



FINANCIAL PLANNING FOR DEPLOYMENT

■ WELCOME AND INTRODUCTION

The purpose of this program is to prepare you for deployment. For experienced deployers, this is a refresher. For inexperienced deployers, you will have a comprehensive “to do” list at the completion of this program.

Deployments can be exciting as well as stressful. The more prepared you are the less stress you will be likely to experience. You can use the handout “Financial Planning for Deployment Checklist” as a guide as this workshop progresses. Topics to be covered are:

- Important legal documents.
- Managing finances.
 - Paying bills.
 - Using credit.
 - Taxes (if deployment extends over 15 April).
- Property management during deployment.
 - Housing.
 - Vehicles.
- Communicating with family and friends.
- Sources of help.

Need for Deployment Planning

Planning for deployment is important for the following reasons:

1. *Increases spending power* – How many of you would like a 10% raise right now? By having a financial plan in place before you deploy that is both realistic and flexible enough to follow during and after the deployment, you should be able to increase your spending power by at least 10%.

In addition, many are able to save money due to additional pays such as “sea pay,” “hazardous duty pay,” and “family separation pay”. Also, pay and bonuses may be earned tax free in some areas.

1

2

Financial Planning
for Deployment
Checklist

3

2. *Eliminates stress* – It is very difficult and stressful to handle routine issues such as bill paying, car repairs, and home maintenance from a long distance. If you have a solid financial plan prior to departure, much of this stress can be eliminated.
3. *Prepares you for the future* – If the plan put into place for deployment works well during deployment, then why change a good thing? It will be easy to stick with it long after you return, and the next deployment will probably go even smoother as you'll have experience.

■ IMPORTANT LEGAL DOCUMENTS

Deployments provide an opportunity to update important documents. Each personal situation is different and you may have a variety of documents to review. A few of the most common are:

4

Powers of Attorney

- A General Power of Attorney (POA) gives someone else the authority to act on your behalf for the entire period of time indicated. It is recommended that you make the period of the POA for the length of the deployment or no longer than one year. Since the appointed person has the power to do anything on behalf of the person giving the power, it is very easy to take advantage of these documents. Many businesses do not accept this type of POA and the Navy Legal Services Office advises against them.
- A Specific (or Special, both terms are used interchangeably) Power of Attorney gives someone else the authority to act in your behalf in one specific area – i.e., selling a car, buying a car, selling or buying a home, signing tax returns, etc. It is limited to the specific act noted on the document. Businesses prefer this type of POA since it is less likely to be used abusively or fraudulently.
- For single parents, it may be wise to give a Medical Power of Attorney to your childcare provider to handle any medical emergencies that may arise while you are deployed. You may also need a special power of attorney for your child's caretaker to enroll your child in school, sign permission slips, etc.
- Make absolutely sure that you trust the person to whom you give any power of attorney. Many sailors have had their financial lives destroyed by people who abused the power of attorney privilege.

A general POA gives complete control in your personal decisions, so be careful about trusting someone who does not have deep ties to you.

- If you do choose to give someone a power of attorney, make sure it is current. Have Legal draft a new one before the next deployment (or at least once every two years). Businesses will not accept an outdated POA.

Wills

A will is a document that provides direction regarding what you want to happen to your property in case of your death. If you have property, you should have a will, whether you are single or married. If you have children, you want to be able to choose a guardian for your children should you die unexpectedly. A will allows you to have a say in how your assets are to be distributed. If you are married, all assets normally go to your spouse, but you may want to divide your estate differently or even set up a trust for your children. See Navy Legal Services to have your will drafted. Many commands sponsor a “Legal Day” and have a Legal Officer come to assist people with drafting wills and powers of attorney. These services are free of charge.

Next of Kin Designation

Check Page 2, which is the record of emergency data of your service record, to make sure your designation of next of kin is still correct. A large number of Page 2's are inaccurate. Should you be injured or killed while deployed, notification of your loved ones is based on your Page 2.

