF BAL	ERND	USED	CR BAL	ETS BAL	LV LOST	LV PAID	USE LOSE	FED TAXES		WAGE PERIOD	WAGE YTD	M/S	EX	ADD'L TAX	TAX YTD		
		25	26	27	28	29	30	31	32	33		34	35	36	37	38				
FICA TAXES		WAGE PERIOD		SOC WAGE YTD		SOC TAX YTD		MED WAGE YTD		MED TAX YTD		STATE TAXES		ST	WAGE PERIOD	WAGE YTD	M/S	EX	TAX YTD	
		39		40		41		42		43		44		45	46	47	48	49		
PAY DATA		BAQ TYPE		BAQ DEPN		VHA ZIP		RENT AMT		SHARE	STAT	JFTR	DEPN	2D/JFTR	BAS TYPE		CHARITY YTD		TPC	PACIDN
		50		51		52		53		54	55	56	57	58	59		60		61	62
Thrift Savings Plan (TSP)		BASE PAY RATE		BASE PAY CURRENT		SPEC PAY RATE		SPEC PAY CURRENT		INC PAY RATE		INC PAY CURRENT		BONUS PAY RATE		BONUS PAY CURRENT				
		63		64		65		66		67		68		69		70				
		CURRENTLY NOT USED		TSP YTD DEDUCTIONS		DEFERRED		EXEMPT		CURRENTLY NOT USED										
		71		72		73		74		75										
REMARKS		YTD ENTITLE				YTD DEDUCT														
		76				77				78										

Fields 1 - 9 contain the identification portion of the LES.

- **1 NAME:** The member's name in last, first, middle initial format.
- **2 SOC. SEC. NO.:** The member's Social Security Number.
- **3 GRADE:** The member's current pay grade.
- **4 PAY DATE:** The date the member entered active duty for pay purposes in YYMMDD format. This is synonymous with the Pay Entry Base Date (PEBD).
- **5 YRS SVC:** In two digits, the actual years of creditable service.
- **6 ETS:** The Expiration Term of Service in YYMMDD format. This is synonymous with the Expiration of Active Obligated Service (EAOS).
- **7 BRANCH:** The branch of service, i.e., Navy, Army, Air Force.
- **8 ADSN/DSSN:** The Disbursing Station Symbol Number used to identify each disbursing/finance office.
- **9 PERIOD COVERED:** This is the period covered by the individual LES. Normally it will be for one calendar month. If this is a separation LES, the separation date will appear in this field.

Fields 10 through 24 contain the entitlements, deductions, allotments, their respective totals, a mathematical summary portion, date initially entered military service, and retirement plan.

- **10 ENTITLEMENTS:** In columnar style the names of the entitlements and allowances being paid. Space is allocated for fifteen entitlements and/or allowances. If more than fifteen are present the overflow will be printed in the remarks block. Any retroactive entitlements and/or allowances will be added to like entitlements and/or allowances.
- **11 DEDUCTIONS:** The description of the deductions are listed in columnar style. This includes items such as taxes, SGLI, Mid-month pay and dependent dental plan. Space is allocated for fifteen deductions. If more than fifteen are present the overflow will be printed in the remarks block. Any retroactive deductions will be added to like deductions.
- **12 ALLOTMENTS:** In columnar style the type of the actual allotments being deducted. This includes discretionary and non-discretionary allotments for savings and/or checking accounts, insurance, bonds, etc. Space is allocated for fifteen allotments. If a member has more than one of the same type of allotment, the only differentiation may be that of the dollar amount.
- **13 +AMT FWD:** The amount of all unpaid pay and allowances due from the prior LES.
- **14 + TOT ENT:** The figure from Field 20 that is the total of all entitlements and/or allowances listed.
- **15 -TOT DED:** The figure from Field 21 that is the total of all deductions.
- **16 -TOT ALMT:** The figure from Field 22 that is the total of all allotments.
- **17 = NET AMT:** The dollar value of all unpaid pay and allowances, plus total entitlements and/or allowances, minus deductions and allotments due on the current LES.
- **18 - CR FWD:** The dollar value of all unpaid pay and allowances due to reflect on the next LES as the +AMT FWD.
- **19 = EOM PAY:** The actual amount of the payment to be paid to the member on End-of-Month payday.
- **20 - 22 TOTAL:** The total amounts for the entitlements and/or allowances, deductions and allotments respectively.
- **23 DIEMS:** Date initially entered military service: This date is used SOLELY to indicate which retirement plan a member is under. For those members with a DIEMS date prior to September 8, 1980, they are under the FINAL PAY retirement plan. For those members with a DIEMS date of September 8, 1980 through July 31, 1986, they are under the HIGH-3 retirement plan. For those members with a DIEMS date of August 1, 1986 or later, they were initially under the REDUX retirement plan. This was changed by law in October 2000, when they were placed under the HIGH-3 plan, with the OPTION to return to the REDUX plan. In consideration of making this election, they become entitled to a \$30,000 Career Service Bonus. The data in this block comes from PERSCOM. DFAS is not responsible for the accuracy of this data. If a member feels that the DIEMS date shown in this block is erroneous, they must see their local servicing Personnel Office for corrective action.
- **24 RET PLAN:** Type of retirement plan, i.e. Final Pay, High 3, REDUX; or CHOICE (CHOICE reflects members who have less than 15 years service and have not elected to go with REDUX or stay with their current retirement plan).

Fields 25 through 32 contain leave information.

- **25 BF BAL:** The brought forward leave balance. Balance may be at the beginning of the fiscal year, or when active duty began, or the day after the member was paid Lump Sum Leave (LSL).
- **26 ERND:** The cumulative amount of leave earned in the current fiscal year or current term of enlistment if the member reenlisted/extended since the beginning of the fiscal year. Normally increases by 2.5 days each month.
- **27 USED:** The cumulative amount of leave used in the current fiscal year or current term of enlistment if member reenlisted/extended since the beginning of the fiscal year.
- **28 CR BAL:** The current leave balance as of the end of the period covered by the LES.
- **29 ETS BAL:** The projected leave balance to the member's Expiration Term of Service (ETS).

- **30 LV LOST:** The number of days of leave that has been lost.
- **31 LV PAID:** The number of days of leave paid to date.
- **32 USE/LOSE:** The projected number of days of leave that will be lost if not taken in the current fiscal year on a monthly basis. The number of days of leave in this block will decrease with any leave usage.

Fields 33 through 38 contain Federal Tax withholding information.

- **33 WAGE PERIOD:** The amount of money earned this LES period that is subject to Federal Income Tax Withholding (FITW).
- **34 WAGE YTD:** The money earned year-to-date that is subject to FITW. Field 35 M/S. The marital status used to compute the FITW.
- **36 EX:** The number of exemptions used to compute the FITW.
- **37 ADD'L TAX:** The member specified additional dollar amount to be withheld in addition to the amount computed by the Marital Status and Exemptions.
- **38 TAX YTD:** The cumulative total of FITW withheld throughout the calendar year.

Fields 39 through 43 contain Federal Insurance Contributions Act (FICA) information.

- **39 WAGE PERIOD:** The amount of money earned this LES period that is subject to FICA.
- **40 SOC WAGE YTD:** The wages earned year-to-date that are subject to FICA.
- **41 SOC TAX YTD:** Cumulative total of FICA withheld throughout the calendar year.
- **42 MED WAGE YTD:** The wages earned year-to-date that are subject to Medicare.
- **43 MED TAX YTD:** Cumulative total of Medicare taxes paid year-to-date.

Fields 44 through 49 contain State Tax information.

