

## From the Director, Office of Financial Readiness (FINRED)

This edition of the FEWG newsletter provides important updates on a number of key efforts that the Department's military financial education community is currently engaged in.

One topic everyone should be tracking is the upcoming Basic Needs Allowance (BNA) implementation. Since OSD and the Services are still finalizing the details, specifics on this topic is not included in this issue. However, it is safe to say that the financial readiness community plays an important role in educating and assisting Service members and families on BNA. This includes helping with eligibility requirements and program considerations (e.g., income tax and eligibility for other programs). For now, please stay alert for training and guidance that may come from your Service and FINRED.

Two items I'm highlighting in the newsletter are the eNewsletter initiative and the importance of PFC program points of contact.

To build on the efforts of creating a culture of engagement and expanding outreach efforts, the Department is launching three eNewsletters—each tailored to a specific audience. Sign-up to receive all three to stay current and help connect with Service members and spouses.

Installation POCs play a critical role and their training is important. Learning about their role to work with PFCs, helping the overall effectiveness of the PFC program, and being the Department's eyes and ears to provide feedback in continually improving the program is key.

As always, thank you all for what you do!

*Andy Cohen*  
Director, FINRED

## Taking Care of People

On September 22, 2022, Secretary of Defense Lloyd J. Austin III released a [memo](#) announcing immediate and long-term actions to provide for additional support for Service members and families. DoD's top priority is to support their well-being and readiness.

These key initiatives take needed actions to strengthen the economic security and stability to take care of our people. These are within four key areas of focus: (1) securing affordable, accessible basic needs, (2) making military moves easier, (3) strengthening support for military parents and children, and (4) expanding spouse employment opportunities.

There are many initiatives, to include:

- Automatic Basic Allowance for Housing increases for active duty service members in 28 Military Housing Areas and review of the allowance to ensure it reflects dynamic changes in the housing market.
- Initiation of a Basic Needs Allowance, starting January 2023, for eligible Service members with dependents who apply and qualify based on their gross household income.
- Permanent increase to standard Temporary Lodging Expense maximum coverage.
- Expansion of capacity and options for more affordable, accessible, quality childcare programs and resources.
- Launch of a new career accelerator pilot initiative that will match military spouses with paid private-sector fellowships.

Learn more about all these actions [here](#).





OneOp webinars offer 1.5 Continuing Education Units for Accredited Financial Counselors and Certified Personal Financial Counselors (PFCs).

- December 6: Personal Finance Year in Review

Personal Financial Managers can [register here](#) for upcoming webinars, or watch recorded webinars and earn CEUs from events presented within the past three years.

## Strategic Communications Updates

New eNewsletters launch November 2022! The Department is publishing three different eNewsletters, each tailored for specific audiences in our military community to increase DoD outreach of financial literacy, resources, and tools.



This effort increases awareness of what is available and where, expands knowledge and skills, and connects the community further.

Please help spread the word with Service members, spouses, and service providers about registering to sign up for any, or all, of the three eNewsletters. These are customized for each audience:

1. Service Members and Families
2. Military Spouses and Partners
3. Service Providers

Please pass on the capabilities available:

- [Register here](#) or on the [FINRED](#) and [MilSpouse Money Mission](#) websites.

- Customize: Subscribers can customize their preferences and opt-in to a variety of topics and receive updates as they are published.
- Submit content: FINRED encourages Service HQs to submit content relevant for their specific audiences and needs. FINRED sent the link to the Services to upload submissions.

For more information on the eNewsletters, or to work with FINRED on collaborative promotions, please contact Justin Hall at [justin.w.hall10.civ@mail.mil](mailto:justin.w.hall10.civ@mail.mil).

## Federal Student Loan Debt Relief

The White House announced the student loan debt relief [application acceptance period](#) is from October 2022 through December 2023. The [program update video](#) outlines details. More than 40 million eligible borrowers could receive full or partial discharge of loans up to \$20,000 to Federal Pell Grant recipients, and up to \$10,000 to non-Pell Grant recipients.