DEERS Enrollment and ID Cards

If your end of obligated service expires during the deployment and you plan to reenlist, ensure family members have the necessary information and forms to go to PSD to get new ID cards. Children who turn 10 during the deployment will be able to get an ID card as well.

Servicemen's Group Life Insurance (SGLI) and TSP

Make sure that the beneficiary designated for your Servicemen's Group Life Insurance policy is accurate. Funds will be paid to whomever you have listed, so be certain to update this information if you have a change in your family member status. The same holds true if you have a Thrift Savings Plan (TSP) account.

Servicemembers Civil Relief Act

An update to the Soldiers and Sailors Civil Relief Act of 1940 was signed into law in December 2003. The new law is called the Servicemembers Civil Relief Act. This Act provides a number of significant protections to service members. These include: staying court hearings if military service materially affects service members' ability to defend their interests; reducing interest to 6% on pre-service loans and obligations; requiring court action before a service member's family can be evicted from rental property for nonpayment of rent if the monthly rent is \$1,200 or less; termination of a pre-service residential lease; and allowing service members to maintain their state of residence for tax purposes despite military relocations to other states.

MANAGING FINANCES

A major challenge for service members who are away from home-port for an extended time is handling finances from afar. It's easier to manage your finances whether deployed or in port if you have a clear picture of your budget or financial plan.

Budget or Spending Plan

A well thought out and flexible financial plan is the single most important tool you will need to make your deployment a financial success. Good financial planning principles include determining where you are now and where you want to go financially. Once you know that, you can ask yourself how you are going to get there and use a budget or spending plan as a map to guide you to your financial destination. Whether planning for a six-month deployment or a six-year saving plan, the principles are the same. Plan for the best-case scenario, prepare for the worst case, and track your progress according to your plan. If in a relationship, it's good to do a plan together so both you and your partner understand and agree on how finances will be handled during the deployment. Once you have completed a budget worksheet, review the numbers and ask yourself if you can live with your plan. If you have a monthly surplus, now is the time to think about what you can do with the money. If you have a deficit, you need to visit your Command Financial Specialist and work out a way to improve your cash flow.

Pay changes: Be on the lookout for the many changes in your income that can result from a deployment:

- Make budget adjustments for any possible pay changes such as:
 - sea pay starting or stopping.
 - family separation allowance starting and stopping.
 - combat duty pay.
 - pay increases with promotions.
 - re-enlistment bonuses.
 - being deployed to a tax exempt location.
- Review your LES for a list of allowances you are currently receiving.
- Make adjustments for your second income if you are working another job.
- Be sure to take into account additional childcare costs.

Be realistic: Budget as realistically as possible for expenses that you will have on deployment. Remember to include amounts for port visits, phone calls, souvenirs, a few meals off the ship, etc. Married personnel need to budget realistically for both partners. Many report one of the advantages of an extended deployment is that it provides an opportunity to save money. However, allowances must be made for some recreation to allow everyone a break—both individuals on deployment and the family members back home.

Plan for the unexpected: Unanticipated expenses can throw your financial plan into a tailspin. Remember to budget for expenses that don't occur each month such as: insurance premiums, car maintenance, home maintenance, holiday gifts, trips overseas and tax payments. If married, consider signing a pre-authorization form with Navy Marine Corps Relief Society (NMCRS) if your savings are minimal. This will allow your spouse to apply for a loan in your absence, in the event of a financial emergency.

Savings: Deployment can actually be a great time to save money. Contribute regularly to a savings account if you aren't already doing so. It doesn't matter what you put in (\$10, \$25, \$50 per month)—it is the fact that you contribute to it regularly that counts! Setting up a bank allotment is generally the best way to go. "Pay yourself first." You can start saving by allotment before deployment. This will make it a habit and help you to build a reserve. If you are not already participating in the Thrift Savings

Plan (TSP), consider it a savings opportunity that can't be missed.

If a non-deployed spouse has never worked with the family finances before, have him/her practice with the agreed-upon system at least a month or two before the deployment. That way any difficulties can be identified and corrected. Go visit with your CFS or FFSC Financial Educator as a couple to make sure you're on the right track.