- **44 ST:** The two digit postal abbreviation for the state the member elected.
- **45 WAGE PERIOD:** The amount of money earned this LES period that is subject to State Income Tax Withholding (SITW).
- **46 WAGE YTD:** The money earned year-to-date that is subject to SITW. Field 47 M/S. The marital status used to compute the SITW.
- **48 EX:** The number of exemptions used to compute the SITW.
- **49 TAX YTD:** The cumulative total of SITW withheld throughout the calendar year.

Fields 50 through 62 contain additional Pay Data.

- **50 BAQ TYPE:** The type of Basic Allowance for Quarters being paid.
- **51 BAQ DEPN:** A code that indicates the type of dependent. A - Spouse C -Child D - Parent G - Grandfathered I -Member married to member/own right K - Ward of the court L - Parents in Law R - Own right S - Student (age 21-22) T - Handicapped child over age 21 W - Member married to member, child under 21
- **52 VHA ZIP:** The zip code used in the computation of Variable Housing Allowance (VHA) if entitlement exists.
- **53 RENT AMT:** The amount of rent paid for housing if applicable.
- **54 SHARE:** The number of people with which the member shares housing costs.
- **55 STAT:** The VHA status; i.e., accompanied or unaccompanied.
- **56 JFTR:** The Joint Federal Travel Regulation (JFTR) code based on the location of the member for Cost of Living Allowance (COLA) purposes.
- **57 DEPNS:** The number of dependents the member has for VHA purposes.
- **58 2D JFTR:** The JFTR code based on the location of the member's dependents for COLA purposes.
- **59 BAS TYPE:** An alpha code that indicates the type of Basic Allowance for Subsistence (BAS) the member is receiving, if applicable. This field will be blank for officers.
 - B - Separate Rations
 - C - TDY/PCS/Proceed Time
 - H - Rations-in-kind not available
 - K - Rations under emergency conditions
- **60 CHARITY YTD:** The cumulative amount of charitable contributions for the calendar year.
- **61 TPC:** This field is not used by the active component of any branch of service.
- **62 PACIDN:** The activity Unit Identification Code (UIC). This field is currently used by Army only.

Fields 63 through 75 contain Thrift Savings Plan (TSP) information/data.

- **63 BASE PAY RATE:** The percentage of base pay elected for TSP contributions.
- **64 BASE PAY CURRENT:** Reserved for future use.
- **65 SPECIAL PAY RATE:** The percentage of Specialty Pay elected for TSP contribution.

- **66 SPECIAL PAY CURRENT:** Reserved for future use.
- **67 INCENTIVE PAY RATE:** Percentage of Incentive Pay elected for TSP contribution.
- **68 INCENTIVE PAY CURRENT:** Reserved for future use.
- **69 BONUS PAY RATE:** The percentage of Bonus Pay elected towards TSP contribution.
- **70 BONUS PAY CURRENT:** Reserved for future use.
- **71** Reserved for future use.
- **72 TSP YTD DEDUCTION (TSP YEAR TO DATE DEDUCTION):** Dollar amount of TSP contributions deducted for the year.
- **73 DEFERRED:** Total dollar amount of TSP contributions that are deferred for tax purposes.
- **74 EXEMPT:** Dollar amount of TSP contributions that are reported as tax exempt to the Internal Revenue Service (IRS).
- **75** Reserved for future use

76 REMARKS: This area is used to provide you with general notices from varying levels of command, as well as the literal explanation of starts, stops, and changes to pay items in the entries within the "ENTITLEMENTS", "DEDUCTIONS", and "ALLOTMENTS" fields.

77 YTD ENTITLE: The cumulative total of all entitlements for the calendar year.

78 YTD DEDUCT: The cumulative total of all deductions for the calendar year.



Sample LES

This handout is published as a guide to inform you about your DFAS Leave and Earnings Statement (LES) and what it means to you. Each month, you will receive, or find on myPay, an LES showing entitlements, deductions and allotments.

DEFENSE FINANCE AND ACCOUNTING SERVICE MILITARY LEAVE AND EARNINGS STATEMENT																	
ID	NAME (Last, First, MI)			SOC. SEC. NO.	GRADE	PAY DATE	YRS SVC	ETS	BRANCH	ADSN/DSSN	PERIOD COVERED						
ENTITLEMENTS				DEDUCTIONS				ALLOTMENTS				SUMMARY					
Type		Amount		Type		Amount		Type		Amount		+ Amt Fwd					
A	BASE PAY			FEDERAL TAXES			DISCRETIONARY ALT		+ Tot Ent								
B	BAH			FICA-SOC SECURITY			DISCRETIONARY ALT		- Tot Ded								
C	CSP			FICA-MEDICARE			AFAF ALLOT		- Tot Allmt								
D	BAS			SGLI FOR 250,000			TRICARE DENTAL		= Net Amt								
E	CRA			AFRH					- Cr Fwd								
F				MEAL DEDUCTION					= EOM Pay								
G				MID-MONTH-PAY													
H																	
I																	
J																	
K																	
L																	
TOTAL		5463.97				3103.35				240.29		DIEMS			RETPLAN		
LEAVE		BF Bal	Emd	Used	Cr Bal	ETS Bal	LV Lost	LvPd	Use/Lose	FED TAXES	Wage Period	Wage YTD	M/S	Ex	Add Tax	Tax YTD	
FICA TAXES		Wage Period	Soc Wage YTD	Soc Tax YTD	Med Wage YTD	Med Tax YTD	STATE	St	Wage Period	Wage YTD	M/S	Ex	Tax YTD				
PAY DATA		BAQ Type	BAQ Depn	VHA Zip	Rent Amt	Share	Stat	JFTR	Depns	2d JFTR	BAS Type	Charity YTD	TPC	PACIDN			
THRIFT SAVINGS PLAN (TSP)		Base Pay Rate	Base Pay Current	Spec Pay Rate	Spec Pay Current	Inc Pay Rate	Inc Pay Current	Bonus Pay Rate	Bonus Pay Current								
		TSP YTD Deductions				Deferred		Exempt									
REMARKS:		YTD ENTITLEMENTS:				YTD Deductions:											
		BAH BASED ON				BANK NAME											
		ACCOUNT #															

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KEY TO SECTIONS

- A** Shows the period covered by this LES. This LES will reflect any changes to your pay that the Defense Finance and Accounting Service Cleveland (DFAS-CL) has processed. There may have been other changes to entitlements, but due to mail or processing delays, they are not reflected on this LES. In most cases, these changes will be reflected on the next LES.
- B** Displays all entitlements for the period covered. Any entitlements that were earned in previous months will be added to like entitlements or allowances.
- C** Displays all deductions from pay for the period covered. Any retroactive deductions will be added to like deductions.

- Ⓓ Displays all allotments deducted from pay for the period covered.
- Ⓔ Summarizes entitlements, deductions and allotments to provide the actual amount of money to be paid to the member on payday. Amount shown is the amount to be paid on the end-of-the-month payday.

"DIEMS" is the date you signed up for military service.

"RETPLAN" is the retirement plan under which you entered service.

- Ⓕ Provides the current status of your leave account.

"BF Bal" (brought forward leave balance) shows the number of days' leave carried forward from the previous fiscal year ending Sept. 30.

"Ernd" is the cumulative amount of leave earned this fiscal year or current term of enlistment if the service member reenlisted/extended since the beginning of the fiscal year.

"Used" is the cumulative amount of leave used this fiscal year.

"Cr Fwd" is the current leave balance as of the end of the period covered by the LES.

"ETS Bal" shows the projected leave balance to the Expiration Term of Service (ETS).

"Lv Pd" periodically will display any leave sold back to the Air Force.