Applicants must meet income requirements to qualify. Individuals must have made less than \$125,000 in 2021 or 2020. Married tax filers must have filed taxes jointly and made less the \$250,000 in 2021 or 2020. Individuals who file as head of household, and qualifying widowers who make less than \$250,000, may also qualify.

The program set income requirements based on the adjusted gross income (AGI) reported on IRS Form 1040. Eligible loans held by the Office of the U.S. Department of Education include subsidized, unsubsidized, parent PLUS, and graduate PLUS loans. Visit the student aid debt relief [website](#) for full details.



## Student Loan Repayment Pause Ends December 2022

The White House extended the [student loan payment pause](#) through December 31, 2022. The payment pause includes suspended loan payments, provided a 0% interest rate, and stopped collections on defaulted loans for Federal student loan borrowers. Payments resume in January 2023.

The resumption of student loan payments after almost two and half years of could create hardship for Service members and families with student loans. Please help get the word out and encourage borrowers to revisit their spending plans and make necessary adjustments to reduce the impact on their financial readiness.

## Pass it on - Beware of Student Loan-related Scams!

Companies might initiate contact to offer help to get a loan discharge, forgiveness, cancellation, or debt relief for a fee. Federal student aid never requires payment for help. Work only with the Department of Education and its loan servicers, and never reveal your personal information or account password to anyone.

Department of Education emails to borrowers come from [noreply@studentaid.gov](mailto:noreply@studentaid.gov), [noreply@debtrelief.studentaid.gov](mailto:noreply@debtrelief.studentaid.gov), or [ed.gov@public.govdelivery.com](mailto:ed.gov@public.govdelivery.com).

Report scam attempts to the Federal Trade Commission by calling 1-877-382-4357 or report concerns on their [website](#).

## Increases to Life Insurance Maximum Coverage Amounts

The Supporting Families of the Fallen Act became law on October 17, 2022. This authorizes the Secretary of Veterans Affairs to increase the

maximum coverage amount, from \$400,000 to \$500,000, for members (or former members) of a uniformed service under the Servicemembers' Group Life Insurance program (SGLI) and the Veterans' Group Life Insurance program (VGLI). SGLI and VGLI premium deductions are taken out of monthly base pay. The policy beneficiary receives the tax-free benefit if a death occurs during the coverage period.

The Department of Veterans Affairs, the administrator of both programs, has not published implementation details as of the date of this newsletter. Please keep an eye out for information on the SGLI coverage increase [here](#).

## IRS Adjustments for Tax Year 2023

The IRS adjusted the 2023 tax year retirement plan contribution ceilings and other tax limitations. Please share this information with the military community to be informed and take appropriate actions.

1. The employee contribution limit to 401(k), 403(b), most 457 plans, and the Federal government's Thrift Savings Plan increased from \$20,500 to \$22,500; the catch-up contribution ceiling (age 50 and older) increased from \$6,500 to \$7,500.
2. IRA annual contribution limit increased from \$6000 to \$6,500.
3. The Standard Deduction increased to \$13,850 for individuals and \$27,700 for married filing joint.
4. The annual Federal gift tax exclusion increased from \$16,000 to \$17,000 per year.



## Personal Financial Counselor Program Updates: The PFC Program and Me

On September 15, 2022, FINRED hosted a briefing for all Civilian, Active-duty, Guard and Reserve personnel serving as point of contacts (POCs) for full-time rotational, surge, and on-demand PFCs.

The FINRED staff trained approximately 110 POCs that attended. Topics included an overview of the financial readiness training and counseling requirements, PFC roles in augmenting Service capabilities, and the POC's responsibilities in effectively using the components of the program within the scope of the contract.

For those who were unable to attend or just want to review the session - a recording of the training session, along with support materials is available until December 29, 2022 [here](#).



The MilSpouse Money Mission™ (M3) [blog](#) provides military spouses and partners with reliable, consistent, updated content each and topical topics monthly. The M3 goal is to education, empower, and elevate. Recent blog posts include timely information to [prepare for tax season](#) and [plan for holiday shopping](#).

M3 is proud to be a part of our military community's support system. During this November's Military Family Month, M3 joins our country to honor the military families who help make the U.S. Armed Forces strong.