Combat Overspending: When we become lonely or depressed it is often easy to spend too much without realizing what we are doing and why. Buying gifts to prove your love for family, friends and sweethearts can get expensive. They may get more long-lasting satisfaction if you send letters, tapes, photos, etc.

Those at home may engage in shopping to pass time. Getting involved in other activities such as participating with a command's Family Readiness Group, volunteering, or participating in physical activity can prevent unnecessary spending.

Upon return, you may find yourself tempted to dip into your savings to satisfy your need for instant gratification and to fund lifestyle changes. Beware of this and think about your real reasons for spending.

When you do need to shop, be sure to compare prices. Ask yourself if you can get the same item elsewhere for a lower price. Watch out for overpricing, particularly near fleet landing locations. Many people succumb to the allure of buying when overseas, but in reality they may find a better quality and lower priced product at home. If you are having something wrapped, watch carefully to make sure you are getting what you paid for.

Avoiding the Pitfalls: Couples should avoid the following:

- One inadvisable method of handling finances on deployment is for the deploying spouse to keep the paycheck and/or the checkbook and to send money orders to the family back home. Mail service on deployment is frequently delayed and often unreliable. There is also the chance of loss, which would further delay money to the family.
- Another ill-advised method is splitting check pads. Splitting check pads between account holders in a joint account is not the way to go. It leads to confusion and, eventually, one or more bounced checks.
- And finally, money orders are time consuming and require more record keeping. If using money orders, record the order numbers, dates, amount, who it is going to, and when mailed. Keep all receipts.

Whatever system you use, make sure both parties understand and are comfortable with it. It is usually best to try to get something that works both during and after deployment. Once your system is in place, it will eliminate some of the hassle and stress in preparing for the next deployment (particularly if it is a sudden one). If there are any pay problems during the deployment, it may require dealing with your financial institution, with DFAS, or both. Your financial institution will deal with anyone whose name is on your joint account. However, DFAS will not give any pay information to a spouse (or anyone else) unless they first receive a faxed copy of a power of attorney authorizing them to do so.

Managing Financial Tools

There are a number of tools that can help you manage your finances while deployed. Periodically check your My Pay account at <https://mypay.dfas.mil/mypay.aspx>. Consider the following in preparation of deployment: allotments, split pay, the Navy Cash program, and online banking.

Allotments

With the advent of online and telephone banking, managing your money has gotten easier, but there are still times when the military mission precludes easy access to a computer or telephone. Allotments can be great tools for handling your cash flow. You can use allotments to send money to family members, to pay bills, and to save.

An allotment to a spouse or other family member's checking account allows a service member to send the majority of the paycheck home with the service member receiving the remainder in his or her account. This is particularly useful if a couple has different accounts at different financial institutions. One advantage of using an allotment is that the person at home, who will normally be paying most of the bills, is guaranteed to receive the same amount every month. This is useful for budgeting purposes. Any fluctuations in pay will occur in the deploying member's account. It's important to set up an allotment at least 60 days prior to deployment to let your budget adjust to the new financial situation. Once it is in place, do not stop the allotment. Remember that operational commitments could delay your homecoming and once the allotment is in place it will make future deployments easier.

Split Pay

Many shipboard sailors opt to have their pay divided between a primary banking account and a shipboard account. Money designated for the shipboard account is kept onboard the ship and deposited into the deployed service member's account on the 1st and 15th of each month. Money is available through an automatic teller machine located on the ship. Split Pay ensures some money is kept on board ship and is readily available to the sailor. To arrange a split pay disbursement, see the Disbursing Office at your command.

The Navy Cash Card

The Navy Cash Card is a debit card system that gives sailors access to their home banks and credit unions while on board ship. The card's PIN-protected "electronic-purse" chip on the front holds up to \$1,000 and can be used by sailors aboard ship. The debit function, operated by MasterCard through a magnetic strip on the back, can hold an unlimited amount and can be used on shore. Sailors also can transfer money to and from their financial institution with the card.

Using a split-pay option, sailors can have part of their paycheck sent to JP Morgan for their Navy Cash card and part sent to their home bank or credit union. They also can transfer money to their Navy Cash account via a kiosk aboard the ship or over the phone.