"Use/Lose" is the projected number of days of leave that will be lost if not taken in the current fiscal year.

- Ⓖ Shows current federal tax information.
- Ⓗ Shows FICA information (Social Security tax plus Medicare tax).
- Ⓘ Shows current state tax information, including marital status and number of exemptions.
- ⓵ Provides information for local disbursing use.
- Ⓚ Provides information on TSP contributions for the current year.

"Rate" boxes indicate the percentage of pay elected for contribution.

"Current" boxes indicate the contribution for this pay period.

- Ⓛ Provides information about changes in allotments, deductions or entitlements.

USEFUL WEBSITES:

www.militaryonesource.mil

www.dfas.mil/militarymembers.html

<http://militarypay.defense.gov>

REMEMBER

Your pay is your responsibility. Verify and keep your LES each month. If your pay varies significantly and you do not understand why, visit <http://mypay.dfas.mil/mypay.aspx>.





Decisions, Decisions

1. Online savings estimator: <https://www.tsp.gov/PlanningTools/Calculators/howSavingsGrow.html>.
2. Your monthly base pay (before taxes): _____
3. Initial and monthly contributions at 1% (base pay x .01): _____ 2%: _____ 3%: _____ 5%: _____
4. Add DoD automatic and matching contributions: + 2%: _____ 3%: _____ 4%: _____ 5%: _____
5. Total monthly contributions: _____
6. Total amounts: _____

(Assume 7% interest compounded monthly for 20 years.)

Example

Percent of Base Pay Contributed by Airman	Percent of Base Pay Automatically Contributed by DoD	Airman Contribution Matched by DoD	Total Percent of Base Pay Contributed	Total Monthly Amount Contributed	Amount in TSP Account After 4 Years	Total Amount Contributed by Airman Over 4 Years	Total Amount of Earnings and DoD Contributions
0.0%	1.0%	0.0%	1.0%	\$23.78	\$1,312.88	\$0	\$1,312.88
0.5%	1.0%	0.5%	2.0%	\$47.56	\$2,625.75	\$570.72	\$2,055.03
1.0%	1.0%	1.0%	3.0%	\$71.34	\$3,938.63	\$1,141.44	\$2,797.19
1.5%	1.0%	1.5%	4.0%	\$95.12	\$5,251.50	\$1,712.16	\$3,539.34
2.0%	1.0%	2.0%	5.0%	\$118.90	\$6,564.38	\$2,282.88	\$4,281.50
2.5%	1.0%	2.5%	6.0%	\$142.68	\$7,877.25	\$2,853.60	\$5,023.65
3.0%	1.0%	3.0%	7.0%	\$166.46	\$9,190.13	\$3,424.32	\$5,765.81
3.5%	1.0%	3.3%	7.8%	\$185.48	\$10,240.43	\$3,995.04	\$6,245.39
4.0%	1.0%	3.5%	8.5%	\$202.13	\$11,159.44	\$4,565.76	\$6,593.68
5.0%	1.0%	4.0%	10.0%	\$237.80	\$13,128.76	\$5,707.20	\$7,421.56

Notes:

1. Table based on the 2020 monthly base pay of an E4, over 2 years in the Air Force.
2. Assumed annual rate of return is 7.0%. Actual results may be higher or lower.
3. Table does not include cost-of-living adjustments or pay increases associated with expected promotions, both of which would drive contributions, earnings, and total amounts higher.





Financial Planning Pyramid





Choosing a Bank or Credit Union

There are many bank or credit union options available to you. You may have kept the same bank or credit union you used as a civilian, or you might be shopping for a financial institution that better meets your needs. When deciding on a bank or credit union, you should consider the following factors: convenience and accessibility; available services; fees, charges and requirements; security and, most of all, compatibility to your lifestyle and financial needs.

CONVENIENCE

For most people, convenience and accessibility are major factors in choosing a financial institution. The most convenient financial institutions offer numerous electronic banking options, have a large ATM network, offer all the services you need to manage your money, and can be accessed from locations across the United States or worldwide.

AVAILABLE SERVICES

What services are offered at your prospective bank or credit union? Look for an institution that offers a wide variety of services. Some services you might be interested in include:

Electronic banking options: Does the bank or credit union offer online bill pay, remote deposit or transfers? Can you access and manage your account with a cellphone or mobile app?

Overdraft protection: If you overdraw your account, what happens? You may be able to link your checking account to a savings account or line of credit to protect yourself.

Credit and investments: Does the bank or credit union offer credit cards, competitive loan rates, and investment services?

Interest: How much interest is paid on various accounts and when (daily, monthly, quarterly, yearly)? To compare rates offered locally to those from

financial institutions around the nation, visit www.bankrate.com.

Customer Support: Does the bank or credit union offer adequate customer support? Can you easily reach a customer support representative without having to go into a building or without a lengthy phone wait?

SERVICE CHARGES, FEES, AND REQUIREMENTS

All banks and credit unions have account requirements, fees, and service charges. You should fully investigate what those are and determine whether they are reasonable for your banking needs. By law, institutions must tell you about all applicable service charges that you will be charged. Here are some of the common service charges, fees, and requirements you might find when shopping for a bank or credit union:

Monthly service or maintenance fees: Although some institutions (more credit unions than banks) offer “free” checking, many charge a monthly service or maintenance fee. Additionally, on some accounts, you may be charged a service fee for going under a minimum balance. Be sure to find out whether the accounts you are considering require a minimum balance and the fee for going under this amount. If fees for minimum balances are charged, it may be more cost effective to have a non interest-bearing account and avoid the service fees.

Usage fees: Is there a usage fee charged when you go beyond a certain number of transactions or if you do not use the account for a certain length of time?

ATM fees: You will probably pay a fee or fees ranging from \$3-\$7.50 to use another bank’s ATM. Avoid excessive ATM fees by using a bank that does not charge you to use their ATM or see if your financial institution reimburses ATM fees.

Foreign transaction fees: These fees are charged per transaction and may also include a percentage of a cash advance or purchase. They are charged every time you

use a card to get cash at a foreign ATM (which usually offer the best currency exchange rates) or to make purchases abroad. Since deployment is an essential part of the military lifestyle, these should be carefully considered when choosing a bank or credit union.

Online banking or bill pay fees: Is there a charge for paying your bills online? Do you have to pay to sign up for online account or app services?

Check writing costs: What does it cost to purchase checks? Can they be ordered online? How many checks do you need to write each month, and is there a fee for writing checks?

Overdraft fees: What is the charge if there is not enough in the account to cover a check, transfer, or withdrawal? Financial institutions usually charge \$25 to \$35. The bank may overdraw the account to pay the check or honor the debit, or they may not honor it at all but still charge you the non-sufficient funds fee.

Overdraft protection: What are the costs associated with this service? This fee is typically between \$20 and \$30 each time the financial institution pays an overdraft transaction. You may also have to pay interest to use overdraft funds.

Ideally, you should maintain adequate funding in your account, making this service unnecessary.

Stop payment fees: If you make an error with a check or payment or cancel an order after a payment has been sent, you have the right to request that your bank or credit union stop payment on transactions that have not yet been processed. You must allow the bank sufficient time to carry out your request, and there is usually a charge for the service.

Fees for paper statements: With the move to electronic (paperless) statements, some banks and credit unions may now charge a fee for providing a paper copy of bank statements or for printing older statements. A good practice to avoid this fee is to routinely download and save your statements.

Fees for research assistance: If you need help with your account from a customer service representative, you may be charged for this service. The charge will usually occur if your account requires extensive work, often because your statement has not been reconciled for an extended period of time.

