



RHUMB LINES

Straight Lines to Navigate By



November 19, 2008

Financial Health Education Resources

"In our commitment to the Fleet, fighter, and family, our Navy provides a collaborative and comprehensive approach to personal financial management education and counseling for Sailors and their families. A Sailor's individual financial well-being effects overall mission readiness."

– Vice Adm. Bob Conway, Commander, Navy Installations Command

Considering the current state of the financial market and as the financial pressures of the holiday season approach, it is important for personnel to understand financial resources available across the Navy.

Benefits of financial management and training

- Strong financial health programs enhance combat readiness by limiting the loss of security clearances and reducing the number of non-deployable Sailors. Sound financial practices enhance quality of life for Sailors and their families.
- At key milestones throughout a Sailor's career, from Recruit training to pre-retirement seminars, the Navy is committed to providing financial education to improve quality of life and Sailor readiness.
- Improving financial health can increase "effective pay" – or disposable income – and can be more effective than pay raises in improving quality of life, as more money does not always equate to better financial fitness.

Personal Financial Management

- The goal of [Personal Financial Management](#) (PFM) education and counseling is to generate behavioral and cultural change in how Sailors manage their finances.
- PFM education offers information on financial planning and budgeting, credit/debt management, military retirement plans, [Thrift Savings Plan](#), car buying, insurance, investment strategies, deployment cycle financial impacts, home buying and personal banking.

Financial education resources and specialists

- Command Financial Specialists are trained, uniformed military personnel in each command who successfully complete a rigid 40-hour curriculum. This is the first line of defense in financial counseling.
- Fleet & Family Support Centers' (FFSC) financial counselors are often nationally certified and provide a confidential service that would cost hundreds of dollars in the commercial market.
- On-base banks and credit unions provide training and personal counseling support as part of their business model while onboard our installations.
- [Navy/Marine Corps Relief Society](#) is an excellent source of counseling and referral to financial resources.
- [Military OneSource](#) provides 24/7 advice and counseling on financial health.
- [Combined Federal Campaign](#) provides a way to make tax-deductable, charitable donations while providing documentation needed to support tax preparation.

Key Messages

- Financial Health is not just a personal issue; it is also impacts quality of life and combat readiness.
- Continuing education and training are key components to maintaining financial health.
- From Command Financial Specialists and FFSC financial counselors to Military OneSource – trained professionals are ready to assist Sailors with their financial health.

Facts & Figures

In a study conducted by the Navy in May 2008:

- 16% of enlisted report "they are not able to pay their bills and meet financial obligations with the pay they receive".
- 22% of enlisted and 43% of officers own a home. 27% percent of officers and 14% of enlisted report having adjustable or interest-only loans.
- 36% of enlisted Sailors report they do not contribute to a savings account.