Online Banking

If regular access to a non-secure line is available, online banking may be an option for managing your finances while deployed.

Contact your banking institution to provide them with instructions for the disbursement of your direct deposit or allotment. You may be able to establish automatic transfers for loan and credit card payments.

Sign up for 24-hour secure account access before deploying. Even though sign up is available on line, most institutions send an authorization form by regular mail. This is the easiest way to transfer money between your accounts and balance your checkbook from anywhere. This can be especially important when two people are working from the same accounts.

Enroll in your financial institution's online bill paying service. This enables you to pay bills on line. Many institutions offer online bill paying at no cost.

Many banking institutions offer automated payment options. For instance, if your car loan needs to be paid on the 10th of each month, you can establish a regular payment plan directly out of one of your accounts. Make sure before you deploy that you arrange to have enough money in your account to cover the debit each month.

Military-friendly banking institutions may offer special incentives while a service member is deployed on a military campaign. Check with your bank to learn more.

Credit Management During Deployment

As part of a financial plan for deployment, consider the following on how to handle credit.

Credit Report: A credit report is a written document compiled by one, two, or all of the three major credit reporting agencies. The three major credit reporting agencies are Transunion, Experian, and Equifax. Companies report on payment timeliness, balances, types of credit, etc. Other lenders, employers, and real estate personnel pay the credit reporting agency a fee to access data compiled on an individual before granting credit. Important decisions are made based on the content of a credit report. You can get one free credit report each year at www.annualcreditreport.com.

Establish Credit: If you currently do not have much of a credit history, you may want to use the deployment as an opportunity to establish credit with an allotment followed by a share-secured loan for a small amount. If you currently have a good credit rating, the best way to keep it is to make sure bills are paid on time.

Credit Use: Visa is still the most widely accepted credit card in most foreign ports, particularly in Europe. While in port, it may be wise to have access to several forms of payment such as travelers checks, some cash, and a credit card.

Using a credit card for an overseas purchase will probably provide a better exchange rate than most places in town, and may even beat the money exchange vendor on the ship. Be aware, rates may be slightly different when the credit card company actually bills you than when you made the purchase. Further, if the item you purchase is defective or damaged, using a credit card may allow you to recoup funds through the issuing institution.

Plan to pay your credit card balances in full each month. Remember, paying more than the minimum payment one month does not mean no payment is due the following month.

Easy access to credit increases chances for impulse spending. To prevent exceeding your budget, shop with a list and an upper price limit. Other tips for managing credit:

- Keep a running tally of credit card balances. Remember bills may be delayed in the mail. Make sure you don't run up a bigger balance than you can afford to repay or exceed your credit limit. Credit companies charge over-the-limit fees.
- Keep copies of credit card transactions in order to minimize credit card fraud. Keep a close eye on your card; use all the normal precautions and look over your statements to make sure you recognize all the charges listed.

Taxes

If income taxes are due during the deployment, decide how you want to take care of having your tax return completed. Tax assistance may be available, particularly on larger ships.

If either spouse wants to file the joint return, you need to complete and both sign IRS form 2848 and leave it with the spouse preparing the return. Remember, you may also need other paperwork such as: child care information, home mortgage interest, etc., to complete your return. If you file a joint return and have the refund check mailed to you rather than directly deposited into your joint account, both parties must endorse the check.

Extensions: If you want to wait until your return from deployment to do your taxes, you have an automatic 60 day extension (until June 15) to file your return and pay any federal income tax due. Write "US Navy – Deployed outside CONUS" on top of the tax form when you file. If you need more time, you can file for a four month extension using IRS Form 4868.

If you are in a combat zone, you can receive relief from compliance actions, such as audits or enforced collections, until 180 days after you have left the combat zone. Taxpayers qualifying for such relief can notify the IRS directly of their status via email: combatzone@irs.gov. You will be asked to provide your name, Social Security number, stateside address, date of birth, and date of deployment to the combat zone. Notification can be made by the service member, spouse, or authorized agent or representative. Defense Finance and Accounting Service (DFAS) notifies the IRS when individuals enter and exit a combat zone.