Fees to close an account: Some accounts will include fees, averaging from \$5 to \$25, for closing an account within the first 90 days.

COMPATIBILITY

Most importantly, a financial institution needs to be compatible with your lifestyle and banking needs. Service members and their families often have unique banking needs that cannot be met by all financial institutions. Here are things to consider when deciding whether a bank or credit union meets your needs:

Does it allow for direct deposit? Oddly, some small banks may not offer the option of military direct deposit.

Are you able to access your account(s) remotely? And ideally, can you access them from anywhere in the world, by computer or phone?

Can you deposit checks remotely and pay your bills online? If so, are there fees associated with these services?

Does your bank or credit union offer no-fee ATMs or ATM fee reimbursement (in case your bank does not have a branch or ATM when you move)? Many institutions offer interactive maps on their websites that let you search for branch offices, dedicated ATMs, and no-fee shared ATMs.

Does your bank or credit union offer deployment status services (e.g., interest rate reductions, bill deferment)? Although not offered at all financial institutions, you may find that some military banks and credit unions cater to deploying service members through a wide range of services and perks.

What are the bank's guidelines for honoring powers of attorney? Some financial institutions require a power of attorney to be filed in-person and in advance of a deployment.





Electronic Banking Safety

- › Never use public computers or wireless hotspots to conduct financial transactions.
- › Log out of accounts and close the browser after banking.
- › Use firewalls, anti-virus software, pop-up blockers, and security patches to prevent hackers from accessing your computer.
- › Do not open email or download attachments from unknown sources; this can allow spyware to download.
- › Use strong passwords consisting of a combination of letters and numbers, and use different passwords on all accounts.
- › Do not allow browsers to save account information (usernames or passwords).
- › Password-protect all electronic devices to prevent unauthorized access.
- › Sign up for account security services and ask to be notified when fraudulent activity is detected or account balances fall below a specified amount.
- › Keep a personal record of account transactions to help identify fraudulent transactions.
- › Report a lost or stolen phone immediately to the bank, not just the cell phone service provider, and arrange to deactivate the mobile banking service.





Spending Plan Worksheet Checklist

Items you will need in order to complete your SPW:

Current Leave and Earnings Statement (LES)

Other pay statements

Record of any other monthly income

Monthly bills and payments

- Electricity and gas
- Phone (home and cell)
- Cable, satellite, and internet
- Water, sewage, and garbage
- Insurance

Debt payments

- Car loans
- Personal loans
- Student loans
- Credit cards
- Any other debt

Current bank statements

TO CALCULATE NET WORTH:

Current statements of investments (including TSP)

- Recent credit report
www.annualcreditreport.com
- Values of your home and any property
www.homegain.com

Value of your cars and vehicles

www.kbb.com

www.nada.com

www.edmunds.com

Other items that will be needed:

- *Spending Plan Worksheet*
- Calculator
- Scratch paper
- Pencils

Resources:

- Airman and Family Readiness Center personal financial counselors and educators
- Air Force Aid Society





Spending Plan Worksheet

Use this worksheet to record how much money you spent this month, then use the information to help you plan next month's spending.

Income	Monthly (Current)	Monthly (Goal)
Airman's income (salary after taxes, TSP, benefits and other deductions)	\$	\$
Spouse's income (salary after taxes, 401K, benefits and other deductions)	\$	\$
Other income (child support, second job, etc., after taxes)	\$	\$
Total monthly income	\$ 0.00	\$ 0.00

Transfers and Expenses	Monthly (Current)	Monthly (Goal)
Savings	\$	\$
Investments (ROTH, IRA, etc.)	\$	\$
Payments on Debts (auto loans, credit cards, student loans, etc. but not mortgage)	\$	\$
Total monthly transfers and debt payments	\$ 0.00	\$ 0.00

HOUSING

Rent or mortgage	\$	\$
Renter's insurance or homeowner's insurance not included in mortgage	\$	\$
Utilities (electricity, gas, etc.)	\$	\$
Internet, cable and phones	\$	\$
Other housing expenses (pest control, lawn service, etc.)	\$	\$

FOOD

Groceries and household supplies	\$	\$
Meals out	\$	\$
Other food expenses	\$	\$

TRANSPORTATION

Auto/motorcycle insurance	\$	\$
Auto/motorcycle fuel	\$	\$
Auto/motorcycle service (maintenance, repairs, inspections, etc.)	\$	\$
Public transportation (Metro, bus, etc.) parking, tolls, ride sharing	\$	\$
Other transportation expenses	\$	\$

HEALTH

Medicines and supplements	\$	\$
Health insurance deductibles/copays	\$	\$
Other health expenses (dentists, glasses, contacts, etc.)	\$	\$



PERSONAL AND FAMILY

Child care	\$	\$
Child support	\$	\$
Clothing and shoes	\$	\$
Laundry/dry cleaning	\$	\$
Money given or sent to non-resident family members	\$	\$
Donations (charities, tithing, etc.)	\$	\$
Entertainment (movies, streaming services, magazines, etc.)	\$	\$
Vacations	\$	\$
Pets	\$	\$
Memberships and subscriptions	\$	\$
Other personal or family expenses	\$	\$

OTHER EXPENSES

Bank, credit card, ATM, and other fees	\$	\$
School costs (tuition, supplies, etc.)	\$	\$
Non-monthly expenses (life insurance, personal property taxes, etc.) ÷ 12	\$	\$
Gifts (estimated annual expenses ÷ 12)	\$	\$
Other expenses	\$	\$

UNCATEGORIZED EXPENSES

	\$	\$
	\$	\$
	\$	\$

Total monthly expenses	\$	0.00	\$	0.00
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Actual Income **Actual Expenses** **Actual Difference**
 \$ 0.00 - \$ 0.00 = \$ 0.00

Income Goal **Expense Goal** **Difference Goal**
 \$ 0.00 - \$ 0.00 = \$ 0.00

If your income is more than your expenses, you have money left to save or spend. If your expenses are more than your income, look for expenses to reduce or cut.

Current Gross Income
(all sources, including spouse)

\$

Gross Income Goal
(all sources, including spouse)

\$

Current Debt-to-Income Ratio %

Debt-to-Income Goal %

To calculate debt-to-income ratio:
 Total Debt Payments ÷ Total Gross Income x 100
Note: This calculation excludes mortgage debt.

NET WORTH

Total value of savings, investments, real estate, personal property	\$	
- Total indebtedness (mortgage, car loans, student loans, etc.)	\$	
= Net worth	\$	0.00





TSP Fund Summary

Thrift Savings Plan (TSP) allows each service member to invest a certain amount of money each month into one of 10 mutual funds.

G FUND

The Government Securities Investment Fund, which invests in special, non-traded U.S. Treasury securities guaranteed against any loss. The G Fund has a low level of volatility and (through the end of 2016) a 10-year average return of 2.63%.

F FUND

The Fixed Income Index Investment Fund invests in government and corporate bonds and is designed to track the Bloomberg Barclays Capital U.S. Aggregate Bond Index. The F Fund has a low-to-moderate level of volatility and a 10-year average return of 4.59%.

C FUND

The Common Stock Index Investment Fund, which invests in stocks in the Standard and Poor's 500 Index. The C Fund has a moderate level of volatility and a 10-year average return of 7.00%.

S FUND

The Small Capitalization Stock Index Investment Fund, which invests in small- and medium-size companies in the United States and is designed to track the Dow Jones Wilshire 4500 Completion Index. The S Fund has a moderate-to high-level of volatility and a 10-year average return of 8.13%.