If you would like a presentation on the M3 program or more information, please contact Justin Hall at [justin.w.hall10.civ@mail.mil](mailto:justin.w.hall10.civ@mail.mil).

## Financial Education Updates

FINRED, in coordination with the Military Departments, is updating the Inventory of Financial Literacy Knowledge and Skills for Service Members and Families continue with final edits currently in progress. FINRED expects to release the updated Inventory later this month (November 2022). The updated version will be available on the [FINRED website](#).

The Department in collaboration with the Financial Literacy Education Commission (FLEC) is developing Digital Assets curriculum to help Service members and their families to understand better digital asset options and potential impacts of purchasing digital assets. More details to come soon!

## DoD Financial Readiness Symposium

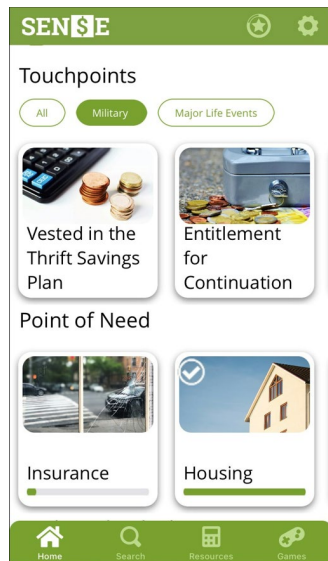
After three years, the Department's 2023 Financial Readiness Symposium will return to an in-person event. The Department will host the Symposium in St Louis, MO from May 9 to 11, 2023. FINRED and the Service HQs are currently evaluating topics and learning objectives for potential Symposium presentations and will identify speakers in the next few months. FINRED may reach out to the Services or FLEC partners to request speaker support on topics.

## SEN\$E Mobile Application

The Department is busy with updates and upgrades to Sen\$e! The new contract year has started with many things in development, including new content areas (*e.g., pre-accession, and financial well-being*), and updates (*e.g., TSP and housing*)







Sen\$e will transition during this contract year to PERLS, a new and enhanced mobile learning platform. Sen\$e users will benefit from the additional customization and interactivity options.

Stay tuned for more updates and information. Continue to encourage the military community to use DoD's Sen\$e app for trustworthy financial education support and resources! Check out Sen\$e and empower service members and their families to improve their financial readiness.

## SERVICE UPDATES

### **Army:**

Financial Readiness Program Overview: Take 30 seconds to watch the [video](#) at the Army's [Financial Frontline](#) website and share today to secure our frontline!

This video helps people learn why the service-required financial readiness training is so important, how to take the training, when to take it, what to report once completed, and where to go for additional resources.

AUSA Military Family Forum Series: The U.S. Army's Deputy Chief of Staff, G-9 Financial

Education Program Manager, served on a panel for Forum 1: My Army Life - Grit, Growth and Balance. Discussion topics included spouse retirement planning, financial psychology, and how to discuss finances within a relationship. See the [video here](#).

## **COLLABORATOR CORNER**



### **SEC Spotlight: Resources / Scams**

The U.S. Securities and Exchange Commission (SEC) Office of Investor Education and Advocacy provides resources and education service providers can share with service members and their families to improve their investing knowledge. Find military-specific [articles and tools](#) for how to make informed saving and investing decisions to build wealth for financial futures.

Service providers may want to recommend that service members view the [SEC's two educational mock fraud videos](#). These show samples of what common investment promotion scams look and sound like, red flags to spot, and tips to avoid and protect.

1. The first video is a fictional online investment promotion called "HoweyTrade". It looks like many investment offers seen on YouTube and other social media sites.
2. The second video is an educational tool that breaks down the common fraud tactics that scammers employ.

The SEC also provides tips for establishing an emergency fund; avoiding high-interest debt; conducting research on investment opportunities; and understanding the risks of investing, portfolio



diversification, and fraudulent investment prevention on their [Investor.gov](https://www.investor.gov) website.

The SEC provides financial readiness briefings to units and commands throughout the military. The military services can invite the SEC for briefings; email [Outreach@SEC.gov](mailto:Outreach@SEC.gov).

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