■ PROPERTY MANAGEMENT DURING DEPLOYMENT

10

The single largest expense in most budgets is the cost of renting or owning a home. The second largest expense is a personal vehicle. To maintain and protect your property consider the following.

Leases

If your lease expires while you are on deployment and you do not notify the landlord of your intentions, usually the lease will automatically be renewed and you will be liable for paying rent, even if you did not want to renew the lease. Check this out before you deploy. If you are sharing an apartment, it is wise to have your roommates sign the lease as co-tenants so if something happens you won't be fully responsible. If you have any questions about your lease, have a Legal Officer review it. Remember, the Servicemembers Civil Relief Act allows you to cancel a lease with orders for a deployment of over 90 days.

Payments

Home mortgages and rents need to be paid on time. Make arrangements in advance for paying your mortgage or rent just as you do any other regular bill. Some sailors have left post-dated checks with their landlord for rent. Postdating checks is illegal in most states. If those checks are cashed early, the landlord's bank might clear them. If that happens and the check bounces, you would have no recourse. Leave self-addressed, stamped envelopes that the landlord can use to contact you in case of emergency. Get any agreements in writing and keep copies of any receipts. Make plans for keeping utility payments up to date. If your utilities are shut off, you will be required to pay deposits and reconnect fees to get them turned on again later.

Subletting or Renting

You may consider renting out your home while you are away or allowing someone to live there free. There are some benefits to this since your home is not empty. But be certain to thoroughly check out any potential tenants. Run a credit check to make sure they can pay the rent and require a direct deposit to your account. It is also a good idea to work through a rental agent when you are away so that they can be responsible for maintenance issues.

Maintenance

If someone will be living in your home, make certain they know the maintenance schedules for home items like the furnace, a/c, etc., and are comfortable with making repairs. If necessary, schedule in advance with repair services for regular maintenance or lawn care needs.

Insurance

Mortgage lenders require insurance on a dwelling owned by them. They do not, however, require insurance for contents of a house. Make sure you have renter's insurance for the contents of your apartment (whether you are deployed or not). The cost to you will probably be between \$10 and \$15 per month at the most. Be sure to insure your items for "replacement cost" value.

Vehicles

If single, or in a family with multiple vehicles where one or more may go unused during a deployment, decide where you want to keep your vehicle and who will take care of it. If leaving the vehicle with a family member, provide guidance regarding routine and emergency maintenance. Be clear who will be responsible for paying. If available, vehicle storage on base may be your safest bet. If you decide to leave your car with friends, be sure to notify your insurance company of alternate drivers.

If you have proof of insurance, some storage facilities will provide a form to send to your insurance company to apply for a premium discount since you won't be driving your car during the deployment and their lot is insured and has security. They may also provide other services such as state inspection, tune ups, and car repairs. However, some lots do not provide monthly startups and don't provide applications for insurance discounts. These lots may not be insured. Cars may only be parked behind a locked chain link fence with a routine security patrol. Do your homework before determining the safest place for your vehicle during your absence.

Keep insurance payments, tags and inspection stickers current. Contact your insurance company and let them know your car will be off the road. Most insurers offer an inexpensive coverage for this type of situation.

COMMUNICATING WITH FAMILY AND FRIENDS

12

One of the keys to a successful reunion after an extended deployment is good communication throughout. Ease of communication has increased dramatically over the last twenty-five years from numbered letters via the US Postal Service to real-time satellite video conference calls. Most communication for deployed sailors today is done by telephone and the Internet.

Phone Calls

Long distance phone charges from overseas can be very expensive. One good guideline is to try to use phone calls to exchange emotions (expressions of love, letting everyone in the family hear each other's voice). Use letters and e-mail to exchange information (all the details of a child's birthday party, problems with the kids, schooling, the fact that the CV joints on the car went out and why it is costing so much to fix, etc.).