I FUND

The International Stock Index Investment Fund, which invests entirely in non-U.S. companies and is designed to track the MSCI EAFE (Europe, Australasia, Far East) Index. The I Fund has a moderate-to-high level of volatility and a 10-year average return of 1.02%.

LIFECYCLE FUNDS

Lifecycle, or L Funds, consist of five prepackaged portfolios with professionally determined asset allocation among the G, F, C, S and I funds. The L funds are professionally managed to meet your retirement needs. Assets are rebalanced daily, maintaining your portfolio mix. Assets are reallocated quarterly (redistributed among the available funds), creating a more conservative (less risk) mix with age. When a fund reaches maturity (reaches the year it is named for), it rolls to the next more conservative fund and a new fund is added.

More on TSP fund returns can be found at:

<https://www.tsp.gov/InvestmentFunds/FundPerformance/returnSummary.html>.





Sources of Help for Military Families

CONSUMER ORGANIZATIONS

Consumer Reports: www.consumerreports.org

Consumer World: www.consumerworld.org

Kelley Blue Book: www.kbb.com

NADA Car Guides: www.nada.com

CONSUMER PROTECTION

Better Business Bureau: www.bbb.org

Center for Responsible Lending:
www.responsiblelending.org

The Consumer Action Handbook:
<https://www.usa.gov/handbook>

Consumer safety tips: www.consumer.gov

Consumer Reports: www.consumerreports.org

Federal Trade Commission: www.ftc.gov

Free annual credit reports:
www.annualcreditreport.com

Internet Crime Complaint Center: www.ic3.gov

Military OneSource: www.militaryonesource.mil

National Association of Attorneys General:
www.naag.org

National Consumers League:
www.natlconsumersleague.org

National Consumers League Fraud Center:
www.fraud.org

National Legal Aid and Defender Association:
www.nlada.org

Network of consumer hotlines:
www.callforaction.org

Public Citizen: www.citizen.org

CREDIT REPORTING AGENCIES:

Equifax: www.equifax.com/home/en_us

Experian: www.experian.com

TransUnion: www.transunion.com

Free annual credit report:
www.annualcreditreport.com

EMERGENCY FINANCIAL ASSISTANCE

Air Force Aid Society: <https://www.afas.org>

American Red Cross: www.redcross.org

FINANCIAL PLANNING AND EDUCATION

Air Force Aid Society: <https://www.afas.org>

Air Force Airman and Family Readiness Program:
<http://www.afpc.af.mil/Airman-and-Family-Readiness/>

American Association of Individual Investors:
www.aaia.com

Association for Financial Counseling, Planning,
and Education: www.afcpe.org

Choose to Save: www.choosetosave.org

Edelman Financial Services:
www.edelmanfinancial.com



Financial Planning Association: www.fpanet.org

Kiplinger: www.kiplinger.com

Military Saves: www.militarysaves.org

National Endowment for Financial Education:
www.nefe.org

Save and Invest (FINRA Investor Education
Foundation): www.saveandinvest.org

FINANCIAL INFORMATION AND COUNSELING

Air Force Aid Society: <https://www.afas.org>

Air Force Airman & Family Readiness Program:
<http://www.afpc.af.mil/Airman-and-Family-Readiness/>

Consumer credit counseling: www.nfcc.org

GOVERNMENT AGENCIES

Board of Governors of the Federal Reserve
System: www.federalreserve.gov

Consumer.gov (Federal Trade Commission):
www.consumer.gov

Consumer Financial Protection Bureau:
<https://www.consumerfinance.gov/>

Federal Deposit Insurance Corporation:
<https://www.fdic.gov>

Federal Student Aid: <https://studentloans.gov/myDirectLoan/index.action>

Federal Trade Commission: <https://www.ftc.gov>

U.S. Bureau of Labor Statistics: www.bls.gov

U.S. Securities and Exchange Commission:
www.sec.gov

INVESTING RESOURCES

Books

- *Barron's Dictionary of Finance and Investment*

Terms

- *Get a Financial Life: Personal Finance in your Twenties and Thirties*, by Beth Kobliner
- *Investing from Scratch: A Handbook for the Young Investor*, by James Lowell
- *Making the Most of Your Money Now*, by Jane Bryant Quinn
- *Master Your Money Type*, by Jordan E. Goodman
- *Personal Finance*, by E. Thomas Garman and Raymond E. Fogue
- *The Millionaire Next Door (Series)*, by Thomas J. Stanley and William D. Danko
- *The Total Money Makeover: A Proven Plan for Financial Fitness*, by Dave Ramsey
- *The Truth About Money*, by Ric Edelman
- *Who's Afraid to be a Millionaire? Mastering Financial and Emotional Success*, by Kelvin Boston
- *Women and Money: Owning the Power to Control Your Destiny*, by Suze Orman

Newspapers and Magazines

- *Barron's*
- *Forbes*
- *Fortune*
- *Investor's Business Daily*
- *Kiplinger*
- *Money*
- *Wall Street Journal*

Websites

- *Businessweek*: www.bloomberg.com/businessweek
- *Dailystocks*: www.dailystocks.com
- *Earnings Whispers*: <https://www.earningswhispers.com>
- *Hoovers* (business intelligence database): www.hoovers.com
- *ICLUBcentral* (tools for investors and investment clubs): www.iclub.com

- *MarketWatch*: www.marketwatch.com
- *Morningstar*: www.morningstar.com
- *MSN Money*: www.msn.com/en-us/money
- *Saving for College* (guide): www.savingforcollege.com
- *The Motley Fool*: www.fool.com
- *Treasury Direct*: www.savingsbonds.gov
- *Value Line* (research): www.valueline.com
- *Zacks* (research): www.zacks.com

NO-SOLICITATION REGISTRIES

- Phone Calls: National Do Not Call Registry www.donotcall.gov 1-888-382-1222
- Junk mail and email: Direct Marketing Association www.DMAchoice.org
- Credit or insurance offers: www.optoutprescreen.com

PREDATORY LENDING

Center for Responsible Lending:
www.responsiblelending.org

Payday Loan Consumer Information:
www.PayDayLoanInfo.org

SAFETY REMINDERS

Protect your Personal Information

- Guard your Social Security number.
- Sign credit/debit cards when they arrive.
- Carry only the cards you need.
- Keep your PIN secret.
- Avoid obvious passwords.
- Store personal information in a safe place at home and at work.
- Do not give card numbers to strangers.
- Watch out for “shoulder surfer PIN spies.”
- Keep your receipts.
- Destroy documents that contain account information (when no longer needed).
- Protect your mail.

- Pay attention to your billing cycles and check statements against receipts.
- Check your credit report once a year.

Think Before you Click: Practice Safe Computing

- Protect your personal information online.
- Know who you are dealing with and do not give out personal information.
- Use anti-virus and anti-spyware software and a firewall, and update these programs regularly.
- Use strong passwords and keep them private.
- Back up important files securely.
- Be careful using public wireless networks (Wi-Fi).
- Lock and password protect your laptop, tablet, smart phone and mobile devices.

RETIREMENT

Choose to Save/American Savings Education Council: www.choosetosave.org/asec

Military OneSource: www.militaryonesource.mil

Social Security Administration: www.ssa.gov

Thrift Savings Plan: <https://www.tsp.gov>

U.S. Department of Defense Military Pay:
<http://militarypay.defense.gov>

TAXES

Internal Revenue Service: www.irs.gov

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CAR BUYING

Three Deals of Car Buying

DEAL NO. 1

THE PURCHASE

HOW MUCH CAN YOU AFFORD?

- Total amount
- Down payment
- Monthly amount
- Prepare a spending plan
- Calculate debt-to-income ratio
- Check your credit report

WHAT TYPE OF CAR SHOULD YOU BUY?