Pre-paid phone cards with set limits are a great way to control phone call bills. Understand the billing terms of long distance phone companies and their calling cards. The terms and rules are on the statement you get when the company first sends you the calling card. Get a listing of country codes so that you know how to get through to places you want to call. You may wish to contact the issuer to ask about overseas usage and access codes (these often differ when calling from outside the US). Ask if they have a military plan which sets a per minute charge for port calls, usually for a monthly fee.

Another good choice is to purchase the onboard-prepaid phone cards that allow you to use the phone on the ship, usually at a cost of \$1.00 per minute. Even though this sounds expensive, it is less expensive than calling collect or using local phones pier-side when in port.

Cell phones may or may not work overseas. Check with your service provider. Also, be sure to know your command's policy for personal cell phone use. It may be prohibited.

One of the most expensive ways to make a phone call is from a hotel room whether you are in port overseas or in the United States. Avoid the surcharges added to phone usage by simply using the phone in the hotel lobby.

Regular Mail

The old standby of writing a letter and sending it to a service member is still inexpensive. Sending packages is becoming more expensive, but most sailors consider a “care package” sent to them money well spent. Make sure loved ones know your complete mailing address. Also, tell them the types of goodies you’d like to receive. Remind senders that a lot of time may pass before the package is received so it’s important not to include perishables.

E-mail

Most sailors have access to e-mail which is an easy, inexpensive way to have almost real-time communication. For some ships, e-mail is only available at certain times of the day. Forward deployed service members, or those on the ground, may not have access to unsecured internet.

Public libraries and most military installations have facilities for family members who do not have Internet at home to be able to access it.

Emergencies

To communicate emergency information, use official channels such as the Command Ombudsman or the Red Cross to ensure the person who receives the information has emotional support available to them.



SOURCES OF HELP

No one in the military need ever deal with an emergency situation alone. There are sources of help.

Emergency Fund

Help yourself first by establishing an emergency fund for unexpected expenses. It is recommended that you have at least one month’s pay saved as an emergency fund to cover car or home appliance repairs, or sudden travel expenses or return home for a family emergency. Remember, if you have to return on emergency leave, the Navy will pay to get you only as far as the base—you must pay the remainder.

Navy-Marine Corps Relief Society (NMCRS)

Navy-Marine Corps Relief Society is a source of financial assistance during an emergency. They are able to assist with basic living expenses such as rent, utilities, food, medical bills, essential car repairs, and emergency transportation. Every form of assistance is decided on a case-by-case basis.

If your spouse does not have a general power of attorney, go to NMCRS and fill out a preauthorization form. This will allow your spouse to get limited financial assistance (up to \$2,500) in an emergency from Navy Marine Corps Relief Society without having to wait for your approval via message traffic. You will still be notified and NMCRS must still approve the loan using their normal guidelines. For further information on this, contact your local NMCRS.

American Red Cross (ARC)

American Red Cross is another important resource. American Red Cross provides official verification of an emergency situation within the service member's immediate family and transmits a message to the command. Red Cross cannot grant emergency leave. The Commanding Officer is the only one with the authority to grant or deny emergency leave. When a family member is sending a message, they need to include the name and relationship of the person the message is about, and the name of the doctor, hospital, or funeral home as appropriate.

ARC can also provide emergency funds in locales where there is no NMCRS office. When looking up the number in the telephone book, be sure to look under "American Red Cross". Many people get frustrated because they look under the more common name, "Red Cross" and the listing is not there.

Fleet and Family Support Centers (FFSC)

All Fleet and Family Support Centers throughout the world have a staff member who can provide information and emergency referrals. Many FFSCs also have Financial Specialists on staff who can help prepare a deployment spending plan. In addition, there are numerous educational workshops offered on almost any topic sailors and family members can imagine. Professional counselors are also available to help during emergencies.

Command Financial Specialist (CFS)

Each command should have a CFS who can assist service members and their families develop a financial plan prior to deployment or anytime. They have been to training to learn about a variety of financial topics from savings and investing to car buying and credit management, and are eager to assist a shipmate.