- New or used
- Size and style
- Safety and performance
- Cost to insure

WHERE SHOULD YOU BUY?

- Dealership
- Private seller
- Internet
- Car-buying service

WHAT IS A FAIR PRICE?

- Invoice versus MSRP
- Library and Internet
- New and used car cost guides

EXERCISE YOUR LEGAL RIGHTS

- Read all the contract details
- Do not leave any blanks
- Do not buy unnecessary and unwanted items
- Use the power of the pen
- Have Legal Assistance Office review the contract before signing
- Take action if you have a complaint

DEAL NO. 2

THE FINANCING

WHERE WILL YOU FINANCE?

- Credit unions
- Bank
- Dealership
- Finance companies

HOW MUCH WILL THE MONEY COST?

- Simple interest
- Add-on interest

AVOID COMMON PITFALLS

- Know your credit rating
- Know what current interest rates are
- Get pre-approved
- Know the best deal available
- Do not be rushed or pressured

NEGOTIATE A GREAT DEAL

- Do your homework
- Take your time
- Limit the information you give out
- Shop twins
- Ask for discounts
- Take a road test
- Avoid unnecessary add-ons
- 180-degree Turn

KNOW THE "TRICKS OF THE TRADE"

- Put to ride
- Lowballing and highballing
- Bait and switch
- Padding
- Mutt and Jeff routine
- "Your car"

DEAL NO. 3

THE TRADE-IN

TRADING VS. SELLING

WHAT IF YOU OWE MORE THAN THE CAR IS WORTH?

WHAT IS A FAIR PRICE?

- What is the dealer willing to pay?
- Only negotiate after you are done with your purchase and financing on your new vehicle.





CAR BUYING Sources of Help

WHERE TO GET INFORMATION AND HELP

- A&FRC Financial Counselor
- Armed Forces Disciplinary Control Board
- Base Legal Office
- Better Business Bureau
- Consumer magazines
- Consumer protection agencies
- Credit unions—Car Buying Assistance Programs
- National Automobile Dealers Association (NADA)
- New and used car pricing guides (Edmunds, NADA, Kelley Blue Book)

ONLINE AUTO LOAN CALCULATORS

- **Autotrader.com**
<https://www.autotrader.com/calculators/?selectedTab=0>
- **Bankrate.com**
<https://www.bankrate.com/calculators/auto/auto-loan-calculator.aspx>
- **Edmunds.com**
<https://www.edmunds.com/calculators/>
- **NavyFederal.org**
<https://www.navyfederal.org/products-services/loans/auto/car-loan-calculator/>
- **USAA.com**
<https://www.usaa.com/cars/loan-calculator>

REMEMBER TO...

- Do your homework.
- Prepare a budget to know what you can afford.
- Keep it three separate transactions: the purchase, the financing, the trade-in.
- Have used cars checked by a trusted mechanic before purchase and do not forget to get a CARFAX report.
- Have the Air Force legal office check the contract before signing.
- Beware of the “tricks of the trade.”

USEFUL WEBSITES

- www.annualcreditreport.com
- www.autobytel.com
- www.autotrader.com
- www.bankrate.com
- www.bbb.org
- www.caranddriver.com
- www.carfax.com
- www.carmax.com
- www.consumerreports.org
- www.consumersunion.org
- www.fueleconomy.gov
- www.edmunds.com
- www.epa.gov/greenvehicles/learn-about-green-vehicles (EPA Green Vehicle Guide)
- www.iihs.org
(Insurance Institute for Highway Safety)
- www.intellichoice.com
- www.kbb.com
- www.motortrend.com
- www.nada.org

ONLINE “COST OF OWNERSHIP” INFORMATION AND CALCULATORS:

- Edmunds.com: <http://www.edmunds.com/tco.html>

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Credit Reports

WHAT IS A CREDIT REPORT?

A credit report is a detailed account of your credit, employment, and residence history. It also lists any judgments, tax liens, bankruptcies, or similar matters of public record entered against you. Lenders use credit reports to determine your creditworthiness.

HOW DO YOU GET YOUR CREDIT REPORT?

By federal law, you are entitled to a free copy of your credit report annually from each of the nationwide credit reporting companies: Equifax, Experian, and TransUnion. To order your free credit report, visit www.annualcreditreport.com or call (877) 322-8228. You may also obtain a free credit report/score from your local Airman and Family Readiness Center (A&FRC) personal financial counselor and educator.

You are also entitled to a free report if you are denied credit, insurance, or employment based on information in your report. You must ask for your report within 60 days of receiving notice of the denial. The notice will give you the name, address, and phone number of the credit reporting agency used to make the decision, and you should contact them directly.

Experian

(888) 397-3742
www.experian.com

TransUnion

(800) 916-8800
www.transunion.com

Equifax

(800) 685-1111
www.equifax.com

You can also request one free report a year if your report is inaccurate because of fraud, including identity theft. Otherwise, a credit reporting company may charge you a reasonable amount for another copy of your report within a 12-month period.

HOW OFTEN SHOULD YOU CHECK YOUR REPORT?

Check your credit report at least once a year for errors, negative information that could prevent you from obtaining a security clearance or mortgage, and signs of identity theft.

WHAT DOES A CREDIT REPORT CONTAIN?

Credit reports contain the following information:

- Identifying information, such as your name, Social Security number, date of birth, current and previous addresses, and employers.
- Information about your credit accounts, such as your balance and payment history.
- Any bankruptcies, foreclosures, liens, or judgments against you.
- Inquiries (i.e., when someone checks your credit report). This includes “hard” inquiries, where you applied for credit, or “soft” inquiries for background checks and preapproved offers.

HOW DO YOU CORRECT INFORMATION ON YOUR CREDIT REPORT?

Under federal law, both the credit-reporting agencies and the information provider (the person, company or organization that provides information about you to an agency) are responsible for correcting inaccurate or incomplete information in your credit report and must investigate items in question, usually within 30 days of notification. Dispute forms are provided on the credit reporting agencies' websites, or you can request a hard copy.

Here are the basic steps for disputing inaccurate information:

- Write a letter to the credit reporting agency; explain each dispute and request an investigation to resolve issues. Send copies (not originals) of supporting paperwork.
- Send a similar letter of dispute to the creditor.
- Send all letters and materials by certified mail, return receipt requested.
- The reporting agency will initiate an investigation, contacting creditors to verify the accuracy of the information. If the information cannot be verified, it must be removed.
- When the investigation is complete, if changes were made to your credit report, the credit reporting agency must send you a free copy of your credit report.
- If the investigation uncovers an error, you have the right to request that a corrected version of your credit report be sent to everyone who received the report during the previous six months.

You can read additional information on how to correct information on your credit report at the Federal Trade Commission website: www.consumer.ftc.gov/articles/0151-disputing-errors-credit-reports.

WHAT DO I DO IF I SUSPECT IDENTITY THEFT?

If you find suspicious accounts or information on your credit report, it might be an indication of identity theft. If you suspect you are a victim of identity theft, contact the Federal Trade Commission at (877) IDTHEFT or www.consumer.gov. The FTC is the primary resource for information on identity theft.

For additional information on identity theft, see www.consumer.ftc.gov/features/feature-0014-identity-theft. You may also want to sign up for a Consumer Awareness course at your local A&FRC.





Defending Against Identity Theft

WHAT IS IDENTITY THEFT?

Identity theft occurs when someone steals an individual's personal information and uses it without his or her permission to open fraudulent accounts and make unauthorized purchases. Identity theft is a serious problem that can ruin a person's credit and good name and can take much time, effort, and money to resolve. The Federal Trade Commission received just under 400,000 reports of identity theft in 2016.