Command Ombudsman

An ombudsman is the spouse of a command service member who is appointed by the Commanding Officer to serve as a liaison between the command and family members of the command. The ombudsman attends extensive training in problem solving and information and referral. Many ombudsmen have also attended Command Financial Specialist Training and may be able to assist with financial questions and concerns. They are a great first stop for information during a deployment or anytime.

14

INDIVIDUAL AUGMENTEES (IA)

In addition to the information already presented in Financial Planning for Deployment, the following information is specifically relevant to Individual Augmentees:

- Expeditionary Combat Readiness Center (ECRC).
- Government Travel Charge Card.
- Advance Per Diem.
- Pay and Personnel Support.
- Entitlements.
- Savings Deposit Program.
- Travel Claims.
- Reimbursement of Miscellaneous Expenses.

15

Expeditionary Combat Readiness Center (ECRC)

The Expeditionary Combat Readiness Center (ECRC) makes information available to IA Sailors and their families. ECRC's mission is to "provide oversight to ensure effective processing, equipping, training, certifica-

tion, deployment, reach-back, and redeployment of combat trained Navy Individual Augmentees (IA), Ad Hoc individuals, and provisional units deploying for non-traditional expeditionary missions in support of the Global War on Terrorism.” For IA-related information and resources, contact ECRC at www.ecrc.navy.mil or 1-877-364-4302.

Government Travel Charge Card

16

The GTCC is directed for use in execution of IA orders. IA Sailors are eligible for “Mission Critical” status and “Mission Critical” status must be placed on orders. Mission Critical status is applied between the 31st and 60th day of account delinquency.

Mission Critical status is beneficial because:

- No delinquency notices are mailed for up to 120 days.
- Late fees are reimbursable at a \$29 monthly flat rate.
- Your card cannot be suspended or cancelled due to delinquency, up to 120 days.

Things to know about the Government Travel Charge Card (GTCC):

17

- GTCC account payment is your responsibility.
- Funds are directly paid to a GTCC account only if a specific amount for payment is written on your travel claim.
- If a GTCC account is overpaid, you are responsible to contact Bank of America to initiate refund of credit.

GTCC delinquency WILL NOT impact your personal credit until after 210 days of account delinquency.

Advance Per Diem

18

If you cannot be issued a GTCC prior to departure, advance per diem for lodging and meals at Navy Mobilization Processing Site (NMPS) is payable for the period of processing which is usually five to seven days at the rate of 80 percent. Any requirements for advance per diem (for non GTCC account holders only) is processed as needed with the assistance of the ECRC. For IA Sailors reporting directly to a training site, no advance is required as meals and lodging are provided.

Pay and Personnel Support

If you are assigned to a combat zone you are supported by the Center of Excellence (COE) for pay and personnel issues. If your IA assignment is not to a combat zone, you are supported by the pay and personnel office that services the command where you are being temporarily assigned.

To access COE support contact:

ECRC

1-877-364-4302

www.ecrc.navy.mil

Navy Central (NAVCENT) Command Detachment (DET) Admin Personnel

Kuwait

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DSN 318-442-2868

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DSN 318-231-5538/9

Horn of Africa

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COE service is initiated via a web-based ticket system to which ECRC and NAVCENT DET Admin Personnel have access.

Savings Deposit Program (SDP)s

The Savings Deposit Program (SDP) is available to those serving in designated combat zones. Military members deployed in combat zone, qualified hazardous duty areas, or certain contingency operations may be eligible to deposit all or part of their unallotted pay into a DoD savings account up to \$10,000 during a single deployment. Interest accrues at an annual rate of 10% and compounds quarterly. Interest accrued on earnings deposited into the SDP is taxable. To learn more about SDP, visit the Defense Finance and Accounting Service (DFAS) at www.dfas.mil.