Strategies for defending against identity theft must evolve constantly to keep up with thieves' inventiveness. Useful precautions include:

- Safeguarding mail. The greatest amount of information used in identity theft is found in the garbage and in the mailbox. Consumers should cut down on the amount of junk mail they receive (especially, opting out of unsolicited credit offers), and remember to shred everything that arrives anyway.
- Notifying creditors promptly of address changes, so bills and statements do not fall into the wrong hands.
- Immediately reporting new or replacement credit cards or checks, if they are late.
- Opting out of unsolicited credit offers, which may contain personal information.
- Safeguarding your wallet or purse, identification cards, and debit and credit cards.
- Taking receipts. Buyers should keep receipts to verify on your bank statements and then shred if they are not needed for tax purposes.
- Safeguarding checks, bank statements and pay records, both paper and electronic.
- Placing an active-duty alert on credit reports whenever deployed or away from the service member's usual duty station. An active-duty alert requires creditors to take steps to verify the identity of anyone applying for credit in the service member's name.
- Initiating a credit freeze on credit reports and restricting access to credit reports. This can be done at any time, not just during deployments.



- Closing any accounts that have been tampered with.
- Filing a police report, if victimized. The police report will show that the service member was a victim of identity theft if creditors try to get them to pay for debts they did not incur. Most credit card companies require a police report prior to starting any type of investigation or other action.
- Keeping a written record of who was spoken with, when and what was said when reporting or attempting to recover from identity theft.
- Contacting the Federal Trade Commission (FTC) at 1-877-ID-Theft or www.consumer.gov. The FTC serves as the federal clearinghouse for complaints by victims of identity theft.
- The FTC does not resolve individual consumer problems, but complaints from consumers help the FTC investigate fraud and can lead to law-enforcement action. The FTC enters Internet, telemarketing, identity theft, and other fraud-related complaints into the Consumer Sentinel Network, a secure, online database available to hundreds of civil and criminal law-enforcement agencies worldwide.

HOW DO I KNOW IF MY IDENTITY HAS BEEN STOLEN?

Most identity theft is detected when consumers see unfamiliar purchases or withdrawals from their credit or checking accounts. Some credit card companies also monitor customers' purchase for activity that seems out-of-the-ordinary and will lock the account until a representative can speak to the cardholder to verify the purchases.

Other indicators of identity theft may include:

- **Missing bills:** Most bills arrive about the same time every month. A missing bill could mean that someone has gotten access to that account and changed the address or has stolen the bill from the mailbox to gain personal information.
- **Mysterious trade lines on a credit report:** Credit reports should be checked regularly to verify that new, unauthorized accounts have not been opened.
- **Unsolicited cards or bills:** Receiving a credit card that was never applied for or a bill for products or services that were never received could be signs of identity theft. The recipient should call the bank or merchant immediately.
- **Credit denial:** Sudden denial of credit (such as a credit-card charge being denied at the point of sale) when they have never had problems could indicate that someone else is degrading the victim's credit record.





How to Complain Effectively

- See a personal financial counselor/educator at the Airman and Family Readiness Center (A&FRC) for guidance
- Save all purchase-related paperwork. Include copies (*do not send originals*) of receipts, repair orders, warranties, canceled checks, contracts, and any letters to or from the company.

If you have a problem:

1. Contact the business. Start with the salesperson with whom you dealt or the manager. Clearly and calmly describe the problem and the action you would like them to take. Document their response in writing.
2. Contact the company president or a representative of the manufacturer. Use the sample complaint letter below. Send it by certified mail and request a return receipt.
3. Contact industry trade associations.
4. Contact local and state consumer advocates for further assistance. Do not give up until you are satisfied. Use the resource list on the *Sources of Help for Military Families* handout to locate consumer-protection contacts.

In correspondence:

- Describe the purchase. Include the name of product and serial number.
- Include the date and place of purchase.
- State the problem. Give the history.
- Ask for specific actions. Include copies of documents.
- State how you can be reached.
- Allow time for action.
- Keep copies of all of your letters, faxes, emails, and related documents.



SAMPLE COMPLAINT LETTER

Your Address
Your City, State, ZIP Code
Date

Name of Contact Person, if available
Title, if available
Company Name
Consumer Complaint Division (**if you have no specific contact**)
Street Address
City, State, ZIP Code

Dear (**Contact Person**):

Re: (**account number, if applicable**)

On (**date**), I (**bought, leased, rented, or had repaired**) a (**name of the product, with serial or model number or service performed**) at (**location, date, and other important details of the transaction**).

Unfortunately, your product (**or service**) has not performed well (**or the service was inadequate**) because (**state the problem**). I am disappointed because (**explain the problem. For example, the product does not work properly, the service was not performed correctly, I was billed the wrong amount, something was not disclosed clearly or was misrepresented, etc.**).

To resolve the problem, I would appreciate your (**state the specific action you want – money back, charge-card credit, repair, exchange, etc.**).

Enclosed are copies of my records (**include receipts, guarantees, warranties, canceled checks, contracts, model and serial numbers, and any other documents**).

I look forward to your reply and resolution to my problem and will wait until (**set a time limit**) before seeking help from a consumer-protection agency or the Better Business Bureau. Please contact me at the above address or by phone at (**home and/or office numbers with area code**).

Sincerely,

(**Your Name**)

Enclosure(s)





Service Members Civil Relief Act Simplified

Note: This handout provides a basic overview of the provisions of the SCRA. Due to the complexity of the act and regular changes to the provisions, Airmen should at contact their base legal office for specific questions and guidance.

WHAT IS THE SERVICEMEMBERS CIVIL RELIEF ACT?

In 2003, the Soldiers and Sailors Civil Relief Act was rewritten and renamed the Servicemember Civil Relief Act (SCRA). The law spells out protections for members of the U.S. military.



WHO IS COVERED?

Active-duty service members, Reservists, and members of the National Guard (when in active federal service) are protected under the law. SCRA (for all) begins on the first day of active duty, which means when the person leaves home for basic or occupational training. Some protections under the act extend for a limited time beyond active-duty discharge or release and are tied to the discharge or release date. Some of the act's protections extend to the member's dependents.

National Guard members recalled for state duty may be protected by the Servicemembers Civil Relief Act. Guard members are entitled to SCRA protection when called to state active duty under Title 32, if the duty is because of a federal emergency; the request for active duty is made by the president or secretary of defense; and the member is activated for longer than 30 days.

MAJOR LEGAL PROTECTIONS

Termination of cellphone contracts: The SCRA requires providers to suspend or terminate cellphone contracts without charging any early termination fee, if the service member's deployment prevents them from using their services. If the service member does not wish to cancel their service and will be deployed outside the United States, the provider must allow the service member to suspend their service at no charge without requiring an extension of the contract. Note that the service member must make the request to their provider before leaving on deployment.

Automobile leases: If a service member enters into an automobile lease before going on active duty, they may request termination of the lease when called to

active duty. Service members making a permanent change of station (PCS) move, or who deploy for a specified period of time, may also be able to terminate such leases.

Termination of residential leases: The SCRA allows a service member to terminate a residential lease entered into while in the military, if the member receives PCS orders or orders to deploy for a specified period of time.

Evictions from housing: Service members may seek protection from eviction under the SCRA. The rented or leased property must be occupied by the service member or their dependents, and the rent cannot exceed a certain amount, which is adjusted each year. The service member or dependent who has received notice of an eviction must submit a request to the court for protection under the SCRA. If the court finds that the service member's military duties have materially affected his ability to pay his rent on time, the judge may order a "stay" (postponement) of the eviction proceeding or make any other "just" order.

Relief from foreclosures: Depending on the service member's duty status and situation, the SCRA may provide protection against foreclosure. The SCRA prohibits the "sale, foreclosure, or seizure" without a court order of a service member's personal property as long as the debt was secured before the service member entered military service.

Installment contracts: The SCRA gives certain protections against repossessions under installment contracts. If the contract was entered into before going on active duty and at least one payment was made before that time, the creditor cannot repossess the property while the member is on active duty, nor can they terminate the contract for breach without a court order.

Six percent interest rate: If a service member's military obligation makes it difficult to pay on financial obligations such as credit cards, loans, mortgages, etc., the service member can have the interest rate capped at six percent for the duration of the service member's military obligation. Qualifying debts are debts that were incurred by the service member, or the service member and their spouse jointly, before going on active duty. Debts entered into after going on active duty are not protected by this provision of the law.

Court proceedings: If a service member is a defendant in a civil court proceeding, the court may grant a delay if he or she is deployed. The provision applies to civil lawsuits, suits for paternity, child custody suits, bankruptcy debtor/creditor meetings, and administrative proceedings.

Enforcement of obligations, liabilities, taxes: A service member or dependent may, at any time during or within six months after their service, apply to a court for relief of any obligation or liability incurred before active duty or for relief of a tax or assessment made before or during active duty. The court may grant stays of enforcement during which time no fine or penalty can accrue.





Choosing a Credit Card

INFORMATION YOU SHOULD KNOW:

- Is there an annual fee? If so, how much? Can it be waived?
- What is the interest rate on any balances?
- If there is a low introductory rate, how long is it in effect? What rate will be charged after the introductory period?
- What is the grace period on purchases?
- What are the terms for balance transfers and cash advances?
- What additional fees apply, such as late payment fees, over-limit fees, and others? Are there other hidden charges, such as an increase in the interest rate in the event of a late payment?
- Are other “services” tacked on to your account for which you will have to pay? (Avoid high-priced add-ons such as credit life, credit disability, or credit unemployment insurance.)
- How widely is the card accepted and what are the overseas transaction rates?
- Does the card have a rewards program?

MANAGING YOUR CARD:

- Pay on time.
- Aim to pay more than the minimum amount due.
- Keep your balance low.
- If you have a high balance, consider a plan to pay off or reduce your credit card debt by using a power payment schedule.
- Call the credit card company and request that they lower your interest rate and eliminate your fees. It costs nothing to ask.
- Are you eligible for rate-reduction benefits under the Servicemembers Civil Relief Act (SCRA)?
- Check your statements monthly and report suspicious or fraudulent charges to your credit card company immediately.

CREDIT TERMS

Annual Percentage Rate (APR): APR is a measure of the cost of credit, expressed as a yearly rate. It must be disclosed before you become obligated on the account and shown on your account statements. The card issuer also must disclose the “periodic rate,” the rate applied to your outstanding balance to calculate the finance charge for each billing period.



Average Daily Balance: If you do not have a grace period, this is the most common finance charge calculation method. This calculation uses the average of your balance during the billing cycle to calculate your finance charges.

Balance Transfers: Many credit card companies offer incentives for balance transfers (i.e., moving your debt from one credit card to another). Many credit card issuers offer transfers with low introductory rates that rise significantly after the introductory period, and some issuers also charge balance-transfer fees.

Delinquency Rates: Some cards with low rates for on-time payments apply a very high APR if you are late a certain number of times in any specified time period. Information about delinquency rates should be disclosed in credit card applications.

Grace Period: The grace period lets you avoid finance charges by paying your balance in full before the due date. Without a grace period, the card issuer may impose a finance charge from the date you use your card or from the date each transaction is posted to your account.

Variable Rates: Some credit card plans let the issuer change the APR when interest rates or other economic indicators change. These rate changes also can raise or lower the finance charge on your account.

If you are considering a variable-rate card, the issuer must tell you that the rate may change, how much it may change and how frequently, and how the rate is determined.

USEFUL WEBSITES:

Bankrate.com: www.bankrate.com (comparison shopping for rates)

Consumer Financial Protection Bureau: www.consumerfinance.gov

Consumer Reports: www.consumerreports.org/cro/credit-cards/buying-guide.htm (card-buying guide)

Creditcards.com: www.creditcards.com (credit card industry ratings)

Federal Trade Commission: www.consumer.ftc.gov/topics/credit-and-loans





Warning Signs of Credit Abuse

Credit cards make spending easy and may encourage you to spend more than you can repay. The following are possible warning signs that you have taken on too much debt:

- You have less than one month's take-home pay in savings.
- You can only afford the minimum monthly payments on credit cards.
- You have more income committed to debt repayments each month than you did the month before.
- You are falling behind on payments and receiving late notices.
- You use credit to pay regular living expenses, like utilities.
- You are at or near credit limits on credit cards most of the time.
- Your debt-to-income ratio is more than 20% (or 36%, if mortgage payments are included in the calculation).



At this point, financial counseling is recommended to help initiate a plan of action to reduce debt. Things are reaching the critical stage when an individual or family is:

- Rotating bills by paying some this month, some next month.
- Borrowing or getting cash advances to make payments – using credit to pay credit.
- Denied additional credit due to problems on credit reports.
- Hiding bills or being dishonest with family members about debts.
- Seeking additional money from predatory lending sources, such as payday loans or refund anticipation loans.
- Having to rely on a debt-consolidation loan to reduce payments enough to meet monthly living expenses.

At the critical point, financial counseling is essential to establish a plan to reduce debt to a manageable level.

SOURCES OF HELP

- Airman and Family Readiness Center (A&FRC) personal financial counselors and educators
- Your local military credit union's financial counselors
- Nonprofit consumer credit counseling agencies
- Base legal office
- The Consumer Financial Protection Bureau (CFPB)
- Military OneSource





Check Your Insurance IQ

- How does insurance protect us against the risk of bad things happening?
 - Avoiding risk
 - Reducing risk
 - Transferring risk
 - Preventing risk
- When choosing renters insurance, it is best to opt for this type of coverage to get the most value for lost items:
 - Actual cash value
 - Replacement value
 - Estimated value
 - Projected value
- What is the maximum life insurance provided by the government to service members through SGLI?
 - \$100,000
 - \$200,000
 - \$300,000
 - \$400,000
- This automotive insurance pays for your legal responsibility to others for bodily injury or property damage.
 - Liability insurance
 - Property insurance
 - Medical insurance
 - Uninsured motorist insurance
- This type of insurance pays a death benefit and includes a savings vehicle.
 - Term insurance
 - Whole-life insurance
 - Health insurance
 - Long-term care insurance
- This type of life insurance covers beneficiaries for a period with a specific starting and ending date.
 - Term insurance
 - Whole life insurance
 - Variable life insurance
 - Universal life insurance
- This may added to a homeowners or automotive policy to cover claims above average limits.
 - Umbrella policy
 - Liability policy
 - Long-term care policy
 - Whole life policy
- When an Airman marries or has a child, which is an important step they should take without delay?
 - Reviewing life insurance policies for current market value
 - Registering new dependents in DEERS.
 - Reducing all insurance policies
 - Adding an umbrella policy to standard insurance
- When separating from the military, what is typically the most expensive insurance to replace?
 - Auto insurance
 - Renters insurance
 - Life insurance
 - Health insurance
- This resource will help you best determine your life insurance needs.
 - Insurance salesperson
 - Insurance calculator
 - Insurance quote
 - Insurance policy