Entitlements

Most IA assignment related entitlements start when you in-process and include:

- Hostile Fire Pay/Imminent Danger Pay
 - \$225/month.
 - Entire month credit with one day in zone.
 - Stops month after zone departure.
- Combat Zone Tax Exclusion
 - Complete tax free pay Enlisted/Warrants.
 - Officers up to allowable limit.
 - Stops month after zone departure.
 - Social Security and Medicare still collected.
 - Enlisted bonuses and subsequent installments tax free.
 - Officer bonuses and subsequent installments tax free to limit.
 - Entire month credit with one day in zone.
- Hardship Duty Pay (Save Pay)
 - \$100/month.
 - Iraq, Afghanistan, Kuwait, HOA eligible.
 - Bahrain NOT eligible.
 - Stops day of eligible zone departure.

20

21

IA Entitlements

- Incidental Expense (IE) per diem
 - Paid while lodging and meals provided.
 - (CONUS) \$3.00 a day.
 - (OCONUS) \$3.50 a day.
 - Monthly travel claim required for payment.
 - This is in addition to full Basic Allowance for Subsistence (BAS).
- Family Separation Allowance (FSA)
 - \$250/month.
 - Retroactive entitlement payable after 31st day of separation from eligible dependents.
 - Stops day of return to geographic location of eligible dependent.
 - DD 1561 with member's signature required for payment.

All of these entitlements are guaranteed to start for eligible personnel no later than post 30 days "boots on ground" retroactive to the first day of eligibility.

Entitlement Changes to Monitor: There are some pay changes you need to be aware of to avoid over or under payment during your IA assignment:

- Sea Pay
 - Not eligible after 31st day of IA assignment.
 - Sea counter stopped with the stop of sea pay.
 - Special detailing considered for credit of IA assignment.
- Meal Deduction
 - No meal deduction for entire IA assignment.
- Special Duty Assignment Pay (SDAP)
 - Eligibility can continue up to the first 90 days of IA assignment.

- If command transfers special duty assignment to another qualified command member, SDAP can be stopped the first day of IA assignment.

Contact ECRC for more specific information on any pay or entitlement question via their website at www.ecrc.navy.mil, or by phone at 1-877-364-4302.

Travel Claims

Travel claims must be filed with the assistance of ECRC or NECC NAVCENT DET Admin Personnel even while you are in a combat zone. Travel claims are submitted for expenses related to and authorized by IA orders as:

- Initial – parent command or home to training.
- Incidental expense (IE) – monthly “field per diem.”
- Final – redeployment to parent command or home. You submit directly to ECRC.

Anticipate claims to be processed within 25 days of receipt.

If you are not ultimately being assigned to a combat zone, submit all travel claims to the personnel office that services your IA assigned command.

Travel Claim Tips: Be advised for ALL travel claims processing:

- Receipts required for transportation and lodging. If receipt is not available, other proof of purchase can be submitted such as a credit card receipt.
- Government meal and lodging rate is paid unless orders specifically endorsed not available.
- Transportation and lodging reservations must be secured through NAVY SATO to ensure full reimbursement. You submit to your parent command or Navy Operational Support Center (NOSC).
- Passport fees not reimbursable unless authorized by orders.
- ATM fees are not reimbursable for times when transportation and lodging are not being claimed.
- Government credit card late and expedite fees are reimbursable items.

22

23

24

- If travel claim is under or overpaid, a supplemental claim must be submitted to initiate corrective action.

Reimbursement of Miscellaneous Expenses

There are a few expenses that, although not reimbursable via a travel claim, can be submitted to Navy Personnel Command (NPC) for authorization for reimbursement. An example of these official business expenses would be name tapes and rank insignias for issued Desert Camouflage Uniforms (DCU) and any fee for sewing them on. PT gear, although required and not always issued, is not approved for reimbursement.

Submit receipts via Standard Form (SF) 1164 (Claim for Reimbursement of Expenditures on Official Business). Use DD Form 2902 to claim reimbursement for any privately-purchased protective, safety and health equipment used in combat. Again, receipts are required.

SUMMARY

Information has been provided about legal and other important documents that need to be completed or updated prior to deployment. Recommendations on how to manage finances and to protect property have been shared. Tips on ways to keep down the cost of communication were also provided. Resources for additional information and assistance have been identified. And finally, financial information specific to individual augmentees has been made available.

Good luck for a safe and prosperous deployment.